Orionis Fund

Class G Preference Shares

MONTHLY NEWSLETTER

NOVEMBER 2019

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Investment Objective

Orionis carries active opportunistic trade of Artisanal raw gold with the aim to generate optimal yield on its investment. The fund achieves its objective by engaging best in class professionals in each step of purchase and sale of gold by integrating the midstream Artisanal gold mining activities.

Security of mined gold, transparency in trade and traceability of the origin of gold is at the heart of the process. The fund invests only in raw gold sourcing and does its business within applicable regulations by adopting best mining practices.

Orionis Performance – YTD Nov '19

Orionis Fund has continued its performance returning '26.77%' till Nov 2019.

The fund is an investment vehicle through which investors can participate with the experienced professional management in the potentially highly lucrative field of investment in gold. Procured Gold is daily from miners on a weighted average method applying discounts and caveats decoupling price volatility risk. The promoters of Orionis have implemented the valuable experience gathered over two decades keeping in mind the environment protection and adopting best practices. The fund carries opportunistic purchasing of raw gold with the lowest possible purchase price with the aim of maximizing return on investment. The annualized return of Orionis since its inception in comparison with peer group reflects that Orionis continue outperforming key indices. The fund is able to achieve consistent yield over the years and expects to sustain the performance.

Central bank demand of Gold remains healthy but showing signs of slowing

www.gold.org

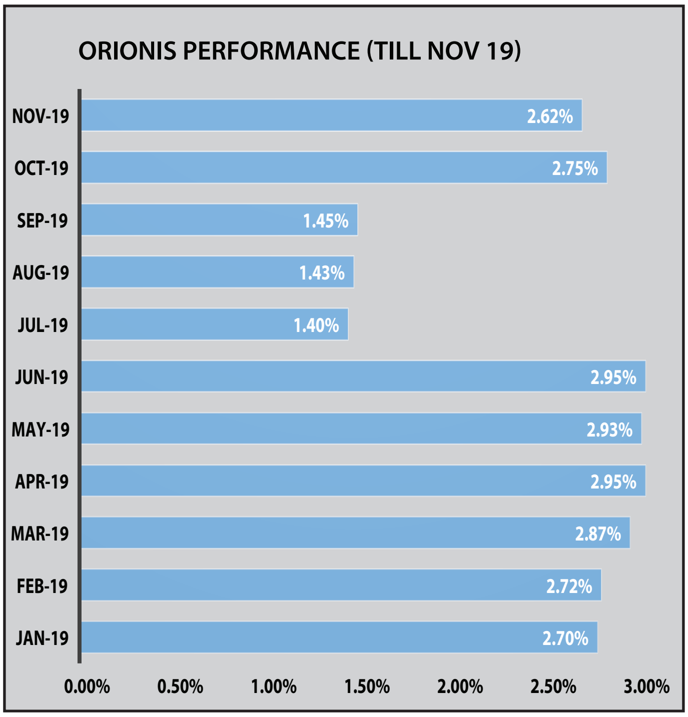
The latest statistics show monthly increases (of a tonne or greater) in gold reserves have begun to ease over the past three months. In October, reported net purchases totalled a healthy 41.8t, but this was 16% lower than September (49.6t), which itself was 16% lower than August (59t).

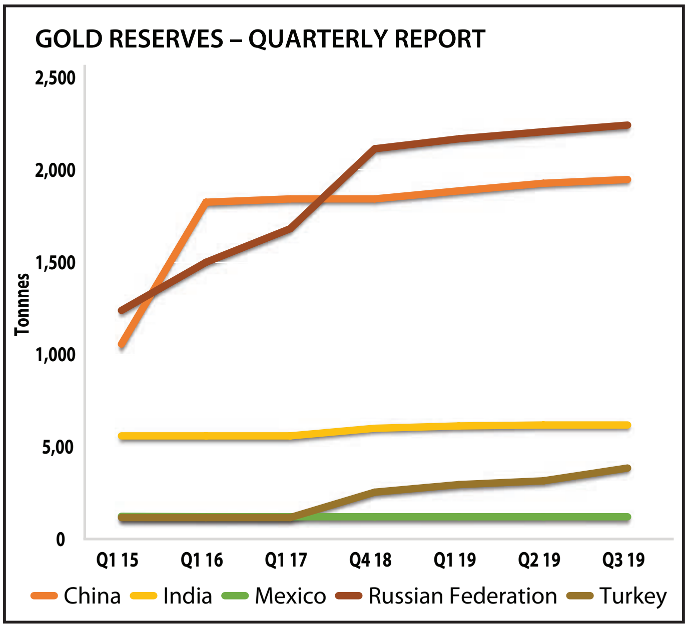
Russia and Turkey were the largest purchases in October. Chinese gold reserves remained flat during the month, however this loss in demand was offset by the reported increase in Serbian gold reserves. The only other notable purchases during October came from Uzbekistan, United Arab Emirates and Mongolia. On the gross sales side, Germany and Kazakhstan were the only two countries which have – so far – reported a (fractional) decrease in gold reserves in October.

Monthly Results

Orionis Fund Ltd, Class G. (CIS) continued its profitable operations and has declared dividends of '2.62%' for Nov '19. The year till date returns was '26.77%' & returns since inception was '149.34%'.

The fund has declared dividends every month since its inception and is continuing its performance. Orionis is a Collective Investment Scheme which invests in its Midstream Artisanal Gold Mining facility in Republic of Mali, West Africa. The fund follows a unique model of monthly dividend distribution.





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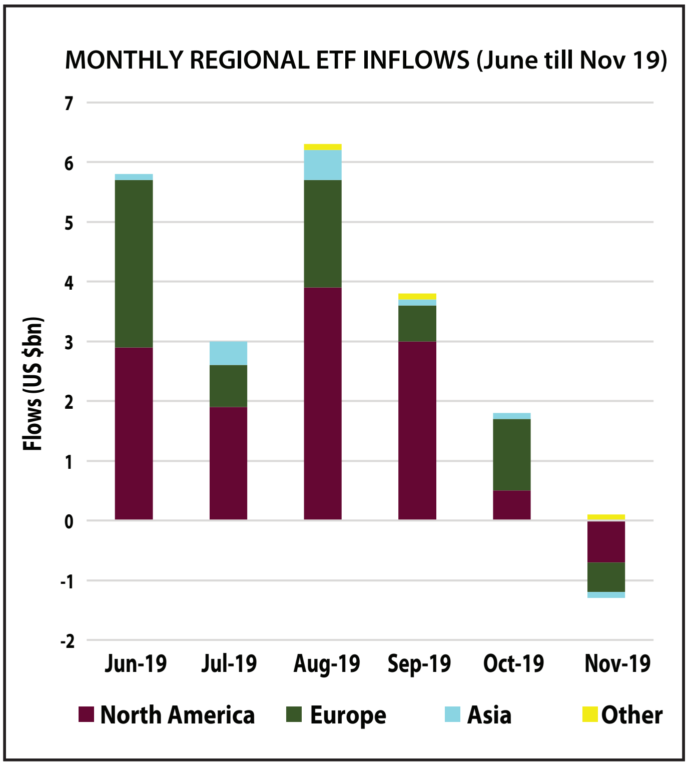
Gold-backed ETFs lost 1% holdings in November following five months of strong inflows

www.gold.org

In November, global gold-backed ETFs and similar products saw US$1.3bn of net outflows across North America, Europe and Asia decreasing their collective gold holdings by 30.1 tonnes (t) after reaching record highs in October. Global gold-backed assets under management (AUM) have grown 35% this year as a result of increased investment demand and price appreciation.

In November, North American funds led regional outflows, losing 17.3t (US$731mn, 1.1% AUM) as the US dollar strengthened and stock markets reached all-time highs on the strongest monthly performance since June. European fund outflows (US$538mn, 0.9%) were driven primarily by UK-based funds which lost 18.8t (US$871mn, 3.2%) as the Brexit deadline extension prompted a reversal in the protective inflows of October. Asian funds lost 2.1t (US$119mn, 3.1%), a result of outflows in China. Funds in Other regions grew 7.6% with a sharp increase in the holdings of a South African gold-backed ETF.

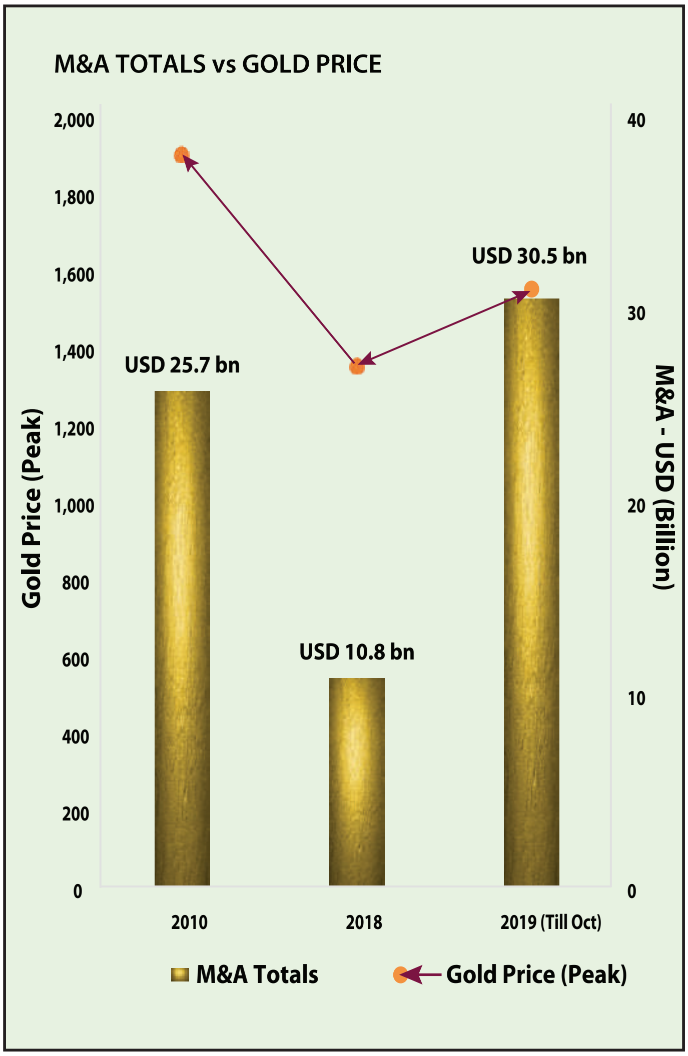


Gold miners flash the cash in biggest deal binge in a decade

www.reuters.com

Gold miners look set to extend a deal spree after notching transactions worth a record $30.5 billion this year, according to data, the biggest M&A binge since bullion prices peaked nearly a decade ago. Led by top producers Newmont Goldcorp Corp and Barrick Gold Corp, miners are bulking up to replace dwindling reserves and win back investors who in recent years shunned the sector because of disappointing returns. This year has seen 348 deals worth more than $30.5 billion, including net debt. That is up from $10.8 billion last year and surpasses a previous high of $25.7 billion set in 2010, the data show. Gold topped $1,900 per ounce in 2011 and currently trades around $1,484, after hitting a six-year high in September.

The 2011 gold boom prompted buyers to overspend on acquisitions leading to billions in impairments when prices crashed in subsequent years. This time, investors say acquirers are being more cautious. Barrick paid no premium when it bought Africa's Randgold last year while Newmont offered an 18% premium when it snapped up Goldcorp to create the world's largest gold miner. More deals are likely among mid-tier miners who face pressure from activist investors to lower costs and financing constraints. Gold miners have also boosted returns to shareholders with Barrick, Kirkland Lake Gold and Yamana Gold hiking payouts on the back of revenues boosted by higher gold prices.



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Global Markets

US equities rose in November amid hopes of a preliminary US-China trade deal. US economic data was broadly positive and helped support investor sentiment. The US economy expanded by 2.1% (annualized) in Q3 better than expected and stronger than in Q2. In November, Wall Street rallied and US Treasuries sold off as traders cheered reports showing the economy added jobs at the quickest pace in 10 months and consumer sentiment improved. Wall Street marched higher, taking the three major benchmark indices closer to record territories with the S&P 500 up 0.9 per cent and turning positive. The Dow Jones Industrial Average gained 1.2 per cent for its biggest one-day gain since early October while the Nasdaq Composite gained 1 per cent.

Eurozone equities gained helped by some improving economic data. The flash composite purchasing managers' index (PMI) for November dipped to 50.3 while the manufacturing PMI picked up to 47.1 from 46.6 in October. The IT, healthcare, materials and industrials sectors led the advance. By contrast, utilities and communication services saw negative returns. International considerations largely took a back seat in November as domestically-focused areas of the UK equity market performed very well and sterling extended its recent recovery. Latest GDP figures confirmed the UK economy had avoided entering a technical recession in the third quarter after contracting in the previous quarter. Overall, the data suggests that the economy is coping with the uncertainty from Brexit.

Corporate bonds outperformed government bonds with the riskier high yield part of the market performing well particularly in Europe. Investment grade corporate bond yields rose but they outperformed due to the returns from income with the US dollar market producing positive returns in total. Emerging market (EM) government bond markets declined over the month with currencies broadly weakening versus the dollar.

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. Expectations for future US Federal Reserve interest rate cuts continued to fall in November and this too weighed on gold price sentiment. 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. The gold price performance is likely to be impacted by uncertainty around monetary policy direction. 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.

Investment Summary

Orionis Fund Ltd. has declared dividends of 2.62% for November 2019 resulting in year till date dividends of 26.77%. As we witness increased global investments towards Gold which adds impetus to our mining activity, we strongly expect to sustain and continue our performance.

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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