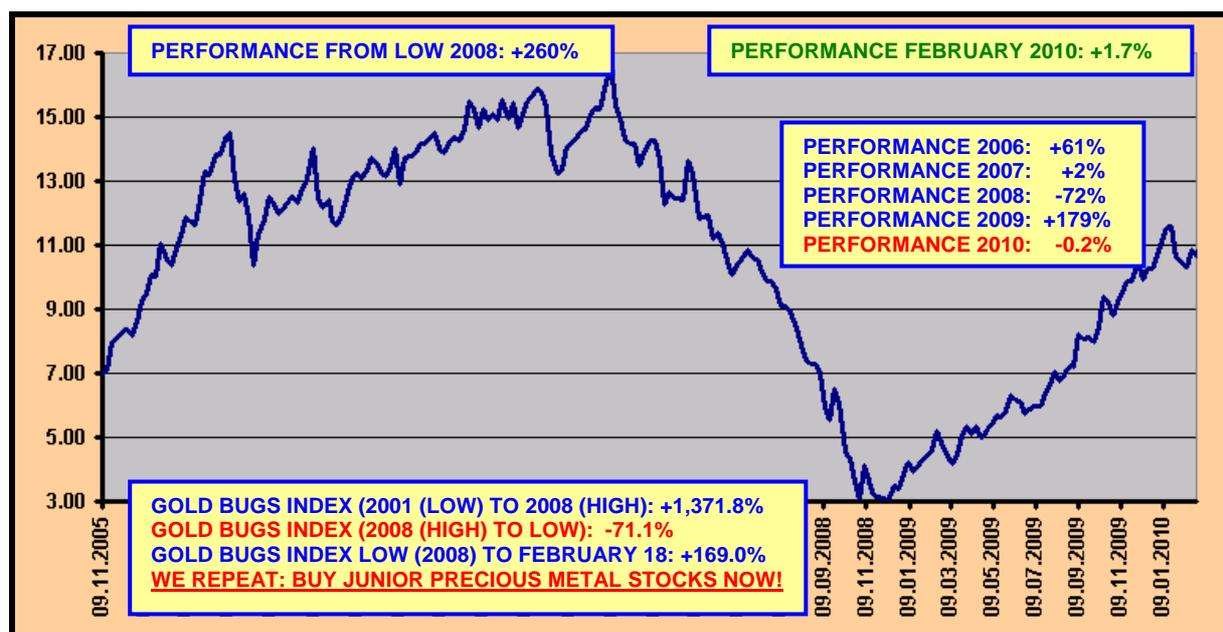




## MONTHLY REPORT AS OF FEBRUARY 28, 2010

### PERFORMANCE: ONE MONTH / TWELVE MONTHS

% CHANGE	PRICE Feb 28	1 MONTH	12 MONTHS
THE TIMELESS PRECIOUS METAL FUND (EUR)	10.81	+1.7%	+132.5%
THE TIMELESS PRECIOUS METAL FUND (USD)	15.50	+5.2%	+163.1%
GOLD	1116.00	+3.3%	+18.2%
SILVER	16.47	+1.7%	+25.5%
PLATINUM	1541.50	+2.1%	+44.7%
PALLADIUM	432.50	+3.2%	+122.0%
GOLD & SILVER INDEX - PHILADELPHIA (\$XAU)	161.39	+9.1%	+35.5%
AMEX GOLD BUGS INDEX (\$HUI)	404.18	+8.1%	+39.4%
GOLD MINERS INDEX - AMEX (\$GDM)	1212.06	+7.9%	+32.4%



The NAV of **THE TIMELESS PRECIOUS METAL FUND** increased 1.7% in February 2010. The price of gold moved also up 3.3%, while the price of silver jumped 1.7%. Gold and silver indices, representing major companies, also went up 8.4% on average over the past month. Junior gold and silver mining shares – the domain and focus of **THE TIMELESS PRECIOUS METAL FUND** – underperformed the majors this month again.

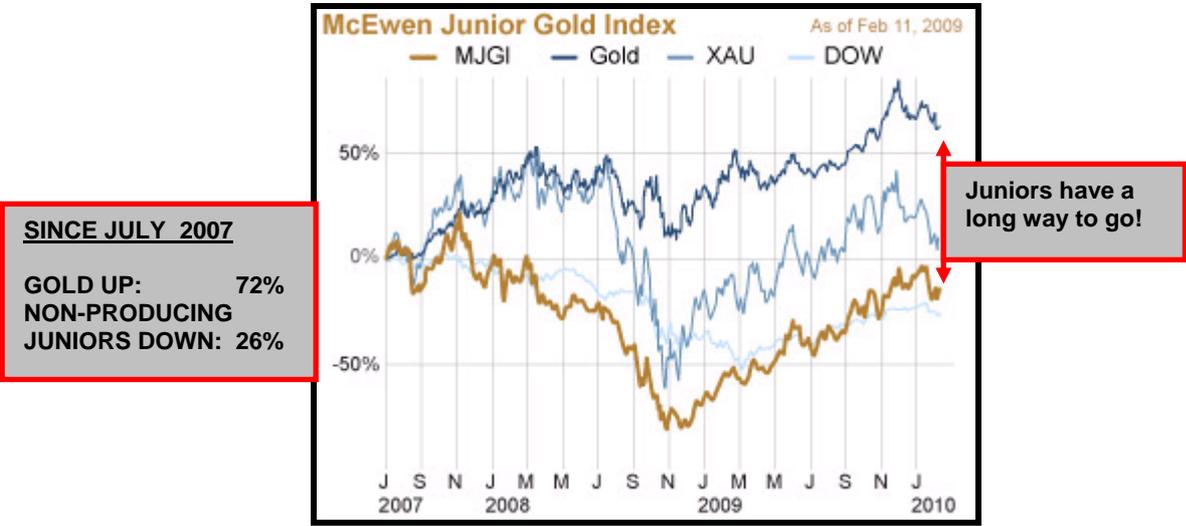
The two Platinum Group Metals Platinum and Palladium (The six platinum group metals (PGM's) are platinum, palladium, rhodium, osmium, iridium and ruthenium.) moved up 2.1% and 3.2% respectively over the twelve-months period. The palladium price, however, more than doubled while the platinum price increased 45%, outperforming gold and silver significantly during the same period.

The “McEwen Junior Gold Index” increased 41.6% in 2009 while the NAV of **THE TIMELESS PRECIOUS METAL FUND** surged 178.7%. Why this amazing difference? The component companies of the Index are selected by a committee using the following criteria:

1. Minimum market capitalization of US\$50 million
2. Minimum daily trading liquidity of US\$50,000
3. Listed on the TSX, TSX-V, NYSE, NYSE.A, NASDAQ
4. **No commercial production**

The main difference between this index and **THE TIMELESS PRECIOUS METAL FUND** consists in point 4, as we invest 70% of the assets in producing companies or companies which are close to going into production.

The following chart shows clearly to what extent junior gold mining companies are still undervalued in relation to the price of gold, a situation which will not last and which demonstrates that junior gold stocks have a lot of up-side potential left.



**TOP FIVE GOLD HOLDINGS**

1. GOLD RESOURCE	-	9.0%
2. ECOMETALS	-	4.9%
3. MAUDORE MINERALS	-	4.8%
4. PMI GOLD	-	3.5%
5. EUROPEAN GOLDFIELDS	-	2.4%

**TOP THREE SILVER HOLDINGS**

1. FORTUNA SILVER	-	3.7%
2. GREAT PANTHER RES.	-	3.6%
3. FIRST MAJESTIC SILVER	-	2.8%

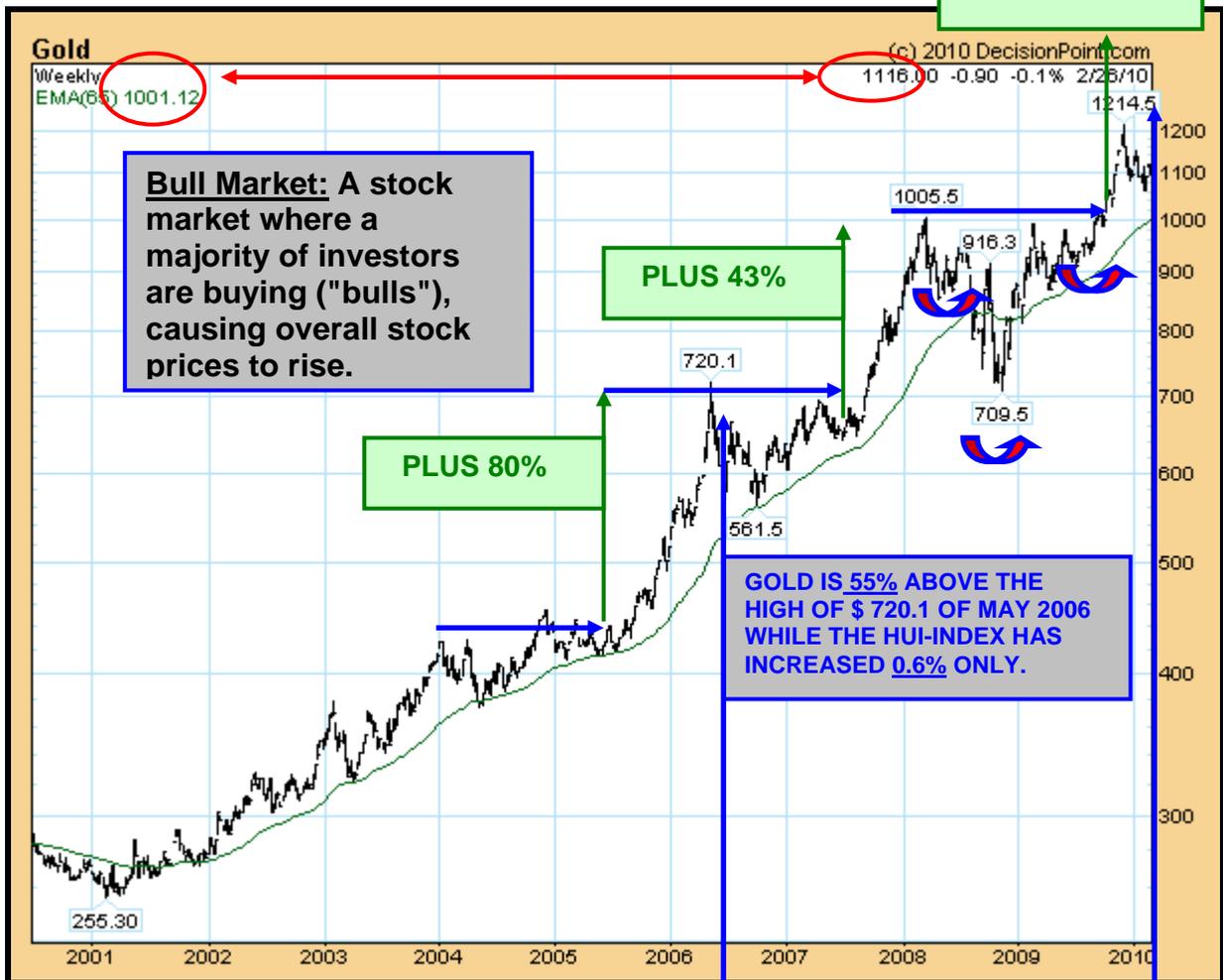
**TOP PLATINUM/PALLADIUM HOLDING**

1. EASTERN PLATINUM	-	4.2%
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During the period, **GOLD RESOURCE** kept the top position among our top gold holdings. Commercial production should start in March of this year with a planned first year production of 77,000 ounces at a cash cost of less than \$ 100/ounce.

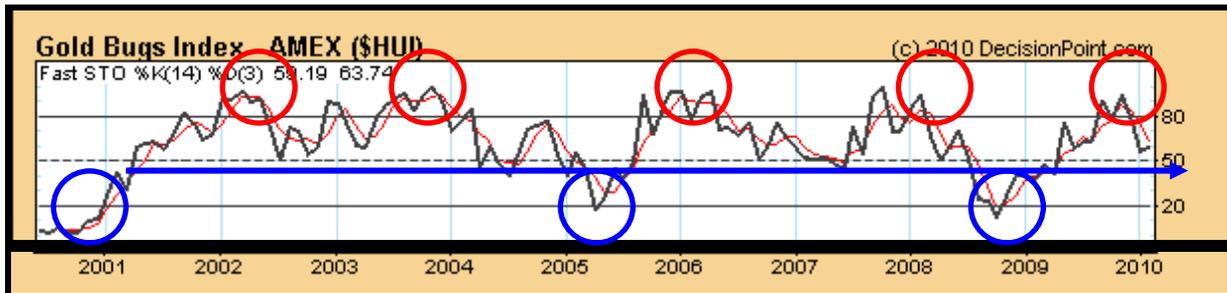
# THE TECHNICAL OUTLOOK FOR GOLD

**TARGET \$ 1,560**



Over the course of the 2008 correction, the HUI Gold Bugs Index dropped to the 2002 level, when an ounce of gold traded at between \$ 250 and \$ 350, but has since regained close to 200%. Gold stocks are now outperforming gold but remain undervalued, especially the junior gold and silver stocks.

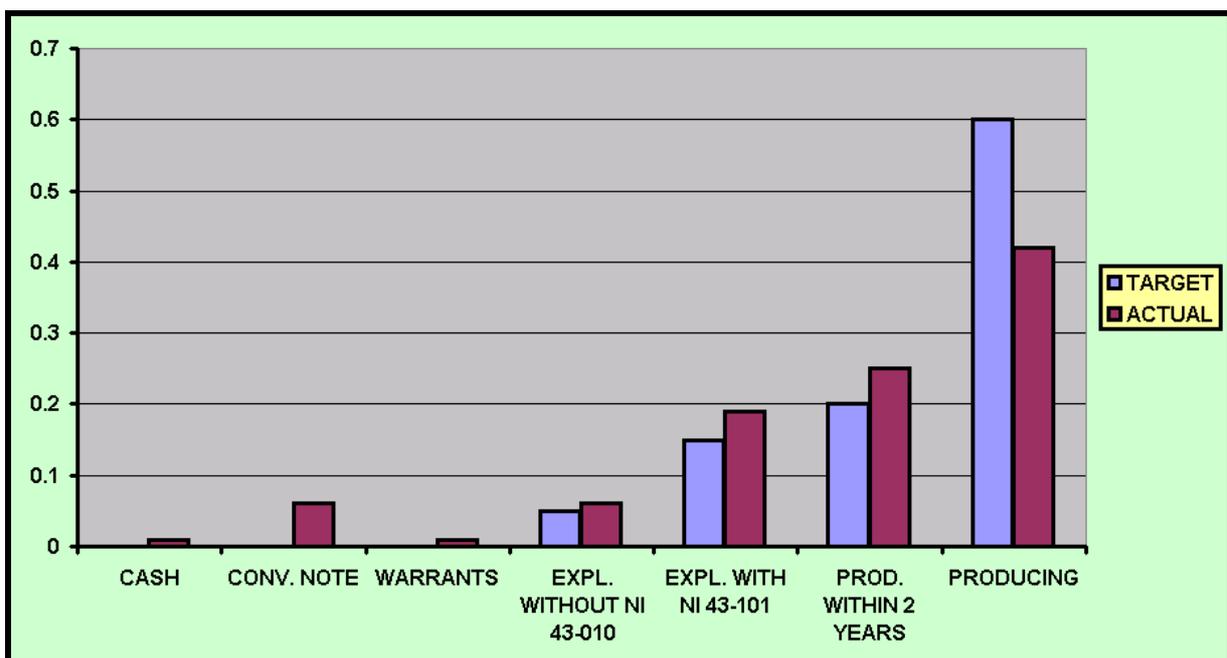
Technical indicators, such as the one below, showed a heavily oversold market in November 2008 and reached an overbought level towards the end of 2009 and moved to a level where “some caution may be justified”, as we wrote in our last report. The index has since dropped back to a more comfortable level. We do not expect a similar “crash” as we experienced in 2005 and 2008 at this stage.



### EXPLORATION – RESOURCES – RESERVES- PRODUCTION

Mining companies create value through carrying out exploration programs, discovering mineral deposits and bringing them into production. As the table below shows, close to 70% of the companies in the portfolio are in production or near production. 16% of the companies have not made the decision to go into production despite having substantial mineral reserves (NI 43-101). Their aim is to prove up a substantial reserve/resource in the hopes that one of the majors will take them over – at a substantial premium to the cost of exploration. 3% of the portfolio is presently held in cash.

You may notice that only 43% of total assets are presently invested in producing companies. Many that are listed under “Production within 2 Years” will actually start commercial production within the next three months.



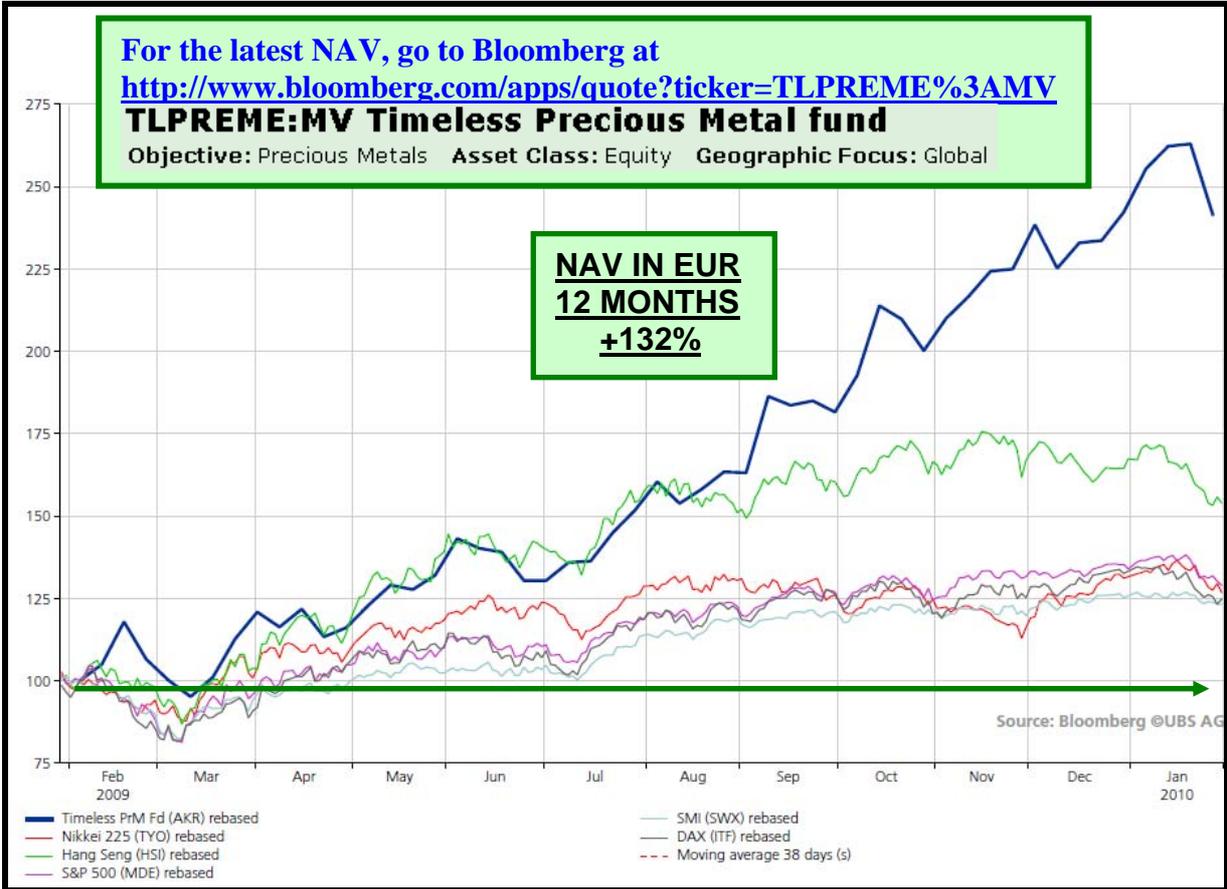
## HEDGING STRATEGY

As most of our investments are in CAD, USD and AUD but the NAV is calculated in EUR, we hedge our currency exposure when appropriate.



We were fortunate to close our currency hedging positions just before the EURO started to weaken against the USD and the CAD last year.

In January we bought EUR against USD and CAD as we believe that the USD in particular will suffer further downward pressure in the medium term.



Although we have seen spectacular performance in the Fund over the past 12 months, this has been due to the particular timing and focus within the fund. But it is not the end of growth for this market sector. Global demand is still driving the price of gold. But as production cannot be increased at will to follow demand, the price of gold has to go up.

There are many junior gold and silver companies that still offer impressively low valuations, many even trading below liquid assets. Junior gold stocks will continue to outperform the major gold producers as well as stock markets in general.

Major US Stock market indices all lost value over the past decade while the price of gold went from \$ 350 to \$ 1,100.

Several junior companies have recently been bought by competitors that paid between \$ 50 and \$ 150 for an ounce of gold in the ground. Today, many companies trade at a market capitalization of less than \$ 25/ounce.

**THE TIME TO BUY IS NOW! THE NAV OF THE FUND HAS ALREADY GAINED CLOSE TO 200% THIS YEAR BUT REMAINS WELL BELOW THE ALL-TIME HIGH REACHED IN 2008.**

FEBRUARY 28, 2010

<b>FACT SHEET</b>	<a href="http://www.timeless-funds.com">http://www.timeless-funds.com</a>
<b>ISIN :</b>	MT0000072612
<b>Swiss Security N° :</b>	1921952
<b>Investment Manager:</b>	<b>P. ZIHLMANN INVESTMENT MANAGEMENT AG, Zurich, Switzerland</b>
<b>Currency:</b>	€
<b>Domicile:</b>	MALTA (EU)
<b>License:</b>	July 16, 2004
<b>Size (February 28, 2010)</b>	17.2 Million €
<b>Custodian Bank:</b>	Bank of Valletta, Malta
<b>Administration Company:</b>	Valletta Fund Services, Malta
<b>Auditors:</b>	PriceWaterhouseCoopers, Malta
<b>Legal Advisors:</b>	David Griscti & Associates, Valletta, Malta

**VISIT OUR WEBSITES:** [www.timeless-funds.com](http://www.timeless-funds.com) **OR** [www.pzim.ch](http://www.pzim.ch)

**REGISTER NOW AT**

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**TO RECEIVE OUR RECOMMENDATIONS OF STILL-UNDERVALUED GOLD AND SILVER COMPANIES.**