

Collins St Special Situation Fund No.2

Global Gold and Precious Metals

COLLINS ST
ASSET MANAGEMENT

March 2025 Investment Update

Inception April 2023

Unit Price: \$1.4279 (28.02.25)

How the Fund performed

The early months of 2025 have seen exceptional returns for the price of gold, with gold trading higher by over US\$300/oz at approximately US\$2,900/oz.

Similarly, strong share price appreciation was recorded in many of our underlying holdings with some of the highlights including:

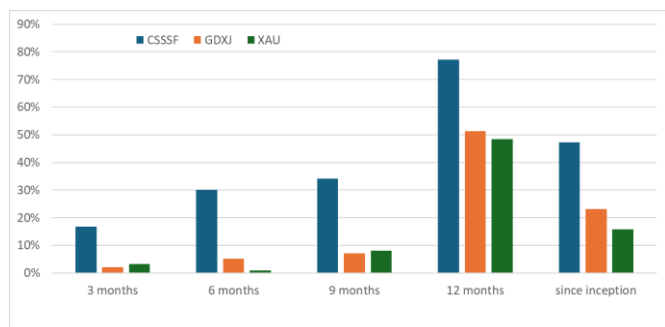
- Northern Star (ASX:NST): +11%
- Ramelius Resources (ASX:RMS): 27%
- Black Cat Syndicate (ASX:BC8): 46%
- Catalyst Metals (ASX:CYL): 58%

Reflecting the higher gold prices, most of the companies within the portfolio reported strong results in their reports on the first half of Financial Year 2025.

Common themes from companies included:

- Margins were higher as All In Sustainable Costs (AISC) remained generally in line with expectations, aided by lower energy costs and the benefits of economies of scale.
- Corporate activity continued apace, with several companies announcing intentions to merge, engage in acquisitions or be taken over. Anecdotally, more off take agreements are being entered into within the sector, reflecting strong sentiment by participants.
- Global stockpiles (among gold companies) continue to climb, suggesting that management anticipate higher prices in the future.
- Historic challenges in obtaining finance has to this point impacted the supply of gold, maintaining a subdued supply despite recent increases in demand.

Fund Returns compared to ASX All Ordinaries and GDJ



Outlook for 2025

Many of the factors that we identified in 2022 and 2023 which lead to the launch of the Global Gold Fund (Collins St Special Situation Fund No.2) have strengthened in the last two years.

- Under investment in new development projects remains a prevailing problem for the industry. Recent activity within the sector suggests that many of the larger participants in the market are looking to grow their development projects by acquiring smaller peers.
- A continued shift away from reliance on the US dollar has seen some central banks around the world increase the pace of gold purchasing. Recent reports out of China suggest that the government have instructed several insurance companies to purchase gold as part of their reserves.
- Despite some impressive recent returns from several gold companies, the difference between what one would expect gold share prices to do in the face of current gold prices and what has transpired to date has become as wide as we've seen in a very long time. Given the potential profits gold companies at current prices, share prices reflect a much lower gold price with many high-quality gold companies trading on a single digit PE multiple.
- Global unrest continues to persist. Governments across the western world continue to be at odds on the most effective way to end wars in Europe and the Middle East. Rhetoric persists that suggests trade wars may be at risk of escalating.

Significant Holdings

	Listed in	Projects	Stage
Black Cat Syndicate	Australia	Australia	Producer
Equinox Gold	New York	Canada	Producer
Catalyst Metals Limited	Australia	Australia	Producer
Aris Mining	New York	South America	Producer
Calibre Mining	Toronto	Canada	Producer

Key Features

Fund Name	Collins St Special Situation Fund No.2 ABN 32 625 732 270
Trustee	Collins St Asset Management Pty Ltd ACN 601 897 974 ASFL 468935
Custodian	Bell Potter Securities
Registry/Unit Pricing	Apex Fund Services (Australia) Pty Ltd
Auditors	Pitcher Partners
Fund Inception Date	April 2023
Investment Objective	The Fund seeks to generate opportunistic investment returns over the investment term.
Investment Strategy	The Fund invests in a concentrated portfolio of gold and precious metal securities of listed companies globally. It focuses on companies that have been identified as trading at a significant discount to CSAM's assessment of intrinsic value.
Benchmark	Index unaware
Asset Class	Global securities and cash (no derivatives).
Leverage	None
Minimum subscription	\$250,000, or as otherwise determined by the Trustee.
Investment Term	The Fund is closed-ended with an investment term expected to end in May 2027, as the Trustee expects to implement a one-year extension to the initial three-year term as is its discretion under the terms of the Trust Deed. The Fund may be wound up earlier at the Trustee's discretion, or a further extension may be offered to investors, together with a liquidity option.
Distribution Frequency	Annually (reinvested)
Entry Fee	A 2% entry fee (rebated from future performance fees).
Buy/Sell Spread	Nil
Applications/Redemptions	Nil
Management Fee	No ongoing management fee.
Performance Fee	25% of performance.

Important Notice

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