

SIGNIFICANT INVESTMENTS IN KEY COMMODITY COMPANIES

# Delivering long-term value in the resource sector

AUGUST 2022

## Zeta Resources Limited

Closed-end investment company, listed on the Australian Securities Exchange

**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.

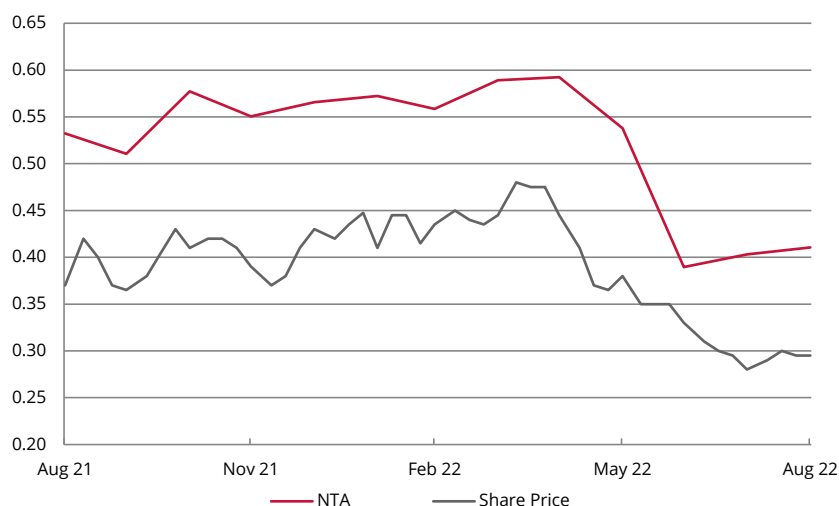
**INVESTMENT APPROACH:**

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 bauxite, gold, copper, nickel, graphite, oil & gas and base metals exploration and production.

**KEY DATES**

Launch Date	12 June 2013
Year End	30 June
AGM Date	November

**PERFORMANCE**



**PERFORMANCE** (Total return including dividends)

	1 month	3 months	1 year	3 years	5 years	Inception*
Share Price**	5.4%	(22.4%)	(20.3%)	(9.2%)	(22.4%)	(14.5%)
Net Tangible Assets**	1.9%	(23.7%)	(22.9%)	23.6%	(3.1%)	(12.4%)

**ROLLING 12 MONTH PERFORMANCE** (Total return including dividends)

	Aug 22	Aug 21	Aug 20	Aug 19	Aug 18
Share Price**	(20.3%)	76.2%	(35.4%)	(5.8%)	(9.2%)
Net Tangible Assets**	(22.9%)	99.7%	(19.7%)	(33.1%)	17.3%

\* Performance since shares first traded on 14 June 2013

\*\* Historic figures adjusted for the Feb 2014 entitlement issue and the Sep 2020 bonus option issue

**FUND DETAILS**

ORDINARY SHARES	Ticker: ZER:ASX
Share price at launch of Zeta Resources Limited*	A\$0.35
Share price at month end	A\$0.30
NTA at month end	A\$0.41
Discount to NTA	28.2%
Historic dividend yield	0.0%
Shares on issue	564,931,758

\*Adjusted for bonus and entitlement issues; shares first traded at A\$0.44 on 14 June 2013

**CAPITAL STRUCTURE**

Gross Assets less Current Liabilities	A\$269.8m
Bank and other Debt	A\$37.9m
Shareholders' Funds	A\$231.9m

**BOARD**

Peter Sullivan (Chair)  
Martin Botha  
André Liebenberg  
Xi Xi

**ICM TEAM**

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

**INVESTMENT MANAGER**

Zeta Resources Limited is managed by ICM Limited. ICM currently manages over US\$2.1bn in funds directly and is responsible indirectly for a further US\$22.1bn of assets in subsidiary investments.

[www.icm.limited](http://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

## PORTFOLIO

The share price of Panoramic Resources was up 13.2% in August, rising 2.5 cents to A\$0.215. GME Resources was up 20%, climbing 2 cents to A\$0.12. Copper Mountain's share price was down 8.4% during the month, falling 15 cents to C\$1.46.

## PERFORMANCE

Zeta's NTA per share was up 1.9% in August to A\$0.41. The increase in the share prices of Panoramic Resources and GME Resources during the month was partially offset by declines in the price of Copper Mountain and Horizon Gold.

During the month the prices of most of Zeta's key commodities were volatile, with most exiting August close down slightly from where they started. Oil, nickel, and aluminium were the largest movers, down 8.0%, 3.6%, and 3.4%, respectively.

## COMMODITY & CURRENCY MARKETS

		July	August	Movement
Gold (London PM fix)	US\$/oz	1,753	1,716	↓ 2.1%
Oil (Brent)	US\$/bbl	103.97	95.64	↓ 8.0%
Aluminium	US\$/lb	1.11	1.07	↓ 3.4%
Nickel	US\$/lb	10.00	9.64	↓ 3.6%
Copper	US\$/lb	3.54	3.5	↓ 1.0%
AUD/USD		0.6978	0.6856	↓ 1.8%
CAD/USD		0.7804	0.7636	↓ 2.2%

## OTHER

Zeta's share price closed the end of August at A\$0.30, a discount to NTA of 28.2%. At the end of July, the share price was at a discount to NTA of 30.5%.

In September 2018, Zeta commenced an on-market buy-back programme for up to 10 million ordinary shares. At the end of August 2022, 2,564,479 shares had been bought back since the start of the programme, at an average share price of A\$0.35.

## DEBT

At month-end Zeta had A\$37.8m in net debt (July: A\$39.5m).

## PORTFOLIO SUMMARY

	% of gross assets
<b>TOP SIX HOLDINGS</b>	
1. Alliance Mining Commodities	28.9%
2. Copper Mountain Mining	21.4%
3. Panoramic Resources	19.0%
4. Horizon Gold	11.7%
5. GME Resources	11.3%
6. Margosa Graphite	3.6%
<b>Total Top Six</b>	<b>95.9%</b>

## SECTOR SPLIT OF INVESTMENTS

Bauxite	28.9%
Nickel	23.6%
Copper	20.7%
Gold	14.0%
Cobalt	4.5%
Graphite	3.6%
Other	3.5%
Cash	1.2%

## GEOGRAPHICAL FOCUS OF INVESTMENTS\*

Australia	47.1%
Guinea	28.9%
Canada	20.0%
Sri Lanka	3.6%
Other	0.4%

\*Based on segmental revenues of operating entities

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## Important Notes

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