# Investor Report

30 April 2025

# Golden Prospect Precious Metals Limited
(the "Company")

## Key Facts

| | |
|---|---|
| Portfolio Managers | Keith Watson<br>Robert Crayfourd |
| Launch Date | December 2006 |
| Total Gross Assets | £68.05m |
| Reference Currency | GBP |
| Ordinary Shares | Net Asset Value: 65.81p<br>Diluted Net Asset Value: 62.84p (assuming all subscription rights are exercised)<br>Mid-Market Price: 49.50 |
| Gearing | 6.3% |
| Discount | (24.78%) |
| Ordinary Shares in Issue | 93,248,499 |
| Ongoing Charge Ratio | 2.20% |
| Annual Management Fee | 1.25% on assets up to £20 million<br>1.00% on assets greater than £20 million |
| Bloomberg | GPM LN |
| Sedol | B1G9T99GB |
| Year End | 31 December |
| Contact Information | CQSClientService@cqsm.com |
| Company Broker | Cavendish Capital Markets Limited<br>020 7220 0500 |
| Annual Report and Accounts | Published April |
| Investor Report | Monthly Factsheet |
| Results Announced | Finals: April<br>Interims: September |

**Keith Watson and Robert Crayfourd**
Portfolio Managers

## Description

The objective of the Golden Prospect Precious Metals Limited 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[1]

| | 1 Month (%) | 3 Months (%) | 1 Year (%) | 3 Years (%) | 5 Years (%) |
|---|---|---|---|---|---|
| NAV | 4.54 | 22.76 | 58.01 | 15.64 | 48.09 |
| Share Price | (1.00) | 19.28 | 53.25 | 5.32 | 33.78 |

## Commentary[2]

Market sentiment remains extremely sensitive to news headlines regarding US President Trump's trade policies. In this regard, April was marked by continued high volatility following a slew of new tariffs announced early in the month. Despite this, and a 3% strengthening of sterling versus the dollar, the Company NAV gained 4.5% over the month. With share price rises of 34% and 11% respectively, gold producers Greatland Gold and Thor Explorations provided the most significant positive contributions. Conscious of position sizing, the Company took some longer-term profits on Ora Banda, which proved the main detractor over the month with the share price slipping 9%.

The US administration's policies look to be inhibiting growth, straining international relations, complicating central bank monetary policy and undermining confidence in the President. How long these self-inflicted pressures can persist also remains uncertain as more pain may need to show in data in order to bring about an easing of the current hardline framework. Furthermore, the manner in which US policies have been implemented may have longer lasting effects, both on the speed and extent with which the new equilibrium is restored after this jolt. Of note, the shake out has prompted a reappraisal of risks and US treasuries are no longer seen as the "risk free" assets they were. Such an environment will likely see central banks continue adding gold to reserves in preference to treasuries or dollars. Meanwhile, physically-backed ETF holdings increased nearly 1Mozs in April, indicative of a large financial sector allocation to "safe haven" assets.

The miners remain attractively valued versus historic earnings multiples and free cash flow, which was further evidenced by sector company reporting. We believe generalists continue to have limited exposure to the sector, either via physical or the mining equities. Inflows from generalist funds remain a key catalyst we look for to drive further gains and a catch up from the miners. Q1 reporting has supported our belief that cost inflation pressures remain limited and thus the sector can continue to sustain the current high margins even before any further upside in gold pricing.

For the broader economy this trade war will also likely deter investment following a period of elevated activity, which should support further flows to gold and its insurance properties. However, because industries worldwide sought to mitigate the effects of tariffs with pre-emptive inventory building, their impact is only just starting to feed through to fundamental economic data. Consumer purchases have begun to slow and businesses are reassessing discretionary capex as they wait and see where tariff levels settle. In the US, Q1 GDP dipped into contraction following a rise in its trade deficit during March, while China's manufacturing PMI slipped back into contraction in April. The slowdown is filtering into global growth estimates; after downgrading US GDP growth forecasts, from 2.1% to 1.7% for 2025, the US Fed's April commentary attested to the risks from stagflation and rising unemployment. We see further downside risks to economic data and thus continue to believe gold miners remain an attractive way of weathering volatility.

Source: Manulife | CQS Investment Management and Apex Fund and Corporate Services (Guernsey) Limited as at the last business day of the month indicated at the top of this report. **1** Performance is net of fees and expenses. New City Investment Managers took over the investment management function on 15 September 2008. **2** All market data is sourced from Bloomberg unless otherwise stated. The Company may have since exited some / all the positions detailed in this commentary. This document includes 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 Information section at the end of this document.

## Top 10 Holdings (% of Gross Assets)[1,2]

| Name | (% of Gross Assets) |
|---|---|
| CALIBRE MINING CORP | 7.51 |
| WEST AFRICAN RESOURCES LT | 7.02 |
| GREATLAND GOLD PLC | 6.69 |
| EMERALD RESOURCES NL | 6.48 |
| ORA BANDA MINING LTD | 6.22 |
| SOUTHERN CROSS GOLD CONS | 4.14 |
| COLLECTIVE MINING LTD | 3.84 |
| G MINING VENTURES CORP | 3.52 |
| MAG SILVER CORP | 2.77 |
| TDG GOLD CORP | 2.74 |
| **Top 10 Holdings Represent** | **50.94** |

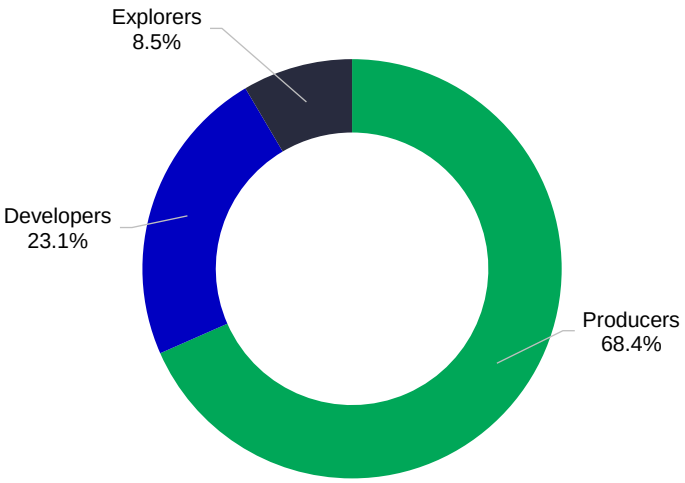
## AIFMD Leverage Limit Report (% of NAV)

| | Gross Leverage (%)[3] | Commitment Leverage (%)[4] |
|---|---|---|
| Golden Prospect Precious Metals Limited | 110 | 110 |

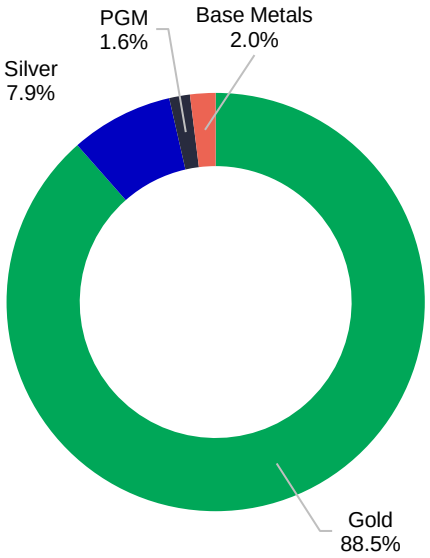
**The proposal to create a Subscription Right was approved by Shareholders on 7 December 2022. The second Subscription Right has now expired and the Company has announced a third Subscription Right. The date is on 1 December 2025 and the Subscription Price is 48.00p for each new Share subscribed for. 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 2025 to advise of the process to exercise their Subscription Rights.**

## Portfolio Holdings Analysis[1,2]

### By Type




### By Metal




Source: **1** Manulife | CQS Investment Management and Apex Fund and Corporate Services (Guernsey) Limited as at the last business day of the month indicated at the top of this report. **2** Total may differ to sum of constituents due to rounding. **3** 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. **4** 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 Note:**
PRI is an investor initiative in partnership with UNEP Finance and the UN Global Compact.

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