

NON-NEGOTIABLE



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# *Precious Metals Certificate*



# Gold you can fold

The Perth Mint in Australia has launched an innovative certificate ownership programme targeting investors worldwide.

**Michael Kile**, business development manager, Gold Corporation, explains



Recent global turmoil has seen many financial commentators predict a paradigm shift in investor focus from wealth growth to preservation, with gold benefiting from this changing sentiment.

During a year when other asset classes recorded negative returns, the yellow metal has risen 20% in value, confounding the experts who decreed it had become “just a commodity” in the early 21st century. Many who are now marching to the anthem of wealth protection often seek something else too, and that is a safe haven for their gold bullion. The Perth Mint in Western Australia, offers such services.



“YOU DON’T HAVE TO WORRY ABOUT PHYSICAL STORAGE OR SECURITY AS THE CERTIFICATE GIVES YOU GUARANTEED PROOF OF OWNERSHIP AND IT IS BACKED 100% BY REAL GOLD”



◀ Western Australia is an attractive geographical location for storing precious metals

Situated on the Swan River, Perth is a modern city of about 1.2 million people. It is linked to the global financial markets by sophisticated telecommunications, and is serviced by major Australian and international airlines and banks

The Perth Mint is now a wholly-owned statutory authority of the government of Western Australia and part of the state-owned Gold Corporation group, an international precious metal refining, minting and trading group. Not only does it play a vital role in Australia’s gold industry, both as a minter of precious metal legal tender coins and as the country’s largest gold refiner, it has also developed an innovative new product, The Perth Mint Certificate Program (PMCP).

**Paper made of gold**

PMCP offers international investors gold metal storage facilities and it is the only depository operating today that can offer the investor a government guarantee.

The bullion bar products of the Gold Corporation group and therefore, The Perth Mint, also enjoy accreditation from the London Bullion Market Association (LBMA), the New York Commodities Exchange (COMEX) and the Tokyo Commodities Exchange (TOCOM).

The first initiative of its kind, the PMCP involves a document that is issued to the holder as evidence of legal title to precious metals stored on either an allocated (segregated) or unallocated (unsegregated) basis with The Perth Mint. The document is registered to the owner and identified by a client name and certificate number.

It means that for the first time, investors can own gold and have it stored on their behalf in the mint’s vaults, completely

protected by a ‘AAA’ Western Australian Government Guarantee. In fact, The Perth Mint is the only depository operating today that can offer a government guarantee from one of Australia’s wealthiest states.

Michael Checkan, president of Asset Strategies International Inc., and one of the mint’s most successful US PMCP dealers, describes the certificate scheme as “gold you can fold”.

“It’s a good description,” says Perth Mint depository administrator Bron Suchecki. “You don’t have to worry about physical storage or security. The certificate gives you guaranteed proof of ownership and it is backed 100% by real gold.

“The PMCP is unique,” he adds. “That’s why we have been successful in attracting international investors, especially since the events of 11 September.”

The Perth Mint certificate is made available to individual investors through an international approved dealer network, without the need for predetermined transaction sizes. They include Asset Strategies International Inc., EurAxxess AG, Kitco Precious Metals Inc., Sterling Precious Metals Ltd., and Philip GNI Futures Pte Ltd (Singapore).

It operates much like the purchase of physical precious metals for delivery. The certificate is extremely easy to liquidate and the owner can simply sell the certificate back to an approved dealer.



The Perth Mint Certificate is issued to the holder as evidence of legal title to precious metals stored on the premises

Alternatively, the owner can take physical delivery at The Perth Mint or they can arrange for physical delivery at a variety of locations worldwide.

“You don’t have to be a millionaire either. You can open a PMCP account with as little as US\$10,000 in most regions. Another attraction is there is no storage or fabrication charges with our unallocated/ unsegregated option,” says Suchecki.

#### Added security

Other reassuring factors for investors are that they have the security of the Gold Corporation Act 1987 and the state’s Financial Administration and Audit Act 1985, behind their ownership.

In addition, all depository metal is covered by very comprehensive Lloyd’s of London insurance.

The mint also recently completed a new high security A\$15 million storage and minting facility adjacent to its century-old headquarters in East Perth, with storage capacity in excess of 100 tonnes, which is more than the Australian government’s national gold holdings. 

For further information, visit The Perth Mint website at [www.perthmint.com.au](http://www.perthmint.com.au)

# History of The Perth Mint



Sir John Forrest

The Perth Mint has played a major part in Australia’s history of gold. It was originally founded in 1899 to turn gold from the Western Australia gold rush into sovereigns for the British empire.

The mint, based in East Perth, made up one of three branches of the Royal Mint of London which were established in the Australian colonies.

During this time, there was little money in Perth for which the miners could exchange the gold they found, or to pay for the goods and services needed by the fast-growing population. So the premier of Western Australia, Sir John Forrest, asked the British government to establish a branch of the Royal Mint in Perth, to refine the gold being produced in the Eastern goldfields and to mint it into British gold coins to be used as a currency in the colony. This laid the foundations for The Perth Mint today.

More than 100 years later, the mint still continues to function and is one of the oldest mints in the world, still operating from its original premises, fulfilling dual roles of precious metal refining and coining.

It now belongs to a select group of gold refiners around the world whose weights and assays have accreditation on the London Bullion Market, which regulates the world’s gold trade. The mint also has the distinction of having produced the purest gold ever assayed by the Royal Mint. This means that gold refined by The Perth Mint finds acceptance anywhere in the world.

As well as refining gold bars, The Perth Mint also holds Australia’s largest collection of natural gold nuggets, including the 369 ounce “Golden Beauty” which is one of the largest nuggets in the world. It also produces gold jewellery, coins and medallions.

It has played an advisory role in establishing several other international mints and refineries, including the world’s largest, South Africa’s Rand Refinery.

While in the 1980s, following a major redevelopment initiated by the state government, The Perth Mint became the home of the Australian Precious Metals Coin Programme, and now has the international reputation of being a specialist mint in this field. By agreement with the commonwealth government, The Perth Mint issues precious metal coinage under the nation’s Currency Act 1965. These bullion and proof-quality coins include the Australian Nugget gold coins, the Australian Koala platinum coins and the Australian Lunar gold coins.

The mint now produces a wide range of gold bullion bars, available in ingots and bars of up to 400 ounces.

Altogether, from November 1986 to the end of June 2001, The Perth Mint has converted more than 137 tonnes of gold into gold bullion coins.

#### Coin and bar availability

**Gold coins:** Australian Nugget 0.05 troy ounces to 1 kilogram

**Gold bars:** 0.5 troy ounces to 400 troy ounces

