



SIERRA MADRE GOLD & SILVER VENTURE CAPITAL FUND



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- ❑ DISCOVERING PRECIOUS METALS IN LATIN AMERICA
- ❑ IN COUNTRIES WITH A MINING TRADITION GOING BACK HUNDREDS OF YEARS
- ❑ MEXICO, PERU – THE BIGGEST SILVER PRODUCERS
- ❑ CHILE – AN IMPORTANT COPPER PRODUCER
- ❑ BRAZIL – UNTAPPED MINING WEALTH
- ❑ COLOMBIA – BECOMING A MAJOR GOLD PRODUCER
- ❑ ARGENTINA – THE NAME SAYS IT: SILVER

SIERRA MADRE GOLD & SILVER VENTURE CAPITAL FUND



Legal Form:	A collective investment scheme organised as an investment company with a variable share capital under the laws of the Republic of Malta and licensed as a Professional Investor Fund (“PIF”) targeting Experienced Investors
Investment focus:	Listed companies active in Latin America in the exploration, mining and production of precious metals
Investment decisions:	Multi-stage analysis of precious metals
Currency of NAV:	Canadian Dollar
Fundmanager:	P. Zihlmann Investment Management AG
Custodian:	HSBC, Malta: www.hsbc.com.mt
Administrator:	HSBC Fund Administration, Malta
NAV inquiry:	www.timeless-funds.com
Auditors:	PricewaterhouseCoopers, Malta www.pwc.com/mt

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A Professional Investor Funds (PIF)

- ❑ PIFs are for all intents and purposes regular Collective Investment Schemes, but with certain defining characteristics that render them more akin to alternative investment funds and accordingly are subject to lighter regulation. THE SIERRA MADRE GOLD & SILVER VENTURE CAPITAL FUND is a PIF promoted to Experienced Investors (Investor criteria apply and a Minimum investment of Euro 10,000).
 - ❑ PIFs are not subject to any restrictions on their investment. A PIF promoted to Experienced Investors, while maintaining a sensible diversification, can focus its investments on the best potential for capital appreciation.
 - ❑ The PIF offers capital appreciation potential which is not possible with retail funds due to their imposed regulatory restrictions.
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PRECIOUS METALS



- ❑ Precious metals, contrary to paper money, cannot be propagated at will. Moreover, they distinguish themselves as durable and practically indestructible.
- ❑ Precious metals are the gauge of the quality of paper money and as such are a seismograph of the health of a financial system.
- ❑ Precious metals carry neither a creditworthiness risk nor an issuer risk.
- ❑ Precious metal have been a store of value for centuries.
- ❑ Precious metals can easily be bought and sold.

PRECIOUS METALS



- ❑ Precious metals offer a protection in times of economic turbulence with increasing government indebtedness, inflation threat and currency devaluations.
- ❑ Precious metals can serve as an addition to customary investments like bonds and equity.
- ❑ Precious metals correspond with the needs of human beings for safety and maintenance of value.

PRECIOUS METALS



PRECIOUS METALS



THE ANALYSIS OF PRECIOUS METALS



We focus on a selection of promising mining companies in Latin American countries with a focus on Mexico with reliable mining laws and a mining tradition that often goes back hundreds of years.

In this selection, we apply the following criteria:

- ❑ Mining companies in predominantly safe and stable geopolitical regions
- ❑ Companies with drilled metal reserves or resources and with highly promising exploration potential
- ❑ Experienced management with a proven track record

THE ANALYSIS OF PRECIOUS METALS



- ❑ Financial situation: Evaluation of a company, available liquidity, burn rate, cost of production per ounce etc.
- ❑ Environmentally friendly mining and production technologies
- ❑ Support and inclusion of the local population through training, jobs and investments in infrastructure

WHY PRECIOUS METAL SHARES?



Based on historical comparison, shares of precious metal companies have an extremely low valuation, based on the following ratios (status August 2010):

- Market capitalization in relation to the proven or probable in-situ reserves
- Market capitalization in relation to the annual production or the approaching production
- Share price in relation to the estimated profit (PE)
- Share price in relation to the estimated dividend payment
- Market capitalization in relation to liquid assets

WHY PRECIOUS METAL SHARES?



WHY PRECIOUS METAL SHARES?



SINCE JULY 2007:

GOLD: +75%
**JUNIOR MINING STOCKS:
UNCHANGED**

THE ADVANTAGES OF A PRECIOUS METAL FUND



Mining companies carry a special risk because the evolution of metal prices is hard to predict as they relate to the general economic activities in the world. Mineral resources are often in countries with political and economical uncertainties. A company also needs a minimal quantity of resources in order to mine them profitably.

Consequently, the advantages are the following:

Reduction of risk through a well-directed diversification in:

- ❑ Mining companies of different Latin American countries and
- ❑ Different levels of development: exploration, completed feasibility studies, production

PROFILE OF AN INVESTOR



The Sierra Madre Gold & Silver Venture Capital Fund is suited for investors with a time horizon of two to five years and who want to benefit from the expected above-average increase in value of the companies we select.

The objective of the Fund is an increase in value of at least 200% over a period of three to five years. There can be no guarantee of the performance of the Fund.

Investors need to have the ability to put up with price fluctuations.

STRUCTURE OF THE INVESTMENTS



The Sierra Madre Gold & Silver Venture Capital Fund chooses a balanced division between the different levels of development of a mining company:

- 60% mining companies which are in production or plan the production to start within two years based on a completed feasibility study
- 30% exploration companies with reserves and/or promising drill results
- 10% exploration companies at an early stage or with enough liquidity to start a promising drill program



PETER ZIHLAMNN

- In 1994, he founded his own asset management company to offer clients personalized and innovative investment advice.
- Since 2000, he has researched the precious metal markets and companies and has earned the reputation as a competent expert.
- Furthermore, he manages two precious metal funds with a focus on junior companies as well as an energy fund.
- He publishes recommendation on promising junior companies on a regular basis.

www.pzim.ch oder www.timeless-funds.com

PETER ZIHLMANN



- Member of the Swiss Association of Asset Managers SAAM (www.vsv-asg.ch)

P. ZIHLMANN INVESTMENT MANAGEMENT AG was founded in 1994 with a share capital of CHF 1 Mio. as asset manager for private and institutional clients.

- Peter Zihlmann has more than 35 years experience in asset management through his professional activities with Swiss Volksbank (now Crédit Suisse) and Wirtschafts- und Privatbank AG in Zurich (now RBS Coutts Bank AG).
- He was in charge of the Portfolio Management Department of Commerzbank (Schweiz) AG Zurich (now Bank Vontobel AG) during six years before becoming the Director of the Zurich branch of Banque Scandinave en Suisse S.A., Zurich (now EFG Intl. Group, Zürich).

TECHNICAL INFORMATION



Security number:	2795371
ISIN:	MT0000073974
Classification:	SICAV under the laws of Malta
Duration:	unlimited
Currency of NAV:	Canadian Dollar (CAD)
Minimum:	CAD 30,000.-
Calculation of NAV:	Monday, based on last-known prices
Closing date:	on the day before the calculation of the NAV not later than 16.00h (CET)
Distribution:	none, accumulating
Prospectus:	http://www.timeless-funds.com/sites/default/files/TSMF-Prospectus.pdf

FEES



Issue commission:	max. 6.5%, min. 1%
Liquidation commission:	none
Management fee:	2%
Performance fee:	18%
High Watermark:	Yes
Administration fee:	0.35% p.a. year

HOW TO INVEST?



- Go to:
<http://www.timeless-funds.com/en/sierra-madre-how-invest>

 - For any questions you may have, write to:
invest@pzim.ch
or
christine.melian@pzim.ch
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THE PERFORMANCE

