

## KEY INVESTOR INFORMATION

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you

understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

### SPROTT-FALCON GOLD EQUITY UCITS FUND, UNIT CLASS I (USD) (LU0794518190) - a sub-fund of Falcon Fund SICAV

This sub-fund is managed by Falcon Fund Management (Luxembourg) S.A.

#### OBJECTIVES AND INVESTMENT POLICY

##### Investment objective

The sub-fund's investment policy is to achieve longer-term capital appreciation in the gold, precious metals, mining and metal exploration sectors.

##### Investment policy

The sub-fund invests at least 75% of the sub-fund assets in shares of gold producers and operators of gold mines, but also in shares of producers and mine operators of precious metals, similar metals and/or precious stones. In addition, investments may also be made in companies in which a significant part of their activity is connected to gold, precious metals, similar metals and/or precious stones.

Up to 20% of the sub-fund assets may be held in bonds or other fixed-income or floating-rate securities (with a rating of at least B), liquid assets and money market instruments.

In addition, the sub-fund may invest up to 10% of its assets in units of other UCITS or UCI.

The sub-fund may invest in derivative financial instruments, including swaps, futures, foreign exchange forwards and options, for hedging

purposes and for efficient portfolio management. For hedging purposes and to increase capital gains, the sub-fund may also invest in short positions through derivatives.

**The sub-fund does not invest directly in commodities.**

##### Reference to a benchmark

This sub-fund is actively managed, i.e. allows for discretionary choices in regards to the particular investments that are to be made; this approach does not include or imply a reference to a benchmark.

##### Appropriation of earnings

Income generated may be distributed.

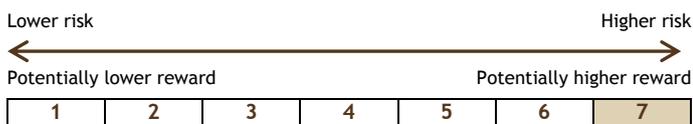
##### Fund currency

The reference currency of the sub-fund is the USD.

##### Subscription and redemption

The subscription, redemption or conversion of units may be requested on days which are bank business days in Luxembourg and Frankfurt on the Main.

#### RISK AND REWARD PROFILE



The risk/reward indicator shows how the fund is categorised in terms of the possible risk/reward. The higher the sub-fund's ranking on this scale, the greater the potential income but also the greater the risk of a loss of value. Even a sub-fund that falls into the lowest category does not constitute a totally risk-free investment. This risk indicator is based on historical data; therefore, it is not possible to predict future developments. The sub-fund's categorisation may change in future. The categorisation represents neither an objective nor a guarantee.

##### Why is this sub-fund in this category?

The sub-fund is classified in category 7 because its historic fund unit price and, where applicable, replicated unit price or unit price derived from the current composition of the fund, fluctuate significantly due to the investment goal and investment policy described above, and the risk of losses and opportunities for income are high. The risk of losses may be significantly higher in the future than historically observed.

When a sub-fund is classified in a risk class, it is possible that not all risks are taken into account due to the calculation model used.

**The following risks have no influence on the classification, but could nevertheless be of significance:**

**Interest rate risk:** This risk exists when the value of bonds and other debt securities rises or falls depending on the trend in interest rates. While falling interest rates on existing debt securities typically result in capital appreciation, rising interest rates usually result in a loss of value.

**Credit risk:** the issuers of debt securities may become insolvent, as a result of which the debt securities may lose their value entirely or to a certain (or large) extent.

**Liquidity risk:** The risk that occurs if negative market conditions restrict the possibility of selling assets when it is necessary to do so. Low liquidity may have a negative impact on the market value of the assets. This may increase the risk of the suspension of the redemption of unit certificates.

**Counterparty risk:** This exists when a counterparty becomes insolvent. It can no longer settle the outstanding debts towards the fund, or can settle them only in part.

**Operational risk:** There is a risk of losses occurring as a result of the inappropriateness or failure of internal procedures and systems or of people or as a result of external events. Changes in the legal framework or new legal requirements may also impair the sub-fund.

**Currency risk:** the risk of a loss due to exchange-rate fluctuations or currency regulations.

**Derivative instruments risk:** the sub-fund may use derivative transactions for the purposes mentioned above under "Investment policy". Opportunities that are increased as a result go hand in hand with increased risks of losses. The sub-fund's opportunities for gains may also be reduced through hedging against losses using derivative instruments.

**Emerging market risk:** The risk involved in investing in countries whose political and economic systems and legal and regulatory systems are less developed, and in countries that may be affected by political and/or economic instability, by a lack of liquidity or transparency or by security problems.

**Concentration risk:** The risk caused by a lack of sectoral diversification. **Custody risk:** the risk that, for example, the custodian may not have access - even through no fault of its own - to assets of the sub-fund. A detailed description of this and further risks can be found in the prospectus.



## CHARGES

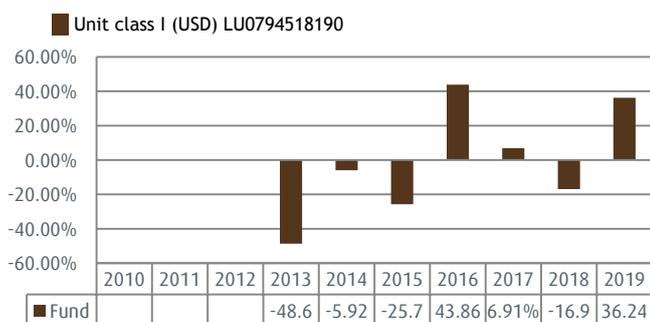
One-off charges taken before or after you invest	
Entry charge	0,00%
Exit charge	0,00%
Charges taken from the fund over a year	
Ongoing charges	1,27%
Charges taken from the fund under certain specific conditions	
Performance fee	Not applicable

The fees levied are used to cover the ongoing charges of the sub-fund, including marketing and distribution charges. The charges may reduce the potential growth of your investment.

The charges specified here were applied to the sub-fund in the last financial year, which ended on 31 December 2019. The ongoing charges may vary from year to year and they do not include any performance fee.

A list of all fees and charges can be found in the annual report.

## PAST PERFORMANCE



Past performance is not an indication of future results. Unit prices and the resulting income may both rise and fall. Investors may not receive back the full amount they have invested.

All information on fund performance is based on the net asset value with net income reinvested.

The performance was calculated in USD.

The sub-fund was launched on 8/10/2012.

## PRACTICAL INFORMATION

### Custodian Bank

Hauck & Aufhäuser Privatbankiers AG, Niederlassung Luxemburg

### Further information

The full prospectus, the annual report and the semi-annual report including the terms and conditions or articles of incorporation are available in German at any time at no charge at [www.falcon.lu](http://www.falcon.lu), and at Falcon Fund Management (Luxembourg) S.A.

### Publication of prices

The unit prices are published every valuation day at [www.falcon.lu](http://www.falcon.lu).

### Remuneration policy

Additional information on the Management Company's remuneration policy is available free of charge at [www.falcon.lu](http://www.falcon.lu); a hard copy of this information may also be requested free of charge.

### Fund-specific information

Falcon Fund SICAV is a SICAV with multiple sub-funds. In respect of the relationship between the unitholders, each sub-fund shall be regarded as an independent entity. The rights and obligations of unitholders of a sub-fund are separate from those of unitholders of other sub-funds. Vis-à-vis third parties, the assets of a sub-fund shall be liable solely for the liabilities attributable to that sub-fund.

### Tax regulations

The sub-fund is subject to the tax laws of Luxembourg. Depending on your country of residence, this may have an impact on how you are taxed and/or how your income from the sub-fund is taxed. Please contact a tax advisor for further details.

### Statement of liability

Falcon Fund Management (Luxembourg) S.A. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus.

### Switching between sub-funds

Unitholders may, in principle, request the conversion of some or all of their units into units of another sub-fund, as well as within a sub-fund, if different unit classes have been issued in it. The prospectus contains further details.

This fund is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

Falcon Fund Management (Luxembourg) S.A. is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF). This key investor information is accurate as at 1/20/2020.

