

# WESTOZ INVESTMENT COMPANY LIMITED

## *Shareholder Presentation*

# Disclaimer

## *Disclaimer & Disclosure*

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Positive start to FY2020 for investment portfolio

Pre-tax NTA +13% to \$1.276\*

WIC share price \$1.06\*, has lagged NTA increase

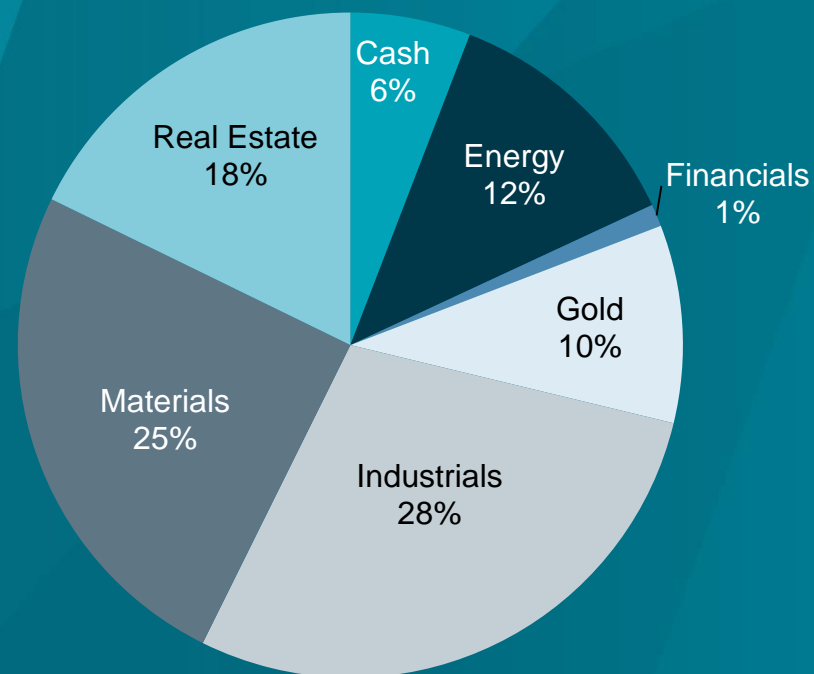
Solid reporting season, gold development companies performing

WA Economy - recent economic releases and indicators encouraging

West Australian project spend - healthy to strong outlook over short and medium term

# Investment Portfolio

	Aug 19
Cedar Woods Properties	10%
Ausdrill Limited	8%
BHP Group Limited	8%
Macmahon Holdings	7%
Finbar Group	7%
Australis Oil & Gas	6%
Orecorp Ltd	6%
Western Areas	5%
Cooper Energy	5%
West African Resources	5%
Sandfire Resources NL	4%
NRW Holdings Limited	4%
Other	22%
Short Positions	-3%
Cash	6%



Source: WFM

# Dividends

Paid 96c in fully franked dividends since inception

Consistent dividend of 6c fully franked for last four years

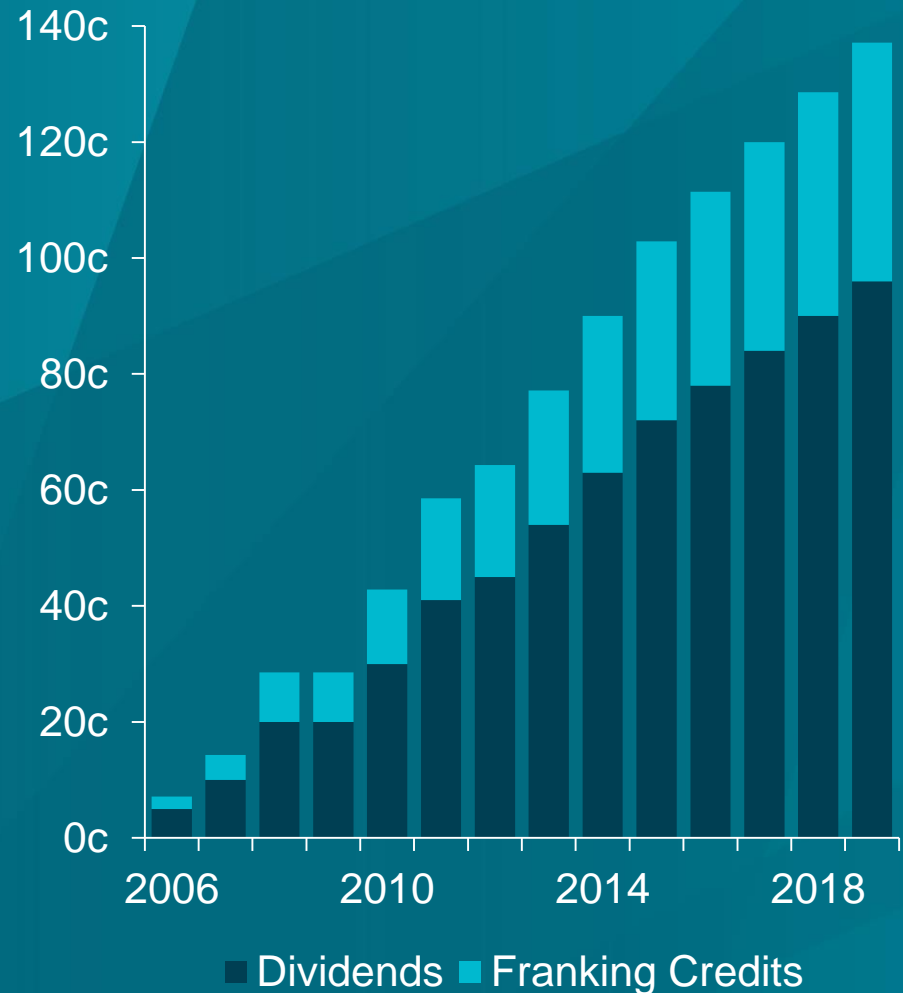
Board has declared a target dividend of 6c for FY2020

Healthy level of profit reserves and franking credits

Augmented by solid start to FY2020

Current gross yield of 8.1%

## Cumulative Dividends



Returning to growth off a very low base

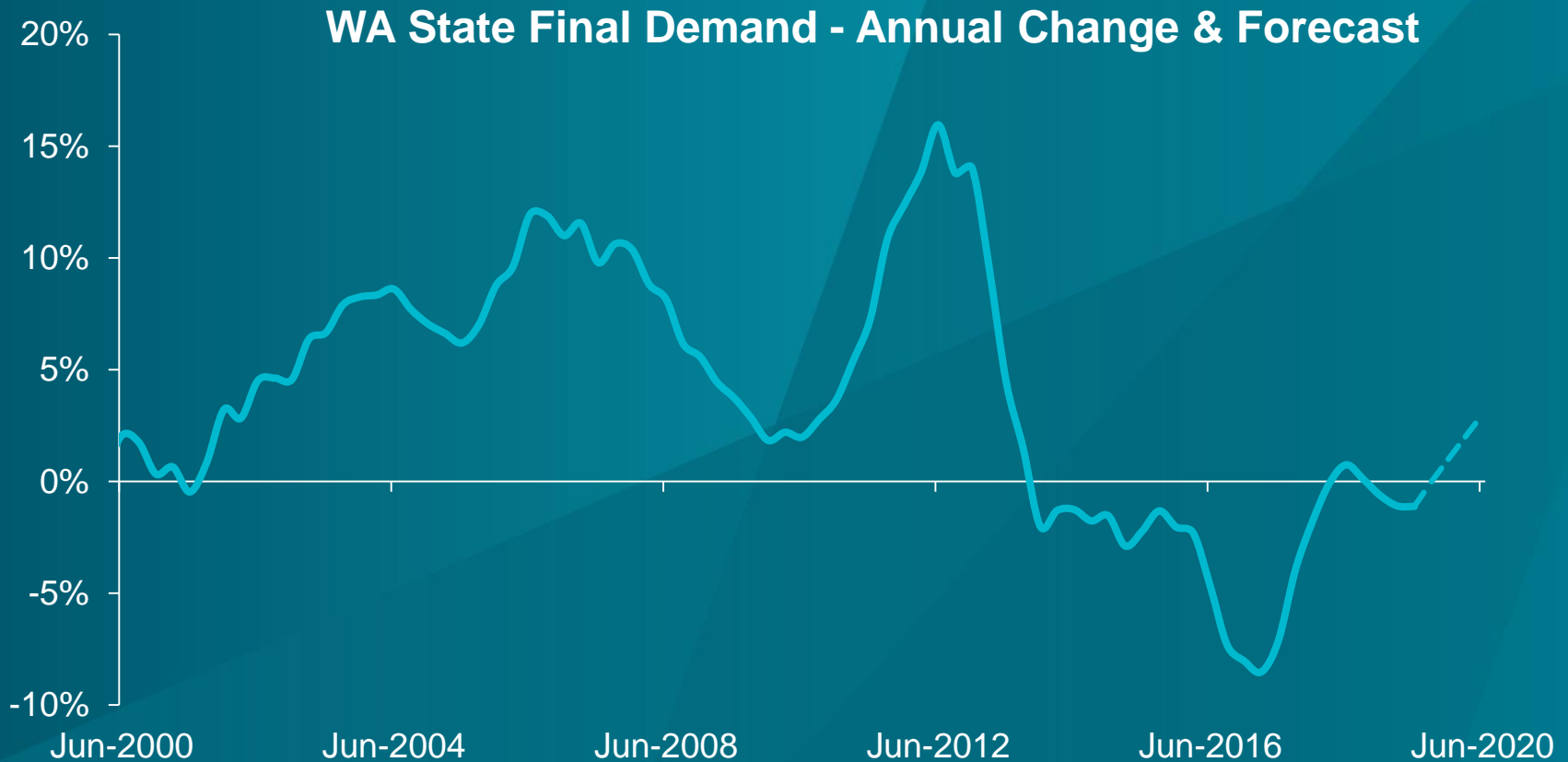
Significant project expenditure forecast over short and medium term

Population growth rebounding, still some way to go

Other private capex to lift off recessionary levels

Business conditions & confidence above national average

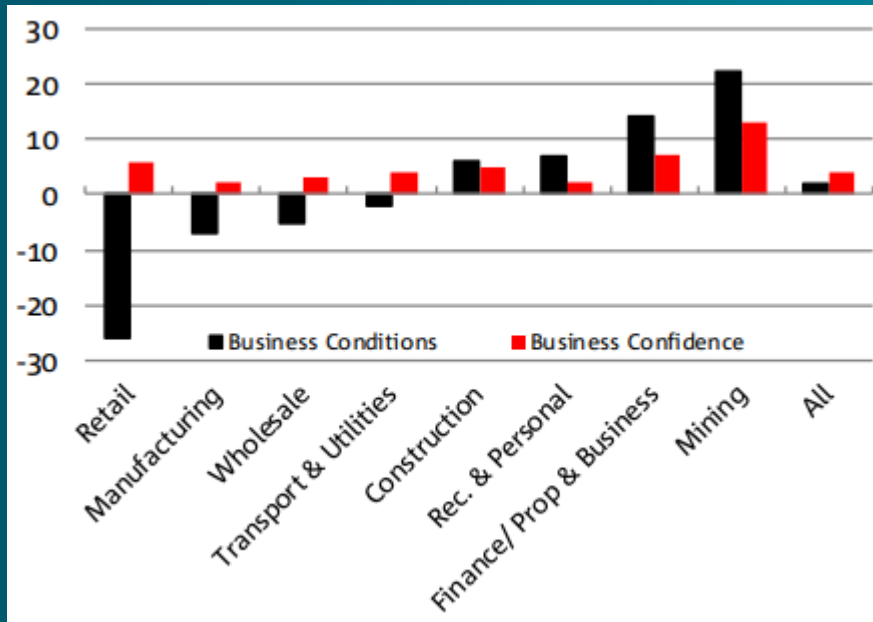
Household expenditure weak but consumer confidence improving



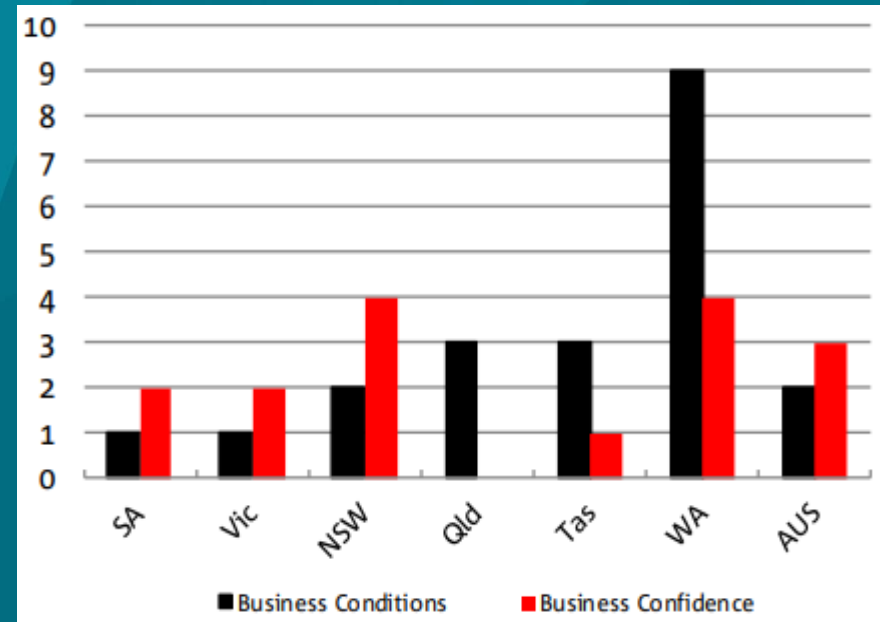
Quarter on quarter growth evident in latest release for June 2019 quarter

Further growth is forecast, driven by increasing private capital spend

## Business Conditions by Industry



## Business Conditions by State



West Australia leading nation in business conditions

Mining confidence and conditions higher than other major industries



2019 year of inflection for major resource project spend in WA

Large scale iron ore projects underway

FMG (\$5.5b Eliwana, Iron Bridge)

RIO (\$3.7b Koodaideri)

BHP (\$4.2b South Flank)

+\$13 billion in capex to 2022, creating 9,400 construction jobs and 2,600 operating jobs

Next wave: +\$50 billion of LNG capex under consideration

## Total Population Change, % Y-o-Y



Population growth lifted off lows, latest 1% annual growth versus low of 0.6%

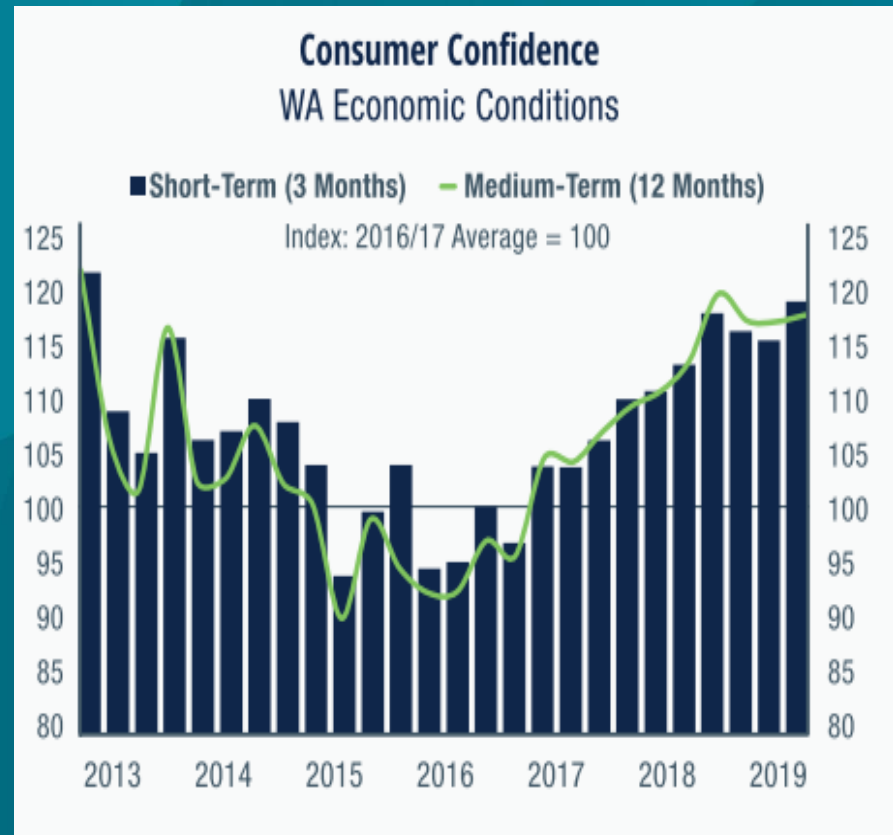
WA pre-boom average of 1.8%, Australian population growth currently 1.6%

Short-term consumer confidence outlook at highest level in over 6 years

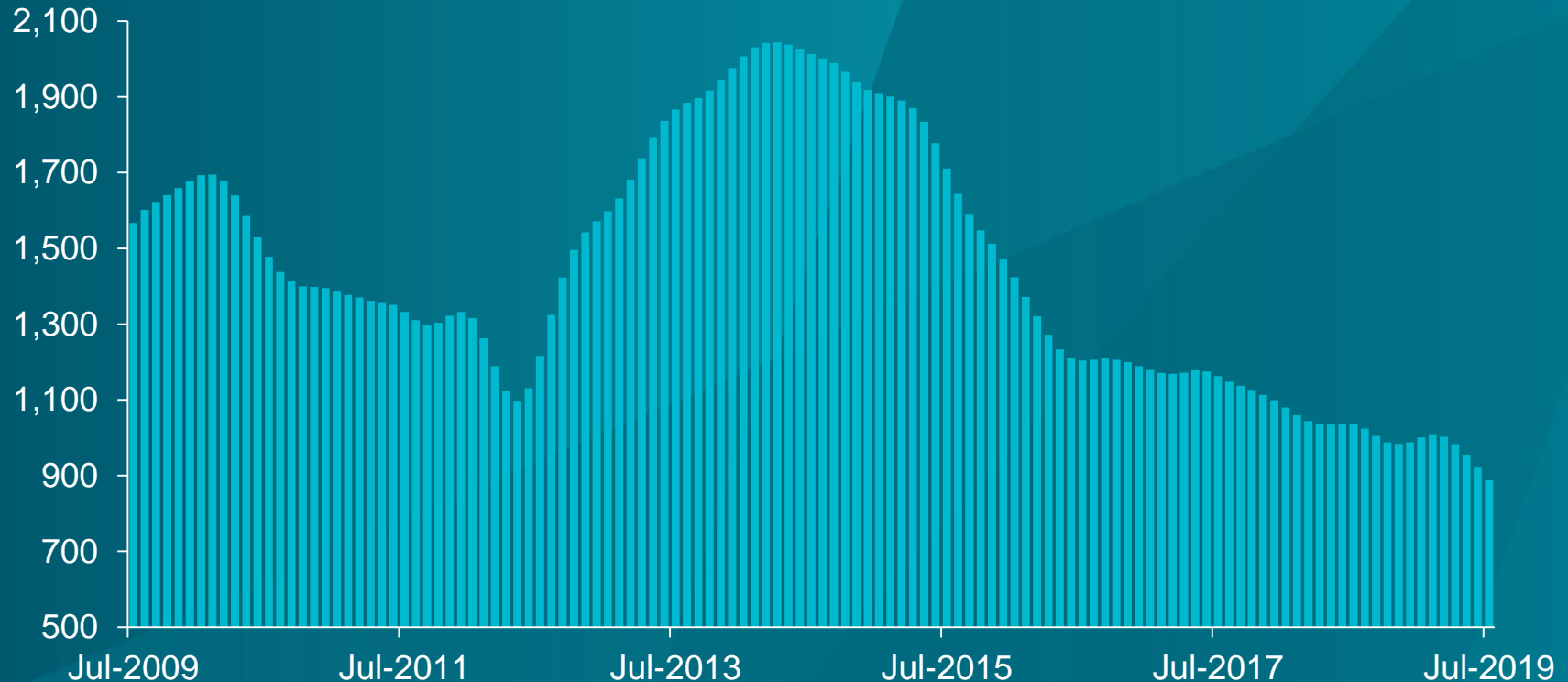
Retail sales have returned to positive annual growth

Unemployment rate has improved from 6.9% to 5.8%

Consumers remain cautious on job prospects and cost of living



## WA Monthly Private House Approvals



Cycle will turn but no rebound evident yet, activity at 20-30 year lows

Anecdotally - enquiries increasing, sales yet to flow, improvement expected

# Opportunities

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Cyclical vs Growth

Small vs Large

Trade “war” impacted

WA property

Offshore gold vs onshore gold

WA resources construction

# Westoz Investment Company Difference

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West Australian based and investment focused

\$168m of dividends and franking credits

Investment Manager aligned with investors

Consistent investment process and team

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## Contacts

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