

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 Nov 2025¹

High Conviction Equities Fund Class A

	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%	37.1%	68.3%	45.4%	22.7%	27.9%
MSCI World Total Return Index (net, AUD)	0.1%	16.2%	23.0%	20.0%	15.6%	13.3%
RBA Cash Rate plus 3%	0.5%	6.9%	7.1%	7.0%	5.6%	5.0%

High Conviction Equities Fund Class B

	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 B	-8.3%	38.2%	68.2%	45.7%	23.1%	24.5%
MSCI World Total Return Index (net, AUD)	0.1%	16.2%	23.0%	20.0%	15.6%	16.0%
RBA Cash Rate plus 3% p.a.	0.5%	6.9%	7.1%	7.0%	5.6%	5.4%

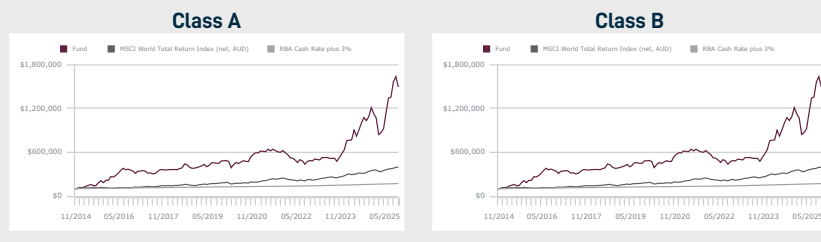
Net performance figures are shown after all fees and expenses, and assume reinvestment of distributions. Performance figures are calculated using net asset values after all fees and expenses, and assume reinvestment of distributions. No allowance has been made for buy/sell spreads. Please refer to the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

Fund inception date Class A: December 2014, Class B July 2020.

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²

TOP HOLDINGS (ALPHABETICALLY)



Artrya Limited	Health Care
Brazilian Rare Earths Limited	Materials
Clarity Pharmaceuticals Ltd.	Health Care
Iperionx Ltd.	Materials
Metallium Limited	Materials

SECTOR BREAKDOWN

CAPITALISATION BREAKDOWN

REGION BREAKDOWN

Health Care	46.5%
Information Technology	3.5%
Materials	48.1%
Options	0.3%
Cash	1.6%

Under 5bn USD	98.1%
Derivatives	0.3%
Cash	1.6%

North America	6.1%
Australia/New Zealand	92%
Options	0.3%
Cash	1.6%

STATISTICAL DATA

VOLATILITY³ 27%

NUMBER OF STOCKS 19

BETA⁴ 0.87

MAXIMUM DRAW DOWN -32.1%

NOVEMBER REPORT

COMMENTARY

The Fund fell 8.7% in November, in what was a broadly risk-off month for many small-cap growth stocks.

- IperionX, Clarity, and Brazilian Rare Earths fell sharply despite limited new risks, with each retaining strong valuation support and catalysts ahead.
- Metallium, Actinogen, and Calcimedia delivered strong gains driven by positive coverage, trial progress, and upcoming read-outs.
- Overall, several holdings appear undervalued relative to assets, market potential, and near-term catalysts.

As mentioned in last month's report, **IperionX** was impacted by a short seller's report, falling 23%, which the company firmly rebutted. In addition, broker Petra visited the company's Virginia facility and released a very positive and detailed report that also countered much of the short thesis. We believe the current market cap of USD 1.1bn is a bargain. The Titan mining project alone has an NPV of USD 700m, is already approved, and is rich in heavy rare earths, which are in much shorter supply than light rare earths. A Bloomberg article on 4 December reported that the US government expects to take equity stakes in more mining projects, similar to the deal it did with MP Materials. We believe IperionX is well positioned on this front, with the US Department of War currently funding a definitive feasibility Study expected in 1H 2026. Petra also released a positive report on the Titan project on 10 December, highlighting how it has moved from being an option to a core asset.

Clarity Pharmaceuticals fell 26% on little news. We expect more data in Q1 from both the Co-PSMA study, comparing Clarity and Telix prostate cancer diagnostics, and the SECURE prostate cancer therapeutic study, each of which could be significant catalysts. In the best-case scenario, the company could receive FDA approval for its prostate cancer diagnostic in early 2027, although late 2027 or 2028 appears more likely. The prostate cancer diagnostic market—dominated by Telix and Lantheus—is currently USD 2.5bn and is expected to grow to USD 3bn over the next two years. We believe a 10% market share should be achievable, which would value the company substantially above its current AUD 1bn market cap.

Brazilian Rare Earths fell 24%, also on limited news. As noted last month, the current market value of around AUD 1bn appears very attractive given the company's AUD 200m in cash, a bauxite deposit worth approximately AUD 900m, and ownership of the richest rare earth deposit on the planet. Sunrise Energy, listed in Australia as a pure-play scandium asset with a grade of 1,000ppm, is now valued at AUD 850m. Scandium has three major uses: fuel cells that produce electricity from natural gas or hydrogen; strengthening aluminium, including enabling 3D printing; and piezoelectric filters used in advanced mobile networks to isolate required frequencies from high-frequency radio waves. Global demand is expected to rise from 60 tonnes per annum to 300 tonnes within a few years, with potential for much more. China currently produces 90% of the global supply and has restricted exports to the US. Brazilian Rare Earths has grades of 300–500ppm as a by-product of rare earth production, along with high grades of uranium, niobium and tantalum, all of which are very valuable. We look forward to the scoping study next year, which should highlight the value of these products to the market.

On the positive side, critical-minerals processing technology company **Metallium** rose 21% after broker Canaccord initiated coverage with a detailed 35-page report, and the company established a US ADR listing, which will allow US investors to more easily invest.

Australian Alzheimer's disease drug developer **Actinogen** rose 71% as the company approaches a futility test in

January for its randomised AZ study, ahead of a full read-out a year later. The market value of AUD 175m is now significant, but if the randomised Phase 2 study is successful, we believe a market cap above AUD 1bn could be achievable. The shares and options account for 2% of the portfolio.

US biotech **Calcimedia** rose 42% as it approaches read-out of its major randomised study in acute kidney disease in the first half of 2026. The current market value of just USD 63m is very attractive if the study is successful. The holding also represents 2% of the fund.

FEATURES

APIR CODE	Class A: HHA0020AU Class B: PCL9196AU
REDEMPTION PRICE	Class A: A\$ 5.1674 Class B: A\$ 2.2229
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\$ 162.51m
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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