

Timeless Precious Metal: Investment Philosophy

THE TIMELESS PRECIOUS METAL FUND invests in listed mining companies of medium or small market capitalization, which have to fulfill the following criteria:

- Companies that are in production on the one hand, and have a high potential of adding new reserves and resources.
- Companies that are set to go into production and that have, at the same time, considerable exploration prospects.
- Companies that concentrate their exploration for precious metals in resource rich regions that have a positive track record.
- In addition we consider the experience and integrity of the mining company's management as another important investment criterion.
- Emphasis on operations in mining friendly countries and jurisdictions.

Performance in %

% CHANGE	PRICE MARCH 28	1 MONTH	12 MONTHS
THE TIMELESS PRECIOUS METAL FUND (EUR)	12.12	-7.90%	-30.18%
THE TIMELESS PRECIOUS METAL FUND (USD)	16.17	-8.46%	-33.87%
GOLD	1660.3	-6.93%	16.34%
SILVER	32.05	-13.21%	-14.99%
GOLD & SILVER INDEX - PHILADELPHIA (XAU)	173.46	-14.21%	-19.38%
AMEX GOLD BUGS INDEX (HUI)	466.69	-14.90%	-17.88%
GOLD MINERS INDEX - AMEX (GDM)	1353.93	-14.86%	-18.19%

Manager Report

This March the NAV of THE TIMELESS PRECIOUS METAL FUND decreased by 7.9% in Euro and 8.5% in USD. The price of gold and silver closed 7%, respectively 13% lower. Gold and silver indices representing major companies lost about 14.5% on average over the reporting month. March was a difficult month for the entire precious metals complex. Statements from the Federal Reserve not to increase its quantitative easing sent gold and therefore silver and the mining stocks into a plunge. Junior gold and silver mining shares – the domain and focus of THE TIMELESS PRECIOUS METAL FUND – fared better than the seniors. Trading in non-producing mining stocks remains subdued. Companies in the early production phase have performed better. Some have even become take-over candidates lately. The unrests in Mali have not negatively influenced our portfolio, as we have no investments in that region of the world.

The underperformance of gold and silver shares in relation to metal prices since 2007 is substantial. January 2012 had shown first short-lived signs of a turn-around taking place. Over 12 months this underperformance of the gold mining shares still is at more than 30%. There remains a significant potential for this valuation gap to close in 2012. Valuations of the junior gold and silver mines are – based on current precious metals prices – on a historical low level.

Historically seen, over the long-term, gold shares outperform the gold price roughly three times as between 2001 and 2007. This, however, has not been the case since then. Looking over the next years, we believe the smaller gold miners are especially poised to outperform.

Hedging Strategy

The Canadian and US-Dollar strength against the Euro is likely to prevail in the near future as the debt problems in Europe have little chance to fade away. We therefore have no currency hedges in place.

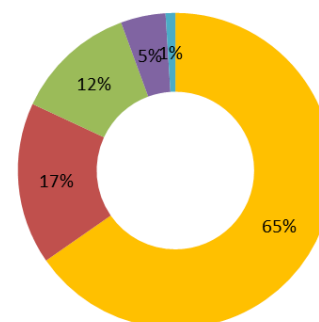
Top Five Gold Holdings

GOLD RESOURCE	12.0%
CENTRAL ASIAN MINERALS AND RESOURCES	10.6%
ROMIOS GOLD	4.3%
MAUDORE MINERALS	4.3%
RIO ALTO MINING	3.9%

Top Five Silver Holdings

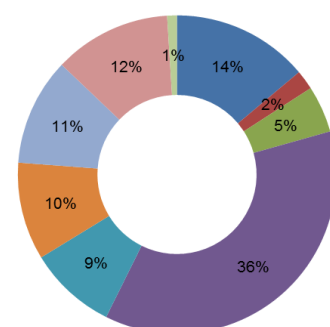
SILVERCREST MINES	4.7%
TAHOE RESOURCES	4.7%
OROCO RESOURCE	3.3%
SILVERMEX RESOURCES	2.5%
ARIAN SILVER	1.9%

Country Weightings by Incorporation



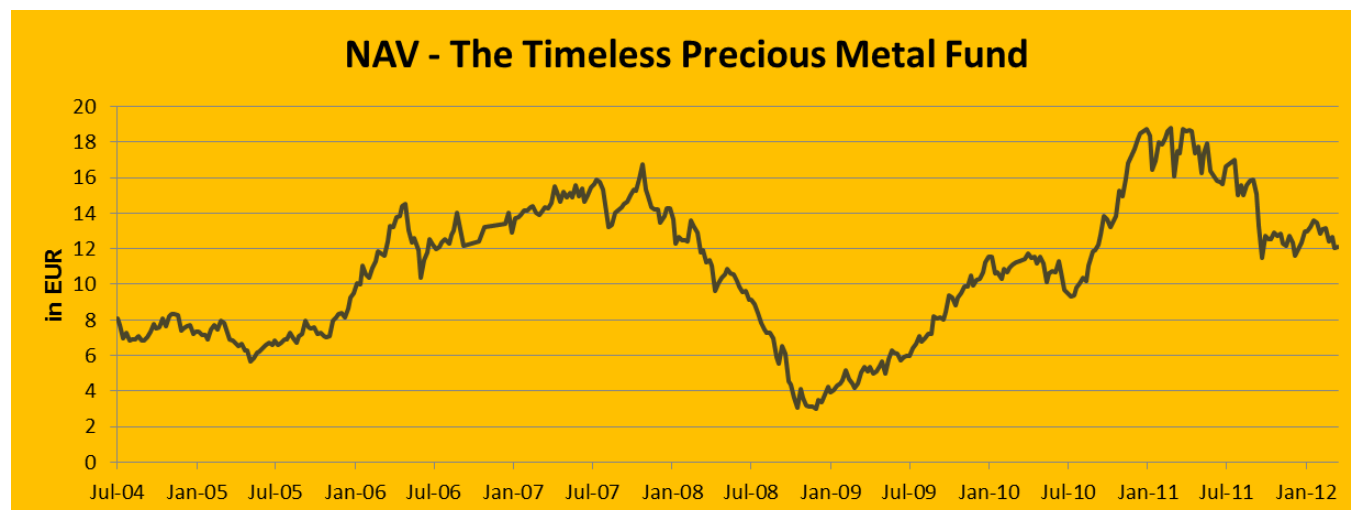
■ Canada ■ USA ■ UK ■ Australia ■ Cash

Country Weightings by Operations



■ Canada ■ Turkey ■ Guatemala
■ Mexico ■ Peru ■ USA
■ Tajikistan ■ Other ■ Cash

Fund Share Price Development (in EUR)



Calendar Year Returns (%)

	2006	2007	2008	2009	2010	2011	YTD
THE TIMELESS PRECIOUS METAL FUND (EUR)	55.98	3.28	-75.56	214.45	73.26	-35.03	1.00
THE TIMELESS PRECIOUS METAL FUND (USD)	72.98	15.16	-76.67	222.78	59.37	-34.21	3.15
GOLD & SILVER INDEX - PHILADELPHIA	11.11	21.84	-28.54	35.85	34.67	-21.59	-1.63
AMEX GOLD BUGS INDEX	22.15	21.03	-26.13	42.16	33.36	-14.78	-3.95

Fund Facts

ISIN :	MT0000072612	Bloomberg Code	TLPREME MV
Swiss Security N° / WKN:	1921952 / A0B8N9	Minimum Subscription:	EUR 10'000.–
Investment Manager:	P. ZIHLMANN INVESTMENT MANAGEMENT AG, Zurich, Switzerland	Subscription and Redemption:	weekly (Tuesday 4 pm CET)
Currency:	€ (Euro)	Issue commission:	max. 6.5%, min 1% (degressive based on subscription amount)
Domicile:	MALTA (EU)	Administrations Fee:	0.35% p.a.
License:	July 16, 2004	Management Fee:	2% p.a.
Size (March 28, 2012)	15.8 Million €	Performance Fee:	18% p.a. ('high-watermark')
Custodian Bank:	Bank of Valletta, Malta	Information & Marketing:	Sharp Advisory Ltd., Valletta, Malta, www.sharpadvisory.com
Administration Company:	Valletta Fund Services, Malta	Web:	www.timeless-funds.com E-mail: info@timeless-funds.com
Auditors:	PriceWaterhouseCoopers, Malta		
Legal Advisors:	David Griscti & Associates, Valletta, Malta		

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