

ASA Gold & Precious Metals Ltd  
Form N-CSRS  
July 26, 2018

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-21650

ASA Gold and Precious Metals Limited  
(Exact name of registrant as specified in charter)

400 S. El Camino Real, Suite 710, San Mateo, CA  
(Address of principal executive offices)

94402  
(Zip code)

JP Morgan Chase Bank, N.A.  
3 MetroTech Center, 6<sup>th</sup> Floor  
Brooklyn, New York 11245  
(Name and address of agent for service)

Registrant's telephone number,  
including area code: 650-376-3135

Date of fiscal year end: November 30

Date of reporting period: May 31, 2018

Gold and Precious Metals Limited

## Letter to Shareholders

During the six-month fiscal period ended May 31, 2018, the gold price increased 1.6%, outperforming most gold mining equities. We believe the gold price generally found support from investors seeking to hedge the U.S. dollar, inflation, or political risk. These investors appeared to be averse to the additional risk associated with mining equities, which may have contributed to the underperformance of the mining equities. The lack of investment demand for mining shares during the first half of this year left companies trading at a discount to historic valuation multiples. With many of these companies beginning to demonstrate notable improvements in lowering costs, increasing dividends and better capital discipline, investors may begin to recognize their value. During the remainder of 2018 we believe this disconnect between the performance of the gold mining equities and the gold price will begin to correct.

ASA Gold and Precious Metals Limited (“ASA” or the “Company”) reported a net asset value (“NAV”) of \$12.11 per share at May 31, 2018, for a six-month total return of negative 4.1% versus a total return of negative 1.1% for the FTSE Gold Mines Total Return Index (the “FTGMI”). ASA’s overweight positions in some smaller developers and royalty companies combined with its underweight exposure to Australian gold miners accounted for the underperformance during the period. The ASA share price closed at \$10.40, a total return of negative 5.7% for the six-month period ending May 31, 2018.

The discount at which ASA’s shares traded in the market ended the first half of fiscal 2018 at 14.1%, an increase from 12.7% at the beginning of the fiscal year. During this period, the discount averaged 13.4% and reached a high of 14.4% and a low of 12.6%. The Board of Directors (the “Board”) monitors the Company’s share price and discount to NAV per share on an ongoing basis and has, in the past, authorized tender offers and created a Share Repurchase Program. The Board does not believe that either a tender offer or share repurchases would benefit shareholders, or accomplish a meaningful narrowing of the discount at this time.

During the last six months, ASA distributed \$0.02 per share to shareholders, the same distribution as during the first six months of 2017.

## Industry Trends

Numerous factors influence investment demand for gold, including political unrest, interest rates, fluctuations in the U.S. dollar and concerns about world economic stability. We believe fluctuation of the U.S. dollar was a dominant influence on the investment demand for gold bullion at the beginning of 2018. U.S. dollar strength, on the back of positive U.S. economic news and record low levels of unemployment, pushed the U.S. dollar higher in January 2018, but concerns about a trade war and political unrest with other nations caused the U.S. dollar to trade flat to down from

February through May of 2018. The inverse correlation of the gold price to the U.S. dollar was highly evident during the first half of 2018 as movements in the gold price largely mirrored shifts in the U.S. dollar as illustrated in Chart 1 below.

1

For the remainder of 2018 we anticipate that the inverse relationship between gold and the U.S. dollar will continue due to ongoing market concerns regarding tariffs, protectionist policies, and political instability in the world. We believe this high correlation also suggests that gold remains a relevant and popular investment vehicle for investors navigating the current markets. Investors around the world may continue to look to gold to offset currency risk in their native countries and to diversify their holdings.

Gold mining equities have underperformed the gold price in the first half of 2018. We believe that investors looking for safe haven investments, particularly those in Europe and Asia, have preferred bullion over mining companies as they have been looking to offset currency risk. We have seen this trend in the past and believe that it is temporary as the discounted valuation of equities, and higher return potential, should attract investors. We expect that those companies making prudent investments and continuing to reduce costs will be the primary beneficiaries when investor interest shifts.

**Chart 1:** Performance of Gold vs. the U.S. Dollar Index (11/30/2017 – 5/31/2018)

*Source: ASA, Bloomberg*

## Portfolio Changes

Two new positions were added to the portfolio during the first half of 2018, IAMGOLD Corp. and Golden Star Resources Ltd. ASA previously invested in both of these companies and has chosen to reinvest as future prospects, management and/or balance sheets are substantially improved.

IAMGOLD operates gold mines on three different continents, making it geographically diversified. The company maintains one of the strongest balance sheets in the industry, which should allow management to develop the new Saramacca discovery in Suriname with minimum financing risk. Management of IAMGOLD has shown discipline in its recent investments and delivered positive free cash flow from its operations, which we anticipate will continue.

Golden Star has two assets in Ghana. While the projects have been in operation for years, recent changes in the mining methods employed at both assets have improved the outlook of these mines. Management of Golden Star is now focused on higher grade, lower volume and more profitable production from its underground mines. Over the next year, we anticipate Golden Star will ramp up the projects and start to add cash to its balance sheet, which we expect will support a higher market valuation.

During the first half of fiscal 2018, ASA reduced its investment in Randgold Resources Limited and Guyana Goldfields Inc. and sold entirely the position in Eldorado Gold Corporation. Generally, there are three primary reasons ASA sells assets: a company is trading at an excessive valuation, ASA has become overweight an investment and desires to rebalance, or there has been a fundamental change in the company that no longer supports the investment thesis.

ASA's sales of Randgold Resources and Guyana Goldfields resulted from our significant overweight position in these issuers, combined with each company's relatively rich valuation. ASA's investment in Eldorado Gold was sold during the first half of this year due to a change in investment outlook. Eldorado has been experiencing significant delays with its development projects in Greece as well as operating problems at their primary asset in Turkey.

Management appreciates the continued support of the Board of Directors and our shareholders. For investors wishing for more information on ASA Gold and Precious Metals Limited, we encourage you to visit the Company's website ([www.asaltd.com](http://www.asaltd.com)) or to call the Company directly at (650) 376-3135 or (800) 432-3378.

David Christensen  
President, Chief Executive Officer and Chief Investment Officer  
July 12, 2018



## Forward-Looking Statements

This shareholder letter includes forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of the Company, or industry results, to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. The Company's actual performance or results may differ from its beliefs, expectations, estimates, goals and projections, and consequently, investors should not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and generally can be identified by words such as "believe," "anticipate," "estimate," "expect," "intend," "should," "may," "will," "could," "may be," "might," "possibly," "potentially," "likely," "unlikely," "may not," "could not," "might not," "possibly not," "potentially not," "likely not," "unlikely not," or by references to strategy, plans, goals or intentions. The absence of these words or references does not mean that the statements are not forward-looking. The Company's performance or results can fluctuate from month to month depending on a variety of factors, a number of which are beyond the Company's control and/or are difficult to predict, including without limitation: the Company's investment decisions, the performance of the securities in its investment portfolio, economic, political, market and financial factors, and the prices of gold, platinum and other precious minerals that may fluctuate substantially over short periods of time. The Company may or may not revise, correct or update the forward-looking statements as a result of new information, future events or otherwise.

The Company concentrates its investments in the gold and precious minerals sector. This sector may be more volatile than other industries and may be affected by movements in commodity prices triggered by international monetary and political developments. The Company is a non-diversified fund and, as such, may invest in fewer investments than that of a diversified portfolio. The Company may invest in smaller-sized companies that may be more volatile and less liquid than larger more established companies. Investments in foreign securities, especially those in the emerging markets, may involve increased risk as well as exposure to currency fluctuations. Shares of closed-end funds frequently trade at a discount to net asset value. All performance information reflects past performance and is presented on a total return basis. Past performance is no guarantee of future results. Current performance may differ from the performance shown.

This shareholder letter does not constitute an offer to sell or solicitation of an offer to buy any securities.

**Performance Returns (Unaudited)**

**Average Annual Total Returns**

For the periods ended May 31, 2018

	1 Year	3 Year	5 Year	10 Year
ASA Gold and Precious Metals - NAV	-9.87%	1.26%	-4.48%	-7.33%
ASA Gold and Precious Metals - Share Price	-12.14%	-0.47%	-5.68%	-8.00%
FTSE Gold Mines Total Return Index (1)	-3.57%	6.98%	-3.56%	-5.86%

**The performance data quoted represent past performance and do not indicate future results. Current performance may be lower or higher than the performance data quoted. For more current performance data, please visit <http://www.asaltd.com/investor-information/factsheets>.**

**The results shown in the table reflect the reinvestment of income dividends and other distributions, if any.** The results do not reflect the effect of taxes a shareholder would pay on Company distributions or on the sale of the Company's common shares.

**The investment return and market price will fluctuate and the Company's common shares may trade at prices above or below NAV. The Company's common shares, when sold, may be worth more or less than their original cost.**

The FTSE Gold Mines Total Return Index encompasses all gold mining companies that have a sustainable, attributable gold production of at least 300,000 ounces a year and that derive 51% or more of their revenue from mined gold. Please note that the Index is unmanaged, and does not take into account any fees and expenses or any tax consequences of investing in the individual securities that it tracks and one cannot invest directly in the index. (1) The Company does not attempt to replicate the index. The index generally does not reflect investments in other precious metals companies (e.g., silver, platinum, and diamonds) in which the Company invests. Data about the performance of this index are prepared or obtained by Management and include reinvestment of all income dividends and other distributions, if any. The Fund may invest in securities not included in the index and generally does not invest in all securities included in the index.

For more complete information about the Company, please call us directly at 1-800-432-3378, or visit the Company's website at [www.asaltd.com](http://www.asaltd.com).





## **Certain Investment Policies and Restrictions**

The following is a summary of certain of the Company's investment policies and restrictions and is subject to the more complete statements contained in documents filed with the Securities and Exchange Commission.

**The concentration of investments in a particular industry or group of industries.** It is a fundamental policy (i.e., a policy that may be changed only by shareholder vote) of the Company that at least 80% of its total assets be (i) invested in common shares or securities convertible into common shares of companies engaged, directly or indirectly, in the exploration, mining or processing of gold, silver, platinum, diamonds or other precious minerals, (ii) held as bullion or other direct forms of gold, silver, platinum or other precious minerals, (iii) invested in instruments representing interests in gold, silver, platinum or other precious minerals such as certificates of deposit therefor, and/or (iv) invested in securities of investment companies, including exchange traded funds, or other securities that seek to replicate the price movement of gold, silver or platinum bullion. Compliance with the percentage limitation relating to the concentration of the Company's investments will be measured at the time of investment. If investment opportunities deemed by the Company to be attractive are not available in the types of securities referred to in the preceding paragraph, the Company may deviate from the investment policy outlined in that paragraph and make temporary investments of unlimited amounts in securities issued by the U.S. Government, its agencies or instrumentalities or other high quality money market instruments.

**The percentage of voting securities of any one issuer that the company may acquire.** It is a non-fundamental policy (i.e., a policy that may be changed by the Board of Directors) of the Company that the Company shall not purchase a security if, at the time of purchase, more than 20% of the value of its total assets would be invested in securities of the issuer of such security.

## **Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Shareholders of ASA Gold and Precious Metals Limited

## **Results of Review of Interim Financial Information**

We have reviewed the statements of assets and liabilities of ASA Gold and Precious Metals Limited (the "Company"), including the schedules of investments, as of May 31, 2018 and May 31, 2017, and the related statements of operations for the six month periods ended May 31, 2018 and May 31, 2017, the statement of changes in net assets for the six month period ended May 31, 2018, the financial highlights for the six month periods ended May 31, 2018 and May 31, 2017, and the related notes (collectively referred to as the interim financial statements). Based on our

reviews, we are not aware of any material modifications that should be made to the accompanying interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the statement of changes in net assets for the year ended November 30, 2017 and the financial highlights for each year in the five year period ended November 30, 2017; and in our report dated January 18, 2018, we expressed an unqualified opinion on those financial statements and financial highlights.

### **Basis for Review Results**

These interim financial statements are the responsibility of the Company's management. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

Tait, Weller & Baker LLP  
Philadelphia, Pennsylvania  
July 12, 2018

**Schedules of Investments (Unaudited)**

May 31, 2018 and May 31, 2017

Name of Company	2018			2017		
	Shares/ Warrants	Value	Percent of Net Assets	Shares/ Warrants	Value	Percent of Net Assets
Common Shares						
Gold and Silver Investments						
Gold mining, exploration, development and royalty companies						
Australia						
Newcrest Mining Limited	1,015,000	\$15,965,950	6.8 %	1,015,000	\$16,021,775	6.2 %
Perseus Mining Limited, (1)	—	—	—	7,067,700	1,544,195	0.6
		15,965,950	6.8		17,565,970	6.8
Canada						
Agnico Eagle Mines Limited	450,000	20,227,500	8.7	450,000	21,784,500	8.4
Alacer Gold Corp., (1)	2,500,000	4,592,467	2.0	2,500,000	3,666,124	1.4
Alamos Gold Inc.	875,000	4,842,351	2.1	875,000	5,890,794	2.3
Asanko Gold Inc., (1)	—	—	—	1,825,000	2,354,250	0.9
Atlantic Gold Corporation – 144A, (1)(2)	2,750,000	4,096,558	1.8	2,750,000	2,953,266	1.1
B2Gold Corp., (1)	1,594,338	4,368,555	1.9	1,594,338	4,002,967	1.5
Barrick Gold Corporation	1,125,000	14,838,750	6.4	1,125,000	18,607,500	7.2
Belo Sun Mining Corp., (1)	2,600,000	421,426	0.2	2,600,000	1,078,359	0.4
Detour Gold Corporation, (1)	450,000	3,560,127	1.5	450,000	5,825,804	2.2
Eldorado Gold Corporation, (3)	—	—	—	650,000	1,982,500	0.8
Franco-Nevada Corporation	160,000	11,291,139	4.8	160,000	11,953,192	4.6
Goldcorp Inc.	932,400	13,351,968	5.7	932,400	12,671,316	4.9
Golden Star Resource Ltd., (1)	2,900,000	2,038,700	0.9	—	—	—
Guyana Goldfields Inc., (1)	619,500	2,338,187	1.0	807,300	3,234,701	1.2
IAMGOLD Corp., (1)	350,000	2,184,000	0.9	—	—	—
Integra Gold Corp., (1)	—	—	—	4,957,000	3,891,586	1.5
Kinross Gold Corporation, (1)	800,000	2,880,000	1.2	800,000	3,448,000	1.3
New Gold Inc., (1)	500,000	1,145,000	0.5	500,000	1,445,000	0.6
OceanaGold Corporation	2,654,013	6,534,657	2.8	2,204,013	7,427,240	2.9
Pretium Resources Inc., (1)	725,000	5,234,500	2.2	625,000	5,593,750	2.2
Roxgold Inc., (1)	2,827,200	2,662,229	1.1	2,827,200	2,554,573	1.0
Semafo Inc., (1)	900,000	2,452,146	1.0	900,000	1,833,062	0.7
Tahoe Resources Inc.	708,200	3,711,545	1.6	708,200	6,273,198	2.4
TMAC Resources Inc., (1)	26,500	125,382	0.1	26,500	322,663	0.1
TMAC Resources Inc. – 144A, (1)(2)	185,000	875,309	0.4	185,000	2,252,555	0.9
Torex Gold Resources Inc., (1)	330,000	3,224,606	1.4	280,000	4,682,566	1.8
Torex Gold Resources Inc. – 144A, (1)(2)	130,000	1,270,299	0.5	125,000	2,090,431	0.8
		118,267,401	50.6		137,819,896	53.0
Cayman Islands						
Endeavour Mining Corporation, (1)	250,000	4,339,688	1.9	250,000	3,943,860	1.5
Channel Islands						
Lydian International Limited, (1)	1,780,000	467,119	0.2	1,780,000	421,863	0.2
Lydian International Limited – 144A, (1)(2)	12,593,775	3,304,942	1.4	6,879,300	1,630,407	0.6
Randgold Resources Limited – ADRs	229,100	18,218,032	7.8	254,100	24,093,762	9.3
		21,990,094	9.4		26,146,033	10.1

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Peru						
Compañía de Minas Buenaventura S.A.A. – ADRs	699,000	10,813,530	4.6	699,000	8,695,560	3.3
South Africa						
AngloGold Ashanti Limited	898,420	7,744,380	3.3	898,420	10,233,004	3.9
Gold Fields Limited	1,029,577	3,675,590	1.6	1,029,577	3,685,886	1.4
Sibanye-Stillwater	1,092,174	704,452	0.3	1,029,577	1,302,415	0.5
		12,124,423	5.2		15,221,304	5.9
United States						
Newmont Mining Corporation	570,368	22,204,426	9.5	570,368	19,478,067	7.5
Royal Gold, Inc.	190,000	17,035,400	7.3	190,000	15,279,800	5.9
		39,239,826	16.8		34,757,867	13.4
Total gold mining, exploration, development and royalty companies (Cost \$194,160,880 – 2018, \$207,717,504 – 2017)		222,740,912	95.3		244,150,490	93.9

**Schedules of Investments (Unaudited) (continued)**

May 31, 2018 and May 31, 2017

Name of Company	2018			2017		
	Shares/ Warrants	Value	Percent of Net Assets	Shares/ Warrants	Value	Percent of Net Assets
Silver mining, exploration and development companies						
Canada						
MAG Silver Corp., (1)	325,000	\$3,790,329	1.6 %	275,000	\$3,311,732	1.3 %
Total silver mining, exploration and development companies		3,790,329	1.6		3,311,732	1.3
(Cost \$2,541,688 – 2018, \$2,007,500 – 2017)						
Total gold and silver investments		226,531,241	97.0		247,462,221	95.1
(Cost \$196,702,568 – 2018, \$209,725,004 – 2017)						
Diamond Mining, Exploration and Development Companies						
Bermuda						
Petra Diamonds Limited, (1)	1,000,000	823,532	0.4	1,000,000	1,672,028	0.6
Canada						
Stornoway Diamond Corporation, (1)	1,389,500	520,151	0.2	1,389,500	843,868	0.3
Stornoway Diamond Corporation – 144A, (1)(2)	9,698,550	3,630,593	1.6	9,698,550	5,890,099	2.3
		4,150,744	1.8		6,733,966	2.6
Total diamond mining, exploration and development companies		4,974,277	2.1		8,405,994	3.2
(Cost \$10,222,660 – 2018, \$10,222,660 – 2017)						
Total common shares		231,505,517	99.1		255,868,215	98.4
(Cost \$206,925,229 – 2018, \$219,947,665 – 2017)						
Warrants						
Gold mining, exploration, development and royalty companies						
Channel Islands						
Lydian International Limited, C\$0.36 Warrants, 11/27/2017, (1)	—	—	—	585,000	8,665	0.0
Lydian International Limited, C\$0.36 Warrants, 11/27/2017 – 144A, (1)(2)	—	—	—	5,159,475	76,425	0.0
		—	—		85,091	0.0
Total gold mining, exploration, development and royalty companies		—	—		85,091	0.0
(Cost \$0 – 2018, \$260,780 – 2017)						
Total warrants		—	—		85,091	0.0
(Cost \$0 – 2018, \$260,780 – 2017)						
Total investments		231,505,517	99.1		255,953,306	98.4
(Cost \$206,925,229 – 2018, \$220,208,445 – 2017), (4)						
Cash, receivables, and other assets less liabilities		2,118,903	0.9		4,189,983	1.6
Net assets		\$233,624,421	100.0%		\$260,143,288	100.0%

(1) Non-income producing security.

(2) Restricted security.

- (3) Non-income producing security in 2018 only.  
Cost of investments shown approximates adjusted basis for U.S. federal income tax purposes, determined in accordance with U.S. federal income tax principles. Gross unrealized appreciation of investments and gross unrealized depreciation of investments at May 31, 2018 were \$73,471,559 and \$48,891,271,
- (4) respectively, resulting in net unrealized appreciation on investments of \$24,580,288. Gross unrealized appreciation of investments and gross unrealized depreciation of investments at May 31, 2017 were \$83,063,639 and \$47,318,778, respectively, resulting in net unrealized appreciation on investments of \$35,744,861.

ADR – American Depository Receipt.

May not total due to independent rounding.

The notes to financial statements form an integral part of these statements.

**Portfolio Statistics (Unaudited)**

May 31, 2018 and May 31, 2017

Geographic Breakdown*	2018	2017
Australia	6.8%	6.8%
Bermuda	0.4%	0.6%
Canada	54.0%	56.8%
Cayman Islands	1.9%	1.5%
Channel Islands	9.4%	10.1%
Peru	4.6%	3.3%
South Africa	5.2%	5.9%
United States	16.8%	13.4%
Cash	0.9%	1.6%
	100.0%	100.0%

\*Geographic breakdown, which is based on company domiciles, is expressed as a percentage of total net assets including cash.

Percentage totals may not equal 100% due to independent rounding.

**Principal Portfolio Changes in Shares During the Six Month Periods Ended (Unaudited)**

May 31, 2018 and May 31, 2017

Investments	2018		2017	
	Increase	Decrease	Increase	Decrease
Agnico Eagle Mines Limited				25,000
Alacer Gold Corp.			2,500,000	
Alamos Gold Inc.			275,000	
Asanko Gold Inc.			400,000	
Atlantic Gold Corporation – 144A, (1)				250,000
Barrick Gold Corporation				150,000
Eldorado Gold Corporation		1,296,570		
Endeavour Mining Corporation			250,000	
Golden Star Resources Ltd.	2,900,000			
Guyana Goldfields Inc.		50,000	200,000	250,000
IAMGOLD Corp.	350,000			
Integra Gold Corp			707,000	
Newcrest Mining Limited				200,000
Newmont Mining Corporation				125,000
OceanaGold Corporation			1,150,000	
Pretium Resources Inc.			325,000	
Randgold Resources Limited – ADRs		25,000		28,000
Roxgold Inc.			303,800	
Sibanye Gold Limited, R11.28 Rights, 06/09/2017, (2)			1,323,741	1,323,741



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Stillwater Mining Co.		375,000
Torex Gold Resources Inc. – 144A, (1)	5,000	

(1) Restricted security.

(2) On May 26, 2017, Sibanye conducted a Right Offer in which 9 Sibanye Gold Limited, R11.28 Rights, 06/09/2017 were issued for every 7 Sibanye Gold Limited shares held.

**Statements of Assets and Liabilities (Unaudited)**

May 31, 2018 and May 31, 2017

Assets	2018	2017
Investments, at value		
Cost \$206,925,229 in 2018		
\$220,208,445 in 2017	\$231,505,517	\$255,953,306
Cash	2,950,744	5,123,240
Dividends receivable, net of withholding taxes payable	62,438	59,063
Other assets	120,445	119,933
<b>Total assets</b>	<b>\$234,639,144</b>	<b>\$261,255,542</b>
Liabilities		
Accrued affiliate expenses	\$438,702	\$447,820
Accounts payable and accrued liabilities	142,343	154,739
Liability for retirement benefits due to current and future retired directors	433,679	509,695
<b>Total liabilities</b>	<b>\$1,014,724</b>	<b>\$1,112,254</b>
<b>Net Assets</b>	<b>\$233,624,421</b>	<b>\$260,143,288</b>
Common shares \$1 par value		
Authorized: 40,000,000 shares	\$19,289,905	\$19,289,905
Issued and Outstanding: 19,289,905 shares		
Share premium (capital surplus)	1,372,500	1,372,500
Undistributed net investment income (loss)	6,399,778	8,707,671
Undistributed net realized gain (loss) from investments	301,016,468	313,985,787
Undistributed net realized gain (loss) from foreign currency transactions	(119,034,518)	(118,957,436)
Net unrealized appreciation (depreciation) on investments	24,580,288	35,744,861
Net unrealized gain (loss) on translation of assets and liabilities in foreign currency	—	—
<b>Net assets</b>	<b>\$233,624,421</b>	<b>\$260,143,288</b>
<b>Net asset value per share</b>	<b>\$12.11</b>	<b>\$13.49</b>

The closing price of the Company's shares on the New York Stock Exchange was \$10.40 and \$11.88 on May 31, 2018 and May 31, 2017, respectively.

The notes to financial statements form an integral part of these statements.



**Statements of Operations (Unaudited)**

For the six months ended May 31, 2018 and May 31, 2017

	2018	2017
Investment income		
Dividend income (net of withholding taxes of \$163,344 and \$181,344 respectively, and ADR fees of \$4,582 and \$5,082, respectively)	\$ 1,013,729	\$ 921,231
Total investment income	1,013,729	921,231
Expenses		
Shareholder reports and proxy expenses	63,872	72,804
Directors' fees and expenses	115,768	115,379
Retired directors' fees	33,750	41,250
Investment research	486,369	570,812
Administration and operations	587,024	533,146
Fund accounting	83,288	83,288
Transfer agent, registrar and custodian	69,975	70,970
Legal fees	73,428	82,683
Audit fees	27,500	27,500
Professional fees – other	1,000	1,000
Insurance	78,733	83,003
Dues and listing fees	12,500	12,500
Depreciation expense	—	1,264
Total expenses	1,633,207	1,695,599
Change in retirement benefits due to directors	(52,883 )	(74,923 )
Net expenses	1,580,324	1,620,676
Net investment income (loss)	(566,595 )	(699,445 )
Net realized and unrealized gain (loss) from investments and foreign currency transactions		
Net realized gain (loss) from investments		
Proceeds from sales	3,846,208	21,239,525
Cost of securities sold	9,586,837	20,976,101
Net realized gain (loss) from investments	(5,740,629 )	263,424
Net realized gain (loss) from foreign currency transactions		
Investments	39,542	321,548
Foreign currency	(574 )	(6,994 )
Net realized gain (loss) from foreign currency transactions	38,968	314,554
Net increase (decrease) in unrealized appreciation (depreciation) on investments		
Balance, beginning of period	28,503,384	18,323,599
Balance, end of period	24,580,288	35,744,861
Net increase (decrease) in unrealized appreciation (depreciation) on investments	(3,923,096 )	17,421,262
Net unrealized gain (loss) on translation of assets and liabilities in foreign currency	—	5
Net realized and unrealized gain (loss) from investments and foreign currency transactions	(9,624,757 )	17,999,245
Net increase (decrease) in net assets resulting from operations	\$(10,191,352)	\$ 17,299,800

The notes to financial statements form an integral part of these statements.



**Statements of Changes in Net Assets**

	Six Months Ended May 31, 2018 (Unaudited)	Year Ended November 30, 2017
Net investment income (loss)	\$(566,595 )	\$(1,669,147 )
Net realized gain (loss) from investments	(5,740,629 )	(6,965,266 )
Net realized gain (loss) from foreign currency transactions	38,968	198,504
Net increase (decrease) in unrealized appreciation (depreciation) on investments	(3,923,096 )	10,179,785
Net unrealized gain (loss) on translation of assets and liabilities in foreign currency	—	5
Net increase (decrease) in net assets resulting from operations	(10,191,352 )	1,743,881
Dividends paid/payable		
From net investment income	(385,798 )	(771,596 )
Net increase (decrease) in net assets	(10,577,150 )	972,285
Net assets, beginning of period	244,201,571	243,229,286
Net assets, end of period (including undistributed net investment income of \$6,399,778 as of May 31, 2018 and \$7,352,171 as of November 30, 2017)	\$233,624,421	\$244,201,571

The notes to financial statements form an integral part of these statements.

## Notes to Financial Statements (Unaudited)

Six months ended May 31, 2018 and May 31, 2017

### 1. Organization

ASA Gold and Precious Metals Limited (the “Company”) is a closed-end investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”), and was organized as an exempted limited liability company under the laws of Bermuda.

### 2. Investment objective and strategy

The Company is a non-diversified, closed-end, internally managed fund that seeks long-term capital appreciation primarily through investing in companies engaged in the exploration for, development of projects or mining of precious metals and minerals.

It is a fundamental policy of the Company that at least 80% of its total assets must be (i) invested in common shares or securities convertible into common shares of companies engaged, directly or indirectly, in the exploration, mining or processing of gold, silver, platinum, diamonds or other precious minerals, (ii) held as bullion or other direct forms of gold, silver, platinum or other precious minerals, (iii) invested in instruments representing interests in gold, silver, platinum or other precious minerals such as certificates of deposit therefor, and/or (iv) invested in securities of investment companies, including exchange traded funds, or other securities that seek to replicate the price movement of gold, silver or platinum bullion.

The Company employs bottom-up fundamental analysis and relies on detailed primary research including meetings with company executives, site visits to key operating assets, and proprietary financial analysis in making its investment decisions.

### 3. Summary of significant accounting policies

The following is a summary of the significant accounting policies:

*A. Security valuation*

The net asset value of the Company generally is determined as of the close of regular trading on the New York Stock Exchange (the “NYSE”) or the Toronto Stock Exchange (the “TSX”), whichever is later, on the date for which the valuation is being made (the “Valuation Time”). Portfolio securities listed on U.S. and foreign stock exchanges generally are valued at the last reported sale price as of the Valuation Time on the exchange on which the securities are primarily traded, or the last reported bid price if a sale price is not available. Securities traded over the counter are valued at the last reported sale price or the last reported bid price if a sale price is not available. Securities listed on foreign stock exchanges may be fair valued based on significant events that have occurred subsequent to the close of the foreign markets.

Securities for which current market quotations are not readily available are valued at their fair value as determined in good faith by, or in accordance with procedures approved by, the Company’s Board of Directors. If a security is valued at a “fair value,” that value may be different from the last quoted price for the security. Various factors may be reviewed in order to make a good faith determination of a security’s fair value. These factors include, but are not limited to, the nature of the security; relevant financial or business developments of the issuer; actively traded similar or related securities; conversion rights on the security; and changes in overall market conditions.

Where the Company holds securities listed on foreign stock exchanges and American Depositary Receipts (“ADRs”) representing these securities are actively traded in U.S. markets, the securities normally are fair valued based on the last reported sales price of the ADRs.



**Notes to Financial Statements (Unaudited) (Continued)**

Six months ended May 31, 2018 and May 31, 2017

The difference between cost and market value is reflected separately as net unrealized appreciation (depreciation) on investments. The net realized gain or loss from the sale of securities is determined for accounting purposes on the identified cost basis.

*B. Restricted securities*

At May 31, 2018 and May 31, 2017, the Company held investments in restricted securities of 5.64% and 5.72% of net assets, respectively, valued in accordance with procedures approved by the Company's Board of Directors as follows:

**Restricted Securities****May 31, 2018**

Shares/ Warrants	Cost	Issuer	Value Per Unit	Value	Acquisition Date
5,000	\$51,131	Torex Gold Resources, Inc. – 144A	\$9.77	\$48,858	01/31/2018
5,714,475	1,869,119	Lydian International Limited – 144A	0.26	1,499,631	11/21/2017
1,841,350	1,490,038	Stornoway Diamond Corporation – 144A	0.37	689,298	06/21/2016
6,879,300	1,269,275	Lydian International Limited – 144A	0.26	1,805,312	05/26/2016
2,750,000	1,285,447	Atlantic Gold Corporation – 144A	1.49	4,096,558	05/09/2016
185,000	898,101	TMAC Resources, Inc. – 144A	4.73	875,309	06/26/2015
7,857,200	4,641,822	Stornoway Diamond Corporation – 144A	0.37	2,941,295	07/08/2014
125,000	1,351,000	Torex Gold Resources, Inc. – 144A	9.77	1,221,442	01/22/2014

**Restricted Securities****May 31, 2017**

Shares/ Warrants	Cost	Issuer	Value Per Unit	Value	Acquisition Date
1,841,350	\$1,490,038	Stornoway Diamond Corporation – 144A	\$0.61	\$1,118,284	06/21/2016
6,879,300	1,269,275	Lydian International Limited – 144A	0.24	1,630,407	05/26/2016
5,159,475	234,540	Lydian International Limited, C\$0.36 Warrants, 11/27/2017 – 144A	0.01	76,425	05/26/2016
2,750,000	1,285,447	Atlantic Gold Corporation – 144A	1.07	2,953,266	05/09/2016
185,000	898,101	TMAC Resources, Inc. – 144A	12.18	2,252,555	06/26/2015

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7,857,200	4,641,822	Stornoway Diamond Corporation – 144A	0.61	4,771,815	07/08/2014
125,000	1,351,000	Torex Gold Resources, Inc. – 144A	16.72	2,090,431	01/22/2014

**Notes to Financial Statements (Unaudited) (Continued)**

Six months ended May 31, 2018 and May 31, 2017

*C. Fair value measurement*

In accordance with U.S. GAAP, fair value is defined as the price that the Company would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market the most advantageous market for the investment or liability. U.S. GAAP establishes a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. Various inputs are used in determining the value of the Company's investments. The inputs are summarized in the three broad levels listed below.

- Level 1 –unadjusted quoted prices in active markets for assets or liabilities that the Company has the ability to access. observable inputs other than quoted prices included in level 1 that are observable for the asset or liability
- Level 2 – either directly or indirectly. These inputs may include quoted prices for identical instruments on an inactive market, prices for similar investments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data. unobservable inputs for the assets or liability to the extent that relevant observable inputs are not available,
- Level 3 –representing the Company's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

**Notes to Financial Statements (Unaudited) (Continued)**

Six months ended May 31, 2018 and May 31, 2017

The following is a summary of the inputs used as of May 31, 2018 and May 31, 2017 in valuing the Company's investments at fair value:

**Investment in Securities****Measurements at May 31, 2018**

Description (1)	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Shares				
Gold and Silver Investments				
Gold mining, exploration, development and royalty companies	\$185,103,431	\$37,637,481	\$ —	\$222,740,912
Silver mining, exploration and development companies	3,790,329	—	—	3,790,329
Diamond Mining, Exploration and Development Companies	1,343,683	3,630,593	—	4,974,277
Total Investments	\$190,237,443	\$41,268,074	\$ —	\$231,505,517

Transfers into and out of levels are recognized at the end of the period. During the six months ended May 31, 2018, there were no transfers into and out of Levels 1, 2, and 3.

(1) See schedules of investments for country classifications.

May not total due to independent rounding.

**Investment in Securities****Measurements at May 31, 2017**

Description (1)	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Shares				
Gold and Silver Investments				
Gold mining, exploration, development and royalty companies	\$203,980,750	\$40,169,739	\$ —	\$244,150,490
Silver mining, exploration and development companies	3,311,732	—	—	3,311,732
Diamond Mining, Exploration and Development Companies	2,515,895	5,890,099	—	8,405,994
Total Common Shares	209,808,377	46,059,838	—	255,868,215

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Warrants				
Gold mining, exploration, development and royalty companies	8,665	76,425	—	85,091
Total Investments	\$209,817,043	\$46,136,263	\$	— \$255,953,306

Transfers into and out of levels are recognized at the end of the period. During the six months ended May 31, 2017, there were no transfers into and out of Levels 1, 2, and 3.

(1) See schedules of investments for country classifications.

May not total due to independent rounding.

**Notes to Financial Statements (Unaudited) (Continued)**

Six months ended May 31, 2018 and May 31, 2017

*D. Foreign Currency Translation*

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the rate of exchange reported one hour after the Valuation Time. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Company separately reports the effect of changes in foreign exchange rates from changes in market prices of securities held. The resulting net foreign currency gain or loss is included on the Statements of Operations. Realized foreign currency gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, fluctuation in exchange rates between the initial purchase date and subsequent sale date on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Company's books and the U.S. dollar equivalent of the amounts actually received or paid.

*E. Securities Transactions and Investment Income*

During the six months ended May 31, 2018, sales and purchases of portfolio securities (other than temporary short-term investments) amounted to \$3,846,208 and \$3,985,831, respectively. During the six months ended May 31, 2017, sales and purchases of portfolio securities (other than temporary short-term investments) amounted to \$21,239,525 and \$18,711,966, respectively.

Dividend income is recorded on the ex-dividend date, net of withholding taxes or ADR fees, if any. Interest income is recognized on the accrual basis.

*F. Dividends to Shareholders*

Dividends to shareholders are recorded on the ex-dividend date. The reporting for financial statement purposes of dividends paid from net investment income and/or net realized gains may differ from their ultimate reporting for U.S. federal income tax purposes, primarily because of the separate line item reporting for financial statement purposes of foreign exchange gains or losses.

*G. Use of Estimates*

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. It is management's opinion that all adjustments necessary for a fair statement of the

results of the interim periods presented have been made. All adjustments are of a normal recurring nature.

#### *H. Basis of Presentation*

The financial statements are presented in U.S. dollars.

#### *I. Income Taxes*

In accordance with U.S. GAAP requirements regarding accounting for uncertainties on income taxes, management has analyzed the Company's tax positions taken on federal and state income tax returns, as applicable, for all open tax years (2014 - 2017). As of May 31, 2018 and May 31, 2017, the Company has not recorded any unrecognized tax benefits. The Company's policy, if it had unrecognized benefits, is to recognize accrued interest and penalties in operating expenses.

#### **4. Tax status of the Company**

The Company is a "passive foreign investment company" ("PFIC") for the U.S. federal income tax purposes and is not subject to Bermuda tax as an exempted limited liability company organized under the laws of Bermuda. Nor is the Company generally subject to U.S. federal income tax, since it is a non-U.S.

**Notes to Financial Statements (Unaudited) (Continued)**

Six months ended May 31, 2018 and May 31, 2017

corporation whose only business activity in the United States is trading in stocks or securities for its own account; under the U.S. federal tax law that activity does not constitute engaging in the conduct of a trade or business within the United States, even if its principal office is located therein. As a result, its gross income is not subject to U.S. federal income tax, though certain types of income it earns from U.S. sources (such as dividends of U.S. payors) are subject to U.S. federal withholding tax.

**5. Exemptive order**

The Company is a closed-end investment company and operates pursuant to an exemptive order issued by the Securities and Exchange Commission (the “SEC”) pursuant to Section 7(d) of the 1940 Act (the “Order”). The Order is conditioned upon, among other things, the Company complying with certain requirements relating to the custody of assets and settlement of securities transactions outside of the United States different than those required of other registered investment companies. These conditions make it more difficult for the Company to implement a flexible investment strategy and to fully achieve its desired portfolio diversification than if it were not subject to such requirements.

**6. Retirement plans**

The Company has recorded a liability for retirement benefits due to retired directors and one current director upon retirement. The liability for these benefits at May 31, 2018 and May 31, 2017 was \$433,679 and \$509,695, respectively. A director whose first election to the Board of Directors was prior to January 1, 2008 qualifies to receive retirement benefits if he has served the Company (and any of its predecessors) for at least twelve years prior to retirement. Directors first elected on or after January 1, 2008 are not eligible to participate in the plan.

**7. Concentration risk**

The Company invests at least 80% of its total assets in securities of companies engaged, directly or indirectly, in the exploration, mining or processing of gold or other precious minerals. The Company also invests a substantial portion of its assets in companies that are domiciled and/or have operations outside of the United States, including emerging market countries, such as South Africa. The Company is, therefore, subject to gold and precious metals-related risk as well as risk related to investing in foreign securities, including political, economic, regulatory, liquidity, currency



fluctuation, and foreign exchange risks. The Company currently is invested in a limited number of securities and thus holds large positions in certain securities. Because the Company's investments are concentrated in a limited number of securities of companies involved in the holding or mining of gold and other precious minerals and related activities, the net asset value of the Company may be subject to greater volatility than that of a more broadly diversified investment company.

## **8. Indemnifications**

In the ordinary course of business, the Company enters into contracts that contain a variety of indemnification provisions. The Company's maximum exposure under these arrangements is unknown.

## **9. Compensation matters**

For the six months ended May 31, 2018 and May 31, 2017, the aggregate remuneration paid to the Company's officers was \$1,015,792 and \$1,043,892, respectively. In addition, \$341,000 and \$350,000, respectively was accrued for bonuses to the Company's officers and employees. The accrued bonuses are reflected in the "Accrued affiliated expenses" on the Statements of Assets and Liabilities. The aggregate remuneration paid to the Company's directors was \$104,000 and \$104,000, respectively.

**Notes to Financial Statements (Unaudited) (Continued)**

Six months ended May 31, 2018 and May 31, 2017

**10. Operating lease commitment**

In June 2017, the Company entered into a three-year operating lease agreement, commencing March 1, 2018, in San Mateo, CA for approximately 2,500 square feet to be used as office space for its employees. The lease provides for future minimum rental payments in the aggregate amount of \$582,312 as of May 31, 2018. The lease contains escalation clauses relating to the tenant's share of insurance, operating expenses and tax expenses of the lessor.

Future minimum rental commitments under the lease are as follows:

06/01/2018 - 11/30/2018	\$102,530
12/01/2018 - 11/30/2019	209,584
12/01/2019 - 11/30/2020	215,842
12/01/2020 - 02/28/2021	54,356
Total	\$582,312

**11. Share repurchase**

The Company may from time to time purchase its common shares at a discount to NAV on the open market in such amounts and at such prices as the Company may deem advisable.

The Company had 19,289,905 shares outstanding as of May 31, 2018 and May 31, 2017. There were no repurchases during the six months ended May 31, 2018 and May 31, 2017.

**12. Subsequent events**

In accordance with U.S. GAAP provisions, management has evaluated the possibility of subsequent events existing in the Company's financial statements through the date the financial statements were issued. The Company believes that there are no material events that would require disclosure.



**Financial Highlights**

Per share operating performance (1)	(Unaudited) Six months ended May 31		Year ended November 30				
	2018	2017	2017	2016	2015	2014	2013
Net asset value, beginning of period	\$ 12.66	\$ 12.61	\$ 12.61	\$ 8.33	\$ 11.50	\$ 12.98	\$ 24.18
Net investment income (loss)	(0.03 )	(0.04 )	(0.09 )	(0.10 )	(0.09 )	(0.08 )	0.02
Net realized gain (loss) from investments	(0.30 )	0.01	(0.36 )	(0.79 )	0.13	(0.48 )	(0.38 )
Net realized gain (loss) from foreign currency transactions	0.00	0.02	0.01	(0.14 )	(0.21 )	(0.05 )	(0.02 )
Net increase (decrease) in unrealized appreciation on investments	(0.20 )	0.91	0.53	5.35	(2.96 )	(0.83 )	(10.64 )
Net unrealized (loss) on translation of assets and liabilities in foreign currency	—	0.00	0.00	0.00	(0.00 )	—	0.00
Net increase (decrease) in net assets resulting from operations	(0.53 )	0.90	0.09	4.32	(3.13 )	(1.44 )	(11.02 )
Dividends							
From net investment income	(0.02 )	(0.02 )	(0.04 )	(0.04 )	(0.04 )	(0.04 )	(0.18 )
From net realized gain on investments	—	—	—	—	—	—	—
Net asset value, end of period	\$ 12.11	\$ 13.49	\$ 12.66	\$ 12.61	\$ 8.33	\$ 11.50	\$ 12.98
Market value per share, end of period	\$ 10.40	\$ 11.88	\$ 11.05	\$ 10.81	\$ 7.16	\$ 10.74	\$ 12.78
Total investment return							
Based on market price (2)	(5.70%) (5)	10.08% (5)	2.57%	51.50%	(33.02%)	(15.69%)	(41.07%)
Based on net asset value (3)	(4.15%) (5)	7.13% (5)	0.74%	51.86%	(27.20%)	(11.11%)	(45.56%)
Ratio of average net assets							
Expenses (4)	1.31% (6)	1.25% (6)	1.19%	1.26%	1.64%	1.37%	1.21%
Net investment income (loss)	(0.47%) (6)	(0.54%) (6)	(0.65%)	(0.79% )	(0.83% )	(0.54% )	0.11%
Supplemental data							
Net assets, end of period (000 omitted)	\$233,624	\$260,143	\$244,202	\$243,229	\$160,744	\$221,800	\$250,347
Portfolio turnover rate	2% (5)	7% (5)	9%	10%	10%	7%	7%
Shares outstanding (000 omitted)	19,290	19,290	19,290	19,290	19,290	19,290	19,290

(1) Per share amounts from operations have been calculated using the average shares method.

Total investment return is calculated assuming a purchase of shares at the current market price at close the day (2) before and a sale at the current market price on the last day of each period reported. Dividends are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Company's dividend reinvestment plan.

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- Total investment return is calculated assuming a purchase of shares at the current net asset value at close the day
- (3) before and a sale at the current net asset value on the last day of each period reported. Dividends are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Company's dividend reinvestment plan.
  - (4) "Adviser operating expenses" impacted the expense ratio by 0.02% during fiscal year 2013. The Company's former subsidiary, ASA Gold and Precious Metals Advisers, LLC, was discontinued on September 23, 2013.
  - (5) Not annualized.