Surtsey Metals & Mining Fund

Fund Investment Strategy
July 2021

The fund invests selectively in listed base metal mining companies which are active in mineral exploration, mine development and mining. The fund applies a value-based strategy and focuses on small and mid cap copper, nickel and zinc companies managed by seasoned and experienced management teams with projects in favourable mining jurisdictions. The fund may hedge against foreign exchange fluctuations versus the Swiss Franc.

Net Asset Value (NAV)

| Class  | CHF 118.83 | USD 121.9 |

Top 10 Positions

<table>
<thead>
<tr>
<th>Position</th>
<th>Company</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Poseidon Nickel</td>
<td>8.0%</td>
</tr>
<tr>
<td>2</td>
<td>Arizona Metals</td>
<td>7.0%</td>
</tr>
<tr>
<td>3</td>
<td>IGO NL</td>
<td>6.9%</td>
</tr>
<tr>
<td>4</td>
<td>Lundin Mining</td>
<td>6.7%</td>
</tr>
<tr>
<td>5</td>
<td>Ero Copper Reg</td>
<td>5.5%</td>
</tr>
<tr>
<td>6</td>
<td>Hudbay Minerals</td>
<td>5.2%</td>
</tr>
<tr>
<td>7</td>
<td>Adriatic Metals</td>
<td>4.8%</td>
</tr>
<tr>
<td>8</td>
<td>Western Areas</td>
<td>4.7%</td>
</tr>
<tr>
<td>9</td>
<td>DevEx Resources</td>
<td>4.3%</td>
</tr>
<tr>
<td>10</td>
<td>Northwest Copper</td>
<td>4.1%</td>
</tr>
</tbody>
</table>

Top 10 positions: 57.2% of the fund

# of equity positions: 22
# free warrants: 2
# traded options: 0
Cash: 13.4%
Net fund assets: CHF 14.98 mio.

Fund Terms

Asset manager: SSI Asset Management AG
Fund manager: Florian Siegfried
Management company: LLB Swiss Investment AG
Custodian: Bank J. Safra Sarasin, Basel
Auditors: PWC, Zurich
Domicile and structure: Switzerland, FCP
Inception: November 10, 2020
Liquidity / NAV: weekly / daily
Subscription/Redemption: Monday, cut-off: 4 PM CET
Fund currency: CHF
Class S CHF: ISIN CH0570650231
Class 2 USD: ISIN CH0570650256
Management fee p.a.: Class S 1.15% p.a.
Class 2 1.45% p.a.
Administration fee p.a.: 0.15% p.a.
Performance fee class S: 7% p.a. (10% hurdle, HWM)
Performance fee class 2: 10% p.a. (10% hurdle, HWM)
Subscription fee: 0.0% - 3.0%
Minimum investment: Class S & 2: 1 unit

Performance

<table>
<thead>
<tr>
<th>Class S CHF</th>
<th>Jan</th>
<th>Feb</th>
<th>Mrz</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
</tr>
</thead>
<tbody>
<tr>
<td>-1.0%</td>
<td>6.9%</td>
<td>0.8%</td>
<td>6.1%</td>
<td>-2.4%</td>
<td>2.2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Class 2 USD</td>
<td>1.2%</td>
<td>5.7%</td>
<td>-1.1%</td>
<td>6.0%</td>
<td>7.4%</td>
<td>-4.8%</td>
<td>4.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Contact & Fund Documentation

Florian Siegfried +423 388 28 03 f.siegfried@ssi-am.li
Philip Geiger +423 388 28 01 p.geiger@ssi-am.li
Fund documents www.ssi-am-li
www.llbswiss.ch
www.swissfunddata.ch

Portfolio Metrics

Average weighted market cap (CHF mio): 749
Dividend Yield: 0.43%
Price/Earnings: 2.5
P/E using FY1 Estimates: 4.4
Price/Cash Flow: 2.5
Price/Book: 5.4
Volatility: 42.2%

Portfolio Allocation

- Mid cap producers: 21%
- Developers: 15%
- Small cap producers: 30%
- Explorers: 33%
- South America 61%
- Global 8%
- Australia 38%
- North America 49%
- Zinc: 24%
- Nickel: 19.2%
- Diversified: 38.3%
- CAD 54%
- AUD 46%

1 The USD class may be hedged against the fund currency (CHF) opportunistically.
2 Class S CHF: since 10 November 2020 (initial date since the Fund has been managed by Florian Siegfried); Class 2 USD: since 17 November 2020.
3 Fund metrics include all portfolio positions including non-cash flow generating exploration and development companies.
4 The fund’s current FX exposure is partially hedged against the Swiss Franc.
5 Geography refers to place of mining operations.
Nickel has recorded further gains in July on corona-related disruptions at major Chinese industrial ports which caused a further squeeze in the metal’s supply chain. Refined nickel output in China as the top producer globally fell 15.7% year-on-year between January and July and sales from strategic U.S. inventories have only provided temporary relief. The demand driver for nickel remains the stainless-steel industry which accounts for the majority of its consumption as well as a growing demand for nickel-rich cathode chemistries for the electric vehicle industry. Currently the delivery of nickel in the London Metal exchange (LME) network of global warehouses fell to just under 150k tons, the lowest level since March 2020. At this point we remain generally cautious on the overall base metal markets as the overall commodity complex is due for a pull back as the Dollar-Index is working its way up.

**Poseidon Nickel**, the Australian nickel developer, rallied on additional drilling results at its Golden Swan project, including 2.1 meters grading 13.79% nickel with further drilling being underway. The next milestones for Golden Swan will be a maiden reserve and resource estimate, finalizing the offtake agreements and the financing with production targeted for 2022, subject of the completion of a positive scoping study for the restart of the existing processing plant.

**Hudbay Minerals** released a weaker than expected as second quarter operating results as copper and zinc production came short of expectations. Earnings per share for the quarter came in at $ 0.02 versus $0.09 consensus, but nevertheless, Hudbay has maintained 2021 production guidance including copper, zinc and gold. On the cos side, operating costs in Manitoba will remain as previously guided while in Peru, costs are expected to increase due to Covid-related restrictions. For the second half year we expect Hudbay’s production to improve while the ramp-up of the New Britannia mill in Manitoba should contribute to higher margins based in better grades and improving mineral recoveries.

**Adriatic Metals** reported additional drill results including 21 meters grading 17.8% Zinc equivalent from its Rupice deposit, located approximately 50 kilometers northwest of Sarajevo, the capital of Bosnia & Herzegovina. This latest batch of drilling has confirmed that the mineralized envelope of Rupice further expands to the northwest, an area that previously remained unexplored as the exploration focus do far remained on resource definition drilling. Together with the Veovaca deposit Rupice forms the Vareš polymetallic project which is now fully permitted. The company is currently working on the definitive feasibility study which should be released in the coming weeks and we think that based on this report there will be an increasing corporate interest in Adriatic.