UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q/A
Amendment No. 1

☒ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **September 30, 2021**

OR

☐ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ___________ to ___________.

Commission File Number **0-13928**

U.S. GLOBAL INVESTORS, INC.
(Exact name of registrant as specified in its charter)

Texas (State or other jurisdiction of incorporation or organization)	**74-1598370** (IRS Employer Identification No.)
7900 Callaghan Road **San Antonio, Texas** (Address of principal executive offices)	**78229** (Zip Code)

(210) 308-1234
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address, and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Class A common stock, $0.025 par value per share	GROW	NASDAQ Capital Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	Smaller reporting company ☒
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

On December 31, 2021, there were 13,866,913 shares of Registrant's class A nonvoting common stock issued and 12,948,626 shares of Registrant's class A nonvoting common stock issued and outstanding; no shares of Registrant's class B nonvoting common shares outstanding; and 2,068,635 shares of Registrant's class C voting common stock issued and outstanding.

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EXPLANATORY NOTE

This amendment to Form 10-Q (the “Amendment”) amends, but does not restate, the Quarterly Report on Form 10-Q of U.S. Global Investors, Inc. (the “Company”) for the quarter ended September 30, 2021 (the “Original Filing”), which was filed with the Securities and Exchange Commission (the “SEC”) on January 11, 2022. On the Original Filing, the Advisory fees amount of $6,470,000 did not appear on the face of the Consolidated Statements of Operations for the three months ended September 30, 2021. The subtotals correctly included the advisory fees amount and the amount was properly disclosed in the Notes to Consolidated Financial Statements. The amendment includes the Advisory fees amount that was inadvertently excluded from the Consolidated Statements of Operations in the original filing. Total operating revenues, net income, and basic and diluted net income per share are not impacted by the Amendment.

Except as required to reflect the effects of the amendments described above, this Amendment does not affect any other items or sections in the Original Filing, and the Company has not updated the information contained herein to reflect events and transactions occurring subsequent to the date of the Original Filing on January 11, 2022.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

Assets	September 30, 2021	June 30, 2021
(dollars in thousands)	(unaudited)	
Current Assets		
Cash and cash equivalents	$ 19,755	$ 14,436
Restricted cash	1,000	1,000
Investments in securities at fair value	6,291	6,322
Accounts and other receivables	2,591	2,534
Tax receivable	943	2,147
Prepaid expenses	267	350
Total Current Assets	30,847	26,789
Net Property and Equipment	1,360	1,376
Other Assets		
Investments in equity securities at fair value, non-current	8,633	11,936
Investments in available-for-sale debt securities at fair value	15,852	17,049
Investments in held-to-maturity debt securities	1,000	1,000
Other investments	3,453	3,453
Equity method investments	536	532
Right of use assets	30	43
Other assets, non-current	206	99
Total Other Assets	29,710	34,112
Total Assets	$ 61,917	$ 62,277
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable	$ -	$ 102
Accrued compensation and related costs	2,141	1,561
Dividends payable	338	226
Lease liability, short-term	30	43
Other accrued expenses	1,456	1,345
Taxes payable	162	1,877
Total Current Liabilities	4,127	5,154
Long-Term Liabilities		
Deferred tax liability	1,729	2,799
Total Long-Term Liabilities	1,729	2,799
Total Liabilities	5,856	7,953
Commitments and Contingencies (Note 12)		
Shareholders' Equity		
Common stock (class A) - $0.025 par value; nonvoting; 28,000,000 shares authorized and 13,866,913 shares issued at September 30, 2021, and June 30, 2021; 12,956,541 and 12,967,960 shares outstanding at September 30, 2021 and June 30, 2021, respectively	347	347
Common stock (class B) - $0.025 par value; nonvoting; 4,500,000 shares authorized; no shares issued	-	-
Convertible common stock (class C) - $0.025 par value; voting; 3,500,000 shares authorized; 2,068,635 shares issued and outstanding at September 30, 2021, and June 30, 2021	52	52
Additional paid-in-capital	16,073	15,677
Treasury stock, class A shares at cost; 910,372 shares and 898,953 shares at September 30, 2021, and June 30, 2021, respectively	(2,248)	(2,172)
Accumulated comprehensive income, net of tax	5,952	6,587
Retained earnings	35,885	33,833
Total Shareholders' Equity	56,061	54,324
Total Liabilities and Shareholders' Equity	$ 61,917	$ 62,277

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(dollars in thousands, except per share data)	Three Months Ended September 30, 2021 As Amended	2020
Operating Revenues		
Advisory fees	$ 6,470	$ 3,195
Administrative services fees	51	50
	6,521	3,245
Operating Expenses		
Employee compensation and benefits	1,924	962
General and administrative	1,598	1,246
Advertising	84	51
Depreciation and amortization	48	49
	3,654	2,308
Operating Income	2,867	937
Other Income (Loss)		
Investment income (loss)	(34)	998
Income from equity method investments	15	21
Other income	56	18
	37	1,037
Income Before Income Taxes	2,904	1,974
Provision for Income Taxes		
Tax expense	514	30
Net Income	$ 2,390	$ 1,944
Basic Net Income per Share	$ 0.16	$ 0.13
Diluted Net Income per Share	$ 0.16	$ 0.13
Basic weighted average number of common shares outstanding	15,030,115	15,080,549
Diluted weighted average number of common shares outstanding	15,031,199	15,080,743

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)

(dollars in thousands)	Three Months Ended September 30, 2021	2020
Net Income	$ 2,390	$ 1,944
Other Comprehensive Income (Loss), Net of Tax:		
Unrealized losses on available-for-sale securities arising during period	(147)	-
Less: reclassification adjustment for gains included in net income	(476)	-
Net change from available-for-sale securities, net of tax	(623)	-
Foreign currency translation adjustment	(12)	4
Other Comprehensive Income (Loss)	(635)	4
Comprehensive Income	$ 1,755	$ 1,948

The accompanying notes are an integral part of these consolidated financial statements.

U.S. GLOBAL INVESTORS, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)

(dollars in thousands)	Common Stock (class A) Shares	Common Stock (class A)	Common Stock (class C) Shares	Common Stock (class C)	Additional Paid-in Capital	Treasury Stock Shares	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
Balance at June 30, 2021	13,866,913	$ 347	2,068,635	$ 52	$ 15,677	898,953	$ (2,172)	$ 6,587	$ 33,833	$ 54,324
Purchases of shares of Common Stock (class A)	-	-	-	-	-	13,647	(82)	-	-	(82)
Issuance of stock under ESPP of shares of Common Stock (class A)	-	-	-	-	8	(2,228)	6	-	-	14
Share-based compensation, net of tax	-	-	-	-	388	-	-	-	-	388
Dividends declared	-	-	-	-	-	-	-	-	(338)	(338)
Other comprehensive loss, net of tax	-	-	-	-	-	-	-	(635)	-	(635)
Net income	-	-	-	-	-	-	-	-	2,390	2,390
Balance at September 30, 2021	13,866,913	$ 347	2,068,635	$ 52	$ 16,073	910,372	$ (2,248)	$ 5,952	$ 35,885	$ 56,061

(dollars in thousands)	Common Stock (class A) Shares	Common Stock (class A)	Common Stock (class C) Shares	Common Stock (class C)	Additional Paid-in Capital	Treasury Stock Shares	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
Balance at June 30, 2020	13,866,913	$ 347	2,068,635	$ 52	$ 15,623	855,432	$ (1,879)	$ (4)	$ 2,625	$ 16,764
Purchases of shares of Common Stock (class A)	-	-	-	-	-	1,000	(2)	-	-	(2)
Issuance of stock under ESPP of shares of Common Stock (class A)	-	-	-	-	-	(267)	1	-	-	1
Dividends declared	-	-	-	-	-	-	-	-	(113)	(113)
Stock bonuses	-	-	-	-	1	(900)	1	-	-	2
Other comprehensive income, net of tax	-	-	-	-	-	-	-	4	-	4
Net income	-	-	-	-	-	-	-	-	1,944	1,944
Balance at September 30, 2020	13,866,913	$ 347	2,068,635	$ 52	$ 15,624	855,265	$ (1,879)	$ -	$ 4,456	$ 18,600

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(dollars in thousands)	Three Months Ended September 30, 2021		2020	
Cash Flows from Operating Activities:				
Net income	$	2,390	$	1,944
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation, amortization and accretion		(129)		49
Net realized gains on securities		(2,411)		-
Unrealized (gains) losses on securities		2,796		(994)
Net income from equity method investment		(15)		(21)
Provision for deferred taxes		(905)		30
Stock bonuses		-		2
Stock-based compensation expense		388		-
Changes in operating assets and liabilities:				
Accounts and other receivables		1,438		(282)
Prepaid expenses and other assets		(11)		70
Accounts payable and accrued expenses		(1,139)		108
Total adjustments		12		(1,038)
Net cash provided by operating activities		2,402		906
Cash Flows from Investing Activities:				
Purchase of property and equipment		(33)		-
Purchase of other investments		-		(134)
Proceeds on sale of equity securities at fair value, non-current		2,494		-
Proceeds from principal paydowns of available-for-sale debt securities at fair value		750		-
Return of capital on other investments		-		4
Net cash provided by (used in) investing activities		3,211		(130)
Cash Flows from Financing Activities:				
Issuance of common stock		14		1
Repurchases of common stock		(82)		(2)
Dividends paid		(226)		(113)
Net cash used in financing activities		(294)		(114)
Net increase in cash, cash equivalents, and restricted cash		5,319		662
Beginning cash, cash equivalents, and restricted cash		15,436		2,961
Ending cash, cash equivalents, and restricted cash	$	20,755	$	3,623
Supplemental Disclosures of Non-Cash Investing Activities				
Dividends declared but not paid	$	338	$	113
Unsettled sales of non-current investments	$	291	$	-
Supplemental Disclosures of Cash Flow Information				
Cash paid for income taxes	$	1,926	$	2

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1. BASIS OF PRESENTATION

U.S. Global Investors, Inc. (the "Company" or "U.S. Global") has prepared the consolidated financial statements pursuant to accounting principles generally accepted in the United States of America ("U.S. GAAP") and the rules and regulations of the United States Securities and Exchange Commission ("SEC") that permit reduced disclosure for interim periods. The financial information included herein reflects all adjustments (consisting solely of normal recurring adjustments), which are, in management's opinion, necessary for a fair presentation of results for the interim periods presented. The Company has consistently followed the accounting policies set forth in the notes to the consolidated financial statements in the Company's Form 10-K for the fiscal year ended June 30, 2021.

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, U.S. Global Investors (Bermuda) Limited, U.S. Global Investors (Canada) Limited ("USCAN"), and U.S. Global Indices, LLC.

The novel coronavirus 19 ("COVID-19") pandemic presents ongoing significant economic and societal disruption and market volatility, which have known and yet to be seen impacts to the Company's business and operating environment driven by significant volatility in the financial markets. There are no reliable estimates of how long the pandemic will last, how many people are likely to be affected by it, or its impact on the overall economy.

To limit the spread of COVID-19, governments have taken various actions including the issuance of stay-at-home orders and social distancing guidelines, causing some businesses to suspend operations, disrupting the global supply chain, and creating a reduction in demand for many products. This has negatively affected global financial markets. Assets under management ("AUM") are the primary source of the Company's revenues. Revenues and net income are significantly affected by investment performance and the total value and composition of AUM. These factors, in turn, are largely determined by overall investment market performance and investor activity.

Should the negative effect on global financial markets continue for an extended period, there could be an adverse material financial impact on the Company's results of operations, cash flows and financial position resulting from reduced revenues earned on AUM and returns on corporate investments. At this time, the Company cannot reasonably estimate the future impact, given the uncertainty over the duration and severity of the economic crisis.

There are two primary consolidation models in U.S. GAAP, the variable interest entity ("VIE") and voting interest entity models. The Company's evaluation for consolidation includes whether entities in which it has an interest or from which it receives fees are VIEs and whether the Company is the primary beneficiary of any VIEs identified in its analysis. A VIE is an entity in which either (a) the equity investment at risk is not sufficient to permit the entity to finance its own activities without additional financial support or (b) the group of holders of the equity investment at risk lack certain characteristics of a controlling financial interest. The primary beneficiary is the entity that has the obligation to absorb a majority of the expected losses or the right to receive the majority of the residual returns and consolidates the VIE on the basis of having a controlling financial interest.

The Company holds variable interests in, but is not deemed to be the primary beneficiary of, certain funds it advises, specifically, certain funds in U.S. Global Investors Funds ("USGIF" or the "Funds"). The Company's interests in these VIEs consist of the Company's direct ownership therein and any fees earned but uncollected. See further information about these funds in Notes 2 and 3. In the ordinary course of business, the Company may choose to waive certain fees or assume operating expenses of the funds it advises for competitive, regulatory or contractual reasons (see Note 3 for information regarding fee waivers). The Company has not provided financial support to any of these entities outside the ordinary course of business. The Company's risk of loss with respect to these VIEs is limited to the carrying value of its investments in, and fees receivable from, the entities. The Company does not consolidate these VIEs because it is not the primary beneficiary. The Company's total exposure to unconsolidated VIEs, consisting of the carrying value of investment securities and receivables for fees, was $7.3 million at September 30, 2021, and $7.3 million at June 30, 2021.

Since the Company is not the primary beneficiary of the above funds it advises, the Company evaluated if it should consolidate under the voting interest entity model. Under the voting interest model, for legal entities other than partnerships, the usual condition for control is ownership, directly or indirectly, of more than 50 percent of the outstanding voting shares over an entity. The Company does not have control of any of the above funds it advises; therefore, the Company does not consolidate any of these funds.

The Company currently holds a variable interest in a fund organized as a limited partnership, but this entity does not qualify as a VIE. Since it is not a VIE, the Company evaluated if it should consolidate it under the voting interest entity model. Under the voting interest model, for legal entities other than partnerships, the usual condition for control is ownership, directly or indirectly, of more than 50 percent of the outstanding voting shares over an entity. The Company does not have control of the entity and, therefore, does not consolidate it. However, the Company was considered to have the ability to exercise significant influence. Thus, the investment has been accounted for under the equity method of accounting. See further information about this investment in Note 2.

All significant intercompany balances and transactions have been eliminated in consolidation. Certain amounts have been reclassified for comparative purposes. Certain quarterly amounts may not add to the year-to-date amount due to rounding. The results of operations for the three months ended September 30, 2021, are not necessarily indicative of the results the Company may expect for the fiscal year ending June 30, 2022 ("fiscal 2022"), particularly in light of COVID-19 and its effects on the U.S. and global economies.

The unaudited interim financial information in these condensed financial statements should be read in conjunction with the consolidated financial statements contained in the Company's annual report; interim disclosures generally do not repeat those in the annual statements.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments,* and has subsequently issued several amendments (collectively, "ASU 2016-13"). ASU 2016-13 adds to U.S. GAAP an impairment model (known as the current expected credit loss model) that is based on expected losses rather than incurred losses. Under the new guidance, an entity recognizes as an allowance its estimate of expected credit losses. ASU 2016-13 will be effective for smaller reporting companies, including U.S. Global, for fiscal years beginning after December 15, 2022. Earlier application is permitted only for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company is currently evaluating the potential impact of this standard on its consolidated financial statements.

In April 2019, the FASB issued ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments – Credit Losses*, ("ASU 2019-04"). ASU 2019-04 clarifies areas of guidance related to the recently issued standards on credit losses (Topic 326). The standard follows the effective dates of the previously issued ASUs, unless an entity has already early adopted the previous ASUs, in which case the effective date will vary according to each specific ASU adoption. The new guidance in ASU 2019-04 on recognizing and measuring financial instruments will be effective for smaller reporting companies, including U.S. Global, for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. If an entity has adopted all of the amendments to ASU 2016-01, it is permitted to early adopt the new guidance. The Company is currently evaluating the potential impact of this standard on its consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, *Simplifying the Accounting for Income Taxes* ("ASU 2019-12"). ASU 2019-12 enhances and simplifies various aspects of the income tax accounting guidance. The amendments in ASU 2019-12 are effective for public business entities for fiscal years beginning after December 15, 2020, including interim periods therein. Early adoption of the standard is permitted. The standard became effective for the Company on July 1, 2021. The adoption of the standard did not have a material impact on the Company's consolidated financial statements or disclosures.

NOTE 2. INVESTMENTS

As of September 30, 2021, the Company held investments carried at fair value of $30.8 million and a cost basis of $22.2 million. The fair value of these investments is approximately 49.7 percent of the Company's total assets at September 30, 2021. In addition, the Company held other investments of approximately $3.5 million, held-to-maturity debt investments of $1.0 million and investments of $536,000 accounted for under the equity method of accounting.

The cost basis of investments is adjusted for amortization of premium or accretion of discount on debt securities held or the recharacterization of distributions from investments in partnerships.

Fair Value Hierarchy

Fair value is defined as 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 valuation techniques described below maximize the use of observable inputs and minimize the use of unobservable inputs in determining fair value.

The inputs used for measuring financial instruments at fair value are summarized in the three broad levels listed below:

Level 1 – Inputs represent unadjusted quoted prices for identical assets exchanged in active markets.

Level 2 – Inputs include directly or indirectly observable inputs (other than Level 1 inputs) such as quoted prices for similar assets exchanged in active or inactive markets; quoted prices for identical assets exchanged in inactive markets; other inputs that may be considered in fair value determinations of the assets, such as interest rates and yield curves; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs include unobservable inputs used in the measurement of assets. The Company is required to use its own assumptions regarding unobservable inputs because there is little, if any, market activity in the assets and it may be unable to corroborate the related observable inputs. Unobservable inputs require management to make certain projections and assumptions about the information that would be used by market participants in valuing assets.

The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the financial instrument. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with the investing in those securities. Because of the inherent uncertainties of valuation, the values reflected may materially differ from the values received upon actual sale of those investments.

The Company has established a Proprietary Valuation Committee (the "Committee") to administer and oversee the Company's valuation policies and procedures, which are approved by the Board of Directors, and to perform a periodic review of valuations provided by independent pricing services.

For actively traded securities, the Company values investments using the closing price of the securities on the exchange or market on which the securities principally trade. If the security is not traded on the last business day of the quarter, it is generally valued at the mean between the last bid and ask quotation. The fair value of a security that has a restriction is based on the quoted price for an otherwise identical unrestricted instrument that trades in a public market, adjusted for the estimated effect of the restriction. Mutual funds, which include open- and closed-end funds and exchange-traded funds, are valued at net asset value or closing price, as applicable.

For common share purchase warrants not traded on an exchange, the estimated fair value is determined using the Black-Scholes option-pricing model. This sophisticated model utilizes a number of assumptions in arriving at its results, including the estimated life, the risk-free interest rate, and historical volatility of the underlying common stock. The Company may change the assumption of the risk-free interest rate and utilize the yield curve for instruments with similar characteristics, such as credit ratings and jurisdiction, or change the expected volatility. The effects of changing any of the assumptions or factors employed by the Black-Scholes model may result in a significantly different valuation.

Certain convertible debt securities not traded on an exchange are valued by an independent pricing service using a binomial lattice model based on factors such as yield, quality, maturity, coupon rate, type of issuance, individual trading characteristics of the underlying common shares and other market data. The model utilizes a number of assumptions in arriving at its results. The effects of changing any of the assumptions or factors utilized in the binomial lattice model, including expected volatility, credit adjusted discount rates, and discounts for lack of marketability, may result in a significantly different valuation for the securities.

For other securities included in the fair value hierarchy with unobservable inputs, the Committee considers a number of factors in determining a security's fair value, including the security's trading volume, market values of similar class issuances, investment personnel's judgment regarding the market experience of the issuer, financial status of the issuer, the issuer's management, and back testing, as appropriate. The fair values may differ from what may have been used had a broader market for these securities existed. The Committee reviews inputs and assumptions and reports material items to the Board of Directors. Securities which do not have readily determinable fair values are also periodically reviewed by the Committee.

The following summarizes the major categories of investments with fair values adjusted on a recurring basis as of September 30, 2021, and June 30, 2021, with fair values shown according to the fair value hierarchy.

	September 30, 2021			
(dollars in thousands)	**Quoted Prices** (Level 1)	**Significant Other Inputs** (Level 2)	**Significant Unobservable Inputs** (Level 3)	**Total**
Investments carried at fair value on a recurring basis:				
Investments in equity securities:				
Equities - International	$ 378	$ -	$ 7,339	$ 7,717
Mutual funds - Fixed income	6,291	-	-	6,291
Mutual funds - Global equity	916	-	-	916
Total investments in equity securities:	$ 7,585	$ -	$ 7,339	$ 14,924
Investments in debt securities:				
Available-for-sale - Convertible debentures	-	-	15,852	15,852
Total investments carried at fair value on a recurring basis:	$ 7,585	$ -	$ 23,191	$ 30,776

(dollars in thousands)	June 30, 2021 Quoted Prices (Level 1)	Significant Other Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investments carried at fair value on a recurring basis:				
Investments in equity securities:				
Equities - International	$ 2,837	$ 135	$ 8,026	$ 10,998
Mutual funds - Fixed income	6,322	-	-	6,322
Mutual funds - Global equity	938	-	-	938
Total investments in equity securities:	$ 10,097	$ 135	$ 8,026	$ 18,258
Investments in debt securities:				
Available-for-sale - Convertible debentures	-	-	17,049	17,049
Total investments carried at fair value on a recurring basis:	$ 10,097	$ 135	$ 25,075	$ 35,307

A significant portion of the securities recorded at fair value in the above tables is in investments in HIVE Blockchain Technologies Ltd. ("HIVE"), which were warrants and convertible debentures valued at $23.2 million and classified as Level 3 at September 30, 2021, and valued at $25.1 million and classified as Level 3 at June 30, 2021.

The following table is a reconciliation of investments recorded at fair value for which unobservable inputs (Level 3) were used in determining fair value during the period ended September 30, 2021:

Changes in Level 3 Assets Measured at Fair Value on a Recurring Basis		
	September 30, 2021	
(dollars in thousands)	Investments in equity securities	Investments in debt securities
Beginning Balance	$ 8,026	$ 17,049
Principal repayments	-	(750)
Amortization of Premium	-	(91)
Accretion of Discount	-	268
Total gains or losses (realized/unrealized) included in:		
Earnings (investment income)	(687)	164
Other Comprehensive Income	-	(788)
Ending Balance	$ 7,339	$ 15,852

During the third quarter of fiscal year 2021, the Company purchased convertible securities of HIVE, a company that is headquartered and traded in Canada with cryptocurrency mining facilities in Iceland, Sweden, and Canada, for $15.0 million. The convertible securities are comprised of 8.0% interest-bearing unsecured convertible debentures, payable in quarterly installments with a final maturity in January 2026, and 5 million common share purchase warrants in the capital of HIVE. The principal amount of each debenture is convertible into common shares in the capital of HIVE at a conversion rate of $2.34, and the remaining principal amount was $12.8 million as of September 30, 2021, and $14.3 million as of June 30, 2021. Each whole warrant, expiring in January 2024, entitles the Company to acquire one common share at a price of $3.00 (Canadian). Cryptocurrency markets and related securities have been, and are expected to continue to be, volatile. There has been significant volatility in the market price of HIVE, which has materially impacted the value of the investments included on the balance sheet, unrealized gain recognized in investment income (loss), and unrealized gain recognized in other comprehensive income (loss). The investments did not represent ownership in HIVE as of September 30, 2021, or June 30, 2021. The securities are subject to Canadian securities regulations. Frank Holmes serves on the board as non-executive chairman of HIVE and held shares and options at September 30, 2021. Effective August 31, 2018, Mr. Holmes was named Interim Executive Chairman of HIVE.

The Company recorded the warrants at the estimated fair value of $5.9 million on purchase date. The debentures were recorded at the estimated fair value of $16.0 million on purchase date, and an unrealized gain of $6.9 million was recognized in other comprehensive income (loss), which will be realized in investment income (loss) ratably using the effective interest method until maturity, conversion, or other disposition. During the three months ended September 30, 2021, $602,000 was realized in investment income (loss), and $5.1 million remains in accumulated other comprehensive income at September 30, 2021. The fair value of the warrants and debentures was $7.3 million and $15.9 million, respectively, at September 30, 2021, and $8.0 million and $17.0 million, respectively, at June 30, 2021.

The Company currently considers the related fair value measurements to contain Level 3 inputs. The following is quantitative information as of September 30, 2021, with respect to the securities measured and carried at fair value on a recurring basis with the use of significant unobservable inputs (Level 3):

	September 30, 2021			
(dollars in thousands)	Fair Value	Principal Valuation Techniques	Unobservable Inputs	
Investments in equity securities:				
Common share purchase warrants	$ 7,339	Option pricing model		
			Volatility	92.7%
Investments in debt securities:				
Available-for-sale - Convertible debentures	$ 15,852	Binomial lattice model		
			Volatility	64.1%
			Credit Adjusted Discount Rate	1.9%

The Company has an investment in Thunderbird Entertainment Group Inc. ("Thunderbird"), a company headquartered and traded in Canada, which was valued at approximately $65,000 at September 30, 2021, and classified as Level 1 in the fair value hierarchy. During the three months ended September 30, 2021, the Company sold approximately 779,000 shares and realized gains on the sales in the amount of $1.8 million. This investment was valued at approximately $2.7 million at June 30, 2021, and classified as Level 1 in the fair value hierarchy. The Company's ownership of Thunderbird was less than 1.0 percent as of September 30, 2021. Frank Holmes served on the board of this company as a director from June 2014 to March 2021.

Equity Investments at Fair Value

Investments in equity securities with readily determinable fair values are carried at fair value, and changes in unrealized gains or losses are reported in current period earnings.

The following details the components of the Company's equity investments carried at fair value as of September 30, 2021, and June 30, 2021.

	September 30, 2021		
(dollars in thousands)	Cost	Unrealized Gains (Losses)	Fair Value
Equity securities at fair value			
Equities - International	$ 6,099	$ 1,618	$ 7,717
Equities - Domestic	45	(45)	-
Mutual funds - Fixed income	6,313	(22)	6,291
Mutual funds - Global equity	929	(13)	916
Total equity securities at fair value	$ 13,386	$ 1,538	$ 14,924

	June 30, 2021		
(dollars in thousands)	Cost	Unrealized Gains (Losses)	Fair Value
Equity securities at fair value			
Equities - International	$ 7,076	$ 3,922	$ 10,998
Equities - Domestic	45	(45)	-
Mutual funds - Fixed income	6,313	9	6,322
Mutual funds - Global equity	929	9	938
Total equity securities at fair value	$ 14,363	$ 3,895	$ 18,258

Included in the above table was $7.2 million and $7.3 million as of September 30, 2021, and June 30, 2021, respectively, at fair value invested in USGIF.

Debt Investments

Investments in debt securities are classified on the acquisition dates and at each balance sheet date. Securities classified as held-to-maturity are carried at amortized cost, reflecting the ability and intent to hold the securities to maturity. Debt securities classified as trading are acquired with the intent to sell in the near term and are carried at fair value with changes reported in earnings. All other debt securities are classified as available-for-sale and are carried at fair value.

Investment gains and losses on available-for-sale debt securities are recorded when the securities are sold, as determined on a specific identification basis, and recognized in current period earnings. Changes in unrealized gains on available-for-sale debt securities are reported net of tax in accumulated other comprehensive income (loss).

For debt securities in an unrealized loss position, a loss in earnings is recognized for the excess of amortized cost over fair value if the Company intends to sell before the price recovers. Otherwise, the Company evaluates as of the balance sheet date whether the unrealized losses are attributable to credit losses or other factors. The severity of the decline in value, creditworthiness of the issuer and other relevant factors are considered. The portion of unrealized loss the Company believes is related to a credit loss is recognized earnings, and the portion of unrealized loss the Company believes is not related to a credit loss is recognized in other comprehensive income.

The following details the components of the Company's available-for-sale debt investments as of September 30, 2021, and June 30, 2021.

	September 30, 2021			
(dollars in thousands)	**Amortized Cost**	**Gross Unrealized Gains in Other Comprehensive Income**	**Gross Unrealized Losses in Earnings**	**Fair Value**
Available-for-sale - Convertible debentures [1]	$ 8,770	$ 7,520	$ (438)	$ 15,852

	June 30, 2021			
(dollars in thousands)	**Amortized Cost**	**Gross Unrealized Gains in Other Comprehensive Income**	**Gross Unrealized Losses in Earnings**	**Fair Value**
Available-for-sale - Convertible debentures [1]	$ 8,741	$ 8,308	$ -	$ 17,049

1. *Changes in unrealized gains and losses are included in the statement of comprehensive income (loss), except for embedded derivatives. Changes in unrealized and realized gains and losses for embedded derivatives are included in earnings in the statement of operations.*

The following details the components of the Company's held-to-maturity debt investments as of September 30, 2021, and June 30, 2021.

	September 30, 2021			
(dollars in thousands)	**Amortized Cost**	**Gross Unrecognized Holding Gains**	**Gross Unrecognized Holding Losses**	**Fair Value**
Held-to-maturity - Debentures [1]	$ 1,000	$ 2	$ -	$ 1,002

	June 30, 2021			
(dollars in thousands)	**Amortized Cost**	**Gross Unrecognized Holding Gains**	**Gross Unrecognized Holding Losses**	**Fair Value**
Held-to-maturity - Debentures [1]	$ 1,000	$ 3	$ -	$ 1,003

1. *Held-to-maturity debt investments are carried at amortized cost.*

Investments in debt securities classified as held-to-maturity are carried at amortized cost. The following summarizes the net carrying amount and estimated fair value of debt securities at September 30, 2021, by contractual maturity dates. Actual maturities may differ from final contractual maturities due to principal repayment installments or prepayment rights held by issuers.

	September 30, 2021	
	Available-for-sale debt securities	Held-to-maturity debt securities
(dollars in thousands)	Convertible debentures 1	Due after five years through ten years
Net Carrying Amount	$ 8,770	$ 1,000
Fair Value	$ 15,852	$ 1,002

1. *Principal payments are due quarterly with a final maturity date in January 2026.*

Certain derivatives embedded in other financial instruments, such as the conversion option in a convertible bond, are reported at fair value, and changes in fair value are recorded through earnings within investment income (loss). The host contract continues to be accounted for in accordance with the appropriate accounting standard. The embedded derivative and the related host contract represent one legal contract and are combined on the Consolidated Balance Sheets and the tables reflected above. The Company held one financial instrument containing an embedded derivative, which represents an investment in HIVE, at September 30, 2021, and June 30, 2021.

The following table summarizes the fair values of embedded derivatives on the Consolidated Balance Sheet, categorized by risk exposure, at September 30, 2021, and June 30, 2021.

	September 30, 2021	June 30, 2021
	Other Assets	Other Assets
(dollars in thousands)	Investments in available-for-sale debt securities	Investments in available-for-sale debt securities
Embedded Derivatives:		
Equity price risk exposure	$ 2,104	$ 2,542

The following table presents the effect of embedded derivatives on the Consolidated Statements of Operations, categorized by risk exposure, for the three months ended September 30, 2021, and 2020.

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020
	Other Income (Loss)	Other Income (Loss)
(dollars in thousands)	Investment income (loss)	Investment income (loss)
Embedded Derivatives:		
Equity price risk exposure	$ (438)	$ -

Other Investments

Other investments consist of equity investments in entities over which the Company is unable to exercise significant influence and which do not have readily determinable fair values. For these securities, the Company generally elects to value using the measurement alternative, under which such securities are measured at cost, less impairment, if any. If the Company identifies observable price changes for identical or similar securities of the same issuer, the equity security is measured at fair value as of the date the observable transaction occurred, with such changes recorded in investment income (loss).

The carrying value of equity securities without readily determinable fair values was approximately $3.5 million as of September 30, 2021, and June 30, 2021. The Company has elected to value these investments using the measurement alternative.

The carrying value of equity securities without readily determinable fair values has been adjusted as follows:

	Three Months Ended September 30,	
(dollars in thousands)	**2021**	**2020**
Carrying amount, beginning of period	$ 3,453	$ 1,283
Adjustments:		
Purchases	-	134
Other downward adjustments	-	(117)
Carrying amount, end of period	$ 3,453	$ 1,300

Cumulative impairment adjustments to all equity securities without readily determinable fair values total $542,000 since their respective acquisitions through September 30, 2021. The cumulative amount of other downward adjustments, which include return of capital distributions and observable price changes, is $935,000, which includes $117,000 for the three months ended September 30, 2020. The cumulative amount of upward adjustments, which primarily consist of observable price changes, is $2.3 million. Securities with carrying amounts of $2.1 million and $470,000 were classified as Level 2 and Level 3, according to the fair value hierarchy, respectively, resulting from remeasurements that occurred during the fiscal year ended June 30, 2021. No securities were remeasured during the three months ended September 30, 2021.

Investments Classified as Equity Method

The Company has an equity method investment in Galileo New Economy Fund LP. The Company owns approximately 22 percent of the LP as of September 30, 2021, and the Company is considered to have the ability to exercise significant influence. Thus, the investment is accounted for under the equity method of accounting. Included in other income (loss) for the three months ended September 30, 2021, and 2020, is $15,000 and $21,000, respectively, of equity method income for this investment. The Company's investment in the LP had a carrying value of approximately $536,000 and $532,000 at September 30, 2021, and June 30, 2021, respectively. Frank Holmes also directly held an investment in the LP as of September 30, 2021. This investment has a concentration in technology and blockchain companies, which may result in volatility in its valuation.

Investment Income (Loss)

Investment income (loss) from the Company's investments includes:

- realized gains and losses on sales of securities;
- realized gains and losses on principal payment proceeds;
- unrealized gains and losses on fair valued securities;
- realized foreign currency gains and losses;
- impairments and observable price changes on equity investments without readily determinable fair values; and
- dividend and interest income.

The following summarizes investment income (loss) reflected in earnings for the periods presented:

(dollars in thousands)	Three Months Ended September 30,	
Investment Income (Loss)	**2021**	**2020**
Unrealized gains (losses) on fair valued securities	$ (2,358)	$ 1,107
Unrealized losses on embedded derivatives	(438)	-
Unrealized losses on equity securities without readily determinable fair values	-	(113)
Realized gains on principal payment proceeds	602	-
Realized gains on sales of fair valued securities	1,809	-
Realized foreign currency gains (losses)	(146)	1
Dividend and interest income	497	3
Total Investment Income (Loss)	$ (34)	$ 998

For the three months ended September 30, 2021, realized gains on principal payment proceeds in the amount of $602,000 was released from other comprehensive income (loss). The three months ended September 30, 2021, and 2020, included approximately ($2.4 million) and $544,000, respectively, of net unrealized gains (losses) recognized on equity securities still held at September 30, 2021.

Investment income (loss) can be volatile and varies depending on market fluctuations, the Company’s ability to participate in investment opportunities, and timing of transactions. The Company expects that gains and losses will continue to fluctuate in the future.

NOTE 3. INVESTMENT MANAGEMENT AND OTHER FEES

The following table presents operating revenues disaggregated by performance obligation:

	Three Months Ended September 30,	
(dollars in thousands)	**2021**	**2020**
USGIF advisory fees	$ 966	$ 896
USGIF performance fees earned	188	9
ETF advisory fees	5,316	2,290
Total Advisory Fees	6,470	3,195
USGIF administrative services fees	51	50
Total Operating Revenue	$ 6,521	$ 3,245

The Company serves as investment adviser to USGIF and receives a fee based on a specified percentage of average assets under management. The advisory agreement for the equity funds within USGIF provides for a base advisory fee that is adjusted upwards or downwards by 0.25 percent when there is a performance difference of 5 percent or more between a fund’s performance and that of its designated benchmark index over the prior rolling 12 months.

The Company has agreed to contractually limit the expenses of the Near-Term Tax Free Fund and the Global Luxury Goods Fund through April 2022. The Company has voluntarily waived or reduced its fees and/or agreed to pay expenses on the remaining USGIF funds. These caps will continue on a voluntary basis at the Company’s discretion. The aggregate fees waived and expenses borne by the Company for USGIF were $158,000 and $216,000 for the three months ended September 30, 2021, and 2020, respectively. Management cannot predict the impact of future waivers due the number of variables and the range of potential outcomes.

The Company receives administrative service fees from USGIF based on an annual rate of 0.05 percent on the average daily net assets of each fund.

The Company serves as investment advisor to two U.S.-based exchange-traded funds (ETFs): U.S. Global Jets ETF (ticker JETS) and U.S. Global GO GOLD and Precious Metal Miners ETF (ticker GOAU). The Company receives a unitary management fee of 0.60 percent of average net assets and has agreed to bear all expenses of the ETFs. The Company also serves as investment advisor to one European-based ETF, the U.S. Global Jets UCITS ETF. The Company receives a unitary management fee of 0.65 percent of average net assets and has agreed to bear all expenses of the ETF.

As of September 30, 2021, the Company had $2.1 million in receivables from fund clients, of which $371,000 was from USGIF and $1.8 million from the ETFs. As of June 30, 2021, the Company had $2.4 million in receivables from fund clients, of which $432,000 was from USGIF and $2.0 million from ETFs.

NOTE 4. RESTRICTED CASH

Restricted cash represents cash invested in a money market account as collateral for credit facilities that is not available for general corporate use. A reconciliation of cash, cash equivalents, and restricted cash reported from the consolidated balance sheets to the statements of cash flows is shown below:

(dollars in thousands)	September 30, 2021	June 30, 2021
Cash and cash equivalents	$ 19,755	$ 14,436
Restricted cash	1,000	1,000
Total cash, cash equivalents, and restricted cash	$ 20,755	$ 15,436

NOTE 5. LEASES

The Company has lease agreements on a continuing operations basis for office equipment that expire in fiscal year 2022. Lease expense totaled $39,000 for the three months ended September 30, 2021, and 2020.

The components of lease expense included in general and administrative expense on the Consolidated Statements of Operations and qualitative information concerning the Company's operating leases were as follows:

	Three Months Ending September 30,	
(dollars in thousands)	2021	2020
Operating lease cost	$ 13	$ 13
Short-term lease cost	26	26
Total lease cost	$ 39	$ 39
Cash paid for amounts included in measurement of lease liabilities:		
Operating cash flows from operating leases	$ 13	$ 13
Right-of-use assets obtained in exchanged for:		
Net operating lease liabilities	$ -	$ -
Weighted-average remaining lease term (in years)	0.58	1.58
Weighted-average discount rate	4.11%	4.11%

Maturities of lease liabilities from continuing operations as of September 30, 2021, are as follows:

(dollars in thousands) **Fiscal Year**	Operating Leases
2022 (excluding the three months ended September 30, 2021)	$ 31
Total lease payments	31
Less imputed interest	(1)
Total	$ 30

The Company is the lessor of certain areas of its owned office building under operating leases expiring in various years through fiscal year 2023. At the commencement of an operation lease, no income is recognized; subsequently, lease payments received are recognized on a straight-line basis. Lease income included in other income on the Consolidated Statements of Operations for the three months ending September 30, 2021, and 2020, was $26,000 and $23,000, respectively. The cost of obtaining lessor contracts, which is included in other assets on the Consolidated Balance Sheets, was $4,000 and $4,000 at September 30, 2021, and June 30, 2021, respectively.

A summary analysis of annual undiscounted cash flows to be received on leases as of September 30, 2021, is as follows:

(dollars in thousands)		
Fiscal Year		**Operating Leases**
2022 (excluding the three months ended September 30, 2021)	$	57
2023		34
Total lease payments	$	91

The Company may terminate the building leases with one hundred eighty days written notice if it sells the property. If the Company terminates the lease, the Company will pay the tenant a termination fee of the lesser of six months of the base monthly rent or the base monthly rent times the number of months remaining in the initial term.

NOTE 6. BORROWINGS

The Company has access to a $1 million credit facility for working capital purposes. The credit agreement requires the Company to maintain certain covenants; the Company has been in compliance with these covenants during the current fiscal year. The credit agreement will expire on May 31, 2022, and the Company intends to renew annually. The credit facility is collateralized by approximately $1 million at September 30, 2021, included in restricted cash on the balance sheet, held in deposit in a money market account at the financial institution that provided the credit facility. As of September 30, 2021, the credit facility remains unutilized by the Company.

Effective April 12, 2020, the Company was approved for a loan of approximately $442,000 under the Paycheck Protection Program ("PPP") under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The Company has under 25 employees and is considered a small business. The Company was granted forgiveness of the entire PPP loan and any accrued interest during the year ended June 30, 2021; thus, there was no balance remaining on the loan as of September 30, 2021, or June 30, 2021.

NOTE 7. STOCKHOLDERS' EQUITY

Payment of cash dividends is within the discretion of the Company's board of directors and is dependent on earnings, operations, capital requirements, general financial condition of the Company, and general business conditions. The dividend rate per share was $0.0025 per month for July 2020 through January 2021 and $0.0050 per month for February 2021 through September 2021.

In September 2021, the Board authorized an increase in the monthly dividend to $0.0075 per share from October through December 2021, and in December 2021, the Board authorized the continuance of the monthly dividend of $0.0075 per share from January through March 2022, at which time it will be considered for continuation by the Board.

The Company has a share repurchase program, approved by the Board of Directors, authorizing the Company to annually purchase up to $2.75 million of its outstanding common shares, as market and business conditions warrant, on the open market in compliance with Rule 10b-18 of the Securities Exchange Act of 1934 through December 31, 2022. The repurchase program has been in place since December 2012, and the Board of Directors has annually renewed the repurchase program each calendar year. The acquired shares may be used for corporate purposes, including shares issued to employees in the Company's stock-based compensation programs. For the three months ended September 30, 2021, and 2020, the Company repurchased 13,647 and 1,000 class A shares using cash of $82,000 and $2,000, respectively.

The Company's stock option plans provide for the granting of class A shares as either incentive or nonqualified stock options to employees and non-employee directors. Options are subject to terms and conditions determined by the Compensation Committee of the Board of Directors. At September 30, 2021, there were 231,000 options outstanding and nonvested under the 1989 Plan at a weighted average exercise price of $6.05, and 2,000 options outstanding and exercisable under the 1997 Plan, at a weighted average exercise price of $2.74. At September 30, 2020, there were 2,000 options outstanding and exercisable under the 1997 Plan, at a weighted average exercise price of $2.74. There were no options granted, forfeited, or exercised for the three months ended September 30, 2021, or 2020.

Stock-based compensation expense is measured at the grant date based on the fair value of the award, and the cost is recognized as expense ratably over the award's vesting period. For the three months ended September 30, 2021, $388,000 was recognized as compensation expense. There was no stock-based compensation expense for the three months ended September 30, 2020. As of September 30, 2021, $345,000 of total unrecognized compensation costs related to nonvested stock options were expected to be recognized over a weighted average period of 0.2 years. As of September 30, 2020, there was no unrecognized share-based compensation cost related to share-based awards granted under the plans.

NOTE 8. EARNINGS PER SHARE

The basic earnings per share ("EPS") calculation excludes dilution and is computed by dividing net income by the weighted average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution of EPS that could occur if options to issue common stock were exercised.

The following table sets forth the computation for basic and diluted EPS:

	Three Months Ended September 30,	
(dollars in thousands, except per share data)	**2021**	**2020**
Net Income	$ 2,390	$ 1,944
Weighted average number of outstanding shares		
Basic	15,030,115	15,080,549
Effect of dilutive securities		
Employee stock options	1,084	194
Diluted	15,031,199	15,080,743
Earnings Per Share		
Basic Net Income per Share	$ 0.16	$ 0.13
Diluted Net Income per Share	$ 0.16	$ 0.13

The diluted EPS calculation excludes the effect of stock options when their exercise prices exceed the average market price for the period, as their inclusion would be anti-dilutive. For the three months ended September 30, 2021, employee stock options for 231,000 were excluded from diluted EPS. For the three months ended September 30, 2020, no employee stock options were excluded from diluted EPS.

During the three months ended September 30, 2021, and 2020, the Company repurchased class A shares on the open market. Upon repurchase, these shares are classified as treasury shares and are deducted from outstanding shares in the earnings per share calculation.

NOTE 9. INCOME TAXES

The Company and its non-Canadian subsidiaries file a consolidated U.S. federal income tax return. USCAN files a separate tax return in Canada. Provisions for income taxes include deferred taxes for temporary differences in the bases of assets and liabilities for financial and tax purposes resulting from the use of the liability method of accounting for income taxes.

For U.S. federal income tax purposes at September 30, 2021, the Company has no U.S. federal net operating loss carryovers and no capital loss carryovers. For Canadian income tax purposes, USCAN has no net operating loss carryovers and no capital loss carryovers.

A valuation allowance is provided when it is more likely than not that some portion of the deferred tax amount will not be realized. There was no valuation allowance included at September 30, 2021, or June 30, 2021.

NOTE 10. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents the change in accumulated other comprehensive income (loss) ("AOCI") by component:

(dollars in thousands)	Unrealized gains (losses) on available-for-sale investments	Foreign currency translation adjustment 1	Total
Three Months Ended September 30, 2021			
Balance at June 30, 2021	$ 6,564	$ 23	$ 6,587
Other comprehensive loss before reclassifications	(186)	(12)	(198)
Tax effect	39	-	39
Amount reclassified from AOCI	(602)	-	(602)
Tax effect	126	-	126
Net other comprehensive loss for quarter	(623)	(12)	(635)
Balance at September 30, 2021	$ 5,941	$ 11	$ 5,952
Three Months Ended September 30, 2020			
Balance at June 30, 2020	$ -	$ (4)	$ (4)
Other comprehensive income before reclassifications	-	4	4
Net other comprehensive income for quarter	-	4	4
Balance at September 30, 2020	$ -	$ -	$ -

1. *Amounts include no tax expense or benefit.*

NOTE 11. FINANCIAL INFORMATION BY BUSINESS SEGMENT

The Company operates principally in two business segments: providing investment management services to USGIF and ETF clients; and investing for its own account in an effort to add growth and value to its cash position. The following schedule details total revenues and income by business segment:

(dollars in thousands)	Investment Management Services	Corporate Investments	Consolidated
Three months ended September 30, 2021			
Net operating revenues	$ 6,521	$ -	$ 6,521
Investment loss	$ -	$ (34)	$ (34)
Income from equity method investments	$ -	$ 15	$ 15
Other income	$ 56	$ -	$ 56
Income (loss) before income taxes	$ 3,113	$ (209)	$ 2,904
Depreciation and amortization	$ 48	$ -	$ 48
Gross identifiable assets at September 30, 2021	$ 21,204	$ 40,713	$ 61,917
Deferred tax asset			$ -
Consolidated total assets at September 30, 2021			$ 61,917
Three months ended September 30, 2020			
Net operating revenues	$ 3,245	$ -	$ 3,245
Investment income	$ -	$ 998	$ 998
Income from equity method investments	$ -	$ 21	$ 21
Other income	$ 18	$ -	$ 18
Income before income taxes	$ 1,002	$ 972	$ 1,974
Depreciation and amortization	$ 49	$ -	$ 49

Net operating revenues from investment management services includes operating revenues from USGIF of $1.2 million and $955,000 for the three months ended September 30, 2021, and 2020, respectively. Net operating revenues from investment management services also include operating revenues from ETF clients of $5.3 million and $2.3 million, respectively, for the three months ended September 30, 2021, and 2020, respectively.

NOTE 12. CONTINGENCIES AND COMMITMENTS

The Company continuously reviews investor, employee and vendor complaints, and pending or threatened litigation. The likelihood that a loss contingency exists is evaluated through consultation with legal counsel, and a loss contingency is recorded if probable and reasonably estimable.

During the normal course of business, the Company may be subject to claims, legal proceedings, and other contingencies. These matters are subject to various uncertainties, and it is possible that some of these matters may be resolved unfavorably. The Company establishes accruals for matters for which the outcome is probable and can be reasonably estimated. Management believes that any liability in excess of these accruals upon the ultimate resolution of these matters will not have a material adverse effect on the consolidated financial statements of the Company.

The Board has authorized a monthly dividend of $0.0075 per share through March 2022, at which time it will be considered for continuation by the Board. Payment of cash dividends is within the discretion of the Company's Board of Directors and is dependent on earnings, operations, capital requirements, general financial condition of the Company, and general business conditions. The total amount of cash dividends expected to be paid to class A and class C shareholders from October to December 2021 is approximately $338,000.

The outbreak of the COVID-19 pandemic and the resulting actions to control or slow the spread have affected global and domestic economies and financial markets. The Company continues to monitor the impact of COVID-19, but at the date of this report cannot determine the full impact this virus may have on the financial markets and economy. Should this emerging macro-economic risk continue for an extended period, there could be an adverse material financial impact to our business and investments, including a material reduction in our results of operations.

NOTE 13. SUBSEQUENT EVENT

In December 2021, the Board authorized the continuance of the monthly dividend of $0.0075 per share from January through March 2022, at which time it will be considered for continuation by the Board. Payment of cash dividends is within the discretion of the Company's Board of Directors and is dependent on earnings, operations, capital requirements, general financial condition of the Company, and general business conditions. In addition, the Board approved the stock repurchase plan through December 31, 2022, but may be suspended or discontinued at any time.

NOTE 14. IMMATERIAL REVISIONS TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended September 30, 2020, the Company recorded changes in the fair value of investment securities within "Changes in operating assets and liabilities" on the unaudited consolidated statement of cash flows instead of within "Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities." The line-item "Investment securities" has been removed for the three months ended September 30, 2020, and $(994,000) was reclassified from "Investment securities" to "Unrealized (gains) losses on securities." The revision had no impact on net income or earnings per share and was deemed immaterial.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

U.S. Global Investors, Inc. (the "Company" or "U.S. Global") has made forward-looking statements concerning the Company's performance, financial condition, and operations in this report. The Company from time to time may also make forward-looking statements in its public filings and press releases. Such forward-looking statements are subject to various known and unknown risks and uncertainties and do not guarantee future performance. Actual results could differ materially from those anticipated in such forward-looking statements due to a number of factors, some of which are beyond the Company's control, including: (i) the volatile and competitive nature of the investment management industry, (ii) changes in domestic and foreign economic conditions, including significant economic disruptions from COVID-19 and the actions taken in connection therewith, (iii) the effect of government regulation on the Company's business, and (iv) market, credit, and liquidity risks associated with the Company's investment management activities. Due to such risks, uncertainties, and other factors, the Company cautions each person receiving such forward-looking information not to place undue reliance on such statements. All such forward-looking statements are current only as of the date on which such statements were made.

FACTORS AFFECTING OUR BUSINESS

Since the beginning of 2020, the rapid spread of the global COVID-19 outbreak and actions taken in response have had a significant detrimental effect on the global and domestic economies and financial markets. Market declines affect the Company's assets under management, and thus its revenues and also the valuation of the Company's corporate investments. It is early to determine the long-term impact of current circumstances on the Company's business. Should this emerging macro-economic risk continue for an extended period, there could be an adverse material financial impact to the Company's business and investments, including a material reduction in its results of operations.

COVID-19-related circumstances (e.g., remote work arrangements) have not adversely affected the Company's ability to maintain operations, including financial reporting systems, internal controls over financial reporting, and disclosure controls and procedures.

BUSINESS SEGMENTS

The Company, with principal operations located in San Antonio, Texas, manages two business segments: (1) the Company offers a broad range of investment management products and services to meet the needs of individual and institutional investors, and (2) the Company invests for its own account in an effort to add growth and value to its cash position.

The following is a brief discussion of the Company's business segments.

Investment Management Services

The Company generates operating revenues from managing and servicing U.S. Global Investors Funds ("USGIF" or the "Funds"). These revenues are largely dependent on the total value and composition of assets under its management. Fluctuations in the markets and investor sentiment directly impact the asset levels of the Funds, thereby affecting income and results of operations. Detailed information regarding the Funds managed by the Company within USGIF can be found on the Company's website, www.usfunds.com, including the prospectus and performance information for each Fund. The mutual fund shareholders in USGIF are not required to give advance notice prior to redemption of shares in the Funds.

The Company provides advisory services for two U.S.-based exchange-traded fund ("ETF") clients and receives monthly advisory fees based on the net asset values of the funds. Information on the U.S.-based ETFs can be found at www.usglobaletfs.com, including the prospectus, performance and holdings. The Company also serves as investment advisor to one European-based ETF and receives a monthly advisory fee based on the net asset value of the fund. The European-based ETF is not available to U.S. investors. The ETFs' authorized participants are not required to give advance notice prior to redemption of shares in the ETFs, and the ETFs do not charge a redemption fee.

At September 30, 2021, total assets under management, including USGIF and ETF clients, were approximately $4.3 billion versus $2.2 billion at September 30, 2020, an increase of $2.1 billion, or 89.6 percent. During the three months ended September 30, 2021, average assets under management, including USGIF and ETF clients, were $4.0 billion versus $2.0 billion during the three months ended September 30, 2020. At June 30, 2021, the Company's prior fiscal year end, total assets under management, including USGIF and ETF clients, were approximately $4.2 billion, and has increased $25.5 million, or 0.6 percent, during the three months ended September 30, 2021.

The increase in assets under management as of September 30, 2021, compared to September 30, 2020, is primarily due to inflows into ETF clients, primarily the U.S. Global Jets ETF ("Jets ETF"). The Jets ETF invests in airline-related stocks, including global airline carriers, airport operators and aircraft manufacturers.

The following tables summarize the changes in assets under management for USGIF for the three months ended September 30, 2021, and 2020:

	Changes in Assets Under Management		
	Three Months Ended September 30, 2021		
(dollars in thousands)	Equity	Fixed Income	Total
Beginning Balance	$ 433,380	$ 75,842	$ 509,222
Market depreciation	(54,585)	(102)	(54,687)
Dividends and distributions	-	(75)	(75)
Net shareholder redemptions	(8,769)	(625)	(9,394)
Ending Balance	$ 370,026	$ 75,040	$ 445,066
Average investment management fee	0.96%	0.00%	0.81%
Average net assets	$ 399,442	$ 74,936	$ 474,378

	Changes in Assets Under Management		
	Three Months Ended September 30, 2020		
(dollars in thousands)	Equity	Fixed Income	Total
Beginning Balance	$ 343,214	$ 82,683	$ 425,897
Market appreciation	53,668	96	53,764
Dividends and distributions	-	(104)	(104)
Net shareholder purchases (redemptions)	(7,397)	6,698	(699)
Ending Balance	$ 389,485	$ 89,373	$ 478,858
Average investment management fee	0.90%	0.00%	0.74%
Average net assets	$ 396,005	$ 85,833	$ 481,838

As shown above, USGIF period-end assets under management were lower at September 30, 2021, compared to September 30, 2020. Average net assets in the current fiscal year were lower than the same period in the previous fiscal year for fixed income funds and in total, while average net assets for equity funds were slightly higher than the same period in the prior fiscal year. Both the fixed income and equity funds had net market depreciation for the three months ended September 30, 2021, and net market appreciation for the three months ended September 30, 2020, primarily in the gold and natural resources funds. There were net shareholder redemptions for both the fixed income and equity funds for the three months ended September 30, 2021. There were net shareholder redemptions for the equity funds and net shareholder purchases for the fixed income funds for the three months ended September 30, 2020.

The average annualized investment management fee rate (total advisory fees, excluding performance fees, as a percentage of average assets under management) was 81 basis points for the three months ended September 30, 2021, and 74 basis points for the same period in the prior year. The average investment management fee for the equity funds was 96 basis points for the three months ended September 30, 2021, and 90 basis points for the same period in the prior year. The Company has agreed to contractually or voluntarily limit the expenses of the Funds. Therefore, the Company waived or reduced its fees and/or agreed to pay expenses of the Funds. The decline in the average investment management fee rate for the equity funds was due to fee waivers. Also due to fee waivers, the average investment management fee for the fixed income funds was nil for both periods.

Investment Activities

Management believes it can more effectively manage the Company’s cash position by broadening the types of investments used in cash management and continues to believe that such activities are in the best interest of the Company. The Company’s investment activities are reviewed and monitored by Company compliance personnel, and various reports are provided to certain investment advisory clients. Written procedures are in place to manage compliance with the code of ethics and other policies affecting the Company’s investment practices. This source of revenue does not remain consistent and is dependent on market fluctuations, the Company’s ability to participate in investment opportunities, and timing of transactions.

As of September 30, 2021, the Company held investments carried at fair value of $30.8 million and a cost basis of $22.2 million. The fair value of these investments is approximately 49.7 percent of the Company’s total assets at September 30, 2021. In addition, the Company held other investments of approximately $3.5 million, held-to-maturity debt investments of $1.0 million and investments of $536,000 accounted for under the equity method of accounting.

Investments recorded at fair value were approximately $30.8 million at September 30, 2021, compared to approximately $35.3 million at June 30, 2021, the Company’s prior fiscal year end, which is a decrease of approximately $4.5 million. See Note 2, Investments, to the Consolidated Financial Statements of this Quarterly Report on Form 10-Q, for further information regarding investment activities.

RESULTS OF OPERATIONS – Three months ended September 30, 2021, and 2020

The Company posted net income of $2.4 million ($0.16 per share) for the three months ended September 30, 2021, compared with net income of $1.9 million ($0.13 per share) for the three months ended September 30, 2020, an increase in net income of approximately $446,000. The change is primarily due to an increase in operating income in the current quarter compared to the same quarter last year, somewhat offset by unrealized investment losses, as discussed further below.

Operating Revenues

Total consolidated operating revenues for the three months ended September 30, 2021, increased $3.3 million, or 101.0 percent, compared with the three months ended September 30, 2020. This increase was primarily attributable to the following:

- Advisory fees increased by $3.3 million, or 102.5 percent, primarily as a result of higher average assets under management in the ETFs and an increase in base management fees received. Advisory fees are comprised of two components: base management fees and performance fees.
  - Base management fees increased $3.1 million. The majority of this increase was from ETF unitary management fees, which increased $3.0 million as the result of an increase in ETF average assets under management, primarily for the Jets ETF.
  - Performance fees for USGIF received in the current period were $188,000 compared to $9,000 in the corresponding period in the prior year, an increase of $179,000. The performance fee, which applies to the USGIF equity funds only, is a fulcrum fee that is adjusted upwards or downwards by 0.25 percent when there is a performance difference of 5 percent or more between a fund's performance and that of its designated benchmark index over the prior rolling 12 months.

Operating Expenses

Total consolidated operating expenses for the three months ended September 30, 2021, increased $1.3 million, or 58.3 percent, compared with the three months ended September 30, 2020. The increase in operating expenses was primarily attributable to an increase in employee compensation of $962,000, or 100.0 percent, primarily as a result of increased bonuses related to realized investment gains and positive company and fund performance, and an increase in general and administrative expenses of $352,000, or 28.3 percent, primarily due to higher ETF expenses related to the increase in ETF assets and higher directors' fees and expenses related to bonuses.

Other Income (Loss)

Total consolidated other income (loss) for the three months ended September 30, 2021, was $37,000, compared to $1.0 million for the three months ended September 30, 2020, a negative change of approximately $1.0 million, or 96.4 percent. This change was primarily due to the following factors:

- Investment loss was $34,000 for the three months ended September 30, 2021, compared to investment income of $998,000 for the three months ended September 30, 2020, a negative change of approximately $1.0 million. There were unrealized losses of $2.8 million and realized gains of $1.8 million in the current period. The same quarter in the prior year had unrealized gains of $994,000 and no realized gains on sales. The majority of the change in unrealized gain (loss) was for an investment in an unrealized gain position being sold, and in cryptocurrency mining equity securities held in corporate investments. Cryptocurrency markets and related stocks have been, and are expected to continue to be, volatile. See further discussion of investments in Note 2, Investments, to the Consolidated Financial Statements of this Quarterly Report on Form 10-Q.
- There was $56,000 in other income for the three months ended September 30, 2021, compared to $18,000 in other income for the three months ended September 30, 2020, an increase of $38,000. The increase was primarily due to consulting fees earned in the amount of $30,000 from HIVE Blockchain Technologies Ltd. ("HIVE"). There were no consulting fees earned from HIVE for the three months ended September 30, 2020. Frank Holmes serves on the board as non-executive chairman of HIVE and held shares and options at September 30, 2021. Effective August 31, 2018, Mr. Holmes was named Interim Executive Chairman of HIVE.

Provision for Income Taxes

A tax expense of $514,000 was recorded for the three months ended September 30, 2021, compared to tax expense of $30,000 for the three months ended September 30, 2020. The tax expense in the current quarter was primarily the result of an increase in operating income. The tax expense in the same quarter in the prior year was primarily the result of an increase in valuation of certain investments held, which increased the related deferred tax liability.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2021, the Company had net working capital (current assets minus current liabilities) of approximately $26.7 million, an increase of $5.1 million, or 23.5 percent, since June 30, 2021, and a current ratio (current assets divided by current liabilities) of 7.5 to 1. With approximately $19.8 million in cash and cash equivalents, an increase of $5.3 million, or 36.8 percent since June 30, 2021, and $7.6 million in securities carried at fair value, excluding convertible securities and warrants, which together comprise approximately 44.2 percent of total assets, the Company has adequate liquidity to meet its current obligations.

The increase in cash, and accordingly, net working capital, was primarily due to proceeds on sales of investments of $2.5 million, proceeds from principal paydowns of $750,000, and net cash provided by operating activities of $2.4 million. Consolidated shareholders' equity at September 30, 2021, was $56.1 million, an increase of $1.7 million, or 3.2 percent since June 30, 2021. The increase was primarily due to net income of $2.4 million for the three months ended September 30, 2021.

The Company also has access to a $1 million credit facility, which can be utilized for working capital purposes. The credit agreement requires the Company to maintain certain covenants; the Company has been in compliance with these covenants during the current fiscal year. The credit agreement will expire on May 31, 2022, and the Company intends to renew annually. The credit facility is collateralized by approximately $1 million, included in restricted cash on the balance sheet, held in deposit in a money market account at the financial institution that provided the credit facility. As of September 30, 2021, this credit facility remained unutilized by the Company.

Investment advisory contracts pursuant to the Investment Company Act of 1940 and related affiliated contracts in the U.S., by law, may not exceed one year in length and, therefore, must be renewed at least annually after an initial two-year term. The investment advisory and related contracts between the Company and USGIF have been renewed through September 2022. The advisory agreement for the U.S.-based ETFs has been renewed through September 2022.

The primary cash requirements are for operating activities. The Company also uses cash to purchase investments, pay dividends and repurchase Company stock. The cash outlays for investments and dividend payments are discretionary and management or the Board may discontinue as deemed necessary. The stock repurchase plan is approved through December 31, 2022, but may be suspended or discontinued at any time. Cash and securities recorded at fair value, excluding convertible securities, of approximately $27.3 million are available to fund current activities.

Management believes current cash reserves, investments, and financing available will be sufficient to meet foreseeable cash needs for operating activities.

The spread of the global COVID-19 outbreak and actions taken in response have affected the global and domestic economies and financial markets. Market declines affect the Company's assets under management, and thus its revenues and also the valuation of the Company's corporate investments. The Company cannot determine the long-term impact of COVID-19 on the Company's business. Should this emerging macro-economic risk continue for an extended period, there could be an adverse material financial impact to the Company's business and investments, including a material reduction in its results of operations.

CRITICAL ACCOUNTING ESTIMATES

For a discussion of other critical accounting policies that the Company follows, please refer to the notes to the consolidated financial statements included in the Annual Report on Form 10-K for the year ended June 30, 2021.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The effects of the global COVID-19 pandemic are still evolving. There has been an adverse effect on global and domestic financial markets, which may continue for an undetermined period. This may adversely affect assets under management and thus the Company's revenues and operating results. Market declines also affect the valuation of the Company's corporate investments, which also adversely affects the Company's balance sheet and results of operations.

Investment Management and Administrative Services Fees

Revenues are generally based upon a percentage of the market value of assets under management in accordance with contractual agreements. Accordingly, fluctuations in the financial markets have a direct effect on the Company's operating results. A significant portion of assets under management in equity funds have exposure to international markets and/or natural resource sectors, which may experience volatility. In addition, fluctuations in interest rates may affect the value of assets under management in fixed income funds.

Performance Fees

USGIF advisory fees are comprised of two components: a base management fee and a performance fee. The performance fee is a fulcrum fee that is adjusted upwards or downwards by 0.25 percent when there is a performance difference of 5 percent or more between a fund's performance and that of its designated benchmark index over the prior rolling 12 months.

As a result, the Company's revenues are subject to volatility beyond market-based fluctuations discussed in the investment management and administrative services fees section above. For the three months ended September 30, 2021, and 2020, the Company realized an increase in its USGIF base advisory fee of $188,000 and $9,000, respectively, due to these performance adjustments.

Corporate Investments

The Company's Consolidated Balance Sheets includes assets whose fair value is subject to market risks. The market risks are primarily associated with equity prices and foreign currency exchange rates. The fair values of corporate investments with exposure to the cryptocurrency industry are subject to considerable volatility.

The Company's investment activities are reviewed and monitored by Company compliance personnel, and various reports are provided to certain investment advisory clients. Written procedures are in place to manage compliance with the code of ethics and other policies affecting the Company's investment practices.

Equity price risk

Due to the Company's investments in securities carried at fair value, equity price fluctuations represent a market risk factor affecting the Company's consolidated financial position. The carrying values of investments subject to equity price risks are based on quoted market prices or, if not actively traded, management's estimate of fair value as of the balance sheet date. Market prices fluctuate, and the amount realized in the subsequent sale of an investment may differ significantly from the reported fair value.

The table below summarizes the Company's equity price risks in securities recorded at fair value as of September 30, 2021, and shows the effects of a hypothetical 25 percent increase and a 25 percent decrease in market prices.

(dollars in thousands)	Fair Value at September 30, 2021	Hypothetical Percentage Change	Estimated Fair Value After Hypothetical Price Change	Estimated Increase (Decrease) in Net Income (Loss) [1]
Equity securities at fair value	$ 14,924	25% increase	$ 18,655	$ 2,947
		25% decrease	$ 11,193	$ (2,947)
Embedded derivatives at fair value [2]	$ 2,104	25% increase	$ 2,630	$ 416
		25% decrease	$ 1,578	$ (416)

1. *Changes in unrealized and realized gains and losses on embedded derivatives and equity securities at fair value are included in earnings in the Consolidated Statements of Operations. The estimated increase (decrease) is after income taxes at the statutory rate in effect as of the balance sheet date.*
2. *An embedded derivative and its related host contract represent one legal contract and are combined within the investments in available-for-sale debt securities on the Consolidated Balance Sheets.*

The selected hypothetical changes do not reflect what could be considered best- or worst-case scenarios. Results could be significantly different due to both the nature of markets and the concentration of the Company's investment portfolio.

The effects of the global COVID-19 pandemic are still evolving. There has been an adverse effect on global and domestic financial markets, which may continue for an undetermined period. This not only adversely affects the Company's assets under management but also the valuation of the Company's corporate investments.

A significant portion of the equity securities recorded at fair value in the above table subject to equity price risk are investments in common share purchase warrants of HIVE Blockchain Technologies Ltd. ("HIVE"), which were valued at $7.3 million at September 30, 2021. Also, the embedded derivatives shown in the above table, which were valued at $2.1 million at September 30, 2021, are related to HIVE convertible debentures. HIVE is discussed in more detail in Note 2, Investments, to the Consolidated Financial Statements of this Quarterly Report on Form 10-Q. HIVE is a company that is headquartered and traded in Canada with cryptocurrency mining facilities in Iceland, Sweden and Canada. Cryptocurrency markets and related stocks have been, and are expected to continue to be, volatile. There is potential for significant volatility in the market price of HIVE, which could materially impact the investment's value included on the balance sheet and unrealized gain (loss) recognized in investment income.

The Company also has an equity method investment in Galileo New Economy Fund LP in the amount of $536,000 at September 30, 2021, which has investments in the technology and cryptocurrency mining industries. As noted above, exposure to cryptocurrency industry may result in volatility in the valuation of this fund. Under the equity method, the Company's proportional share of the fund's net income or loss, which primarily consists of realized and unrealized gains and losses on investments offset by fund expenses, is recognized in the Company's earnings. The potential significant volatility in the valuation of the fund's investments could cause the fund's net income or loss to vary significantly from period to period, which in turn would be reflected in the Company's earnings.

Foreign currency risk

A portion of cash and certain corporate investments, including the Company's equity method investment, are held in foreign currencies, primarily Canadian. Adverse changes in foreign currency exchange rates would lower the value of those cash accounts and corporate investments. Certain assets under management also have exposure to foreign currency fluctuations in various markets, which could impact their valuation and thus the revenue received by the Company.

ITEM 4. CONTROLS AND PROCEDURES

An evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of September 30, 2021, was conducted under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures were not effective as of September 30, 2021, due to the existence of the material weaknesses in internal control over financial reporting described below (which we view as an integral part of our disclosure controls and procedures). We believe that the unaudited interim consolidated financial statements included in this Quarterly Report on Form 10-Q fairly present, in all material respects, our financial position, results of operations and cash flows as of the date, and for the period, presented, in conformity with U.S. GAAP.

Management identified a deficiency in the design and operating effectiveness of the Company's internal controls as of March 31, 2021, that represented a material weakness in our internal control over financial reporting. The deficiency is the result of inadequate design and implementation of internal controls to identify complex investments requiring specialized valuation expertise. Specifically, the Company's controls over valuation procedures did not address valuation methodologies for hybrid financial instruments that led to the restatement of previously issued financial statements. Management is in the process of designing and implementing remediation efforts intended to address the material weakness discussed above. These remediation efforts will be focused on amending the Company's valuation procedures to include the use of a binomial lattice model and/or independent pricing service to value these types of complex investments. The valuation procedures are to be reviewed and approved by the Company's Board of Directors. Management, under the supervision of the Audit Committee, will develop a comprehensive remediation plan, including a detailed plan and timetable for implementation, and will report regularly to the Audit Committee regarding the status of the implementation activities. The Company held one hybrid financial instrument as of the date, and for the period, presented, that has been measured by an independent pricing service using a binomial lattice model.

Management identified a deficiency in the design and operating effectiveness of the Company's internal controls as of September 30, 2021, that represented a material weakness in our internal control over financial reporting. The deficiency is the result of an existing control failing to operate effectively. Specifically, the Company's control involving the review of tax-related journal entries were not adequately performed. Management is in the process of designing and implementing remediation efforts intended to address the material weakness. The remediation efforts will be focused on improving tax services for the Company. Management, under the supervision of the Audit Committee, will develop a comprehensive remediation plan, including a detailed plan and timetable for implementation, and will report regularly to the Audit Committee regarding the status of the implementation activities.

There has been no change in the Company's internal control over financial reporting that occurred during the three months ended September 30, 2021, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting, as the material weaknesses described above had not yet been remediated by management.

PART II. OTHER INFORMATION

ITEM 1A. RISK FACTORS

For a discussion of risk factors which could affect the Company, please refer to Item 1A, "Risk Factors" in the Annual Report on Form 10-K for the year ended June 30, 2021. There have been no material changes since fiscal year end to the risk factors listed therein.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

(dollars in thousands, except price data)

Period	Total Number of Shares Purchased 1	Total Amount Purchased	Average Price Paid Per Share 2	Total Number of Shares Purchased as Part of Publicly Announced Plan 3	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plan
07-01-21 to 07-31-21	5,217	$ 30	$ 5.77	5,217	$ 2,468
08-01-21 to 08-31-21	4,330	27	$ 6.13	4,330	$ 2,442
09-01-21 to 09-30-21	4,100	25	$ 6.11	4,100	$ 2,417
Total	13,647	$ 82	$ 5.99	13,647	

1. *The Board of Directors of the company approved on December 7, 2012, and renewed annually, a repurchase of up to $2.75 million in each of calendar years 2013 through 2022 of its outstanding class A common stock from time to time on the open market in accordance with all applicable rules and regulations.*
2. *The average price paid per share of stock repurchased under the stock repurchase program includes the commissions paid to brokers.*
3. *The repurchase plan was approved on December 7, 2012, renewed annually, and will continue through calendar year 2022. The total amount of shares that may be repurchased in 2022 under the renewed program is $2.75 million.*

ITEM 6. EXHIBITS

1. Exhibits –

31.1	Rule 13a-14(a) Certifications (under Section 302 of the Sarbanes-Oxley Act of 2002), included herein.
32.1	Section 1350 Certifications (under Section 906 of the Sarbanes-Oxley Act Of 2002), included herein.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereto duly authorized.

U.S. GLOBAL INVESTORS, INC.

DATED:	January 27, 2022	BY: /s/ Frank E. Holmes Frank E. Holmes Chief Executive Officer
DATED:	January 27, 2022	BY: /s/ Lisa C. Callicotte Lisa C. Callicotte Chief Financial Officer

Exhibit 31.1 - Rule 13a-14(a) Certifications
(under Section 302 of the Sarbanes-Oxley Act of 2002)

I, Frank E. Holmes, certify that:

1. I have reviewed this quarterly report on Form 10-Q/A of U.S. Global Investors, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d–15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 27, 2022

/s/ Frank E. Holmes
Frank E. Holmes
Chief Executive Officer

Rule 13a-14(a) Certifications
(under Section 302 of the Sarbanes-Oxley Act of 2002

I, Lisa C. Callicotte, certify that:

1. I have reviewed this quarterly report on Form 10-Q/A of U.S. Global Investors, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d–15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 27, 2022

/s/ Lisa C. Callicotte
Lisa C. Callicotte
Chief Financial Officer

Exhibit 32.1 — Section 1350 Certifications
(under Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Quarterly Report of U.S. Global Investors, Inc. (the Company) on Form 10-Q/A for the quarter ended September 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Frank E. Holmes, Chief Executive Officer of the Company, hereby certify to my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 27, 2022

/s/ Frank E. Holmes
Frank E. Holmes
Chief Executive Officer

A signed original of the written statement required by Section 906 has been provided to U.S. Global Investors, Inc. and will be retained by U.S. Global Investors, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Section 1350 Certifications
(under Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Quarterly Report of U.S. Global Investors, Inc. (the Company) on Form 10-Q/A for the quarter ended September 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Lisa C. Callicotte, Chief Financial Officer of the Company, hereby certify to my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 27, 2022

/s/ Lisa C. Callicotte
Lisa C. Callicotte
Chief Financial Officer

A signed original of the written statement required by Section 906 has been provided to U.S. Global Investors, Inc. and will be retained by U.S. Global Investors, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.