

Return	NTA cps Dec 2021	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	2 Years (%)	Since Inception (%)
Precision Opportunities Fund Ltd ¹	39.62	6.0	16.8	19.1	40.2	68.7	98.1
Benchmark ²	-	0.2	0.5	1.2	2.2	4.5	16.5
Outperformance	-	5.8	16.3	17.9	38.0	64.2	81.6

Overview

The portfolio returned 6% for the month to deliver a 40% gain over the past year. Continued buoyant commodity prices and solid performance from some of our larger holdings (DVP, CMM, ORR) all contributed. Global volatility continued throughout the month. Initially, indices corrected with the uncertainty of Omicron, accelerating QE tapering, a high US CPI reading of +6.8% and the likelihood of 3x cash rate rises in the 2022 year. However, many of these factors were priced in and the markets recovered finishing the month higher. Commodities remained strong. Nickel recovered from US\$8.70/lb to finish at US\$9.40/lb whilst Copper also recovered from a low of US\$4.20/lb to finish at US\$4.40/lb. Gold remained range bound between US\$1,780/oz and US\$1,820/oz. Lithium prices continued to appreciate and make new highs and Uranium prices held onto recent gains.

We had four stocks that all returned greater than 1% attribution for the month (DVP, MCR, ORR and FFX).

Our largest holding, Develop Global Ltd ('DVP'), added 22% for the month after announcing some strong infill and exploration results from its 20km drill program at Sulphur Springs. Significant extensions to known mineralisation plus a new zone of zinc rich mineralisation may result in an exploration decline to be developed early, leading to an underground development ahead of an open pit. The DFS remains on track to be completed mid CY'22. We took the opportunity to lock in some profits with the stock up ~10x on our average entry price.

M&A activity in the nickel space saw a cash bid from IGO for WSA and Wyloo Metals outbidding BHP for Noronet Nickel. This factor, combined with Mincor Resources' ('MCR') positive development update with first Nickel ore extracted from its operations saw the stock add 50% for the month. Lack of near term development Ni sulphide companies puts MCR in an enviable position with commissioning on track for the Mar'Q CY'22. The stock is up ~3x on our entry price.

Long term portfolio holding, OreCorp Ltd ('ORR') announced the signing of a Special Mining Licence to a new JV company Sotta Mining in which ORR holds a 84% interest. The final payment of US\$8m was made to Barrick. An updated DFS is due in 2nd Q CY'22.

Talon Petroleum Ltd ('TPD') was our worst performer for the month, down 30%. This was despite it announcing a new gas discovery at Walyering -5 that exceeded pre drill estimates. It reported net pay of 51m with maximum porosities of 21.5% and an average of 15.4%. The well will be flow tested in Q1/2 CY'22 and there is strong potential for this to become producer. We expect the stock to recover in due course.

Nexus Minerals ('NXM') had a volatile month peaking at \$0.65/sh before falling to a low of \$0.34/sh after results from DDH4 recorded no significant mineralisation. It closed at \$0.45/sh, down 14%. Whilst we continue to believe in the project, we reduced our overall exposure by 20%.

Boss Energy Ltd ('BOE') fell 17% for the month despite a positive announcement on the Honeymoon restart. We put this down to some profit taking after a very strong six months with the stock up 100% since August.

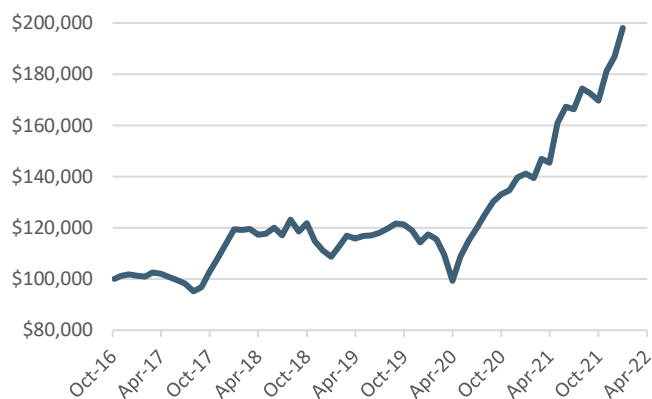
Portfolio Performance

Top 3 Contributors		Bottom 3 Detractors	
Company	Sector	Company	Sector
Develop Global	Copper	Talon Petroleum	Oil & Gas
Mincor Resources	Nickel	Nexus Minerals	Gold
OreCorp Limited	Gold	Boss Energy	Uranium

¹ Returns after fees and taxes

² The Benchmark being the average 90 day bill plus 2% (annually)

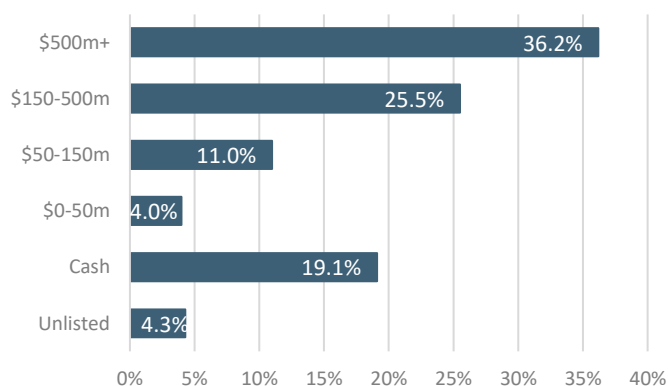
Growth of \$100,000 Since Inception



Top 5 Portfolio Holdings

Company	Sector	Portfolio %
Develop Global Ltd	Copper	16.7
OreCorp Ltd	Gold	6.0
Capricorn Metals Ltd	Gold	5.7
Mincor Resources NL	Nickel	4.4
Firefinch Ltd	Lithium	4.3

Market Capitalisation Exposure



Portfolio Composition

