
AUCTUS METAL PORTFOLIOS PTE. LTD.

Reg. No. 201828518M

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ONLINE

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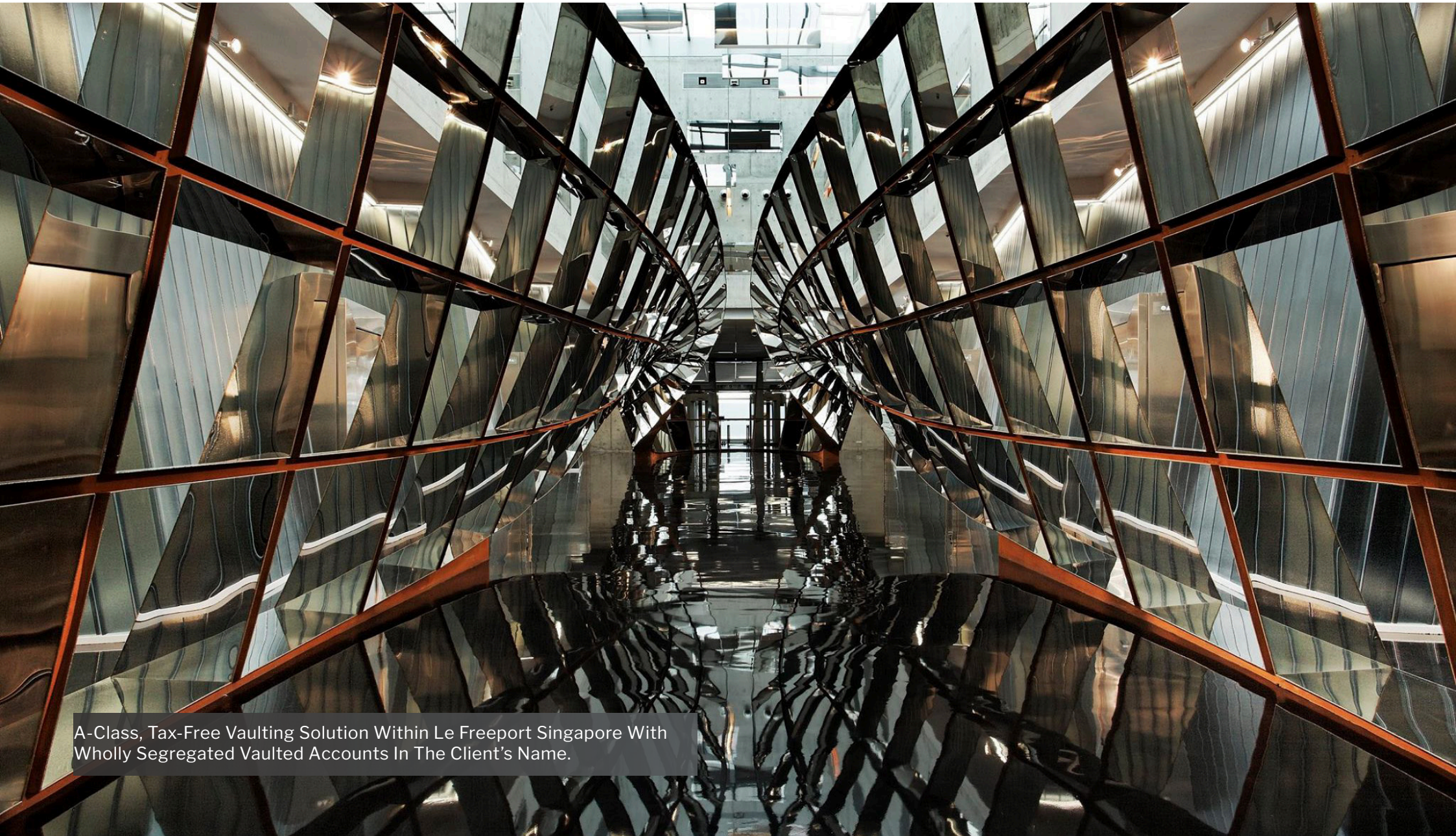


COMPANY PORTFOLIO MODELS – OVERVIEW

1 November 2021

**PORTFOLIO ADVISORY
IN PHYSICAL PRECIOUS METALS**

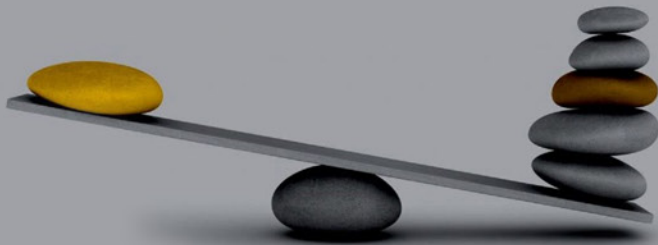
Auctus Metal Portfolios' proprietary algorithms process 55 live metal data feeds to optimally weight and actively manage our clients' vaulted physical precious metal portfolio.



A-Class, Tax-Free Vaulting Solution Within Le Freeport Singapore With Wholly Segregated Vaulted Accounts In The Client's Name.



COMPANY BACKGROUND



WE OFFER FULL PRECIOUS METALS PORTFOLIO MANAGEMENT DELIVERING SUPERIOR RETURNS (as of 1 November, 2021)

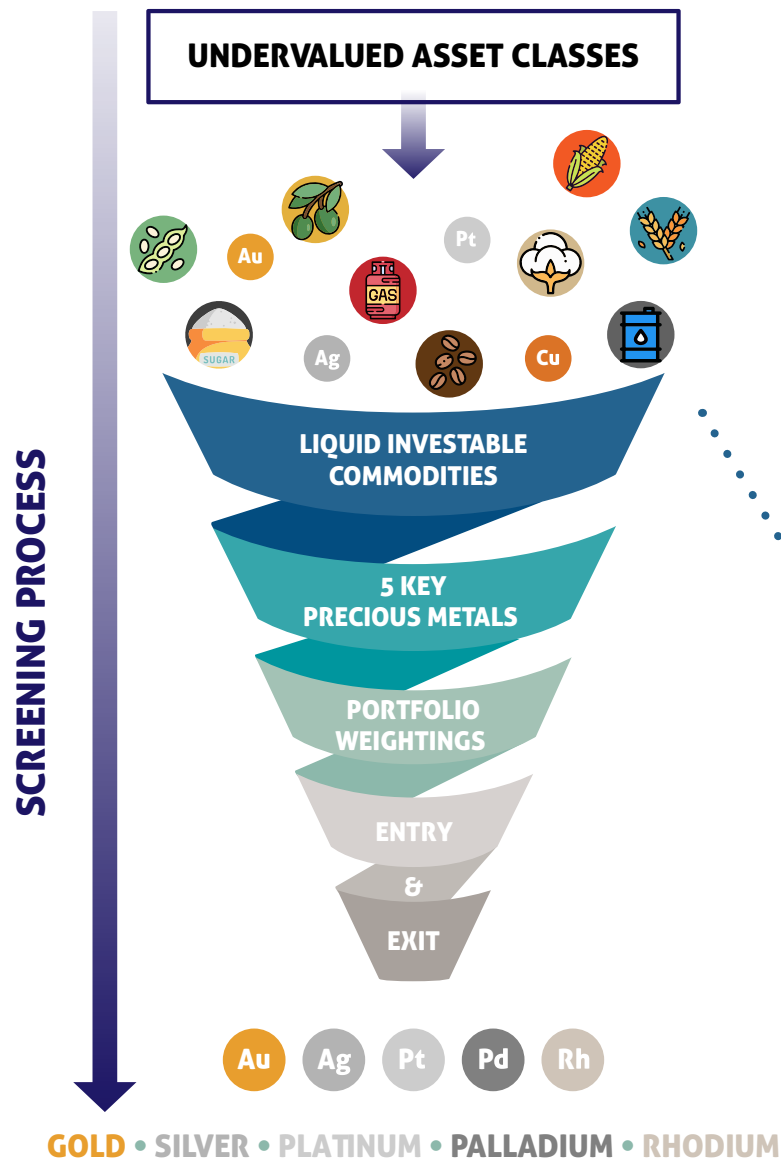
Provectus Model 2: **+835.74%** Net Return to Clients since **1 Jan, 2016**
+161.60% Net Return to Clients since **Jan 1, 2019**
+40.97% Net Return to Clients since **Jan 1, 2020**

Clients' returns are managed by Auctus's proprietary diversification strategy using a basket of precious metals. Over 55 variables are analysed using live data to manage our clients' physical metal holdings. We aim to deliver alpha returns that outperform the benchmark for gold.

CORE VALUE

Auctus has developed a physical precious metal management system that balances clients' physical precious metal ownership between Gold, Silver, Platinum, Palladium and Rhodium. Portfolio adjustments occur throughout the year to maximise returns to clients. In 2020, client's attained a return of +49.8% net of all transaction & vaulting costs and management fees.

These performances are based on zero exposure to collateralization, paper trading or any leverage. Our clients keep physical metals in their own tax-free, wholly segregated and fully insured (by Lloyd's of London) vaults at Le Freeport, Singapore. Our clients have full ownership and control of their precious metals at all times. Clients' portfolios are monitored on a live basis by Auctus according to our proprietary portfolio models. This management system is further enhanced by our vaulting and logistics system and delivers long term returns to customers on their precious metals holdings. Auctus has historically outperformed the benchmark of gold and a broad spectrum of asset classes.



CHOOSING THE RIGHT ASSET CLASS

An investment into physical precious metals should be constructed based on an informed analysis of the long-term global macro-economic landscape as well as the policy repercussions of the 2007 - 2009 Global Financial Crisis.

- **DEPRECIATING PAPER CURRENCIES**

Understanding the direct macro-policies of our national governments, treasuries and central banks alongside the officially supported instigation of a speculative and debt leveraged push into paper financial assets and property; supports clear cycle developments and affirms the critical need for a diversification into precious metals and the wider commodity complex at this juncture.

- **OVERVALUED ASSET CLASSES**

An acute awareness of the impact of the ongoing global monetary debasement; coupled with an over-extension in value terms of traditional asset classes including stocks, property and bonds, demands portfolio diversification.

- **GENERATIONAL FORESIGHT**

Our in-house research and analysis reveals a severe under-investment within the entire commodity complex and long-term cycles are clearly pointing to a major turning point. Careful portfolio management is critical to preserving wealth and maximizing returns within this cycle.

THE FOCUS - LIQUID INVESTABLE COMMODITIES

Once a clear understanding of the desired asset class is ascertained to fulfil the necessity of diversification, this is then broken down into Precious Metals, Critical Metals, Industrial Metals, Soft Commodities and Energy.

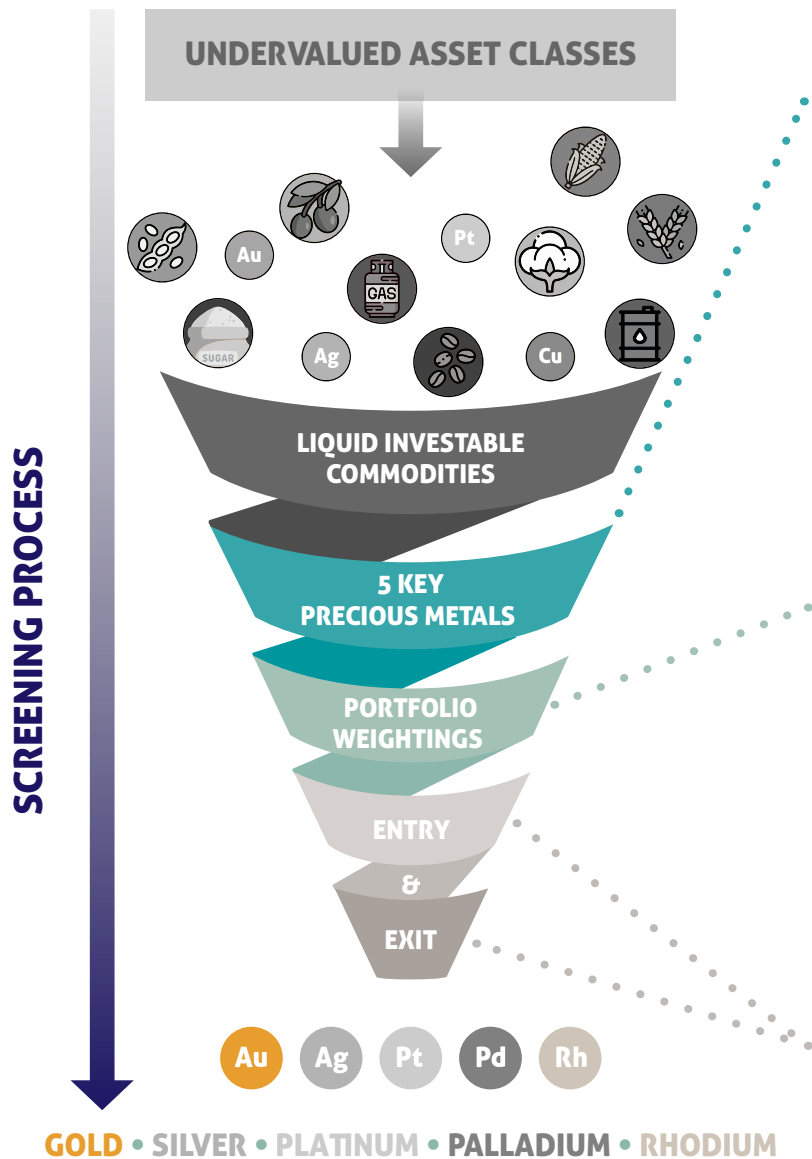
- **CYCLES AND SUPPLY-DEMAND DYNAMICS**

Extensive analysis of cycle timing, supply-demand curves and the pressure points therein is needed. It was clear that metals were going to lead the charge from 2016, with the overall commodity complex beginning a major trend higher from 2020 and ultimately targeting 2032.

- **LIQUIDITY, STORAGE COSTS, INSURANCE AND AUDIT CONSIDERATIONS**

From an investment, high liquidity, low cost storage, insurance, audit and potential for substantial price revaluation standpoint, precious metals are the clear choice for a major portion of one's overall portfolio at this stage.

INVESTMENT PROCESS - PART 2



THE 5 KEY PRECIOUS METALS

Our selection process for choosing which precise metals to include within our model portfolios, requires a consideration of the following:

- global **availability** of **investment grade** bars
- ‘precious’ metal **classification** (*denoting global investment demand over and above industrial demand*)
- **liquidity**
- ability to function as an **un-correlated diversification hedge**
- price relevance of each metal over **long-term cycle time frames**

METAL PORTFOLIO WEIGHTINGS

PROPRIETARY ALGORITHMS

- 1. High Liquidity**
Provectus Model 1
- 2. High Growth**
Provectus Model 2

Analyse an **exhaustive historical database**, alongside **live market data feeds** that are used to **identify and re-weight** the clients’ vaulted physical precious metal portfolio.

SEASONAL OPPORTUNITIES

A crucial part of our expertise is understanding the opportunities that manifest throughout the year and knowing **how best to weight the client’s basket** of physical precious metals.

PROCESSING HARD DATA

Our process for weighting client’s metals, **utilizes over 55 variables** and takes into consideration (for example): historical metal price ratios • technical and Gann analysis • global supply-demand curves • implied volatility • recognition of ore grade degradation and production costs • forward industrial demand curves • capital flows.

PORTFOLIO COMPOSITION

These algorithmic outputs enable us to **recognise distinct changes in price trends** and therefore **exploit** (often severe) **pricing anomalies** that occur between the **5 inextricably linked precious metals**.

TIMING ENTRY AND EXIT

Our **exhaustive, numbers-driven** database further enables us to **recognise clear seasonal patterns** and **supply-demand curve pressures**, which in turn, allows us to provide **comprehensive advice** to our clients with regards to both entry and exit from Auctus Metal Portfolios.

SOLVING THE MARKET PROBLEM

Clients who wish to actively grow and generate a return from their physical precious metal holdings whilst maintaining full control and ownership of their investment should consider Auctus Metal Portfolios. We believe we have solved that age-old problem of generating a positive return on physical metals (akin to earning a dividend from shares) and this is the guiding principle behind the creation of Auctus Metal Portfolios.

THE SOLUTION DESIGNED BY AUCTUS METAL PORTFOLIOS

The client continues to hold their physical precious metals within their private storage at Le Freeport Singapore, independently allocated under their own family name or corporate entity. Clients have complete visibility of their metals: hourly multi-currency valuations and performance charts, individual bar numbers, Lloyd's of London insurance and independent audits, which are held by our vaulting custodian Malca-Amit, with full associated ownership rights.

With the Provectus Models management system the Auctus team instigates physical precious metal swaps, adjusting the allocation of a client's physical holdings from one precious metal to another, in order to take advantage of price signals dictated by the algorithms. This is conducted in accordance with a client's specific risk profile and thus provides our clients with an actively managed portfolio of metals.

Overall returns to Auctus clients far exceed those of a static physical precious metal holding (after all costs have been stripped out).



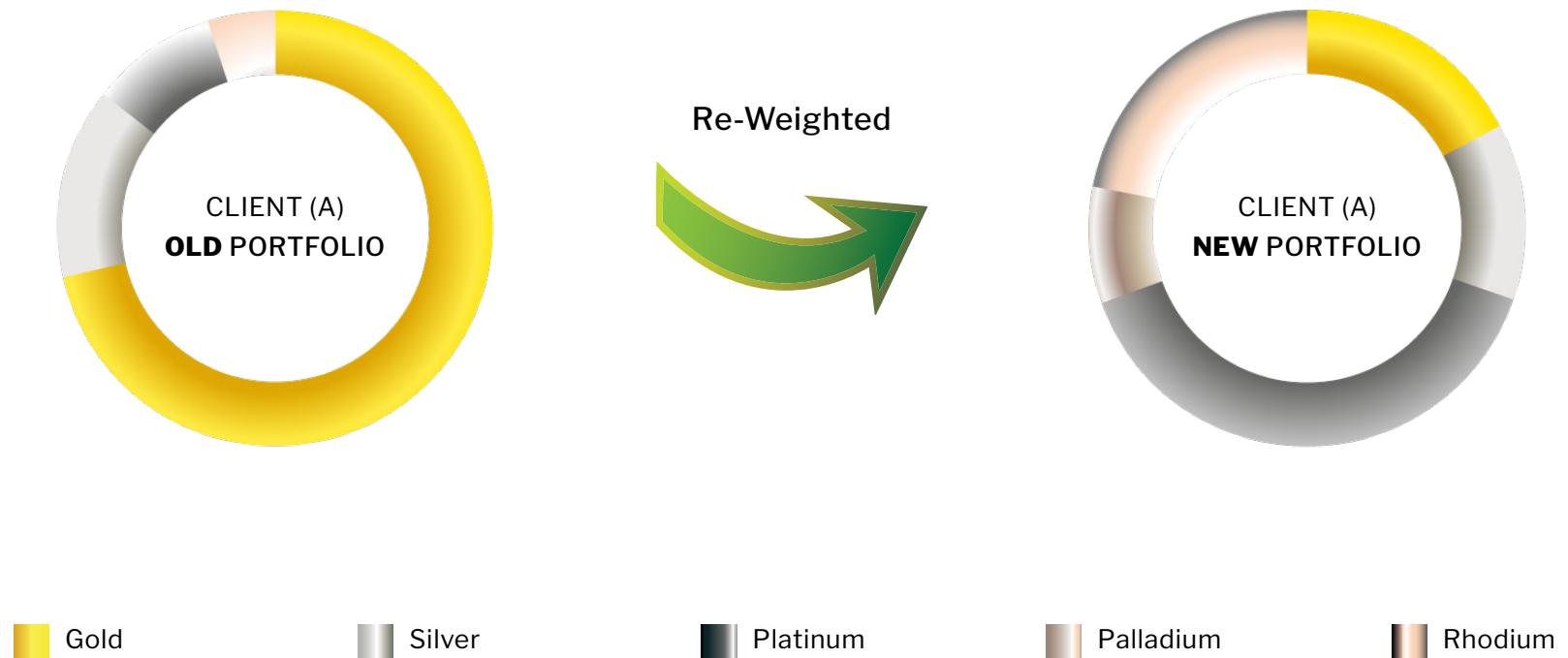


DIVERSIFY

A client's portfolio mix changes between metals on average 2 - 3 times per year. Our signals are based on retrospective back-testing of the algorithms over the last 50 years. Our algorithms target pricing anomalies between the five precious metals whose pricing dynamics are measured constantly. The algorithms are actively reviewed on a daily basis.

Each client's precious metals portfolio is unique in its weightings or makeup, depending on the specific date of entry and Provectus Model choice.

The weightings between the metals depicted below are provided solely as an example from one period to the next.



OBJECTIVE

TO PRODUCE A CONSISTENT AND SIGNIFICANT ALPHA RETURN OVER AND ABOVE GOLD WITH ZERO LEVERAGE IN FULLY OWNED AND AUDITED PHYSICAL PRECIOUS METALS.

Auctus Metal Portfolios combines specialist skill sets in bullion trading, vaulting, global logistics and advanced information systems. This vast experience provides our clients with access to the very best market prices from long-established relationships and direct contracts with the world's most reputable refiners, mints and wholesalers globally. Our clients also benefit from the overall size of our metal assets under management, deep market experience as well as unrivalled analysis and research.

A crucial part of our expertise is in knowing how to optimally weight and also re-balance our client's basket of physical precious metals. We utilize, amongst many others, historical price ratios, global supply-demand dynamics, implied volatility and production price cost levels to determine and exploit the pricing anomalies that regularly appear between the five inextricably linked precious metals, Gold, Silver, Platinum, Palladium and Rhodium.

The algorithmic models that we have uniquely developed, process enormous volumes of data in real time and signal re-weighting opportunities for our clients' metal portfolios at intervals throughout the year. These models have been verified, audited and extensively back-tested to 1990 by BDO Global using independent precious metal price data across that period. Our algorithms have been successfully back-tested internally all the way back to 1971.



Auctus Metal Portfolios have recorded exceptional Compound Annual Growth Rates (CAGR) returns, our portfolios are tailored to the individual risk profile of our customers.

Provectus Model 1 - PM1 Balanced & Liquidity Driven

Investment in

Gold, Silver, Platinum, Palladium and Rhodium

Offering a more conservative model, more focused on weighing exposure to the different metals based on their liquidity within global markets. Historically there is an under-performance in the first 2 years compared to Provectus Model 2, but has significantly outperformed the benchmark for gold in the medium to long term. Providing a weighting to more liquid metals can provide our clients more security.

Net performance based on 20-Year timeline:

CAGR: +21.52% Information Ratio: 0.46 Sortino Ratio: 1.33 Sharpe Ratio: 0.71

Provectus Model 2 - PM2 High Growth Profile

Investment in

Gold, Silver, Platinum, Palladium and Rhodium

Offering a higher risk performing model, historically back-tested performance conducted with retrospective methodology; delivering out-performance in the first few years (when compared to PM1) while long-term performance is highly geared.

Net performance based on 20-Year timeline:

CAGR: +24.26% Information Ratio: 0.46 Sortino Ratio: 1.33 Sharpe Ratio: 0.71

**Auctus models have been independently and mathematically audited with retrospective back-testing of their performances using all daily metals data and live variables back to 1971. Performances are net after all costs have been stripped out, including our management fees (of 1% - 1.4% per annum depending on the value of the portfolio), vaulting costs (0.3% - 0.55% depending on the individual metal) as well as the bid-offer spreads on the metal swaps of every trade instigated, including final exit transaction costs.*

NET RETURN COMPARATIVE PERFORMANCE ANALYSIS PROFILE (CAGR)

SUMMARY STATISTICS - NET After All Costs - Cumulative Compound Annual Growth Rate (CAGR) <i>(Valuations based on full calendar years from 1st January to 31st December)</i>							
VALUED IN US\$	1 YEAR RETURN 2020	2 YEAR RETURN 2019 to 2020	3 YEAR RETURN 2018 to 2020	4 YEAR RETURN 2017 to 2020	5 YEAR RETURN 2016 to 2020	10 YEAR RETURN 2011 to 2020	20 YEAR RETURN 2001 to 2020
Auctus - Provectus Model 1 (Balanced & Liquidity Driven)	34.64% <i>per annum</i>	48.90% <i>per annum</i>	41.59% <i>per annum</i>	48.94% <i>per annum</i>	46.51% <i>per annum</i>	13.48% <i>per annum</i>	21.52% <i>per annum</i>
Auctus - Provectus Model 2 (High Growth Profile)	49.77% <i>per annum</i>	72.09% <i>per annum</i>	58.08% <i>per annum</i>	66.15% <i>per annum</i>	59.95% <i>per annum</i>	16.73% <i>per annum</i>	24.26% <i>per annum</i>
Gold	24.96% <i>per annum</i>	21.71% <i>per annum</i>	13.18% <i>per annum</i>	13.73% <i>per annum</i>	12.08% <i>per annum</i>	3.18% <i>per annum</i>	10.19% <i>per annum</i>
MSCI World Index*	14.48% <i>per annum</i>	19.07% <i>per annum</i>	7.78% <i>per annum</i>	15.38% <i>per annum</i>	9.64% <i>per annum</i>	7.30% <i>per annum</i>	4.78% <i>per annum</i>

* The MSCI World Index captures large and mid cap representation across 23 Developed Markets (DM) countries. With 1,640 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

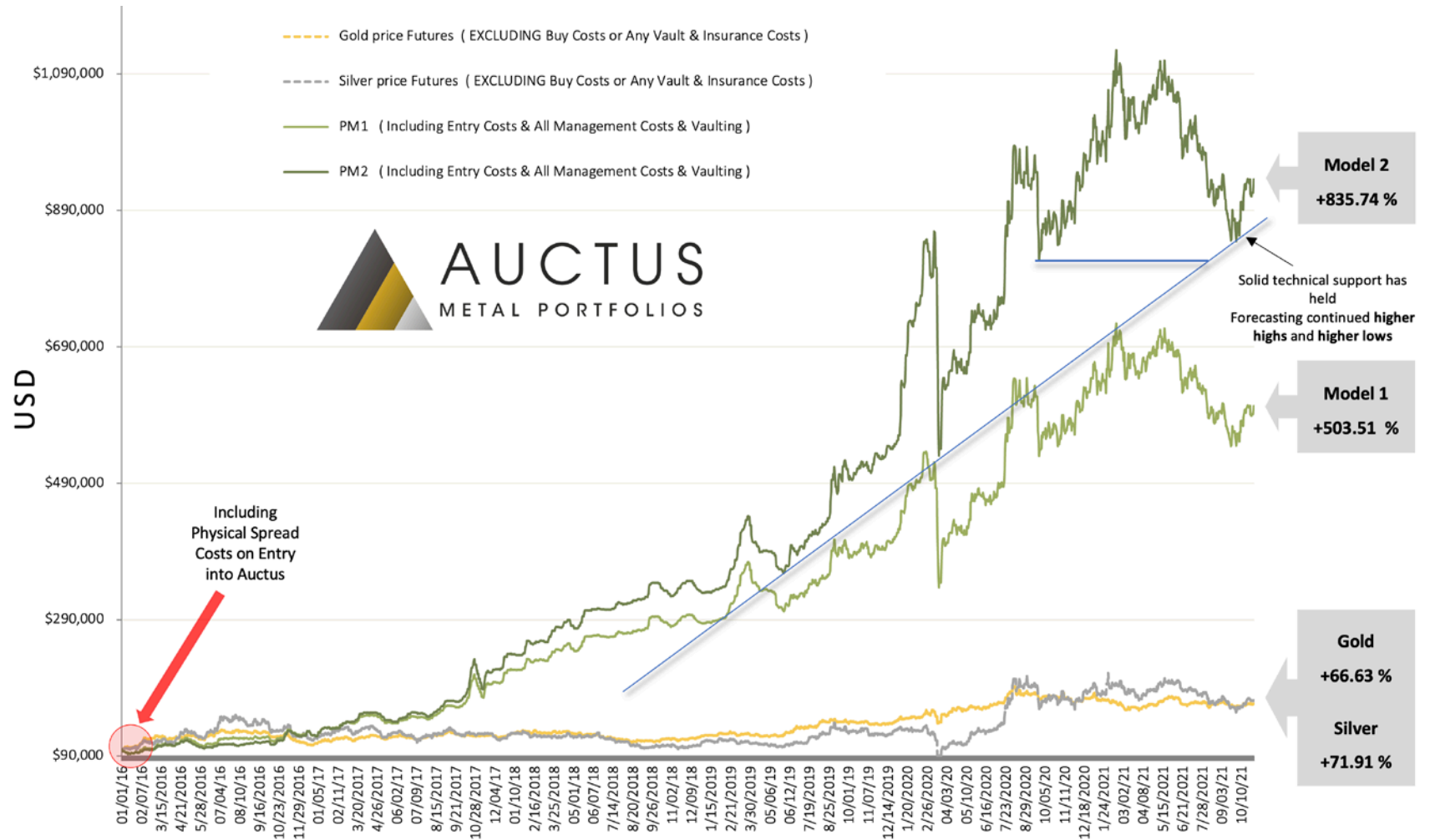
- *Auctus Provectus Models' individual performances are net after all costs have been stripped out. Deductions include Management Fees (of 1% - 1.4% per annum depending on the value of the portfolio), Vaulting Costs of 0.3% - 0.55% for the individual precious metals at Le Freeport, Singapore as well as the bid-offer spreads on the metal swaps. The model performances exclude exiting from the physical metal holdings and converting into currency with wholesale trading spreads.*
- *Auctus Provectus Models 1 and 2 respective performances have been fully audited by BDO Global. The results of the Audit Report may be viewed upon request.*

AUCTUS MODELS NET PERFORMANCE

Versus USD

STRIPPING OUT SPREADS AND COSTS

From 1st January 2016 to 1st November 2021



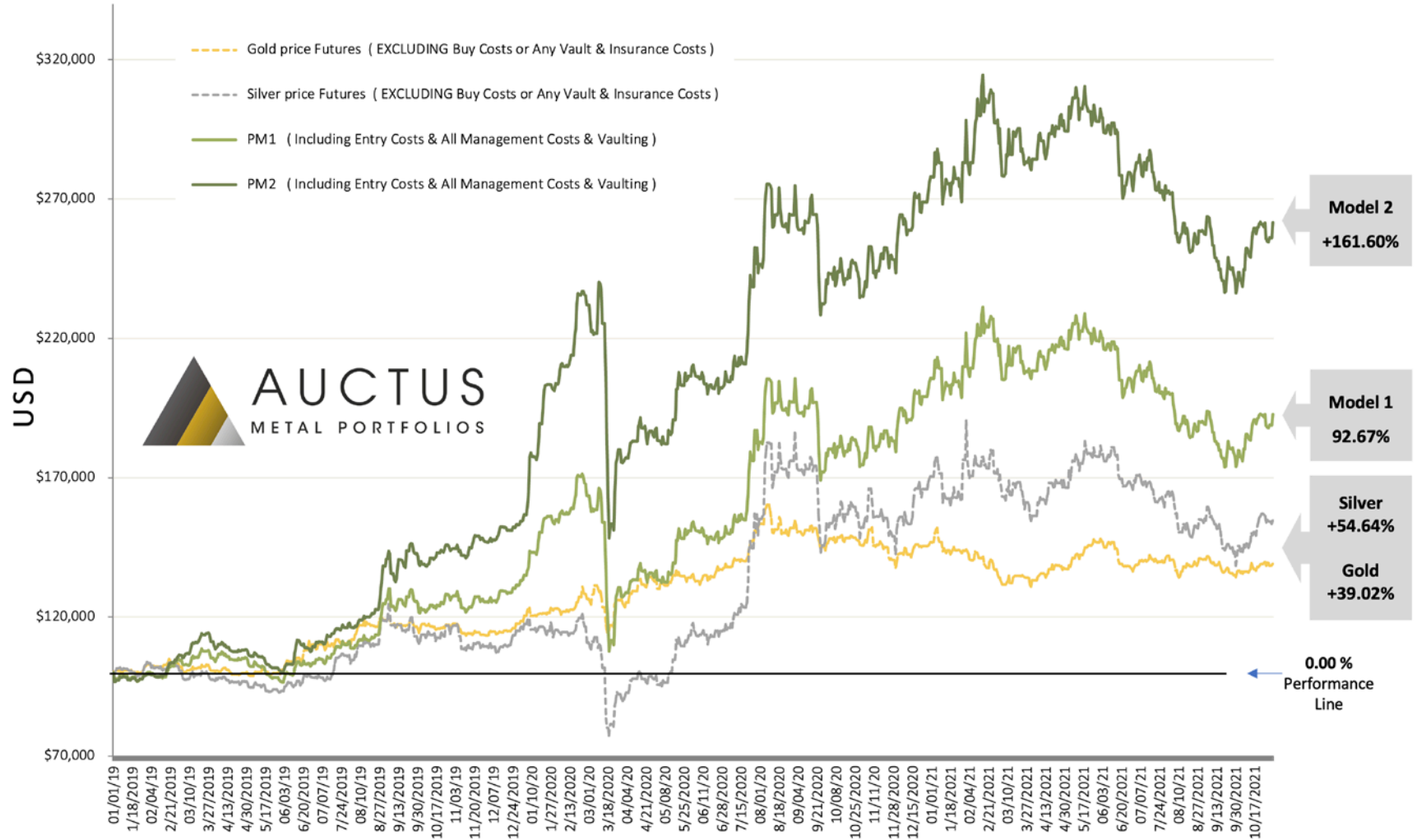
The Auctus Model performances are net after costs. Deductions include Management Fee of 1.35%, Vaulting Costs of 0.35% and bid-offer spreads on metals swaps.

AUCTUS MODELS PERFORMANCE

Versus USD

STRIPPING OUT SPREADS AND COSTS

From 1st January 2019 to 1st November 2021

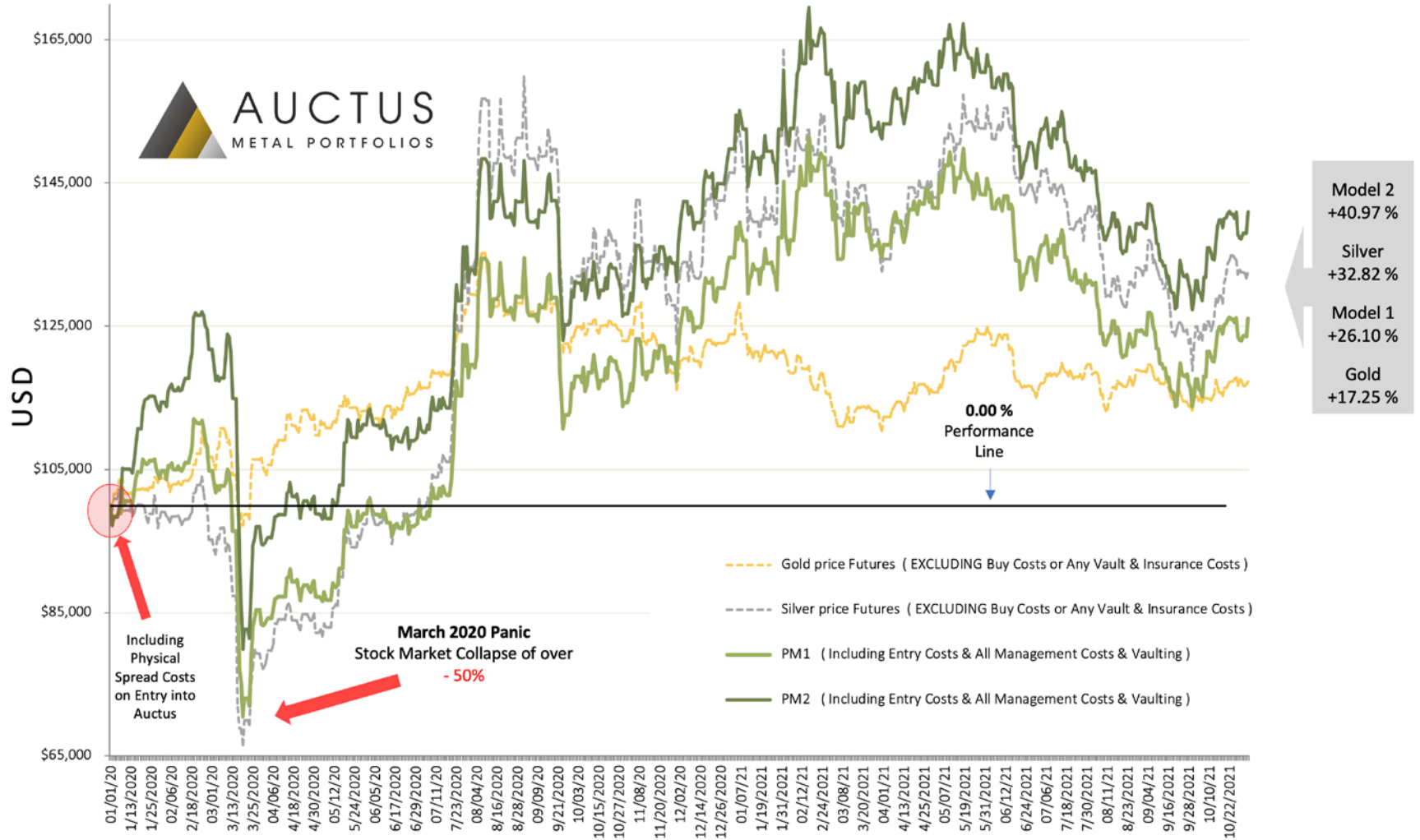


AUCTUS MODELS PERFORMANCE

Versus USD

STRIPPING OUT SPREADS AND COSTS

From 1st January 2020 to 1st November 2021



AUCTUS METAL PORTFOLIOS

- PROECTUS MODEL 2 (High Growth Profile)

20-YEAR MONTHLY PERFORMANCE DATA (%) Invested into Model 2 from 1st January 2001 - AFTER COSTS * back tested and fully audited confirmed results

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	Yearly Net
2001	-3.18%	-1.07%	-2.58%	1.43%	0.79%	1.16%	-2.09%	3.58%	5.24%	-3.50%	-2.32%	0.55%	-2.38%
2002	1.70%	5.19%	2.40%	1.60%	6.08%	-2.71%	-4.35%	1.70%	2.27%	-2.15%	-0.25%	6.36%	18.62%
2003	6.11%	-6.05%	-3.25%	2.11%	2.15%	-2.87%	9.33%	1.59%	1.21%	0.15%	3.84%	2.18%	16.74%
2004	2.68%	26.39%	11.39%	-2.72%	1.49%	6.67%	3.80%	10.72%	0.75%	0.25%	5.68%	-2.95%	81.24%
2005	7.24%	-2.65%	2.73%	-0.54%	0.43%	15.88%	2.56%	1.23%	18.10%	6.11%	11.67%	-0.57%	79.33%
2006	12.41%	0.92%	17.24%	14.36%	12.06%	-15.23%	-4.22%	-1.18%	0.25%	0.78%	2.31%	7.64%	52.17%
2007	4.54%	2.07%	1.83%	-1.94%	0.26%	0.76%	-0.75%	0.96%	3.52%	3.65%	5.33%	0.44%	22.43%
2008	8.66%	16.00%	-3.61%	-4.51%	2.85%	3.42%	-5.87%	-28.90%	-22.06%	-18.35%	2.89%	3.10%	-44.25%
2009	9.81%	4.12%	5.96%	0.69%	9.23%	0.81%	0.13%	7.96%	4.24%	7.53%	8.62%	7.37%	89.81%
2010	3.77%	1.16%	9.16%	10.63%	-11.24%	-3.58%	6.93%	0.19%	16.45%	10.31%	11.04%	13.28%	87.79%
2011	0.71%	0.30%	-1.19%	5.80%	-5.54%	-3.81%	6.46%	-1.71%	-18.26%	4.02%	-8.39%	-1.11%	-22.66%
2012	14.43%	5.23%	-6.78%	-1.43%	-10.50%	-3.22%	1.96%	5.66%	7.35%	-5.34%	6.93%	-3.33%	8.45%
2013	8.49%	-3.15%	0.69%	-6.86%	0.31%	-12.74%	9.69%	5.34%	-4.76%	2.26%	-6.14%	-1.32%	-10.09%
2014	0.41%	5.50%	-0.49%	0.36%	2.07%	2.80%	1.06%	-2.21%	-11.18%	-4.95%	-0.78%	-0.40%	-8.47%
2015	2.42%	-2.39%	-3.57%	2.13%	-1.18%	-6.41%	-8.63%	-5.89%	-3.05%	3.34%	-9.75%	-5.17%	-32.87%
2016	-2.44%	3.88%	8.33%	6.07%	-9.89%	3.45%	1.31%	1.68%	2.44%	1.55%	5.71%	-0.41%	22.47%
2017	9.45%	8.01%	8.78%	-0.97%	-7.33%	9.67%	-3.81%	13.46%	2.00%	25.75%	0.44%	10.59%	101.26%
2018	4.91%	3.15%	7.67%	0.70%	8.03%	0.34%	2.96%	1.85%	7.58%	-5.67%	6.81%	-4.90%	37.47%
2019	1.79%	10.10%	15.86%	-8.70%	-8.22%	9.12%	7.66%	17.42%	2.55%	1.84%	1.71%	5.03%	67.43%
2020	31.97%	13.88%	-24.43%	7.16%	9.92%	-1.59%	21.34%	7.17%	-9.37%	-1.79%	3.52%	14.14%	80.05%

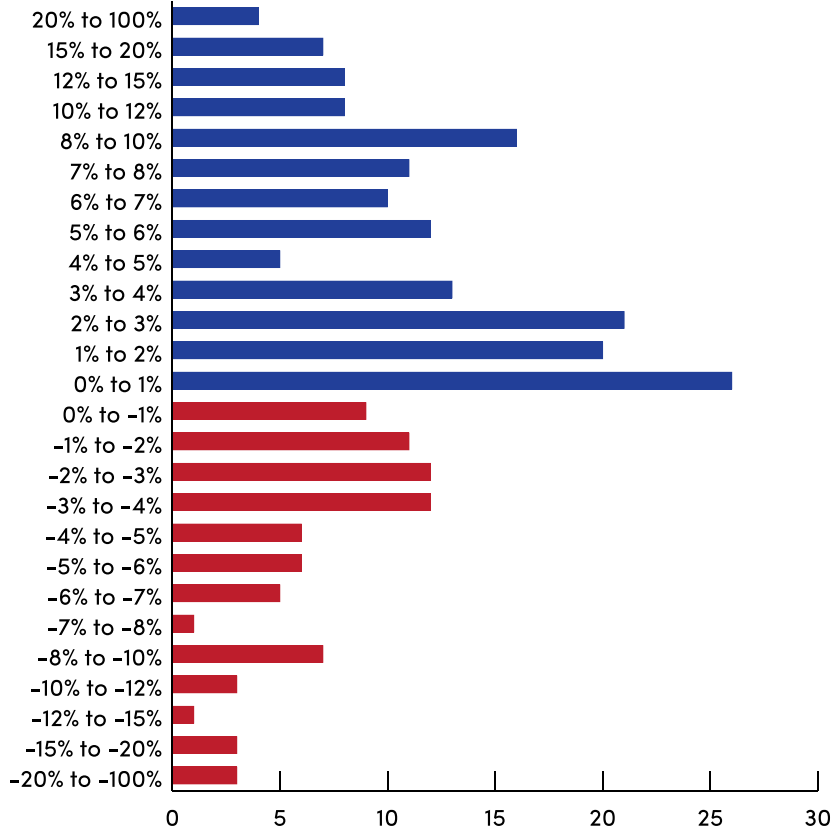
4-YEAR MONTHLY PERFORMANCE DATA (%) Invested into Model 2 from 1st January 2017 - AFTER COSTS * back tested and fully audited confirmed results

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	Yearly Net
2017	5.26%	7.43%	6.61%	-0.98%	-6.36%	7.79%	-3.01%	12.19%	1.10%	22.40%	0.52%	9.38%	78.40%
2018	5.02%	2.55%	6.61%	0.52%	7.46%	-0.09%	2.51%	1.54%	7.16%	-5.24%	6.35%	-4.42%	33.15%
2019	1.93%	9.73%	14.51%	-8.10%	-8.08%	9.12%	7.66%	17.42%	2.55%	1.84%	1.71%	5.03%	66.49%
2020	31.97%	13.88%	-24.43%	7.16%	9.92%	-1.59%	21.34%	7.17%	-9.37%	-1.79%	3.52%	14.14%	80.05%

240 MONTHS PERFORMANCE DISTRIBUTION

1st January 2001 to 31st December 2020

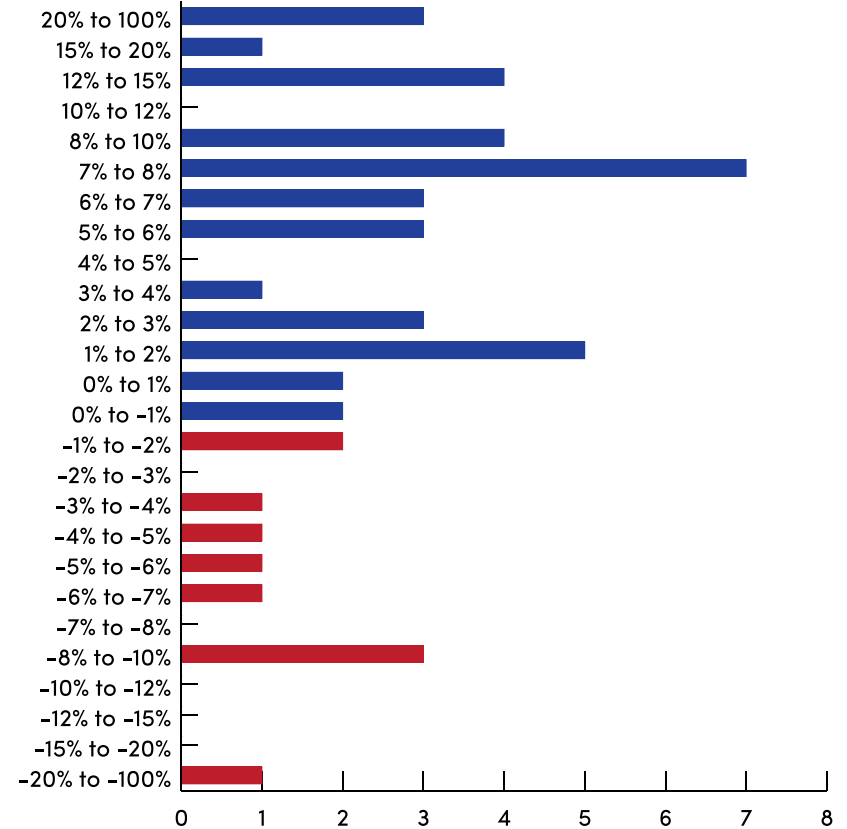
Number of Months Reporting Gains: **161**
 Number of Months Reporting Losses: **79**
 Overall Auctus Model Gains (after costs over period): **7598.02%**
 Gold (Benchmark) Gains (during same period): **617.42%**
 Model Outperformance Against Gold: **12.31X**



48 MONTHS PERFORMANCE DISTRIBUTION

1st January 2017 to 31st December 2020

Number of Months Reporting Gains: **36**
 Number of Months Reporting Losses: **12**
 Overall Auctus Model Gains (after costs over period): **612.06%**
 Gold (Benchmark) Gains (during same period): **63.84%**
 Model Outperformance Against Gold: **9.59X**



OUR EXPERT TEAM

Auctus Metal Portfolios is run by two of the leading authorities on precious metals in Asia Pacific, **David J Mitchell** and **Scott MacRae**. Both experienced specialist bullion dealers and logistics experts have held leadership roles in globally renowned financial institutions, investment banks and accountancy firms. Both David and Scott have extensive experience in financial investment management and trading across a multitude of traditional asset classes and have held senior executive roles covering vaulting, commodity production and global logistics.

With exhaustive market research, in-depth analysis and thorough industry communication the Auctus Metal Portfolio teams produce unrivalled analysis of metal markets. Through our unique partnership, we bring together four independent and global bullion and logistics companies, leveraging their respective operating sizes, market experience, knowledge base, logistic solutions and clientele. This extraordinary network helps our clients to benefit by increasing their possible investment returns.

Our proprietary portfolios are focused solely on maximizing returns for our clients by identifying breakdowns in the pricing correlations between the five key precious metals: Gold, Silver, Platinum, Palladium and Rhodium in order to determine profitable trading opportunities. The Auctus Metal Portfolios team then instigates the metal swaps required based on specific trade trigger events identified by our Provectus Models. Once a portfolio adjustment is identified, we then trade at the very best wholesale prices as a result of maintaining an extensive network of partners dealing in physical metals. These include long term relationships with precious metal refineries, wholesale suppliers and bullion dealers around the globe.

Auctus Metal Portfolios Pte Ltd in contract partnerships with:

vaulting agent:



INDIGO
PRECIOUS METALS

IPM Group Pte Ltd



**GOLD
BULLION**
AUSTRALIA

GBA Pty Ltd



**GOLD
STACKERS**
AUSTRALIA

Gold Stackers Pty Ltd



PRIVATE VAULTS
AUSTRALIA

Private Vaults Australia



Malca-Amit International Network™



MEMBERS



DAVID J MITCHELL
/ Founding Partner



SCOTT MACRAE
/ Founding Partner



MATTHEW COLAHAN
/ Founding Partner and Chief Information Officer



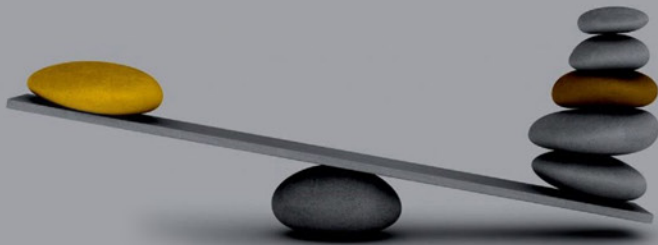
JUSTIN KHOO
/ Director and Head of Logistics



ROBBIE HOYES-COCK
/ Group Sales Director

FREQUENTLY ASKED QUESTIONS

The Definition of 'Auctus': a Latin word meaning growth, the act of increasing, enlargement and prosperity. This is the guiding principle for our company and the management of our clients' portfolios.



Q: AUCTUS - REGULATED SINGAPORE DEALER OR A FINANCIAL LICENCED INVESTMENT FUND?

Auctus Metal Portfolios is not a 'fund management group'. Our target client is a sophisticated (or accredited) investor according to the Monetary Authority of Singapore's (MAS) definition, hence our initial investment size. We are a physical metal bullion advisory service - we advise our clients on the specific percentage weightings they should hold in each of the 5 precious metals: Gold, Silver, Platinum, Palladium and Rhodium to effectively garner the greatest returns. Re-weightings are done (under a Power of Attorney provided by the client) when our models trigger diversification events, usually between 2 and 3 times per year.

Our clients hold the physical metals in their own wholly segregated vault. The client retains complete ownership and control of their bullion, under their family (or company / trust) name within Le Freeport Singapore. The client's precious metal has no 3rd party liability. The portfolio is independently audited and fully insured by Lloyd's of London. The client has the option to liquidate their physical holding of metals, or part thereof, at any time without any penalty whatsoever.

We are not required to hold a financial license or be regulated by the MAS as it is physical metals in your own vault. The difference in our offering is that our clients have an active rather than a passive portfolio of metals. We are however licensed by The Ministry of Law in Singapore as a Registered Regulated Bullion Dealer.

The following frequently asked questions include responses to common questions asked by our clients including professionals within the financial industry, investment funds, family officers and banks regarding our Provectus Models and their respective performances.

If we do not cover all of your queries here, please do contact us via: robbie@auctusmetals.com



FREQUENTLY ASKED QUESTIONS

Q: IS THERE ANY HUMAN OVERSIGHT OVER THE ALGORITHM AND PROCESS OF TRADING WITHIN THE PORTFOLIO MANAGEMENT SERVICE?

We have conducted an exhaustive audit with BDO Global, one of the world's largest auditing companies. Their actuaries fully backtested our models using 50 years of daily metal data and covering every aspect of our algorithm logic including every possible economic event, from bear markets in metals to extreme global inflation as well as deflationary events, wars, the banking crisis, oil crisis and the Global Financial Crisis. The Provectus Models' results speak for themselves without any mathematical doubt during both bull and bear markets. Please feel free to contact our Auctus Sales Team for the full details of our BDO Global Audit Certification.


We have developed sophisticated mathematical algorithms designed to generate maximum returns for our client's portfolios. With over 55 live data variables, we have an acute understanding of precisely what metal weightings should be throughout the investment year. The sole purpose of the algorithms is that they are irrefutably consistent, immutable and able to measure across multiple variables, processing enormous swathes of data. Major trade trigger events are always analysed by management, but the algorithms are rigorously adhered to. As our algorithms are run on a consistent and daily basis, any input anomalies are picked up instantly.

Q: WHY IS INVESTMENT INTO AUCTUS CONSIDERED IMPORTANT AT THIS TIME FOR THE BENEFIT OF CLIENT'S RETURNS, WHY DO YOU SAY THIS?

Our portfolio algorithms are focused exclusively on obtaining optimum returns for clients by identifying breakdowns in the correlations between precious metals, which in turn presents a trading / investment opportunity. We have identified several extreme imbalances in precious metal prices which represent immediate and profitable opportunities for our clients. We do not measure our models against US\$, but rather the value of metals against one another. The returns against US\$ takes care of itself. The longer-term investment opportunities are currently signalling huge generational entry levels and this presents a very exciting opportunity for our client base.

Q: WHAT ARE THE ESTIMATED COSTS INVOLVED IN THE DAY-TO-DAY PORTFOLIO RE-WEIGHTING PROCESS?

All trade costs are reported to our clients in their respective allocation reports and comply with our terms and conditions that clearly set these out. With regards to the spreads, we always endeavour to improve our prices using our multiple supplier contracts and given that we are dealing in the wholesale market. It should be noted that market conditions and liquidity factors may well change buy and sell prices; and therefore we cannot commit to specific guaranteed spread prices.



FREQUENTLY ASKED QUESTIONS

Q: WHAT IS THE CURRENT \$ VALUE SIZE OF AUCTUS METAL PORTFOLIOS, ASSETS UNDER MANAGEMENT (AUM)?

Although this is not information we are obliged to release as we are not a fund per se and in consideration of our super strict client confidentiality clauses. Our mandate is to offer a market performance beating precious metals portfolio management system. We have substantial funds under management circa US\$100 million and this is growing very rapidly month-on-month.

Q: I AM NOT SURE HOW PHYSICAL METAL SWAPS BETWEEN GOLD, SILVER AND PGM'S CAN 'TAKE ADVANTAGE OF SERIOUS PRICE ANOMALIES'. THE CORRELATIONS BETWEEN THE PRECIOUS METALS ARE EXTREMELY HIGH ON MOST DAYS AND ARE NEGATIVELY CORRELATED TO THE US\$ AND EXPECTED REAL INTEREST RATE OVER INFLATION. I AM NOT SURE HOW ROTATING WITHIN AN ASSET CLASS WITH SIMILAR BEHAVIOUR PROVIDES BETTER RETURNS?

The points raised above are not correct. The precious metals move in amplitudes of value against each other in clearly defined ranges over differing economic periods; and they absolutely have unique, determinable pricing relationships. Auctus Metal Portfolios' algorithms are focused entirely on extracting-out optimum returns from an already acceptable performing asset class (precious metals); by identifying such investment opportunities that are not recognised through standard analysis.

Although typically, paper gold and paper silver are negatively correlated to the US\$, participation in the other more volatile PGM's (platinum, palladium and rhodium) that usually thrive during high economic growth periods or supply driven shortages (due to mine production declines) tend to offset what are normally slow growth periods gold and silver. It is true that silver underperforms gold when both of their prices are falling against the US\$, but historically the exact opposite is true when the metals are rising against the US\$. Silver historically outperforms gold by over 100% in these periods of price rises and our models constantly take advantage of these pricing situations, which effectively generates a return for our clients that far exceeds the returns on a purely static metal holding.



FREQUENTLY ASKED QUESTIONS

Q: WHEN CONSIDERING THE FACT THAT THE MAJORITY OF CLIENT'S PHYSICAL METAL HOLDINGS ARE ONLY A SMALL PART OF THEIR OVERALL INVESTMENT PORTFOLIO AND IS PROBABLY ACTING AS SOME TYPE OF HEDGE AGAINST CRISIS OF SOME KIND; WOULD APPLYING TECHNICAL TRADING TO THEIR METAL HOLDINGS SEEM COUNTER-INTUITIVE?

We can agree that many of our investors treat physical precious metals as a non-yielding insurance policy to cover and protect against counter-economic cycles that affect their portfolio value. Potential adverse economic circumstances like stock market crisis, financial crisis, war, currency debasements and collapses, sovereign government debt crisis. The average physical metal investor is typically extremely cautious, since investing in physical precious metals provides insurance against the paper and digital markets breaking down.

That's why we never move our investors out of their allocated physical holdings at any time. We are not implementing a trade intensive platform as we only conduct on average between 2 to 3 portfolio adjustments per year. It's really more about identifying the infrequent price anomaly opportunities to maximize and build the total metal value of the original holding. By doing this we achieve a growth yield over and above a static metal holding. Clients will traditionally only hold a small part of their overall investment portfolio in physical metals and balance the rest of their wealth in chasing higher yielding investments such as stocks markets, properties and bonds. Auctus Metal Portfolios provides a bridge between these two methodologies, allowing them to allocate a higher percentage of their overall portfolio into this physical metal 'hybrid' investment growth portfolio.

Q: AS YOU KNOW, LARGE QUANT AND MACRO FUNDS, BANKS AND FINANCIAL INSTITUTIONS SPEND HUNDREDS OF MILLIONS OF US\$ YEARLY DEVELOPING THEIR ALGORITHMS AND SOURCING THE UNDERLYING DATA WITH SUPER SMART PHDS AND EXTENSIVE COMPUTING POWER LOOKING TO EXPLOIT PRICE DIFFERENTIALS. WHY HAS NO ONE ELSE DONE THIS BEFORE?

The precious metals industry is considered somewhat defeatist when being explored by serious quant investment teams, explaining why it hasn't been investigated as extensively as other more classic asset classes. We are that gradual burn 'hybrid' category providing participation in yielding precious metal investments whilst still maintaining the security of always holding a physical, liquid precious metal portfolio. The major financial institutions often avoid holding physical vaulted metal and choose to only trade in the paper futures markets. While gold, silver and platinum have well established paper futures markets, the other metals palladium and rhodium simply do not. Furthermore, the cost of holding long-term futures or ETF positions that have regular contract rollovers, severely compromises the overall net returns, especially with longer term holdings. Physically holding precious metals is considerably cheaper than holding paper futures. Futures are designed for short and medium-term trading only. Hence long-term invest-and-hold strategies are physical in nature, which generally does not appeal to these quant funds and trading teams.



FREQUENTLY ASKED QUESTIONS

Q: IN RELATION TO YOUR MODELLED RETURNS FOR YOUR PORTFOLIO... I THINK WHEN YOU LOOK AT YEARS' OR DECADES WORTH OF HISTORICAL TRADING DATA, YOU CAN FIND A WAY TO MODEL AN ALGORITHM THAT BEATS "SOME" BENCHMARK OR ANOTHER, HOW DOES THE FINANCIAL INDUSTRY VIEW THIS TYPE OF BACKTESTING?

The financial industry including banks and investment funds regularly incorporate financial analysis within a trading strategy by back-testing those investment strategies, or risk modelling. Back-testing seeks to understand and measure the performance of a strategy or algorithmic model as if it had been employed during past periods. This process is extremely important, so long as the testing is executed under the very strictest of criteria. Back-testing refers to applying a trading system to historical data to verify how a system would have performed during the specified time periods.

The majority of today's financial markets investment models and platforms utilize back-testing. We cannot predict the future, but we can certainly prove if our model's methodology works historically across many differing market conditions over several decades of price history. Auctus Metal Portfolios' models have been independently audited by BDO Global. BDO conducted very strict retrospective price back-testing, incorporating all daily metals data going back all the way to 1990. The performances achieved are net after all costs are stripped out, deducting management fees, vaulting costs and bid / offer spreads on the metals swaps of every single trade instigated.

Q: WHO IS TRIGGERING THE TRADING EVENTS? IS YOUR COMPANY AUTOMATICALLY EXECUTING THOSE METAL SWAPS OR CAN I DECIDE ON A DIFFERENT STRATEGY?

Auctus Metal Portfolios fully instigates the metal swaps required based on trade trigger events signalled by our algorithmic models. This proprietary system which analyses the markets daily using live feeds.

Auctus then implements the portfolio adjustment recommended by our algorithm and trades your physical holdings at the very best wholesale prices. We are also constantly cross-checking physical metals market product prices through our extensive partnership network. We have very strong relationships with refineries, wholesale suppliers including mints and bullion dealers and hence this complicated process is taken completely out of your hands. As part of a clients' Account Opening procedure, they provide Auctus with a Power of Attorney which allows us to effectively execute the metal swaps.

Our clients are notified of prospective re-weightings and immediately informed of any adjustments within their portfolios. Clients can pull away from this service at any time without penalty.



FREQUENTLY ASKED QUESTIONS

Q: IF I WAS TO DECIDE TO DIVEST FROM MY PORTFOLIO AND WITHDRAW FUNDS?

Our clients may withdraw at any time, divesting from the portfolio and withdrawing funds in cash, which will then be transferred to their personal or corporate bank accounts. Instructions to drawdown on the fund, either reducing the size of the allocation or selling out completely is covered specifically in our Terms and Conditions and will depend on the liquidity of the metals invested within your portfolio at that time.

Q: WHAT IS YOUR PRIVACY POLICY WHEN IT CONCERNS CLIENT'S PERSONAL DETAILS?

Auctus is committed to ensuring that your privacy is fully protected and held to the very highest levels of encryption. Should we ask you to provide certain information by which you can be identified, then you can be assured that it will only be used in accordance with our Privacy Policy and in compliance with the Personal Data Protection Act 2012 (PDPA) and Data Protection Act 1998 Singapore.

Q: WHAT ABOUT IF THE CLIENT WISHES TO WITHDRAW PHYSICAL METAL OTHER THAN CURRENCY EQUIVALENT AS A DRAWDOWN ON THEIR PORTFOLIO, IS THIS POSSIBLE?

Absolutely, yes

Q: HOW DO I INVEST?

Please contact us directly to request our Account Opening Forms that you will need to complete. You may call: **+65 9459 5211** or email: **robbie@auctusmetals.com** with your enquiry and we will get back to you immediately. Clients will need to confirm in writing whether they are bringing over an existing metal allocation into the vault or wish to inject cash capital into a physical holding or indeed, a combination of both. Clients will need to complete our Account Opening Forms and choose their preferred portfolio model and method for holding, as described above, i.e. Segregated Account or Singapore Managed Portfolio. Several documents are required to identify the client including passport copy, address confirmation and combination of other necessary details required for absolute identity verification and KYC.

The following information in relation to the taxation treatment of investment in precious metals is of a general nature only and you should seek your own legal / accounting advice specific to your individual circumstances. This information is specific to individual investors who invest in their own names or directly through their superannuation fund, family trust or private company. If you are investing via another entity you should seek further taxation advice.



FREQUENTLY ASKED QUESTIONS

Q: WHAT IS THE TAX TREATMENT OF SELLING PRECIOUS METAL FOR CASH?

Depending on our clients' tax jurisdiction, then normally where you sell physical precious metal for cash, a capital gains tax event ordinarily occurs. For the purposes of calculating where the sale is at an arm's length, you subtract from the cash amount paid for the original value of the sold metal at the point of when you first acquired it, as well as the costs associated with holding it, such as management and vaulting fees. Where an individual or a trust or superfund have held the precious metal for more than one year, any capital gains may be discounted by 50%. The discount is unavailable where a company has held the precious metals. If you are not dealing with someone at an arm's length, then instead of taking the cash paid figure for the purposes of calculating your capital gains or losses, use the market value of the precious metal at the time of sale.

The gain or loss is included in your income tax return. We always recommend that our clients gain independent legal and tax advice prior to making an investment into any of the Auctus Metal Portfolios as every client has their own individual circumstances to consider.

Q: I BUY AND SELL PRECIOUS METALS FREQUENTLY. DOES THIS CHANGE THE TAX TREATMENT OF MY TRADES?

Depending on our clients' tax jurisdiction, if you are in the business of buying and selling precious metals, profits that you generate are ordinarily treated as your taxable income. Your costs associated with this activity are ordinarily deductible expenses. If you are in the business of trading precious metals, or you are unsure whether your trading constitutes a business, you should seek advice specific to your circumstances. We always recommend that our clients gain independent legal and tax advice prior to making an investment into any of our Auctus Metal Portfolios.

Q: WHAT HAPPENS TO MY PORTFOLIO IF AUCTUS METAL PORTFOLIOS PTE LTD FALLS INTO FINANCIAL TROUBLE OR IS LIQUIDATED?

The role of Auctus is solely to facilitate your precious metal investments and trades. Because you directly and wholly own the precious metals that you have purchased, you are not exposed to any 3rd party risk associated with the financial position or well-being of Auctus Metal Portfolios Pte Ltd. If you choose the Singapore Managed Portfolio option, you will also be protected with your call option, which you can exercise at any time and take possession of your physical precious metals portfolio. Please seek advice specific to your circumstances should this be of any concern to you, or should you wish to obtain the services that Auctus offers elsewhere.

IMPORTANT: Please note that all information contained in these FAQs is of a general nature and is not intended in any way to constitute, or replace the need for, the provision of financial advice. These FAQs do not take into account your personal objectives, financial situation or needs. You should consider whether the information in these FAQs is appropriate for you given your unique circumstances and obtain financial, legal and / or tax advice that is tailored to your individual circumstances from a suitably qualified financial advisor, lawyer or tax consultant.