



## INVESTMENT POLICY

### PURPOSE

The purpose of this Investment Policy ("**Investment Policy**") is to establish guidelines for the investable assets (the "**Portfolio**") of Mason Resources Inc. (the "**Company**").

The Investment Committee (the "**Committee**") is acting in a fiduciary capacity with respect to the Portfolio and is accountable to the Board of Directors of the Company (the "**Board**") for overseeing the investment of all assets owned by, or held in trust for, the Company.

The investment guidelines have been formulated to ensure the investment strategy, objectives, distribution policies, and risk tolerance govern the activities of the Investment Committee and any other parties to whom the Committee has delegated investment management responsibility for Portfolio assets.

These guidelines shall ensure the Portfolio's investments are managed consistent with the short-term and long-term financial goals of the Company and provide for sufficient investment flexibility in accordance with capital market conditions and financial circumstances of the Company.

### INVESTMENT OBJECTIVES

The investment objectives of the Company are:

- to seek an above average return on investment to continue to create significant value for the Company's shareholders;
- to use investment income to fund other investment opportunities with attractive risk-to-reward profile; and
- to create synergies among its investments, including the Company's management involvement into the management, business, operations and strategies of its investment Portfolio.

### INVESTMENT PHILOSOPHY

The Committee's investment philosophy is to exercise ordinary business care and prudence in its investment of assets considering the long and short-term needs of the Company in carrying out its strategic objectives (including providing a risk-adjusted rate of return for its shareholders), its present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions.

The Committee recognizes that the uncertainty of future events, volatility of investment assets, and the potential loss in purchasing power are present to some degree with all types of investments. The assumption of a moderate to high level risk is warranted and encouraged in order to allow the opportunity to achieve satisfactory results consistent with the objectives and investment philosophy of the Company.



## INVESTMENT STRATEGY

The Company's strategy is to develop vertical and horizontal integration in the mining and resources industry, with a special focus on industrial and specialty minerals, notably battery-related materials and their by-products. This approach will be achieved by: (i) leveraging the skillset and expertise of the Board, the Committee and management to review, diligence and de-risk investment opportunities, and (ii) adopting a flexible approach to its investments.

<b>Investment Sector:</b>	The Company will mainly invest in natural resource or industrial companies.
<b>Types of Investment:</b>	Equity, debt, convertible debt, royalties, joint venture interests, derivatives and any other investment structures or instruments to be acquired or created from time to time to achieve the Company's investment objectives.
<b>Jurisdictions:</b>	Mainly in North America with a focus on Quebec, Canada, but will also look at other jurisdictions.
<b>Investment Size:</b>	On a case-by-case basis and subject to the Company's financing capacities.
<b>Investment Portfolio Governance:</b>	<p>For its majority equity investments, the Company will mainly seek control, including through board and management representation. For its minority equity investment, the Company will seek board representation.</p> <p>Board approval will be required for all investments.</p>
<b>Diversification:</b>	The Company will aim to diversify its investments among its investment Portfolio.
<b>Timeline:</b>	The Company will generally seek long-term investments. There may be circumstances, depending on the investment Portfolio or the instrument in which the Company invested, where the Company will seek short-term investments or will divest its investments on a shorter timeframe.
<b>Investment Targets:</b>	The Company will invest in private and public companies as opportunities arise. The



Company may also invest in partnerships, joint ventures and similar entities with limited liability.

**Investment Review:**

The Company will seek to maintain investment flexibility to enable the management or the Board (as defined below) to review all of the investments on an ongoing basis as requested by the Board.

**Liquidity:**

The Company will seek to maintain liquidity of its investments and to potentially realize on its investments.

**Risk Tolerance:**

Diversified investment strategy by industry group and geographically with quality being a key criterion.

## **EVALUATION PROCESS**

We evaluate potential investments by considering a variety of factors:

**Value:** These companies are inexpensive based upon common valuation metrics. These investments are not usually high-quality long-term holds, but we can expect a reversion to the mean, possible multiple expansion and/or take-outs to provide above average returns.

**High Quality:** A high quality company usually has one or more of the following; a durable competitive advantage, is highly profitable, has attractive returns on incremental capital and/or good management teams/capital allocators. These businesses usually trade at a premium but are sometimes temporarily mispriced. An investment in a High-quality business has the potential to be held indefinitely, but these investments are very rare.

**Environmental, Social and Governance (ESG):** Mason's investment strategy focuses on risk mitigation by integrating Environmental, Social, and Governance (ESG) business practices, which drives responsible behaviour and is inextricably linked to a more permanent shift towards sustainability.

Proactivity regarding environmental safeguarding is facilitated by the reduction of emissions as well as managing climate-related risks and opportunities. Furthermore, business-community connectivity is a vital instrument of success which effectively positions a company towards positive social reputation and engagement. Finally, policy and procedure should reflect a company's ESG initiatives in order to facilitate transparency and communicate value to investors.

As part of our risk assessment, we review each company's ESG program to ensure it demonstrates commitment to effective risk management and sustainable long-term performance.



## **COMPOSITION OF INVESTMENT PORTFOLIO**

The nature and timing of investments will depend, in part, on the investment opportunities identified and available to the Company. The composition of the Company's investment portfolio will vary over time depending on its assessment of a number of factors. the performance of financial markets and credit risk.

## **INVESTMENT DECISIONS**

The Board, after consulting with the Committee, will determine the amount of money to be invested by the Company (the "**Investment Capital**") from time to time and at a minimum will review the Investment Capital on an annual basis. The Investment Capital will be determined based on the cash requirements of the Company in respect of its existing investments, its financing capacity and its current and future liabilities.

Decisions involving the making, managing and divesting of investments will generally be the responsibility of the Board, which will act pursuant to this Investment Policy.

## **CONFLICTS OF INTEREST**

Any person or organization involved in the oversight or management of the Portfolio (a "**Related Party**") should adhere to the following guidelines regarding conflicts of interest. A conflict of interest, whether actual or perceived, is defined as any event in which a Related Party may benefit materially from knowledge of, participation in, or by virtue of an investment decision or holding of the Company or decision of the Investment Committee.

Should a conflict of interest arise, the party in the actual or perceived conflict, or any person who becomes aware of a conflict of interest situation, shall immediately disclose the conflict to the Investment Committee Chair. The party to the conflict shall thereafter be excused from meetings and abstain from voting with respect to the area of the conflict. A written record of the conflict shall be maintained by the Investment Committee.

Executive officers, Board members, and members of the Investment Committee of the Company shall disclose in writing immediately of any financial or personal relationship with any investment consultant, investment advisor, or any investment held or being considered.

## **APPROVAL**

This Investment Policy will be reviewed and approved annually by the Board. This Investment Policy has been approved by the Board on September 18, 2023.