



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

For the three and six months ended February 28, 2026

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**Effective Date of this Report: April 9, 2026**

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 the condensed interim consolidated financial statements for the three and six months ended February 28, 2026, and the related notes attached thereto, and the 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](http://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 as issued by the International Accounting Standards Board, 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 assume 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 Six Months Ended February 28, 2026 and to the date of this report**

#### **\$10 Million Additional Investment in Moxico Resources plc**

On September 11, 2025, the Company purchased an additional \$10 million convertible debentures issued by Moxico Resources plc ("**Moxico**"), 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 following principal terms:

- 11.0% interest payable semi-annually - 7.5% in cash and 3.5% in Moxico common shares;
- 5-year maturity from July 17, 2024; and
- Debentures convertible into Moxico common shares at GBP0.90 per share.

QRC earned a 3% establishment fee on the principal amount of the debentures, which was settled in common shares of Moxico. The investment was funded by a debt facility.

#### **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.

#### **\$25 Million Investment in ATHA Energy Corp.**

On February 5, 2026, the Company purchased \$25 million convertible debentures issued by ATHA Energy Corp. ("**ATHA**"), having the following principal terms:

- 12.0% interest payable semi-annually – 8.0% in cash and 4.0% in ATHA common shares;
- 5-year maturity; and
- Debentures convertible into ATHA common shares at C\$0.85 per share.

QRC earned a 3% establishment fee on the principal amount of the debentures, which was settled in common shares of ATHA. The investment was funded by a debt facility.



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## **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.
- 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.



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## **Investments (continued)**

### **Investment Strategy (continued)**

- 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.

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.



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## Investments (continued)

### **Investment Selection, Evaluation and Decision Making Process (continued)**

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.

### **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 \$218 million in convertible debentures issued by seven resource companies, as presented in the table below.

Resource Company US\$000	Investment base at cost
ATHA Energy Corp.	\$ 25,000
Contango ORE, Inc.	20,000
Moxico Resources plc <sup>(1)</sup>	70,000
NexGen Energy Ltd.	70,000
Other companies <sup>(2)</sup>	28,000
	<b>\$ 213,000</b>

<sup>(1)</sup> \$20 million invested in July 2024, \$10 million in October 2024, \$10 million in December 2024, \$5 million in February 2025, \$5 million in March 2025, \$10 million in June 2025, and \$10 million in September 2025 into convertible debentures with the same maturity date of July 2029.

<sup>(2)</sup> 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	April 8, 2026
Equity and other investments: <sup>(1)</sup>	
NexGen Energy Ltd.	\$ 120,928
Gold Royalty Corp.	63,579
Other investments <sup>(2)</sup>	82,444
Convertible debentures: <sup>(3)</sup>	
ATHA Energy Corp.	41,773
Contango ORE, Inc.	24,033
Moxico Resources plc	113,861
NexGen Energy Ltd.	137,595
Other companies	30,473
<b>Total estimated market value</b>	<b>\$ 614,686</b>

<sup>(1)</sup> Market Value was based on share prices and exchange rates on April 8, 2026.

<sup>(2)</sup> "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.

<sup>(3)</sup> 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.

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	February 28, 2026	August 31, 2025
	\$	\$
Estimated fair value under IFRS Accounting Standards at the end of the period	629,310	402,260
<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	46,345	48,498
Management's estimate of market value at the end of the period	675,655	450,758
Equity investments - other shares received less disposals	5,570	941
Equity investments - update of market value to date of report	(40,354)	9,021
Convertible debentures – conversion	(7,012)	-
Convertible debentures - update of market value to date of report	(19,173)	8,069
Convertible debentures - new investments at market value	-	14,848
Management's estimate of market value of investments at date stated in the MD&A report	614,686	483,637



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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 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 and Six Months ended February 28, 2026**

**Overall Performance**

	Three months ended		Six months ended	
	February 28, 2026	February 28, 2025	February 28, 2026	February 28, 2025
	\$	\$	\$	\$
Interest and other income	5,005	4,724	10,398	9,032
Establishment fee income	750	450	1,050	750
Realized gain from equity and other investments	1,298	1,252	3,946	2,405
Realized gain (loss) from convertible debentures	-	(708)	3,471	(708)
Unrealized gain (loss) from equity and other investments	72,430	(39,072)	102,815	(6,376)
Unrealized gain (loss) from convertible debentures	60,389	(34,948)	88,104	(11,582)
Total income (loss) from investments	132,872	(68,302)	209,784	(6,479)

Income from investments during the three and six months ended February 28, 2026, of \$132,872 and \$209,784, respectively, represents unrealized gain on equity investments and convertible debentures, interest income on the convertible debenture portfolio, realized gain from equity investments, realized gain on conversion of convertible debentures, and establishment fees.

Loss from investments during the three and six months ended February 28, 2025, of \$68,302 and \$6,479, respectively, mainly represents unrealized loss from convertible debentures and equity investments, partially offset by interest income on the convertible debenture portfolio and realized gain from equity and other investments.

Interest and other income from investments during the three and six months ended February 28, 2026, of \$5,005 and \$10,398, and three and six months ended February 28, 2025, of \$4,724 and \$9,032, respectively, mainly represent the interest income earned on the convertible debenture portfolio listed above.

Establishment fee income during the three and six months ended February 28, 2026, of \$750 and \$1,050 represents the establishment fee earned on the ATHA debentures acquired in February 2026 and the additional Moxico debentures acquired in September 2025.

Establishment fee income during the three and six months ended February 28, 2025, of \$450 and \$750 represents establishment fee earned on the Moxico convertible debentures.

Realized gain from equity investments during the three and six months ended February 28, 2026, of \$1,298 and \$3,946, and \$1,252 and \$2,405 during the three and six months ended February 28, 2025, respectively, arise from the sale of equity investments.



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## Results for the Three and Six Months ended February 28, 2026 (continued)

### Overall Performance (continued)

Realized gain from convertible debentures during the three months ended February 28, 2026, of nil, and during the six months ended February 28, 2026, of \$3,471, and realized loss for the three and six months ended February 28, 2025, of \$708 arise from the conversion of convertible debentures.

Unrealized gain from equity investments during the three and six months ended February 28, 2026, of \$72,430 and \$102,815, respectively, mainly represent gain arising from the increase in the share price of NexGen.

Unrealized loss from equity investments during the three and six months ended February 28, 2025, of \$39,072 and \$6,376, mainly represents loss arising from the decrease in the share price of NexGen.

Unrealized gain on convertible debentures during the three and six months ended February 28, 2026, of \$60,389 and \$88,104 mainly represents increases in the fair value of the debentures in NexGen.

Unrealized loss on convertible debentures during the three and six months ended February 28, 2025, of \$34,948 and \$11,582 mainly represents decreases in the fair value of the debentures in NexGen, IsoEnergy and Contango.

### 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
<b>Total assets</b>	<b>409,632</b>	<b>282,856</b>	<b>237,241</b>



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**Summary of Quarterly Results**

Quarter ended	Total assets \$000	Net (loss) income from investments \$000	Net income (loss) \$000	Net income (loss) per share basic \$	Net income (loss) per share diluted \$
February 28, 2026	635,768	139,872	138,567	2.72	2.60
November 30, 2025	485,449	69,912	68,460	1.36	1.30
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

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

Income from investments during the three months ended February 28, 2026, was principally attributable to unrealized gain from equities and other investments due to the increase in the share price of NexGen, and the unrealized gain from convertible debentures due to the increase in the underlying share price of NexGen.

Income from investments during the three months ended November 30, 2025, was principally attributable to unrealized gain from equities and other investments due to the increase in the share price of NexGen, and the unrealized gain from convertible debentures due to the increase in the underlying share price of NexGen and Moxico.

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 the share price of NexGen, partially offset by interest income due to the increase in the principal amount of investments in convertible debentures.



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### **Summary of Quarterly Results (continued)**

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.

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.

Net income during the three months ended February 28, 2026, November 30, 2025, August 31, 2025, May 31, 2025, November 30, 2024, May 31, 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 Three and Six Months ended February 28, 2026 and February 28, 2025**

	Three months ended		Six months ended	
	February 28, 2026	February 28, 2025	February 28, 2026	February 28, 2025
	\$	\$	\$	\$
Interest and other income	5,005	4,724	10,398	9,032
Establishment fee income	750	450	1,050	750
Realized gain from investments	1,298	544	7,417	1,697
Unrealized gain (loss) from investments	132,819	(74,020)	190,919	(17,958)
	139,872	(68,302)	209,784	(6,479)

During the three and six months ended February 28, 2026, the Company recorded income from investments of \$139,872 and \$209,784 compared to loss from investments in the three and six months ended February 28, 2025, of \$68,302 and \$6,479, respectively. The income for the three and six months ended February 28, 2026, compared to the loss in the corresponding periods was mainly attributable to an unrealized gain from investments in the current periods compared to an unrealized loss from investments in the corresponding periods, due to the increase in the share prices of the investments in the current periods compared to the decrease in the corresponding periods combined with higher realized gain from investments, higher establishment fees and higher interest and other income.

Interest and other income for the three and six months ended February 28, 2026, of \$5,005 and \$10,398 compared to \$4,724 and \$9,032 in the three and six months ended February 28, 2025. The Company primarily earned interest income on its convertible debenture securities. The increase for the three and six months ended February 28, 2026, 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 and six months ended February 28, 2026, of \$750 and \$1,050 compared to \$450 and \$750 in the three and six months ended February 28, 2025, respectively. The income for the three months ended February 28, 2026, was the 3% establishment fees on the principal amount of \$25,000 ATHA convertible debentures, and for the six months ended February 28, 2026, was the 3% establishment fee on the additional \$10,000 Moxico convertible debentures combined with the 3% establishment fee on the \$25,000 ATHA convertible debentures. The income for the three and six-month periods ended February 28, 2025, was 3% of the principal amounts of \$15,000 and \$25,000 on the Moxico convertible debentures.



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## **Results of Operations (continued)**

### **Income from Investments for the Three and Six Months ended February 28, 2026 and February 28, 2025 (continued)**

Realized gain from investments for the three and six months ended February 28, 2026, of \$1,298 and \$7,417 compared to \$544 and \$1,697 in the three and six months ended February 28, 2025, respectively. The income in the three and six months ended February 28, 2026, is gain on conversion of the Gold Royalty convertible debentures and the gain on the sale of equity investments. The income in the three and six months ended February 28, 2025, is gain on the sale of equity investments partially offset by loss on partial conversion of the IsoEnergy (2020) convertible debentures. The gain or loss 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 and six months ended February 28, 2026, of \$132,819 and \$190,919 compared to an unrealized loss from investments for the three and six months ended February 28, 2025, of \$74,020 and \$17,958, respectively.

The unrealized gain from investments in the three and six months ended February 28, 2026, was mainly 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 companies owned by the Company.

The unrealized loss from investments in the three and six months ended February 28, 2025, was mainly 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 share price of some of the underlying issuers of the convertible debentures and equities increased between the start and end of the three and six months ended February 28, 2026, compared to a decrease in the corresponding periods, resulting in an unrealized gain compared to an unrealized loss in the corresponding periods.

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.



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**Results of Operations (continued)**

***Operating Expenses for the Three Months ended February 28, 2026 and February 28, 2025***

	February 28, 2026	February 28, 2025	Increase (decrease) expenses
	\$	\$	\$
Business development and marketing	140	65	75
Depreciation	46	47	(1)
Foreign exchange (gain) loss	(114)	111	(225)
Management and directors' fees	530	496	34
Office and administration	103	90	13
Professional and regulatory fees	159	137	22
	864	946	(82)

Significant changes for the three months ended February 28, 2026, compared to February 28, 2025, are as follows:

- A foreign exchange loss moved to a foreign exchange gain, a decrease in of \$225, mainly due to the appreciation of C\$ and A\$ in the three months to February 28, 2026, compared to depreciation in the corresponding period.

***Operating Expenses for the Six Months ended February 28, 2026 and February 28, 2025***

	February 28, 2026	February 28, 2025	Increase (decrease) expenses
	\$	\$	\$
Business development and marketing	192	145	47
Depreciation	91	93	(2)
Foreign exchange loss	37	182	(145)
Management and director fees	1,026	993	33
Office and administration	211	165	46
Professional and regulatory fees	301	330	(29)
	1,858	1,908	(50)

Significant changes for the six months ended February 28, 2026, compared to February 28, 2025, are as follows:

- Foreign exchange loss decreased by \$145, mainly due to the reduced impact of C\$/A\$ and A\$/A\$ exchange rate fluctuations.



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## Results of Operations (continued)

### **Interest Expense for the Three Months ended February 28, 2026 and February 28, 2025**

	February 28, 2026	February 28, 2025	Increase (decrease) expenses
	\$	\$	\$
Interest expense on margin loan	408	442	(34)
Interest expense on lease liabilities	5	-	5
	413	442	(29)

### **Interest Expense for the Six Months ended February 28, 2026 and February 28, 2025**

	February 28, 2026	February 28, 2025	Increase (decrease) expenses
	\$	\$	\$
Interest expense on margin loan	857	824	33
Interest expense on lease liabilities	11	2	9
	868	826	42

## Liquidity and Capital Resources

### **Cash Flows**

	Six Months ended	
	February 28, 2026	February 28, 2025
	\$	\$
Operating activities	3,504	5,701
Financing activities	19,450	11,850
Investing activities	(24,983)	(15,132)
Change in cash during the period	(2,029)	2,419

Cash provided by operating activities for the six months ended February 28, 2026, was \$3,504 (February 28, 2025 - \$5,701). The cash provided by operating activities for the six months ended February 28, 2026, consists primarily of net income of \$207,026 (February 28, 2025 – net loss \$9,218) adjusted for items not affecting cash; interest income received; interest expenses paid, and changes in working capital.

Significant items not affecting cash for the six months ended February 28, 2026, were realized gain on investments of \$7,417 (February 28, 2025 – \$1,697), unrealized gain on investments of \$190,919 (February 28, 2025 - unrealized loss \$17,957); establishment fee income of \$1,050 (February 28, 2025 - \$150); and depreciation of \$91 (February 28, 2025 - \$93).

## Liquidity and Capital Resources (continued)

### **Cash Flows (continued)**



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Interest income recorded on convertible debentures of \$10,233 (February 28, 2025 - \$8,986) was adjusted to reflect interest received in cash on convertible debentures of \$6,683 (February 28, 2025 - \$6,161). Interest expense on borrowings of \$857 (February 28, 2025 - \$824) was adjusted to reflect interest paid of \$816 (February 28, 2025 - \$846). Income tax expense of \$32 (February 28, 2025 - \$5) was adjusted to reflect income taxes paid of \$29 (February 28, 2025 - nil). There was a decrease of \$459 in other net working capital items during the six months ended February 28, 2026 (February 28, 2025 – increase of \$1,397).

Financing activities for the six months ended February 28, 2026, provided \$19,450 (February 28, 2025 - \$11,850). The cash provided for the six months ended February 28, 2026, consists of funds raised by the issue of shares in a private placement of nil (February 28, 2025 – \$11,025); funds received from the exercise of share options \$914 (February 28, 2025 – \$702); borrowing of \$41,350 less borrowings repaid of \$17,862 (February 28, 2025: borrowings \$26,855 less borrowing repaid of \$25,004). This was reduced by the cash used for the six months ended February 28, 2026, for the repurchase of common shares under the NCIB of \$2,303 (February 28, 2025 - \$112); a cash dividend of \$2,562 (February 28, 2025 - \$1,505) and payment of lease liabilities of \$87 (February 28, 2025 - \$111).

Investing activities for the six months ended February 28, 2026, used cash of \$24,983 (February 28, 2025 - \$15,132). The cash used in investing activities for the six months ended February 28, 2026, was for investments of \$38,924 (February 28, 2025 - \$25,000), less the net proceeds from the sale of other equity investments of \$12,039 (February 28, 2025 - \$10,619), compensation for early conversion of debentures of \$2,217 (February 28, 2025 – nil) and loan advanced to a related party \$315 (February 28, 2025 - \$751).

#### **Capital Resources and Liquidity Risk**

The Company's cash position as at February 28, 2026, was \$1,275 (August 31, 2025 - \$3,076) and the Company's has a negative working capital of \$48,561 (August 31, 2025 - negative \$24,271). The negative working capital is due to a secured margin loan with no fixed repayment terms. The loan 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 \$207 as at February 28, 2026 (August 31, 2025 - \$299).

As at February 28, 2026, 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.



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### **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. The Company is assessing the impact of Presentation and disclosure in financial statements (IFRS 18). IFRS 18 requires all income and expenses to be grouped into five categories: operating, investing, financing, discontinued operations, and income tax, and introduces new required subtotals, such as operating profit, new requirements for Management Performance Measures (MPMs), and additional guidance on the grouping of items. The impact of these new standards, amendments to standards, and interpretations are not 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 judgments 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 judgments 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.



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### Transactions between Related Parties

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

	Three months ended		Six months ended	
	February 28, 2026	February 28, 2025	February 28, 2026	February 28, 2025
Management fees	\$ 503	\$ 471	\$ 975	\$ 943
Directors' fees	27	25	51	50
	\$ 530	\$ 496	\$ 1,026	\$ 993

As of February 28, 2026, noncurrent receivables of \$1,065 is an amount due from a director of the Company (August 31, 2025 - \$751). This amount is non-interest-bearing and has no fixed repayment terms.

As of February 28, 2026, accounts payable and accrued liabilities include an amount of \$508 (August 31, 2025 - \$914) due to directors and officers of the Company, and/or companies controlled by these directors, relating to fees, expense reimbursement, and other payable amounts. These amounts are unsecured, non-interest bearing, and have no fixed repayment terms.

As of February 28, 2026, the Company holds equity investments and convertible debentures in Moxico, and NexGen, companies with a common director, and IsoEnergy, a company controlled by NexGen. The estimated fair value of equity investments and convertible debentures of these related companies as of February 28, 2026, is \$491,241 (August 31, 2025 - \$331,725, including Gold Royalty, Moxico, NexGen, and IsoEnergy). Establishment fee income for the six months ended February 28, 2026, is \$300 (February 28, 2025 - \$750), and interest income on convertible debentures is \$7,881 (February 28, 2025 - \$6,851) 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.



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### **Transactions between Related Parties (continued)**

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.

Directors of the Company exercised 500,000 options at C\$6.40 per share during the six months ended February 28, 2026.

A director of the Company exercised 300,000 options at C\$3.00 per share, and a director of the Company exercised 15,000 options at C\$5.50 per share during the six months ended February 28, 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 February 28, 2026, February 28, 2025, 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 of February 28, 2026, and the date of this report, there were 51,024,353 issued and outstanding common shares (February 28, 2025 – 49,120,006 shares).

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

During the six months ended February 28, 2026, the Company issued 387,089 shares on the exercise of share options.

The Company purchased 281,300 common shares during the six months ended February 28, 2026, all of which have been canceled (2025 – 21,657 common shares purchased and canceled). As at April 8, 2026, the Company has purchased 113,800 additional common shares that are held in treasury.



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### **Stock Options**

No stock options were issued during the six months ended February 28, 2026, nor in the year ended August 31, 2025.

As of February 28, 2026 and the date of this report, there were 1,978,400 stock options outstanding and exercisable with a weighted average price of C\$6.40 (February 28, 2025 – 3,550,000 stock options, with a weighted-average exercise price of C\$6.40).

During the six months ended February 28, 2026, 550,000 stock options were exercised (2025 – 315,000 stock options exercised).

### **Controls and Procedures**

As of February 28, 2026, 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 February 28, 2026, 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.sedar+.com](http://www.sedar+.com).