

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	Since inception [^] (% p.a.)	Since Inception [^] Cumulative (%)
Perennial Microcap Resources Trust (Net)	5.3	6.8			6.8	6.8
S&P ASX Small Ordinaries Resources Index	3.6	3.7			3.7	3.7
Value Added	1.7	3.1			3.1	3.1

[^] Since inception: August 2021. Past performance is not a reliable indicator of future performance.

Overview

The trust was up 5.3% (net of all fees) in November, outperforming the Index by 1.7%.

Commodities trended higher over the month on the back of tentative signs Chinese stimulus and on-going inflation concerns in the Western World. Another COVID variant scare at the end of month gave back some gains, although the impact of these events is diminishing.

The UN Climate change conference concluded 12th November, with outcomes generally regarded as underwhelming. It looks like the status quo of increasing renewable generation without adequate power storage solutions, while constraining investment in gas production will remain. This policy setting is very metals intensive and inflationary, and therefore positive for metal prices.

Looking forward, the intertwined thematic of inflation and decarbonisation look likely to continue to dominate macro economic debate. At present it looks likely both will tilt in favour of commodities as an asset class.

Commodities



Source: Bloomberg. The history of inflation has coincided with periods of outperformance, which in turn have coincided with an energy crisis of one sort or another (oil prices hit \$140/bbl pre GFC).

Perennial Microcap 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 Australian small and microcap listed and unlisted companies operating in the business of commodity production, commodity investment or as a service provider to the industry of commodity production

Portfolio Manager

Sam Berridge

Trust FUM

AUD \$37.6 million

Distribution Frequency

Annual

Minimum Initial Investment¹

\$25,000

Trust Inception Date

August 2021

Fees

1.20% p.a. + Performance fee

APIR Code

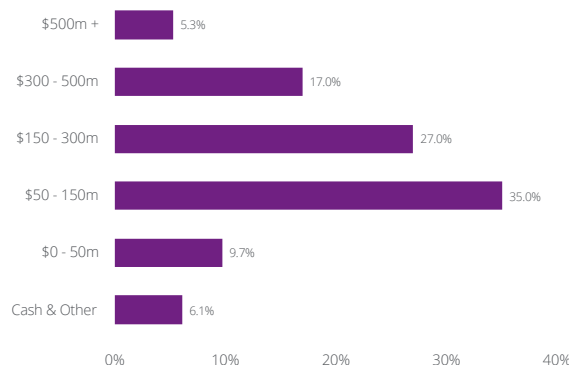
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¹ Perennial Microcap Resources Trust is open to wholesale investors only.

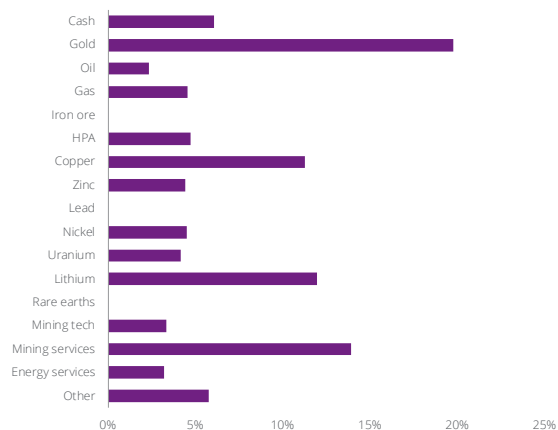
Top 5 Positions	Trust (%)
Green Technology Metals	7.5
Jindalee Resources	4.2
GenusPlus	3.8
Swick Mining Services	3.6
Cooper Energy	3.4

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.

Market Capitalisation Exposure



Sector Exposure



Trust Review

Decarbonisation facing companies performed well in the month, will strongly performance stocks including:

- **Green Technology Metals**, up 56.0% on its successful IPO which Perennial corner stoned. Even post recent gains, the company scans as cheap versus peers, with a catalyst rich outlook as drilling of its lithium resources commences near term.
- **GenusPlus**, up 23.9%, after announcing its first contract award from the defense department, and an upbeat AGM presentation focused on the requirements for increased power distribution spend as a core part of the decarbonisation process.
- **Strandline**, up 27.5%, upon steady progress towards first production from the Coburn mineral sands mine in WA. Separately, the Fingerboards mineral sands deposit was denied development approval by the Victorian Government, strengthening the pricing outlook.
- **Genesis Minerals**, up 14.2%, as a new board led by former Saracen MD, Raleigh Finlayson, took up their roles with the company.
- **Swick**, up 13.4%, post release of an independent valuation of its Oreplore spin off at 8cps. Whereas most investors had attributed zero value to this business.

Stocks which weighed on performance during the month included:

- **Jindalee**, down 10.4%, despite announcing the start of drilling at its 100% owned McDermitt lithium deposit;
- **Scidev**, down 19.4%, after raising equity to fund growth;
- **Dacian**, down 10.9%, after reporting a weaker than expected quarterly on the last day of October.



Source: Company reports. Strandline's Coburn mineral sands project is a rare counter-cyclical development in the mining space. While difficult to finance, the project is now scheduled to come on line during a period of extended deficit markets.

Global, Currency & Commodities (%)

S&P 500	-0.8
Nikkei 225	-3.7
FTSE 100	-2.5
Shanghai Composite	+0.5
RBA Cash Rate	0.10
AUD / USD	70.9c
Iron Ore	-1.5
Oil	-11.8
Gold	+5.0
Copper	+4.0


The portfolio finished the month with 39 positions and cash of 6.1%.



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Signatory of:

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 Significant Investor Visa (SIV) Compliant

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