

ITEM 1
COVER PAGE

PART 2A OF FORM ADV: FIRM BROCHURE

ARIAS RESOURCE CAPITAL MANAGEMENT LP

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March 31, 2023

This brochure provides information about the qualifications and business practices of Arias Resource Capital Management LP. If you have any questions about the contents of this brochure, please contact us at 305-913-5402 or compliance@arc-fund.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Arias Resource Capital Management LP is registered as an investment adviser with the SEC. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Arias Resource Capital Management LP also is available on the SEC's website at http://www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_Search.aspx.

ITEM 2

MATERIAL CHANGES

This is Arias Resource Capital Management LP's annual update of its Form ADV Part 2A ("Brochure"), which was last updated on March 31, 2022. We have not made any material changes to the Brochure since our last annual update.

This update to our Brochure contains changes and updates to certain information that we do not feel constitute material changes since our last annual update. However, persons viewing this document are encouraged to read the entire Brochure.

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ITEM 4

ADVISORY BUSINESS

Arias Resource Capital Management LP ("ARCM" or "Investment Adviser") is a Delaware limited partnership that was formed on April 25, 2007. The general partner of the Investment Adviser is Arias Resource Capital GP LLC, which is controlled by J. Alberto Arias (the "Principal"). The Investment Adviser provides investment advisory services for Arias Resource Capital Fund II L.P. ("Fund II") and Arias Resource Capital Fund II (Mexico) L.P. ("Fund Mexico" and together with Fund II, the "Clients"). Fund II is a Cayman Islands exempted limited partnership, Fund Mexico is an Ontario, Canada limited partnership that was formed as a parallel fund to Fund II. The general partner of Fund II and Fund Mexico is Arias Resource Capital GP II Ltd. (the "General Partner"). The General Partner is controlled by the Principal.

ARCM's office is located at 201 S. Biscayne Blvd. – 28th Floor, Miami, FL 33131-4332 USA. The General Partner's facilities are provided by ARCM.

The Investment Adviser provides investment advisory services, including, without limitation, services related to the identification, acquisition and management of investments for the Clients pursuant to investment management agreements (each, an "IMA") entered into by and between the Investment Adviser and the individual Client in accordance with the terms of the individual Client's limited partnership agreement ("LPA") and confidential private offering memorandum ("PPM"). While the Investment Adviser provides advisory services to the Clients, it does not have investment discretion over the Clients' assets. Rather, the General Partner of the applicable Client has sole investment discretion with respect to such Client's investments.

This Brochure does not constitute an offer to sell or solicitation of an offer to buy any securities. The securities of the Clients are offered and sold on a private placement basis under exemptions promulgated under the Securities Act of 1933, as amended, and other exemptions of similar import under U.S. state laws or the laws of other jurisdictions where any offering may be made. Investors in the Clients generally must be both "accredited investors", as defined in Regulation D, and "qualified purchasers", as defined in the Investment Company Act of 1940, as amended. Persons reviewing this Brochure should not construe this as an offer to sell or solicitation of an offer to buy the securities of any of the Clients described herein. Any such offer or solicitation will be made only by means of a confidential private placement memorandum. As of the date of this Brochure, Fund II and Fund Mexico are closed to additional capital commitments.

ARCM, on behalf of its Clients, pursues investments in metals and mining companies that ARCM believes have quality mineral assets, a developed infrastructure, and an attractive exploration potential that has not yet been uncovered primarily due to capital constraints. Please see Item 8 for a more detailed description of ARCM's strategies.

The descriptions set forth in this Brochure of specific advisory services that the Investment Adviser offers to Clients, and investment strategies pursued and investments made by the Investment Adviser (or the General Partner) on behalf of Clients, should not be understood to limit in any way the Investment Adviser's investment activities. The Investment Adviser may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that the Investment Adviser considers

appropriate, subject to each Client's investment objectives and guidelines. The investment strategies the Investment Adviser pursues are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

The Investment Adviser's investment decisions and advice with respect to each Client are subject to each Client's investment objectives and guidelines, as set forth in its offering documents.

The Clients or the General Partner from time to time enter into letter agreements or other similar agreements (collectively, "Side Letters") with investors in the Clients which provide for, different or additional terms than those set forth in the LPA of the applicable Client. The Clients and the General Partner generally enter into Side Letters with investors without providing prior notice to, or receiving consent from, other investors. The terms of such Side Letters will be determined by the General Partner in its sole discretion. Existing Side Letters provide, among others, for certain information or disclosure rights, governance-related rights, rights related to the tax or regulatory status of investors, transfer rights and "most-favored nation" rights.

As of December 31, 2022, the Investment Adviser managed approximately \$263,400,000¹ (aggregate market value of the Clients' assets including committed capital not yet called) in respect of which the General Partner has full investment discretion. As of the date of this Brochure, the Investment Adviser manages no Client assets in respect of which neither the Investment Adviser nor the General Partner has full investment discretion.

¹ Rounded to the nearest \$100,000.

ITEM 5

FEES AND COMPENSATION

With respect to the Clients, the Investment Adviser is compensated with an annual 2% management fee, payable quarterly in advance, and 20% carried interest (received by the General Partner, which is an affiliate of the Investment Adviser).

Each Client pays to the Investment Adviser an annual management fee (the "Management Fee"), payable quarterly in advance. In Fund II and Fund Mexico, during the period beginning on the initial closing date and ending on the earliest of (A) the end of the commitment period², (B) the date that the Client is fully invested (as further specified in the applicable Client's LPA), and (C) a successor fund to the Client has accepted capital commitments of at least \$100 million in the aggregate (such earliest date, the "Step-Down Date"), the Management Fee will equal 0.5% (2% annualized) of the committed capital to such Client excluding committed capital, of the General Partner and certain affiliates. After the Step-Down Date, the Management Fee will be equal to 0.5% (2% annualized) of the aggregate capital contributions made for investments by such Client reduced by the sum of (x) the cost basis of each Partnership investment or portion thereof that has been disposed plus (y) the cumulative amount of any write-offs of each investment, or portion thereof, that has been written-off by the applicable Client as a result of a permanent impairment of value of such investment, in each case to the extent such amounts are attributable to the limited partners (the "Limited Partners") of such Client (excluding certain affiliates of the General Partner). As of February 16, 2022, the Management Fee for Fund II and Fund Mexico is equal to 0.25% (1% annualized) of the aggregate capital contributions made for investments by such Client reduced by the sum of (x) the cost basis of each Partnership investment or portion thereof that has been disposed plus (y) the cumulative amount of any write-offs of each investment, or portion thereof, that has been written-off by the applicable Client as a result of a permanent impairment of value of such investment, in each case to the extent such amounts are attributable to the Limited Partner.

The Investment Adviser through its personnel receives certain directors' fees from portfolio companies of Clients and may also receive certain advisory fees, organization or success fees, or break-up fees from portfolio companies of Clients. In Fund II and Fund Mexico, 100% of such fees will be applied to reduce the Management Fee. The Investment Adviser may waive, reduce or calculate differently any portion of the Management Fee with respect to any Limited Partner.

In addition, the General Partner is entitled to receive a carried interest distribution from the applicable Client equal to 20% of the profits of such Client, which is calculated after the Limited Partners of such Client receive a total return of their capital contributions to such Client and a preferred return equal to 8% per annum, compounded annually, on their capital contributions to such Client, subject to catch-up payments to the General Partner after such

² Generally defined as the period from the initial closing date of a client fund vehicle through the earlier of (i) the fourth anniversary of the initial closing date or final closing date, (ii) the date on which the commitment period is terminated by vote of a requisite percentage of limited partners of a Client following occurrence of a key man event and (iii) the date on which the commitment period is terminated by vote of limited partners of a Client representing at least 80% of the limited partners' capital commitments with or without reason.

preferred return payments are made to such Limited Partners. The General Partner may waive, reduce or calculate differently any portion of the carried interest with respect to any Limited Partner.

The Clients pay costs and expenses, such as organizational and offering expenses, the Management Fee, fees of the administrator, all costs and expenses incurred in connection with the actual or proposed making, financing, holding, monitoring, hedging, management or sale of any investment (whether or not such investment or transaction is ultimately consummated), including, without limitation, brokerage commissions (please see Item 12 for a description of ARCM's brokerage practices), finder's fees, spreads, mark-ups, clearing and settlement costs, investment banking fees, short dividends, commitment fees, financing costs, interest expense, broken deal expenses and other transactional charges, consultants', accountants' and other experts' fees, travel and entertainment expenses incurred for investment-related purposes (such as airfare (first/business class travel) and other transportation costs and fees, and meals and lodging), legal and due diligence expense, insurance costs (including, without limitation, directors' and officers' insurance, errors and omissions insurance, professional liability and other similar policies) and custody expenses. In addition, each Client pays all of its respective operating expenses, such as fees and expenses incurred in connection with investments in other investment funds or joint ventures, legal, accounting, audit and tax preparation expenses, administrative expenses, consulting expenses, appraisal expenses, expenses related to preparing, printing and disseminating periodic reports to its partners and other printing and mailing costs, market information systems and computer software expenses, fees of pricing services and financial modeling services, filing fees, advisory board expenses, expenses of meetings of its partners (such as venue, audio visual and sound, meals, entertainment, and for representatives of investors appointed to a Client's Advisory Board, airfare (first/business class travel), transportation costs and fees, meals and lodging), wind-up and liquidation expenses and any extraordinary expenses (including, without limitation, indemnification or litigation expenses) and any entity-level taxes, fees or other governmental charges levied against the applicable Client. Moreover, the Investment Adviser and its personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Clients (or portfolio companies of the Clients (e.g. when serving on the board of directors of a portfolio company) that will not be subject to management fee offset or otherwise shared with the Clients or limited partners. For example, airline travel or hotel stays incurred as Client (or portfolio company) expenses from time to time result in "miles" or "points" or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to the Investment Adviser and/or such personnel (and not the Clients or limited partners or the portfolio company of the Client) even though the cost of the underlying service is borne by the Clients (or the portfolio company).

From time to time, the General Partner of a Client will be required to decide whether costs and expenses are to be borne by a Client, on the one hand, or the General Partner and the Investment Adviser, on the other, and/or whether certain costs and expenses should be allocated among the Clients. Certain expenses are suitable for only a particular Client and borne only by such Client, or, as is often the case, expenses are allocated pro rata among the Clients, and such allocation is calculated based on capital commitments, invested capital, available capital, number of shares held by the applicable Client in the portfolio company to which the expense relates, or other metrics as determined by the General Partner in its sole discretion. The General Partner will make such judgments as it believes is fair and

reasonable, as determined in its sole discretion, notwithstanding its interest in the outcome, and, in certain circumstances, makes corrective allocations should it determine that such corrections are necessary or advisable. There can be no assurance that a different manner of allocation would not result in a Client bearing less (or more) expenses.

ITEM 6
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The General Partner, an affiliate of the Investment Adviser, accepts performance-based compensation from all of the Clients. As a result, the Investment Adviser does not face certain conflicts of interest that arise when an investment adviser accepts performance-based fees from some clients, but not from other clients, or accepts different rates of performance fees from clients.

ITEM 7
TYPES OF CLIENTS

The Investment Adviser provides investment advice to pooled investment vehicles (*e.g.*, offshore private equity funds) on a private placement basis. The offering documents of each Client set minimum amounts for investment by investors. These minimum amounts may be, and in certain circumstances have been, waived by the General Partner of each Client.

ITEM 8

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Strategies

Fund II and Fund Mexico

Fund II and Fund Mexico's investment objective is to invest in and apply a growth strategy for metals and mining companies in global markets (with a focus on Latin America) that the Investment Adviser believes have quality mineral assets, a developed infrastructure, and an attractive exploration potential that has not yet been uncovered primarily due to capital constraints. Fund II and Fund Mexico focuses primarily on investment opportunities in private and public companies that need investment capital for the expansion, exploration and development of new and existing projects. Fund II and Fund Mexico's investments in public securities may include investments in thinly traded securities and frequently traded securities. Fund II and Fund Mexico generally has an exposure bias towards metals and minerals that China is in chronic deficit of (due to China's lack of geologic endowment for some materials), such as copper, nickel, iron ore and uranium.

Fund II and Fund Mexico may also make investments in markets other than Latin America, such as: Australia, Africa, North America, Europe and Asia. Fund II and Fund Mexico may also invest in debt securities, generally as part of a strategy to acquire assets or equity stakes in mining companies. Fund II and Fund Mexico may also selectively invest in what it perceives to be undervalued precious metal opportunities and may consider investments in mining royalties as well. Solely for hedging purposes, Fund II and Fund Mexico will consider selective price protection for its investments through the use of derivatives on metal prices or through the use of derivatives on the prices of comparable frequently traded mining companies.

The typical holding period for Fund II and Fund Mexico investments in private and public companies (other than for the shorter-term investments in frequently traded securities described below) is generally expected to range from four to seven years. Fund II and Fund Mexico also expects to allocate a portion of its assets for shorter-term investments in frequently traded securities with the purpose of seeking to capitalize on selective market mispricings in the markets where Fund II and Fund Mexico typically invests. It is expected that such shorter-term investments in frequently traded securities generally will not exceed 20% of Fund II and Fund Mexico aggregate capital commitments and will have a typical holding period of three to nine months.

With respect to investments (other than shorter term investments in frequently traded securities, investments in mining royalties, precious metal opportunities, debt securities and derivatives) ("Covered Investments"), Fund II and Fund Mexico will seek to make investments in companies with respect to which it intends to obtain a position of influence (through active participation in the management of the portfolio companies via different mechanisms, such as a board seat, input on business strategy, and facilitation of strategic transactions for the purpose of increasing shareholder value) and may execute these investments through (among other transaction structures) private investments in public equity ("PIPE"). The majority of PIPE transactions Fund II and Fund Mexico will seek to invest in, will result in Fund II and Fund Mexico receiving securities with negotiated rights (e.g.

corporate governance rights), obligations and privileges not generally available or listed on established exchanges.

As of February 15, 2012, Fund II and Fund Mexico were closed to additional capital commitments.

Risk Factors

The Clients' investment programs are speculative and entail substantial risks. There can be no assurance that the investment objectives of the Clients will be achieved, and certain investment practices can, in some circumstances, potentially increase any adverse impact on the Clients' investment portfolios. The Investment Adviser's risk management approach seeks to isolate and mitigate, not eliminate, risk and there may be certain risks that the Investment Adviser determines should not or cannot be hedged against. Accordingly, the Investment Adviser's activities could result in substantial losses under certain circumstances. Investing in securities involves risk of loss that investors should be prepared to bear.

The following risk factors do not purport to be a complete list or explanation of the risks involved in making an investment in the Clients. These risk factors include only those risks the Investment Adviser believes to be material and relate to particular investment strategies and types of investments employed by the Investment Adviser.

Risks Relating to the Investment Program

Loss of Capital. No guarantee or representation is made that a Client's investment program will be successful. A Client's investment program may utilize leverage and currency hedging, which can, in certain circumstances, increase the adverse impact to which a Client's portfolio may be subject.

Difficulty of Locating Suitable Investments. A Client may be unable to find a sufficient number of attractive opportunities to meet its investment objectives, nor can there be any assurance as to the timing of investments. An investor in a Client must rely on the ability of the Investment Adviser and the General Partner of such Client to identify, structure and implement investments consistent with the Client's objectives and policies. Investors in the Clients will not have the opportunity to evaluate business, financial and other information that will be used by the General Partner in its analysis, selection and monitoring of portfolio company investments for a Client. It is possible that a Client will not fully invest its capital if sufficiently attractive investments are not identified or, if identified, are not consummated.

Competition for Investment Opportunities. Each Client will be subject to intense competition for investment opportunities with many sources of capital, including other financial buyers and strategic buyers. Among other factors, competition for suitable investments from other financial buyers and other investors may reduce the availability of investment opportunities. There can be no assurance that a Client will be able to invest its capital on terms favorable to such Client or in comparison to its competitors.

Dependence on Management of Portfolio Companies. Although the General Partner will monitor the performance of each investment, the Clients will also be dependent on the management teams of the portfolio companies to maintain primary responsibility for the operation of the Clients' portfolio companies on a day-to-day basis. There can be no

assurance that the management teams will be able to operate portfolio companies in accordance with the Clients' plans.

Contingent Liabilities on Disposition of Investments. In connection with the disposition of a Client investment in a portfolio company, the Client may be required to make representations about the business and financial affairs of such company typical of those made in connection with the sale of a business. The Client also may be required to indemnify the purchasers of such portfolio investment to the extent that any such representations are inaccurate or with respect to certain potential liabilities. These arrangements may result in the incurrence of contingent liabilities for which the Client may establish reserves or escrows.

Illiquidity of Investments. Although investments by a Client may generate some current income, the return of capital and the realization of gains, if any, from an investment will generally occur only upon the partial or complete disposition of such investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the investment is made, except for any frequently traded public securities held by the Client. The Clients expect to invest a significant amount of their capital in securities or other assets for which no, or only a limited, market exists or that are subject to legal or other restrictions on transfer. The market prices, if any, for such assets tend to be volatile, and may fluctuate due to a variety of factors that are inherently difficult to predict, including, but not limited to, changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic or international economic or political event and developments or trends in any particular industry. Accordingly, a Client may not be able to sell assets when such Client desires to do so or to realize what the General Partner perceives to be the fair value of the Client's assets in the event of a sale. The sale of illiquid assets and restricted securities often requires more time and the incurrence of significant selling expense by the Clients. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. In addition, in times of extreme market disruption, there may be no market at all for one or more of the asset classes held by the Clients, potentially resulting in the inability of the Clients to dispose of their assets for an indefinite period of time. It is unlikely that there will be a public market for any of the private securities held by the Clients. Accordingly, the Clients will generally not be able to sell such securities publicly unless their sale is registered under applicable securities laws or unless an exemption from such registration requirements is available. Since there will generally be no readily available market for a substantial number of the Clients' investments, most of the Clients' investments will be difficult to value.

Investments in Mining and Minerals. The Clients intend to invest in the mining and minerals sector. Such investments will be subject to the risks incident to these types of activities, including the worldwide balance of demand and supply, trends in industrial production which correlate with demand for a particular mineral, and the availability and cost of substitute materials. Mining operations are subject to extensive laws and regulations, such as environmental laws, mine closure and mined-land reclamation laws that govern mining operations in various jurisdictions that may have an adverse impact on mining in those jurisdictions. In addition, the level of mineral reserves in a particular mine are subject to uncertainty and any estimate of the quantity or grade of the reserve may be inaccurate. As the process of mining depletes mineral reserves, the industry depends upon successful strategies to replenish reserves, including alternative exploration sites and advanced technology that enhances the life of a mine. Feasibility stage development and exploration projects are subject to additional risks such as the ability to obtain permits necessary for the

exploration and the failure to detect significant reserves suitable for exploration. In its pursuit of investments in mining and minerals, the Clients may be exposed to the substantial risks of loss inherent in each of the above factors.

Risks of Investments in Precious Metals. Precious metals investments is a speculative activity. Prices of precious metals are affected by factors such as global supply and demand, investors' expectations with respect to the rate of inflation, currency exchange rates, interest rates, investment and trading activities of hedge funds and commodity funds, and global or regional political, economic or financial events and situations. Markets can be volatile at times, and there may be sharp fluctuations in prices even during periods of rising prices.

Concentration. In the normal course of making investments on behalf of the Clients, the General Partner will attempt to diversify their investments. However, each of the Clients has the ability to concentrate its investments by investing up to 20% of its capital commitments in a single portfolio company and an unlimited amount of its assets in any one industry, sector, strategy, country or geographic region. As a consequence, the aggregate return of a Client will be affected by the performance of a single investment and the overall adverse impact on such Client of adverse movements in the value of the securities of a single issuer or industry will be considerably greater than if such Client were not permitted to concentrate its investment to such an extent. Furthermore, to the extent that the capital raised is less than the targeted amount, the Clients may invest in fewer portfolio companies and thus be less diversified. In addition, it is possible that the General Partner may select investments that are concentrated in a limited number or types of financial instruments. This limited diversity could expose the Clients to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in those financial instruments.

Leverage. Subject to restrictions in its LPA, a Client may utilize borrowings for operating and investing purposes, thereby maximizing its investment positions. Accordingly, a Client may pledge its securities in order to borrow funds for investment purposes. A Client also may use options, short sales, swaps, forwards and other derivative instruments. The amount of borrowings that a Client may have outstanding at any time may be substantial in relation to its capital. In addition, the amount of leverage used by a Client for a substantial period of time after commencement of operations of such Client may be higher than its General Partner generally expects to employ on an ongoing basis. While leverage presents opportunities for increasing a Client's total return, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment by a Client would be magnified to the extent such Client is leveraged. The cumulative effect of the use of leverage by a Client in a market that moves adversely to such Client's investments could result in a substantial loss to such Client that would be greater than if such Client was not leveraged. In addition, the level of interest rates generally, and the rates at which a Client can borrow in particular, will affect the operating results of such Client.

Moreover, a Client may also invest in portfolio companies that may borrow and may utilize various lines of credit and other forms of leverage. While leverage presents opportunities for increasing a portfolio company's total return, it has the effect of potentially increasing losses as well. If income and appreciation on investments made with borrowed funds are less than the required interest payments on the borrowings, the value of the portfolio company's net assets will decrease. Accordingly, any event that adversely affects the value of an investment by a portfolio company would be magnified to the extent a portfolio company is leveraged.

Inability to Make Follow-On Investments. Following its initial investment in portfolio companies, a Client may be called upon to provide additional funds to portfolio companies or may have the opportunity to increase its investment in successful operations. There can be no assurance that a Client will be able to make follow-on investments or that such Client will have sufficient resources to make such investments. Any decision by a Client not to make follow-on investments or its inability to make them may have a substantial negative impact on portfolio companies in need of such an investment or may result in missed opportunities for such Client to increase its participation in successful operations.

Market Volatility. Volatile market conditions at various times have had a dramatic effect on investments. The success of a Client's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including, without limitation, laws relating to taxation of such Client's investments), trade barriers, currency exchange controls, and national and international political circumstances. In addition, terrorist attacks and other acts of violence or war may affect the operations and profitability of a Client's portfolio companies. Such events could cause consumer confidence and spending to decrease or result in increased volatility in worldwide financial markets and economy. These factors may affect the level and volatility of the prices of securities, commodities or other financial instruments and the liquidity of a Client's investments. Volatility or illiquidity could impair a Client's profitability or result in losses. A Client may maintain substantial investment positions that can be adversely affected by the level of volatility in the financial markets; the larger the positions, the greater the potential for loss.

Current Market Conditions and Governmental Actions.

Russia- Ukraine Conflict. Russia's invasion of Ukraine in February 2022 and the resulting conflict has caused significant instability in global financial markets and has increased the threat of cyberattacks, nuclear incidents, environmental damage and further escalation of geopolitical tensions. The invasion has also led to multiple countries imposing economic sanctions and enhanced export controls on the activities of certain individuals and Russian entities, and to numerous market participants voluntarily ceasing, suspending or reducing business with counterparties connected to Russia. Global and local macroeconomic impacts including increased inflationary pressures, volatility in the price and supply of energy and other commodities, disruption to supply chains, economic pressure caused by movement of displaced persons and significant uncertainty in the commercial, legal and political environment are likely to further adversely impact individuals and businesses.

The nature and duration of impacts on the business of the Clients and their portfolio investments are difficult to predict. While an increase in certain commodity costs may be beneficial for certain portfolio investments, the cumulative negative impacts could be both severe and long-lasting. Adverse impacts could include increased operating costs (as a result of increased energy and commodity prices, among other things) and foreign exchange risk, increased funding costs or reduced access to credit, disruption to supplies and/or loss of customer base for portfolio investments, and adverse impacts on operating margins. These factors could severely impact the Clients' portfolio investments and overall performance, and ultimately the ability of the Clients to achieve their investment objectives.

Assumption of Catastrophe Risks. The Clients may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes,

earthquakes and other natural disasters; terrorism; and public health crises, including the occurrence of a contagious disease. To the extent that any such event occurs and has a material effect on global financial markets or specific markets in which the Clients participate (or has a material effect on locations in which the Investment Manager operates) the risks of loss can be substantial and could have a material adverse effect on the Clients and the investors' investments therein.

Coronavirus Risks. In December 2019, the virus SARS-CoV-2, which causes the coronavirus disease known as COVID-19, surfaced in Wuhan, China. The disease spread around the world, resulting in the temporary closure of many corporate offices, retail stores, and manufacturing facilities across the globe, as well as the implementation of travel restrictions and remote working and "shelter-in-place" or similar policies by numerous companies and national and local governments. These actions caused the disruption of manufacturing supply chains and consumer demand in certain economic sectors, resulting in significant disruptions in local and global economies. The short-term and long-term impact of COVID-19 on the operations of the Investment Manager and the performance of the Funds is difficult to predict. In particular, the effectiveness of vaccination efforts, other future developments and actions taken by authorities and other entities to contain COVID-19 and its economic impact will influence the impact on Investment Manager's operations and the Clients' performance. These potential impacts, while uncertain, could adversely affect the performance of the Clients' portfolio.

Climate Change. Continued changes in climatic conditions could have a significant impact on the revenues, expenses and conditions of certain investments. While the full extent of the future effects of climate change are unknown, it is possible that climate change could affect precipitation levels, droughts, wind levels, annual sunshine, sea levels and the severity and frequency of storms and other severe weather events. Sudden changes in climate conditions could affect the frequency and magnitude of natural disasters, including, without limitation, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, which could, among other effects, adversely impact the cash flows available from an investment, cause personal injury or loss of life, damage property, or instigate disruptions of service. Moreover, if the evidence supporting climate change continues to grow, various regulatory agencies might enact more restrictive environmental regulations. These more restrictive regulations could materially impact the mining and minerals sector generally, and the revenues and expenses of an investment. Any of the foregoing could therefore adversely affect the performance of Clients and their investments.

ESG Considerations. Certain investors and other market participants are placing a greater emphasis on environmental, social and governance ("ESG") considerations in their investment decision-making and management practices, and there has been a recent promulgation of intermediaries offering ESG-related services, such as rankings or investment products. This shift in focus of ESG considerations may impact the demand for certain categories of investments, including in the mining and minerals sector. Additionally, this shift in focus could result in market pressures or more restrictive regulations, which could impact the revenues and expenses of an investment. Any of the foregoing could therefore adversely affect the performance of Clients and their investments.

Controlling Investments. A Client may hold a controlling interest in certain portfolio companies. The success of a Client's investments in portfolio companies that it controls will depend in part on its General Partner's ability to develop plans and strategies to exploit new

business opportunities for such companies as well as the General Partner's ability to restructure and effect improvements in the operations of such companies. The activity of developing such plans and strategies and of identifying and implementing operational improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that a Client will be able to identify and implement successfully such plans, strategies or improvements.

Non-Controlling Investments. A Client may hold a non-controlling interest in certain portfolio companies. The success of such Client's investments in such portfolio companies will depend in part on the performance and abilities of such portfolio companies' controlling shareholders. Because a Client will not control such portfolio companies, such Client's ability to exit from such investments may be limited. Additionally, a Client is likely to have a reduced ability to influence management of such portfolio companies. The General Partner may also have disagreements with controlling shareholders over the strategy and operations of such portfolio companies. As a result of the foregoing, a Client's equity investments in such portfolio companies may perform poorly.

Debt Securities. A Client may invest in non-U.S. and U.S. private and government debt securities and instruments. It is likely that many of the debt instruments in which a Client invests may be unrated, and whether or not rated, the debt instrument may have speculative characteristics. The issuers of such instruments (including, without limitation, sovereign issuers) may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal. Such instruments are dependent on the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk exposure to adverse conditions. In addition, an economic recession could severely disrupt the market for most of these securities and may have an adverse impact on the value of such instruments. It is also likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

Derivatives. Subject to restrictions in its LPA, Client's may invest in derivative instruments, which may include options, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies or indices. Derivatives typically allow an investor to hedge or speculate on the price movements of a particular security, financial benchmark, currency, index or commodity at a fraction of the cost of investing in the underlying asset. There is no assurance that derivatives that a Client wishes to acquire will be available at any particular time, on satisfactory terms or at all. The prices of many derivative instruments, including, without limitation, many options and swaps, are highly volatile.

The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are "leveraged," and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose a Client to the possibility of a loss exceeding the original amount invested.

Derivatives may be purchased on established exchanges or through privately negotiated transactions referred to as OTC derivatives. Exchange-traded derivatives generally are guaranteed by the clearing agency that is the issuer or counterparty to such derivatives. This guarantee usually is supported by a daily payment system (*i.e.*, variation margin requirements) operated by the clearing agency in order to reduce overall credit risk. As a result, unless the clearing agency defaults, there is relatively little counterparty credit risk associated with derivatives purchased on an exchange. By contrast, no clearing agency guarantees OTC derivatives.

In addition, derivative contracts may expose a Client to the credit risk of the parties with which such Client deals. Non-performance of such contracts by counterparties, for financial or other reasons, could expose the Client to losses, whether or not the transaction itself was profitable. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts.

A Client may take advantage of opportunities in any other derivatives that are not presently contemplated for use by such Client or that are not currently available but that may be developed, to the extent such opportunities are both consistent with such Client's investment objective and legally permissible for such Client.

The regulatory and tax environment for derivative instruments in a Client may participate is evolving, and changes in the regulation or taxation of such derivative instruments may have a material adverse effect on such Client.

Options and Swaps. A Client may incur risks associated with the sale and purchase of options and swap agreements. Price movements of options contracts and payments pursuant to swap agreements may be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, or national and international political and economic events and policies. The value of options and swap agreements also depends upon the price of the securities or currencies underlying them. A Client is also subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearinghouses or counterparties.

A Client may purchase and sell ("write") options on, among other things, securities and currencies on non-U.S and U.S. commodities and securities exchanges, and in the non-U.S. and U.S. over-the-counter markets. The seller ("writer") of a put option that is covered assumes the risk of an increase in the market price of the underlying security or currency above the sales price (in establishing the short position) of the underlying security or currency plus the premium received, and gives up the opportunity for gain on the underlying security or currency below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security or currency below the exercise price of the option. The buyer of a put option assumes the risk of losing the entire premium paid for the put option.

The writer of a call option that is covered assumes the risk of a decline in the market price of the underlying security or currency below the value of the underlying security or currency less the premium received, and gives up the opportunity for gain on the underlying security or currency above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security or currency above the exercise price of the option. The securities necessary to satisfy

the exercise of the uncovered call option may be unavailable for purchase except at much higher prices. Purchasing securities to satisfy the exercise of the uncovered call option can itself cause the price of the securities to rise further, sometimes by a significant amount, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing the entire premium paid for the call option.

Over-the-counter options generally are not assignable except by agreement between the parties concerned, and no party or purchaser has any obligation to permit such assignments. The over-the-counter market for options is relatively illiquid, particularly for relatively small transactions that a Client may use in its investment strategies.

Convertible Securities. Convertible securities are notes, preferred stocks or other securities that may be converted into or exchanged for a specified amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles its holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Convertible securities have unique investment characteristics in that they generally (i) have higher yields than common stocks, but lower yields than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases.

The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors also may have an effect on the convertible security's investment value. The conversion value of a convertible security is determined by the market price of the underlying common stock. If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by a Client is called for redemption, such Client will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third- party. Any of these actions could have an adverse effect on the Client's ability to achieve its investment objective.

Hedging Transactions. A Client may utilize a variety of securities, such as short sales, options, swaps, caps and floors, and futures and forward contracts and similar derivatives for hedging purposes. While a Client may enter into hedging transactions to seek to reduce risk,

such transactions may not be fully effective in mitigating the risks in all market environments or against all types of risk (including, without limitation, unidentified or unanticipated risks), thereby incurring losses to such Client. In addition, such hedging transactions may result in a poorer overall performance for the Client than if it had not engaged in any such hedging transactions. Moreover, it should be noted that (1) the Investment Adviser may determine not to hedge against, or may not anticipate, certain risks and (2) the portfolio will always be exposed to certain risks that cannot be hedged, such as credit risk (relating both to particular securities and counterparties).

Currency Exchange Exposure and Currency Hedging. A Client's investments generally will be denominated in the currency of the jurisdiction of the market on which the securities and other assets in which such Client invests are listed or traded or where the portfolio companies are located. Consequently, the return realized on any investment by investors in the Client whose functional currency is not the currency of the jurisdiction in which such market is located may be adversely affected by movements in currency exchange rates, in addition to the performance of the investment itself. Furthermore, the Client may incur costs in connection with conversions between various currencies. Currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a currency exchange dealer normally will offer to sell currency to the Client at one rate, while offering a lesser rate of exchange should the Client desire immediately to resell that currency to the currency exchange dealer. The Client will conduct its currency exchange transactions either on a spot (*i.e.*, cash) basis at the spot rate prevailing in the currency exchange market or through entering into forward or options contracts to purchase or sell currencies. It is anticipated that most of the Client's investments may not be denominated in U.S. dollars while the books of the Client are maintained in U.S. dollars. There is a risk that such currencies could depreciate significantly leading potentially to material adverse economic consequences for the applicable non-U.S. market (and therefore for investments made by the Client). Conversely, there is a risk that the U.S. dollar could depreciate significantly due to U.S. market conditions as well as levels of U.S. government and consumer savings and debt and consequently the Client's exchange transactions may yield smaller foreign currency amounts available for investment.

In addition, governments from time to time intervene, directly or by regulation, in the currency markets, with the specific effect, or intention, of influencing prices which may, together with other factors, cause all of such markets to move rapidly in the same direction. The effect of such intervention is often heightened by a group of governments acting in concert.

Foreign exchange transactions (including, without limitation, conversion and repatriation) by a Client may be subject to significant foreign exchange controls and may require the approval of, or registration with the local administration of, foreign exchange. There is no assurance that such approval or registration necessary for the conversion into U.S. dollars or other currencies and repatriation of such funds will be readily obtained.

When the Investment Adviser deems it appropriate, a Client may hedge its non-U.S. currency exposure by entering into hedging transactions, such as forward contracts, futures contracts and cross-currency swaps. There can be no guarantee that instruments suitable for hedging currency exposure will be available at the time when a Client wishes to use them, or that currency hedging techniques employed by such Client will be effective. There may be investments with respect to which hedging foreign currency exposure may not be

economically viable, such as investments in countries with foreign exchange controls or other similar restrictions or investments that are denominated in non-U.S. currency but generate significant U.S. dollar cash-flows. To the extent unhedged, the value of a Client's positions in non-U.S. investments will fluctuate with U.S. dollar exchange rates as well as the price changes of the investments in the various local markets and currencies. In such cases, an increase in the value of the U.S. dollar compared to the other currencies in which a Client makes its investments will reduce the effect of any increases and magnify the effect of any decreases in the prices of a Client's securities in their local markets and may result in a loss to such Client. Conversely, a decrease in the value of the U.S. dollar will have the opposite effect on such Client's non-U.S. dollar investments.

The success of a Client's foreign exchange hedging transactions will be subject to its ability to predict correlations between the value of such Client's investments and the direction of currency exchange rates. Therefore, while a Client may enter into such transactions to seek to reduce currency exchange rate risks, unanticipated changes in currency exchange may result in a poorer overall performance for the Client than if it had not engaged in any such hedging transaction. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the Client's investments being hedged may vary. Furthermore, for a variety of reasons, a Client may not seek to hedge certain assets or establish a perfect correlation between such hedging instruments and the assets being hedged. Such imperfect correlation may prevent the Client from benefiting from the intended hedge or expose the Client to additional risk of loss.

Broker or Dealer Insolvency. To the extent a Client engages in currency hedging or other ancillary investments in connection with an investment in assets, care is taken in selecting brokers or dealers who will maintain custody of certain of the assets of the Client. Even so, there is a residual risk that any of such brokers or dealers could become insolvent. It is expected that all securities and other assets deposited with brokers or dealers will be clearly identified as being assets of the Client and hence such entity should not be exposed to a credit risk with regard to such parties. However, it may not always be possible to achieve this and there may be practical or timing problems associated with enforcing the rights of the Client to its assets in the case of an insolvency of any such party.

Co-Investments with Third Parties. A Client may co-invest with unaffiliated third parties through joint ventures or other entities. It also may co-invest with affiliates of the General Partner or the Investment Adviser. Such investments may involve risks in connection with such third party involvement, including, without limitation, the possibility that a third party co-venturer may have financial difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of the Client or may be in a position to take (or block) action in a manner contrary to the Client's investment objectives. In those circumstances where unaffiliated third parties involve a management group, such third parties may enter into compensation arrangements relating to such investments, including, without limitation, incentive compensation arrangements. Such compensation arrangements will reduce the returns to participants in the investments. In addition, the Client will be unable to exercise sole decision-making authority and will be subject to the risk that a joint venturer or partner will act negligently or in a manner contrary to the Client's best interest. There is no assurance that there will be a ready market for resale of such co-investments because investments generally may not be liquid; holding periods accordingly are difficult to predict, particularly as business plans may be revised to adapt to changing economic, business and financial conditions.

Public Company Holdings. A Client's investment portfolio may contain securities issued by publicly held companies and such securities may constitute a substantial part or all of such Client's portfolio. Such portfolio investments may subject the Client to risks that differ in type or degree from those involved with portfolio investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Client to dispose of such securities at certain times, increased likelihood of shareholder litigation against such companies' board members and increased costs associated with each of the aforementioned risks.

Limitations Due to Regulatory Restrictions. A Client may seek to acquire a significant stake in certain assets. In the event such stake exceeds certain percentage or value limits, the Client may be required to file a notification with a governmental agency or comply with other regulatory requirements. Certain notice filings may be subject to review that require a delay in the acquisition of the asset. Compliance with such filing and other requirements may result in additional costs to the Client, and may delay the Client's ability to respond in a timely manner to changes in the markets with respect to such assets.

Cyber Security Breaches and Identity Theft. The Investment Adviser's information and technology systems and those of portfolio companies are, just as with other companies, vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Investment Adviser has various measures designed to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for the Investment Adviser, a Client or a portfolio company to make a significant investment to fix or replace them. The Clients may have had investments in or exposures to companies that have experienced cyber events and may become involved in future cyber security events. Cyber security events also could affect the Investment Adviser and its affiliates. The failure of systems or of disaster recovery plans for any reason could cause significant interruptions in the Investment Adviser's, a Client's or a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information. Such a failure could result in reputational harm to the Investment Adviser, the affected Client or the affected portfolio company, subject any such entity and its affiliates to legal claims and otherwise affect its business and financial performance.

Risk Factors Relating to Certain Markets

Non-U.S. Investments; Foreign Portfolio Companies. The Clients will generally invest in portfolio companies that are organized or operating outside of the United States. The economies of non-U.S. countries may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain non-U.S. economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain non-U.S.

countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

The Clients' non-U.S. investments may be subject to certain risks not usually associated with investing in securities of United States companies including, but not limited to, political and economic considerations, such as greater risks of expropriation and nationalization, confiscatory taxation, the potential difficulty of repatriating funds, general social, political and economic instability and adverse diplomatic developments; the possibility of imposition of withholding or other taxes on dividends, interest, capital gain or other income; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion. In addition, accounting and financial reporting standards that prevail in such countries generally are not equivalent to United States standards and, consequently, less information is available to investors in companies located in such countries than is available to investors in companies located in the United States. There is also generally less regulation of the securities markets in such countries than there is in the United States.

Global Investments. The Clients expect to invest a significant portion of their net assets in the equity securities and other financial instruments issued by issuers located in countries that are not members of the Organization for Economic Co-operation and Development ("OECD"). In addition to business uncertainties, such investments may be affected by political, social and economic uncertainty affecting a country or region. Many financial markets outside the OECD are not as developed or as efficient as those in OECD countries, and as a result, liquidity may be reduced and price volatility may be higher. The legal and regulatory environment may also be different, particularly as to bankruptcy and reorganization. Financial accounting standards and practices may differ, and there may be less publicly available information in respect of such companies.

A Client may be subject to additional risks which include possible adverse political and economic developments, possible seizure or nationalization of deposits and possible adoption of governmental restrictions which might adversely affect payments to investors located outside the country of the issuer, whether from currency blockage or otherwise. Furthermore, the acquisition and sale of certain investments may be subject to brokerage taxes and duties levied by governments, which has the effect of increasing the cost of such investment and reducing the realized gain or increasing the realized loss on such investments at the time of sale. Income received by a Client from sources within some countries may be reduced by withholding and other taxes imposed by such countries. Any such taxes paid by the Client will reduce its net income or return from such investments. While the General Partner will take these factors into consideration in making investment decisions for the applicable Client, no assurance can be given that such Client will be able to fully avoid these risks.

At present, some less developed markets do not have treaties providing for the reciprocal recognition and enforcement of judgments with OECD countries. Therefore, it may be difficult for a Client to enforce in such countries any judgments it may obtain in courts of OECD countries.

In addition, the inter-relatedness of the economies of certain less developed markets has deepened over the years, with the effect that economic difficulties in one country often spread to other less developed markets. No assurance can be given that a Client's investments will

not be adversely affected by effects in countries outside of where investments are located. In particular, less developed markets may be significantly affected by economic conditions in OECD countries, including the U.S., which are major export markets for less developed markets.

Investments in Emerging Markets. Investing in emerging markets involves a greater degree of risk than an investment in securities of issuers based in developed countries. Such risks may include (i) increased risk of nationalization or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war, and more volatile markets; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalization of markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on realization of investments, repatriation of invested capital and on the ability to exchange local currencies for U.S. dollars and other restrictive governmental actions; (viii) increased likelihood of governmental involvement in and control over the economy; (ix) governmental decisions to cease support of economic reform programs or to impose centrally planned economies; (x) less rigorous auditing and financial reporting standards which may result in the unavailability of material information about issuers; (xi) less favorable tax or legal systems, (xii) greater or less extensive regulation of the markets; (xiii) longer settlement periods for transactions and less reliable clearance and custody arrangements; (xiv) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; and (xv) certain considerations regarding the maintenance of a Client's securities with non-U.S. brokers and securities depositories.

Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally and transactions may need to be made on a non-local exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. The quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported. In emerging markets, there is often less government supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers, counterparties and issuers, such as banks and other financial institutions, than in other more established markets. Any regulatory supervision which is in place may be subject to manipulation or control and, therefore, potentially carry greater risk. Custodial expenses for a portfolio of emerging markets securities generally are higher than for a portfolio of securities of issuers based in developed countries. In addition, a Client's investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities or restrictions on the ability to convert currency or to take currencies out of certain countries. Government involvement in the private sector varies in degrees among the emerging countries in which the Client may invest. Such involvement may include government ownership, wage and price controls or imposition of trade barriers or other protectionist measures. Additionally, some emerging market countries do not have mature legal systems comparable to those of more developed countries. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments, which could result in investment risk.

Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional and national requirements. In certain cases, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary appreciation or interpretation. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. A Client may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in non-U.S. courts. Repatriation of investment income, assets and the proceeds of sales by foreign investors may require governmental registration or approval in some emerging countries. A Client could be adversely affected by delays in or a refusal to grant any required governmental registration or approval for such repatriation.

Due to the foregoing risks and complications, the costs associated with investments in emerging market securities generally are higher than for securities of issuers based in developed countries. In addition, economic problems in a single emerging market country are increasingly affecting other markets and economies. A continuation of this trend could adversely affect global economic conditions and world markets and, in turn, could adversely affect the Clients' performance.

Risk Factors Relating to Investing in Latin America

Considerations Relating to Latin American Securities. Investments in assets located in or originated in certain Latin American countries may involve special risks. Certain Latin American countries have historically experienced, and are likely to continue to experience, high rates of inflation, high interest rates, exchange rate fluctuations, large amounts of external debt, balance of payments and trade difficulties and extreme poverty and unemployment.

Economic Risks. The economies of Latin American countries may differ favorably or unfavorably from developed economies such as the U.S. and Western Europe in such respects as growth of GDP, rate of inflation, currency depreciation, capital reinvestment, resource self-sufficiency and balance of payments position. Furthermore, the economies of developing countries are generally heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade.

Economic Instability. Latin America has generally been characterized by substantial economic instability resulting from, among other things, political unrest, high interest and inflation rates, currency devaluations and government deficits. The economies of Latin America are heavily dependent on the health of the U.S. economy and, because commodities such as oil and gas, minerals, and metals, represent a significant percentage of the region's exports, the economies of Latin American countries are sensitive to fluctuations in commodity prices. The economies of the countries in the region may be impacted by the policies or economic problems of other Latin American countries. As a result of these factors, an investment in Latin America may experience significant volatility.

Political Risks. With respect to at least some of the Latin American countries, there is a possibility of nationalization, expropriation or confiscatory taxation, political changes, governmental regulation, social instability or diplomatic developments (including war), which could affect adversely the economies of such countries and the value of the Clients' investments in those countries.

Changes in Government Policy. Any changes in government policy may result in changes to laws affecting ownership of assets, land tenure, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labor relations, repatriation of income or return of capital. Any such changes may affect a portfolio company's ability to undertake exploration and development activities in respect of future properties in the manner currently contemplated, as well as a portfolio company's ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Investment and Repatriation Restrictions. Some Latin American countries have laws and regulations that currently preclude direct foreign investment in the securities of their companies or in obligations of local issuers, whether public or private sector. However, indirect foreign investment in these countries may be permitted through investment funds or other vehicles which have been specifically authorized. In addition to the foregoing investment restrictions, prior governmental approval for foreign investments may be required under certain circumstances in some Latin American countries, and the extent of foreign investment in domestic companies may be subject to limitation in other Latin American countries. Repatriation of investment income, assets and the proceeds of sales by foreign investors may require governmental registration or approval in some Latin American countries. A Client could be adversely affected by delays in or a refusal to grant any required governmental registration or approval for such repatriation, or by the imposition of withholding taxes by Latin American countries on interest or dividends paid on securities held by the Client or on gains from the disposition of such securities.

ITEM 9
DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a Client's or prospective Client's evaluation of the Investment Adviser's advisory business or the integrity of the Investment Adviser's management.

ITEM 10
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Investment Adviser and its management persons are not registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

The Investment Adviser and its management persons are not registered as, and do not have any application to register as, a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

As described above, the General Partner is an affiliate of the Investment Adviser. Incentive allocations are made to the General Partner, while management fees are paid to the Investment Adviser.

Certain principals and employees of the Investment Adviser serve on the board of directors of companies the securities of which are held by one or more Clients. Conflicts of interest arise in connection with these relationships due to the duties such individuals have to such companies or their stakeholders and such individuals' responsibilities with respect to the Clients.

Ospraie Management, LLC ("Ospraie"), has a passive minority equity interest in the General Partner as well as the Investment Adviser. Ospraie, arranges from time to time for capital commitments to the Clients by one or more investment management clients of Ospraie (including, without limitation, investors in any investment vehicle managed by Ospraie) or other Ospraie-related investors (including, without limitation, investors introduced by Ospraie), and the Clients and the General Partner have agreed to give Ospraie certain rights with respect to the Clients that other Limited Partners are not offered (*e.g.*, co-investment rights).

ITEM 11
CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS
AND PERSONAL TRADING

The Investment Adviser strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. In seeking to meet these standards, the Investment Adviser has adopted a Code of Ethics (the "Code"). The Code incorporates the following general principles that all employees are expected to uphold: employees must at all times place the interests of clients first; all personal securities transactions must be conducted in a manner consistent with the Code and any actual or potential conflicts of interest or any abuse of an employee's position of trust and responsibility must be avoided; employees must not take any inappropriate advantage of their positions; information concerning the identity of securities and financial circumstances of the Clients, including the Clients' investors, must be kept confidential; and independence in the investment decision-making process must be maintained at all times. The Code also places restrictions on personal trades by employees, including that they disclose their personal securities holdings and transactions to the Investment Adviser on a periodic basis, and requires that employees pre-clear certain types of personal securities transactions.

Clients may request a copy of the Code by contacting the Investment Adviser's Chief Compliance Officer at the address or telephone number listed on the first page of this Brochure.

Subject to applicable restrictions under the Investment Adviser's written policies and procedures and the LPA of the applicable Client, the Investment Adviser from time to time effects rebalancing or internal cross transactions between the Clients. In such cases, one Client purchases securities held by another Client. The Investment Adviser endeavors to effect these transactions based on a fair, current independent market price and consistent with valuation procedures established by the Investment Adviser. Neither the Investment Adviser nor any related party receives any compensation in connection with these rebalancing transactions. When effecting cross transactions between Clients, the Investment Adviser and its personnel from time to time have cross ownership interests and have conflicting division of loyalties and responsibilities. To the extent that such transactions may be viewed as principal transactions due to the ownership interest in the Clients by the Investment Adviser or its personnel, the Investment Adviser will comply with the requirements of Section 206(3) of the Advisers Act, including that any such transactions will be considered on behalf of investors and approved or disapproved by an advisory board comprised of representatives of Limited Partners of the applicable Client not affiliated with the Investment Adviser.

Subject to the policies and procedures set forth in the Code, as well as the Clients' governing documents and applicable laws and regulations, the Investment Adviser, its affiliates and its employees from time to time invest on behalf of themselves in securities and other instruments that would be appropriate for, held by, or fall within the investment guidelines of the Clients. The Investment Adviser, its affiliates and its employees from time to time give advice or take action for their own accounts that differs from, conflicts with or is adverse to advice given or action taken for the Clients. These activities may affect the prices and availability of other securities or instruments held by or potentially considered for one or more Clients. Conflicts also arise due to the fact that the Investment Adviser and its personnel have investments in some Clients but not in others. The Investment Adviser has

established policies and procedures to monitor and address conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code, as described above. In addition, the Clients have established advisory boards comprised of representatives of certain of investors. The Clients' LPAs provide that certain transactions between the applicable Client and the Investment Adviser and its affiliates may only be made with the prior approval of the advisory board for the applicable Client.

The Investment Adviser manages investments on behalf of a number of Clients. Certain Clients have investment programs that are similar to or overlap and therefore, participate (and in certain instances are participating) with each other in investments. It is the policy of the Investment Adviser to allocate investment opportunities among all Clients fairly, to the extent practical and in accordance with each Client's applicable investment strategies, over a period of time. The Investment Adviser will have no obligation to purchase or sell a security for, enter into a transaction on behalf of, or provide an investment opportunity to a client solely because the Investment Adviser purchases or sells the same security for, enters into a transaction on behalf of, or provides an opportunity to another Client if, in its reasonable opinion, such security, transaction or investment opportunity does not appear to be suitable, practical or desirable for such first Client.

ITEM 12

BROKERAGE PRACTICES

The Investment Adviser primarily uses Principal Bank in conjunction with Bank of New York and may use various additional brokers and dealers to execute, settle and clear securities transactions for the Clients. Subject to best execution, in selecting brokers (including a prime broker) to execute transactions, provide financing and securities on loan, hold cash and short balances and provide other services, the Investment Adviser considers, among other things, the ability of the brokers and dealers to effect the transaction, the brokers' or dealers' facilities, reliability and financial responsibility, as well as the provision by the brokers of the following: capital introduction, marketing assistance, consulting with respect to technology, operations and equipment, commitment of capital, access to company management and access to deal flow. Accordingly, the commission rates (or dealer markups and markdowns) charged to the Clients by brokers or dealers in the foregoing circumstances from time to time are higher than those charged by other brokers or dealers who may not offer such services. The Investment Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost or spread. Generally, neither the Investment Adviser nor the Clients separately compensate any broker for any of these other services. The Investment Adviser maintains policies and procedures to review the quality of executions, including quarterly reviews by its investment and compliance professionals.

Research and Other Soft Dollar Benefits

The Clients do not currently intend to utilize "soft" dollars to obtain research or research-related services or non-research assistance or services. To the extent any research or research-related services or non-research assistance or services received by the Investment Adviser are construed to be soft dollars, such research or services will fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended and such research or services will not necessarily be generated by the same Client that receives the benefits of such research or services. The Investment Adviser will not seek to allocate any research or services incidentally received from a broker-dealer to Client accounts in proportion to any soft dollars the accounts may be deemed to have generated.

Brokerage for Client Referrals

As discussed above, subject to best execution, the Investment Adviser considers, among other things, capital introduction and marketing assistance in selecting or recommending broker-dealers for the Clients.

Directed Brokerage

The Investment Adviser does not recommend, request or require that a client direct the Investment Adviser to execute transactions through a specified broker-dealer.

Trade Aggregation

The Investment Adviser will aggregate trade orders only when aggregation is consistent with its duty to obtain best execution and the terms of the investment guidelines and restrictions of each Client for which trades are being aggregated.

No Client will be favored over any other Client; each Client that participates in an aggregated order will participate at the average price for all of the Client's transactions in that security on a given business day, with transaction costs shared *pro rata* based on each Client's participation in the transaction.

ITEM 13

REVIEW OF ACCOUNTS

The Investment Adviser's portfolio manager conducts quarterly reviews of the Clients' portfolios. A more frequent review of an account may be triggered by any unusual activity or special circumstances. The Investment Adviser provides written annual audited financial statements within 120 days of the applicable Client's fiscal year end and written quarterly unaudited financial information for the first three calendar quarters to investors.

While all investors generally receive similar information, to the extent an investor receives additional information (that other investors have not received), which is in addition to information provided in a Client's regular reports to investors, such information generally provides such investor with greater insight into the Client's activities. This would enhance such investor's ability to make investment decisions with respect to the Client during its capital raising period.

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

The Investment Adviser does not receive economic benefits from non-clients for providing investment advice and other advisory services.

The Investment Adviser does not currently maintain, but may in the future enter into, arrangements with third party placement agents or distributors to solicit investors in future clients and such arrangements will generally provide for the compensation of such persons for their services at the Investment Adviser's expense (including through offsets to the fees and compensation received by the Investment Adviser and its affiliates in respect of the relevant client).

ITEM 15

CUSTODY

The Investment Adviser is deemed to have custody of Client funds and securities because it has the authority to obtain Client funds or securities, for example, by deducting advisory fees from a Client's account or otherwise withdrawing funds from a Client's account. Account statements related to the Clients are sent by a qualified custodian to the Clients and the Investment Adviser. Principal Bank in conjunction with Bank of New York acts as the Clients' qualified custodian(s). The Northern Trust International Banking Corporation and Scotiabank Peru S.A.A., a principal subsidiary of the Scotiabank Group, maintain banking relationships with the Clients and their wholly owned special purpose vehicles for custody of funds.

The Investment Adviser is subject to Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). However, it is deemed to have complied with certain requirements of the Custody Rule with respect to each Client because the Investment Adviser requires, among other things, that each Client be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the Investment Adviser requires that each Client distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

ITEM 16
INVESTMENT DISCRETION

Pursuant to the LPA of each Client, the General Partner of such Client has discretionary trading and investment authority with respect to such Client and its advice with respect to such Client is made in accordance with the investment objectives and guidelines as set forth in such Client's PPM or LPA. The Investment Adviser provides assistance to the General Partner in respect of the General Partner's management and supervision of the business and affairs of the Clients pursuant to the IMAs between each Client and the Investment Adviser.

ITEM 17

VOTING CLIENT SECURITIES

The General Partner exercises voting decisions with respect to the securities held by the Clients, and the Investment Adviser does not have authority to vote such securities. In compliance with Rule 206(4)-6 of the Advisers Act, the Investment Adviser and the General Partner have adopted proxy voting policies and procedures. The general policy is to vote proxy proposals amendments, consents or resolutions (collectively, "Proxies") in a prudent and diligent manner that will serve the applicable Client's best interests and is in line with each Client's investment objectives. The General Partner may take into account all relevant factors, as determined by them in its discretion, including: (i) the impact on the value of the securities or instruments owned by the relevant Client and the returns on those securities; (ii) the anticipated associated costs and benefits; (iii) the continued or increased availability of portfolio information and (iv) industry and business practices. In limited circumstances, the General Partner may refrain from voting Proxies where the General Partner believes that voting would be inappropriate taking into consideration the cost of voting the Proxies and the anticipated benefit to the applicable Client. Conflicts of interest may arise between the interests of the Clients on the one hand and the General Partner, the Investment Adviser or its affiliates on the other hand. If the General Partner determines that it may have, or is perceived to have, a conflict of interest when voting Proxies, the General Partner will vote in accordance with its proxy voting policies and procedures. Clients may obtain a copy of the Investment Adviser's and the General Partner's proxy voting policies and its proxy voting record upon request.

ITEM 18
FINANCIAL INFORMATION

The Investment Adviser is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.