



Queen's Road Capital Investment Ltd.
Management's Discussion and Analysis

Year ended August 31, 2025

Effective Date of this Report: November 14, 2025

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the significant factors that have affected the performance of Queen's Road Capital Investment Ltd. and its subsidiary (collectively, "QRC", "we", "us", "our" or the "Company") and such factors that may affect its future performance. This MD&A should be read in conjunction with the Company's consolidated audited financial statements for the year ended August 31, 2025, and the related notes attached thereto, which have been prepared in accordance with IFRS Accounting Standards. The consolidated financial statements are available under QRC's profile on SEDAR+ at www.sedarplus.ca. All amounts in this MD&A are expressed in thousands of United States dollars, unless otherwise stated.

On January 10, 2025, the Company's Board of Directors approved the consolidation of the Company's issued and outstanding common shares at a consolidation ratio of ten (10) pre-consolidation common shares for every post-consolidation common share (the "Share Consolidation"). Outstanding stock options were similarly adjusted by the Share Consolidation ratio. The Share Consolidation resulted in 490,401,845 pre-consolidated common shares on January 10, 2025 being consolidated into 49,040,187 post-consolidation common shares on January 15, 2025. The Share Consolidation was implemented with effect from January 15, 2025. In accordance with IFRS Accounting Standards the change has been applied retrospectively, and as a result, disclosures of common shares, per common share data, and data related to stock options in this MD&A reflect this Share Consolidation for all periods presented unless otherwise specified.

The MD&A includes the non-IFRS Accounting Standard management measure of estimated market value of investments, which differs from the standardized measurement prescribed under IFRS Accounting Standards and used for the purposes of the financial statements. Management's measurement may not be comparable to similar measures presented by other entities. This non-*Generally Accepted Accounting Practice* ("GAAP") measure should not be considered to be more meaningful than GAAP measures, which are determined in accordance with IFRS Accounting Standards. The reconciliation of management's estimated market value of investments to the estimated fair value of investments, pursuant to IFRS 13, *Fair Value Measurement*, in the consolidated financial statements, is set out under "**Investments at Estimated Fair Value**" below.



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Cautionary Statement on Forward-Looking Information

Except for statements of historical fact, this MD&A contains certain **"forward looking information"** and **"forward looking statements"** within the meaning of applicable securities laws, which reflect Management's current expectations, assumptions, and beliefs of the Company as of the date of such information or statements. Generally, forward looking statements and information can be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof.

All such forward-looking statements are based on certain assumptions and analyses made by Management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances. These statements are, however, subject to known and unknown risks and uncertainties and other factors.

As a result, actual results, performance, or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits will be derived therefrom.

These risks, uncertainties, and other factors include, among others, but are not limited to, statements with respect to the Company's future growth, results of operations, performance and business prospects, opportunities, the Company's investment strategy, investment process, and competitive advantage, growth expectation and opportunities, the availability of future acquisition opportunities and use of the proceeds from financing.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that statements containing forward looking information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on statements containing forward looking information. All the forward-looking information and statements contained in this document are expressly qualified, in their entirety, by this cautionary statement. The forward-looking information and statements are made as of the date of this document, and the Company assumes no obligation to update or revise them except as required pursuant to applicable securities laws.



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Description of the Business

The Company is a dividend paying, resource focused investment company, making investments in privately held and publicly traded resource companies. The Company acquires and holds securities for long-term capital appreciation, with a focus on convertible debt securities of issuers having resource projects in advanced development or production located in safe jurisdictions. QRC is a Hong Kong based company listed on the Toronto Stock Exchange under the symbol "QRC".

Key Accomplishments During the Year Ended August 31, 2025

\$40 Million Additional Investment in Moxico Resources plc

On July 17, 2024, the Company committed to purchase US\$50 million convertible debentures issued by Moxico Resources plc ("Moxico") having the following principal terms:

- 11.0% interest payable semi-annually - 7.5% in cash and 3.5% in Moxico common shares;
- 5-year maturity; and
- Debentures convertible into Moxico common shares at GBP0.90 per share.

The Company completed the purchase of \$20 million convertible debentures on July 17, 2024 in the year ended August 31, 2025. QRC earned a 3% establishment fee on the principal amount of the debentures, which was settled in cash.

The Company made further purchases of convertible debentures issued by Moxico of \$10 million on October 21, 2024; \$10 million on December 6, 2024; \$5 million on February 18, 2025; \$5 million on April 1, 2025, and \$10 million on June 18, 2025 bringing the total investment in convertible debentures issued Moxico to \$60 million at August 31, 2025. The convertible debentures all have the same terms with a maturity on July 17, 2029. QRC earned a 3% establishment fee on the principal amount of the debentures, which was settled in cash on \$20 million principal and in common shares of Moxico on \$20 million principal. The investments were funded by debt facilities.

C\$15 Million Private Placement

On September 18, 2024, the Company completed a non-brokered private placement of 2,142,857 shares at C\$7.00 per share for gross proceeds of C\$15 million (\$11 million).

Declaration and Payment of Dividend

On October 11, 2024, the Company declared its annual dividend of C\$0.21 per share to all shareholders on record as of November 4, 2024. The dividend was paid on November 14, 2024.



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Key Developments Subsequent to August 31, 2025

\$10 Million Additional Investment in Moxico Resources plc

The Company purchased an additional \$10 million convertible debentures on September 11, 2025, bringing the total investment in convertible debentures issued by Moxico to \$70 million at the date of this report. The convertible debentures all have the same terms with a maturity on July 17, 2029. QRC earned a 3% establishment fee on the principal amount of the debentures, which was settled in cash in common shares of Moxico. The investments were funded by debt facilities.

Declaration and Payment of Dividend

On October 14, 2025, the Company declared its annual dividend of C\$0.23 per share to all shareholders on record as of November 3, 2025. The dividend was paid on November 13, 2025.

Investments

The Company has adopted an investment policy (the "**Investment Policy**") to govern the Company's investment activities which provides, among other things, the investment objectives and strategy based on the fundamental principles set out below. A copy of the Investment Policy is posted on the Company's website and filed on SEDAR+.

Investment Objectives

The Company invests primarily in public and privately held companies, primarily in the natural resource sector, with the objective of increasing shareholder return while seeking to preserve capital and limit downside risk by focusing on opportunities with attractive risk to reward profiles. The Company seeks to identify investments by utilizing the experience and expertise of its Management and Board. The Company seeks out superior investments that may include the acquisition of shares, equity, warrants, debt, convertible securities, royalty arrangements or streaming arrangements for public or private corporations with a focus on convertible debt securities.

Investment Strategy

In light of the numerous investment opportunities across the entire natural resources sector, the Company aims to adopt a flexible approach to investment targets without placing unnecessary limits on potential returns on its investment.

This approach is demonstrated in the Company's investment strategy set out below.

- The Company invests in the securities of both public and private natural resource companies and may take part in private or public offerings for predetermined equity positions, royalties, debt or convertible or preferred securities.



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Investments (continued)

Investment Strategy (continued)

- Initial investments of debt, equity or a combination thereof may be made in public or private companies through a variety of financial instruments including, but not limited to, private placements, participation in initial public offerings, bridge loans, secured loans, unsecured loans, convertible debentures, warrants and options, royalties, net profit interests and other hybrid instruments.
- Investment arrangements may include a combination of securities including, but not limited to equity, debt, convertible debentures, warrants, preferred shares, bridge financing, collateral, royalty arrangements or other securities as deemed appropriate by the Company's Management and in compliance with the Investment Policy. In certain cases, the Company expects to enter into oversight arrangements as a condition of the investment. Oversight may range from Board appointments, advisory positions, or management consulting positions with the target companies.
- The Company may purchase or sell securities on public exchanges.
- The Company reserves the right to acquire all or part of other businesses or assets of a target company that management believes will enhance the value for shareholders. The Company will place no formal limit on the size of potential investments and may require future equity or debt financings to raise money for specific investments.
- The Company may make investments in extra-ordinary activities, or activities not in the normal course of business, which may include but not be limited to mergers, acquisitions, corporate restructurings, spin-offs, take-overs, bankruptcies or liquidations, public listings, leveraged buyouts or start-ups. The Company may elect to invest in such events, provide financing, or purchase securities in exchange for fees, interest or equity positions.
- The majority of investments are expected to have an expected life of investment of four to five years; however, the Company may also invest in opportunities that could provide longer-term capital appreciation.
- Depending on market conditions, the Company intends to fully invest its available capital, apart from maintaining capital to cover operating expenses.
- The Company will seek to maintain the ability to actively review and revisit all of investments on an ongoing basis.
- The Company will evaluate the liquidity of investments and seek to realize value from same in a prudent and orderly fashion.
- All investments will be made in compliance with applicable laws in relevant jurisdictions, and in compliance with any associated exchange policy.



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Investments (continued)

Investment Strategy (continued)

Management, the Investment Committee or the Board of the Company may authorize investments outside the guidelines described above if they feel the investment is for the benefit of the Company and its shareholders.

Investment Selection, Evaluation and Decision Making Process

The Company will pursue opportunities referred through investment banks, venture capital firms, legal and accounting firms and its professional network, and will gather insight into each opportunity, including its business model, financial prospects, management team, and the use of funds.

Management will research each investment target and will analyze and review opportunities with each target and provide a recommendation to the Board as a whole and to the Investment Committee. The Board has delegated the authority to make the final investment decision to the Investment Committee in respect of any opportunity recommended by the Board to the Investment Committee.

Research activities undertaken by management will include gathering complete details about the target company's business strategy, financial history, management team, growth objectives, products, markets, competitive forces, and capital requirements.

Management will oversee the due diligence activities. When deemed necessary, the Company may augment its review activities by outsourcing research requirements on specific investment opportunities to independent firms (accounting/financial, legal or industry analysts) that have professional relationships with the Company. Management will assess the financing needs of the target company in order to determine if the opportunity is compatible with the investment returns specific to the Company's investment criteria. The result of Management's review will conclude with a recommendation to the Board indicating if the Company should consider an investment in the target company. Management recommendations may range from:

- continuing to consider investment;
- recommending not to invest;
- considering investment with certain agreement covenants; and
- working with the target company in an advisory capacity in an effort to ready the target company for an investment at a later date.



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Investments (continued)

Composition of Investment Portfolio

The Company invests the majority of its funds in the securities of resource companies. Investments made by the Company may take different forms, including equity, warrants, debt, convertible debentures, royalties, and metal streaming, although the Company is primarily focused on convertible debt securities.

As of the date of this report, the Company has invested a total of \$223 million in convertible debentures issued by seven resource companies as presented in the table below.

Resource Company US\$000	Investment base at cost
Contango ORE, Inc.	\$ 20,000
Gold Royalty Corp.	30,000
Moxico Resources plc	70,000
NexGen Energy Ltd.	70,000
Other companies ⁽¹⁾	33,000
	<hr/>
	\$ 223,000

⁽¹⁾ Several convertible debentures issued on various dates.



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Investments (continued)

Management's Estimated Market Value of Investments

The Company has investments in listed and unlisted issuers and as such the market value of these investments moves with the share prices of the investee issuers. As most of the Company's investments are in convertible debt securities, the Company is less exposed to the risk of fluctuations in the market price of the equity securities than it would be if it invested in those equity securities directly.

US\$000	November 12, 2025
Equity investments: ⁽¹⁾	
NexGen Energy Ltd.	\$ 88,708
Other equity investments ⁽²⁾	52,694
Convertible debentures: ⁽³⁾	
Contango ORE, Inc.	25,853
Gold Royalty Corp.	64,938
Moxico Resources plc	103,932
NexGen Energy Ltd.	112,175
Other convertible debentures	35,337
Total estimated market value	\$ 483,637

⁽¹⁾ Market Value was based on share prices and exchange rates on November 12, 2025.

⁽²⁾ "Other equity Investments" include (a) securities purchased for investment purposes; and (b) securities received as establishment fees and in settlement of interest receivable held for investment purposes that had no original investment cost to the Company; and (c) shares held as a result of conversion of certain convertible debentures held for investment purposes.

⁽³⁾ Convertible debentures are stated at principal plus accrued interest with the option valued using the Black-Scholes methodology.



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Investments (continued)

Reconciliation of Management's Estimated Market Value of Investments to Investments at Estimated Fair Value (an IFRS Accounting Standards measure)

As required by IFRS Accounting Standards, fair value of equity investments as shown in the consolidated audited financial statements is estimated based on the closing market price of the relevant equity investment. Pursuant to IFRS 13, *Fair Value Measurement*, fair value of the convertible debentures as shown in the consolidated audited financial statements is estimated using a valuation model of a system of two coupled Black Scholes equations and partial differential equations that are solved simultaneously using finite-difference methods. The fair value for a convertible debt instrument may be below the principal amount of such convertible debt instrument due to the methodology employed to derive such fair value. This does not have any implications in relation to the solvency of the issuer. The fair value is to comply with IFRS Accounting Standards only.

The Company's management estimated market value of these investments is detailed in the section above titled "***Management's Estimated Market Value of Investments***". Management believe that the market value of the investments provides a useful indication of the underlying value of the investment portfolio, particularly for the convertible debentures which are stated without the adjustment applied to volatility required to equate the initial estimated valuation to the estimated fair value of consideration exchanged in accordance with IFRS Accounting Standards.

The reconciliation of the IFRS Accounting Standards estimated fair value of investments, the most directly comparable financial measure from the consolidated financial statements to Management's estimated market value of investments is set out below:

US\$000	August 31, 2025	August 31, 2024
	\$	\$
Estimated fair value under IFRS Accounting Standards at the end of the year	402,260	279,332
<i>Convertible debentures</i> - difference in models used and volatility assumptions due to initial calibration of fair value with purchase price under IFRS Accounting Standards	48,498	62,286
Management's estimate of market value at the end of the year	450,758	341,618
Equity investments - other shares received less disposals	941	(3,683)
Equity investments - update of market value to date of report	9,021	21,684
Convertible debentures - update of market value to date of report	8,069	9,736
Convertible debentures - new investments at market value	14,848	13,768
Management's estimate of market value of investments at date stated in the MD&A report	483,637	383,123



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Income Generation

The Company generates income from its investments in three main forms: (a) interest income from its convertible securities; (b) capital gains/losses from the disposal of its investments; and (c) fees earned as part of its investments.

(a) Interest income:

The Company receives interest income from its investments in convertible securities on a quarterly or semi-annual basis, depending on the specific terms of each investment. Some of the Company's investments settle a portion of the interest payment in the form of equity.

Annual interest income on the investments in convertible debentures held as at the date of this MD&A would be \$21.7 million.

(b) Capital gains (losses):

The Company may generate income from capital gains (losses) through the sale of its investments. Capital gains (losses) could come in the form of (a) sale of any equity investments; (b) sale of any convertible security investments; or (c) sale of any equity shares received as settlement of establishment fees or interest income.

(c) Fees:

The Company may generate income from fees earned as part of its investments. The Company has earned establishment fees when it completed the convertible securities investments made to date. Establishment fees have been paid either in cash or shares.



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Results for the Three Months and Year ended August 31, 2025

Overall Performance

	Three months ended		Year ended	
	August 31, 2025	August 31, 2024	August 31, 2025	August 31, 2024
	\$	\$	\$	\$
Interest and other income	5,141	3,925	19,067	14,453
Establishment fee income	300	600	1,200	3,600
Realized gain (loss) from equity investments	2,036	(44)	6,200	1,561
Realized (loss) gain from convertible debentures	(2,881)	-	(3,588)	4,197
Unrealized gain (loss) from equity investments	25,761	(28,307)	34,343	(1,754)
Unrealized gain (loss) from convertible debentures	55,751	(34,653)	62,942	1,140
Total income (loss) from investments	86,108	(58,479)	120,164	23,197

Income from investments during the three months and year ended August 31, 2025, of \$86,108 and \$120,164, respectively, represents unrealized gain on convertible debentures and equity investments, interest income on the convertible debenture portfolio, realized gain from equity and other investments, and establishment fees.

Loss from investments during the three months ended August 31, 2024, of \$58,479 mainly represents unrealized loss on convertible debentures and equity investments, partially offset by interest income on the convertible debenture portfolio and establishment fees. Income from investments during the year ended August 31, 2024, of \$23,197 mainly represents interest income on the convertible debenture portfolio, realized gain from equity investments, establishment fees, and unrealized gain on convertible debentures, partially offset by unrealized loss on equity investments.

Interest and other income from investments during the three months and year ended August 31, 2025, of \$5,141 and \$19,067, and three months and year ended August 31, 2024, of \$3,925 and \$14,453, respectively, mainly represent the interest income earned on the convertible debenture portfolio.

Establishment fee income during the three months and year ended August 31, 2025, of \$300 and \$1,200 represents establishment fee earned on the Moxico convertible debentures. Establishment fee income of \$600 during the three months ended August 31, 2024, represents the establishment fee income earned on the Moxico convertible debenture acquired in July 2024. Establishment fee income during the year ended August 31, 2024, of \$3,600 represents the establishment fee earned on the Moxico (July 2024), Gold Royalty (December 2023), and the new NexGen (September 2023) convertible debentures.



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Results for the Three Months and Year ended August 31, 2025 (continued)

Overall Performance (continued)

Realized gain from equity investments during the three months and year ended August 31, 2025, of \$2,036 and \$6,200, and \$1,561 during the year ended August 31, 2024, respectively, and realized loss from equity investments during the three months ended August 31, 2024, of \$44, arise from the sale of equity investments.

Realized loss from convertible debentures during the three months and year ended August 31, 2025, of \$2,881 and \$3,588 arises from the conversion of other convertible debentures. Realized gain from convertible debentures during the year ended August 31, 2024, of \$4,197 arises from a gain on the conversion of NexGen convertible debentures in September 2023, partially offset by the loss on conversion of Adriatic debentures in March 2024.

Unrealized gain from equity investments during the three months and year ended August 31, 2025, of \$25,761 and \$34,343, mainly represents gain arising from the increase in the share price of NexGen and Adriatic. Unrealized loss from equity investments during the three months and year ended August 31, 2024, of \$28,307 and \$1,754 mainly represents loss arising from the decrease in the share price of NexGen and Adriatic.

Unrealized gain on convertible debentures during the three months and year ended August 31, 2025, of \$55,751 and \$62,942, mainly represents increases in the fair value of the debentures in Gold Royalty, NexGen, and Moxico. Unrealized loss on convertible debentures during the three months ended August 31, 2024, of \$34,653 mainly represents decreases in the fair value of the debentures in NexGen and other convertible debentures. Unrealized gain on convertible debentures during the year ended August 31, 2024, of \$1,140 mainly represents increases in the fair value of the debentures in Contango and other convertible debentures.

Selected Annual Information

The following table provides a summary of the Company's financial results. For more details, please refer to the audited annual consolidated financial statements.

	Year ended		
	August 31, 2025	August 31, 2024	August 31, 2023
	\$	\$	\$
Income from investments	120,164	23,197	10,293
Net income	115,075	18,035	4,343
Basic income per share	2.36	0.40	0.10
Diluted income per share	2.22	0.37	0.09
Total assets	409,632	282,856	237,241



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Summary of Quarterly Results

Quarter ended	Total assets	Net income (loss) from investments	Net income (loss)	Net income (loss) per share basic	Net income (loss) per share diluted
	\$	\$	\$	\$	\$
August 31, 2025	409,632	86,108	84,806	1.70	1.59
May 31, 2025	321,391	40,534	39,488	0.81	0.76
February 28, 2025	286,741	(68,302)	(69,694)	(1.42)	(1.42)
November 30, 2024	350,322	61,824	60,476	1.27	1.18
August 31, 2024	282,856	(58,479)	(60,013)	(1.32)	(1.32)
May 31, 2024	333,893	31,633	30,153	0.66	0.61
February 29, 2024	303,787	18,421	16,816	0.37	0.34
November 30, 2023	263,800	31,622	31,079	0.69	0.63

The Company's performance and results are not expected to be subject to seasonal variations.

Income from investments during the three months ended August 31, 2025, was principally attributable to unrealized gain from convertible debentures due to the increase in the underlying share price of Gold Royalty, NexGen, and Moxico and unrealized gain from equities and other investments due to the increase in the share price of NexGen.

Income from investments during the three months ended May 31, 2025, was principally attributable to unrealized gain from convertible debentures due to a decrease in the underlying share price of Gold Royalty, NexGen and Contango; unrealized gain from equity investments due to the increase in share price of NexGen, Adriatic and IsoEnergy; interest income due to the increase in the principal amount of investments in convertible debentures and released gain on the sale of equity investments.

Loss from investments during the three months ended February 28, 2025, was principally attributable to unrealized loss from convertible debentures due to a decrease in the underlying share price of NexGen; unrealized loss from equity investments due to the decrease in share price of NexGen partially offset by interest income due to the increase in the principal amount of investments in convertible debentures.

Income from investments during the three months ended November 30, 2024, was principally attributed to unrealized gain from equity investments due to the increase in the share price of NexGen and Adriatic; unrealized gain from convertible debentures due to the increase in the underlying share price of NexGen, Moxico and IsoEnergy; interest income due to the increase in the principal amount of investments in convertible debentures; realized gain from equity investments; and the establishment fee income earned on the debentures.

Loss from investments during the three months ended August 31, 2024, was principally attributable to unrealized loss from convertible debentures due to a decrease in the underlying share price of NexGen and IsoEnergy; unrealized loss from equity investments due to the decrease in share price of NexGen and Adriatic partially offset by interest income due to the increase in the principal amount of investments in convertible debentures and the establishment fee income earned on the Moxico debentures.



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Summary of Quarterly Results (continued)

Income from investments during the three months ended May 31, 2024, was principally attributable to unrealized gain from convertible debentures due to the increase in the underlying share price of NexGen, Contango and IsoEnergy; realized gains from equity investments due to the increase in the share price of NexGen and Adriatic; interest income due to the increase in the principal amount of investments in convertible debentures and the establishment fee income earned on the NexGen (September 2023) and Gold Royalty (December 2023) debentures.

Income from investments during the three months ended February 29, 2024, was principally attributable to unrealized gain from convertible debentures due to the increase in the underlying share price of NexGen, Gold Royalty, and IsoEnergy; realized gain from convertible debentures due to the conversion of the NexGen (May 2020) debentures into common shares of NexGen; realized gains from equity investments due to the increase in the share price of NexGen; interest income due to the increase in the principal amount of investments in convertible debentures and the establishment fee income earned on the NexGen (September 2023) and Gold Royalty (December 2023) debentures.

Income from investments during the three months ended November 30, 2023, was principally attributable to unrealized gain from convertible debentures due to the increase in the underlying share price of NexGen, Contango and IsoEnergy; realized gain from convertible debentures due to the conversion of the NexGen (May 2020) debentures into common shares of NexGen; realized gains from equity and other investments due to the increase in the share price of NexGen; interest income due to the increase in the principal amount of investments in convertible debentures and the establishment fee income earned on the NexGen (September 2023) debenture.

Net income during the three months ended August 31, 2025, May 31, 2025, November 30, 2024, May 31, 2024, February 29, 2024, and November 30, 2023, is attributable to income from investments, less operating expenses.

Net loss during the three months ended February 28, 2025, and August 31, 2024, was mainly due to unrealized loss on investments and operating expenses.



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Results of Operations

Income from Investments for the Fourth Quarter and Year ended August 31, 2025 and August 31, 2024

	Three months ended		Year ended	
	August 31, 2025	August 31, 2024	August 31, 2025	August 31, 2024
	\$	\$	\$	\$
Interest and other income	5,141	3,925	19,067	14,453
Establishment fee income	300	600	1,200	3,600
Realized (loss) gain from investments	(845)	(44)	2,612	5,758
Unrealized gain (loss) from investments	81,512	(62,960)	97,285	(614)
	86,108	(58,479)	120,164	23,197

During the three months and year ended August 31, 2025, the Company recorded income from investments of \$86,108 and \$120,164, compared to a loss from investments in the three months ended August 31, 2024, of \$58,479 and income from investments of \$23,197 in the year ended August 31, 2024. The income in the three months and year ended August 31, 2025, was mainly attributable to unrealized gain from investments, due to increases in the share prices of the investments in the period, compared to unrealized loss on investments in the three months ended August 31, 2024, due to decreases in share prices in the period. The income in the year ended August 31, 2024, was mainly attributable to interest and other income.

Interest and other income for the three months and year ended August 31, 2025, were \$5,141 and \$19,067, compared to \$3,925 and \$14,453 in the three months and year ended August 31, 2024. The Company primarily earned interest income on its convertible debenture securities. The increase for the three months and year ended August 31, 2025, compared to the corresponding periods, was mainly due to the purchase of additional investments in convertible debentures, generating increased interest income.

Establishment fee income for the three months and year ended August 31, 2025, of \$300 and \$1,200 compared to \$600 and \$3,600 in the three months and year ended August 31, 2024, respectively. The income for the three months and year ended August 31, 2025, consisted of 3% establishment fees on the principal amount of \$10 million and \$40 million of Moxico convertible debentures, respectively. The income for the three months ended August 31, 2024, consisted of 3% establishment fees on the principal amount of \$20 million of Moxico convertible debentures. The income in the year ended August 31, 2024, was the 3% establishment fees on the principal amount of \$70 million NexGen, \$30 million Gold Royalty, and \$20 million Moxico convertible debentures.



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Results of Operations (continued)

Income from Investments for the Fourth Quarter and Year ended August 31, 2025 and August 31, 2024 (continued)

Realized loss from investments for the three months ended August 31, 2025, of \$845 compared to realized loss from investments for the three months ended August 31, 2024, of \$44. The loss in the three months ended August 31, 2025, is a loss on the conversion of other convertible debentures, partially offset by a gain on the sale of equity investments. The loss in the three months ended August 31, 2024, is the loss on the sale of equity investments.

Realized gain from investments for the year ended August 31, 2025, of \$2,612 compared to a realized gain of \$5,758 in the year ended August 31, 2024. The income in the year ended August 31, 2025, is a gain on the sale of equity investments partially offset by a loss on conversion of other debentures. The income in the year ended August 31, 2024, is a gain on the conversion of the NexGen (May 2020) convertible debentures and the gain on the sale of equity investments.

The loss or gain on the conversion of convertible debentures reflects the number of shares received on conversion and the individual share price at the time of conversion compared to the carrying value of the investment at the beginning of the financial year. The gain on the sale of equity investments reflects the number of equity investments sold and the individual share price at the time of sale compared to the carrying value of the investments at the beginning of the financial year.

Unrealized gain from investments for the three months and year ended August 31, 2025, of \$81,512 and \$97,285 compared to an unrealized loss from investments for the three months and year ended August 31, 2024, of \$62,960 and \$614, respectively.

The unrealized gain from investments in the three months and year ended August 31, 2025, was attributable to an increase in the fair value of some of the convertible debenture securities, combined with an increase in the fair value of some of the investments in equities of public companies owned by the Company. The unrealized loss from investments in the three months and year ended August 31, 2024, was attributable to a decrease in the fair value of some of the convertible debenture securities, combined with a decrease in the fair value of some of the investments in equities of public companies owned by the Company.

The amount of gain or loss from investments in future quarters will depend on the share price, volatility of the stock, remaining life of the debentures, and credit-adjusted interest rate during such quarters.



Queen's Road Capital Investment Ltd.
Management's Discussion and Analysis

Year ended August 31, 2025

Results of Operations (continued)

Operating Expenses for the Fourth Quarter ended August 31, 2025 and August 31, 2024

	August 31, 2025	August 31, 2024	Increase (decrease) expenses
	\$	\$	\$
Business development and marketing	104	97	7
Depreciation	45	47	(2)
Foreign exchange (gain) loss	(6)	3	(9)
Management and directors' fees	496	489	7
Office and administration	83	71	12
Professional and regulatory fees	189	170	19
	911	877	34

Significant changes for the three months ended August 31, 2025, compared to August 31, 2024, are as follows:

- Professional and regulatory fees decreased \$19, mainly due to the level and timing of corporate activities.

Operating Expenses for the Year ended August 31, 2025 and August 31, 2024

	August 31, 2025	August 31, 2024	Increase (decrease) expenses
	\$	\$	\$
Business development and marketing	318	372	(54)
Depreciation	185	187	(2)
Foreign exchange loss	108	92	16
Management and director fees	1,986	1,914	72
Office and administration	330	287	43
Professional and regulatory fees	600	475	125
	3,527	3,327	200



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Year ended August 31, 2025

Results of Operations (continued)

Operating Expenses for the Year ended August 31, 2025 and August 31, 2024

Significant changes for the year ended August 31, 2025, compared to August 31, 2024, are as follows:

- Business development and marketing decreased \$54, mainly due to decreased travel.
- Management and director fees increased \$72 due to increases in the fees payable to both management and directors from January 1, 2024.
- Office and administration increased \$43, mainly due to the increase in health insurance costs.
- Professional and regulatory fees increased \$125, mainly due to the level and timing of corporate activities.

Interest Expense for the Fourth Quarter ended August 31, 2025 and August 31, 2024

	August 31, 2025	August 31, 2024	Increase (decrease) expenses
	\$	\$	\$
Interest expense and finance costs	389	627	(238)
Interest expense on lease liabilities	6	2	4
	395	629	(234)

Interest expense and finance costs decreased \$238 for the three months ended August 31, 2025 compared to the three months ended August 31, 2024, mainly due to the lower interest rate on the margin loan drawn down in July 2024 compared to the interest rate on the secured bank loan drawn down in December 2023.



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Year ended August 31, 2025

Results of Operations (continued)

Interest Expense for the Year ended August 31, 2025 and August 31, 2024

	August 31, 2025	August 31, 2024	Increase (decrease) expenses
	\$	\$	\$
Interest expense and finance costs	1,560	1,797	(237)
Interest expense on lease liabilities	13	10	3
	1,573	1,807	(234)

Interest expense and financing costs decreased \$237 for the year ended August 31, 2025, compared to the year ended August 31, 2024. Interest expense and financing costs for the year ended August 31, 2025, relate to a secured margin loan drawn down in July 2024. Interest expense and financing costs for the year ended August 31, 2024, relate to a secured bank loan drawn down in December 2023 and fully repaid in July 2024, as well as the secured margin loan drawn down in July 2024. The lower interest costs reflect the lower effective interest rate on the margin loan compared to the bank loan, partially offset by the longer duration of the margin loan and higher average balance for the year ended August 31, 2025, compared to the shorter duration and lower average balance of the bank loan in the year ended August 31, 2024.

Liquidity and Capital Resources

Cash Flows

	Year ended	
	August 31, 2025	August 31, 2024
	\$	\$
Operating activities	8,192	7,239
Financing activities	11,148	26,971
Investing activities	(17,288)	(47,858)
Change in cash during the year	2,052	(13,648)

Cash provided by operating activities for the year ended August 31, 2025, was \$8,192 (August 31, 2024 - \$7,239). The cash provided by operating activities for the year ended August 31, 2025, consist primarily net income of \$115,075 (August 31, 2024 – \$18,035) adjusted for items not affecting cash; interest income received; interest expenses paid, and changes in working capital.



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Management's Discussion and Analysis

Year ended August 31, 2025

Liquidity and Capital Resources (continued)

Cash Flows (continued)

Significant items not affecting cash for the year ended August 31, 2025, were realized gain on investments of \$2,612 (August 31, 2024 - \$5,758), unrealized gain on investments of \$97,285 (August 31, 2024 - loss \$614); establishment fee income of \$600 (August 31, 2024 - \$2,100); and depreciation of \$185 (August 31, 2024 - \$187).

Interest income recorded on convertible debentures of \$19,007 (August 31, 2024 - \$14,224) was adjusted to reflect interest received in cash on convertible debentures of \$13,118 (August 31, 2024 - \$9,494). Interest expenses and financing costs on borrowings of \$1,560 (August 31, 2024 - \$1,797) were adjusted to reflect interest paid of \$1,592 (August 31, 2024 - \$1,319). Income tax recovery of \$11 (August 31, 2024 - expense \$28) was adjusted to reflect income taxes paid of \$14 (August 31, 2024 - \$117). There was an increase of \$699 in other net working capital items during the year ended August 31, 2025 (August 31, 2024 - decrease \$597).

Financing activities for the year ended August 31, 2025, provided \$11,148 (August 31, 2024 - \$26,971). The cash provided for the year ended August 31, 2025, consists of funds raised by the issue of shares in a private placement \$11,025 (August 31, 2024 - nil); funds received from the exercise of share options \$5,282 (August 31, 2024 - nil); borrowing of \$45,955 less borrowings repaid of \$48,445 (August 31, 2024: borrowing, net of transaction costs - \$67,775 less borrowing repaid of \$36,627). This was reduced by the cash used for year ended August 31, 2025, for the repurchase of common shares under the NCIB of \$964 (August 31, 2024 - \$911); a cash dividend of \$1,505 (August 31, 2024 - \$3,074) and payment of lease liabilities of \$200 (August 31, 2024 - \$192).

Investing activities for the year ended August 31, 2025, used cash of \$17,288 (August 31, 2024 - \$47,858). The cash used in investing activities for the year ended August 31, 2025, was for investments of \$41,164 (August 31, 2024 - \$120,000), less the net proceeds from the sale of other equity investments of \$23,876 (August 31, 2024 - \$72,142).



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Year ended August 31, 2025

Liquidity and Capital Resources (continued)

Capital Resources and Liquidity Risk

The Company's cash position as at August 31, 2025, was \$3,076 (August 31, 2024 - \$1,094) and the Company's has a negative working capital of \$23,520 (August 31, 2024 - \$29,442). The negative working capital is due to a secured margin loan, which is supported and over-collateralized by marketable securities with sufficient liquidity to repay the loan if required. The Company has long-term lease liabilities of \$299 as at August 31, 2025 (August 31, 2024 - nil). Borrowings comprise a secured margin loan with no fixed terms of repayment.

As at August 31, 2025, the Company believes there is sufficient working capital available to meet its current operational requirements. The Company may raise more capital for investment allocation or refinancing from time-to-time as required.

Future Accounting Policy Changes

A number of new standards, amendments to standards, and interpretations are not yet effective as of the date of this report; and were not applied in preparing the consolidated financial statements. IFRS 18 Presentation and disclosure in financial statements will replace IAS 1 Presentation and disclosure in financial statements and applies for annual reporting periods beginning on or after January 1, 2027. The Company is assessing the impact of IFRS 18 on the financial statements. None of the other new standards, amendments to standards, and interpretations are expected to have a material effect on the Company's consolidated financial statements.

Material Accounting Policies

The financial information presented in this MD&A has been prepared in accordance with IFRS Accounting Standards. The Company's management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, and expense. Actual amounts incurred by the Company may differ from these values.

The Company's material accounting policies, applied judgements and estimates are set out in the notes 2 and 3 of the audited annual consolidated financial statements for the year ended August 31, 2025.

Significant Judgments

The preparation of financial statements in accordance with IFRS Accounting Standards requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the accounting policies in the Company's annual consolidated financial statements include the valuation of investments.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.



Queen's Road Capital Investment Ltd.
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Transactions between Related Parties

The following related party transactions were conducted in the normal course of business:

	Three months ended		Year ended	
	August 31, 2025	August 31, 2024	August 31 2025	August 31, 2024
	\$	\$	\$	\$
Management fees	471	463	1,887	1,826
Directors' fees	25	25	99	88
	496	488	1,986	1,914

As of August 31, 2025, receivables include an amount of \$751 due from a director of the Company relating to amounts advanced to fund the exercise of share options in the Company (August 31, 2024 - nil). This amount is non-interest-bearing and has no fixed repayment terms.

As of August 31, 2025, accounts payable and accrued liabilities include an amount of \$914 (August 31, 2024 - \$882) due to directors and officers of the Company, and/or companies controlled by these directors, relating to fees and expense reimbursement. These amounts are unsecured, non-interest-bearing, and have no fixed repayment terms.

As of August 31, 2025, the Company holds equity investments and convertible debentures in Gold Royalty, Moxico, and NexGen, companies with a common director, and IsoEnergy Limited, a company controlled by NexGen. The estimated fair value of equity investments and convertible debentures of these related companies, on August 31, 2025, is \$331,725 (August 31, 2024 - \$215,816). Establishment fee income for the year ended August 31, 2025, is \$1,200 (August 31, 2024 - \$3,600), and interest income on convertible debentures is \$14,735 (August 31, 2024 - \$10,067) from these related companies.

Corom Pty Ltd. ("Corom"), a company controlled by a relative of a director of the Company and a significant shareholder of the Company, purchased 553,022 common shares of the 2,142,857 common shares issued by the Company in a private placement on September 18, 2024.

A director of the Company purchased 485,714 common shares of the 2,142,857 common shares issued by the Company in a private placement on September 18, 2024, and became a significant shareholder.

During the year ended August 31, 2025, the Company sold \$556 of investments in shares to a member of management, who is also a director. The transaction was settled in cash, resulting in a realized gain of \$6.

During the year ended August 31, 2025, directors of the Company exercised 1,300,000 options at C\$6.40 per share.



Queen's Road Capital Investment Ltd.
Management's Discussion and Analysis

Year ended August 31, 2025

Outstanding Share Data

As of January 15, 2025 the Company completed a share consolidation of the Company's issued and outstanding shares (the "Share Consolidation") at a consolidation ratio of ten (10) pre-consolidation common shares for every one (1) post-consolidation common share. All disclosures in this report of common shares, per common share data and data related to stock options reflect this Share Consolidation for all periods presented.

The Company has the following common shares and stock options, outstanding as of August 31, 2025, August 31, 2024, and the date of this report.

Common Shares

The Company's authorized capital consists of 500,000,000 common shares with a par value of C\$0.01 each, amended from 5,000,000,000 common shares with a par value of C\$0.001 before the Share Consolidation.

As at August 31, 2025 there were 49,959,250 issued and outstanding common shares (August 31, 2024 – 45,548,550 shares). As at the date of this report there were 51,050,064 issued and outstanding shares.

On September 18, 2024, the Company issued 2,142,857 common shares in a non-brokered private placement. The private placement included shares purchased by two related parties: Corom Pty Ltd., a company controlled by a relative of a director of the Company and a significant shareholder of the Company, subscribed for 553,022 common shares, and a director of the Company subscribed for 485,714 common shares. BBFIT Investments Pte Ltd., a significant shareholder of the Company, subscribed for 397,142 common shares.

On November 14, 2024, the Company issued 1,135,253 common shares in settlement of dividends of C\$0.21 per share.

During the year ended August 31, 2025, the Company issued 1,336,600 shares on the exercise of share options. On October 27, 2025, the Company issued 200,000 shares on the exercise of share options.

On November 13, 2025, the Company issued 959,314 common shares in settlement of dividends of C\$0.23 per share.

The Company has repurchased 204,013 common shares during the year ended August 31, 2025, all have been cancelled (August 31, 2024 – 152,397 common shares repurchased and cancelled). As at November 12, 2025, the Company has repurchased a further 68,500 common shares, all of which have been cancelled.

Stock Options

As at August 31, 2025, there were 2,528,400 stock options outstanding and exercisable with a weighted average price of C\$6.40 (August 31, 2024 – 3,865,000 stock options, with a weighted-average exercise price of C\$6.13). As at the date of this report, there are 2,328,400 stock options outstanding and exercisable with a weighted average price of C\$6.40.



Queen's Road Capital Investment Ltd.
Management's Discussion and Analysis

Year ended August 31, 2025

Controls and Procedures

As of August 31, 2025, an evaluation was carried out on the effectiveness of QRC's disclosure controls and procedures. Based on that evaluation, the Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") have certified that the design and operating effectiveness of QRC's disclosure controls and procedures were effective.

As at August 31, 2025, an evaluation was carried out on the effectiveness on internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS Accounting Standards. Based on that evaluation, the CEO and CFO have certified that the design and operating effectiveness of internal controls over financial reporting were effective.

These evaluations were conducted using the framework and criteria established in accordance with **Internal Controls - Integrated Framework** (2013) issued by the **Committee of Sponsoring Organizations of the Treadway Commission** ("**COSO**"). The Audit Committee assists the CEO and CFO in their responsibilities. Management's evaluation of controls can only provide reasonable, not absolute, assurance that all control issues that may result in material misstatement, if any, have been detected.

Annual Information Form

The Company's Annual Information Form is filed on SEDAR+ at www.sedarplus.ca.