

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (% p.a.)	Since inception^ (% p.a.)	Since Inception^ Cumulative (%)
Perennial Strategic Natural Resources Trust (Net)	3.0	2.3	5.1	4.3	10.8	28.8	152.7
Benchmark (Absolute return of +6.50% p.a.)	0.5	1.6	3.2	6.5	6.5	6.5	26.0
*S&P/ASX Total Return Resources Index	1.8	-0.2	0.3	3.2	14.9	22.4	109.8
Value Added	2.5	0.7	1.9	-2.2	4.3	22.3	126.7

^ Since inception: 1st April 2020. Past performance is not a reliable indicator of future performance. *S&P/ASX Total Return Resources Index is for comparison purposes only, the benchmark for the Trust is a positive absolute return exceeding 6.50% p.a. net of all fees.

Overview

Commodity prices bounced back in November, buoying returns for the Trust to +3.0% for the month (net of all fees), ahead of the ASX200 Resources index return of 1.8%. The Trust's outperformance of the index has increased to 5.4% since June 30 driven by uranium and gold exposures, commodities not well represented in the index.

Softer US economic data and commentary from Fed members led to a sharp roll over in US rates and the US dollar. Further, China attempted another round of property stimulus. Combined, these macro factors led to stronger iron ore, gold and select base metal prices. Uranium continued to tick higher on tight spot supply and news of a South Korean request for uranium tenders, which received zero bids.

The outlook for copper supply tightened after Panama's Supreme Court ruled against First Quantum. The dispute centers around a 20-year contract extension for the Cobre Panama mine which the court found unconstitutional. With the mine now shut down, ~370ktpa or 2% of global copper supply has been removed from the market.

Supply-side factors have been key drivers of oil and uranium performance this year. The trend looks set to continue.

Perennial Strategic Natural 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 Managers

Sam Berridge and Ewan Galloway

Trust FUM

AUD \$15.7 million

Distribution Frequency

Annual

Minimum Initial Investment¹

\$25,000

Trust Inception Date

April 2020

Fees

1.20% p.a. + Performance fee

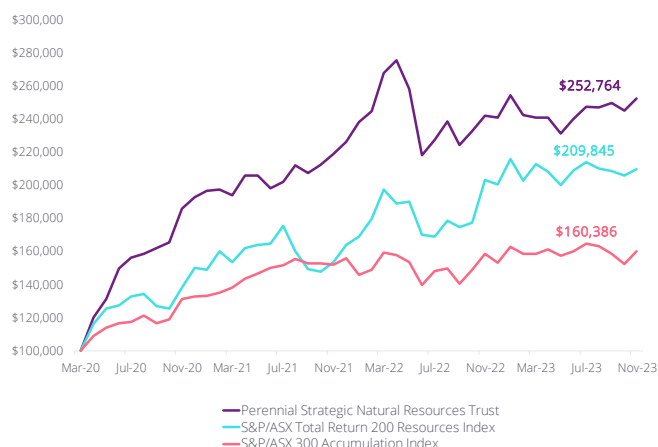
APIR Code

WPC3240AU

Top 5 Positions	Trust (%)
Ora Banda	6.7
Metals Acquisition Corp	4.9
Baraja	4.9
Red Earth Energy	4.7
Sprott Physical Uranium	4.7

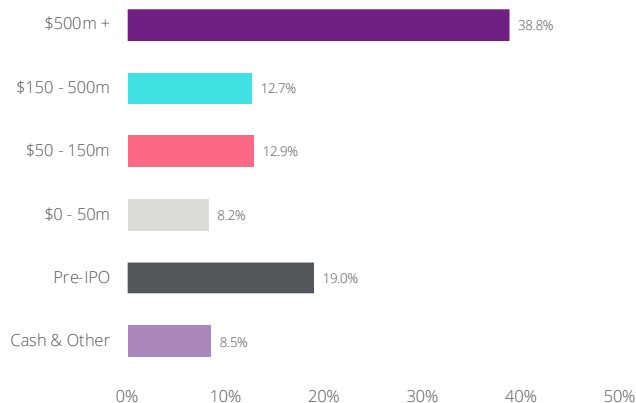
Source: Perennial Value Management as at 30th November 2023.

Growth of \$100,000 Since Inception

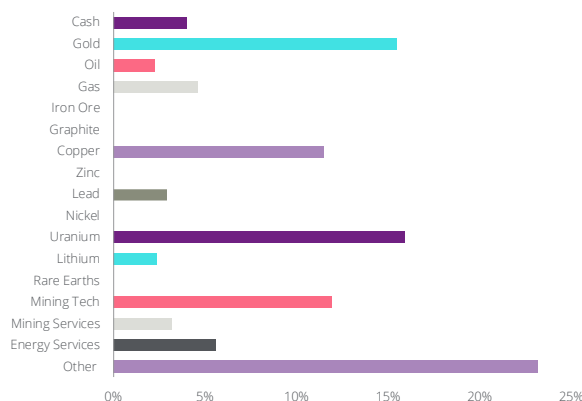


Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Market Capitalisation Exposure



Sector Exposure



Trust Review

For the second month in a row gold glittered brightest in the portfolio during the month;

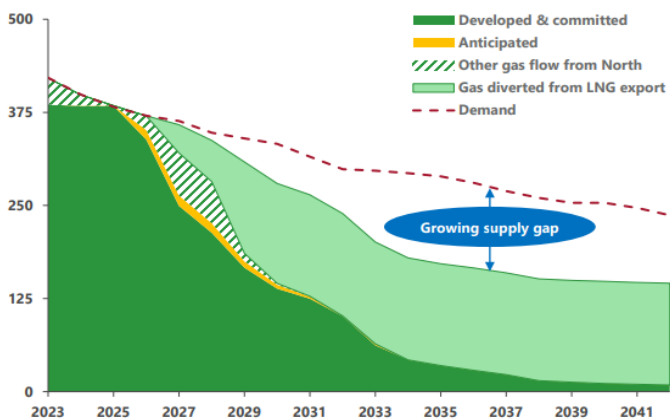
- **Ora Banda**, up 46.9% following completion of key operating milestones ahead of target. The company has accessed first ore from the Riverina Underground mine, a key step towards displacing lower grade feed from the mill, and increasing group production.
- **Genesis Minerals**, and **Northern Star** up 26.4% and 8.9% respectively on higher gold prices.

Stocks which weighed on performance during the month included;

- **Hartshead Resources**, down 11.1%, on investor impatience to a funding solution for its 40% owned conventional gas project in the UK. We added to our position.
- **Metals Acquisition Corp**, ended down 6.5% despite increasing copper production by 26.5% and reducing C1 costs by 38.4% vs the prior quarter. This is reflective of the scope for operational improvements under the new management team. We expect still stronger production in the December quarter.

With prices for our two largest commodity exposures, uranium and gold, doing well, we turn our attention to what might be the hot commodities of 2024. Foremost on that list is domestic gas. Late in October news of [Origin Energy entering into a non-binding agreement with Venice Energy to develop an LNG import terminal in South Australia](#) caught our eye. Our channel checks suggest Origin is not the only utility who is of the view the horse has bolted regarding replacing domestic gas supply, with the marginal molecule likely to come from LNG imports in the medium term. Should these hints of intent turn into actions, it could mean east coast domestic gas prices will be determined by international prices. At present, LNG import parity prices are around A\$18/GJ vs the Victorian spot gas price of A\$11/GJ. Contrary to popular opinion Australia hasn't been subjected to the whims of international gas markets. The Ukraine war corresponded with two coal plant failures on the east coast, with the latter having far more impact on the domestic gas prices than the former. Due to the seasonality of power demand, the two pinch points for the east coast grid are summer and winter. The upside risk to gas prices during these periods is not currently reflected in gas equities in our view.

Southern states forecast supply/demand (source: AEMO), PJ/year¹



Source: AEMO, Cooper Energy (COE)

The Trust finished the month with 47 positions and cash of 2.4%.

Global, Currency & Commodities (%)

S&P 500	+8.9
Nikkei 225	+8.5
FTSE 100	+1.8
Shanghai Composite	+0.4
RBA Cash Rate	4.35
AUD / USD	66.3c
Iron Ore	+9.7
Oil	-6.8
Gold	+2.6
Copper	+3.7



Portfolio Managers: Ewan Galloway (left) and Sam Berridge (right)

Invest Online Now

Contact us

Level 27, 88 Phillip Street
Sydney NSW 2000

1300 730 032

invest@perennial.net.au

www.perennial.net.au

Signatory of:



Issued by Perennial Value Management Limited (ABN 22 090 879 904, AFSL No. 247293) as the Investment Manager. The Responsible Entity is Perennial Investment Management Limited (ABN 13 108 747 637, AFSL No. 275101), Perennial Partners Limited (ABN 90 612 829 160) is a Corporate Authorised Representative (1293138) of Perennial Value Management Limited. Both the Investment Manager and Responsible Entity form part of Perennial Partners. This promotional statement is provided for information purposes only. Accordingly, reliance should not be placed on this promotional statement as the basis for making an investment, financial or other decision. This promotional statement does not take into account your investment objectives, particular needs or financial situation and is not intended to constitute advertising or advice of any kind and you should not construe the contents of promotional statement as legal, tax, investment or other advice. This promotional statement does not constitute an offer or inducement to engage in an investment activity nor does it form part of any offer documentation, offer or invitation to purchase, sell or subscribe for interests in any type of investment product or service. You should read and consider any relevant offer documentation applicable to any investment product or service and consider obtaining professional investment advice tailored to your specific circumstances before making any investment decision. While every effort has been made to ensure the information in this promotional statement is accurate; its accuracy, reliability or completeness is not guaranteed. Past performance is not a reliable indicator of future performance. Gross performance does not include any applicable management fees or expenses. Net performance is based on redemption price for the period and assumes that all distributions are reinvested. Fees indicated reflect the maximum applicable. Contractual arrangements, including any applicable management fee, may be negotiated with certain large investors. Investments in the Trusts must be accompanied by an application form. The current relevant product disclosure statements, additional information booklet, application forms and target market determination can be found on Perennial's website www.perennial.net.au. Use of the information on our website is governed by Australian law and is subject to the terms of use. No distribution of this material will be made in any jurisdiction where such distribution is not authorised or is unlawful.