

Timeless Precious Metal: Investment Philosophy

THE TIMELESS PRECIOUS METAL FUND invests in listed mining companies of medium or small market capitalization, which have to fulfill the following criteria:

- Companies that are in production on the one hand, and have a high potential of adding new reserves and resources.
- Companies that are set to go into production and that have, at the same time, considerable exploration prospects.
- Companies that concentrate their exploration for precious metals in resource rich regions that have a positive track record.
- In addition we consider the experience and integrity of the mining company's management as another important investment criterion.
- Emphasis on operations in mining friendly countries and jurisdictions.

Performance in %

% CHANGE	PRICE AUGUST 29	1 MONTH	12 MONTHS
THE TIMELESS PRECIOUS METAL FUND (EUR)	11.66	10.42%	-32.91%
THE TIMELESS PRECIOUS METAL FUND (USD)	15.08	13.98%	-41.43%
GOLD	1753.3	5.20%	22.86%
SILVER	33.99	10.61%	-9.84%
GOLD & SILVER INDEX - PHILADELPHIA (XAU)	185.92	13.03%	-13.59%
AMEX GOLD BUGS INDEX (HUI)	501.19	12.69%	-11.81%
GOLD MINERS INDEX - AMEX (GDM)	1439.07	12.42%	-13.05%

Manager Report

This September the NAV of THE TIMELESS PRECIOUS METAL FUND gained 10.4% in EUR, or 14% in USD. The price of gold and silver closed 5.2%, respectively 10.6% higher. Gold and silver indices representing major companies increased about 12.7% on average over the reporting month. September looks as if it could have been a turning point for precious metals mining stocks. Miners were able to profit from new investors into the sector and thus outperforming the bullion prices. The Federal Reserve had announced a further round of quantitative easing mid-September. This QE3 will pump another \$40bn per month into the market. The Gold price reacted accordingly positive. We expect the Fed to continue printing more money and believe this to be very bullish for gold. In the wake of higher gold prices the mining stocks should outperform both global equity markets as well as gold bullion. THE TIMELESS PRECIOUS METAL FUND with its focus on junior mining companies with above-average growth potential should provide superior investment return.

The underperformance of gold and silver shares in relation to metal prices since 2007 is substantial. The breakdown of gold equities versus gold bullion since then is unprecedented. The equity / gold ratio has never over the past 30 years been so low. Valuations of the junior gold and silver mines in regards to their resources and future production are – based on current precious metals prices – on a historical low level. Senior mining companies are increasingly looking at takeovers at these bargain prices. THE TIMELESS PRECIOUS METAL FUND is invested in companies with promising projects in mining friendly countries, including some interesting merger candidates. We are convinced that M&A activities will increase over the next couple of months.

Historically seen, over the long-term, gold shares outperform the gold price roughly three times as between 2001 and 2007. This, however, has not been the case since then. Looking over the next years, we believe the smaller gold miners are especially poised to outperform.

Hedging

We currently have no currency hedges in place. We expect the Canadian Dollar to remain stable or stronger against the currencies of troubled countries in the Euro zone or the USA.

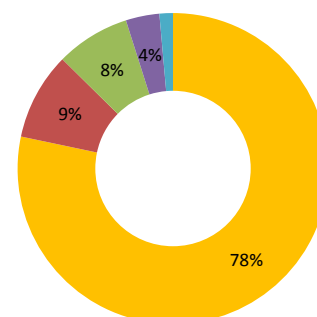
Top Five Gold Holdings

CENTRAL ASIAN MINERALS AND RESOURCES	7.7%
ROMIOS GOLD RESOURCES	5.3%
GOLD RESOURCE	4.3%
RIO ALTO MINING	4.2%
PARAMOUNT GOLD & SILVER	4.0%

Top Five Silver Holdings

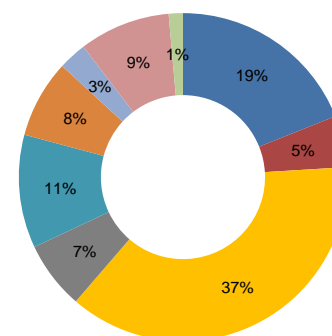
SILVERCREST MINES	7.2%
TAHOE RESOURCES	4.6%
FIRST MAJESTIC SILVER	4.5%
OROCO RESOURCE	3.9%
AURCANA	3.6%

Country Weightings by Incorporation



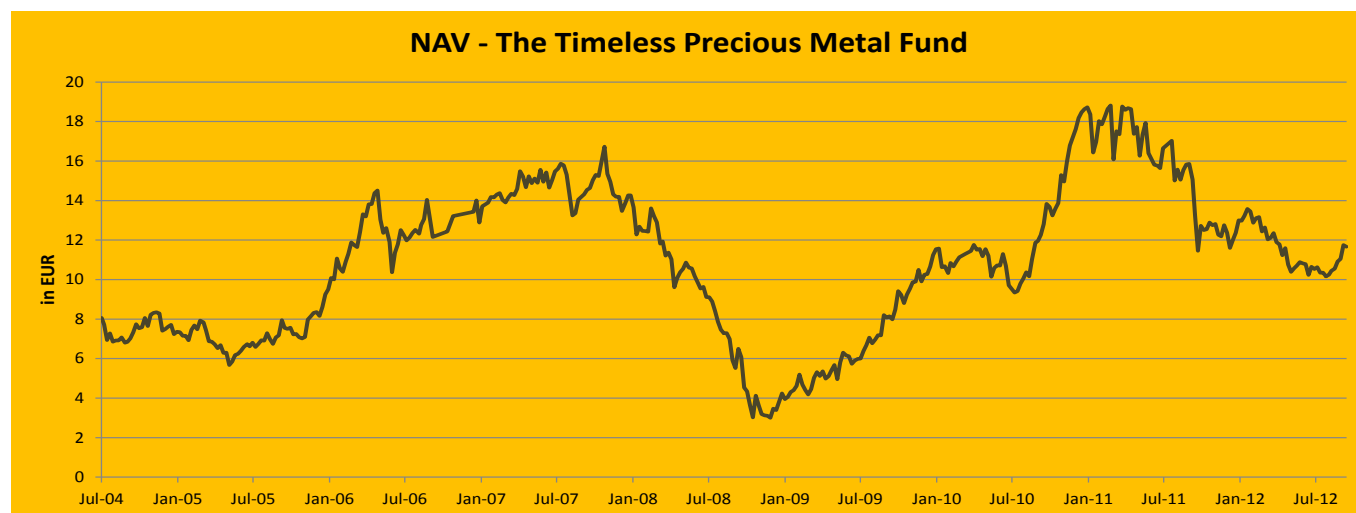
■ Canada ■ USA ■ UK ■ Australia ■ Cash

Country Weightings by Operations



■ Canada ■ Guatemala ■ Mexico
■ Peru ■ USA ■ Tajikistan
■ Turkey ■ Other ■ Cash

Fund Share Price Development (in EUR)



Calendar Year Returns (%)

	2006	2007	2008	2009	2010	2011	YTD
THE TIMELESS PRECIOUS METAL FUND (EUR)	55.98	3.28	-75.56	214.45	73.26	-35.03	-2.83
THE TIMELESS PRECIOUS METAL FUND (USD)	72.98	15.16	-76.67	222.78	59.37	-34.21	-3.83
GOLD & SILVER INDEX - PHILADELPHIA	11.11	21.84	-28.54	35.85	34.67	-21.59	5.43
AMEX GOLD BUGS INDEX	22.15	21.03	-26.13	42.16	33.36	-14.78	3.15

Fund Facts

ISIN :	MT0000072612	Bloomberg Code	TLPREME MV
Swiss Security N° / WKN:	1921952 / A0B8N9	Minimum Subscription:	EUR 10'000
Investment Manager:	P. ZIHLMANN INVESTMENT MANAGEMENT AG, Zurich, Switzerland	Subscription and Redemption:	weekly (Tuesday 4 pm CET)
Currency:	€ (Euro)	Issue commission:	max. 6.5%, min 1% (degressive based on subscription amount)
Domicile:	MALTA (EU)	Administrations Fee:	0.35% p.a.
License:	July 16, 2004	Management Fee:	2% p.a.
Size (September 26, 2012)	12.2 Million €	Performance Fee:	18% p.a. ('high-watermark')
Custodian Bank:	Bank of Valletta, Malta	Legal Advisors:	David Griscti & Associates, Valletta, Malta
Administration Company:	Valletta Fund Services, Malta	Regulatory Authority	Malta Financial Services Authority (MFSA)
Auditors:	PriceWaterhouseCoopers, Malta	Web: www.timeless-funds.com	E-mail: info@timeless-funds.com

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