LOWELL RESOURCES FUNDS MANAGEMENT

MONTHLY UPDATE

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

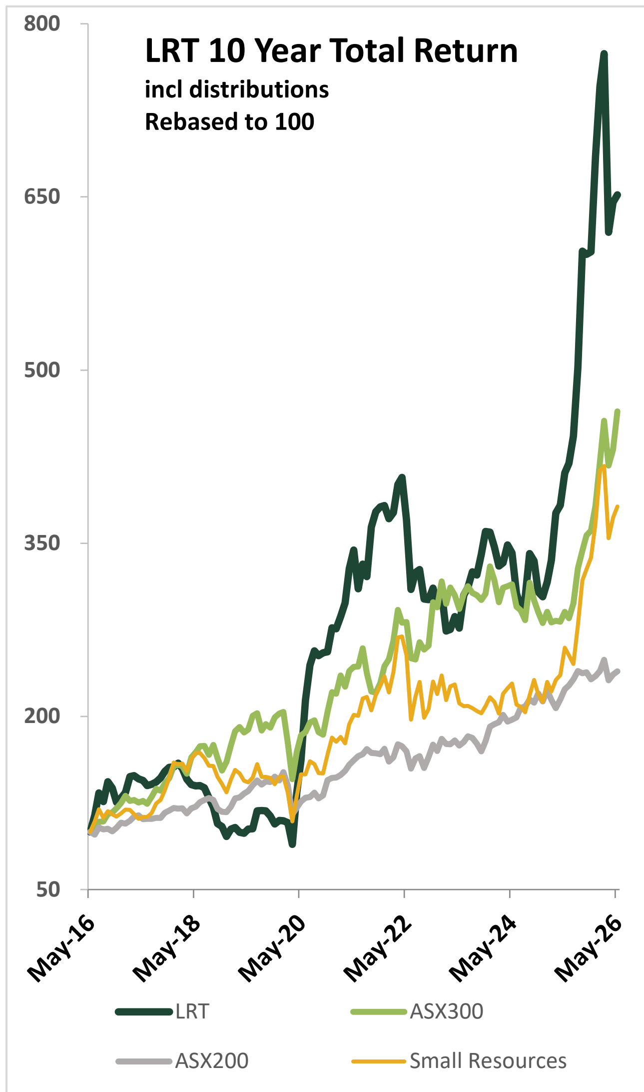
May 2026

May 2026 Performance Summary: Lowell Resources Fund (ASX: LRT)

The Lowell Resources Fund's estimated net asset value ('NAV') at the end of May 2026 was approximately $113.0m, compared to AUD$111.9m at the end of April 2026.

The NAV per unit finished the month of May at $2.7184 vs $2.6918 at 30th April 2026, an increase of 1.0% over the month.

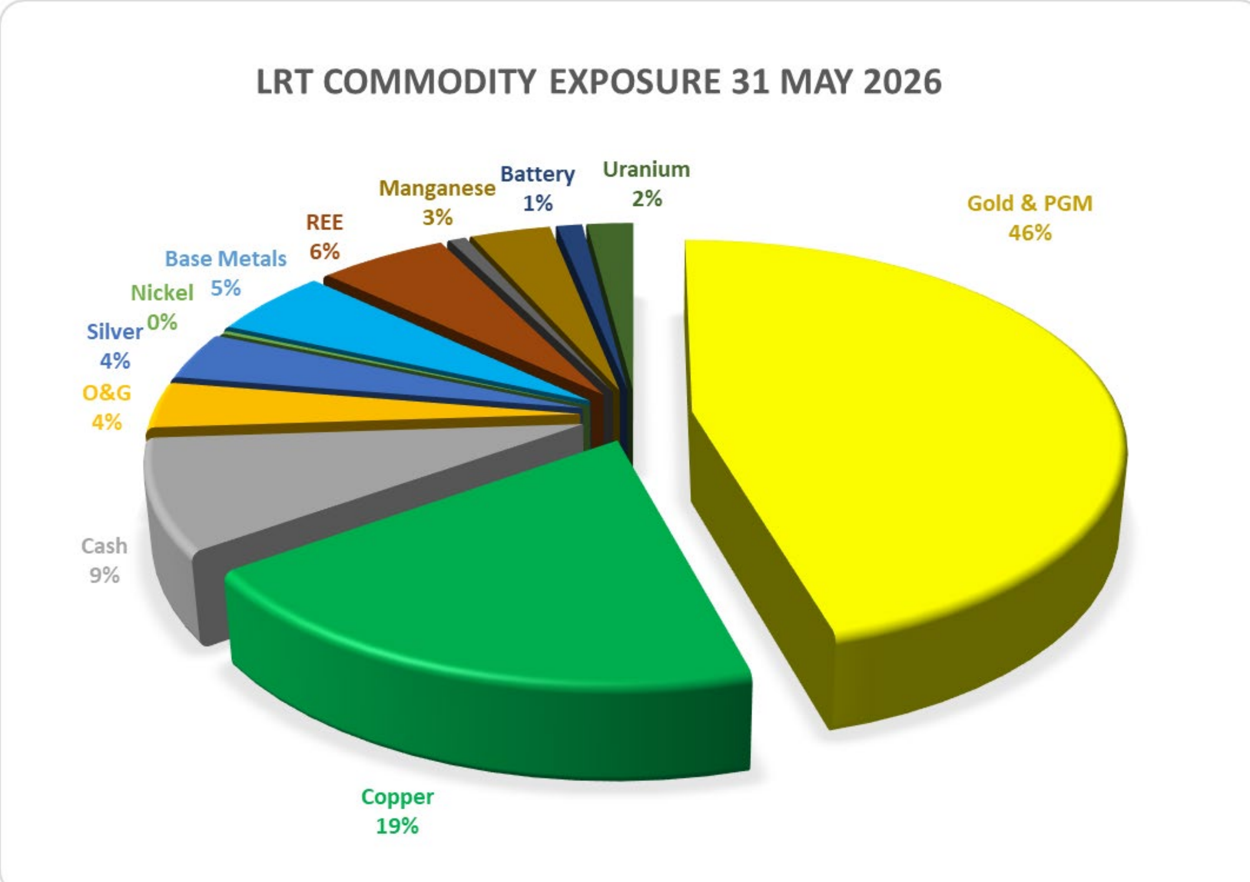
The last traded unit price of the ASX listed LRT units at month end was $2.34/unit.



Fund Top Performer

Mogotes Metals Inc. (Market Cap CAD$303m MOG.TSXV) share price rose 132% over the month of May.

MOG announced assays for the first 194 m of a 464 m deep hole at its Filo Sur project in Argentina, immediately along strike from BHP and Lundin Mining's Filo del Sol copper-gold-silver discovery. A zone starting from 108 m downhole intersected chalcopyrite – bornite – covellite bearing breccias, stockwork and disseminations returning assays of 86 m at 0.7% Cu, 0.55 g/t Au, 2.7 g/t Ag & 169 ppm Mo. Further results are awaited.



Fund Investment Actions – May 2026

In energy, the Fund increased its position in Canadian uranium explorer Geiger Energy.

In precious metals, the Fund added to its holdings in gold exploration, development and production through Ordell Minerals, Astral Resources, DeSoto Resources, Caprice Resources and Lefroy Exploration.

In other metals, the Fund increased its holding in copper companies Alma Metals, Enduro Metals, Hdrocarbon Dynamics (to be renamed Great Bear Exploration).

The Fund sold its positions in Rokeby Resources and Cooper Metals.

FUND SNAPSHOT 31st May 2026

NAV per unit	$2.7184	FY 25 Distribution paid	2.7 cents per unit
No. of Units on issue	41,557,135	Market Capitalisation	AUD $97.2m
Market Price (ASX)	$2.34/unit	Responsible Entity	Cremorne Capital Limited
Estimated NAV	AUD $113.0m	Fund Manager	Lowell Resources Funds Management Ltd

Fund Top Holdings

Andina Copper Corp (Market Cap C$341m ANDC.TSX) announced results from the northern-most drillhole at the Cobrasco Cu-Mo Project in Colombia, returning an intercept of 272m @ 0.50% Cu. In addition, the first 2 holes into the Piuquenes North target in Argentina, intersected visible copper sulphides in both holes, pending assays.

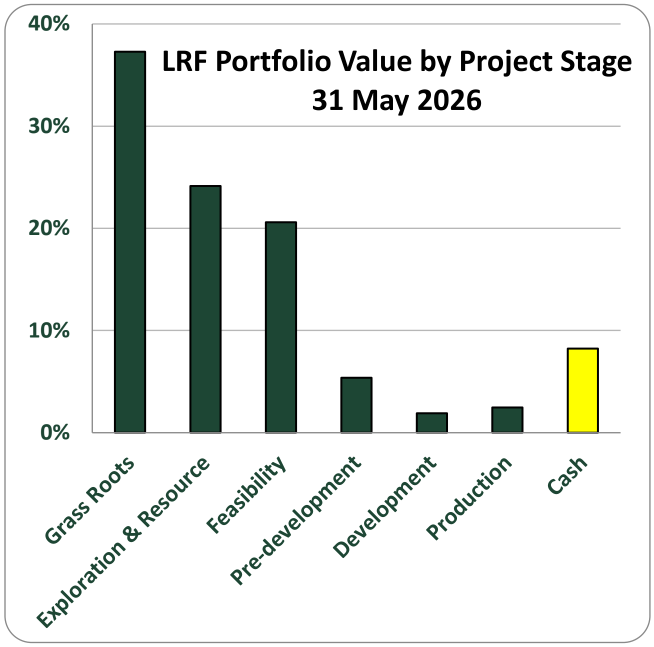
Black Canyon (Market Cap $62m BCA.ASX) announced metallurgical test-work on the Wandanya Manganese Project in northern WA, achieved recoveries of 73-82% from low to high-grade Mn blends using density-based heavy liquid separation. The first assays from the resource definition drill program confirmed that high-grade manganese and iron extends 300m north of previous drilling.

Saturn Metals (Market Cap $325m STN.ASX) announced the execution of an agreement with the traditional owners for the development of the Apollo Hill Gold Project (Resources of 137.1Mt @ 0.51g/t Au for 2.24Moz) in WA. The agreement supports the grant of the Mining Lease.

Astral Resources Ltd (Market Cap $252m AAR.ASX) released assays for the first hole of a deep diamond drilling program at the 1.4Moz Theia Gold Deposit, within the greater Mandilla Gold Project in WA (resource 61.6Mt @ 1.0g/t Au for 2.07Moz). The hole intersected 127.3m @ 1.20g/t Au from 352m and 81.5m @ 1.35g/t Au from 518m. Both intervals sit almost entirely outside the current Theia resource.

Ordell Minerals (Market Cap $44m ORD.ASX) announced the acquisition of new tenure adjacent to the Barimaia Gold Project in WA, which is interpreted to contain the NE strike continuation of the prospective gold-mineralised granodiorite intrusion.

Freegold Ventures (Market Cap C$682m FVL.TSX) returned further high-grade gold intercepts from the 50,000m infill drilling program at its Golden Summit Project in Alaska (2025 resource of 29.1Moz @ 1.1g/t Au), reporting 19m at 34g/t Au, 25m at 19g/t Au and 75m at 1.4g/t Au. This program is supporting the PFS, targeted for completion in 2027.



Company	Commodity	% of Gross Investments
Cash	Cash	8.2%
Andina Copper	Copper	5.4%
Kingfisher Metals	Gold-Copper	4.8%
Brazilian Critical Minerals	REE	4.6%
Black Canyon	Manganese	3.4%
Southern Palladium	PGM	3.3%
Saturn Metals	Gold	3.2%
Alma Metals	Copper	3.2%
Astral Resources	Gold	3.1%
Ordell Minerals	Gold	3.0%
Freegold Ventures	Gold	2.6%

Performance Comparison – May 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 20.6%pa. The Fund has outperformed its benchmark S&P/ASX Small Resources Accumulation Index (XSRAI), and the ASX 200 Index (Total Return) over one, two, three, five and ten years.

Total Portfolio Performance to 31 May 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	**59.3%**	47.1%	59.8%	6.9%
2 years p.a.	**40.0%**	29.2%	21.5%	10.1%
3 years p.a.	**34.5%**	21.8%	16.6%	11.0%
5 years p.a.	**14.0%**	13.6%	13.8%	8.1%
10 years p.a.	**20.6%**	14.3%	16.6%	9.1%
20 yrs pa. to 31 Dec 2025	**19.1%**			

The LRT ASX traded unit price at the end of May was $2.34/unit, compared to $2.17/unit at the end of April.

Market Notes

Economics

- **US consumer inflation** jumped to 3.8 per cent in April, its highest level in three years, as Trump's war in Iran triggered a surge in petrol prices that exacerbated cost of living pressures. The Bureau of Labor Statistics' **consumer price index** has risen sharply since the conflict began. It had already increased from 2.4 per cent in February to 3.3 per cent in March versus a year earlier.
- GDP data suggested the US economy's annualised growth is around 2%. However, the University of Michigan's US **consumer sentiment** index plunged to a record low in May, the third consecutive monthly decline.
- The US government sold 30-year debt at a 5 per cent yield for the first time since 2007 amid a new uptick in inflation, while yields hit 5.2% the highest since 2007. Official data showed **US wholesale inflation** had jumped to 6 per cent in April, its highest level since 2022.
- Trump pick Kevin Warsh was sworn in as chairman of the **US Federal Reserve**.
- In Japan, 10-year government yield pushed to 2.8%, the highest in about 30 years.
- The **Reserve Bank of Australia** raised the official cash rate by 25 basis points to 4.35%, marking the third consecutive increase. The decision was driven by rising inflation attributed to the Middle

East conflict-related fuel price hikes, and brought rates back to February 2025 levels. Subsequently it was reported that Australia's unemployment rate rose 0.2% to 4.5%.

- BHP noted that increasing **generalist capital** has been flowing into the mining sector as traders look for alternative exposure to the popular AI trade. Assets under management in mining exchange-traded funds more than doubled to US$87.4 billion by March 31 2026, from US$37 billion a year earlier, data compiled by research firm ETFGI for Reuters showed.
- On the other hand, Olivia Markham, managing director and portfolio manager at the $US14 trillion investment giant BlackRock described the mining sector as "largely financially irrelevant in financial markets". The sector accounts for just 2 per cent of the **MSCI All Countries World Index**, the benchmark that captures the broadest swathe of global equity markets.
- It was reported that an estimated 26 vessels, including tankers and commercial cargo ships, transited the **Strait of Hormuz** on 21 May, with all passages coordinated and secured by the Islamic Revolutionary Guard Corps (IRGC) Navy. That level of traffic represented a fraction (roughly 3% to 5%) of the waterway's normal capacity.
- Elon Musk's SpaceX prospectus explicitly references **asteroid mining** and lunar rare earth extraction as future strategic imperatives.

Metals

- The People's Bank of China purchased 8.1t of **gold** in April, following up the 5t purchase in March and marking the 18th consecutive month of net purchases. Prior to the recent buying streak, Tether had been outpacing China for the last year.
- Narendra Modi asked Indians to hold off **gold** purchases for at least a year, to preserve foreign exchange reserves and ease pressure on the rupee. Gold is India's second highest import after oil.
- Russia sold a further 200,000 oz of **gold** in April, bringing total sovereign gold reserve sales to 27.9t in 2026.
- Uzbekistan, the world's 10th largest gold producer, resumed full scale **gold** exports in April after a half-year pause. The nation exported about US$1.5 billion of non-monetary gold in the first four months of the year. The country, which mines about 130 tons of gold a year, effectively stopped exports after September, while its central bank emerged as one of the world's biggest buyers of the precious metal.
- **Copper** saw its biggest weekly gain since early October hitting record highs, on rising hopes that an end to the Iran conflict was in sight. The red metal rallied for an eighth session to touch $14,196.50 a ton on the London Metal Exchange.
- **Copper** futures on New York's Comex jumped to a record, widening their premium over LME copper to more than $500 a ton amid expectations the US will impose tariffs on refined metal imports. The potential duties are luring refined copper into the US and draining supplies elsewhere.
- Mining.com reported that Trafigura Group moved to withdraw hundreds of millions of dollars of copper from London Metal Exchange warehouses as lucrative trading opportunities emerge in the US and China. Trafigura was reported to be the main party involved in orders to withdraw more than 51,000 tons of **copper** from LME warehouses in the US and Asia, the largest seen on the LME since 2013. Comex contracts have traded at a premium over the LME for most of the past year, due to the possibility that the Trump administration will impose tariffs on the metal.
- According to Bloomberg calculations, the **copper** stockpiles tracked by the LME, CME Group, and the Shanghai Futures Exchange would cover global supply for less than five days.

Metals

- A squeeze on Middle Eastern sulphur supplies has threatened the production outlook for some **copper** mines, compounding existing disruptions at other major sites around the world. Sulfur is used in processing about a sixth of global copper. In China, worsening raw material shortages at mines have started to affect refined metal output.
- Freeport delayed the ramp up at Grasberg by an additional year. Grasberg, which is one of the largest **copper** mines globally, is currently producing at 50-60% of nameplate capacity. Freeport had reported in April that Grasberg would return to full production in early 2027, but this has subsequently been pushed back to early 2028.
- Bloomberg reported Codelco fired an executive after internal audits overstated 2025 **copper** output. The 27kt correction implies 2025 production fell to its lowest level since 1998. According to Chile's statistical bureau, INE, Chile's copper output slumped 14% y/y in April to ~400kt, its lowest production total for the month of April in 23 years. This follows a disappointing Q1 as the country grapples with declining ore grade at aging mines, delayed expansion projects, operational disruptions, and rising costs
- **Spodumene** concentrate prices have rallied since mid-December and hit a more than 2-year high in May, although they still remain significantly lower than the record $6,110/t reached in November , 2022. Mineral Resources Ltd. will restart its Bald Hill **lithium** mine in Western Australia after an 18-month hiatus, betting that a rebound in prices of the battery material will support renewed production. Earlier in May, Core Lithium Ltd. restarted its Finniss project in the Northern Territory.
- Leading lithium producer SQM said "there is significant demand for **lithium** units in the market… we believe price will continue to increase in coming quarters," with SQM pointing to an expected +30% BESS demand growth in 2026. Global EV sales grew 6% to 1.6m units in April 2026 to bring global EV penetration rate to just under 20%. Meanwhile, grid-scale battery storage is growing at nearly twice the rate of EVs.
- The Democratic Republic of Congo's **lithium** miners could soon be required to triple royalty payments after the government approved the inclusion of several metals to its list of strategic minerals. **Tantalum, niobium, tungsten, uranium and rare earths** were added to the list of strategic minerals, which are subject to 10% royalties (instead of the usual 3.5% rate).
- Chinese **steel** production reported for Mar-26 was the lowest March level since 2020, while pig iron production was down 3% y/y.
- Western **tungsten** prices remained at all time highs with Rotterdam prices US$3,000.00 - 3,280/mtu**.** In contrast, there was a bifurcation between Chinese and Western tungsten prices: Chinese prices fell +30% to US$1,690/mtu after domestic mining quotas were re-issued earlier this year.
- A surge in supply of **bauxite** from Guinea since the end of the last wet season has seen the bauxite price fall back to cost curve support. The CM Group GBIX index is currently at US$67/t, although it has recent bounced of lows of US$62/t due to rising freight costs to China.
- Guinea's Minister of Mines and Geology announced plans to build five **alumina** refineries by 2030. Three projects — from Chinalco, SPIC, and SMB-Winning Consortium — are already under construction, with a combined planned capacity of 4.8 million mt. The Guinean government is currently in talks with Alcoa (CBG) for an additional alumina refinery project, as the country pushes to transition from a bauxite exporter to an alumina processor and move up the global aluminum value chain.

- **Aluminium** climbed to its highest level since March 2022, helped by a surge in withdrawals from LME warehouses — often seen as a last-resort source of supply, pointing to tightening conditions in the physical market. Aluminum Corp. of China Ltd., the country's largest state-owned producer of the metal, agreed to invest $1 billion in an alumina plant in Guinea to pave the way for more exports of raw materials to China.

Oil

- The FT reported that **global oil reserves** plunged at a record pace in April. Stockpiles of crude fell by nearly 200mn barrels, or 6.6mn barrels a day, estimated S&P Global Energy, even as higher prices triggered a collapse in demand of about 5mn b/d, the sharpest ever fall outside of the Covid-19 pandemic.
- "We may be entering the red zone [in relation to **oil supply**] in July or August if we don't see that there are some improvements in the [Strait of Hormuz] situation," IEA chief Fatih Birol cautioned.
- **US distillate** stocks fell to the lowest for the time of year for more two decades as closure of the Strait of Hormuz creates a worldwide shortage of diesel and similar fuels. Inventories were 19% (1.33 standard deviations) below the seasonal average on May 1st.
- The **oil market** will not normalize until 2027 if the disruption in the Strait of Hormuz persists past the middle of June, Saudi Aramco CEO Amin Nasser said. The biggest challenge facing the market is the disruption to the global tanker fleet, Nasser said. The fleet is "mixed up" with tankers in the wrong places, he said. The oil market will lose 100 million barrels of supply every week Hormuz is closed, the CEO said. The total net loss so far is 880 million barrels.
- **Saudi** Aramco said that its East-West pipeline sharply ramped up following the outbreak of hostilities to reach its maximum capacity of 7mb/d and support exports via Saudi Arabia's west coast
- The **United Arab Emirates**, which announced an exit from OPEC in April, will accelerate construction of a new oil pipeline to double its export capacity via the port of Fujairah by 2027, vastly expanding its ability to bypass the Strait of Hormuz. The existing Abu Dhabi Crude Oil Pipeline (ADCOP), also known as the Habshan-Fujairah pipeline, can carry up to 1.8 million barrels per day and has proved crucial as the UAE seeks to maximise exports from the Gulf of Oman coast, just outside the Strait. ADNOC also continued to load LNG onto tankers masking their location in the Persian Gulf.
- The Trump administration initially allowed a waiver that encouraged more **Russian crude** sales to lapse. The Treasury Secretary subsequently said his department would provide a new 30-day licence extending the waiver. The Russian rouble hit a 3 year high against the dollar on the back of energy exports and high interest rates.
- Morgan Stanley commodities strategist Martijn Rats estimated 75 per cent of the estimated 12.3 million barrels of **oil** lost each day due to the Iran war has been offset by a ramp-up in exports out of the US and declining imports into China.
- The Australian Federal Government announced $10 billion in its budget will be used in part to establish a permanent government-owned **reserve** of around a billion litres lifting the national stockpile by around 10 days for every type of **fuel**.

Gas & Coal

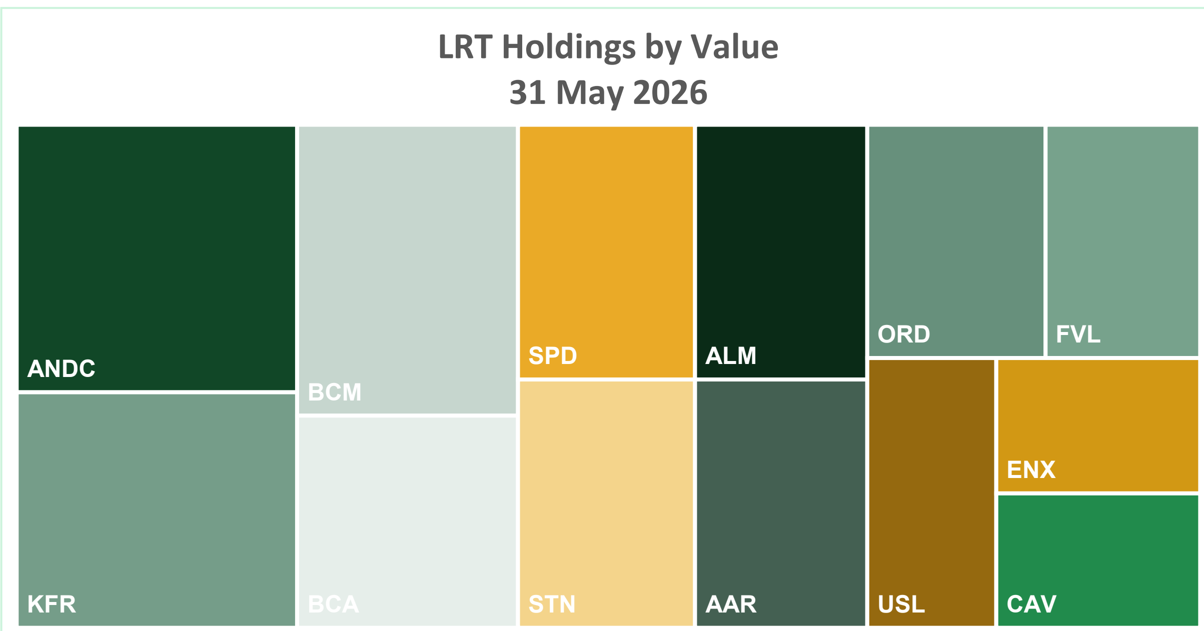
- The Albanese government said it will force **Australia's east coast gas** exporters to sell 20 per cent of their supplies directly to the domestic market, a major intervention that it says will drive down prices for consumers and industrial gas users. The reservation policy, which will come into effect in July 2027, will require Queensland's three main exporters to sell a fifth of any new gas they produce into the domestic market.
- Non-Australian oil and **gas** giants which have invested in **Queensland's** $80 billion LNG export sector could be saddled with individual obligations to supply local customers under the domestic gas reservation scheme proposed by the Albanese government. The prospect of foreign companies being forced to supply domestic gas has become a major point of contention for companies such as Korea Gas Corporation, China's Sinopec and France's TotalEnergies.
- Mitsui & Co. is looking to invest in liquefied **natural gas** projects across the Middle East, the US and Australia, its chief executive officer said, as the Japanese trading house positions itself to meet rising power demand from data centers worldwide
- **Norway** said it would reopen 3 North Sea **gasfields** shut down in 1998 as demand from Europe for alternatives to Russian and Middle Eastern supply increases. Gas will be exported to Germany and condensate to the UK. The Norwegian government will also offer 70 new blocks for exploration later this year.
- The ratio of US natural gas prices (Henry Hub) relative to WTI oil prices hit one of the lowest levels in history.
- China suffered its worst underground **coal** disaster in ~17 years, with an explosion killing +80 people, at the Liushenyu coal mine in the northern province of Shanxi. Whilst the mine was largely a coking coal mine that produced ~1mtpa, operations at 109 coal mines were halted as a result of the disaster, impacting 122Mtpa capacity, potentially forcing China to become more reliant on imports. As context, Australia produced ~460Mt of coal in 2024 vs China which produced 4.8Bt.

Uranium

- **India** is prepared to buy as much **uranium** as Canada's largest producer can sell, in a bid to meet the South Asian country's nuclear power ambitions, the High Commissioner to Canada said. India currently operates a fleet of 23 nuclear reactors which contribute about 3% to India's electricity generation. The country is still largely reliant on coal fired power stations, and although renewable penetration is increasing, decarbonisation of the grid will be difficult without nuclear. India currently has 8 reactors with a combined capacity of 6.6GW under construction. The planned growth in India's reactor fleet would take uranium demand from 5Mlb/yr to 50Mlb/yr. In addition, new reactors typically purchase 3 years of uranium supply up front. Even if India only achieves half of its nuclear growth plan, it will require an additional 60Mlb of uranium up front, and then 20Mlb/yr.
- **Kazatomprom** flagged that to meet fuel requirements for its proposed domestic nuclear energy program it will reserve 100kt and 150kt of **uranium** by 2040 and 2050 respectively. Even 100kt of uranium is about 4 years of current Kazatomprom production. At the upper end, 150kt is about 30% of all future planned production (before further investment).
- UxC reported that over the past five years western nuclear energy utilities have consumed about 815Mlb of **uranium** but only contracted about 589Mlb.
- In its quarterly report Cameco highlighted the rising level of uncovered **uranium** demand requirements from US and non-US utilities from 2027, and questioned from where the uranium supply to meet this demand is going to come. Cameco operations at Key Lake came back on to full operations just over two weeks after a flooding event took out a transport bridge, and the company has not changed its full year production guidance of 19.5 to 21.5Mlb of uranium production.
- Cameco is in the strange position that a rising spot **uranium** price is actually negative for its cashflow. Shaws estimated that a US$5/lb increase in the uranium price reduces Cameco's operating cash flow by C$16m. This is due to Cameco's sales commitments being above production rates, and spot uranium trading higher than Cameco's contract book. Cameco expects to have to purchase up to 11Mlb of uranium in CY26.
- TD Securites reported that **uranium** term contract prices (i.e. not spot) have risen to $93/lb from $90/lb, their highest prices since 2008.

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.



Characteristics of the Fund

Number of Investments: 79

Unlisted Investments by value: 6.0%

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

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