

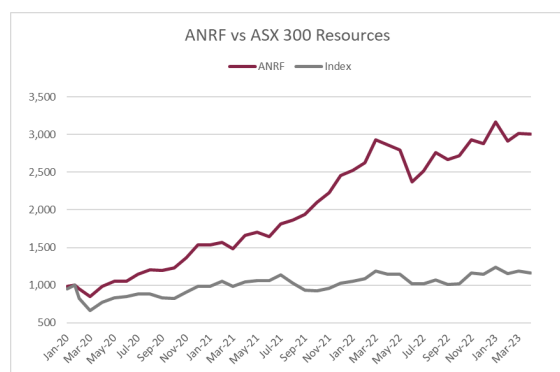
ANRF Posts Gain of +24% YTD for FY23

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Fund Performance

	1 Month	3 Months	FYTD	12 Months	Inception
ANRF	-2.4%	0.6%	23.7%	4.8%	193.1%
S&P ASX 300 Resources	-3.9%	-3.7%	9.1%	-3.0%	11.3%
Outperformance	1.6%	4.3%	14.6%	7.8%	181.7%

- The resource market was under pressure in May as commodity markets weakened over concerns relating to stalling Chinese economic growth. The Argonaut Natural Resources Fund fell by 2.4% over the month, but outperformed the Fund's benchmark, the S&P ASX Resources 300 Index, which declined 3.9%. The Fund returned 23.7% year to date for FY23, outperforming its benchmark which gained 9.1% over the same time horizon. The Fund's unit price as at 31 May 2023 was \$2.166.
- Since inception (21 January 2020), the Fund has delivered a cumulative return of 193.1% (including the reinvestment of all distributions). Its benchmark has returned 11.3% over the same period.



*Illustrates the relative performance of a \$1,000 investment in ANRF and the ASX Resource 300 Index since the inception date of ANRF. Assumes all distributions are reinvested back into the Fund.

Portfolio Update

- We retained a defensive portfolio position in May as commodity markets came under pressure. We sold our position in Cooper Energy and held a cash position of almost 30% for most of the month. These actions, combined with a good quality portfolio, enabled the Fund to limit the downside damage. The best performers were Lynas Rare Earths (+17%) which benefited from a processing extension from the Malaysian government and Develop Group (+15%) which continues to make progress on its Woodlawn and Sulphur Springs projects whilst building a best-in-class underground drilling business. The worst performers for the month included graphite producer Syrah (-26%), coal and copper producer Teck (-17%) and gold producer Silver Lake (-18%).
- As at 31 May 2023, 49% of the portfolio was invested in the Energy Transition thematic, 12% in Gold and 10% in other opportunities. The cash weighting was 29%. The top 5 holdings in the Fund at month end accounted for 42% of the portfolio which included Develop, Mineral Resources, Pilbara Minerals, NexGen and Westgold.

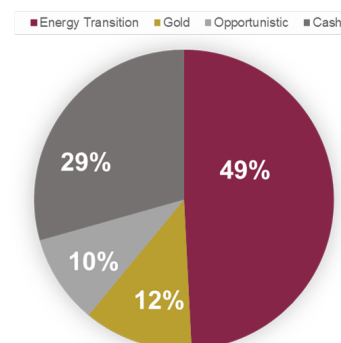
Market Overview

- The US market was mixed in May, with the S&P 500 up slightly and the more industrial focused Dow Jones falling by 3.5%. This divergence reflects the small number of larger technology companies supporting the broader indices and disguises the fact that most companies are well off their twelve-month highs. The Australian market was also under pressure with the ASX 300 and All Ordinaries indices both down by 3%. The Australian dollar edged 1.6% lower against the US dollar to finish at 65.04c. The 10-year Treasury Note Yield edged higher to 3.68% as stronger than expected economic data increased the chance of a further rate increase.
- In the resources space, concerns of a stalling in China's economic recovery have driven commodity markets lower, with Copper down 6.5%, Nickel dropping by 14%, Zinc falling by 17% and Iron Ore and Oil down 9.5% and 8.6% respectively. This flowed through to weaker resource markets with the 300 Resources Index down 3.9% and the Small Resources Index declining by 7.1%.
- Subsequent to month end, the debt ceiling negotiations concluded in the US and speculation increased that China may release additional stimulus measures for its economy – both tentatively positive factors for the month ahead.

ANRF Top Holdings (by company)

Company	Commodity	%
Develop Global	Cu/Zi	10.6%
Mineral Resources	Li/Fe	8.6%
Pilbara Minerals	Lithium	8.3%
NexGen	Uranium	8.1%
Teck (B)	Copper	5.8%
Total Top 5		41.5%

ANRF Portfolio Exposure (by commodity)



Argonaut Natural Resources Fund



Monthly Performance Report - May 2023

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Important Disclosures

The Argonaut Natural Resources Fund is a Wholesale only Fund.

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