



# 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 15-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	\$5.80
Managed since	6 February 2004	No. of units on issue	2,756,299
ASX code	LRT	Market price (ASX)	\$4.40
Income distribution	Annual	Net Asset Value	\$16.0m

## Unit price snapshot as at 31 May 2019

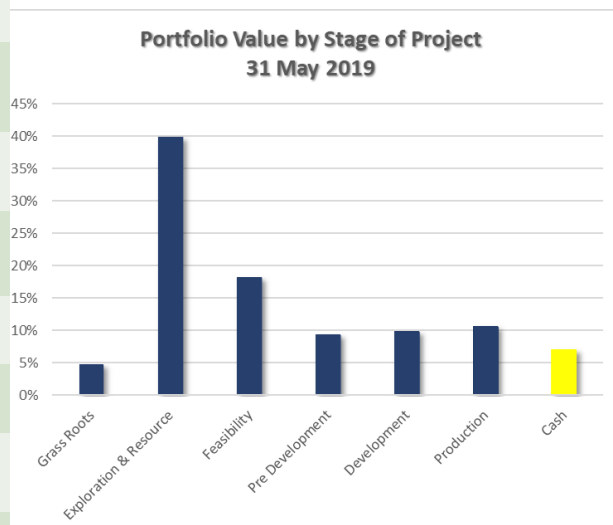
## Fund performance summary – May 2019

- The Fund’s NAV per unit was \$5.80 at 31 May 2019 vs \$5.59 as at 30 April 2019.
- Unit price of the ASX listed LRT units at month end was \$4.40/unit, representing a 24.14% discount to underlying NAV.
- The Fund’s NAV rose by approximately 7% over the month, from \$14.9m to \$16.0m, primarily due to substantial share price increases in the holdings of Liontown Resources and PolarX.

## Top 6 holdings as at 31 May 2019

Liontown Resources moved into the top 6 Fund holdings as a result of its share price increasing from \$0.027/sh to \$0.105/sh, based on thick high grade lithium drill intersections at its Kathleen Valley project in WA. PolarX announced imminent recommencement of its Alaskan field program and drilling to expand its Zackly copper-gold resource.

Company	Commodity	% of gross investments
Gold Road Resources	Gold	9.9%
Adriatic Metals	Polymetallic	8.4%
Liontown Resources	Lithium	8.3%
Tinka Resources	Zinc	4.7%
Polar X	Polymetallic	4.3%
Cardinal Resources	Gold	3.7%
<b>Cash</b>		<b>7.0%</b>





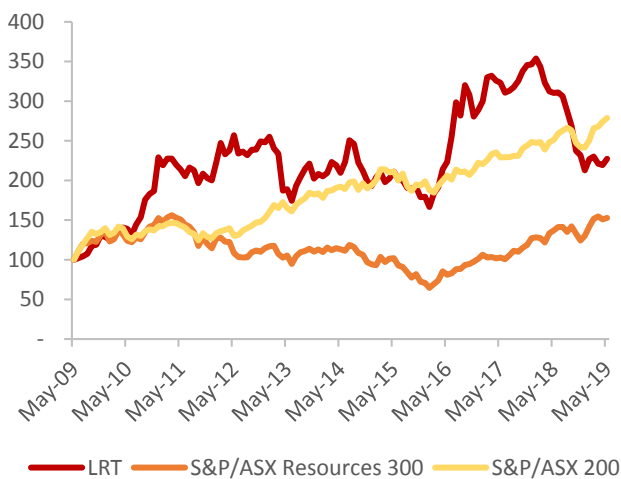
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## Portfolio changes during the month ended 31 May 2019

During May, the Fund exited its position in gold producer Ramelius Resources to deploy further funds into advanced WA focused gold explorers Musgrave Minerals and De Grey Mining, as well as African copper developer MOD Resources. The Fund also took an initial stake in copper exploration minnow Kopore Metals.

As at 31 May 2019 the Fund's investments were weighted 35% in gold, 29% in base metals (predominantly zinc and copper), and 14% in oil & gas. Battery minerals were 9%, and mineral sands, fertilisers and uranium made up 1-3% each. The Fund's cash weighting increased to 7%.

## 10 year comparison performance chart (to 31 May 19, indexed at 100)<sup>1</sup>



## Investment Portfolio Performance table<sup>1</sup>

	LRT (after fees) <sup>1</sup>	Res 300	ASX 200
10 year	7.62% pa	3.24% pa	10.05% pa
5 year	1.64% pa	6.20% pa	7.74% pa
3 year	0.58% pa	23.54% pa	10.60% pa
2 year	-16.12% pa	21.92% pa	10.35% pa
1 year	-26.77% pa	11.62% pa	11.08% pa
5 months (to 31 May 2019)	6.85%	17.48%	15.46%

## 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

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<sup>1</sup>LRT 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.