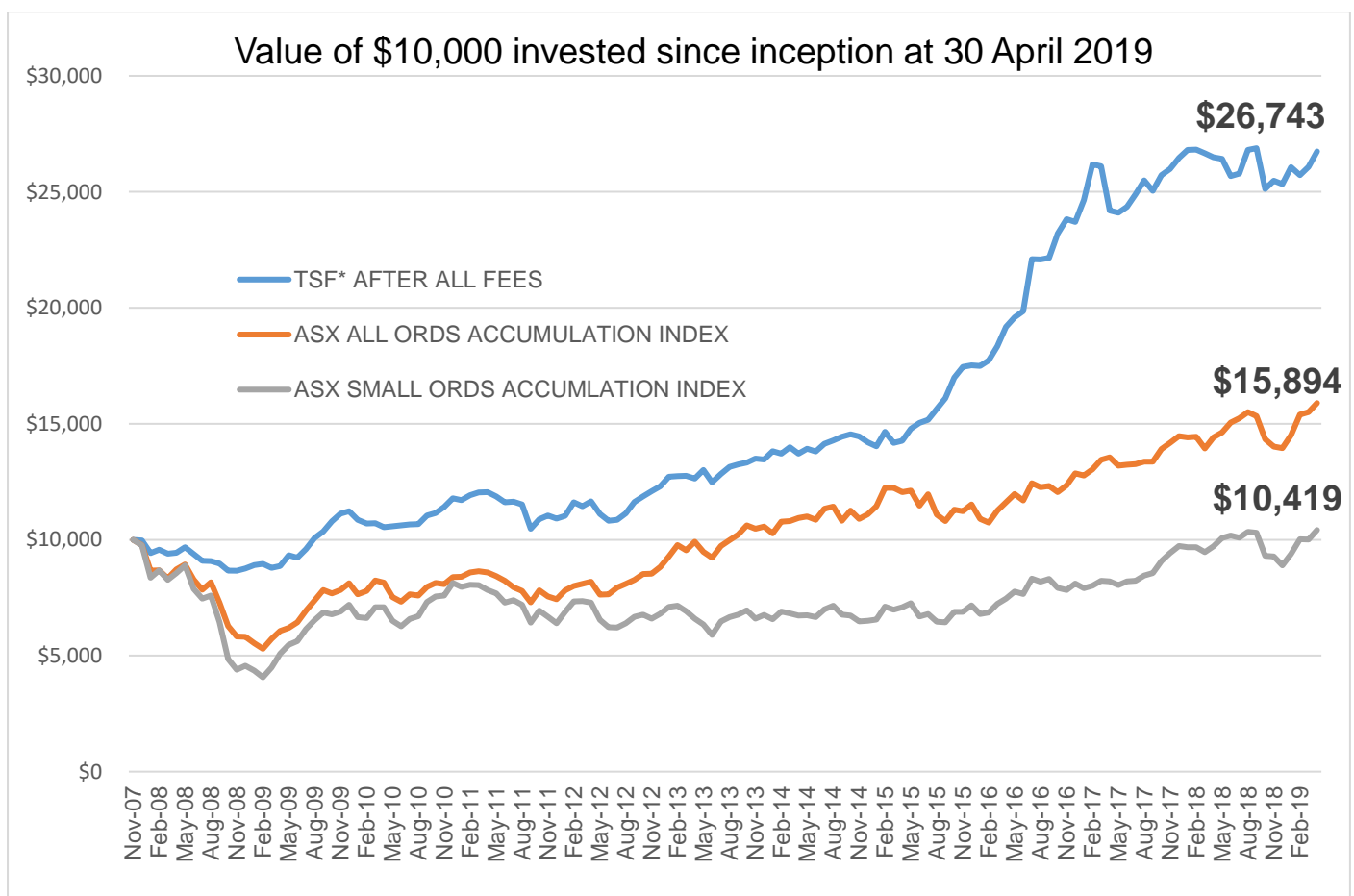


The Supervised Fund (TSF)

Monthly Report – April 2019

Performance Analysis (as at 30 April 2019)	TSF after all fees	All Ords Accumulation	Small Ords Accumulation	Benchmark
1 month	2.5%	2.5%	4.1%	0.4%
1 quarter	2.6%	9.5%	11.0%	1.2%
Last twelve months	0.9%	10.2%	7.2%	5.0%
2 years p.a.	5.1%	8.3%	12.7%	5.0%
3 years p.a.	11.7%	11.0%	11.8%	5.0%
5 years p.a.	14.3%	7.8%	9.1%	5.0%
7 years p.a.	12.6%	9.9%	5.2%	5.0%
10 years p.a.	11.7%	10.1%	7.4%	5.0%
Since inception p.a. (Dec. 2007)	9.9%	4.5%	0.4%	5.0%

Past performance is no indication of future performance



*Please note TSF return assumes reinvestment of all distributions (as do the indices).

Portfolio at 30 April 2019

Top 10 Positions	% of NAV
Kangaroo Island Plantation Timbers Limited	19%
Po Valley Energy Limited (equity and convertible notes)	14%
HGL Limited	13%
Cash	13%
Hillgrove Resources Limited	8%
Engenco Limited	8%
Bisalloy Steel Group Limited	7%
Physical Gold ETF	6%
Mesoblast Limited	3%
Coro Energy Limited	2%

- 6% of capital is invested in non-ASX listed investments (excluding cash).
- 24% of capital is invested in oil, gas and resources companies (excluding gold).
- 6% of capital is invested in physical gold and gold mining companies.
- 77% of capital is invested in companies with market capitalisations of less than \$150m.

Commentary

Winners in April 2019	Contribution to fund return	Gross return	Losers in April 2019	Contribution to fund return	Gross return
Po Valley Energy Limited	1.7%	15.7%	HGL Limited	-0.5%	-3.7%
Hillgrove Resources Limited	0.7%	9.3%	Engenco Limited	-0.2%	-2.0%
Coro Energy Limited	0.3%	26.5%	Kangaroo Island Plantation Timbers	-0.1%	-0.5%

The Fund's April return was driven by an increase in the price of Po Valley shares. The company reported a sizeable increase in oil and gas resources following an external review by French independent experts. The review calculated the value of two of Po Valley's four oil and gas fields at A\$57m compared to the company's market capitalisation of A\$27m. The company is still focused on preparing gas fields Selva and Teodorico for production in 2020 and 2023 respectively.

Hillgrove shares also appreciated after the company announced it had entered into an agreement with AGL Energy to convert its nearly depleted open pit copper mine into a pumped hydroelectric energy storage system. AGL will pay Hillgrove a total of \$31m if all milestones are reached up to April 2022. This is a sizeable figure for Hillgrove given its current market capitalisation is \$47m. The company is set to finish mining this quarter and will continue to process stockpiled ore into copper until mid-2020. It intends to pay dividends in the coming months and continue copper exploration in its surrounding prospective tenements.

Coro Energy's share price increased after it successfully raised €22.5m worth of Eurobonds (approximately equal to the company's market capitalisation) from existing institutional investors. The company owns stakes in two gas fields in South East Asia and is conducting geotechnical studies into a third. It intends to commence drilling at its Indonesian offshore field in September 2019.

Share prices in HGL, Engenco and Kangaroo Island fell on no news.

David Constable

X May 2019

The Supervised Fund's Historical Performance

	TSF after all fees	All Ords Accumulation	Small Ords Accumulation
Since inception p.a. (Dec 2007)	9.9%	4.5%	0.4%
Financial year to date	4.2%	5.6%	2.3%
Calendar year to date	5.6%	13.9%	17.2%
FY18	5.4%	13.7%	24.2%
FY17	22.6%	13.1%	7.0%
FY16	32.0%	2.0%	14.4%
FY15	9.0%	5.7%	0.4%
FY14	10.6%	17.6%	13.1%
FY13	15.3%	20.7%	-5.3%
FY12	-6.8%	-7.0%	-14.6%
FY11	9.4%	12.2%	16.4%
FY10	15.1%	13.8%	11.2%
FY09	-1.7%	-22.1%	-28.6%

The Fund's benchmark is 5% per annum. Small Ords Accumulation and All Ords Accumulation are included for the sake of comparison to the predominant Australian equity indices.

DISCLAIMER

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