

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	Since Inception [^] (% p.a.)	Since Inception [^] Cumulative (%)
Perennial Global Resources Trust (net)	-3.7	2.2	32.5	32.5	73.0	98.3
Benchmark (Absolute return of +6.50% p.a.)	0.5	1.6	6.5	6.5	6.5	8.2
Value added	-4.2	0.6	26.0	26.0	66.5	90.1
S&P ASX200 Resources Total Return Index ¹	0.4	7.1	29.2	29.2	49.2	64.8

¹ S&P ASX200 Resources Total Return Index is used for reference purposes only.

[^] Since Inception: April 2020. Past performance is not a reliable indicator of future performance.

Overview

The trust capped off a strong 12 months by paying out a 31.4 cents per unit distribution in June, representing 17% return of the pre-distribution unit price. The total return over the 12 months to June 30 was 32.5% net of all fees.

June was a soft month for the trust, ending down 3.7% net of all fees. Key commodity exposure, copper (-8.7%), weighed on a number of investments, while new energy metals exposures also drifted lower into month end. This is despite global EV sales continuing to surprise to the upside, and lithium prices climbing throughout the period. On the macro front, rising delta-variant COVID concerns in Europe and strong US economic data lifted the US dollar, weighing on the commodity prices.

Partially offsetting softer performance in direct commodity exposures was solid performance from a number of services companies, including Energy Recovery (+19.8%), Swick Mining (+13.9%), Mermaid Marine (+26.9%) and DUG Technology (+14.1%). In what is a much maligned sector, stocks continue to be priced for negative outcomes, generally speaking.

In a material positive for the trust, Ewan Galloway formally joined the investment team in June. Ewan, who covers large cap resources for Perennial, will focus on large cap and global resource investment opportunities.

Perennial Global Resources Trust

The aim of the Trust is to grow the value of your investment over the long term by investing in a portfolio of listed and unlisted companies exposed to commodity production.

Portfolio Manager	Trust FUM
Sam Berridge	AUD \$19 million
Distribution Frequency	Minimum Initial Investment ³
Yearly	\$25,000
Trust Inception Date	Fees
April 2020	1.20% p.a. + Performance fee

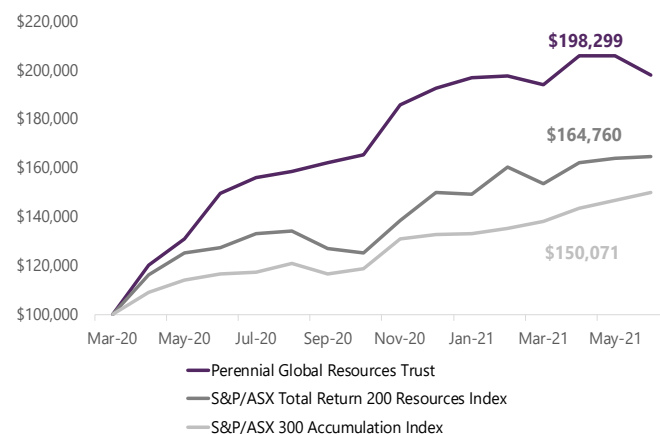
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³ Perennial Global Resources Trust is open to wholesale investors only.

Top 5 Positions

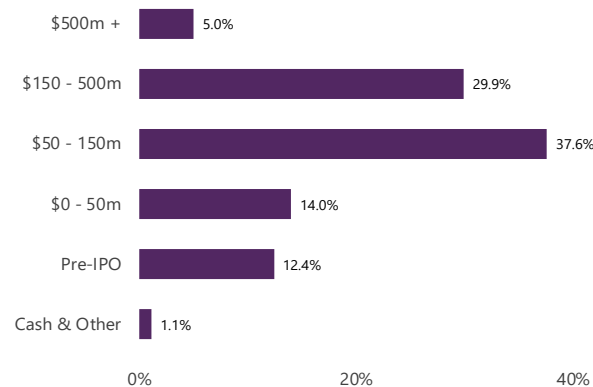
	Trust (%)
Genus Plus	4.5
Jindalee Resources	4.1
DUG Technology	3.4
Queensland Pacific Metals	3.2
MacMahon Holdings	3.1

Growth of \$100,000 Since Inception

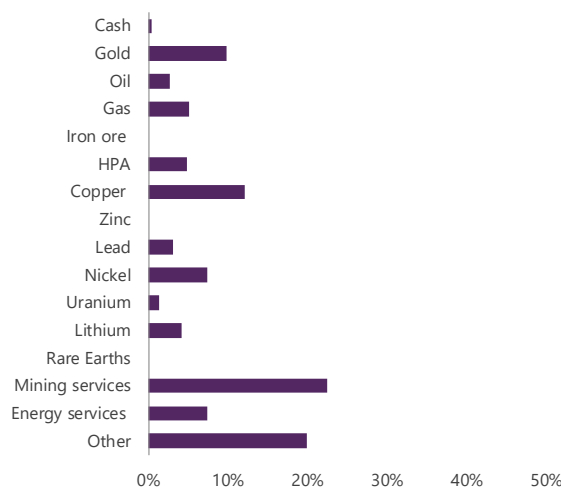


Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Market Capitalisation Exposure



Sector Exposures



Trust Review

Softer returns across new energy metals exposures weighed on fund performance during June. While a minor frustration, we don't see any change in the demand dynamics. To this point, EV sales continue to surprise on the upside, and green energy projects continue to progress to FID.

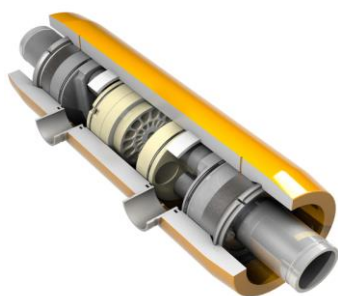
Core commodity exposure, copper (-8.7%) weighed on associated exposures including **New World Resources** (down 14.3%) and **KGL Resources** (down 8.6%). We exited copper developer, **Hillgrove Resource**, early in the month at 6.6cps vs 5.5cps at month end, avoiding most of the -20.3% fall.

Other new energy metal exposures which were softer despite positive or no news included;

- **Jindalee Resources** was down 12.9% on no material news. The company guided to scoping study updates on what is the largest lithium resource in the US in the September quarter.
- **Alpha HPA** was down 10.5% on news and in spite of multiple director purchases.
- **FYI Resources** was down 10.7% after being awarded national major project status, which will expedite the permitting process.

Continuing a theme from May, services companies continued to perform well.

- **Energy Recovery** (+19.8%) rallied on an incrementally positive update on the application of its pressure exchange technology in the US shale sector.
- **Mermaid Marine** (+26.9%) announced a number of contract awards servicing offshore wind and oil and gas sectors. Further, the company announced the sale of 3 vessels in line with book value, which currently stands at \$0.78 per share vs the \$0.425 closing price at month end.
- High-performance computing service provider, **DUG Technology** (+14.1%), rallied on the back of a raft of broker presentations and upbeat research reports.
- **Swick** (+13.9%) gave a strong update on its drilling business and committed to the divestment of Oreplore, which has been weighing on group earnings.



PX Pressure Exchanger - Energy Recovery
Source: Company website

Energy Recovery's PX Pressure Exchanger device significantly reduces the energy consumption of seawater reverse osmosis desalination systems by up to 60%. They are the dominant player in the sector and the PX will remain a crucial component as growing demand for potable water increases the need for seawater and industrial wastewater desalination.

Source: Oxford Economics. Firming headwinds to investment in carbon-based energy generation are likely to be inflationary in the short- and medium-term.



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Global, Currency & Commodities (%)

S&P500	+2.2
Nikkei225	-0.2
FTSE100	+0.2
Shanghai Composite	-0.7
RBA Cash Rate	0.10
AUD / USD	75.0c
Iron Ore	+10.5
Oil	+11.0
Gold	-4.4
Copper	-5.8

The portfolio finished the month with 42 positions and cash of 1.2%.



Investment team: Ewan Galloway (left) and Sam Berridge (right)

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