



Dear Investor,

The All Ordinaries Accumulation Index fell 1.1% over the week. The Energy sector led the decline with a 3.7% fall following a 7.0% reduction in the oil price as the coronavirus outbreak widened. The Materials and Industrials sectors were also weaker, falling 3.6% and 2.4% respectively. Gold rose slightly while iron ore was flat.

The Westoz and Ozgrowth portfolios declined over the week, driven by positions in the Energy and Real Estate sectors. Click on the blue numbers within the table below to access the NTA figures released to the ASX today.

Westoz and Ozgrowth shares are currently trading with entitlement to interim dividends (Westoz 3.0 cps and Ozgrowth 0.3 cps). There is only a few days left to purchase shares cum dividend as they will go ex on Monday 3rd February 2020.

	WIC.ASX	OZG.ASX
Pre Tax NTA	125.9	21.1c
Share Price	112.5c	17.5c
Share Price Discount to NTA	10.4%	17.1%
Gross Dividend Yield	7.6%	4.9%

Emeco Acquires Underground Mining Services Business



Equipment hire company Emeco Holdings (EHL.ASX) announced today they will acquire Pit N Portal, an underground mining equipment and services business for \$72m. The acquisition price is 3.6x Pit N Portal's FY19 EBITDA of \$20m. EHL will fund the purchase and transaction fees via a \$65m equity raise and \$10m in EHL shares.

Pit N Portal was established in 2002, operate the largest underground equipment rental fleet in Australia, employs 300 people and has offices in Perth and Kalgoorlie.

The acquisition will expand EHL's business capability into the underground mining sector as well as doubling its revenue exposure to gold operations.

EHL also reported its 1H20 results. EBITDA was \$119m (+16% pcp), in line with recent upgraded guidance, with further growth expected in the second half. EHL is a disclosed holding in the Westoz portfolio, its shares are in a trading halt until Friday 31 January.

As mentioned in last weeks newsletter, Emerald Resources NL (EMR.ASX) successfully raised \$75m in equity to assist in funding the Okvau Gold Project in Cambodia. EMR shares rose 4.6% over the week and are a disclosed holding in the Ozgrowth portfolio.

Kingsgate Rises As Court Hearing Approaches



The share price of special situations stock Kingsgate Consolidated Limited (KCN.ASX) has risen 9.5% over the week as it nears commencement of its arbitral court hearings in Singapore, scheduled for the 3rd of February. The Kingsgate Board is confident of a successful outcome regarding the premature closure of its Chatree Gold Mine in Thailand by the Thai Government, and is open to an early settlement.

In March 2019, Kingsgate settled with its political risk insurers over the gold mine closure and was awarded \$82m. KCN is a disclosed holding in the Ozgrowth portfolio.

WIC & OZG Dividend Schedule Reminder

A quick reminder that Westoz and Ozgrowth shares will trade ex-dividend on Monday, 3rd of February. The Westoz dividend is 3.0 cents per share and the Ozgrowth dividend is 0.3 cents per share. The dividend schedule is outlined below:

- Ex Date: Mon, 3rd February 2020
- Record Date: Tue, 4th February 2020
- DRP Election Date: Wed, 5th February 2020
- Payment Date: Fri, 21st February 2020

Dividend Reinvestment Plans (DRP) are available for both [Westoz](#) and [Ozgrowth](#) dividends. View our website for the [DRP video](#), [WIC DRP Form](#), and [OZG DRP Form](#).

If you would like any further information please contact us at admin@westozfunds.com.au or 08 9321 7877.

How To Become A Shareholder

Investors wishing to gain exposure to our investments can purchase shares in Westoz Investment Company Limited and Ozgrowth Limited through your investment platform, stockbroker or affiliated advisor. Shares trade on the ASX under the tickers WIC.ASX and OZG.ASX.

Contact Us

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Westoz Funds Management

Westoz Funds Management Pty Ltd is the appointed investment manager for two listed investment companies: Westoz Investment Company Limited (WIC.ASX); and, Ozgrowth Limited (OZG.ASX). Westoz Funds Management is a wholly owned subsidiary of Euroz Limited (EZL.ASX).

Net Tangible Assets

The NTA figures reported above are unaudited and are our estimate as at the close of business on the specified date. Further detail on NTAs can be found on our [website](#).

Disclaimers

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