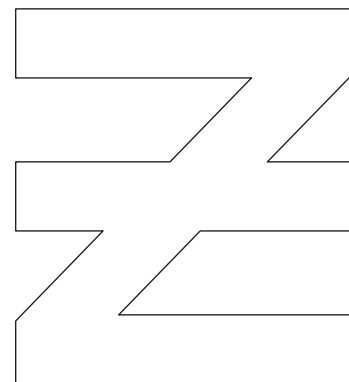


Ellerston Australian Absolute Return Fund



Monthly Newsletter, December 2024

Investment Objective

The Ellerston Australian 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	\$1.1365
NAV Price	\$1.1337
Redemption Price	\$1.1309
Current Total NAV	\$5,569,470
Liquidity	Daily
Gross Exposure	68.21%
Net Exposure	28.67%
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	1 Year	3 Years (p.a.)	5 Years (p.a.)	10 Years (p.a.)	Since Inception** (p.a.)
Net[^]	0.74%	-0.33%	11.32%	-3.45%	1.97%	3.53%	5.31%
Benchmark*	0.36%	1.08%	4.36%	3.16%	1.97%	1.79%	1.89%
Alpha	0.38%	-1.41%	6.96%	-6.61%	0.00%	1.74%	3.42%

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

COMMENTARY

The Ellerston Absolute Return Fund rose 0.74% (net) for the month and has now risen 11.32% (net) for the calendar year. The Fund rose for the month despite the fall in the broader market and was driven by individual stock positions and some positive impact from index hedging.

Positive contributors for the month were De Grey Mining (DEG), Amplitude Energy (AEL) and Insignia Financial (IFL).

De Grey rose 16% for the month after receiving a takeover bid from Northern Star. The bid makes sense for both parties, with Northern Star adding some growth to their portfolio and bringing development and mining experience to De Greys exploration asset. De Grey shareholders don't have to sole risk the development of an asset which is expensive with some complex minerology.

Amplitude rose 14% for the month, regaining the losses of October. There was no company specific news, but the regulator continues to highlight the issue of expected ongoing gas shortages in SE Australia which should be positive for the company's current earnings and the ability to undertake long term contracts for their Otway development assets.

Insignia received a bid from Bain Capital during the month, which was rejected by the company. Post month end a higher bid was received from CC Capital which was quickly matched by Bain Capital.

Negative contributions for the month came from Medadvisor (MDR), Zip Co (ZIP) and Siteminder (SDR).

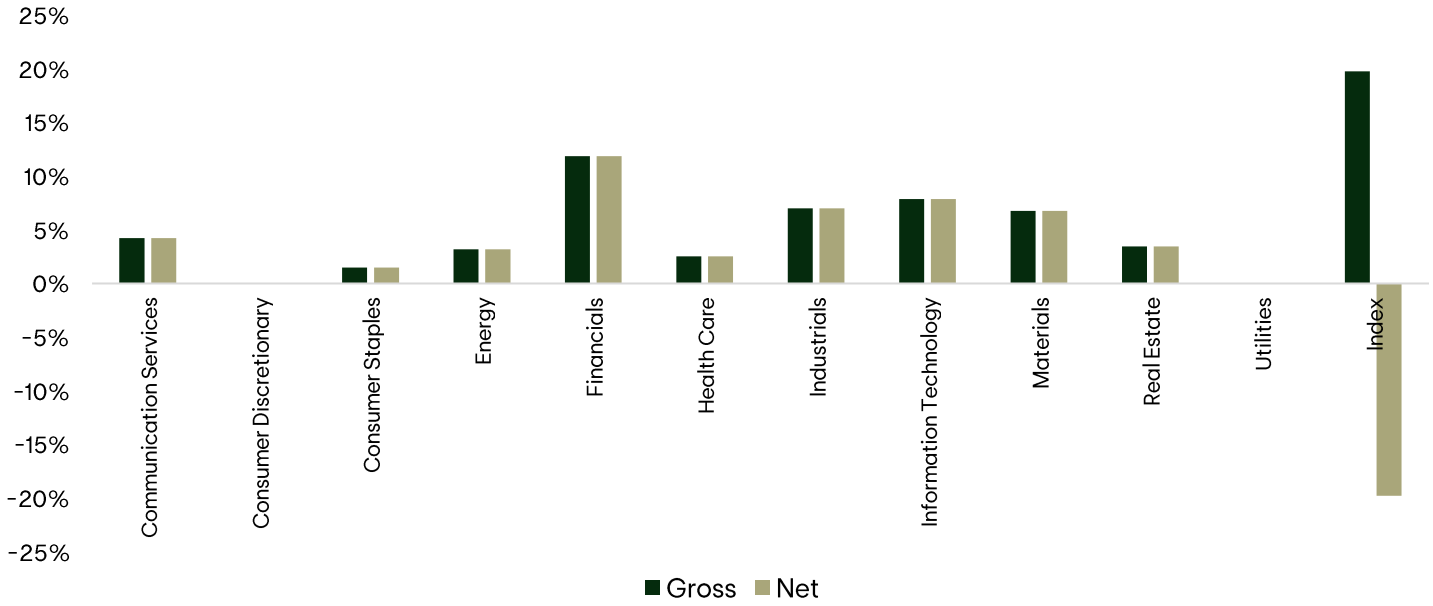
Medadvisor fell 27% for the month and we exited the position during the month following earnings downgrades and the need for more capital to grow the business.

Zip fell 15% for the month on no major new news. The share price has had an amazing run up and a period of consolidation is not unexpected. The market will be focused on the outlook for CY25 when quarterly sales figures are released in January.

Siteminder fell 9% for the month on no new news. The main focus for the market will be the success of new product launches and the ability to meet top line growth targets in FY26 and FY27. This will not be totally apparent in Sales figure for the half and full year FY25, but commentary around the take up of new products by existing clients will be important.

PORTFOLIO CHARACTERISTICS

Sector Exposure



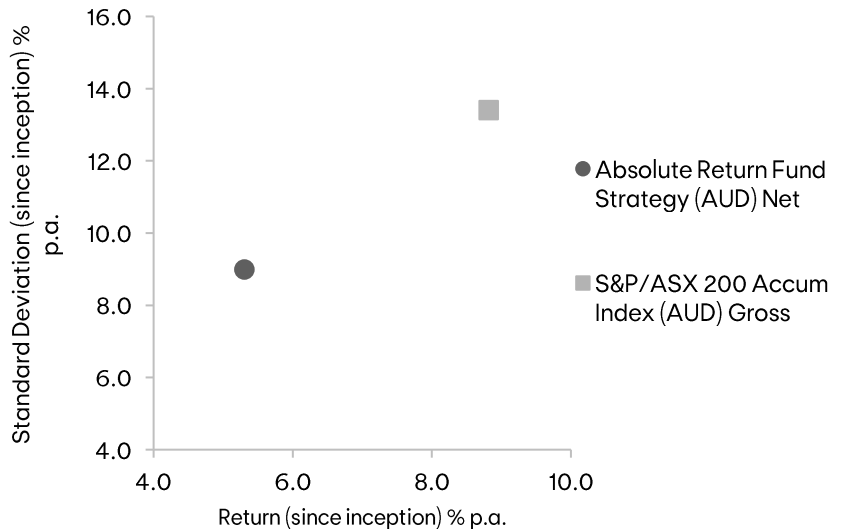
Source: Ellerston Capital.

Top 10 Holdings (Alphabetical, Long Only)



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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