

2023 Annual Report

Our 10 Bagger Portfolio Summary in 2023

Our High Growth Portfolio made an average profit in 2023 of **306%** on a mark-to-market measure and **442%** on a highest-gain measure.

For our fourth year since our inception our high growth portfolio outperformed all the other index stock funds and stock picking groups that we are aware of.

The Performance of our High Growth Portfolio: 2023.

Investment Call	Call Date	Exit Date	Call price	Year end / Exit Price	% Gain	Highest Price While Active	Highest gain While Active
Errawarra Res :ERW.ax	Mar-21	Mar 23	23c	18.5c	-20%	30c	30%
K-tig Ltd :KTG.ax	Mar-21	June 23	11.5c	14.5c	26%	16c	45%
Industrial Minerals :IND.ax	Jun-21	active	37c	75.5c	104%	\$1.32	256%
Alphabright Digital Ltd : ABD + L1X	Nov-22	active	8.6c	64.8c	653%	60.7c	607%
Layer 1 X : L1X	Jan-23	active	10c	50c	400%	50c	400%
Zeus Res + Ops : ZEU+ZEUO	Jan-23	active	1c	1.4c	40%	9.1c	810%
Grayscale BTC trust: GBTC (NYSE)	Jan 23	active	\$8.58	\$34.62	303%	\$37.6	348%
Pancontinental + Ops : PCL + PCLO.ax	Jan-23	active	1.2c	28c	133%	35c	191%
SI6 Metals +Ops : SI6 + SI6OF.ax	May-23	active	0.006c	0.09c	50%	0.16c	166%
Solana : SOL **	Nov-23	active	\$5.97*	\$103.93	1640%	\$127	2025%
Chainlink: LINK **	Nov-23	active	\$4.17*	\$15.35	268%	\$17.69	324%
Bitcoin : BTC **	Nov-23	active	\$12,000*	\$42,610	71%	\$44,779	109%
** Geared and traded. * adjusted down start price for extra trade profit tokens							
AVERAGE GAIN IN 2023					306%		442%

Our Best Performers in 2023.

Solana: SOL :

Solana is a major up and coming layer 1 blockchain. We called our geared position in Solana late in Nov 2023 just before it saw explosive growth in both late November and December and hit a highest gain during that period of 2233% before retracing to end the year up 1,611%.

To make these gains on Solana we suggested members should gear up their investment 3 x (which is easy and cheap on most major crypto trading platforms). On two occasions we took advantage of SOL's extreme volatility and called a sell at extreme interim highs and were able to re-enter the trade lower. This allowed us all to increase our holding of tokens

and reduce our gearing – These trades were all explained live on the Solana channel on our discord site so members could participate.

We continue to hold our geared position. We may trade in and out again – but more likely now we will sell off our Sol tokens to lower our gearing to zero as it hopefully continues higher in 2024. We expect big things from Solana in 2024 and have a potential price target of between 200-600\$ on it by early 2025.

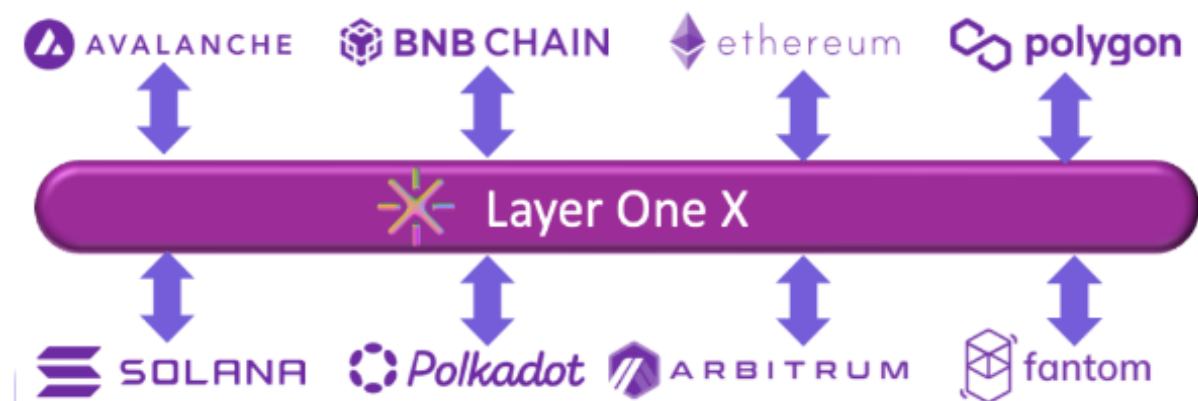
Zeus Resources: ZEU:

Earlier in 2023 many members participated in refinancing mineral explorer Zeus Resources at 1 cent (with a free 2-year option) to fund its relisting after it had been suspended. We were rewarded with up to an 810% gain just few months later when Zeus and its attached free listed options climbed to a combined 9 cents in value on huge trading volumes based on market speculation of good expected drill results from their Mortimer Hill property next door to successful Lithium explorer DLI. Unfortunately, the drill results did not showed no lithium hits so Zeu’s share and option prices fell back to close the year at 1.4 cents - still up 40% in the year. Many members were able to sell out at a good profit in the run up or sold enough to free ride their holdings.

Zeus remains a shell company with sufficient cash and we look forward to some interesting new developments or projects going into Zeu in 2024 that could hopefully cause another price run up.

Alphabright Digital: ADB and L1X:

L1X is a promising L1 crypto start-up. ABD is its development company, some members helped finance the new blockchain through private early seed capital raises at 8.6 (for ABD) and then 10 cents (for L1x) in return for shares in unlisted ABD plus tokens in L1X.



L1X is interoperable with all the above L1 chains which currently carry 80% of Crypto TVL.

After our private seed raise L1X in mid 2023 to completed its first public token sale round to raise USD20 million at a value of 50 cents per token – this new market value gives members a healthy (paper) profit in their accounts. All things being equal L1X is expected to start full open market trading in H1 2024.

L1X does not only appear to be the only fully interoperative layer 1, but on its test net it was

also cheaper and faster than almost all the existing layer ones out there. We believe if L1X can do half of what is showed on its test net last year its price should move significantly higher when it starts full trading in 2024.

If L1X can continue to work as well in the open market when it goes live as it has on its open test net operations last year, and if the crypto bull market continues through 2024 as we expect, then the potential upside for L1X in 2024 is very encouraging.

Industrial Minerals Ltd :IND:

IND was, and is, a very widely held stock in the club. It is developing High purity Silica Sand mines in Western Australia due to a growing global shortage of silica sand for glass -this is due overmining and depletion of resources with several countries (including China) banning its mining in rivers and lakes for ecological damage reasons.

In November 2023 members were holding around 23 million shares (mainly bought between 20 and 30 cents). IND's price then jumped up as high as \$1.32 on big volume on speculation about a potential new lithium acquisition. On paper at least - members were therefore jointly up around A\$23 million. We suggested members sell some of their shares - at least enough shares to book a profit and free ride -that is get their original money back and own the balance of their shares for free-with no risk into the future.

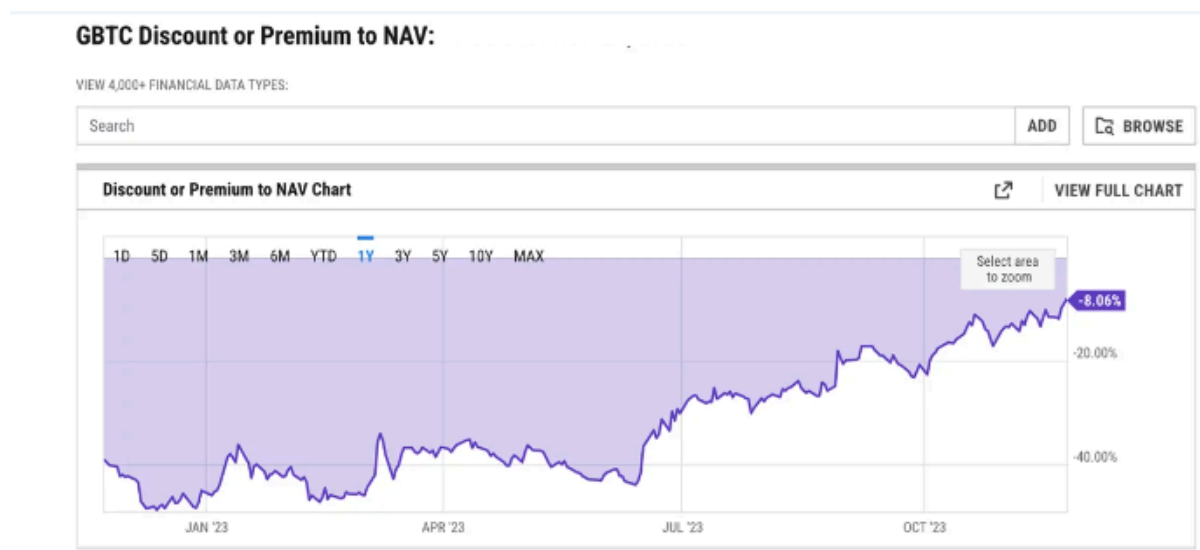


By year end IND fell back to 75 cents after it was announced it would not receive its new drill program assay results until late February 2024. If those results suggest economic amounts of lithium are there, IND's stock price could well reach 10 bagger status in 2024 - despite the Lithium price collapsing at year end - which has taken much of the oomph out of most lithium plays globally. If the drill results are bad the stock could fall further.

Even If the Li results are poor, the share price should be supported by the silica sand and high Purity quartz for photovoltaic glass (solar panels) business that IND is also developing.

Greyscale Bitcoin Trust. (now an ETF) GBTC (NYSE).

GBTC is a straight play on bitcoin as it was the only bitcoin Trust (like an ETF or fund) listed in the US. It is one of the biggest holders of BTC in the world but most importantly its price did not follow the bitcoin price (which forms its underlying it Nav). In the last BTC bull market it went to a premium over the BTC price being the only way trad fi could easily get exposed to BTC with normal fiat money. Conversely in the bear market it went to a huge discount to Nav as money fled BTC. In January 2023 at the bottom of the bear market it was at a huge 45% discount to NAV, (ie: it's price was 45% cheaper than the market value of all the BTC it held).



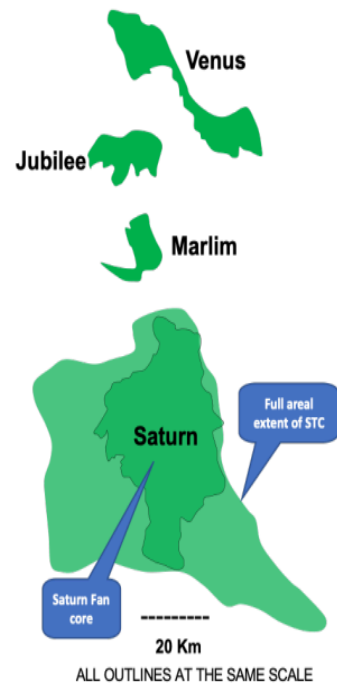
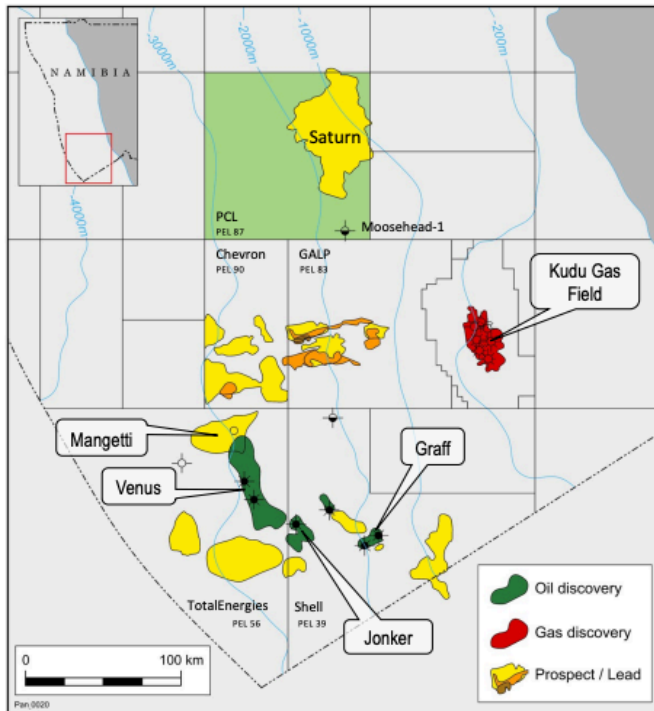
This represented the cheapest Bitcoin available on the planet and so we called a buy. We are very bullish on BTC longer term and being able to buy it at a 45% discount was too good an opportunity to pass up. Also GBTC has applied to become an ETF, which if approved -which we expect will happen in 2024, should mean the discount would disappear. So in effect we bought at cycle bottom and thus far have been rewarded with a 300% gain - but we remain extremely bullish on BTC in 2024 and longer term.

Exciting Potential stocks for 2024:

Pancontinental Energy : PCL

We called PCL as potential 10 bagger in January 23 at A\$ 0.08c. Then in May we made a similar call on its higher geared newly-listed options (PCLO) at A\$0.04c. We decided to count them together as a combined A\$0.12 cents buy-in because they are both plays on the exact same story. Together they closed the year up 133% at 2.8 cents.

PCL holds a very promising oil drilling concession in the Orange River Basin offshore Namibia,- which is currently the hottest place in the world for new oil discoveries. Shell and Total both recently hit gigantic new multibillion-barrel reserves to the south of PCL's concession. (see below).



PCL’s Saturn Prospect is Africa’s largest prospective oil Target.

Woodside Petroleum agreed to pay USD 36 million for all PC’s seismic work which has been done and woodside have also taken an option to pay for the drilling – if they do this will leave PCL with a 20% free carried interest. We expect a decision to proceed from Woodside in H1 2024, and if it’s positive we expect a further jump up in PCL’s share price.

If Woodside agree to drill, we are advising members to sell enough shares into the expected pre-drill excitement rally that will follow to be able to free ride their position into the actual drill results. This is because -as we know- most new wild cat exploration drill holes fail. But if Woodside do hit anything interesting, PCL’s share price could potentially 10-100 bag.

The good news however is , just coming out now as we write this annual report, that Galp Petroleum who just started to drill in their exploration block directly south of PCL’s block, already announced they have intersected Hydrocarbons, more details are eagerly awaited.

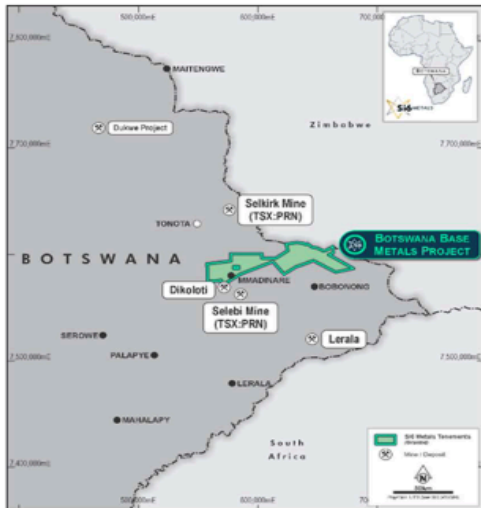
SI6 Metals: Si6:

Members took up the unsubscribed for portion of a cheap rights issue shares in SI6 in June 2023. Si6 has taken quite a while to formally acquire a promising new acquisition Rare earth and Lithium prospective sites in Brazil- but this is being completed now. Si6 meanwhile did some further work in the year on its existing huge multimillion dollar jorc’ed Copper, Nickel, silver and platinum resources that it already owns in Botswana.

We believe when work starts on its new Brazilian acquisition, and with some marketing and news into the market, the market will realize the vast and valuable prospective assets held by this tiny A\$8 million market cap company, and should revalue it considerably higher.

Botswana

- **Dibete Project** – high grade copper-silver
- **Airstrip Project** – high grade copper-silver
- **Maibele North Project** – Ni-Cu-PGE JORC Inferred Resource 2.38Mt @ 0.72% Ni + 0.21% Cu + PGE + Au



Brazil (50% Joint Venture)

- **Lithium Valley Projects**, north Minas Gerais (Lithium, Rare Earth Elements)
- **Caldera Project**, south Minas Gerais (Rare Earth Elements)
- **Apuí Project**, Amazonas (Rare Earth Elements, Gold)
- **Pedra Branca Project**, Ceara (Lithium, Gold)



Si6 holds huge proven and prospective resources – but has a tiny A\$ 8 million market cap.

Our other Crypto calls: Bitcoin and Chainlink.

Despite only being added into the High yield portfolio in November 2023, both these assets caught the late year up-move in most cryptos. We suggested members buy them with gearing (up to 3x) and we have since traded those positions bigger in that time.

Bitcoin: BTC

We suggested buying BTC at USD 36,000- at 3x gearing This means members only needed to put USD 12,000 down for one coin. (or part thereof). We had actually been calling a geared buy on BTC since USD 24,000 in another portfolio since much earlier in the year. However, as the likelihood of the SEC approving BTC ETF's increased, and therefore its long term outlook is a 10 bagger even from 36,000. We decided it was almost a no-brainer to go moderately geared long BTC over the longer term so we open a new BTC trade in the HG portfolio. Safest of all though for any more conservative members who don't like gearing is to just buy BTC spot and start to DCA in overtime and self-custody your own holdings. We are long term major bulls on BTC.

With the hoped-for Bitcoin ETF's likely due to be approved in January or March of 2024, and with another BTC halving due in April next year, we expect 2024 will be a strong year for BTC and all crypto assets and believe both these tokens have the potential to ten bag next year.

We see BTC now as the premier defensive investment against the ever-devaluing USD and other fiat currencies. As the chart below shows, even the US dollar - by far the strongest world currency this century- has still lost 96% of its value (purchasing power).



The chart above shows why gold (which is not finite like Bitcoin) has jumped in price from \$18 in 1913 to USD 2000 today, why diamonds worth 4\$ a carat in 1913 are worth USD 1500 a carat today. Why all property prices are up so much since 1913 and keep rising, and a more recent example is why Motel 6 a US motel chain, which started in 1962 in California for 6\$ a night per room , now charges around USD150 a night for the very same room and service- and why the price of bitcoin - the worlds only finite investment, should continue to move higher and higher (with volatility) over the longer term.

Chainlink: Link

In November we also suggested members buy chain-link at \$14 at 3x geared (so only putting down US\$4.6 per token.) In December when Link ran up sharply over \$17 we suggested members exit (as a trade) and wait to try to buy back in later when it retraces.- and sure enough, we were able to pick it back up geared at \$14 again – we announced one more trade in December and ended up covering our gearing and bringing our average entry price in Link down to \$4.17 without gearing. We plan to hold this position longer term and not trade any more.

We remain very bullish on Link longer term as it partners up with more and more real-world businesses and large data storage and processing agencies institutions. These include Google, Swift payments system, Online gaming, ANZ bank and DTCC the world's largest securities settlement system processing over USD 2 quadrillion annually.

New 2023 investments not in our performance table Yet.

In 2023 club members participated in 4 pre-IPO seed capital raises. These are investments into private companies we expect to list on the stock market in the near future. Although very potentially profitable, such seed or pre-IPO financings can be very risky because:

1. We are investing directly into private companies and there is no guarantee the listing will happen – therefore we could get caught in illiquid private co shares if the IPO is unsuccessful.
2. There are usually escrow terms that limit your ability to sell all your shares (or part of them) after it goes public- sometimes you need to wait up to one year and during that time you are unable to sell even if the stock price is at a huge profit or tanking.

But with more risk comes the potential for bigger rewards. Such Pre-IPO financings can be very rewarding, and can offer the potential for 10 bagger sized returns if they work as expected.

As an example, in 2023 3 of the 4 seed financings the club introduced to members allowed them to buy shares at 6 cents in promising companies expected to list within a year at around 20 cents - and hopefully rise from there.

We also do not show or discuss these private investment calls publicly nor show them in our 10 bagger performance charts until they are listed or further capital raises have taken place and a secondary market price for their shares can be properly established. For more info watch our model portfolio on this website each month end.

Taken out of the HG portfolio in 2023

K-Tig Ltd: KTG:

KTG owns the a very efficient and industry disruptive key hole welding technology. It sells its torch heads globally and undertakes various projects in shipbuilding and defense. In 2023 in an attempt to move into the huge new nuclear decommissioning market in Europe, KTG agreed to buy an operating engineering fabrication company in the UK. KTG was suspended while they made a prospectus to raise the significant funds for this acquisition.

Unfortunately, KTG was unable to raise the required funds - so frustratingly it has remained delisted for the rest of 2023 as it attempts to raise the money. - this set back meant many members funds have been frustratingly tied up for many months now. Unhappy with the way management handled this deal and we took KTG out of our 10-bagger portfolio at half year 2023 booking it at its pre-suspension last trade price. We now have to await to see what happens with KTG. All in all despite it being a most promising investment - so far very its been very disappointing- and shows why good management is vital in picking potential winners.

Errawarra Resources: ERW:

This tiny Australian explorer owns a highly prospective tenement in Western Australia. It's neighbours all around it have been finding significant lithium, nickel and rare earths in the adjacent tenements. The sleepy management of ERW however, have moved very slowly. Therefore, after waiting almost two years for some uninspiring drill results, our committee suggested we sell out at a small loss to concentrate our money elsewhere.

Summary:

Looking Forward to 2024.

In 2023 we believe we have introduced club members to several very promising investments for the coming 2 to 3 years and helped organize for those who wanted to get invested cheaply.

The one thing we believe all the above investments have in common, are good risk to reward ratios - which is our primary goal when investing. Meaning we believe they all have huge potential upsides if they work out as expected - or even partially as expected, and we feel this upside far outweighs their downside potential if they don't and we need to sell out and run away.

The club committee has learned finding early-stage opportunities with such huge potential upsides but comparatively low downsides is the best way to enter into potential 10 bagger investments. That way, even if a majority of the investments don't go great - and most don't, - you don't lose too much, but if just one or two go right you can make big money and move much further on down the road to financial freedom. Which is the ultimate destination we are trying to assist all members to reach.

We believe that most people only need two and a half or three ten baggers in their life to achieve initial financial freedom. If we just take a simple example:

- 1. if you invest \$10,000 and it ten bags you have \$100,000.**
- 2. If you invest that \$100,000 and it ten bags you have \$1 million.**
- 3. If you invest \$ 1 mill and it even just 5 bags - you start to become financially free.**

With this in mind-please note that in just four years since the club's inception we have already picked 10 investments that have ten bagged(2.5 per year). But even more promising is that several of these 10 baggers have actually 20-30 bagged.

A major part of successful 10 bagger strategy is finding and getting invested cheaply in such opportunities - as we have been doing in 2023 after the huge "everything sell-off" in 2022 as governments reeled in global liquidity.

After getting invested the next part is waiting. - patiently monitoring the companies or projects as they hopefully progress more or less as anticipated. This, waiting process however often takes much longer and can be much more testing than one expects and can become very frustrating at times. But to quote Warren Buffet "**The big money in investing is not made in the buying or selling, but in the waiting - it takes character to sit and wait**".

We remain extremely positive that some of our current 10 bagger portfolio investments this year also 10 bag as over the coming 24-36 months. We don't want to say here which ones we hold most conviction about – mainly for fear of jinxing them!

In 2024, as we wait for the above-mentioned investments to bake in the oven, we continue to seek out new promising opportunities for cheap entries into companies or projects with big potential upsides and benign downsides.

We are particularly bullish on the outlook for crypto currencies and projects for 2024. We believe most cryptos should significantly outperform most equities in 2024 and we expect that we may call one or two more crypto investments into the portfolio in 2024 after the BTC ETF's have been confirmed and the market has settled. We believe these anticipated ETF's will introduce vast sums of Trad fi money into the crypto world, pushing many crypto prices way up in 2024.

We believe Crypto is the way of the future and it's still relatively early days for the technology so we do suggest members who are not yet well-versed in Crypto start doing some studying (watching You tube commentators is a good way to start) and also arrange a suitable broker platform and get some money into USDT stable coins or BTC to be ready to take advantage quickly of any new crypto calls in 2024.

The cyclicity of 10 Baggers.

After a hard 2 years in the markets – with 2022 going down in history as the biggest losing year ever in the world's financial - we are still made money in 2022 (only 36%) – but more importantly the weak markets and squeezed liquidity means we went almost 24 months drought without recording a 10 bagger(or more).

However this drought was broken in late 2023 when we did got yet another ten bagger (actually a 22 bagger at its highest) with our Solana call.

This brought our total of 10 bagger or more calls over our four years since our inception to 10 on a mark-to-market basis - and 13 on a highest-gain basis - meaning 14 of our 41 calls since we started this club have risen by over 900% (a ten bagger)- or more after we called them as a buy and before we called an exit of them. - that's a very respectable 21% success rate.

Our club committee, with over a century of combined experience between them in hunting for 10 bagger investments, normally expect about one in five of such 10 bagger investments be successful – and thus far with a 21% success rate over 4 years (2.5 per year on average) we continue to perform at that run rate. At this longer-term success rate, it's just a matter of time till we call the next one.

Perhaps more encouraging, however,- as we have stated before,- is that 10 baggers tend to come cyclically, and tend to come in clusters - and then have long gaps in between. We had a cluster of successes in the buoyant markets of 2020 and 2021 – but went through a 10-

bagger drought in the much tighter liquidity markets of the last 2 years.

but now with inflation getting lower, US national debt at unsustainable levels, China and Europe in bad economic shape and also in debt - the committees combined gut feel is that the money printing taps will have to be turned back on by all three governments in 2024 – and we remain optimistic that 2024 could shape up to be another good year, maybe even a new 10 bagger cluster year?



Our High Yield Portfolio. 2023

This year our Yield portfolio gave us a total return including capital appreciation in the stocks of 23.82%. This included 8.9 % in dividend income paid to us at different times during the year. Once again giving us a nice income and letting our capital continue to appreciate for next year's income.

Even though 2023 was a testing year for HY stocks with interest rates falling we generated a total return of almost 24% - above our 15-20% targeted return for this more secure income portfolio.

The Performance of our High Yield portfolio in 2023

INVESTMENT CALL	weight	dividend	start /exit dates	start price	end price	cap gain	Total
BHP /BHP.AX	12.0%	6%	Jan-20	45.33	50.41	11%	17.12%
FORTESCQUE METALS / FMG.AX	12.0%	8%	Jan-20	20.40	29.02	42%	50.62%
RIO TINTO GROUP / RIO:NYSE	8.0%	7.62%	Jan-20	71.06	74.46	5%	12.40%
PROSPECT CAPITAL CORP/ PSEC:NASDAQ	15.0%	10.45%	Jan-20	7.03	6.00	-15%	-4.20%
ARTISAN PARTNERS/ APAM:NYSE	10.0%	6.25%	Jan-20	30.76	44.18	44%	49.88%
HERCULES CAPITAL / HTGC:NYSE	15.0%	11.89%	Jan-20	13.3	16.67	25%	37.23%
CROSS TIMBERS TRUST/ CRT:NYSE	5.0%	10.44%	Jan-20	23.76	17.56	-26%	15.65%
OXFORD SQUARE CAP/ OXSQ:NASDAQ	5.0%	13.53%	Jan-20	3.13	2.98	-5%	8.74%
ZIM SHIPPING/ ZIM :NYSE	7.0%	0.00%	Nov-23	7.92	9.87	25%	24.62%

ARMOUR REIT/ ARR:NYSE	7.0%	15.00%	Nov-23	16.18	19.32	19%	34.41%
WEIGHTED AVG PERFORMANCE	96.0%	8.90%				14.9%	23.80%

Our philosophy is your time is more valuable than your money, - but ideally you want both in abundance. So once you have accumulated money either through hard work or smart investing - let that money work smart for you – while you enjoy your valuable free time.

To do this our HY portfolio is a mixture of investments targeting yields first for annual income and then growth to maintain our precious capital. Our investments are usually in globally spread listed companies (but mainly in the US and Australia) With some bigger blue-chip companies and some Mid-caps with a history of paying out especially high yields.

Our HY picks investment performances in 2023.

Fortescue Metals (FMG.AX): Total return 50.6% **42pc growth + 8% Dividend (paid half yearly).**

FMG is a big Australian iron ore mining company engaged in exploration, production and processing primarily in Australia and China. It is famous for its high dividend payouts for a decade now. Mainly because it's founder and major shareholder, Billionaire Twiggy Forrest, has millions of shares and doesn't take a salary but pays himself out via big dividends along with all the shareholders. Who have supported him over the years. We like this somewhat rare but admirable philosophy which aligns management with shareholders more closely. 2023 was a difficult year for all Iron ore miners due to the slowdown in China meaning particularly lower demand for resources from Australia- a huge supplier of raw commodities to Chinas economy.

FMG therefore saw a significant drop in revenues and its dividend fell to 7% when over the last decade its normally been in double figures. We don't intend to change our holding in FMG as it's an old favorite of ours and has been a golden goose that keeps on laying eggs for us. But we will continue to monitor the struggling economy in China and assess if FMG's dividend and income outlook warrants any portfolio changes.

Artisan Partners Asset Management: (APAM:NYSE) Total return 49.8% **44% growth + 6% dividend.**

APAM is an investment manager that manages client money for pension, endowments, governments and private clients. This is also long-term portfolio holding (5 years) as it has generated solid dividends for years now. A favorable outlook on US interest rates and recovery in the markets late in the year in 2023 meant expected lower interest rates should allow APAM cheaper financing, but due to its recent drop in yield we may replace APAM with a higher yielding stock in 2024. We will monitor the situation and keep members informed of our thoughts.

Hercules Capital: (HTGC:NYSE): Total return 37%

25% growth + 11.80% dividend (paying out quarterly).

HGTC is a business development company specializing in providing venture capital, debt, senior secured loans and growth capital. There is no fundamental change to the management approach, and we expect to see strong dividends continuing in 2024. HGTC has a historical payout ratio of 94.90% of its profits each year as per business development company rules in the US, and it has maintained its dividend payout of over 10% for the past 2 years.

Armour Residential REIT: (ARR: NYSE) -Total return 34.4% (expected on an annualized basis)

19% growth in two months + an expected 15% 2024 dividend.

ARR – invests in Mortgage-backed securities in the US predominately in US govt sponsored entities and national mortgage issued or guaranteed. ARR was added to the portfolio only in November 2023. Our view was that it was well under Fair Value for a high dividend payer. It pays an annual dividend of 20pc (paying out monthly- with a historic payout ratio of 95.40%). The annualized div has of course dropped in line with its recent capital growth so we will monitor the sector and its future potential dividends.

ZIM Integrated Shipping: (ZIM. NYSE) : Total return 25%

25% (in 2 months) + an expected dividend announcement due Feb 2024.

ZIM is an Israeli based shipping co which provides container shipping, transportation and freight forwarding in Israel (10%) and internationally (90%).

Like FMG, this company is owned by a family who rely on taking out most their profits via dividends. It has historically been one of the highest paying stocks in the world, albeit a can be a rather speculative dividend share - as we saw in 2023 when the company cancelled their dividend payment which along with on-going Gaza/Israel conflict, collapsed the stock price. Seeing this opportunity, we decided to buy, figuring that a major part of the reason for ZIMs share price drop was balance sheet restructuring and lower income for the shorter term.

The company appears to now be back on the right track. We established our position in Nov 2023. Whilst we don't know if a dividend will be paid in 2024, but the stock is now up 75pc as of the time of writing this on Jan 17th 2024. Shipping rates are holding for now so we should expect a dividend in 2024 - but we will closely monitor our holding due to its volatility that comes being in the Middle East.

BHP Group Ltd: (BHP.AX)- Total return 17%

11% growth + 6% dividend (paid semi- annually)

BHP is a huge international, multi-jurisdictional mining conglomerate engaged in mining , production of copper, iron ore gold and other minerals. 2023 was a difficult year for BHP due the slowdown in the Chinese economy and hence the whole global commodity sector. We

are closely following the China recovery story and its potential impact on BHP. Additionally, we are concerned about the recent and unusual drop in dividend and will assess the situation further following the March dividend payout.

**Oxford Square Capital: (OXSQ -NASDAQ)- Total return 8.74%.
-5% growth + 13.5% dividend (paid monthly)**

OXSQ is another official US “business development company” engaged in private equity and mezzanine financing to primarily to the tech and telecom sector often holding direct equity in the companies in which it invests.

We like US business development companies’ dividend payment model. To get their tax status, they are required to pay at least 90% of income as dividends and generally monthly. The downside of this is they don’t have the ability to retain earnings to finance their lending so they don’t show great capital growth and are impacted by interest rates when borrowing for the next deals. But that is offset by getting dividend payments every month.

OSXQ has payout ratio of 84% and has not missed a dividend payment for 5 years. Given this we can accept the volatility in its share price. This is one of our favorite div stocks and with the interest rate environment stabilizing 2024 should be a good year for OSQX.

**Rio Tinto Group (RIO.AX)– RIO - Total return 12.40%.
5% growth + 7% dividend**

RIO is another international multi-jurisdictional mining conglomerate engaged in mining , production of copper, iron ore , copper gold and other minerals. Just like FMG and BHP, RIO has been affected by the drop in commodity prices worldwide. The company has been underperforming and it appears the next dividend may drop in April so we may well be exiting this position in 2024. Watch this space.

**Prospect Capital Corp : (PSEC: NASDAQ) Total return 4%
15% growth + 11% dividend.**

PSEC is another US business development company (BDC) specializing in middle market mezzanine finance, emerging growth, leveraged buyouts acquisitions often taking direct stakes. They invest in all market sectors. PSEC has not missed a dividend payment for over 5 years and has paid 0.06 per share every month for this period. Whilst the share prices is volatile, the regular dividend has been stable. We have held this stock for over 5 years and have no current intention to change the holding, as we just keep on getting our monthly dividends.

**Cross timber Royalty Trust: (CRT: NYSE) Total return -15%
26% growth + 11% dividend (paid monthly).**

CRT is an oil and gas royalty company that buys oil and gas as a middleman and sells to the market. It pays a steady dividend of around 11pc but the stock is volatile in line with global oil and gas prices. The dividend is also volatile but has not dropped below around 10pc for the past 2 years. We continue to closely monitor global oil prices and this position.

Summary

Our high yield portfolio has produced an average annualized return of 23.5% for the past 4 years since inception now , and more importantly, has generated a steady stream of regular dividend cash for our members retirement funds and financially free lifestyles. We believe we are well positioned to return over 15pc again this year and will as always look for new opportunities for HY dividends and recovering stocks.

The portfolio is held predominately is the US stocks. We believe the US markets have good opportunities in 2024. The economy is growing economy and it's an election year, (where normally the market does well). But more importantly it also has the best paying HY dividend stocks due to the scale and diversity of the market.

We are always looking for new investments throughout the global markets but as of the end of 2023 we expect to maintain most the current stocks in our portfolio through 2024 because we believe if it's not broken don't try to fix it.