

Gold & gold miners. Quo vadis?

SAMBA Investment Club

Investment roundtable with a focus on
macro situation for investing in gold miners

April 16, 2025

Konwave AG



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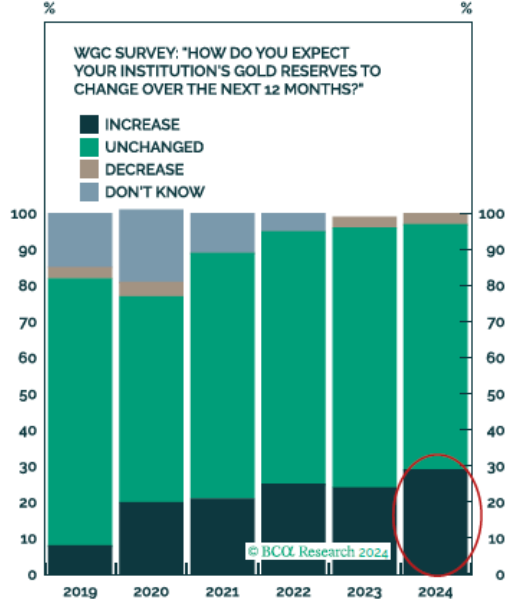
The Konwave Gold Equity Fund is established under Luxembourg law and the majority of the unit classes are authorized for offering in Switzerland, Germany, Austria and Luxembourg. The EUR-B class is additionally authorized in Belgium.

Gold macro outlook

Gold macro outlook

Illustration of the new situation on the physical gold market

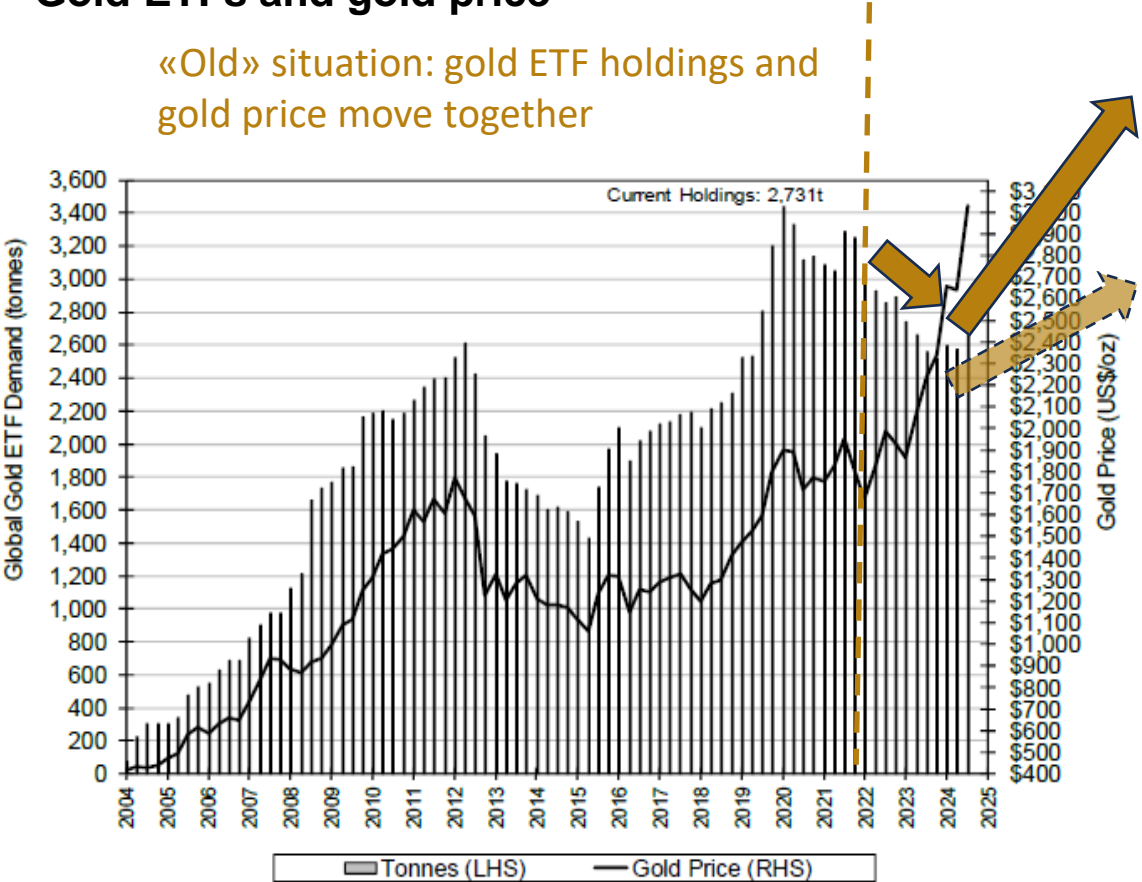
Survey of central bank purchases



The proportion of central banks that want to increase their gold holdings has reached a new high. In addition, the proportion of gold in almost all non-NATO countries is still only around 5%, which is well below the target range of 10-15%.

Gold ETFs and gold price

«Old» situation: gold ETF holdings and gold price move together



«New» situation: gold rises despite falling ETF holdings

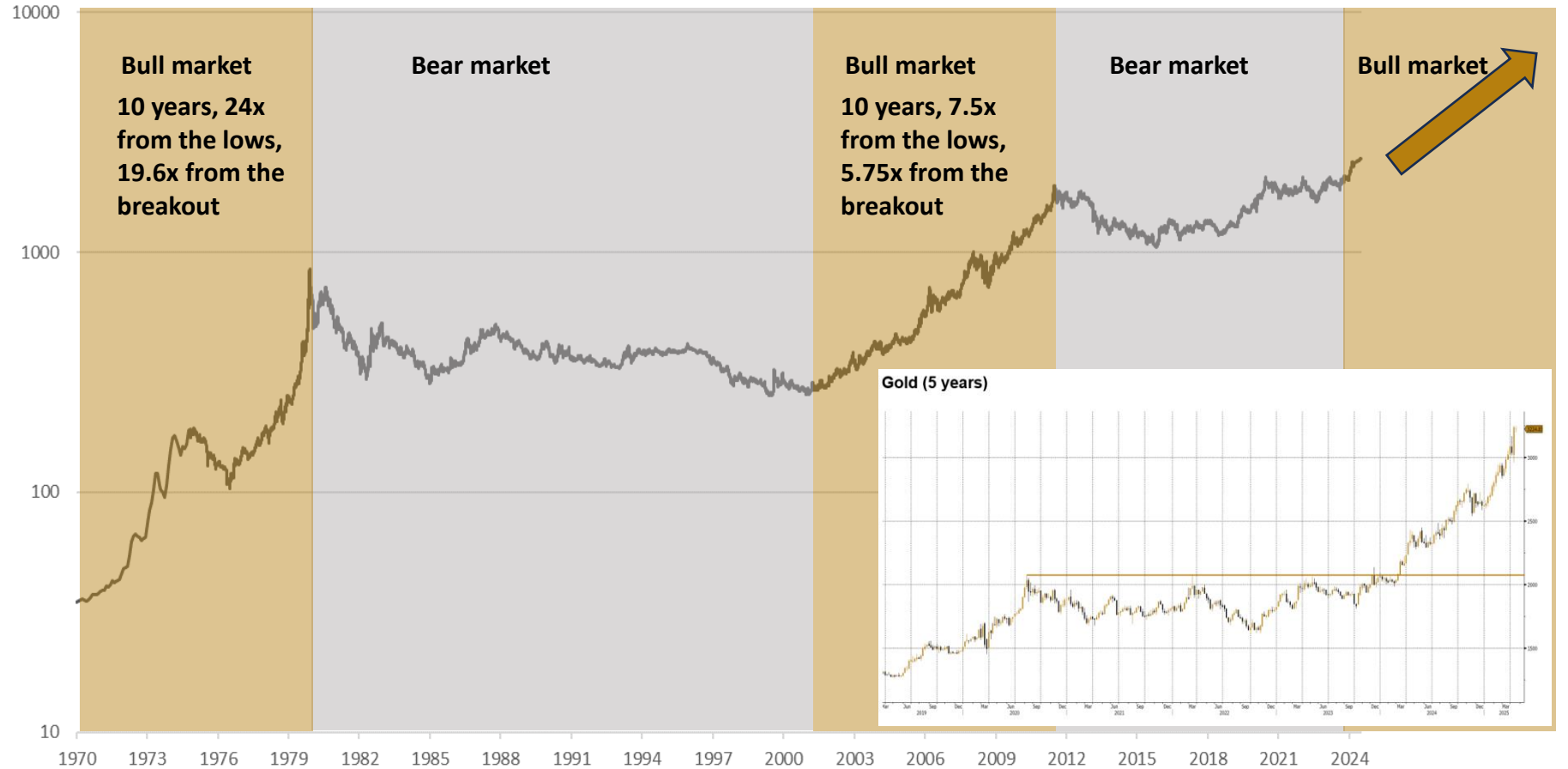
Outflows have decreased as a result of the breakout and have turned into smaller inflows in recent months. This should further accelerate the upward trend in gold

Sources: Bloomberg, Scotiabank, Konwave AG, March 31st, 2025

Gold macro outlook

End of the bear market (2011-2024) an start of a new structural bull market

Gold long-term cycles (log chart)

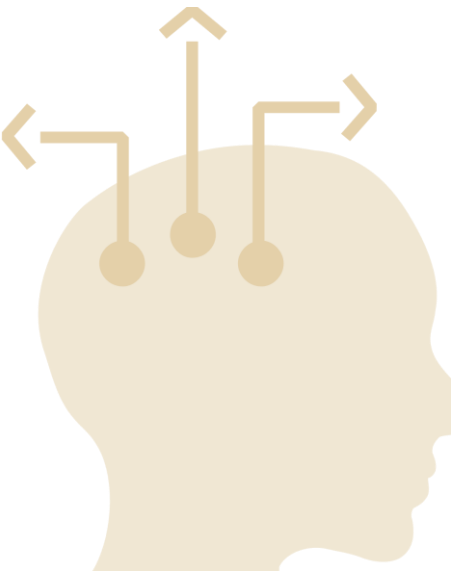


Sources: Bloomberg, Konwave AG



Gold macro outlook

New macro supercycle leads to new structural winners. Significant changes in investment styles and asset classes compared to the 2010-2020 period



- The 2010-2020 neoliberal supercycle was characterized by low and stable inflation, zero or negative interest rates, unlimited money printing and falling global taxes, which led to an "Everything Bubble" in all asset classes (except gold and commodities). The big winners were "long duration" stocks such as US technology stocks and high growth stocks, broad equity indices, cryptocurrencies and other highly speculative assets.
- Reversal of six of the seven structural inflation trends (see right)
- In addition, governments are responding with more expansive fiscal policies (particularly with regard to climate change) in view of the much lower monetary stimulus from central banks.

Structural inflation trends	2010-2020	2021-2040
Output gap	↘	↗
Wage pressure (demographics)	↘	↗
Globalization/deglobalization	↘	↗
Commodity prices	↓	↗
Geopolitical (peace/war)	→	↗
Technology	↘	↘
Global savings trend (demographics)	↘	↗

Overall, the balance of power is shifting away from investors in favor of real values and employees for the first time since 1980.

Investors should therefore focus on themes that benefit from deglobalization, the energy transition and expansive fiscal policy. Due to structurally higher and more volatile inflation, these are primarily equities with "short duration" characteristics, i.e. commodities and value stocks.

We also expect a comeback of active vs. passive management.

Gold macro outlook

Structural bull and bear market phases:
Shortest trend was 22 years! As a result of structural inflation drivers, interest rates are likely to rise for another 20 to 35 years, with strongly negative consequences for bonds and equities



More than 200 years of long term US interest rates

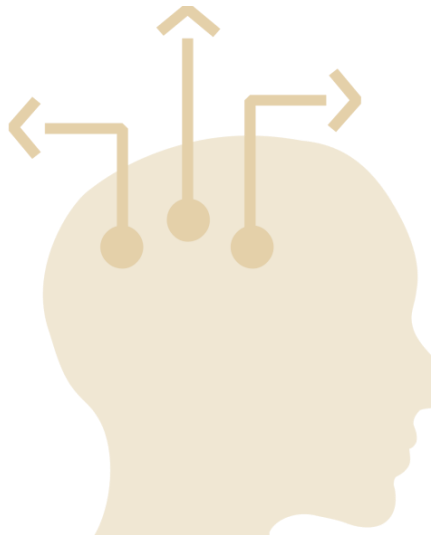


Sources: Federal Reserve Board, Global Financial Data, Goldman Sachs Global Investment Research, Bloomberg, Konwave AG

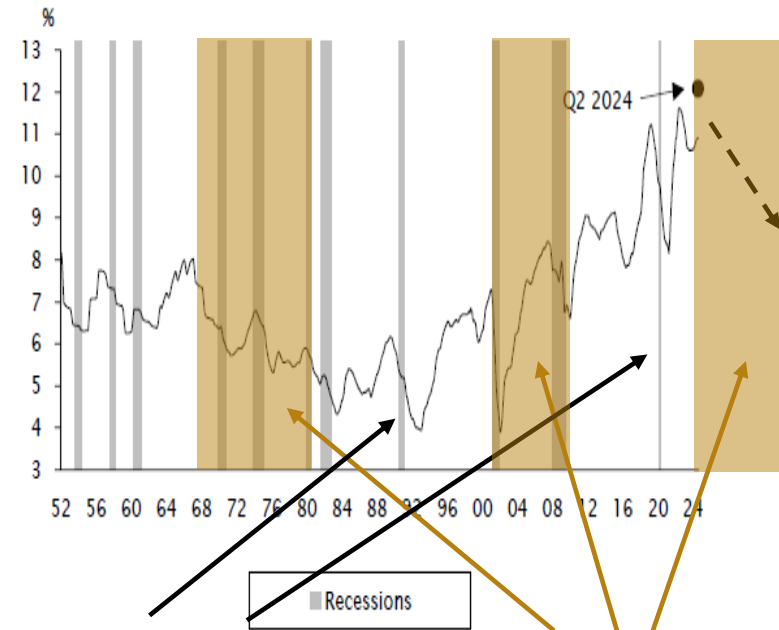
Gold macro outlook

Reversal of over 90% of the reasons for historical S&P 500 margin expansion! Therefore, don't bode well for general equities in the new macro super cycle.

General equities had a major period of margin expansion due to lower interest rates, lower taxes and globalization, while miners hardly benefited (higher taxes, no globalization benefits). The relative margin outlook is changing in favor of the miners.



The S&P 500 net profit margins ¹ / 1952 through Q2 2024

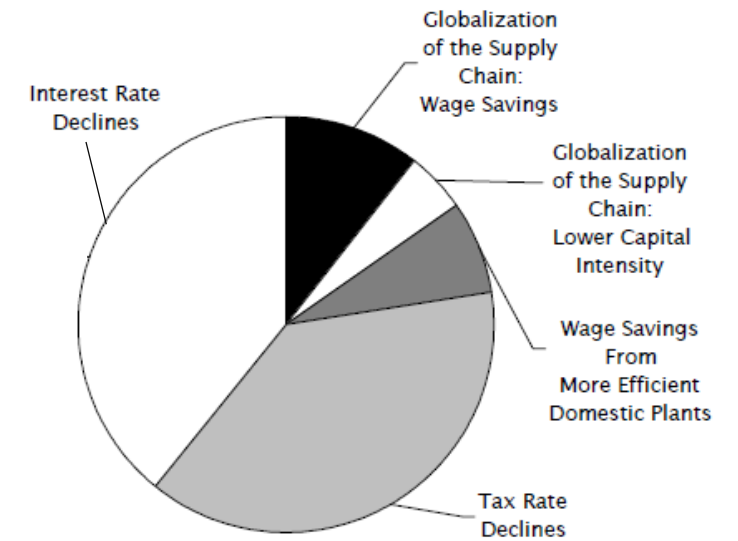


Outperformance S&P 500 (significant margin expansion)

Outperformance miners (S&P 500 margins stable or declining)

Source: Corp. Reports, NBER, Empirical Research Partners Analysis and estimates
¹ Data smoothed on a trailing three-month. Excludes financials and REITs.
 Prior to 1977 the large-cap universe is used.

The S&P 500 ¹ Margin expansion dynamics Q2, 2024 vs. 2010



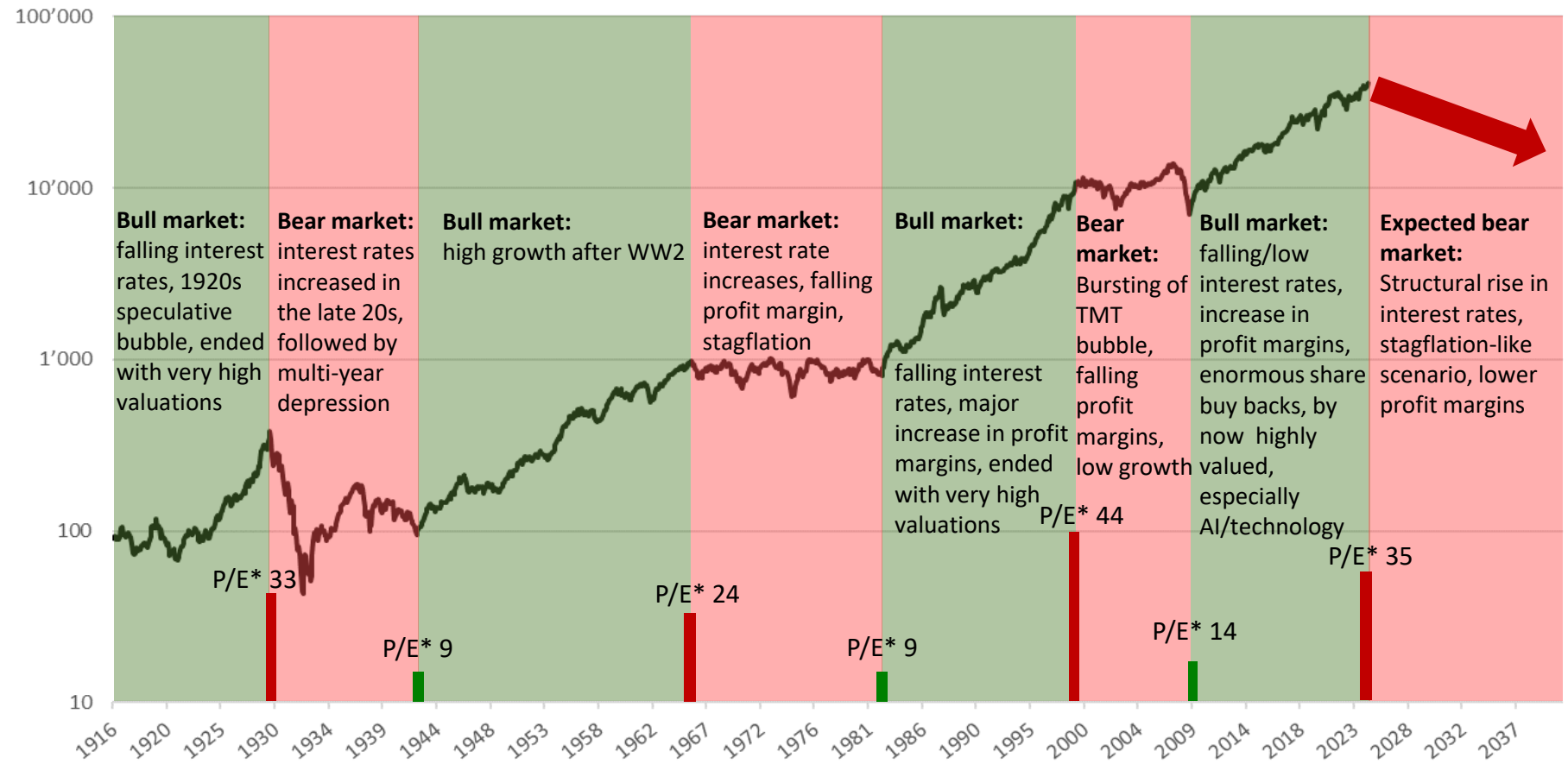
Source: U.S. Census Bureau, US Bureau of Labour Statistics, Corp. Reports, Empirical Research
¹ excludes financials and REITs

Gold macro outlook

Structural bull and bear market phases:
 Current trend is getting old (15 years) and technically extended.
 Warning signals based on high valuation, technical (weak breadth) and behavioral finance



Dow Jones Industrial Index (log-scale) incl. Shiller P/E* (S&P 500)



* 10 years Shiller P/E on S&P 500

Source: Bloomberg, Konwave AG

Gold macro outlook

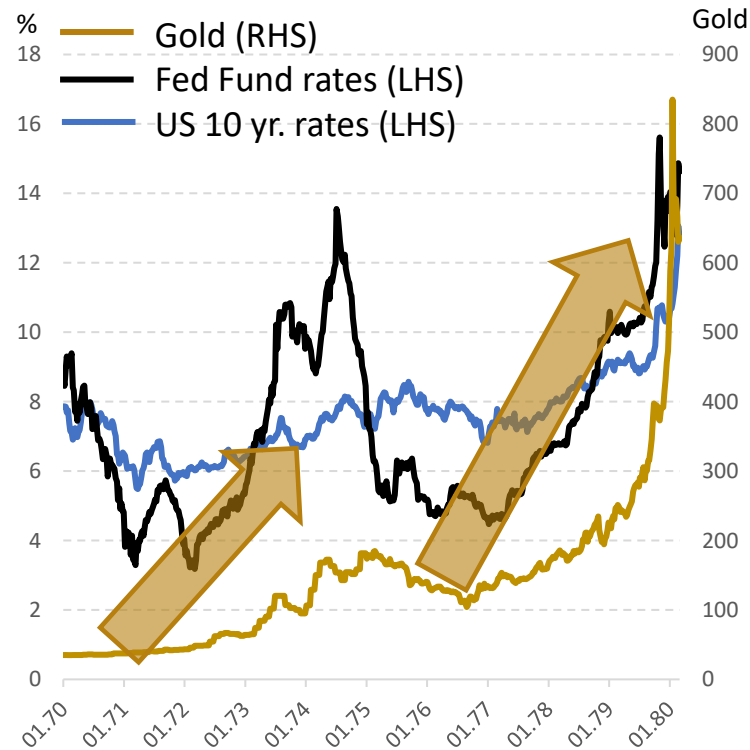
Gold and 10 year yields/FED fund rates during stagflation-like environment

Gold has outperformed equities significantly in the past during stagflation-like environments and increased significantly despite rising interest rates.

Equities however, suffered big losses during major rate increases. Inflation-adjusted, equities were the worst asset class, while gold and gold miners outperformed all other asset classes during the stagflation environment. Gold miners provided investors with huge investment returns and significant diversification benefits. Important to note given the new stagflation-like scenario still to be priced-in by the financial markets.



Gold vs. 10 year rates/FED fund rates



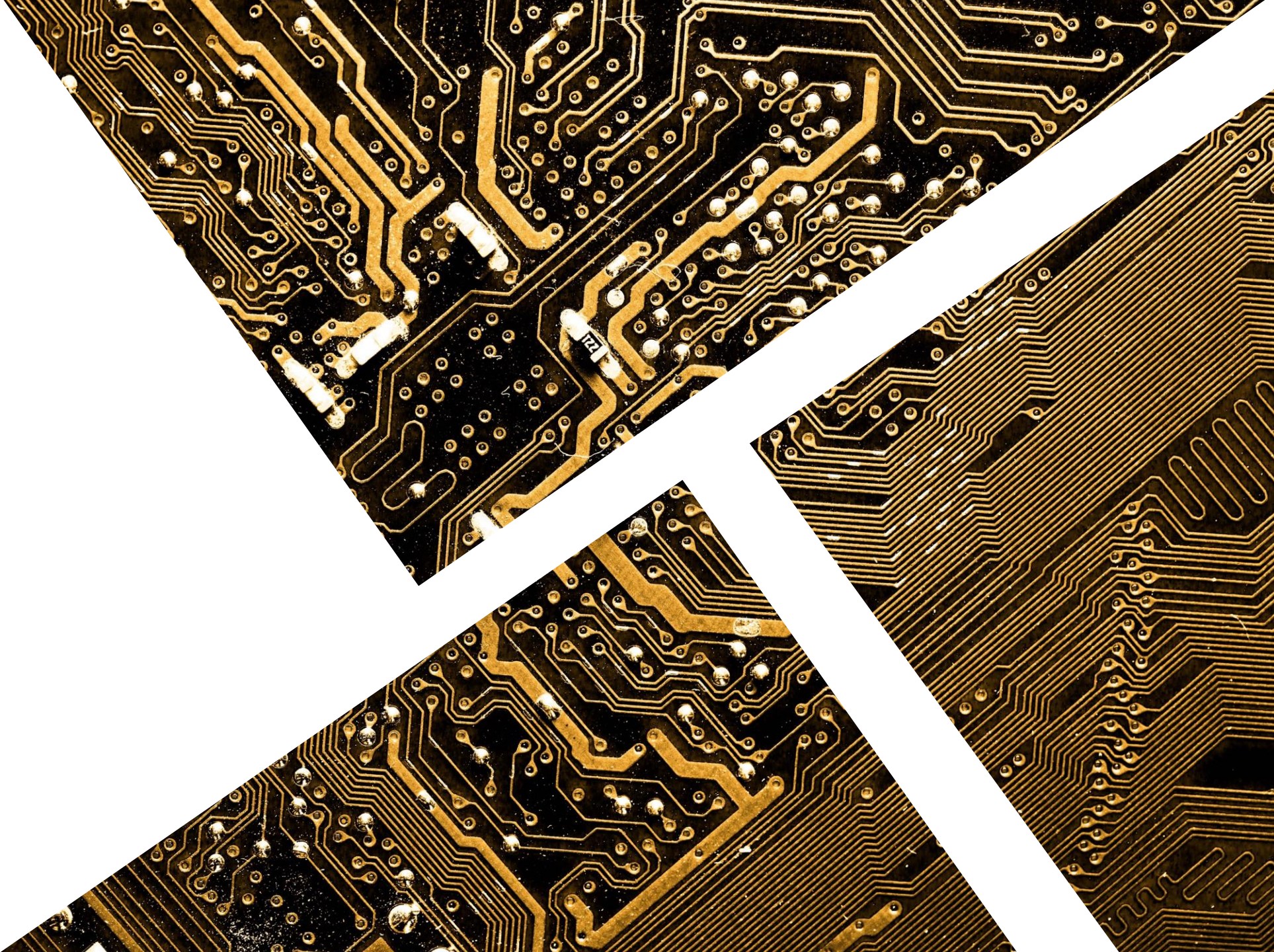
Source: Bloomberg, Konwave AG

Yield as of Q2 2021. AAAR% - annualised average (stagflation-adjusted) yield.

	Stagflation	Comment
Gold (USD / oz)	32.2%	Significant positive returns, huge diversification benefits
S&P 500 Index	-6.6%	Negative returns
EAFE equities	-11.6%	Negative returns
US Treasury & Agency Bonds	9.6%	Positive returns
US Corporate Bonds	6.1%	Positive returns
S&P GSCI Index	17.5%	Positive returns, huge diversification benefits

Source: Bloomberg, World Gold Council, Konwave AG

Why Gold Equities?



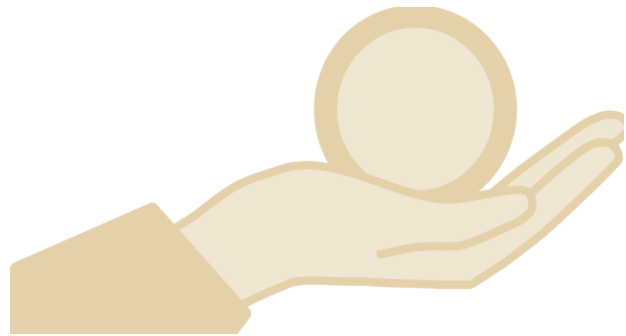
Why Gold Equities?

Valuation: gold equities

Almost all valuation ratios are close to all-time lows (35 years of data)!

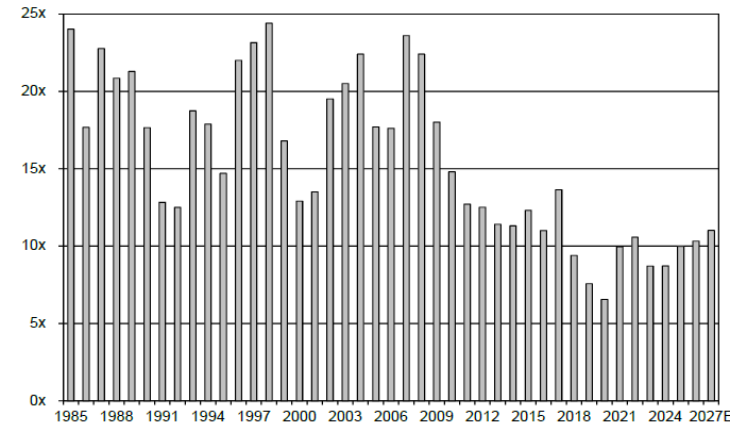
North American gold producers are pricing in a record high discount of around 20% to the gold price.

Junior gold mines are valued at USD 40/ounce on an EV/ounce basis. This valuation is comparable to the absolute lows of 2015 (gold at USD 1,050). As recently as September 2020, they were valued at USD 84/ounce (gold at USD 1,950). Accordingly, takeover activity by juniors is likely to increase significantly.



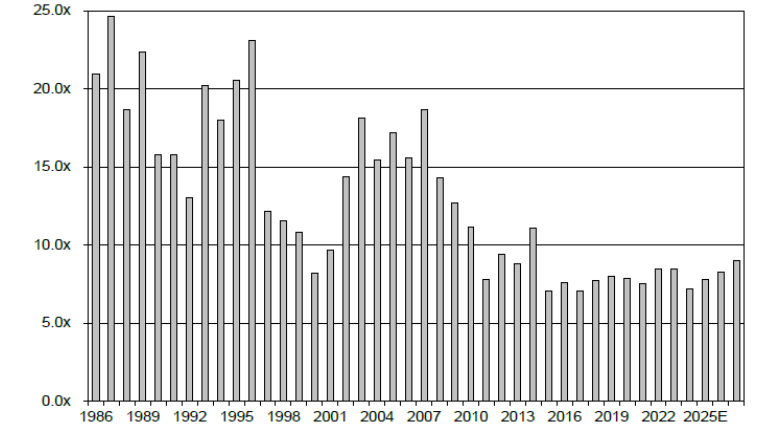
Price/Cashflow (2025e)

10.0x



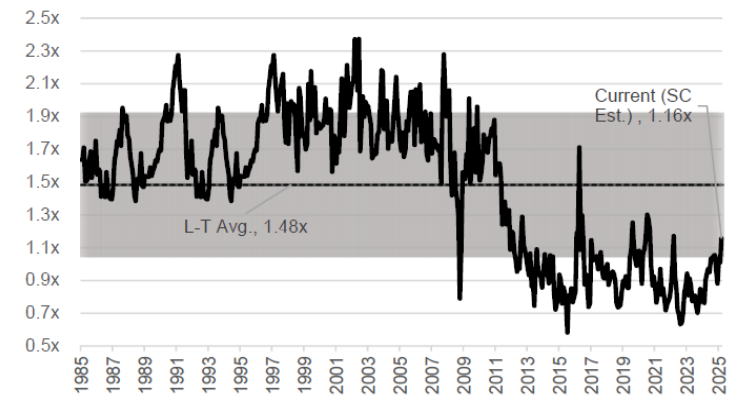
EV/EBITDA (2025e)

7.8x



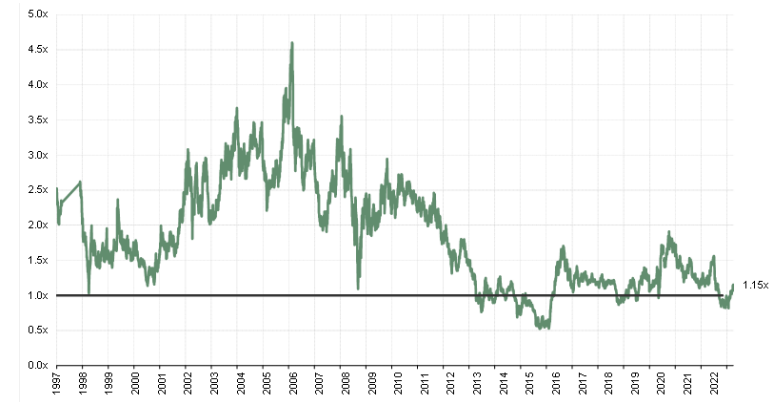
P/NAV North American Producers

1.16x



Price/Book value

1.15x



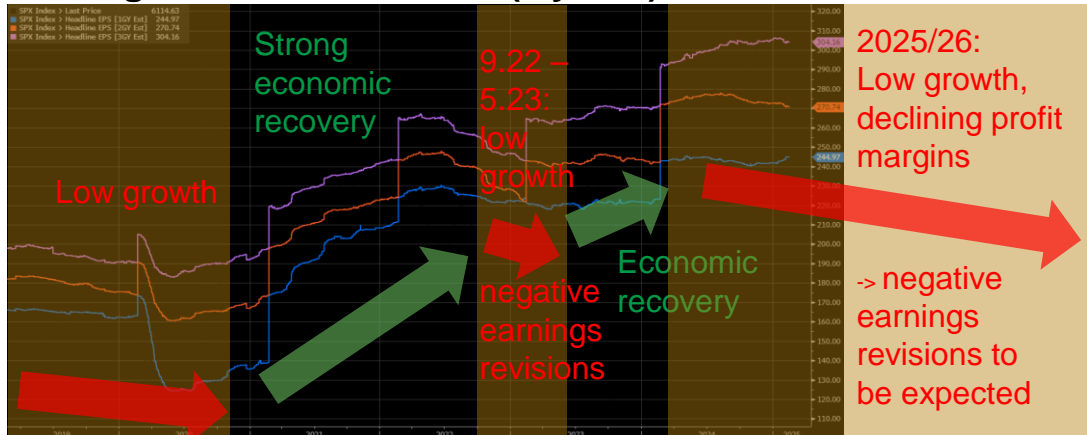
Why Gold Equities?

Very strong correlation between relative earnings revisions and relative performance

Earnings revisions gold miners (6 years)

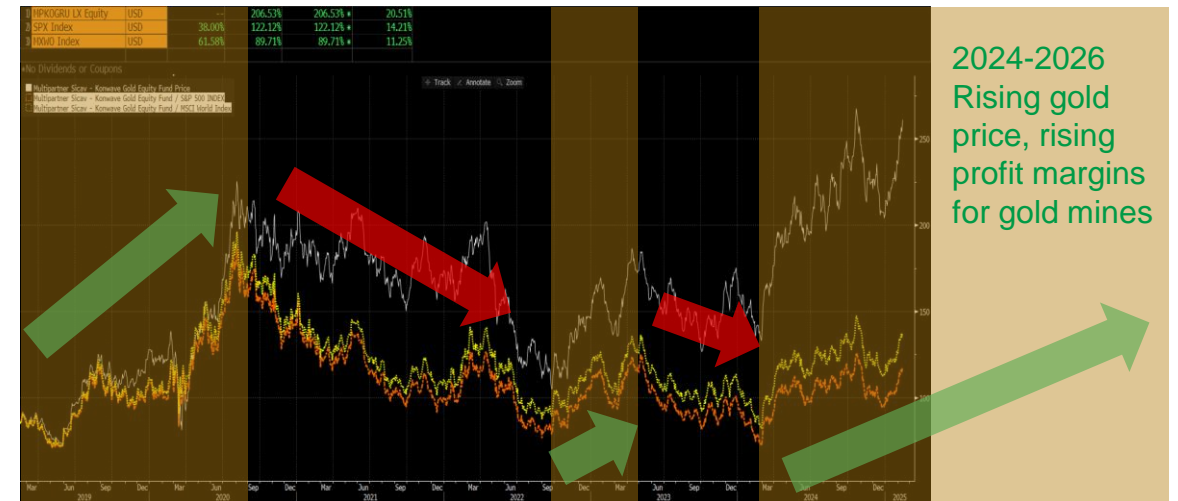


Earnings revisions S&P 500 (6 years)



Gold price	2025E	2026E	2027E
Average consensus	\$ 2'495	\$ 2'415	\$ 2'229

Relative performance Konwave Gold Equity vs. S&P 500 and MSCI World Equity Index (6 years)



Outperformance thanks to rising earnings revisions

Underperformance due to declining gold price and economic recovery

Outperformance thanks to rising earnings revisions

Underperformance due to negative gold miners revisions

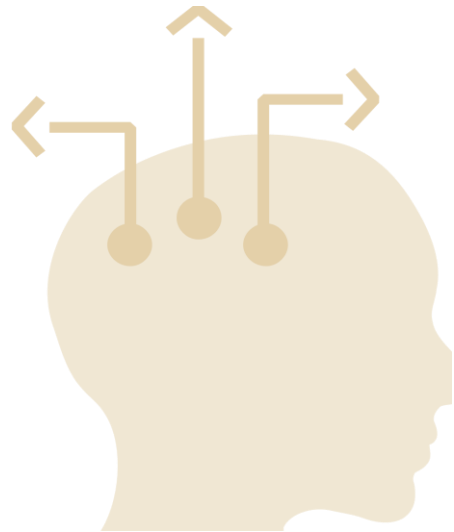
Further Outperformance of Konwave Gold Equity to be expected

Why Gold Equities?

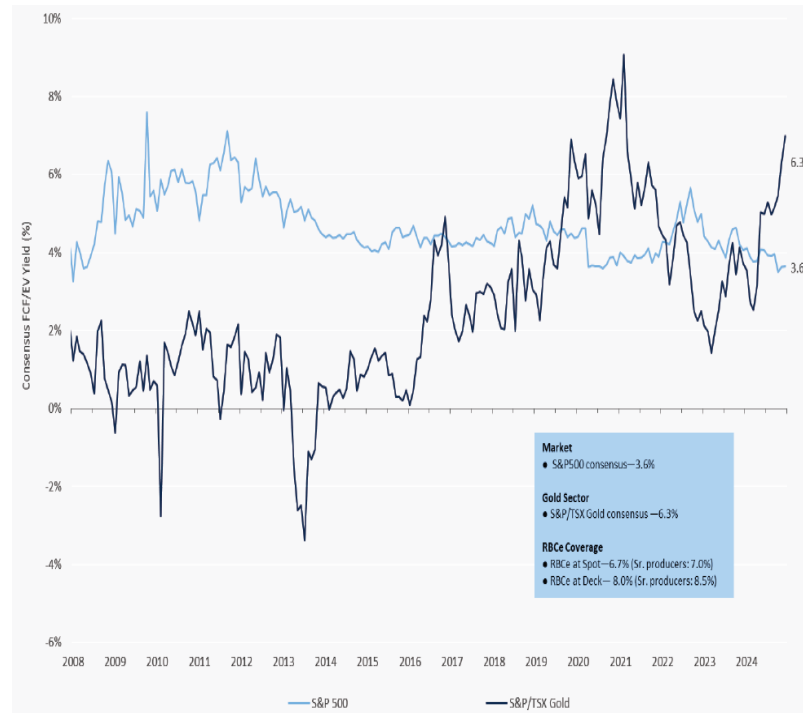
Why gold stocks should be built up now

Gold mines should be bought anti-cyclically, i.e. when capital increases are rare due to the difficult environment.

The strong price increases and relative outperformance compared to the broad equity market is heavily dependent on the development of free cash flow (FCF). In 2025, the industry will achieve almost double the FCF of 2020, while shares will still be trading well below the 2020 level.

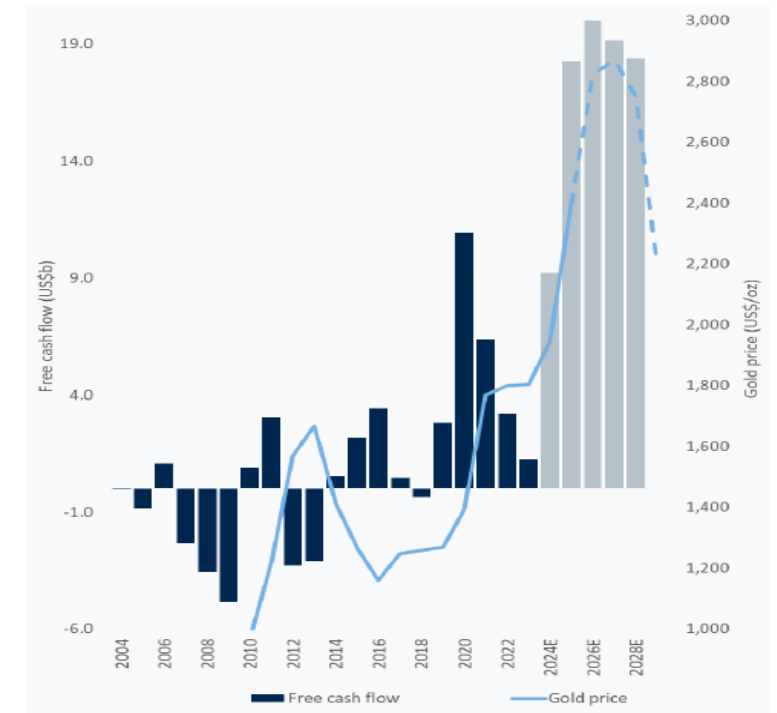


Gold mines have significantly higher FCF yields than the US equity market



Source: Bloomberg, RBC Capital Markets Schätzungen

Gold mines - free cash flows (RBC coverage)



Portfolio and performance



Portfolio and performance

Performance comparison: (all data in USD)



Multipartner SICAV - Konwave Gold Equity Fund B (USD)

GAM Luxembourg SA
Advised by Konwave AG
Best Fund over 5 Years
Equity Sector Gold&Prec Metals



Tom Rosen
Principal, Lipper Global Research
LSEG Data & Analytics

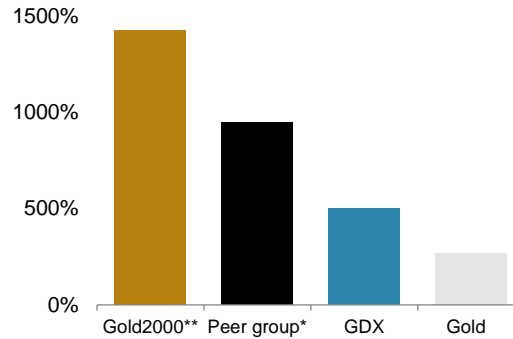
Emily Prince
Group Head of Analytics
LSEG



Konwave Gold Equity Fund

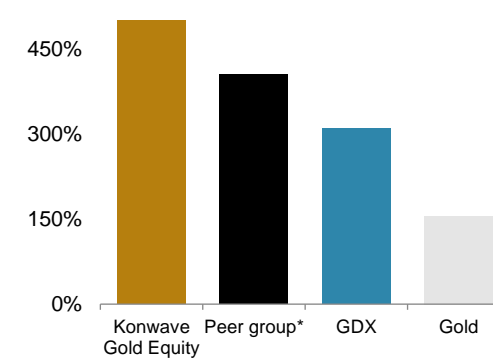
Bull markets

11/17/2000 – 02/29/2008



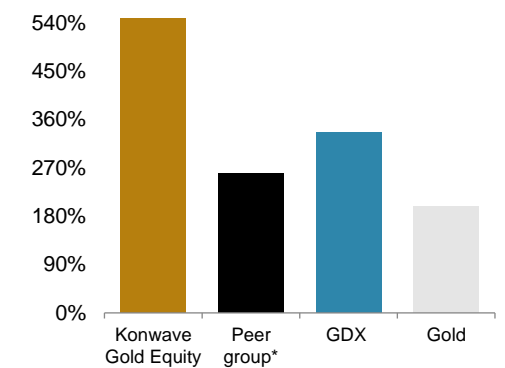
* Blackrock, Van Eck, Falcon, Sprott/Tocqueville
** Sister product as Konwave Gold Equity was not launched until 2003

10/27/2008 – 09/08/2011



* Blackrock, Van Eck, Falcon, Sprott/Tocqueville, AMG

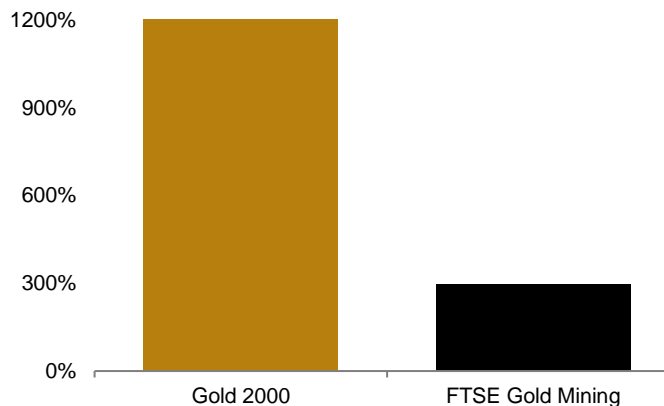
01/19/2016 – 11/04/2025



* Blackrock, Van Eck, Falcon, Sprott/Tocqueville, AMG

1153% outperformance since inception

07/29/1999 – 04/04/2025



- Significant Outperformance since inception
- Significant outperformance during gold equity bull markets (1.5 to 2.3x peers)
- Small underperformance in gold bear markets (about 1.05x)

Portfolio and performance

Konwave Gold Equity Fund vs. FTSE Gold Mines Index and GDXJ

Performance absolute (YTD, -B- share classes):

30.77% (CHF), 41.62% (USD), 32.78% (EUR)

- Positive relative contributors (2025): Newmont (very high underweight), Discovery Silver, Barrick Gold (underweight), Northern Star (underweight), Catalyst Metals, Allied Gold, Collective, G Mining, TDG Gold
- Negative relative contributors (2025): Pan American Silver, Westgold, Gold Fields (underweight), Coeur Mining, Oceanagold, Eldorado Gold, Galiano Gold
- Portfolio shifts (2025):
 - buy: Emmerson Resources, Ishares Physical Silver, Discovery Silver, various Explorer/Developer
 - sell: Regis Resources, Lundin Gold
- Takeover/Offer (2024): Shanta Gold, Osino Resources, Karora Resources, Adventus Mining, Reunion Gold, Osisko Mining, Centamin, Gatos Silver, SilverCrest, De Grey Resources, O3 Mining

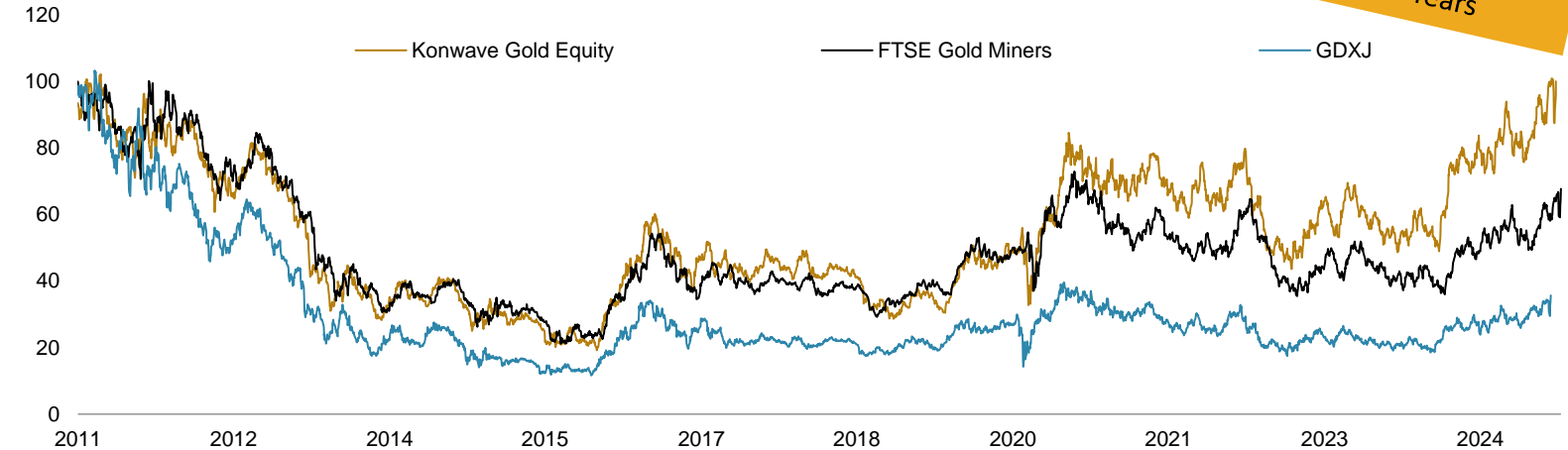
Source: Bloomberg, FTSE Gold Mines Index

Konwave Gold Equity Fund

LSEG Lipper Fund Awards 2024
Europe:
Best Fund over 5 Years

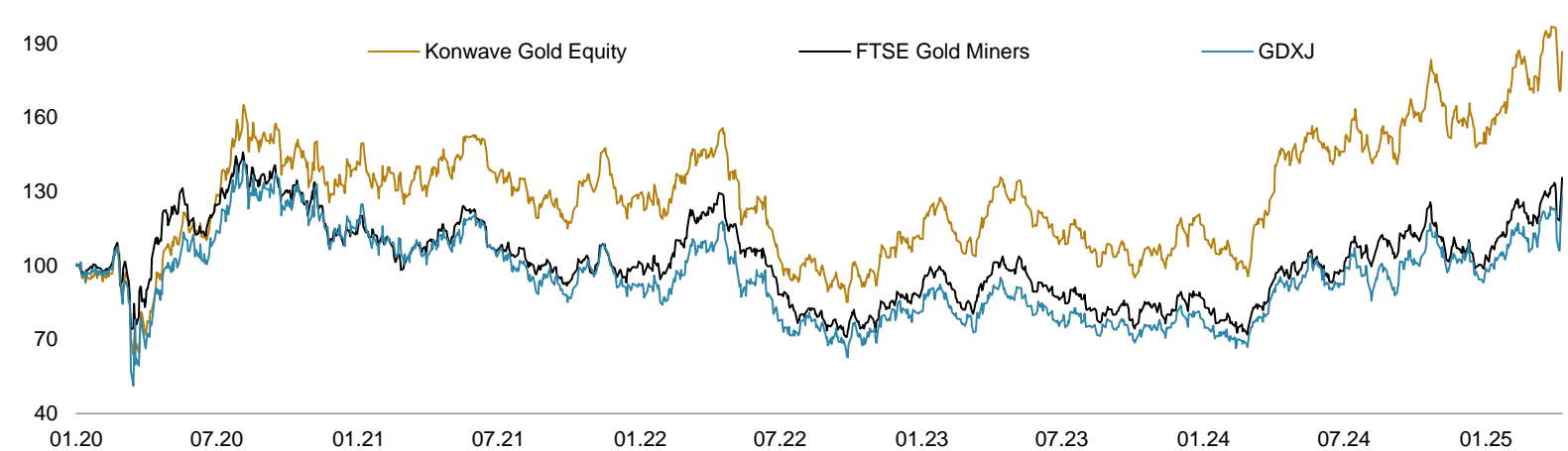
Konwave Gold Equity, FTSE & GDXJ in CHF

01/01/2011 – 04/11/2025



Konwave Gold Equity, FTSE & GDXJ in CHF

01/01/2020 – 04/11/2025



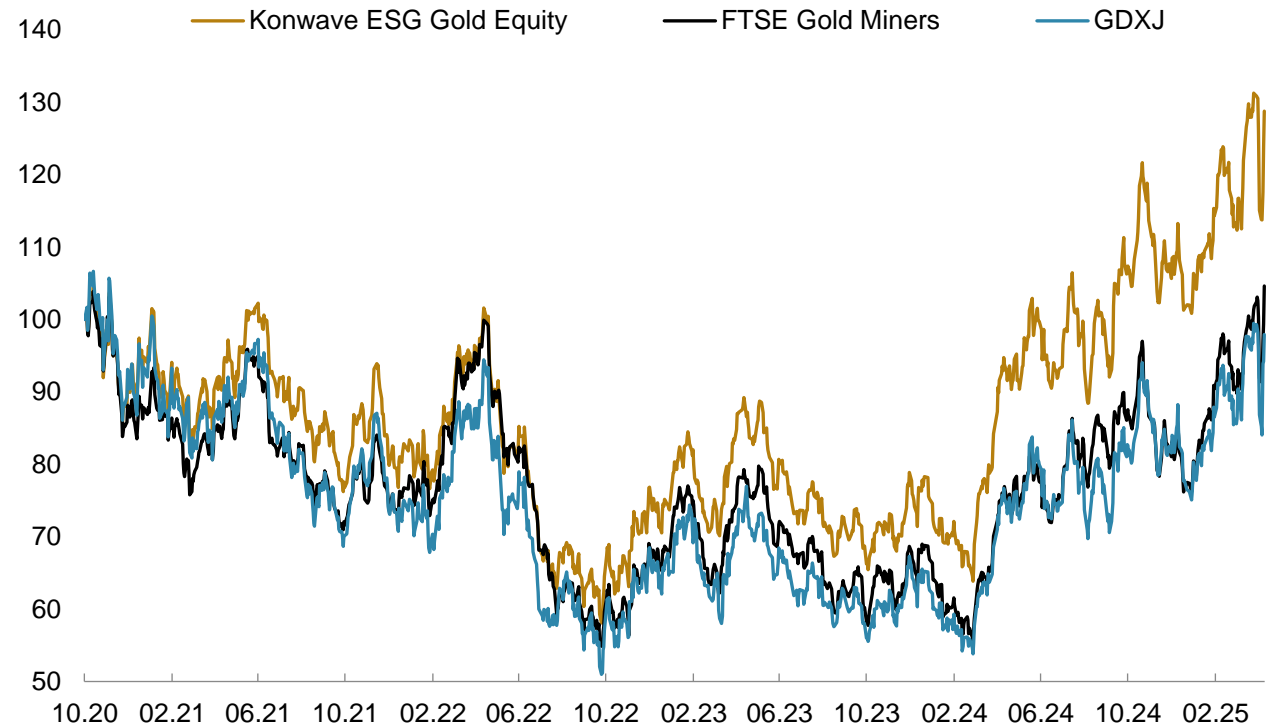
Portfolio and performance

Konwave ESG Gold Equity Fund

- Gold mining fund managed according to clear ESG aspects with a focus on sustainability and CO2 emissions. Significantly better ESG rating compared to gold mining ETFs and active gold mining funds. At least 20% lower CO2 emissions intensity than the industry average.
- Building block for sustainable portfolios with added value compared to the benchmark. Focus on quality companies in geopolitically secure countries. Well-managed companies with low production costs, good management teams and low debt. The fund is therefore much more sustainable than the benchmark, with lower volatility and better risk characteristics.
- Exclusion of companies classified as "laggards" by MSCI ESG Research (B and CCC rating).
- Companies without an MSCI ESG rating must have their mines/projects in developed countries with clear and comprehensive ESG standards (USA, Canada, Europe, Australia and New Zealand).
- No investments are made in companies that violate the guidelines of the UN Global Compact ("fail" rating).

LSEG Lipper Fund Awards 2025
Europe:
Best Fund over 3 Years

Konwave ESG Gold Equity Fund, FTSE & GDXJ in CHF
10/02/2020 – 04/11/2025



Source: Bloomberg, FTSE Gold Mines Index

Konwave Gold Equity Fund

Summary



Summary

Outlook gold and gold miners



Physical gold market

New demand situation due to increased central bank buying (driven by geopolitical tensions NATO vs. China) leads to excess demand. Gold rises since Q4, 2022 for the first time in around 20 years even without investor demand.

Macro outlook (relevant for investment demand)

Rotation in financial markets from long duration assets (due to ending temporary disinflation) to winners of stagflation-like scenario (similar to Q1, 2022) or major FED pivot – both very bullish for gold miners.

Micro outlook gold mines

Falling cost pressure, extremely low expectations for 2025 and the greatest undervaluation ever observed relative to gold, its own past and other asset classes. Significant expansion of profit margins, FCF and profits with rising gold price.

Behavioral Finance

Disinterest in gold and gold miners and high ETF outflows since April 2022, which started to turn into minor inflows. Sharply rising relative earnings revisions (see micro outlook) should lead to sharply rising investor interest and substantial outperformance.

Technical Analysis

Gold broke out of multi-year consolidation phase and started of a new structural bull market. Gold miners just broke out of a >10 year triangle formation.

Only very rarely (end of 2015, end of 2018 and since Q4, 2022) were signals as green as today for gold and gold miners! Accordingly, gold miners should exhibit substantial gains during the next few months analogous to these earlier phases and significantly outperform most other asset classes!

Summary

Why a switch from gold to gold mines is currently particularly attractive

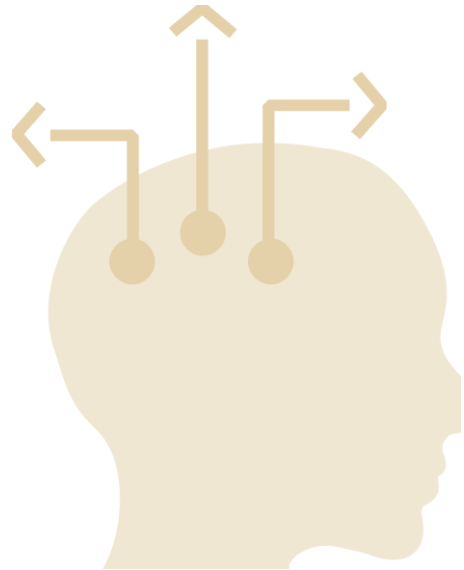
- After more than 14 years of underperformance against gold: greatest undervaluation ever observed relative to gold, its own history and other asset classes
- After years of margin/cost pressure: Falling cost pressure, steeply rising by-product credits and extremely low expectations for 2025. Significant expansion of the profit margin, FCF and earnings (will lead to significant buying by quant investors)
- Dividend yield (approx. 2.4%) vs. storage costs of gold and gold ETFs
- Significant outperformance in bull market phases (leverage of Konwave Gold vs. gold around 3 - 7 times)
- Additional investor demand for gold mines significantly higher due to extreme underweighting of Canadian/Australian generalists (high index weighting, low portfolio weighting)
- An active investment approach enables the generation of significant added value compared to passive investments in gold mines. Gold ETFs, on the other hand, consistently underperform gold due to fees and storage costs
- Gold mines can serve as protection if certain countries impose a state ban on gold ownership

While gold shares are inferior to physical gold and gold ETFs during bear market periods, there are currently many reasons to switch a part of the gold quota with gold mining shares. The use of Konwave gold funds, which have in the past generated significant added value in bull phases and over the full industry cycle, is particularly attractive.

Gold macro outlook

Summary

The Konwave main scenario as well as the current consensus scenario ("soft landing" and turnaround by the FED) point to an end of the gold price consolidation and significantly higher gold prices in the coming months.



	2025 Consensus view	Konwave view 2025/26
	Soft landing, declining inflation with major FED pivot	Soft landing, stubborn inflation
Equities	Positive returns	Negative returns
Growth equities	High returns	Very negative returns
Value equities	Positive returns	Slightly negative returns
Gold miners	Very high returns	Very high returns
Bonds	Slightly positive returns	Slightly negative returns
Real Estate	Slightly positive returns	Slightly negative returns
Gold	Positive returns	Positive returns
Commodities	Slightly positive returns	Positive returns

Gold and gold mines have in the past proven to be the best asset class in the most likely two scenarios for 2024

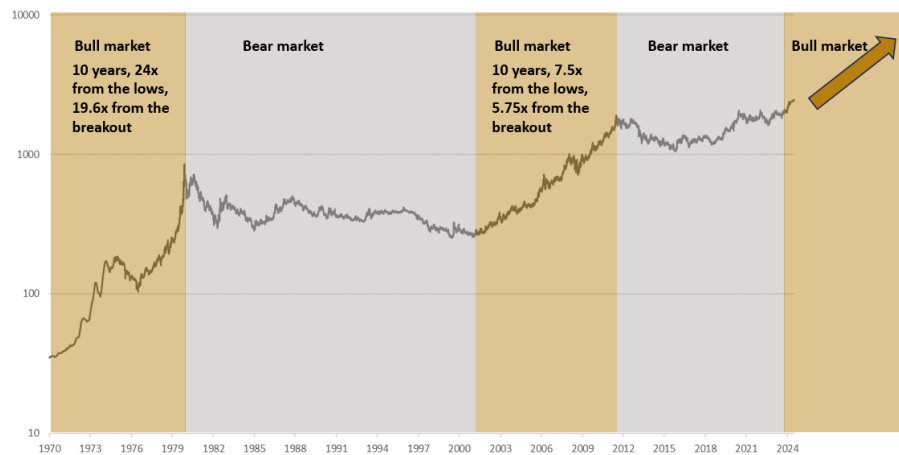
Summary

Turning point in structural trends on the financial markets

A sustained bond bear market (rise in interest rates), a likely soon starting structural bear market in equities and the start of a secular bull market in gold and commodities will make the outlook for traditional balanced portfolios very challenging.

Only gold and commodity investments offer positive returns in real terms in this environment, which makes diversification into the undervalued gold mining sector absolutely essential.

Gold long-term cycles (log chart)



More than 200 years of long term US interest rates



Dow Jones Industrial Index (log-scale) incl. Shiller P/E* (S&P 500)



Summary

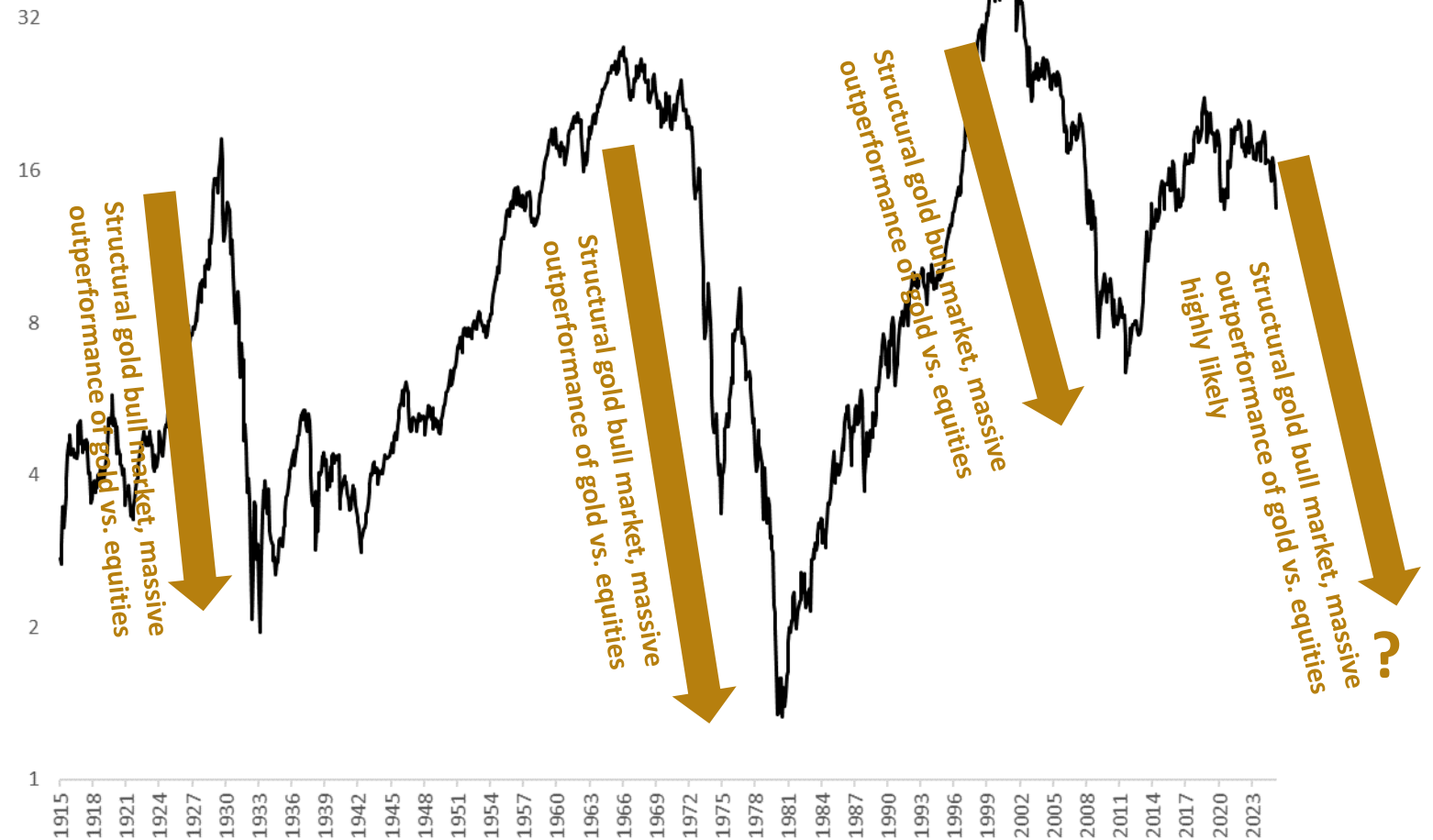
Structural trend has started to turn

The Dow Jones Industrial Index/Gold Ratio is subject to secular trends. With the recent turnaround in the ratio, gold stocks are likely to face a year-long period of substantial outperformance relative to the broad equity indices.

The rotation of investors from the currently priced-in Goldilocks positioning (long equities, growth stocks, AI, etc.) to a stagflation-like scenario (buying gold, gold miners and commodity-related instruments) should provide massive support for this bull market over the next few years.



Dow Jones Industrial Index/Gold-Ratio



Source: Bloomberg, Konwave AG, April 4th, 2025

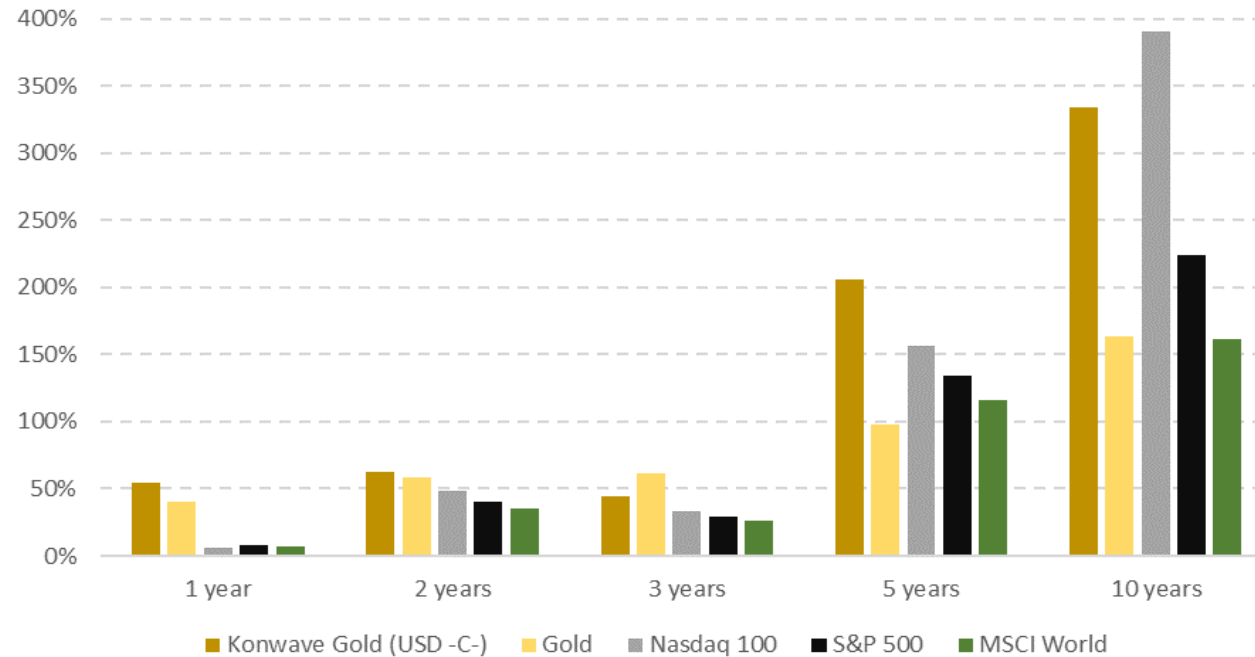
Summary

Konwave Gold Equity Funds – perception vs. reality

While many investors have had negative experiences with gold miners, this chart shows how well investors have done in the last few years with the Konwave Gold Equity Fund. The big surprise, and far away from the general perception, is that investors who had the patience to pursue a buy and hold strategy fared much better with our funds than with the most common and largely preferred asset classes!



Konwave Gold Equity vs. other asset classes (USD)



Sources: Bloomberg, Konwave AG, March 31st, 2025

Given that the structural challenges for the equity, bond and real estate market are just beginning, while gold just started a new structural bull market in March 2024, these charts will likely look even better in the coming years.

Questions & Contact



Q & A



For more information please contact Erich Meier at
meier@konwave.ch

Summary

Overview: Konwave Gold Equity Fund

Custody bank/administrator

State Street Bank Luxembourg S.C.A.

Management company

Carne Global Fund Managers (Luxembourg) S.A.

Investment manager

Konwave AG, Herisau (Switzerland)

Domicile

Luxembourg

Subscription / redemption

Tel. +41 58 426 61 39

Pricing

Daily

Structure

Open-End

Benchmark

FTSE Gold Mining Index

Swiss Valor		Ticker Bloomberg		ISIN-Number	
USD B	1666344	USD B	JULBAGE LX	USD B	LU0175576296
EUR B	2201670	EUR B	JULBAEB LX	EUR B	LU0223332320
CHF B	2204000	CHF B	JULBACB LX	CHF B	LU0223331439
USD R (no retro)	41686245	USD R (no retro)	MPKOGRU LX	USD R (no retro)	LU1819711935
EUR R (no retro)	42573849	EUR R (no retro)	MPKOGRE LX	EUR R (no retro)	LU1851968443
CHF R (no retro)	42573919	CHF R (no retro)	MPKOGRC LX	CHF R (no retro)	LU1851968526
USD C (Instit Share Class)	23022061	USD C (Instit Share Class)	GOLDEUC LX	USD C (Instit Share Class)	LU1001014080
EUR C (Instit Share Class)	32722414	EUR C (Instit Share Class)	MPKONCE LX	EUR C (Instit Share Class)	LU1425270227
CHF C (Instit Share Class)	37377692	CHF C (Instit Share Class)	MPKOGEC LX	CHF C (Instit Share Class)	LU1643692699
EUR I (Instit Share Class min 25 Mio.)	37300207	EUR I (Instit Share Class min 25 Mio.)	MPKOGIE LX	EUR I (Instit Share Class min 25 Mio.)	LU1639893954
GBP I (Instit Share Class min 25 Mio.)	133903507	GBP I (Instit Share Class min 25 Mio.)	MULKGEI LX	GBP I (Instit Share Class min 25 Mio.)	LU2790332568
GBP A (distributing)	140360224	GBP A (distributing)	MULKNGA LX	GBP A (distributing)	LU2951555312

Appendix



Konwave overview



Konwave overview

Executive summary



\$1.5 billion (USD) managed for investors. Konwave AG is a Swiss investment manager and leading provider of investment solutions in structurally attractive investment themes with focus on gold and transition metal equities.



One of the longest and most successful track records since launching in 1999 (Gold2000 Fund). Delivered by one of the most experienced portfolio management teams working closely with top geologists.



Providing significant upside potential in gold bull markets through a diversified portfolio of the most attractive opportunities across large and intermediate producers, small producers, developers and explorers.



ESG part of the investment process since 2012. Gold miners striving for long-term success have to mine eco-friendly with a social license and a strong stakeholder management. Konwave launched in 2020 the first precious metal Fund where ESG plays the key role (Konwave ESG Gold Equity Fund).



Gold miners trade at – relatively and historically – record low valuations and exhibit extraordinary attractive fundamentals. Relatively low correlation to other asset classes. A small allocation to Konwave Gold does increase the total return of a portfolio in a meaningful way during a structural gold bull market.

Konwave overview

Konwave strategies

LSEG Lipper Fund Awards 2024
Europe:
Best Fund over 5 Years



Konwave Gold Equity Fund
Launched 1 October 2003

Highly active, focus on value and GARP with a smallcap-tilt and about 20% in exploration and development companies. High beta fund, which has outperformed active and passive peer products by a factor of 1,5 to 2 times resp. 10 – 15% p.a. in structural gold bull markets.

LSEG Lipper Fund Awards 2025
Europe:
Best Fund over 3 Years



Konwave ESG Gold Equity Fund
Launched 2 October 2020

Active, blend gold/silver mining strategy. Worldwide first gold mining fund which is managed according to very stringent ESG criteria (based on MSCI ESG Research) with a focus on ESG leaders and a substantially lower carbon footprint (target min. 20% lower carbon emission intensity), while eliminating ESG laggards.



Konwave Transition Metals Fund
Launched 29 January 2021

Highly active blend metals fund, which focusses on miners (excl. gold) who benefit strongly from the energy transition megatrend. Investing in large/medium/small producers along exploration and development companies to achieve superior returns, especially during bull markets.



Konwave overview

Team

Konwave AG Portfolio management team



Erich Meier
Portfolio manager & Partner

Over 25 years of experience as a portfolio manager special focus on commodities. Manager of the best commodity equity fund (Lipper: 2006-2012).

Co-founder and manager of the Swiss gold ETF (ZKB). Managing USD 20bn AuM at ZKB in the role as head of active global equity and commodity team.



Marco Schächtle
Portfolio manager

B.Sc. University of St. Gallen (HSG), M.A. Finance HSG. 8 years of experience in asset management, focus on commodities. Master thesis about the industrial metals market.

Since 2016 with Konwave AG. Founder and manager of the ESG Gold Equity Fund and the Konwave Transition Metals Fund.



Michael Varga
Portfolio manager

BSc in Business Administration, since 2005 active in asset management. Portfolio manager of equity funds in the area of goldminers, resources and energy as well as commodity funds with Swisscanto Invest.

Since 2022 with Konwave AG, responsible for the Konwave ESG Gold Equity Fund and ESG matters.



Walter Wehrli
Founder, Advisor & Partner

Over 30 years of experience as a portfolio manager/advisor of mining funds. Founder and manager of the Gold 2000, Gold 3000 and the Konwave Gold Equity Fund. Portfolio manager of the Nestor Gold fund and LODH World Gold Expertise fund (till 2011).

Enormous network to experts and companies in the mining industry.



Andrew French
Technical Team (lead), Geologist

Employed exclusively as a Buyside Analyst at Konwave for 16 years and has over 30 years of industry experience. The cornerstone of our track record since 1999 is the successful cooperation with him and his team (mining engineers, etc.). French and his team work and live in Canada and are well connected in the mining world.



Claudio Hürlimann
Analyst

BSc in Business Administration, 4 years of experience in asset management with a focus on commodities and mining.

Since 2020 with Konwave AG, buy side analysis of the mining industry, country and geopolitical analysis and research of individual mining companies with a focus on producers.

advised by



Blue Lakes Advisors
Advisor KTMF

P. Bernasconi and A. Näser, 35 resp. 20 years experience in Investment Banking with premier Canadian banks focussed primarily on the resource sector.

Darren Morcombe
Advisor KTMF

Darren Morcombe B.Sc. Economics has over 20 years of international experience in a variety of roles in the extractive industries sector. Enormous network to experts and companies in the mining industry

Dr Marcus Tomkinson (Ph.D., FAusIMM)
Independent geological advisor

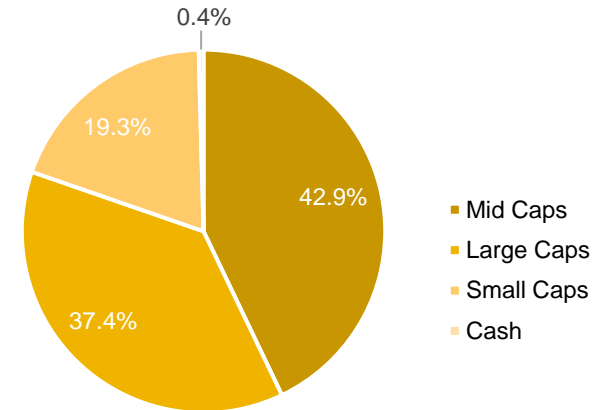
Dr Marcus Tomkinson has over 35 years of international experience in geology, minerals and exploration in a variety of roles. Expert for structural geology and advising mining companies.

Portfolio and performance

Konwave Gold Equity Fund Portfolio

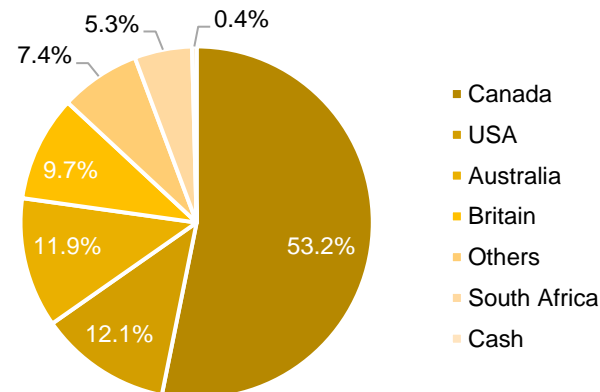
Top 10 Holdings	Country	% NAV
Pan American Silver	Canada	6.44%
Barrick	Canada	6.39%
AngloGold Ashanti	UK	5.74%
Newmont Corp.	USA	4.64%
Alamos Gold	Canada	4.47%
Ishares Physical Silver	Ireland	3.26%
Coeur Mining	USA	2.98%
Oceanagold Corp.	Canada	2.68%
Eldorado Gold	Canada	2.65%
Endeavour Mining Corp.	Canada	2.51%

Market cap. allocation* (%)

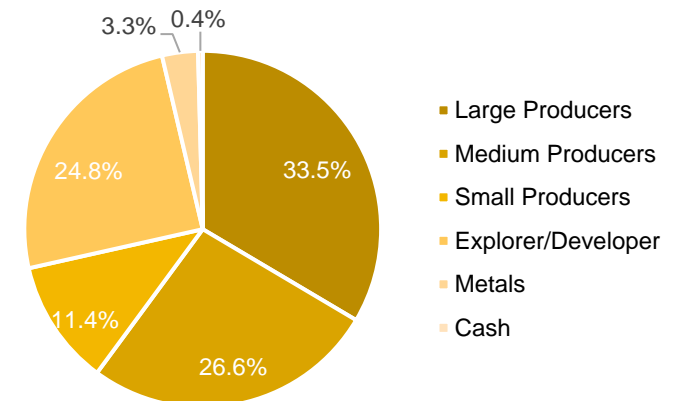


*Large Cap: USD > 5 bn. / Mid Cap: USD 0.5-5 bn. / Small Cap: USD < 0.5 bn.

Geographic allocation (%)



Segments** (%)



**Large Producer: > 1 Mio. Ounces p.a. / Medium Producer: 0.3-1 Mio. Ounces p.a. / Small Producer: < 0.3 Mio. Ounces p.a.



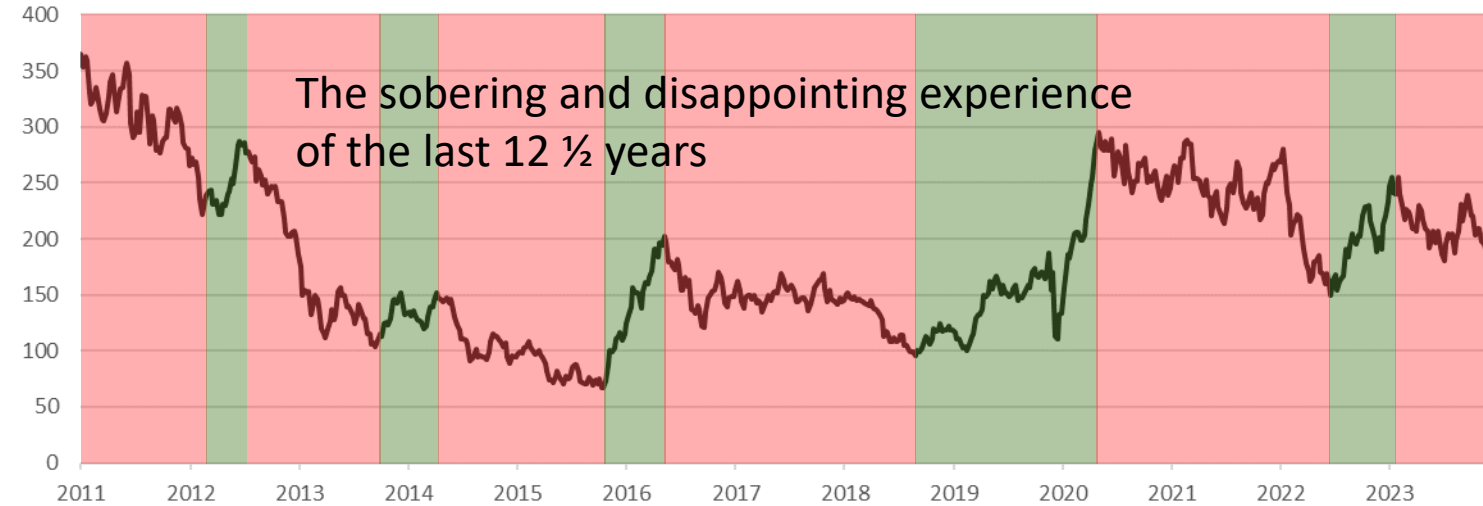
Summary

Bull markets in gold mining shares are characterized by long phases of rising prices with short setbacks. Whereas in bear markets, the phases with falling prices are long, with short spikes upwards



Konwave Gold Equity Fund

Goldminers (Konwave Gold Equity Fund in USD) during bear market (2011 until Feb. 2024)



Goldminers (Gold 2000 in USD) during bull market (2001 until Sept. 2011)



Sources: Bloomberg, Konwave AG

Summary



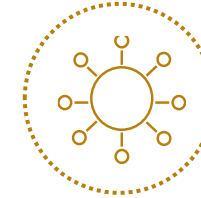
One of the longest and most successful track records since launching in 1999 (Gold 2000 Fund). Delivered by one of the most experienced portfolio management teams working closely with top geologists.



Low valuation, high operating leverage and high industry discipline will likely lead to substantial outperformance relative to physical gold.



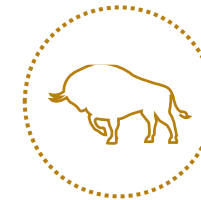
Providing significant upside potential in gold bull markets through a diversified portfolio of the most attractive opportunities across large and intermediate producers, small producers, developers and explorers.



Positive diversification effect thanks to the low correlation. Hedging for equities and credit risks.



ESG part of the investment process since 2012. Gold miners striving for long-term success have to mine eco-friendly with a social license and a strong stakeholder management.



Konwave Gold Equity Fund is the ideal, actively managed product to benefit above-average from the emerging gold bull market.



Gold equities are significantly undervalued compared to historic valuations, relative to other sectors and compared to physical gold.



Appendix

Breakout of a multi-year consolidation phase

Gold (5 years)



Sources: Bloomberg, Konwave AG, April 14th, 2025

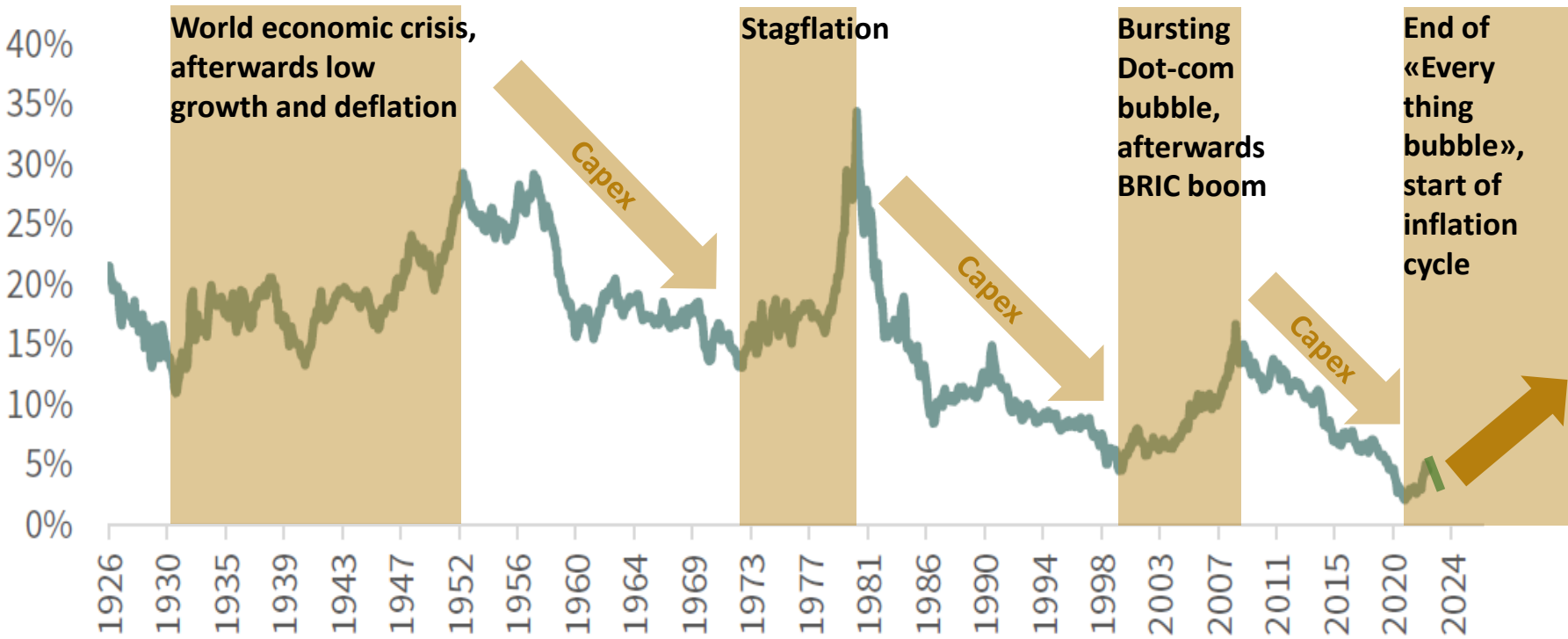


How do asset classes behave in this new environment?

Super cycles in commodities are driven by the capex cycle. Long phases of under-investment (10-15 years) and low participation rates of investors are the foundation of super cycles in the commodity sector.



Percentage weight of Energy and Metals & Mining in S&P 500



Sources: Bloomberg, Kenneth R. French CRSP & GR Models

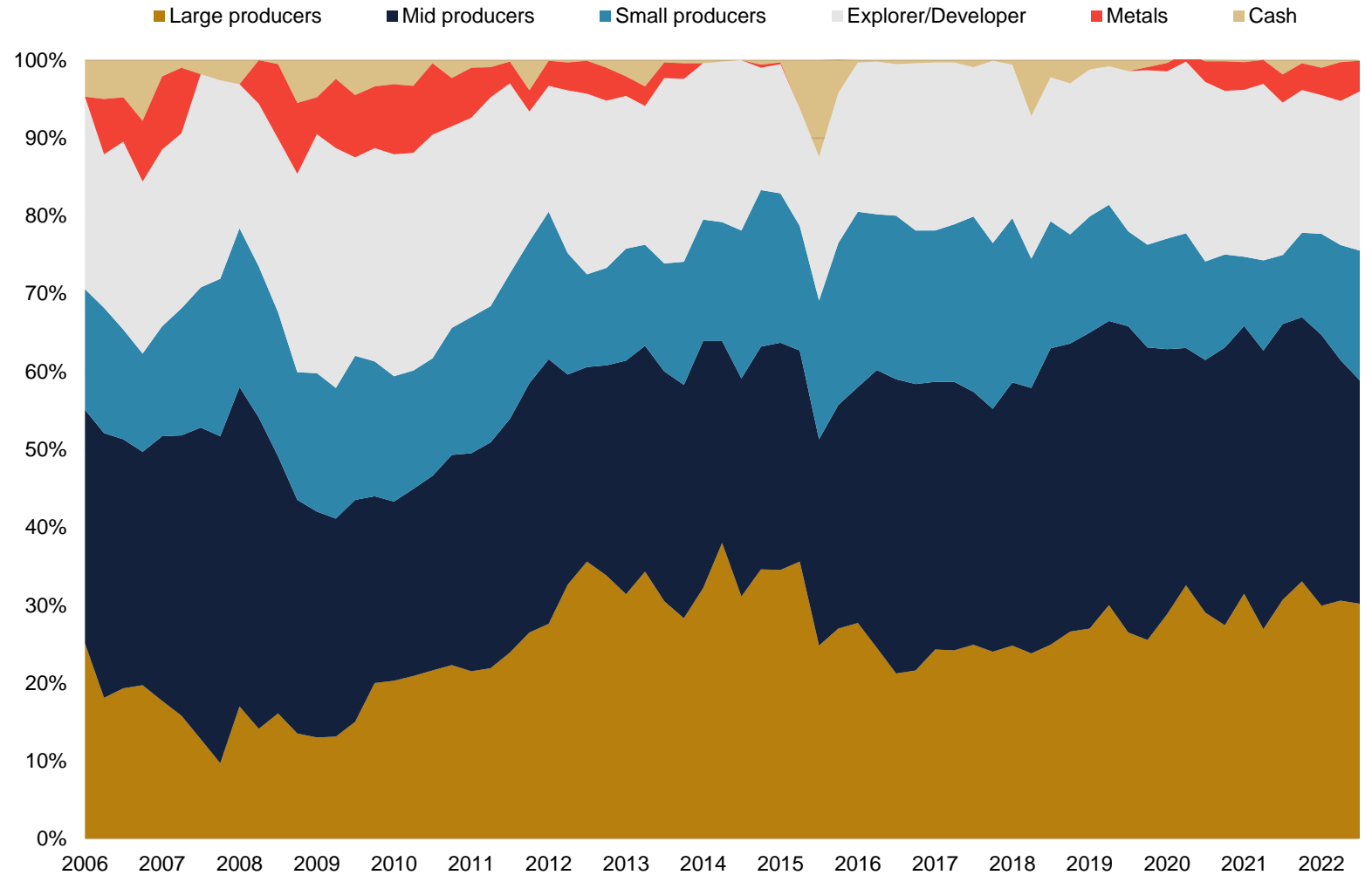
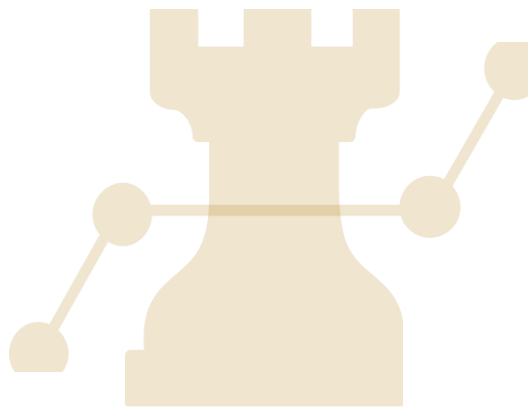
Appendix

Investment process and risk management

Konwave Gold Equity Funds: Segment structure since 2006

Large cap segment were reduced into the start of the bull markets in 2008/09 and 2015/16.

Large caps were increased during into the cycle peak and the early years of the bear market (2011-2015).

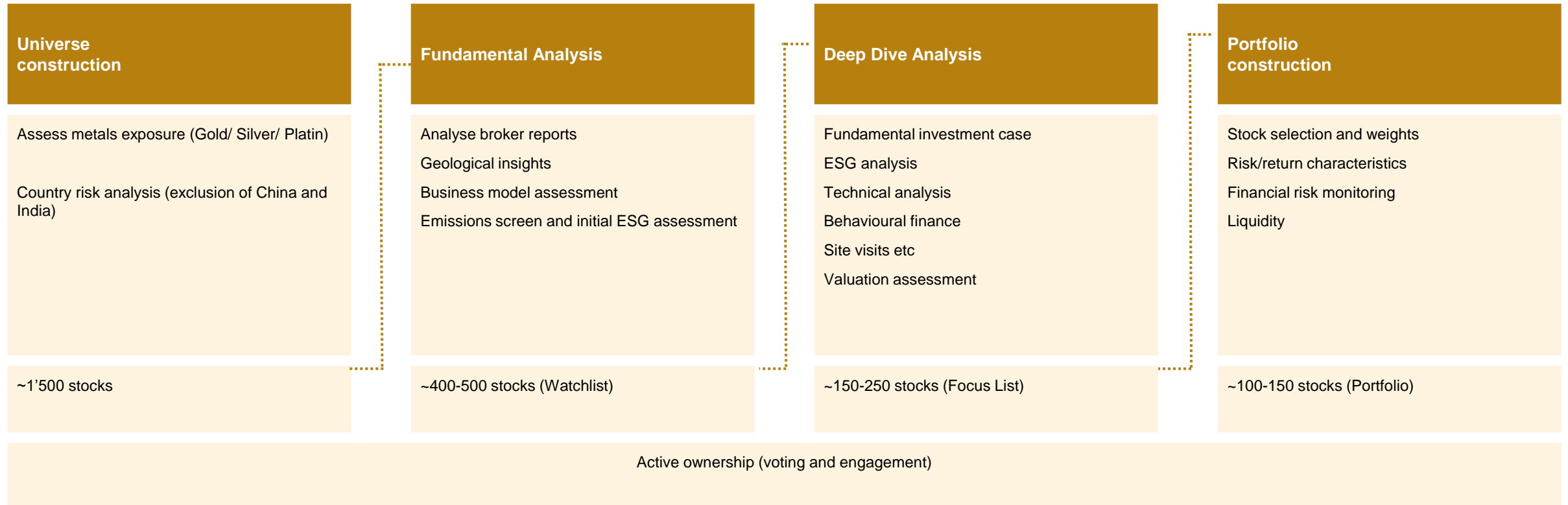


Appendix: Investment process and risk management



Investment process and risk management

Investment process - overview



Investment process and risk management

Bottom up



Fundamental analysis	Valuation analysis	Technical analysis	Behavioural analysis	ESG rating
<p>Mine visits</p> <p>Regular one-on-ones</p> <p>Analysis by geolog. partner</p> <p>Own research and broker research</p> <p>Geologist Team based in Vancouver Canada</p> <p>Sensitivity analyses (metals and currencies)</p> <p>Expected news flow (increase in resources, permits, tax changes, political risks)</p> <p>ESG self-assessment</p>	<p>P / NAV project-related discounted cash flow</p> <p>P / CF</p> <p>Assessment of country risk</p> <p>Valuation versus growth</p>	<p>Relative strength</p> <p>Trend indicators</p> <p>Momentum indicators</p>	<p>"Overowned / underowned"</p> <p>Sell-side assessment</p> <p>Potential analysis of additional buyers / sellers</p>	<p>Score MSCI ESG Research</p>

Appendix

Investment process and risk management

Bottom-up – monthly scoring process

Every company in the portfolio and on the watch list is monitored at least once a month. Stocks with an above-average score (<3) are over weighted in the portfolio, stocks with a below-average score are not held (or heavily underweighted).

Short name	Total score	Fundamental score	Weight	Valuation score	Weight	Technical score	Weight	Behavioural finance score	Weight	ESG score	Weight
AGNICO EAGLE MIN	3.2	3	40%	4	10%	3	30%	4	10%	4	10%
ALAMOS GOLD INC	2.5	2	40%	2	10%	3	30%	3	10%	3	10%
ARGONAUT GOLD IN	2.6	2.5	40%	1	10%	2.5	30%	3	10%	3	10%
ATICO MINING COR	2.2	2	40%	1.5	10%	2	30%	3	10%	3	10%
AURA MINERALS	2.6	2.5	40%	N/A	10%	2.5	30%	3	10%	3	10%
BARRICK GOLD CRP	3.7	4	40%	3.5	10%	3.5	30%	3	10%	3	10%
BUENAVENTURA-ADR	3.1	3.5	40%	3.5	10%	2.5	30%	3	10%	3	10%
B2GOLD CORP	3.0	3	40%	2.5	10%	3	30%	3	10%	3	10%
CENTERRA GOLD IN	2.6	2.5	40%	1.5	10%	2.5	30%	3	10%	3	10%
COEUR MINING INC	2.2	2	40%	4	10%	2	30%	3	10%	3	10%
SSR MINING	3.0	3	40%	1.5	10%	3	30%	3	10%	3	10%
DUNDEE PRECIOUS	2.4	2	40%	1.5	10%	2.5	30%	3	10%	3	10%
ELDORADO GOLD	2.2	2	40%	2	10%	2.5	30%	2	10%	2	10%
ENDEAVOUR MINING	2.8	2.5	40%	1.5	10%	3	30%	3	10%	3	10%
ENDEAVOUR SILVER	2.4	2	40%	5	10%	2.5	30%	3	10%	3	10%
FORTUNA SILVER	2.2	2	40%	4	10%	2	30%	3	10%	3	10%
PAN AMER SILVER	2.4	2	40%	4.5	10%	2.5	30%	3	10%	3	10%
PRETIUM	3.0	3	40%	3	10%	3	30%	3	10%	3	10%

Source: Konwave AG, January 2021

Appendix

ESG

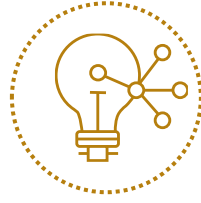
ESG has been part of the investment process since 2012 and has a prominent role besides the classical fundamental analysis in our stock selection decision. ESG is key for the long-term success of a mining company.



Konwave is **signatory of UNPRI** principal for responsible investment and ESG has been part of the investment process since 2012 .



ESG is key for the long-term success of a mining company: miners striving for long-term success have to mine eco-friendly with a social license and a strong stakeholder management.



Integration of independent MSCI ESG research into the investment process. The MSCI ESG Rating accounts for 10% of the rating. In addition, ESG issues play an important role in our fundamental assessment, that accounts for 50% of the score.



Regular discussions with management regarding ESG procedures, actions and plans during the 300+ one-on-ones. We focus on environmentally friendly mining (e.g. water management) and social aspects (occupational safety and stakeholder management).



Compared to passive products, we **invest more in "new mines"**, which tend to work "greener" than old mines .

Investment process and risk management

Top down



Macroeconomic analysis

Global situation

- Fundamental analysis of the global financial markets
- Leading indicators
- Global economic surprise indices

Technical analysis

Short-term trends

- Relative strength
- Trend indicators
- Momentum indicators
- Intermarket analysis
- Elliot Wave analysis

Behavioural finance

Market psychology

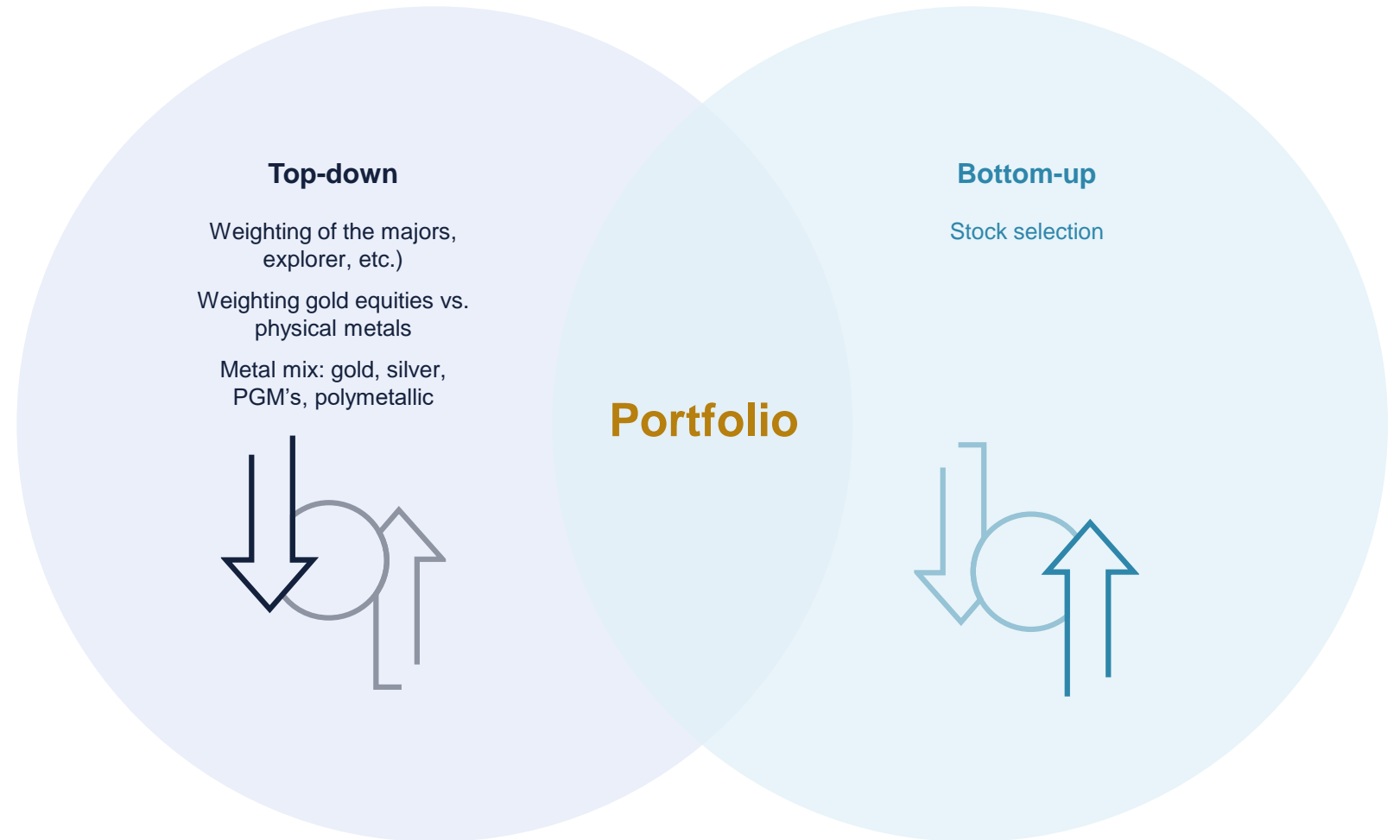
- Sentiment indicators
- Money Flow data
- Put/Call ratios
- Market surveys

Investment process and risk management

Portfolio construction: investment rules

Investment rules

- Max. 8% overweight in large/mid caps (stock level)
- Max. 3% overweight in small caps (explorer, developer, small producer)
- No short positions
- Min. 80% in liquid stocks
- Max. 10% cash
- Max. 40% in explorers
- Max. 20% in direct precious metals (ETC's, etc.)
- Indicative Tracking Error > 10%
- Number of positions: 60–150



Investment process and risk management

Risk management



Technical analysis	Position monitoring	Performance analysis	Comply with guidelines	Control of transactions	Risk analysis
<ul style="list-style-type: none">• Analysis of market indicators• Analysis of group performances• Screening of portfolio components	<ul style="list-style-type: none">• Constant reviewing of the single stock investment case• Technical analysis of all portfolio holdings	<ul style="list-style-type: none">• Daily performance measurement• Measurement of relative performance• Stock specific performance contribution (mtd)	<ul style="list-style-type: none">• Maximum position size• Explorer exposure• Physical metal exposure• Cash management	<ul style="list-style-type: none">• Pre-trade controlling• Plausibility check of transactions (4-eye principle)	<ul style="list-style-type: none">• Liquidity analysis• Country analysis (no accumulation in high risk countries)• Tracking error analysis