

### Key Fund Facts<sup>1</sup>

Fund Managers	Keith Watson Robert Crayfourd
Launch Date	December 2006
Total Gross Assets	£36.60m
Reference Currency	GBP
Ordinary Shares	Net Asset Value: 36.95p Mid-Market Price: 31.00p
Gearing	14.3%
Discount	(16.10%)
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 020 7220 0500
Annual Report and Accounts	Published April
Investor Report	Monthly Factsheet
Results Announced	Finals: April Interims: October
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 group of companies in the precious metals sector.

### Key Advantages for the Investor

- Access to under-researched mid and smaller companies in the precious metals sector.
- Potential inflation protection from precious metals assets
- Low correlation to major asset classes

### Ordinary Share and NAV Performance<sup>2</sup>

	1 Month	3 Months	1 Year	3 Years	5 Years
NAV	-5.18	6.00	-30.19	-30.24	-4.89
Share Price	-11.67	-0.85	-27.76	-32.73	3.73

### Commentary<sup>3</sup>

#### Market

US rate expectations were the prime focus for precious metal markets during May. Following the release of hawkish Federal Open Market Committee (FOMC) minutes early in the month, which highlighted continued labour market tightness. Subsequent robust US economic data and the outlook for inflation to remain stubbornly persistent prompted a recalibration of US interest rate expectations. A near half-point increase in implied short-dated FED rates led to a strengthening of the dollar index which weighed on precious metals. News at the end of the month that a tentative deal had been reached to resolve US debt ceiling negotiations was largely anticipated and had little noticeable impact on the sector.

#### Performance

Gold and silver prices closed May around 1.4% and 6.5% lower and the Fund NAV slipped 5.2%. This compared to sterling declines of 7.0% and 5.9% for the Philadelphia Gold and Silver and Gold Bugs Indices and declines of -5.9% for the GDX and -5.1% registered by the GDXJ ETF, also in sterling terms.

#### Positioning

The Fund took some profits on Emerald Resources due to the large position sizing. The holding in B2 Gold was also reduced following its all share acquisition of Sabina, also held by the Fund. These proceeds were used to add to Karrora Resources, an Australia gold producer with some nickel optionality. We also added Predictive Discovery, a large gold developer in Mali.

#### Outlook

Occurring during the early stages of Quantitative Tightening, recent bank bailouts have served to highlight the elevated sensitivity of economies and markets to the continued rate tightening policy, which has yet to stymie inflation, while also needing to balance economic growth prospects. In this regard, recent central rhetoric has indicated a willingness to induce some economic pain to reduce tightness in labour markets which has been a key driver of inflation expectations. In such an environment, we believe that valuations of precious metal equities offer attractive portfolio insurance.

Source: <sup>1</sup>CQS as at the last business day of the month indicated at the top of this report. Performance is net of fees and expenses. 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>3</sup>All market data sourced from Bloomberg unless otherwise stated. The Fund may have since exited some / all the positions detailed in this commentary.

**Top 10 Holdings (% of Gross Assets)<sup>1,4</sup>**

Name	(% of Gross Assets)
Emerald Resources NL	9.30
Calibre Mining Corp	8.61
Mag Silver Corp	7.52
West African Resources LT	5.68
Fortuna Silver Mines Inc	5.19
B2GOLD Corp	5.00
Leo Lithium LTD	4.30
Westgold Resources LTD	3.62
Calidus Resources LTD	3.55
Osisko Development Corp	3.01

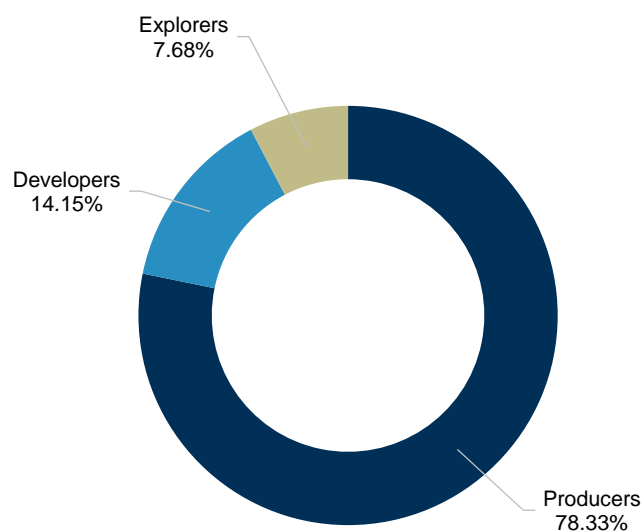
**AIFMD Leverage Limit Report (% of NAV)<sup>1</sup>**

	Gross Leverage (%) <sup>5</sup>	Commitment Leverage (%) <sup>6</sup>
Golden Prospect Precious Metals Limited	117	117

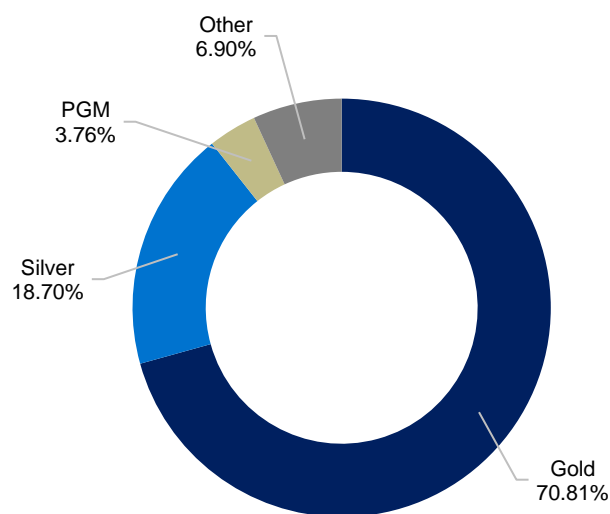
The proposal to create a Subscription Right was approved by Shareholders on 7 December 2022. The first Subscription Right date is on 30 November 2023 and the Subscription Price is 38.31p for each new Share subscribed for. The Subscription period has now begun as the existing shares carry the right to subscribe (on the basis of 1 New Share for every 5 Shares held). We will write to all Shareholders in October 2023 to advise of the process to exercise their Subscription Rights.

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

**By Type**



**By Metal**



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<sup>4</sup> All holdings data are rounded to two decimal places. Total may differ to sum of constituents due to rounding.

<sup>5</sup> 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> 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.

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PRI is an investor initiative in partnership with UNEP Finance and the UN Global Compact. GMv11.

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