

# INVESTMENT UPDATE AND NTA REPORT JULY 2023



## PORTFOLIO SNAPSHOT: NET TANGIBLE ASSET BACKING PER SHARE (NTA)

NTA Current Month	Before Tax <sup>1</sup>	After Tax <sup>1</sup>
31-July-23	26.7 cents	32.8 cents

NTA Previous Month	Before Tax <sup>1</sup>	After Tax <sup>1</sup>
30-June-23	26.0 cents	32.2 cents

<sup>1</sup> Figures are unaudited and approximate.

## KEY ASX INFORMATION (AS AT 31 JULY 2023)

<b>ASX Code</b>	TEK
<b>Structure</b>	Listed Investment Company
<b>Inception Date</b>	January 2017
<b>Market Capitalisation</b>	\$76.9 million
<b>Share Price</b>	18.5 cents
<b>Shares on Issue</b>	415,706,854
<b>Management Fee</b>	0.75% half yearly
<b>Performance Fee</b>	20% of net portfolio increase over pcp
<b>Manager</b>	Thorney Investment Group

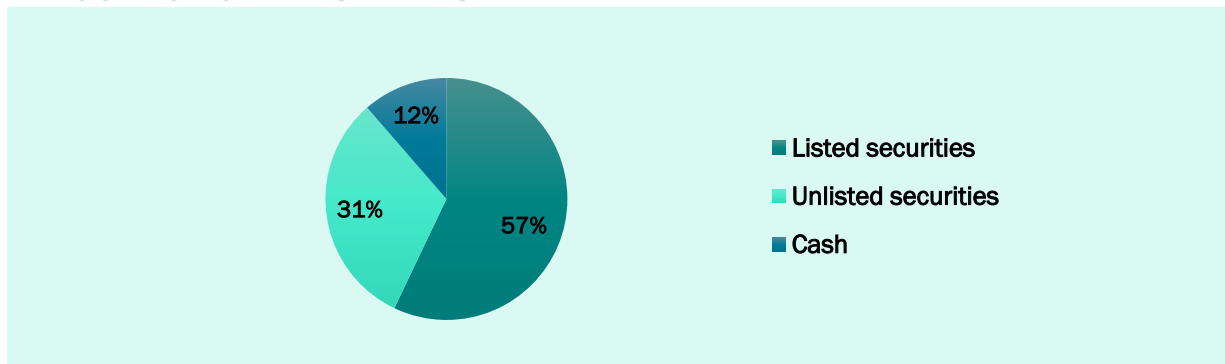
## INVESTMENT PERFORMANCE

As at 31 July 2023	1 Month		1 Year		Since Inception	
	Before Tax	After Tax	Before Tax	After Tax	Before Tax	After Tax
TEK investment portfolio	2.85%	1.81%	-22.09%	-14.17%	4.34%	8.77%
S&P Small Ordinaries Accum. Index	3.54%	3.54%	0.77%	0.77%	6.90%	6.90%
Performance versus Index	-0.69%	-1.73%	-22.86%	-14.94%	-2.56%	1.87%

## TEK SECURITIES

LISTED SECURITIES				UNLISTED SECURITIES		
Rank	Company	Code	% of Total Portfolio	Rank	Company	% of Total Portfolio
1	Calix	CXL.ASX	11.4	1	Updater	1.9
2	Avita Medical	AVH.ASX	7.3	2	Mosh	1.8
3	Clarity Pharmaceuticals	CU6.ASX	2.9	3	360 Capital Fibreconx Trust	1.7
4	DUG Technology	DUG.ASX	2.7	4	Enlitic Inc.	1.5
5	Imugene	IMU.ASX	2.2	5	Finclear	1.4

## ALLOCATION OF INVESTMENTS



- Cash held short-term with the major banks \$12.9 million
- Prime broker facilities available: undrawn as at 31 July 2023

## LISTED SECURITIES

Below is a sample of company news released by some of the listed portfolio companies.

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### CALIX LIMITED

- Calix Limited (ASX.CXL) provided an update on its anticipated First Investment Decision (FID) regarding its JV with Pilbara Minerals (ASX.PLS).
  - FID has been made to progress the construction and operation of a Mid-Stream Demonstration Plant.
  - The project aims to demonstrate the benefits of producing a mid-stream lithium enriched product using CXL's patented electric kiln technology which has the potential to reduce hard rock lithium processing carbon emission intensity if powered by renewable energy.
  - It is estimated that the construction costs of \$104.9 million will be funded with CXL contributing \$17.5 million and PLS contributing \$67.4 million as well as \$20.0 million via an Australia Government grant that was awarded to PLS (Modern Manufacturing Initiative).
  - The project at full production is estimated to produce more than 3,000 tonnes per year of lithium phosphate.
  - Successful demonstration of the mid-stream process may lead to a commercial scale plant being built as part of Pilbara Minerals future mid-stream strategy and to future commercialisation of the calcination technology, with the JV licensing the technology to the global spodumene processing industry.
  - **Thorney View: We are optimistic about CXL's position to deliver superior returns due to its robust management team, solid agreement pipeline and promising technology.**
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### CLARITY PHARMACEUTICALS LIMITED

- Clarity Pharmaceuticals Limited (ASX.CU6) announced it had reached the 50% recruitment milestone for Phase II SABRE prostate cancer trial with 25 out of 50 participants enrolled and imaged.
  - SABRE is a Phase II Positron Emission Tomography (PET) imaging trial of participants with PSMA (prostate-specific membrane antigen)-negative biochemical recurrence (BCR) of prostate cancer following definitive therapy. It is a multi-centre, single arm, non-randomised, open-label trial of <sup>64</sup>Cu-labelled SAR-Bombesin in 50 participants
  - CU6 also announced the successful completion of cohort 3 in the theranostic <sup>64</sup>Cu/ <sup>67</sup>Cu SARTATE neuroblastoma trial.
  - The Company is now progressing to the final cohort in the CL04 trial, where the highest dose in the dose escalation phase of the trial is administered.
  - **Thorney View: We view radiopharmaceuticals as an exciting and prospective space. CU6 has six products under IND for US clinical trials, and whilst commercialisation is three years away, the Company is well capitalised to go on the journey.**
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### IMUGENE LIMITED

- Imugene Limited (IMU.ASX) announced that its Phase I clinical trial of its oncolytic virotherapy candidate, CHECKvacc will proceed to the fourth dose cohort. Oncolytic virus therapy uses modified viruses that infect and destroy tumor cells.
- After a review of all safety and tolerability data for the first 3 cohorts dosed, CHECKvacc was deemed to be safe with no dose-limiting toxicities (DLTs) and no serious adverse reactions observed.
- The first-in-human, Phase 1, single-centre, dose escalation study of CHECKvacc is recruiting patients with triple negative breast cancer (TNBC).
- The purpose of the study is to evaluate the safety and initial evidence of efficacy of intra-tumoural administration of CHECKvacc against metastatic TNBC.
- IMU also announced a strategic research collaboration with clinical-stage biopharmaceutical company, RenovoRx, Inc. ("RenovoRx") (Nasdaq: RNXT) to optimize the delivery of Imugene's oncolytic virus therapy with RenovoRx's TAMP (Trans-Arterial Micro-Perfusion) therapy platform for the treatment of difficult-to-access tumours, such as pancreatic and liver cancers.
- The collaboration will investigate the ability to administer Imugene's CF33 oncolytic virus technology with RenovoRx's TAMP therapy platform.
- IMU also announced that a core US patent was allowed which protects VAXINIA and CHECKVacc in this major oncology market to 2037.
- **Thorney view: We remain optimistic about IMU with several clinical trials underway. IMU is currently well capitalised to fund these trials and pursue the delivery of shareholder value.**

## DUG TECHNOLOGY LIMITED

- DUG Technology Ltd (ASX.DUG) announced the execution of a Financial Assistance Agreement (“FAA”) with the Western Australian State Government and will receive A\$5 million in grant funding for the first data hall of its Geraldton High Performance Computing (“HPC”) Campus.
- The first data hall will have a capacity of 400 petaflops of compute, enabling a thirteen-fold growth in DUG’s compute power once fully established. This would place the facility amongst the largest supercomputers in the world.
- Flops or floating point operations per second is a measure of computer performance. A petaflop a unit of computing speed equal to one thousand million (10<sup>15</sup>) floating-point operations per second.
- Funds under the agreement will be disbursed over a two-year period with the initial spend on the construction of the first data hall and connected infrastructure, with the grant funding up to half of these costs. The Company will fund remaining costs through existing funds and cash from operations.
- The Company will now proceed to sign a lease for 44.5 hectares of land for the construction of the Campus and associated infrastructure and intends to develop onsite sustainable energy solutions.
- The Campus will deploy DUG’s patented, immersion cooling solution, DUG Cool, which reduces power consumption by more than 50% compared to a traditional air-cooled data centre. This technology enables DUG to build cost-effective and highly energy-efficient data centres.
- The Campus is designed to accommodate a total of ten data halls with a potential 4 exaflop (4,000 petaflops) capacity.
- **Thorney view: The recovery in the oil and gas industry has led to a strong recovery in DUG’s cash flow and share price. We expect the industry tailwinds to continue whilst DUG’s management team focuses on building out additional computing power at its newly announced Geraldton site, as well as the increasing use of Full Waveform Inversion (FWI) throughout its customer base.**

### CHAIRMAN’S COMMENTS

Alex Waislitz said: *“Whilst the outlook for technology stocks remains choppy, we are positive on the long-term outlook for the sector given current valuation levels, M&A activity in the sector and the recent bounce back by large-cap technology stocks which we believe will eventually flow through to the small-cap and mid-cap companies in the sector. Many technology names are still looking more attractive at current levels given the broad sell off in the sector, providing opportunities for investors. Our view is that the revolutionary power of disruptive technology to improve lives, create new and more efficient businesses, stimulate economies and generate wealth is only just beginning. We continue to be active with the on-market share buyback, one initiative designed to reduce the share price to NTA discount*”

### INVESTMENT PHILOSOPHY

TEK seeks to identify early-stage companies with new and disruptive technology and business models, investing in a broad range of areas of technology, such as fin-tech, e-commerce, education, agriculture, medical, telecommunication, robotics and AI.

### INVESTMENT OBJECTIVES

- Deploy investment capital into listed and unlisted technology companies
- Producing absolute returns for shareholders over the medium to long-term

### KEY CONTACTS

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## ABOUT THORNEY TECHNOLOGIES

Thorney Technologies Ltd (TEK) is an ASX-listed investment company (LIC), with a broad mandate to invest in technology-related investments at all phases of the investment lifecycle. As well, TEK seeks to identify early-stage companies with new and disruptive technology and business models and invests in a broad range of areas of technology, such as fin-tech, e-commerce, education, agriculture, medical, telecommunication, robotics and AI. High quality deal flow is generated via our networks established in Australia, Israel and USA for investment opportunities in both listed and unlisted entities.

TEK is managed by the privately owned Thorney Investment Group pursuant to a long-term investment management agreement. You can invest in TEK by purchasing shares on the Australian Securities Exchange (ASX). For more information visit: <https://thorney.com.au/thorney-technologies/>

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