

# BAKER STEEL RESOURCES TRUST LTD

www.bakersteelresourcestrust.com

## March 2013 Quarterly Factsheet

At 28 March 2013	Price / Index Level	% Change in Quarter	% Change from Inception
Net Asset Value (pence/share)	109.0	-0.1%	+9.0%*
Diluted Net Asset Value (pence/share)	107.5	-0.1%	n/a
Ordinary Share Price (pence/share)	85.5	1.8%	+14.5%**
Subscription Share Price (pence/share)	0.35	-92.2%	n/a
MSCI World Index	360.06	6.0%	+16.8% <sup>†</sup>
HSBC Global Mining Index	992.61	-13.9%	-23.7% <sup>†</sup>
CRB Index	296.69	0.6%	+8.6% <sup>†</sup>
Chinese Domestic Iron Ore – Hebei/Tangshan (US\$/t)	177	2.3%	-7.8% <sup>†</sup>
Copper (US\$/t)	7509.75	-5.0%	+0.8% <sup>†</sup>
Gold (US\$/oz)	1598.75	-4.6%	+36.9% <sup>†</sup>

Source: Bloomberg

<sup>†</sup> closing 27/4/10, \*\*Issue price 28/4/10, \* NAV 30/4/10

*This document constitutes an interim management statement for the period from 1 January 2013 to 8 April 2013 (“the Period”). Financial information has been drawn up as at 28/03/2013. There have been no material changes since that date.*

### Review

At the end of March 2013, Baker Steel Resources Trust Limited (“BSRT” or “the Company”) was fully invested. During the quarter there has been one realisation, the sale through a company buy-back of Copperbelt Minerals Limited, following the disposal of its interest in the Deziwa copper project in the Democratic Republic of Congo (DRC) to its joint venture partner Gécamines. The buy-back offer valued Copperbelt at US\$14 per share compared to the Company’s carrying value at 31 December 2012 of US\$7 per share and realised approximately £3.2 million in cash. During the period the Company also committed £1.4 million to a US\$57.7 million equity fundraising by Metals Exploration plc, pro rata to its shareholding. In conjunction with a US\$70 million loan being negotiated, Metals Exploration expects that it will have in place sufficient capital to complete the construction of the mine at its approximately 100,000 ounce per annum Runruno gold project in the Philippines.

During the first quarter 2013, markets for mining equities continued last year’s weakness with the HSBC Global Mining Index falling a further 13.9%. Commodities also trended weaker during the quarter although iron ore maintained the strong recovery seen in the second half of 2012.

Although there was little corporate activity in the companies in the portfolio during the quarter, good progress is generally being made at their underlying projects. In particular, Ivanplats released significantly increased resource upgrades on both its Kamao copper project in the DRC and its Platreef platinum group metal project in South Africa.

### Outlook

Access to capital through debt and equity markets has become increasingly constrained over the past few years. While general equity markets have recently strengthened, mining equities have underperformed, partially due to volatility in prices and uncertainty over the longevity of the commodities cycle. The upward trend in the equities market is expected to continue as investors shift asset allocation away from bonds and into equities. As risk appetite increases this could potentially increase allocation into the mining sector. Increasing equity market activity would give opportunities for the privately held companies in the portfolio to seek an IPO and also be positive for the planned secondary listing for Ivanplats. The outlook for copper and platinum group metals appears positive; Ivanplats is well placed to benefit from any uplift in the price of these metals.

### Investment Objective

To seek capital growth over the long term through a focused global portfolio consisting principally of the equities, or related instruments, of natural resources companies.

### Investment Strategy

*Investing predominantly in attractively valued private companies with strong development projects and focused management and also in listed securities to exploit value inherent in market inefficiencies.*

### Asset Allocation

Unlisted Equities	£43.7 M	60.6 %
Listed Equities	£29.7 M	41.2 %
Net Cash & Equivalents	£ -1.3 M	-1.8 %
Net Assets	£72.1 M	
Gearing:	-1.8%	

### Shares in Issue

Trading:	The London Stock Exchange
Ordinary:	66,142,533
Code:	BSRT
ISIN	GG00B6686L20

### Financial Calendar

Year End:	31 December
Interims:	August
Finals	April

**Top 10 Investments (at 28 March 2013)****Ivanplats Limited****34.4% NAV**

A company listed on the Toronto Stock Exchange with major copper and zinc projects in the Democratic Republic of Congo and a platinum/nickel project in South Africa.

**Gobi Coal & Energy Limited****15.5% NAV**

A private company with three coking coal projects in Mongolia.

**Bilboes Gold Limited****8.4% NAV**

A private company which owns four previously producing gold mines in Zimbabwe.

**China Polymetallic Mining Limited****8.2% NAV**

A company listed on the Hong Kong Stock Exchange with a producing silver/lead/zinc mine and other development opportunities in China.

**Ironstone Resources Limited****8.2% NAV**

A private company with an iron ore/vanadium project in Canada.

**Black Pearl Limited Partnership****7.5% NAV**

Black Pearl is the private vehicle through which the investment in the Black Pearl beach placer iron sands project in West Java, Indonesia is held.

**Ferrous Resources Limited****6.5% NAV**

A private company with five iron ore projects in Brazil.

**Polar Silver Resources Limited****5.4% NAV**

A private company which holds a 50% interest in a silver project in Russia.

**Metals Exploration plc****3.9% NAV**

A company listed on the AIM market of the London Stock Exchange with a gold project in the Philippines.

**South American Ferro Metals Limited****1.9% NAV**

A company listed on the Australian Stock Exchange with a producing iron ore mine in Brazil.

The remainder of the Portfolio (excluding cash) comprises five holdings totalling 1.9% NAV.

Further information is available on BSRT's website:

[www.bakersteelresourcestrust.com](http://www.bakersteelresourcestrust.com)

**Investment Manager**

Baker Steel Capital Managers LLP

**Investment Advisers**

AWR Lloyd Capital Ltd  
Rock Capital Partners Ltd

**Management Fees**

Monthly: 1/12 of 1.75% of  
Market Capitalisation

Performance: 15% of NAV growth (if over 8% p.a. compound hurdle rate, with high watermark)

**Board**

Howard Myles (Chairman)  
Ed Flood  
Charles Hansard  
Clive Newall  
Chris Sherwell

**Joint Brokers**

RBC Capital Markets  
+44(0)20 7653 4253

Winterflood Investment Trusts  
+44(0)20 3100 0000

**Contact:**

Baker Steel Capital Managers LLP  
86 Jermyn Street,  
London SW1Y 6JD  
+44 (0) 20 7389 8237

[enquiries@bakersteelresourcestrust.com](mailto:enquiries@bakersteelresourcestrust.com)

Baker Steel Resources Trust Limited is incorporated in Guernsey

Registration Number: 51576  
Arnold House, St Julian's Avenue,  
St Peter Port, Guernsey

**Important Information**

This document is issued by Baker Steel Capital Managers LLP (a Limited Liability Partnership registered in England No OC301191 and authorised and regulated by the Financial Services Authority). The information contained in this document is not intended to and does not constitute an offer, solicitation, inducement, invitation or commitment to purchase, subscribe to, provide or sell any securities, service or product or to provide any recommendations which should be relied upon for financial, securities, investment or other advice or to take any decision based on such information. Individual advice should be sought from legal, financial, personal and other advisors before making any investment or financial decision or purchasing any financial, securities or investment-related service or product. As a registered collective investment scheme, shares in Baker Steel Resources Trust Ltd are not permitted to be directly offered to the public in Guernsey but may be offered to regulated entities in Guernsey or offered to the public by entities appropriately licensed under the Protection of Investors (Bailiwick of Guernsey) Law 1987 as amended.

The Net Asset Value ("NAV") figures stated are based on unaudited estimated valuations of the underlying investments and not necessarily based on observable inputs. Such estimates are not subject to any independent verification or other due diligence and may not comply with generally accepted accounting practices or other generally accepted valuation principles. In addition, some estimated valuations are based on the latest available information which may relate to some time before the date set out above. Accordingly, no reliance should be placed on such estimated valuations and they should only be taken as an indicative guide. Other risk factors which may be relevant to the NAV figures are set out in the Company's Prospectus dated 31 March 2010.