BAZA HIGH CONVICTION FUND
QUARTER ENDED 31 MARCH 2020

BAZA CAPITAL

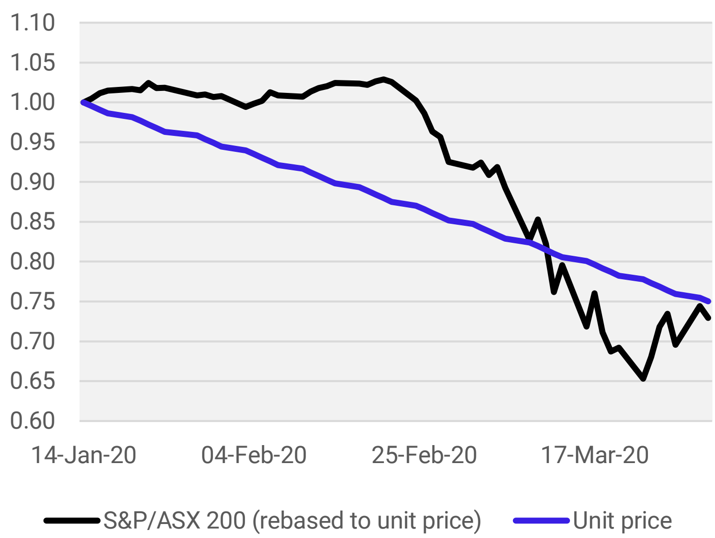
KEY METRICS FOR MARCH QUARTER 2020

(25.0%) Absolute quarterly performance[1]	**+2.46%** Relative outperformance vs. S&P/ASX 200 index during quarter	**A$0.750** Unit price, 31-Mar-20[1]	**(25.0%)** Performance since inception (Jan-20)[1]

KEY METRICS FOR MARCH QUARTER 2020

Current BHC unit price (post costs)	A$0.7504
Fees paid for quarter	-
Costs accrued during quarter	(A$0.002)
Distribution this quarter	-
Previous quarter BHC unit price	A$1.0000
BHC performance in quarter	(24.96%)
BHC cumulative return since inception	(24.96%)
Benchmark performance in quarter	(27.42%)
Outperformance of BHC in quarter	2.46%

HISTORICAL PERFORMANCE CHART



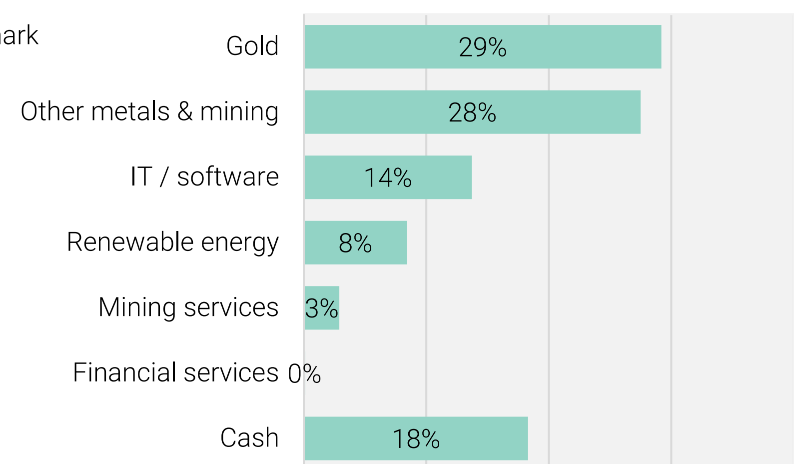
FUND SNAPSHOT

Inception:	15 January 2020
Structure:	Unit trust
Management fee:	Nil
Performance fee:	22.5% (excl. GST) above Benchmark
Benchmark:	S&P/ASX 200

Top 5 portfolio holdings (as at 31 March 2020):

West African Resources (ASX: WAF)	6.5%
Equatorial Resources (ASX: EQX)	6.5%
Vulcan Energy (ASX: VUL)	5.8%
Chalice Gold Mines (ASX: CHN)	5.4%
Rhipe Limited (ASX: RHP)	5.3%

PORTFOLIO WEIGHTING



1 Post fees and expenses

BAZA HIGH CONVICTION FUND
QUARTER ENDED 31 MARCH 2020

COMMENTARY

First and foremost, we hope our unitholders and their families have been able to stay safe and healthy during this difficult and unprecedented period.

Performance of the Fund over the March 2020 quarter has been negatively impacted by the COVID-19 pandemic. BHC is not alone in this respect; financial markets globally have experienced significant disruption, volatility and heavy losses. The Fund's unit price at 31 March 2020 was 0.7504 post expenses, representing a decline of 24.96% from inception on 15 January 2020. This represents a 2.46% outperformance relative to the S&P/ASX 200 (Fund benchmark). One of the key detractors was the underperformance of gold investments. The US$ gold price fell from a peak of over US$1,700/oz to US$1,469/oz during the COVID-19 market rout as gold was sold off to meet liquidity needs. This is a somewhat counterintuitive movement during a flight to safety. As a result our traditional safe-haven gold investments declined in value despite increasing global volatility and uncertainty over the quarter.

Despite outperforming the S&P/ASX200, we are disappointed with the absolute performance, particularly on behalf of our unitholders that have entrusted considerable portions of their investment capital to our stewardship. However, we are confident with our holdings and strategies to generate stronger returns for the rest of 2020 and beyond.

Furthermore, we are mindful of potential financial hardship over this period and a lower tolerance of risk. As a result we are happy to discuss off-cycle redemptions if anyone wishes to enquire. There are no performance fees payable this quarter and we will not receive any performance fees until the Fund is trading above the inception price (A$1.00). Expenses have been kept to a manageable minimum.

The Fund was launched against the backdrop of the early stages of COVID-19 awareness, global stock markets that appeared overvalued (particularly large-cap companies), a strong global economy and a rising gold price; to this end we biased initial investments towards:

1. nano-, micro- and small-cap companies with inexpensive share prices relative to fundamental valuation;
2. companies developing gold projects (gold producers appeared overvalued); and
3. market neutral investments in prevailing corporate situations.

Although we were mindful of the potential impact of COVID-19 in developing this portfolio, the sharp sell-off that began mid-February and continued until mid-March was indiscriminate and left minimal liquidity in small-cap companies as well as depleted funding prospects for companies requiring capital. As such, investments with the characteristics of 1. and 2. above underperformed.

As share prices collapsed, we made the decision to move out of gold development and other illiquid exposures and shift into a portfolio that reflects the following focus areas:

- Australian based gold producers;
- high quality small- to mid-cap companies that have strong balance sheets to weather 6-12 months of economic hibernation;
- market neutral investments in prevailing corporate situations; and
- cash in preparation for expected significant equity raising activity and further buying opportunities over the next 3-6 months.

This transition continues and has already led to improved performance outcomes (pre and post the 31 March 2020 balance date).

COMMENTARY *cont.*

Gold producers are an attractive exposure currently given the unprecedented amount of global fiscal stimulus that has been announced over the last 4 weeks. We have focused on Australian domiciled gold operations given our expectation that Australian (particularly Western Australian) gold projects can manage COVID-19 risks given strong cultures of health & safety as well as relative remoteness and a pro-mining government. Further social and civil unrest as a result of the COVID-19 pandemic are further tailwinds for gold prices. It is possible that the United States fiscal stimulus and potential inflation will lead to a devaluation of the US$, which is also historically a positive for gold – seen as an alternative safe-haven to the US$.

The indiscriminate sell-off in global equities has created a number of attractive investment opportunities in the small- and mid-cap equity segment. We have upgraded our portfolio to capitalise on the 'quality' investments now selling at steep discounts compared to pre-COVID, even when factoring depressed earnings in FY20 and FY21. New investments include Citadel Group (ASX: CGL), Rhipe (ASX: RHP) and SmartGroup (ASX: SIQ). An important consideration in such analyses is the strength of balance sheets and ability to weather near term working capital and debt covenant requirements. We have invested in larger market capitalisation companies with higher trading liquidity to increase our ability to move in-or-out of positions quickly as new COVID-19 developments unfold.

The various market neutral strategies employed by the Fund outperformed during the quarter and continue to be an important exposure. Strategies included assessment of under-traded takeover situations, companies with higher cash balances than their market capitalisations and significant announcements that have not been absorbed efficiently by the market. The Fund's two strongest performers during the quarter were Windlab (takeover situation) and Chalice Gold (outstanding Nickel-Copper-Palladium drill hit 1 hour out of Perth) – further information on these two situations can be found in the case studies section.

While we maintain a healthy level of conservatism with respect to the prospects of equity markets in the next 6 to 12 months, we do believe that the indiscriminate market sell off has largely abated. The 'new normal' has set in and reactions to bad COVID-19 news on a global scale are more rational than they were between mid-February and mid-March. Stock picking on fundamental valuation grounds has returned as an attractive strategy and such conditions are fertile ground for active fund managers.

We have received A$130,000 in further applications as at quarter end (including a further investment from Chief Investment Officer, William Sandover) and no redemptions to date. The Fund had a cash balance of A$315k as at 31 March 2020 on a pro forma (i.e. including new applications) basis; 30% of pro forma funds under management. The Fund has continued to accrue cash from divestments in the days post the quarter end and is well placed to purchase undervalued companies and discounted equity raisings in the coming months.

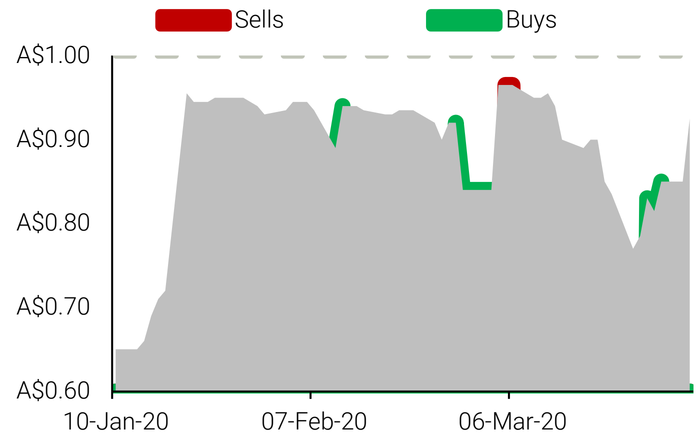
BAZA HIGH CONVICTION FUND
QUARTER ENDED 31 MARCH 2020

BAZA CAPITAL

WINDLAB (ASX: WND)

Industry: Renewable energy

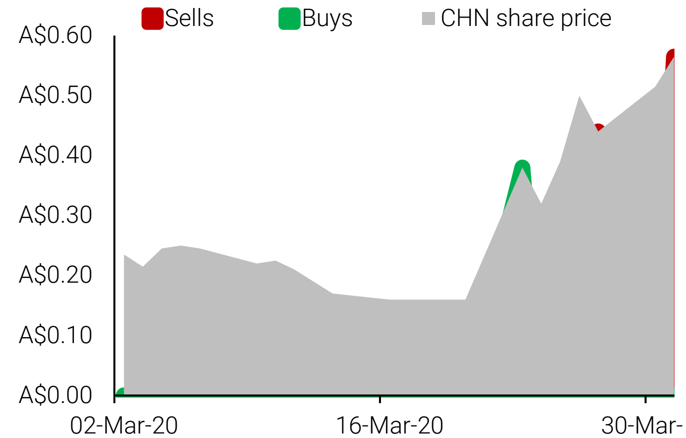
- Wind power company under takeover from syndicate including Macquarie and Andrew Forrest (Chairman of Fortescue (FMG))
- Binding takeover offer from highly credible parties with long term investment horizon
- Deemed unlikely to not complete even despite COVID-19 conditions
- The Fund has opportunistically invested around and below A$0.90 and sold above A$0.95



CHALICE GOLD (ASX: CHN)

Industry: Other metals & mining

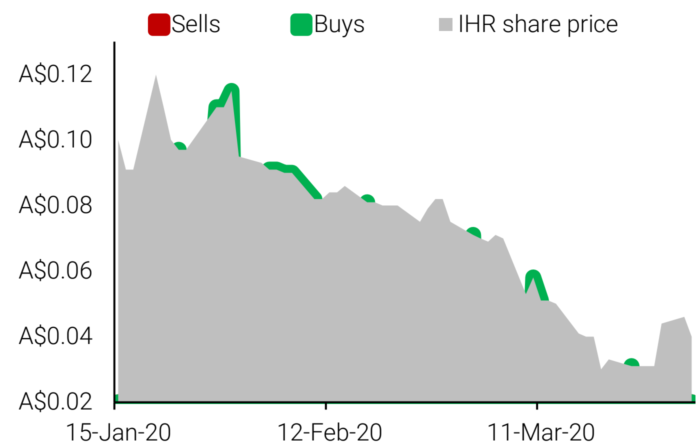
- Chalice went into trading halt and then suspension pending drilling results from its previously low profile Julimar Project, one hour North-East of Perth
- Trading halt / suspension ahead of drilling results often suggests positive outcomes
- This indeed was the case: 19m @ 2.6% Ni, 1.0% Cu, 8.4g/t Pd and 1.1g/t Pt from 48m
- The Fund was able to invest at open following the trading halt, well ahead of heavy interest from the investment community
- The Fund maintains a material position in Chalice



INTELLIHR (ASX: IHR)

Industry: IT / software

- IntelliHR was identified for its growth prospects and disruptive human relations technology platform
- We have had multiple discussions with management and carried out detailed financial modelling
- IntelliHR has the backing of a prominent private equity firm, who invested A$3m in December 2019
- It is currently growing its customer base at c. 90% on an annualised basis, and has provided an update that it is unaffected by COVID-19
- We remain impressed with the company and its potential growth so have bought on further weakness



Baza Capital High Conviction Pty Ltd (ACN: 637 476 423) ATF
Baza High Conviction Trust (ABN: 31 637 476 423)
Suite 25A / 82 Keilor Road
Essendon North 3032

William Sandover
Chief Investment Officer
ws@baza.capital
+61 499 776 998

Brayden McCormack
Chief Strategy Officer
bm@baza.capital
+61 401 025 296