

	Month (%)	Quarter (%)	FYTD (%)	1 year (%)	2 year (%)	3 year (% p.a.)	Since inception^ (% p.a.)
Perennial Microcap Resources Trust (Net)	5.5	17.7	5.5	37.1	26.6	17.7	11.3
S&P ASX Small Ordinaries Resources Index	-3.0	4.0	-3.0	15.7	6.5	2.2	1.3
Value Added	8.5	13.7	8.5	21.4	20.1	15.5	10.0

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

Overview

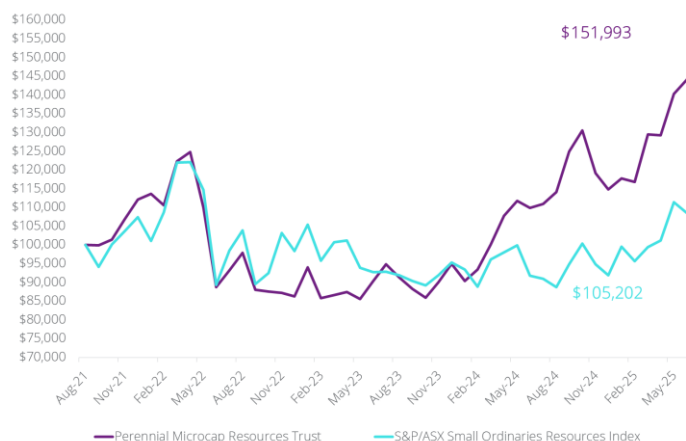
Announcements regarding China's "de-involution" policy lifted most commodity markets in July, with the trust returning +5.5% net of all fees, ahead of the benchmark return of -3.0%. The return for the rolling 12mth period lifts to +37.1% net of all fees.

The commodity-relevant aspects of China's de-involution policy aim to reduce competition amongst industries. The implication being production cuts for commodities in which China contributes meaningfully to supply i.e., lithium, coal, and steel. Prices for these commodities rose in early July, albeit paring gains later in the month.

Below the headline macro drivers, the race to secure access to rare earths intensified, with the US government underwriting prices from MP Materials at a 70% premium to spot prices. Robotic demand for these rare earths is trending towards exponential.

Appetite for dispatchable power generation to run the AI which runs the robots continues to stride well ahead of supply. It seems clear to us the penny has dropped amongst global super-powers that energy supremacy is the key to economic and military supremacy. Setting the backdrop for an investment thematic which will be with us for the foreseeable future.

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 \$39.4 million

Distribution Frequency

Annual

Minimum Initial Investment¹

\$25,000

Trust Inception Date

August 2021

Fees

1.20% p.a. + Performance fee

APIR Code

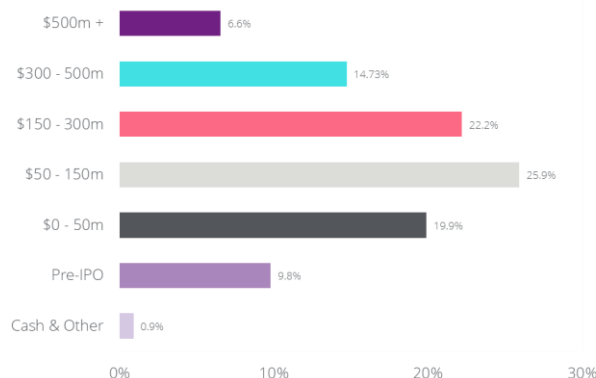
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¹ Perennial Microcap Resources Trust is open to wholesale investors only.

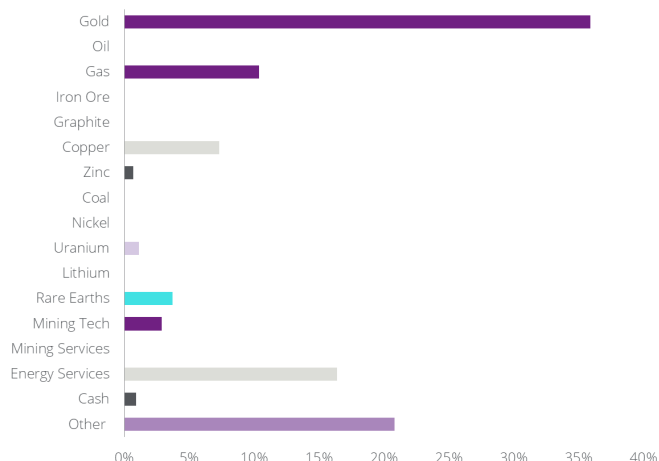
Top 5 Positions	Trust (%)
Metro Mining	6.6
Toubani Resources	5.6
Rox Resources	5.3
Black Canyon	5.3
Cygnus Gold	4.7

Source: Perennial Value Management. As at 31 July 2025.

Market Capitalisation Exposure



Sector Exposure



Trust Review

Gains were broad-based in July, with key contributors to trust performance including:

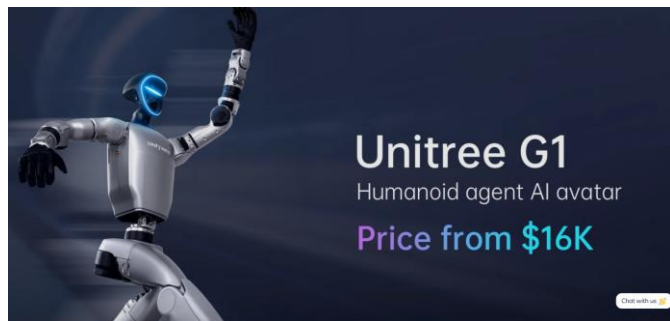
- Gas producer **Amplitude Energy**, up 21.4% on a solid quarterly production report and increasing tightness within Australia's domestic gas market.
- Bauxite producer **Metro Mining**, rallied 9.2% after reporting record production and margins for the June quarter.
- Additive manufacturing company **AML3D** climbed 37.5% after announcing a letter of intent (LOI) with the US Navy. The LOI details demand for up to 100 additive manufacturing units, and 1,600 separate components by 2030.

Investments which weighed on performance during the month included:

- **Brazilian Rare Earths**, drifted 9.8% lower despite rising rare earth prices.
- Gold exposures were generally flat to down, with **Turaco Gold** and **Antipa Minerals** falling 4.4% and 21.7% respectively on a softer gold price.

A notable event in July was the US Department of Defense investing US\$400m in rare-earth producer **MP Materials** to underwrite the construction of expanded production capacity. The Department of Defense will acquire 100% of offtake for 10 years at a floor price of US\$110/lb, more than double the \$52/lb MP Materials received for sales in the June quarter.

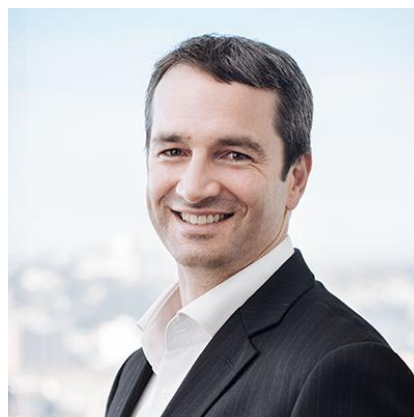
The background to this agreement is the dawning importance of rare earths in military applications, but also what we suspect will be the next big consumer product after the Electric Vehicle, and that is humanoid robots. We flagged a price of US\$40,000 for Unitree's G1 robot in April, three months later the price had fallen 60% to US\$16,000 with improved functionality. Of the spectrum of commodities used in these robots, rare earths has the greatest sensitivity to an increase in sales.



Source: www.unitree.com/G1

Global, Currency & Commodities (%)

S&P 500	2.6
Nikkei 225	1.4
FTSE 100	4.3
Shanghai Composite	4.5
RBA Cash Rate	3.85
AUD / USD	64.3c
Iron Ore	4.9
Oil	5.3
Gold	1.4
Copper	-4.3



Portfolio Manager: Sam Berridge

Invest Online Now

The Trust finished the month with 38 stocks and 1.1% cash.

Contact us



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Signatory of:



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