

Golden Prospect Precious Metals Limited

KEY FUND FACTS¹

Fund Managers

Keith Watson
Robert Crayfourd

Launch Date

December 2006

Total Gross Assets

£54.59m

Reference Currency

GBP

Ordinary Shares

Net Asset Value: 56.91
Mid-Market Price: 47.00

Gearing

11.9%

Discount

(17.41%)

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: BIG9T99GB

Year End

31 December

Contact Information

contactncim@cqsm.com

Company Broker

FinnCap
+44 (0) 203 772 4697

Annual Report and Accounts

Published

April

Investor Report

Monthly Factsheet

Results Announced

Finals: April
Interims: October



Keith Watson and Robert Crayfourd
Portfolio Managers

Fund Description

The objective of the Golden Prospect Precious Metals Fund is to provide investors with capital growth, from a portfolio of companies involved in the precious metals sector.

Fund Management

Founded in 1999, CQS is a \$19.2bn² 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	(3.18)	19.76	(2.98)	115.65	35.69
Share Price	(2.08)	16.05	(15.16)	134.41	32.39

Investment Commentary⁴

Inflation remained at the forefront of investors' mind, with US CPI hitting 8.5% and UK CPI reaching 7.0%, both 30-year highs. Following the expected 50bp interest rate increase, the rising inflation trend backed-up more hawkish FOMC rhetoric, with minutes from the March meeting highlighting the committee's preference for a more rapid rise in rates to cool inflationary pressures. Positive momentum behind precious metal prices, which had continued into mid-April, subsequently waned as markets digested prospects for faster paced tightening. The resultant strengthening in the US dollar, which gained 4% against sterling during April, occurred against a softening economic backdrop as the drag from rising energy and raw material costs, together with China's expanded Covid lockdowns, weighed on economic growth expectations.

The backdrop of stagflation provided little notable support. Gold and silver ended April down around 5.5% and 0.7% respectively, and related equities also declined. While the Fund's NAV slipped 3.2% in April, it fared better than the GDXJ and GDX, which registered sterling declines of 4.3% and 4.7% and compared relatively favourably to the Gold Bugs and Philadelphia Gold & Silver Indices, which declined 5.3% and 5.9% respectively over the month. Increased margin pressures were an evident theme from company results, potentially contributing to the softer equity performances during the month.

However, a positive operational update from Oceana Gold's recently restarted Didipio mine in the Philippines, together with better-than-expected production and costs from its US mine, saw its share price rise over 15%. West African Resources results showed less pronounced cost pressures, helping lift the share price by inline results and more muted cost pressures than evident across the sector, helping the shares to close the month up 7%. These helped offset a 17% decline in the share price of Westgold Resources, which experienced some disruption from unscheduled maintenance and outlined industry cost pressures, which weighed on sentiment following the prior month's equity raise.

Trading was relatively limited. Most notably, the Fund substantially reduced exposure to base metals

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

Name	(% of MV)
West African Resources Lt	11.88
Calidus Resources Ltd	11.11
Fortuna Silver Mines Inc	6.72
Firefinch LTD	5.05
Oceanagold Corp	5.04
Emerald Resources NI	4.58
Calibre Mining Corp	4.55
Westgold Resources Ltd	3.52
Mag Silver Corp	3.40
Silvercrest Metals Inc	3.32
Top 10 Holdings Represent	59.17

The Company has exposure to 61 issues.

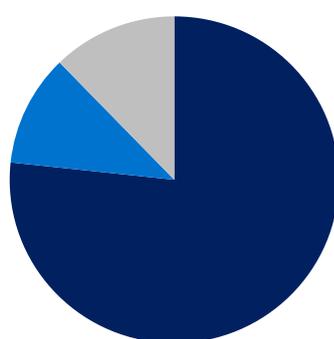
AIFMD Leverage Limit Report (% NAV)

	Gross Leverage (%) ⁵	Commitment Leverage(%) ⁶
Golden Prospect Precious Metals Limited	111	111

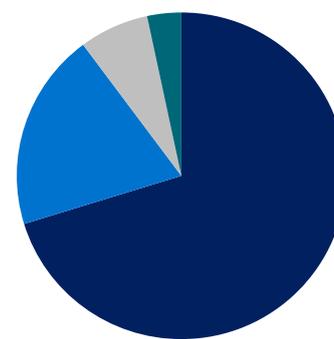
⁵Source: CQS, as at 29 April 2022. For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 7, 9 and 10 of Delegated Regulation 231/2013

⁶Source: CQS, as at 29 April 2022. 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



- Producers 76.7%
- Developers 11.0%
- Explorers 12.3%



- Gold 70.2%
- Silver 19.6%
- PGM 6.8%
- Base Metals 3.3%

Source: ^{1,2,3}CQS as at 29 April 2022. 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.

Important Information

This document has been issued by CQS (UK) LLP which is authorised and regulated by the UK Financial Conduct Authority, CQS (US), LLC which is a registered investment adviser with the US Securities and Exchange Commission, and/or CQS (Hong Kong) Limited, which is authorised and regulated by the Hong Kong Securities and Futures Commission. The term "CQS" as used herein may include one or more of CQS (UK) LLP, CQS (US), LLC, and CQS (Hong Kong) Limited or any other affiliated entity. The information is intended solely for sophisticated investors who are (a) professional investors as defined in Article 4 of the European Directive 2011/61/EU or (b) accredited investors (within the meaning given to such term in Regulation D under the U.S. Securities Act of 1933, as amended) and qualified purchasers (within the meaning given to such term in Section 2(a)(51) of the U.S. Investment Company Act 1940, as amended). This document is not intended for distribution to, or use by, the public or any person or entity in any jurisdiction where such use is prohibited by law or regulation.

This document is a marketing communication prepared for general information purposes only and has not been delivered for registration in any jurisdiction nor has its content been reviewed by any regulatory authority in any jurisdiction. The information contained herein does not constitute: (i) a binding legal agreement; (ii) legal, regulatory, tax, accounting or other advice; (iii) an offer, recommendation or solicitation to buy or sell shares or interests in any fund or investment vehicle managed or advised by CQS (a "CQS Fund") or any other security, commodity, financial instrument, or derivative; or (iv) an offer to enter into any other transaction whatsoever (each a "Transaction"). Any decision to enter into a Transaction should be based on your own independent investigation of the Transaction and appraisal of the risks, benefits and appropriateness of such Transaction in light of your circumstances. Any decision to enter into any Transaction should be based on the terms described in the relevant offering memorandum, prospectus or similar offering document, subscription document, key investor information document (where applicable), and constitutional documents and/or any other relevant document as appropriate (together, the "Offering Documents"). Any Transaction will be subject to the terms set out in the Offering Documents and all applicable laws and regulations. The Offering Documents supersede this document and any information contained herein. The Offering Documents for CQS UCITS range of funds is available [here](http://www.cqs.com/what-we-do/ucits/global-convertibles) (www.cqs.com/what-we-do/ucits/global-convertibles) in English (US persons will not be eligible to invest in CQS managed UCITS funds save to the extent set out in the relevant Offering Document). A copy of CQS' Complaints Policy, which sets out a summary of investors' rights, is available [here](http://www.cqs.com/site-services/regulatory-disclosures) (www.cqs.com/site-services/regulatory-disclosures) in English. CQS may terminate the arrangements for marketing or distribution of any CQS Fund at any time.

Nothing contained herein shall give rise to a partnership, joint venture or any fiduciary or equitable duties. The information contained herein is provided on a non-reliance basis, not warranted as to completeness or accuracy, and is subject to change without notice. Any information contained herein relating to any non-affiliated third party is the sole responsibility of such third party and has not been independently verified by CQS. The accuracy of data from third-party vendors is not guaranteed. If such information is not accurate, some of the conclusions reached or statements made may be adversely affected. CQS is not liable for any decisions made or action taken by you or others based on the contents of this document and neither CQS nor any of its directors, officers, employees or representatives accept any liability whatsoever for any errors or omissions or any loss howsoever arising from the use of this document.

Information contained in this document should not be viewed as indicative of future results as past performance of any Transaction is not indicative of future results. Any investment in a CQS Fund or any of its affiliates involves a high degree of risk, including the risk of loss of the entire amount invested. The value of investments can go down as well as up. Future performance is subject to taxation which depends on the personal situation of each investor and which may change in the future. Investments may lead to a financial loss if no guarantee on the capital is in place. An investment in any CQS Fund will involve a number of material risks which include, without limitation, risks associated with adverse market developments, currency and exchange rate risks, risk of counterparty or issuer default, and risk of illiquidity. Any assumptions, assessments, targets (including target returns and volatility targets), statements or other such views expressed herein (collectively "Statements") regarding future events and circumstances or that are forward looking in nature constitute CQS' subjective views or beliefs and involve inherent risk and uncertainties beyond CQS' control. Any indices included in this document are for illustrative purposes only and are not representative of CQS Funds in terms of either composition or risk (including volatility and other risk related factors). Unless stated to the contrary CQS Funds are not managed to a specific index.

The information contained herein is confidential and may be legally privileged and is intended for the exclusive use of the intended recipient(s) to which the document has been provided. In accepting receipt of the information transmitted you agree that you and/or your affiliates, partners, directors, officers and employees, as applicable, will keep all information strictly confidential. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information is prohibited. Any distribution or reproduction of this document is not authorized and prohibited without the express written consent of CQS, or any of its affiliates. Unless otherwise stated to the contrary herein, CQS owns all intellectual property rights in this document.

CQS is a founder of the Standards Board for Alternative Investments ("SBAI") which was formed to act as custodian of the alternative investment managers' industry best practice standards (the "Standards"). By applying the Standards, managers commit to adopt the "comply or explain" approach described in the Standards. CQS is a signatory of the UN Principles for Responsible Investment and a supporter and participant of certain other responsible investment related industry associations.

PRI Note:

PRI is an investor initiative in partnership with UNEP Finance and the UN Global Compact. GMv9.

L22-232 / 05.22

CQS (UK) LLP

4th Floor, One Strand, London WC2N 5HR, United Kingdom
T: +44 (0) 20 7201 6900 | F: +44 (0) 20 7201 1200

CQS (US), LLC

152 West 57th Street, 40th Floor, New York, NY 10019, US
T: +1 212 259 2900 | F: +1 212 259 2699

CQS (Hong Kong) Limited

1308 One Exchange Square, 8 Connaught Place, Central, Hong Kong, China
T: +852 3920 8600 | F: +852 2521 3189

CQSClientServices@casm.com | www.cqs.com

Signatory of:

