

PURE Resources Fund

Dear Investor,

We enclose the September 2022 update for the PURE Resources Fund.

The PURE Resources Fund is open for investment.

Foundation Class Portfolio Returns (After Fees)

The PURE Resources Fund returned +3.5% in August 2022.

	1 Month	3 Month	6 Month	9 Month	1 Year	Since inception (Annualised)*
Returns (%)	+3.5%	+2.7%	+13.1%	+14.7%	+19.4%	+14.3%
St Dev (Annualised %)					6.6%	6.1%

After fees and assuming reinvestment of all income distributions. Fund inception 30 April 2021.

Fund overview as at 31 August 2022

Funds Under Management	\$76.8m
Since Inception Annualised Return After Fees (Foundation Class, Dist. Re-Invest)	+14.3%
Foundation Class Current Unit Price	\$1.1649
Total Distributions Paid After All Fees	2.7cpu
Number of Investments	8
Average Loan Size	\$6.5m
Weighted Average Portfolio Interest Rate	10.7%
Total Establishment and Arrangement Fees Paid to Investors (Gross)	\$1.0m

Current Portfolio Exposure

Fixed Income	67.1%
Equity/Warrants	13.4%
Cash	19.5%
Total	100.0%

PURE online application form

POWERED BY
OLIVIA123

Follow PURE on LinkedIn



We are actively raising funds

www.puream.com.au  contact@puream.com.au

PURE Asset Management Pty Ltd | ABN 46 616 178 771 | AFSL 520396



Market conditions have become extremely conducive to PURE's hybrid investment strategy. As such, and with cash near fully deployed, the PURE Resources Fund is actively undertaking a fundraising campaign to capitalise on the opportunity being presented. If you would like to invest with the PURE team, please access the online application form via the Olivia123 link below:



The greatest compliment our investors can give is the referral of friends, family and associates. If you know of other investors who are seeking additional investment opportunities, please feel free to contact us at any time.

Portfolio Summary

After navigating the turbulence of the June quarter, the fund posted a solid return to performance through August, up +3.5%. The performance was largely driven by Comet Ridge, our best performer since inception. Nonetheless, we aren't getting carried away, with moderation seen across the portfolio over September, particularly for Comet, down -30% from its recent peaks.

Comet was right to take advantage of its recent share price strength and raised \$24m in equity (placement at 17.5cps) on the 7 September, which will assist in further development of the gas hub (East and Far East blocks). This moves the project closer to connection to the under-supplied East Coast network.

Nonetheless, with difficult markets and a lot of new equity on issues, the share price has since been under pressure this will weigh on portfolio performance through September. Nonetheless, in our view, the Board's decision to raise capital was prudent. The Company is funded to cashflow, and therefore we are largely *off-risk* as the only lender, now that the Santos "vendor loan" is being repaid.

The portfolio continues to track well, with reasonably stable equity performance across the remainder of our investments. CYTD performance continues to be strongly positive, up +14.5%.

The near-term production profile of investee companies, as well as our focus on markets with serious supply dislocations (both from under-investment and finding new channels of supply) continues to leave us positive about the near and medium term. Catalysts continue to build, and we are excited about the deal pipe that is unfolding for the second half of this year and the remainder of Year 2. Inbound enquiry rates are high. Our reputation is building. We are engaging with larger, higher profile companies.

We appreciate your ongoing support.

www.puream.com.au  contact@puream.com.au

PURE Asset Management Pty Ltd | ABN 46 616 178 771 | AFSL 520396

Chart of the month

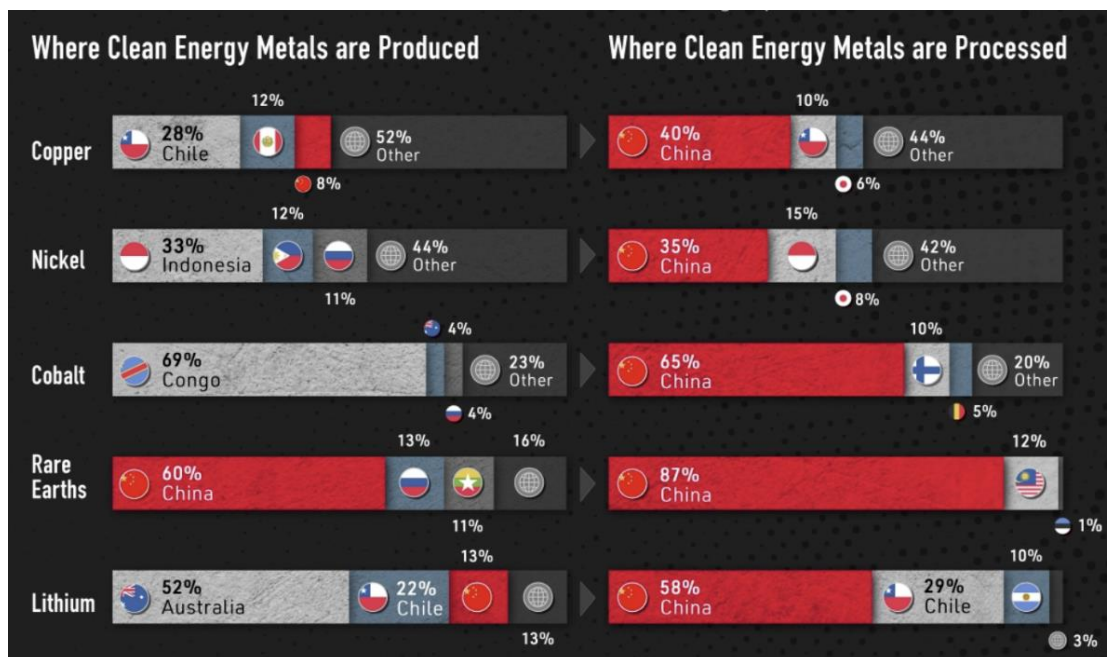
Global supply chains are shifting in response to a number of recent events: COVID lockdowns, access to raw materials and increasingly, sourcing from reliable, and allied trading partners. With global conflicts raging, and access to commodities coming into focus, major Western Economies and corporations are all re-examining how and where they source supply from.

Australia stands to benefit strongly, seen as a safe and reliable place to do business and execute long-term supply agreements, notwithstanding rapid changes to royalty arrangements we see from State Governments from time to time.

Although this comes across the board, where we see major supply issues is in battery metals. It's not that Chinese geology necessarily holds a unique amount of mineralisation; rather it's the processing of raw materials and concentrates in the country that has been subject to such lax and unrestrictive environmental laws that it was far cheaper for the past 30 years to manufacture finished goods here. For example, rare earths manufacturing, integral to the device you are reading this on, is effectively banned in Australia due its environmental impact. Lynas was even forced to Malaysia to process its concentrate products.

The countries will eventually move towards better ways of adding value and processing raw materials in their home markets. Meanwhile the key shift in this will favour commodity prices, particularly those that require extensive refining, such as nearly all those found in the electrification process. Australia does have unique geology in this regard.

In our portfolio, our predominant exposure to this theme is G6Metals (G6M.ASX), which is re-starting the Dolphin Tungsten mine in Tasmania (PURE, \$10m loan, first ranking security, 97% warrant coverage). With its application in a variety of industries, not just electrified ones, expected demand for tungsten from a reliable, allied, Tier 1 jurisdiction is very favourable.



Source:

International Energy Agency

PURE is sponsoring the Noosa Mining Conference

Following a successful conference in July, PURE has decided to take a more prominent role and become a key sponsor of the Noosa Mining Conference in November (9-11). With demand from resources companies far in advance of available speaking slots in July, the team behind the conference has decided to promote a larger forum in November. Pleasingly Canaccord has come on board as the major sponsor, and given their activity in the resources space, gives the conference a national profile.



Courtesy of our friends at the Noosa Mining Conference, we are delighted to extend an invitation to you to attend the forthcoming Noosa in November Mining Conference, **free of charge**.

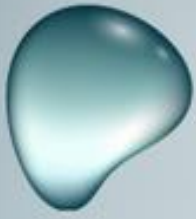
The conference will take place at Peppers Noosa from 9-11 November and is available to attend either in-person or online. Register [here](#). In our experience it's best to book early, as accommodation is booked out quickly.

Check out the Program of over 50 presenting companies [here](#), or alternatively click [here](#) for general information about the conference.

We have been regular attendees of the Noosa Conferences over the years and it's a great networking opportunity, as well as a chance to get to Queensland before Christmas and school holidays.

We thank you for your support.

Dan, Nick, Mike, Tim, Jonathan and Jean-Luc



Monthly Returns – After Fees

PURE Resources Fund – Foundation Class													
Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fin YTD
FY21											0.0%	0.0%	0.0%
FY22	0.2%	-0.1%	2.8%	-0.8%	2.2%	0.1%	0.1%	1.1%	4.9%	2.3%	2.6%	-2.3%	13.7%
FY23	1.6%	3.5%											5.1%

PURE Resources Fund – Platform Class (APIR: PUA1097AU)													
Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fin YTD
FY22		-0.1%	2.7%	-0.8%	2.2%	0.1%	0.2%	1.1%	4.9%	2.3%	2.6%	-2.3%	13.4%
FY23	1.6%	3.5%											5.1%

Unit Price Data Download

Please click on the link below to download the updated unit price data for each unit class.

[PURE Resources Fund – unit price data to 31 August 2022](#)

Disclaimer

The information contained in this document is produced by PURE Asset Management Pty Ltd ("PURE") in good faith, but does not constitute any representation or offer by PURE. It is subject to change without notice and is not complete or definitive. PURE does not accept any responsibility, and disclaims any liability whatsoever for loss caused to any party by reliance on the information in this presentation. Please note that past performance is not a guarantee of future performance. PURE is in the business of issuing managed investment schemes. A product disclosure statement or information memorandum for the managed investment schemes referred to in this presentation can be obtained at www.puream.com.au or by contacting PURE. You should consider the product disclosure statement before making a decision to acquire or continue to hold an interest in the managed investment schemes. This advice is general in nature and does not consider your individual objectives, needs or financial situation. You should consider your individual circumstances before making a decision about any of the financial products discussed in this document.

Confidential Information

The information in this document is confidential and may be privileged or subject to copyright. It is intended for the exclusive use of the addressee(s). If you are not an addressee, please do not copy, distribute or otherwise act on the document, except as otherwise required to inform PURE Asset Management. If you have received the document in error, please contact the sender immediately and delete the document. The unauthorised use of this document may result in liability for breach of confidentiality, privilege or copyright. Subject to applicable regulations and laws under the Corporations Act 2001.

