

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	Since Inception^ (% p.a.)	Since Inception^ Cumulative (%)
Perennial Global Resources Trust (net)	2.0	-1.8	2.0	29.5	69.6	102.2
Benchmark (Absolute return of +6.50% p.a.)	0.5	1.6	0.5	6.5	6.5	8.6
<b>Value added</b>	<b>1.5</b>	<b>-3.4</b>	<b>1.5</b>	<b>23.0</b>	<b>63.1</b>	<b>93.6</b>
S&P ASX200 Resources Total Return Index <sup>1</sup>	6.6	8.3	6.6	32.0	52.5	75.6

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

<sup>^</sup> Since Inception: April 2020. Past performance is not a reliable indicator of future performance.

## Overview

With the exception of iron ore, commodity markets bounced in July, with the Trust finishing up 2.0% net of all fees for the month. In terms of performance, there were signs of life from a handful of services names, which was pleasing to see as we approach year end financial reports. New Energy Metals were broadly positive while traditional energy lagged.

A stronger nickel price (+7.3%) helped Neometals (+37.5%) and Queensland Pacific Metals (+17.9%) reach 5 year highs, while also lifting Western Areas (+9.6%). In what could be indicative of the future of the metals industry, only Western Areas would be considered a traditional nickel producer, with Neometals and Queensland Pacific Metals pursuing less carbon intensive means of production.

Positive news flow from the services sectors has started to turn sentiment and share prices alike. Stealth Global (+9.5%), MacMahon (+15.8%), and SRG Global (+15.8%) all performed well during the month. While the services sector has been largely flat over the last 5 months or so, it is likely to be a key beneficiary of reopening state borders, which based on current vaccination rates, looks to be four months away.

## 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 \$18 million
Distribution Frequency	Minimum Initial Investment <sup>3</sup>
Yearly	\$25,000
Trust Inception Date	Fees
April 2020	1.20% p.a. + Performance fee

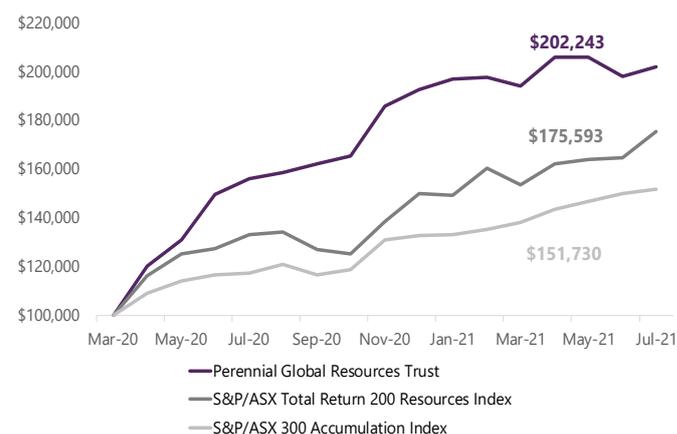
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<sup>3</sup> Perennial Global Resources Trust is open to wholesale investors only.

## Top 5 Positions

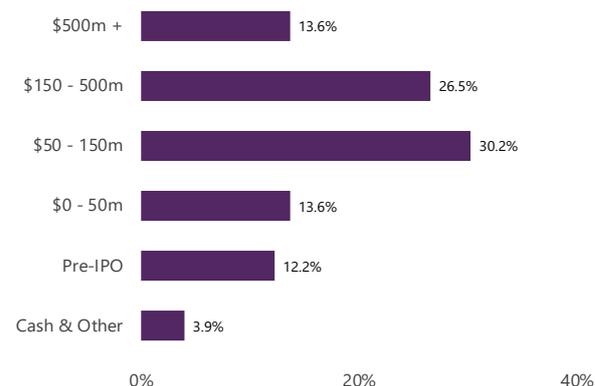
	Trust (%)
Genus Plus	5.0
Baraja	4.4
Jindalee Resources	4.3
Neometals	3.2
Stealth Global	3.2

## Growth of \$100,000 Since Inception

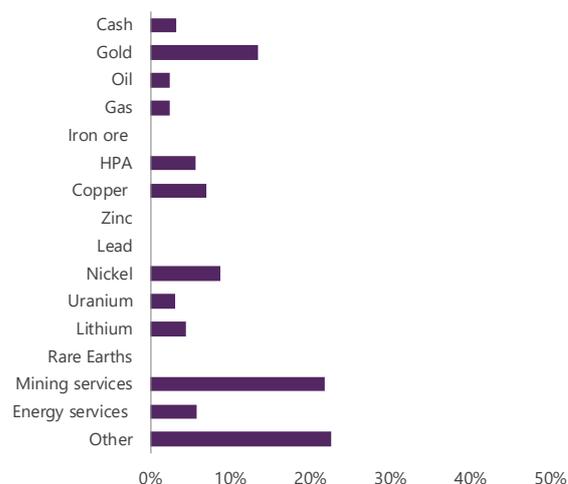


Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

## Market Capitalisation Exposure



## Sector Exposures



## Trust Review

A better month for commodity prices saw the fund bounce back to post a positive return. Curiously, iron ore equities pushed the ASX S&P 200 resources index higher despite the iron ore price ending down 14.2% by month end.

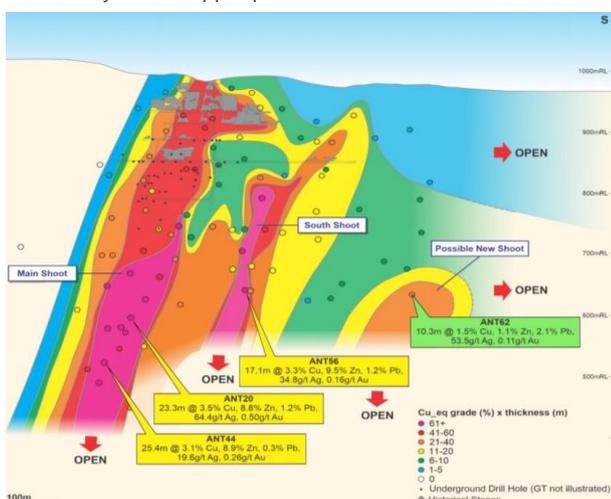
Nickel stocks were the key drivers of performance during the month, although only one of those stocks would be regarded as a traditional producer;

- **Neometals** finished up 37.5% on the back of positive announcements regarding; its lithium battery recycling plant and the proposed spin out of its Mt Edwards nickel project into a listed vehicle.
- **Queensland Pacific Metals** up 17.9%, gained traction from a number of broker presentations during the month, promoting its tech which enables the production of battery grade nickel sulphate from lateritic orebodies, without the need for the capital and carbon intensive HPAL process.
- **Western Areas** recovered from falls earlier in the month to finish up 9.6% after announcing its long-term nickel production profile which will see the company producing circa 20ktpa of nickel out to 2031.

Service companies continued their bounce from June, with MacMahon, up 15.8%, Stealth Global up 9.5%, and SRG Global up 15.8%, all contributing positively to performance. While the focus on wage pressures is justified, the pace of vaccination in Australia suggests this headwind will be largely absent in 4 months.

Stocks weighing on performance during the month included;

- **DUG Technology**, down 6.4% as the market waits for further news on contract awards.
- **Alpha HPA**, down 7.2% despite releasing a marketing update which showed a broadening product appeal, with positive implications for offtake agreements near term.
- **Mermaid Marine**, down 12.9% traded down after announcing a \$6.5m provision due to an unfavorable arbitration finding.
- **New World Resources**, down 11.1% despite identifying an additional lens of mineralisation at its Antler Copper Project and a recovery in the copper price.



Source: Company Reports. New World Resources reported an intersection in July which appears to be an additional lens of mineralisation (right side of figure), giving a positive read through for the next resource update

Signatory of:  
 Principles for Responsible Investment



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## Global, Currency & Commodities (%)

S&P500	+2.3
Nikkei225	-5.2
FTSE100	-0.1
Shanghai Composite	-5.4
RBA Cash Rate	0.10
AUD / USD	73.5c
Iron Ore	-12.4
Oil	+3.7
Gold	+4.6
Copper	+6.7

The portfolio finished the month with 38 positions and cash of 3.1%.



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

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