SGH ARI Resources Fund

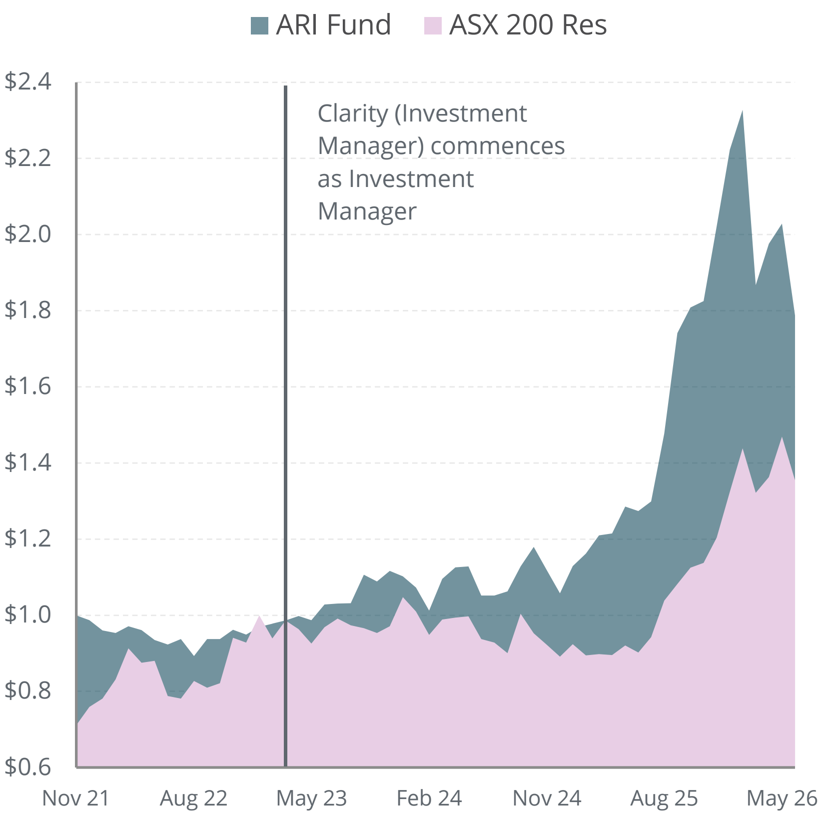
June 2026

Performance	Total Net Return[1]	Benchmark Return[2] (BAUBIL + 300 BPS)	Total Net Return vs Benchmark
3 months (%)	-4.4	+1.8	-6.2
1 Year (%)	+41.6	+7.0	+34.6
2 Years (% p.a.)	+27.4	+7.2	+20.2
Inception (% p.a.)	+20.0	+6.8	+13.2
Inception (% p.a.)	+13.3	+5.9	+7.4

[1]Total Net Return is the Fund return after the deduction of ongoing fees and expenses and assumes the reinvestment of all distributions.

[2] Benchmark effective 1 March 2026 – returns against benchmark for periods commencing before 1 March 2026 shown for illustrative purposes only.

Past performance is not a reliable indicator of future performance.



Key Facts

Investment Manager	SGH ARI JV Co Pty Ltd
Portfolio Manager	Stephen Gorenstein
Trustee	Equity Trustees
Fund Administrator	Apex Fund Services (Sydney) Pty Ltd
Inception date	1 November 2021
Management fee#	1.50%
Performance fee#	20%
Number of positions (30 June 26)	61
Distributions	Annually
Domicile	Australia
	Unit price ($, unhedged, including distributions)
Net Asset Value ($/unit)	$1.7363

Includes estimated GST payable, after taking into account Reduced Input Tax Credits ("RITC").

Investment Objective

To provide Unitholders with the opportunity to invest in the global resources sector, whilst aiming to provide medium-to-long-term capital growth potential and seeking to outperform the Bloomberg AusBond Bank Bill Index (Bloomberg: BAUBIL) + 3% p.a. over a rolling 5 year period.

Fund Investment Team:

Stephen Gorenstein, Portfolio Manager

Dominic Murphy, Investment Analyst

Advisory Board:

Ian Smith, Advisory Board member

Zimi Meka, Advisory Board member

Tony Manini, Advisory Board member

Neil Goodwill, Advisory Board member

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Summary

The SGH ARI Resources Fund ("ARI" or the "Fund") returned -4.6% for the June quarter (net of fees), with positive months in April and May being undone by a disappointing June. While the half was negative for the Fund, the FY26 result was still strong, returning +41.6% net of fees. The Fund will pay a small distribution to unitholders for FY26. The quarter was defined by the impacts of the US-Iran conflict in the Middle East, as rising inflation expectations led to an increased Fed Funds rate expectation. This led to a pullback in precious metals, with the gold price retracing roughly 28% to around US$4,008/oz from its late January high.

We have positioned the Fund to be high beta with leverage to the positive structural thematics we believe are intact. Those being: continued gold appreciation driven by central bank buying and supportive US Fed policy; impending copper supply deficit; and US/EU government strategic critical minerals policy. The market has read the rising oil prices on the back of the Iran conflict as a sign of interest rate hikes; we disagree. We believe we remain well-positioned as these themes play out.

Despite the soft quarter, we see the structural backdrop as supportive and gold's retracement as a pause within an ongoing bull cycle. Softening US labour-market data has brought the prospect of lower real rates back into view – a key tailwind for gold and for the Fund's precious-metals leverage into FY27. Copper remains in structural deficit and the critical minerals onshoring theme continues to build. We used the quarter to stress-test the thesis and reweight core and tail positions.

Market Environment – Gold Consolidates as Asian Demand Builds

Gold set the tone for the quarter. After a record-breaking run that carried the metal to a peak near US$5,597/oz, gold consolidated back to around US$4,008/oz – a retracement of roughly 28% that dragged the higher-beta ASX gold developers and explorers with it. We regard this as a pause rather than a change of trend. Two things support the next leg. First, softening US labour-market data has revived expectations for real interest rates falling, and lower real rates are historically the most reliable tailwind for gold. Second, Asian physical demand is building: China imported roughly 173 tonnes of gold in June – a two-year high and a third straight monthly rise – as buyers used the lower price to accumulate. Hong Kong has also begun trialing a central gold clearing system with a new HAU price benchmark, a structural step toward Asian price-setting influence. The Fund retains its largest exposure in gold (~40% of the book), skewed toward high-beta developers and producers that should lead the recovery as the metal re-rates.

Copper continues to validate the structural-deficit thesis. Supply remains constrained by underinvestment, falling ore grades and disruptions, while electrification, grid build-out and data-centre power keep lifting demand. The Fund holds an approx. 30% weight in copper, with a mix of producers, developers and high-grade explorers, and led by Andina Copper (ASX:ANDC), now the Fund's largest single position.

The critical minerals book again contributed positively, supported by the bipartisan US push to onshore supply through DPA Title III funding and government offtake. Standout contributor Lindian Resources (ASX:LIN, rare earths developer) was among the strongest performers in the portfolio over both the quarter and the year, breaking ground at its Kangankunde project in Malawi and entering into its transformational deal for the SARECO plant in Kazakhstan.

The clear highlight of the quarter, however, was Benz Mining (ASX:BNZ). BNZ released an exploration target for its flagship gold project that materially lifted the market's view of its potential scale. The BNZ re-rate, alongside Andina Copper, is exactly the kind of discovery-led optionality the Fund's long-tail explorer positioning is designed to capture.

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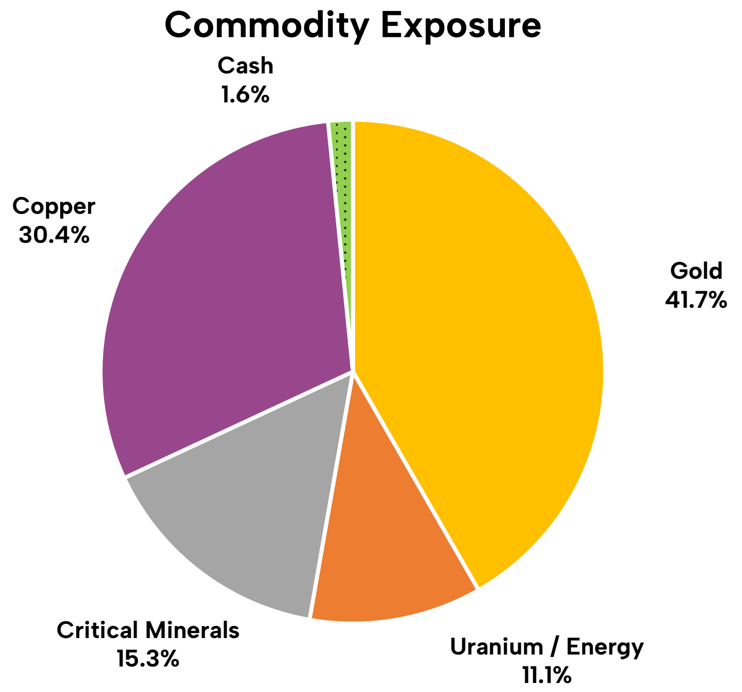
Portfolio Attribution – Full Year FY26

Top 5 Performers			
Name	**Commodity**	**Production Status**	**% Attribution**
Andina Copper	Copper	Advanced Explorer	+8.9
Vault Minerals	Gold	Producer	+3.9
Lindian Resources	Critical Minerals	Developer	+3.4
Firefly Metals	Copper	Developer	+2.6
Asara Resources	Gold	Advanced Explorer	+2.4
		Total	**+21.1**

Bottom 5 Performers			
Name	**Commodity**	**Production Status**	**% Attribution**
LINQ Minerals	Gold	Grassroots	-0.9
Somerset Minerals	Copper	Grassroots	-0.9
Torque Metals	Gold	Advanced Explorer	-0.5
Famien Resources	Gold	Grassroots	-0.5
3DEnergi	Energy	Advanced Explorer	-0.5
		Total	**-3.2**

Commodity Positioning (% of Total Net Assets)



Resources Market FY27 and Beyond – The Bull Market Has Further to Run

As we look into FY27, our message to unitholders is unchanged: the structural themes behind the Fund's positioning remain intact. The June-quarter pullback in precious metals has shaken out speculative positioning, but the long-term drivers – the Fed rate path, Western resource nationalisation, copper's structural supply deficit and the energy-security premium – are all still in place. Below we separate the noise from the signal.

Long-Term Structural Tailwinds

1. Fed Rates – More Dovish Than the Market Is Pricing: The market read rising oil prices from the Iran conflict as a signal of rate hikes, with CME FedWatch probabilities implying a ~65% chance of a hike at the 16 September meeting. We disagree. Softening US labour-market data supports the dovish case, as does the Chair's own commentary. The Fed's dual mandate cuts against a hike here: with employment now the weaker half of that mandate, tightening into a softening labour market would trade one side of the mandate for the other. The Chair's references to inflation and the taskforces established to examine how inflation is measured all read to us as more dovish than the market is pricing. We would be surprised to see a hike before the midterms. Trump is also unlikely to appoint a Chair who tightens into weakness. As the market comes to accept that a September hike is unlikely, and real rates fall, we expect gold to re-rate. We view the rate path as the key swing factor for FY27, and remain positioned for it.

2. The Third Era of Resource Nationalisation: The US and EU governments have shown their hand that they want to back Western-aligned critical minerals supply. The playbook is being fleshed out, but the key themes remain: pick a strategically important project, anchor it with a mix of offtake agreements, price floors and direct equity, then repeat. The MP Materials deal in September 2025 was the first; the April 2026 USA Rare Earths – Serra Verde deal was the refined version: a ~US$2.8Bn acquisition with a 15-year US government offtake covering 100% of phase 1 magnet rare earths production. The pattern is becoming the policy: project-level deals that underwrite FIDs, support ex-China supply and de-risk the Western build-out. We expect it to be applied to defence-linked commodities such as Tungsten, Antimony, Gallium, Rare Earths and Uranium under Project Vault.

3. Copper Demand Accelerating into a Structural Deficit: The thesis continues to play out. A decade of underinvestment and lack of discoveries, falling ore grades and operational disruptions have constrained supply, while electrification, grid build-out and data-centre power keep lifting demand. Morgan Stanley expects the largest copper deficit in 22 years in 2026, and the majors – unable to grow organically – are buying tonnes through M&A. With the price near record highs, we expect the developers and explorers the Fund owns to re-rate.

4. Uranium – Energy Diversification Away from Middle-East Exposed Supply: The March conflict confirmed that the West cannot rely on Middle-East oil and gas for baseload power as data-centre and electrification demand accelerates. Nuclear is the only scalable, low-carbon, geopolitically defensible answer, and Western utilities are extending reactor lives, restarting capacity and signing long-dated offtake above incentive prices. Uranium also sits on the US critical minerals list under Project Vault, layering policy support on top of the demand story. Supply is concentrated in Kazakhstan, Russia and Niger – jurisdictions Western buyers are diversifying away from. We expect the gap between Western-aligned and other production to widen; the Fund is positioned in advanced Western developers.

We believe FY27 will be defined by sustained upward momentum driven by long-term fundamentals, punctuated by the kind of short-term pullback we saw this quarter – episodes that flush out speculative capital and create attractive entry points. With the US rate-cut cycle resuming as the labour market softens, we expect precious metals to lead. Our core positioning remains focused on: gold and gold-equity leverage; electrification-driven copper demand; US-led support for strategic critical minerals; and continued uranium tailwinds.

This is shaping up as a year where selectivity will matter, and the right commodities – and companies – could deliver outsized returns. The June-quarter reset has left the Fund well-positioned to capture that upside as the cycle resumes.

Corporate Update

The ARI & SG Hiscock (SGH) transition completed on 3 June 2026. As flagged in the last quarterly update, we have also revised the fee structure to reduce the fees paid by unitholders by no longer bearing the Trustee and Administration costs – a meaningful benefit to unitholders – and a final step in preparing the Fund for inclusion on IDPS platforms to further grow the Fund. With completion now behind us, the Fund has been renamed the "SGH ARI Resources Fund" and is fully onboarded into the SGH offering.

We sincerely thank you for your continued support of the Fund in FY26 as we embark on this exciting new stage for ARI together. Investors will receive their 30 June 2026 distribution in the coming weeks. We believe this is a highly prospective time for resources, and we look forward to growing the SGH ARI Resources Fund into a truly significant resources fund through FY27.

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