Golden Prospect Precious Metals Limited

Annual Report and Audited Financial Statements

For the year ended 31 December 2024

Contents

A few thoughts on important recent market developments

Before reviewing the Company's 2024 financial year, I'd like to first highlight recent market developments which I believe are of great significance. We are at a pivotal point for precious metals and their related mining stocks. A trend has been brewing that can no longer be seen as a one-off or statistical quirk. Over several decades the gold price has moved in step with the US bond market. This changed in 2022 when gold broke out to the upside as interest rates rose; and bond prices crashed, which would normally derail any such rally. This decoupling has not been witnessed since gold's major upsurge in the 1970's.

The circumstances may be different but there are clues that something seismic is underway. First, despite prolonged outflows from gold-based Exchange Traded Funds (ETFs) since 2021, the price has continued to rise. Second, central banks have been accumulating precious metals in a manner that echoes the Mercantilism era of the 18th Century. Then it was an episode of economic nationalism to support domestic employment, maximise exports and amass state ownership of silver and gold. Third, the threat of tariffs has led to a scramble to repatriate precious metals. Traders are pulling billions of dollars' worth of bullion from the Bank of England's vaults to be shipped to New York. This has led to an extraordinary shortage with delivery times delayed by 4-8 weeks.

One could argue that this is already factored into the gold price, which is heading steadily toward record highs of $3,000 in early 2025 as I write. We are also witnessing a substantial outperformance of miners versus the metal, which has been long overdue, and with your Company leading the charge – the NAV is up nearly 30% at the time of writing. Time will tell in the next Interim Statement whether such developments escalate, but for now the purpose of this report is to look back before looking forward.

Performance

I am pleased to report on a positive year for the Company. Over the course of 2024 the NAV rose by 20.4% from 35.81p to 43.10p with a peak value of 55.87p in October. In the meantime, the share price rose from 29.50p to 35.50p, likewise gaining 20.3%, with highs in October at 46.0p. Overall, the performance was pleasing but it was frustrating to witness a retrenchment in Q4 which coincided with a general market decline after the US election.

Compared with equivalent ETFs, performance was well ahead of the VanEck Gold Miners ETF (GDX) which rose 12.8% and the VanEck Junior Gold Miners ETF (GDXJ) which rose 17.9% in Sterling terms. The returns also ranked well against open-ended funds in the precious metals sector. However, 2024 proved to be yet another year where performance of the miners lagged the returns of gold itself, which rose by 27.2% in US Dollars and 29.7% in Sterling.

The break-out in March was decisive as the gold price punched through its previous record above $2,000. Gains were consolidated over the summer, hitting further record highs by the end of October, trading at peak levels above $2,700. The price retrenched a little towards the end of the year, but was well supported. At the time of writing, gold is trading around the $2,950 level.

Subscription Rights

In November, under the Company's annual subscription rights programme, shareholders had the right to subscribe for 1 new share for every 5 shares held at a price of 35.94p. Having been at 46p and therefore well 'in the money' in the weeks approaching the subscription date, it was frustrating to witness a share price reversal which made it less attractive for investors to participate and meant the full allotment was not taken up and the shares related to the unexercised rights could not be placed.

Nevertheless, the exercise raised an additional £2.78m from 7,745,478 shares issued at 35.94p. In November 2025 the subscription price will be 48.00p (being the NAV of the Company on the 2024 subscription date) which is not far off the current share price of 45.00p at the time of writing.

Discount and Marketing

Over the course of 2024 the discount averaged 19.6% (range 11.2% to 25.9%), compared to a 16.8% average (range 5.4% to 28.3%) in 2023, and ended the year at 17.6%. While it was disappointing that, on average, the discount widened over the period, many investors have taken advantage of it on initial purchase and have participated in proportion during the upturn.

With the aim of increasing demand for the Company's shares, over the past year we have approved new marketing initiatives to reach an extended audience outside of traditional wealth managers.

Tavistock, a leading London-based press and investor relations firm, were appointed to help promote the Company. They are well known for their role in financial public relations for the mining and mineral exploration sectors. As a direct result of their involvement, the Company and its investment manager have already featured in several articles including the Financial Times, Wall Street Journal and Daily Mail among others.

Additionally, Kepler, a leading sponsored research provider in the investment trust space, who has a strong readership and distribution into both institutional and self-advised retail investors, was commissioned to publish research and regular articles on the Company.

Shareholder register

Investors may be aware of activist investors targeting the UK closed-end fund market in recent months. We are not aware of any of these investors being or having been on the Company's share register and, with the help of our broker and other advisers, we continue to closely monitor any changes to our register and any developments in the sector.

Gearing

Given the strong portfolio return over the period, gearing has served its purpose and contributed 3.5% to the NAV return. The Company's investment manager (Manulife | CQS Investment Management ("MCQS" or "CQS")) has proved to be prudent over many years in their use of leverage, by reducing borrowings, and therefore risk, when the market outlook is uncertain. At the close of the year, the gearing level stood at 7.2% of NAV, while the maximum permissible is 20%. The highest proportion deployed in 2024 was 14.9%.

Ongoing Charges Ratio (OCR)

The Company uses the AIC's methodology for calculating the Ongoing Charges Ratio (OCR). In 2023 this was 2.21% and in 2024 it was 2.20%, so little changed. While the annual subscription rights did not raise as much equity as hoped, we are grateful for the extra funds, which the managers have subsequently invested.

Board Changes
In May 2024 we strengthened the Board with the appointment of Monica Tepes, who brings a wealth of experience and expertise in closed-end funds. Over the past 20 years she has worked with investment trusts in a variety of roles, both on the buy-side and sell-side, which included research, portfolio management, marketing, investor relations, business and product development and advising investment trust boards.

Succession is a key component of balancing appropriate levels of skill and experience on boards. Having been with the Company since the launch, Robert King has indicated that he will not be seeking re-election at the 2025 Annual General Meeting. We would like to express our deepfelt thanks to him for his great contribution over the years. His wise counsel and depth of knowledge in the sector will be greatly missed.

Graeme Ross, having joined the Board in 2018, has also decided to step down on or before the date of the 2025 Annual General Meeting. We thank him for his great contribution, diligence and attention to detail, especially as Chair of the Audit Committee.

We are currently in the process of finding suitable replacements and announcements will be made in due course. With regards to my role, having been appointed in 2014 and becoming Chairman in 2024, I am mindful of exceeding the recommended tenure as a director. My intention is to remain in place until the new directors have established themselves and have built up sufficient knowledge of the Company's affairs.

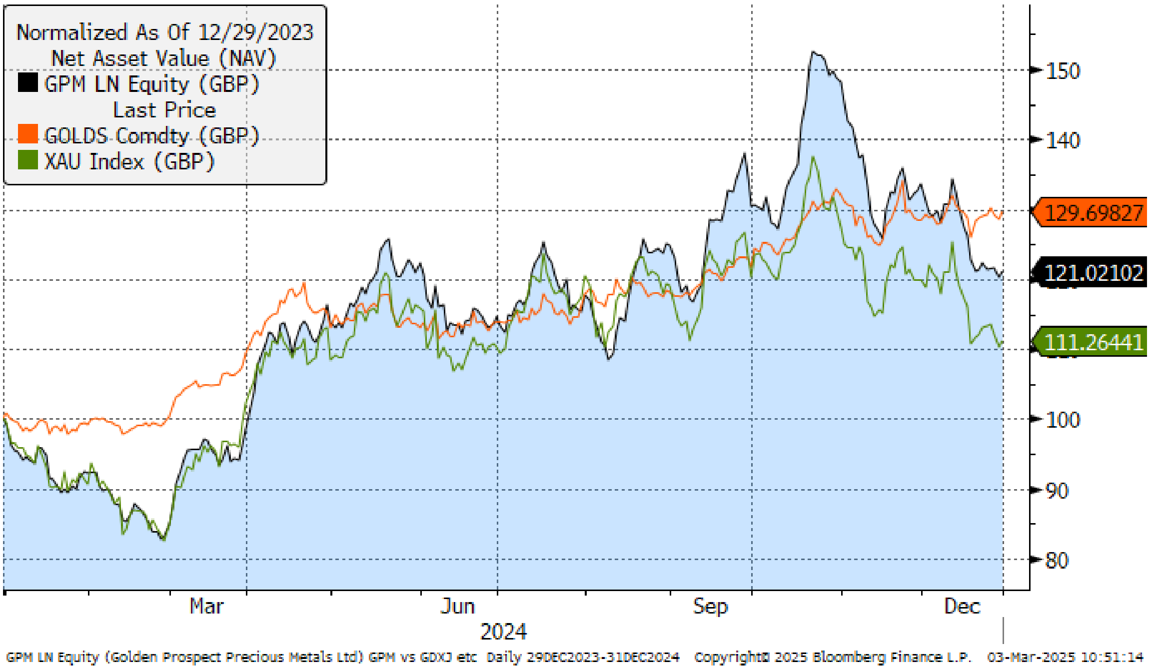
Outlook and Closing Remarks
Western economies appear to be polarizing economically with the USA on a determined growth path, while Britain and Europe slowly descend into stagflation. While not wishing for this scenario, with all the political and social implications entailed, it should be noted that mining shares have historically performed very well in this environment. With gold prices once more challenging all-time highs, I believe the stage is set for a surge in related mining stocks, which has been some time in the making. The outperformance of the Company against comparable ETFs in 2024 also underlines the benefits of active versus passive management.

In closing, we thank shareholders for their continued support and invite them to study the Investment Manager's report for their economic assessment and further detail on our portfolio holdings.

Toby Birch
Chairman

12 March 2025

Performance



- Black = GPM NAV (GPM LN, +21.0% GBP)*
- Green = Philadelphia Gold and Silver index (XAU Index, +11.3% GBP)
- Orange = Gold price Spot $/Oz (GOLDS Comdty, +29.7% GBP)

*The chart above is based on the unaudited daily NAVs, which value the underlying portfolio securities at mid prices, while the NAV total return reported in these accounts is based on the year end audited NAV which value the underlying portfolio securities at bid prices.

2024 Key metrics	GBP total return	Notes
GPM NAV	+20.4%	The NAV rose from 35.81p to 43.10p
GPM share price	+20.3%	The price rose from 29.50p to 35.50p
NYSE Arca Gold BUGS Index (HUI index)	+15.5%	HUI and XAU are the two main gold mining indices on the market. The main difference between them is that HUI includes only gold mining stocks whereas XAU includes both gold and silver mining stocks. BUGS stands for Basket of Unhedged Gold Stocks.
Philadelphia Stock Exchange Gold and Silver index (XAU index)	+11.3%	
VanEck GDXJ Junior Gold Miners ETF	+17.9%	
VanEck GDX Gold Miners ETF	+12.8%	
Gold price Spot $/Oz (XAU curncy)	+29.7%	From 2,063 $/Oz to 2,624 $/Oz (+27.2% in USD)
Silver price Spot $/Oz (XAG curncy)	+23.8%	From 23.80 $/Oz to 28.90 $/Oz (+21.5% in USD)
USD/GBP	+1.7%	USD appreciated vs GBP from 0.785 to 0.799
AUD/GBP	-7.6%	AUD depreciated vs GBP from 0.535 to 0.495
CAD/GBP	-6.3%	CAD depreciated vs GBP from 0.593 to 0.556

The Company NAV delivered a total return of +20.4% in 2024, outperforming the NYSE ARCA Gold BUGS Index (+15.5%), the Philadelphia Gold & Silver Index (+11.3%) and the VanEck GDXJ Junior Gold Miners ETF (+17.9%), all in GBP total return terms.

It has however been frustrating that operationally geared precious metal mining equities failed to keep pace with the performance of the gold price over 2024, which rose 27.2% in USD and 29.7% in Sterling. We would however expect this to change going forward, given that miners’ sector valuations are at their lowest and their cash generation at its highest (spot gold basis) that we have tracked. More detail in our market commentary below.

The main contributors to performance over the year were Ora Banda (up 144%), Calibre Mining (up 54%) and Mawson Gold (up 176%). The main detractor was Calidus Resources, which in July had its shares suspended from the Australian Stock Exchange after Macquarie Bank, Calidus’ largest shareholder, pulled their credit line and shut down operations despite operations having turned profitable, Macquarie subsequently sold control of the business via the debt to an Australian mining entrepreneur and the company is currently undergoing restructuring. At portfolio level, Australian miners provided the largest proportion of gains, followed by Canadian listed miners, which is unsurprising given the weighting in the portfolio. Gold producers, developers, explorers and silver producers provided meaningful returns.

Portfolio activity over the year included taking profits on Ora Banda Mining largely due to large position sizing (the largest holding in the portfolio at 9.2% at year end) and reducing Westgold Resources (4.9% weighting at year end) after it merged with our other portfolio holding Karora Resources. We added to our holdings in New Gold and Eldorado as we believe they should see derisking through 2025 on mine life extension and a new mine start up, respectively.

Market overview

2024 saw strong gains for precious metals, as gold broke the technical resistance level of $2,000/oz in March, repeatedly making new all-time highs, ending the year at $2,624/oz. Related mining equities also gained but continue to lag gold: while the gold price gained 27.2% during 2024 the Arca Gold BUGS Index rose a lesser 15.2%, both in US$ terms, over the year.

Whilst steady central bank demand has continued, gold’s breakout earlier in the year was driven by softening inflation expectations and to expectations of a more dovish rate outlook, which in turn saw steady physical ETF selling switch to buying in May as financial investors returned to the market. This helped drive gold’s steady rally into late October when it reached $2,790/oz. Central bank buying also remained firm despite the People’s Bank of China (“PBOC”) stepping away from the market for seven months.

The second half of 2024 was dominated by the US election, as in the run up to the election it became increasingly likely that Donald Trump would win. The reason for such focus on this matter was not unjustified given the divergent policy intentions between Trump and Biden, which would impact almost every corner of the global economy, not least global commodity pricing and trade flows. Trump was clear on his love of import tariffs as a way of taxing imports into the US, to encourage more US domestic supply and raise additional tax receipts.

This form of trade war is unprecedented in its scope and reach, but whilst it is claimed to be a tax on the suppliers of the US consumer, ultimately this will be a tax on the US consumer, as these incremental taxes will initially be passed directly on to the consumers via higher prices to fund the tariffs. This will add to inflationary pressures in the US, which was understood by the market and saw interest rate cut expectations disappear. While consensus had viewed inflation as beaten, in reality it is proving stickier, all whilst US policy shifts such as tariffs look likely to make inflation persistent and restrict the US Federal Reserve's ability to cut rates. An environment with sticky inflation and slowing global growth have raised the fear of stagflation (inflation and negative growth) which is historically supportive for real assets, especially gold.

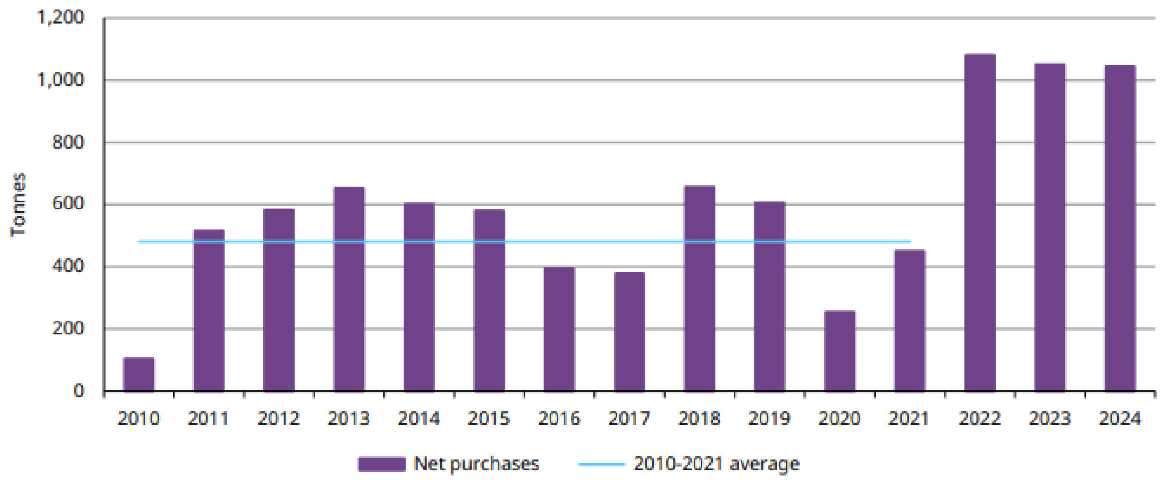
Gold subsequently sold-off following Donald Trump's indisputable election win on 5th November, which saw Republicans taking both the House and Senate, and which shifted assumptions about his ability to enact tariff policies. However, the sharp gold price response appeared indicative of broader market pre-election positioning rather than reflecting any potential change in stance on tariff focused policies which are understood to carry risks, adding to inflationary pressures and potentially dampening growth potential.

<u>Gold's key drivers through 2024</u>

With gold making repeated new all-time highs through 2024 it is important to break out the key drivers as the different buyer groups are driven by different fundamental motivations.

Central bank demand has been core to the positive backdrop for gold, with 2024 marking the third consecutive year when over 1,000 tonnes of gold were purchased by central banks, despite a temporary seven month hiatus by the Chinese central bank. This has been in part driven by a preference for assets that are not beholden to any external influence, following the US's weaponisation of the US dollar following Russia's invasion of Ukraine. Steady selling of US treasuries by China further reiterates that, whilst the uncertainty of a US-led global trade war, central bank demand looks well supported rather than likely to weaken. In Q4 central bank net buying recovered sharply with demand of 333 tonnes, helped by China resuming purchases.

Chart 9: Central banks have been net buyers for 15 consecutive years
Annual central bank net purchases, tonnes*



*Data to 31 December 2024.
Source: Metals Focus, Refinitiv GFMS, World Gold Council

Inflation was elevated early in 2024 before apparent easing pressures fed through to a more dovish US rate outlook, reducing the opportunity cost of holding gold. Gold then pulled-back into the US election in November 2024.

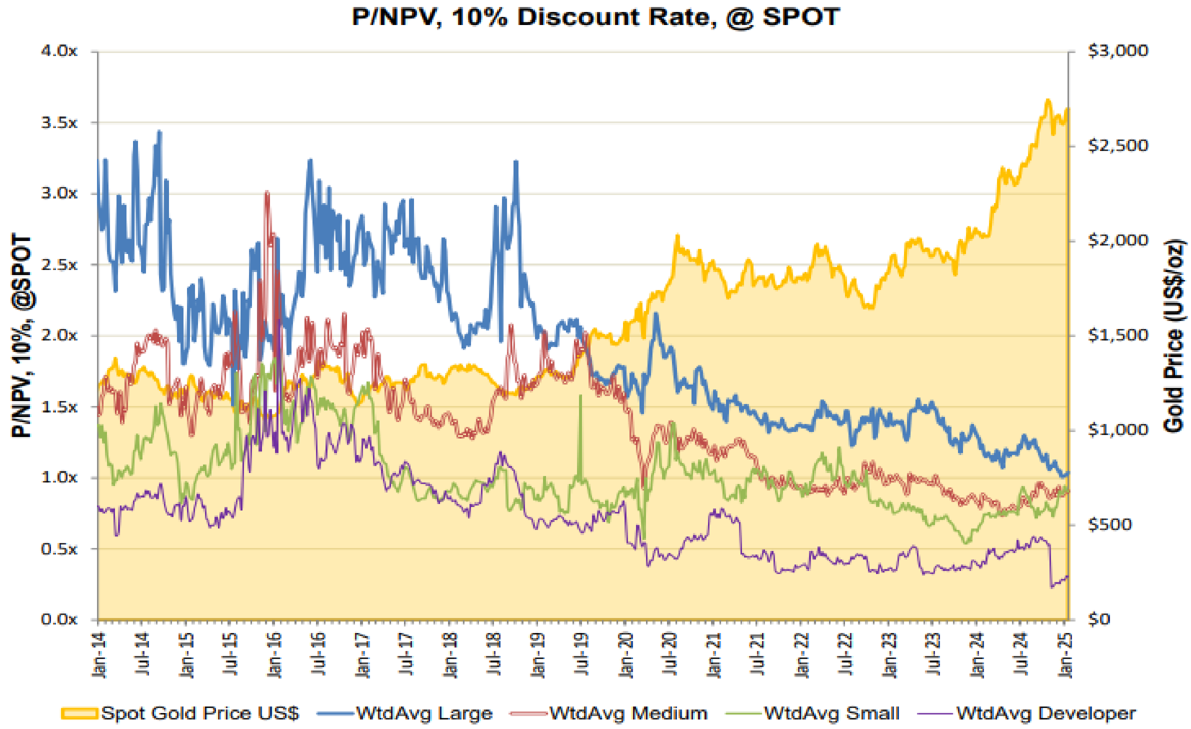
Retail demand for gold bars and coins has been strong. A primary driver of that has been China, where restrictive capital controls limit the investible universe available. Being in the cross hairs of a US trade war increased the probability of a currency devaluation, which was supportive for gold as a safe haven, especially given the country's ongoing property crisis, where declining prices have reduced the appeal for investment in real estate sector. **Jewellery** demand unsurprisingly softened as buyers adjusted to the higher prices environment. The decline in retail demand volumes has responded proportionately with the price move thus far, which is more significant when looking at gold in non-dollar currencies, given the relative strength of the US dollar. E.g. Indian rupee weakened 4% versus USD in 2024.

Financial market appetite can be split into different camps. When inflation expectations picked-up this prompted some initial selling from faster money investors, but financial market participation appears to have shifted to incorporate the longer-term insurance benefits that gold provides. Another core influence to this view is the elevated US government indebtedness. This was manageable in a low-rate environment, but is less so in the current more stagflationary setting. Stickier inflation and Trump's polices have left the US 10yr yield materially higher and thus the $1.67trn debt interest burden at current rates, is nearly double the 2024 $881bn level, given longer term debt was previously struck at lower rates and this will continue to roll into these higher rates.

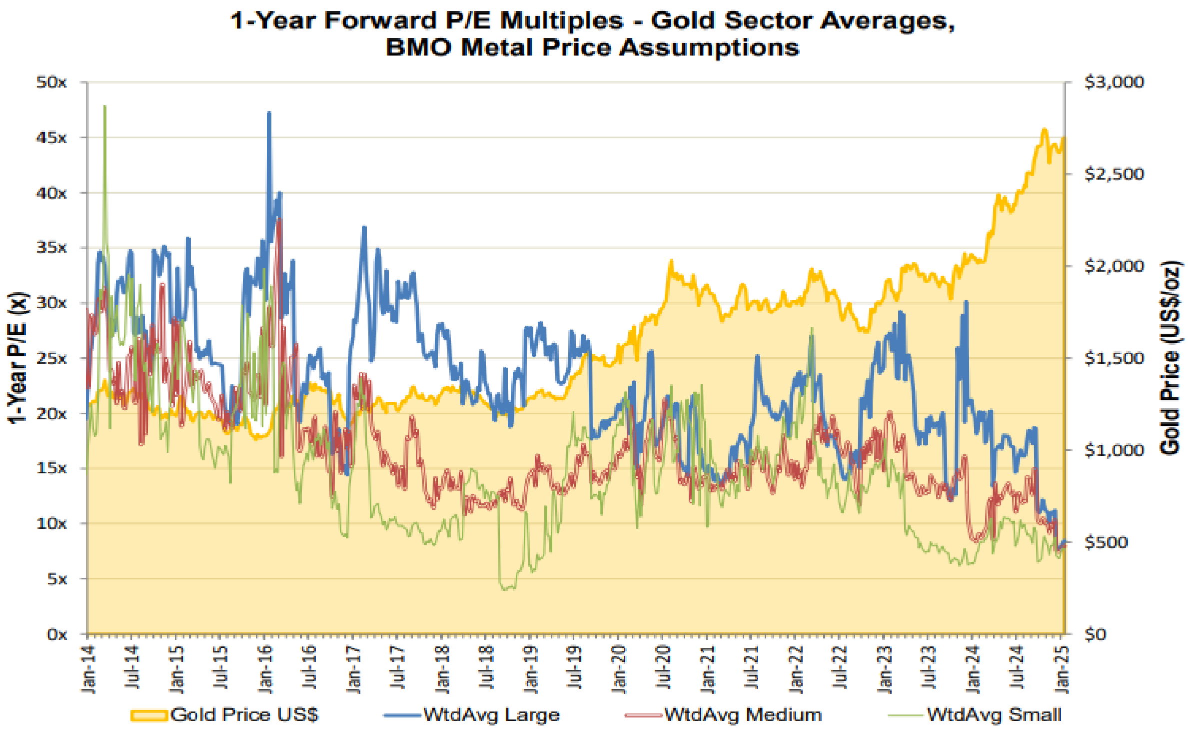
Physically backed gold ETF's can have an outsized impact on pricing. Gold holdings of these vehicles, which declined in the first half of 2024, have experienced an inflexion back to buying again. Having ended the year 2.7Moz (-3.2%) lower, ETF gold holdings are now trending higher. The fact gold made repeated new all-time highs despite ETF's being net sellers is encouraging, especially if ETF purchasing returns in a more material way. Indeed, it has been instructive to note that gold has performed well also despite a strong US dollar, recovering strongly from its post-election sell-off to reach a new high of $2,955/oz at the time of writing.

Precious metal miners – very attractive valuations

The rise in the gold price has been met with only a comparable rise in the mining equities, rather than a more geared reaction that would be expected of operationally leveraged producers. As a result, valuations are at some of the lowest NAV multiples ever seen, whilst the sector is reporting strengthening margins and generating very strong free cash flow.



P/NPV, 10% Discount Rate, @ SPOT
P/NPV, 10%, @SPOT
Gold Price (US$/oz)
4.0x
3.5x
3.0x
2.5x
2.0x
1.5x
1.0x
0.5x
0.0x
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
Jan-14 Jul-14 Jan-15 Jul-15 Jan-16 Jul-16 Jan-17 Jul-17 Jan-18 Jul-18 Jan-19 Jul-19 Jan-20 Jul-20 Jan-21 Jul-21 Jan-22 Jul-22 Jan-23 Jul-23 Jan-24 Jul-24 Jan-25
Spot Gold Price US$
WtdAvg Large
WtdAvg Medium
WtdAvg Small
WtdAvg Developer



1-Year Forward P/E Multiples - Gold Sector Averages, BMO Metal Price Assumptions
1-Year P/E (x)
Gold Price (US$/oz)
50x
45x
40x
35x
30x
25x
20x
15x
10x
5x
0x
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$0
Jan-14 Jul-14 Jan-15 Jul-15 Jan-16 Jul-16 Jan-17 Jul-17 Jan-18 Jul-18 Jan-19 Jul-19 Jan-20 Jul-20 Jan-21 Jul-21 Jan-22 Jul-22 Jan-23 Jul-23 Jan-24 Jul-24 Jan-25
Gold Price US$
WtdAvg Large
WtdAvg Medium
WtdAvg Small

Higher sector earnings considerably improve the outlook for shareholder returns via increased dividends and buybacks. In addition, attractive valuations also provide a solid foundation for increased M&A activity as increased cash piles encourage a return to growth focus against a backdrop where the discounted P/NAV valuations justify a buy over build strategy and where low earnings and cash flow multiples allow faster accretion on per share metrics.

Costs remain a key deterrent of investment in the sector. Generalist investors have been put off the sector as in prior cycles, higher gold prices did not flow through to cash generating returns due to cost inflation compressing margins. As a consequence, producers may now need to evidence margin improvements are sustainable and cost creep manageable before regaining the trust of generalist investors. This was seen most recently following gold's 2020 post-Covid rally to near $2,000/oz, when increasing costs prevented margin expansion.

In this regard, the outlook for improved cost management is encouraging; many of the pressures experienced during Covid, and exacerbated by the Russia-Ukraine war, are now easing, such as labour costs, energy and steel prices. Just as importantly many producers' currency exchange rates are also weakening, effectively reducing their cost bases when denominated in US dollars. For mining companies, whose revenues are US dollar denominated, a reduction in local non-dollar costs is material for some of the larger inputs, particularly labour and energy. The Fund currently has a large weighting of c.40% to Australian miners, as acute labour cost inflation during Covid is now easing, whilst the currency has weakened on the back of softness in major Chinese trading counterparties. Following the recent introduction of US tariffs on Mexico and Canada respective currencies have similarly softened which will likewise benefit costs and margins for producers in these regions.

Stock selection remains focused on value with catalysts. Currently that leads to a high exposure of over 50% to producers with development assets. These trade at material discounts to producing assets, but given the easing inflationary backdrop for construction, especially in regions with weaker exchange rates, we believe the risks are more favourably skewed to delivery projects on time and budget and that current heavily discounted valuations are increasingly attractive. While funding risks remain challenging across the market, we believe investment opportunities best placed to capitalise on current market conditions are cash flow positive producers with development assets and high quality management to execute on new project builds.

In 2025, for example, amongst the largest portfolio positions: Ora Banda will ramp-up production at its Sand King underground mine in Australia; Calibre will start production at its large Valentine Lake mine in Canada; Emerald Resources will commence building on two mines, Dingo Range in Australia & Memot in Cambodia, with production expected in 2026; and West African Resources will start the Kiaka mine in Burkina Faso. Elsewhere, Greatland Gold will restart Telfer Mine in Australia. All of these are entering a phase of derisking, and in most cases with the bulk of capex behind. For these companies time slippage represents the primary execution risk, although as cash flow positive producing assets they are better positioned to manage such risks.

Silver (10% of portfolio at year end)

Silver remains a commodity with positive thematic trends, most notably the structural growth in industrial demand, which represents 50% of annual consumption, and is driven by usage in high end electronics such as EV's, solar panels, wind turbines and AI chips. The supply side is also constrained, as silver is primarily produced as a by-product of polymetallic mines whose output may reduce should the softer economic backdrop weigh on industrial metal prices and prompt some curtailment in production. This can be a contributory factor to time lag in silver's performance versus gold.

Another consideration, however, is that silver miners typically trade at a premium to gold peers. In addition, many pure play producers are based in Mexico which has been less friendly to mining over the last four years, and this represents a prime reason we reduced the portfolio's exposure from 15.1% to 10.1%. Although Mexican policy appears to be shifting to a more mining friendly footing after the exit of the mining unfriendly former president Manuel Obrador, this also presents a risk should regional production rise.

Silver is historically relatively attractive at a gold/silver ratio of 91 or more, though in the short term there has been a significant increase in recycling, which has returned the market to balance after four years of deficit.

<u>Outlook positive for precious metals and the miners</u>

Despite retracing from an all-time-high of $2,790/oz, in the immediate aftermath of Trump's re-election as US President, to close the year with a gain of over 27%, gold's upward momentum has resumed and at the time of writing it has risen a further 13% in the year-to-date and currently stands at over $2,940/oz.

Trump's early days in office have been marked with geopolitical aggression through tariffs and trade war threats, and deflation expectations have shifted to inflationary pressures as these policies stoke higher prices. This is restricting the Federal Reserve's ability to cut rates and pushing up the rate on the US 10yr Treasury bond, which given their $36trn debt pile is increasingly raising sustainability questions in a new higher rate environment.

This backdrop continues to support demand three-fold:

1) From Central Banks as they seek to protect against US trade aggression,

2) From retail bar and coin purchases as individuals seek to protect against currency devaluation and, increasingly,

3) From financial markets as investors seek to gain protection against market volatility and risks around government debt affordability in a higher rate environment. Financial market participation is a major swing factor, as the swings from selling to buying are far more material proportionately than say central bank demand increasing by 10%. The only pocket of apparent weakness is jewellery in response to higher prices (-11% YoY), but this is known and has already happened thus doesn't present a demand risk from the already reset lower level.

As a result, demand for physical metals remains robust and it is encouraging that healthy central bank net buying continues to more than offset weak retail demand, as consumers adjust to the new higher price environment, with the PBOC's return after a brief seven-month hiatus, also supportive.

In part this appears driven by a lack of generalist inflows to the sector, as resource sector specialists are generally overweight precious metal miners, but have seen little inflows. The key we believe to bringing more generalist an d retail money back into the precious metal miners sector is 1) capital returns via dividends and buybacks, 2) cost discipline underpinning margin sustainability and also 3) general market volatility to lead investors in to search for protection.

Keith Watson and Robert Crayfourd
New City Investment Managers
Investment Manager
12 March 2025

The Directors have overall responsibility for the Company's activities including the review of its activities and performance.

The Directors of the Company at the date of signing the accounts, all of whom are non-executive, are listed below.

Toby Birch joined the Board in 2014 and has been Chairman since 2023. He is an investment manager at Guernsey-based Gower Financial Services. Prior to founding Guernsey Gold (which merged with Bullionrock in 2014) he was the senior investment manager at the local branch of Bank Julius Baer. He then worked for Blackfish Capital Holdings, the private investment arm of a single-family office where he was lead manager of the trading in precious metals and commodities. He was also a director of the Blackfish-Investec Resources Special Situations Fund, investing in mining companies. Toby is a Chartered Wealth Manager and Fellow of the Chartered Institute for Securities and Investments. He is a regular speaker on the conference circuit covering financial megatrends, precious metals and monetary reform. He holds the HSK3 Intermediate level exam in Mandarin. Toby is a Guernsey resident.

Robert King joined the Board in 2006. He is an independent non-executive director on a number of company boards, amongst them Tufton Oceanic Assets Limited, a London Stock Exchange listed fund. Before becoming an independent non-executive director in 2011 he was a director of Cannon Asset Management Limited and its associated companies. Prior to this he was a director of Northern Trust International Fund Administration Services (Guernsey) Limited (formerly Guernsey International Fund Managers Limited) where he worked from 1990 to 2007. He has been in the offshore finance industry since 1986 specialising in administration and oversight of both public and private investment funds. Rob is a resident in Guernsey.

Graeme Ross joined the Board in 2018. He was educated at Perth Academy and Dundee College of Technology in Scotland and qualified as a Chartered Accountant with Arthur Young McClelland-Moores in 1984. He then moved to Jersey in the Channel Islands and spent two years with KPMG on financial services audits before joining the embryonic fund administration arm of Rawlinson & Hunter, Jersey in 1986. He was admitted to the Partnership of Rawlinson & Hunter, Jersey in 1995 and was the Managing Director of the fund administration division from then until his retiral at the end of 2016. Graeme has significant experience of the management, administration and oversight of all types of collective investment vehicles and has served as a Director on open ended, closed ended and limited partnership vehicles investing in a wide variety of asset classes and sectors including many listed funds. Graeme is a resident of Jersey.

Monica Tepes joined the Board on 10 May 2024. She has 20 years' experience working with funds, and investment trusts in particular, across a wide range of asset classes and geographies. She built her expertise in a variety of roles, which gave her varied insights into the sector. She started off her career on the buy-side at Killik & Co Wealth Managers as a funds analyst and assistant portfolio manager. She then moved to the sell-side where she was Head of Investment Companies Research at Cantor Fitzgerald Europe, and where she was a no.1 Extel-rated alternatives funds analyst. She then co-founded the Investment Companies Team at finnCap (now Cavendish Capital Markets) and worked in Corporate Broking, Investor Relations, Business and Product Development, including IPO's, and advising Boards and Fund Managers on matters of Business Strategy, Marketing and Investor Relations and Communications. Monica is a non-executive director of European Assets Trust PLC and a member of the Association of Investment Companies (AIC) Statistics Committee. She is also a CFA Institute charterholder and has a degree in Finance, Insurance, Banks and Capital Markets from the Academy of Economic Studies Bucharest, Romania. Monica is a UK resident.

Investment Manager

CQS (UK) LLP is a global asset management firm with over USD15.5 billion assets under management (including mandates with discretionary management, sub-investment discretionary management, investment advice, collateral management and intermediation).

On 3 April 2024 the Company announced that CQS (UK) LLP had been acquired by Manulife Investment Management ('Manulife'). As part of the transaction, Manulife has acquired the CQS brand and intends to align it with the Manulife brand as a co-branded logo. No changes took place to the investment management team.

Investment Management Team

The Investment Manager's key personnel who are responsible for managing the Investment portfolio are:

Keith Watson, having studied applied physics, has over 30 years' experience focused on natural resources. He joined the CQS team in 2013. Prior to this he held senior analyst, research and portfolio manager roles across Mirabaud Securities, Evolution Securities, Dresdner Kleinwort Wasserstein, Commerzbank and Credit Suisse/BZW. He began his career in 1992 at Scottish Amicable Investment Managers and has a BSc (Hons) in Applied Physics from Durham University.

Robert Crayfourd, a geologist, has managed natural resources funds since 2004. He joined the CQS team in 2011. He holds a BSc in Geological Sciences from the University of Leeds and is a CFA holder with over 15 years' experience, having previously worked for the Universities Superannuation Scheme and HSBC Global Asset Management where he focused on the natural resources sector.

The Directors present their Annual Report and the Audited Financial Statements of Golden Prospect Precious Metals Limited (the "Company") for the year ended 31 December 2024.

The Company

The Company was registered in Guernsey on 16 October 2006 and is an authorised closed-ended investment scheme under the Protection of Investors (Bailiwick of Guernsey) Law, 2020. The Company's ordinary shares were admitted to the Official List of the Channel Islands Stock Exchange ("CISX") on 24 June 2008. The CISX rebranded to The International Stock Exchange ("TISE") on 6 March 2017. Effective 21 September 2009, the ordinary shares trade on the London Stock Exchange Electronic Trading Service SETSqx with code GPM.

Investment Objective and Policy

The Company's investment objective is to provide Shareholders with capital growth from a portfolio of companies involved in the precious metals mining sector.

Subscription Rights

On 8 December 2022, the shareholders approved the adoption of the Company's Annual Subscription Rights programme. This gives shareholders the right to subscribe for one new ordinary share for every five ordinary shares held on 30 November in each year commencing on 30 November 2023, or if such date is not a business day, the next following business day. The exercise price is equal to the undiluted NAV per share on 30 November one year prior. The aim of the programme is to enable to Company to grow through share issuance and it is subject to shareholder review at the AGM in 2027 and at every fifth subsequent AGM thereafter.

A summary of the subscription programme to date is below.

Subscription date	Subscription Price	Shares issued	Cash raised	Shares in issue following subscription	Notes
30 Nov 2023	38.31p	-	£-	85,503,021	The rights expired out of the money
2 Dec 2024*	35.94p	7,745,478	£2,783,725	93,248,499 (+9.06%)	
1 Dec 2025**	48.00p				

*Maximum of 17,100,572 shares.
**Maximum of 18,649,699 shares.

Results and Dividends

The Company's performance during the year is discussed in the Investment Manager's Report on pages 5 to 12 The results for the year are set out in the Statement of Comprehensive Income on page 33. In the event that net income is significant, the Directors may consider the distribution of net income in the form of cash dividends. To the extent that any cash dividends are paid, they will be paid in accordance with any applicable laws and the regulations of the TISE and SETSqx. The Directors do not recommend the payment of a dividend for the year ended 31 December 2024 (2023: £nil).

Directors

The Directors of the Company as at the date of signing these financial statements are set out on page 13.

Directors' Interests

The Directors held the following interests in the share capital of the Company either directly or beneficially as at 31 December 2024, and as at the date of signing these Financial Statements:

Director	2024 Ordinary shares	2023 Ordinary shares
T Birch	198,000	125,000
R King	60,000	50,000
M Tepes	30,000	N/A
G Ross	-	-

Each of the Directors who held Subscription Rights at the 30 November 2024 exercise date took up their full entitlement.

The Directors who served in the year received the following fees:

Director	2024 £	2023 £
M Burne**	-	9,836
R King	22,500	20,000
T Birch*	25,000	20,000
G Ross	23,750	20,000
M Tepes***	16,052	-
	87,302	**69,836**

The amounts paid by the Company to the Directors were for services as non-executive Directors.

* Chairman following retirement of Malcolm Burne on 27 June 2023.

** Malcolm Burne retired with effect from 27 June 2023.

*** Monica Tepes appointed as a director on 10 May 2024.

Directors' Independence

The Board has determined that no Director shall be considered non-independent as a consequence of their length of tenure, as long as there are no other issues which would impact their independent status. The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Company's Directors, including the Chairman, is imposed.

Mr Birch, the Chairman is considered by the Board to be independent, despite serving on the Board for over 10 years. Mr King is also considered by the Board to be independent, despite serving on the Board since the launch of the Fund in 2006.

Directors' Independence (continued)

However, Mr King and Mr Ross, the Chair of the Audit Committee, have indicated their intention to stand down from the Board on or before the next Annual General Meeting of the Company. The Board has activated its succession plan and is currently seeking out candidates with the appropriate skill set to fill the forthcoming vacant positions. The Chairman's intention is to remain in place until the new directors have established themselves and have built up sufficient knowledge of the Company's affairs.

The Board confirm that all Directors receive the relevant training as necessary in relation to their on-going responsibilities in relation to the Company and the independence of each non-executive Director is regularly assessed, together with any changes to non-executive Director's interests, positions, affiliations, associations or relationships that could bear upon their independence.

The Board has reviewed the position and relationships of all directors in office as at 31 December 2024 and is satisfied that no director has any contract for services or any other connection, paid or otherwise, with any related party of the Company.

Board Meetings

The Board is responsible for the appointment and monitoring of all service providers to the Company. The Board meets formally at least five times a year. Between these formal meetings there is regular contact with the Investment Manager and the Company Secretary. The Directors are kept fully informed of investment and financial controls and other matters that are relevant to the business of the Company and which should be brought to the attention of the Directors. The Directors also have access to the Administrator and all the other service providers and, where necessary in the furtherance of their duties, to independent professional advice at the expense of the Company.

Due to the size of the Company the Directors have decided not to have a separate Remuneration Committee, Nomination Committee and Management Engagement Committee. The determination of the directors fees, new directors and the review of the performance of the Investment Manager are all matters dealt with by the whole Board. The number of formal meetings of the Board and its committees held during the year ended 31 December 2024 and the attendance of individual Directors are shown below:

	Board Meetings	AGM	Strategy Day	Audit
Toby Birch	10	1	1	3
Rob King	10	1	1	3
Graeme Ross	10	1	1	3
Monica Tepes*	5	1	1	1

*Monica Tepes was appointed to the Board on 10 May 2024

Directors' Authority to Buy Back Shares

As agreed at the Company AGM on 27 June 2023, and in accordance with the Articles of Association of the Company and the Companies (Guernsey) Law, 2008, as amended (the "Law"), the Company is authorised to make market purchases of up to a maximum of 14.99 per cent of its existing issued ordinary Share Capital. This authority is renewable annually. At the Annual General Meeting, the Company will seek to renew such authority and will seek to renew such authorities at annual general meetings thereafter.

Any buyback of shares will be made subject to Guernsey law and within any guidelines established from time to time by the Board and the making and timing of any buybacks will be at the absolute discretion of the Board.

Purchases of shares will only be made through the market for cash. The minimum price (exclusive of expenses) which may be paid for the shares is £0.001 per share. The maximum price (exclusive of expenses) payable by the Company for the shares will be no more than 5% above the average of the closing middle market quotations (as derived from Bloomberg) of an Ordinary share for the five consecutive dealing days preceding the date on which the purchase is made.

During the year no shares (2023: no shares) were acquired by the Company under the above authority.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

The Directors are required by the Companies (Guernsey) Law, 2008 to prepare Financial Statements for each financial period which give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period.

In preparing those Financial Statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the Financial Statements comply with the Companies (Guernsey) Law, 2008. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Corporate Governance

The Board of Directors is responsible for the corporate governance of the Company. The Board will ensure that the Company's operations are conducted reasonably and within the framework of all applicable laws, regulations, rules, guidelines and codes as well as established policies and procedures. The Directors will regularly assess and document whether the Board's approach to corporate governance achieves its objectives and, consequently, whether the Board itself is fulfilling its own responsibilities. The Board will review through its internal board evaluation the effectiveness of its overall approach to governance and make changes where that effectiveness needs to be enhanced.

The Board has not appointed a Senior Independent Director but will continue to monitor the requirement.

Directors and Officers liability insurance cover is maintained by the Company on behalf of the Directors.

As an investment company, most of the Company's day to day responsibilities are delegated to third parties and all of the Directors are non-executive. As a Guernsey incorporated company, the Company is required to comply with the Finance Sector Code of Corporate Governance issued by the Guernsey Financial Services Commission ("the Code").

The Directors have taken the action that they consider appropriate to ensure that the appropriate level of corporate governance, for an investment company incorporated in Guernsey whose securities are listed on The International Stock Exchange, is attained and maintained. The Company does not, nor intends to, adopt the UK Code of Corporate Governance. The Company follows the Guernsey Financial Services Commission Code of Corporate Governance and the AIC Corporate Governance Code.

The Directors have considered the principles and recommendations of the latest AIC Code of Corporate Governance ("AIC Code"). The AIC code addresses the Principles and Provisions set out in the UK Corporate Governance Code (the UK Code) as well as setting out additional Provisions on issues that are of specific relevance to the Company.

The Board considers that reporting against the Principles and Provisions of the AIC Code which has been endorsed by the Guernsey Financial Services Commission provides more relevant information to shareholders. The Directors are satisfied that the Company has complied with the AIC Code to the extent reasonable for a company of its size and nature. The Directors are satisfied that the exceptions made would not adversely affect the corporate governance of the Company. The AIC Code is available on the AIC website (https://www.theaic.co.uk/). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

For the purposes of assessing compliance with the Code, the Board considers all of the Directors to be independent of the Investment Manager.

With the exception of the day to day delegation of the investment decisions to the Investment Manager, all other decisions are reserved for the Board's decision and responsibility.

Annual Report and Financial Statements

The Board of Directors is responsible for preparing the Annual Report and Financial Statements. The Audit Committee advises the Board on the form and content of the Annual Report and Financial Statements, any issues which may arise and any specific areas which require judgement.

Annual Report and Financial Statements (continued)

The Board consider the the Financial Statements taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Audit Committee

The Audit Committee is chaired by Graeme Ross and comprises all of the Board members with the exception of the Chairman. The Audit Committee members have relevant financial experience. The terms of reference of the Audit Committee are reviewed and re-assessed for their adequacy on an annual basis.

Role of the Audit Committee

A summary of the Committee's main audit review functions is shown below:

- to review and monitor the effectiveness of the internal control systems and risk management systems on which the Company is reliant;
- to monitor the integrity of the interim and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the Manager, the Company Secretary and the Administrator;
- to review and monitor the effectiveness of the Company's other third party service providers;
- overseeing the Company's relationship with the external auditor BDO Limited and to review their proposed audit programme of work and their findings;
- approval of the remuneration and terms of engagement of the external auditor;
- to develop and implement policy on the engagement of the external auditor to supply non-audit services; and
- to monitor and review annually the external auditor's independence, objectivity, effectiveness, resources and qualification.

To assess the effectiveness of the external auditor, the Audit Committee reviewed:

- the external auditor's fulfilment of the agreed audit plan and variations from it;
- the Audit Committee Report from the auditor highlighting any major issues that arose during the course of the audit; and
- feedback from the Investment Manager and Administrator evaluating the performance of the audit team.

The Audit Committee has assessed the performance of the external auditor, as described above, and is satisfied with its effectiveness and as such no change in auditor is proposed.

Independent Auditor

The Audit Committee is responsible for overseeing the Company's relationship with the external auditor, including making recommendations to the Board on their appointment of the external auditor and their remuneration. BDO Limited has been the Company's external auditor since the Company's inception. Mr Justin Hallett, continues to be the lead audit director for the year end 31 December 2024 audit.

The Board has noted recommendations to put the external audit out to tender at least every ten years and during 2017 undertook a review of the audit services provided by our Auditor and concluded that there was no requirement to make any changes to their appointment at that time.

Independent Auditor (continued)

The Directors are of the opinion that BDO Limited remain independent and provide experience and knowledge in the audit of the Company's accounts which the Board considers to be in the best interest of the Shareholders.

The auditor, BDO Limited, indicated its willingness to continue in office. Accordingly, a resolution for its reappointment will be proposed at the forthcoming Annual General Meeting.

Disclosure of Information to the Auditor

The Directors confirm that, so far as each of the Directors is aware, there is no relevant audit information of which the Company's auditor is unaware, having taken all the steps the Directors ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Internal Control and Financial Reporting

The Board is responsible for establishing and maintaining the Company's system of internal controls. Internal control systems are designed to meet the specific needs of the Company and the risks to which it is exposed, and, by their very nature, provide reasonable, but not absolute, assurance against material misstatement or loss.

The key procedures which have been established to provide effective internal controls include:

- Apex Fund and Corporate Services (Guernsey) Limited (formerly Apex Administration (Guernsey) Limited), is responsible for the provision of administration and company secretarial duties;
- The duties of investment management, accounting and the custody of assets are segregated. The procedures are designed to complement one another;
- The Board clearly defines the duties and responsibilities of the Company's agents and advisers in the terms of their contracts;
- The Board receives assurances from the Company's agents and advisers that any amendments required as a result of regulatory change, including the General Data Protection Regulations ("GDPR") are actioned accurately and timeously;
- The Board reviews financial information and compliance reports produced by the Administrator on a regular basis; and
- The Custodians hold all assets of the Company, in the name of the Company.

The Board and Audit Committee have reviewed the Company's risk management and internal control systems and believe that the controls are satisfactory, given the size and nature of the Company.

Environmental, Social and Governance ("ESG") Statement

The Board fully supports the growing importance placed on ESG factors when asking the Company's Investment Manager to deliver against the Company's objectives. The Board of Directors believes the integration of responsible investment factors in the investment process is consistent with delivering sustainable attractive returns for Shareholders through deeper, more informed investment decisions. The Board has reviewed and is in agreement with the responsible investment approach adopted by MCQS and a summary of this is set out below.

MCQS Responsible Investment Policy incorporating our ESG Statement

MCQS view ESG factors as significant drivers influencing financing costs, risk assessment valuations and performance. The assessment, integration and engagement of ESG factors is a crucial part of the Investment Manager's responsible investment commitment. By embedding responsible investment into its investment process, the Investment Manager seeks to enhance its ability to identify value, investment opportunity, risk and, critically, to generate the best possible returns and outcomes for its clients.

The Investment Manager is a signatory to the United Nations Principles for Responsible Investment ("PRI"), the UK Stewardship Code, the Net Zero Asset Managers' initiative and the Institutional Investors Group on Climate Change.

The Investment Manager has a three-pronged approach to engagement - Targeted Engagement Programmes which maps key objectives for priority companies to the UN Sustainable Development Goals, day-to-day engagement as part of the research process, and collaborative engagements. Key engagements are monitored and discussed at quarterly Engagement Group meetings and cover environmental, social and governance topics.

MCQS has published its Responsible Investment Policy and a link to that policy could be found here;
https://www.cqs.com/documents/cqs-responsible-investment-policy-february-2023.pdf

Alternative Investment Fund Managers Directive ("AIFMD")

The Investment Manager, Manulife | CQS Investment Management, has been authorised by the UK Financial Conduct Authority ("FCA") as an Alternative Investment Fund Manager ("AIFM") under the AIFMD. The funds managed by the AIFM are now defined as Alternative Investment Funds ("AIFs") and are subject to the relevant articles of the AIFMD. Further AIFM disclosures are shown on page 62. The Board has appointed INDOS Financial Limited as the Company's Depositary.

Going Concern

The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements as, given the liquid nature of the Investment portfolio and available credit, the Company has adequate liquidity and financial resources to meet its ongoing expenses and continue in operational existence for the next 12 months after sign off of these financial statements. In summary:

- the assets of the Company consist mainly of listed securities which are readily realisable;
- the Company has an agreed overdraft facility provided by its Custodian for which margin requirements are monitored and reported on a monthly basis. There were no breaches of these requirements during the current year; and
- with regards to the Company's collateral position, the Company holds an excess of £19,059,051 over the margin requirement as at the date of signing these financial statements and therefore the Directors consider that the Company will be able to meet its liabilities as they fall due, see Note 7.

Material Contracts

The Company's material contracts are with:

- Manulife | CQS Investment Management, (the Company has appointed CQS as its investment manager, however, CQS has, with the agreement of the Board, delegated that function to New City Investment Managers (a trading name of Manulife | CQS Investment Management), to provide investment management services;
- Apex Fund and Corporate Services (Guernsey) Limited (formerly Apex Administration (Guernsey) Limited), which acts as Secretary and Administrator for the Company;
- BNP Paribas, London Branch, which acts as Custodian;
- INDOS Financial Limited, which acts as Depositary;
- Computershare Investor Services (Guernsey) Limited, which acts as Registrar for the Company;
- Cavendish Capital Markets Limited, which acts as Financial Adviser and Broker to the Company;
- Tavistock Communications Limited, which acts as the Company`s PR and Communications Agent; and
- Kepler Partners LLP, which publishes sponsored research and articles on the Company.

Details of the fees payable under these contracts are disclosed in Note 4 of the Financial Statements.

Shareholders' Significant Interests

The following shareholders had a substantial interest of 5% or more of the Company's issued share capital as at 31 December 2024, and as at the date of signing these Financial Statements:

Shareholder	% of issued share capital 12 March 2025	% of issued share capital 31 December 2024
Clients of Hargreaves Lansdown (Nominees) Limited	24%	23%
Clients of Interactive Investor (Nominees) Limited	16%	16%
Clients of HSBC Global	6%	6%

Communication with Shareholders

The Directors place a great deal of importance on communication with shareholders. The Annual Report and Financial Statements are available to other parties who have an interest in the Company's performance. The Financial Statements and additional information on the Company can be obtained through the Investment Manager's website www.ncim.co.uk/wp/golden-prospect-precious-metals-ltd/.

The Notice of the Annual General Meeting will be sent out at least 20 working days in advance of the meeting. All shareholders have the opportunity to put questions to the Board or the Investment Manager formally at the Company's Annual General Meeting.

The Board, the Company Secretary and Investment Manager are available to answer general shareholder queries at any time throughout the year. Correspondence should be addressed to the Company Secretary in the first instance.

Shareholder Information

Up to date information regarding the Company, including a daily announcement of Net Asset Value, can be found on the Company's website, which is www.ncim.co.uk/wp/golden-prospect-precious-metals-ltd/.

Approved by the Board of Directors on 12 March 2025 and signed on behalf of the Board by:

Graeme Ross

Graeme Ross
Chair of the Audit Committee

Toby Birch
Chairman

Independent Auditor's Report of BDO Limited to the Members of Golden Prospect Precious Metals Limited

For the year ended 31 December 2024

Opinion on the financial statements

In our opinion, the financial statements of Golden Prospect Precious Metals Limited ("the Company"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with the International Financial Reporting Standards (''IFRS''), as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the financial statements of the Company for the year ended 31 December 2024 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and IFRS as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the Directors' paper in respect of going concern and challenging this with the Directors during discussions held with them.
- Consideration of the cash available, the liquidity of the Investment portfolio held, together with the expected annual running expenses of the Company based on contractual agreements and determining whether these assumptions were reasonable and appropriately taken into account within the cash flow forecast based on our knowledge of the Company.
- Performing our own sensitivity analysis of the headroom of the Investment portfolio over the annual running expenses.

- Reviewing the margin requirements for the Company's overdraft facility to ensure that there were no breaches during the year, including consideration of the available headroom over these requirements.

- Discussing with management and the Directors, along with reviewing the minutes of the Directors' meetings, the RNS announcements and the Company's compliance reports to identify any events or conditions that may impact the Company's going concern status.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Key audit matters (2024 and 2023)	Investment valuation and ownership.
Materiality	£806,000 (2023: £609,000) based on 1.75% (2023: 1.75%) of total assets.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's systems of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

We carried out a full scope audit of the Company which was tailored to consider the nature of the Company's Investment portfolio involvement of the Investment Manager, the Company's Administrator and the custodian, the accounting and reporting environment and the industry in which the Company operates.

In designing our overall audit approach, we determined materiality and assessed the risks of material misstatement in the financial statements.

This assessment considered the likelihood, nature, and potential magnitude of any misstatement. As part of this risk assessment, we considered the Company's interaction with the Investment portfolio and the Company's Administrator.

We obtained an understanding of the control environment in place at the Investment portfolio and the Company's Administrator to the extent that it was relevant to our audit. Following these assessments, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th colspan="2">Key audit matter</th><th>How the scope of our audit addressed the key audit matter</th></tr>
<tr><td>Investment Valuation and ownership (note 2 & 6)</td><td>The Investment portfolio as at 31 December 2024 comprised listed investments (£42.6m), listed investments with suspended trading (£1.0m) along with unlisted warrants (£0.05m).

The level 1 investments have readily available share prices, however, the remaining investments, which make up 2.3% of the Investment portfolio, are based on valuations prepared by the Investment Manager.

The valuations of investments, other than listed investments, are subjective, with a higher level of judgement and estimation linked to the determination of the fair value with limited third-party pricing information available.

As a result of this subjectivity, there is a risk of an inappropriate valuation model being applied, together with the risk of inappropriate inputs to the model being used which may significantly impact the valuation output.

The ownership and valuation of the investments is a key driver of the Company's net asset value and total return. Accordingly, incorrect valuations of investments may have a significant impact on the net asset value of the Company and therefore the return generated for shareholders.</td><td>For all investments, we agreed the ownership of the Investment portfolio holdings to independently obtained custodian confirmations.

We tested the valuation of all listed investments and listed warrants that are not suspended by agreeing the prices applied by management to independently obtained third-party prices.

For the remaining investments:

• We considered the processes, policies and methodologies used by management for determining the fair value of those investments;

• Agreed the Investment Manager's application of valuation techniques as appropriate to the circumstances of the investments and the accounting policies applied;

• Obtained and challenged, through discussion and corroboration to external sources, the inputs and assumptions used in management's model based on our understanding of the investments;

• Agreed the inputs, for example volatility and latest share prices used within the models to independent sources;

• Tested the mathematical accuracy of the models; and

• Agreed the valuation per the models to the financial statements.</td></tr>
</table>

	We therefore consider this to be a key audit matter.	**Key Observation:** Based on the procedures performed we did not identify any matters to indicate that the ownership and valuation of investments are inappropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Company financial statements	
	2024	2023
Materiality	£806,000	£609,000
Basis for determining materiality	1.75% of total assets	1.75% of total assets
Rationale for the benchmark applied	Due to it being an investment fund with the objective of long-term capital growth with investment values being a key focus of users of the financial statements	
Performance materiality	£564,200	£425,000
Basis for determining performance materiality	70% of materiality This was determined using our professional judgement and took into account factors including the control environment in place, our review of the Directors' assessment of risk, our assessment of risk, and the expected total value of known and likely misstatements based on our past experience.	

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £32,000 (2023: £24,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report and audited financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies (Guernsey) Law, 2008 reporting

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the financial statements are not in agreement with the accounting records; or
- we have failed to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement within Directors' report, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management, the Administrator and those charged with governance; and
- Obtaining an understanding of the Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be IFRS as endorsed by the European Union.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be The Protection of Investors (Bailiwick of Guernsey) Law, 2020.

Our procedures in respect of the above included:

- Reading minutes of meetings of those charged with governance, correspondence with the Guernsey Financial Services Commission, internal compliance reports, complaint registers and breach registers;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;

- Obtaining an understanding of the Company's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.

- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;

- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the area most susceptible to fraud to be management override.

Our procedures in respect of the above included:

- Considering whether there are any journal entries throughout the year, which may not be covered by testing of material financial statements class of transactions or balances;

- Performing analytical review on the daily net asset values with a focus on identifying movements over a set threshold and investigating the movements to source documentation; and

- Assessing significant estimates made by management for bias such as those around the valuation of unlisted investments.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The engagement director on the audit resulting in this independent auditor's opinion is Justin Hallett.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

BDO Limited

BDO Limited
Chartered Accountants
PO BOX 180
Second Floor
Plaza House
Admiral Park
St Peter Port
Guernsey
GY1 3LL

12 March 2025

Golden Prospect Precious Metals Limited
Statement of Comprehensive Income
For the year ended 31 December 2024

	Notes	Revenue £	Capital £	2024 Total £	2023 Total £
Income					
Income from investments held at fair value through profit or loss	6	66,666	-	66,666	88,613
Net capital gains/(losses) on investment held at fair value through profit or loss	6	-	7,834,042	7,834,042	(580,095)
Net (losses)/gains on foreign exchange		-	(9,322)	(9,322)	10,753
Other income		-	-	-	12,639
Net income/(loss)		**66,666**	**7,824,720**	**7,891,386**	**(468,090)**
Expenses					
Investment management fees	4	(414,644)	-	(414,644)	(358,295)
Administration fees	4	(101,439)	-	(101,439)	(95,104)
Directors' fees	4	(87,302)	-	(87,302)	(69,836)
Financial advisers fees	4	(39,076)	-	(39,076)	(40,109)
PR, Communications and Research	4	(35,450)	-	(35,450)	-
Registrar's fees	4	(35,171)	-	(35,171)	(21,993)
Audit fees		(34,000)	-	(34,000)	(34,825)
Depositary fees	4	(21,126)	-	(21,126)	(18,900)
Listing fees		(20,458)	-	(20,458)	(24,045)
Other expenses		(13,114)	-	(13,114)	(19,346)
Total operating expenses		**(801,780)**	**-**	**(801,780)**	**(682,453)**
Profit/(loss) from operations		**(735,114)**	**7,824,720**	**7,089,606**	**(1,150,543)**
Interest income		1,424	-	1,424	414
Overdraft interest	7	(259,168)	-	(259,168)	(216,677)
Net profit/(loss) before taxation		**(992,858)**	**7,824,720**	**6,831,862**	**(1,366,806)**
Taxation	3	(11,592)	-	(11,592)	(18,851)
Total comprehensive profit/(loss) for the year		**(1,004,450)**	**7,824,720**	**6,820,270**	**(1,385,657)**
Per share ordinary shares:					
Basic profit/(loss) (pence)	5			**7.92**	**(1.62)**

The supplementary revenue and capital columns are both prepared for information purposes only.

All the items in the above statement are derived from continuing operations.

The Notes on pages 37 to 56 form an integral part of these Financial Statements.

Golden Prospect Precious Metals Limited
Statement of Changes in Equity
For the year ended 31 December 2024

		Share capital £	Revenue reserve £	Distributable reserve £	Realised capital reserve £	Unrealised capital reserve £	Total equity £
Balance as at 1 January 2023		**85,503**	**(8,789,449)**	**56,991,016**	**(8,479,632)**	**(7,799,361)**	**32,008,077**
Total comprehensive (loss)/income for the year		-	(816,315)	-	1,198,400	(1,767,742)	(1,385,657)
Balance as at 31 December 2023		**85,503**	**(9,605,764)**	**56,991,016**	**(7,281,232)**	**(9,567,103)**	**30,622,420**
Balance as at 1 January 2024		**85,503**	**(9,605,764)**	**56,991,016**	**(7,281,232)**	**(9,567,103)**	**30,622,420**
Total comprehensive (loss)/income for the year		-	(1,004,450)	-	(257,204)	8,081,924	6,820,270
Transactions with owners:							
Subscription share issue	8	7,745	-	2,775,980	-	-	2,783,725
Expenses of share issue		-	-	(37,105)	-	-	(37,105)
Total transactions with owners		**7,745**	**-**	**2,738,875**	**-**	**-**	**2,746,620**
Balance as at 31 December 2024		**93,248**	**(10,610,214)**	**59,729,891**	**(7,538,436)**	**(1,485,179)**	**40,189,310**

The Notes on pages 37 to 56 form an integral part of these Financial Statements.

Golden Prospect Precious Metals Limited
Statement of Financial Position
For the year ended 31 December 2024

	Notes	2024 £	2023 £
Non-current assets			
Investments at fair value through profit or loss	6	43,642,674	34,573,277
Current assets			
Receivables and prepayments		24,320	13,843
Cash and cash equivalents		200,454	262,248
Total assets		**43,867,448**	**34,849,368**
Current liabilities			
Investments at fair value through profit or loss	6	-	(552)
Payables and accruals		(225,327)	(184,949)
Bank overdraft	7	(3,452,811)	(4,041,447)
Total liabilities		**(3,678,138)**	**(4,226,948)**
Net assets		**40,189,310**	**30,622,420**
Equity			
Share capital	8	93,248	85,503
Revenue reserve	9	(10,610,214)	(9,605,764)
Distributable reserve	9	59,729,891	56,991,016
Realised capital reserve	9	(7,538,436)	(7,281,232)
Unrealised capital reserve	9	(1,485,179)	(9,567,103)
Total equity		**40,189,310**	**30,622,420**
Number of ordinary shares in issue	8	**93,248,499**	**85,503,021**
Net Asset Value per ordinary share (pence)	12	**43.10**	**35.81**

The financial statements on pages 33 to 56 were approved and authorised for the issue by the Board of Directors on 12 March 2025 and signed on its behalf by:

Graeme Ross
Chair of the Audit Committee

Toby Birch
Chairman

The Notes on pages 37 to 56 form an integral part of these Financial Statements.

Golden Prospect Precious Metals Limited
Statement of Cash Flows
For the year ended 31 December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Total comprehensive profit/(loss) for the year		6,820,270	(1,385,657)
Adjustments for:			
Net capital (gains)/losses on investments held at fair value through profit or loss		(7,834,042)	580,095
Interest expense		259,168	216,677
Decrease/(increase) in receivables and prepayments		(10,477)	(3,398)
Increase in payables and accruals		40,378	21,458
Purchase of investments	6	(17,436,530)	(11,498,481)
Proceeds from settlement of investments	6	16,200,623	11,620,507
Net cash used in operating activities		**(1,960,610)**	**(448,799)**
Cash flows from financing activities			
Net proceeds from issuance of shares		2,746,620	-
Repayment of overdraft	7	(19,911,630)	(9,296,244)
Borrowings from overdraft	7	19,322,994	9,991,392
Interest paid on overdraft	7	(259,168)	(216,677)
Net cash generated from financing activities		**1,898,816**	**478,471**
Net (decrease)/increase in cash and cash equivalents		**(61,794)**	**29,672**
Cash and cash equivalents at the beginning of the year		262,248	232,576
Cash and cash equivalents at end of year		**200,454**	**262,248**
Supplementary cash flow information			
Net cash generated from operating activities include:			
Income received from investments		66,666	88,613

The Notes on pages 37 to 56 form an integral part of these Financial Statements.

1. COMPANY INFORMATION

Golden Prospect Precious Metals Limited (the "Company") was incorporated in Guernsey on 16 October 2006 as an authorised closed-ended investment scheme under the Protection of Investors (Bailiwick of Guernsey) Law, 2020. The Company's registered office is shown on page 60.

The Company's ordinary shares are traded on the London Stock Exchange SETSqx with code GPM.

The Company's ordinary shares were admitted to the Official List of the Channel Islands Stock Exchange which subsequently transferred to The Channel Islands Securities Exchange Limited on 24 June 2008. The Channel Islands Securities Exchange rebranded to The International Securities Exchange ("TISE") on 6 March 2017.

The Company's investment objective is to provide Shareholders with capital growth from a portfolio of predominantly mid and small cap companies involved in the precious metals mining sector.

2. MATERIAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered to be material in relation to the Company's Financial Statements:

Basis of Preparation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") which comprise standards and interpretations as issued and approved by the International Accounting Standards Board, and International Financial Reporting Standard Interpretations that remain in effect, and to the extent that they have been adopted by the European Union, and reflect the following policies, which have been adopted and applied consistently.

Items included in the Company's Financial Statements are measured using the currency of the primary economic environment in which it operates ("the functional currency"). The currency in which the Company's shares are denominated, and in which its operating expenses are incurred, is Sterling. The Company's investments are denominated in many different currencies. Accordingly, the Directors regard Sterling as the functional currency. The Company has also adopted Sterling as its presentation currency.

Income encompasses both revenue and capital gains/losses. For a listed investment company, it is best practice to distinguish revenue from capital. Revenue includes items such as dividends, interest, fees and other equivalent items. Capital is the return, positive or negative, from holding investments other than that part of the return that is revenue.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Going Concern

The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements as, given the liquid nature of the Investment portfolio and available credit, the Company has adequate liquidity and financial resources to meet its ongoing expenses and continue in operational existence for the next 12 months after sign off of these financial statements. In summary:

- the assets of the Company consist mainly of listed securities which are readily realisable;
- the Company has an agreed overdraft facility provided by its Custodian for which margin requirements are monitored and reported on a monthly basis. There were no breaches of these requirements during the current year; and
- with regards to the Company's collateral position, the Company holds an excess of £19,059,051 over the margin requirement as at the date of signing these financial statements and therefore the Directors consider that the Company will be able to meet its liabilities as they fall due, see Note 7.

Accounting Judgements and Estimates

The preparation of the Financial Statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The most significant accounting judgements made by management are deemed to be the fair value estimation of non-listed investments described below.

The valuation techniques used by the Company include inputs that are not based on the observable market data to estimate the fair value of its unlisted investments. Significant judgement has been applied by the Directors when valuing these investments.

The Directors believe that the applied valuation techniques and assumptions used are appropriate in determining the fair value of unlisted investments. Further details are provided in Note 6.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Adoption of new and revised standards

The accounting policies adopted in the period are consistent with those of the previous financial period. No standards, amendments to standards or interpretations that are effective for periods beginning on 1 January 2024 had a material effect on the financial statements of the Company.

Standards and interpretations in issue and effective in future periods but not yet in effect

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The Company is of the opinion that these standards will have no significant impact on the Company's Financial Statements.

Financial Assets at Fair Value through profit or loss

All financial assets not classified as measured at amortised cost are measured at fair value through profit or loss. Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Company's documented investment strategy. The Company's policy is for the Investment Manager and the Board of Directors to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Recognition

Purchases and sales of investments are recognised on the trade date, the date on which the Company commits to purchase or sell the investment.

Derecognition of financial assets

A financial asset (in whole or in part) is derecognised either (i) when the Company has transferred substantially all the risks and rewards of ownership; or (ii) when it has neither transferred nor retained substantially all the risks and rewards and when it no longer has control over the assets or a portion of the asset; or (iii) when the contractual right to receive cash flow has expired. Any gain or loss on derecognition is taken to the Statement of Comprehensive Income as appropriate.

Fair value estimation

The fair value of financial assets traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for the financial assets held by the Company is the bid price at the close of the respective market at the reporting date. Warrants are carried at fair value using standard Black Scholes valuation models. Unlisted investments and investments whose trading were suspended are carried at such fair value as the Directors consider appropriate given the performance of each investee company and after considering the financial position of the entity, latest news and developments. Further details are disclosed in Note 6.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial Assets (continued)

Financial Assets at Fair Value through profit or loss (continued)

Fair value measurement hierarchy

IFRS 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest input that is significant to the fair value measurement as a whole. Financial assets and financial liabilities are classified in their entirety into one of the three levels.

For financial instruments that are recognised at fair value on a recurring basis, the Board determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. Transfers of items between levels are recognised in the period they occur.

Cash and Cash Equivalents

Cash and cash equivalents comprise current accounts and demand deposits and other short-term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Bank Overdrafts

Bank overdrafts are included in financing activities due to the insufficient fluctuation from positive to negative balances of the overdraft account, and as such it does not qualify as an integral part of the entity's cash management.

Interest Income and Expense

Interest income and interest expense are recognised within the Statement of Comprehensive Income using the effective interest method.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial Assets (continued)

Financial Assets at Fair Value through profit or loss (continued)

Income

Dividend income is recognised in profit or loss on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of dividend. All other income is accounted for on an accrual basis and is recognised in the Statement of Comprehensive Income.

Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

For management purposes, the Company is organised into one main operating segment, which invests in precious metals securities which are principally listed on the stock exchanges of London, New York, Toronto and Sydney. All of the Company's activities are interrelated, and each activity is based upon analysis of the Company as one segment.

On a day-to-day basis investment decisions have been delegated to the Investment Manager, New City Investment Managers.

The Company does not hold any non-current assets which require disclosure under IFRS 8. The Company also does not have any external customers and therefore the disclosure of customers geographically required under IFRS 8 is not applicable. However, for additional information, the fair value of each geographical base and the respective percentages of the total value of the Company can be found in the Portfolio Statement beginning on page 57.

3. TAXATION

The Company has been granted exemption from Guernsey taxation and has paid an annual exemption fee for the year of £1,600 (2023: £1,200). It should be noted, however, that interest and dividend income accruing from the Company's investments may be subject to irrecoverable withholding tax in the country of origin.

The Company has suffered irrecoverable withholding tax in the year under review of £11,592 (2023: £18,851).

4. RELATED PARTY TRANSACTIONS AND OTHER SIGNIFICANT AGREEMENTS

Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Directors' Interests

The Directors held the following interests in the share capital of the Company either directly or beneficially as at 31 December 2024 and the date of signing:

Director	2024 Ordinary shares	2023 Ordinary shares
T Birch	198,000	125,000
R King	60,000	50,000
M Tepes	30,000	N/A
G Ross	-	-

Each of the Directors who held subscription rights at the 30 November 2024 exercise date took up their full entitlement.

Directors' Fees

The Directors are responsible for the determination of the investment policy of the Company and have overall responsibility for the Company's activities. The annual remuneration rate for each Director started the year at £20,000 per annum, with the exception of Monica Tepes, who was appointed on 10 May 2024 and who was remunerated at a rate of £25,000 per annum. Effective 01 July 2024, the annual remuneration was increased to £30,000 for Toby Birch (Chairman), £27,500 for Graeme Ross (Chair of the Audit Committee) and £25,000 for Rob King. During the period Directors' fees of £87,302 were charged to the Company (2023: £69,836) and £33,430 was payable at the year end (31 December 2023: £nil). All Directors are non-executive.

4. RELATED PARTY TRANSACTIONS AND OTHER SIGNIFICANT AGREEMENTS (CONTINUED)

Other significant agreements

Investment Manager

Under the Investment Management Agreement, the Investment Manager, New City Investment Managers (a trading name of Manulife | CQS Investment Management), is entitled to an annual management fee, payable monthly in arrears, of 1.25% of the Company's Net Asset Value up to and including £20,000,000 and 1% of the Company's Net Asset Value in excess of £20,000,000. The Investment Manager is also entitled to reimbursement of certain expenses incurred by it in connection with its duties.

During the period investment management fees of £414,644 were charged to the Company (2023: £358,295) and £40,518 was payable at the year end (2023: £56,751).

Administrator

The Company's Administrator is Apex Fund and Corporate Services (Guernsey) Limited (formerly Apex Administration (Guernsey) Limited). In consideration for the services provided by the Administrator under the Administration Agreement, the Administrator is entitled to receive from the Company, subject to a minimum annual fee, a fee equal to 0.08% of NAV for the portion of NAV under £100m, 0.06% of the portion of NAV between £100m to £200m, 0.04% of the portion of NAV between £200m to £350m, 0.02% of the portion of NAV over £350m, payable quarterly in arrears. The minimum annual fee was set at £80,000 per annum at the inception of the agreement in June 2020, increasing annually in line with the increase in inflation in Guernsey. The current minimum annual fee stands at £99,960. During the period administration fees of £101,439 were charged to the Company (2023: £95,104) and £23,732 was payable at the year end (2023: £23,508).

Custodian Fees

The Company's Custodian is BNP Paribas, London Branch. During the year custodian fees of £nil were charged to the Company (2023: £nil) and £nil was payable at the year end (2023: £nil). BNP Paribas, London Branch does not charge a basis point fee on assets under management.

Depositary Fees

The Company's Depositary is INDOS Financial Limited. In consideration for the services provided by the Depositary under the Depositary Agreement, the Depositary is entitled to receive from the Company an annual fee of 0.02% of NAV up to £150 million; 0.015% between £150 million and £300 million; 0.0125% between £300 million and £450 million and 0.01% thereafter above £450 million, subject to a minimum fee of £1,750 (2023: £1,400) per month. During the period depositary fees of £21,126 were charged to the Company (2023: £18,900) and £1,792 was payable at the year end (2023: £1,750).

4. RELATED PARTY TRANSACTIONS AND OTHER SIGNIFICANT AGREEMENTS (CONTINUED)

Financial Adviser and Corporate Broker

The Company`s Financial Adviser and Corporate Broker (‘Financial Adviser’) is Cavendish Capital Markets Limited. Under this agreement, effective 1 October 2024, the Financial Adviser is entitled to receive from the Company a fee, payable quarterly in advance, based on an annual rate tiered by reference to the average net assets of the Company over the previous quarter, as well as all reasonable out-of-pocket expenses incurred. Prior to 1 October 2024, the annual fee was £40,000. During the period financial adviser fees of £39,076 (2023: £40,109) were charged to the Company and £4,000 was payable at year end (2023: £nil). In addition, the Financial Adviser is entitled to a fee of 1% of the 2024 Subscription Rights money raised, equivalent to an amount of £27,837 which is shown as part of the expenses of the Subscription Rights Issue.

Registrar Fees

The Company’s Registrar is Computershare Investor Services (Guernsey) Limited. In consideration for the services provided by the Registrar under the Registrars Agreement, the Registrar is entitled to receive from the Company an annual fee of £8,300 per annum plus transaction and global tax reporting fees and one off items payable monthly in arrears as well as all reasonable out-of-pocket expenses incurred. Effective 01 July 2024, the annual fee per annum was increased to £11,000 per annum. During the year registrar fees of £35,171 were charged to the Company (2023: £21,993) and £14,105 was payable at year end (2023: £10,450). In addition, a one-off registrars fee of £9,268 is shown as part of the expenses of the Subscription Rights Issue.

PR, Communications and Research

The Company`s PR and Communications Agents are Tavistock Communications Limited and Kepler Partners LLP provided sponsored research. During the year, fees of £35,450 were charged to the Company (2023: £nil) and £nil was payable at year end (2023: £nil).

5. BASIC AND DILUTED PROFIT PER ORDINARY SHARE

Basic profit per ordinary share of 7.92p (2023: loss of 1.62p) is calculated by dividing the comprehensive profit for the year of £6,820,270 (2023: loss of £1,385,657) by the weighted average number of Ordinary Shares outstanding during the year. The weighted average number of Ordinary Shares for the year is 86,148,478 (2023: 85,503,021).

On 2 December 2024, a subscription opportunity took place to subscribe a maximum of 17,100,572 shares at an exercise price of 35.94 pence per share, being the NAV per share as at 1 December 2023. A total of 7,745,478 subscription rights were exercised, amounting to a gross cash raise of £2,783,725. As at 31 December 2024, the Theoretical Ex-Rights Price is 37.83p. The new ordinary shares were admitted to trading on the London Stock Exchange on 11 December 2024. The next subscription opportunity will take place on 1 December 2025 at an exercise price of 48.00 pence per share, being the NAV per share as at 1 December 2024. As at 31 December 2024, there were subscriptions rights in place which were not dilutive as the exercise price of 48p was greater than the share price at that date.

6. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

The following table analyses the fair value of the Company's financial assets and liabilities by category as defined in IFRS 13.

31 December 2024

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Opening fair value at 1 January 2024	33,370,894	100,337	1,101,494	34,572,725
Reclassification *	(370,842)	-	370,842	-
Purchases	17,436,530	-	-	17,436,530
Sales	(15,919,450)	(281,173)	-	(16,200,623)
Gain/(loss)				
- realised	(238,218)	(13,886)	-	(252,104)
- unrealised	7,922,940	247,350	(84,144)	8,086,146
Closing fair value at 31 December 2024	**42,201,854**	**52,628**	**1,388,192**	**43,642,674**

31 December 2024

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Split by:				
Listed equities *	42,201,854	-	1,388,192	43,590,046
Warrants	-	52,628	-	52,628
	42,201,854	**52,628**	**1,388,192**	**43,642,674**
	42,201,854	**52,628**	**1,388,192**	**43,642,674**

*A reclassification of fair value hierarchy from Level 1 to Level 3 was made during the year for Calidus Resources Ltd which in July had its shares suspended from the Australian Stock Exchange after Macquarie Bank, Calidus' largest shareholder, pulled their credit line and shut down operations despite operations having turned profitable, Macquarie subsequently sold control of the business via the debt to an Australian mining entrepreneur and the company is currently undergoing restructuring. Consequently, it was agreed by the Board to mark the shares to zero. As at 31 December 2024, there are two investments held at Level 3 with values and five other investments held at Level 3 with a £nil value.

Please refer to pages 57 to 59 for an analysis of investments at fair value through profit or loss which are disclosed above.

6. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

31 December 2023

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Opening fair value at 1 January 2023	34,568,383	147,211	559,252	35,274,846
Reclassification *	(819,545)	-	819,545	-
Purchases	11,203,421	295,060	-	11,498,481
Sales	(11,620,507)	-	-	(11,620,507)
Gain/(loss)				
- realised	1,192,713	-	-	1,192,713
- unrealised	(1,153,571)	(341,934)	(277,303)	(1,772,808)
Closing fair value at 31 December 2023	**33,370,894**	**100,337**	**1,101,494**	**34,572,725**

31 December 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
	£	**£**	**£**	**£**
Split by:				
Listed equities *	33,370,894	-	1,101,494	34,472,388
Warrants	-	100,889	-	100,889
	33,370,894	**100,889**	**1,101,494**	**34,573,277**

	Level 1	**Level 2**	**Level 3**	**Total**
	£	**£**	**£**	**£**
Forward currency contracts	-	(552)	-	(552)
	-	**(552)**	**-**	**(552)**
	33,370,894	**100,337**	**1,101,494**	**34,572,725**

*In 2023, a reclassification was made due to suspension from trading of Leo Lithium Ltd. In 2023, there were two investments (Firefinch Ltd and Leo Lithium Ltd) held at Level 3 with values and three other investments held at Level 3 with a £nil value.

These financial assets at fair value through profit or loss serves as collateral for bank overdrafts (note 7).

6. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Net gain/(loss) on financial assets at fair value through profit or loss:

	2024 £	2023 £
Net realised (loss)/gain on investments held at fair value through profit or loss	(252,104)	1,192,713
Net unrealised gain/(loss) on investments held at fair value through profit or loss	8,086,146	(1,772,808)
Net capital gain/(loss) on investments held at fair value through profit or loss	**7,834,042**	**(580,095)**
Dividend income	66,666	88,613
Net gain/(loss) on investments held at fair value through profit or loss	**7,900,708**	**(491,482)**

Valuation techniques used in the determination of fair values, including the key inputs used, are as follows:

Item	Fair value hierarchy level	Valuation techniques
Financial assets at fair value through profit or loss – Listed equity securities	Level 1	Fair value is the quoted bid price.
Financial assets at fair value through profit or loss – Warrants	Level 2	The fair value of Warrants has been calculated using the underlying listed prices, expiry dates and observable future volatility using the Black-Scholes method.
Financial assets at fair value through profit or loss – Forward currency contracts.	Level 2	The fair value of forward currency contracts have been calculated using the underlying exchange rates.
Financial assets at fair value through profit or loss – Suspended equity securities.	Level 3	There are three investments classified as suspended equity securities. The first investment, Firefinch Ltd, has been valued at £260,411, based on the latest traded price prior to suspension with a further discount applied. The second investment, Leo Lithium Ltd has been valued at £756,939, was suspended in September 2023 and has been priced based on a discount to the latest available price prior to suspension. The third investment, Calidus Resources Ltd was suspended in July 2024 and has no value at year end. In addition, there are four other investments with nil value.

7. BANK OVERDRAFT

Bank overdraft comprise the following:

	2024	2023
	£	£
Bank overdraft	**(3,452,811)**	**(4,041,447)**

Movement in bank overdraft for the year:

	2024	2023
	£	£
Opening balance	(4,041,447)	(3,346,299)
Repayment of overdraft	19,652,462	9,079,567
Borrowings from overdraft	(19,322,994)	(9,991,392)
Interest paid on overdraft	259,168	216,677
Closing balance	**(3,452,811)**	**(4,041,447)**

BNP Paribas may determine from time to time the overdraft limit they will provide to the Company and may provide reasonable notice in writing of such an amount.

BNP Paribas, London Branch, overdraft Interest is calculated on a daily basis using SONIA overnight rate plus 83 basis points. In order to satisfy BNP Paribas, London Branch of liquidity, a margin requirement is calculated to establish a net equity and cash position that must be maintained as collateral. If the Company falls into deficit then more funds are called. If the margin calls are not met then BNP Paribas, London Branch can call in all outstanding funds. At no point during the period did the Company fall into deficit and at the period end the Company held an excess over the margin requirement of £13,801,109 (2023: £8,462,328).

The overdraft interest during the period of £259,168 (2023: £216,677) represents the only gain or loss on financial liabilities measured at amortised cost.

In addition to the above, there is also a provision for an event of default. An event of default will happen where the NAV declines (i) by 45% or more for the prior calendar year, (ii) by 30% or more for the previous 3 months, (iii) by 15% or more of the previous month or (iv) below the NAV floor. The NAV floor is the greater of (i) 50% of its NAV at the time of execution of the ISDA Master Agreement and (ii) 50% of its NAV as at the latest financial year end. These are monitored on a monthly basis and the Directors confirm there were no breaches in the period.

8. SHARE CAPITAL

Authorised Share Capital

	2024	2023	2024	2023
	Number of shares	**Number of shares**	**£**	**£**
Ordinary shares of £0.001 par value	200,000,000	200,000,000	200,000	200,000

Issued and Fully Paid Share Capital

	2024	2023	2024	2023
Ordinary shares of £0.001 each at inception	**Number of shares**	**Number of shares**	**£**	**£**
As at 1 January	85,503,021	85,503,021	85,503	85,503
Issued during the year	7,745,478	-	7,745	-
As at 31 December	**93,248,499**	**85,503,021**	**93,248**	**85,503**

Ordinary Shareholders are entitled to one vote for each ordinary share held and are entitled to receive any distributions declared by the Company. On a winding-up, the Ordinary Shareholders shall be entitled, pro rata to their holdings, to all the assets of the Company available for distribution to Shareholders.

The Company may purchase its own shares in any manner authorised by the Guernsey Company Law and the Company's Articles. These repurchased shares may be held as Treasury Shares.

On 8 December 2022, the shareholders approved the adoption of the Company's Annual Subscription Rights programme. This gives shareholders the right to subscribe for one new ordinary share for every five ordinary shares held on 30 November in each year commencing on 30 November 2023, or if such date is not a business day, the next following business day. The exercise price is equal to the undiluted NAV per share on 30 November one year prior. The aim of the programme is to enable to Company to grow through share issuance and it is subject to shareholder review at the AGM in 2027 and at every fifth subsequent AGM thereafter.

A summary of the subscription programme to date is below.

Subscription date	Subscription Price	Shares issued	Cash raised	Shares in issue following subscription	Notes
30 Nov 2023	38.31p	-	£-	85,503,021	The rights expired out of the money
2 Dec 2024*	35.94p	7,745,478	£2,783,725	93,248,499 (+9.06%)	
1 Dec 2025**	48.00p				

*Maximum of 17,100,572 shares.
**Maximum of 18,649,699 shares.

9. RESERVES

Revenue Reserve

Any surplus/(deficit) arising from total comprehensive income is taken to this reserve, which may be utilised for the buyback of shares and payments of dividends.

Distributable Reserve

The Distributable Reserve can be used for all purposes permitted under Guernsey company law, including the buyback of shares and payment of dividends.

Realised Capital Reserve

The Realised Capital Reserve contains realised gains and losses on the disposal of investments, together with realised foreign exchange gains and losses and any income and expenses allocated to capital.

Unrealised Capital Reserve

The Unrealised Capital Reserve contains unrealised increases and decreases in the fair value of the Company's Investment portfolio together with unrealised foreign exchange gains and losses.

10. FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of financial risks as a result of its activities. These risks include credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). The Company's risk management policies, approved by the Board of Directors, seek to minimise the potential adverse effects of these risks on the Company's financial performance.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

As at the date of the Statement of Financial Position, financial assets exposed to credit risk comprise bank balances. It is the opinion of the Board of Directors that the carrying amount of these financial assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position. As at 31 December 2024 there were no financial assets which were past due or impaired (31 December 2023: none).

The Board of Directors is satisfied that the Company's transactions are concluded with a suitably approved counterparty with an appropriate credit quality, BNP Paribas has a Standard and Poor's credit rating of A+ (2023: A+) and Butterfield Bank (Guernsey) Limited has a Standard and Poor's credit rating of BBB+. The Investment Manager carefully selects securities with counterparties displaying the necessary experience and financial stability. The Company's exposures to these counterparties, and their credit rating or financial results, are monitored by management. The credit concentration for cash and cash equivalents as at 31 December 2024, with BNP Paribas, London Branch was £38,624 (2023: £262,248), and Butterfield Bank (Guernsey) Limited was £161,830 (2023: £nil). The bank account with Butterfield Bank (Guernsey) Limited is only used for the payment of third party expenses and is funded as required from the Custodian Account at BNP Paribas.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter in realising assets or otherwise raising funds to meet financial commitments.

Whilst most of the Company's financial assets are listed securities which are considered readily realisable as they are listed on major recognised stock exchanges, some of the financial assets held by the Company may not be listed on recognised stock exchanges and so will not be readily realisable and their marketability may be restricted. The Company might only be able to liquidate these positions at disadvantageous prices, should the Investment Manager determine, or when it becomes necessary to do so. The fair value of these financial assets excluding those stocks whose trading were suspended as at 31 December 2024 amounts to £52,628 (2023: £100,337).

All of the financial liabilities are due within less than one month, except audit fees which are due within 1-3 months (2023: All of the financial liabilities are due within less than one month, except audit fees are due within 1-3 months). The amounts are based on the undiscounted net cash flows on the financial liabilities that settle on a net basis and the undiscounted gross cash flows on those financial liabilities that require gross settlement.

BNP Paribas, London Branch as the current Custodian has a fixed charge on all the Company's cash held by BNP, and all its assets, in return for services provided including execution of transactions, custody of investments and cash and financing. As per Note 7, BNP Paribas, London Branch also calculates a margin requirement to establish a net cash and equity position that must be maintained as collateral. As at the period end the Company had a significant excess over this margin requirement. Should there be a deficit at any point BNP Paribas, London Branch is entitled to call in all outstanding funds.

The Investment Manager manages liquidity and margin on a daily basis. The Company's overall exposure to liquidity risk is monitored by the Board of Directors on a quarterly basis.

Market Risk

The Company's activities expose it primarily to the market risks of changes in market prices, interest rates and foreign currency exchange rates.

Price risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will adversely fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Company is exposed to market price risk arising from its financial assets designated as at fair value through profit or loss. The performance of these financial assets will be affected by the performance of the investee companies. The exploration, development and production of metal and mineral deposits involve significant uncertainties and the investee companies will be subject to all the hazards and risks normally encountered in such activities. Many of these are difficult to predict and are outside the control of the investee companies.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

Price risk (continued)

They include, amongst others, issues relating to the geopolitical environment, local and international regulatory requirements, licensing terms, planning permission, unexpected geological formations, rock falls, flooding, pollution, legal liabilities, the availability and reliability of plant and equipment, the scaling-up of operations, the reliance on key individuals, local finance and tax regimes, foreign currency repatriation, capital and budget constraints, contractors and suppliers, local employment regulations and practices, employment unions and the availability and cost of suitable labour.

In addition, there is often no guarantee that the estimates of quantities and grades of metals and minerals disclosed by investee companies will be available for extraction.

The Company's financial assets are exposed to market price fluctuations which are monitored by the Investment Manager in pursuance of the Company's investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers set out in the Placing and Offer for Subscription document mitigates the risk of excessive exposure to any particular type of security or issuer. However, with respect to the investment strategy utilised by the Company there is always some, and occasionally some significant, degree of market risk.

Price sensitivity

The value of the Company's financial assets had a sensitivity of £13,092,802 (2023: £10,371,983) to a 30% (2023: 30%) increase or decrease in the market prices with other variables being held constant as at 31 December 2024. A 30% change is the sensitivity rate currently used when reporting price risk internally to key management personnel.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is directly exposed to interest rate risk as it holds cash and cash equivalents and on the bank overdraft which both have variable interest rates. The Investment Manager manages the Company's exposure to interest rate risk on a daily basis in accordance with the Company's investment objectives and policies. The Company's overall exposure to interest rate risk is monitored on a quarterly basis by the Board of Directors.

The Company's interest rate risk exposure to variable rate assets - cash and cash equivalents for less than 3 months is £200,454 (2023: £262,248), and to variable rate liabilities - bank overdraft for less than 3 months is £3,452,811 (2023: £4,041,447).

All other assets and liabilities of the Company are non-interest bearing.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

Interest rate risk (continued)

Interest rate sensitivity

The sensitivity analysis has been determined based on the Company's exposure to interest rates for interest bearing assets and liabilities at the date of the Statement of Financial Position and the stipulated change taking place at the beginning of the financial period and held constant throughout the reporting period in the case of instruments that have floating rates.

If interest rates had been 1% (2023: 1%) higher or lower and all other variables had been held constant, the Company's net assets attributable to holders of ordinary shares at the year end would have been £25,780 (2023: £25,810) higher or lower due to the change in the interest payable on the bank overdraft and the interest receivable on cash and cash equivalents.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. The presentation currency of the Company is Sterling. The majority of the Company's financial assets are currently denominated in various currencies other than Sterling and the Company may hold other financial instruments, the price of which may be determined with reference to currencies other than Sterling.

To the extent that these financial instruments are unhedged, or are not adequately hedged, the value of the Company's financial instruments may fluctuate with exchange rates as well as with price changes in various local markets and currencies. The value of the financial assets may therefore be affected unfavourably by fluctuations in currency rates and exchange control regulations. The Investment Manager has the power to manage exposure to currency movements by using hedging instruments.

The Company held the following hedging instruments as at 31 December 2024 and 31 December 2023.

Year	Currency Sold	Amount	Rate	Currency Bought	Amount	Unrealised Loss	Date
2024	AUD	-	-	GBP	-	-	-
2023	AUD	(240,867)	(1.45)	GBP	240,315	(552)	02 January 2024

The hedging instrument has resulted from an unsettled spot exchange transaction, the Investment Manager does not engage in active hedging.

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

Currency risk (continued)

The carrying amounts of the Company's foreign currency denominated financial assets and financial liabilities at the date of the Statement of Financial Position were as follows:

	31 December 2024		31 December 2023	
	Assets	Liabilities	Assets	Liabilities
Currency	£	£	£	£
Australian Dollar (AUD)	16,406,825	-	15,873,827	(240,867)
Canadian Dollar (CAD)	19,012,804	-	15,530,276	-
Mexican Peso (MXN)	-	(1)	-	(1)
United Stated Dollar (USD)	5,197,923	-	2,737,420	-
	40,617,552	**(1)**	**34,141,523**	**(240,868)**

The Company is mainly exposed to AUD, CAD, USD.

The following table details the Company's sensitivity to a 15% (2023: 15%) increase or decrease in Sterling against the relevant foreign currencies. A 15% change is the sensitivity rate currently used when reporting foreign currency risk internally to key management personnel. A positive number indicates an increase in net assets attributable to holders of ordinary shares where Sterling weakens against the relevant currency and a negative number indicates a decrease in net assets where Sterling strengthens against the relevant currency.

	31 December 2024		31 December 2023	
	Appreciation	Depreciation	Appreciation	Depreciation
Currency	£	£	£	£
Australian Dollar (AUD)	2,895,322	(2,140,021)	2,758,758	(2,039,082)
Canadian Dollar (CAD)	3,355,201	(2,479,931)	2,740,637	(2,025,688)
Mexican Peso (MXN)	-	-	-	-
United Stated Dollar (USD)	917,281	(677,990)	483,074	(357,055)

10. FINANCIAL RISK MANAGEMENT (CONTINUED)

Summary of Financial Assets and Financial Liabilities by Category

The carrying amounts of the Company's financial assets and financial liabilities, as recognised at the Statement of Financial Position date of the reporting periods under review, are categorised as follows:

	2024 £	2023 £
Financial assets		
Financial assets held at fair value through profit or loss:		
Investments at fair value through profit or loss	43,642,674	34,573,277
Financial assets held at amortised cost:		
Receivables and prepayments	24,320	1,596
Cash and cash equivalents	200,454	262,248
Total financial assets	**43,867,448**	**34,837,121**
Financial liabilities		
Financial liabilities held at fair value through profit or loss:		
Investments at fair value through profit or loss	-	(552)
Financial liabilities held at amortised cost:		
Payables and accruals	(225,327)	(184,949)
Bank overdraft	(3,452,811)	(4,041,447)
Total financial liabilities	**(3,678,138)**	**(4,226,948)**

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains shareholder value and that it is able to continue as a going concern. The Company manages its capital structure and, where necessary, makes adjustments to it in light of changes in economic conditions. The Company's overall strategy remains unchanged from the prior year.

The capital structure of the Company consists of net debt, as disclosed in Note 7 and equity as per Note 8.

The Company is not exposed to any externally imposed capital requirements. The Company expects to meet its other obligations for operating cash flows at the reporting date.

11. CONTROLLING PARTY

The issued ordinary shares of the Company are owned by numerous parties and therefore, in the opinion of the Directors, there is no immediate or ultimate controlling party of the Company.

12. NAV RECONCILIATION

	2024	2023
Net asset value per financial statements	£40,189,310	£30,622,420
Number of ordinary shares in issue at the year-end	93,248,499	85,503,021
IFRS NAV per ordinary share (pence)	43.10	35.81
Issued NAV per ordinary share (pence)	44.33	36.62

The major difference between the accounts IFRS NAV per ordinary share and the daily Issued NAV per ordinary share relates to the pricing of the Investment portfolio which is valued at a bid price for accounting purposes under IFRS and mid-price for the Issued NAV purposes.

13. EVENTS AFTER THE REPORTING DATE

The Directors are not aware of any material events which occurred after the reporting date and up to the date of this report, that would require adjustment to or disclosure in the Company’s financial statements.

Golden Prospect Precious Metals Limited
Unaudited Portfolio Statement
For the year ended 31 December 2024

Description	No of shares held	Fair value £	% of Total net assets
Equities			
Australia			
Ora Banda Mining Ltd	11,450,205	3,707,725	9.23
Emeraid Resources NL	2,061,778	3,363,635	8.37
West African Resources Ltd	4,493,331	3,176,563	7.90
Predictive Discovery Ltd	6,600,197	766,792	1.91
Leo Lithium Ltd *	3,368,789	756,939	1.88
Antipa Minerals Ltd	48,734,243	602,320	1.50
Castile Resources Pty Ltd	14,937,415	516,924	1.29
Horizon Minerals Ltd	22,952,386	453,880	1.13
Westgold Resources Ltd	323,357	455,596	1.13
Southern Cross Gold Ltd	348,297	587,161	1.46
Tolu Minerals Ltd	1,125,000	444,934	1.11
Rox Resources Ltd	4,277,778	412,388	1.03
Genesis Minerals Ltd	286,957	354,657	0.88
Golden Horse Minerals Ltd	2,760,000	320,648	0.80
Firefinch Ltd *	9,920,002	260,410	0.65
Metals X Ltd	551,618	110,445	0.27
Richmond Vanadium Technical	594,363	61,706	0.15
LCL Resources Ltd	9,150,000	40,711	0.10
Nico Resources Ltd	51,422	2,390	0.01
Calidus Resources Ltd *	17,935,432	-	-
		16,395,824	**40.80**
Canada			
Calibre Mining Corp	3,071,891	3,564,427	8.87
Westgold Resources Ltd	1,414,096	1,954,861	4.86
Southern Cross Gold	2,372,212	1,349,942	3.36
G Mining Ventures Corp	230,811	1,332,685	3.32
Mag Silver Corp	103,810	1,095,041	2.72
CollectiveMining Ltd	324,000	1,045,102	2.60
Integra Resources Corp	1,093,754	752,972	1.87
Greenheart Gold Inc	2,310,623	692,725	1.72
Fortuna Mining Corp	195,168	653,377	1.63
Silvercrest Metals Inc	91,000	646,679	1.61
Robex Resources Inc	384,025	530,880	1.32
New Gold Inc	263,000	512,508	1.28
Pan American Silver Corp	32,546	515,871	1.28
Orla Mining Ltd	119,300	506,687	1.26
TDG Gold Corp	6,725,000	504,039	1.25
Mawson Finland Ltd	500,000	433,044	1.08
Eldorado Gold Deposit Canada	35,400	413,118	1.03
Osisko Development Corp	298,985	383,441	0.95
Rupert Resources Ltd	141,098	314,125	0.78
Awale Resources Ltd	1,300,000	299,522	0.75
Vizsla Silver Corp	211,231	282,626	0.70
Newcore Gold Ltd	1,668,489	282,528	0.70
Americas Silver Corp	931,185	263,660	0.66
Silver Mountain Resources Inc	7,275,471	201,962	0.50
GT Resources Inc	11,620,218	161,284	0.40
Liberty Gold Corp	851,000	120,478	0.30
Ascendant Resources Ltd	3,297,345	82,379	0.20
Pan American Silver Corp	168,700	49,938	0.12
Vizsla Silver Corp	14,082	12,665	0.03
Orea Mining Corp *	717,000	-	-
Residual Co-pure Gold *	6,519,250	-	-
Trevali Mining Corp *	101,838	-	-
		18,958,566	**47.15**

Golden Prospect Precious Metals Limited
Unaudited Portfolio Statement (continued)
For the year ended 31 December 2024

Description	No of shares held	Fair value £	% of Total net assets
United Kingdom			
Greatland Gold Plc	30,296,416	1,787,489	4.45
Thor Explorations Ltd	4,750,000	760,000	1.89
Sylvania Platinum Ltd	977,548	391,020	0.97
Tharisa Plc	195,000	126,750	0.32
		3,065,259	**7.63**
United States of America			
Wheaton Precious Metals Corp	26,036	1,165,425	2.90
Osisko Gold Royal Ties Ltd	60,000	863,782	2.15
Eldorado Gold Corp	70,000	820,505	2.04
New Gold Inc	400,000	782,498	1.95
Mag Silver Corp	58,118	617,655	1.54
Equinox Gold Corp	117,029	464,416	1.17
Platinum Group Metals Ltd	449,795	456,116	1.13
Pan American Silver Corp *	50,000	-	-
		5,170,397	**12.88**
Total equities		**43,590,046**	**108.46**
Warrants			
Australia			
Horizon Mineral **	5,222,222	3,131	0.01
		3,131	**0.01**
Canada			
Awale Resources Ltd	1,385,607	45,967	0.11
Silver Mountain Resources Inc	2,603,920	2,344	0.01
		48,311	**0.12**
United States of America			
Silver Mountain Resources Inc	1,253,275	1,186	0.00
		1,186	**0.00**
Total warrants		**52,628**	**0.13**
Total Investments at fair value through profit or loss		**43,642,674**	**108.59**
Net receivables and payables		(201,007)	(0.50)
Net cash and cash equivalents and bank overdraft		(3,252,357)	(8.09)
Total Net Assets		**40,189,310**	**100**

*Level 3 unlisted equities

** Level 2 warrant

Golden Prospect Precious Metals Limited
Unaudited Portfolio Statement (continued)
For the year ended 31 December 2024

Summary:	Fair value £	% of Total net assets
Equities		
Canada	18,958,566	47.15
Australia	16,395,824	40.80
United States of America	5,170,397	12.88
United Kingdom	3,065,259	7.63
Total equities	**43,590,046**	**108.46**
Warrants		
Canada	48,311	0.12
Australia	3,131	0.01
United States of America	1,186	0.00
Total warrants	**52,628**	**0.13**
Net receivables and payables	**(201,007)**	**(0.50)**
Net cash and cash equivalents and bank overdraft	**(3,252,357)**	**(8.09)**
Total Net Assets	**40,189,310**	**100**

Golden Prospect Precious Metals Limited
Management and Administration

Directors
Toby Birch
Robert King
Graeme Ross
Monica Tepes (appointed 10 May 2024)

Company Secretary and Administrator
Apex Fund and Corporate Services (Guernsey) Limited (formerly Apex Administration (Guernsey) Limited)
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Registered office
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Investment Manager
Manulife | CQS Investment Management
4th Floor
1 Strand
London
WC2N 5HR
Note: the Company has appointed CQS as its investment manager. However, CQS has, with the agreement of the Board, delegated that function to New City Investment Managers.

New City Investment Managers ("NCIM")
(a trading name of CQS (UK) LLP, (trading under Manulife))
4th Floor
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Company website: www.ncim.co.uk/wp/golden-prospect-precious-metals-ltd/

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Golden Prospect Precious Metals Limited

Unaudited Report of the UK Investment Manager Relating to Matters under the Alternative Investment Fund Managers' Directive ("the Directive")

For the year ended 31 December 2024

Risk management systems

The Company's Prospectus sets out the risks to which the Company is exposed. The AIFM employs risk management disciplines which monitor the portfolio and to quantify and manage the associated market and other risks. A permanent independent department has been established by the AIFM to perform the risk management function. The MCQS Risk Team is led by the Head of Risk and is functionally and hierarchically separate from the operating units of the portfolio managers.

The Risk Team is a dedicated control function over the operating units of the AIFM and is not involved in the performance activities of the Company. The Risk Team has designed, documented, and implemented effective risk management policies, processes, and procedures in order to identify, quantify, analyse, monitor, report on and manage all material risks relevant to the Company's investment strategy.

Material changes to information required to be made available to investors of the Company

No material changes.

Assets of the Company subject to special arrangements arising from their illiquid nature

There are no assets of the Company which are subject to special arrangements arising from their illiquid nature.

Remuneration

The AIFM has adopted a remuneration policy which meets the requirements of the Directive and has been in place for the current financial year of the Company. The variable remuneration period of the AIFM ended on 31 December 2024 and therefore coincides with the financial year of the Company.

The below information provides the total remuneration paid by the AIFM (and any delegates) for the year ending, December 31, 2024. This has been presented in line with the information available to the Company. There is no allocation made by the AIFM to each AIF and as such the disclosure reflects the remuneration paid to individuals who are partly or fully involved in the AIF, as well as staff of any delegate to which the firm has delegated portfolio management and/or risk management responsibilities in relation to the AIF.

Of the total AIFM remuneration paid of $45m for the year ending December 31, 2024 to 137 individuals (full time equivalent), $20.2m has been paid as fixed remuneration determined with the remainder being paid as variable remuneration.

The AIFM has assessed the members of staff whom it determines to be code staff in accordance with the requirements of SYSC 19.B of the FCA Handbook (the AIFM Remuneration Code).There are 9.2 individuals (full time equivalent) who meet this definition and these individuals have collectively been compensated $18.5m.

Not all individuals are directly remunerated by the AIFM due to the structure of the AIFM entity, however in the interests of meeting the underlying requirement of this disclosure all staff involved have been assessed as if directly remunerated by the AIFM.

Golden Prospect Precious Metals Limited

Unaudited Report of the UK Investment Manager Relating to Matters under the Transparency of Securities Financing Transactions

For the year ended 31 December 2024

The Company is subject to the Regulation (EU) 2015/2365 on Transparency of Securities Financing Transactions and of Reuse and Amending Regulation (EU) No 648/2012 of the European Parliament ("SFTR"). The regulation was issued on November 25, 2015 effective for all alternative investment funds from January 12, 2016. The disclosure requirements accompanying this regulation are effective for annual reports published after January 13, 2017.

A Securities Financing Transaction ("SFT") is defined per Article 3(11) of the SFTR as;

- a repurchase transaction or a reverse repurchase transaction;
- a securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction;
- a margin lending transaction.

The regulation also covers transactions that are commonly referred to as total return swaps ("Swaps"). As at December 31, 2024, there were no SFT's or Swaps held by the Company and as such there are no disclosure requirements in respect of these securities. The Company did however incur margin lending fees during the year and these have been disclosed below.

Data on return and cost for each type of SFT and Swap

The following table reflects the return and cost for each type of SFT and Swap broken down between the Company, the Investment Manager and third parties for the year ended December 31, 2024.

	Collective Investment undertaking	Manager	Third parties
Repurchase transaction	-	-	-
Securities or commodities lending and securities or commodities borrowing	-	-	-
Buy-sell back transactions or sell-buy back transactions	-	-	-
Margin lending transactions	(302,279)	-	-
Total return swaps	-	-	-
Total	(302,279)	-	-

These disclosures have been prepared by the Investment Manager and reflect the Investment Managers data as at 31 December 2024.

New City Investment Managers (a trading name of CQS (UK) LLP)

12 March 2025