



Orionis Fund

Class G Preference Shares



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Orionis Fund Ltd

The Orionis Fund Ltd. Class G is a Gold-Centric Collective Investment Scheme focusing on generating yield for Investors. The Scheme is established in British Virgin Islands as a Collective Investment Scheme for Professional Investors to participate with the experienced management team to harness exceptional return on investment. As of Dec '19, the fund has completed five years of its operation with a strong track record of return on investments.

Monthly Results

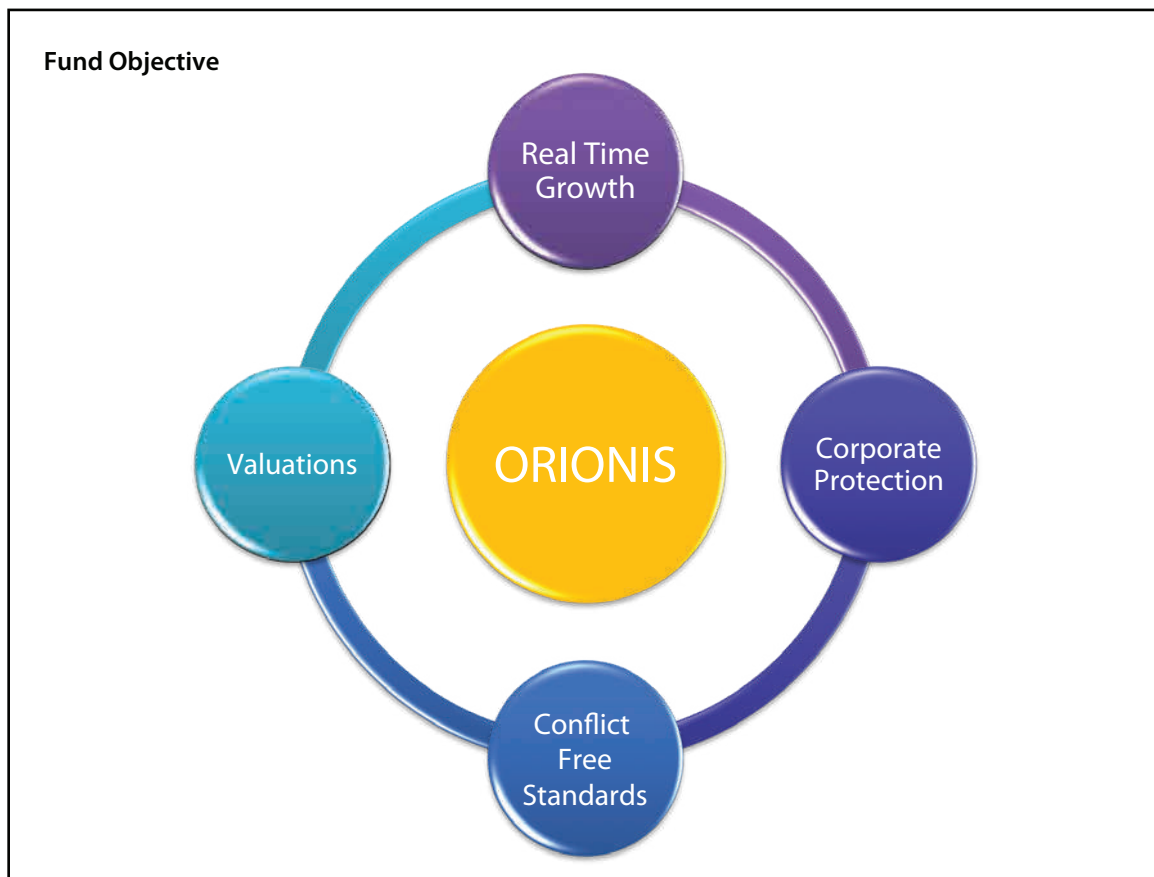
Orionis Fund Ltd, Class G. (CIS) continued its profitable operations and has declared dividends of '2.65%' for Dec '19. The fiscal returns for the year till Dec was '29.42%' & returns since inception stood at '151.99%'.

Orionis is an unregulated Collective Investment Scheme setup for Professional Investors. The fund is managed by highly experienced team where in returns are generated from its Midstream Artisanal Gold Mining activity in Republic of Mali, West Africa.

Investment Strategy

Strategy of the CIS is to engage artisan miners with a view to pre-finance artisanal extraction of Gold. The fund bridges the Midstream Artisanal Gold Mining spread over its facility in francophonic region.

Optimal risk free returns are harnessed by engaging best in class professionals in sourcing raw gold at maximum discount and reselling processed scrap gold. The management team of the funds has been in the business over two decades in West Africa and leverages its deep experience.





Production Chain

Work in the goldfield is well organized. All work is done by teamwork and proceeds in an orderly fashion.

Collection of gold dust or nuggets on the concession is transacted by the local precious metal agent for which the digger/miner is paid 50% by reference to the prevailing LBMA spot price. The above transaction is carried on with a number of diggers / miners on the concession on a daily basis. At the end of the month the miners are paid the remainder of money owed to them. Once bailment is reached the local Precious metal agent consolidates the bailments listing the fine ounces and are sold in the local market or stored in a secure vault to sell to refiners for smelting into 99.99% gold bars.

Investment Cycle

01



Prospecting and recovery of gold nuggets.

02



Gold Nuggets purchased at a discount from prospectors

The Gold Prospectors are Community Indigenes in Mali. These Communities are locations where Orionis Fund has Committed to various Corporate Social Responsibilities, including building schools, Mosques and clinics.

03



Gold Nuggets refined to scrap Gold

04



Sell To Potential Buyers

05



Revenue generated from discounted purchase and sales

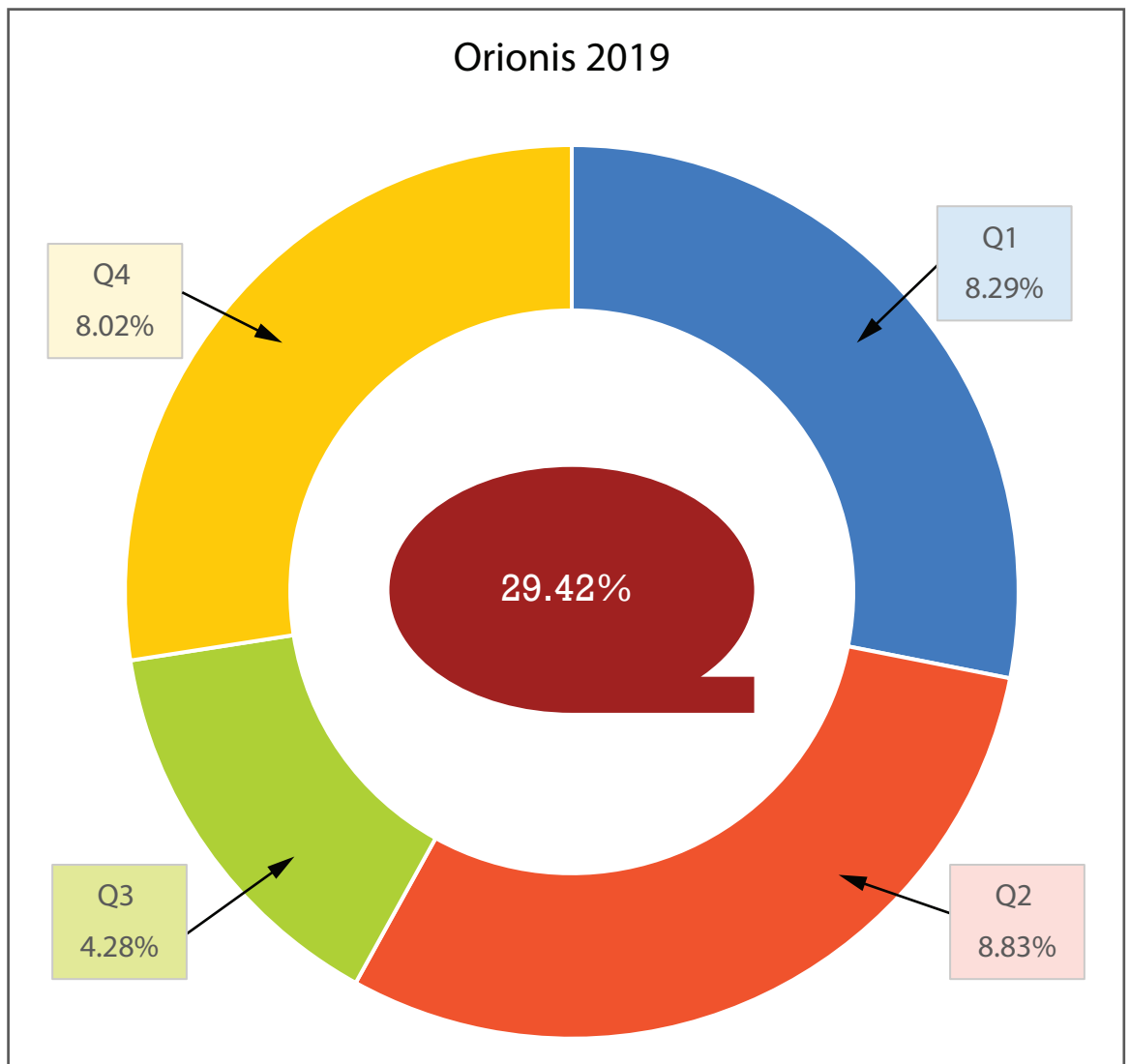


Performance in 2019 (Orionis)

Orionis had a strong year of performance in 2019 . The fund delivered 8.29% in Q1 & 8.83% In Q2 while had a decline of 4.28% in Q3. The decline in return as updated vide our earlier newsletters was due to lower availability of mined gold to transact due to Monsoon season in mine area. However in Q4, fund recouped its return to 8.02% which is reflective of normalizing levels of mining and optimal operations.

The Artisan belt which we operate is more than area of 100km² - deposits are surface down which allows cost efficient mining methods and doesn't require deep drilling and blasting. All major refiners are willing and guaranteeing 100% offtake for verifiable and responsible produced artisanal gold which Orionis satisfies assuring full offtake of the produce. With the challenges of a massive capex and initial teething phase of a commercial production evaded, the only remaining challenge is to responsibly manage the mining activity of Orionis. A continuous investment in relatively simple technologies has increased recovery percentage consistently and also helps to improve the process to comply with environment problem guidelines.

With the extensive local network of Orionis in the mine area, Orionis responsibly builds and contributes to the positive community relations, responsible mining and trade.



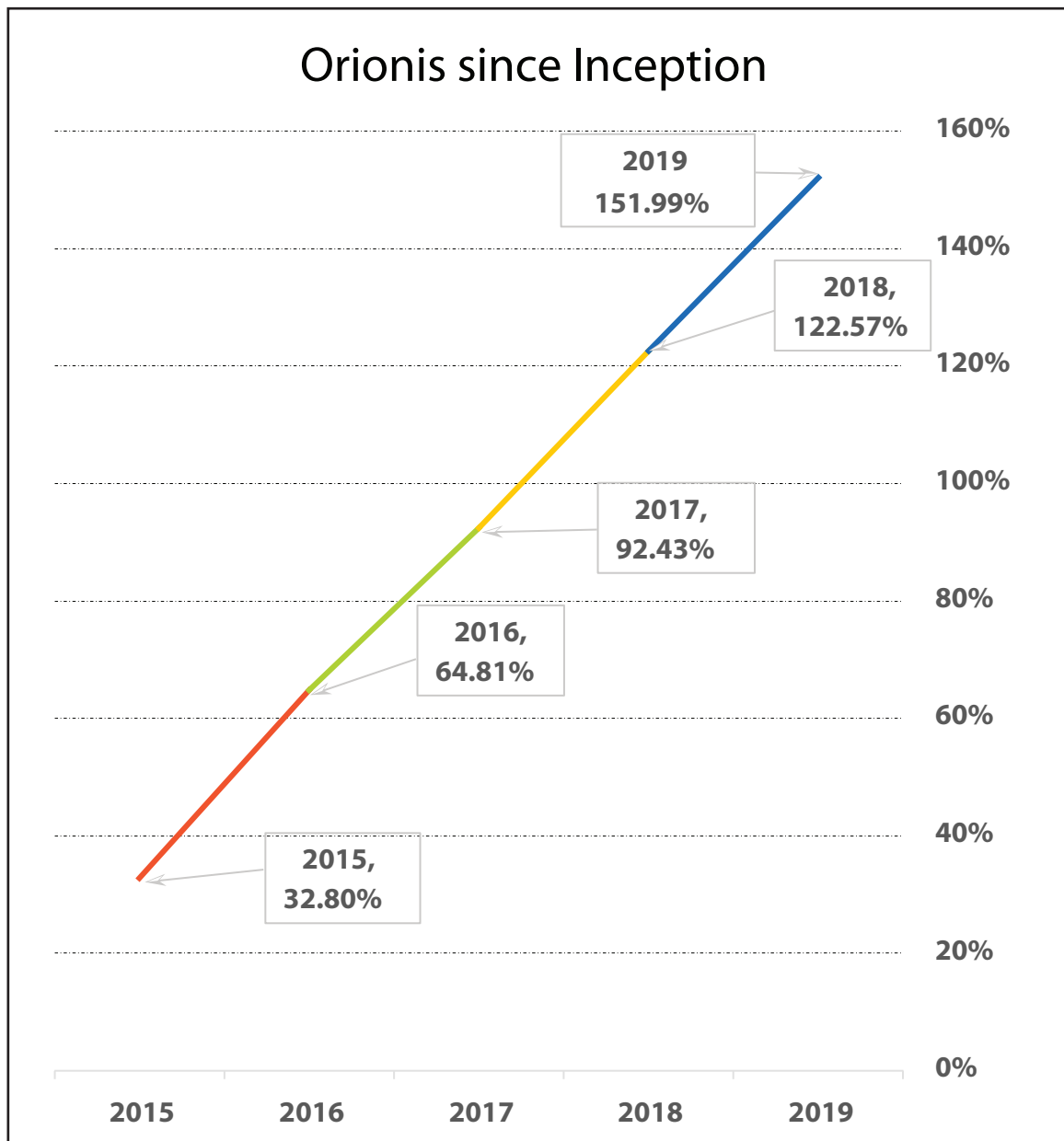


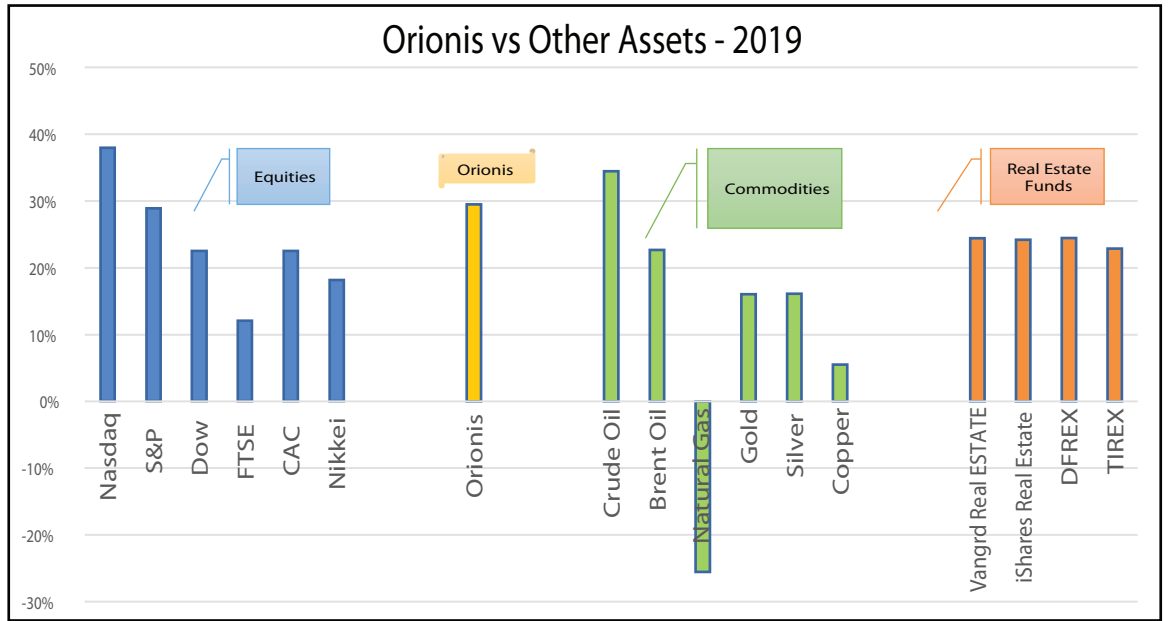
Performance since Inception (Orionis)

Orionis Fund commenced in 2015 & has been consistent over the years creating substantial return on investment noting past performance to be considered as indicative only.

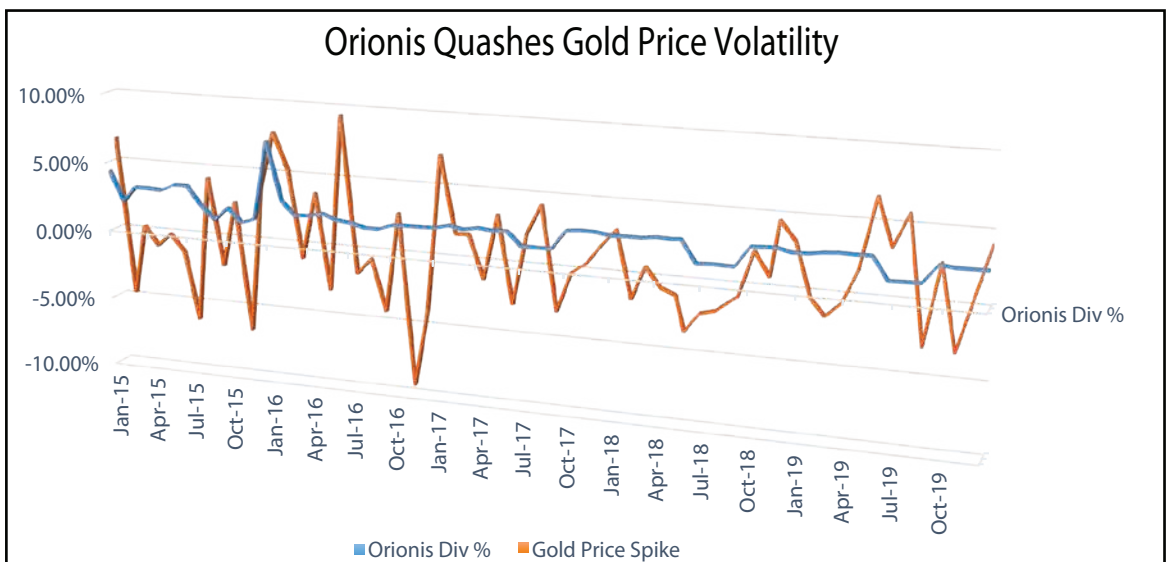
Cumulative Returns of fund since inception till Dec '19 stood at 151.99% - an yearly average of 30.39%. The consistent performance over the review period attribute to Orionis been able to capture a sizeable market share where fund is able to consistently source raw gold at a discount and resell scrap gold. Dividends are determined after deducting all fund charges / expenses, investors have the option to opt for a dividend payout or rollover with the fund.

The fund carries opportunistic purchase of raw gold with the lowest possible purchase price in order to maximize the potential returns on investment. Hence, the timely returns declared by the fund reflects the then monthly profits generated & past yearly results to be viewed only as the profits then generated and is not correlative.





The year witnessed a mixed performance over asset classes where US equities largely dictated investment markets with staunch results despite prevailing US/ China tensions. Nasdaq returned a strong 38% but still was well low than the peak levels in the decade . Among commodities, Crude Oil, Gold and Silver continued to have a strong year of performance while leading Real Estate ETFs / funds exhibited also a growth. Orionis for 2019 had a performance of 29.42% in line with its previous years. This was the 5th year of fund operations & consistency in returns despite any market conditions / gold price volatility implies robust profit generating model. A continuous investment by Orionis in relatively simple technologies helps in adding the recovery percentage consistently with utmost focus on HSE.



As per Ministry of Mines Mali, the small scale gold mining is responsible for more than 30% of the Annual gold exports where Orionis Fund offers a niche model to Professional Investors offering sustained returns. Orionis has been consistently generating yield over investment during the past period with no correlation to gold price volatility. The fund on a concession basis daily acquires gold dust / nuggets from miners, converts to scrap gold & sells to international miners. The trade offers a fixed markup



withering gold price volatility. The annualized returns since its commencement in 2015 reflects strong performance while other investment class assets continued to be volatile where real risk free returns was whining in most of the asset classes.

Gold closes out 2019 with its best annual gains in 9 years

Gold capped out an unusually strong finish to 2019 despite the absence of more U.S. interest rate cuts. The yellow metal hit more than three-month highs and finished the year with double-digit gains as investors sought the safe haven as a hedge to the U.S.-China trade war and other global troubles.

While the U.S.-China trade dispute itself could have a preliminary closure with a phase one slated for signing in mid-January, gold's allure is expected by no means to be over as there exist too many variables out there that require a hedge and gold's safe haven status augments well for increased prominence in the hedge spectrum. Bullion and gold futures have tacked on more than \$65 an ounce over the last three weeks of the year to reclaim the bullish \$1,500 perch and progress from there, despite the Federal Reserve indicating in early December a halt to rate cuts reintroduced after a four-year hiatus.

Will USD 2000 Gold price be a Reality in 2020?

The current bull cycle for gold prices is still in progress and research analysts of various leading research houses estimates that it's only a matter of time before price levels for the yellow metal hit \$2,000 an ounce. They conclude that gold is still in bull market that started in 2015 and this is the initial phase and ultimately, it will get to \$2,000, which may take two or three years.

On mining, the expectation is that junior miners are still not seeing gold prices at the levels needed for investors to come in. The market trend denotes that the present price levels are not enough to attract a lot of new money into the space while, we started to see more generalist money start to look at the bigger, higher quality gold miners a couple of years ago. Goldman Sachs for 2020 has kept its 3, 6 and 12 month forecast for gold at \$1,600 per troy ounces, stating investment demand will be supported by fears of recession and political uncertainty.

Global Markets – A Glimpse for year 2019

After the sharp falls in equities during the fourth quarter of 2018, the first four months of 2019 brought a strong rebound, as central banks signalled that rather than raise interest rates they would provide yet more stimulus to try to keep the economic expansion intact. Equities clearly believed the central banks would succeed. Then, from the end of April to the end of September, global equities broadly traded sideways with some bumps in the road, as investors digested the ebbs and flows in the trade negotiations between the US and China, and the continued deterioration in macroeconomic indicators. Remarkably, by the end of September, the 20+ year Treasury index was up 20%, while the MSCI World was up 18%. The flood of central bank liquidity had lifted all boats. Such strong returns for both traditional risk-off and risk-on assets, at the same time, is unusual. By the time October began, both the bulls and the bears had been very well fed. However, the fourth quarter has decided the year in favor of the bulls. Global equities rose 9% in the last three months of the year, while developed market government bonds gave up some of their gains.

The gold price rally evidenced in 2019 is partly a reflection of ongoing global monetary policy decisions – most notably, the Federal Reserve (Fed) cutting rates and the European Central Bank announcing that it would resume quantitative easing – but also of continued geopolitical uncertainty, a global economic slowdown, and the level of negative-yielding sovereign debt. Economic indicators strongly weigh towards global economy about to entering a low-growth "window of weakness" as ongoing trade tensions and heightened political uncertainty continue to act as a drag on global trade, manufacturing activity, and business investment. There is some uncertainty surrounding 2020 Fed expectations, with current probabilities of only one rate cut next year, and that is not expected until at least the second quarter. We expect Gold Investments to continue remain attractive for the year considering its safe haven characteristic.

Summary

Orionis Fund Ltd. has declared dividends of 2.65% for December 2019 resulting in annual returns of 29.42% for the year. As we continue witnessing global uncertainties in investment spectrum, we maintain our opinion that gold remains a risk hedge against ongoing political and potential inflationary risks and Orionis Fund offers an attractive opportunity for potential investors to earn monthly dividends by investing in this Gold Centric Collective Investment Scheme.

Abdul Jabbar Al Sayegh Chairman



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