

Return	NTA cps July 2021	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	2 Years (%)	Since Inception (%)
Precision Opportunities Fund Ltd <sup>1</sup>	34.89	4.9	8.4	4.9	39.3	45.8	74.5
Benchmark <sup>2</sup>	-	0.17	0.51	0.17	2.21	4.89	15.7
Outperformance	-	4.73	7.9	5.43	37.1	40.9	58.8

## Overview

The portfolio returned 4.9% for the month. Global markets continue to breach new highs with the mantra of 'buying the dips' still very much in vogue as any down days were quickly met with renewed buying. Debate continues whether the inflation data that is coming through is either transitory or structural. The true economic impact of the current delta strain is also creating some market uncertainty. The gold price consolidated around the US\$1,800/oz with the large ETF's essentially unchanged for the month.

Commodities were generally flat to slightly higher on the month. Copper consolidated around the US\$4.20-4.30/lb level as forecasts of strong demand/supply imbalance and the renewable EV theme and electrification of the world should see the metal price well supported. Nickel was the star performer adding ~10% to briefly touch US\$9/lb and back to levels last seen in Feb'21 prior to China Tsingshan's induced 15% fall. Iron ore fell ~10% for the month to close at US\$180/t but not before allowing FMG to report US\$3bn in free cash for the Qtr. Chinese spodumene prices (6% LiO2) continued to appreciate adding 25% to around US\$850/t and we note that PLS in an auction of 5kt of 5.5% LiO2 sold for US\$1,250/t. Rare earth prices Nd/Pr hit 5 year highs of \$97/kg and up 30% for the month. Strong equity markets saw a plethora of capital raisings right across the spectrum.

Venturex Resources Ltd ('VXR') was again a key contributor for the month as the 1 for 7 entitlements issue at \$0.08/share was completed and board restructure finalised with highly regarded mining executive Bill Beament becoming Managing Director. Shirley In'tVeld was also appointed a Non Executive Director ('NED') and was previously a NED at Northern Star Resources for five years from 2016 until June'21. The stock closed at \$0.79/share at months end.

Centarus Metals Ltd ('CTM') had a good month adding 23%. A record intercept of 56.1m @ 2.05% Ni including 17.6m @ 4.86% Ni was released early in the month to follow on from the very positive scoping study which returned a post tax NPV8 of \$1.1bn based on production of 20kt of Ni pa for 13 years and a Nickel price of US\$7.50/lb. Seven rigs remain on site and an updated resource is expected by the end of the year. CTM are targeting first production in CY'24.

Capricorn Metals Ltd ('CMM') added 15% for the month after announcing first production from Karlawinda in early July and the acquisition of the 2.1moz Mt Gibson Gold Project for total consideration of \$39.6m and a 1% NSR. This equates to an acquisition cost of <\$20/oz which compares to current producer multiples of ~ \$165 per resource oz according to research from Euroz Hartleys. CMM has estimated a current resource of 2.1moz and whilst further work is required this will hopefully be CMM's 2<sup>nd</sup> operation and see it become a true mid cap gold producer.

OreCorp Ltd ('ORR') fell 6% for the quarter after some indigestion post the \$56m capital raising at \$0.80/sh. We continue to believe this is one of the best undeveloped gold projects with a resource of 3moz @ 4 g/t Au and a PFS showing a very robust project capable of producing >200koz pa at an AISC of ~ US\$850/oz for 13yrs. A DFS is slated to be delivered in Q1 CY'22.

Lotus Resources Ltd ('LOT') fell 10% for the month after some profit taking in some of the uranium companies after a strong FY'21. Some pleasing ore sorting test work at Kayelekera exceeded expectations with the uranium grades of the ore increasing by up to 100% compared to the feed sample.

MLG Group ('MLG') fell a further 6% on light volume post the news that its crushing and screening business (which accounts for 20% of group revenue) had experienced reduced volumes due to production constraints at various client operations. Subsequently it announced early completion of the FMG contract at Christmas Creek with the ability to redeploy the equipment in the 1<sup>st</sup> H FY'22. The market awaits news on any redeployment.

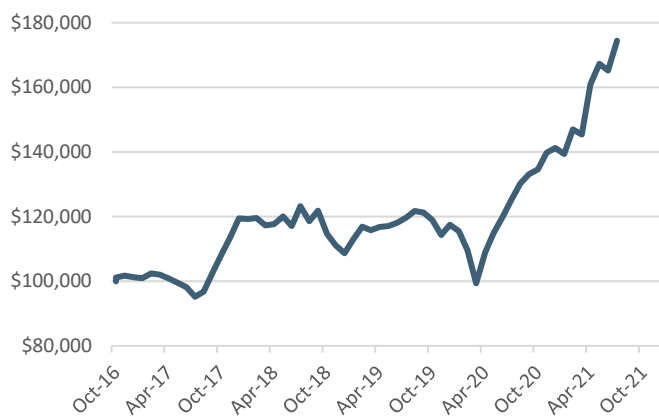
## Portfolio Performance

Top 3 Contributors		Bottom 3 Detractors	
Company	Sector	Company	Sector
Venturex Res Ltd	Copper	OreCorp Ltd	Gold
Centaurus Metals	Nickel	Lotus Resources	Uranium
Capricorn Metals Ltd	Gold	MLG Oz Ltd	Mining Services

<sup>1</sup> Returns after fees and taxes

<sup>2</sup> The Benchmark being the average 90 day bill plus 2% (annually)

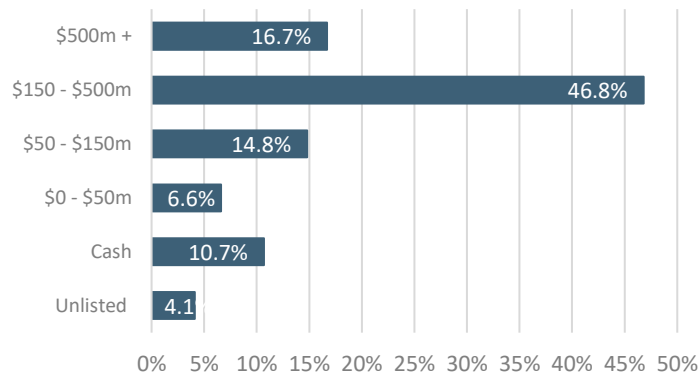
## Growth of \$100,000 Since Inception



## Top 5 Portfolio Holdings

Company	Sector	Portfolio %
Venturex Resources	Copper	25.4
OreCorp Ltd	Gold	7.1
Capricorn Metals Ltd	Gold	5.2
PYC Therapeutics Ltd	Other	4.0
Centaurus Metals	Nickel	3.7

## Market Capitalisation Exposure



## Portfolio Composition

