

LOWELL RESOURCES FUNDS MANAGEMENT LTD.

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28th May 2019

Lowell Resources Funds Management Pty Ltd, the investment management entity for the Lowell Resources Fund (ASX:LRT), has acquired 1,000 units in the trust in an on-market transaction on Thursday May 23, 2019.

Lowell Resources Fund Management board took the decision to purchase shares in LRT having regard to the deep discount at which the units trade on the sharemarket compared with the most recent NTA of the LRT as announced on a weekly basis. LRFM purchased the units at \$4.38 each compared with the most recent NTA of \$5.76 per unit, a discount of \$1.38 a unit or 23.9%. At \$4.38, and assuming units on issue of 2.78 million, this values the trust at \$12.18 m compared with the mark to market value of the Fund's investment of \$16.01 million.

"In our view, the discount to the mark to market valuation is too extreme," commented LRFM chairman, Mr Stephen Mitchell. "The manager is highly confident of the investment strategy and of the future prospects for the key junior companies in which the fund has invested."

"Our strategy of high conviction investment in high risk but high potential return exploration and development companies has proved successful over the life of the trust as both an unlisted and listed entity," he said

At present, the fund has significant investments in the following companies:

- Gold Road Resources (ASX:GOR), which is about to pour first gold at its Gruyere project in WA. An original \$259,825 investment is now worth \$1.742 million on a mark to market basis. Or 14.3% of our market capitalisation.
- Adriatic Metals (ASX:ADT) – a base metal explorer in Bosnia – where an investment of \$294,000 is now worth \$1.3m.
- LioneTown Resources (ASX:LTR) – a successful Lithium exploration company – where an investment of \$340,000 is now worth \$1.13 million.
- Cardinal Resources (ASX:CDV) with a large gold resource in Ghana, where a \$329,000 investment is now worth \$744,518, including shares and listed options..

"We continue to assess new investment opportunities and projects in both listed and unlisted companies," Mr Mitchell said. "We also view the recent corporate moves in the sector to be a positive indication for the resources space for the short, medium and longer term."

Kind regards



Stephen Mitchell
Chairman