



Lowell Resources Fund Monthly Update

Fund introduction (ASX: LRT)

ASX-listed Lowell Resources Fund is focused on generating strong absolute returns from the junior resources sector. Our experienced team of fund managers has many years of experience in this high risk, high reward sector. Lowell Resources Fund Management (LRFM) manages the portfolio of exploration and development companies operating in precious and base metals, specialty metals and the oil and gas space. LRFM has a successful 16-year track record managing LRT. An investment in LRT provides investors with exposure to an actively-managed portfolio focused squarely on one of the most exciting and rewarding sectors of the Australian as well as global share markets.

Fund overview

Investment Manager	Lowell Resources Funds Management Limited	NAV per unit	\$6.71
Managed since	6 February 2004	No. of units on issue	2,752,580
ASX code	LRT	Market price (ASX)	\$5.00/unit
Income distribution	Annual	Net Asset Value	\$18.5m

Unit price snapshot as at 31 August 2019

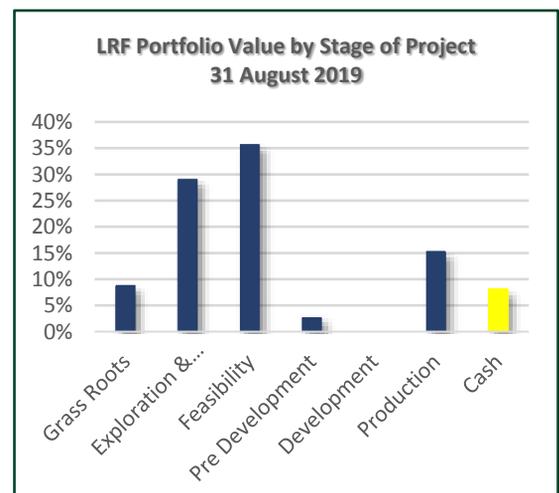
Fund performance summary – August 2019

- The Fund's NAV per unit was \$6.71 at 31 August 2019 vs \$6.69 as at 31 July 2019, an increase of 0.3%.
- Unit price of the ASX listed LRT units at month end was \$5.00/unit, representing a 25.48% discount to underlying NAV.
- The Fund's NAV at the end of the month was approximately \$18.5 million, including receivables from asset sales.
- Gold exposure increased to 40%

Top 6 holdings as at 31 August 2019

During August 2019, Adriatic Metals announced drilling demonstrating high grade continuation of its Rupice polymetallic deposit in Bosnia. Mid-tier copper producer Sandfire Resources increased its shareholding in ADT to over 12%. Cardinal Resources said it is on track to deliver its 5 Moz Namdini gold project DFS this quarter, the economics of which are expected to be substantially enhanced at a US\$1,500/oz gold price. Indago Energy had strong share price appreciation in conjunction with the former Santos CFO Andrew Seaton joining the INK board. Gold Road's 50% owned 300,000 oz pa Gruyere gold mine continued successful ramp-up, although the share price was impacted by Gold Fields sale of its 9.9% holding in GOR.

Company	Commodity Focus	% of gross investments
Adriatic Metals	Polymetallic	8.0%
Cardinal Resources	Gold	6.0%
Indago Energy	Oil & Gas	5.3%
Gold Road	Gold	5.3%
Liontown Resources	Lithium	5.1%
Cash		8.2%





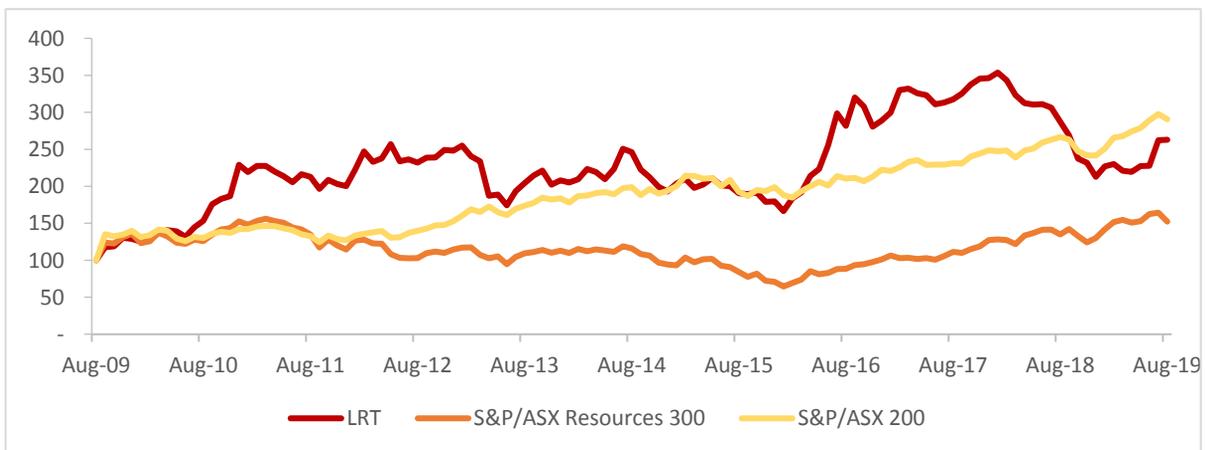
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Portfolio changes for the month ended 31 August 2019

During August, the Fund's exposure to the gold sector increased to a 40% weighting, partly due to share price appreciation following record high AUD\$ gold prices and strong US\$ gold price. The Fund also increased its gold exposure by increasing holdings in Cardinal Resources, De Grey Mining, Genesis Minerals, Lefroy Exploration and Oklo Resources, and added Hammer Metals, Horizon Gold and Saturn Metals to its portfolio.

In other commodities, the Fund took profits in Andromeda Metals after a very strong share price run. It added to its positions in Davenport Resources (potash) and Pacifico (Pb-Ag). At the end of the month, the commodity weightings were gold 40%, base metals 21%, oil & gas 16%, cash 8%, battery metals 6%, and bauxite, nickel, uranium, fertilisers and minerals sands 1-2% each.

10 year comparison performance chart (to 31 August 19, indexed at 100)¹



Characteristics of the fund

Nature of fund	Long only, absolute return fund
Investee companies	Junior resource companies, including gold, base and specialty metals, and energy
Investment type	Focus on global listed and unlisted resource equities
Distribution policy	100% of taxable profits distributed annually

WARNING The information given by Lowell Resources Funds Management Ltd "LRFM" (ACN 006 769 982, AFSL 345674) is general information only and is not intended to be advice. You should therefore consider whether the information is appropriate to your needs before acting on it, seeking advice from a financial adviser or stockbroker as necessary. **DISCLAIMER** Cremorne Capital Limited (ACN 006 844 588, AFSL No: 241175) is the responsible entity of the Lowell Resources Fund (ARSN 093 363 896). You should obtain and consider a copy of the product disclosure statement relating to the Lowell Resources Fund before acquiring the financial product. You may obtain a product disclosure statement from Cremorne Capital Limited at www.cremornecapital.com/lrf-pds/. To the extent permitted by law, Cremorne Capital Limited and Lowell Resources Funds Management, its employees, consultants, advisers, officers and authorised representatives are not liable for any loss or damage arising as a result of reliance placed on the contents of this document. Past performance is not a reliable indicator of future performance. The investment objective is not a forecast and returns are not guaranteed.

¹LRT refers to Lowell Resources Fund, Res 300 refers to the S&P/ASX Resources 300 and ASX 200 refers to S&P/ASX 200 and the years refer to calendar years in the chart. Investment Portfolio Performance includes distributions to unitholders and is net of operating expenses, fees, taxes and interest.