LOWELL RESOURCES
FUNDS MANAGEMENT

MONTHLY UPDATE

Lowell Resources Funds Management Ltd. ABN 36 006 769 982 AFSL 345674 | June 2026

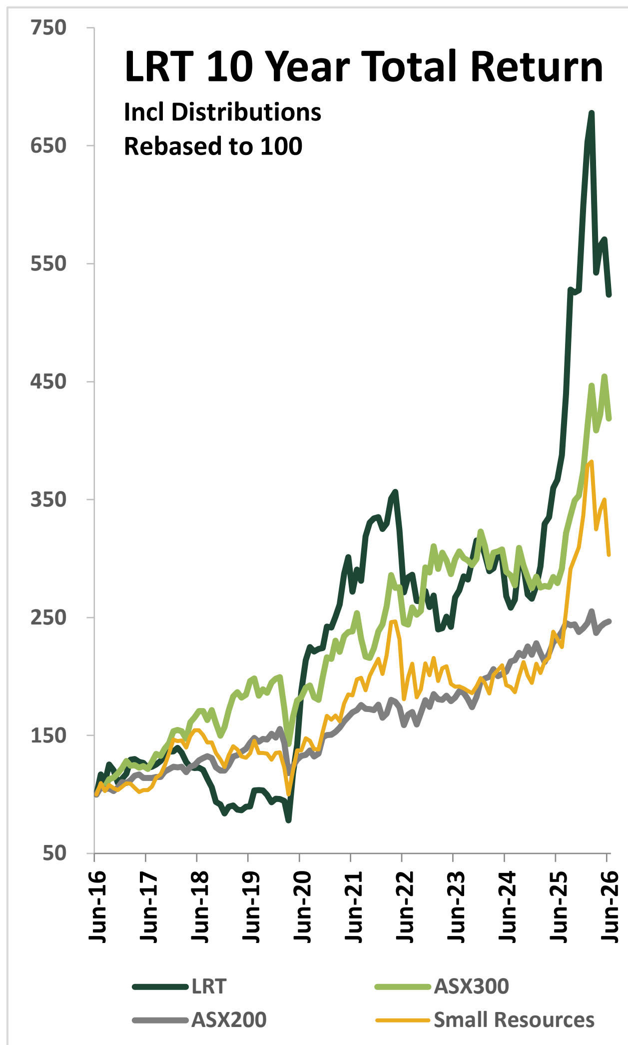
June 2026 Performance Summary: Lowell Resources Fund (ASX: LRT)

The Lowell Resources Fund's estimated net asset value ('NAV') at the end of June 2026 was approximately $105.5m, compared to AUD$113.0m at the end of May 2026.

The NAV per unit finished the month of June at $2.5375 vs $2.7184 at 31st May 2026, a decrease of 6.7% over the month.

The last traded unit price of the ASX listed LRT units at month end was $2.47/unit.

An estimated distribution of 14.32c per unit for FY 2026 was announced on 2 July 2025.

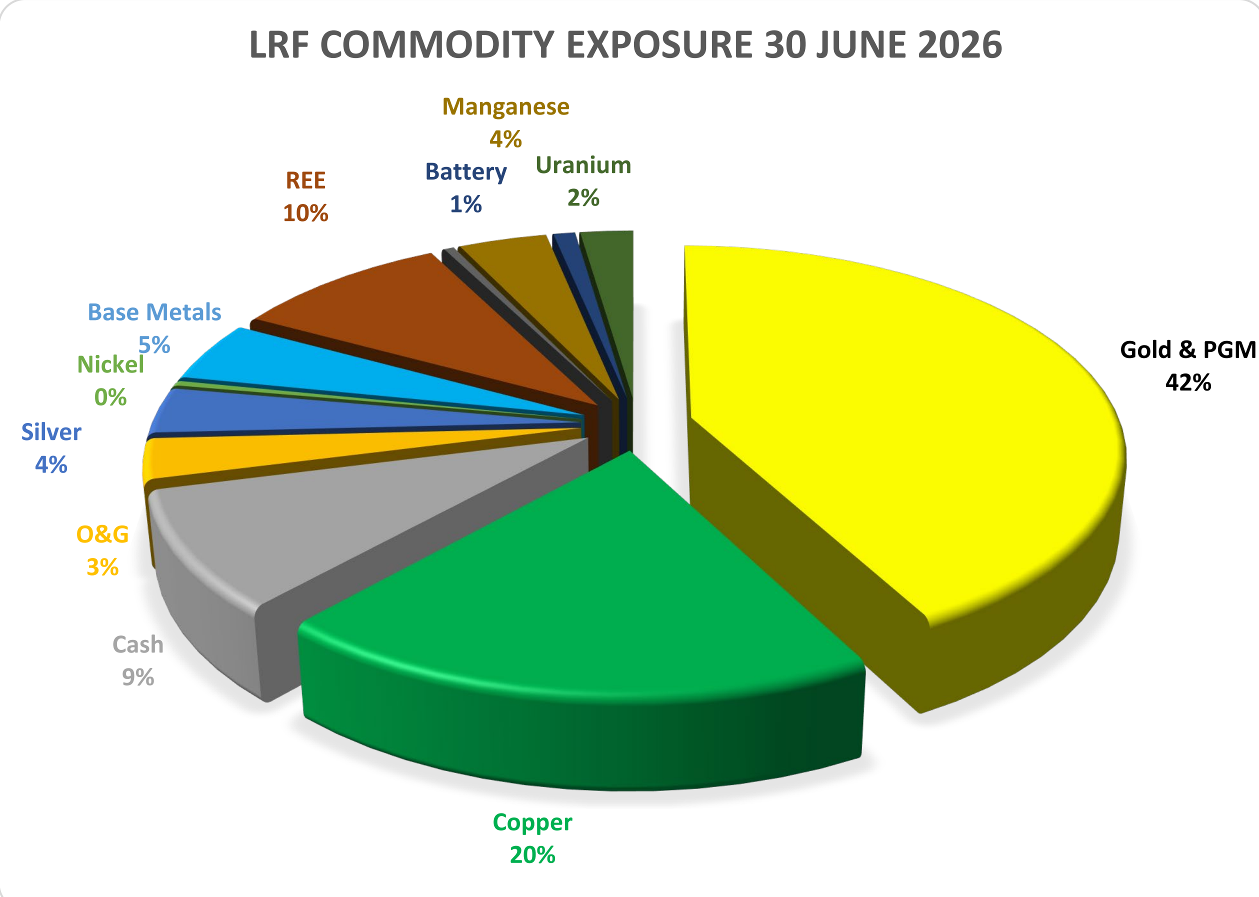


Fund Top Performer

Brazilian Critical Minerals (Market Cap $106m BCM.ASX) share price rose 45% over the month of June. The company released the results of a BFS at the Ema Rare Earth Project in Brazil, boasting a post-tax $NPV_{8\%}$ of US$1.47Bn with a Stage 1 CAPEX of US$74m, due to the low-cost In-Situ Recovery mining and processing method. FID is targeted for late 2026 with 109,500t TREO including 38,000t MREO (NdPrDyTb) expected to be produced over the 20yr forecast project life.

MONTHLY UPDATE June 2026

Lowell Resources Fund. (ASX: **LRT)**



Fund Investment Actions – June 2026

In energy, the Fund again added to its holdings in NW Shelf gas development company Equus Energy.

In precious metals, the Fund sold its shareholdings in Middle Island Resources and Piche Resources.

In other metals, the Fund increased its investment in Quebec copper developer XXIX Metal Corp and new NWT base metal explorer Great Bear Exploration, and sold its position in Arrow Minerals.

FUND SNAPSHOT 30th June 2026

NAV per unit	$2.5375	FY 26 Distribution est.	14.3 cents per unit
No. of Units on issue	41,557,135	Market Capitalisation	AUD $102.6m
Market Price (ASX)	$2.47/unit	Responsible Entity	Cremorne Capital Limited
Estimated NAV	AUD $105.5m	Fund Manager	Lowell Resources Funds Management Ltd

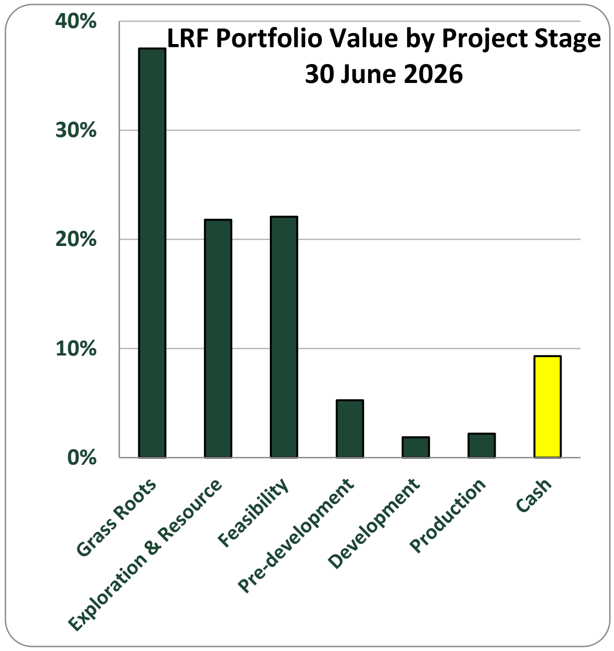
Fund Top Holdings

Andina Copper Corp (Market Cap C$314m ANDC.TSX) announced the extension of mineralisation to the northwest at the Cobrasco Cu-Mo Project in Colombia, returning an intersection of 502m @ 0.40% Cu, 73ppm Mo, 1.2g/t Ag including 186m @ 0.5% Cu, 22ppm Mo, 1.5g/t Ag from 38m.

Saturn Metals (Market Cap $257m STN.ASX) announced a 26% increase (590koz Au) in the mineral resource estimate at the Apollo Hill Gold Project in WA, which now stands at 174Mt @ 0.5g/t Au for 2.83Moz. This resource update will underpin the DFS and Ore Reserve upgrade both currently underway and targeted for release in late 2026.

Unico Silver (Market Cap $368m USL.ASX) commenced trading on the OTCQX, under ticker USLRF, in early June. The dual-listing aims to provide USL increased visibility and funding opportunities in the North American capital markets. The company also announced high-grade drill results outside the current MRE (45.3Mt @ 115g/t AgEq for 167Moz) at the Joaquin Project in Argentina. These results included 52m @ 378g/t AqEq from 185m including 8.5m @ 1,813g/t AgEq and 78m @ 137g/t AgEq from 91m including 10m @ 467g/t AgEq.

Astral Resources Ltd (Market Cap $207m AAR.ASX) released further assays from the 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). One hole returned a total intersection of 268.4m @ 0.70g/t Au from 356.9m including an interval of 22m @ 0.63g/t Au from 714m which is 350m below the base of the current pit outline. Another hole returned 199.9m @ 1.34g/t Au from 47.5m to a depth of 493m.



Company	Commodity	% of Gross Investments
Cash	Cash	9.3%
Brazilian Critical Minerals	BCM	7.2%
Kingfisher Metals	Gold-Copper	6.0%
Andina Copper	Copper	5.4%
Black Canyon	Manganese	3.7%
Alma Metals	Copper	2.7%
Saturn Metals	Gold	2.6%
Unico Silver	Silver	2.6%
Carnavale Resources	Gold	2.6%
Astral Resources	Gold	2.5%
Astral Resources	Gold	2.4%

Performance Comparison – June 2026

Over the past 12 months, the Lowell Resources Fund's change in underlying estimated net asset value per unit (inclusive of reinvested distributions, and after fees and expenses) was 45.2%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 30 June 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	**45.2%**	30.7%	50.0%	6.1%
2 years p.a.	**41.2%**	25.4%	20.4%	9.9%
3 years p.a.	**26.7%**	16.6%	11.8%	10.6%
5 years p.a.	**14.8%**	10.5%	11.9%	7.8%
10 years p.a.	**18.0%**	11.7%	15.4%	9.4%
20 yrs pa. to 30 June 2026	**17.5%**			

The LRT ASX traded unit price at the end of June was $2.47/unit, compared to $2.34/unit at the end of May.

Market Notes

Economics

- The **S&P 500** equity index closed out the second quarter of 2026 with a gain of 14.9%, marking its best quarterly performance since the same period in 2020. This historic second-quarter rally helped erase an initial -4.4% decline from the first quarter.
- US headline **consumer price index** rose to a three-year high of 4.2 per cent in May, up from 3.8% in April. This represented the third consecutive monthly acceleration in headline inflation, with energy costs jumping 23.5%, due to the energy shock triggered by the conflict with Iran.
- Total US nonfarm payroll **employment** increased by 172,000 in May, and the unemployment rate was unchanged at 4.3 percent, the U.S. Bureau of Labor said.
- The US Federal Reserve held its first meeting under Trump chair appointee Kevin Warsh, keeping **US interest rates** unchanged. Half of the committee penciled in hikes later in 2026, while the other half anticipated holding rates steady or cutting once. Warsh did not participate in the "dot plot".

- The US market began pricing in a first **interest rate** hike in 2026.
- The **US dollar** rallied to its highest level since May 2025.
- A deal was signed between the **US and Iran** to extend their so-called ceasefire by 60 days and reopen the Strait of Hormuz. Iran committed to de-mining the strait and refraining from charging tolls for vessels' transiting the area during the 60-day ceasefire extension. Trump said the US would lift its naval blockade imposed in April on ships moving in and out of Iranian ports.
- Under the proposed peace deal **Iran** looked to emerge in a stronger position than before the war with some significant financial incentives. If agreed, Iran is to have the right to export oil and petrochemical products, tap into a US$300 billion development fund and ultimately access its frozen assets. Iran must commit not to develop nuclear weapon capabilities and neutralise its enriched uranium. The 14-point MOU included an end to Israel's attacks on Lebanon which would require the Israeli PM to adhere to the cease fire.
- After the proposed peace plan, the **US and Iran** resumed their attacks on each other when Iran struck a cargo ship in the Strait of Hormuz. The US responded by hitting military targets around Iran's coast, prompting the Islamic Republic to launch a round of drone attacks on American bases in Bahrain and Kuwait.
- The **European Central Bank** raised interest rates by a quarter point to 2.25 per cent, becoming the first central bank in the G7 to increase borrowing costs in response to the Middle East energy shock. The widely expected and unanimous decision marks the ECB's first rise since September 2023.
- Following 3 consecutive rate rises, the RBA chose to leave **Australian interest rates** unchanged, keeping the cash rate at 4.35%pa.

Metals

- **Gold** prices dropped 15% over the June quarter, the metal's worst quarter in 13 years. Gold fell below US$4,000/oz, hitting year to date lows, as US dollar strength combined with inflation increases and higher US Treasury yields on delayed expectations for a Hormuz reopening.
- Before the gold price fell, the European Central Bank reported **gold** was 27% of global reserves, surpassing US Treasuries at 22%.
- China imported 163 tons of **gold** in May, its highest since March 2024. As part of this, the People's Bank of China extended its **gold**-buying streak to 19 consecutive months, adding 320,000 troy ounces (approximately 10 tonnes) to its reserves. This accumulation brought China's total official gold holdings to 75 million ounces (about 2,332 tonnes). However, Chinese gold ETF's saw their first monthly outflow in 8 months.
- Open interest in the Comex **gold** contract dropped to under 350,000 contracts, the lowest it has been in at least thirteen years. As China buys up bullion, the liquidity of paper markets on Comex is shrinking, albeit in dollar terms the contracts are worth more.
- Singapore is planning an over-the-counter clearing system for **gold** this year, along with a vault service for central banks, as the city-state attempts to establish itself as a global trading hub for precious metal. Hong Kong's new gold clearing system, supported by 11 banks, also aims to establish the city as Asia's bullion trading hub.
- Guinea announced a ban on raw **gold** exports, in an effort to boost local processing of the metal and help the domestic economy. Guinea has the second-largest gold reserves in West Africa, according to President Doumbouya

Metals

- Exports from Guinea's Simandou **iron ore** project surged in May, six months after the first shipment to China, marking a milestone in the ramp-up of the high-grade mine. Shipments from the project's Morebaya port hit 2.2 million tons in the month, according to ship tracking data from Kpler, much higher than April's 1.3 million tons. The mine has been touted as a game-changer for the iron ore industry with 120 million tons a year expected to be shipped once the project is at full capacity.
- Guinea's planned **bauxite** export controls from June are forecast to tighten global supply, as the country supplied 60% of global output and over 70% of China's imports in 2025. Reduced shipments to China are likely to lift benchmark prices. Reports suggest Guinea's exports could fall 18% from 2025 to 150 million tons, equal to a 10% cut in global supply. Guinea's 2026 bauxite exports were previously expected to be about 200 million tons. Australia is China's second-largest bauxite supplier with about a 20% share in 2025. Aluminium Corp. of China Ltd., or Chalco, started the construction of a $1 billion 1.2 Mtpa alumina plant in Guinea.
- Middle Eastern **aluminium** smelters have carried out a series of complex logistical operations, including daring voyages through the Hormuz strait, to replenish reserves of alumina and other raw materials, helping to avert widespread closures in a region that accounts for nearly 10% of global supply. And outside the Gulf, smelters in China and Indonesia proved instrumental in keeping the global market in check as buyers wait for exports to rebound.
- In an unprecedented sign of tightness, the price smelters pay for **cobalt** hydroxide rose to match the price of the cobalt metal they produce, a price situation that has persisted since March.
- Chinese **zinc** smelters are facing a worsening feedstock shortage that has driven processing fees to historic lows and wiped out profits. Treatment charges on imported zinc concentrate slumped to minus $50 a ton, a record low in Fastmarkets data over the past decade. China produces about half the world's refined zinc.
- A developing shortfall of power in the order of ~300–700 GWh/m at the Weda Bay park means that power supply and pricing will disadvantage near break-even NPI plants. Indonesia would prefer to direct power to higher-margin industries in preference to NPI '**Nickel** Pig Iron smelters following restrictions to ore mining quotas.
- There were rumours that Indonesia initiated a sharp **nickel** policy reversal, drastically expanding its mid-year mining quotas (RKABs) to around 360 million tons for the year, aiming to relieve ore shortages for local smelters. However, the Indonesian government said it had not yet set its 2026 nickel ore quota and would review the situation in July. The Indonesian Nickel Miners Association said cuts to ~250-270mt helped nickel prices recover to $17,000 to $19,000/t. The government aims to feed the smelters without flooding the market and crashing the price.
- Transisi Bersih warned that the Philippines may be selling its **nickel** too cheaply. As Indonesia tightens its own ore supply, Chinese smelters in Indonesia have started buying more nickel laterite ores from the Philippines. Local analysts are urging production limits and export taxes with ore exports seen as draining reserves before the Philippines builds its own smelters.

- Analysts from three companies that monitor **lithium**, CRU Group, Benchmark Mineral Intelligence and Citigroup Inc, said stretched supplies will propel lithium prices beyond recent highs. And CRU sees average levels climbing nearly 50% from the June quarter 2026 to next before softening again. CRU sees lithium carbonate rising to an average of US$33,900 a ton in the third quarter of 2026, up from US$22,800 in the current quarter, while Benchmark Minerals forecasts prices could reach US$30,000 this year. Citigroup's analysts say prices could test 250,000 yuan (US$36,976), most likely in August to September. That compares with China's latest spot price at 165,500 yuan in data published by Asian Metal Inc.
- Chinese **lithium** futures shed about 9% in two days on unconfirmed speculation one of the world's biggest lithium mines may restart soon. Contemporary Amperex Technology Co. Ltd.'s Jianxiawo mine in Jiangxi province was shut last year due to permitting issues, but a preliminary government land assessment notice fuelled investor bets that it may reopen in the second half of 2026.
- The Group of Seven countries agreed that no single country should supply more than 60% of their imports of **rare earths** by 2030 in an effort to reduce their reliance on China. The target will apply to rare earths and permanent magnets. Beyond 2030 they will aim to further reduce their dependency with a view to limiting exposure to 50% as soon as possible.
- China added 20 Japanese entities to its export control list for dual-use items, including **rare earth** elements and related magnets, China's Ministry of Commerce said. Bloomberg reported that China ceased the export of some key critical minerals, namely tungsten, yttrium and heavy rare earths dysprosium and terbium to Japan.China's exports to Japan of several **rare earths** used for powerful magnets were negligible in May, extending a months-long supply squeeze caused by a diplomatic dispute with Beijing over Taiwan. Japan's rare earth magnet makers are the world's biggest outside China but like those elsewhere are reliant on Chinese imports of key so-called heavy rare earths.
- China exported 4.73kt of **rare earth** permanent magnets in May, an 8% decline m/m, according to official customs data released June 22. China's Ministry of Commerce, or MOFCOM, has tightened export restrictions on 10 US companies, targeting "dual-use items," including rare-earth elements and related magnets. Among the companies named were MP Materials and USA Rare Earth.
- The US Army will allow several companies to build critical minerals processing plants at military bases around the country as part of a Trump administration push for more domestic production. REalloys Inc., Titan Mining Corp., ioneer Ltd. and Energy Exploration Technologies Inc. reached agreements with the Pentagon to build the plants, according to a Bloomberg report. The new facilities will handle **rare earth minerals, graphite, lithium and boron.**
- The Financial Times reported that since early 2025, Chinese scrap traders have been seeking **tungsten** throughout the US, prompted by a shortage outside China caused by declining supply and intense demand from the aerospace, weapons and tools industries. The effort set off a bidding war with American buyers and calls to ban sales of a critical national security resource to overseas buyers. There are no US prohibitions on sales of tungsten to buyers who plan to export it. The FT reported that US **tungsten** recyclers said Chinese buyers are courting domestic suppliers with extraordinary offers. They're paying as much as five times prevailing market prices to secure worn-out drill bits, mining equipment, and industrial cutting tools containing the critical mineral.
- China's export restrictions on high-purity **tungsten** powder drastically cut off raw materials to Japanese manufacturers of Tungsten Hexafluoride (WF6). Because Japan lacks domestic tungsten ore, these curbs have forced key suppliers—Kanto Denka and Central Glass—to halt a quarter of global WF6 production. The restriction of this critical semiconductor material triggered a global supply chain disruption and sent prices skyrocketing.

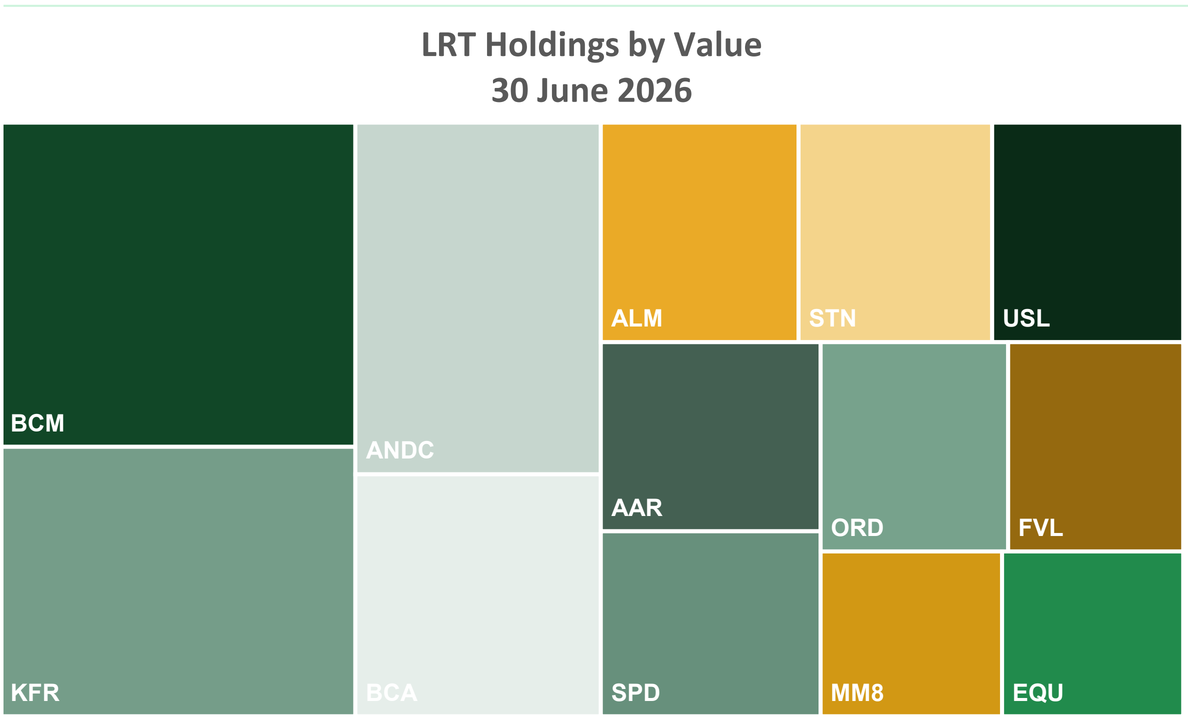
- Reuters reported that China has stepped up scrutiny over exports of **indium**, after putting indium phosphide on an export control list in February 2025. China produces nearly 70% of the world's indium, a byproduct of zinc refining mostly used in displays and solder but also the raw material for making indium phosphide, used to make high-speed optical chips for AI data centers
- **Cobalt** miners in the Democratic Republic of Congo will be required to surrender unused export quotas for the first half of the year to a government regulator, likely adding to tightness in the market for the battery metal. The world's dominant cobalt supplier has imposed strict limits on shipments since early last year, replacing an all-out ban with quotas in October.
- South Australia's **copper** exports hit a record A$5.2bn in the year to April, made up of refined products and ores and concentrates. India was the top buyer at A$1.32bn, ahead of Malaysia, China, Thailand, and Taiwan. This is driven by India's electrification and EV push, which is making it a major new source of copper demand.
- Capstone **Copper** scaled back operations at one of its processing plants in Chile to preserve supplies of sulphuric acid, according to the main union at the Mantoverde mine. Reduced production at Mantoverde's SX-EW plant is intended to ensure acid stocks last as disruptions from the Iran war continue to squeeze supplies, pushing up prices.
- As **copper** prices have risen, aluminium becomes more attractive as a substitute. Aluminium is about a quarter of the price of copper, but it is not as efficient, with only 61% of the red metal's conductivity. That means aluminium conductors have to be about 1.6 times larger. Companies look at swapping the two metals in a range of applications when the copper-to-aluminium price ratio moves to between 3.5 to 4.0 or above, industry sources say. It hit a record of 4.3 in January and is currently at about 4.2. Companies face costs in retooling operations, so they only make the switch after considered analysis. Copper is about 3.3 times heavier than aluminium, making the latter desirable for autos and especially EVs, where cutting weight results in longer driving ranges. Using aluminium instead of steel and iron in car bodies and engine blocks to cut weight is standard in many models, but replacing copper wiring with aluminium is a relatively new area. Ferrari, BMW and Stellantis are among carmakers undertaking wiring substitution.
- While a large amount of **copper** substitution has already occurred in the cable sector, further global investment in electrical grids of about €10 trillion is expected by 2030, according to French-based Nexans, the world's second biggest cable manufacturer. Prysmian The Italian-based electrical cable maker, the world's biggest, has seen gradual substitution by its customers and currently uses about 40% aluminium by weight, up 3 percentage points over the last five years, and 60% copper. "Grid resilience and data centres are projecting strong growth in both categories," the company told Reuters.
- Queensland's state-owned electricity distributor Energy Queensland has been replacing **copper** with aluminium for many years over its distribution network of 210,000 km when aging assets reached the end of their life, spokesperson Emma Oliveri said. "Aluminium is more cost-effective, equally as durable, lighter and can span further when stringing power lines." Japan's Daikin, the world's largest air conditioning manufacturer, said in its 2025 annual report it was "maximizing cost reductions by switching from **copper** to aluminium".

Energy

- US government data published on 3 June showed total stocks of crude and **petroleum** products such as petrol fell by 10.6mn barrels in the previous week to 1.57bn barrels, the lowest level since 2004. US crude exports jumped from 4.4mn barrels a day to 5.8mn b/d, continuing a pattern of sharply higher exports since the war began.
- Petrol sales at Sinopec, which runs China's biggest network of petrol stations and is the world's largest refiner, dropped 8% year-on-year in April while diesel fell 6%, according to a Reuters report. **Fuel use in China** had already been falling in recent years due to slowing economic growth and the rise of electric cars and trucks. Goldman Sachs estimated the drop in the use of petrol and related products was about 20% in April, while China-based GL Consulting put the decline at around 15%.
- The IEA again cut its forecast for **oil demand in 2026**, saying deep cuts to consumption have spread beyond the sectors and regions that were initially the most heavily affected by the US-Iran war. It now sees demand in 2026 at 103.3mn b/d, compared with 104mn b/d in its May report, a 1.1mn b/d drop from 2025. It said preliminary data suggest demand in the second quarter will be 5mn b/d lower than a year earlier because of higher prices and disruptions to products availability. This will be the first global quarterly demand fall since the pandemic year of 2020. The agency sees a "relatively modest" demand rebound to 105.3mn b/d in 2027, but said this is "subject to a substantial level of uncertainty".
- The IEA's first forecast for 2027 suggested an enormous global **surplus of oil**. It has estimated supply in 2026 at 102.4mn b/d, a 200,000 b/d upgrade from its previous forecast. But in 2027 it forecasts an 8mn b/d surge in supply, to 110.3mn b/d, as Mideast Gulf production recovers and OPEC+ raises its output targets.
- Storage facilities in the EU are forecast to end the **gas** restocking season around October only 76% full, their lowest level since at least 2011, according to data from Gas Infrastructure Europe. EU storage facilities started the restocking season only 28 per cent full.
- The AFR reported that data released in the Australian Energy Market Operator's latest grid blueprint decreased the cumulative forecast **gas use** in the national grid by around 38.8 per cent compared to that forecast in the 2024 version of the blueprint, known as the Integrated System Plan, which models a range of scenarios to account for changes in market conditions and government policy. The drastic downward revision in forecast gas power generation is largely a result of the huge flood of big batteries that have entered the development pipeline since 2024, which compete with gas to supply electricity during expensive evening peaks.
- Ember, an energy research group in London, reported that in April, **wind and solar** generated more electricity globally than gas for the first time.
- **Coal** is emerging as an increasingly attractive alternative to oil for energy-starved countries across Asia, according to the chief executive officer of Seanergy Maritime Holdings Corp. The effective closure of the Strait of Hormuz in early March has driven Asian buyers to look for alternative sources to replace disrupted Persian Gulf barrels.
- China's CATL, the world's biggest **battery** maker, expects energy storage to account for half of its global sales by 2030, up from 25% now. Energy storage has already jumped from only 2% of battery sales five years ago.
- Canada Federal plan aims to boost **nuclear** sector with up to 10 new reactors to expand their international footprint.

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: 76

Unlisted Investments by value: 6.2%

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