



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

Unit price snapshot as at 31 July 2019

Investment Manager	Lowell Resources Funds Management Limited	NAV per unit	\$6.69
Managed since	6 February 2004	No. of units on issue	2,752,580
ASX code	LRT	Market price (ASX)	\$4.99
Income distribution	Annual	Net Asset Value	\$18.4m

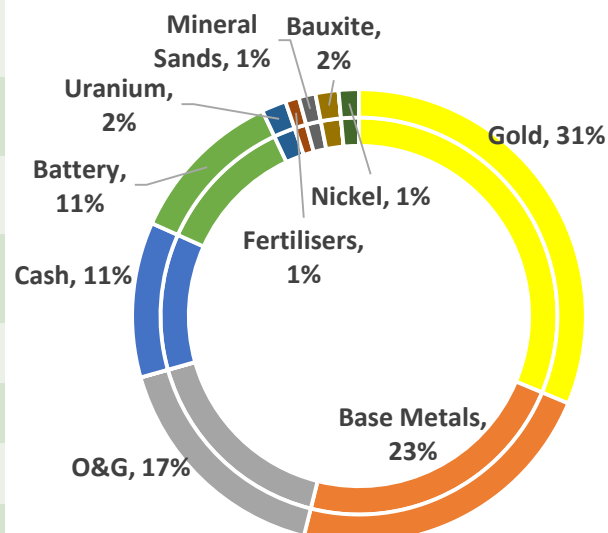
Fund performance summary – July 2019

- The Fund’s NAV per unit was \$6.69 at 31 July 2019 vs \$5.81 as at 30 June 2019, **an increase of 15.1%**.
- Unit price of the ASX listed LRT units at month end was \$4.99/unit, representing a 25.4% discount to underlying NAV. The discount to NAV narrowed from 29% a month ago.
- The Fund’s NAV at the end of the month was approximately \$18.4 million, including receivables from asset sales.

Top 6 holdings as at 31 July 2019

During July 2019, Lontown Resources announced a 350% increase in the resource at its spodumene lithium Kathleen Valley in WA to 75Mt at 1.3% Li₂O, plus further thick drill intercepts at its second project Buldania, WA. Adriatic Metals announced an initial resource for its Rupice deposit in Bosnia of 9.4 Mt at a calculated 14% Zn equivalent grade, in addition to its nearby open pit deposit at Veovaca (7.4Mt at 3.2% Zneq). The LRF participated in Indago Energy’s \$0.035/sh rights issue, subsequent to which the company announced sales of its Multi-Flow product in Texas and a field trial with a major producer in India.

Company	Commodity Focus	% of gross investments
Lontown Resources	Lithium	8.8%
Adriatic Metals	Polymetallic	8.3%
Gold Road Resources	Gold	7.1%
Indago Energy	Oil & Gas	6.7%
Polar X	Polymetallic	5.2%
Musgrave Minerals	Gold	3.9%
Cash		11.1%





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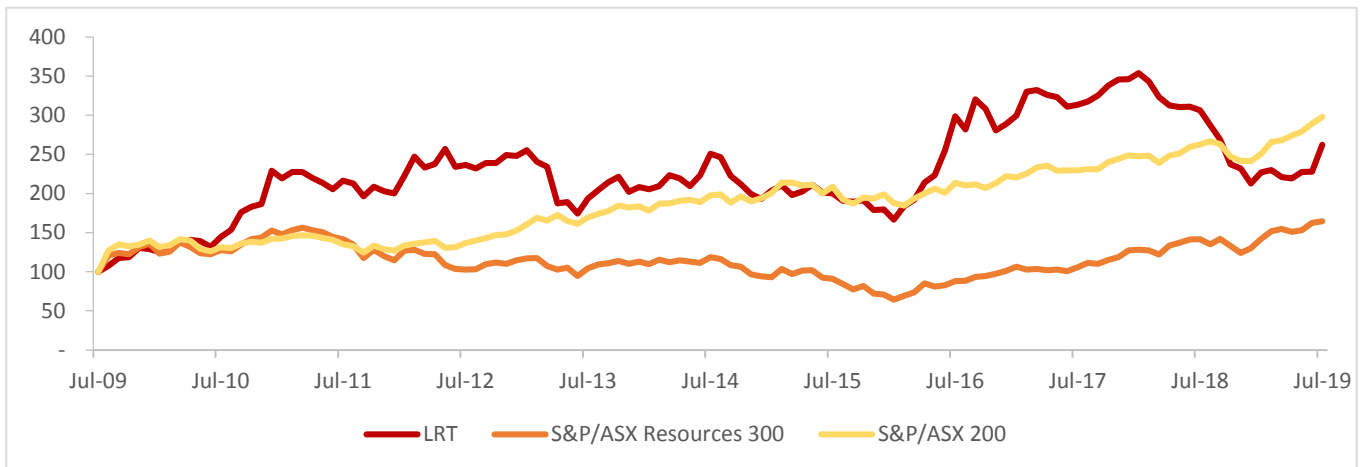
Portfolio changes for the month ended 31 July 2019

During July, the Fund exited its position in WA gold developer Capricorn Metals, after its share price doubled.

The Fund boosted its positions in a number of emerging ASX listed gold companies including Cardinal Resources, De Grey Mining, Hammer Metals and Genesis Minerals, and participated in equity raisings by Calima Energy (Canadian O&G development), Canyon Resources (West African bauxite feasibility) and St George Mining (WA Ni exploration).

The fund also added to its holding in Afton Energy, an unlisted Texas oil producer.

10 year comparison performance chart (to 31 July 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.