



[Press Release]

**Chinese Gold & Silver Exchange Society kickstarts
Renminbi Kilobar Gold - the world's first offshore RMB-
denominated gold product - and records 322kg of spot gold
in delivery**

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[17 October, 2011, Hong Kong] Following the historic launch by the Chinese Gold & Silver Exchange (CGSE) of Renminbi Kilobar Gold – the world's first offshore renminbi-denominated spot gold contract – a ceremony to mark the first onboard settlement of spot gold was held today. The amount of gold settled was 322 kg, at a settlement price of RMB346.95 per gram, with a value of RMB111,717,900.

The first physical settlement premium was RMB800 per kilogram, determined by Mr. Tony Lui, director of Wing Fung Precious Metals Limited. Below are the participating members involved in the spot Renminbi Kilobar Gold settlement:

Receive		Deliver	
Company Name	Volume	Company Name	Volume
Success Bullion Investments Limited	10KG	Wong Sha Company Limited	140KG
Emperor Gold & Silver Company Limited	5KG	Marigold International Bullion Dealers Limited	2KG
Hantec Bullion Limited	5KG	Wing Fung Precious Metals Limited	180KG
Yau Seng Bullion Company Limited	1KG		
Gold Treasure Enterprise (HK) Limited	1KG		
Chancellor Precious Metals Limited	10KG		
First Asia Merchants Bullion Limited	5KG		
Grand Investment (Bullion) Limited	5KG		
HXPM Limited	2KG		

Cheung's Gold Traders Limited	150KG		
Peace Town Gold And Silver Company Limited	128KG		

Speaking on “Renminbi Kilobar Gold”, Mr. Haywood Cheung, President of the CGSE said this landmark product has been on a trial run since May 16. It was formally launched on 17th October after a series of simulation tests were conducted. The roll-out of Renminbi Kilobar Gold marks a big step forward by the CGSE on the road to internationalization – that is – the diversification from 99 Tael Gold to 999.9 fineness Gold, and the extension of quote and settlement currency from HKD to RMB. Mr Cheung said: “I believe Renminbi Kilobar Gold, which is the world’s first offshore renminbi-denominated gold contract, can truly help promote the internationalization of the renminbi, and attract overseas and local gold dealers to engage in arbitrage activities to capitalize on price spreads. In addition, this product offers investors a new-found opportunity to participate in leveraged trading of renminbi.”

Mr. Cheung added: “The first batch of Renminbi Kilobar Gold dealing participants (AA grade) are 27 CGSE Members. Institutional investors and retail investors may engage in trading of Renminbi Kilobar Gold by opening an account with CGSE’s AA grade Members. To effectively mitigate the price risks, they can choose the method of final settlement for their trades either through Renminbi-denominated gold contract or spot gold delivery.”

CGSE has appointed Wing Hang Bank and Bank of China (Hong Kong) Limited as settlement banks. Chancellor Precious Metals Limited and Wong Sha Company Limited shall work as liquidity providers to ensure the availability of sufficient liquidity for the smooth market operation of the newly launched Renminbi Kilobar Gold.

The launch of Renminbi Kilobar Gold has attracted considerable attention from both local and international financial communities. Building on a century of well-entrenched tradition, the CGSE possessed an admirable record in spot gold trading business. With the establishment

of gold warehouse in the Hong Kong International Airport and Hong Kong Precious Metals Assay Centre, the CGSE has been working steadily to evolve into one of the international's premier gold markets.

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(From Left to Right): Vice President Mr. Wilson Cheng, Honorary President Mr. Lee Tak Lun, President Mr. Haywood Cheung, Vice President Mr. Steven Chan and Chairman of the Supervisory Committee Mr. Leo Siu.





### About the CGSE

Founded in 1910, the Chinese Gold and Silver Exchange Society (“CGSE”) celebrated its centennial in 2010. Run on a membership-based system, the CGSE now has 171 Members and is managed by the Executive and Supervisory Committee, which comprises 21 Directors and Supervisors. The CGSE is the sole exchange in Hong Kong which trades spot gold. The CGSE trades 99 Tael Gold and Kilobar through an open outcry system; and Loco London Gold / Silver Contract through “Electronic Trading Platform”. “Transaction Code” is also provided to parties in the transactions. The CGSE official launched the world’s first offshore Renminbi-denominated gold product - “Renminbi Kilobar Gold” - in October this year.

In order to tie in with the implementation of “Practitioners’ Registration System”, the CGSE has conducted course on “Certificate in Gold and Silver Markets” in collaboration with the Hong Kong Securities Institute to enhance practitioners’ professional knowledge about precious metals markets and their integrity.

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The first batch of “Renminbi Kilobar Gold” dealing participants:

|    | 公司名稱 (中文)       |     | Company Name                                   |
|----|-----------------|-----|------------------------------------------------|
| 1  | 實德金銀投資有限公司      | 3   | Success Bullion Investments Limited            |
| 2  | 惠昶金號有限公司        | 12  | Wai Chong Gold Company Limited                 |
| 3  | 萬兆豐國際金業有限公司     | 23  | Marigold International Bullion Dealers Limited |
| 4  | 天譽金號有限公司        | 25  | Prestige Gold Trader Limited                   |
| 5  | 永豐貴金屬有限公司       | 34  | Wing Fung Precious Metals Limited              |
| 6  | 金寶企業(香港)有限公司    | 37  | Gold Treasure Enterprise (HK) Limited          |
| 7  | 黃沙有限公司          | 61  | Wong Sha Company Limited                       |
| 8  | 焯華貴金屬有限公司       | 64  | Chancellor Precious Metals Limited             |
| 9  | 金道貴金屬有限公司       | 74  | Goldenway Precious Metals Limited              |
| 10 | 聯富金融集團有限公司      | 85  | Cocus Financial Group Company Limited          |
| 11 | 英皇金號有限公司        | 102 | Emperor Gold & Silver Company Limited          |
| 12 | 張氏金業有限公司        | 108 | Cheung's Gold Traders Limited                  |
| 13 | 得發金銀交易有限公司      | 110 | Danpac Gold & Silver Dealer Limited            |
| 14 | 第一亞洲商人金銀業有限公司   | 114 | First Asia Merchants Bullion Limited           |
| 15 | 大唐投資(金業)有限公司    | 115 | Grand Investment (Bullion) Limited             |
| 16 | 祐生金號有限公司        | 120 | Yau Seng Bullion Company Limited               |
| 17 | 富士金業有限公司        | 139 | Fuji Bullion Limited                           |
| 18 | 滙凱金業有限公司        | 148 | Allied Victory Bullion Limited                 |
| 19 | 聯滙金銀業有限公司       | 151 | United Wealth Gold & Silver Limited            |
| 20 | 寶泰金號(香港)有限公司    | 157 | Po Tai Bullion [Hong Kong] Limited             |
| 21 | 亨達金銀投資有限公司      | 163 | Hantec Bullion Limited                         |
| 22 | 平和金銀有限公司        | 172 | Peace Town Gold And Silver Company Limited     |
| 23 | 高晟金業集團有限公司      | 183 | Goldex Group Limited                           |
| 24 | 萬利達金融集團有限公司     | 184 | Maxrich Financial Group Limited                |
| 25 | 恒信貴金屬有限公司       | 210 | HXPM Limited                                   |
| 26 | 德裕金號集團有限公司      | 217 | Starling Group Gold Dealer Limited             |
| 27 | 富國盛世(亞太)金銀業有限公司 | 232 | Wealth Blooming (Asia Pacific) Bullion Limited |