

Net Tangible Assets (NTA)

	June	May
NTA Before Tax	39.6	36.6
Tax – realised and deferred	(3.4)	(2.5)
NTA After Tax	36.2	34.1

Monthly Review

Precision Opportunities Fund enjoyed a very strong finish to the 2023 financial year with an 8.3% return for the month of June. By way of comparison, the ASX Small Ordinaries had a flat month; there was decline of 1.2% for the Small Resources Index; and, a 1.9% uplift for the large cap dominated ASX All Ordinaries. The portfolio return for the financial year 2023 was approx. 15.7% (after all expenses, before tax), we will review the FY2023 portfolio performance in July's 'Precision Mid-Month Musings'.

The most pleasing aspect of the month's investment performance was the range of stocks that contributed to the growth of the portfolio. We touched on this in our inaugural mid-month newsletter ([get in touch if you didn't receive](#)), citing the share price increases for Berkeley Energia (BKY, +37% in June), MLgoz (MLG, +34%) and Austal Ltd (ASB, +20%). These returns were augmented over the last two weeks by contributions from Encounter Resources, Macmahon Holdings, Delta Lithium, Centaurus Metals and SRG Global. There were no significant detractors from performance over the period.

Encounter Resources (ENR, +60%) was the biggest single contributor to the investment return for the month following the intersection of niobium bearing carbonatites from initial drilling at the company's Aileron critical minerals project in the West Arunta (border of WA and NT). All eyes will now be focused on the September quarter drilling campaign which encompasses tenure within 200 metres of ore grade niobium hits WA1 Resources (WA1) has announced in recent times.

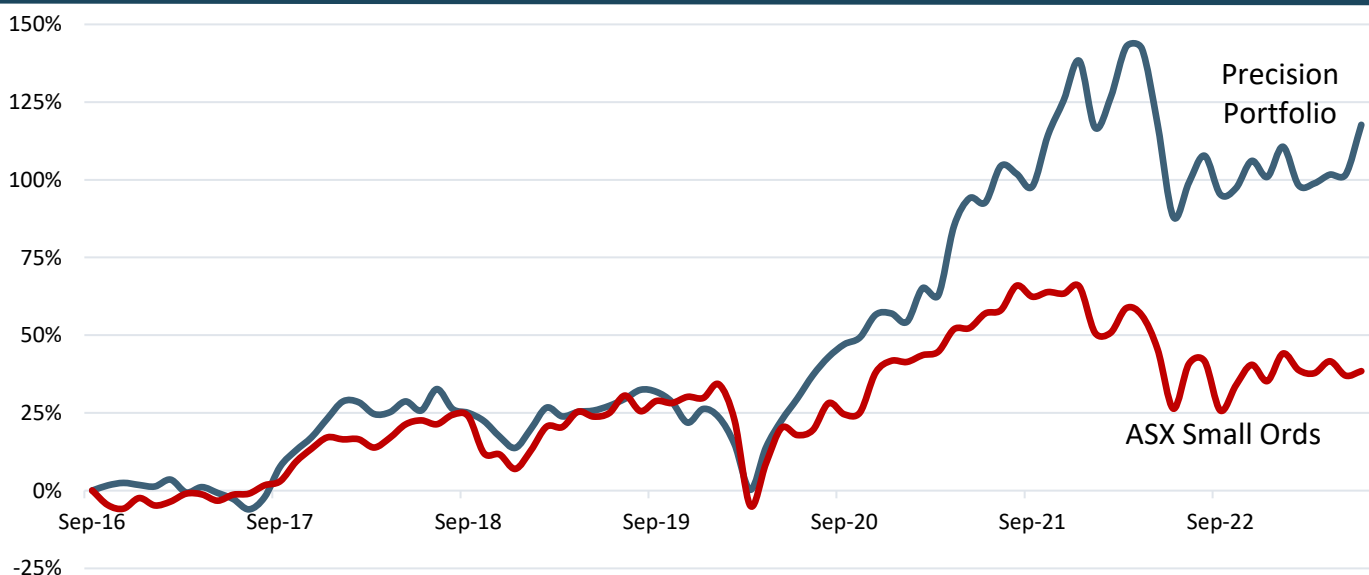
Delta Lithium (DLI, +32%) announced a \$46m capital injection from Japanese conglomerate Idemitsu at a premium to the prevailing share price, with seemingly few strings attached other than a Board seat and strategic shareholding. DLI subsequently announced some modestly entitled "stunning drilling results" from its Yinnetharra project which rightly re-ignited investor interest in the stock and no doubt left some people in Idemitsu feeling fairly pleased with themselves.

Centaurus Metals (CTM, +23%) provided a very positive surprise to the market with news that global mining giant Vale had agreed to relinquish offtake rights over the Jaguar nickel development project in return for an increased royalty. This development should greatly enhance CTM's appeal to potential funders and/or corporate players.

The Macmahon Holdings (MAH) share price jumped 24% following the tightening up of year end profit guidance. The stock is still ludicrously cheap, and we would expect further significant appreciation as long-awaited free cash flow is demonstrated going forward. SRG Global (SRG) bounced 10% as investors were buoyed by a further \$150m of contract wins and memories of the recent significant share sale by the MD began to fade.

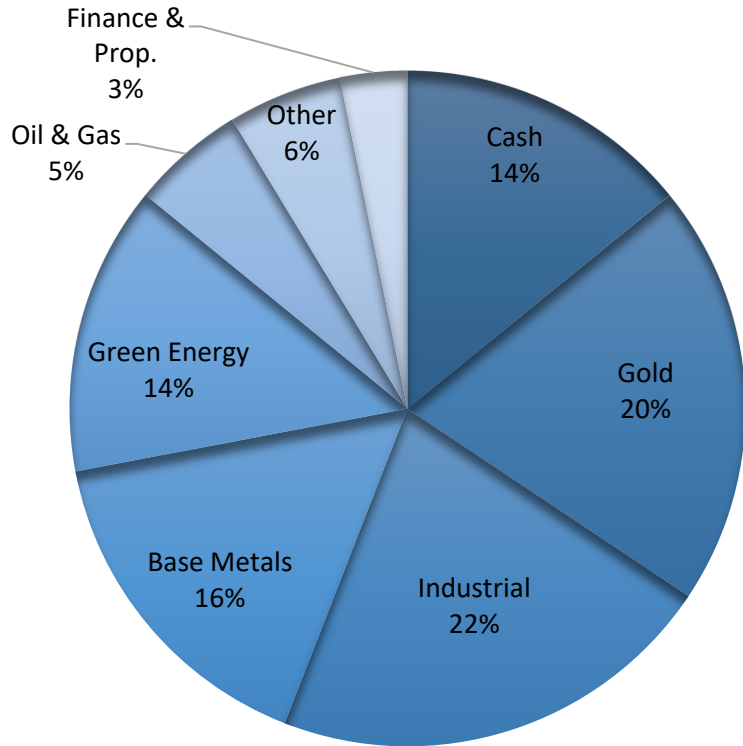
Portfolio trading activity was relatively modest over the month. We took profits from a couple of positions, including 'talk of the town' Azure Minerals (AZS), where stocks had raced away from us before we had built up a reasonable holding. The majority of buying activity, outside of wholesale placements, was focused on adding to gold and industrial holdings, where we believe our value focus, contrarian approach and patience will ultimately be rewarded. Our June performance supported this thesis as industrial stocks, in which we have felt like the only buyer for the past 6 months, contributed handsomely to the month's return. It almost felt like we might know what we are doing! As ever, please contact us if you would like any more information.

Portfolio Performance (after fees and expenses)



Portfolio Composition

Company	Portfolio %
Develop Global	7%
SRG Global	6%
Macmahon Holdings	5%
Silver Lake Resources	5%
Genesis Minerals	5%
Encounter Resources	5%
West African Resources	4%
Centaurus Metals	4%
Berkley Energia	3%
Australian Finance Group	3%
Other holdings	39%
Cash	14%



About Precision Opportunities Fund Ltd & Precision Funds Management

Precision Opportunities Fund Ltd ("POF") is an unlisted investment company that invests in emerging opportunities and undervalued companies listed on the ASX and other recognised exchanges. The investment focus is predominantly in the small-mid cap companies outside the ASX100.

POF is suitable for investors who wish to gain exposure to small-mid cap companies and are willing to accept highly volatile returns and increased levels of risk over the short term, including returns which could be negative, with the aim of seeking higher returns over the medium to long term. The Company should only be considered by wholesale investors with a significant risk tolerance and a long-term investment time horizon.

The investment manager for POF is Precision Funds Management Pty Ltd (PFM). PFM is a specialist, independent investment manager. Precision Funds Management's principals have significant diversified investment experience in the small and mid-cap sectors of the ASX. The principals are significant investors in the fund, contributing approximately A\$9m between them, thereby aligning their interests with all shareholders of POF.

Management Team



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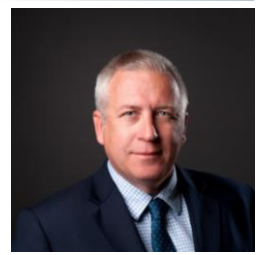
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