



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 30 September 2018

NAV per unit	\$6.8597
No. of units on issue	2,797,239
Market price (ASX)	\$5.55
Net Asset Value	\$19.2m

Fund performance summary – September 2018

- The Fund's NAV per unit was \$6.8597 at 30 September 2018 vs \$7.3317.
- Unit price of the ASX listed LRT units at month end was \$5.55/unit, representing a 19% discount to underlying NAV.
- The NAV of the Fund was affected by a write-down of the value of its largest unlisted position, according to the Fund's valuation policies.

Top 6 holdings as at 30 September 2018

The Fund's largest invested positions remained largely unchanged during the month. The unlisted Laguna Gold Pty Ltd. placed shares to Newmont group at A\$0.60/sh, having deferred its IPO plans to focus on operational and management restructures. As a result, the value of this holding was reduced by 40%.

Company	Commodity	Listing code	% of gross investments
Laguna Gold	Zinc/Gold	n.a.	9%
Gold Road Resources	Gold	ASX: GOR	6%
Tinka Resources	Zinc	TSXV: TK	5%
Indago Energy	Oil & Gas	ASX: INK	5%
Cardinal Resources	Gold	ASX: CDV	4%
Adriatic Metals	Zn/Cu/Au/Ag/Ba	ASX: ADT	3%
Cash			12%



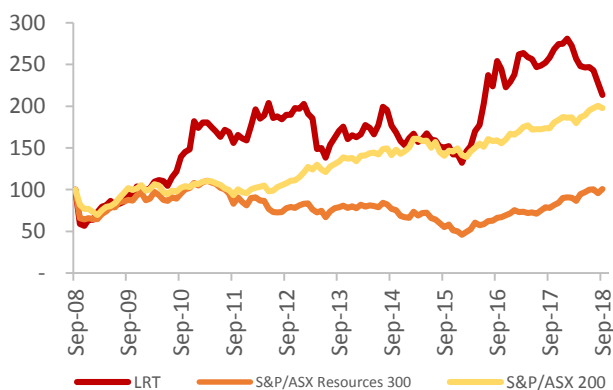
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Portfolio changes during the month ended 30 September 2018

During September, the Fund added to positions in a number of Oil & Gas stocks, based on the outlook for both East Coast gas price in Australia and the international oil price. The Fund reduced its positions in some graphite and lithium stocks, while adding to its vanadium exposure.

As at 30th September, the Fund's investments were weighted 43% in gold, 18% in base metals (dominantly zinc and copper), and 15% in oil & gas. Battery minerals comprised 4% with fertilisers, uranium, vanadium and other metals making up the remainder. The Fund's cash weighting was 12%.

10 year comparison performance chart (to 30 Sep 18, indexed at 100)¹



Total unitholder return comparison table¹

	LRT	Res 300	ASX 200
10 year	10.8%	2.2%	7.7%
5 year	4.8%	5.1%	8.2%
3 year	13.9%	22.4%	12.1%
2 year	-8.0%	23.3%	11.6%
1 year	-13.1%	29.2%	14.0%
9 months (to 30 September 2018)	-18.3%	11.7%	5.9%

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.