

**To: Investor Partners of Castlereagh Equity Pty Ltd**

**From: Peter Phan**

**Date: 31 August 2021**

**Re: Monthly Update**

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	CE	CE ex-fees	XAOA	CE ex fees vs XAOA	XAO	CE vs XAO	CE Net Asset Value
1/11/13 to 31/8/21	207%	184%	97%	87%	44%	163%	235 cents*
1/11/13 to 31/1/15	6.2%	6.2%	7.7%	-1.5%	2.4%	3.8%	106.2 cents
1/2/15 to 29/1/16	19.4%	16.4%	-4.7%	21.1%	-9.2%	28.6%	126.8 cents
1/2/16 to 31/1/17	19.7%	16.3%	17%	-0.7%	12.5%	7.2%	151.8 cents
1/2/17 to 31/1/18	9%	8.3%	13%	-4.7%	8.3%	0.7%	146 cents
1/2/18 to 31/1/19	0%	0%	0.6%	-0.6%	-3.4%	3.4%	139 cents
1/2/19 to 31/01/20	65%	51.7%	25%	26.7%	20.3%	44.7%	229 cents
1/2/20 to 29/1/21	20%	16.5%	-0.7%	17.2%	-3.8%	23.8%	253 cents
1/2/21 to 31/8/21	4%	4%	16%	-12%	13.8%	-9.8%	235 cents

To aid in understanding the tables above:

1. CE commenced on 1 November 2013 with shares issued at \$1 per share, backed by \$1 of cash per share.
2. The first row of the table above provides a summary of CE's performance since its commencement on 1 November 2013 until the date of this memorandum. It also compares CE's performance with the benchmark All Ordinaries index (XAO) and the All Ordinaries Total Return Index (XAOA) over the same period.
3. The second row of the table provides a summary of CE's performance for its first reporting period (15 months period from 1 November 2013 to 31 January 2015).
4. The third row of the table (and subsequent rows) provides a summary of CE's performance for its reporting period (12 months period from 1 February to 31 January).
5. The last row of the table provides a summary of CE's performance for its current reporting period (period commencing 1 February 2021 to the date of this memorandum).
6. \*CE NAV is after payment of dividend and director fees in calendar month February of each year. These payments "reset" the NAV as follows:
  - (a) 1.52 to 1.34 in Feb 2017,
  - (b) 1.46 to 1.39 in Feb 2018,
  - (c) 1.39 to 1.39 in Feb 2019.
  - (d) 2.29 to 2.10 in Feb 2020.

(e) 2.53 to 2.25 in Feb 2021.

The XAO started at 5420 on 1 November 2013 and ended at 7823 on 31 August 2021. In percentage terms, the XAO gained 44% for the 94 months period since the start of the CE fund.

The XAOA started at 44054.2 on 1 November 2013 and ended at 86577 on 31 August 2021. In percentage terms, the XAOA gained 97% for the 94 months period since the start of the CE fund.

CE's performance over the same 93 months period is 207%.

For the month of August 2021, the XAO gained 2% and the XAOA gained 2.2%. CE gained 2.2% for the month.

The cash component of the CE fund is 44%.

August 2021 continued in lockdown. Reporting season progressed uneventfully for the CE portfolio. I have sold CE's position in JMS, a manganese miner in South Africa, for a modest gain. The position has achieved its objective of being a quasi-cash position. With continuing unrest in South Africa, geopolitical tension, global supply disruptions, and a boardroom stoush, JMS is starting to become high maintenance. The position is not core to our current focus in the life sciences.

I am still in the process of building up positions in several attractive opportunities in the US. These opportunities that I have identified are all just beginning their journey on a multi-decade trend.

Thank you for your trust and confidence in us.

Regards

Peter Phan

Director, Castlereagh Equity Pty Ltd