

Golden Prospect Precious Metals Limited



(as at 31 December 2018)

FACTSHEET | January 2019

Fund Details

Launch Date

- December 2006

Total Gross Assets

- £15.75m

Ordinary Share

- Net Asset Value (Bid Price): 24.87p
- Mid-Market Price: 17.75p

Subscription Share

- Mid-Market Price: 4.50p

Gearing

- 10.90%

Premium/(discount)

- (28.64%)

Annual Management Fee

- 1.25% p.a.

Pricing

Ordinary Shares

- Bloomberg: GPM LN
- Sedol: B1G9T99GB

Financial Times

(Investment Companies)

Financial Calendar

Year End

- 31 December

Annual Report and Accounts Published

- April

Investment Objective

To provide investors with capital growth, from a portfolio of companies involved in the precious metals sector.

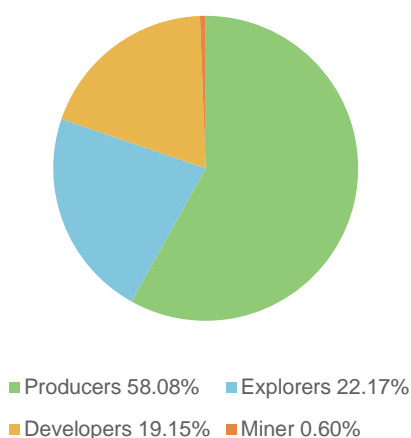
Investment Manager Comment²

Precious metal prices rose during December, supported by considerable geopolitical uncertainty and some of the year's highest levels of market volatility. Indecisive Fed commentary regarding the outlook for US interest rates, together with a deceleration in the Chinese growth outlook weighed on broader markets, driving broader risk aversion and helping to support precious metal prices. Gold and silver prices rose 4.9% and 9.3% respectively during the month. In addition, the receding probability of a successful Brexit negotiation has continued to put pressure on both Sterling and the Euro, making gold a relative safe haven for UK investors. Of note, holdings of gold by physically backed ETFs rose over 2Moz during the month, returning towards post Brexit highs of 72Moz. Pricing was further supported by strong physical buying of gold by ETFs and global central banks, particularly Iran, Russia and Turkey, seeing themselves as exposed to Trump's use of the US Dollar as a weapon for financial sanctions. Meanwhile, we note the completed acquisition of Randgold Resources by Barrick Gold has reduced the choice of UK-listed gold investments. West African Resources announced the expected development funding for its Sanbrado Gold Project and, despite incorporating a low equity component, limiting shareholder dilution, the shares nevertheless fell almost 17% during December. Similarly, Westgold Resources was held back following a small equity raise by the group, with the share price declining around 12%. As a result, the fund NAV rose only 1.5% during the month. While the Fund lagged sterling returns of around 10% for the Philadelphia Gold and Silver Index and Arca Gold Bugs indices, we believe these stocks are attractively valued and that their relative performance will recover once the funding issues have been digested. Having previously reduced the position in West African Resources, the Fund participated in the group's discounted equity raise, though it did not partake in the Westgold equity issue.

Ordinary Share and NAV Performance³

	1 Month (%)	3 Months (%)	1 Year (%)	3 Years (%)	From 1 December 2006 (%)
NAV	1.47	(16.09)	(37.87)	15.41	(75.13)
Share Price	(4.05)	(17.44)	(44.09)	(5.33)	(82.25)

Breakdown by Asset Class¹



Top 10 Holdings (%)¹

West African Resources	9.13
Doray Minerals	6.13
Westgold Resources	6.04
Pretium Resources	5.32
Roxgold	4.83
American Silver	4.20
Ansanko Gold	4.05
Cardinal Resources	3.85
Tahoe Resources	3.59
Pure Gold Mining	3.53
Top 10 Holdings Represent	50.67

The Fund has exposure to 53 issues.

Gold	71.29
Silver	20.16
Base Metals	4.09
PGM	4.47

All holdings data are rounded to two decimal places. Total may differ to sum of constituents due to rounding.

AIFMD Leverage Limit Report (% NAV)

	Gross Leverage (%) ⁴	Commitment Leverage (%) ⁵
Golden Prospect Precious Metals Limited	153	120

Source: ¹Maitland Administration (Guernsey) Limited, as at 31 December 2018. ²All market data sourced from Bloomberg unless otherwise stated. The Fund may have since exited some / all of the positions detailed in this commentary. ³Maitland Administration (Guernsey) Limited / Bloomberg, total return performance based on mid prices. New City Investment Managers took over the investment management function on 15 September 2008. These include historic returns and past performance is not a reliable indicator of future results. The value of investments can go down as well as up. Please read the important legal notice at the end of this document. ⁴CQS, as at 31 December 2018. For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 7, 9 and 10 of Delegated Regulation 231/2013. ⁵CQS, as at 31 December 2018. For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 8, 9, 10 and 11 of Delegated Regulation 231/2013.

Investment Manager Information

Keith Watson and Robert Crayfourd are responsible for managing the Company's portfolio.

Capital History

The Fund was established on 16 October 2006 and has 57,014,331 Ordinary Shares in issue.

On 21st December 2017 the Company issued 28,500,995 Subscription Shares.

On 30th November 2018, 12,305 Subscription Shares were exercised into the Ordinary Shares.

There are now 28,488,690 Subscription Shares in Issue.

If Subscription Shares are exercised on the last business day in November 2019 the price is 42.30p.

If Subscription Shares are exercised on the last business day in November 2020 the price is 46.14p.

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