



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	\$6.23
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 December 2019

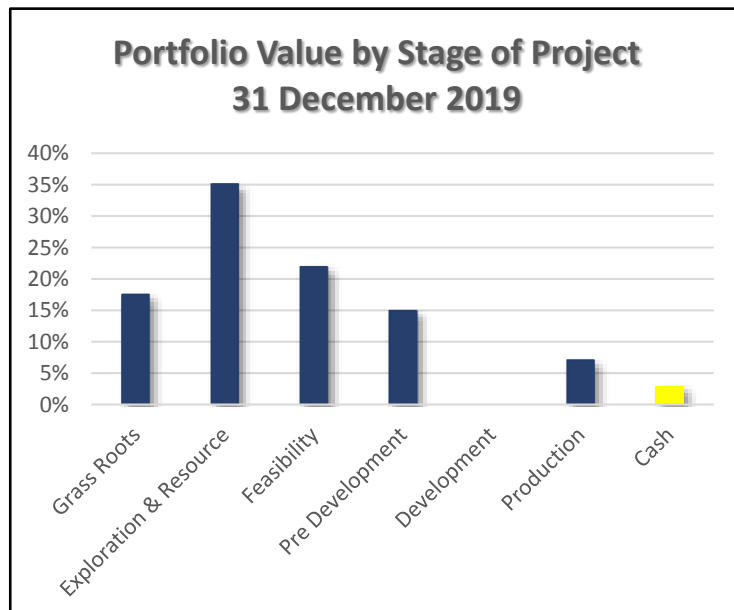
Fund performance summary – December 2019

- The Fund’s NAV per unit was \$6.23 at 31 December 2019 vs \$6.05 as at 30 November 2019, an increase of 2.98%.
- Unit price of the ASX listed LRT units at month end was \$4.62/unit, representing a 25.8% discount to underlying NAV.
- The Fund’s NAV at the end of the month was approximately \$17.0 million.

Top Holdings as at 31 December 2019

During December, the share price of the Fund’s largest holding Adriatic Metals increased by approximately 20% as the market digested the positive scoping study on its Vares polymetallic project in Bosnia. Indago Energy shareholders approved a name change to Hydrocarbon Dynamics and the company announced the appointment of an experienced executive from Baker Hughes as its new CEO. Liontown Resources announced high grade extensions to the north of its Kathleen Valley Lithium-Tantalum Project in WA.

Company	Commodity	% of gross investments
Adriatic Metals	Poly-metallic	10.1%
Hydrocarbon Dynamics*	Oil & Gas	7.2%
Liontown Resources	Lithium	5.4%
Cardinal Resources	Gold	5.2%
Musgrave Minerals	Gold	4.9%
Cash		2.9%





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Portfolio changes for the month ended 31 December 2019

During December, the Fund increased its exposure to gold through a number of equity placements. The USD gold price increased circa 20% over 2019.

The Fund participated in an early stage seed round for Proximo Resources, a South American focused gold explorer with a highly credentialed exploration director.

The Fund also took an initial position in TSX.V listed explorer New Range Gold, which plans a 2020 drilling program on the Pamlico project, in Nevada's Walker Lane gold belt.

In addition the Fund added to its holding in WA gold explorer Hammer Metals, which is drilling the Bronzewing South prospect.

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 December 2019, the Lowell Resources Fund returned 14.7% increase in underlying net asset value per unit, a substantial outperformance over the the benchmark S&P/ASX Small Resources Index (7.9% for the same period).

12 Month Performance	LRT Change in NAV per unit	S&P/ASX Small Resources Index (XSR.ASX)
2019 Year (1 Jan - 31 Dec)	14.7%	7.9%

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