

26 July 2022

Proposed Entitlement Issue

Cremorne Capital Ltd, responsible entity (**Responsible Entity**) for the Lowell Resources Fund (**ASX: LRT**) (**LRT** or the **Fund**) announces a non-renounceable entitlement issue (**Entitlement Issue**) for unitholders in the Fund.

The Responsible Entity is conducting the Entitlement Issue on the basis of 1 new unit (**New Unit**) for every 3 existing units (1:3) held at the Record Date with 1 free unlisted option attached to each new unit offered. The Entitlement offer has been set at the last closing price of \$1.35 per new unit (**Entitlement Price**) and will raise up to \$13.2m before costs (before any acceptance of options).

Options will have an exercise price of \$1.65, (which is approximately a 10% premium to the current NAV) and will expire on 4 March 2024. Upon exercise, each option will entitle the holder to one fully paid ordinary LRT unit. The Responsible Entity does not propose applying for quotation (listing) of the options at this time although it may do so in the future at its discretion, subject to ASX approval.

The funds raised under the Entitlement Issue will be applied to the existing investment strategy of the Fund, which has a successful track record over 17 years of actively managing a portfolio in the junior mining and energy sectors. Chairman of Cremorne Capital Ltd Michael Ramsden said, "The manager of the Fund, Lowell Resources Funds Management, and ourselves see highly attractive investment opportunities at these current lower levels particularly across the energy and new-age mining sectors."

Timetable

The indicative timetable for the Rights Issue is set out below:

Announcement of Entitlement Issue	26 July 2022
Lodgement of PDS with ASIC and release to ASX	2 August 2022
Units traded on an ex-entitlement basis	8 August 2022
Record Date	9 August 2022
Opening date for applications	12 August 2022
Closing date for applications	2 September 2022
New units quoted on deferred settlement basis (subject to ASX approval)	5 September 2022
Issue of new units under the Entitlement Offer	9 September 2022
Trading of new units commences on ASX (on a normal settlement basis)	12 September 2022

The above timetable is indicative only and is subject to change.

Further information

The Entitlement Issue offer is proposed to be made pursuant to a Product Disclosure Statement (**PDS**) in accordance with Part 7.9 of the Corporations Act which is proposed to be released on or about 2 August 2022.

Those eligible to participate in the Entitlement Issue are those unitholders whose registered address is in Australia or New Zealand on the Record Date. Existing unitholders who accept their entitlement under the Issue in full will be able to apply for additional units from the shortfall in acceptances (if any). Where there is any remaining shortfall, the Responsible Entity may seek to place the shortfall in the three months after the offer closes.

The Entitlement Issue is not underwritten.

Shortfall Policy

Eligible Unitholders may, in addition to taking up their entitlements in full, apply for additional New Units (**Additional Units**) in excess of their entitlement (**Top-Up Facility**). Additional Units will only be available where there is a shortfall between applications received from Eligible Unitholders and the number of New Units proposed to be issued under the Entitlement Offer (**Shortfall**). Additional Units will be issued at the Issue Price.

The Responsible Entity proposes to adopt the below policy for allocating Shortfall:

- (a) If there is a Shortfall, each Eligible Shareholder who has applied for Additional Units through the Top-Up Facility will be entitled to be allocated their pro-rata share of the Shortfall having regard to their holdings at the Record Date (if an Eligible Unitholder has made an application for Additional Units for an amount less than the amount of Additional Units that the Eligible Unitholder would otherwise be allocated under this process, the Eligible Unitholder will be allocated the amount applied for).
- (b) The allocation process described above will be repeated in relation to any remaining Shortfall and any subsequent Shortfall, until either all New Units proposed to be issued have been allocated or all Shortfall applications have been satisfied in full.
- (c) Directors of the Responsible Entity / Fund Manager will not be eligible to participate in the Top-Up Facility or apply for Additional Units.
- (d) If, after following the above allocation, there remains a Shortfall, it will then be at the discretion of the Responsible Entity to place any further shortfall which may occur at any time within 3 months after the close of the Entitlement Offer. The Responsible Entity is not obliged to place any such Additional Units and will only do so at its discretion.

For avoidance of doubt, the Corporations Act 20% relevant interest level applies to limit the acquisition of Additional Units through the Top-Up Facility.

According to the above policy, Eligible Unitholders who apply for Additional Units may be allocated a lesser number of Additional Units than applied for in which case excess application money will be refunded without interest.



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If a unitholder wishes to subscribe for Additional Units in addition to the unitholder's Entitlement, then a unitholder should nominate the maximum number of Additional Units the unitholder wishes to subscribe for on the Entitlement and Acceptance Form and make corresponding payment for the unitholder's full Entitlement plus the Additional Units.

Other Matters

MP Capital has been appointed to assist in managing the Entitlement Issue and placing the shortfall. No broker is appointed for the Issue.

This release has been authorised by Cremorne Capital Ltd as Responsible Entity for the Lowell Resources Fund.

Michael Ramsden
Chairman, Cremorne Capital Limited (Responsible Entity for the Lowell Resources Fund)

About Lowell Resources Fund

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 17-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.