

PENGANA HIGH CONVICTION EQUITIES FUND

DESCRIPTION

The Pengana High Conviction Equities Fund (the Fund) invests globally in a concentrated portfolio of up to 20 stocks. The Fund can invest in both small and large cap stocks and is diversified across countries and sectors. We avoid investment in companies that are currently, in our opinion, unnecessarily harmful to people, animals or the environment.

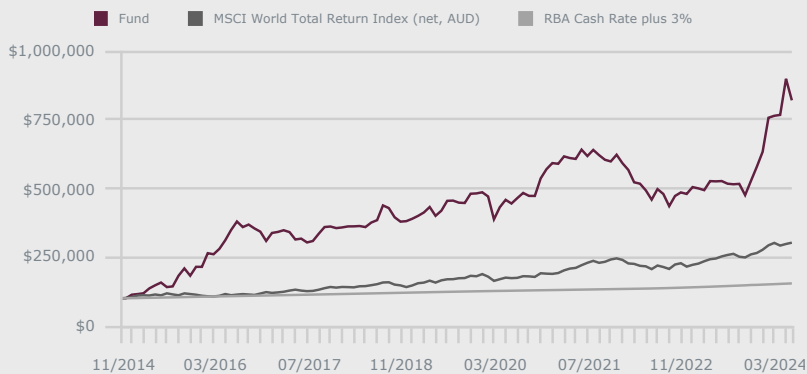
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 30 Jun 2024¹

	1 MTH	1 YEAR	2 YEARS P.A.	3 YEARS P.A.	5 YEARS P.A.	SINCE INCEPTION P.A.
High Conviction Equities Fund Class A	-8.7%	55.8%	33.6%	8.6%	14.4%	24.7%
MSCI World Total Return Index (net, AUD)	1.6%	19.8%	21.1%	11.1%	12.9%	12.3%
RBA Cash Rate plus 3%	0.6%	7.2%	6.6%	5.4%	4.6%	4.7%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

Brazilian Rare Earths Ltd.	Materials
Clarity Pharmaceuticals Ltd	Health Care
Genetic Signatures Ltd	Health Care
IperionX Ltd	Materials
Iperionx Ltd. Sponsored ADR	Materials

SECTOR BREAKDOWN

Consumer Discretionary	2.5%
Health Care	48.6%
Materials	41%
Communication Services	2.6%
Options	0.5%
Cash	4.8%

CAPITALISATION BREAKDOWN

Under 5bn USD	94.7%
Derivatives	0.5%
Cash	4.8%

REGION BREAKDOWN

North America	2.6%
Australia/New Zealand	92%
Options	0.5%
Cash	4.8%

STATISTICAL DATA

VOLATILITY³ 25%

NUMBER OF STOCKS 10

BETA⁴ 0.63

MAXIMUM DRAW DOWN -32.1%

JUNE REPORT

COMMENTARY

- The Fund rose 55.8% for the financial year, fell 8.7% in June, but started July with a 7% increase. The Fund also paid a 15% distribution on June 30th.
- Several stocks moved on little news, with **Clarity Pharmaceutical** and **Magnite** rising 7%, **Alta Global** falling 21.5%, and **Brazilian Rare Earths** announcing a significant new deposit while raising \$80 million.
- **Immutep's** stock fell 33% due to mixed results from its Phase 2b study, but another cohort showed promising data, and the company plans a Phase 3 lung cancer trial by year-end.

The Fund rose 55.8% for the financial year but fell 8.4% during the month of June. July is off to a strong start up 7% at the time of writing. On the 30th of June, the fund also paid a significant distribution of about 15% of the fund's assets after realising gains on successful investments.

Several stocks moved on little news. Australian radiation therapy company **Clarity Pharmaceutical** and US advertising technology company **Magnite** rose 7% while MMA software company **Alta Global** fell 21.5%.

Many of our holdings have raised capital over the last two months which has pressured their shares prices temporarily. **Brazilian Rare Earths** fell 12%, **IperionX** fell 16% and **Opthea** fell 25%.

Brazilian Rare Earths announced a significant new ultra high grade rare earth deposit at the Sulista project with Total Rare Earth Oxide grades of up to 22.4%. In total the company's tenements cover 1800sqkm. The initial discovery was at Monte Alto on the northern end of the tenement, followed by Pelle in the middle which is believed to be 30x larger than Monte Alto, and Sulista at the southern end which is 10x larger than Monte Alto. Large parts of the tenement remain unexplored. We expect the company to continually release drilling results over the next year to prove the resource. The company raised \$80mln in the month and now has very a strong balance sheet to see it through the exploration phase.

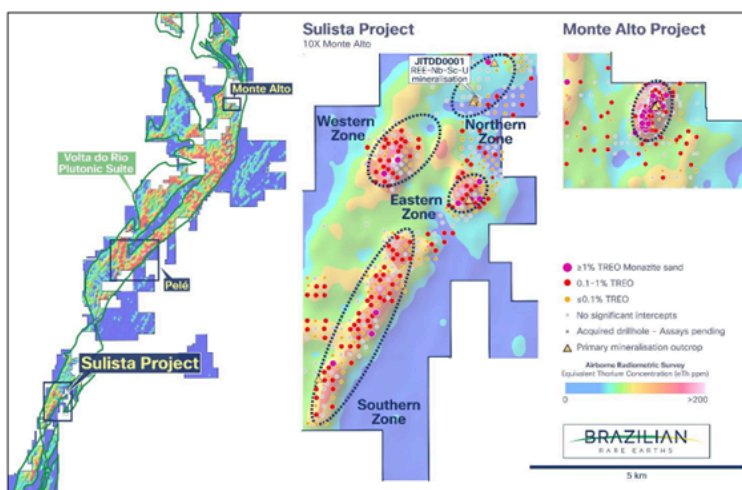


Figure 1: Sulista project location and relative size

One company that deserves special discussion is dual listed cancer immunotherapy developer **Immutep** which fell 33% two days before the end of the month and accounted for 3.7% of the 8.4% decline.

FEATURES

APIR CODE	Class A: HHA0020AU Class B: PCL9196AU
REDEMPTION PRICE	Class A: A\$ 3.7483 Class B: A\$ 1.5628
FEES *	Management Fee: 1.80% p.a. (Class A) 1.25% p.a. (Class B) Performance Fee: 15.38% (Class A) 20% (Class B)
MINIMUM INITIAL INVESTMENT	A\$10,000
FUM AT MONTH END	A\$ 56.39m
STRATEGY INCEPTION DATE	11 December 2014
BENCHMARK	RBA Cash Rate + 3%

FUND MANAGERS



James McDonald
Portfolio Manager



Jeremy Bendeich
Portfolio Manager

1. Net performance figures are shown are those of Class A Units, after all fees and expenses and assume reinvestment of distributions. No allowance has been made for buy/sell spreads. Please refer to the PDS for information regarding risks. Past performance is not a reliable indicator of future performance, the value of investments can go up and down.

2. Inception 11 December 2014.

3. Annualised standard deviation since inception.

4. Relative to MSCI World. Using daily returns.

* For further information regarding fees please see the PDS available on our website.

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