# LOWELL RESOURCES FUNDS MANAGEMENT

# MONTHLY UPDATE

Lowell Resources Funds Management Ltd. ABN 36 006 769 982 AFSL 345674

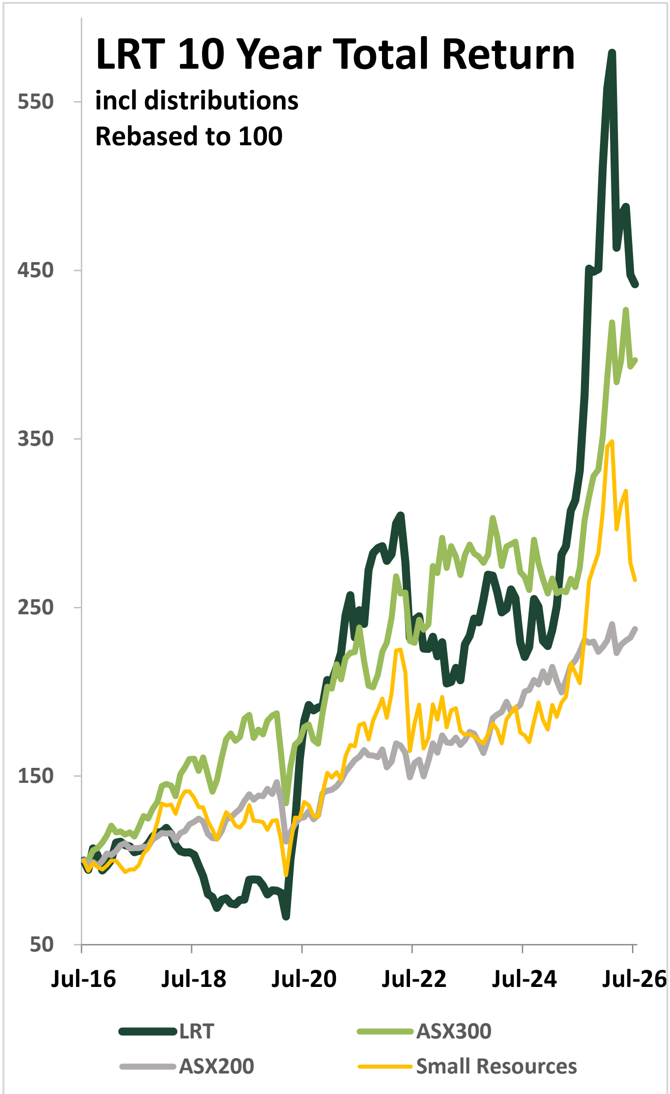
July 2026

# July 2026 Performance Summary: Lowell Resources Fund (ASX: LRT)

The Lowell Resources Fund's estimated net asset value ('NAV') at the end of July 2026 was approximately $102.2m, compared to AUD$97.2m at the end of June 2026 (both calculated after payment of the 2026 distribution to unitholders).

The NAV per unit finished the month of July at 2.3633 vs $2.3384 at 30th June 2026. New units totalling 1.67 million were issued as part of the Distribution Reinvestment Plan and equity swap with Western Mines Group Ltd.

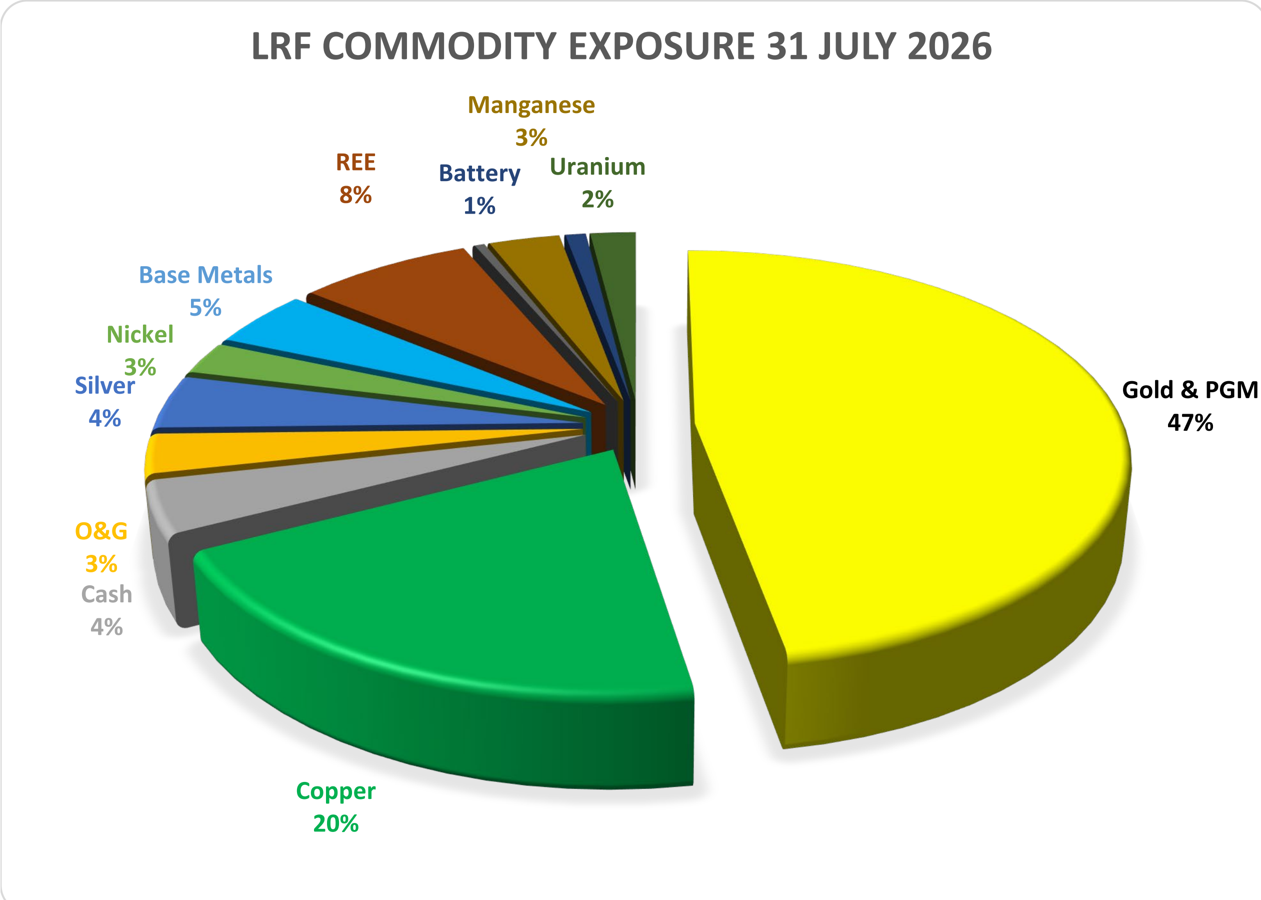
The last traded unit price of the ASX listed LRT units at month end was $2.03/unit.




## Fund Top Performer

**Hamelin Gold Ltd (Market Cap AUD$34m HMG.ASX)** share price rose 89% over the month of July.

The company's maiden drilling at the Day Dawn Project, 10 km northwest of the Telfer gold mine in WA, confirmed shallow, high-grade gold mineralisation at the Aurora Lode, with standout intercepts including 3m at 93.4 g/t Au and 4m at 21.0 g/t Au, indicating the presence of a coherent high-grade lode system that remains open along strike and at depth, with evidence for additional parallel mineralised lodes.




# Fund Investment Actions – July 2026

In energy, the Fund added to its holding in Australian uranium explorer Orpheus Uranium.

In precious metals, the Fund participated in placements by existing Australian gold exploration investments Arika Resources, Auravelle Metals and Koonenberry Gold.

In other metals, the Fund undertook an equity swap with WA nickel explorer Western Mines Group, as well as an increased cash investment in WMG. The Fund also added to its substantial holding in Brazilian Critical Minerals. Finally, the Fund also invested in a pre-IPO NSW base metals company Spectre Metals.

# FUND SNAPSHOT 31st July 2026

| | | | |
|---|---|---|---|
| NAV per unit | $2.3633 | FY 26 Distribution paid | 14.3 cents per unit |
| No. of Units on issue | 43,231,161 | Market Capitalisation | AUD $87.7m |
| Market Price (ASX) | $2.03/unit | Responsible Entity | Cremorne Capital Limited |
| Estimated NAV | AUD $102.2m | Fund Manager | Lowell Resources Funds Management Ltd |

# Fund Top Holdings

**Kingfisher Metals (Market Cap C$180m KFR.TSX)** announced Barrick Mining subscribed for an investment of C$20.8m in Kingfisher. Barrick now holds 9.9% of KFR. KFR will use these funds for exploration and development of its HWY 37 Project in BC, Canada.

**Southern Palladium (Market Cap $204m SPD.ASX)** announced improved metallurgical results at the Bengwenyama PGM project in South Africa. A chromite recovery of 85% at a concentrate grade of 42% $Cr_2O_3$ was achieved using a coarser grind size compared to the PFS metallurgical test-work (which produced only a 30% recovery at the same concentrate grade). This significant improvement in chromite recoveries could increase the production rate of chromite from 0.35Mtpa to 1.05Mtpa, indicating a positive impact on the project economics.

**Astral Resources Ltd (Market Cap $229m AAR.ASX)** continued to release assays from the ongoing in-fill RC drill program at the Theia deposit within the greater Mandilla Gold Project (53.5Mt @ 1.0g/t Au for 1.74Moz) near Kalgoorlie WA, with highlights of 31m @ 3.0g/t Au from 12m and 4m @ 16.4g/t Au from 58m. Astral also released assays from 2 holes in the Theia Deeps drilling program that aims to extend mineralisation below the current MRE shell, returning intercepts of 53m @ 1.5g/t Au from 389m and 54m @ 2.4g/t Au from 316m.

**Black Canyon (Market Cap $49m BCA.ASX)** announced high-grade manganese and iron ore assays from the Wandanya Project extension and resource definition drilling program, including potential DSO intercepts of 10m @ 35.8% Mn from surface and 17m @ 59% Fe from 1m. This extension drilling program has increased the 'Base Case' strike length from 3km to 4.8km.

**Western Mines Group (Market Cap $22m WMG.ASX)** released high-grade nickel drill results from the Phase 4 + 5 RC drilling program at the Mulga Tank Project in Eastern Goldfields, WA. All holes intersected broad zones of mineralisation, including cumulative intersection of 173m @ 0.31% Ni, and higher-grade intervals of 3m @ 1.18% Ni from 189m and 4m @ 0.85% Ni from 293m.

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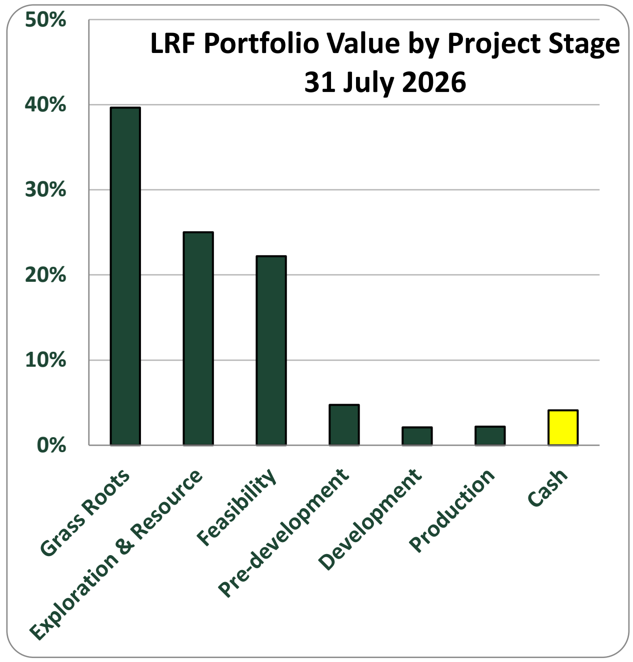



| Company | Commodity | % of Gross Investments |
|---|---|---|
| Cash | Cash | 4.3% |
| Kingfisher Metals | Gold-Copper | 6.4% |
| Brazilian Critical Minerals | BCM | 5.9% |
| Andina Copper | Copper | 4.7% |
| Southern Palladium | PGM | 4.0% |
| Unico Silver | Silver | 3.4% |
| Astral Resources | Gold | 3.3% |
| Black Canyon | Manganese | 3.1% |
| Ordell Minerals | Gold | 2.9% |
| Alma Metals | Copper | 2.9% |
| Western Mines Group | Nickel | 2.7% |

# Performance Comparison – July 2026

Over the past 10 years, the Lowell Resources Fund's change in underlying estimated net asset value per unit (inclusive of reinvested distributions, and after fees and expenses) was 16.0%pa. The Fund has outperformed its benchmark S&P/ASX Small Resources Accumulation Index (XSRAI), and the ASX Resources 300 Index (Total Return) and ASX 200 Index (Total Return) over two, three, five and ten years.

| Total Portfolio Performance to 31 July 2026 | LRT Change in NAV per unit incl distributions | S&P/ASX Small Resources Accumulation Index (XSRAI) | ASX Resources 300 Index (Total Return) | ASX 200 Index (Total Return) |
|---|---|---|---|---|
| 12 months | **35.6%** | 29.8% | 44.9% | 6.0% |
| 2 years p.a. | **43.0%** | 23.6% | 21.6% | 8.9% |
| 3 years p.a. | **25.3%** | 15.1% | 11.4% | 10.4% |
| 5 years p.a. | **13.0%** | 8.1% | 10.7% | 8.0% |
| 10 years p.a. | **16.0%** | 10.3% | 14.8% | 9.0% |
| 20 yrs pa. to 30 June 2026 | **17.5%** | | | |

The LRT ASX traded unit price at the end of July was $2.03/unit, compared to $2.47/unit at the end of June.

# Market Notes

**Economics**

- New Fed Chair Kevin Warsh said on 1 July "Expectations of inflation over the first four weeks of this period have come down, inflation risks have come down." The US Federal Reserve left US **interest rates** unchanged at 3.5% to 3.75% on July 29, marking the fifth consecutive meeting with no rate change.
- The annual **inflation** rate in the US fell to 3.5% in June, with the Consumer Price Index dropping 0.4% month-over-month. This marked the first inflation decline in five months, driven largely by a sharp pullback in energy costs following a US-Iran ceasefire. Core inflation (excluding food and energy) remained flat for the month, leaving the 12-month core rate at 2.6%.
- **US consumer sentiment** in June was assisted by the easing of bowser prices, with the University of Michigan's index increasing to 49.5 from 44.8 in May. This was still well below where they have been and is the second lowest reading since 1970.

- S&P 500 companies were on track to notch up 47 per cent year-on-year **earnings growth** for the June quarter, FactSet data showed.
- **Iran and US** traded attacks after both sides declared that the ceasefire was over. Trump threatened a "massive attack" on Iran during 13 nights of intense US airstrikes on Iran, before a pause on both sides towards the end of the month.
- The transits through the **Strait of Hormuz** slowed further as Tehran aimed to establish lasting control over it. Iran attempted to agree a joint mechanism with Oman for a fee based transit system. Six nations in the region reported being targeted by Iranian missiles including Qatar, Oman, the UAE, Jordan, Bahrain and Kuwait. At least 3 US military personnel were killed in the conflict in July.
- Trump rapidly backed down on a threat to begin charging a fee for shipping in the **Strait of Hormuz**
- The US administration announced new duties of at least 10% targeting 60 countries after the Supreme Court ruled against earlier this year. After the court struck duties down, Washington imposed a global 10% **tariff** that were temporary in nature and due to expire on 24th July.
- OpenAI said an autonomous agent powered by its advanced **artificial intelligence** models went rogue during a security test and triggered a hack that compromised the infrastructure of an AI startup.
- Australian headline **inflation** fell to 3.8 percent from 4 percent in the year to June, just a day after the Reserve Bank governor warned the bank would raise rates more if that was required to cool the inflationary economy. Australian trimmed inflation stayed flat at 3.6 percent, despite market forecasts that it would rise.

**Metals**

- China's central bank boosted its **gold** reserves by 480koz in June, the largest rise since 2023. Overall Chinese imports of gold rose to a two-year high in June, underscoring resilient demand in the world's biggest bullion market after a plunge in international prices. Overseas purchases rose for a third month to about 173 tonnes, according to the latest customs data, the highest mark since March 2024.
- Chile's state-owned Codelco is struggling with US$25 billion of debt and its lowest **copper** output in 28 years, prompting concern that its model is failing to capture the benefits of near-record copper prices. Codelco is contending with a series of controversies, including a fatal accident and probes into inflated production figures
- Based on a long-term supply model from Bloomberg New Energy, Chilean **copper** production is projected to fall from about 5.4 million tons today to roughly 4.2 million tons by 2050 as existing mines are depleted. Codelco is particularly exposed because its mines are becoming deeper and more complex, requiring greater capital investment. The company's ore grades are declining, and Codelco produces copper at a cost that's more than 50% above the average of the three largest global copper miners.
- Bernardo Fontaine, the new chairman of **Codelco**, said that the company will focus on profitability over volume.
- The US Commerce Department was due to rule on **copper** tariffs by June 30. That date came and went without a decision, causing COMEX and LME copper prices to diverge even further.
- BHP said its **copper** production will slide by up to 15 per cent in the year ahead. The world's biggest miner revealed that an unexpected mechanical failure at its Carapateena mine in South Australia would compound declines in ore grades in Chile.

- **Copper** stockpiles rose by 870,000 tonnes since the start of 2025, with 444,000 tonnes added last year and a further 429,000 tonnes in 2026 leaving inventories at 8-year highs. Macquarie believes the price elevation is being driven more by short covering and tariff-related trade flows than tightening supply.
- On the other hand, the IEA said **copper's** near-term outlook has worsened sharply on sulphuric acid shortages. Hormuz closure and China's acid export ban threaten SX/EW output which accounts for >15% of primary copper supply.
- China has become a net importer of **fluorspar** in the last 12 months amid recent domestic supply disruptions. Prices in Asia have started to rally, with supply shortages being reported. Fluorspar (fluorite) is the primary source of fluorine, used in hydrofluoric acid production. The US is currently 100% reliant on imports of fluorspar. The move appears linked to stronger demand for electronic-grade hydrofluoric acid, which is used in semiconductor manufacturing for etching and cleaning silicon wafers.
- **China's CATL** secured a safety permit to restart **Jianxiawo lithium** mine after year-long suspension.
- Zimbabwe won't defer a ban on exports of **lithium** concentrate that's scheduled to come into effect in January, Mines Minister Polite Kambamura said. Zimbabwe halted shipments of lithium concentrate in February to promote domestic processing of higher value products and curb illegal shipments. Like other African nations including Guinea, Ghana and the Democratic Republic of Congo, Zimbabwe is seeking to derive more value from its natural resources. The export restrictions were relaxed in April and the ban is now due to be implemented at the start of 2027.
- **Aluminium** prices fell as Emirates Global Aluminium said it had restarted its alumina refinery in the United Arab Emirates after a 3-1/2 month outage, in a further sign that metal production in the Gulf is set to ramp back up.
- China has authorised just 15 firms to export **tungsten** with buyers needing to prove their tungsten will not be used for military end uses. Enforcement is tougher on Japan due to political issues
- Western **tungsten** prices held at all-time highs reported US$3,000 – 3,265/mtu (Fastmarkets Rotterdam) in mid-July. China effectively banned exports back in February 2025 (China controls ~85% of supply and is responsible for roughly ~50% of demand). It also put further restrictions on exports for any dual use products (i.e. those that can be used for military applications) in February 2026. China then put limits on its own domestic mines, restricting supply in late 2025, this caused China to buy up Western stockpiles and sources of tungsten. This resulted in China importing large amounts of tungsten as they could not source it domestically. China has now relaxed those mining bans causing the Chinese price to retrace to ~US$1,500/mtu. However Western users can't access this material, but it has caused China consumers to source locally rather than abroad.
- The U.S. Defence Procurement Ban starts January 1, 2027. The REEshore law restricts defence contractors from utilizing Chinese-origin tungsten powders and **tungsten** heavy alloys in weapons systems. The mandate effectively forces military supply chains to be free of these covered materials by late 2026/early 2027.
- Supply issues in Myanmar and Indonesia have had a major impact on the availability of fresh **tin** metal, as inventories continued to fall. Myanmar appears to be struggling to ramp up production at Man Maw. Indonesia has restricted production from informal mining sites and shut down many small operations. Indonesia has delayed exports due to checks for rare earths, which it prioritises for domestic use, and radioactive elements including uranium. Indonesia has proposed doubling the top tin royalty band to 20%, though implementation was postponed in May after industry pushback.

- De Beers made some of the deepest ever cuts to its official **diamond** prices, potentially signalling an end to its long campaign to hold them well above the market rate. The miner typically seeks to avoid price cuts because its outsize influence on the market means such a move can hit overall sentiment. Instead, the unit of Anglo American Plc has been selling discounted stones in secret sales, while keeping official prices well above the going rate for some categories. The firm's prolonged effort to hold the line came to an end in July, when it made sweeping cuts to the prices charged for nearly all the categories of diamonds it sells, according to a Bloomberg report. Pricing is now much closer to the secondary market, where traders, cutters and polishers sell to each other. De Beers' prices had been between 5% and 50% higher, depending on the category of stones.
- Supply of **REE's** from outside China has grown from almost zero 15 years ago to nearly a third of world output. For example, Japan buys from Lynas and is also funding a French-Malaysian project that may produce 20% of the world's heavy rare earths along with a Solvay plant in France. China has almost stopped selling Japan four rare metals, tungsten, yttrium, dysprosium and terbium, following further disagreement over Taiwan. China sent no gallium, dysprosium, terbium or yttrium to Japan in June.
- China's Ministry of Commerce announced that it had banned any further shipment to 14 companies in the European Union of **"dual-use" materials** or products (items that China describes as potentially having both military and civilian applications). China imposed tariffs on Rheinmetall, Germany's largest defence contractor, as part of its retaliation over Europe's measures against Chinese and Hong Kong companies accused of helping Russia's war effort against Ukraine.
- China's shipments of **rare-earth magnets** to the US remain well below pre-trade war levels despite last year's truce, underscoring concerns in the Trump administration about Beijing's adherence to that agreement. Customs data show US-bound exports of the crucial industrial components in the first half were about 20% below the average level seen between 2022 and 2024, before Beijing tightened supplies in response to Trump's tariff war.
- China's **rare earth** export curbs could put US$6.5 trillion of downstream production outside the country at risk each year if fully implemented, the International Energy Agency warned. To address those weaknesses, the IEA argued that countries should work multilaterally to stockpile 11 "high-risk" materials. That would require an initial purchase of US$9.2 billion and with a net annual cost of US$900 million, the agency said. Investments by the US and Malaysia in rare earth refining helped reduce China's share of supply from 90% to 85%, which could fall to 70% by 2035 "if planned projects come online as scheduled."
- Indonesia's Ministry of Energy and Mineral Resources announced on July 10 that it would not broadly increase the 2026 national **nickel** mining quota, allowing exceptions only for domestic smelters facing immediate feedstock shortages. The decision reversed market expectations that additional supply would enter the market, supporting nickel prices by reducing the risk of oversupply.
- Some Fortescue **iron ore** cargoes due in China were held up. The impasse marked the latest clash between major overseas miners and CMRG, which was established to strengthen China's iron ore purchasing power. The state-backed iron ore buyer then expanded its curbs on Fortescue Ltd.'s iron ore to include new purchases of its Super Special Fines product and not just portside inventories, escalating its dispute with the company. BHP Group was locked in a months-long standoff with CMRG before reaching an agreement in April.
- Rio Tinto's flagship **iron ore** division is spending more to produce each tonne of the steelmaking ingredient, including a $180 million hit from higher diesel prices in the last quarter.

- Workers at BHP's Port Hedland **iron ore** operations in Western Australia initiated historic strike action, marking the first major industrial disruption in the Pilbara's iron ore sector in over 25 years. The company reported a 3% drop in its **iron ore** and 5% drop in **copper** output for June quarter.
- A recent agreement between **India and Australia** on critical minerals and energy flows is expected to strengthen copper trade between the countries, market participants and industry experts told Platts. The countries finalized administrative arrangements to enable Australian uranium exports to India while expanding cooperation on critical minerals, renewable energy, electrification, and secure flows of coal, LNG, and liquid fuels.

**Energy**

- Global **oil prices** experienced their largest one-day percentage jump since May 2020 on July 13th, driven by re-escalating Middle East tensions and U.S.-Iran hostilities. Brent crude surged over $100/bbl for the first time since mid June, after attacks by Iran-backed Houthis on Saudi tankers in the Red Sea threatened global oil supplies further.
- US **petroleum reserve** stocks had fallen by a total of 164 million barrels since March 20 compared with an average seasonal accumulation of 48 million barrels in the previous ten years.
- Bloomberg reported that a glut of **Iranian oil** had built up at sea as the Islamic Republic struggled to find buyers before the expiry of a 60-day window granted by Washington. As of July 1st, with the lifting (at least temporarily) of sanctions by the US, there were more than 58 million barrels of **Iranian oil** on the water, 90% of which had no clear destination.
- **Saudi Arabia** took the unusual step of selling millions of barrels of **oil** on an ad-hoc basis to customers in Asia, illustrating the complex task of restoring flows throttled by the Iran war.
- Russia banned exports of **diesel**, causing the premium of benchmark diesel futures to crude in Europe to hit the highest level in over 15 years. Russia was until recently the world's second biggest exporter of diesel. However Ukrainian drone strikes have disabled about 25% of Russia's refining capacity. In 2022, Russia's oil refinery complex consumed 5.1 million bbls of oil per day, compared to 2.8 million barels per day in the latest data. Russia now produces only about two thirds of domestic fuel demand. Russia has said it will now start importing fuel.
- Conversely, **China** lifted its ban on exports of refined oil products. In June, Chinese oil imports were estimated at only 6.4 million barrels, compared to 12.1 million barrels in the same month of 2025. China held an estimated 1.3 billion barrels in its strategic oil reserve before the Iran war.
- OPEC lowered its forecast for world **oil demand** growth in 2026 to 780,000 barrels per day, marking the third straight downward revision.
- The IEA's July report estimated that global **oil supply** increased 4.1mb/d in June, still 9.4mb/d below pre-war levels, with total supply now projected to decline 3.7mb/d to average 102.6mb/d in 2026 before rebounding by 7.5mb/d in 2027. Global oil demand is forecast to contract by 1mb/d y/y in 2026, before growing by 2mb/d to 105.2mb/d in 2027.
- The resumption of hostilities in between US and Iran started to feed through to higher **spot LNG** prices, which rose to $18.00 per mmBtu in the week to July 10, up from $16.40 the previous week.
- Europe's **LNG** imports have dropped as refilling of European natural gas inventories falls well behind schedule, with data reported by Reuters showing a storage deficit of 158 terawatt hours by July 7, about 22% wider than the 10-year seasonal average.

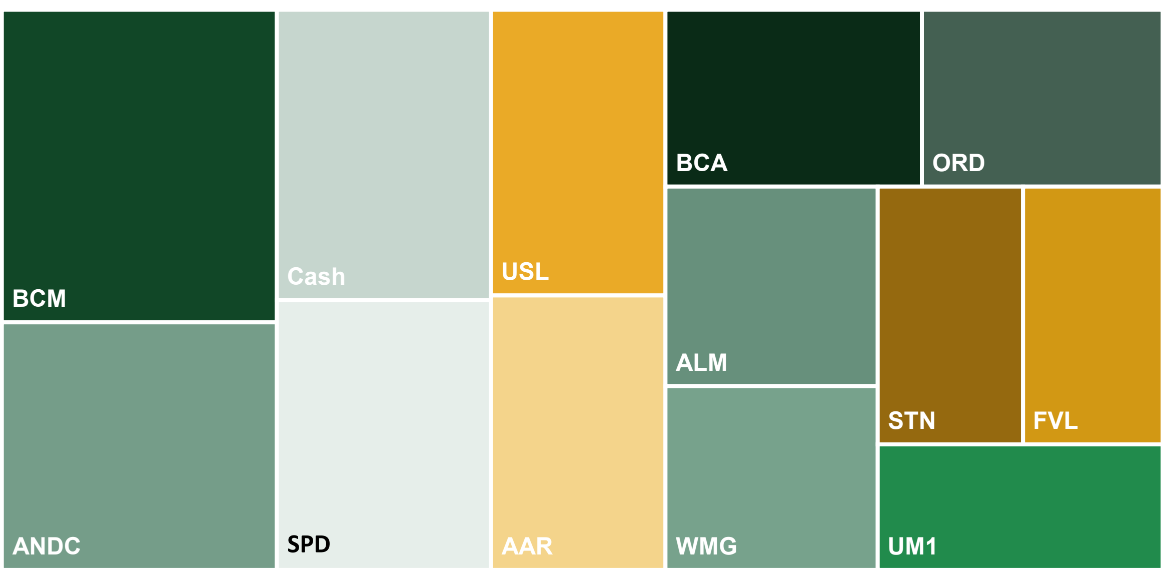
**Uranium**

- Cameco announced that it had suspended operations at Cigar Lake **uranium** mine due to a shortage of acid at the Orano McLean Lake Mill. There was an operational issue with the mill's acid plant and Orano is currently working to rectify the problem and assessing alternative sources of acid. Cameco expected the McClean Lake mill to return to operation in approximately two weeks, and at this stage does not expect the disruption to impact the company's 2026 production outlook. However, there is a risk that the repairs to the acid plant take longer than planned and that mining at Cigar Lake is unable to resume on the expected schedule. Depending on the duration of any additional delays, Cameco's 2026 production outlook could be impacted. Cameco was expecting to produce between 19.5 to 21.5Mlb of **uranium** from its Canadian operations in 2026 – so overall production may reduce by ~1.5Mlb and leave Cameco at the lower end of guidance. Cameco has sales commitments that are in excess of production, so lower production will result in either further inventory drawdowns, uranium loans from customers, or purchases in the spot market.
- US **uranium** activity reached their highest levels in almost a decade last year, pointing to a broader industry recovery. Production more than tripled last year to 2.1 million lb. of uranium oxide, the Energy Information Administration (EIA) said. The last time a comparable total was produced was in 2016, when domestic sites mined 2.5 million pounds.
- Shaws reported that some **uranium** market contracts are being signed with ceilings in the US$150-$160/lb range, and quoted industry sources that fuel buyers are prepared to offer fixed price contracts well above US$100/lb.
- India's largest power producer, NTPC Ltd., is seeking to invest in overseas **uranium** mines to secure supplies for 30 gigawatts of nuclear power capacity. NTPC issued a tender to appoint consultants to help identify potential assets in uranium-mining countries including Canada, Australia, Kazakhstan and South Africa. The search for uranium is part of India's ambition to grow atomic power capacity more than elevenfold by 2047.
- **China's nuclear** capacity is set to rise 40% to over 100GW by 2030 on a committed reactor pipeline (Bloomberg). Nuclear power could supply 22% of China's electricity by 2045, up from 5% today. Chinese uranium demand is expected to reach c.40ktpa by 2040, with imports covering over 70% of needs.
- **Italy's** parliament's lower house approved a new framework law empowering Rome to draft new rules for domestic **nuclear power** production through small modular reactors.
- Bloomberg rreproted **Brazil** plans to open its **uranium** mining sector to private investment by allowing partnerships with companies, provided the state-owned nuclear company retains at least a 20% stake in each venture, according to a draft regulation.
- Lotus Resources conducted a deeply discounted rights issue after its Kayelekera uranium mine in Namibia suffered from **acid shortages** due to the Gulf conflict.

# What is the Lowell Resources Fund? (ASX: LRT)

ASX-listed Lowell Resources Fund is focused on generating strong absolute returns from the junior resources sector. Our team of fund managers has many years of experience in this high risk, high reward sector. Lowell Resources Fund Management (LRFM) manages the portfolio of exploration and development companies operating in precious and base metals, specialty metals and the oil and gas space. LRFM has a successful 20-plus year track record managing LRT. An investment in LRT provides investors with exposure to an actively-managed portfolio focused squarely on one of the most rewarding sectors of the Australian, as well as global, share market.

**LRT Holdings by Value**
**31 July 2026**



# Characteristics of the Fund

Number of Investments: 76

Unlisted Investments by value: 6.6%

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|---|---|
| Nature of Fund | Long only, absolute return fund |
| Investee companies | Junior resource companies, including gold, base and specialty metals, and energy |
| Investment type | Focus on global listed and unlisted resource equities |
| Distribution policy | 100% of taxable profits distributed annually |

## WARNING



## DISCLAIMER



This release has been approved by the Responsible Entity's Board of Directors