

PURE Resources Fund

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Favourable

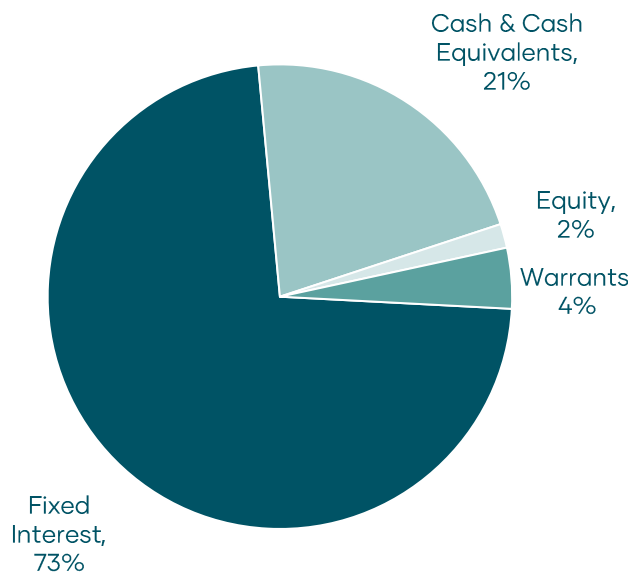


Foundation Class Portfolio Returns (After Fees)

	1 month %	3 Months %	6 Months %	1 Year %	3 Years % p.a.	Since inception* % p.a.
PURE Resources Fund	1.4%	+0.9%	+4.3%	+12.3%	+9.5%	+9.1%
Standard Deviation (Annualised %)				4.3%	5.8%	5.6%

* Fund inception 30 April 2021

Asset Allocation



Fund Overview

Fund Size	\$78.3m
Foundation Class Unit Price	\$1.1649
Number of Investments	6
Average Loan Size	\$9.3m
Weighted Average Interest Rate	11.3%
Arrangement Fees Paid to Investors	\$2.1m
Trailing Fund Yield (12m)	6.2%

Monthly Commentary

Resources markets roared back to life in September, shrugging off the lacklustre performance over the year to date, as positive sentiment returned off the back of US interest rate cuts, China 'stimulus' and strong upwards moves in major commodities such as iron ore, copper and oil.

The Fund rose to record one of its better months of the year, up +1.4% as a result. This was driven by those improving commodity prices, in turn lifting share markets. Gold remains the standout for 2024 and shows no real signs of retreat.

Globally there is a lot of *noise* impacting markets in coming weeks, not the least of which is the US election. Combined with a limp IPO market and still challenged conditions for small caps more broadly, many investors continue to sit on their hands.

Nonetheless, within the portfolio we are seeing some exciting, long-awaited for catalysts and that leaves us feeling positive coming into year end. Commodity markets similarly look like they are at an inflection point, and we feel like momentum is pointing to a stronger 2025

Loan Sector Allocation

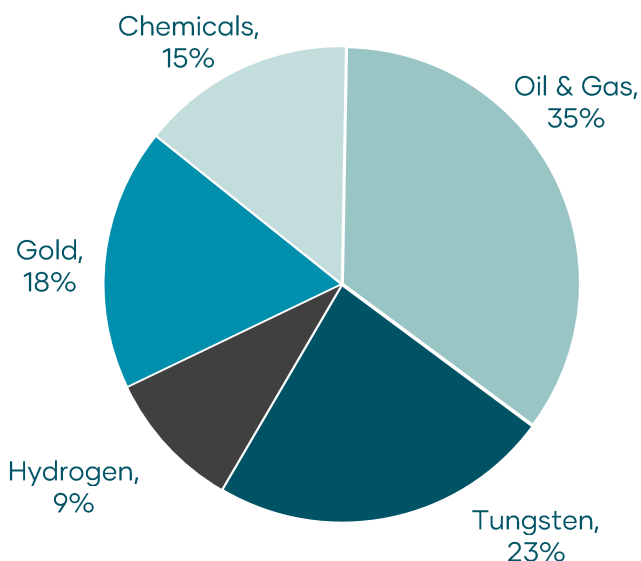


Chart of the Month

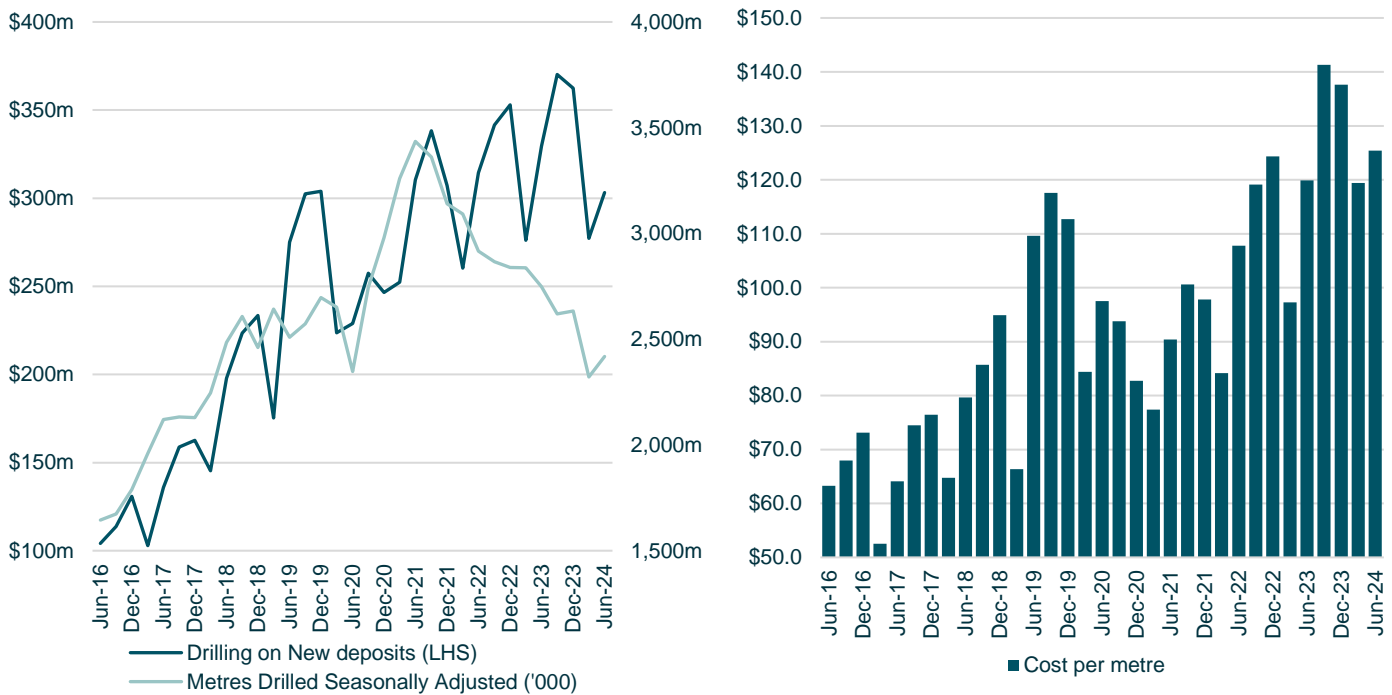
Is the Government destroying the mining industry? Following the rejection of the Mining Lease at the McPhillamy's gold mine in NSW last month, it's a question that's been on investors' minds.

The fact of the matter is, it is becoming increasingly difficult to find new, quality projects. Many of the larger, viable projects have already been discovered, and in turn this means that size and grades of newer finds is decreasing. Costs are only going one way, but to add to all this, the regulatory hurdles to mining appear to be increasing at an exponential rate. While this is impacting projects heading into development, the consequence is that this is having a major negative bearing on exploration and over time will impact on the pipeline of projects. Green tape, bureaucratic overlays and duplication across three levels of government all act as a deterrent, and ultimately this can scare off capital inflows into the sector.

We can see in the chart below, new metres drilled since 2021 has been sharply negative, despite increasing expenditure on new projects. The cost of drilling a metre is up +100% over the last eight years.

The downtrend in activity is also a function of weaker commodity prices in general. It's a theme we have been writing about since starting our Fund. On this though, commodity prices appear to be showing some signs of momentum.... but let's see if it is sustained, and if it actually drives increased exploration this time around.

Exploration trending down, as costs go up



Thank you

Nick, Mike, Tim, Dan, Jonathan and Sibghat.



PURE online application form



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%	0.8%	-1.1%	0.8%	-1.1%	0.0%	0.6%	0.3%	2.7%	5.0%
FY24	1.0%	0.1%	-0.5%	1.0%	1.9%	3.7%	-1.0%	0.2%	1.6%	1.9%	1.7%	-0.1%	12.0%
FY25	-0.4%	-0.1%	1.4%										0.9%

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%	0.8%	-1.1%	0.8%	-1.1%	0.0%	0.6%	0.3%	2.8%	4.9%
FY24	1.0%	0.1%	-0.5%	1.0%	1.9%	3.7%	-1.0%	0.2%	1.6%	1.9%	1.7%	-0.1%	12.0%
FY25	-0.4%	-0.1%	1.4%										0.9%

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 2024](#)

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