

# BAKER STEEL RESOURCES TRUST LTD

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

## April 2014 Interim Factsheet

At 30 April 2014	Price / Index Level	% Change in Period	% Change from Inception
Net Asset Value (pence/share)	60.2	-2.9%	-38.5%*
Ordinary Share Price (pence/share)	43.25	-8.7%	-56.8%**
MSCI World Index - £	414.09	-0.5%	+21.9% <sup>†</sup>
Euromoney Global Mining 100 Index - £	530.37	+0.6%	-37.5% <sup>†</sup>
CRB Index	309.53	+10.5%	+13.3% <sup>†</sup>
Chinese Domestic Iron Ore – Hebei/Tangshan (US\$/t)	153.0	-15.5%	-20.3% <sup>†</sup>
Copper (US\$/t)	6659.50	-9.7%	-10.6% <sup>†</sup>
Gold (US\$/oz)	1291.55	+7.1%	+10.6% <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 2014 to 9 May 2014 (“the Period”). Financial information has been drawn up as at 30/04/2014. There have been no material changes since that date.**

### Review

At the end of April 2014, Baker Steel Resources Trust Limited (“BSRT” or “the Company”) was fully invested. During the first four months of the year there have been no realisations or acquisition of new assets.

During the first part of 2014, markets for mining equities have consolidated after a weak 2013, with the Euromoney Global Mining 100 Index rising 0.6% in Sterling terms in the four months to 30 April 2014. The Company’s Net Asset Value per share slightly underperformed the general mining market falling 2.9% during the period, largely due to weakness in the share price of China Polymetallic Mining on the Hong Kong Stock Exchange. In line with the its policy, in the absence of significant events, the Company reviews the carrying value of the unlisted investments relative to comparable market movements, only at the half year and full year ends.

Commodity prices during the period were mixed with base metal and bulk commodities weakening further as markets continued to be concerned over the growth rate in China in particular although gold recovered some of its 2013 losses and was up 7.1% in the first four months of 2014.

Although there was little corporate activity in the companies in the portfolio during the period, good progress is generally being made at their underlying projects. In particular, Ivanhoe released the results of its positive Preliminary Economic Assessment for its Platreef platinum/palladium/nickel project in South Africa; Black Pearl commenced production at its iron ore beach sands project in Indonesia; and Metals Exploration confirmed that it remained on budget and on time for a first gold pour at its Runruno Gold Project in the Philippines by the end of the year.

### Outlook

2014 appears to be a year of consolidation for mining shares with the bulk of the poor sentiment towards the sector factored into prices after the weak markets of the past two years. That there is clearly value in the sector is evidenced by the increasing numbers of private equity vehicles being formed in order to exploit the historically low valuations. The Company will continue to look for attractive opportunities but with the quality of its existing portfolio, the Company is well placed for when sentiment towards the sector turns. There is already evidence of a change in sentiment in the gold sector with increasing M&A activity and selective fund raisings.

### 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	£26.4 M	33.8 %
Listed Equities	£13.5 M	66.3 %
Net Cash & Equivalents	£ -0.1 M	-0.1 %
Net Assets	£39.8 M	
Gearing:	-0.1%	

### 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 30 April 2014)

### Ivanhoe Mines Limited 18.1% 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.

### Black Pearl Limited Partnership 13.9% 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.

### Gobi Coal & Energy Limited 12.6% NAV

A private company with three coking coal projects in Mongolia.

### Ironstone Resources Limited 12.6% NAV

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

### Bilboes Gold Limited 10.2% NAV

A private company with producing gold mines in Zimbabwe.

### Polar Silver Resources Limited 9.0% NAV

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

### Metals Exploration plc 8.2% NAV

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

### Ferrous Resources Limited 6.4% NAV

A private company with five iron ore projects in Brazil.

### China Polymetallic Mining Limited 5.5% NAV

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

### South American Ferro Metals Limited 1.4% 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 2.2% 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

### StockBrokers

Numis Securities Limited  
+44(0)20 7260 1000

### 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 Conduct 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.