



Media release

20 November 2008

World's leading exchange traded commodities group enters Australian market

- **ETF Securities, the world's leading issuer of Commodity Exchange Traded Products led by Australian entrepreneur Graham Tuckwell, enters the Australian investment market**
- **Four new exchange traded commodities (ETCs) to be listed on the Australian Stock Exchange**
- **Silver, platinum, palladium and a precious metal basket ETC to be available to Australian investors for the first time**
- **Purchase of Gold Bullion Securities Ltd (ASX Code – GOLD)**

The global pioneer in exchange traded commodities (ETCs), ETF Securities, today announced that it intends to list a range of physically-backed, precious metal, exchange traded commodities on the Australian Stock Exchange. This is the first time that silver, platinum, palladium or a precious metals basket have been made available to Australian investors through ordinary brokerage accounts.

ETF Securities has also formally completed the acquisition of the world's first gold ETC – Gold Bullion Securities, listed on the Australian Stock Exchange (ASX:GOLD).

The four metal securities to be listed are:

- ETFS Physical Platinum
- ETFS Physical Palladium
- ETFS Physical Silver
- ETFS Physical PM Basket

First dealings in these securities are expected to commence on the ASX in December 2008.

Commenting on the intention to list this new range of physical ETCs, Graham Tuckwell, chairman of ETF Securities, said:

"Our decision to launch this range of precious metals is two-fold. First, it comes in the wake of increasing global demand for precious metals through ETCs, which have seen steady growth over the last four years to over A\$38 billion. Second, we want to offer investors exposure to a broad range of precious metals, which have historically been extremely difficult to access.

"Unlike many other commodities, precious metals are durable and easily stored, enabling ETCs to be backed by allocated physical bars which have transparent pricing and carry no credit risk. As a result, the new physical ETCs save investors from many of the difficulties associated with purchasing precious metals such as access to physical bars, storage and insurance.

"ETCs provide investors with an investment vehicle that tracks the price of precious metals, not a portfolio of equities. Uncorrelated to equities, they can provide investors with additional portfolio diversification.

"The Australian market has always been very focused on resource equities, and investors now will have the opportunity to get direct exposure to precious metals to complement equity investment. These products have no credit risk as ETCs are 100% backed by allocated bullion held in trust; this has become a very important selling point in today's markets given the increased focus on credit and counterparty risks."

ETCs are designed to offer investors a simple, cost-efficient and secure way to access the precious metals market. They provide investors with a return equivalent to movements in their spot price less a small annual management fee, which accrues daily.

Similar to Exchange Traded Funds (ETFs), ETCs are open-ended securities, which can be created or redeemed on demand (by market-makers) provided the relevant amount of metal is delivered to the custodian. Investors can buy and sell ETCs through regulated brokers or approved market makers; they can be traded in the same way as equities, including market, limit and stop orders. They can also be shorted through stock borrowing or CFDs. The minimum trade size is one security and settlement is T+3 (trade date plus three business days).

The management of ETF Securities created the world's first ETC, Gold Bullion Securities, which is listed in Australia and London and has over A\$4.5 billion of assets. The new ETCs are backed by physical allocated metal held by the custodian HSBC N.A., the world's leading custodian for ETCs with over A\$30 billion of precious metals held for such products. All physical metals held with the custodian must conform to the rules for good delivery of the London Bullion Market Association (LBMA) and London Platinum Palladium Market (LPPM).

ETCs have been around since 2003, when the first one, Gold Bullion, listed on the ASX. Now there are A\$8.6 billion of ETCs. They are relatively new investment tools, which enable investors to gain exposure to commodity prices without trading futures or taking physical delivery.

Australian Graham Tuckwell is the founder and chairman of the ETF Securities group of companies. He is also the founder and chairman of Gold Bullion Securities Limited in Jersey and Australia, which obtained the world's first listings of a commodity on a stock exchange. Previously, Graham was the founder and managing director of Investor Resources Limited, a boutique corporate advisory firm.

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- Notes to editors -

To obtain a copy of the prospectus please visit the website at www.goldbullion.com.au

The management of ETF Securities Limited pioneered the development of Exchange Traded Commodities (ETCs) with the world's first listing of an ETC, Gold Bullion Securities, in Australia and London in 2003 and then the world's first entire ETC platform which was listed on the London Stock Exchange in September 2006. Since then, ETF Securities has listed its entire range of ETCs on Europe's major exchanges (Frankfurt, Paris, Amsterdam and Italy) with each exchange creating a separate ETC segment. ETCs listed by the management of ETF Securities now exceed A\$9 billion.

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