

Directors' Responsibility

The Directors are responsible for the stewardship of the Company and for overseeing the conduct of the business of the Company and the activities of management, who are responsible for the day-to-day conduct of the business.

The Directors' primary responsibilities are to preserve and enhance long-term shareholder value and to ensure that the Company can meet its obligations on an on-going basis and that it continues to operate in a reliable and safe manner. The stewardship of the Company involves the Directors in strategic planning, key investment decisions, risk management and mitigation, senior management determination and assessment, communication planning and internal control integrity.

Management are responsible for the day to day operational affairs and decisions in accordance with the strategy, direction and business standards set by the Directors. There is frequent informal contact between the management and the Directors.

Corporate Governance

The Board is responsible for establishing the strategic direction of the Company, monitoring the Company's trading performance and approving the purchase and disposal of coins to and from its portfolio. The recommendations for such purchases and disposals are made by independent experts comprising the Numismatic Advisory Panel.

The Directors intend to comply with Rule 21 of the AIM Rules for Companies relating to Directors' dealings and will take all reasonable steps to ensure compliance by any employees of the Company to whom Rule 21 applies. The Company has, in addition, adopted a Share Dealing Code for dealings in its Ordinary Shares by Directors and senior employees.

The Directors recognise the importance of sound corporate governance. The Company intends to comply with the QCA Corporate Governance Code for Small and Mid-Size Quoted Companies so far as is practicable and appropriate for a public company of its size and nature.

The Board comprises of five directors, two based in the Isle of Man, Nigel Gautrey and Alan Molloy, two based in the UK, Matthew Wood and Laurence Gergel and one based in Monaco, Clement Chambers. Nigel Gautrey is an executive director, the other four are non-executive directors. The board considers each of the non-executive directors to be independent. The Company does not have a designated Chairman or Chief Executive Officer. Directors' remuneration is reported annually in the Company's annual report and accounts.

Matthew Wood, Alan Molloy and Clement Chambers make up the audit and remuneration committees, and the whole Board comprises the Risk Management Committee ("RMC"). The RMC reviews the risks applicable to the business and the actions required to reduce those risks.

The terms of reference for the Audit Committee provide that it will receive and review reports from the Company's management and the Company's auditors relating to the annual and interim accounts and the accounting and internal control systems in use throughout the Company.

The terms of reference for the Remuneration Committee provide that it will review the scale and structure of the Executive Directors' remuneration and the terms of their service contracts. The remuneration and terms and conditions of appointment of the Non-Executive Directors will be set by the Board. No Director may participate in any meeting at which discussion or decision regarding his own remuneration takes place.

The major risk to the Company lies in the overall market pricing of its main asset – the portfolio of collectable coins. It is intended that this risk and attendant opportunity is passed straight to the Company's investors, who should hold its shares in a balanced portfolio of their own. The remaining risk to the Company comprises the need to maintain adequate liquidity to meet the Company's trading obligations and maximise opportunistic purchasing offers. The Board monitor this risk thorough its monthly financial reporting system.

The Directors do not consider that, given the size of the Board, it is appropriate at this stage to have a Nomination Committee.

The Company's registered agent is responsible assisting the Company in complying with its filing requirements at the Companies Registry.

The Directors seek to build a mutual understanding of objectives between the Company and its Shareholders. The Company reports formally to Shareholders in its interim and annual reports setting out details of its activities. In addition, the Company keeps Shareholders informed of events and progress during the year through the issue of press releases.

The Annual Report is sent to Shareholders before the Annual General Meeting. Directors are required to attend Annual General Meetings of the Company unless unable to do so for personal reasons or due to pressing commercial commitments.

Shareholders are given the opportunity to vote on each separate issue. The Company counts all proxy votes and will indicate the level of proxies lodged on each resolution, after it has been dealt with by a show of hands