



Gold and Precious Metals Limited

Schedule of Investments and Financial Statements For the Nine Months Ended August 31, 2020 (Unaudited)

A Closed-End Fund
Specializing in Gold and Other
Precious Metals Investments

Beginning on January 1, 2021, as permitted by regulations adopted by the U.S. Securities and Exchange Commission, paper copies of the Company's annual and semi-annual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Company's website www.asaltd.com, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Company electronically anytime by contacting your financial intermediary (such as a broker-dealer or bank) or, if you are a direct investor, by calling 1-800-432-3378 or by sending an e-mail request to info@asaltd.com.

Beginning on January 1, 2019, you may elect to receive all future reports in paper free of charge. If you invest through a financial intermediary, you can contact your financial intermediary to request that you continue to receive paper copies of your shareholder reports. If you invest directly with the Company, you can call 1-800-432-3378 or send an email request to info@asaltd.com to inform the Company that you wish to continue receiving paper copies of your shareholder reports.

Schedule of Investments (Unaudited)

August 31, 2020

| Name of Company | Shares | Value | % of Net Assets |
|--|------------|--------------------|-----------------|
| Common Shares | | | |
| Gold mining, exploration, development and royalty companies | | | |
| <i>Australia</i> | | | |
| Alicanto Minerals, Ltd. ⁽¹⁾ | 2,206,101 | \$ 276,609 | 0.1% |
| Bellevue Gold, Ltd. ⁽¹⁾ | 7,666,667 | 5,824,188 | 1.1 |
| Bellevue Gold, Ltd. ⁽¹⁾ | 1,300,000 | 987,580 | 0.2 |
| Cygnus Gold, Ltd. ⁽¹⁾ | 1,412,759 | 234,446 | 0.0 |
| Dacian Gold, Ltd. ⁽¹⁾ | 13,842,639 | 3,420,230 | 0.7 |
| Emerald Resources NL ⁽¹⁾ | 17,125,000 | 8,209,855 | 1.6 |
| Pantoro, Ltd. ⁽¹⁾ | 16,000,000 | 2,891,197 | 0.6 |
| Perseus Mining, Ltd. ⁽¹⁾ | 11,000,000 | 11,723,360 | 2.2 |
| Prodigy Gold NL ⁽¹⁾ | 38,750,000 | 2,086,345 | 0.4 |
| Resolute Mining, Ltd. | 4,800,000 | 3,911,966 | 0.7 |
| Westgold Resources, Ltd. ⁽¹⁾ | 3,000,000 | 4,712,945 | 0.9 |
| | | <u>44,278,721</u> | <u>8.5</u> |
| <i>Canada</i> | | | |
| Adventus Mining Corp. ⁽¹⁾ | 5,310,000 | 5,251,581 | 1.0 |
| Agnico Eagle Mines, Ltd. | 400,000 | 33,000,000 | 6.3 |
| Alacer Gold Corp. ⁽¹⁾ | 2,000,000 | 13,815,310 | 2.6 |
| Alamos Gold, Inc. | 1,600,000 | 16,736,000 | 3.2 |
| B2Gold Corp. | 2,500,000 | 16,850,000 | 3.2 |
| Barrick Gold Corp. | 850,000 | 25,202,500 | 4.8 |
| Calibre Mining Corp. ⁽¹⁾ | 11,083,000 | 15,974,271 | 3.0 |
| Centerra Gold, Inc. | 875,000 | 11,397,439 | 2.2 |
| Corvus Gold, Inc. ⁽¹⁾ | 2,000,000 | 6,117,990 | 1.2 |
| Euro Sun Mining, Inc. ⁽¹⁾ | 11,000,000 | 4,174,493 | 0.8 |
| GoGold Resources, Inc. ⁽¹⁾ | 1,904,760 | 2,438,724 | 0.5 |
| Golden Star Resources, Ltd. ⁽¹⁾ | 1,850,000 | 8,602,500 | 1.6 |
| HighGold Mining, Inc. ⁽¹⁾ | 3,000,000 | 5,358,991 | 1.0 |
| K92 Mining, Inc. ⁽¹⁾ | 1,725,000 | 10,262,583 | 2.0 |
| Kirkland Lake Gold, Ltd. | 100,000 | 5,321,000 | 1.0 |
| Liberty Gold Corp. ⁽¹⁾ | 10,256,000 | 16,905,279 | 3.2 |
| Marathon Gold Corp. ⁽¹⁾ | 3,501,700 | 6,255,193 | 1.2 |
| Maverix Metals, Inc. | 1,500,000 | 6,390,000 | 1.2 |
| Mawson Gold, Ltd. ⁽¹⁾ | 8,600,000 | 3,065,895 | 0.6 |
| Newcore Gold, Ltd. ⁽¹⁾ | 1,625,000 | 996,665 | 0.2 |
| O3 Mining, Inc. ⁽¹⁾ | 1,480,000 | 2,689,156 | 0.5 |
| Orla Mining, Ltd. ⁽¹⁾ | 7,900,000 | 35,370,874 | 6.8 |
| Osino Resources Corp. ⁽¹⁾ | 4,000,000 | 4,753,325 | 0.9 |
| Prime Mining Corp. ⁽¹⁾ | 3,000,000 | 4,576,992 | 0.9 |
| Probe Metals, Inc. ⁽¹⁾ | 4,725,000 | 5,904,665 | 1.1 |
| Pure Gold Mining, Inc. ⁽¹⁾ | 3,000,000 | 4,829,992 | 0.9 |
| Roscan Gold Corp. ⁽¹⁾ | 6,125,000 | 1,901,809 | 0.4 |
| Roxgold, Inc. ⁽¹⁾ | 7,200,000 | 8,942,385 | 1.7 |
| Silver Tiger Metals, Inc. ⁽¹⁾ | 3,333,333 | 1,431,109 | 0.3 |
| SilverCrest Metals, Inc. ⁽¹⁾⁽²⁾ | 250,000 | 2,482,079 | 0.5 |
| Skeena Resources, Ltd. ⁽¹⁾ | 2,666,667 | 6,051,546 | 1.2 |
| SSR Mining, Inc. ⁽¹⁾ | 600,000 | 12,870,000 | 2.5 |
| Talisker Resources, Ltd. ⁽¹⁾ | 6,500,000 | 1,868,747 | 0.4 |
| Teranga Gold Corp. ⁽¹⁾ | 405,000 | 4,713,382 | 0.9 |
| Torex Gold Resources, Inc. ⁽¹⁾ | 460,000 | 7,102,695 | 1.4 |
| | | <u>319,605,170</u> | <u>61.2</u> |

Schedule of Investments (Unaudited) (continued)

August 31, 2020

| Name of Company | Shares | Value | % of Net Assets |
|---|------------|---------------|-----------------|
| Common Shares (continued) | | | |
| Gold mining, exploration, development and royalty companies (continued) | | | |
| <i>Cayman Islands</i> | | | |
| Endeavour Mining Corp. ⁽¹⁾ | 798,850 | \$ 22,146,215 | 4.2% |
| <i>Jersey</i> | | | |
| Royal Road Minerals, Ltd. ⁽¹⁾ | 1,400,000 | 397,133 | 0.1 |
| <i>South Africa</i> | | | |
| AngloGold Ashanti, Ltd. | 898,420 | 26,217,089 | 5.0 |
| Gold Fields, Ltd. | 1,029,577 | 13,305,770 | 2.6 |
| Gold Fields, Ltd. ADR | 670,423 | 8,735,612 | 1.7 |
| Sibanye Stillwater, Ltd. | 1,092,174 | 3,304,630 | 0.6 |
| | | 51,563,101 | 9.9 |
| Total gold mining, exploration, development and royalty companies (Cost \$190,307,043) | | 437,990,340 | 83.9 |
| Diversified metals mining, exploration, development and royalty companies | | | |
| <i>Australia</i> | | | |
| Auteco Minerals, Ltd. ⁽¹⁾ | 40,000,000 | 5,457,871 | 1.0 |
| Auteco Minerals, Ltd. ⁽¹⁾ | 20,000,000 | 2,728,935 | 0.5 |
| Auteco Minerals, Ltd. ⁽¹⁾ | 10,750,750 | 1,466,905 | 0.3 |
| Castile Resources, Ltd. ⁽¹⁾ | 12,500,000 | 2,673,619 | 0.5 |
| | | 12,327,330 | 2.3 |
| <i>Canada</i> | | | |
| Americas Gold & Silver Corp. ⁽¹⁾ | 1,975,000 | 5,846,000 | 1.1 |
| Americas Gold & Silver Corp. ⁽¹⁾⁽²⁾ | 1,071,400 | 3,171,344 | 0.6 |
| Benchmark Metals, Inc. ⁽¹⁾ | 10,000,000 | 10,809,982 | 2.1 |
| Desert Gold Ventures, Inc. ⁽¹⁾ | 13,400,000 | 2,516,963 | 0.5 |
| Discovery Metals Corp. ⁽¹⁾ | 4,444,444 | 7,700,727 | 1.5 |
| Discovery Metals Corp. ⁽¹⁾ | 1,555,556 | 2,695,256 | 0.5 |
| Gatling Exploration, Inc. ⁽¹⁾ | 950,500 | 273,268 | 0.0 |
| Integra Resources Corp. ⁽¹⁾ | 2,679,999 | 10,252,766 | 2.0 |
| | | 43,266,306 | 8.3 |
| <i>United Kingdom</i> | | | |
| Adriatic Metals PLC ⁽¹⁾ | 2,500,000 | 4,406,862 | 0.8 |
| Total diversified metals mining, exploration, development and royalty companies (Cost \$24,384,454) | | 60,000,498 | 11.4 |
| Silver mining, exploration and development and royalty companies | | | |
| <i>Canada</i> | | | |
| Bunker Hill Mining Corp. ⁽¹⁾ | 12,964,957 | 5,367,483 | 1.0 |
| Total silver mining, exploration and development and royalty companies (Cost \$3,110,330) | | 5,367,483 | 1.0 |
| Total common shares (Cost \$217,801,827) | | 503,358,321 | 96.3 |
| Rights | | | |
| Silver mining, exploration, development and royalty companies | | | |
| Pan American Silver Corp. (Expiration Date 2/22/29) ⁽¹⁾⁽³⁾ | 393,200 | 211,992 | 0.1 |
| Total rights (Cost \$136,720) | | 211,992 | 0.1 |
| Warrants | | | |
| Diversified metals mining, exploration, development and royalty companies | | | |
| <i>Canada</i> | | | |
| Benchmark Metals, Inc. (Exercise Price \$0.40, Exp. Date 12/18/21) ⁽¹⁾⁽³⁾ | 5,000,000 | 2,836,662 | 0.5 |
| Desert Gold Ventures, Inc. (Exercise Price \$0.40, Exp. Date 8/10/23) ⁽¹⁾⁽³⁾ | 6,700,000 | 51,367 | 0.0 |
| Discovery Metals Corp. (Exercise Price \$0.77, Exp. Date 5/18/22) ⁽¹⁾⁽³⁾ | 1,454,545 | 1,572,361 | 0.3 |
| Discovery Metals Corp. (Exercise Price \$1.35, Exp. Date 8/4/22) ⁽¹⁾⁽³⁾ | 975,000 | 441,024 | 0.1 |
| Dundee Precious Metals, Inc. (Exercise Price \$8.00, Exp. Date 5/7/21) ⁽¹⁾⁽³⁾ | 70,000 | 92,306 | 0.0 |
| Total diversified metals mining, exploration, development and royalty companies (Cost \$224,042) | | 4,993,720 | 0.9 |

The notes to financial statements form an integral part of these statements.

Schedule of Investments (Unaudited) (continued)

August 31, 2020

| Name of Company | Shares | Value | % of Net Assets |
|---|-----------|----------------|-----------------|
| Warrants (continued) | | | |
| Gold mining, exploration, development and royalty companies | | | |
| <i>Canada</i> | | | |
| Bonterra Resources, Inc. (Exercise Price \$3.10, Exp. Date 8/20/21) ⁽¹⁾⁽³⁾ | 300,000 | \$ 2,300 | 0.0% |
| Euro Sun Mining, Inc. (Exercise Price \$0.39, Exp. Date 6/5/23) ⁽¹⁾⁽³⁾ | 5,500,000 | 463,833 | 0.1 |
| GoGold Resources, Inc. (Exercise Price \$0.85, Exp. Date 2/25/22) ⁽¹⁾⁽³⁾ | 952,380 | 554,919 | 0.1 |
| Liberty Gold Corp. (Exercise Price \$0.60, Exp. Date 10/2/21) ⁽¹⁾⁽³⁾ | 826,000 | 892,904 | 0.2 |
| Marathon Gold Corp. (Exercise Price \$1.32, Exp. Date 9/30/21) ⁽¹⁾⁽³⁾ | 837,500 | 571,453 | 0.1 |
| Marathon Gold Corp. (Exercise Price \$1.50, Exp. Date 5/26/21) ⁽¹⁾⁽³⁾ | 700,000 | 343,466 | 0.1 |
| Maverix Metals, Inc. (Exercise Price \$1.65, Exp. Date 12/23/21) ⁽¹⁾⁽³⁾ | 250,000 | 494,499 | 0.1 |
| Mawson Resources, Ltd. (Exercise Price \$0.45, Exp. Date 5/20/22) ⁽¹⁾⁽³⁾ | 4,300,000 | 329,666 | 0.1 |
| O3 Mining, Inc. (Exercise Price \$3.25, Exp. Date 6/18/22) ⁽¹⁾⁽³⁾ | 740,000 | 85,100 | 0.0 |
| Osino Resources Corp. (Exercise Price \$1.05, Exp. Date 1/30/22) ⁽¹⁾⁽³⁾ | 1,000,000 | 306,666 | 0.1 |
| Osino Resources Corp. (Exercise Price \$1.50, Exp. Date 7/14/21) ⁽¹⁾⁽³⁾ | 1,000,000 | 92,000 | 0.0 |
| Prime Mining Corp. (Exercise Price \$1.10, Exp. Date 6/10/25) ⁽¹⁾⁽³⁾ | 920,000 | 634,799 | 0.1 |
| Probe Metals, Inc. (Exercise Price \$1.30, Exp. Date 12/10/21) ⁽¹⁾⁽³⁾ | 2,362,500 | 778,836 | 0.1 |
| Pure Gold Mining, Inc. (Exercise Price \$0.85, Exp. Date 7/18/22) ⁽¹⁾⁽³⁾ | 1,500,000 | 1,310,998 | 0.2 |
| Silver Tiger Metals, Inc. (Exercise Price \$0.50, Exp. Date 7/24/23) ⁽¹⁾⁽³⁾ | 1,666,666 | 63,889 | 0.0 |
| Talisker Resources, Ltd. (Exercise Price \$0.70, Exp. Date 7/22/21) ⁽¹⁾⁽³⁾ | 3,250,000 | 2,492 | 0.0 |
| Total gold mining, exploration, development and royalty companies (Cost \$2,238,188) | | 6,927,820 | 1.3 |
| Silver mining, exploration and development and royalty companies | | | |
| <i>Canada</i> | | | |
| Bunker Hill Mining Corp. (Exercise Price \$0.50, Exp. Date 8/10/23) ⁽¹⁾⁽³⁾ | 9,500,000 | 873,999 | 0.2 |
| Bunker Hill Mining Corp. (Exercise Price \$0.50, Exp. Date 8/31/23) ⁽¹⁾⁽³⁾ | 3,464,957 | 318,775 | 0.1 |
| Total silver mining, exploration and development and royalty companies (Cost \$291,593) | | 1,192,774 | 0.3 |
| Total warrants (Cost \$2,753,823) | | 13,114,314 | 2.5 |
| Investments, at value (Cost \$220,692,370) | | 516,684,627 | 98.9 |
| Cash, receivables and other assets less other liabilities | | 5,905,607 | 1.1 |
| Net assets | | \$ 522,590,234 | 100.0% |

ADR American Depositary Receipt

PLC Public Limited Company

(1) Non-income producing security.

(2) Restricted security.

(3) Security fair valued in accordance with procedures adopted by the Board of Directors. At the period end, the value of these securities amounted to \$13,326,306 or 2.6% of net assets.

Statement of Assets and Liabilities (Unaudited)

August 31, 2020

| Assets | |
|--|-----------------------|
| Investments, at value (Cost \$220,692,370) | \$ 516,684,627 |
| Cash and cash equivalents | 5,354,655 |
| Foreign currency (Cost \$451,995) | 459,471 |
| Investment securities sold | 1,932,030 |
| Dividends receivable, net of withholding taxes payable | 122,282 |
| Total assets | \$ 524,553,065 |
| Liabilities | |
| Investment securities purchased | 920,256 |
| Accrued affiliate expenses | 359,714 |
| Liability for retirement benefits due to retired directors | 383,859 |
| Directors' fees and expenses | 20,112 |
| Other expenses | 278,890 |
| Total liabilities | 1,962,831 |
| Net assets | \$ 522,590,234 |
| Common shares \$1 par value | |
| Authorized: 40,000,000 shares | |
| Issued and Outstanding: 19,289,905 shares | \$ 19,289,905 |
| Share premium (capital surplus) | 1,372,500 |
| Distributable earnings | 501,927,829 |
| Net assets | \$ 522,590,234 |
| Net asset value per share | \$ 27.09 |

The closing price of the Company's shares on the New York Stock Exchange was \$23.28 on August 31, 2020.

Statement of Operations (Unaudited)

For the nine months ended August 31, 2020

| | |
|---|-------------------------|
| Investment income | |
| Dividend income (net of withholding taxes of 281,553) | \$ 856,542 |
| Interest income | 1,605 |
| Income from affiliate (Note 5) | 46,743 |
| Total investment income | 904,890 |
| Expenses | |
| Lease property expense (Note 10) | 193,514 |
| Investment adviser fees | 1,831,685 |
| Fund services fees | 145,115 |
| Compliance services fees | 68,893 |
| Transfer agent fees | 30,265 |
| Custodian fees | 68,137 |
| Directors' fees and expenses | 134,137 |
| Retired directors' fees | 68,381 |
| Insurance fees | 110,102 |
| Legal fees | 85,492 |
| Audit fees | 29,294 |
| Shareholder reports and proxy expenses | 57,716 |
| Dues and listing fees | 18,784 |
| Other expenses | 126,774 |
| Total expenses | 2,968,289 |
| Change in retirement benefits due to retired directors | (39,621) |
| Sublease revenue (Note 10) | (33,926) |
| Net expenses | 2,894,742 |
| Net investment loss | (1,989,852) |
| Net realized and unrealized gain (loss) from investments and foreign currency transactions | |
| Proceeds from sales | (82,053,408) |
| Cost of securities sold | (58,108,773) |
| Net realized gain from investments | 23,944,635 |
| Net realized gain from foreign currency transactions | |
| Investments | 203,606 |
| Foreign currency | 779,910 |
| Net realized gain from foreign currency transactions | 983,516 |
| Net increase in unrealized appreciation (depreciation) on investments | |
| Balance, beginning of period | 82,044,496 |
| Balance, end of period | 295,992,257 |
| Net decrease in unrealized appreciation (depreciation) on investments | (213,947,761) |
| Net unrealized loss on translation of assets and liabilities in foreign currency | (17,853) |
| Net realized and unrealized loss from investments and foreign currency transactions | (238,893,765) |
| Net decrease in net assets resulting from operations | \$ (236,903,913) |

Statements of Changes in Net Assets

| | Nine Months Ended August 31, 2020 (Unaudited) | Year Ended November 30, 2019 |
|--|--|------------------------------------|
| Net investment loss | \$ (1,989,852) | \$ (1,111,296) |
| Net realized gain | 23,944,635 | 1,623,669 |
| Net realized gain (loss) from foreign currency transactions | 983,516 | (1,143,899) |
| Net increase in unrealized appreciation (depreciation) on investments | 213,947,761 | 92,071,910 |
| Net unrealized gain (loss) on translation of assets and liabilities in foreign currency | 17,853 | (9,365) |
| Net increase in net assets resulting from operations | 236,903,913 | 91,431,019 |
| Dividends paid/payable | (192,899) | (385,798) |
| Net increase in net assets | 236,711,014 | 91,045,221 |
| Net assets, beginning of period | 285,879,220 | 194,833,999 |
| Net assets, end of period | \$ 522,590,234 | \$ 285,879,220 |

Notes to Financial Statements

Nine months ended August 31, 2020

1. Organization

ASA Gold and Precious Metals Limited (the “Company”) is a closed-end investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”), and was organized as an exempted limited liability company under the laws of Bermuda.

2. Investment objective and strategy

The Company is a non-diversified, closed-end fund that seeks long-term capital appreciation primarily through investing in companies engaged in the exploration for, development of projects or mining of precious metals and minerals. The Company is managed by Merk Investments LLC (the “Adviser”).

It is a fundamental policy of the Company that at least 80% of its total assets must be (i) invested in common shares or securities convertible into common shares of companies engaged, directly or indirectly, in the exploration, mining or processing of gold, silver, platinum, diamonds or other precious minerals, (ii) held as bullion or other direct forms of gold, silver, platinum or other precious minerals, (iii) invested in instruments representing interests in gold, silver, platinum or other precious minerals such as certificates of deposit therefor, and/or (iv) invested in securities of investment companies, including exchange traded funds, or other securities that seek to replicate the price movement of gold, silver or platinum bullion.

The Company employs bottom-up fundamental analysis and relies on detailed primary research including meetings with company executives, site visits to key operating assets, and proprietary financial analysis in making its investment decisions.

3. Summary of significant accounting policies

The following is a summary of the significant accounting policies:

A. Security valuation

The net asset value of the Company generally is determined as of the close of regular trading on the New York Stock Exchange (the “NYSE”) on the date for which the valuation is being made (the “Valuation Time”). Portfolio securities listed on U.S. and foreign stock exchanges generally are valued at the last reported sale price as of the Valuation Time on the exchange on which the securities are primarily traded, or the last reported bid price if a sale price is not available. Securities traded over the counter are valued at the last reported sale price or the last reported bid price if a sale price is not available. Securities listed on foreign stock exchanges may be fair valued based on significant events that have occurred subsequent to the close of the foreign markets.

Securities for which current market quotations are not readily available are valued at their fair value as determined in good faith by, or in accordance with procedures approved by, the Company’s Board of Directors. If a security is valued at a “fair value,” that value may be different from the last quoted price for the security. Various factors may be reviewed in order to make a good faith determination of a security’s fair value. These factors include, but are not limited to, the nature of the security; relevant financial or business developments of the issuer; actively traded similar or related securities; conversion rights on the security; and changes in overall market conditions.

The difference between cost and market value is reflected separately as net unrealized appreciation (depreciation) on investments. The net realized gain or loss from the sale of securities is determined for accounting purposes on the identified cost basis.

B. Restricted securities

At August 31, 2020, the Company held investments in restricted securities of 1.08% of net assets valued in accordance with procedures approved by the Company’s Board of Directors as follows:

| <u>Shares</u> | <u>Cost</u> | <u>Issuer</u> | <u>Value per Unit</u> | <u>Value</u> | <u>Acquisition Date</u> |
|---------------|-------------|------------------------------|-----------------------|--------------|-------------------------|
| 1,071,400 | \$2,142,800 | Americas Gold & Silver Corp. | \$2.960 | \$3,171,344 | 5/7/20 |
| 250,000 | 1,105,735 | SilverCrest Metals, Inc. | 9.928 | 2,482,079 | 8/15/19 |

Notes to Financial Statements (continued)

Nine months ended August 31, 2020

3. Summary of significant accounting policies (continued)

C. Fair value measurement

In accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), fair value is defined as the price that the Company would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market the most advantageous market for the investment or liability. U.S. GAAP establishes a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. Various inputs are used in determining the value of the Company's investments. The inputs are summarized in the three broad levels listed below.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Level 2 – Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for identical instruments on an inactive market, prices for similar investments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.

Level 3 – Unobservable inputs for the assets or liability to the extent that relevant observable inputs are not available, representing the Company's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used as of August 31, 2020 in valuing the Company's investments at fair value:

Investment in Securities ⁽¹⁾ Measurements at August 31, 2020

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|---|-----------------------|----------------|----------------------|-----------------------|
| Common Shares | | | | |
| Gold mining, exploration, development and royalty companies | \$ 437,990,340 | \$ – | \$ – | \$ 437,990,340 |
| Diversified metals mining, exploration, development and royalty companies | 60,000,498 | – | – | 60,000,498 |
| Silver mining, exploration and development and royalty companies | 5,367,483 | – | – | 5,367,483 |
| Rights | | | | |
| Silver mining, exploration, development and royalty companies | – | – | 211,992 | 211,992 |
| Warrants | | | | |
| Diversified metals mining, exploration, development and royalty companies | – | – | 4,993,720 | 4,993,720 |
| Gold mining, exploration, development and royalty companies | – | – | 6,927,820 | 6,927,820 |
| Silver mining, exploration and development and royalty companies | – | – | 1,192,774 | 1,192,774 |
| Total Investments | <u>\$ 503,358,321</u> | <u>\$ –</u> | <u>\$ 13,326,306</u> | <u>\$ 516,684,627</u> |

(1) See schedule of investments for country classifications.

Notes to Financial Statements (continued)

Nine months ended August 31, 2020

3. Summary of significant accounting policies (continued)

C. Fair value measurement (continued)

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value.

| | Rights | Warrants |
|---|-------------------|----------------------|
| Balance November 30, 2019 | \$ 112,855 | \$ 858,052 |
| Purchases | - | 2,631,396 |
| Net change in unrealized appreciation (depreciation) | 99,137 | 10,408,979 |
| Balance August 31, 2020 | <u>\$ 211,992</u> | <u>\$ 13,114,314</u> |
| Net change in unrealized appreciation (depreciation) from investments held as of August 31, 2020* | <u>99,137</u> | <u>10,408,979</u> |

* The change in unrealized appreciation/(depreciation) is included in net change in unrealized appreciation/(depreciation) of investments in the accompanying Statement of Operations.

The Level 3 investments for the Company represented 2.56% of net assets and did not warrant a disclosure of significant unobservable inputs.

D. Cash and Cash Equivalents

The Company considers all money market funds and all highly liquid temporary cash investments purchased with an original maturity of less than three months to be cash equivalents. The majority of the Company's cash and cash equivalents at August 31, 2020 consisted of a money market fund, Federated U.S. Treasury Cash Reserve Fund, Institutional Shares.

E. Foreign Currency Translation

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the rate of exchange reported by independent data providers. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The portion of the results arising from changes in the exchange rates and the portion due to fluctuations arising from changes in the market prices of securities are not isolated. The resulting net foreign currency gain or loss is included on the Statements of Operations. Realized foreign currency gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, fluctuation in exchange rates between the initial purchase date and subsequent sale date on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Company's books and the U.S. dollar equivalent of the amounts actually received or paid.

F. Securities Transactions and Investment Income

During the nine months ended August 31, 2020, sales and purchases of portfolio securities (other than temporary short-term investments) amounted to \$82,053,408 and \$79,220,210, respectively.

Dividend income is recorded on the ex-dividend date, net of withholding taxes or ADR fees, if any. Interest income is recognized on the accrual basis.

G. Dividends to Shareholders

Dividends to shareholders are recorded on the ex-dividend date. The reporting for financial statement purposes of dividends paid from net investment income and/or net realized gains may differ from their ultimate reporting for U.S. federal income tax purposes, primarily because of the separate line item reporting for financial statement purposes of foreign exchange gains or losses.

Notes to Financial Statements (continued)

Nine months ended August 31, 2020

3. Summary of significant accounting policies (continued)

H. Use of Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. It is management's opinion that all adjustments necessary for a fair statement of the results of the interim periods presented have been made. All adjustments are of a normal recurring nature.

I. Basis of Presentation

The financial statements are presented in U.S. dollars. The Company is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standard Codification, Topic 946 "Financial Services - Investment Companies".

J. Income Taxes

In accordance with U.S. GAAP requirements regarding accounting for uncertainties on income taxes, management has analyzed the Company's tax positions taken on federal and state income tax returns, as applicable, for all open tax years (2016-2019). As of August 31, 2020, the Company has not recorded any unrecognized tax benefits. The Company's policy, if it had unrecognized benefits, is to recognize accrued interest and penalties in operating expenses.

4. Tax status of the Company

The Company is a "passive foreign investment company" ("PFIC") for U.S. federal income tax purposes and is not subject to Bermuda tax as an exempted limited liability company organized under the laws of Bermuda. Nor is the Company generally subject to U.S. federal income tax, since it is a non-U.S. corporation whose only business activity in the United States is trading in stocks or securities for its own account; under the U.S. federal tax law that activity does not constitute engaging in the conduct of a trade or business within the United States, even if its principal office is located therein. As a result, its gross income is not subject to U.S. federal income tax, though certain types of income it earns from U.S. sources (such as dividends of U.S. payors) are subject to U.S. federal withholding tax.

5. Fees and Expenses and Other Transactions with Affiliates

Investment Adviser –Merk Investments LLC (the "Adviser") is the investment adviser to the Company. Pursuant to an investment advisory agreement, the Adviser receives an advisory fee, payable monthly, from the Company at an annual rate of 0.70% of the Company's average daily net assets.

Other Service Providers –Apex US Holdings LLC (d/b/a Apex Fund Services) ("Apex") provides fund accounting, fund administration and compliance services to the Company. The fees related to these services are included in fund services fees within the Statement of Operations. Apex also provides certain shareholder report production and EDGAR conversion and filing services. Pursuant to an Apex services agreement, the Company pays Apex customary fees for its services. Apex provides a Principal Financial Officer, as well as certain additional compliance support functions.

Forside Fund Services, LLC provides a Chief Compliance Officer to the Company.

Other Transactions with Affiliates –On March 18, 2020, the Company received a payment from an affiliate in the amount of \$46,743. This amount was paid in accordance with Section 16(b) of the Securities Exchange Act of 1934, as amended and is reflected as income on the Statement of Operations.

6. Exemptive order

The Company is a closed-end investment company and operates pursuant to an exemptive order issued by the Securities and Exchange Commission (the "SEC") pursuant to Section 7(d) of the 1940 Act (the "Order"). The Order is conditioned upon, among other things, the Company complying with certain requirements relating to the custody of assets and settlement of securities transactions outside of the United States different than those required of other registered investment companies. These conditions make it more difficult for the Company to implement a flexible investment strategy and to fully achieve its desired portfolio diversification than if it were not subject to such requirements.

7. Retirement plans

The Company has recorded a liability for retirement benefits due to retired directors. The liability for these benefits at August 31, 2020 was \$383,859. A director whose first election to the Board of Directors was prior to January 1, 2008 qualifies to receive retirement benefits if he has served the Company (and any of its predecessors) for at least twelve years prior to retirement. Directors first elected on or after January 1, 2008 are not eligible to participate in the plan.

Notes to Financial Statements (continued)

Nine months ended August 31, 2020

8. Concentration risk

The Company invests at least 80% of its total assets in securities of companies engaged, directly or indirectly, in the exploration, mining or processing of gold or other precious minerals. The Company also invests a substantial portion of its assets in companies that are domiciled and/or have operations outside of the United States, including emerging market countries, such as South Africa. The Company is, therefore, subject to gold and precious metals-related risk as well as risk related to investing in foreign securities, including political, economic, regulatory, liquidity, currency fluctuation, and foreign exchange risks. The Company currently is invested in a limited number of securities and thus holds large positions in certain securities. Because the Company's investments are concentrated in a limited number of securities of companies involved in the holding or mining of gold and other precious minerals and related activities, the net asset value of the Company may be subject to greater volatility than that of a more broadly diversified investment company.

9. Indemnifications

In the ordinary course of business, the Company enters into contracts that contain a variety of indemnification provisions. The Company's maximum exposure under these arrangements is unknown.

10. Operating lease commitment

In June 2017, the Company entered into a three-year operating lease agreement, commencing March 1, 2018, in San Mateo, CA for approximately 2,500 square feet to be used as office space for its employees. The lease provides for future minimum rental payments in the aggregate amount of \$99,564 as of August 31, 2020. The lease contains escalation clauses relating to the tenant's share of insurance, operating expenses and tax expenses of the lessor.

Future minimum rental commitments under the lease are as follows:

| | | |
|-------------------------|----|---------------|
| 08/31/2020 – 11/30/2020 | \$ | 45,208 |
| 12/01/2020 – 02/28/2021 | | 54,356 |
| Total | \$ | <u>99,564</u> |

On June 5, 2019, the Company entered into a sublease agreement for the San Mateo office space. The Company received monthly sublease revenue of \$11,308. The sublease agreement was terminated in March of 2020. For the nine months ended August 31, 2020, the Company received \$33,926 per this agreement, as presented on the accompanying Statement of Operations.

11. Share repurchase

The Company may from time to time purchase its common shares at a discount to NAV on the open market in such amounts and at such prices as the Company may deem advisable.

The Company had 19,289,905 shares outstanding as of August 31, 2020. There were no repurchases during the nine months ended August 31, 2020.

12. Subsequent events

In accordance with U.S. GAAP provisions, management has evaluated the possibility of subsequent events existing in the Company's financial statements through the date the financial statements were issued. The Company believes that there are no material events that would require disclosure.

Management is currently evaluating the recent introduction of the COVID-19 virus and its impact on the financial services industry and has concluded that while its reasonably possible that the virus could have a negative effect on the fair value of the Fund's investments and results of operations, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Per Share Information

August 31, 2020

| | | |
|---------------------------------|----|---------|
| NET ASSET VALUE | \$ | 27.09 |
| ASA SHARE PRICE | \$ | 23.28 |
| PREMIUM / (DISCOUNT) | \$ | (3.81) |
| PERCENTAGE PREMIUM / (DISCOUNT) | % | (14.06) |