

Golden Prospect Precious Metals Limited

KEY FUND FACTS¹

Fund Managers

Keith Watson
Robert Crayfourd

Launch Date

December 2006

Total Gross Assets

£58.28m

Reference Currency

GBP

Ordinary Shares

Net Asset Value: 65.75

(the above net asset value includes the exercise of all subscription shares)

Mid-Market Price: 53.50

Gearing

3.2%

Discount

(18.63%)

Ordinary Shares in Issue

85,503,021

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

contactncim@cqsm.com

Company Broker

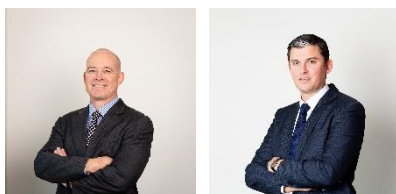
FinnCap

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Annual Report and Accounts

Published

April



Keith Watson and Robert Crayfourd

Portfolio Managers

Fund Management

Founded in 1999, CQS is a \$20.9bn² 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 Performance³

	1 Month (%)	3 Month (%)	1 year (%)	3 Year (%)	5 Year (%)
NAV	12.26	(5.15)	61.83	64.25	205.10
Share Price	12.63	(6.63)	69.84	68.50	185.33

Investment Commentary⁴

Precious metals continued to perform well with rising Covid-19 cases from the new more infectious strain, raising the prospect of tightening restrictions on global movements and increased government stimulus. Rates are expected to remain ultra-low and global aggregate negative yielding debt reached a new high of over US\$18trn, as measured by the Bloomberg-Barclays Aggregate Index. Over the month, gold rose 6.8%, while silver, which has gained focus for its use in environmental stimulus (such as its use in photovoltaic solar panels) as well as its use in other electronics (such as the roll-out of 5G communications infrastructure), rose 16.9%.

Against this backdrop all outstanding Golden Prospect subscription shares exercised with a resultant £13m inflow of funds. The Fund's NAV increased by 12.2% compared to Sterling returns for the Gold Bugs and Philadelphia Gold and Silver Index of 5.8% and 4.8% respectively, while the GDX and GDXJ equity ETFs returned 1.2% and 7.7% respectively.

Silver-related equities made strong contributions to the Fund's performance, most notably from producer Fortuna Gold & Silver and developers: Sabina Gold & Silver, Silvercrest and MAG Silver. Proceeds from the share issue were invested into some more liquid names that had traded down into the end of November together with some additions to existing holdings. This included participation in a placing by Australia gold developer Calidus.

Research Budget and Estimated Research Charge

In accordance with MIFID II and the relevant FCA Rules on research and inducements, CQS has established a research payment account (a "Research Payment Account") which is used to pay for research by third party research providers in relation to the Fund. The Research Payment Account is funded by a research charge based on a research budget for the Fund (the "Research Budget"). Pursuant to the FCA Conduct of Business Sourcebook 18 Annex 1 Rule 4.11(1), information on the allocated Research Budget and estimated research charge for the Fund is provided below:

CQS has allocated the following Research Budget to the Fund for the calendar year ending 31 December 2021, and it is therefore estimated that the Fund will incur this amount: USD34,945.

For further information on these changes, please refer to the Fund's Offering Memorandum.

KEY FUND FACTS *(continued)*

Investor Report
Monthly Factsheet

Results Announced

Finals: April
Interims: October

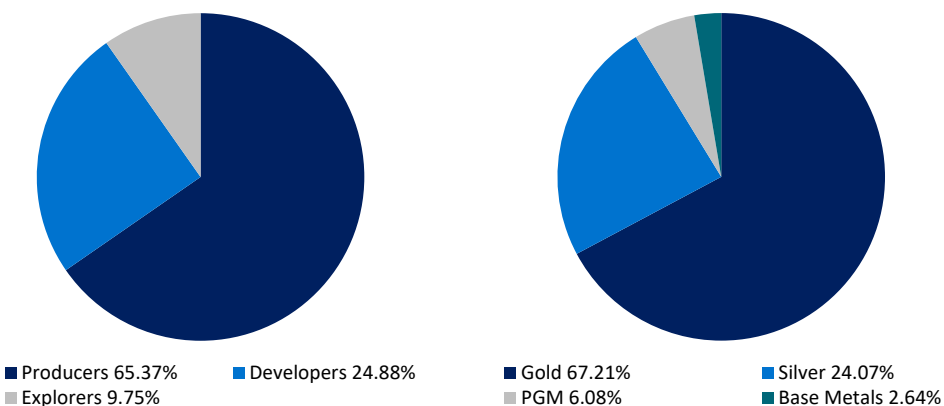
AIFMD Leverage Limit Report (% NAV)

	Gross Leverage (%) ⁵	Commitment Leverage(%) ⁶
Golden Prospect Precious Metals Limited	104	104

⁵Source: CQS, as at 31 December 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

⁶Source: CQS, as at 31 December 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 Analysis¹



TOP 10 HOLDINGS (%)^{1,7}

Name	(% of MV)
West African Resources Ltd	7.15
Fortuna Silver Mines Inc	5.49
Calibre Mining Corp	5.17
Calidus Resources Ltd	5.13
Americas Silver Corp	4.95
Westgold Resources Ltd	4.74
Silvercrest Metals Inc	4.50
Roxgold Inc	4.18
Sabina Gold & Silver Corp	3.23
Mag Silver Corp	3.05
Top 10 Holdings Represent	47.58

The Company has exposure to 58 issues

Subscription Shares

The 28,473,716 Subscription Shares that were in issue were fully subscribed at the end of November 2020 at a price of 46.14p.

Source: ^{1,2,3}CQS as at 31 December 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. ⁴All market data sourced from Bloomberg unless otherwise stated. The Fund may have since exited some / all of the positions detailed in this commentary. ⁷All holdings data are rounded to two decimal places. Total may differ to sum of constituents due to rounding.

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L21-025 / 01.21

PRI Note: PRI is an investor initiative in partnership with UNEP Finance and the UN Global Compact. GMvI.

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