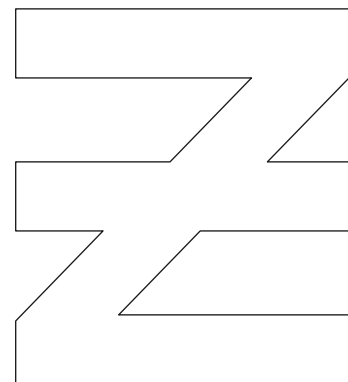




Ellerston Australian Absolute Return Fund – Class A Units

Monthly Newsletter as at end of August 2026

Investment Objective

The Ellerston Australian Absolute Return Fund – Class A Units ('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	\$1.2425
NAV Price	\$1.2394
Redemption Price	\$1.2363
Current Total NAV	\$4,172,841
Liquidity	Daily
Gross Exposure	68.08%
Net Exposure	25.7%
Management Fee	1.20% p.a.
Performance Fee	20.00%
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[^]	3.3%	-1.0%	-1.0%	7.1%	-0.1%	3.0%	5.3%
Benchmark*	0.4%	1.1%	3.9%	4.1%	3.2%	2.1%	2.1%
Alpha	2.9%	-2.1%	-4.9%	3.0%	-3.3%	0.9%	3.2%

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

* RBA Cash Rate, ** Inception Date 3 June 2013.

COMMENTARY

The Ellerston Absolute Return Fund rose 3.3% for the month, outperforming the ASX 200, which rose 1.5% and the RBA cash rate for the month. The outperformance was driven by resource stocks and industrial stocks that beat market expectations during the recently completed company reporting season. On the negative side, several companies failed to meet expectations and thus detracted from performance as well as some performance drag from index put options.

POSITIVE CONTRIBUTORS

29 Metals (29M) has been a serial disappointment within months of its listing back in 2021, with continual misses in mining production at the Golden Grove mine and flooding shutting down the Capricorn mine. The rising copper price had increased the value of the mothballed Capricorn mine, along with the fall in the 29M share price, to a point where the market was placing little value on this asset versus far higher valuations for exploration stocks. The stock rose 46% for the month.

The almost 10% rise in the gold price in August helped all gold stocks rally for the month including **Ballard Mining (BM1)** which rose 24%. There was no major new news with drilling of deposits ongoing with the company aiming to release a new Mineral Resource Estimate later this year that will provide the basis for a feasibility study.

HiPages (HPG) reported a solid FY26 result and a reasonable outlook. The significant compression of valuation following the "Saas apocalypse" this year made it easy for the stock to rally 30% for the month. The mood was helped by large rallies in US software companies like Salesforce. A large percentage of the company's market cap is in cash, and the business is cash flow positive.

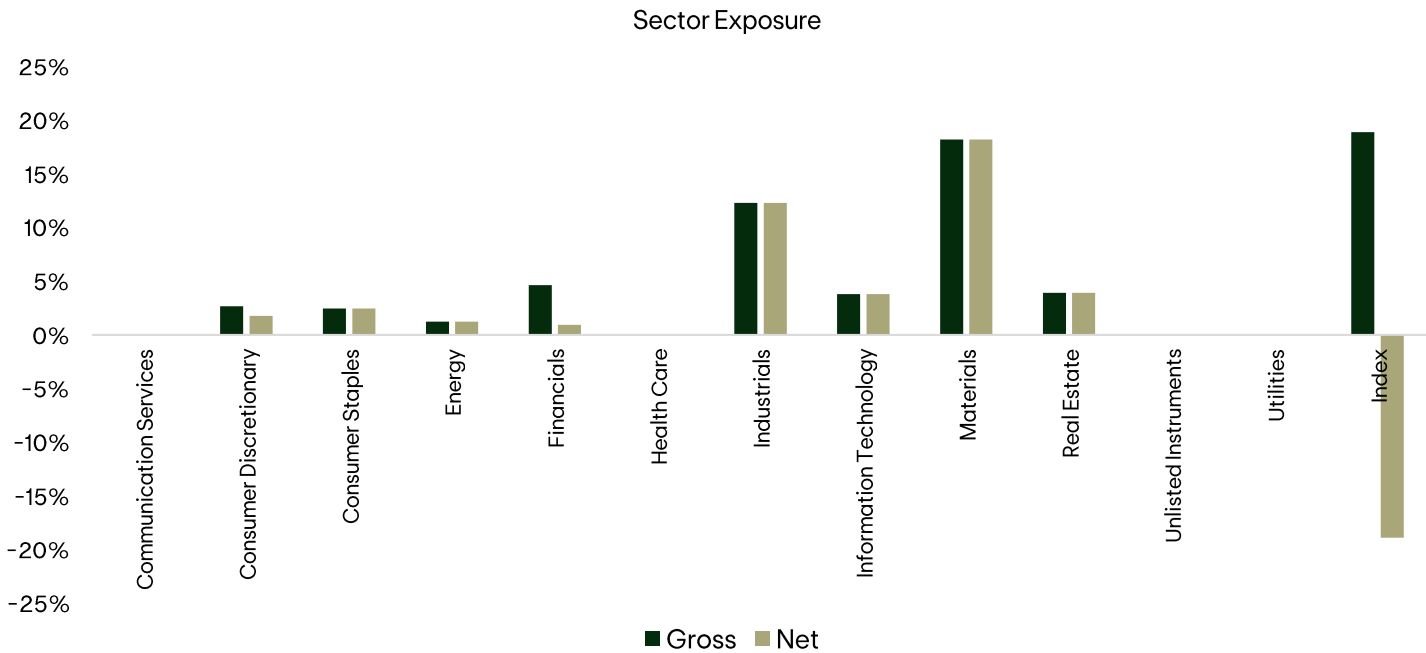
NEGATIVE CONTRIBUTORS

Generation Development (GDG) fell 23% for the month after reporting an outlook which was below market expectations. The company is showing strong topline growth with demand for insurance bonds being strong after changes in superannuation legislation over the last couple of years. However, costs of driving this growth have been higher than expected, meaning there is currently little operating leverage in the business.

Centuria Industrial (CNI) fell 17% for the month after reporting a FY27 outlook which was below market expectations with effectively zero forecast organic growth for the upcoming year versus expectations of mid-single digit growth. The shares traded to their lowest Price/Book value after the result.

Redox (RDX) fell 7% for the month after reporting a result in line with market expectations. There were some concerns that revenue growth was below expectations, as a few brokers had expected higher growth due to inflation. But due to pricing lags, this will become relevant in FY27 and therefore a tailwind next year.

PORTFOLIO CHARACTERISTICS



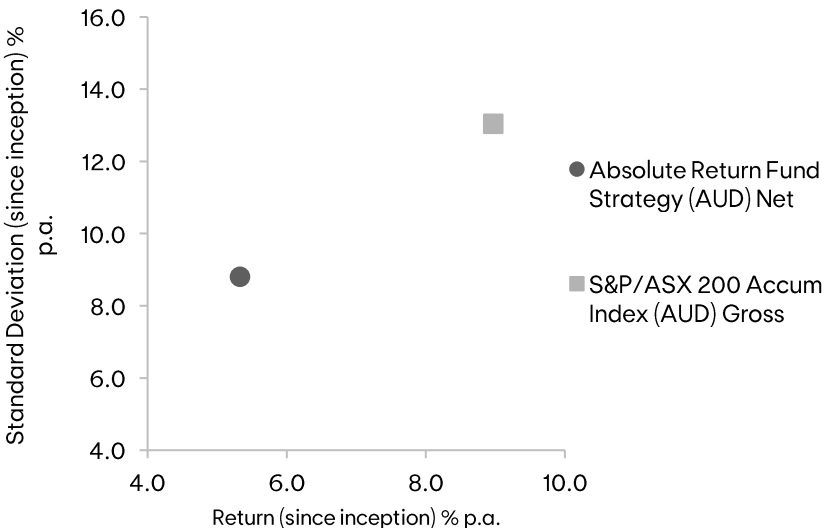
Source: Ellerston Capital.

Top 10 Holdings
(Alphabetical, Long Only)

ALS Ltd.
Austal Limited
Ballard Mining Limited
Cleanaway Waste Management Ltd.
Genesis Minerals Limited
MAAS Group Holdings Ltd.
Ramelius Resources Limited
Redox Limited
Servcorp Limited
Symal Group Limited

Source: Ellerston Capital.

Strategy Performance & Volatility



Source: Ellerston Capital.
Past performance is not a reliable indication of future performance.

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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