



# 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 November 2018

NAV per unit	\$5.9176
No. of units on issue	2,797,239
Market price (ASX)	\$5.10
Net Asset Value	\$16.6m

## Fund performance summary – November 2018

- The Fund's NAV per unit was \$5.9176 at 30 November 2018 vs \$6.0565 as at 31 October 2018.
- Unit price of the ASX listed LRT units at month end was \$5.10/unit, representing a 23% discount to underlying NAV.
- The NAV of the Fund was affected by a write-down of the value of its largest unlisted position Laguna Gold, according to the Fund's valuation policies.
- Austex reported that Small ASX Resource company with a Market Cap <\$10M were down 3.5% over the month and 26.1% over 6 months.

## Top 6 holdings as at 30 November 2018

The unlisted Laguna Gold Pty Ltd. announced an A\$30m rights issue, and possible shortfall placement, at A\$0.20/sh, to provide working capital for exploration and operational and management restructures. As a result the holding value was further written down. Antipa Minerals announced upgraded Au-Cu- exploration programs with Rio Tinto in the exciting Paterson Province, WA.

Company	Commodity	Listing code	% of gross investments
Gold Road Resources	Gold	ASX: GOR	7%
Adriatic Metals	Zn/Cu/Au/Ag/Ba	ASX: ADT	5%
Tinka Resources	Zinc	TSXV: TK	4%
Cardinal Resources	Gold	ASX: CDV	4%
Indago Energy	Oil & Gas	ASX: INK	3%
Laguna Gold	Gold/Zinc	n.a.	3%
<b>Cash</b>			<b>11%</b>



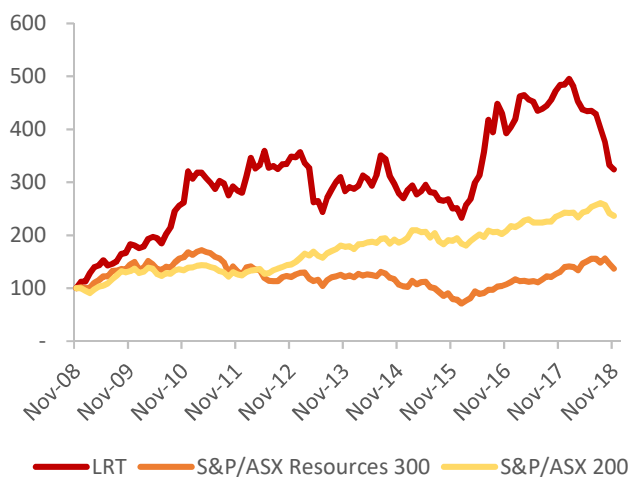
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## Portfolio changes during the month ended 30 November 2018

During November, the Fund reduced positions in a number of underperforming Energy and base metal stocks, but added several high potential O&G positions. The Fund continue to take advantage of market weakness in junior gold developers.

As at 30<sup>th</sup> November 2018 the Fund's investments were weighted 42% in gold, 18% in base metals (predominantly zinc and copper), and 16% in oil & gas. Fertilisers were 3%. Battery minerals, coal, nickel and vanadium made up 1-2%. The Fund's cash weighting was 13%.

## 10 year comparison performance chart (to 30 Nov 18, indexed at 100)<sup>1</sup>



## Total unitholder return comparison table<sup>1</sup>

	LRT	Res 300	ASX 200
10 year	12.5%	3.2%	9.0%
5 year	3.0%	2.4%	5.8%
3 year	10.5%	19.8%	7.7%
2 year	-8.8%	12.8%	6.5%
1 year	-29.4%	4.5%	-1.0%
11 months (to 30 November 2018)	-29.5%	-2.4%	-2.7%

## 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.