



# 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

### Unit price snapshot

as at 30 September 2019

Investment Manager	Lowell Resources Funds Management Limited	NAV per unit	\$6.70
Managed since	6 February 2004	No. of units on issue	2,745,580
ASX code	LRT	Market price (ASX)	\$5.01/unit
Income distribution	Annual	Net Asset Value	\$18.4m

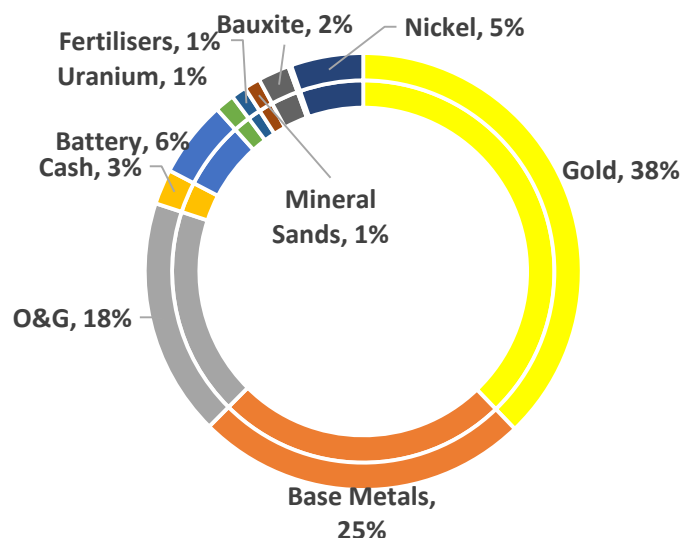
## Fund performance summary – September 2019

- The Fund’s NAV per unit was \$6.70 at 30 September 2019 vs \$6.71 as at 31 August 2019, an decrease of 0.1%.
- Unit price of the ASX listed LRT units at month end was \$5.01/unit, representing a 25.22% discount to underlying NAV.
- 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 30 September 2019

During September 2019, Adriatic Metals announced positive initial metallurgical testwork on its Rupice polymetallic deposit in Bosnia, addressing one of the key project parameters. Cardinal Resources said it would now deliver the feasibility study for the Namdini Gold Project in Ghana in October. The study is to be based on a 9.5mtpa operation and 5.1 million oz Ore Reserve. Liontown Resources announced high grade drill results at its second lithium spodumene project in WA, including 14m @ 1.7% Li<sub>2</sub>O from 45m. Genesis Minerals continued drilling out its Ulysses Gold deposit in WA (7.1Mt at 3.3g/t Au) with hits including 9m at 9.9g/t.

Company	Commodity Focus	% of gross investments
Adriatic Metals	Polymetallic	8.5%
Cardinal Resources	Gold	6.9%
Indago Energy	Oil & Gas	6.3%
Liontown Resources	Lithium	5.7%
Genesis Minerals	Gold	4.6%
<b>Cash</b>		<b>2.6%</b>





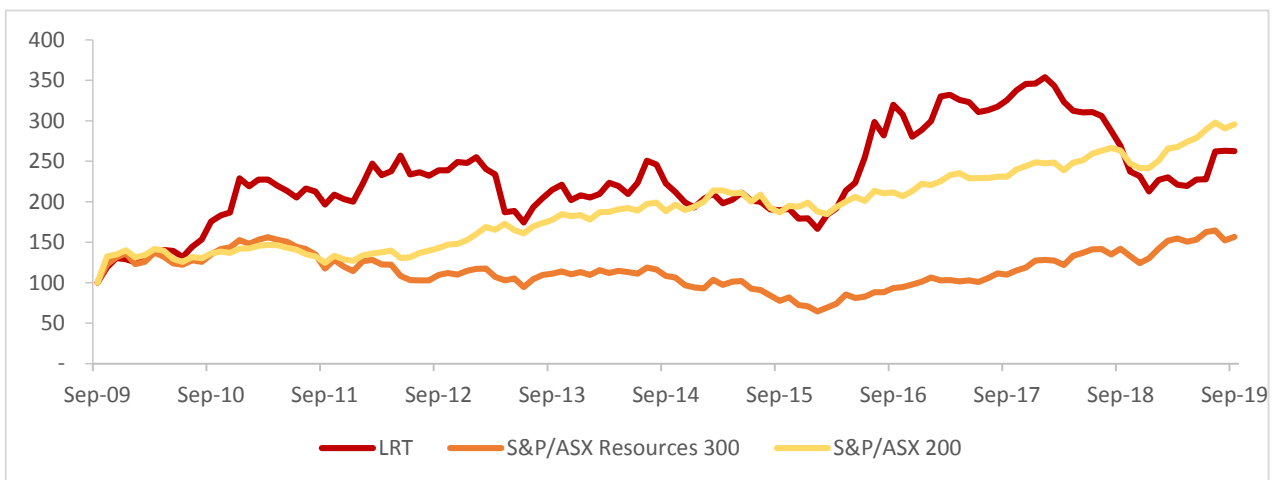
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## Portfolio changes for the month ended 30 September 2019

During September, the Fund took placements to gain exposure to two new base metal projects in South America. The Fund boosted its exposure to nickel through Centaurus Metal, which acquired the Jaguar nickel sulphide deposit in Brazil (40Mt at 0.78% Ni). The Fund also invested in Hot Chili, which is acquiring the Cortadera Cu-Au porphyry project in Brazil, potentially transforming the economics of its existing Productora deposit (218Mt at 0.48% Cu and 0.1g/t Au).

In gold, the Fund took placements in Chesser Resources (gold exploration in Senegal) and increased its position in Golden Rim. At the end of the month, the commodity weightings were gold 38%, base metals 25%, oil & gas 18%, nickel 5%, battery metals 6%, cash 3%, and bauxite, uranium, fertilisers and mineral sands 1-2% each.

## 10 year comparison performance chart (to 30 September 19, indexed at 100)<sup>1</sup>



## 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.