

INVESTMENT POLICY

1. OBJECTIVE OF THE POLICY

- 1.1 The objective of this Investment Policy (the "**Policy**") is for Kenorland Minerals Ltd. (together with its subsidiaries, the "**Corporation**") to establish corporate guidelines and responsibilities regarding the investment of the Corporation's surplus cash balances. In addition, this policy defines eligible investments, sets specific guidelines for investment amounts and the composition of the portfolio; provides for centralized investment authority and control; and establishes criteria and a schedule for review of the portfolio. This policy does not permit hedging (foreign exchange or commodities) nor trading for speculative purposes.

2. OBJECTIVE OF INVESTMENT

- 2.1 The Corporation's objectives include seeking high return investment opportunities in the resource sector through direct investment in project interests and indirect investment via equity shareholdings.
- 2.2 The Corporation will identify early stage resource opportunities with attractive risk/reward ratios, which may range from early stage projects through to "brownfield" or mature development projects.

3. INVESTMENT STRATEGY

The following shall be the guidelines for the Corporation's investment strategy:

- 3.1 Investments shall focus on natural resources industries, concentrating on early stage exploration and development companies, but also intermediate and senior companies where appropriate. Investments will arise primarily from the Corporation's project generator strategy and will not be made in cash for securities of any reporting issuer until such time as the Corporation becomes a tier 1 issuer on the TSX Venture Exchange.
- 3.2 The Corporation will maintain a flexible position with respect to the form of investment taken. The Corporation may employ a wide range of investment instruments, including equity, bridge loans, secured loans, unsecured loans, convertible debentures, warrants and options, royalties, net profit interests and other hybrid instruments.
- 3.3 Investments will be made in either private or public companies or for the Corporation's own account directly into project title.
- 3.4 The Corporation will have flexibility on the return sought, while seeking to recapture its capital (on a pre-tax basis) within twenty four months of the initial investment for investment in publicly listed company and twenty four months after the investee become publicly listed on any North America stock exchange for private company.
- 3.5 In the event an investment in any one issuer will become a control position in that issuer at the time of the investment, the Board will be apprised for discussion and ongoing evaluation.
- 3.6 The Corporation may trade for its own account taking long positions on recognized and regulated stock exchanges, where permitted by TSX Venture Exchange policy.

- 3.7 The Corporation will watch for liquidity of its investments and seek to realize value from same in a prudent and orderly fashion. Immediate liquidity shall not be a requirement, but each investment shall be evaluated in terms of a clear exit strategy designed to maximize the relative return in light of changing fundamentals and opportunities.
- 3.8 The Corporation may take holdings in companies within the framework of the above guidelines, and which from time to time may result in the Corporation holding a control position in a target company.
- 3.9 Notwithstanding the foregoing, from time to time, the Board may authorize such investments outside of these disciplines as it sees fit for the benefit of the Corporation and its shareholders
- 3.10 All investments shall be made in full compliance with applicable laws in relevant jurisdictions, and shall be made in accordance with and governed by the rules and policies in effect in the regulatory environment.

4. IMPLEMENTATION

The officers, directors and management of the Corporation shall work jointly and severally to uncover appropriate investment opportunities. These individuals have a broad range of business experience and their own networks of business partners, financiers, venture capitalists and finders through whom potential investments may be identified.

Prospective investments will be channelled through the Board where the size of the investment exceeds the lesser of \$250,000 or 5% of the Corporation's available funds on hand, or where the investment involves the sale, transfer, or option of property held by the Corporation which represents more than 20% of the Corporation's exploration assets or will require more than 20% of the Corporation's time or personnel resources in its capacity as operator. The Board shall make an assessment of whether the proposal fits with the investment and corporate strategy of the Corporation in accordance with the investment evaluation process below, and then proceed with preliminary due diligence, leading to a decision to reject or move the proposal to the next stage of detailed due diligence. This process may involve the participation of outside professional consultants.

Negotiation of terms of participation is a key determinant of the ultimate value of any opportunity to the Corporation. Negotiations may be on-going before and after the performance of due diligence. The representative(s) of the Corporation involved in these negotiations will be determined in each case by the circumstances.

5. CONFLICTS OF INTEREST

The Corporation has assembled a strong Board and management team, with diverse backgrounds and significant business expertise and experience.

The Corporation has no restrictions with respect to investing in companies in which a Board member may already have an interest. Any potential investments where there is a material conflict of interest involving an employee, officer or director of the Corporation may only proceed after receiving approval from disinterested directors of the Board. The Corporation is also subject to the "related party" transaction sale, which mandates disinterested shareholder approval to certain transactions.

6. MANAGEMENT PARTICIPATION

The Corporation may, from time to time, seek an active role in the companies in which it invests, including as an operator and provide such companies with financial and personnel resources, as well as strategic counsel. The Corporation may ask for board representation in cases where it will hold a significant investment in the business of an investee company. The Corporation's nominee(s) to the investee company's board of directors shall be determined by the Board, as appropriate in each circumstance.

7. MONITORING AND REPORTING

The Corporation's Chief Financial Officer shall be primarily responsible for the reporting process whereby the performance of each of the Corporation's investments is monitored. Quarterly financial and other progress reports shall be gathered from each corporate entity, and these shall form the basis for a quarterly review of the Corporation's investment portfolio by the Board.

With public company investments, the Corporation is not likely to have any difficulty accessing financial information relevant to its investment. In the event the Corporation invests in private enterprises, it shall endeavour in each case to obtain a contractual right to be provided with timely access to all books and records it considers necessary to monitor and protect its investment in such private enterprises.

A full report of the status and performance of the Corporation investments is to be prepared and presented to the Board at the end of each fiscal year as part of the annual financial statement review.

8. ANNUAL REVIEW

The CEO and CFO shall review this policy with the Audit Committee at least annually. More frequent reviews may be done if deemed necessary or if the Corporation's risk exposure changes materially. The CEO and CFO will make recommendations to the Board, if deemed necessary.

Original Approval Date: October 14, 2022

Approved by: Board of Directors