



MONTHLY REPORT

FEBRUARY 2025

Unit Price and FUM

Indicative Unit Price

\$1.4447^A

FUM Size

\$27.3 Million

Past distributions paid: FY24: 4.02c, FY23: 9.61c, FY22 5.12c, FY21 8.91c.

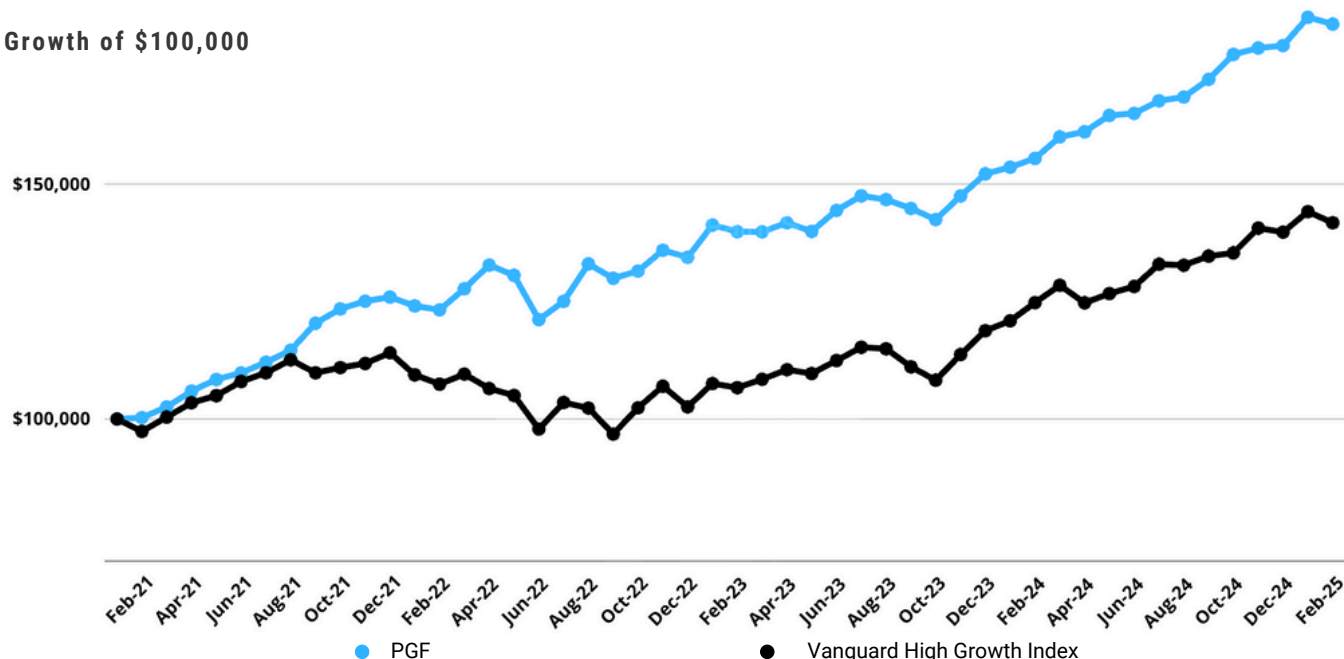
Performance Table Net of Fees

As at 28 February 2025	PGF	Vanguard High Growth Index Fund	Difference
1 Month	-0.79%	-1.64%	0.85%
3 Months	2.84%	0.80%	2.04%
1 Year	18.41%	13.62%	4.79%
3 Years p.a.	14.31%	9.84%	4.47%
Since Inception*	84.05%	42.34%	41.71%

Monthly Performances Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Return %
2021	-	0.28	2.28	3.28	2.36	1.28	2.06	2.29	5.02	2.52	1.33	0.70	25.95
2022	-1.48	-0.68	3.80	4.10	-1.62	-7.21	3.21	6.80	-3.09	1.54	3.08	-1.12	6.72
2023	5.12	-1.01	-0.02	1.38	-1.30	3.21	2.13	-0.54	-1.28	-1.64	3.53	3.19	13.21
2024	0.93	1.22	2.94	0.69	2.16	0.26	1.63	0.47	2.23	3.08	0.77	0.29	17.96
2025	3.36	-0.79											2.54

Growth of \$100,000



*Inception date is 8 February 2021. Vanguard High Growth Index Fund is chosen as PGF's benchmark for its representation of ASX and global equity market indices.

^AThe latest monthly unit prices and return figures are provided on an estimated basis only and may be subject to change.

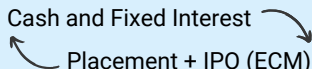
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Past performance is not indicative of future performance. Specific risks of the Fund may impact on the possibility of such a return in future.

Top 10 Listed Equity Positions

Stock Name	Portfolio Weight
Platinum Asia (ASX:PAI)	2.9%
Platinum Capital (ASX:PMC)	2.2%
S&P Biotech ETF (ASX:CURE/NYSE:XBI)	1.7%
Neuren Pharmaceuticals (ASX:NEU)	1.6%
VanEck Gold Miners (ASX:GDX)	1.6%
Kaiser Reef (ASX:KAU)	1.3%
St George Mining (ASX:SGQ)	1.2%
Dynacor Group (TSE:DNG)	1.2%
Alibaba (HKG:9988)	1.1%
Tencent Holdings (HKG:0700)	1.0%

Exposure Allocation

Strategy Bucket Allocation	Portfolio Weight
#1 Cash and Fixed Interest 	21.6%
Placement + IPO (ECM)	19.9%
#2 High Conviction Stocks	37.0%
#3 Interactive Brokers Option Account	10.4%
Managed Funds	4.8%
Unlisted Investments	6.3%

Fund Analytics

# of Positive Months	37/49 (77.6%)
Upside Capture	0.74
Downside Capture	0.12

Fund Commentary

PGF's estimated return for February was -0.79%, outperforming the Vanguard High Growth Index Fund, which declined by -1.64%. During the same period, the ASX 200 Accumulation Index fell by -3.79%, while the MSCI World Ex-Australia Index decreased by -0.36%.

In February, under our Bucket #1 strategy, PGF participated in 26 placements and 1 block trade, with expectations of receiving free-attaching options in 12 of these deals. Many of these options are yet to be issued, and we anticipate their allocation to the fund in the coming months. Deal flow remained robust throughout the month, despite market volatility in the second half. Key contributors were dominated by gold, silver and antimony stocks, including Silver Mines (ASX:SVL) +8.8%, Larvotto Resources (ASX:LRV) +10.6%, Lode Resources (ASX:LDR) +10.8%, Everest Metals (ASX:EMC) +17.8%, Generation Development (ASX:GDG) +23.0%, West Wits Mining (ASX:WWI) +38.3%, Medallion Metals (ASX:MM8) +68.2% and Kalgoorlie Gold (ASX:KAL) +87.2%. We elected to convert our West Wits Mining unlisted convertible note at an effective price of 1.3 cents after the stock rose 33% on the day it announced a US\$50 million senior debt facility to develop its Shallows Gold Project in South Africa. Similarly, we exercised our Kalgoorlie Gold unlisted options at an exercise price of 3.2 cents, after the stock surged from 1.6 cents to as high as 9 cents during the month, following a new gold discovery near Kalgoorlie, WA. As a result of exercising these 3.2 cent options, we were granted piggyback options, receiving one additional three-year option with a 6 cent strike price for every two options exercised.

Major detractors for the month were Elixir Energy (ASX:EXR) -7.2%, Polymetals (ASX:POL) -17.5%, Tivan Limited (ASX:TVN) -18.1%, St George Mining (ASX:SGQ) -22.8%, Propel Holdings (TSE:PRL) -24.3%, and BSA Limited (ASX:BSA) -92.4%.

We participated in the BSA Limited block trade in December last year at 95 cents, on the thesis that it was a deep-value stock trading on undemanding multiples with a clear catalyst for re-rating. Around 80% of BSA's revenue came from the NBN, and we believed the renewal of that contract was highly likely – with a successful renewal expected to drive the share price higher. Unfortunately, BSA ultimately lost the NBN contract, resulting in its share price collapsing by over 90% in the following days. This is one of the rare instances in our Bucket #1 strategy where a position has resulted in such a large capital loss on a percentage basis. In hindsight, it's easy to say we could have avoided BSA – but as with many speculative companies, sometimes the base-case scenario simply doesn't play out. The outcome was unpredictable at the time of entry. What protected us was diversification. BSA represented only around 0.7% of our total funds under management (FUM). This is exactly why we are such strong advocates for diversification: it helps us avoid large, permanent drawdowns. Some argue that diversification limits high returns – but we believe that's a fallacy. When you have a broad investment universe and a steady stream of ideas, diversification doesn't limit returns; it protects and enhances them.

Fund Commentary (Continued)

In our Bucket #2 strategy, we generated solid returns from positions in Platinum Asia (ASX:PAI) +3.2%, Platinum Capital (ASX:PMC) +4.2%, Charter Hall (ASX:CHC) +10.9%, Hemnet (STO:HEM) +12.3%, Alfabs (ASX:AAL) +14.8%, Tencent (HKG:0700) +19.7%, Freee K.K. (TYO:4478) +23.3%, and Alibaba (HKG:9988) +44.9%. Alibaba's share price rally was driven by several key factors. Its strong positioning in AI and cloud computing, including the development of its advanced AI model Qwen, reinforced the company's commitment to innovation and future growth. Confidence was further strengthened by the return of co-founder Jack Ma, who reappeared at a high-profile meeting with President Xi Jinping, signalling improved relations with the Chinese government. Additionally, Alibaba's financial results surpassed expectations, with quarterly revenues reflecting strong demand across all business segments. Chinese stocks have been materially outperforming their U.S. counterparts as highlighted in our reports [here](#) and [here](#).

Detractors in Bucket #2 included Biotech ETF (ASX:CURE/NYSE:XBI) -6.8%, Neuren Pharma (ASX:NEU) -8.4%, Regal Partners (ASX:RPL) -14.5%, Opthea (ASX:OPT) -15.9%, NextGen (ASX:NXG) -22.0%, and Block (ASX:XYZ) -28.5%. As broader markets sold off, companies that reported earnings falling short of heightened expectations were quickly punished – as seen in Block, which experienced a revenue miss that the market did not take kindly to, despite the company remaining on track for medium-term earnings growth. We have nevertheless taken a prudent approach and trimmed our position.

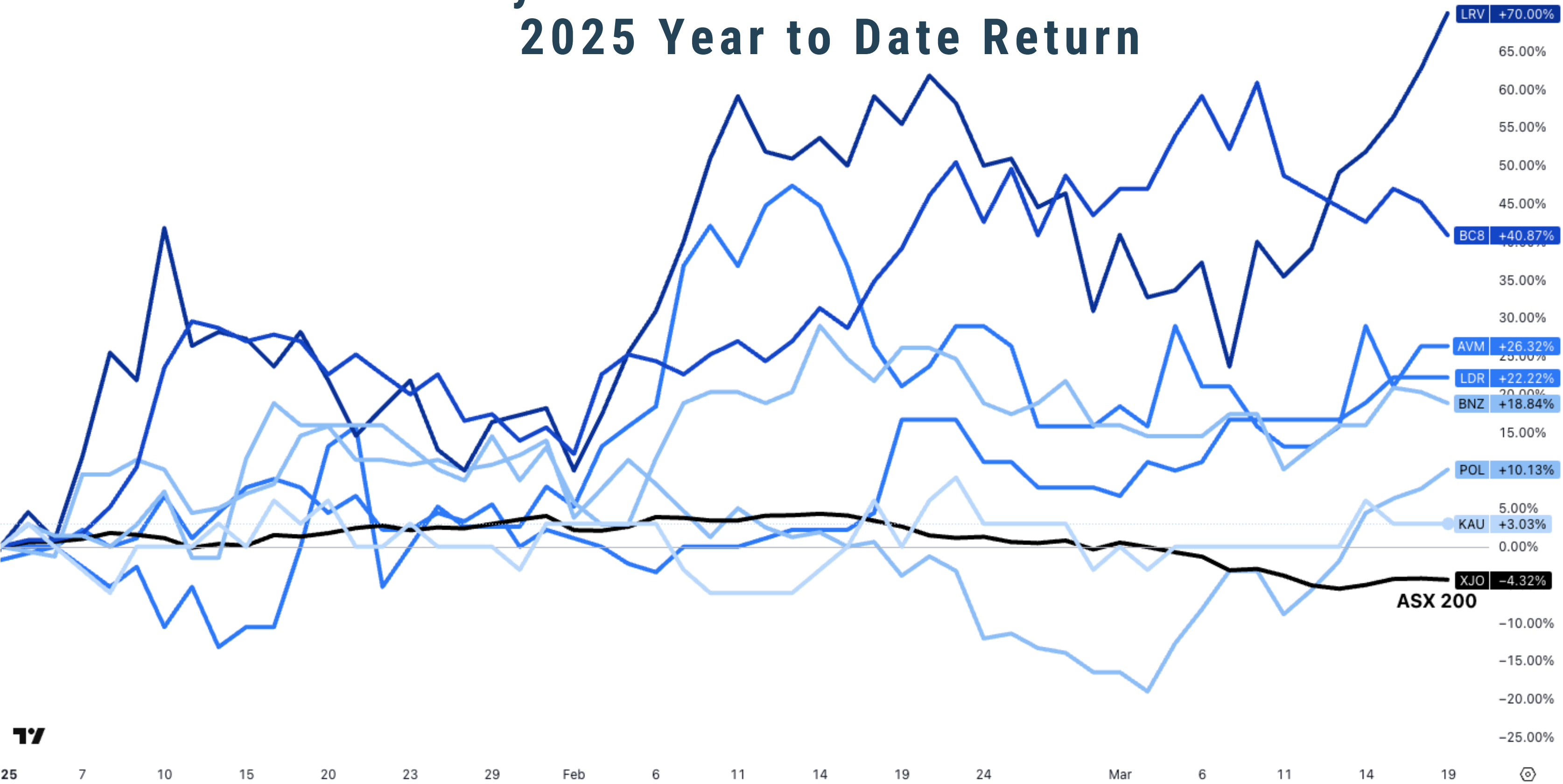
Gold Continues to Shine

Whilst broader markets remain challenging, this environment has opened up a fresh set of opportunities in the gold sector, which we believe will materially contribute to our returns going forward. Precious metals tend to outperform during periods of uncertainty and provides an inverse correlation to the market. Some of our larger gold positions include:

- **Kaiser Reef (ASX:KAU)** – An existing producer, operating the A1 Gold Mine in Victoria, with strong exploration potential and an existing processing facility at its Maldon Hill Project.
- **Benz Mining (ASX:BNZ)** – Recently acquired WA gold projects from Spartan Resources (ASX:SPR), with Spartan also becoming a strategic cornerstone shareholder.
- **Black Cat Resources (ASX:BC8)** – A Western Australian gold producer with a substantial portfolio of high-grade resources, including the Paulsens Mine, Kal East Gold Project, and Coyote Gold Project, all of which are progressing toward ramp-up and production.
- **Larvotto Resources (ASX:LRV)** - Fast becoming Australia's largest producer of antimony, a much sought after critical metal that are highly sought after by China and the West. Antimony price has increased from US\$15,000/t to over US\$50,000/t in the past year.
- **Polymetals (ASX:POL)** – A NSW precious and base metals developer focused on fast-tracking its high-grade gold and silver projects, with flagship assets like the Lachlan Fold Belt's Endeavor and Mount Boppy projects, aiming for near-term, low-capex production and leveraging established processing infrastructure.
- **Lode Resources (ASX:LDR)** – An emerging Australian explorer with a strong focus on high-grade antimony and gold exploration at its projects in Tasmania. Lode also has a project in the Lachlan Fold Belt.
- **Advance Metals (ASX:AVM)** – An active explorer in Victoria's Myrtleford Project with promising drill results presented so far to further advance the project. Advance Metals also has silver projects in Chihuahua Mexico.

Key Gold Positions vs ASX 200

2025 Year to Date Return



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Source: TradingView

We take considerable care when writing about specific stocks in detail. In the past, we have written in depth on a few select stocks and with a growing reader base, even more considerations are added when publishing about individual stocks. This report aims not to encourage our readers to buy the companies mentioned but to provide insight into some of the opportunities we are seeing in the fund from time to time. This is not a recommendation to purchase any of the stocks mentioned above. Our positions in these stocks may change at any time without notice.

Fund Information

PGF was established in February 2021 with the goal of generating an above equity net return for its unitholders. It is designed as an absolute return fund with capital growth as the key focus, achieved by using an unconstrained approach via investing in a wide range of investable assets. Refer to fund Information Memorandum for more information.

Portfolio Manager Jack Hu, CFA, BCom jack@pgf.net.au	Fund Guideline <ul style="list-style-type: none">• Maximum Single Holding Size: 20% at Cost• Maximum Unlisted Holdings: 30% at Cost• Buy Sell Spreads: Nil• Distribution Frequency: Annually• Minimum Investment: \$100,000
Responsible Manager Benjamin Peters, GDFP ben@pgf.net.au	
Application and Redemptions https://www.registrydirect.com.au/offer/phoenix-growth-fund/	
Website https://www.pgf.net.au/	

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There are risks involved in investing in the Emerald Capital's strategy. All investments carry some level of risk, and there is typically a direct relationship between risk and return. We describe what steps we take to mitigate risk (where possible) in the Fund's Information Memorandum. It is important to note that despite taking such steps, Emerald Capital cannot mitigate risk completely.

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