

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 -3.9% in September 2022.

	1 Month	3 Month	6 Month	9 Month	1 Year	Since inception (Annualised)*
Returns (%)	-3.9%	+1.0%	+3.6%	+10.1%	+11.7%	+10.2%
St Dev (Annualised %)					8.2%	7.2%

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

Fund overview as at 30 September 2022

Funds Under Management	\$76.0m
Since Inception Annualised Return After Fees (Foundation Class, Dist. Re-Invest)	+10.2%
Foundation Class Current Unit Price	\$1.1197
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

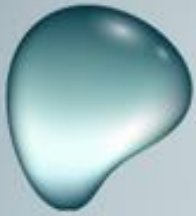
Fixed Income	67.3%
Equity/Warrants	7.9%
Cash	24.8%
Total	100.0%

PURE online application form

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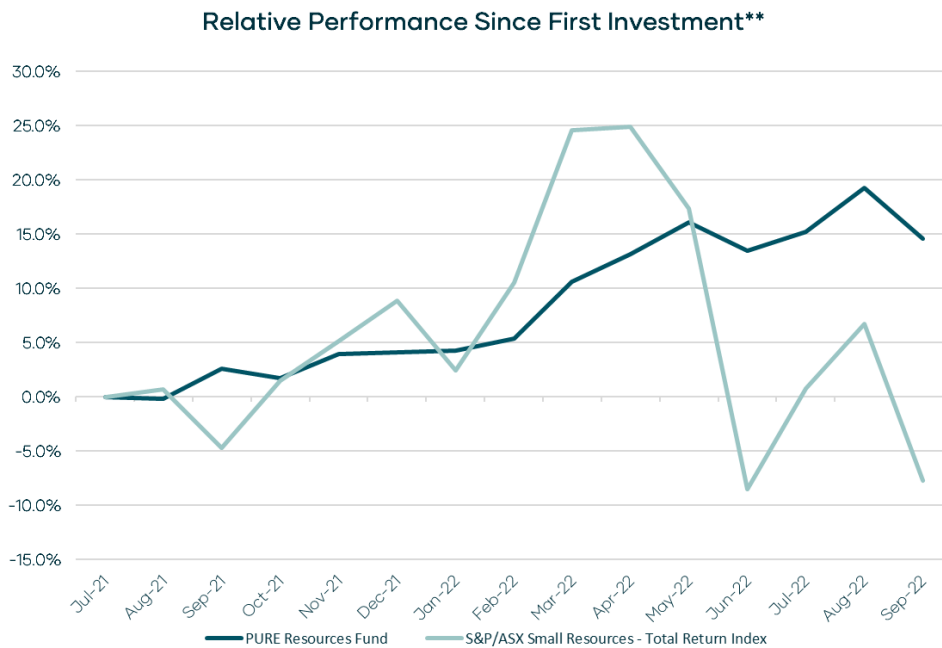
The Fund is open for investment

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



**Fund inception April 2021, first investment made in July 2021

September was a difficult month in markets, and the Resources Fund suffered accordingly, falling -3.9%. This performance compares well however, versus the small resources index which fell -13.5% over the month. Pleasingly, the fund remained in positive territory for the quarter, rising +1.0% and is up +10.1% calendar year to date.

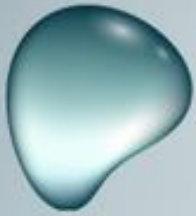
To date, Comet Ridge has been our best performer and largest component of equity. With the company undertaking a significant \$24m equity raise early in the month, the stock closed down -c38% for the month, just under the raise price of 17.5cps, and consequently fell from 7.8% of the NAV to 4.4%. Elsewhere we saw

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no major company specific announcements for the period, however performance remained somewhat lacklustre and reflective of global sentiment and downward moves in resources markets.

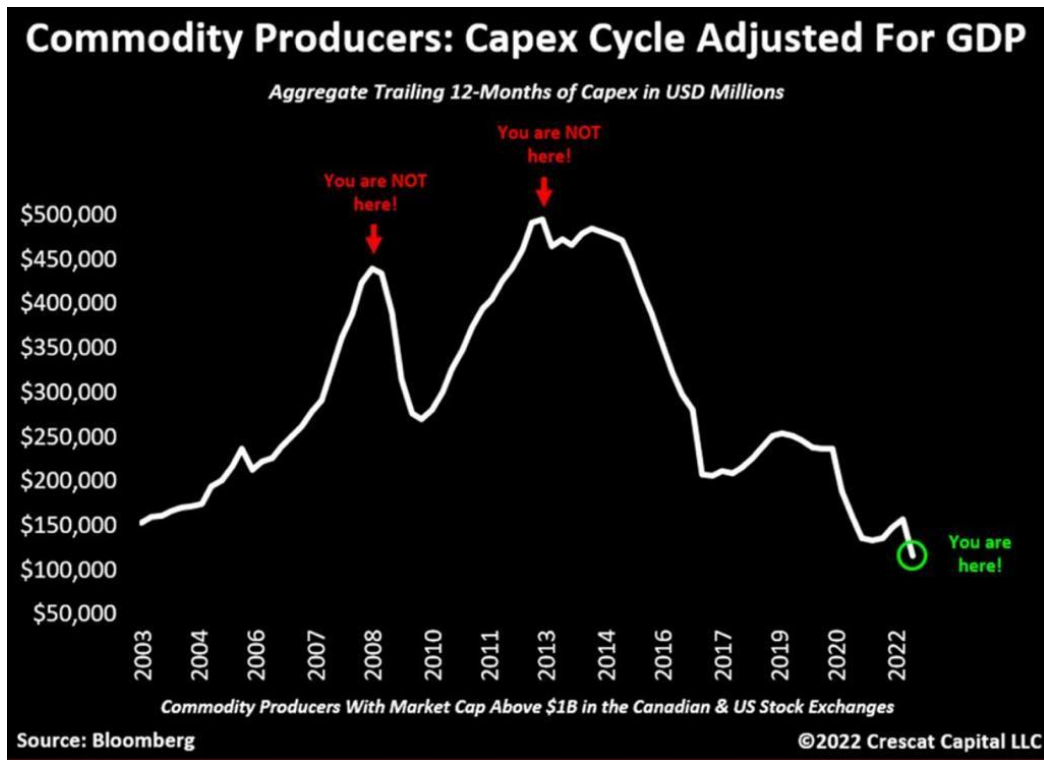
Commodity prices continued to suffer as fears of global recession grew, in conjunction with sharply rising inflation and corresponding lifts in interest rates. On a slightly more positive note, the A\$ is now down -13.0% YTD, and fell -6.0% during September, which does soften the blow of falling prices for producers. However this also reflects the fall in commodity prices more generally, given the A\$ remains a largely commodity driven currency.

Nonetheless, peak negativity appears to be approaching (potentially) and one thing we do know from experience is that corrections do not last forever. What is poignant at this point is that equity as a proportion of the NAV is now less than 8.0%, and we see limited downside risk to returns, despite market choppiness remaining a likely feature.

We appreciate your ongoing support.

Chart of the month

This month's chart paints a compelling proposition and underscores a point that we often make in our marketing. The mining capex cycle is at an incongruous apex: we have seen an incredible amount of exploration dollars being spent in recent years, as a result of rising commodity prices, and yet this has yet to translate into mine development or elicit greater capex spend.



While there are a multitude of reasons for this, for us it comes down the three major explanations:



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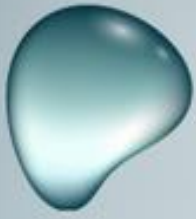
1. Major mining companies have focussed on returning capital to investors rather than investing in expanded or new production. Institutional investors demanded this to a large extent.
2. Government permitting and environmental processes are becoming increasingly stringent and laborious, and this is causing serious delays (i.e. years, not weeks or months) in commencing new mining developments.
3. ESG policies and attitudes are creating an invalid perception that *all mining is bad*, right at the time when policy settings for those same policies demand greater access to raw materials than at any time in our history.

For us, it continues to suggest that now is the perfect time to be investing into resources projects. While near term risks no doubt weigh on commodity prices, we think ultimately the underlying trend is supportive of our strategy, and ongoing returns over the long term.

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%	-3.9%										1.0%

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%	-3.9%										1.0%

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 30 September 2022](#)

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