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This document is issued by CQS (UK) LLP (the "Investment Manager" or the "AIFM") solely in order to make certain information available to investors (or prospective investors) in CQS Natural Resources Growth and Income plc ("the Company") before they invest, in accordance with the requirements of the Financial Conduct Authority (the "FCA") Rules implementing the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the "AIFMD") in the United Kingdom. It is made available to investors in the Company ("Investors" or "Shareholders") on the section of New City Investment Managers' website (www.ncim.co.uk) dedicated to the Company.

Potential investors in the Company's shares ("Shares") should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser before investing in the Company.

CQS Natural Resources Growth and Income plc

PRE-INVESTMENT DISCLOSURE DOCUMENT

IMPORTANT INFORMATION

Regulatory status of the Company

The Company is an "alternative investment fund" ("AIF") for the purposes of the AIFMD Directive and is incorporated as a public limited company in England and Wales.

The Shares are listed on the premium segment of the Official List of the UK Listing Authority ("UKLA") and are admitted to trading on the Main Market of the London Stock Exchange. The Company is subject to its Memorandum and Articles of Association, the UKLA Listing, Prospectus and Disclosure and Transparency Rules, the UK Corporate Governance Code and the Companies Act 2006.

Implications of the contractual relationship entered into for the purpose of investment

While Investors acquire an interest in the Company on subscribing for the Shares, the Company is the sole legal and/or beneficial owner of its investments. Consequently, Investors have no direct legal or beneficial interest in those investments. The liability of Investors for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the Shares held by them.

Investors' rights in respect of their investment in the Company are governed by the Company's Memorandum and Articles of Association and the Companies Act 2006. The Company's Memorandum and Articles of Association set out the respective rights and restrictions attaching to the Shares. Under English law, the following types of claim may in certain circumstances be brought against a company by its shareholders; contractual claims under its Articles of Association; claims in misrepresentation in respect of statements made in its prospectus and other marketing materials; unfair prejudice claims; and derivative actions. In the event that a shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such shareholder should consult its own legal advisers.

Jurisdiction and applicable law

As noted above, Shareholders' rights are governed principally by the Company's Memorandum and Articles of Association and the laws of England and Wales. By subscribing for Shares, Investors agree to be bound by the Company's Memorandum and Articles of Association which is governed by, and construed in accordance with, the laws of England and Wales.

Limited purpose of this document

This document is not being issued for any purpose other than to make certain required regulatory disclosures to Investors and, to the fullest extent permitted under applicable law and regulations, the Company, the AIFM, and CQS will not be responsible to persons for their use of this document, nor will they be responsible to any person (including the Company's Investors) for any use which they may make of this document other than to inform a decision to invest in or dispose of Shares in the Company.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to buy or sell, or otherwise undertake investment activity in relation to, the Company's Shares.

This document is not a prospectus and it is not intended to be an invitation or inducement to any person to engage in any investment activity. This document may not include (and it is not intended to include) all the information which investors and their professional advisers may require for the purpose of making an informed decision in relation to an investment in or disposal of the Company's Shares.

No advice and Forward Looking Statements

These materials may include statements or direct the reader to statements that are, or may be deemed to be, "forward-looking statements". In some cases, such forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, results of operations, returns, yields, financial condition, liquidity, distributions to investors and the development of its strategies may differ materially from any impression created by any forward-looking statement(s) contained in these materials. Opinions, estimates, forecasts, and statements of financial market trends that are based on current market conditions, constitute the authors' judgment and are subject to change without notice. Changes in exchange rates may cause the value of underlying investments to go down as well as up. The value of any investments and the income from them may fall as well as rise and investors may not get back the amount invested. Target yields or returns are targets only and there can be no

Guarantee that the Company will achieve such targets at the levels stated or at all. Prospective investors should not place any reliance on such targets in deciding whether to invest in the Company.

Neither the Company nor the Investment Manager are advising any person in relation to any investment or other transaction involving Shares in the Company. Recipients must not treat the contents of this document or any subsequent communications from the Company, or any of its affiliates, officers, directors, employees or agents, as advice relating to financial, investment, taxation, accounting, legal, regulatory or any other matters. Prospective investors must rely on their own professional advisers, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment in Shares.

Overseas investors

This document is not for release, publication or distribution, directly or indirectly, in whole or in part outside the UK.

The distribution of this document in certain jurisdictions may be restricted and accordingly persons into whose possession this document comes are required to inform themselves about and to observe such restrictions. The Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under any of the relevant securities laws of Canada, Australia or Japan. Accordingly, the Shares may not (unless an exemption from such act or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the USA, Canada, Australia or Japan. The Company is not registered under the United States Investment Company Act of 1940 (as amended) and investors are not entitled to the benefits of such act.

Prospective investors must inform themselves as to (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Shares.

THE COMPANY

Definitions

Capitalised terms used but not defined in the document shall have the meaning given to them in the Company's Prospectus. The Company's Prospectus is available on the section of New City Investment Managers' website (www.ncim.co.uk) dedicated to the Company.

Investment policy, strategy and techniques

The Company's Prospectus sets out the Company's investment policy and the Company's investment objective and policy which includes the strategy and techniques currently applied in managing the Company's Portfolio and any applicable investment restrictions.

As a closed-ended investment fund whose Shares are admitted to the Official List under Chapter 15 of the UKLA Listing Rules, the Company is required to obtain the prior approval of its Investors to any material change to its published investment policy. Accordingly, the Company will not make any material change to its published investment policy without the approval of its Investors by ordinary resolution. The Company will announce any such change through a Regulatory Information Service.

Any change in the investment policy which does not amount to a material change to its published investment policy may be made by the Company without Shareholder approval.

Derivatives and Underwriting

Whilst the Company does not currently engage in currency and/or interest rate hedging, it may invest through derivatives for efficient portfolio management (such as currency and/or interest swap agreements, futures contracts, options and forward currency and/or interest exchanges and other derivative contracts) where the Investment Manager considers it to be in the interests of the Company. The Company has set a maximum limit for derivatives of 10 per cent of the Company's total assets.

The Company may enter into underwriting or sub-underwriting arrangements from time to time. The Company has set a maximum limit for underwriting or sub-underwriting of an equity security to 5 per cent of the Company's total assets and 10 per cent of the Company's total assets for a fixed interest security.

Leverage

The Company may use gearing to increase potential returns to Investors.

The Company may employ gearing up to a maximum of 25 per cent. of NAV at the time of borrowing. Gearing is expected to be used tactically to make investments consistent with the Company's investment objective and policy and for working capital purposes.

The Company has the use of a revolving facility agreement of up to £20 million provided by Scotiabank Europe plc pursuant to the terms of a facility agreement. If the Company is required to repay borrowings under its bank facility, there is no guarantee that such facility will be refinanced, either on terms that are acceptable to the Company or at all, and the Company may be required to realise investments sooner than expected and this could impair the Investment Manager's ability to generate investment returns for investors.

The AIFMD prescribes two methods of measuring and expressing leverage (as opposed to gearing) and requires disclosure of the maximum amount of 'leverage' the Company might be subject to. The definition of leverage is wider than that of gearing and includes exposures that are not considered to contribute to gearing.

The AIFM has set the following "leverage" limit: 2:1 (on both a "gross" and "commitment" basis).

The AIFM will disclose the following on its website:

- any changes to the maximum level of leverage that the AIFM may employ on behalf of the Company;
- any changes to the right of reuse of collateral or any guarantee granted under the leveraging arrangements; and
- the total amount of leverage employed by the Company.

Leverage Risk in connection with derivatives

The Company may use various derivative instruments, including options, futures, forward contracts and swaps, as part of its investment strategy for purposes of efficient portfolio management. Some of these derivative instruments may be volatile and speculative in nature, and may be subject to wide and sudden fluctuations in market value. Derivatives, especially over-the-counter derivatives in the form of a privately negotiated contract against a principal counterparty, may also be subject to adverse valuations reflecting the counterparty's marks (or valuations), which might not correspond to the valuations of other market or exchange traded instruments. In addition, derivative instruments also may not be liquid in all circumstances, so that in volatile markets the Company may not be able to exit its position without incurring a loss. Investing in derivative instruments can result in large amounts of gearing, which may magnify the gains and losses experienced by the Company and could cause the Company's NAV to be subject to wider fluctuations than would otherwise be the case.

ADMINISTRATION AND MANAGEMENT OF THE COMPANY

The AIFM

Identity of AIFM

The Company has appointed CQS (UK) LLP ("CQS") as its investment manager, under the terms of an investment management agreement dated 14 May 2019.

The Company has appointed CQS (UK) LLP Limited as its alternative investment fund manager. CQS (UK) LLP has been authorised by the FCA as an alternative investment fund manager pursuant to the AIFMD to perform the following functions:

- The investment management function in respect of the Company which includes portfolio management and risk management; and
- Marketing functions.

Fees

CQS is entitled to receive a management fee charged at a rate of 1.20% per annum, paid monthly in arrears, on the Company's Net Assets up to £150 million; 1.10% on Net Assets above £150 million and up to £200 million; 1.00% on Net Assets above £200 million and up to £250 million and 0.90% on Net Assets above £250 million. CQS is responsible for the fees paid to the AIFM.

The Administrator

The Company has appointed BNP Paribas Securities Services S.C.A. to provide administration (including accounting and valuation functions), compliance oversight and company secretarial services. The Administration Agreement may be terminated by any party giving to the other or others not less than 12 months' notice.

Depository

The Company's depository is BNP Paribas Securities Services S.C.A., which is responsible for safe-keeping of the Company's financial assets and for monitoring its cash flows.

Fees

The Administrator and Depository were appointed with effect from 15th September 2020 and their fees for the current period until 30th June 2021 will be updated following the publication of the Company's annual accounts.

The Auditor

Identity of the Auditor

The auditors to the Company are BDO LLP of 55 Baker Street, London W1U 7EU, which is a recognised auditor and a member of the Institute of Chartered Accountants in England and Wales.

Description of the duties of the Auditor and investors rights

The Auditor carries out its duties in accordance with applicable laws, rules and regulations, including the audit of the accounting information contained in the annual report of the Company. The Auditors' work has been undertaken so that they might state to the Company's Investors those matters they are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, the Auditors do not accept or assume responsibility to anyone other than the Company and the Company's Investors as a body, for their audit work, for their audit report, or for the opinions they formed.

Fees

The fees payable to the auditors shall be determined by the Company. The auditor's fees for the Company's financial year to 30 June 2020 were £30,000.

The Registrar

The Registrar to the Company is Equiniti, whose registered office is at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

The duties of the Registrar include the maintenance of the register of shareholders, payment of dividends, processing of Investor legal documentation, certifying and registering transfers and general meeting services.

Fees

The fees payable to the Registrar shall be determined by the Company. The Registrars' fees for the Company's financial year to 30 June 2020 were £13,000.

Investors' Rights

The Company is reliant on the performance of third party service providers, including the AIFM, the Depository, the Auditor and the Registrar.

Without prejudice to any potential right of action in tort that an Investor may have to bring a claim against a service provider, each Investor's contractual relationship in respect of its investment in

Shares is with the Company only. Accordingly, no Investor will have any contractual claim against any service provider with respect to such service provider's default.

In the event that an Investor considers that it may have a claim against a third party service provider in connection with such Investor's investment in the Company, such Investor should consult its own legal advisers.

The above is without prejudice to any right an Investor may have to bring a claim against an FCA authorised service provider under section 138D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Investors who believe they may have a claim under section 138D of the Financial Services and Markets Act 2000, or in tort, against any service provider in connection with their investment in the Company, should consult their legal adviser.

Investors who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints against the Manager to the Financial Ombudsman Service ('FOS') (further details of which are available at www.financial-ombudsman.org.uk). Additionally, Investors may be eligible for compensation under the Financial Services Compensation Scheme ('FSCS') if they have claims against an FCA authorised service provider (including the AIFM) which is in default. There are limits on the amount of compensation available. Further information about the FSCS is at www.fscs.org.uk. To determine eligibility in relation to either the FOS or the FSCS, Investors should consult the respective websites above and speak to their legal advisers.

Delegation of functions by the AIFM

Notwithstanding the Investment Manager's right to sub-delegate any or all of its duties to an additional investment adviser, the Investment Manager does not currently delegate any of its responsibilities as the Company's alternative investment fund manager to an additional investment adviser.

Conflicts of Interest

The AIFM, under the rules of conduct applicable to it, must try to avoid conflicts of interest and, when they cannot be avoided, ensure that its clients (including the Company) are fairly treated.

The AIFM and other delegates may from time to time act as manager, authorised corporate director, investment adviser, administrator, registrar, custodian, trustee or sales agent in relation to other funds or other clients. It is therefore possible that any of them may, in the course of their business, have potential conflicts of interest with the Company. In such event, each will at all times have regard to its obligations in relation to the Company. In particular where conflicts of interest may arise, each will endeavour to ensure that clients are fairly treated.

The portfolio management and advisory services provided by the Investment Manager are not exclusive. The Investment Manager is free to and does provide similar portfolio management and/or advisory services to others. This may result in the Company being unable to make a desired investment or having to pay a higher price for such investment.

Furthermore, the Investment Manager may give advice, and take action, with respect to any of its clients or proprietary accounts that may differ from the advice given, or may involve a different timing or nature of action taken, with respect to the Company with the result that the Company receives different returns than other investors may receive on the same investment.

In addition, there are no specific contractual obligations concerning the allocation of investment opportunities to the Company or any restrictions on the nature or timing of investments for the account of the Company.

Employees of the Investment Manager (and the CQS Group) will work for other clients and conflicts of interest may arise in allocating management time, services, or functions among such clients.

The Investment Manager and CQS may enter into transactions in which they have, directly or indirectly, an interest which may involve a potential conflict with the Investment Manager's duty to the Company. Neither the Investment Manager nor CQS shall be liable to account to the Company for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Investment Manager's or CQS' fees, unless otherwise stated or agreed, be reduced as a result. The Investment Manager will ensure that such transactions are effected on terms that are at least as favourable to the Company as if the potential conflict had not existed.

The Investment Manager may come into possession of material, non-public information concerning one or more of the companies in which an investment has been or may be made. The Investment Manager has implemented compliance procedures that seek to ensure that material, non-public information is not used for making investment decisions on the Company's behalf. Under these procedures, if the Investment Manager possesses material, non-public information concerning a company, there may be restrictions on their ability to make, dispose of, increase the amount of, or otherwise take action with respect to, an investment in that company. Such restrictions could limit the Company's ability to make potentially profitable investments or to liquidate an investment when it would be in its best interests to do so. Due to the foregoing, the Company's relationship with the Investment Manager could create a conflict of interest to the extent that the Investment Manager become aware of material, non-public information concerning a company in the course of its other business activities.

There is no prohibition on the Company entering into any transactions with CQS, the Investment Manager, the Safekeeping and Cashflow Monitoring Agent, the Administrator, where applicable, the sales agents, or with any of their affiliates, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length. In such case, in addition to the fees CQS or the Investment Manager earns for managing the Company, they may also have an arrangement with the issuer, dealer and/or distributor of any products entitling them to a share in the revenue from such products that they purchase on behalf of the Company. In addition, there is no prohibition on CQS or the Investment Manager purchasing any products on behalf of the Company where the issuer, dealer and/or distributor of such products are their affiliates provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length and on terms that are at least as favourable to the Company than if the potential conflict had not existed.

The Investment Manager may make substantial investments in the Company for various purposes including, but not limited to, facilitating the growth of a company, for facilitating the portfolio management, or for meeting future remuneration payment obligations to certain employees. As a result potential conflicts of interests may arise and the Investment Manager is under no obligation to make or maintain its investments and may reduce or dispose of any of these in a company at any time.

Employees (including but not limited to portfolio managers) of the CQS Group may hold Shares in the Company and are bound by the terms of the CQS Group's policy on personal account dealings, which manage conflicts of interest.

SHAREHOLDER INFORMATION

Reports and accounts

Copies of the Company's latest financial reports and Company fact sheets may be accessed at www.ncim.co.uk.

Publication of NAV

The latest NAV of the Company may be accessed at www.ncim.co.uk. The Company also publishes its NAV on a daily basis via a Regulatory Information Service.

Valuation Policy

The Company's Directors have ultimate responsibility for the valuation of the Investment Portfolio. The Directors have delegated compliance for NAV calculations to the Administrators and day-to-day compliance with the policy to the Investment Manager as the Company's alternative investment fund manager. The valuation function of the Investment Manager is performed independently from the portfolio management function.

Securities (other than options) that are listed on a national securities exchange and that are freely transferable will be valued at their official listed closing bid price on the principal exchange on which such securities are listed. Options that are listed on a national securities exchange will be valued at the closing 'bid' price on the principal exchange on which such options are traded. If, however, the trading of any such securities or options is suspended at the date of determination, then the securities or options shall be initially valued at either the last available price specified on the principal exchange on which such securities are listed prior to suspension or by reference to valuation techniques using inputs that may not be based on observable market data, deemed as fair value. Subsequently, securities or options will be valued using techniques deemed consistent with fair value basis. Such techniques may include recent arm's length market transactions, the current fair value of another instrument that is substantially the same or discounted cash flow analysis or net asset value.

Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique may be used.

Securities traded over the counter that are freely transferable will be valued using an independent reporting system or, if not quoted on such a system, by at least one of the principal market makers in such securities.

Forward, spot and swap contracts, other off-exchange instruments or derivative instruments not referred to above and for which there is no observable market data, will be valued by the Company via a delegated authority to the Investment Manager on a consistently applied mark to model basis, respecting fair market value principles.

With respect to securities and instruments other than those specified above, the Directors will write up or write down the valuation of such securities if the Directors determine, in accordance with their established valuation procedures, that the realisable value of such securities differs from their current valuation. The Directors will seek the advice of the Investment Manager in such circumstances. Such procedures include the use of independent pricing sources if available. If independent pricing sources are not available, the fair value of such securities or assets will be estimated by the Directors under advice from the Investment Manager, with such valuation referencing a variety of factors, including proprietary or industry-available valuation models, the issuer's financial strength and stability, the issuer's operating performance, strength of the issuer's management team, the Company's expected exit from the investment and any specific rights or restrictions associated with such investment. Such valuation procedures, as well as the value assigned to specific securities and other assets, will be reviewed from time to time by the Directors.

In the Directors' discretion, independent appraisals of securities may be obtained and the Directors may, at their discretion, delegate any or all valuation responsibilities to any person, including the Investment Manager.

Purchases and sales of Shares by Investors

The Company's Shares are admitted to the Official List of the UKLA and to trading on the Main Market of the London Stock Exchange. Accordingly, the Company's Shares may be purchased and sold on the Main Market of the London Stock Exchange.

New Shares may be issued only at a premium to NAV, at the Board's discretion and providing relevant shareholder issuance authorities are in place. Investors do not have the right to redeem their Shares. While the Company will typically have Shareholder authority to buy back Shares, Investors do not have the right to have their Shares purchased by the Company.

Fair treatment of investors

The legal and regulatory regime to which the Company and the Directors are subject ensures the fair treatment of investors. The UKLA Listing Rules require that the Company treats all Shareholders of the same class of Shares equally.

In particular the Directors have certain statutory duties under the Companies Act 2006 with which they must comply. These include a duty upon each Director to act in the way she or he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

No Investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any Investors.

The Company's ordinary shares rank *pari passu* with each other.

RISK MANAGEMENT

Key risks

The key risks facing the Company are set out in the Company's Prospectus.

Risks in connection with leverage

The Company may employ leverage, that is to seek to enhance returns to Investors by borrowing funds for investment and/or entering into derivative transactions (see below). Where the Company is levered, its net asset value and price performance would be expected to represent an amplification of any upward or downward movement in the value of the Portfolio as a result of price changes of the investments contained therein. Investors should be aware that, whilst the use of leverage may enhance the returns to Shareholders where the value of the Company's underlying assets is rising, it will have the opposite effect where the underlying asset value is falling.

Risk management systems

The AIFM employs a risk management process in accordance with COLL 5.6.16 R, FUND 3.7.5R and Articles 38 to 45 of the AIFMD. This process enables the AIFM to identify, measure, manage and monitor the relevant risks of the positions to which the Company is or may be exposed and their contribution to the overall risk profile of the Company and which includes the use of appropriate stress testing procedures.

The Company will periodically disclose to Investors the risk management systems which it employs to manage the risks which are most relevant to it. The Company will make this disclosure in its annual report and accounts available to investors.

The AIFM has adopted the investment restrictions as set out by the Company in its published Prospectus.

Counterparty Risk

The AIFM will seek to control the counterparty credit risks of the Company in such a way as to achieve an appropriate diversification of credit risk across a range of individual counterparties. Each arrangement will have satisfied an appropriate credit assessment and will be subject to a legal framework that has been assessed as appropriate to the nature of the business being conducted.

Liquidity Risk

The AIFM will seek to manage the liquidity risk of the Company in such a way as to maintain sufficient accessible liquidity in each fund to meet the ongoing liquidity needs of the Fund with particular regard to the impact of potential adverse mark to market on the Fund's portfolio, notified and potential redemptions, a range of market liquidity states and the impact of potential changes in margin and collateral requirements of trading counterparties and financing providers.

The liquidity management policy is reviewed and updated, as required, on at least an annual basis.

Investors will be notified, by way of a disclosure on its website, in the event of any material changes being made to the liquidity management systems and procedures or where any new arrangements for managing the Company's liquidity are introduced.

Operational Risk

The AIFM will seek to control the operational risks of the Fund in such a way as to achieve an immaterial aggregate impact on investor returns in each financial year.

Professional negligence liability risks

The AIFM covers its potential liability risks arising from professional liability by holding the appropriate additional 'own funds' within the meaning of the AIFMD.

Amendment of this document

When there is a material change to the information contained in this document, it shall be updated.