



Resources Gold Fund

Fund Update - February 2025

Fund Performance (Net) %*

1 Month	3 Months	FY25 YTD	Since Inception	Since inception (p.a.)
3.6%	12.8%	37.7%	92.3%	14.6%

Fund Overview

The Victor Smorgon Partners is a privately owned Family Office fund manager, operating under an Australian Financial Services Licence.

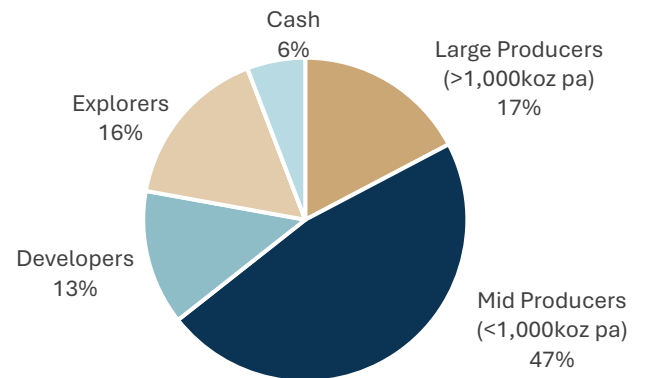
The Victor Smorgon Partners Resources Gold Fund aims to deliver superior returns by offering investors access to a concentrated long/short portfolio of precious metal products. Since inception, the Fund has delivered net returns of 14.6% p.a.

Victor Smorgon Partners holds the view that a 5-10% allocation of gold in a diversified portfolio of assets will provide superior risk-adjusted returns with lower volatility over time.

FYTD Thematic Attribution

Large Producers (>1,000koz pa)	0.2%
Mid Producers (<1,000koz pa)	2.3%
Developers	0.9%
Explorers	0.3%
Royalty	0.0%
Other	0.0%

Portfolio Allocation by Theme



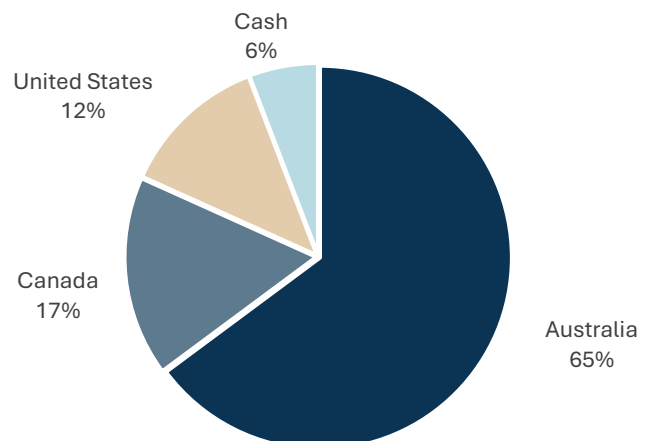
Key Fund Information

Structure / Currency	Australian Unit Trust / AUD
Investment Manager	Victor Smorgon Partners
Trustee	Gannet Capital Pty Ltd AFSL 340799
Fund Administrator	One Registry Services
Applications	Monthly
Redemptions	Monthly with 30 days' notice
Distributions	Annual
Minimum Investment	A\$100,000
Investor Eligibility	Wholesale Investors
Inception	14 May 2020

Fees

Management Fee	1% p.a. of NAV
Hurdle	8% p.a.
Performance Fee (with catch-up)	20%
High Water Mark	Yes

Portfolio Allocation by Company Listing



*Fund net performance is an estimate based on the inception unit class.

Portfolio Commentary

Fund Performance

The Fund's estimated net return in February was +3.6%. Since its inception (14 May 2020) the Fund's estimated net return is +92.3%, outperforming the ASX Gold Equities Index by +58%.

After reaching a new all-time high gold price of US\$2,939/oz mid-month, the gold price weakened slightly into the end of February to close at US\$2,858/oz (which is still +2.1% compared to the end of January). The AUD gold price also increased +2.1% to a record month end high price of A\$4,599/oz which is very favourable for the Fund.

In terms of gold price outlook, it is worth noting that both UBS and Goldman Sachs recently increased their 2025 year-end gold price forecast to US\$3,100/oz, implying a c.9% upside from current levels.

The Fund's portfolio weighting in cash at the end of February was 6% (January 2024: 4%).

The leading positive contributor to the Fund's February performance was ASX listed gold developer Black Cat Syndicate (BC8), contributing approximately +1.2%.

Through a disciplined approach to investment, cost management and operating practices, BC8 is targeting an annual production rate of 100koz a year by the end of 2025.

BC8 recently poured first gold at its Paulsens mine in the Pilbara region of Western Australia. In addition, BC8 recently acquired a mill near Kalgoorlie that will accelerate the development of BC8's second mine, Kal East. BC8 also has a third development mine (Coyote) in Western Australia.

BC8's aspirational production target is greater than 200koz of gold per year within three years.

The BC8 share price is +170% in financial year 2025, making it one of the best performing ASX gold companies. Despite this performance, BC8 remains undervalued compared to its peers. On an enterprise value to annual gold production metric, BC8 trades on a c.50% discount to its peers based on a production rate of 100koz.

Will The USA Purchase More Gold?

Central Bank net buying of physical gold in 2024 was 1,045t, the third consecutive year in which Central Bank gold demand exceeded 1,000t - far exceeding the 473 tonne annual average between 2010 - 2021.

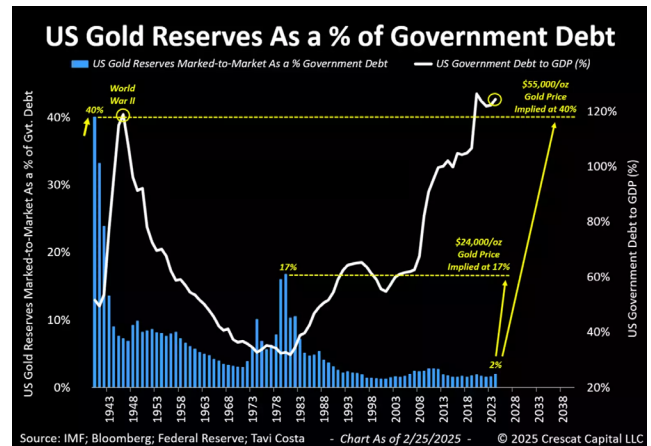
Central Bank buying of gold has been driven by a broad range of emerging countries. The World Gold Council reports the USA currently holds 8,134 tonnes of physical gold, representing c.75% of its total country reserves. The USA has not added to its gold holdings since the GFC.

As shown in the chart below, USA gold reserves currently represent a very low 2% of the governments total outstanding debt. The current situation stands in sharp contrast to earlier periods, particularly the onset of World War II, when government debt was 40% backed by gold reserves.

The chart also shows the implied gold prices if current reserves were to be revalued to historical peak levels relative to current government debt, assuming all else remains constant.

If the value of gold reserves to government debt were to rise to 17%, it would imply a gold price of approximately \$24,000/oz, or an 8.5x increase in the current gold price. More dramatically, should this ratio reach 40%, it would imply a price of \$55,000/oz.

Historically gold has played a role in stabilising monetary frameworks during times of financial strain. If we are entering a phase of global monetary realignment, the potential for the USA Central Bank to purchase gold provides significant upside price potential.



Fund Net Performance (Fund Commenced 14 May 2020)*

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY2020											6.5%	5.0%	11.9%
FY2021	11.2%	-3.1%	-0.4%	-0.6%	-7.9%	2.0%	-4.4%	-10.8%	-3.6%	12.2%	5.9%	-9.4%	-10.6%
FY2022	0.8%	-2.7%	-2.5%	13.7%	1.90%	3.8%	-8.5%	11.3%	4.1%	-3.1%	-6.5%	-24.3%	-16.3%
FY2023	11.8%	-5.3%	-8.4%	-0.4%	9.9%	5.2%	8.1%	-14.7%	16.1%	8.2%	-6.4%	1.3%	22.7%
FY2024	0.8%	5.0%	-1.9%	14.1%	9.5%	-0.9%	-4.6%	-3.7%	14.7%	6.5%	-0.1%	-5.7%	35.9%
FY2025	6.5%	4.8%	3.8%	10.3%	-4.4%	-4.0%	13.4%	3.6%					37.7%

* Performance figures from May 14, 2020 to January 31, 2025 have been calculated by Unity Fund Services, an affiliate of One Investment Group, who provide portfolio reconciliation and valuation, as well as NAV calculation. Fund performance based on inception unit class.

This Investor Update is prepared and issued by the Manager, Victor Smorgon Partners Pty Ltd (ACN 630 512 739), an authorised representative of Gannet Capital Pty Ltd (ACN 139 264 690) AFSL 340799 (AR no. 1273787) and Gannet Capital Pty Ltd (ACN 139 264 690) in its capacity as trustee of the Victor Smorgon Partners Resources Gold Fund ('the Fund'). This report is distributed for use only by wholesale clients. The report (including any attachments or links to other websites) is intended solely for the named addressee and is confidential. Any use, disclosure, reproduction, distribution or copying of the information in this Investor Update is unauthorised and strictly prohibited. The information contained in this Investor Update is of a general nature only and does not take into account the objectives, financial situation or needs of any particular person and is not to be taken as containing any investment advice or recommendation. Before making an investment decision to acquire shares or to continue to hold shares in the Fund you should consider, with or without the assistance of a financial or other professional adviser, whether an investment is appropriate in light of those matters. You should also obtain a copy of the Information Memorandum and consider the risks and disclosures of the Fund for your circumstances. Subject to law, neither the Fund or the directors, officers or employees of the Manager or Trustee, nor its associates, or any party named in the Information Memorandum guarantees the repayment of capital or the performance of the Fund or gives any representation or warranty as to the reliability or accuracy of the information in this report, nor do they accept any responsibility for any loss to any person incurred as a result of reliance on the information in this report, including any negligent errors or omissions. Past performance is not a reliable indicator of future performance. Past asset allocation and gearing levels may not be reliable indicators of future asset allocation and gearing levels. All fees are exclusive of GST. Please refer to the Information Memorandum for a list of the investors eligible to invest in the Fund and to see further detail of Fund terms.