

ACORN CAPITAL NEXTGEN RESOURCES FUND

MONTHLY REPORT
31 DECEMBER 2020



Fund Performance at 31st December 2020

Performance	1 month	3 months	Since Inception (cumulative)
NextGen Resources Fund*	8.86%	19.53%	14.14%
S&P ASX Small Resources Accumulation Index	8.73%	20.31%	9.48%

* Based on redemption price for the period (i.e., post all fees and costs)

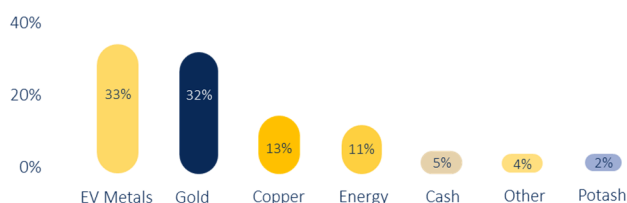
Commentary

The two strongest performers in December were Pilbara Minerals (lithium producer; up 30%) on improved prices and an acquisition plus Jervois Mining (nickel/cobalt developer; up 38%) on improved metal prices. In addition, Perseus (gold producer; up 14%) strengthened on first gold from the Yaoure mine and Sandfire Resources (copper producer; up 23%) on the rising copper price and positive development news.

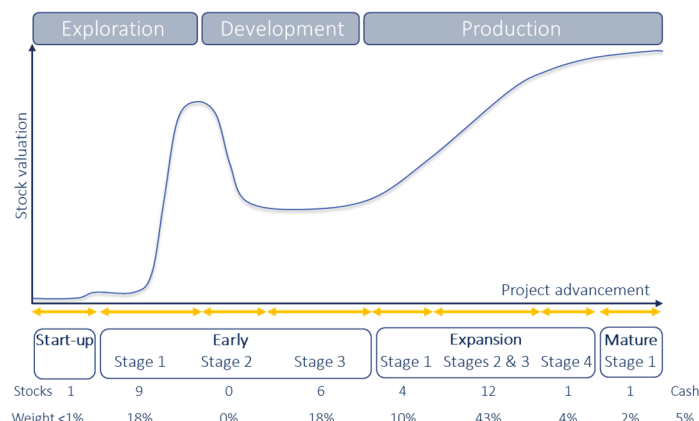
Negative performers included S2 Resources (nickel explorer; down 48%) on poor drilling results, Stavely Minerals (copper explorer; down 9%), which pulled back a little after a strong November, and Poseidon Nickel (developer; down 7%) post an equity raise.

The portfolio has grown to 34 stocks, of which EV metals is now the largest sector at 33%. Gold also grew to 32%. The Fund participated in six primary-market raisings: Pilbara (lithium producer), Syrah (graphite developer), Hillgrove (copper developer), Poseidon (nickel developing), Salt Lake Potash (potash developer) and Chalice (nickel/polymetallic explorer). The discount achieved by the primary market deals (from pre-raise closing price) averaged 11%.

Stocks by Sector Exposure



Stocks by Stage of Development



Top 5 holdings (alphabetic order)

Company	Sector	Development stage
Galaxy Resources	EV metals	Expansion
Jervois	EV metals	Early
Perseus Mining	Gold	Expansion
Pilbara Minerals	EV metals	Expansion
Stavely Minerals	Copper	Early

Market Review

The NextGen Resources Fund continued to benefit from strong performance by the EV metals sector. Lithium, nickel, the rare earth elements and graphite were all positive contributors as commodity prices generally rose during the month.

The Fund also benefitted from its strong exposure to copper. It was also encouraging to see Perseus Mining providing strong performance for the Fund despite weak conditions in the gold market.

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