

Return	NTA cps June 2022	Month (%)	Quarter (%)	FYTD (%)	1 Year (% pa)	2 Years (% pa)	Since Inception ³ (% pa)
Precision Opportunities Fund Ltd ¹	32.63	-11.3	-19.0	-1.9	-1.9	18.0	11.3
Benchmark ²	-	0.3	0.8	2.5	2.5	2.3	3.2
Outperformance	-	-11.6	-19.8	-4.4	-4.4	15.7	8.1

Overview

The fund returned -11.3% for the month after another violent 'risk-off' sell off with no sector spared. Our top four holdings were down between 15-25% contributing to ~40% of this fall. The final two months of FY22 has essentially seen our ~20% gain in the 1st H reduced to modest fall (-1.9%) for the full year. Global indices were all down sharply as central banks continued to hike rates aggressively in the near term to fight inflation. Local indices were also down materially: Small Ord AI -13.1%, All Ords -9.4% and the Small Resources Index -22.1%, its worst month since Oct'2008. Commodities also felt the brunt of this sell off. The price of copper, often a 'bellwether' for the economy, dropped below US\$8,000t for the first time in almost 18 months and is now down ~17% for the CY and ~25% from its cycle peak in Oct '21 as a fears of a global recession came to the fore. Nickel continued its slide with a further 20% fall during the month to US\$23,000/t and back at levels prior to the short squeeze spike. Gold continued to come under pressure as the USD strengthened falling below US\$1,800/oz. Many gold equities had already priced this in with the S&P ASX Gold Index down 22% for the month with some producers trading at multi year lows. Fortunately, our producers, WAF and CMM held up reasonably well with both stocks up for the year with CMM the standout producer up 60%. Lithium equities all traded down with some of the more hyped/heavily promoted companies retracing >50% from year highs. We sold the bulk of our holding in FFX prior to the Lithium demerger and balance post demerger to have no exposure to the current issues impacting Morilla. FFX has been an excellent investment generating a return of ~70%.

Our top three stocks for the month were GNP, WIN and WAF

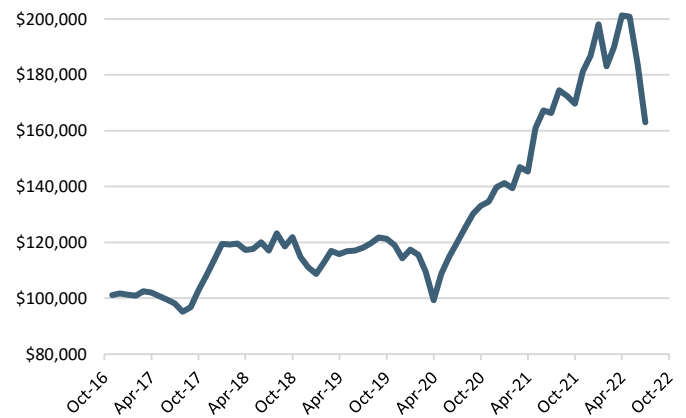
Genusplus Group Ltd ('GNP') was up on news that Managing Director, Dave Riches continued to buy stock purchasing another \$415k in June to take total buying of \$1m over the past two months. We are expecting a solid full year result showing continued revenue and profit growth and a strong outlook. The Pole Foundations Australia acquisition closed in April'22 and at the time of acquisition was ~8% EPS accretive to GNP. Widgie Nickel Ltd ('WIN') was our next best performer. Early in the month it fell some 30% in response to a lower nickel price and tax loss selling before announcing some spectacular high grade Ni sulphide intersections including 18m @ 4.69% Ni and 12m @ 3.4% Ni from Gillett North. The stock responded adding 50% in a day and we used this opportunity to sell a portion of our holding returning a nice profit with a return of 75% since IPO in Oct'21. West African Resources Ltd ('WAF') held up well for the month despite the general malaise in the gold sector, including, a number of companies confessing they were going to miss production guidance. WAF reported some excellent high-grade results from its MV3 project, located 6km from Sanbrado, including 15m @ 5.8 g/t Au, 24m @ 2.1 g/t Au and 14m @ 2.8 g/t Au. The feasibility study for its 6.8moz Kiaka Gold Project is due shortly and should demonstrate a highly robust project capable of increasing group production to >400koz pa by 2025.

Our biggest detractor for the month was OreCorp Ltd ('ORR') which fell a further 27% for the month to levels last seen in August 2020. Since April'22 the stock has halved with concerns over the likely capex and opex increases when the DFS is completed in the current Q. Whilst this concern is valid there are few deposits globally that contain >3moz in a single deposit than can support >200koz for >10yrs. Centaurus Metals Ltd ('CTM') fell 22% for the month in direct response to the nickel price fall ~21% and 'risk off' sentiment. Fortunately, CTM is well capitalised, having raised \$75m in Jan'21 and is on track to deliver a DFS in Q4 CY'22 with potential production in late CY'24/early CY'25. A current resource of 730kt of Ni augers well for a long life, high margin operation. Develop Global Ltd ('DVP') was down 13% for the month on no news. The stock did pop to ~\$2.60/sh early in the month and we used this price strength to lock in some profits reducing our overall position to ~10% of the FUM. The Bellevue contract has commenced, and we expect the updated DFS for Sulphur Springs by the end of CY'22.

Portfolio Performance

Top 3 Contributors		Bottom 3 Detractors	
Company	Sector	Company	Sector
Genus Plus Group	Mining Services	OreCorp	Gold
Widgie Nickel	Nickel	Centaurus Metals	Nickel
West African Resources	Gold	Develop Global	Copper/Zinc

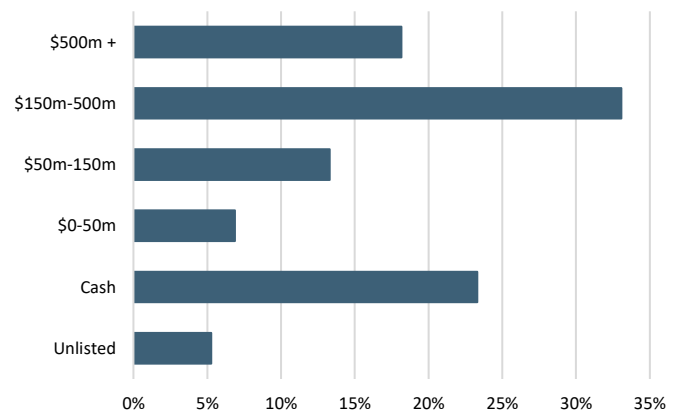
Growth of \$100,000 Since Inception



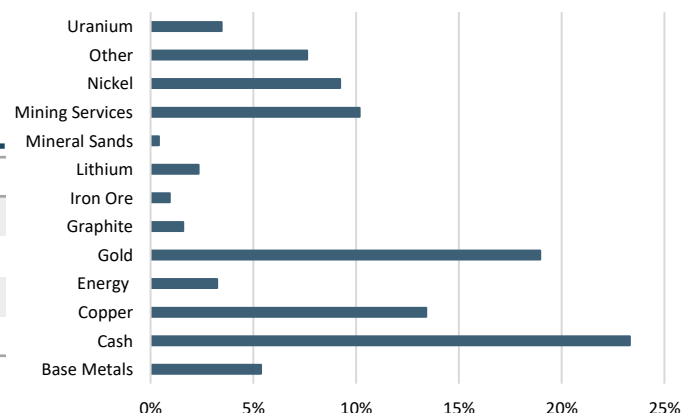
Top 5 Portfolio Holdings

Company	Sector	Portfolio %
Develop Global Ltd	Copper	9.7
Capricorn Metals Ltd	Gold	5.1
Centaurus Metals Ltd	Nickel	4.7
OreCorp Ltd	Gold	3.9
Genesis Minerals Ltd	Gold	3.1

Market Capitalisation Exposure



Portfolio Composition



¹ Returns after fees and taxes

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

³ Inception date: October 2016