

Zeta Resources Limited is a closed end investment company, listed on the Australian Securities Exchange

SEPTEMBER 2019

Zeta Resources Limited

OBJECTIVE:

To maximise total returns for shareholders by identifying and investing in resource companies and assets where the underlying value is not reflected in the market price.

INVESTMENT APPROACH:

Zeta is focused on making both direct and indirect investments in resources projects and mining companies. Zeta invests in a range of resources entities, including those focused on nickel, gold, copper, oil & gas, bauxite, graphite and base metals exploration and production.

KEY DATES

| | |
|-------------|--------------|
| Launch Date | 12 June 2013 |
| Year End | 30 June |
| AGM Date | TBA |

PERFORMANCE



PERFORMANCE (Total return including dividends)

| | 1 month | 3 months | 1 year | Inception |
|-----------------------|---------|----------|---------|-----------|
| Share Price | 3.1% | (5.6%) | (20.2%) | (23.9%)* |
| Net Tangible Assets** | (6.2%) | 9.4% | (23.8%) | (43.5%) |

* Performance since shares first traded at A\$0.44 on 14 June 2013

** Historic NTAs adjusted for the Feb 2014 entitlement issue

FUND DETAILS

ORDINARY SHARES

Ticker: ZER:ASX

| | |
|--|-------------|
| Share Price at launch of Zeta Resources Limited* | A\$0.44 |
| Share Price at Month End | A\$0.335 |
| NTA at Month End | A\$0.389 |
| Discount to NTA | 13.9% |
| Historic Dividend Yield | 0.0% |
| Shares on issue | 287,713,076 |

*Shares first traded at A\$0.44 on 14 June 2013

CAPITAL STRUCTURE

| | |
|---------------------------------------|-----------|
| Gross Assets less Current Liabilities | A\$183.8m |
| Bank and other Debt | A\$71.9m |
| Shareholders' Funds | A\$111.9m |

BOARD

Peter Sullivan
Martin Botha
Xi Xi

ICM TEAM

Directors:
Duncan Saville, Alasdair Younie
Investment Management Team:
Dugald Morrison, Eduardo Greca, Tristan Kingcott

INVESTMENT MANAGER

Zeta Resources Limited is managed by ICM Limited. ICM currently manages over US\$2.3bn in funds directly and is responsible indirectly for a further US\$16.8bn of assets in subsidiary investments.

www.icm.limited

INVESTMENT ADVISER FEE

0.5%

ADMINISTRATION FEE

0.12% (minimum A\$50k)

PERFORMANCE FEE

15% of the outperformance over benchmark subject to "high water" mark

SIGNIFICANT AND LONG-TERM INVESTMENTS IN KEY COMMODITY COMPANIES

PERFORMANCE

Zeta's NTA per share decreased in September, declining 6.2% from A\$0.414 to A\$0.389. The decrease during the month was due to decreases in the share prices of Resolute Mining and Panoramic Resources, tempered by a rise in the share price of GME Resources.

PORTFOLIO

The share price of Panoramic Resources was down during September, declining 3 cents to A\$0.30. Copper Mountain Mining's share price was up 1 cent to C\$0.67. Resolute Mining's share price fell 26 cents to A\$1.41. GME Resources' share price was up 0.9 cents to A\$0.06.

DEBT

At month-end Zeta had A\$71.3m in net debt (August: A\$58.8m).

OTHER

Zeta's share price closed end of September at A\$0.335, a discount to NTA of 13.9%. At the end of August, the discount to NTA was 21.6%.

In September 2018, Zeta commenced an on-market buy-back programme for up to 10 million ordinary shares. At the end of September 2019, 807,948 shares had been bought back since the start of the programme, at an average share price of A\$0.37. The buyback was renewed in September 2019.

At Zeta's request, the company's shares were suspended from quotation on ASX on 27 September due to a difference of opinion with its auditors in relation to the methodology of obtaining fair value for its unlisted equity investments. Zeta expects that the suspension will continue until its statutory accounts are released to the market.

COMMODITY & CURRENCY MARKETS

| | | August | September | Movement |
|----------------------|----------|--------|-----------|----------|
| Gold (London PM fix) | US\$/oz | 1,528 | 1,485 | ↓ 2.8% |
| Oil | US\$/bbl | 60.53 | 59.43 | ↓ 1.8% |
| Aluminium | US\$/lb | 0.777 | 0.772 | ↓ 0.6% |
| Nickel | US\$/lb | 8.10 | 7.97 | ↓ 1.6% |
| Copper | US\$/lb | 2.58 | 2.60 | ↑ 0.9% |
| AUD/USD | | 0.6736 | 0.6761 | ↑ 0.4% |
| CAD/USD | | 0.7530 | 0.7556 | ↑ 0.3% |

PORTFOLIO SUMMARY

| TOP SIX HOLDINGS | % of gross assets |
|--------------------------------|-------------------|
| 1. Panoramic Resources | 35.5% |
| 2. Alliance Mining Commodities | 25.3% |
| 3. Copper Mountain Mining | 12.4% |
| 4. GME Resources | 6.4% |
| 5. Resolute Mining | 5.6% |
| 6. Seacrest | 3.6% |
| Total Top Six | 88.8% |

SECTOR SPLIT OF INVESTMENTS

| | |
|-----------|-------|
| Nickel | 30.7% |
| Bauxite | 25.3% |
| Copper | 17.3% |
| Gold | 11.9% |
| Cobalt | 5.2% |
| Oil & Gas | 4.8% |
| Graphite | 2.1% |
| Other | 1.9% |
| Cash | 0.8% |

GEOGRAPHICAL FOCUS OF INVESTMENTS*

| | |
|-----------|-------|
| Australia | 51.0% |
| Guinea | 25.3% |
| Canada | 13.0% |
| Mali | 3.4% |
| Namibia | 2.1% |
| Sri Lanka | 2.1% |
| UK | 1.4% |
| Other | 1.7% |

*Based on segmental revenues of operating entities

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Important Notes

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