



# 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 January 2019

NAV per unit	\$5.7911
No. of units on issue	2,780,376
Market price (ASX)	\$4.55
Net Asset Value	\$16.1m

## Fund performance summary – January 2019

- The Fund's NAV per unit was \$5.7911 at 31 January 2019 vs \$5.4296 as at 31 December 2018.
- Unit price of the ASX listed LRT units at month end was \$4.55/unit, representing a 21% discount to underlying NAV.
- Positive share price performances from Gold Road Resources and Adriatic Metals were the leading contributors to the Fund's increase in NAV over the month of January.

## Top 6 holdings as at 31 January 2019

Gold Road's 50% owned Gruyere project continues to progress on schedule towards first gold production in mid 2019, while Adriatic Metals announced its highest grade and thickest intersection at the Rupice project in Bosnia. The Fund also benefited from its holding in African copper developer MOD Resources which received a takeover approach from Sandfire Resources at a significant premium to market.

Company	Commodity	Listing code	% of gross investments
Gold Road Resources	Gold	ASX: GOR	9%
Adriatic Metals	Zn/Cu/Au/Ag/Ba	ASX: ADT	7%
Tinka Resources	Zinc	TSXV: TK	5%
Musgrave Minerals	Gold	ASX: MGV	4%
Cardinal Resources	Gold	ASX: CDV	4%
Indago Energy	Oil & Gas	ASX: INK	3%
Cash			8%



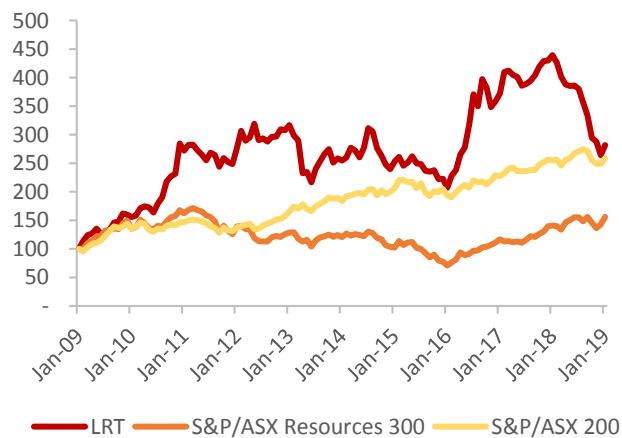
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## Portfolio changes during the month ended 31 January 2019

During January, the Fund reduced its exposures to coking coal investments, and added to positions in Otto Energy and Real Energy, both of which announced positive drilling results at or after month end. The Fund added to positions in MOD Resources, Vimy Resources and Adriatic Metals.

As at 31 January 2019 the Fund's investments were weighted 44% in gold, 21% in base metals (predominantly zinc and copper), and 17% in oil & gas. Battery minerals, mineral sands, uranium, coal, nickel and vanadium made up 1-2% each. The Fund's cash weighting was 8%.

## 10 year comparison performance chart (to 31 Jan 19, indexed at 100)<sup>1</sup>



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

	LRT	Res 300	ASX 200
10 year	5.8%	0.4%	6.0%
5 year	3.5%	8.5%	5.3%
3 year	-6.5%	11.9%	4.1%
2 year	-17.0%	5.6%	0.5%
1 year	12.2%	9.1%	3.9%
1 months (to 31 January 2019)	12.2%	9.1%	3.9%

## 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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<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.