

Argonaut Australian Gold Fund

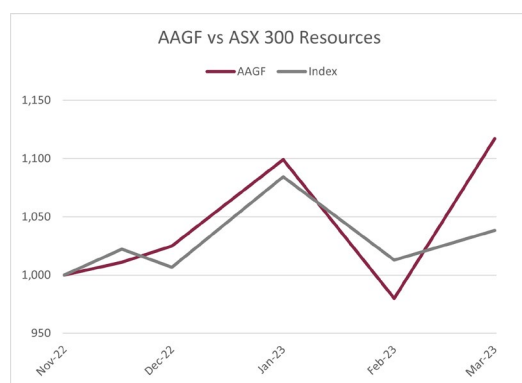


Monthly Performance Report – March 2023

ASSET CLASS | RESOURCES SELECT

Fund Performance

- The Argonaut Australian Gold Fund gained 14.0% in March which outperformed the broader ASX 300 Resources Index (+2.5%). The portfolio continues to be weighted toward gold producers and quality developers and retains a cash weighting of 24%. As at 31st March 2023, the unit price was \$1.12.



Portfolio Update

- The Fund performed broadly in line with the Gold Index. Our healthy cash position in the beginning of March allowed us to top up existing holdings in the portfolio throughout the month at attractive pricing.
- Gold producers were positively impacted by market conditions and offset the losses they made in February. Ramelius (+42%), Westgold (+38%) and Bellevue (+20%) were the top performers followed by Northern Star (+19%), Musgrave (+17%), Silver Lake (+16%) and Gold Road (+16%). The negative performers were Warriedar (-13%) and Genesis (-1%). At month end, the producers represented 53% of the overall portfolio and 69% of invested capital.
- The Fund had 23% of the portfolio in gold developers with a heavy weighting to the larger, quality names such as De Grey (+11%) and Bellevue (+20%).
- Cash weighting at month end was 24%, leaving the Fund well placed to continue to allocate to quality gold companies.

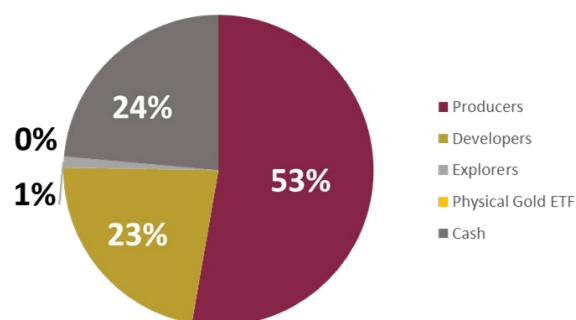
AAGF Top Holdings (by company)

Company	Commodity	%
Ramelius	Producer	12.0%
Westgold	Producer	9.5%
Gold Road	Producer	9.4%
De Grey Mining	Developer	9.4%
Silver Lake	Producer	8.8%
Total		49.1%

Market Overview

- In February, cracks emerged in the global financial system in response to the sustained increase in interest rates over the past twelve months. The collapse of Silicon Valley Bank and the shotgun marriage of Credit Suisse with UBS highlighted the point that driving interest rates higher at a time of high debt levels will create some unexpected consequences. The big winner from this uncertainty was gold which surged 7.2% for the month to end at US\$1,969 per ounce, pushing up to \$3,000 per ounce in \$AUD terms. This led to a 19% rally in the ASX Gold Index and a gain of 39% since 30 June 2022.
- As the month progressed, it became clear that the banking issues were specific rather than endemic – but it also became clear that the financial system could not really handle substantial further increases in interest rates. Inflation expectations also eased. The 10-year treasury yield fell from 3.93% to 3.49% which led markets to respond positively, thereby increasing from mid-month lows. The US market posted gains at month-end, with the Dow Jones up 1.9% and the S&P 500 jumping 3.5%. The Australian market did not fare as well, with the ASX 300 and All Ordinaries down by 1.2% and 1.1% respectively.
- The spotlight returned to the resource market, with the gold surge acting as the catalyst for a 2.5% increase in the 300 Resources index and a 5.2% spike in the Small Resources Index. On the commodities front, Iron Ore continued to perform well for the month (+3.3%), ending at US\$127t. Copper was also up 1% to US\$8,935. Oil eased by 4.9% to US\$80 barrel and nickel fell by 6.9% to US23,100.
- Corporate activity in the resource sector was notable. Following recent bids by BHP for the copper major Oz Minerals and gold giant Newmont's bid for Australian gold leader Newcrest, we saw Andrew Forrest's Wyloo bid for nickel producer Mincor Resources and lithium major Albermarle's bid to scoop up WA based lithium developer Liontown Resources. The Wyloo bid took advantage of recent price weakness as Mincor has struggled to reach targeted production rates during commissioning. Albermarle has sent a strong positive message to the lithium sector as it seeks to lock in additional long-term spodumene production as the energy

AAGF Portfolio Exposure



Key Contacts

General Contact:

Ph: +61 8 9224 6888
E: argonautfundsmanagement@argonaut.com

Fund Manager Contact:

David Franklyn
Ph: 0402 447 839
E: dfranklyn@argonaut.com

Marketing Manager / Fund Administration Contact:

Jenna Converse
Ph: 0402 447 822
E: jconverse@argonaut.com

Argonaut Australian Gold Fund



Monthly Performance Report – March 2023

ASSET CLASS | RESOURCES SELECT

Important Disclosures

The Argonaut Australian Gold Fund is a Wholesale only Fund.

AFM Artemis Pty Ltd is the Investment Manager of Argonaut Australian Gold Fund, and Corporate Authorised Representative (No. 1277645) of Argonaut Securities Pty Ltd (ACN 108 330 650), AFSL No. 274099

This Performance Report has been prepared on behalf of and issued by Argonaut Funds Management Pty Ltd (ACN 101 152 863), AFSL No. 224815

Argonaut Funds Management Pty Ltd (Argonaut), does not accept any liability for loss or damage suffered or incurred by any person however caused (including negligence) relating in any way to this Performance Report including, without limitation, the information contained in it, any errors or omissions however caused or any person placing any reliance on this presentation, its accuracy, completeness or reliability. Argonaut and its affiliates or any of its directors, agents, officers or employees do not make any representation or warranty, express or implied, as to or endorsement of, the accuracy or completeness of any information, statements, representations or forecasts contained in this Performance Report, and they do not accept any liability for any statement made in, or omitted from, this Performance Report. Argonaut accepts no obligation to correct or update the information in this Performance Report.

This Performance Report is intended to provide a summary and general overview. The Performance Report is not financial product advice, either personal or general, for the purposes of Section 766B of the Corporations Act. The Performance Report does not involve or imply a recommendation or a statement of opinion in respect of whether to buy, sell or hold a financial product. The information in this Performance Report does not take into account the objectives, financial situation or needs of any person. You should not act on or rely on the contents of this Performance Report before first obtaining professional financial advice specific to your circumstances.