

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	Since inception^ (% p.a.)	Since Inception^ Cumulative (%)
Perennial Global Resources Trust (Net)	-2.1	4.7	4.7	28.1	62.8	107.7
Benchmark (Absolute return of +6.50% p.a.)	0.5	1.6	1.6	6.5	6.5	9.9
Value Added	-2.6	3.1	3.1	21.6	56.3	97.8
S&P ASX200 Resources Total Return Index*	-6.6	-9.3	-9.3	17.7	30.7	49.5

^ **Since inception:** April 2020. Past performance is not a reliable indicator of future performance.

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

Overview

An end of month sell-off in commodity markets weighed on the Trust during September, finishing down 2.1% net of all fees.

Initial market concerns regarding the fallout from large Chinese property developer Evergrande defaulting on its debt gave way to headlines regarding global energy shortages. These headlines contributed to a spike in carbon-based energy fuel prices towards month end, benefiting holdings in **Cooper Energy** and **Karoon Energy**.

While China is ramping up coal production to address its energy shortage, the western world's response is going to be complicated by the politics of carbon, particularly in Europe. We believe the most likely outcome is a doubling down of efforts to expand renewable energy generation, power storage and possibly a reassessment of a long-standing objection to nuclear by some countries.

Apart from nuclear, all these initiatives are very metal intensive. So, while an energy shortage may dent metals demand in the near term, the longer-term implications from the current power crisis are likely to be positive for new energy metals exposures.

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

Sam Berridge

Trust FUM

AUD \$19 million

Distribution Frequency

Annual

Minimum Initial Investment¹

\$25,000

Trust Inception Date

April 2020

Fees

1.20% p.a. + Performance fee

APIR Code

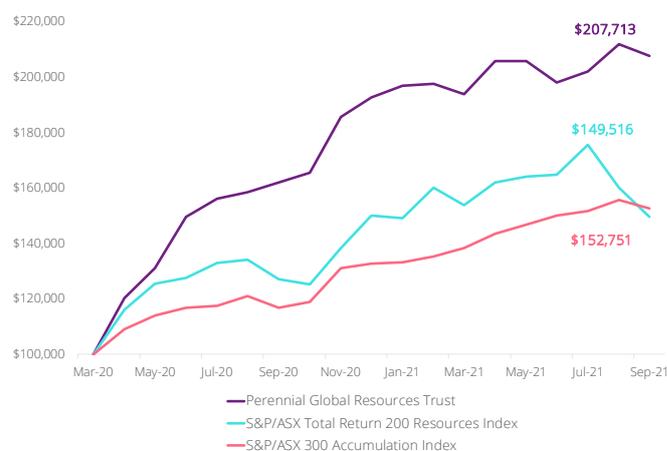
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¹ Perennial Global Resources Trust is open to wholesale investors only.

Top 5 Positions	Trust (%)
Genus Plus	5.0
FYI Resources	4.4
Jindalee Resources	4.2
Baraja	4.1
Queensland Pacific Metals	3.8

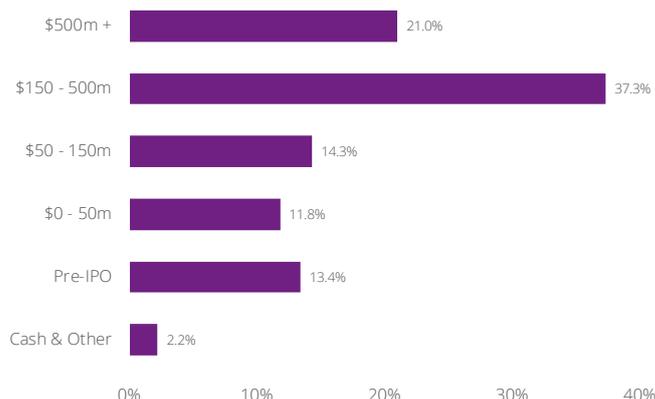
The above figures are forecasts only. While due care has been used in the preparation of forecast information, actual outcomes may vary in a materially positive or negative manner.

Growth of \$100,000 Since Inception

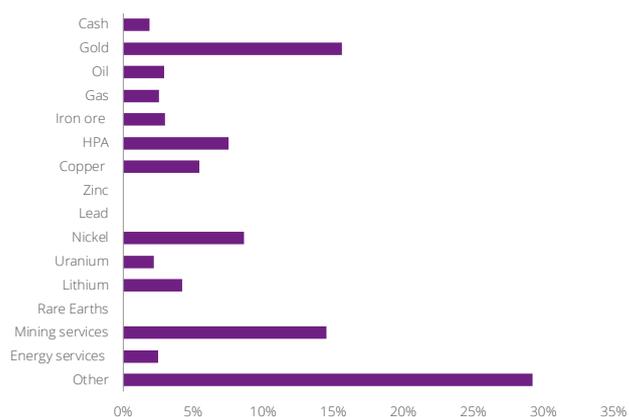


Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Market Capitalisation Exposure



Sector Exposure



Trust Review

A global energy shortage driven by recovering demand, restricted investment in carbon-based energy and the intermittency of renewable generation contributed to price gains for carbon fuels with oil (+7.6%), thermal coal (+25.1%) and gas (16.6%) all making strong gains during the month. The portfolio benefitted from this through holdings in:

- **Karoon Energy**, which was up 26.4% on rising oil prices and an updated forward outlook released with its FY21 financial results;
- **Cooper Energy**, which was up 20.0% on a strengthening domestic gas outlook and speculation on a deal which would see Cooper take control of the Orbest Gas plant from APA.

Results within the new energy metals space were volatile;

- **Queensland Pacific Metals** was up 42.1% after being awarded major project status for its TECH nickel development. The TECH project will produce low-carbon nickel for the battery sector.
- **Neometals** was up 16.3% after announcing further progress at its lithium battery recycling joint venture in Germany with SMS Group. Wet commissioning is now underway.
- **Jindalee Resources** was down 37.9% after releasing a scoping study into the development of its McDermitt lithium project in the US. The study had a positive finding for future development, but due to ASX limitations on disclosing financial metrics for scoping studies, a project NPV could not be disclosed, disappointing investors. We have our own NPV for the project, which is substantial. Post further drilling, JRL will be able to make a more fulsome release.

Gold stocks were generally weaker, with the gold price down 3.1% during the month. We reduced our gold exposure early in the month but retained holdings in **Capricorn Metals** (down 13.8%) and **DeGrey Mining** (down 19.6%), which weighed on performance.



Source: Company reports. Neometals commenced wet commissioning of its lithium battery recycling plant during the month. The project is a part of a joint venture with large German engineering firm SMS Group.

Global, Currency & Commodities (%)

S&P 500	+2.9
Nikkei 225	+3.0
FTSE 100	+1.2
Shanghai Composite	+4.3
RBA Cash Rate	0.10
AUD / USD	73.1c
Iron Ore	-14.0
Oil	-4.0
Gold	+0.4
Copper	-1.4

The portfolio finished the month with 41 positions and cash of 1.9%.



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

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