



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 14-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
Managed since	6 January 2004
ASX code	LRT
Income distribution	Annual

Unit price snapshot as at 31 August 2018

NAV per unit	\$7.3317
No. of units on issue	2,797,239
Market price (ASX)	\$6.70
Net Asset Value	\$20.5m

Fund performance summary – August 2018

- The Fund's NAV per unit was \$7.3317 at 31 August 2018 vs \$7.8142 at 31 July 2018.
- Unit price of the ASX listed LRT units at month end was \$6.70/unit, representing an 8.6% discount to underlying NAV.
- The junior resources sector was affected by a general decline in liquidity during the period. The ASX 300 Resources Index return for August was -4.5%.

Top 6 holdings as at 31 August 2018

The Fund's largest invested positions remained largely unchanged during the month. The unlisted Laguna Gold Pty Ltd. announced a management reorganisation. Alaskan explorer PolarX continued to announce highly encouraging drilling results.

Company	Commodity	Listing code	% of gross investments
Laguna Gold	Gold/Zinc	n.a.	14%
Gold Road Resources	Gold	ASX: GOR	5%
Tinka Resources	Zinc	TSXV: TK	5%
Indago Energy	Oil & gas	ASX: INK	3%
Cardinal Resources	Gold	ASX: CDV	3%
PolarX	Cu/Au/Ag/Zn	ASX: PXX	3%
Cash			12%



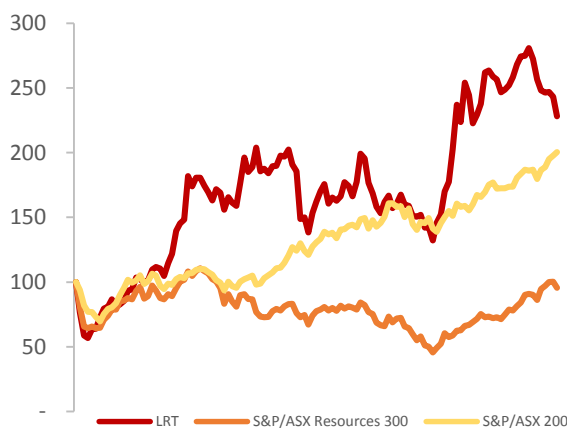
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Portfolio changes during the month ended 31 August 2018

During August, the Fund participated in equity placements by Otto Energy (US focused oil and gas company); Canyon Resources (West African bauxite developer) and Andromeda Metals (Australian halloysite clay developer). The Fund also added to positions in Ramelius Resources and PolarX.

As at 31st August, the Fund's investments were weighted 44% in gold, 18% in base metals, and 11% in oil & gas. Battery minerals comprised 6% with fertilisers, uranium, vanadium and other metals making up the remainder. The Fund's cash weighting was 12% at month's end.

10 year comparison performance chart (to 31 Aug 18, indexed at 100)¹



Total unitholder return comparison table¹

	LRT	Res 300	ASX 200
10 year	9.8%	-0.6%	6.8%
5 year	7.3%	4.3%	8.9%
3 year	16.2%	17.0%	11.5%
2 year	1.3%	23.6%	12.6%
1 year	-4.8%	21.3%	15.4%
8 months (to 31 August 2018)	-12.7%	6.2%	7.2%

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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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.