



13 August 2020

Dear Shareholder,

The AFM Perseus Fund is an investor in the Australian small resource sector, being those resource and mining service companies outside the S&P ASX 100 Index. As from 1 January 2020 the fund has operated with a new investment team and a revised investment mandate.

July Net Asset Backing Per Share

AFM Perseus Fund Limited advises that the Net Asset Value (NAV) as at 31 July 2020 was 14.42 cents per share. This is after providing for all fees and taxes on realised and unrealised gains and losses.

This represents an increase of 9.6% for the month. Since the restart date (1 January 2020) the fund is up by 32% which compares favorably to the 8.4% gain from the S&P ASX Small Resources Index.

At month end the Fund has approximately \$867,920 in deferred tax losses that are available to offset against future taxable profits. This equates to a further 18.03 cents per share.

Portfolio Update

A strong result in July, with four portfolio stocks up by more than 20% - Galaxy (+42%), Myanmar Metals (+27%), Red 5 (+25%) and Genesis (+25%). IGO, down 5.5% and mining services group SCEE, down 3.4%, were the weakest portfolio performers. We took profits on our positions in gold miners Gold Road and Pantoro and replaced them with Genesis Gold and De Grey Mining whilst also adding battery metals group Neometals to the portfolio,

Major portfolio holdings now include Myanmar Metals (9.5%), Odyssey Energy (7.7%) and Lynas Corp (6.4%). Cash weighting at the end of the month was 28%.

The intention is to continue to add high quality, good value and financially robust resource companies to the portfolio.

We will be publishing a **Six Monthly Portfolio Review** on our website shortly and will notify subscribers when this is available.

Advanced Share Registry

Advanced Share Registry manages the AFM Perseus Fund share register on behalf of Argonaut Funds Management.

Should you have any queries regarding your holding in the Fund, please contact Advanced Share Registry on 1300 113 258 and quote the SRN on your holding statement. They can also be contacted via email on admin@advancedshare.com.au

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Argonaut Funds Management General Disclosures are located [here](#).