

# Golden Prospect Precious Metals Limited

## KEY FUND FACTS<sup>1</sup>

### Fund Managers

Keith Watson  
Robert Crayfourd

### Launch Date

December 2006

### Total Gross Assets

£44.98m

### Reference Currency

GBP

### Ordinary Shares

Net Asset Value: 69.32  
Diluted Net Asset Value 61.61  
(assuming all subscription shares are exercised)  
Mid-Market Price: 57.30

### Subscription Share Price:

Mid-Market Price: 10.25p

### Gearing

8.60%

### Discount

(17.34%)

### Ordinary Shares in Issue

57,029,305

### Annual Management Fee

1.25% on assets up to £20 million  
1.00% on assets greater than £20 million

### Bloomberg: GPM LN

Sedol: B1G9T99GB

### Year End

31 December

### Contact Information

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### Company Broker

FinnCap  
+44 (0) 203 772 4697

### Annual Report and Accounts

Published

April



**Keith Watson and Robert Crayfourd**  
Portfolio Managers

## Fund Management

Founded in 1999, CQS is a \$19.3bn<sup>2</sup> global multi-strategy asset management firm. The Fund is managed by Keith Watson and Robert Crayfourd, supported by the CQS analyst team.

## Ordinary Share and NAV Performance<sup>3</sup>

	1 Month (%)	3 Month (%)	1 year (%)	3 Year (%)	5 Year (%)
NAV	0.38	10.72	80.76	77.47	225.60
Share Price	(11.02)	10.62	83.07	66.53	197.66

## Investment Commentary<sup>4</sup>

Precious metal prices corrected during September with gold and silver prices ending the month down 4% and 15.5% respectively. This occurred despite increasing economic risks posed by a rise in the number of reported Covid cases (ahead of an expected seasonal secondary peak) which undermined confidence in the sustainability of the global economic recovery and prompted calls for further stimulus to fend off possible economic effects. A small pick-up in US real yields, as forward inflation expectations reduced despite a slightly higher August CPI reading, also weighed on the gold price. The declines also occurred despite ongoing buying of gold by physically backed ETFs, which advanced to new highs following the addition of over 1.7Moz during the month. In sterling-terms, the gold price was relatively stable with the prospect of a messy UK Brexit withdrawal agreement acting as a reminder as to the potential benefit of exposure to the precious sector for UK investors.

The Fund performed well in September with the NAV ending the month up a marginal 0.4% versus sterling declines of 3.7% and 7.4% for the GDX and GDXJ respectively. Notably, West African Resources reported positive drill results at its newly operational Sanbrado mine, indicating potential to extend mine life, and the shares made a strong contribution to the Fund performance registering a sterling return of 18% over the month. Other precious metal holdings such as Puregold also performed well. The Fund holdings in both these stocks was reduced during the month to manage stock concentration risk.

**KEY FUND FACTS** *(continued)*

**Investor Report**  
Monthly Factsheet

**Results Announced**

Finals: April  
Interims: October

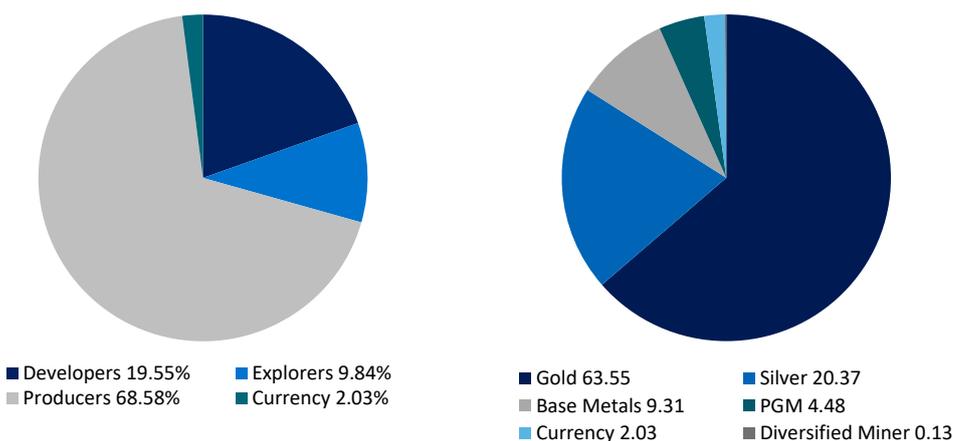
**AIFMD Leverage Limit Report (% NAV)**

	Gross Leverage (%) <sup>5</sup>	Commitment Leverage(%) <sup>6</sup>
Golden Prospect Precious Metals Limited	114	114

<sup>5</sup>Source: CQS, as at 30 September 2020. 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

<sup>6</sup>Source: CQS, as at 30 September 2020. 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.

**Portfolio Analysis<sup>1</sup>**



**TOP 10 HOLDINGS (%)<sup>1,7</sup>**

Name	(% of MV)
West African Resources Lt	8.63
Roxgold Inc	5.36
Westgold Resources Ltd	5.23
Fortuna Silver Mines Inc	4.88
Calibre Mining Corp	4.43
Americas Silver Corp	4.22
Galiano Gold Inc	3.91
Calidus Resources Ltd	3.65
Silvercrest Metals Inc	3.53
Sabina Gold & Silver Corp	3.34
Top 10 Holdings Represent	47.18

The Company has exposure to 59 issues

**Subscription Shares**

There are 28,473,716 Subscription Shares in Issue.

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

Source: <sup>1,2,3</sup>CQS as at 30 September 2020. 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. <sup>4</sup>All market data sourced from Bloomberg unless otherwise stated. The Fund may have since exited some / all of the positions detailed in this commentary. <sup>7</sup>All holdings data are rounded to two decimal places. Total may differ to sum of constituents due to rounding.

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