

GOLD 3000 LTD.

FINANCIAL STATEMENTS

JUNE 30, 2018

GOLD 3000 LTD.

FINANCIAL STATEMENTS

JUNE 30, 2018

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Independent Auditor's Report

To the Board of Directors of Gold 3000 Ltd.

Our qualified opinion

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the financial statements present fairly, in all material respects, the financial position of Gold 3000 Ltd. (the Fund) as at June 30, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at June 30, 2018;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to holders of participating shares for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for qualified opinion

As discussed in Notes 2 and 3 to the financial statements, the Fund's portfolio of warrants, which had a carrying value of CHF 836,077 (6.03% of net assets) at June 30, 2018 and CHF 732,062 (5.99% of net assets) at June 30, 2017, respectively, were measured at the intrinsic value of the warrants. In our opinion, this practice is not in accordance with IFRS 13 "Fair Value Measurement" which requires the warrants to be carried at fair value, the calculation of which should include the warrants' intrinsic value, time value and the volatility of the underlying security relating to each warrant. It is not practicable for us to quantify the effects of the Fund's departure from the requirement to fair value the warrants in accordance with IFRS 13 on the Fund's financial statements as at and for the year ended June 30, 2018. Our audit report on the Fund's June 30, 2017 financial statements was similarly qualified.

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 qualified opinion.

Independence

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management



Independent Auditor's Report (continued)

determines 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, management is responsible for assessing the Fund'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 management either intends to liquidate the Fund or to cease operations, or has 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Independent Auditor's Report (continued)

Other Matter

This report, including the opinion, has been prepared for and only for the Fund in accordance with the terms of our engagement letter and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

A handwritten signature in black ink that reads "PricewaterhouseCoopers". The signature is written in a cursive, flowing style.

October 4, 2018

GOLD 3000 LTD.

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2018

(Expressed in Swiss Francs)

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and cash equivalent (Notes 2 and 11)	100,710	322,453
Investment in securities, at fair value through profit or loss (Cost: CHF 20,538,492 (2017: CHF 16,816,706)) (Notes 3, 4, 11)	13,833,656	12,166,542
Dividend receivable	-	252
Other assets	8,254	7,960
TOTAL ASSETS	<u>13,942,620</u>	<u>12,497,207</u>
LIABILITIES		
Accrued expenses (Notes 5, 6, 7)	85,989	71,121
Due to broker	-	203,380
Total liabilities (excluding net assets attributable to holders of Participating Shares)	<u>85,989</u>	<u>274,501</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES (NOTES 9, 11)	<u>CHF13,856,631</u>	<u>CHF12,222,706</u>

Approved for issuance on behalf of the Directors of Gold 3000 Ltd. by:



Christine Godfray

Date: October 4, 2018

The accompanying notes are an integral part of these financial statements.

GOLD 3000 LTD.

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED JUNE 30, 2018

(Expressed in Swiss Francs)

	<u>2018</u>	<u>2017</u>
Income		
Dividend income	102,385	990
Net realized gain on investment in securities and foreign currencies	3,816,292	1,335,004
Net change in unrealized (loss)/gain on investment in securities and foreign currencies	(2,118,271)	92,036
Total income	<u>1,800,406</u>	<u>1,428,030</u>
Expenses		
Investment management fees (Note 5)		
Basic fee	229,954	165,052
Administration fees (Note 6)	46,053	39,521
Custodian fees (Note 8)	10,814	7,326
Legal and professional fees	18,047	17,062
Directors' fees (Note 7)	9,714	10,158
Interest expense	185	115
Other	11,766	11,737
	<u>326,533</u>	<u>250,971</u>
Operating gain	<u>1,473,873</u>	<u>1,177,059</u>
Net increase in net assets attributable to holders of Participating Shares from operations	<u>CHF 1,473,873</u>	<u>CHF 1,177,059</u>

The accompanying notes are an integral part of these financial statements.

GOLD 3000 LTD.

STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES

YEAR ENDED JUNE 30, 2018

(Expressed in Swiss Francs)

	<u>CHF Class</u>	<u>EUR Class</u>	<u>USD Class</u>	<u>Total</u>
Changes in net assets for each Class of Participating Shares				
Shares for the year ending June 30, 2018:				
Opening balance at July 1, 2017	10,103,944	497,707	1,621,055	12,222,706
Increase in net assets resulting from operations	1,175,069	57,546	241,258	1,473,873
Issue of Participating Shares	40,000		604,034	644,034
Redemption of Participating Shares	(66,250)		(417,732)	(483,982)
Net increase in net assets	1,148,819	57,546	427,560	1,633,925
Net Assets at June 30, 2018	<u>CHF11,252,763</u>	<u>CHF555,253</u>	<u>CHF2,048,615</u>	<u>CHF13,856,631</u>
Changes in net assets for each Class of Participating Shares				
Shares for the year ending June 30, 2017:				
Opening balance at July 1, 2016	8,860,597	-	-	8,860,597
Increase/(decrease) in net assets resulting from operations	1,243,347	(43,221)	(23,067)	1,177,059
Issue of Participating Shares	-	540,928	1,644,122	2,185,050
Net increase in net assets	1,243,347	497,707	1,621,055	3,362,109
Net Assets at June 30, 2017	<u>CHF10,103,944</u>	<u>CHF497,707</u>	<u>CHF1,621,055</u>	<u>CHF12,222,706</u>

The accompanying notes are an integral part of these financial statements.

GOLD 3000 LTD.

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2018

(Expressed in Swiss Francs)

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Dividends received	102,637	739
Interest paid	(185)	(115)
Operating expenses paid (net)	(311,774)	(122,106)
Purchase of securities	(9,820,216)	(7,549,306)
Proceeds from sales of securities	9,648,156	5,513,336
Net realised gain/(loss) on currencies	1,249	(9,490)
Net cash (used in) by operating activities	<u>(380,133)</u>	<u>(2,166,942)</u>
Cash flows from financing activities		
Proceeds from issuance of Participating Shares	644,035	2,185,050
Disbursements for redemption of Participating Shares	(483,982)	-
Net cash provided by financing activities	<u>160,053</u>	<u>2,185,050</u>
Net (decrease)/increase in cash and cash equivalents	(220,080)	18,108
Net unrealized loss on foreign exchange	(1,663)	(9)
Cash and cash equivalents at the beginning of year	322,453	304,354
Cash and cash equivalents at end of year	<u>CHF 100,710</u>	<u>CHF 322,453</u>

The accompanying notes are an integral part of these financial statements.

GOLD 3000 LTD.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

1. Incorporation and principal activities

Gold 3000 Ltd. (the "Fund") was incorporated in the Cayman Islands on January 14, 2008 and commenced operations on April 18, 2008. It was registered under The Mutual Funds Law, as revised, of the Cayman Islands on February 28, 2008. The Fund is an open-ended investment fund, which may issue and redeem its shares at a price based on the underlying net asset value. The address of the registered office of the Fund is 49 Market Street, Suite 3204, Gardenia Court, Camana Bay, P.O. Box 30745, Grand Cayman, KY1-1203, Cayman Islands. The Fund has no direct employees.

The Fund invests primarily in small to medium sized equity securities of Australian, Canadian, South African and United States companies which are engaged in the exploration, mining, fabrication, processing or distribution of gold and other precious metals, with the objective of obtaining long term capital appreciation. The Fund's strategy may include entering into forward foreign currency contracts. The Fund will not invest more than 10% of its net assets in any single issuer, measured at the time of the investment. The Fund may also hold short positions in metals through futures up to 30% of the Fund's net asset value and in short equity positions of primarily large sized companies which will be matched with long position(s) in metals or equities of small sized companies. The Fund may hold options to buy or sell equities provided they do not exceed 5% of its net assets at the time of purchase.

The Investment Manager (see Note 5) provides policy guidance and investment advice in investing the Fund's subscription proceeds. The Fund's success depends, to a large extent, upon the Investment Manager's ability to recommend appropriate investments. In addition if any of the officers of the Investment Manager cease to participate in the operation of the Investment Manager to the extent they relate to the operations of the Fund for any reason, the operations, objectives and activities of the Fund may be adversely affected.

It is not the intention of the Fund to pay dividends and any earnings and profits will be reinvested.

2. Summary of significant accounting policies

The financial statements of the Fund have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Notes 3 and 4.

All references to net assets throughout these financial statements refer to net assets attributable to holders of Participating Shares unless otherwise stated. Net assets per share information for each class of Participating Shares as disclosed in Note 9 has been determined as total assets less total liabilities (excluding net assets attributable to holders of Participating Shares) divided by the number of outstanding shares of each class of Participating Shares.

New standards, amendments and interpretations effective during the year

There were no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning on or after June 1, 2018 that had a material impact on the Fund.

The accompanying notes are an integral part of these financial statements.

GOLD 3000 LTD.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

2. Summary of significant accounting policies (continued)

New standards, amendments and interpretations effective after June 1, 2017 and not early adopted

IFRS 9 'Financial Instruments' addresses the classification, measurement and de-recognition of financial assets and liabilities. It replaces the multiple classification and measurement models in IAS 39 and is effective for reporting periods beginning on or after January 1, 2018.

In addition to the above, a number of new standards, amendments to standards and interpretations are effective for annual periods beginning after June 1, 2018, and have not been applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund

The significant accounting policies of the Fund, which have been consistently applied to all years presented (unless otherwise stated), are as follows:

Valuation of investments in securities at fair value through profit or loss: The Fund has classified its investments in securities and derivatives as financial assets or liabilities at fair value through profit or loss (trading securities). Investments in securities which are traded on recognised exchanges are valued at fair value, by reference to prices quoted on the exchange upon which such securities are traded, as of the close of business on the day of valuation. The Fund values securities at the bid price.

The fair value of restricted securities, warrants and other securities, for which market quotations are not readily available, is estimated in good faith by the Directors, after consultation with the Investment Manager. Generally, the fair value of a restricted security is based on the price quoted on the exchange upon which the equivalent unrestricted security is traded, as of the close of business on the day of valuation. Warrants for which market quotations are not available are valued based on intrinsic value as of close of business on the day of valuation. All fair valuations may differ significantly from the values that would have been used had ready markets existed, and the differences could be material.

Accounting for investments: Security transactions are accounted for on a trade date basis. Realised gains and losses on sales of portfolio securities are calculated on an average cost basis and are recorded as revenue in the Statement of Comprehensive Income. Transaction costs are expensed as incurred and have been included in realised and unrealised gains and losses on investments in the Statement of Comprehensive Income. Changes in unrealised gains or losses on investments are included in the Statement of Comprehensive Income in the period in which they arise.

Investment income and expenses: Interest income and expenses are accrued through each valuation date. Dividend income is accrued on the ex-dividend date. Withholding tax, if any, is recorded on a separate line in the Statement of Comprehensive Income.

Foreign currency translation:

(a) Functional and presentation currency

Items included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates ('the functional currency'). This is the Swiss Franc ("CHF"), which reflects the fact that Fund's main investors are based in Switzerland and subscriptions and redemptions primarily take place in CHF. In addition, the Fund has adopted CHF as its presentation currency.

(b) Transactions and balances

Assets and liabilities denominated in currencies other than CHF are translated at the rate of exchange prevailing on the day of valuation. Foreign currency income and expenditure items are converted at the rate of exchange on the date of the transaction. Gains and losses on foreign currencies are included in the statement of comprehensive income in the period in which they arise. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realised and unrealised gain or loss on investments.

GOLD 3000 LTD.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

2. Summary of significant accounting policies (continued)

Cash and cash equivalents: For the purposes of these financial statements, cash and cash equivalents comprise cash and fixed term deposits maturing within 90 days of placement, and bank overdrafts.

Participating Shares and Founder Shares: Participating Shares are redeemable at the shareholder's option and are classified as financial liabilities. Any distribution on such Participating Shares is recognized in the statement of comprehensive income as finance costs. The Participating Shares can be put back to the Fund by the holder at any week end for cash equal to a proportionate share of the Fund's net assets. The Participating Share is carried at the redemption amount that is payable at the statement of financial position date if the shareholder exercised its right to put the share back to the Fund. Founder Shares are not redeemable, do not participate in the net income or dividends of the Fund and are classified as equity, as per the Fund's articles of association. The Founder Shares have been excluded for the purpose of presenting the statement of financial position.

3. Investment in securities

At June 30, 2018, the portfolio of investments was comprised of equity securities analysed by denomination and type of company as follows:

At June 30, 2018:	<u>Producing companies</u>		<u>Performance driven companies</u>		<u>Total</u>	
	<u>Fair value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Australian Dollar	431,532	463,294	1,016,214	3,160,467	1,447,746	3,623,761
Canadian Dollar	1,216,198	1,677,857	10,906,108	13,973,591	12,122,306	15,651,448
British Pound	-	-	-	-	-	-
US Dollar	262,829	283,021	775	980,262	263,604	1,263,283
Total investment in securities at June 30, 2018					<u>CHF13,833,656</u>	<u>CHF20,538,492</u>

At June 30, 2017, the portfolio of investments was comprised of equity securities analysed by denomination and type of company as follows:

At June 30, 2017:	<u>Producing companies</u>		<u>Performance driven companies</u>		<u>Total</u>	
	<u>Fair value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Australian Dollar	120,489	461,615	648,714	2,158,338	769,203	2,619,953
Canadian Dollar	1,699,807	1,705,744	8,812,870	10,644,396	10,512,677	12,350,140
British Pound	-	-	509,920	503,687	509,920	503,687
US Dollar	374,189	362,664	553	980,262	374,742	1,342,926
Total investment in securities at June 30, 2017					<u>CHF12,166,542</u>	<u>CHF16,816,706</u>

From time to time a portion of these assets may be pledged to Bank Julius Baer & Co. Ltd. Zurich for use as collateral for forward foreign currency contracts (see Note 8).

GOLD 3000 LTD.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

3. Investment in securities (continued)

At June 30, 2018, the portfolio consisted of 158 (2017: 121) positions, there were no single issues representing more than 5 % of net assets.

Included in the portfolio are 28 (2017: 21) partially restricted securities with an aggregate value of CHF 1,334,293 (2017: CHF 1,900,199) (approximately 10% of net assets) (2017: approximately 16% of net assets), which includes positions in warrants, equity securities and equity holdings of companies issued on a private placement basis.

There are 70 warrants ((2017: 50 warrants, (36 of which are valued at CHF nil))), 59 of which are valued at CHF nil) which have restricted terms and are valued at CHF 836,077, representing 6.03 % of net assets (2017: CHF 732,062 (5.99% of net assets)). All warrants have been valued at their intrinsic value in accordance with the policy in Note 2. The Fund's ability to dispose of restricted investments is subject to the applicable securities laws regarding securities exempt from registration and may also be restricted by the terms of issue of such securities.

4. Fair value disclosure

IFRS 13 requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- 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 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The level in the fair value hierarchy within the fair value measurement is categorized in its entirety is determined on the basis of the lowest level that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, the measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the financial instrument.

GOLD 3000 LTD.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

4. Fair value disclosure (continued)

The reliability of what constitutes “observable” requires significant judgment by the Investment Manager. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund’s financial assets and liabilities (by class) measured at fair value at June 30, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets held for trading:				
Equity securities	12,997,579	-	-	12,997,579
Warrants	-	836,077	-	836,077
Total assets	<u>CHF 12,997,579</u>	<u>CHF 836,077</u>	<u>CHF -</u>	<u>CHF 13,833,656</u>

The following table analyses within the fair value hierarchy the Fund’s financial assets and liabilities (by class) measured at fair value at June 30, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets held for trading:				
Equity securities	11,434,480	-	-	11,434,480
Warrants	-	732,062	-	732,062
Total assets	<u>CHF 11,434,480</u>	<u>CHF 732,062</u>	<u>CHF -</u>	<u>CHF 12,166,542</u>

Investments whose values are based on quoted market prices in active markets and therefore classified within Level 1, can include active listed equities and exchanged traded derivatives, such as futures. The Fund does not adjust the quoted prices for these instruments.

Level 2 includes financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs. These can include investment grade corporate bonds and investments in share baskets/warrants where underlying securities are listed equities. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

There are no financial assets classified in Level 3 as at June 30, 2018 and 2017.

There were no transfers between levels during the years 2018 and 2017.

GOLD 3000 LTD.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

4. Fair value disclosure (continued)

The following table analyses within the fair value hierarchy the Fund's assets and liabilities (by class) not measured at fair value at June 30, 2018 but for which fair value is disclosed.

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total Balance</u>
Cash and cash equivalents	100,710	-	-	100,710
Other assets	-	8,254	-	8,254
Total assets	CHF 100,710	CHF 8,254	CHF -	CHF 108,964

<u>Liabilities</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total Balance</u>
Accrued expenses	-	85,989	-	85,989
Net assets attributable to holders of redeemable participating shares	-	13,856,631	-	13,856,631
Total liabilities	CHF -	CHF 13,942,620	CHF -	CHF 13,942,620

The following table analyses within the fair value hierarchy the Fund's assets and liabilities (by class) not measured at fair value at June 30, 2017 but for which fair value is disclosed.

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total Balance</u>
Cash and cash equivalents	322,453	-	-	322,453
Dividend receivable	-	252	-	252
Other assets	-	7,960	-	7,960
Total assets	CHF 322,453	CHF 8,212	CHF -	CHF 330,665

<u>Liabilities</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total Balance</u>
Accrued expenses	-	71,121	-	71,121
Due to broker	-	203,380	-	203,380
Net assets attributable to holders of redeemable participating shares	-	12,222,706	-	12,222,706
Total liabilities	CHF -	CHF 12,497,207	CHF -	CHF 12,497,207

GOLD 3000 LTD.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

4. Fair value disclosure (continued)

The assets and liabilities included in the above table are carried at amortized cost; their carrying values are a reasonable approximation of fair value.

Cash and cash equivalents include cash in hand, deposits held with banks and short term bank overdrafts.

The puttable value of redeemable shares is calculated based on the net difference between total assets and all other liabilities of the Fund in accordance with the Fund's offering memorandum. These shares are not traded on an active market.

5. Investment management agreement

The Investment Manager is Konwave AG (the "Investment Manager"), a company incorporated in Switzerland, who is responsible for providing investment policy guidance and investment advice to the Fund and monitoring compliance of the portfolio with the investment restrictions. The Investment Manager receives a fee calculated weekly and payable quarterly in arrears at an annual rate of 1.5% of the Fund's weekly net assets. As at June 30, 2018 other accrued expenses included CHF 56,359 (2017: CHF 43,468) due to the Investment Manager.

The Investment Manager also receives a performance fee calculated and accrued weekly, payable after June 30 each year. The performance fee for each fiscal year ended June 30 is equal to 20% of the amount by which the net asset value of the Fund at June 30 exceeds the High Water Mark. The High Water Mark is defined, for the first period, as the sum of the initial subscriptions adjusted for subsequent subscriptions, redemptions and dividends declared/paid to participating shareholders. The High Water Mark is equal to the net asset value at the last June 30 in respect of which a performance fee was payable as adjusted for subsequent subscriptions, redemptions and dividends declared/paid to participating shareholders.

There were no performance fees earned by the Investment Manager for the year ended June 30, 2018 and 2017.

GOLD 3000 LTD.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

6. Administration agreement

The Administrator of the Company is JTC Fund Services (Cayman) Ltd. The Administrator is responsible for maintaining the financial books and records, calculating and publishing the net asset value, handling shareholder communications and supervising the payment of expenses by the Company. The Administrator is also the Company's registrar and transfer agent. The Administrator receives a fee equal to 0.30% of net assets calculated and accrued weekly and payable pro-rata quarterly in arrears, subject to a minimum annual fee of USD 40,000. As of June 30, 2018 accrued expenses included CHF 11,272 (2017: CHF 9,949) due to the Administrator.

7. Directors' fees

During 2017 Stuart Brankin, Desmond Campbell and Paul Nathan were Directors of the Fund. Effective January 18, 2018, Desmond Campbell resigned as a Director of the Fund and Christine Godfray was appointed. The Directors receive an annual fee of USD 5,000 per Director in advance. However, Paul Nathan provides his services free of charge. As at June 30, 2018 and 2017, there were no accrued director's fees.

8. Other related parties

All custodian and general banking arrangements are executed through the Bank Julius Baer & Co., Ltd., Zurich (the "Bank"), a member of the Julius Baer Group. The Bank also acts as counterparty on all foreign exchange transactions and provides the Fund with credit facilities. The Bank has a first charge over the assets of the Fund and the Fund pledges its assets for use as collateral in any of its operations performed with the Bank. The Bank charges the Fund based on customary commercial rates.

9. Participating Shares and Founder Shares

The authorized share capital of the Fund is CHF 50,000 divided into 100 Founder Shares of CHF 1.00 par value each and 4,990,000 Participating Shares of CHF 0.01 par value each (the "CHF Class"); EUR 50,000 divided into 5,000,000 Participating Shares of par value EUR 0.01 each (the "Euro Class") and USD 50,000 divided into 5,000,000 Participating Shares of par value USD 0.01 each (the "USD Class"). The Founder Shares are not disclosed in the Statement of Financial Position.

The Founder Shares are held exclusively by the Investment Manager. The Founder Shares have all the voting power of the Fund but are entitled only to a return of capital in the event of liquidation. The Participating Shareholders are entitled to the profits and losses of the Fund.

Participating Shares of the Fund were offered during the initial offering in March 2008 at a price of CHF 100, EUR 100 and USD 100 per share. Subsequent issues of each Class may be made on the first business day (which is any day normally treated as a business day in the Cayman Islands and Switzerland) following a Valuation Day (the "Dealing Day") at a price equal to the net asset value per Participating Share of the relevant Class as at each Wednesday (the "Valuation Day") provided that the required notification is received. Redemptions may be made on each business day following the last Valuation Day in each calendar quarter, namely March, June, September and December and/or such other day or days on which the Directors decide to permit subscriptions and redemptions.

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YEAR ENDED JUNE 30, 2018

9. Participating Shares and Founder Shares (continued)

The net asset value per share of each Class for any Valuation Day is determined by dividing the value of the assets net of liabilities relevant to the Class at the close of business on such Valuation Day (all converted into the currency of that Class at the exchange rate as at the close of business on the Valuation Day) by the number of Participating Shares of that Class outstanding.

As at June 30, 2018, 69.19% (2017: 69.28%) of the net asset value of the outstanding Participating Shares of the Fund was held by one related party shareholder.

Issued and fully paid at June 30, 2018:

	<u>Number of Shares</u>	<u>Share Capital expressed in CHF</u>
Founder Shares	<u>100</u>	<u>100</u>
Participating Shares		
Total Participating Shares at July 1, 2017		
CHF Class	110,592.3109	1,106
EUR Class	5,447.8100	54
USD Class	<u>17,743.2040</u>	<u>178</u>
		1,338
Shares issued in year ended June 30, 2018		
CHF Class	313.2048	3
USD Class	<u>6,099.0309</u>	<u>61</u>
		<u>64</u>
Shares redeemed in year ended June 30, 2018		
CHF Class	(500.0000)	(5)
USD Class	<u>(3,742.4518)</u>	<u>(37)</u>
		<u>(42)</u>
Total Participating Shares		
CHF Class	110,405.5157	1,104
EUR Class	5,447.8100	54
USD Class	<u>20,099.7831</u>	<u>202</u>
		1,360
Total Founder and Participating Shares at June 30, 2018		CHF <u>1,460</u>

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YEAR ENDED JUNE 30, 2018

9. Participating Shares and Founder Shares (continued)

Issued and fully paid at June 30, 2017:

	<u>Number of Shares</u>	<u>Share Capital expressed in CHF</u>
Founder Shares	<u>100</u>	<u>100</u>
Participating Shares		
Total Participating Shares at July 1, 2016		
CHF Class	110,592.3109	1,106
Shares issued in year ended June 30, 2017		
EUR Class	5,447.8100	54
USD Class	<u>17,743.2040</u>	<u>178</u>
		<u>232</u>
Total Participating Shares		
CHF Class	110,592.3109	1,106
EUR Class	5,447.8100	54
USD Class	<u>17,743.2040</u>	<u>178</u>
		1,338
Total Founder and Participating Shares at June 30, 2017		CHF <u>1,438</u>

The Fund's capital is primarily represented by these Participating Shares. In accordance with the objectives outlined in Note 1 and the risk management policies in Note 11, the Fund endeavours to invest the subscriptions received from Participating Shareholders into appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of listed securities where necessary.

Net asset value per Participating Share ("NAV") of each Class:

	<u>Net assets in CHF</u>	<u>Number of shares outstanding</u>	<u>NAV in CHF</u>	<u>NAV in Class currency</u>
As at June 30, 2018:				
CHF Class	11,252,763	110,405.5157	CHF 101.92	CHF 101.92
EUR Class	555,253	5,447.8100	CHF 101.92	EUR 87.91
USD Class	<u>2,048,615</u>	<u>20,099.7831</u>	CHF 101.92	USD 102.64
	<u>13,856,631</u>	<u>135,953.1088</u>		
	CHF <u>13,856,631</u>	<u>135,953.1088</u>		
As at June 30, 2017:				
CHF Class	10,103,944	110,592.3109	CHF 91.36	CHF 91.36
EUR Class	497,707	5,447.8100	CHF 91.36	EUR 83.65
USD Class	<u>1,621,055</u>	<u>17,743.2040</u>	CHF 91.36	USD 95.40
	<u>12,222,706</u>	<u>133,783.3249</u>		
	CHF <u>12,222,706</u>	<u>133,783.3249</u>		

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NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

10. Allocation of net profits and net losses

In accordance with the Offering Memorandum, revenue and expenses are allocated weekly to each of the Classes on a pro rata basis in the proportion that the net asset value attributable to each Class at the beginning of each valuation period bears to the aggregate net asset value of all Classes, before allocation of any Designated Adjustments, defined as revenue and expenses attributable to a specific Class. If any, Designated Adjustments are allocated directly to the applicable Class, as determined by the Directors. There were no such Designated Adjustments in the years ended June 30, 2018 and 2017.

11. Financial risk management

The Fund's investment objectives and activities expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance. The following summary is not intended to be a comprehensive summary of all risks and investors should refer to the Offering Document for a more detailed discussion of the risks inherent in investing in the Fund.

Market risk: The strategy of the Fund involves the concentration of investments in precious metals markets. As a result, the Fund may be subject to a greater market fluctuation than a company which has securities representing a broader range of investment alternatives.

All securities investments present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities and other financial instruments within specified limits.

Maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's overall market positions are monitored on a daily basis by the Fund's Investment Manager.

The Fund's equity and trading derivative financial instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments.

The Fund's market price risk is managed through diversification of the investment portfolio ratios by exposures. The overall market exposures as at June 30 are presented in Note 3. At June 30, the Fund's market risk is affected by three main components: changes in actual market prices, interest rate and foreign currency movements.

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NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

11. Financial risk management (continued)

Price risk: If the FTSE Gold Mines Index (CHF) at June 30, 2018 and 2017 had increased by 10% with all other variables held constant, this would have increased net assets attributable to holders of Participating Shares by approximately CHF 1,383,000 (2017: CHF 1,217,000), ignoring the effects of any performance fees. Conversely, if the FTSE Gold Mines Index at June 30, 2018 and 2017 had decreased by 10%, this would have decreased net assets attributable to holders of Participating Shares by approximately CHF 1,383,000 (2017: CHF 1,217,000).

The Investment Manager does not manage the Fund's investment strategy to track any particular index or external benchmark. The sensitivity analysis presented is based upon the portfolio composition as at June 30 and the historical correlation of the securities comprising the portfolio to the respective indices. The composition of the Fund's investment portfolio, and the correlation thereof to the respective indices, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30 is not necessarily indicative of the effect on the Fund's net assets attributable to holders of Participating Shares of future movements in the level of the indices.

Interest rate risk: As of June 30, 2018 and 2017, the Fund had no significant assets or liabilities subject to direct interest rate risk, except for the cash and cash equivalents. The impact on profit derived from interest on cash as a result of reasonable possible changes in interest rates is insignificant.

Currency risk: The Fund invests in assets denominated in currencies other than its reporting currency, the Swiss Franc. Consequently, the Fund is exposed to risks that the exchange rate of the Swiss Franc relative to other currencies may change in a manner which has an adverse effect on the reported value of that portion of the Fund's assets which are denominated in currencies other than the Swiss Franc. The Fund may utilize forward foreign exchange contracts to hedge against currency fluctuations, but there can be no assurance that such hedging transactions will be effective.

The analysis of the denomination of the portfolio of investments is disclosed in Note 3. The analysis of the denomination of cash and cash equivalents at June 30, 2018 and 2017 is as follows:

	<u>2018</u>	<u>2017</u>
Australian Dollar	2,596	23,381
British Pound	199	287
Canadian Dollar	92,598	293,623
Euro	330	1,949
Swiss Franc	4,377	2,939
US Dollar	<u>610</u>	<u>274</u>
	CHF <u>100,710</u>	CHF <u>322,453</u>

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YEAR ENDED JUNE 30, 2018

11. Financial risk management (continued)

The analysis below shows the approximate sensitivity of the net assets attributable to holders of redeemable Participating Shares to individual foreign currencies. The analysis includes both monetary items (mainly cash and cash equivalents) and non-monetary items (mainly investments in securities). The analysis excludes the effects of any performance fees.

	Reasonably possible decrease or increase of CHF exchange rate	Approximate 2018 CHF impact on profit*	Approximate 2017 CHF impact on profit*
Denomination:			
Australian Dollar	5%	72,517	37,566
British Pound	5%	10	25,505
Canadian Dollar	5%	610,745	513,467
Euro	5%	16	94
US Dollar	5%	13,211	17,809

* impact on profit = increase/decrease in net assets attributable to holders of participating shares from operations (positive impact if the exchange rate of the CHF, relative to each currency, decreased with all other variables held constant and vice versa)

Credit risk: Financial assets which potentially expose the Fund to credit risk consist principally of cash and term deposits. The aggregate extent of the Fund's exposure to credit risk in respect of these financial assets approximates their carrying value as recorded in the Fund's statement of financial position.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

There are risks involved in dealing with the custodians or prime brokers who settle trades. Although the Investment Manager monitors the Bank and believes that it is an appropriate custodian, there is no guarantee that the Bank, or any other custodian that the Fund may use from time to time, will not become insolvent. There is no certainty that, in the event of a failure of a broker-dealer that has custody of Fund's assets, the Fund would not incur losses due to its assets being unavailable for a period of time, ultimately less than full recovery of its assets, or both. Because substantially all of the Fund's assets are held in custody with a single prime broker, such losses could be significant and could materially impair the ability of the Fund to achieve its investment objective. The Bank has a Moody's rating of A3 (2017: A3).

To the extent that the Fund's forward foreign exchange contracts settle on a net basis, the Fund's credit risk is limited to any net unrealised gains inherent in such contracts (see also "Off balance sheet risks" below).

Liquidity risk: The Fund is exposed to quarterly cash redemptions of Participating Shares. It therefore invests the majority of its assets in investments that are traded in active or over the counter markets. However, the Fund does bear liquidity risk as a result of the restrictions on certain of its investments (Note 3).

The majority of the Fund's listed securities are considered readily realisable, as they are listed on the major international exchanges, or traded in the over-the-counter markets. The Fund holds a significant number of small cap securities which are concentrated in the gold mining industry. Certain of these securities may be thinly traded and relatively illiquid or may cease to be traded.

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NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

11. Financial risk management (continued)

Risks exist that the Fund might not be able to readily dispose of its holdings in such investments when it chooses and also the price attained on a disposal may be below the amount at which such investments are included in the Fund's statement of financial position at June 30, 2018 and 2017.

In accordance with the Fund's policy, the Investment Manager monitors the Fund's liquidity position on a daily basis. For defensive purposes, the Fund may temporarily invest up to 100% of its total assets in cash and cash equivalents.

Substantially all the Fund's liabilities (including the Fund's Participating Shares) have an earliest possible contractual maturity date of less than 3 months.

Off-balance sheet risks: The Fund may enter into forward contracts in currencies for hedging purposes. Forward foreign exchange contracts are forward commitments to purchase and to sell foreign currencies in the future. There are numerous factors which may significantly influence the market value of these contracts and risk arises from changes in the value of these contracts and also the potential inability of counterparties or brokers to perform under the terms of the contracts. Although such commitments, when made in the same currency and for the same date, may be economically offsetting, they may expose the Fund to both off-balance sheet market risk and off-balance sheet credit risk.

An off-balance sheet market risk exists when the maximum potential loss on a particular investment is greater than the value of such investment as reflected in the Fund's statement of financial position. Off-balance sheet credit risk exists, among other situations, when the collateral received by the Fund is insufficient to cover losses which might result from a counter party's failure to fulfil its obligation under the contracts.

The Fund seeks to mitigate off balance sheet credit risk by only transacting its securities and contractual commitment activity with reputable, well established counterparties. No forward foreign exchange transactions were conducted with the Bank during the years ending June 30, 2018 and 2017 respectively.

At June 30, 2018 and 2017, there were no open forward contracts.

12. Taxation

The Fund is not subject to any income, withholding or capital gains taxes in the Cayman Islands. Generally, the Fund intends to conduct its affairs so as not to be liable to taxation in any other jurisdiction; however, it does invest in securities whose income is subject to non-refundable foreign withholding taxes.

13. Additional Information for Qualified Investors in Switzerland

The Fund has appointed a representative and paying agent in Switzerland. The constitutional documents and the annual report of the Fund may be obtained free of charge from the Representative in Zurich.

Representative

Representative in Switzerland is GAM Investment Management (Switzerland) Ltd., Hardstrasse 201, P.O. Box, CH-8037 Zurich.

Paying Agent

Paying Agent in Switzerland is Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, CH-8001 Zurich.

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NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

13. Additional Information for Qualified Investors in Switzerland (continued)

Payment of retrocessions and rebates

The Fund and its agents may pay retrocessions as remuneration for distribution activity in respect of Fund Shares in or from Switzerland. This remuneration may be deemed payment. This remuneration may be deemed payment for the placement of Shares and introduction to potential investors.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distribution. On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes of the investors concerned.

In the case of distribution activity in or from Switzerland, the Fund and its agents may, upon request, pay rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates are permitted provided that

- they are paid from fees received by the Fund and therefore do not represent an additional charge on the Fund's assets;
- they are granted on the basis of objective criteria;
- all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the Fund are as follows:

- the volume subscribed by the investor or the total volume they hold in the collective investment scheme or, where applicable, in the product range of the promoter;
- the amount of the fees generated by the investor;
- the investment behaviour shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of a collective investment scheme.

At the request of the investor, the Company must disclose the amounts of such rebates free of charge.

14. Subsequent Events

Subsequent events have been evaluated up to October 4, 2018, on which date the financial statements were available to be issued. The Fund paid investor redemptions of CHF nil and received investor subscriptions of CHF nil subsequent to year end.