Oil was set to explode Iran just lit the match

Pricing the fundamentals while the markets are pricing the headlines

FEATURE ARTICLE

COLLINS ST
ASSET MANAGEMENT

Quarterly Report

March 2026

Collins St Value Fund
Collins St Global Fund
Collins St Special Situation Fund No. 1
Collins St Special Situation Fund No. 2

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Oil was set to explode Iran just lit the match

Pricing the fundamentals while the markets are pricing the headlines

The world has become increasingly insecure in the past three months, and markets have predictably responded in the only way they know how: panic.

Social unrest in Iran, followed by strikes against the IRGC by the United States and Israel, has prompted many political commentators to question the wisdom of further US intervention in the Middle East. They note the costs of the conflict: higher petrol prices, higher inflation, and, at least in Australia, higher interest rates.

Markets have swung sharply. For the most part, equities remain close to 10% lower (as at 31st March) than they were before the US strike on Iran. The only major sector to benefit from the current conflict is oil and gas, a sector which we already had meaningful exposure to and have profited from.

> Every past market correction looks like an opportunity; every future correction looks like a risk. — Morgan Housel

The value investor's perspective

This presents us with the obvious question: is this an opportunity or a risk? Are current conditions a new normal or merely a passing phase? And most importantly: is the information genuinely useful, or simply noise?

Buying low and selling high is an over-simplification, even when explaining investing to children, but it remains the basic goal. The difficulty, of course, is working out what is truly "low" and what is truly "high".

Our portfolio vis-a-vis the markets

Nothing is as bad, or as good, as it might first appear.

In a recent Bloomberg interview after the outbreak in Iran, Vas and I were asked how we thought the current conflict would affect markets and our portfolio. We view these as two distinct questions that warrant very different answers. Markets can be expensive while our select group of companies can remain cheap and continue to offer attractive medium-term prospects.

For our portfolio, the immediate impact has been mixed. Our energy positions have performed very well, our gold holdings have underperformed, and our industrial stocks have produced a mixed bag of outcomes.

Don't get distracted by noise

Our broader view is that the current conflict is noise, not a fundamental threat to markets.

In the modern world, the challenge for investors has shifted from "finding more information" to distinguishing useful information from noise.

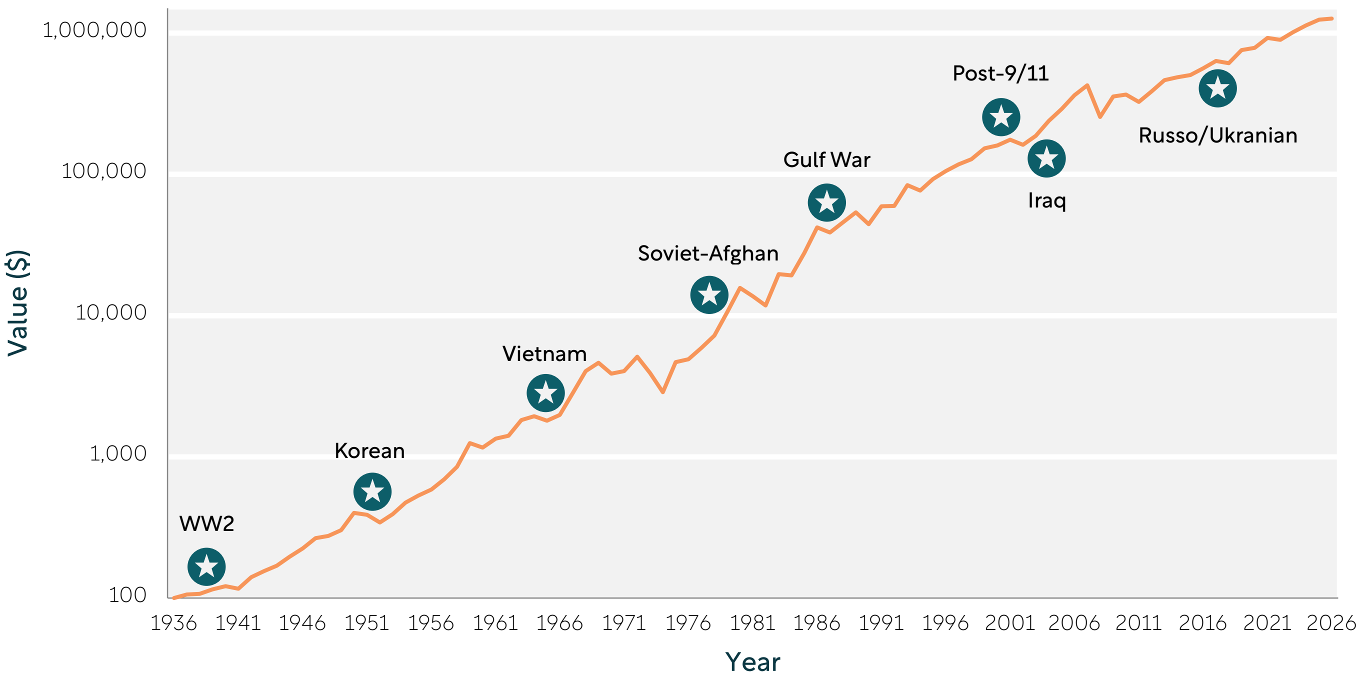
Unfortunately, the noisy material is usually the most enticing. It is the political drama, the war commentary, the colourful predictions, and the endless attempts to explain every market move. That is also why it dominates television, interviews and podcasts.

By contrast, the truth is much more nuanced and not nearly as attractive. Very little airtime is given to changes in a company's fundamentals, such as accounting methods or a change in margins. Yet those are often the details that matter most to a company's outlook.

Politics and war are simply more interesting than margins, so they attract more attention. But how much of an impact will a likely relatively short conflict in the Middle East have on Australian businesses and our economy relative to business fundamentals and our own government's policy and debt?

The effect of previous wars on the Australian stock market 1936-2026[1]

Source: Morningstar, FactSet



The relevant question is whether this (or any) event is likely to materially affect the earnings of our companies this year, next year, or in three years' time.

If the answer is no, then it's not worth our focus. If an investment is so sensitive that it relies on a particular political situation, we simply wouldn't buy it. We only want businesses that are strong enough to stand up to macro risks.

What is the real value of oil?

Of course, oil prices are higher, and that matters. Higher oil prices affect transport, input costs, mining, and a wide range of other industries.

But higher oil prices shouldn't come as any surprise. Oil has been fundamentally mispriced for some time already and the reason oil prices are higher now is not simply the unrest in the Middle East. The deeper issue is years of underinvestment, in part driven by the global push toward net zero, even as demand for traditional energy sources has continued to grow.

In our January white paper[1], we asserted that oil prices should rise because supply has failed to keep pace with demand — and there is little reason to think that imbalance would be corrected quickly.

The war in Iran is simply the catalyst that has brought a long-standing problem into sharp relief. The same was true when war broke out between Russia and Ukraine.

Markets may have overreacted, and a resolution in Iran may eventually see oil retreat from current levels. But on a fundamentals-based approach, we think oil should be trading much closer to the current price of ~US$110 (Brent Crude Oil) than to the ~US$60 level seen before the conflict. The longer it takes industry to respond to the supply imbalance, the higher oil prices are likely to climb.

The real question is this: what more will it take before investors, corporations and governments take steps to correct the imbalance? Sadly, the answer is probably: more global unrest and economic discomfort.

Markets don't fear war

That said, ignoring current events is also a mistake.

Even where an investor believes a conflict will have no meaningful long-term impact on their holdings, it would be naïve to think global shocks do not affect markets in the near term. They most certainly do. However, the issue is not the war itself; it's the uncertainty.

History suggests that markets tend to recover and thrive once the initial shock passes. The natural state of markets is higher. Over time, productivity, innovation, and inflation have driven extraordinary returns. Wars interrupt that trend temporarily, but they don't stop it.

It is uncertainty, not war, that unsettles markets.

[1]Logarithmic. Reindexed to 100. [2]https://www.csvf.com.au/wp-content/uploads/2026/01/Collins-St-Value-Fund-2026-Commodity-White-Paper.pdf

What to do now

The correct response is not paralysis.

A value investor should welcome uncertainty, because it often creates emotional behaviour and therefore opportunity. We have not been surprised by the rise in oil prices, nor by the violent reaction of markets to the conflict in Iran. We have expected higher oil prices for some years now and have maintained meaningful exposure to energy in several of our Funds.

Information mitigates uncertainty, and information is a value investor's best friend.

So rather than panic, we are seizing the opportunity. Many quality companies have sat on our watchlist for years, too expensive to buy. Events like these can give us the chance to acquire those businesses at far more reasonable prices.

If it looks like the end of the world, buy stocks.
If we are wrong, markets will recover.
If we are right, you won't need to settle your trades.

If you have any questions about this article or our quarterly reports, please reach out to our office on (03) 9602 1230 or office@csvf.com.au or Rob Hay on 0423 345 975 or rhay@csvf.com.au

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Australian equities
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COLLINS ST
ASSET MANAGEMENT

March 2026 Quarterly Report

Collins St Value Fund

Flagship Australian Equities Fund

Inception: February 2016   Status: OPEN   Unit Price (NAV): $2.21

Portfolio Managers


Vas Piperoglou


Michael Goldberg

- War in Iran impacted markets, especially precious metals and smaller companies
- Collins St Value Fund down 12% for the quarter, in line with Australian Small Caps
- Catalysts for 2026 appear aplenty including a Humm board battle

How our Fund performed

The outbreak of war in the Middle East saw shares affected across the board. And while the Value Fund holds a significant basket of energy stocks (in particular oil and gas) which it has accumulated over the past 6 months, the gains made from those holdings were insufficient to counteract the impact on our gold stocks and several of our industrial companies.

Despite our overweight position in gold stocks, our portfolio kept pace with the ASX Small Ordinaries Accumulation index.

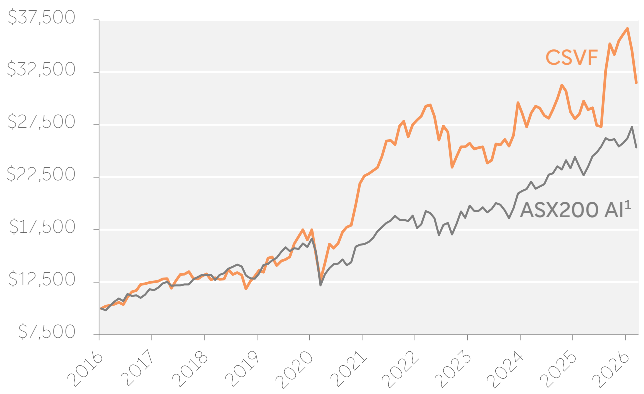
Though the returns for the quarter were disappointing, they were primarily driven by outside factors impacting the broader market, and the prospects for our holdings remain strong.

During this period of volatility, the Fund has taken the opportunity to purchase more of the stocks we like at the discounted prices now on offer.

Net Returns

	CSVF	Small Ords[1]	ASX200 AI[2]
3 months	-12.86%	-11.62%	-1.80%
1 year	5.84%	8.89%	11.67%
3 years p.a.	7.57%	4.69%	9.53%
5 years p.a.	6.35%	0.24%	8.63%
10 years pa.	11.81%	4.73%	9.43%
Since inception pa.	11.97%	4.73%	9.59%

Value of $10,000 since inception



Past performance is not a reliable indicator of future performance.

Update on Selected Holdings

Carnarvon Energy (ASX:CVN)

Carnarvon Energy (CVN) was among the Fund's top performers in the March quarter.

We attribute this to surging energy prices and the prospect of M&A activity they often spark. Australia's ongoing energy crisis positions Dorado, a high-quality, near-term development, as a project that Santos might once again prioritise.

Though CVN shares climbed 16% from 8.6¢ to 10¢, we see substantial undervaluation. Our sum-of-the-parts analysis values the assets at over 25¢ per share, as detailed last quarter.

SkyCity Entertainment (ASX:SKC)

SkyCity Entertainment operates casino and entertainment complexes in Adelaide and New Zealand.

Their recent half-year results marginally exceeded expectations.

However, while management remains focused on key value catalysts, including non-core asset sales, dividend reinstatement, the new conference centre, and an online platform rollout, the market has not yet been convinced. The lack of tangible progress, particularly on asset sales, has raised questions about execution and eroded investor confidence.

[1]ASX200 AI represents the ASX200 Accumulation Index plus dividends.
[2]Small Ords represents the ASX Small Ordinaries Index plus dividends.

With the general decline in small cap equities since the outbreak of the Middle East War, and concerns from some quarters that the company may suffer declining trading volumes as cost of living imposts from the War hit discretionary spending, this has driven the share price down from 78¢ to 57¢ this quarter — well below our $1.25 valuation.

We expect a property asset sale, conference centre opening, and online launch to proceed this year — each poised to unlock value.

Humm Group (ASX:HUM)

Given the company's strong earnings, massive cash balance, and the potential for new management or a takeover, we think that HUM ought to be trading at over 90c per share.

We believe that HUM will get there, but unfortunately, the process has been hamstrung by disputes between significant shareholders and the Board.

Humm Group has faced two takeover bids.

The first, a 58¢ all-cash offer from the Chairman was rejected by investors and withdrawn. Soon after, activist Jeremy Raper and our Fund requested an Extraordinary General Meeting to overhaul the Board.

Coincidently, Humm's announcement of the challenge coincided with news of a prior 77¢ bid from Credit Corp (CCP) made months earlier but only disclosed amid the proxy fight.

Several matters relating to the company were taken to the Takeovers Panel for their review and determination. The Takeovers Panel (TOP) described some matters as having various conflict of interest concerns. Various remedies were prescribed for the company by the TOP.

Despite all the noise and distraction, Humm's fundamentals remain strong: growing earnings, $125m in free cash, potential capital management, and M&A potential.

We value HUM above 90¢ per share — far exceeding its current price (63.5c), and we think that new management or a cleaned-up takeover process will unlock this, despite prior Board missteps.

Select Harvest Limited (ASX:SHV)

Select Harvests reported a net profit after tax of $31.8m in 2025. Significantly, debt was halved to $79.1m at year end with the gearing level reduced to 15.1%. This is now within the company's 25% over lower gearing level target.

Although the crop yield remained within the projected range, the company reports that demand is increasing across the company's primary export markets, including China, India, and Turkey. Given that almond acreage in California has not expanded in recent years, the company remains confident that these favourable macroeconomic factors will persist over the medium term with global supply and demand dynamics effectively supporting industry profitability.

We believe there are significant opportunities to increase value through various change initiatives. The post-quarter end resignation of the incumbent CEO may provide an accelerant in this respect.

Boom Logistics Limited (ASX:BOL)

This investment has been profitable for the Fund to date, and we expect further upside in the coming year. A series of earnings upgrades over the past couple of years has reinforced our confidence.

Half year results released in February showed revenue supported by strong project activity across mining, infrastructure, and transmission lines, alongside improved pricing, margin initiatives and higher utilisation in core sectors.

Statutory net profit after tax (NPAT) was impacted by an accident and the recoupment of previously reported misused funds ($0.8 million, net of costs). Cash flow was strengthened by improved cash conversion and lower capex. The weighted average age of fleet of 320 equipment units remaining steady at 5.9 years.

On-market share buyback progressed, with $3.0 million worth of shares purchased in 1H FY26 for 2.03 million shares.

COLLINS ST
ASSET MANAGEMENT

March 2026 Quarterly Report

Collins St Global Fund

Global Equities Fund

Inception: February 2024 Status: OPEN

Unit Price (NAV): $1.63

Portfolio Managers


Vas Piperoglou Michael Goldberg

- Fund delivered a strong 7.7% return for Q1 2026
- Outperformed the MSCI World Index by 11.12% this Quarter
- Key holdings trade at a substantial discount to intrinsic value, underpinning a positive outlook

How our Fund performed

The Collins St Global Fund delivered a strong start to 2026, returning 7.7% in the first quarter. This was a particularly strong outcome given the elevated geopolitical uncertainty over the period, which saw most global indices decline. Notably, the MSCI World Index fell -3.46% for the quarter.

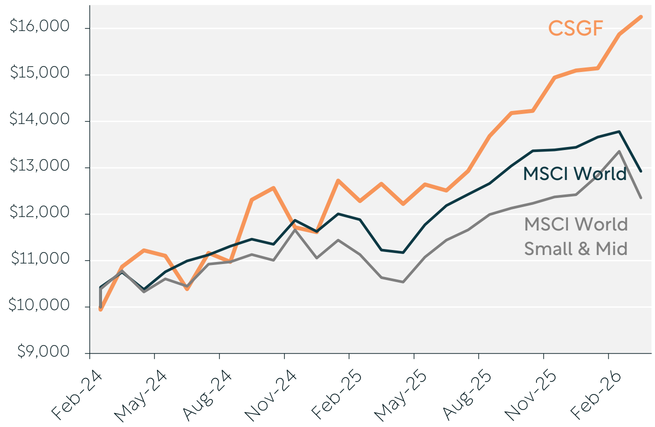
Whilst the Fund has returned 25.2% p.a. since inception, looking forward we feel that our diverse set of holdings still trade at a substantial discount to intrinsic value. Set out below are five of the Fund's key positions.

Net Returns

	CSGF	MSCI World	Value Add
3 months	7.66%	-3.46%	11.12%
6 months	14.64%	-0.45%	15.09%
1 year	28.42%	16.33%	12.09%
Since inception	62.49%	32.34%	30.15%
Since inception p.a.	25.18%	13.84%	11.34%

Past performance is not a reliable indicator of future performance.

Value of $10,000 invested since inception



Selected Holdings

Basket of Oil Stocks

The Fund's basket of oil-related equities performed very strongly over the first quarter of 2026, reflecting a sharp move higher in crude prices as geopolitical tensions around Iran escalated and supply risk was repriced. The thematic offers the Fund exposure to higher oil but is fundamentally underpinned by strong free-cash-flow generating businesses and deeply conservative price assumptions.

Given the current environment, on our expectations these companies are positioned to generate substantial excess cash at ~$75 USD a barrel. We anticipate that these increased cash flows will be distributed to investors via dividends and buybacks rather than in pursuit of new projects.

Balance sheets are in excellent shape, with average net debt to EBITDA of about 1.1x across the basket, giving management teams resilience if oil retraces and optionality if the current prices persist.

While a diplomatic solution in the Middle East could see some give-back in oil prices, we see the structural under-supply and disciplined corporate behaviour as supportive of continued attractive shareholder returns from this space.

Kaspi.kz (NYSE: KSPI)

Kaspi.kz is a Kazakhstan-based "super app" combining payments, an e-commerce marketplace, and a customer's lending franchise into a single ecosystem used daily by consumers and merchants. It effectively operates as core financial and commerce infrastructure in Kazakhstan. The company is listed on the NYSE and has a market capitalisation of roughly US$15 billion, and annual earnings of around US$2.5 billion (placing it on a PE of just 6x).

Kaspi reported its Q4 2025 and full-year results in early March, closing out another year of strong growth and, in our view, setting up the business well for the coming years. Full year revenue rose 19% and underlying profit (adjusting for regional smartphone shortages) was up over 20%, highlighting the durability and strength of their offerings.

An expansion into Turkey is progressing in line with expectations, with improving engagement over there providing a credible second pillar of growth beyond its home market.

Most importantly, the board has reinstated its dividend, with the proposed payout policy generating a 9.4% yield at current prices. Leadership has also indicated that this will be the floor for future capital returns. Backed by a management team with a long track record and multiple growth vectors still underexploited, we think Kaspi's medium-term earnings power is meaningfully higher than what is implied by today's share price.

Against this backdrop, the shares trade on an extremely undemanding valuation of 5.5x forward earnings. When combined with the high current dividend yield, increasing capital returns, and a medium-term earnings growth profile we would expect the company to be trading on a PE of 17x earnings. The prevailing low multiple provides what we regard as a substantial margin of safety and opportunity.

Domino's Pizza Group UK (LON: DOM)

Domino's Pizza Group (UK) delivered a solid start to 2026 off the back of a strong Q4 2025 .

Revenue for 2025 grew 3.1%, and the company guided that underlying EBITDA for 2026 is tracking in line with expectations. Operationally, focus remains squarely on strengthening the core UK and Ireland franchise system: rolling out the supplementary offering Chick 'N' Dip fried chicken system-wide which has been additive to order size, expanding the loyalty programme, and driving further digital and supply chain efficiencies.

Despite this the company trades on only 9x forward earnings. We note the company's incredibly recognisable brand, its outperformance relative to its competitors, as well as the potential for meaningful capital returns to be signals that Domino's is simply trading too cheaply.

JD.com (HK: 9618)

JD.com is most simply described as the "Amazon of China". It has a core retail and logistics franchise that continues to go from strength to strength and reinforces our view that it is one of the most robust operators in Chinese e-commerce.

Full-year revenues were up 13% (to RMB 1.31 trillion) and the company continues to see its core retail margins increase. The logistics of a supply-chain-led model leads to greater reliability and service levels, and continues to differentiate JD relative to its competitors — which tend to compete on price. At the same time, a strong focus on efficiencies, proper capital allocation and costs has seen JD drive better business outcomes for 6 consecutive quarters.

We see this as a healthy evolution of the story — core earnings power compounding while experimental adjacencies are either scaled, disciplined or exited. Taken together, the combination of improving profitability in non-core segments and continued resilience in the core commerce and logistics engine underpins our conviction in JD as a long-term compounder.

The company trades on just 7x forward earnings, with roughly 35% of its market capitalisation held in cash. In our view, this is far too cheap for a business with this growth profile and balance sheet strength. We believe the shares should reasonably support a 15x multiple.

Online Classifieds Stocks

Autotrader (LON: AUTO) and Rightmove (LON: RMV) together represent our exposure to "Online Classifieds". They are digital platforms that aggregate the vast majority of car (Autotrader) and property (Rightmove) listings in the UK, providing buyers with a one-stop discovery and comparison domain.

The Fund initiated both positions during the "SaaS-pocalypse", a period when software names were de-rated indiscriminately due to fears of AI disruption. Our view is that online classifieds like Autotrader and Rightmove will continue to dominate the online classifieds space in Auto and property, and that AI will enhance search and matching, but is unlikely to replace the need for a trusted, central marketplace where buyers and sellers transact.

Both businesses entered 2026 in good health, with strong fundamentals continuing to shine through the March quarter. Autotrader highlighted a robust used-car market backdrop, with rising retail prices, stable sales volumes and strong engagement on the platform. Rightmove, meanwhile, continues to grow, with management guiding for 8-10% revenue growth in 2026 as it brings a suite of new tools to market for agents and home-movers, further strengthening its already dominant position in the UK housing market.

Given the dislocation caused by AI-related fears, both companies now trade at substantial discounts to their historical valuation ranges, despite positive earnings momentum, strong balance sheets and no tangible evidence of actual disruption to their business models.

COLLINS ST
ASSET MANAGEMENT

March 2026 Quarterly Report

Collins St Special Situation Fund No. 1

Global Basket of Offshore Oil and Gas Services Companies

Inception: July 2021 Status: CLOSED Unit Price: $1.42 (distributions already paid: $1.49)

Portfolio Managers


Vas Piperoglou

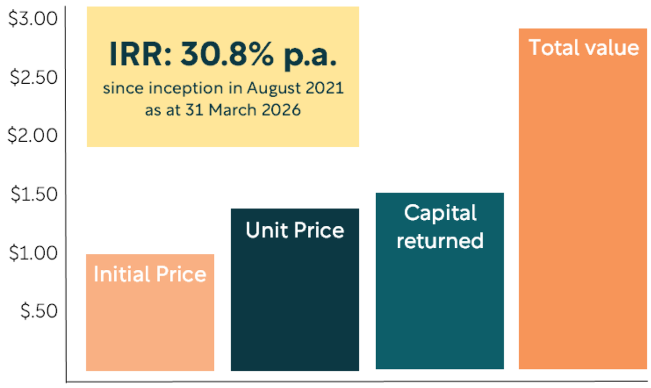

Michael Goldberg

- The Fund had an exceptional quarter, driven by corporate activity
- The internal rate of return since inception is almost 31% p.a.
- It is expected that the Fund will be wound up by end of August

How our Fund performed

The Fund delivered a 40.4% net return for the March quarter, driven in large part by corporate activity. The Fund will now focus on providing increased liquidity for investors in the coming months. We intend to provide an investor letter outlining the restructure that will make this possible.

Fund performance as at 31 March 2026



Net of fees. Past performance is not a reliable indicator of future performance.

Significant Holdings

Valaris Limited (NTSE:VAL)

In early February, Transocean Ltd (NYSE:RIG) and Valaris Limited (NYSE:VAL) announced they would be combining the two companies, under which Transocean will acquire Valaris in an all-stock transaction valued at approximately US$5.8 billion, the after transaction shareholding of the company will be: 53% Transocean and 47% Valaris. The enterprise value of the company will be approximately $17 billion.

The transaction brings together highly complementary premium offshore assets. The combined company will own 73 rigs able to serve customers in deepwater, harsh environment and shallow water basins around the world. The company will have a combined backlog of approximately $10 billion. Additionally, the companies have identified more than $200 million in synergies that will strengthen financial flexibility.

Valaris was up 93% for the quarter.

Matrix Composites and Engineering (ASX:MCE)

In late March, Matrix Composites and Engineering advised that it had received a proposal from Advanced Innergy Holdings Limited (ASX:AIH) in relation to an acquisition of all of the shares in Matrix at a price of 40c per share in cash. Subsequently, AIH has entered into a three-week exclusivity period for due diligence.

Prior to the announcement of the AIH offer, MCE was trading at 25 cents. The share price closed the quarter at 36c (up 44%).

To ensure that AIH would be in the best possible position to make the takeover offer, our Fund entered into a pre-commitment agreement with them via a call option. We anticipate (baring regulatory delays) that the takeover will be completed in early Q3 2026.

Borr Drilling Limited (NYSE:BORR)

Borr is active in the Arabian Gulf, with a small operation there. The company has four jack-up rigs deployed: one in Saudi Arabia, one in the UAE, and two in Qatar. The rigs deployed in Qatar and the UAE were evacuated in early March. On 7 March there was a drone attack on a customer-operated platform. The rig was safely shut down, and all personnel evacuated.

Borr Drilling was up 47% for the quarter.

Noble Corporation (NYSE:NE)

New contract awards have increased the backlog to US$7.5 billion. A $0.50 per share dividend was declared for the March quarter, bringing cumulative total capital returned since 2022 to approximately US$1.3 billion ($1.30 per share).

Noble was up 73% for the quarter.

COLLINS ST
ASSET MANAGEMENT

March 2026 Quarterly Report

Portfolio Managers


Vas Piperoglou


Michael Goldberg

Collins St Special Situation Fund No. 2

Global Gold and Precious Metals Fund

Inception: April 2023 Status: CLOSED Unit Price: $1.31 (distributions already paid: $1.28)

- A sharp decline in global gold securities due to the onset of the Middle East War
- The Fund paid an additional 50c per unit this quarter, bringing total distributions to $1.28
- Selling to facilitate the distribution was undertaken prior to the drop in gold securities

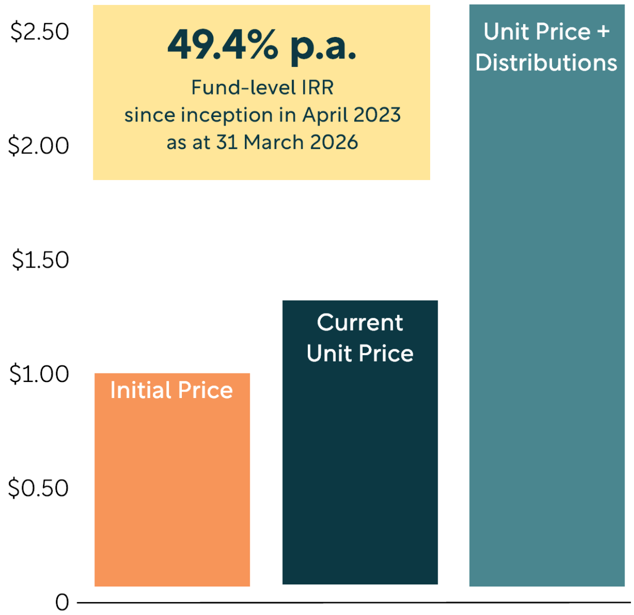
How the Fund performed

The Fund continued to see positive returns in January and into February, with total returns since Fund inception, both realised and marked to market, exceeding 200% by that time. However, a sharp correction March due to the onset of the Middle East War has seen the Fund unit price fall to $1.81 (pre-distribution).

We previously described how the investment team continued to closely monitor and manage the portfolio. In that context, and due to the outstanding performance of the Fund in early 2026, a decision was made to conduct a sell down of Fund holdings to facilitate a second distribution to investors (this time of 50 cents per unit), taking the total distribution to date to $1.28.

Selling was completed by mid-February, capturing much higher prices than current market prices.

We will continue to review the Fund with an eye on further distributions over the coming quarters, with the Fund due to be wound up by April 2027.



Net of fees. Past performance is not a reliable indicator of future performance.

How the market performed

Gold continued to rise early in the quarter from US$4,600 per ounce as at 31 December to $5,595 per ounce on 29 January. Concerns around an impending war in Iran saw the gold price drift lower, reaching a low of $4,300 per ounce on 23 March.

This correction is being driven, in part, by higher global inflation expectations, and the risk that central banks will follow Australia's lead and raise interest rates.

However, we believe that the market has not fully considered the demand destruction arising from the war which would be recessionary and over time deflationary. We believe that if central banks are too hasty in raising interest rates, they may find themselves retracing their steps as soon as later this year.

Significant Holdings

Following is a summary from four of our gold holdings that provided an update on operations to the market this quarter.

Equinox Gold (NYSE:EQX)

Equinox Gold finds itself in a strong position to ride out current instability. Equinox achieved a Full Year production record of 922,827 ounces which was within guidance.

Production costs came in at US$1,925 against an average realised gold price (in 2025) of $3,465 per oz.

Undoubtably, prices achieved in late 2025 and early 2026 will have been made at a materially higher price. The company generated revenue from operations of $2.71 billion, and EBITDA of $1.34 Billion.

The company paid an inaugural quarterly cash dividend of 1.5 cents per share on 26 March and committed to targeting a regular quarterly dividend of 1.5 cents per share moving forward.

Tesoro Gold Limited (ASX:TSO)

Since completion of their 2025 Scoping Study, Tesoro Gold have focused on defining the optimal approach for its open pit mine and 3Mtpa processing plant at Ternera in Chile.

A structured programme of studies has been completed by specialist consultants that will enable Tesoro to determine the preferred project development pathway with sufficient engineering confidence to proceed directly to a Definitive Feasibility Study. All going well, the company expects to be in a position to make a Final Investment Decision by the end of 2026.

Discovery Silver Corp. (TSE:DSV)

In early March, Discovery Silver announced that it has entered into an agreement to acquire Glencore Canada Corporation's 100% interest in the Kidd operations in Timmins, Ontario.

The Kidd operations include the Kidd Metallurgical Site, the Kidd tailings management area and the Kidd Creek copper, zinc and silver mine. The Kidd operations complement Discovery's existing operations in the area, includes what they see as valuable, well-maintained infrastructure. Discovery's highly-skilled and experienced labour force can be leveraged to support wider operations in the area, driving efficiencies and profitability.

Barton Gold Holdings (ASX:BGD)

In March, Barton Gold announced the start of pit optimisation drilling at its South Australian Challenger Gold Project adjacent to its wholly-owned Central Gawler Mill (CGM). The drilling will generate additional geotechnical data, and sample materials for metallurgical test work, and support the optimisation of Challenger's open pit designs and operations.

This new work seeks to upgrade the existing open pit to JORC (2012) 'Indicated' Resources and subsequently to further develop the site.

Barton Gold believes that the reinstatement of the Central Gawler Mill also materially enhances the development optionality providing alternative processing for the Tarcoola Gold Project, the Wudinna Gold Project and high-grade Tolmer silver prospect.