



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 rewarding sectors of the Australian as well as global share markets.

Fund overview

Investment Manager	Lowell Resources Funds Management Limited	NAV per unit	\$6.21
Managed since	6 February 2004	No. of units on issue	2,735,474
ASX code	LRT	Market price (ASX)	\$4.62/unit
Income distribution	Annual	Net Asset Value	\$17.0m

Unit price snapshot as at 31 January 2020

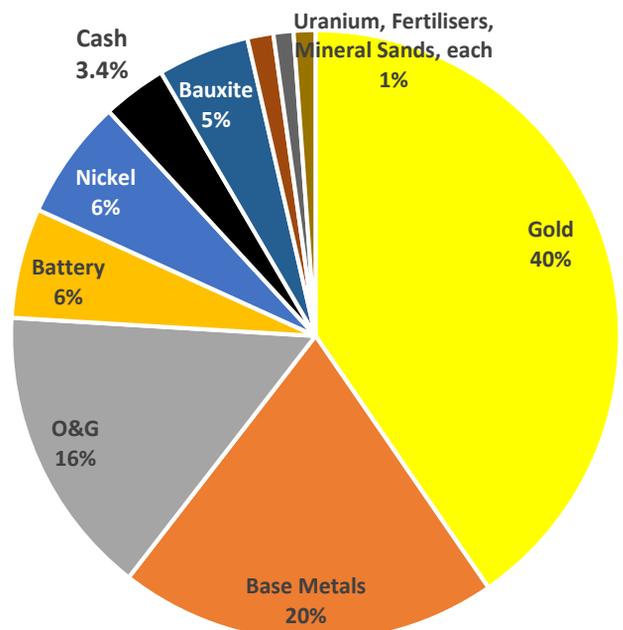
Fund performance summary – January 2020

- The Fund's NAV per unit was \$6.21 at 31 January 2020 vs \$6.23 as at 31 December 2019, a decrease of 0.3%.
- Unit price of the ASX listed LRT units at month end was \$4.68/unit, representing a 24.7% discount to underlying NAV.
- The Fund's NAV at the end of the month was approximately \$17.0 million.

Top Holdings as at 31 January 2020

During January, as fears over the Corona virus impacted equity markets, the gold price strengthened while base metals and oil & gas markets weakened. As a result, we saw share price strength in a number of the Fund's gold holdings, including Cardinal Resources, and a general lift in value in our gold portfolio. Despite base metal weakness, Adriatic Metals' share price increased on announcing positive metallurgical testwork, including potential for a copper concentrate, as well as extensional high grade drilling.

Company	Commodity	% of gross investments
Adriatic Metals	Poly-metallic	9.1%
Cardinal Resources	Gold	6.7%
Liontown Resources	Lithium	5.3%
Musgrave Minerals	Gold	5.1%
Genesis Minerals	Gold	4.8%
Cash		3.4%





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Portfolio changes for the month ended 31 January 2020

In the stronger gold price environment, two of the Fund's West African gold investments Oklo Resources and Chesser Resources announced more high grade drill intersections which pushed their share prices up 60% and 40% respectively.

The Australian junior resource market is traditionally subdued in January, but the Fund continued to trim some positions in oil & gas and base metals, and added modestly to an existing gold explorer holding (Middle Island Resources).

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

Comparison performance

In the 12 months to 31st January 2020, the Lowell Resources Fund generated a 7.2% increase in underlying net asset value per unit (after fees and expenses). This compares to the benchmark S&P/ASX Small Resources Index return of 0%, i.e. unchanged for the same period.

12 Month Performance	LRT Change in NAV per unit	S&P/ASX Small Resources Index (XSR.ASX)
31 Jan 2019 - 31 Jan 2020	7.2%	0.0 %

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