



Friday 21 May 2021

### A MESSAGE FOR OUR DEPOSITORY CUSTOMERS

The Perth Mint completely refutes any claim that it is running a “fractional reserve” bullion storage program and confirms that **ALL** customer metal holdings are **fully** backed and covered by physical metal inventory, evidenced in the organisation’s audited annual accounts.

The following table draws on and is extracted from The Perth Mint’s published annual audited accounts. It shows precious metal **assets of \$6.481bn** and precious metal **liabilities of \$6.398bn**.

Precious metals assets held exceed precious metals liabilities, demonstrating that there is ample precious metal held to meet **all** customer liabilities.

Item	Note in Audited Consolidated Statement of Financial Position	2020 \$m	2019 \$m
<b>Precious Metal Assets</b>			
Precious metal receivables and advances to customers	10(ii)	843	523
Precious metal inventories (including ETF)	11	5,983	3,972
Less Non-controlling interests in ETF	35(a)	(345)	(58)
<b>Total Metal Assets of The Perth Mint</b>		<b>6,481</b>	<b>4,437</b>
<b>Precious Metals Liabilities</b>			
Precious metal borrowings – Interest Bearing	17	1,721	1,226
Precious metal borrowings – non-interest bearing (Perth Mint client unallocated and pool allocated metal holdings)	20	4,677	3,228
<b>Total Metal Liabilities of The Perth Mint</b>		<b>6,398</b>	<b>4,454</b>
<b>Net Metal Assets (Trading Position)</b>		<b>83</b>	<b>(17)</b>

To be clear, precious metals **assets of \$6.481bn**, as reported in The Perth Mint’s audited annual accounts, represents:

- Precious metal owing to The Perth Mint by its customers (for example, consignment stocks or advances to mining companies where the metal has been priced but not processed), and
- Precious metals inventories held at The Perth Mint, less metals held in the NYSE listed ETF AAAU where that metal is held by parties The Perth Mint does not have a controlling interest over.



Against these assets, precious metal **liabilities of \$6.398bn**, represent:

- Perth Mint Depository unallocated and pool allocated metal (non-interest bearing), and metal that has been borrowed by The Perth Mint from third parties (bullion banks for example), and is interest bearing. Categorically, **this is not metal that has been lent** by The Perth Mint, it is metal borrowed by The Perth Mint.

The Perth Mint confirms:

- All client metal holdings, be they allocated, pool allocated or unallocated, are fully covered by a guarantee from the S&P A1+ rated Government of Western Australia.
- The Perth Mint's annual financial accounts are fully compliant with both Australian and international accounting standards and are audited by a Tier 1 accounting firm on behalf of the Auditor General of Western Australia.
- The Auditor General of Western Australia is appointed by the Western Australian Governor and reports directly to the Parliament of Western Australia.

### Contact Perth Mint Depository Online

For further information on our Depository programs, opening an account, or general administrative queries on your account, please use the form below or contact our Depository Services team on:

Tel: +61 8 9421 7250

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Email: [depository@perthmint.com](mailto:depository@perthmint.com)

To **buy or sell precious metal** through your Depository Program account, please telephone our dealers on +61 8 9421 7250

Office Hours (telephone) 8:00am to 5:00pm Monday to Friday Australian Western Standard Time, not including public holidays (the best time to call is between 8:30am and 4:30 pm).

### About The Perth Mint

One of the world's leading precious metals enterprises, The Perth Mint:

- Processes more than 10% of annual global gold production and over 90% of gold mined in Australia, with Australia being the world's second largest producer of gold after China.
- Operates one of the largest and most efficient precious metals refineries in the world, with capacity to process 800 tonnes of gold and 900 tonnes of silver per annum.
- Provides the world's only government guaranteed precious metals storage program and an expanding range of other innovative investment solutions.
- Safeguards wealth worth more than AUD 5.5 billion for clients, ranging from central banks and sovereign wealth funds to individuals, in its central bank grade vaults.
- Manufactures and delivers a wide range of precious metal bars and coins worth in excess of AUD 18 billion to more than 130 countries annually.