

Datt Capital Absolute Return Fund

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This information has been prepared for wholesale/sophisticated investors only.

INVESTMENT UPDATE – JUNE 2024

The Datt Capital Absolute Return Fund is a long-only fund targeting double digit returns over the medium term, managed by a performance orientated and differentiated boutique fund manager. Our objectives are to minimize the risk of permanent capital loss, achieve an absolute return throughout the economic cycle and temper the market risks typical of equity funds. We believe utilizing a multi-asset approach reduces downside risk and volatility in returns.

| Unit Mid-Price | Net Return Per Annum Since Inception | Net Return Since Inception | Fund Status |
|----------------|--------------------------------------|----------------------------|-------------|
| \$1.36 | 19.03% | 179.55% | Open |

INVESTMENT PERFORMANCE

| | Since Inception per annum | 5 year per annum | 3 year per annum | 1 year | 3 month | 1 month |
|----------------------------------|---------------------------|------------------|------------------|---------------|---------------|---------------|
| Datt Absolute Return Fund | 19.03% | 22.45% | 20.75% | 38.45% | 23.74% | -1.73% |
| Benchmark | 6.82% | 6.85% | 7.73% | 9.70% | 2.35% | 0.77% |
| Value Add (net) | 12.21% | 15.60% | 13.02% | 28.75% | 21.39% | -2.50% |

Actual performance will differ for clients due to timing of their investment. Returns are calculated net of all fees, since inception. Benchmark is the RBA rate plus 5%. Inception date of the Fund is August 2018. Past performance is not an indicator of future performance

| Key Fund Information | | Top 3 Portfolio Holdings (alphabetical) as at June end. | |
|------------------------|--|---|--------|
| Investment Objective | To achieve absolute double digit returns over 2-year periods | Clarity Pharmaceuticals (CU6) | |
| Min. Investment | \$100,000 (unless otherwise agreed) | Jupiter Mines (JMS) | |
| Management Fee (p.a.) | 1.025% | WA1 Resources (WA1) | |
| Performance Fee (p.a.) | 20.5% > benchmark | Portfolio Analytics¹ | |
| Benchmark | RBA rate + 5% | Sortino Ratio | 1.55 |
| Fund Administrator | Fundhost | Sharpe Ratio | 0.91 |
| Auditor | Ernst & Young | Standard Deviation | 19.65% |
| Custodian/PB | NAB Asset Services | | |
| Trustee | Fundhost | | |

¹Sortino and Sharpe ratios assume the Australian cash rate as the applicable risk-free rate, since inception.

FINANCIAL YEAR 2024 COMMENTARY

We are very pleased to deliver a net return of 38.45% to our investors for financial year 2024. This is the Fund's best year since inception and puts us firmly amongst Australia's best

performing managed funds for financial year 2024, according to Morningstar and Fund Monitors.

The performance can be attributed to astute portfolio management, disciplined strategy, and a touch of serendipity. In an environment fraught with economic volatility, geopolitical tensions, and volatile markets, staying true to our investment philosophy and remaining agile whilst detaching ourselves from the daily noise of the markets led to this fantastic outcome. We adhere to principles that transcend the ephemeral allure of short-term gains, focusing instead on sustainable growth and value creation over the long-term.

The macroeconomic context of FY 2024 cannot be ignored. We have observed headwinds, such as significant changes in the economic landscape, shifts in consumer behaviour, regulatory amendments; to name a few. Conversely, we have also observed exciting technological advancements that have created, in many instances, a conducive environment for certain sectors and companies to thrive. Our ability to align the Fund's portfolio investments with these broader macro trends benefitted our performance.

Our positive performance over FY24 was driven by consistently sound stock picking which our investment process identified. These positions can be broadly categorised as:

1. Unique, strategic assets whose significance was poorly understood by the market and have consequently been recognised.
2. Assets that benefitted from disruptions in global supply chains, where other key assets were exposed to negative externalities.
3. Investments in modestly valued, cash generative established businesses.

However, it is also essential to temper this celebration with a dose of realism. As investors we remain vigilant, constantly reassessing our positions. However, as always, our guiding principle is of rational optimism—acknowledging the triumphs of today while preparing prudently for the uncertainties of tomorrow.

We extend our deepest appreciation to our investors for entrusting us with their precious capital and for their trust in our continuing ability to prudently grow this capital.

COMMENTARY

For the month of June, the Fund delivered a net return of -1.73% for our investors. Since inception, we have achieved a net compound annual return of 19.03% or 179.55% on a net cumulative return basis.

The Fund's portfolio performed well over the month with all core positions performing strongly. Minor adjustments were made to the portfolio reducing non-core market exposures whilst we selectively increased specific technology exposures.

Portfolio stalwart, WA1 Resources, released two key disclosures: its preliminary metallurgical results and its maiden mineral resource estimate (MRE); both pre-requisites to attract larger players within capital markets. The metallurgical results were outstanding. Commercial rates of recovery comparable to existing niobium operations were achieved on a difficult sample, and achieved doubled our expectation considering the preliminary nature of the study. In our opinion, this was the single largest risk factor around the project, that now appears to be largely mitigated.

The maiden MRE came in at an inferred 53 million tonnes at 2.1% niobium pentoxide as part of a global resource of 200 million tonnes at 1% niobium pentoxide. This represents the world's second-best niobium orebody after the giant Araxa mine that represents 85% of global niobium production.

This is an asset that holds immense strategic and monetary value, and the company continues to progress rapidly. From a standing start two years ago, the team have delivered a world-class asset, built a best-in-class commercialisation team and continue to build shareholder value. We remain committed holders and we believe the asset holds compelling corporate appeal for a mining major.

We encourage investors interested in our offerings to please contact Daniel Liptak via email at daniel@datt.com.au or via phone on 0419 004 524.

Returns by Month

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FYTD |
|-------------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|--------|--------|---------------|
| FY19 | | 2.6% | -1.22% | -4.8% | 3.53% | -2.07% | 6.97% | 1.66% | 0.76% | -3.64% | -2.45% | 0.79% | 1.57% |
| FY20 | 4.85% | 3.01% | 1.72% | 0% | 1.31% | 0.84% | 2.02% | -5.85% | -13.66% | 12.00% | 9.22% | 8.24% | 23.23% |
| FY21 | 10.84% | 11.82% | -2.05% | -0.37% | -1% | 0.30% | -0.1% | 3.63% | -0.98% | 4.46% | 6.26% | -7.17% | 26.86% |
| FY22 | 3.21% | -6.32% | 7.63% | -6.90% | -2.64% | 9.42% | -6.49% | 5.27% | 9.28% | 4.31% | -0.43% | -3.71% | 11.03% |
| FY23 | 12.13% | 15.40% | -3.76% | -0.25% | -2.45% | -2.63% | -1.46% | -3.65% | -5.19% | 2.02% | 5.22% | 0.47% | 14.54% |
| FY24 | 2.11% | -1.43% | -1.07% | 4.43% | 3.41% | 7.42% | -6.48% | 5.31% | -1.64% | 14.18% | 10.28% | -1.73% | 38.45% |

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Please click the link below to view the Fund disclosure documents and apply for an investment online.



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