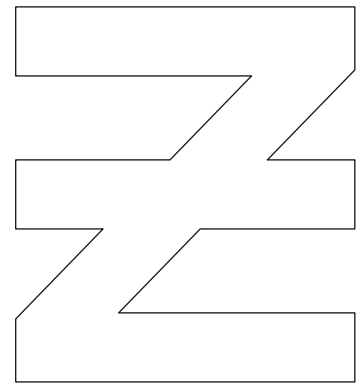


Ellerston Australian Absolute Return Fund



Monthly Newsletter, June 2024

Investment Objective

The Ellerston Absolute Return Fund (Fund) targets absolute returns with an annualised return objective of 5% above the RBA Cash Rate over rolling five-year periods.

Investment Strategy

The Fund seeks to provide investors with a return profile that has a low correlation with traditional asset classes. The Fund aims to generate positive returns in all market environments by reducing the majority of market risk and focusing on capital preservation and alpha generation.

Key Information

Inception Date **	3 June 2013
Portfolio Manager	Ashok Jacob
Application Price	\$1.0581
NAV Price	\$1.0555
Redemption Price	\$1.0529
Current Total NAV	\$6,757,892.35
Liquidity	Daily
Gross Exposure	82.86%
Net Exposure	29.32%
Management Fee	1.20% p.a.
Performance Fee	20%
Buy/Sell Spread	0.25% on application 0.25% on redemption

PERFORMANCE SUMMARY

Performance	1 Month	3 Months	6 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception** (p.a.)
Net[^]	-2.46%	-2.40%	3.64%	1.32%	-4.24%	3.51%	4.87%
Benchmark*	0.35%	1.07%	2.15%	4.27%	2.44%	1.62%	1.78%
Alpha	-2.81%	-3.46%	1.50%	-2.96%	-6.68%	1.89%	3.10%

[^] Net return figure is calculated after fees & expenses. Past performance is not a reliable indication of future performance.
* RBA Cash Rate

PERFORMANCE

The Ellerston Absolute Return Fund delivered -2.46% (net) in June 2024.

COMMENTARY

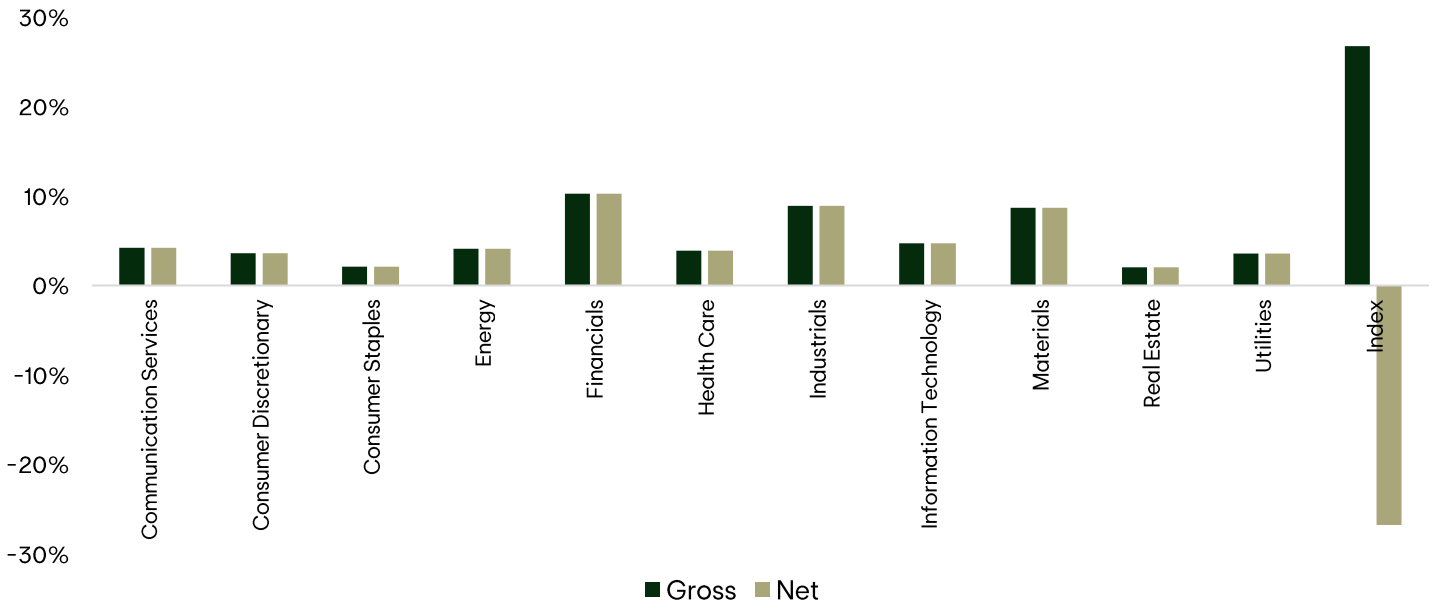
The Ellerston Absolute Return Fund fell -2.36% (gross) for the month versus the +1.01% rise in the S&P/ASX 200 Accumulation Index. The Fund was predominantly negatively impacted by its holdings in resource companies which corrected significantly for the month. To reduce the volatility in the Fund we significantly reduced the holdings in resources stocks towards the end of the month and have added more industrial business.

Positive contributors for the month were Strike Energy (STX), Zip Co (ZIP) and Superloop (SLC). Strike rallied 40% for the month after announcing plans around the building of a gas fired power plant on one of their tenements, and a new debt facility from Macquarie to assist in funding developments. Zip Co rallied 28% as their earnings recovery is tracking ahead of market forecasts, with the USA performing particularly well. Superloop rallied 14% as they continue to post good subscriber growth. Origin, who will soon become a customer of Superloop, have also been delivering strong subscriber growth numbers.

Negative contributions for the month came from Neometals (NMT), Lunnon Metals (LM8) and Arcadium Lithium (LTM). Neometals fell 28% for the month with a combination of End of Year tax loss selling and the announcement to consider investing in a Precious Metals recycling business in the USA. Negative sentiments in the Lithium space also contributed to the falls. The precious metals proposition has some merit, if it works, as it provides a cash flow for the business where currently there is none. Lunnon fell 12% as the Nickel price fell for the month along with most other commodities. Arcadium was impacted by a fall in the Lithium price with the stock falling 26%. We exited Lunnon and Arcadium from the Fund towards the end of the month.

PORTFOLIO CHARACTERISTICS

Sector Exposure



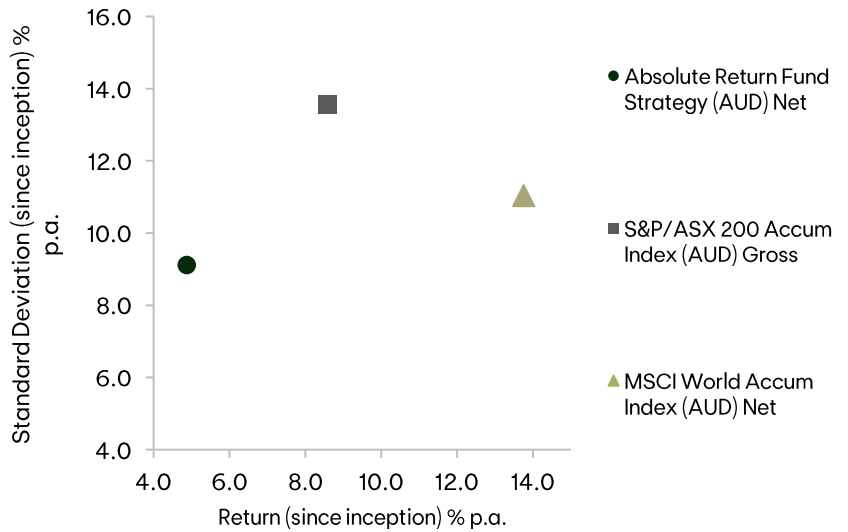
Source: Ellerston Capital.

Top 10 Holdings (Alphabetical, Long Only)

Australian Finance Group Ltd.
Bega Cheese Limited
Cooper Energy Limited
Genex Power Ltd.
IPH Ltd.
Kelsian Group Limited
Propel Funeral Partners Ltd.
SiteMinder Limited
Strike Energy Limited
Superloop Ltd.

Source: Ellerston Capital.

Strategy Performance & Volatility



Source: Ellerston Capital.

RG240 Fund Disclosure Benchmark – Periodic Reporting (monthly)

- **Net Asset Value of the Fund and Redemption Price of Units**

Please refer to the details on page one.

- **Any changes to key service providers including any change in related party status**

There have been no changes to key service providers, including any change in related party status.

- **Net returns after fees, costs and relevant taxes**

Please refer to the details on page one.

- **Any material changes to the Fund's risk profile and strategy**

There have been no changes to the Fund's risk profile and strategy.

- **Any material changes related to the primary investment personnel responsible for managing the Fund**

Please refer to the details on page one; there have been no changes to the primary investment personnel responsible for managing the Fund.

Contact Us

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Find out more

Should investors have any questions or queries regarding the Fund, please contact our Investor Relations team on **02 9021 7701** or **info@ellerstoncapital.com** or visit us at **ellerstoncapital.com**

All holding enquiries should be directed to our registry, Automic Group on **1300 101 595** or **ellerstonfunds@automicgroup.com.au**

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