

**VanEck Gold Bullion ETF
(ASX Code: NUGG)**

ARSN 661 015 630

Financial report

**For the period from 5 December 2022
(commencement of operations) to 30 June 2023**

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These financial statements cover the VanEck Gold Bullion ETF as an individual entity.

The Responsible Entity of the VanEck Gold Bullion ETF is VanEck Investments Limited (ACN 146 596 116) (AFSL 416755).
The Responsible Entity's registered office is:

VanEck Investments Limited
Level 47, Suite 2
25 Martin Place,
Sydney, NSW, Australia, 2000

Directors' report

The Directors of VanEck Investments Limited (ACN 146 596 116), the Responsible Entity of VanEck Gold Bullion ETF (the "Fund"), present their report together with the financial statements of the Fund for the period from 5 December 2022 (commencement of operations) to 30 June 2023.

Fund information

The Fund is an Australian registered managed investment scheme.

The Responsible Entity's registered office is located at Level 47, Suite 2, 25 Martin Place, Sydney, NSW, Australia, 2000.

Principal activities

The Fund is traded on the Australian Securities Exchange ("ASX") as an exchange traded fund.

The Fund invests in gold bullion through its interests in the VanEck Gold Bullion Wholesale Fund (the "Wholesale Fund"), an unregistered scheme in accordance with the provisions of the Fund's Constitution and Product Disclosure Statement ("PDS"). VanEck Investments Limited is, as well as being the Responsible Entity of the Fund, the trustee of the Wholesale Fund.

The Wholesale Fund has been established by the Responsible Entity to act as a special purpose vehicle for holding gold bullion on behalf of the Fund. The Gold Corporation, trading as Perth Mint has been appointed as the custodian of the Gold acquired in connection with the Fund.

Each holder's interest in gold bullion is held as a separate trust. The holder has at all times an absolute, vested and indefeasible interest in possession in the gold bullion via the Constitution of the Fund, and in turn the holder also has at all times an absolute, vested and indefeasible interest in possession in the gold bullion via the trust deed of the Wholesale Fund ("gold interest").

The Fund did not have any employees during the period.

There were no significant changes in the nature of the Fund's activities during the period.

Directors

The following persons held office as Directors of the Responsible Entity during the period from 5 December 2022 (commencement of operations) to 30 June 2023 and up to the date of this report:

Jan van Eck
Bruce Smith (resigned 1 July 2023)
Arian Neiron
Michael Brown
Jonathan Simon
Lee Rappaport (appointed 1 July 2023)

Review and results of operations

The Fund invests in accordance with the Fund's PDS and the provisions of the Fund's Constitution.

The Fund invests in gold bullion through its interests in the Wholesale Fund and aims to give investors an investment in Australian Origin Gold. The Fund's performance depends on the price of gold.

Directors' report (continued)

Review and results of operations (continued)

Results

The performance of the Fund, as represented by the results of its operations, was as follows:

	Period from 5 December 2022 to 30 June 2023
Profit/(loss) attributable to holders (\$)	<u>183,750</u>

Significant changes in the state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Fund that occurred during the financial period.

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect:

- (i) the operations of the Fund in future financial years;
- (ii) the results of those operations in future financial years; or
- (iii) the state of affairs of the Fund in future financial years.

Likely developments and expected results of operations

The Fund will continue to be managed in accordance with the investment objectives and guidelines as set out in the Fund's PDS and in accordance with the provisions of the Fund's Constitution.

The results of the Fund's operations will be affected by a number of factors, including the performance of the investment markets in which the Fund invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

The Fund's investment objective and strategy aims to give investors an indirect investment in Australian Origin Gold.

Indemnity and insurance of Officers

No insurance premiums are paid for out of the assets of the Fund in regards to insurance cover provided to either the Directors and Officers (as defined in *Corporations Act 2001 (Cth)*) of the Responsible Entity or the auditors of the Fund. So long as the Officers of the Responsible Entity act in accordance with the Fund's Constitution and the Law, the Officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

During the period ended 30 June 2023, VanEck Australia Pty Ltd (ACN 137 160 528), the parent company of the Responsible Entity paid insurance premiums to insure the Directors and Officers of the Responsible Entity. The terms of the contract prohibit the disclosure of the premiums paid.

Directors' report (continued)

Indemnity of auditors

The auditors of the Fund are in no way indemnified out of the assets of the Fund.

Proceedings on behalf of the Fund

No person has applied for leave of court to bring proceedings on behalf of the Fund or intervene in any proceedings to which the Fund is a party for the purpose of taking responsibility on behalf of the Fund for all or any part of those proceedings.

The Fund was not a party to any such proceedings during the period.

Fees paid to and gold interests held in the Fund by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of Fund's property during the period are disclosed in Note 11 to the financial statements.

No fees were paid out of the Fund's property to the Directors of the Responsible Entity during the period.

The number of gold interests in the Fund held by the Responsible Entity or its associates as at the end of the financial period are disclosed in Note 11 to the financial statements.

Gold interests in the Fund

The movement in gold interests on issue in the Fund during the period is disclosed in Note 7 to the financial statements.

The value of the Fund's assets and liabilities is disclosed on the Statement of financial position and derived using the basis set out in Note 2 to the financial statements.

Environmental regulation

The operations of the Fund are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

Rounding of amounts to the nearest dollar

The Fund is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission ("ASIC") relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have been rounded to the nearest dollar in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

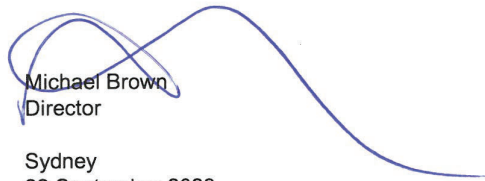
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Directors' report (continued)

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

This report is made in accordance with a resolution of the Directors.



Michael Brown
Director

Sydney
22 September 2023

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Auditor's Independence Declaration to the Directors of VanEck Investments Limited, as Responsible Entity for VanEck Gold Bullion ETF

As lead auditor for the audit of the financial report of VanEck Gold Bullion ETF for the financial period from 5 December 2022 to 30 June 2023, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b) no contraventions of any applicable code of professional conduct in relation to the audit; and
- c) no non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.



Ernst & Young



Rita Da Silva
Partner
Sydney
22 September 2023

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Statement of comprehensive income

	Notes	Period from 5 December 2022 to 30 June 2023 \$
Investment income		
Net gains on financial instruments at fair value through profit or loss	5	<u>183,750</u>
Total investment income		<u>183,750</u>
Profit for the period		<u>183,750</u>
Other comprehensive income for the period		<u>-</u>
Total comprehensive income for the period		<u>183,750</u>

The above Statement of comprehensive income should be read in conjunction with the accompanying notes.

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Statement of financial position

	Notes	As at 30 June 2023 \$
Assets		
Receivables	10	1,003,355
Financial assets at fair value through profit or loss	4, 6	<u>11,180,245</u>
Total assets		<u>12,183,600</u>
Liabilities		
Due to brokers - payable for securities purchased		<u>1,003,355</u>
Total liabilities		<u>1,003,355</u>
Net assets attributable to the holders of gold interest - Equity		<u>11,180,245</u>

The above Statement of financial position should be read in conjunction with the accompanying notes.

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Statement of changes in equity

	Period from 5 December 2022 to 30 June 2023 \$
Total equity at the beginning of the period	-
Issue of redeemable participating gold interests	10,996,495
Comprehensive income for the period	<u>183,750</u>
Total equity at the end of the period	<u>11,180,245</u>

Movement in gold interests issued are disclosed in Note 7 to the financial statements.

The above Statement of changes in equity should be read in conjunction with the accompanying notes.

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Statement of cash flows

	Notes	Period from 5 December 2022 to 30 June 2023 \$
Cash flows from operating activities		
Purchase of financial instruments at fair value through profit or loss		-
Net cash inflow from operating activities	8(a)	-
Cash flows from financing activities		
Proceeds from applications by holders		-
Net cash inflow from financing activities		-
Net increase in cash and cash equivalents		-
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period		-

As the Fund's investment objective is to give investors an investment in Australian Origin Gold, there is no cash movement. Instead, there is gold interests creations and redemptions. Payment for a creation is generally made by Authorised Participants in the form of a specified quantity of gold (in-kind transaction). Payment of redemption proceeds to Authorised Participants is primarily in the form of an in-kind transaction unless cash is agreed. There were no cash transactions during this period for VanEck Gold Bullion ETF.

The above Statement of cash flows should be read in conjunction with the accompanying notes.

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1 General information

These financial statements for the period from 5 December 2022 (commencement of operations) to 30 June 2023 cover the VanEck Gold Bullion ETF (the "Fund") as an individual entity. The Fund was constituted on 15 July 2022 and began trading on ASX on 7 December 2022. The Fund will terminate in accordance with the provisions of the Fund's Constitution.

The Responsible Entity of the Fund is VanEck Investments Limited. The Responsible Entity's registered office is Level 47, Suite 2, 25 Martin Place, Sydney, NSW, Australia, 2000.

These financial statements are presented in Australian dollars, which is the Fund's functional and presentation currency.

The Fund invests in gold bullion through its interests in the VanEck Gold Bullion Wholesale Fund (the "Wholesale Fund"), an unregistered scheme in accordance with the provision of the Fund's Constitution and PDS. VanEck Investments Limited is, as well as being the Responsible Entity of the Fund, the trustee of the Wholesale Fund.

Each holder's interest in gold bullion is held as a separate trust. The holder has at all times an absolute, vested and indefeasible interest in possession in the gold bullion via the Constitution of the Fund, and in turn the holder also has at all times an absolute, vested and indefeasible interest in possession in the gold bullion via the trust deed of the Wholesale Fund ("gold interest").

The financial statements were authorised for issue by the Directors on 22 September 2023. The Directors of the Responsible Entity have the power to amend and reissue the financial statements.

The Custodian and Administrator of the Fund is State Street Australia Limited (the "Custodian"). The ultimate holding company of the Custodian is State Street Corporation (incorporated in the United States of America). Link Market Services Limited is the registrar to maintain holder records.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the period presented, unless otherwise stated in the following text.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia.

The Fund is a for-profit fund for the purpose of preparing the financial statements.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The Statement of financial position is presented on a liquidity basis.

Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets at fair value through profit or loss and net assets attributable to holders.

The Fund manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within twelve months, however, an estimate of that amount cannot be determined as at reporting date.

In the case of net assets attributable to holders, the gold interests are redeemable on demand at the holders' option. However, holders of these instruments are expected to retain them for the medium to long term. As such, the amount expected to be settled within twelve months cannot be reliably determined.

(i) Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Fund also comply with IFRS as issued by the International Accounting Standards Board (IASB).

2 Summary of significant accounting policies (continued)

(b) Financial instruments

(i) Recognition/derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual agreement (trade date) and recognise changes in fair value of the financial assets or financial liabilities from this date. Financial assets are derecognised when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

(ii) Classification

The Fund classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

Financial assets

The Fund classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Fund includes in this category cash and cash equivalents, due from brokers - receivable for securities sold, and receivables.

Financial assets measured at fair value through profit or loss ("FVPL")

A financial asset is measured at fair value through profit or loss if:

- Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding;
- It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The interests in the Wholesale Fund are classified as fair value through profit or loss.

In applying that classification, a financial asset or financial liability is considered to be held for trading if it is:

- acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

2 Summary of significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Classification (continued)

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Fund includes in this category due to brokers - payable for securities purchased and payables.

Financial liabilities measured at FVPL

A financial liability is measured at FVPL if it meets the definition of held for trading. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Fund that are not designated as hedging instruments in hedge relationships as defined. The Fund includes in this category derivative contracts in a liability position.

(iii) Measurement

Financial assets and financial liabilities at fair value through profit or loss are recorded in the Statement of financial position initially at fair value.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of comprehensive income in the period in which they arise.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets and liabilities held by the Fund is the last traded price.

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs. Further details on how the fair values of financial instruments are determined are disclosed in Note 4.

The Fund invests in gold bullion through its interests in the Wholesale Fund which is measured at fair value. The investments in gold bullion are carried at fair value through profit and loss based on London Bullion Market Association ("LBMA") Gold Price PM USD for that day, converted into Australian dollars using the London WM Reuters 4pm United States dollar to Australian dollar exchange rate for that day.

(iv) Impairment of Financial assets

The Fund holds only receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply the simplified approach for expected credit losses ("ECL") under AASB 9. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

(c) Significant accounting policies

All applicable standards and interpretations have been adopted.

2 Summary of significant accounting policies (continued)

(d) Significant accounting judgements and estimates

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Assessment as investment entity

The Fund does not consolidate the Wholesale Fund under the requirements of AASB 10, since the Fund is an investment entity, and as such measures subsidiaries at fair value through profit or loss.

(e) Redeemable participating gold interests

Gold interests are classified as equity. Notwithstanding the obligation of the Fund to redeem the gold interests at the Authorised Participants' option, a person who is a trading participant or has engaged a trading participant to act on its behalf to acquire and dispose of interests in a Fund, the Responsible Entity considers the gold interests to meet the requirements for equity classification within AASB 132.16A and B. The Fund's Constitution states that the distributions are at the discretion of the Responsible Entity. The gold interests can be put back in the Fund at any time in the form of an in-kind transaction or by cash based on the redemption price. The fair value of redeemable gold interests is measured at the redemption amount that is payable (based on the redemption gold interest price) at the end of the reporting period if the Authorised Participants exercised their right to redeem the gold interests in the Fund.

(f) Capital management

The Responsible Entity manages its net assets attributable to holders as equity. The amount of the net assets attributable to holders can change significantly as the Fund is subject to daily applications and redemptions at the discretion of the Authorised Participants.

The Responsible Entity monitors the level of daily applications and redemptions relative to the liquid assets in the Fund.

In order to maintain or adjust the capital structure, the Responsible Entity may return capital to holders. The Fund is not subject to any externally imposed capital requirements.

(g) Cash and cash equivalents

For the purpose of presentation in the Statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Cash and cash equivalents are measured at amortised cost using the effective interest rate method, reduced by impairment losses.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Fund's main income generating activity.

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2 Summary of significant accounting policies (continued)

(h) Investment income

Interest income is recognised in the Statement of comprehensive income for all financial instruments not at fair value through profit or loss using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Net changes in fair value of financial assets and liabilities at fair value through profit or loss are recognised as income and are determined as the difference between the fair value at the balance date or consideration received (if sold during the financial year) and the fair value as at the prior balance date or initial fair value (if acquired during the financial year). This includes both realised and unrealised gains and losses, but does not include interest income.

(i) Expenses

The Fund does not recognise any expenses. All expenses including management fee are recognised in the Wholesale Fund. For the financial statement presentation, it is not separately disclosed in the Statement of comprehensive income.

(j) Income tax

Under current legislation, the Fund is not subject to income tax as the income tax liability is attributed to holders under the Attribution Managed Investment Trust ("AMIT") regime.

The benefits of tax credits paid are passed on to holders.

(k) Distributions

In accordance with the Fund's PDS, the Fund is not expected to pay distributions.

(l) Foreign currency translation

(i) Functional and presentation currency

Items included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Fund competes for funds and is regulated. The Australian dollar is also the Fund's presentation currency.

(m) Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered as at period end. Trades are recorded on trade date and normally settled within three business days.

(n) Receivables

Receivables may include amounts for interest and applications received for gold interests in the Fund. Interest is accrued at the end of the reporting period from the time of last payment. Amounts are generally received within 30 days of being recorded as receivables.

2 Summary of significant accounting policies (continued)

(o) Payables

Payables include liabilities and accrued expenses owed by the Fund which are unpaid as at the end of the reporting period.

(p) Applications and redemptions

Application amounts can be paid by cash or in the form of a specified quantity of gold transferred to the Custodian. The specified quantity of gold related to in-specie applications generally reflect the characteristics of the Fund's investment objective. Investors may purchase gold interests by trading on ASX or authorised participant (the "Authorised Participant") transacts directly with the Responsible Entity to create or redeem gold interests enabling them to offer to buy from and sell to ASX Investors.

Holders can only redeem gold interests if they are Authorised Participants. The Fund's PDS sets out the circumstances when the Responsible Entity may delay or suspend the processing of applications (creations) or redemptions. Gold interests can be sold by trading on ASX.

Gold interest prices are determined by reference to the net assets of the Fund divided by the number of gold interests on issue. For gold interest pricing purposes, net assets are determined using the last reported trade price for securities. These prices may differ from the market.

(q) Goods and Services Tax (GST)

The Fund is not registered for GST.

(r) New accounting standards and interpretations not yet adopted

There are no standards that are not yet effective and that are expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

(s) Rounding of amounts

The Fund is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by ASIC relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest dollar in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

(t) Basis of accounting period

Corporations Act 2001 (Corporations Act) requires the first financial year for a company, registered scheme or disclosing entity (an entity) to start on the day of its registration. The first financial year may last for 12 months or a period, no longer than 18 months, determined by the Directors.

3 Financial risk management

The Fund's activities expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Fund's overall risk management programme focuses on ensuring compliance with the Fund's PDS and Constitution and seeks to maximise the returns derived for the level of risk to which the Fund is exposed. Financial risk management is carried out by the Responsible Entity.

The Fund uses different methods to measure different types of risk to which it is exposed. These methods are explained below.

3 Financial risk management (continued)

(a) Market risk

(i) Price risk

The Fund is exposed to price risk on gold interests in the Wholesale Fund. Price risk arises from investments held by the Fund for which prices in the future are uncertain. Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates which are considered a component of price risk. The Responsible Entity reviews portfolio composition daily to ensure this requirement is adhered to.

The table at Note 3(b) summarises the sensitivities of the Fund's assets and liabilities to price risk. The analysis is based on the assumption that the markets in which the Fund invests move by +/-10%.

(ii) Foreign exchange risk

Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

All assets are in Australian dollars and therefore not subject to foreign exchange risk.

(iii) Interest rate risk

Interest rate risk is the risk that interest rate movements will have a negative impact on investment value or returns. Interest rate risk is managed in accordance with the underlying investment strategy of the Fund.

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

(b) Summarised sensitivity analysis

The following table summarises the sensitivity of the Fund's profit and net assets attributable to holders to the various market risks. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical correlation of the Fund's investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Fund invests. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

	Price risk	
	Impact on profit/Net assets attributable to holders	
	-10%	+10%
	\$	\$
30 June 2023	(1,118,025)	1,118,025

(c) Credit risk

Credit risk is the risk that a counterparty will fail to perform contractual obligations, either in whole or part.

The maximum exposure to credit risk at the end of each reporting period is the carrying amount of the financial assets.

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3 Financial risk management (continued)

(c) Credit risk (continued)

The clearing and depository operations of the Fund's security transactions are mainly concentrated with counterparties namely State Street Australia Limited and Gold Corporation. The Gold Corporation operates under a sovereign guarantee enshrined in the *Gold Corporation Act 1987* which means the Government of Western Australia guarantees liabilities of the Custodian which helps to manage the risk of loss to investors in the Fund. The Standard and Poor's credit rating of the Fund's counterparties as at 30 June 2023 are:

- AA- for State Street Bank & Trust Company
- AAA for the Government of Western Australia

(d) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash or gold bullion resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Fund may not be able to quickly liquidate its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty. No such investments were held at the end of the reporting period.

(i) Maturities of non-derivative financial liabilities

The table below analyses the Fund's non-derivative financial liabilities into relevant maturity groupings based on the remaining period to the earliest possible contractual maturity date at the reporting period end date. The amounts in the table are contractual undiscounted cash flows.

As at 30 June 2023	Less than 1 month \$	1 to 6 months \$	6 to 12 months \$	Over 12 months \$	Total \$
Due to brokers - payable for securities purchased	1,003,355	-	-	-	1,003,355
Contractual cash flows	1,003,355	-	-	-	1,003,355

4 Fair value measurement

The Fund measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets at fair value through profit or loss (see Note 6)

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

4 Fair value measurement (continued)

(i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Fund values its investments in accordance with the accounting policies set out in Note 2 to the financial statements.

The quoted market price used for financial assets held by the Fund is the last traded price; the appropriate quoted market price for financial liabilities is the last traded price. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this last traded price to the net open position, as appropriate.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(ii) Valuation techniques used to derive level 2 and level 3 fair value

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

The Fund invests in gold bullion through its interests in the Wholesale Fund, an unregistered managed investment scheme. The price that is applied to the holdings of gold in the Wholesale Fund is based on London Bullion Market Association (LBMA) Gold Price Precious Metals in USD for that day, converted into Australian dollars.

Fair value of the Wholesale Fund is based on its net asset value.

Recognised fair value measurements

The table below presents the Fund's financial assets measured at fair value according to the fair value hierarchy as at 30 June 2023.

As at 30 June 2023	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets at fair value through profit or loss				
Interest in the Wholesale Fund	-	11,180,245	-	11,180,245
Total	-	11,180,245	-	11,180,245

4 Fair value measurement (continued)

Recognised fair value measurements (continued)

The Fund's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(i) Transfers between levels

There were no transfers between the levels in the fair value hierarchy for the period ended 30 June 2023. There were also no changes made to any of the valuation techniques applied as at 30 June 2023.

(ii) Fair value measurements using significant unobservable inputs (level 3)

The Fund did not hold any financial instruments with fair value measurements using significant unobservable inputs during the period ended 30 June 2023.

(iii) Fair values of other financial instruments

Due to their short-term nature, the carrying amounts of receivables and payables are assumed to approximate fair value.

5 Net gains/(losses) on financial instruments at fair value through profit or loss

Net gains/(losses) recognised in relation to financial instruments at fair value through profit or loss:

	Period from 5 December 2022 to 30 June 2023 \$
Financial assets	
Net gains/(losses) on financial assets at fair value through profit or loss	183,750
Total net gains/(losses) on financial instruments at fair value through profit or loss	183,750

6 Financial assets at fair value through profit or loss

	As at 30 June 2023 \$
Financial assets at fair value through profit or loss	
Interest in the Wholesale Fund	11,180,245
Total financial assets at fair value through profit or loss	11,180,245

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7 Gold interests issued

Movements in the number of gold interests during the period were as follows:

	Period from 5 December 2022 to 30 June 2023 No.
Opening balance	-
Applications	<u>390,000</u>
Closing balance	<u>390,000</u>

As stipulated within the Fund's Constitution, a gold interest confers an equal undivided, vested, and inalienable interest in the assets as a whole, subject to the liabilities. Each gold interest has the same rights attaching to it as all other gold interests of the Fund.

Capital risk management

The amount of net assets attributable to holders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of the Authorised Participants.

Daily applications and redemptions are reviewed relative to the liquidity of the Fund's underlying assets on a daily basis by the Responsible Entity. Under the terms of the Fund's Constitution, the Responsible Entity has the discretion to reject an application for gold interests and to defer or adjust a redemption of gold interests if the exercise of such discretion is in the best interests of holders.

8 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	Period from 5 December 2022 to 30 June 2023 \$
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	
Profit/(loss) for the period	183,750
Net (gains)/losses on financial instruments at fair value through profit or loss	<u>(183,750)</u>
Net cash inflow from operating activities	<u>-</u>
(b) Non-cash financing activities	
During the period, the following applications were satisfied by in specie asset transfer	9,993,140

9 Remuneration of auditors

During the period, the following fees were paid or payable for services provided by the auditor of the Fund:

	Period from 5 December 2022 to 30 June 2023 \$
Ernst & Young	
<i>Audit services</i>	
Audit and review of financial statements	16,400
Audit of compliance plan	2,500
Total remuneration of Ernst & Young	18,900

During the period, auditor's remuneration was paid by VanEck Australia Pty Ltd., the direct parent of the Responsible Entity.

10 Receivables

	As at 30 June 2023 \$
Applications receivable	1,003,355
Total Receivables	1,003,355

11 Related party transactions

Responsible Entity

The Responsible Entity of the Fund is a wholly owned subsidiary of VanEck Australia Pty Ltd. The direct parent of the Responsible Entity is a wholly owned subsidiary of Van Eck Associates Corporation, incorporated in the United States of America. The registered office of the Responsible Entity and the Fund is Level 47, Suite 2, 25 Martin Place, Sydney, NSW, Australia, 2000.

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11 Related party transactions (continued)

Key management personnel

Key management personnel include the Directors of the Responsible Entity and the Responsible Entity itself.

VanEck Investments Limited

Jan van Eck

Bruce Smith (resigned 1 July 2023)

Arian Neiron

Michael Brown

Jonathan Simon

Lee Rappaport (appointed 1 July 2023)

(a) Other key management personnel

There were no other key management personnel who had authority and responsibility for planning, directing and controlling activities of the Fund, directly or indirectly during the financial period.

(b) Key management personnel holders

The key management personnel of the Responsible Entity held gold interests in the Fund as follows:

30 June 2023

Holder	Number of gold interests held opening (Gold interests)	Number of gold interests held closing (Gold interests)	Fair value of investment (\$)	Interest held (%)	Number of gold interests acquired (Gold interests)	Number of gold interests disposed (Gold interests)	Distributions paid/payable by the Fund (\$)
Arian Neiron	-	100	2,867	0.03	100	-	-

Key management personnel compensation

Key management personnel are paid by VanEck Australia Pty Ltd, the parent company of the Responsible Entity. Payments made from the Fund to the Responsible Entity do not include any amounts attributable to the compensation of key management personnel.

Key management personnel loan disclosures

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

Other transactions within the Fund

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund during the reporting period and there were no material contracts involving Directors' interests existing at period end.

11 Related party transactions (continued)

Related party transactions

The Responsible Entity received all management fees that have been paid by the Wholesale Fund during the period.

VanEck Gold Bullion ETF charges management costs of 0.25% per annum (0.39% per annum from 1 December 2022 to 31 May 2023) under the terms of the Fund's Constitution. The management fee represents 100% of management costs. The management fees is paid by the Wholesale Fund on a monthly basis.

	VanEck Gold Bullion ETF Period from 5 December 2022 to 30 June 2023 \$	VanEck Gold Bullion Wholesale Fund Period from 5 December 2022 to 30 June 2023 \$
Management fees paid and payable for the period	-	10,666

All expenses in connection with the preparation of accounting records and maintenance of the Fund's register of holders are fully borne by the Responsible Entity.

Related party gold interest holdings

No other parties except those disclosed in Note 11(b) related to the Fund held gold interests in the Fund as at 30 June 2023.

Investments

The Fund did not hold any investments in the Responsible Entity or its related parties during the period.

12 Events occurring after the reporting period

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund disclosed in the Statement of financial position as at 30 June 2023 or on the results and cash flows of the Fund for the period ended on that date.

13 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2023.

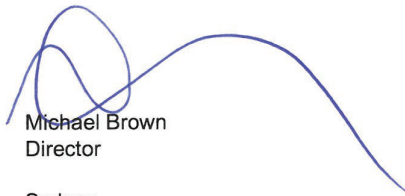
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Directors' declaration

In the opinion of the Directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 7 to 25 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Fund's financial position as at 30 June 2023 and of its performance for the reporting period ended on that date; and
- (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.
- (c) Note 2(a) confirms that the financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors.



Michael Brown
Director

Sydney
22 September 2023

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Independent Auditor's Report to the unitholders of VanEck Gold Bullion ETF

Opinion

We have audited the financial report of VanEck Gold Bullion ETF (the "Fund"), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period from 5 December 2022 to 30 June 2023, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of VanEck Investments Limited, the Responsible Entity of the Fund.

In our opinion, the accompanying financial report of the Fund is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Fund's financial position as at 30 June 2023 and of its financial performance for the period ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Fund in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.



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Investment Existence and Valuation

Why significant

As an exchange traded fund, the Fund has a significant investment portfolio consisting primarily of an interest in the underlying unlisted unit trust. As at 30 June 2023, the value of these financial assets were \$ 11,180,000 which represents 91.8% of the total assets held by the Fund.

As detailed in the Fund's accounting policy, disclosed in Note 2 to the financial report, these financial assets are recognised at fair value through profit or loss in accordance with Australian Accounting Standards.

Pricing and other market drivers can have a significant impact on the value of these financial assets and relevant disclosures in the financial report. Accordingly, valuation of the investment portfolio was considered a key audit matter.

How our audit addressed the key audit matter

We obtained and assessed the assurance report on the controls of the Fund's administrator and custodian, in relation to the Fund Administration Services and Custody Services it provided for the period ended 30 June 2023 and assessed the auditor's qualifications, competence, objectivity and the results of their procedures.

We agreed all investment holdings to third party confirmations at 30 June 2023.

We assessed the fair value of investments in the portfolio held at 30 June 2023. For the gold investments held by the underlying unlisted unit trust at 30 June 2023, we performed a stock take count near year end to ascertain existence and verified the values using independently sourced observable market inputs applied to appropriate valuation models.

We assessed the adequacy of the disclosures in Notes 2, 4 and 6 to the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors of the Responsible Entity are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors of the Responsible Entity determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



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In preparing the financial report, the Directors of the Responsible Entity are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Directors of the Responsible Entity either intend to liquidate the Fund or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Responsible Entity.
- Conclude on the appropriateness of the Directors of the Responsible Entity of the Fund use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors of the Responsible Entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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We also provide the Directors of the Responsible Entity with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Directors of the Responsible Entity, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Rita Da Silva'.

Rita Da Silva
Partner
Sydney
22 September 2023

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