

Investor Update

Regal Resources Royalties Fund

Regal Fund Management Pty Limited ("Regal" or the "Manager") as Manager of the Regal Resources Royalties Fund ("RRF" or the "Fund") is pleased to provide the following investor update.

SUMMARY

RRF has received royalty payments for the February 2025 production month of \$0.57m comprising:³

- Equinox Gold Stream \$0.57m (Jan-25 \$0.55m) - Stream payments are currently based on the minimum delivery schedule.

Metro Mining has commenced the 2025 production season in March and shipped a total of 184,000 Wet Metric Tonnes (WMT) of bauxite in the quarter, targeting 6.5 – 7.0 million WMT for CY 2025.

Versamet announced the acquisition of a copper stream over an operating mine in Peru for US\$35m.

As was announced on 8 April, the Fund paid a 23 cent per unit distribution to all unitholders as at 31 March 2025.

The Fair Value unit price of the Fund as at 31 March 2025 was \$2.0930/unit (cum distribution price) versus \$2.0624 at the end of February. Positive contributors to the Fund's performance included the higher Brent oil price and higher gold price.

PERFORMANCE DATA % (NET)¹

Unit Price (31 March 2025) (Cum distribution)	\$2.09
March Return	1.48
Last 6 Months Return	11.58
Last 12 Months Return	17.85
Annualised Return Since Inception	24.71
2025 Calendar Year Return	2.36
2024 Calendar Year Return	26.69
2023 Calendar Year Return	13.52

FUND INFORMATION²

Name	Regal Resources Royalties Fund
Structure	Open-ended Unit Trust
Domicile	Australia
Inception	August 2019
Management Fee	1.25%
Incentive Fee	20% above 8% hurdle
High Water Mark	Yes
Fund Size	A\$283m
Minimum Investment	\$100,000
Applications	Monthly
Redemptions	Quarterly ² with 90 days' notice commencing 1 April 2025
Distributions	Semi-annually
Valuations	Monthly
Auditor	PWC

¹ Past performance is not a reliable indication of future performance.

² Refer RRF Information Memorandum, August 2024.

³ All royalties held by the RRF are paid on a quarterly basis except for the Equinox Gold Stream, which is paid monthly.

TALINGA GAS ROYALTY

Key Terms	
Operator	Origin Energy on behalf of APLNG
Royalty Type	Gross Overriding Revenue Royalty
Royalty Rate	2.5%
Commodity	Natural gas

Origin Energy who is the operator of the Talinga Gas project on behalf of Australia Pacific LNG is due to advise the quantum of royalty payable for the March quarter in May.

SENEX ROYALTY

Key Terms	
Operator	Senex Energy Ltd
Royalty Type	Gross Overriding Revenue Royalty
Royalty Rate	2.5%
Commodity	Natural gas

Senex announced first gas flows from their Atlas expansion project has flowed to Orora's glass manufacturing facility in South Australia as part of its decade long gas supply deal with Senex Energy.⁴

EQUINOX GOLD STEAM

Key Terms	
Operator	Equinox Gold (Greenstone Mine)
Type	Gold Stream
Amount	27,000 ounces of gold
Payments	Monthly gold deliveries equal to greater of 150 ounces or 0.54% of production

RRF received 150 ounces of gold for February, which equated to \$0.57m (Jan-25 \$0.55m) based on a realised gold price of US\$ 2,974.05 and after accounting for the ongoing purchase price of gold (20% of the prevailing spot price). Stream payments are currently based on the minimum delivery schedule.

TUNGSTEN ROYALTY

Key Terms	
Operator	EQ Resources Ltd
Royalty Type	Gross Revenue Royalty
Royalty Rate	3.0%
Commodity	Tungsten concentrate

EQ Resources Ltd (EQR:ASX) announced that it has signed five long-term offtake agreements for the next 24 months production of tungsten. Each long-term offtake contract has an advance payment component, payable against the attainment of certain conditions and milestones.⁵

⁴ [First gas flows from Senex's Queensland Atlas expansion - Senex Energy](#)

⁵ EQR:ASX "EQR signs five year long-term offtake agreements for next 24 months" 19 March 2025

SKARDON RIVER BAUXITE ROYALTY

Key Terms	
Operator	Metro Mining Limited
Royalty Type	FOB Revenue
Royalty Rate	2.3%
Commodity	Bauxite

Metro Mining Limited (ASX:MMI) announced that its Bauxite Hills Mine and Marine Divisions have been mobilised back to site, completed re-commissioning through the second half of March and commenced the 2025 production season. In addition to the 100,000 Wet Metric Tonnes (WMT) which were loaded in the first five days of January⁶, 84,000 WMT were loaded in the last 10 days of March. resulting in 184,000 WMT shipped for the March quarter. Metro is targeting 6.5 to 7.0 million WMT in bauxite shipments in CY 2025. Metro noted that although alumina prices have traded lower, bauxite prices have remained quite resilient. Metro has agreed all its cargo pricing for Q2 2025 at a 20% premium to Q4 2024.⁷

VERSAMET ROYALTIES CORP (FORMERLY SANDBOX ROYALTIES CORP)

Key Terms	
Investment	Equity
Status	Unlisted

On 1 April, Versamet announced that it has entered into an agreement with Endeavour Silver Corp. and certain of its wholly-owned subsidiaries, to support the proposed acquisition of Compañía Minera Kolpa, the owner of the polymetallic Huachocolpa Uno mine located in the district of Huachocolpa within the province and department of Huancavelica, Peru (collectively “Kolpa”). The mine has been in operation for 25 years. Pursuant to the terms of the Agreement, Versamet will acquire a copper stream on Kolpa for total up-front cash consideration of US\$35 million.⁸

GENERAL FUND UPDATE

RRF total outstanding units on issue as at 31 March was 135,045,601.

The Fair Value unit price of the Fund as at 31 March 2025 was \$2.0930/ unit (cum distribution price) versus \$2.0624 at the end of February. Positive contributors to the fund’s performance included the higher Brent oil price and higher gold price.

The Fund continues to perform well in these volatile markets. Royalty income for the financial year to date has continued to exceed our forecasts due to a number of factors including: strong production and prices at Talinga, higher Gold prices realised from our Greenstone Gold Stream as well as the strong contribution from our Bauxite royalty. As a result, the fund has started to accumulate a cash surplus which is running ahead of our current forecast deployment.

Forming a large part of the strategy’s thesis, the manager’s intention has always been to recycle capital back to investors as soon as practical whilst retaining sufficient liquid assets to fund forecast capital requirements. This is in stark contrast to what we continually saw in listed markets, where Resources companies would recycle proceeds into new exploration as opposed to providing distributions/dividends to shareholders.

A distribution was paid as at 31 March 2025 of \$0.23 per unit.

⁶ MMI:ASX Quarterly Operational Update 6 January 2025

⁷ MMI:ASX Quarterly Operational Update 2 April 2025

⁸ [Versamet Acquires a Copper Stream from Endeavour Silver on its Acquisition of Compañía Minera Kolpa | Press Release | Versamet Royalties](#)

The Manager believes this was prudent and appropriate action given:

- The Fund has generated significant cashflow during FY25 and the cash flowing assets remain on track to deliver continuing strong cash receipts over the immediate forecast period.
- Holding excess cash will start to be dilutionary to current investor returns.
- The Fund will retain sufficient cash to fund the next royalty investment which is currently under negotiation.
- Further significant investments are not currently anticipated until 2H 2025 (noting that if an opportunity does arise prior to that time, we have the support of our significant investors to fund such a transaction).

The final treatment of the distribution for tax purposes will be determined by the actual results for FY25.

Disclaimer

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