



KOPERNIK INTERNATIONAL FUND

Third Quarter 2023

Dear Kopernik Investor,

Below, please find the mutual fund performance of the Kopernik International Fund (“International” or “Fund”) as of September 30, 2023.

Class	Q3 2023	YTD	1 Year	3 Year ¹	5 Year ¹	Since Inception ¹
Class I ²	2.45%	7.66%	21.40%	6.17%	8.07%	6.93%
Investor Class ³	2.39%	7.46%	21.05%	5.89%	N/A	8.28%
MSCI ACWI ex-USA (Net) ⁴	-3.77%	5.34%	20.39%	3.74%	2.58%	3.48%

¹Annualized

²Class I inception date: 06/30/2015.

³Investor Class inception date: 12/10/2018.

⁴MSCI ACWI Since Inception period in the table above begins on Class I inception date 06/30/2015.

Past performance does not guarantee future results. The performance data quoted represents past performance. Current returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost, and current performance may be lower or higher than the performance quoted. For the most recent month-end performance please call Kopernik Funds at 1-855-887-4KGI (4544) or visit www.kopernikglobal.com.

Gross expense ratios for the fund - Class I: 1.04%, Investor Class: 1.29%

Expense ratios shown are reflective of the Fund's current prospectus.

WHY KOPERNIK?

Philosophically, we view ourselves as owners of businesses. Our job is to appraise these businesses and take advantage at times when an inefficient, emotional marketplace offers securities at a price that is significantly different from our appraisal. Like our namesake, Kopernik (better known by his Latin name – Copernicus), we trust the results of our own analysis even when (especially when) it generates vastly different conclusions from those of the crowd and/or those taught by many academics. Similarly, we commonly question the data issued by governments, central bankers, and companies themselves. We understand that bargains appear often because people focus on fear or panic, and other forms of risk that are not relevant to the investment portfolio. High tracking error, bad headlines or unpopular stocks/countries/ regions/industries can present a degree of risk to a manager's career, while often lowering the potential of permanent loss of capital (due to lower initiation prices and higher potential upside) to the portfolio. Similarly, Kopernik believes volatility and other measures of past price movements are not relevant to long-term investors' assessment of risk. It can be indicative of potential risk to short-term speculators or to highly levered players but can often present opportunity for true long-term investors.





QUARTER REVIEW

In the third quarter of 2023, the NAV of Class I Shares of the Kopernik International Fund (the “Fund”) increased 2.45% compared to a 3.77% decrease for the MSCI All Country World ex USA Index¹ (the “Index”).

The energy sector was the Fund’s largest positive contributor during the quarter, contributing 3.6% to total Fund returns. This was in large part due to the market’s increasing recognition that companies with exposure to uranium are significantly undervalued, something we have discussed many times previously. The uranium price is up nearly 40% year to date and is now at nearly \$70/lb. We estimate that the incentive price needed to encourage adequate levels of new production is between \$60-90/lb., and we have begun to see some production come back online: after keeping production levels at 80% for seven years, NAC Kazatomprom JSC (“Kazatomprom”), the world’s largest uranium miner, announced plans to return to 100% production in 2025. Kazatomprom was the Fund’s largest contributor during the quarter. It was up 75.3%, a 2.3% contribution to total Fund returns. The world’s second-largest uranium miner, Cameco Corp, a position that the Fund has held since inception, was up 26.5%, a 0.3% contribution. Uranium holding companies, which buy and sell physical uranium, were also up. The Sprott Physical Uranium Trust (“Sprott Uranium”) was up 35.7%, while Yellow Cake PLC (“Yellow Cake”) was up 31.5%. Sprott Uranium and Yellow Cake contributed 0.4% and 0.6%, respectively, to total Fund returns. While \$60-\$90 remains our estimated incentive price, optionality remains, as there is the possibility that the tenfold increase in money supply may continue to migrate through the system, pushing prices much further. We trimmed Kazatomprom.

Oil companies also contributed positively. Petroleo Brasileiro SA (“Petrobras”), a large integrated oil and gas company in Brazil, was up 17.3%; Inpex Corp (“Inpex”), a Japanese oil producer, was up 36.7%; and MEG Energy Corp (“MEG”), a Canadian oil company, was up 23.2%. Petrobras and Inpex each contributed 0.3% to total Fund returns, while MEG contributed 0.2%. We trimmed all three companies on higher prices.

The Fund’s second-largest contribution came from the put option on the S&P 500 Index², which contributed 1.1% to total Fund returns during the third quarter. As we have previously discussed, the put option was re-initiated in the second quarter. Market valuations and investor optimism continue to be high, and implied volatility remains at an attractive level. The risk/reward remains compelling, and we have rolled the put options into forward months. As of this writing, the Fund has options with expiry dates in October, November, and December.

During the third quarter, many of the Fund’s companies located in Asia contributed positively. In South Korea, KT Corp (“KT”), the country’s dominant fixed-line and second-largest mobile phone company (and one of the Fund’s largest positions), was up 9.9%, a 0.5% contribution to total Fund returns. In Japan, Suzuken Co Ltd/Aichi Japan (“Suzuken”), the third-largest pharmaceutical distribution company, was up 15.5%, while in China, CGN Power Co Ltd (“CGN Power”), the country’s largest producer of cheap, clean, carbon-free, nuclear power, was up 7.5%. In Indonesia, palm oil producer Golden Agri-Resources Ltd (“Golden Agri”) was up 7.2%. Suzuken, CGN Power, and Golden Agri each contributed 0.2% to total Fund returns. We trimmed Suzuken and trimmed KT on higher prices mid-quarter. More than 31 days later, some KT was added back as an offset to selling another South Korean telecom company for tax loss purposes.

The materials sector detracted 2.3% from total Fund returns during the third quarter. This marked the second quarter in a row of negative performance by the sector. The Fund’s largest detractor was Newcrest Mining Ltd (“Newcrest”), a





primary Australian gold producer whose acquisition by Newmont Corp is expected to close in Q4. Newcrest was down 8.9%, a 0.5% detractor. Many other mining companies also detracted. Barrick Gold Corp (“Barrick”), one of the world’s largest gold producers, was down 13.5%; Impala Platinum Holdings Ltd (“Impala”), Gold Fields Ltd (“Gold Fields”), both South African mining companies, were down 19.6%, and 20.3%, respectively. Barrick detracted 0.4% from total Fund returns, while Impala and Gold Fields detracted 0.2% and 0.3%, respectively. Finally, Wheaton Precious Metals, a precious metal streaming company with exposure to gold and silver, was down 5.8%, a 0.2% detractor. We added to Impala.

The fundamentals for gold and other precious metals remain strongly supportive. The fundamentals for mining companies are appealing even without inflation, and it is highly likely that the central banks’ unprecedented money printing (factoring in the past year’s drawdown) is an incremental positive for gold. In our opinion, inflation is migratory, not transitory. Recently, our CIO Dave Iben appeared on [*Super Terrific Happy Hour with Stephanie Pomboy and Grant Williams*](#) podcast to discuss our thoughts on how the bifurcated market presents opportunities in real assets in an inflationary environment. Currently, the portfolio is invested with a maximum allowed 25% position in the mining industry, diversified across companies, geographies, and management teams. We see significant upside to the risk-adjusted intrinsic value of the Fund’s mining stocks.

Other detractors were in the utilities, industrials, and telecommunications sectors. In utilities, Korea Electric Power Corp (“Kepco”), South Korea’s dominant power producer, was down 15.0%, a 0.3% detractor. In industrials, Guangshen Railway Co Ltd, a Chinese railroad that connects Shenzhen, Guangzhou, and Hong Kong, was down 30.2%, while CK Hutchison Holdings Ltd (“CK Hutchinson”), a conglomerate with multiple business segments, was down 10.8%. Each company was a 0.2% detractor from total Fund returns. LG Uplus, a South Korean telecommunications company, was down 7.0%, a 0.2% detractor. We added to Kepco and CK Hutchison, and added to LG Uplus early in the quarter before trimming to realize tax losses.

During the third quarter, Moscow Exchange MICEX-RTS JSC (“MOEX”) was up 33.2%, Gazprom Neft PJSC (“Gazprom Neft”) was up 25.8%, and Federal Grid Co – Rosseti PJSC (“Federal Grid”) was up 15.8% (all in USD terms). MOEX contributed 0.1%, Gazprom Neft contributed 0.2%, and Federal Grid contributed 0.03% to total Fund returns. LSR Group PJSC was down 17.2% in USD terms, a 0.04% detractor. Contributions and detractors by Russian securities to the Fund were muted due to the 70% haircut applied to these securities. We believe these Russian securities have value and applying an appropriate discount to such securities, rather than pricing at zero as others in the industry have, provides our best estimate of fair value to shareholders. The discount is applied to the last trade, adjusted for movements of the ruble. We remain unable to trade any Russian securities due to decisions by both the U.S. and Russian governments. We continue to actively monitor events and any new developments or changing requirements.

The Fund re-initiated a position in China Shenhua, the largest coal producer in China and the second-largest in the world. The Fund also initiated a position in Newmont, the world’s largest gold producer. As discussed above, Newmont’s acquisition of Newcrest is expected to close in Q4. The Fund has owned Newcrest for many years and, while we see more upside in Newcrest as a standalone entity, Newmont (pro-forma of the Newcrest acquisition) provides exposure to world-class assets at a discount. Both China Shenhua and Newmont are undervalued on resources and trade at significant discounts to their risk adjusted intrinsic value.





The Fund eliminated positions in Alibaba and TS Tech as prices appreciated.

In closing, we continue to be focused on appraising businesses and mitigating risk through diversification across sectors and countries. Our investment process is centered on buying and holding companies trading at significant discounts to their risk-adjusted intrinsic value, and we view volatility as an opportunity to add and trim. You can count on us to employ our disciplined, fundamentals-based, long-term approach that has produced a proven track record throughout full market cycles. As always, thank you for your support.

Kind Regards,

Kopernik Global Investors, LLC

The value of local Russian security holdings and Russian GDR/ADR holdings as of 9/30/2023 reflect fair value pricing.

Information presented herein refer to multiple broad-based securities market indices. These indices differ from the strategy in a number of material respects, including but not limited to, being much more diversified among companies, having no exposure to emerging market and small cap companies, and having no ability to invest in fixed income or derivative securities. Broad-based securities indices are unmanaged and are not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Benchmark returns are not covered by the report of independent verifiers.

¹The MSCI All Country World Index is a broad-based securities market index that captures over 2,000 primarily large and mid-cap companies across 23 developed and 24 emerging market countries as of September 30, 2023.

²The S&P 500 Index is a broad-based securities market index that captures 500 large cap companies in the United States as of September 30, 2023.

Important Information

Mutual fund investing involves risk, including possible loss of principal. There can be no assurance that the Fund will achieve its stated objectives. Equity funds are subject generally to market, market sector, market liquidity, issuer, and investment style risks, among other factors, to varying degrees, all of which are more fully described in the fund's prospectus. Investments in foreign securities may underperform and may be more volatile than comparable U.S. securities because of the risks involving foreign economies and markets, foreign political systems, foreign regulatory standards, foreign currencies and taxes. Investments in foreign and emerging markets present additional risks, such as increased volatility and lower trading volume. For more information on the Kopernik International Fund, call our toll-free number at 1-855-887-4KGI or email funds@kopernikglobal.com.

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This report may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve inherent risks and uncertainties, and we might not be able to achieve the predictions, forecasts, projections and other outcomes we may describe or imply. A number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions we express in these forward-looking statements. We do not intend to update these forward-looking statements except as may be required by applicable laws.

Forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control and are difficult to predict. As a result, actual results could differ materially from those expressed, implied or forecasted in the forward-looking statements.





The top ten holdings of the Kopernik International Fund as of September 30, 2023, are as follows: 1. KT Corp (6.6%), 2. Newcrest Mining Ltd (4.6%), 3. NAC Kazatomprom JSC (4.4%), 4. Wheaton Precious Metals Corp (3.1%), 5. Golden Agri-Resources Ltd (2.8%), 6. Impala Platinum Holdings Ltd (2.3%), 7. Barrick Gold Corp (2.3%), 8. Yellow Cake (2.2%), 9. CGN Power Co Ltd (2.2%), 10. Royal Gold Inc. (1.8%). These positions may change over time without notice. The holdings listed should not be considered recommendations to purchase or sell a particular security. It should not be assumed that securities bought or sold in the future will be profitable or will equal the performance of the securities in this portfolio. Current and future portfolio holdings are subject to risk.

Please consider all risks carefully before investing. An investment in a Kopernik Fund, or any other vehicle using the same strategy, is subject to many risks including sudden changes in general market valuations and market liquidity. Investments in small and mid-capitalization companies also tend to involve greater risk and portfolio price volatility than investments in larger capitalization stocks. Further, investing in non-U.S. markets, including emerging and frontier markets, involves certain additional risks, including potential currency fluctuations and capital controls, restrictions on foreign investments, less governmental supervision and regulation, less liquidity, less disclosure, and the potential for higher market volatility, share expropriation, confiscatory taxation, and social, economic and political instability. Further, investments in energy and other natural resources companies tend to be greatly impacted by developments in global commodities markets, which can be more volatile than equity markets.

The Fund may purchase or sell options, which involve the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received (which could result in a potentially unlimited loss). Over-the-counter options also involve counterparty solvency risk. For instance, a long put position would ordinarily realize a gain if, during the option period, the value of the underlying securities decreased below the exercise price sufficiently to cover the premium and transaction costs. However, if the price of the underlying instrument does not fall enough to offset the cost of purchasing the option, a put buyer would lose the premium and related transaction costs.

Past performance herein should not be construed as an accurate indication of future returns.

The MSCI All Country World ex-USA Index is an un-investable index that captures over two thousand primarily large and mid-cap companies across 22 developed and 24 emerging market countries as of September 30, 2023. The MSCI indices returns do not reflect any management fees, transaction costs or expenses. Individuals cannot invest directly in an Index. Additionally, The MSCI All Country World ex-USA Index is different from the strategy in a number of material respects, including being much more diversified among companies and countries, having less exposure to emerging markets, and having no ability to invest in fixed income or derivative securities. MSCI ACWI ex-USA performance includes theoretical dividends distributed. Past performance is no guarantee of future results.

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Kopernik Global Investors, LLC. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Investors should carefully consider the fund's investment objectives, risks, charges, and expenses before investing. For this and other information, please call 1-855-887-4KGI (4544) or download a free prospectus at www.kopernikglobal.com. Read it carefully before investing.

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