

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 OCT 2	1 MONTH	12 MONTHS
THE TIMELESS PRECIOUS METAL FUND (EUR)	5.42	-8.91%	-53.36%
THE TIMELESS PRECIOUS METAL FUND (USD)	7.34	-6.38%	-51.33%
GOLD	1287.5	-7.48%	-26.63%
SILVER	21.165	-9.76%	-37.60%
GOLD & SILVER INDEX - PHILADELPHIA (XAU)	91.36	-12.73%	-50.86%
AMEX GOLD BUGS INDEX (HUI)	224.26	-12.32%	-55.25%
MV JUNIOR GOLD MINERS TR INDEX	905.82	-17.82%	-57.18%

Manager Report

This September the NAV of THE TIMELESS PRECIOUS METAL FUND decreased by 8.9% in EUR or 6.4% in USD. The price of gold lost 7.5%, while silver had a more massive correction of -9.8%. Gold and silver indices representing major mining companies suffered an average loss of 12.5% over the reporting month.

During the month of September investor's sentiment was mainly driven by uncertainty. The precious metals in particular suffered from nervous price swings. The Federal Reserve surprised everyone by announcing it would continue purchasing \$85 billion worth of bonds and stating that it would wait before reducing its quantitative easing (QE) program, this left many investors confused about the current state of the US economy. While the economy is showing some improvement, it seems as if the Fed is not convinced enough about its strengths, even with all the support given by the Fed.

One important reason why the US economy is not improving as fast as the Fed estimated, is that banks have only slowly increasing their lending, despite the Fed's available cheap money. Instead, banks have built up their own reserves at an astonishing rate. As a consequence this has resulted in an on-going decline in the velocity of money (M2). But once banks start lending, inflation could pick up quickly as money moves out of the banks and into the economy.

We believe the inflationary effect of these actions will - sooner or later - erode the value of paper money. Thus increasing the price of gold expressed in US-Dollars. 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 mining equity in relation to metal prices since 2007 is substantial. 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. THE TIMELESS PRECIOUS METAL FUND is invested in companies with promising projects in mining friendly countries, including some interesting merger candidates. Looking over the next years, we believe the junior gold miners are especially poised to outperform, as these companies provide new resources and economically interesting mining projects.

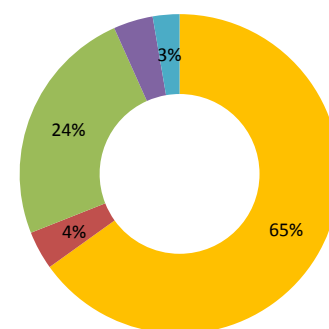
Top Five Gold Holdings

CENTRAL ASIAN MINERALS AND RESOURCES	24.3%
FREEGOLD VENTURES	4.4%
PARAMOUNT GOLD & SILVER	3.9%
ROMIOS GOLD	3.8%
PRIMERO MINING	3.6%

Top Silver Holdings

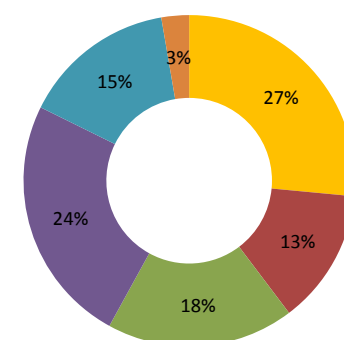
SILVERCREST MINES	6.0%
TAHOE RESOURCES	4.9%
FIRST MAJESTIC SILVER	3.3%

Country Weightings by Incorporation



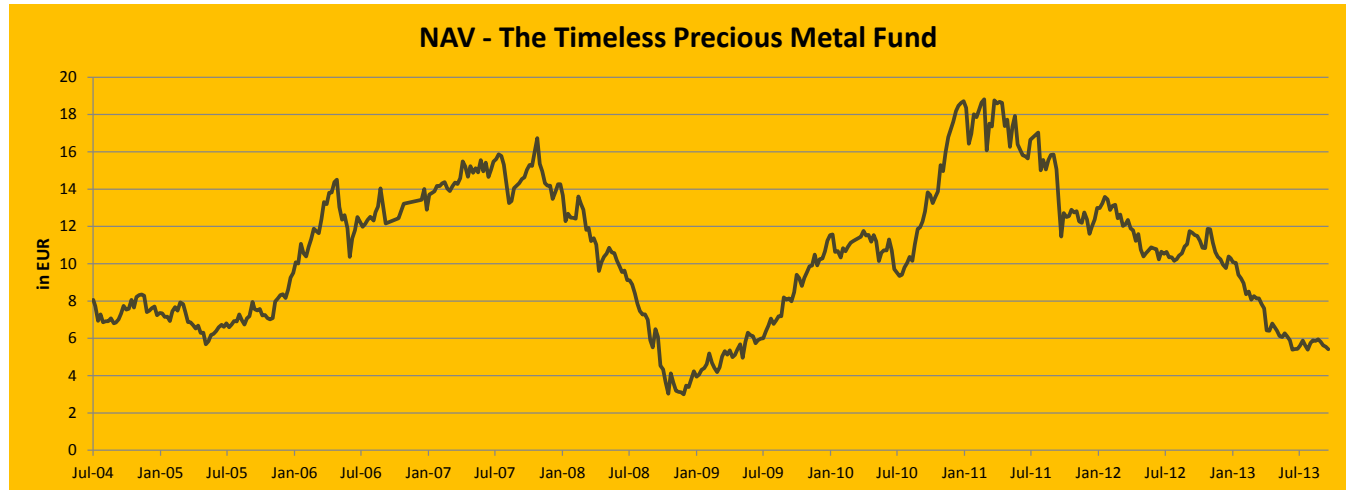
■ Canada ■ USA ■ UK ■ Australia ■ Cash

Country Weightings by Operations



■ Canada ■ USA ■ Mexico
■ Tajikistan ■ Others ■ Cash

Fund Share Price Development (in EUR)



Calendar Year Returns (%)

	2006	2007	2008	2009	2010	2011	2012	YTD
THE TIMELESS PRECIOUS METAL FUND (EUR)	55.98	3.28	-75.56	214.45	73.26	-35.03	-13.42	-44.52
THE TIMELESS PRECIOUS METAL FUND (USD)	72.98	15.16	-76.67	222.78	59.37	-34.21	-12.31	-43.06
GOLD & SILVER INDEX - PHILADELPHIA	11.11	21.84	-28.54	35.85	34.67	-21.59	-7.77	-43.37
AMEX GOLD BUGS INDEX	22.15	21.03	-26.13	42.16	33.36	-14.78	-10.6	-48.11

Fund Facts

ISIN :	MT0000072612
Swiss Security N° / WKN:	1921952 / A0B8N9
Investment Manager:	P. ZIHLMANN INVESTMENT MANAGEMENT AG, Zurich, Switzerland
Currency:	€ (Euro)
Domicile:	MALTA (EU)
License:	July 16, 2004
Size (Oct. 2, 2013)	4.4 Million €
Custodian Bank:	Bank of Valletta, Malta
Administration Company:	Valletta Fund Services, Malta
Auditors:	PriceWaterhouseCoopers, Malta

Bloomberg Code	TLPREME MV
Minimum Subscription:	EUR 5'000
Subscription and Redemption:	weekly (Tuesday 4 pm CET)
Issue commission:	max. 6.5%, min 1% (degressive based on subscription amount)
Administrations Fee:	0.35% p.a.
Management Fee:	2% p.a.
Performance Fee:	18% p.a. ('high-watermark')
Legal Advisors:	David Griscti & Associates, Valletta, Malta
Regulatory Authority	Malta Financial Services Authority (MFSA)
German Tax Transparency	yes

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