MONTHLY REPORT

JANUARY 2024

Unit Price and FUM

Indicative Unit Price	$1.2425^	FUM Size	$18.5 Million

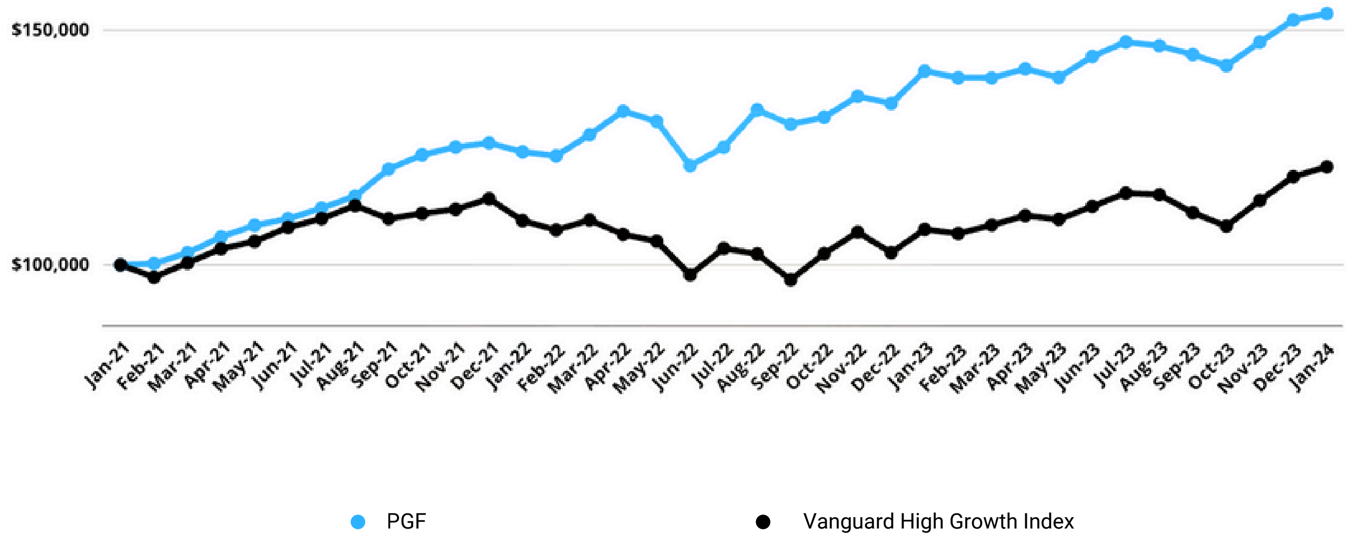
Past distributions paid: FY23: 9.61c, FY22 5.12c, FY21 8.91c.

Performance Table Net of Fees

As at 31 January 2024	PGF	Vanguard High Growth Index Fund	Difference
1 Month	**0.91%**	1.78%	-0.87%
3 Months	**7.79%**	11.68%	-3.88%
1 Year	**8.67%**	12.42%	-3.75%
3 Years p.a.	**15.36%**	8.15%	7.21%
Since Inception*	**53.53%**	21.39%	32.14%

Monthly Performance Net of Fees and Growth of $100,000

Return %	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
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	0.91												**0.91**



*Inception date is 8 February 2021

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

Top 10 Listed Equity Positions

Stock Name	Portfolio Weight
NB Global Income (ASX:NBI)	5.8%
Magellan Global (ASX:MGF)	5.7%
S&P Biotech ETF (ASX:CURE/NYSE:XBI)	3.7%
Neuren Pharmaceuticals (ASX:NEU)	3.1%
Santos (ASX:STO)	2.2%
VanEck Gold Miners (ASX:GDX)	1.7%
NextDC (ASX:NXT)	1.7%
Stanmore Resources (ASX:SMR)	1.4%
Meta Platforms (NASDAQ:META)	1.4%
Whitehaven (ASX:WHC)	1.4%

Exposure Allocation

Strategy Bucket Allocation	Portfolio Weight
#1 Cash and Fixed Interest Placement + IPO (ECM)	13.0% 18.9%
#2 High Conviction Stocks	46.0%
#3 Options Account Managed Funds Unlisted Investments	8.6% 5.9% 7.6%

Fund Analytics

# of Positive Months	24/36 (66.7%)
Upside Capture	0.75
Downside Capture	0.16

Fund Commentary

PGF's estimated return for January was +0.91%, compared to the Vanguard High Growth Index Fund's +1.78%. During the same period, the ASX 200 Index gained +1.19%, while the MSCI World Ex-Aus Index rallied +4.52%. This month marks three years since our fund's inception. Our three year track record is 15.19% p.a. which compares favourably with market benchmarks. **We are very early in our fund's journey and feel as optimistic as ever to continue to compound wealth for our investors. We have been investing personally in most months since the fund's inception and will continue to do so. We thank our investors in entrusting us with your capital.**

This month, under our Bucket #1 strategy, PGF participated in 16 placements and 1 IPO. We expect to receive free attaching options in 7 of these deals. Following a relatively busy December, January was quiet as company directors, deal-makers, and investors went on holidays. Deal flow levels have started to rise again in February, and we expect it to be busy leading up to the Easter break. Notable contributors to our returns were Alterity Therapeutics (ASX:ATH) +14.2%, PharmAust (ASX:PAA) +21.2%, Peninsula Energy (ASX:PEN) +67.0%, and the IPO of Kali Metals (ASX:KM1) +97.4%.

Kali Metals ignited the market with its IPO in January, raising $15 million at 25 cents a share. The offering was met with significant demand and was well oversubscribed. As a result, its share price rocketed 75% to close at 43.5 cents on the first day and continued to rise as high as 89 cents three days post-listing, a 256% surge from the IPO price.

Key detractors were Radiopharm Theranostics (ASX:RAD) -8.2%, Evolution Mining (ASX:EVN) -18.9%, and FBR Limited (ASX:FBR) -25.1%. FBR has embarked on a significant venture with CRH Ventures Americas, a subsidiary of one of the largest concrete block suppliers in the United States, CRH plc. This partnership involves a demonstration program where both entities will collaboratively construct up to ten houses in the U.S. using FBR's Hadrian X construction robot. This program is a critical step towards a potential joint venture that could lead to the sale of 300 Hadrian X robots in the U.S., each priced at $2 million, pending the success of the demonstration.

In our #2 High Conviction bucket, key positive contributions came from Magellan Global (ASX:MGF) +7.4%, Richemont (SIX:SFR) +12.6%, Whitehaven Coal (ASX:WHC) +13.3%, and Meta Platforms (NASDAQ:META) +14.3%. The biggest detractors were Neuren (ASX:NEU) -5.2%, VanEck Gold Miners (ASX:GDX) -6.60%, and Opthea (ASX:OPT) -11.1%. We have been building a position in Opthea, a clinical-stage biotech company developing novel therapies to treat highly prevalent and progressive retinal diseases. We have been accumulating the stock since the 46 cents August 2023 placement and also owns the listed Opthea options (ASX:OPTOA) for further upside leverage.

Fund Commentary (Continued)

Metals Acquisition Corp (ASX:MAC)

Metals Acquisition Corp (MAC) owns the CSA copper mine in NSW. The CSA Mine, previously owned by Glencore, is celebrated for having the highest grade of copper in Australia. MAC now aims to leverage this asset to tap into the growing demand for copper, which is essential for renewable energy and electrification. Copper is a commodity that Australian resource funds are highly optimistic on as a supply gap is expected to increase significantly in the coming years.

The CSA Copper Mine features a large resource with a high copper cut off grade, with an operational lifespan projected to extend to 2029 based on the current reserves. This mine, with a legacy of over half a century, has consistently replenished its reserves annually, despite traditionally operating with a reserve life of only five to six years. Under Glencore's stewardship for 24 years, CSA was often overlooked for significant investment or exploration as it was considered too minor. However, MAC has identified several strategies to enhance productivity, streamline costs, and ultimately extend the mine's operational lifespan. Moreover, CSA harbours untapped potential in the form of in-mine and near-mine growth prospects, with identified mineralisation close to existing operations.

MAC's IPO roadshow was highly popular, underscoring investor confidence in the company and the copper sector at large. Initially set at $300 million, the IPO was later upsized to $325 million due to overwhelming institutional demand. Upsizing an offer is typically a positive indicator, especially when it reflects genuine and strong interest in the company, as is the case here.

The IPO is attractively priced at A$17 per share, and we provide a 'back of the envelope' analysis below to highlight the value embedded in the IPO by comparing it to Sandfire (ASX:SFR) and OZ Minerals around the time it was acquired by BHP. Our figures, while basic, suggests that MAC is trading on a similar multiple to Sandfire despite possessing a much higher grade copper mine in the Tier-1 Australian jurisdiction. It also seems that MAC is successfully improving the operations at CSA to enhance profitability. When compared to the 10x EBITDA that BHP paid for OZ Minerals, despite the synergistic benefits of the takeover, MAC's valuation at 6.8x EBITDA appears to be appropriate.

Stock Name	**Enterprise Value ($A)**	**2024 EBITDA ($A)**	**EV/ EBITDA**	***2024 Copper Eq. Production (kt)***	***C1 Cash Cost (USD$/lb)***	***Mineral Resources (Mt)***	***Grade Milled (Cu%)***
Metals Acquisition Corp (ASX:MAC)	$1.3b	$0.19b	**6.8x**	*40*	*$1.99*	*13Mt @ 5.3% Cu = 0.7Mt*	*3.80%*
Sandfire Resources (ASX:SFR)	$4.0b	$0.56b	**7.1x**	*135*	*$1.87*	*158Mt @ 1.3% Cu = 2.1Mt*	*1.70%*
OZ Minerals - Acquired by BHP	$9.6b	$0.95b	**10.1x**	*130 (est)*	*$1.70 (est)*	*180Mt @ 0.9% Cu = 1.6Mt*	*1.12% (est)*

Sources: MAC Prospectus, SFR, OZL, BHP ASX Releases. Prices as at 13 February 2024. MAC valuation is based on A$17 per share. OZL figures are derived from the BHP takeover price, with 2023 forecasted EBITDA and copper production volumes. OZL's Mineral Resources and Ore Reserves (MRE) figures are based on pre-takeover data.

More importantly for us, it's worth noting that MAC trades under the code MTAL on the New York Stock Exchange. MTAL recently closed at the equivalent of ~A$19 when we bidded for the stock. This highlights the attractive value proposition of the ASX IPO, with MAC offered in the form of Chess Depositary Interests (CDIs) at A$17 per share. These CDIs are freely convertible to MTAL shares and vice versa. We believe that Australian-based investors are particularly eager for a sizeable, pure-play copper stock on the ASX and MAC fits this profile perfectly.

The above reflects our opinion only and we recognise that we may be wrong and change our position at anytime without notice. This should not be taken as a recommendation to purchase MAC stocks.

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.

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Fund Guideline
- Maximum Single Holding Size: 20% at Cost
- Maximum Unlisted Holdings: 30% at Cost
- Buy Sell Spreads: Nil
- Distribution Frequency: Annually
- Minimum Investment: $100,000

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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