

18 October 2022

RESOURCES ROYALTIES STRATEGY – IMPLEMENTATION OF LIQUIDITY PROPOSAL

Equity Trustees Limited (“EQT”), in its capacity as Responsible Entity of the Regal Investment Fund (ASX:RF1), is delighted to announce the implementation of the Liquidity Proposal in respect of the Regal Resources Royalties Fund (formerly, the Gresham Resources Royalties Fund).

With the implementation of the Liquidity Proposal and RF1’s concurrent investment in the Regal Resources Royalties Fund, the Resources Royalties Strategy has been added to the underlying investment mandate of RF1, creating RF1’s eighth investment strategy. RF1’s initial allocation represents approximately 17% of RF1’s net asset value.¹

More information about the Resources Royalties Strategy and the Liquidity Proposal was announced to the ASX on [Monday, 12 September 2022](#) and [Thursday, 13 October 2022](#), and is set out below.

About the Resources Royalties Strategy

The Resources Royalties Strategy aims to provide exposure to a portfolio of natural and renewable resource royalty investments that can provide both income and growth while seeking to minimise some of the downside risks usually associated with investing in mining activities, such as costs and exploration expenditure. The Strategy will seek exposure to a mix of natural and renewable resource royalties, commodity streams and royalty-related products, including listed and unlisted securities, such as equities, warrants, debt and similar instruments.

A resource royalty is a right to receive payment usually reflecting the value of a percentage of revenue derived from the production from a mining, oil and gas or renewable project. A commodity stream is an agreement conferring a right to purchase all or a portion of the production produced from a mining, oil and gas or renewable project at a pre-set price. Royalties and commodity streams are often used interchangeably.

Royalties and commodity streams are typically acquired for an upfront payment. They can provide investors with the upside potential of increased commodity prices, increased production and extended mineral reserves (and sometimes new discoveries) with no or limited exposure to variable operating costs and future capital calls to fund exploration or other capital costs.

¹ Unaudited estimate of RF1 net asset value as at Friday, 14 October 2022.

On behalf of Equity Trustees Limited (“Equity Trustees”) (ABN 46 004 031 298), AFSL 240975, the Responsible Entity for the Regal Investment Fund (“RF1”). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). Regal Funds Management Pty Ltd ABN 30 107 576 821 AFSL 277737 is the investment manager of RF1.