

# ACORN CAPITAL NEXTGEN RESOURCES FUND



## FACTSHEET

### Fund snapshot

Asset Allocation	Australian Equities	0 – 100%
	Global Equities	0 – 10%
	Unlisted investments	0 – 15%
	Cash	0 – 20%
Stage of development	Seed / start up	0% - 10%
	Early	20% - 60%
	Expansion	40% - 70%
	Mature	10% - 20%
Market capitalisation	Company must be outside ASX100 at the time of initial purchase	
Stock numbers	25 – 40	
Liquidity	Daily	
Investment timeframe	5+ years	
Distributions	Annually	
Capacity	\$75m (soft) \$100m (hard)	
Benchmark	S&P ASX Small Resources index	
Mandate	Long Only	
Management fee	1.10%	
Performance fee	20% of returns (in excess of the benchmark)	
Minimum investment	\$50,000	
APIR Code	ACQ3509AU	

### Objectives

The fund aims to:

- Provide a diversified portfolio of micro-, small- and mid-cap companies that are exposed to growth commodities in the Resources and Energy sectors
- Outperform the S&P ASX Small Resources index (the benchmark) over rolling 3-year periods

### Investment Team



#### Rick Squire – Portfolio Manager

- Geologist with 25+ years industry experience
- Joined Acorn Capital in 2016
- Prior career at Deutsche Bank, TrailStone Group, University of Melbourne, Monash University and Acacia Resources

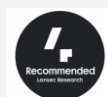


#### Karina Bader – Senior Analyst

- Geologist with 19+ years industry experience
- Joined Acorn Capital in 2009
- Prior career includes positions with Great Central Mines and Plutonic Resources

### Ratings\*

Lonsec "Recommended"



### Strategy

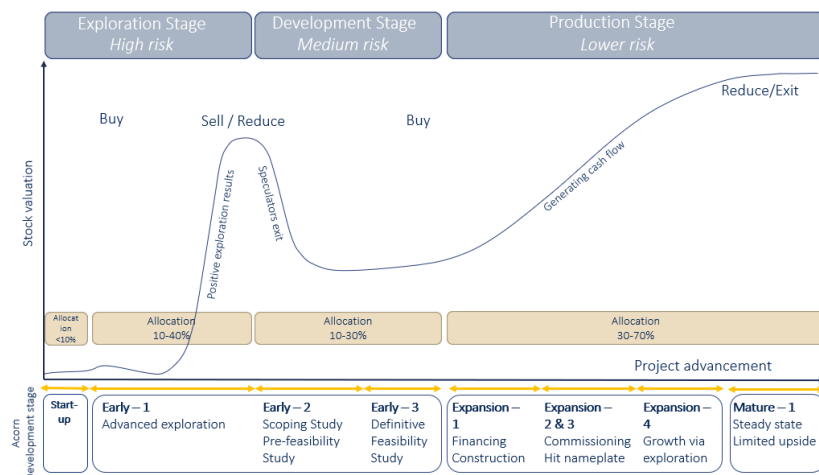
The Acorn Capital NextGen Resources Fund (Fund) is a unique portfolio of Resources and Energy companies. The Fund is focused on commodities benefiting from major global disruptions, such as the clean-energy transition and geopolitical events. The Fund extracts value from companies as they pass through their development stages, as an explorer through to a developer and finally a producer.

The NextGen Resources Fund provides investors with exposure to a range of commodities such as lithium, the rare earth elements, graphite, nickel, gold, copper, oil, coking coal and gas. The Fund's strategy exploits information inefficiencies through an active, bottom-up research process utilised across the investible universe of the Fund.

### Process

1. An initial desktop review leverages Acorn Capital's proprietary database to screen more than 1,300 companies, which collectively hold greater than 6,700 underlying resources.
2. A qualitative assessment of companies and their project/s is conducted. This involves a detailed review of deposit/s and their suitability for economic development.
3. Post the quantitative and qualitative review a ranking process is used to select the most-attractive investment opportunities for the Fund.

### Acorn Capital's development stages applied to the Lasso Curve – illustrating changes in the values of stocks from exploration to mining.



### Key benefits

Investors in the Acorn Capital NextGen Resources Fund receive:

- **Diversified Australian Resource and Energy exposure**  
Acorn Capital will construct a portfolio of Resources and Energy companies across a mix of explorers, developers, and producers. Investing outside the top 100 listed ASX stocks and in unlisted opportunities the Fund will provide diversification away from bulk commodities such as iron ore.
- **Expertise and access to an experienced team**  
Acorn Capital is the pioneer of microcap and emerging growth investing. It has maintained a specialist Resources and Energy investment team since its inception in 2002. Investors in the Fund will benefit from 20 years of institutional memory and sector learnings.
- **Strong fee alignment and capacity management**  
A performance fee will only be paid if the fund's returns are above the benchmark and 0%. The fund will hard close at \$100m, optimising returns for investors.



## About Acorn Capital

Acorn Capital was established in 1998 as a specialist investment manager in emerging Australian companies. Acorn Capital distinguishes itself through its relatively large research and investment team with expertise across all industries as well as its provision of expansion capital to developing companies.

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## For Further Information

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