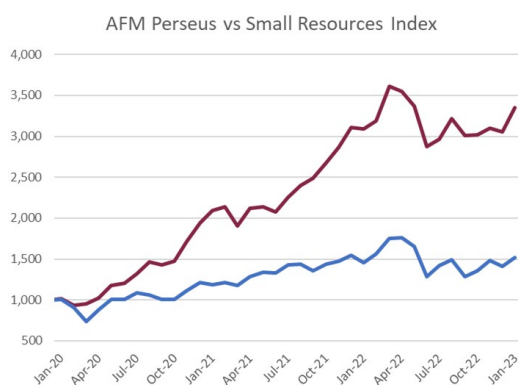


Fund Performance

	1 Month	3 Months	FYTD	12 Months	Restart
AFM Perseus	9.7%	10.9%	16.8%	8.5%	235.3%
S&P ASX Small Resources	7.3%	11.5%	10.0%	4.4%	51.7%
Outperformance	2.5%	-0.5%	6.7%	4.2%	183.6%

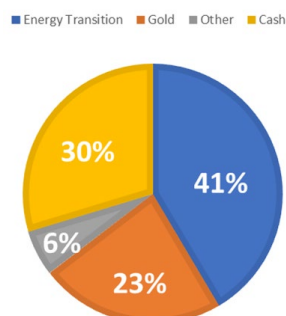
*In March 2021, AFM Perseus Fund completed a capital raise of \$655,634 at 20 cents / share (Feb 2021 price - 23.39 cents / share). This capital raise had a diluting impact on the share price, equating to approximately 7% of the Fund's performance.

- The AFM Perseus Fund was up 9.7% in January and outperformed its benchmark, the S&P ASX Small Resources Index, by 2.5%. The outperformance was driven by our exposure to Gold, Copper and Lithium.
- Since its restart (1 January 2020), the Fund has delivered a cumulative return of 235%, an outperformance of 184% to its benchmark.
- The Fund's share price as at 31 January 2023 was 29.48 cents. The Fund has \$215,780 in deferred tax losses that are available to offset against future taxable profits. This equates to an additional 2.59 cents per share.



*Illustrates the relative performance of a \$1,000 investment in AFM Perseus and S&P ASX Small Resources at the restart date of the Fund (1st January 2020). In March 2021, AFM Perseus Fund completed a capital raise of \$655,634 at 20 cents / share (Feb 2021 price - 23.39 cents / share). This capital raise had a diluting impact on the share price, equating to approximately 7% of the Fund's performance.

AFM Perseus Portfolio Exposure (by commodity)



Market Overview

- The resource market rebounded strongly in January, with the 300 Resources Index up 7.7% and the Small Resources up 7.3%. This was driven by generally higher commodity prices on the back of optimism that the China reopening will drive stronger demand. Iron Ore jumped a further 13%, Zinc surged 13%, Copper was up almost 10% and Gold lifted 6.5%. Oil prices eased 2% and Nickel was largely flat at elevated levels.
- The broader markets were also positive, with the Dow Jones and S&P 500 up by 2.8% and 6.2% respectively in the US. The ASX 300 Index and All Ordinaries in Australia were both up close to 6.5%. The \$AUD moved higher against the \$USD, closing the month at 70.56c, whilst the 10 Year US Treasury Yield eased back to 3.53% (down 9%) as the market gained confidence that inflation has peaked.
- Gold continues to gain favour with the US Gold price up 7.3% since 1 July 2022 and gold equities up by 30% over the same period. We note that calendar 2022 was the strongest year for gold demand in over a decade, with the December quarter particularly strong. This was driven by strong central bank purchases, a rebound in retail demand from India and a slowdown in redemptions from gold ETF's.

Portfolio Update

- The portfolio benefited from the rally in key commodity markets in January. Lithium stocks rebounded from their lows, and strong buying interest in gold continued as the US gold price moved higher. During the month, we added copper/zinc developer Develop Global and Australian gold exploration company Genesis to the portfolio. We took some profits on gold developers De Grey and Bellevue Gold. Stronger contributors included New World Resources (+68%), Westgold (+39%), Global Lithium (+24%) and Develop (+14%). Cooper Energy was the weakest performer again (-3%) as the market digests the implications of the government intervention in the Victorian gas market.
- As at 31 January 2023, 41% of the portfolio was invested in the Energy Transition thematic, 23% in Gold and 6% in other opportunities. The cash weighting was 30%. The top 5 positions at month end accounted for 35% of the portfolio which included Develop, NexGen, Silver Lake, De Grey Mining and Westgold.

AFM Perseus Top Holdings (by company)

Company	Commodity	%
Develop	Copper	9.3%
NexGen	Energy	8.1%
Silver Lake	Gold	6.3%
De Grey Mining	Gold	5.7%
Westgold	Gold	5.3%
Total		34.6%

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AFM Perseus Fund



Monthly Performance Report – January 2023

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Important Disclosures

AFM Zeus Pty Ltd is the Investment Manager of AFM Perseus Ltd, and Corporate Authorised Representative (No. 295119) of Argonaut Funds Management Pty Ltd (ACN 101 152 863), AFSL No. 224815.

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