

ASA Gold & Precious Metals Ltd
Form N-CSR
January 29, 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, 6th 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: November 30, 2017

ASA Gold and Precious Metals Limited

Annual Report and Financial Statements

November 2017

Cover photograph by Jim Van Gundy

ASA Gold and Precious Metals Limited

**Annual Report and
Financial Statements**

November 30, 2017

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Letter to Shareholders

In 2017, the strong global economic environment, characterized by modest inflation, slowly rising interest rates and one of the strongest equity markets on record, provided little reason for investors to seek gold as a hedge. As a result of these positive economic trends, the gold price was less volatile in 2017 than prior years. The performance of the gold mining shares varied significantly across companies with returns being driven primarily by company specific activities as opposed to sector momentum.

For the fiscal year ended November 30, 2017, ASA Gold and Precious Metals Limited (“ASA” or the “Company”) reported a total return of 0.7% based on its net asset value (“NAV”), including reinvested dividends, compared with a total return of 8.7% for the FTSE Gold Mines Total Return Index (the “FTGMI”). ASA’s investments in diamonds and larger weighting towards junior gold producers versus the FTGMI, negatively affected ASA’s relative performance. The failure of issuers of several important investments to deliver their projects on time, combined with a significant increase in political risk associated with mining, also contributed to the underperformance. The total return for the fiscal year, based on ASA’s share price, was 2.6%. The gold price increased 8.7% during the one year period ending November 30, 2017.

At fiscal year-end, total net assets of ASA were \$244.2 million, \$1.0 million higher than fiscal year-end 2016. The average expense ratio improved to 1.19% during the 2017 fiscal year from 1.26% during fiscal year 2016 as a result of the increase in asset values and a decrease in ASA’s operating expenses.

Investment income generated by dividends received from portfolio investments improved modestly to \$1.4 million during fiscal year 2017 from \$1.2 million during 2016. Cost savings throughout the gold mining industry combined with increased demands for dividends from shareholders helped to drive this improvement. While an improvement in dividend income is possible during the coming year, additional progress is needed to make a meaningful impact to ASA’s dividend distribution.

The discount at which ASA’s shares traded in the market fluctuated during the year from a high of 14.4% to a low of 9.4% and ended the fiscal year at 12.7%. The Board of Directors monitors the Company’s share price and discount to NAV on an ongoing basis and has, in the past, authorized tender offers and created a Share Repurchase Program. At present, the Board does not believe that either a tender offer or share repurchases would significantly benefit long-term shareholders, or accomplish a meaningful narrowing of the discount.

Geopolitical Risk

Geopolitical risk was at the forefront of the mining industry in 2017. The management of government and community relations have always been a key aspect of operating a successful mining company. It is a delicate balance to maintain

harmony amongst the key stake holders of a mining project and this year witnessed several significant missteps. Mine blockades, revisions to

mining codes and failure to receive permits have negatively affected the performance of miners around the world. Mining companies with a single asset or single country exposure have likely felt the impact of these issues more significantly.

Incidents in Europe, Africa, Asia and the Americas have reminded investors of the importance of managing geopolitical risk. Investors have a renewed interest in assets perceived to be in “safe” jurisdictions with well-defined mining codes, government stability and rule of law. A number of recent acquisitions of assets in the U.S., Canada and Australia are believed to be an attempt by mining companies to diversify their portfolio and minimize risk.

ASA’s management closely monitors the exposure across the world and attempts to achieve portfolio diversification in terms of project stage, size and location. In 2017, some investments were negatively impacted by geopolitical problems but others benefited from the renewed interest in North American assets and royalty companies as investors sought the perceived safety of these investments.

Chart 1: Holdings by Individual Project Location

Source: ASA, As of fiscal year-end 2017

We anticipate the heightened geopolitical sensitivity to continue in 2018 as many of the issues from 2017 remain unresolved. We will continue to closely monitor the portfolio in an attempt to navigate the incidents of geopolitical unrest.

Management evaluates not only geographical exposure, but allocation across stage of production. The Company is diversified amongst senior producers, junior producers, royalty companies, developers and exploration companies. In 2017, many of the developers in the portfolio entered production and a number of them encountered operational hiccups as production rates increased. Mine start-ups are difficult for even the most senior companies, but missteps are highlighted at single asset companies as balance sheets can quickly become strained and investors spooked at these early stages of

production. Management of ASA maintains regular contact with our portfolio companies in an attempt to monitor the issues, understand their implications for the long term success of the operation, and manage the portfolio's exposure. Chart 2 below, highlights the Company's allocation across the various stages of project development.

Chart 2: Holdings by Stage of Development

Source: ASA, As of fiscal year-end 2017

Portfolio Changes

While diversification has mitigated the impact of the start-up and geopolitical issues, the portfolio has not been immune to these matters in the last year. The Company has invested in some companies that we believe can improve their projects and work through their issues to generate solid returns for investors. We have exited those we believe no longer offer an attractive risk return profile. In addition, the Company has maintained or increased investments in companies delivering on their operating plans while selling positions that may have limited upside or whose weighting with in the portfolio needed adjustment.

ASA increased its position in Pretium Resources Inc. in the second half of 2017. Pretium is a developer that entered production in late 2017. ASA anticipates that the stock's valuation will re-rate to higher producer peer levels as the company continues to ramp up and start to generate free cash flow.

ASA also added to its position in OceanaGold Corporation during 2017. OceanaGold is well diversified with assets in New Zealand, the Philippines and the U.S. The company was negatively impacted during 2017 following political comments made by the then-Minister of Mines in the Philippines and a slower than anticipated start-up at their new project in the United States. ASA believes the solid operating team has navigated these issues well and that the company is well positioned for the future.

MAG Silver Corp. is a developer with an attractive silver project in Mexico. ASA increased its investment after the company released an expansion study indicating improved economics and the company secured financing for the project.

In the second half of the fiscal year ASA also increased its position in Torex Gold Resources Inc., a newer gold producer in Mexico. Torex's start-up challenges and an illegal blockade by a competing labor union negatively impacted the stock price. However, we believe these issues to be temporary and that the share price will improve

following the recommencement of production.

The final addition to the portfolio in the second half of 2017 was through the exercise of warrants in Lydian International. Lydian is currently constructing a project in Armenia that remains on track and on budget for 2018. The additional financing provided by the exercise of warrants will help facilitate the completion of project construction.

Sales of some investments during 2017 were to manage the weighting of the portfolio. As positions grew too large or valuations appeared high, they were trimmed and cash was reallocated to other opportunities. Several of the positions we exited completely had experienced a negative shift in strategy or decrease in opportunity due to asset quality, management ability or political risk.

Chart 3: Investment Holdings by Sector

Source: ASA, As of fiscal year-end 2017

We appreciate the support of both the Board of Directors and our shareholders over the past year. Shareholders are encouraged to contact us directly with any questions that they may have either through the company website at www.asaltd.com or by calling us at 1-800-432-3378.

David Christensen

President, Chief Executive Officer and Chief Investment Officer

January 18, 2018

Copies of financial reports for ASA Gold and Precious Metals Limited, as well as its latest net asset value, may be requested from ASA Gold and Precious Metals Limited, 400 S. El Camino Real, Suite 710, San Mateo, CA (650) 376-3135 or (800) 432-3378, and may be found on the Company's website (www.asaltd.com). We would like to call to your attention the availability of the Dividend Reinvestment and Stock Purchase Plan. See page 19 of this report for information on how shareholders can participate in this plan.

* * * * *

The Annual General Meeting of Shareholders will be held on Thursday, March 15, 2018 at 10:00 a.m. EST at the offices of K&L Gates LLP, 599 Lexington Avenue, 32nd Floor, New York, New York, USA. We look forward to your attendance.

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," "similar expressions or their negative forms, 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

Fiscal Year Total Returns

Best Quarter (NAV): Q2 2009 44.18%
Worst Quarter (NAV): Q4 2008 -36.19%

Average Annual Total Returns

For the periods ended November 30, 2017

	1 Year	3 Year	5 Year	10 Year
ASA Gold and Precious Metals – NAV	0.74%	3.65%	-11.62%	-6.42%
ASA Gold and Precious Metals – Share Price	2.57%	1.34%	-12.35%	-6.32%
FTSE Gold Mines Total Return Index (1)	8.69%	10.55%	-11.83%	-5.79%

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 share.

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.

(1) 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.

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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.

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 move-

ment 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

ASA Gold and Precious Metals Limited

We have audited the accompanying statements of assets and liabilities of ASA Gold and Precious Metals Limited (the "Company") including the schedules of investments, as of November 30, 2017 and November 30, 2016, and the related statements of operations and the statements of changes in net assets for each of the two years in the period then ended,

and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as

well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of November 30, 2017, by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Company, as of November 30, 2017 and November 30, 2016, and the results of its operations and the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER & BAKER LLP
Philadelphia, Pennsylvania
January 18, 2018

Schedules of Investments

November 30, 2017 and November 30, 2016

Name of Company	2017			Percent of Net Assets	2016		
	Shares/ Warrants	Value			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	\$17,610,250	7.2	%	1,215,000	\$17,222,625	7.1
Perseus Mining Limited, (1)	—	—	—		7,067,700	2,945,532	1.2
		17,610,250	7.2			20,168,157	8.3
Canada							
Agnico Eagle Mines Limited	450,000	19,669,500	8.1		475,000	19,498,750	8.0
Alacer Gold Corp., (1)	2,500,000	4,051,801	1.7		—	—	—
Alamos Gold Inc.	875,000	5,563,956	2.3		600,000	3,817,816	1.6
Asanko Gold Inc., (1)	—	—	—		1,425,000	4,994,977	2.1
Atlantic Gold Corporation – 144A, (1)(2)	2,750,000	3,284,091	1.3		3,000,000	1,987,051	0.8
B2Gold Corp., (1)	1,594,338	4,067,599	1.7		1,594,338	3,856,217	1.6
Barrick Gold Corporation	1,125,000	15,502,500	6.3		1,275,000	19,150,500	7.9
Belo Sun Mining Corp., (1)	2,600,000	897,212	0.4		2,600,000	1,238,372	0.5
Detour Gold Corporation, (1)	450,000	4,885,425	2.0		450,000	5,733,423	2.4
Eldorado Gold Corporation, (3)	1,296,570	1,465,124	0.6		650,000	1,781,000	0.7
Franco-Nevada Corporation	160,000	13,041,449	5.3		160,000	9,291,360	3.8
Goldcorp Inc.	932,400	11,785,536	4.8		932,400	12,298,356	5.1
Guyana Goldfields Inc., (1)	669,500	2,273,979	0.9		857,300	3,509,079	1.4
Integra Gold Corp., (1)	—	—	—		4,250,000	1,992,632	0.8
Kinross Gold Corporation, (1)	800,000	3,328,000	1.4		800,000	2,632,000	1.1
New Gold Inc., (1)	500,000	1,550,000	0.6		500,000	1,790,000	0.7
OceanaGold Corporation	2,654,013	6,832,867	2.8		1,054,013	2,925,853	1.2
Pretium Resources Inc., (1)	725,000	7,757,500	3.2		300,000	2,622,000	1.1
Roxgold Inc., (1)	2,827,200	2,587,023	1.1		2,523,400	2,478,893	1.0
Semafo Inc., (1)	900,000	2,226,358	0.9		900,000	2,739,451	1.1
Tahoe Resources Inc.	708,200	3,141,331	1.3		708,200	6,804,243	2.8
TMAC Resources Inc., (1)	26,500	153,096	0.1		26,500	307,658	0.1
TMAC Resources Inc. – 144A, (1)(2)	185,000	1,068,784	0.4		185,000	2,147,801	0.9
Torex Gold Resources Inc., (1)	330,000	3,267,884	1.3		280,000	4,192,603	1.7
Torex Gold Resources Inc. – 144A, (1)(2)	125,000	1,237,835	0.5		125,000	1,871,698	0.8
		119,638,851	49.0			119,661,731	49.2
Cayman Islands							
Endeavour Mining Corporation, (1)	250,000	4,526,773	1.9		—	—	—
Channel Islands							
Lydian International Limited, (1)	1,780,000	503,819	0.2		1,780,000	390,787	0.2
	12,593,775	3,564,598	1.5		6,879,300	1,510,303	0.6

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Lydian International Limited – 144A, (1)(2)							
Randgold Resources Limited – ADRs	254,100	23,316,216	9.5	282,100	20,277,348	8.3	
		27,384,634	11.2		22,178,437	9.1	
Peru							
Compañía de Minas Buenaventura S.A.A. – ADRs	699,000	9,779,010	4.0	699,000	7,807,830	3.2	
South Africa							
AngloGold Ashanti Limited, (3)	898,420	9,388,489	3.8	898,420	9,828,715	4.0	
Gold Fields Limited	1,029,577	4,355,111	1.8	1,029,577	3,160,801	1.3	
Sibanye-Stillwater	1,050,168	1,462,359	0.6	1,029,577	2,138,946	0.9	
		15,205,959	6.2		15,128,462	6.2	
United States							
Newmont Mining Corporation	570,368	21,097,912	8.6	695,368	22,557,738	9.3	
Royal Gold, Inc.	190,000	15,716,800	6.4	190,000	13,231,600	5.4	
		36,814,712	15.1		35,789,338	14.7	
Total gold mining, exploration, development and royalty companies (Cost \$199,722,344 – 2017, \$204,987,454 – 2016)		\$230,960,189	94.6 %		\$220,733,956	90.8 %	

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

Schedules of Investments (continued)

November 30, 2017 and November 30, 2016

Name of Company	2017		2016	
	Shares/ Value	Percent of Net Assets	Shares/ Value	Percent of Net Assets
Silver Mining, Exploration and Development Companies Canada				