

|                                          | Month (%)  | Quarter (%) | FYTD (%)   | 1 year (%)  | 3 year (% p.a.) | Since inception^ (% p.a.) |
|------------------------------------------|------------|-------------|------------|-------------|-----------------|---------------------------|
| Perennial Microcap Resources Trust (Net) | -0.8       | -2.0        | 6.2        | 25.0        | 1.8             | 4.5                       |
| S&P ASX Small Ordinaries Resources Index | -3.9       | 0.8         | 4.2        | 7.7         | -4.2            | -1.3                      |
| <b>Value Added</b>                       | <b>3.1</b> | <b>-2.8</b> | <b>2.0</b> | <b>17.3</b> | <b>6.0</b>      | <b>5.8</b>                |

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

## Overview

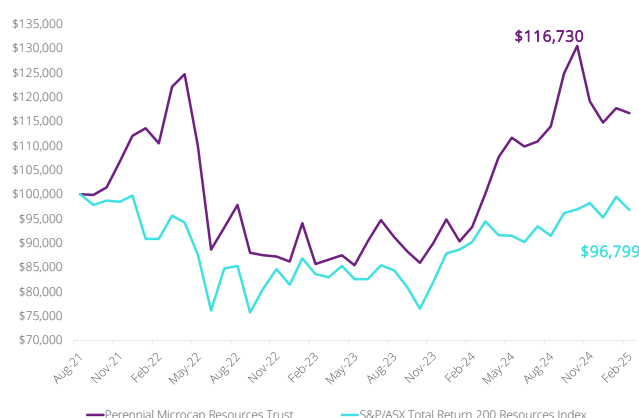
Despite base and precious metal prices climbing in February, softer equity markets dragged the return for the fund down -0.8%, outperforming the benchmark return of -3.9%

In contrast to equity markets, iron ore, copper, aluminium and gold finished up +5.2%, +4.6%, +1.5% and +2.2% respectively. Implying mining companies became cheaper despite making more money. A disconnect which does happen occasionally, but doesn't last long.

The reasons for weaker equity markets more broadly stemmed from weak consumer-sentiment data in the US, ongoing tariff concerns and tech sector weakness. None of which the commodities sector is directly sensitive to, but these things do move markets globally.

Looking forward, gold, the largest commodity exposure in the portfolio continues to grind higher. Weaker US consumer sentiment should be a tailwind here. Energy policies around the world continue to evolve, creating opportunities, particularly for gas firming. Further, it's of note, new governments in the US and Germany have nodded toward increased infrastructure spend. A commodity intensive and much needed ambition.

## 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.

## 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 \$35.9 million

### Distribution Frequency

Annual

### Minimum Initial Investment<sup>1</sup>

\$25,000

### Trust Inception Date

August 2021

### Fees

1.20% p.a. + Performance fee

### APIR Code

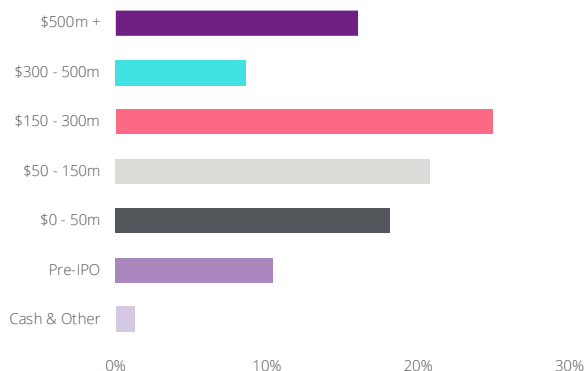
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<sup>1</sup> Perennial Microcap Resources Trust is open to wholesale investors only.

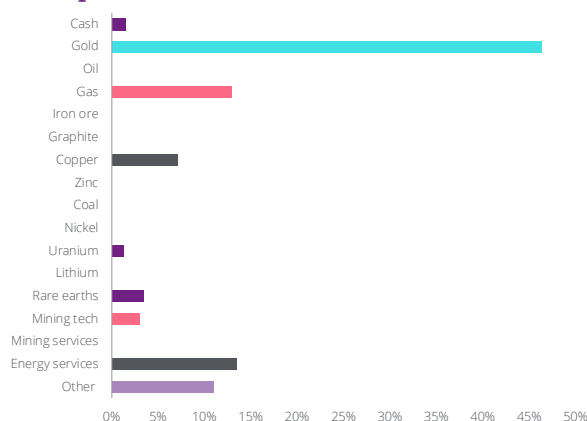
| Top 5 Positions | Trust (%) |
|-----------------|-----------|
| Metro Mining    | 8.6       |
| Rox Resources   | 6.8       |
| Ora Banda       | 5.9       |
| Toubani         | 4.1       |
| Turaco Gold     | 3.7       |

Source: Perennial Value Management. As at 28<sup>th</sup> February 2025

## Market Capitalisation Exposure



## Sector Exposure



## Trust Review

A challenging quarter for equities led to a diverse range of share performances in Feb. Better performing stocks included:

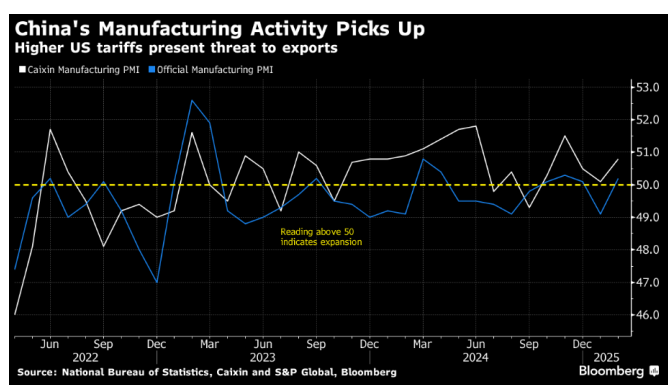
- **Gorilla Gold** finished up 34.8% reporting some very promising gold intersections from its Lake View project in Western Australia.
- Gold producer **Ora Banda** bounced 11.4% on a stronger gold price and positive exploration update which implied a substantial mine life extension vs current reserves.
- Copper developer **Firefly Metals** climbed 5.4% on the back of reporting further resource extensions at its Green Bay copper project, as well as outlining several exploration targets with confirmed copper occurrences

Investments which weighed on performance during the month included:

- Energy tech firm **DUG Technology**, finishing -12.3% lower, albeit off its lows after reporting a strong increase in the order book for January. Hopefully marking the beginning of a turnaround.
- **Brazilian Rare Earths** traded down 14.7% despite a recovery in rare earth prices and announcements from China regarding further consolidation and control of the industry.
- Power provider **QPM Energy** traded -15.6% lower following news of damage to the steam generator announced in late January. The earnings impact following the absence of the steam generator isn't particularly material. With a large gas reserve to commercialise, we look forward to QPM's growth strategy to be announced later in the year.

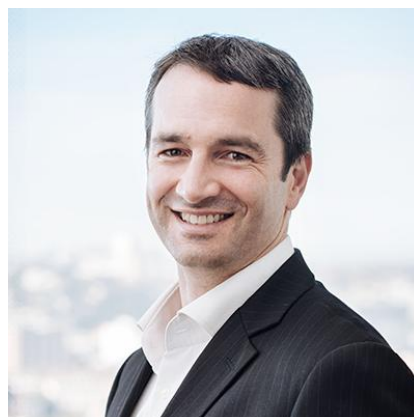
While a dip in US consumer sentiment might have been front of mind for generalist investors in February, commodity prices reacted positively to steadily improving demand from China. The Manufacturing Purchasing Manager Index (PMI) came in above expectations, suggesting Chinese demand is holding up well.

Subsequent announcements regarding ongoing support for domestic consumption will likely sustain Chinese commodity demand this year.



## Global, Currency & Commodities (%)

|                    |       |
|--------------------|-------|
| S&P 500            | -2.9  |
| Nikkei 225         | -6.0  |
| FTSE 100           | 2.0   |
| Shanghai Composite | 2.2   |
| RBA Cash Rate      | 4.10  |
| AUD / USD          | 62.1c |
| Iron Ore           | 5.2   |
| Oil                | -3.0  |
| Gold               | 2.2   |
| Copper             | 4.6   |



Portfolio Manager: Sam Berridge

**Invest Online Now**

The Trust finished the month with 39 stocks and 1.8% cash.

## Contact us



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Signatory of:



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