

Return	NTA cps Nov 2021	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	2 Years (%)	Since Inception (%)
Precision Opportunities Fund Ltd <sup>1</sup>	37.37	3.1	8.4	12.4	33.7	63.4	86.9
Benchmark <sup>2</sup>	-	0.2	0.5	1.0	2.2	4.6	16.3
Outperformance	-	2.9	7.8	11.3	31.5	58.8	70.5

### Overview

The portfolio returned 3% for the month helped by continued buoyant commodity prices plus the addition of three new companies; Red Dirt Metals Ltd ('RDT'), A1C Mines Ltd (A1M) and Evolution Energy Minerals Ltd (EV1) which all performed strongly. Globally, the market volatility continued with inflation now declared as structural rather than transitory coupled with the risk of accelerating QE's deceleration to negate inflation and raise rates earlier than previously indicated. Nervousness was exacerbated at months end with the new Covid variant Omicron potentially further disrupting the global reopening/growth trade. Oil had a volatile month falling 14% after the US announced it would use its strategic reserves to reduce prices at the bowser in conjunction with other market participants. Iron ore bounced off its monthly lows of <US\$90/t to finish at US\$96/t only 3% down for the month following China's decision to re-accelerate steel production. Gold finished the month flat but not before spiking to US\$1,880/oz on inflation fears and then retracing \$100/oz to finish at US\$1,780/oz. Nickel added 4%. Uranium continued to be well supported with greater acceptance post COP26 that this now needs to be in mix for a zero carbon world. SPUT also announced it has increased its ATM facility US\$1.5bn to US\$3.5bn meaning it has plenty of potential to stack further pounds.

Our top three stocks all returned greater than 1% attribution for the month.

The stand out performer was Red Dirt Metals Ltd ('RDT'). We participated in the \$15m convertible loan in September'21 with funds used to the acquire the high grade Mt Ida gold and copper project. Post acquisition, RDT announced some excellent historical lithium results including 26m @ 1.84% Li<sub>2</sub>O and 24m @ 1.84% Li<sub>2</sub>O. Further work indicated the potential of a new Lithium province with historical mineralisation over 5km of strike and XRD analysis confirming that Spodumene is the dominant mineral in the pegmatite. The convertible loan converted at \$0.15/sh which resulted in a >3.5x uplift based on RDT monthly closing price of \$0.72/sh and RDT now represents 2.7% of the portfolio.

Capricorn Metals Ltd ('CMM') added 19% for the month after an excellent maiden production Q at Karlawinda with steady state production achieved, operating cashflow of \$27.6m and greater recognition of the game changing Mt Gibson acquisition. We took the opportunity to lock in some profits at >\$3.00/sh with the stock up >3.5x on our average entry price.

We participated in the AIC Mines Ltd (A1M) placement at \$0.25/sh which raised \$40m to acquire the Eloise Copper Mine in QLD. The mine has produced >300kt of Cu and 165koz of Au since 1996 and was acquired from a private company which is now A1M largest shareholder with 26% - an excellent vote of confidence. A1M is targeting annual production of 12.5kt of Cu and 6.5koz of Au pa.

The worst performer for the month was our unlisted mineral sands company Kalbar Limited. In late November, the Environmental Effects Statement ('ESS') for the Fingerboards Mineral Sands Project concluded the project posed an unacceptable environmental risk. This was a very disappointing outcome after all the time, money and work involved over the past five years. In light of this we have reduced our Kalbar valuation by 66% to \$250k, a loss of \$500k on the previous valuation.

Encounter Resources Ltd ('ENR') fell 30% for the month after disappointing assay results from its Lamil project located some 25km NW of Telfer. Whilst 'Telfer like' geology was intersected, mineralisation was low grade with a best intersection of 132m @ 0.31 g/t Au and 0.11% Cu from 87m.

Mincor Resources Ltd ('MCR') fell 9% for the month. There was nothing company specific and its AGM highlighted that it remains on track for commissioning in FY'22 and on target to ramp up to 16kt of Ni pa shortly thereafter. MCR remains a core Nickel exposure and we expect as development hurdles are overcome and exploration upside is realised, the stock will perform.

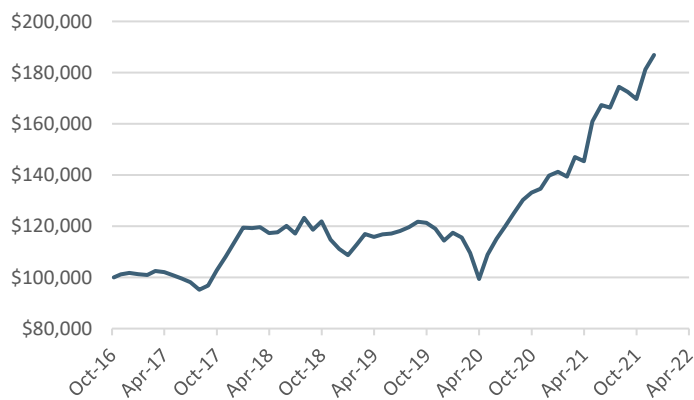
### Portfolio Performance

Top 3 Contributors		Bottom 3 Detractors	
Company	Sector	Company	Sector
Red Direct Metals	Lithium	Kalbar Resources	Mineral Sands
Capricorn Metals	Gold	Encounter Resources	Copper
AIC Mines	Copper	Mincor Resources	Nickel

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

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

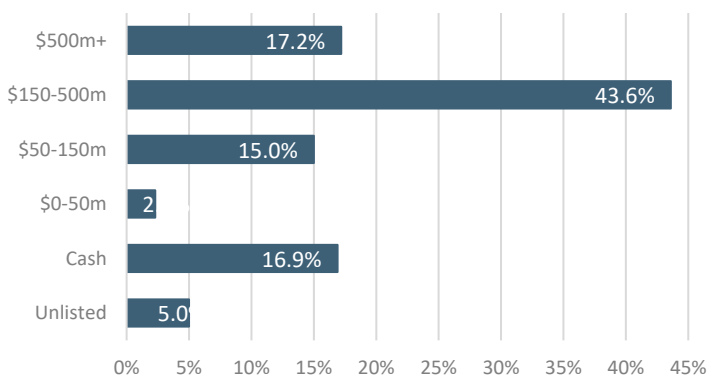
### Growth of \$100,000 Since Inception



### Top 5 Portfolio Holdings

Company	Sector	Portfolio %
Develop Global Ltd	Copper	17.1
Capricorn Metals Ltd	Gold	5.2
OreCorp Ltd	Gold	5.2
West African Resources	Gold	3.6
Nexus Minerals	Gold	3.2

### Market Capitalisation Exposure



### Portfolio Composition

