



Argonaut Global Gold Fund

ABN 64 866 460 083

Financial Report
for the Period ended
30 June 2024



Argonaut Global Gold Fund

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30 June 2024

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Directors

Mr Edward Rigg – Chairman
Mr David Franklyn – Executive Director
Mr Ben Clifford – Executive Director
Mr Glen Colgan – Non-Executive Director
Mr Gregory Southee – Non-Executive Director
Mr Kevin Johnson – Non-Executive Director

Fund Secretary

Ms Alison Thompson

Investment Advisory Committee

Mr David Franklyn
Mr Ben Clifford
Mr Lee Bowers
Mr John Macdonald
Dr Dianmin Chen

Licensee & Trustee

Argonaut Funds Management Pty Ltd
ACN: 101 152 863
AFSL No: 224815
Level 30, Allendale Square,
77 St Georges Terrace,
Perth, WA 6000

Telephone: +61 8 9224 6888

Investment Manager

AFM Artemis Pty Ltd
A corporate representative of
Argonaut Funds Management Pty Ltd
AFSL No 224815

Registered Office

Level 30
Allendale Square
77 St Georges Terrace
Perth, WA 6000

Telephone: +61 8 9224 6888

Share Registrar

Automic Group
Level 5, 191 St Georges Terrace,
Perth WA 6000
www.automicgroup.com.au

Telephone: 1300 288 664

Custodian

Certane CT Pty Limited
Level 19
60 Castlereagh Street
Australia Square, NSW 2000
www.certane.com

Legal Advisers

Steinepreis Paganin
Level 4
16 Milligan Street
Perth WA 6000

Auditors

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco WA 6008



November 2024

Dear Unitholder,

The Argonaut Global Gold Fund was launched in November 2022 to provide high quality exposure to predominantly Australian domiciled gold producers with lesser exposure to developers and explorers. Early in the 2024 Financial Year the mandate was expanded to allow investment in international gold equities, precious metals equities and physical precious metals. The Fund was subsequently renamed the Argonaut Global Gold Fund to better reflect the broader investment universe.

The Fund delivered a return of 12.5% for the 2024 financial year, comfortably exceeding the CPI benchmark of 4.9%. The performance was ahead of the 11.2% return from the S&P ASX All Ordinaries Gold Index and below the return from the Van Eck Global Gold Miners Index which was up by 12.7%.

The Fund declared and paid a distribution of 19.75 cents for the 2024 financial year.

Sector returns were underpinned by a strong performance from the US Gold price, which lifted by 21% over the year to close at US\$2,328. Key drivers of this move include strong central bank buying, particularly from countries seeking an alternative to holding US dollar assets; concerns over the high level of debt in many western economies; heightened geopolitical risks given the conflicts in Ukraine, the middle east and ongoing tensions between the USA and China and the enhanced relative attractiveness of gold as interest rates enter an easing cycle. These factors remain in place, as highlighted by the further surge in gold prices since year end – with the US gold price currently sitting at US\$2,742oz which translates to an Australian dollar price in excess of A\$4,000oz. This bodes well for the free cash generation of Australian gold producers as we move into the 2025 financial year.

As at year end the portfolio composition was 50% producers, 14% developers and 26% explorers with 10% cash. Approximately 46% of the portfolio was in companies with a market capitalisation over \$1 billion with 29% in companies with a market capitalisation below \$100m. Underlying projects in the investee companies were primarily located in Australia (54%) with a further 25% in Africa.

On behalf of the Trustee and management team, we would like to thank you for your continued support and we look forward to a successful year ahead.

EDWARD RIGG
Chairman
Argonaut Funds Management



Argonaut Global Gold Fund
Directors' declaration
30 June 2024

In the opinion of the directors of the Fund:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Fund's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors.

Edwards Rigg
Chairman

David Franklyn
Director of the Trustee

14 November 2024



The directors of Argonaut Funds Management Pty Ltd (ACN 101 152 862) (the "Trustee") of Argonaut Global Gold Fund (the "Fund"), present their report, together with the financial statements, on the Fund for the year ended 30 June 2024.

**Directors of the Trustee
Edward Rigg – Chairman**

Edward is a co-founder of Argonaut. He has extensive experience in the execution of Mergers and Acquisitions and capital raisings for both public and private companies and is an active originator of domestic and cross border transactions for small cap through to large multinational entities and SOEs predominantly in the metals and mining and energy sectors. Prior to establishing Argonaut, Eddie was an Executive Director, Investment Banking of CIBC World Markets, a global investment bank. Eddie is a 40under40 and City of Perth Business Award winner.

Edward is a Responsible Manager for the Trustee under the Australian Financial Services Licence regime.

Benjamin Clifford – Executive

Ben is a Managing Director and main Board member of Argonaut Limited. Ben is also Joint Head of Funds Management at Argonaut and Fund Manager of Argonaut Global Gold Fund.

Ben has over 25 years of Equity and Debt capital markets experience including equity trading, portfolio management, equity underwrites, IPO's and capital structure advisory for leading global listed corporates. Most recently, he was Head of Equities and Board Member at Goldman Sachs Australia & NZ for over 5 years and held senior trading roles at Macquarie Bank in both Tokyo and Sydney for over 12 years. Ben served as Portfolio Manager at Blue Sky Macro and also NIB Capital in London.

Benjamin is a Responsible Manager for the Trustee the Australian Financial Services Licence regime.

David Franklyn – Executive

David is an Executive Director and Joint Head of Funds Management at Argonaut. He is also Fund Manager of Argonaut Natural Resources Fund.

David has over 25 years of financial market experience, including almost ten years as head of research at a leading small companies' stockbroker and ten years as managing director of a boutique funds management business. David is an experienced business executive, having held senior roles in ASX listed and unlisted companies.

David is a Responsible Manager for the Trustee under the Australian Financial Services Licence regime.

Glen Colgan – Non-Executive

Glen has more than 30 years' experience in the financial sector, in particular the Australian stockbroking industry. He has extensive experience in most facets of share trading and advisory having worked as a trading floor operator, designated trading representative, private client advisor and corporate stockbroker.

Prior to joining Argonaut in 2006, Glen spent 6 years as Branch Manager of a successful Goldfields-based stockbroking operation, where he gained a detailed knowledge of the mining and mineral exploration industries. Glen traditionally specialises in small to mid-cap resources stocks and also provides equities investment advice for portfolios, is qualified to advise on Superannuation and is a Level 1 Accredited Derivatives Advisor.

Kevin Johnson – Non-Executive

Kevin is an Executive Director of Argonaut Securities. Kevin specialises in providing share-market advice, portfolio management and trade execution services for domestic and international private clients and corporates, international brokers, and resource funds.

Kevin has more than 30 years of experience in the financial services industry. He started his career at the Reserve Bank of Australia then began stockbroking as a trading floor operator in the late 80's. His advisory career included Perth offices for BNZ, HSBC and Citigroup stockbroking operations before joining Argonaut in November 2006

Kevin is a Responsible Manager for the Trustee under the Australian Financial Services Licence regime.



Gregory Southee – Non-Executive

Gregory is the Managing Director of Argonaut Limited and also Head of Corporate Finance. He has qualifications in law and commerce with majors in finance and accounting. Gregory has extensive experience in M & A, capital raisings, debt advisory and corporate restructurings. He has been involved in a wide range of advisory roles and has developed innovative solutions for companies across a range of industries.

Gregory has originated a number of cross-border transactions and works with small cap through to large multi-national companies.

Meetings of Directors

The number of meetings of the company's Board of Directors held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Number eligible to attend	Number attended
Edward Rigg	4	4
David Franklyn	4	4
Greg Southee	4	3
Glen Colgan	4	4
Kevin Johnson	4	4
Benjamin Clifford	4	4

Operating Results

The Fund generated a profit for the year ended 30 June 2024 of \$1,525,162 (30 June 2023: \$669,783).

Distributions to Unitholders

A distribution of 19.5 cents per unit was declared for unitholders registered as at 30 June 2024. This compares to the 1.4 cent distribution for the prior year.

Review of Financial Position

The Net Asset position of the Fund for the period ended 30 June 2024 is \$11,912,446.

Review of Operations

The Argonaut Global Gold Fund commenced operations on 21 November 2022. For FY 2024, the Fund delivered a total return of 12.5% and established a portfolio of good quality and good value Australian based gold companies, spanning gold producers, developers and explorers. Consistent with the investment mandate, the Fund retained a weighting of at least 50% of the portfolio to Australian domiciled gold producers during the period.

Investment Process

The investment manager has a rigorous investment system. Decisions are based on a three-step investment process:

- **Step One** is a high-level assessment of the overall market;
- **Step Two** is a macro assessment of global trends, precious metals markets and preferred operating locations; and
- **Step Three** consists of specific micro-company analysis focusing on our "5 Bricks" investment analysis system, which assesses companies based on five criteria – management, valuation, financial strength, business strength and responsible investing.

Portfolio Summary

As at 30 June 2024, the Fund's portfolio consisted of 20 separate investments with exposures to Gold Producers (50%), Explorers (26%), Developers (14%), and Cash (10%).



As at 30 June 2024, the Top 5* stock holdings were:

Company	Weighting	Type
Genesis Mineral Ltd	13.4%	Producer
Awale Resources Ltd	11.6%	Explorer
Ora Gold Ltd	11.4%	Developer
Gold Road Resources Ltd	10.6%	Producer
Westgold Resources	6.5%	Producer

* Weightings are based on the investment amount in each security as a percentage of total assets as at 30 June 2024.

Our view is that we are in the midst of a multi-year upgrade cycle in gold and precious metals equities and we have built a high-quality portfolio to capitalise on this outlook.

Investment Management Agreement

The Trustee of the Argonaut Global Gold Fund, Argonaut Funds Management Pty Ltd, has entered into an Investment Management Agreement with the Investment Manager, AFM Artemis Pty Ltd. This agreement outlines the terms and conditions under which the Fund will be managed and details the fee's to be paid to the investment manager.

Under the terms of the Investment Management Agreement, AFM Artemis Pty Ltd charges the Fund the following fees:

- A base management fee of up to 1.5% per annum (excluding GST) of funds under management (gross assets of the Fund), accrued and payable monthly in arrears. For the year to 30 June 2024 the total base management fee accrued by the Fund was \$210,502.
- A Performance fee equal to 20% of the increase in Net Asset Value ("NAV") per unit, above the Benchmark return over the twelve-month period between 1 July and 30 June, accrued monthly and payable annually in arrears. This is subject to a high-water mark, being the previous highest NAV per unit of the Fund (adjusted for distributions) immediately after payment of a Performance Fee. Further details on the performance fee and high-water mark are available in the Argonaut Global Gold Fund Information Memorandum. For the year to 30 June 2024 the total performance fee accrued (and subsequently paid in the following year) by the Fund was \$149,389.

In the year ended 30 June 2024, the Fund unit price increased from the initial offering price of \$1.062 per unit to \$1.195 per unit (before distribution of \$0.1954), an increase of 12.5%. This compares to the Fund's benchmark, the RBA CPI Rolling Rate which increased by 4.9%. Relevant gold indices, the ASX All Ordinaries Gold and the Van Eck Junior Miners Gold ETF were up by 11.2% and 18.1% respectively.

The outperformance (against the benchmark) amount was \$746,945, of which 80% (\$597,556) was retained by the Fund to the benefit of the unitholders, with 20% (\$149,389) as investment manager's performance fee.

Principal Activities

During the financial year, the principal activity of the Fund was the business of buying and selling securities in the financial markets with a view to generating a profit.

Likely Developments and Results

Likely developments in the operations of the Fund and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Fund.

Indemnifying Officers or Auditors

Indemnities have been given for the Directors of the Trustee and to the Investment Manager to the maximum extent permitted by law. Apart from these indemnities, the Fund has not indemnified or made a relevant agreement for indemnifying against a liability of any person who is or has been made an Officer or Auditor of the Fund.

In accordance with the Corporations Act 2001, the Trustee pays a premium to insure Officers against any liability incurred as an Officer of that entity or of a related body corporate. This may include a liability for reasonable costs and expenses incurred in defending proceedings, whether civil or criminal and whatever their outcome.



Proceedings on Behalf of the Fund

No persons have applied for leave of the Court to bring proceedings on behalf of the Fund or intervene in any proceedings to which the Fund is a party for the purpose of taking responsibility on behalf of the Fund for all or any part of those proceedings.

The Fund was not a party to any such proceedings during the year.

Significant Changes in the State of Affairs

In August 2023, the Fund's investment universe expanded to allow international equities, precious metals equities and physical precious metals. The performance benchmark of the Fund was changed to the RBA CPI rate which aligns the Fund with other global gold and precious metals funds. To reflect the expanded investment mandate, the Fund changed its name to the Argonaut Global Gold Fund. Please see a summary of the investment mandate changes below:

Portfolio Composition	Previous Mandate	New Mandate
Exposure to Physical Gold and Precious Metals	0-25%	0-25%
Trusts/Exchange Traded Funds	(Gold Only)	
Exposure to listed gold producer companies	50-100% (ASX only)	50-100% (globally)
Exposure to listed gold developers and advanced explorer companies	0-50% (ASX only)	0-50% (globally)
Minimum Exposure to Gold and Gold Equities	N/A	50%
Benchmark	ASX 300 Resources	RBA CPI Rolling Annual rate
Number of Securities in Portfolio	10-25	Unchanged
Micro Cap Exposure (Mkt Cap \$50m)	0-20%	Unchanged
Cash Weighting	0-30%	Unchanged
Company Exposure (Portfolio %.) at Purchase	0-15%	Unchanged
Company Exposure (Portfolio %.) at Valuation	0-20%	Unchanged
Exposure to Unlisted Companies	0-10%	Unchanged
Borrowings	0%	Unchanged
Short Selling / Hedging	0-30%	Unchanged
Investment Universe	Australian Gold Equities	Gold and Precious Metals via equities, debt, royalties, and streaming.

Events Subsequent to the Reporting Date

A review of the Fund's investment portfolio was performed at 31 October 2024. The cost of investments (incl. cash) was \$14,752,863 (30 June 2024: \$15,204,456). The market value of investments (incl. cash, which also comprises movement related to application and redemption monies) was \$15,522,883 (30 June 2024: \$14,420,693). The movement in the market value of investments is wholly attributable to the share market fluctuations and the disposal and acquisition of certain of the Fund's shareholdings during the period.

During the period 1 July 2024 to 31 October 2024 the Fund raised \$2,637,098 in new applications.

During the period 1 July 2024 to 31 October 2024 the Fund paid \$2,182,913 redemptions.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Fund's operations, the results of those operations, or the Fund's state of affairs in future financial years.

Environmental Regulation

The Fund's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Argonaut Global Gold Fund
Directors' report
30 June 2024



This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in dark ink, appearing to read 'E Rigg', written over a horizontal line.

Edwards Rigg
Chairman

A handwritten signature in dark ink, appearing to read 'D Franklyn', written over a horizontal line.

David Franklyn
Director of the Trustee

14 November 2024

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the audit of the financial statements of Argonaut Global Gold Fund for the financial year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA

Director

Dated this 14th of November 2024

Perth, Western Australia

Argonaut Global Gold Fund
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024



	Note	30 June 2024 \$	30 June 2023 \$
Income			
Interest income	5	73,774	54,148
Unrealised (loss)/gain on trading activities		(1,347,293)	504,280
Net gain on the sale of financial assets		3,548,115	407,718
Dividends received		116,108	21,714
		2,390,704	987,860
Total income		2,390,704	987,860
Expenses			
Other expenses	4	(865,542)	(318,077)
Total expenses		(865,542)	(318,077)
Net income attributable to unitholders for the year		1,525,162	669,783
Other comprehensive income for the year		-	-
Total comprehensive income for the year		1,525,162	669,783

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Argonaut Global Gold Fund
Statement of financial position
As at 30 June 2024



	Note	30 June 2024 \$	30 June 2023 \$
Assets			
Current assets			
Cash and cash equivalents	6	1,650,224	1,291,495
Financial assets	7	12,770,470	11,232,460
Other assets		13,675	22,929
Total current assets		14,434,369	12,546,884
Total assets		14,434,369	12,546,884
Liabilities			
Current liabilities			
Payables and accruals	8	2,521,923	359,579
Total current liabilities		2,521,923	359,579
Total liabilities		2,521,923	359,579
Net assets attributable to unitholders - liabilities		11,912,446	12,187,305
Equity			
Issued Capital	9	14,519,234	11,689,025
Distributions		(2,446,794)	(171,503)
Unit redemptions		(2,354,940)	-
Retained profits		2,194,946	669,783
Total equity		11,912,446	12,187,305

The above statement of financial position should be read in conjunction with the accompanying notes



Argonaut Global Gold Fund
Statement of changes in net assets attributable to unitholders
For the year ended 30 June 2024

	30 June 2024	30 June 2023
	\$	\$
Statement of changes in net assets attributable to unitholders		
Opening balance	12,187,305	-
Profit for the year	1,525,162	669,783
Distribution	(2,275,291)	(171,503)
Units issued	2,830,209	11,689,025
Units redeemed	(2,354,939)	-
Closing balance	<u>11,912,446</u>	<u>12,187,305</u>

The above statement of changes in net assets attributable to unitholders should be read in conjunction with the accompanying notes

Argonaut Global Gold Fund
Statement of cash flows
For the year ended 30 June 2024



	Note	30 June 2024 \$	30 June 2023 \$
Cash flows from operating activities			
Interest received		73,708	54,148
Payments to suppliers		<u>(305,143)</u>	<u>(146,416)</u>
Net cash used in operating activities		<u>(231,435)</u>	<u>(92,268)</u>
Cash flows from investing activities			
Proceeds from sale of investments		63,959,034	3,504,839
Payment for investments		<u>(63,920,129)</u>	<u>(13,825,301)</u>
Dividends received		<u>75,991</u>	<u>15,200</u>
Net cash from/(used in) investing activities		<u>114,896</u>	<u>(10,305,262)</u>
Cash flows from financing activities			
Proceeds from issue of units		2,830,208	11,689,025
Redemptions of units		<u>(2,354,940)</u>	<u>-</u>
Net cash from financing activities		<u>475,268</u>	<u>11,689,025</u>
Net increase in cash and cash equivalents		358,729	1,291,495
Cash and cash equivalents at the beginning of the financial year		<u>1,291,495</u>	<u>-</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>1,650,224</u></u>	<u><u>1,291,495</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes



Note 1. General information

This financial report covers Argonaut Global Gold Fund (ABN 64 866 460 083) (the "Fund") which is an unlisted and unregistered managed investment scheme, structured as a unit trust.

The Trustee of the Fund is (ABN 64 866 460 083, AFSL 274099) (the "Trustee"). The registered office and principal place of business of the Fund is:

Allendale Square
Level 30
77 St Georges Terrace
Perth WA 6000

Note 2. Material accounting policies

This financial report includes the financial statements and notes of Argonaut Global Gold Fund, formerly known as Argonaut Australian Gold Fund. Argonaut Global Gold Fund ("Fund") is a private unit trust, domiciled in Australia.

New or Amended Accounting Standards and Interpretations Adopted

The Fund has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not significantly impact the financial performance or position of the Fund.

The following Accounting Standards and Interpretations are most relevant to the Fund:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The Fund has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The Fund has adopted AASB 1060 from 1 July 2020. The standard provides a new Tier 2 reporting framework with simplified disclosures based on the IFRS requirements for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments

a) Basis of Preparation

The financial report is a general-purpose financial report prepared according to Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis. It is based on historical costs, modified, where applicable, by measuring the fair value of selected non-current assets, financial assets and financial liabilities.



Note 2. Material accounting policies (continued)

Revenue and Other Income

Share trading

Other income from the sale of shares is recognised on the day the security is traded and comprises net profit on the sale of securities.

Interest

Interest revenue is recognised on an accrual's basis.

Dividends

Dividends are recognised when declared.

Cash and Cash Equivalents

For the purposes of the cash flow statement, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months, net of bank overdrafts.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Financial Instruments

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires, or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled, or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the assets or liability, assuming the market participants act in their economic best interests.

- (i) Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

- (ii) Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit and loss through the amortisation process and when the financial liability is derecognised.



Note 2. Material accounting policies (continued)

Impairment

The carrying amounts of the Fund's assets other than other financial assets and deferred tax assets are reviewed at each balance date to determine whether there is any indication of impairment, and if so, the asset's recoverable amount is estimated.

An impairment loss is recognised in the income statement unless an asset has been previously revalued, in which case the impairment loss is recognised as a reversal to the extent of the previous revaluation through the profit and loss.

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. The recoverable amount of other assets is the greater of their fair value, less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Income Tax

Under current Australian income tax legislation, the Trust is not liable for income tax, provided taxable income (including any realised capital gains) is fully attributable to unit holders each year.

Potential future income tax benefits net of deferred tax liabilities attributable to tax losses have not been brought to account because the Trustee does not believe it is appropriate given the Argonaut Global Gold Fund is not assessed in its own right for income tax.

Critical Accounting Judgements, Estimates and Assumptions

The Directors evaluate estimates and judgements incorporated into the Financial Report based on historical knowledge and best available current information. Estimates assume reasonable expectations of future events based on current trends and economic data, obtained both externally and within the Fund.

Key Estimates – Impairment

The Fund assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Fund that may indicate impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations, which incorporate various key assumptions.

Note 3. Financial Risk Management

Financial Risk Management Policies

The Fund's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivable and payable.

The primary purpose of non-derivative financial instruments is to raise finance for Fund investments.

The Fund does not use derivatives for hedging purposes. The Fund does not speculate in the trading of derivative instruments.

i. Treasury Risk Management

Senior Executives of the Fund meet regularly to analyse financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Senior Executives overall risk management strategy seeks to minimise potential adverse effects on financial performance.

The Senior Executives operate under the guidance of the Board of Directors. Risk Management initiatives are addressed by the Board when required.



Note 3. Financial Risk Management (continued)

ii. Financial Risk Exposures and Management

The main risks the Fund is exposed to through its financial instruments are interest rate risk, liquidity risk, market risk, credit risk and price risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The entity's exposure to interest rate risk is limited to cash and cash equivalents, convertible notes, and financial liabilities.

At 30 June 2024, the Fund does not have any material interest rate risk exposure.

Liquidity risk

The Fund manages liquidity risk by monitoring forecast cash flows.

Market risk

Market risk is the risk that the value of the Fund's investments will fluctuate due to changes in market prices. It is recognised that the investment portfolio comprises a proportion of speculative investments in the mining and resources sector. To minimise market risk, positions are monitored daily and marked-to-market regularly.

Net fair values of financial assets and liabilities

Assets and liabilities included in the Statement of Financial Position are carried at amounts that approximate their fair values. Please refer to note 2 for the methods and assumptions adopted in determining net fair values for investments.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

The Senior Executives ensure that the Fund deals with:

- Only banks and financial institutions with an "A" rating; and
- All potential customers are rated for credit-worthiness, taking into account their size, market position and financial standing.

The Fund invests in listed available-for-sale/held to maturity financial assets. Unlisted available-for-sale / held to maturity financial assets are not rated by external credit agencies. These are reviewed regularly by the Fund to ensure that credit exposure is minimised.

The credit risk for counterparties included in trade and other receivables is detailed below:

Price risk

The Fund is exposed to changes in share prices of the portfolio of securities that it holds. Securities are monitored regularly to ensure that the relevant companies in which shares are held meet the Investment Committee's investment standards.

iii. Net Fair Values

The net fair values of:



Note 3. Financial Risk Management (continued)

- Listed investments have been valued at the quoted market last sale price at the balance date. For unlisted investments where there is no organised financial market, the net fair value has been based on the cost base of the investment or the reasonable estimation of the underlying net assets.
- Other loans and amounts due are determined by discounting the cash flows, at market interest rates of similar borrowings, to their present value.
- Other assets and other liabilities approximate their carrying value.

Credit risk is reviewed regularly by the Senior Executives.

No financial assets and financial liabilities are readily traded on organised markets in a standardised form other than listed investments.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date

As at 30 June 2024, the carrying amounts of all financial assets and liabilities approximated their fair values.

iv. Sensitivity Analysis

Interest rate risk, foreign currency risk and price risk

The Fund has performed sensitivity analysis relating to its exposures to interest rate risk and price risk at balance date and has determined that increases and decreases are not material to the Fund.

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments measured subsequent to initial recognition at fair value, grouped into Levels 1 and 2 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 fair value measurements are those that cannot be determined by using readily observable inputs or measures, such as market prices or models. They are calculated using estimates or risk-adjusted value ranges.

30 June 2024

Financial assets:	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss:</i>	\$	\$	\$	\$
Investments: held for trading	12,770,470	-	-	12,770,470

30 June 2023

Financial assets:	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss:</i>	\$	\$	\$	\$
Investments: held for trading	11,232,460	-	-	11,232,460

Listed Equity Sensitivity Analysis

At 30 June 2024, the effect on profit and equity as a result of changes in listed equity prices, with all other variables remaining constant, would be as follows:



Note 3. Financial Risk Management (continued)

	30 June 2024	30 June 2023
	\$	\$
<i>Change in profit</i>	-	-
Increase in listed equity prices by 10%	1,277,017	1,123,246
Decrease in listed equity prices by 10%	(1,277,047)	(1,123,246)
<i>Change in Equity</i>	-	-
Increase in listed equity prices by 10%	1,277,017	1,123,246
Decrease in listed equity prices by 10%	(1,277,047)	(1,123,246)

Note 4. Other Expenses

	30 June 2024	30 June 2023
	\$	\$
Performance fee	149,389	156,324
Base fee	210,502	104,373
Audit fees	30,845	6,000
Bank charges	413	36
Brokerage	449,369	51,344
Custodian fees	9,997	-
Filing fees	13,028	-
Printing and stationery	42	-
RITC	1,957	-
	<u>865,542</u>	<u>318,077</u>

Note 5. Interest income

	30 June 2024	30 June 2023
	\$	\$
Interest income - cash accounts	<u>73,774</u>	<u>54,148</u>

Note 6. Cash and cash equivalents

a) Cash and cash equivalents include cash at bank and investments in cash management trusts. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	30 June 2024	30 June 2023
	\$	\$
<i>Current assets</i>		
Cash at bank	1,650,224	1,291,495
Balance at end of year	<u>1,650,224</u>	<u>1,291,495</u>

Note 7. Financial assets

	30 June 2024	30 June 2023
	\$	\$
<i>Current assets</i>		
Investments held for trading	13,554,233	10,728,180
Change in fair value	(783,763)	504,280
	<u>12,770,470</u>	<u>11,232,460</u>



Note 8. Payables and accruals

	30 June 2024	30 June 2023
	\$	\$
<i>Current liabilities</i>		
Other payables	246,632	194,590
Distribution payable	2,275,291	164,989
Total payables and accruals	<u>2,521,923</u>	<u>359,579</u>

Note 9. Issued Capital

	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	Units	Units	\$	\$
Issued units	<u>11,668,157</u>	<u>11,475,319</u>	<u>14,519,234</u>	<u>11,689,025</u>

Unitholders have the following rights (amongst others):

- right to receive notices of meetings of the Fund and to attend such meetings and to vote at such meetings except in relation to winding up the Fund
- right to receive distributions
- rights under the Corporations Act to wind up the Fund

Capital Management

Fund policy is to have no bank debt.

Management controls the capital of the Fund in order to maintain a good debt to equity ratio, in an endeavour to provide the shareholders with adequate returns and to ensure that the Fund can fund its operations and continue as a going concern.

The Fund's debt and capital include ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

Management effectively manages the Fund's capital by assessing the Fund's financial risk and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Fund since the prior year. This strategy is to ensure that the Fund's gearing ratio remains conservative.

Note 10. Operating Segments

Identification of reportable segments

The Fund has identified one reportable segment, the financial investment industry, based on the internal reports reviewed and used by the Board of Directors (chief operating decision makers) to assess performance and determine the allocation of resources.

The Board reviews financial information on the same basis as presented in the financial statements. It has therefore determined the operating segment on this basis.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision-maker concerning operating segments, are determined according to accounting policies consistent with those adopted in the Fund's annual financial statements.



Note 10. Operating Segments (continued)

Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives the majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable based on their nature and physical location.

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the segment's operations. Segment liabilities include trade and other payables and certain direct borrowings. Borrowings and tax liabilities are generally considered to relate to the Fund as a whole and are not allocated.

Geographic Segment

The Fund operates from one geographic location, being Australia, from where its investing activities are managed.

Note 11. Related party transactions

Management Fees

The Trustee of the Argonaut Global Gold Fund, Argonaut Funds Management Pty Ltd, has entered into an Investment Management Agreement with the Investment Manager, AFM Artemis Pty Ltd. This agreement outlines the terms and conditions under which the Fund will be managed and details the fee's to be paid to the investment manager.

Under the terms of the Investment Management Agreement, AFM Artemis Pty Ltd charges the Fund the following fees:

- A base management fee of up to 1.5% per annum (excluding GST) of funds under management (gross assets of the Fund), accrued and payable monthly in arrears.
- A Performance fee equal to 20% of the increase in Net Asset Value ("NAV") per unit, above the Benchmark return over the twelve-month period between 1 July and 30 June, accrued monthly and payable annually in arrears. This is subject to a high-water mark, being the previous highest NAV per unit of the Fund (adjusted for distributions) immediately after payment of a Performance Fee. Further details on the performance fee and high-water mark are available in the Argonaut Global Gold Fund Information Memorandum.

AFM Artemis Pty Ltd Fees

	30 June 2024	30 June 2023
	\$	\$
Performance fee	149,389	156,324
Base fee	210,502	104,373
	359,891	260,697

Shareholdings of related entities

The License Holder – Argonaut Securities Pty Limited

Argonaut Securities Pty Limited holds Australian Financial Services License No. 274099 which enables it to operate wholesale managed investment schemes. Argonaut Securities Pty Limited operates as the licensee of the Argonaut Global Gold Fund.

No fees are paid by the Fund to the License Holder for the provision of this service.

The Trustee – Argonaut Funds Management Pty Ltd

Argonaut Funds Management Pty Ltd is a wholly owned subsidiary of Argonaut PCF Limited.

Argonaut Funds Management Pty Ltd is the Trustee of the Argonaut Global Gold Fund.

No fees were paid by the Fund to the Directors of the Trustee for their services.



Note 11. Related party transactions (continued)

The Directors of the Trustee are detailed below along with details of their unitholding in the Argonaut Global Gold Fund:

Entities Related to Manager	Representative	Balance 30 June 2023 No.	Net Change Other No.	Balance 30 June 2024 No.
Argonaut Partners Pty Limited	Edward Rigg	250,000	3,384	253,384
EGR Management Pty Ltd	Edward Rigg	50,000	676	50,676
Stateline Investments Pty Ltd	Glen Colgan	50,000	-	50,000
Union Street Super	David Franklyn	100,000	1,353	101,353
Beelong Pty Ltd	Kevin Johnson	300,000	-	300,000
	Benjamin Clifford	-	470,809	470,809
Speymalt Pty Ltd	Benjamin Clifford	-	274,900	274,900
Skene Street Holdings Pty Limited	Benjamin Clifford	-	350,448	350,448
		750,000	1,101,570	1,851,570

The Investment Manager – AFM Artemis Pty Ltd

The Investment Manager of the Fund is AFM Artemis, a corporate authorised representative of Argonaut Securities Pty Limited. The Argonaut group are specialist resource sector investors and advisors, supported by a strong research team of four company analysts covering the resources and mining service areas.

The investment manager is responsible for the investment activities of the Fund and operates according to the guidelines established in the Investment Management Agreement. The Fund invests across both large and small capitalisation companies listed on the Australian Securities Exchange, with a focus on identifying compelling fundamental value in the gold segment of the market.

The Directors of the Investment Manager are the same as The Trustee and accordingly the information is detailed above.

Note 12. Remuneration of auditors

	30 June 2024	30 June 2023
	\$	\$
<i>Audit services - Hall Chadwick</i>		
Audit and review of the financial report	6,000	6,000

Note 13. Events after the reporting period

A review of the Fund's investment portfolio was performed at 31 October 2024. The cost of investments (incl. cash) was \$14,752,863 (30 June 2024: \$15,204,456). The market value of investments (incl. cash, which also comprises movement related to application and redemption monies) was \$15,522,883 (30 June 2024: \$14,420,693). The movement in the market value of investments is wholly attributable to the share market fluctuations and the disposal and acquisition of certain of the Fund's shareholdings during the period.

During the period 1 July 2024 to 31 October 2024 the Fund raised \$2,637,098 in new applications.

During the period 1 July 2024 to 31 October 2024 the Fund paid \$2,182,913 redemptions.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Fund's operations, the results of those operations, or the Fund's state of affairs in future financial years.

Note 14. Contingent assets, liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2024.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARGONAUT GLOBAL GOLD FUND

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Argonaut Global Gold Fund (“the Company”), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the directors’ declaration.

In our opinion:

- a. the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company’s financial position as at 30 June 2024 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company’s annual report for the year ended 30 June 2024, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated this 14th of November 2024
Perth, Western Australia