



GoldVault | The Ultimate ESG Investment

GoldVault is a highly differentiated arbitrage fund yielding ultra-high uncorrelated alpha and incomparable ESG gains. Fund is currently capitalized with \$100 million of AUM.

The only investment products purchased by Fund are OTC gold forward contracts. Fund purchases forward contracts directly from select gold mine recyclers, where each forward contract is collateralized 10:1 with gold-containing ore held in trust.

GoldVault is a closed-end ESG-focused fund. Fund offerings conform to SEC Rule 506(c). Offering proceeds are utilized for phased purchases of \$1.1 billion of forward contracts, 10% of which are purchased via proceeds from current \$110 million offering.

Investment Highlights

- Current PPM offering = \$110 million
- Minimum investment = \$1 million
- Management / performance fees = 2% / 20%
- Unleveraged annualized return = 48.2% (net of management and performance fees)
- Unleveraged uncorrelated alpha = 43.1% (less 5.1% annualized return on gold from 2012 to 2022)
- Beta = 0 / SD = 0
- Sharpe Ratio = Infinite / Sortino Ratio = Infinite
- Overall collateralization ratio = 10:1 with appraised gold-containing ore held in trust
- At-risk cash investment collateralization ratio = 60:1 with appraised gold-containing ore held in trust

Fund Overview

- Fund's arbitrage strategy involves the purchase of OTC gold forward contracts from select United States gold miners.
- Forwards are collateralized 10:1 with appraised US gold-containing ore held in trust, virtually eliminating counterparty risk.
- Forwards deliver gold bullion at a fixed price, meaning returns are perfectly uncorrelated.
- Unleveraged net annualized returns equal 48.2%.
- 75% leverage can increase unleveraged annualized returns to well over 90%.
- GoldVault Fund is a closed-end fund currently capitalized with \$100 million AUM.
- 100% independently verified accredited investors.
- AUM is anticipated to exceed \$250 million over the next 12-months.
- 12-month initial lockup period with monthly redemptions thereafter.
- Fees based on NAV using a 2/20 high watermark structure.
- \$1 million minimum investment, monthly capital contributions.
- \$1 billion five-year AUM target.
- Fund holds no SEC or CFTC regulated assets, securities, derivatives, or commodities and is exempt from filing SEC Form PF.
- Fund structured as a conventional alternative asset LP, where limited partners have equal priority and rights to distributions.
- Fund has three GPs: a leading hedge fund manager and two securities attorneys with 60 years of combined experience.



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GoldVault | The Pinnacle in ESG Investing

The Physical Arbitrage

- Previously mined gold-containing virgin ore, partially processed tailings, and unprocessed mineralized rock (Surface Ore) lying in stockpiles on the surface of historic gold mines in the Western United States is being recycled by select gold miners to LBMA certified 99.95% pure investment grade gold ingots and bars.
- The Surface Ore was mined from the 1850s to the 1930s. Back then, much of the gold locked in the ore was unrecoverable and dumped in stockpiles on the surface of each mine.
- These century-old mines originally contained some of the richest deposits of gold-containing ore ever discovered in the United States.
- The remainder of those rich underground deposits of gold-containing ore now lie on the surface of each mine, only waiting to be recycled to certified 99.95% pure gold.
- There is zero mining to do, the only job left is recycling the Surface Ore.
- Gold-containing stockpiles of Surface Ore are fully exposed for precise measurement, e.g., appraisal at 95%+ accuracy.
- 3-fold increase in recovered gold using today's technology.
- Gold processed and refined for less than \$200/oz. or 25% of typical all-in sustaining costs of major gold producers.
- Since 100% of the mining is done, fully refined gold bullion can be delivered in 1/10th the time.
- Recycling and reclamation operations yield an array of environmental gains, credits, and ESG benefits.

The Financial Arbitrage

- Gold is purchased by Fund from select mine recyclers at a forward contract price of \$1,200/oz.
- \$200/oz. paid at initial purchase (Fund's total at-risk cash investment).
- \$1,000/oz. paid at final gold delivery or deducted from automatic resale proceeds.
- Gold forward contracts provide Fund with a built-in 83% leverage ratio for zero cost.
- Gold delivered over 36-months at a fully hedged, fixed price of \$1,800/oz., thereby eliminating volatility of returns (SD = 0).
- 10:1 gold delivery protection, where title to gold-ore equal to 10-times the value of Fund's forward contracts are held in trust.
- Mine recyclers transfer title to \$1.1 billion of gold-ore to trust, where Fund is primary beneficiary until 100% of its gold is received.
- Fund can resell its gold forward contracts any time prior to delivery without limitation.
- Fund purchases forward contracts at a deep (bulk) discount, meaning individual contracts have immediate resale liquidity.
- Most importantly, each day the Fund's contracts move closer to physical gold delivery the more valuable they become.
- However, liquidity demands will likely be comparatively low as investors will not find another fund yielding 43.1% perfectly uncorrelated alpha, nor a fund with its entire AUM collateralized 10:1 by appraised gold-containing ore held in trust.
- In summary, this is a long term arbitrage as mine recyclers can supply GoldVault with gold forward contracts for decades.

The ESG Arbitrage

- Recycling existing stockpiles of gold-containing ore, tailings, and mineralized rock lying on the surface of century-old United States gold mines actively improves the environment, versus any type of mining activity which only makes it worse.
- Gold mining and gold recycling lie at opposite ends of the sustainable investment spectrum.
- Gold mining creates minimal economic benefit at maximum environmental cost.
- Gold recycling creates maximum environmental benefit at minimal economic cost.

The Pinnacle of ESG

- Restoration of each site to its original pristine beauty.
- Long-term reinvestment in each local community.
- Maximizing local employment on a sustainable basis.
- Inclusive, fully transparent democratic governance.

