Chinese Version
Gold Survey 2008 Launch

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Presentation Outline

- Gold Prices - Review
- Supply
- Demand
- Price Outlook

US Dollar Gold Price

Weekly Averages

DOLLAR	2006	2007	Jan-May 2008
Period Average	603.77	695.39	914.68
Intra-Year	19.2%	30.3%	4.6%
Year-on-Year	35.8%	5.5%	38.9%

Source: GFMS

Euro Gold Price

Weekly Averages

EURO	2006	2007	Jan-May 2008
Period Average	496.77	523.86	620.29
Intra-Year	8.4%	17.7%	-0.9%
Year-on-Year	34.1%	5.5%	20.9%

Source: GFMS

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Yuan Gold Price

Weekly Averages

YUAN	2006	2007	Jan-May 2008
Period Average	154.75	169.85	208.87
Intra-Year	15.5%	22.0%	-0.4%
Year-on-Year	32.2%	9.8%	27.8%

Source: GFMS

Supply

- Mine Production
- Above-Ground Stocks
  - Official Sector Sales
  - Scrap Recycling

Gold Supply in 2007

	2006	2007	y-o-y
Mine production	2,486	2,476	-0.4%
Official sector sales	370	481	30.1%
Old gold scrap	1,126	956	-15.1%
TOTAL SUPPLY	3,982	3,912	-1.7%

Source: GFMS

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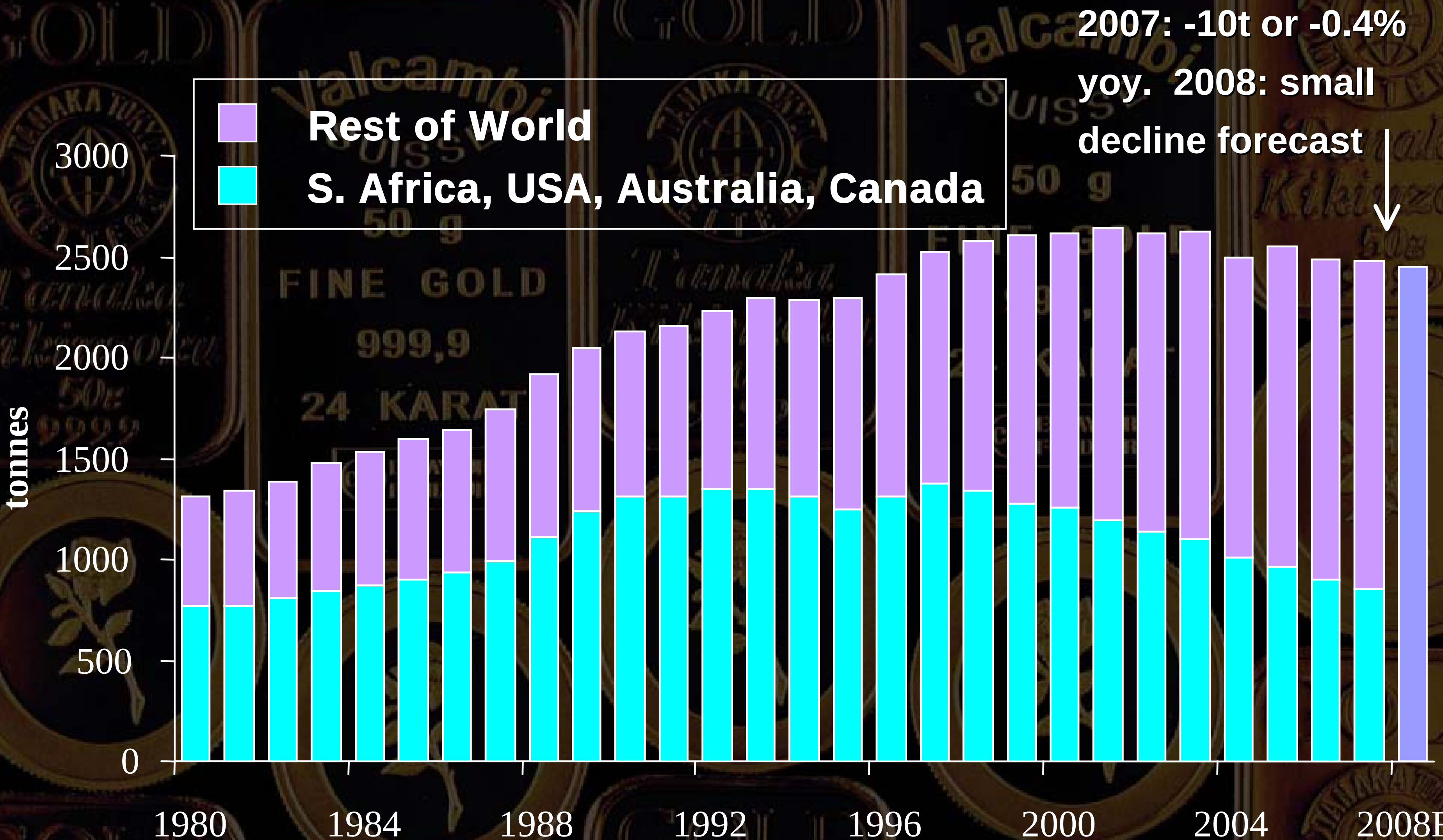
World Gold Mine Production



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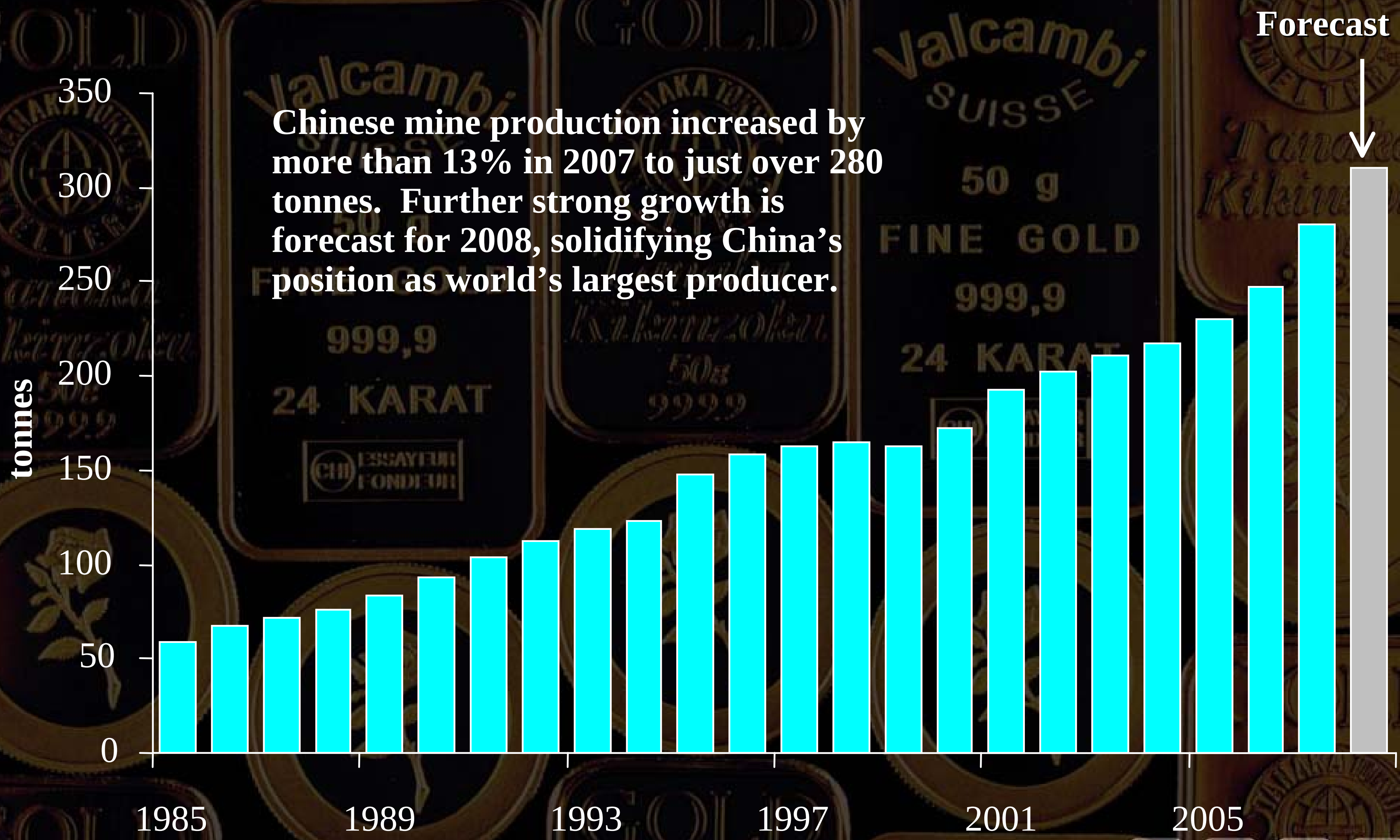
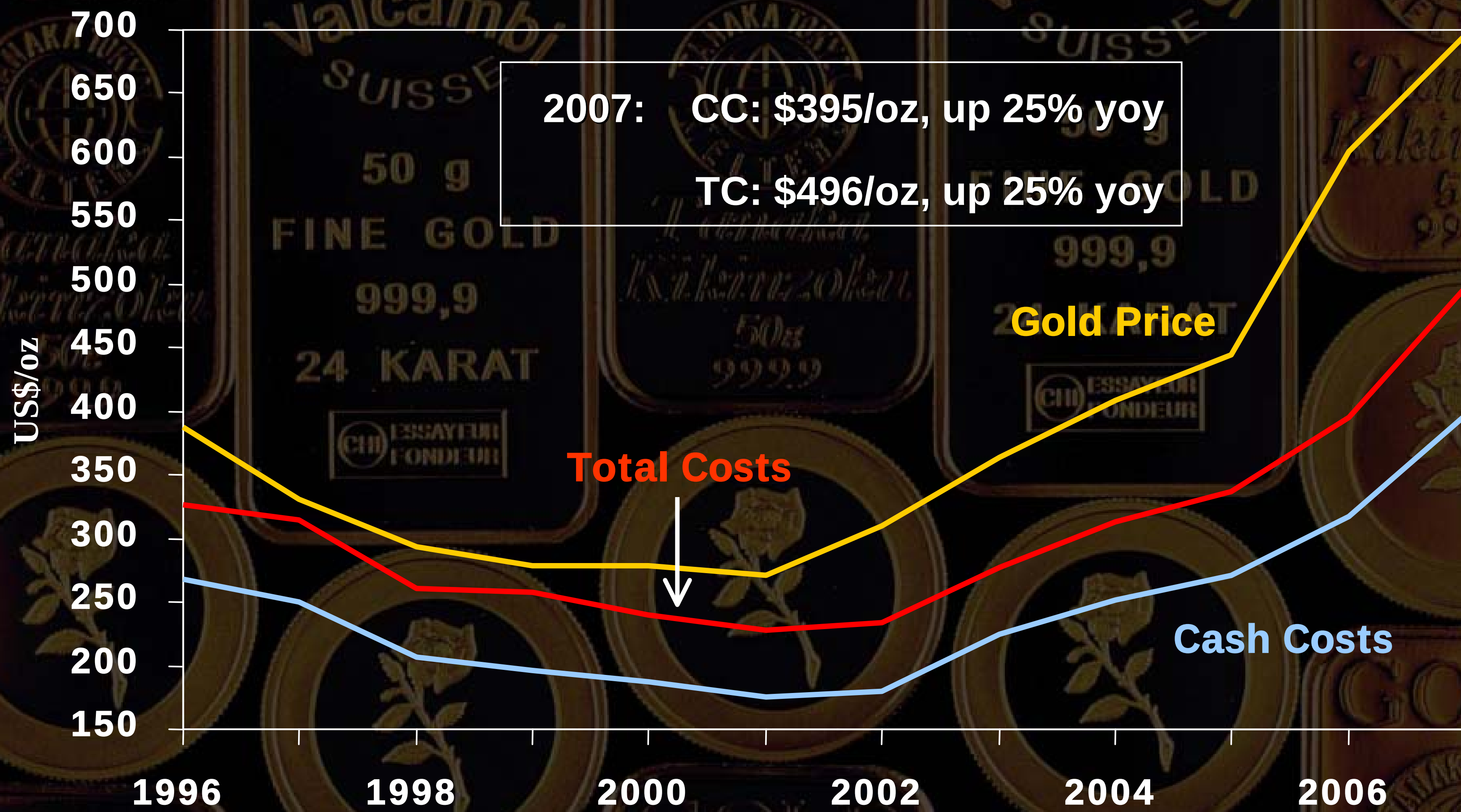
Chinese Gold Mine Production

Chinese mine production increased by more than 13% in 2007 to just over 280 tonnes. Further strong growth is forecast for 2008, solidifying China's position as world's largest producer.



Source: GFMS

World Cash and Total Costs
(in money-of-the-day terms)



Source: GFMS

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Mine Production

- Modest 10 tonne decline equal to –0.4% y-o-y in 2007, nevertheless, this pushed output to an 11-year low.
- Production losses in Peru, South Africa and the United States each of 10 tonnes plus.
- Asia was the only region to record a large rise in output, with it increasing by 12% or 66 tonnes, pushed higher by China and Indonesia.
- Production costs increased sharply in 2007 to average $395 on a cash cost and $496 on a total cost basis.
- GFMS forecast production to fall slightly in 2008.

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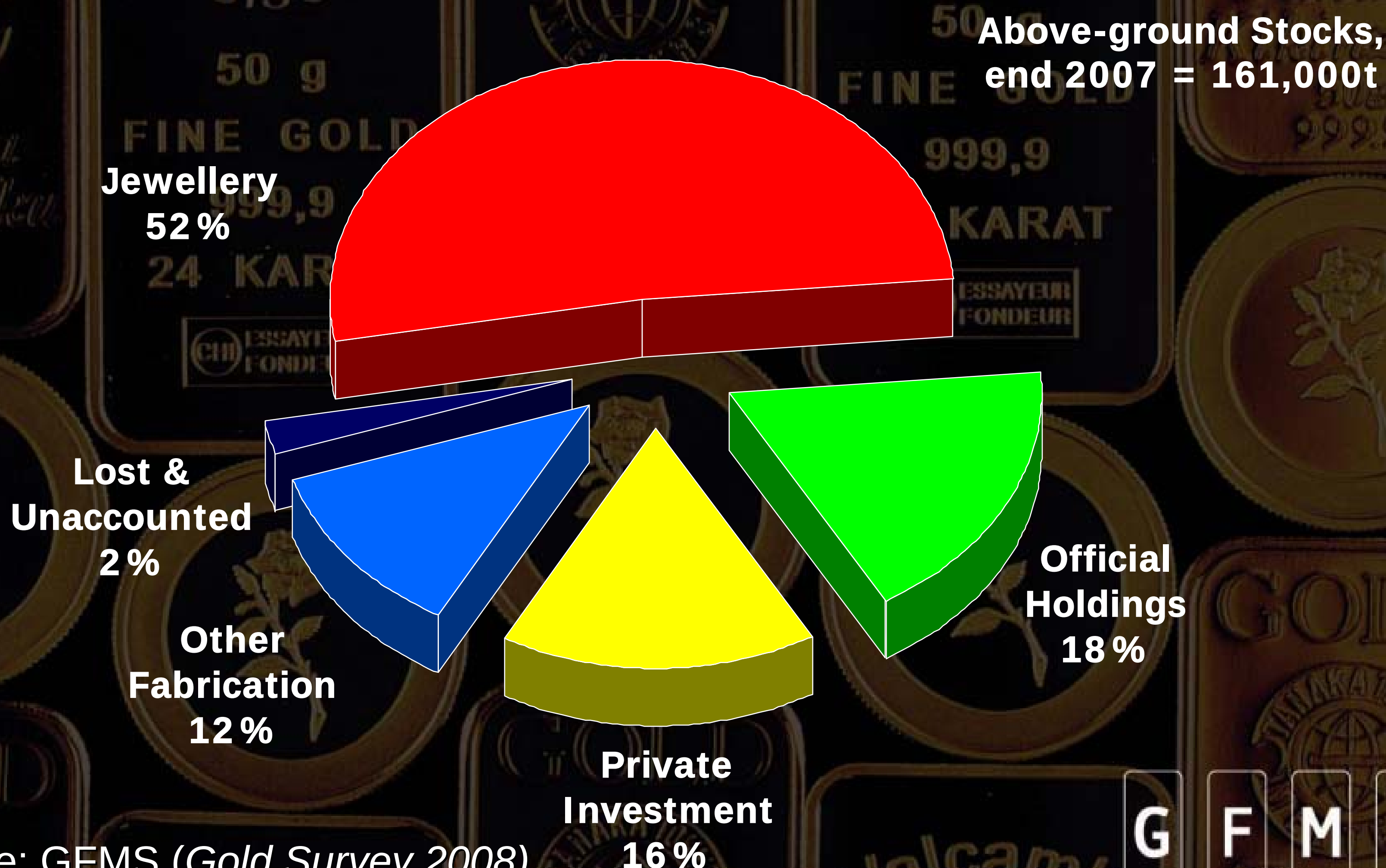
Above-Ground Stocks of Gold, end-2007

Gold is not "consumed" like most commodities; stocks can be available at the right price…



Source: GFMS (*Gold Survey 2008*)

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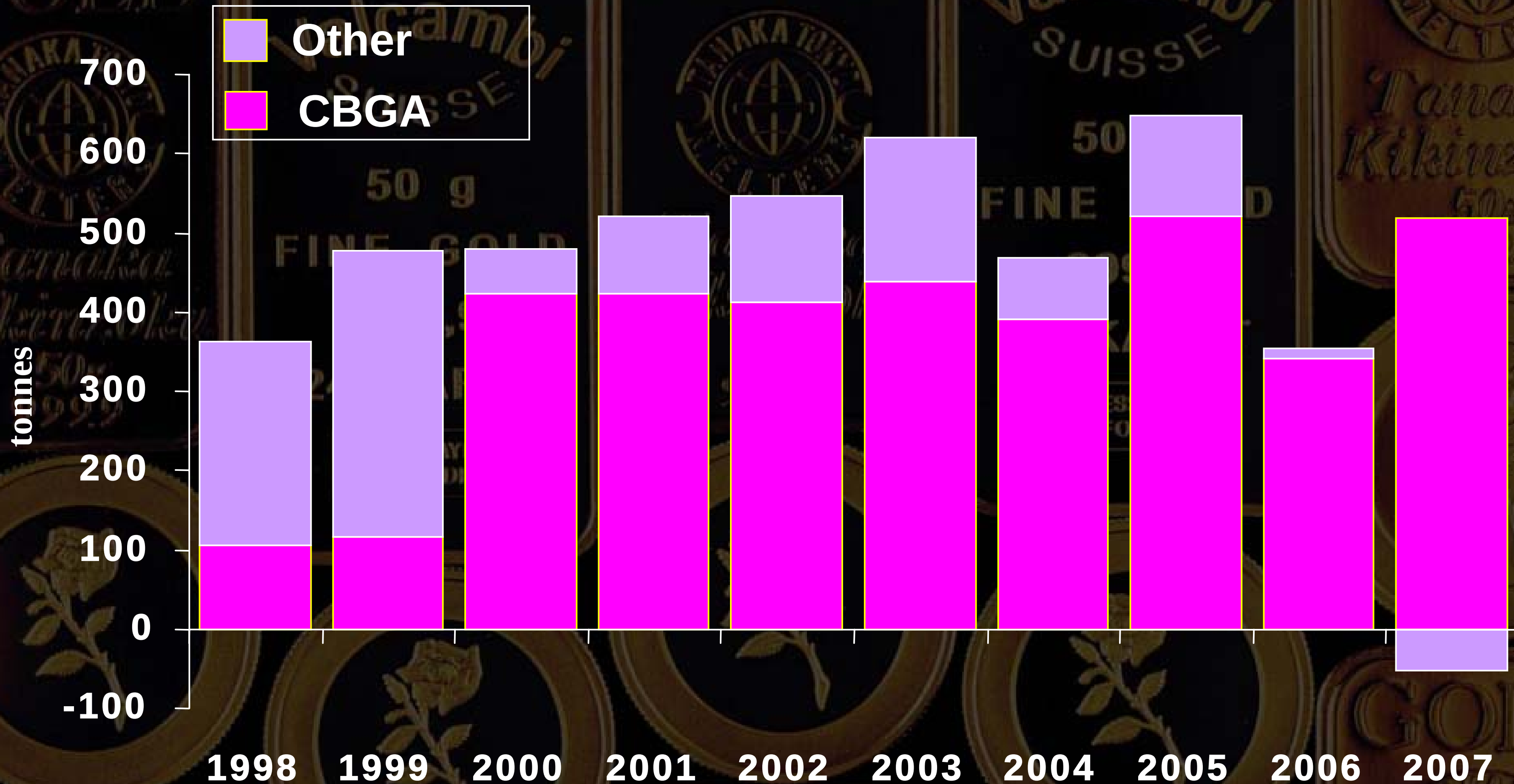
CBGA and Other Gold Sales



"CBGA" refers to signatories to the Central Bank Gold Agreement
"Other" refers to all other countries

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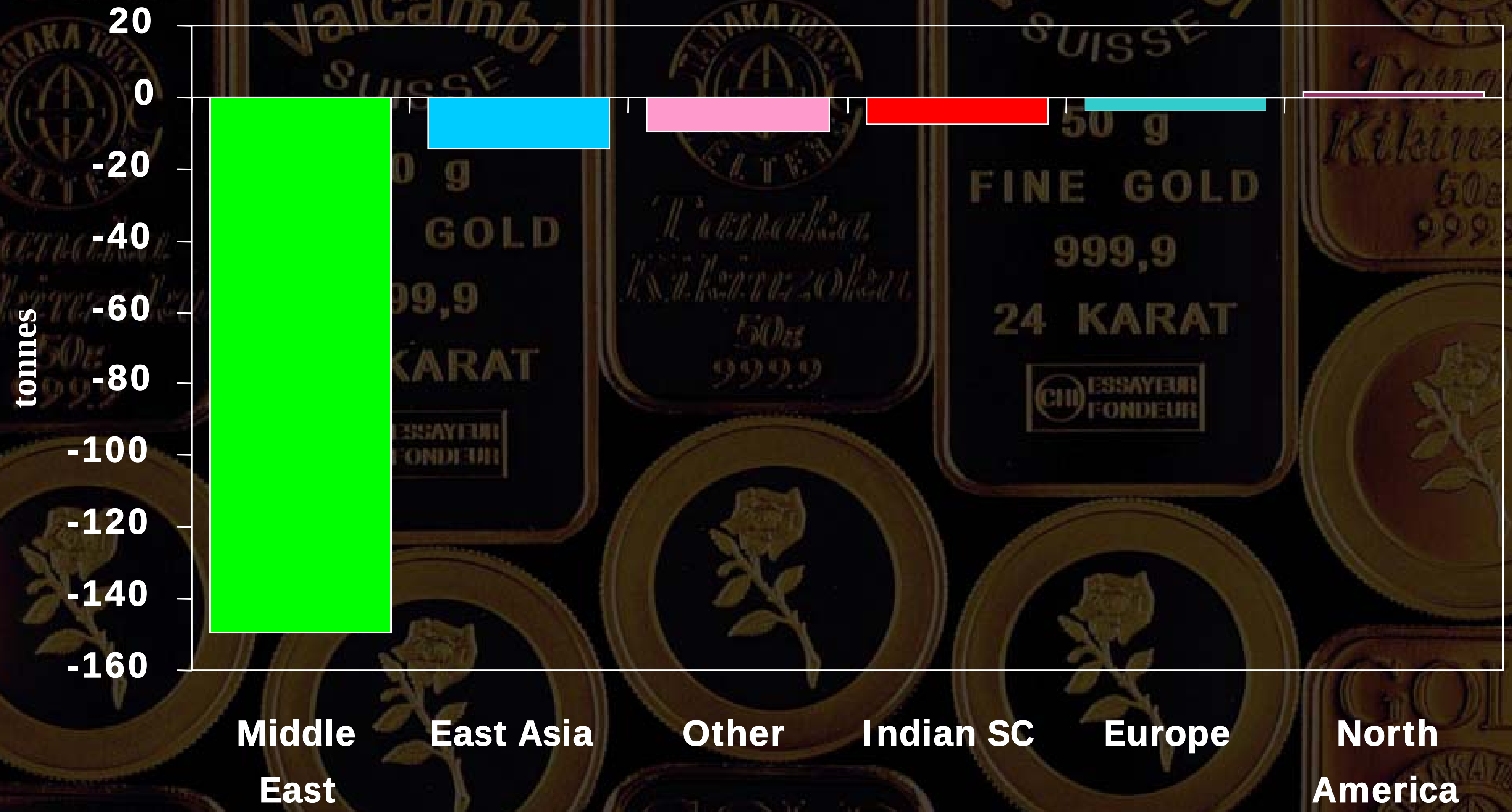
Regional Changes in Scrap Supply

2007 compared to 2006



Gold Supply in 2008

- Mine Production in the current year expected to be flat or down slightly on 2007 levels: A decline in Indonesia and continued losses in South Africa to be broadly balanced by Russian, west African and Brazilian growth.
- Official Sales expected to fall from 2007's level, with CBGA sales below quota and countries outside the Agreement remaining modest buyers on a net basis.
- Scrap has increased markedly this year-to-date. Full year figure will almost certainly be well up year-on-year, although perhaps not quite beating the 2006 total.
- Total Supply in 2008 should therefore be only marginally higher year-on-year.

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Demand

- Fabrication Demand
  - Jewellery Fabrication
  - Other (electronics, dentistry, coins etc)
- Mining Company De-Hedging
- Investment Demand

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Gold Demand in 2007

	2006	2007	y-o-y
Jewellery	2,284	2,401	5.1%
Other fabrication	648	671	3.6%
Total fabrication	2,932	3,072	4.8%
Bar hoarding	235	236	0.5%
Net producer hedging	410	446	8.7%
Implied investment	404	158	-60.9%
TOTAL DEMAND	3,982	3,912	-1.7%

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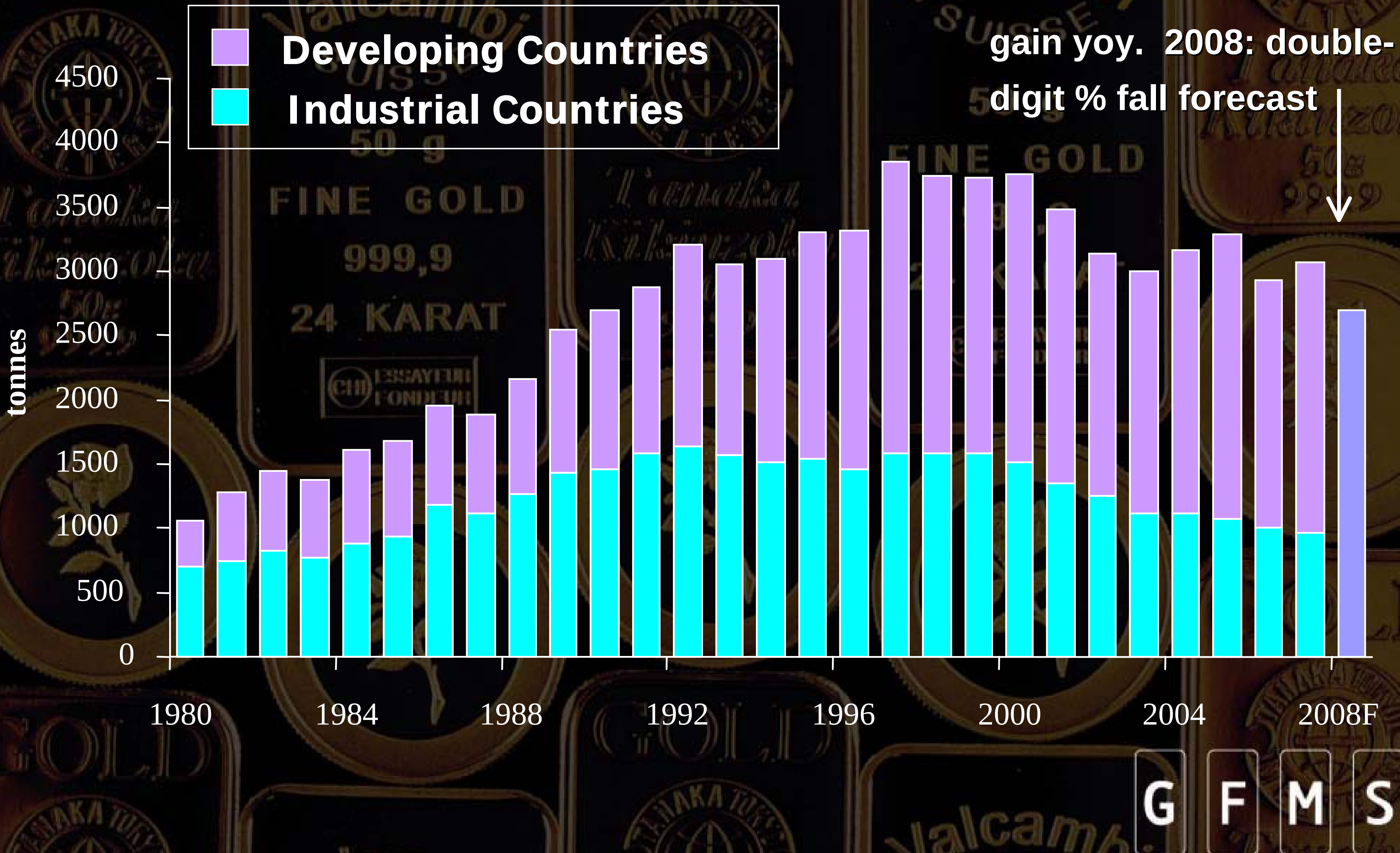
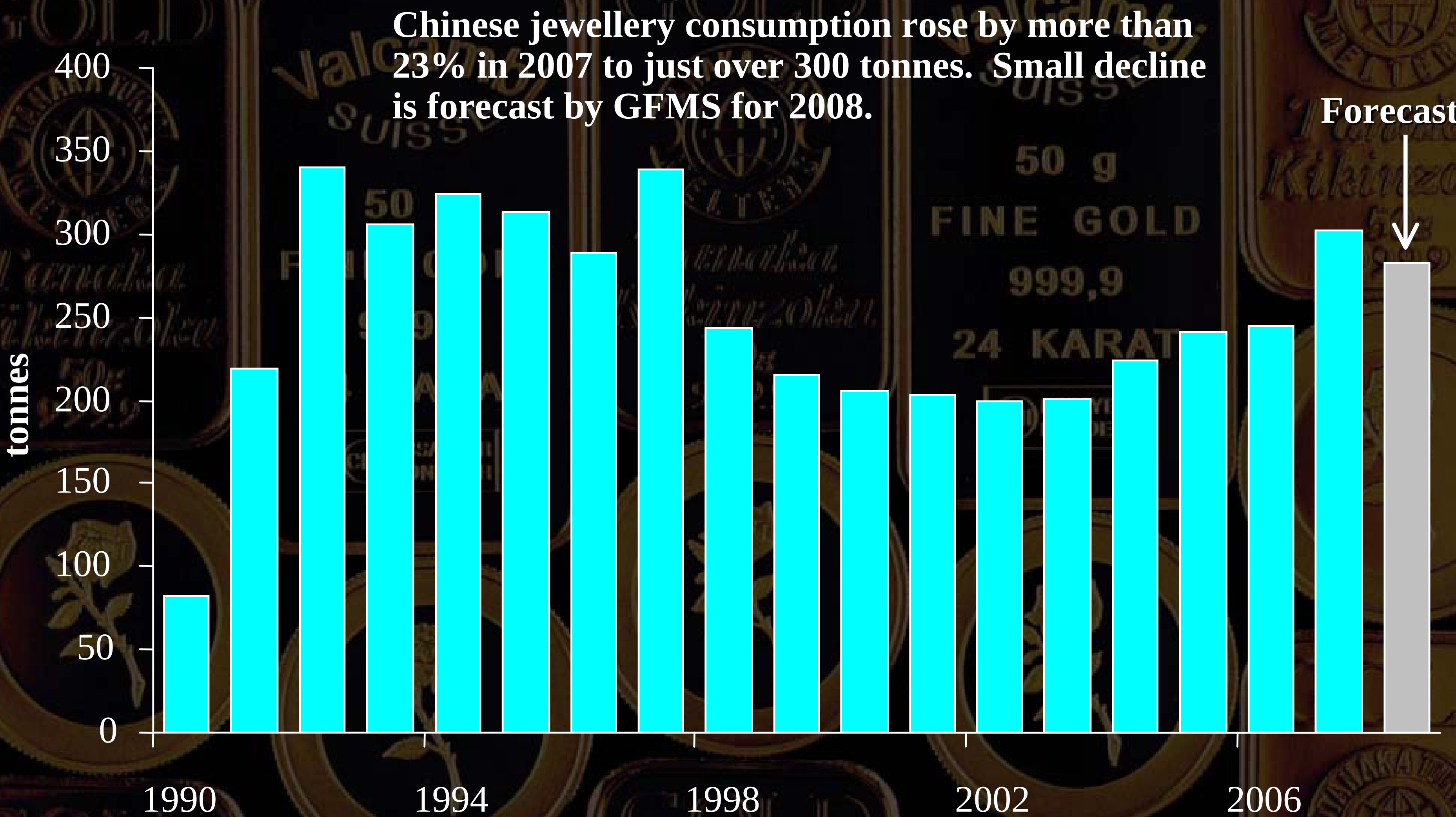
World Gold Fabrication

2007: 4.8% or 140 tonnes gain yoy. 2008: double-digit % fall forecast



Chinese Gold Jewellery Consumption



Source: GFMS

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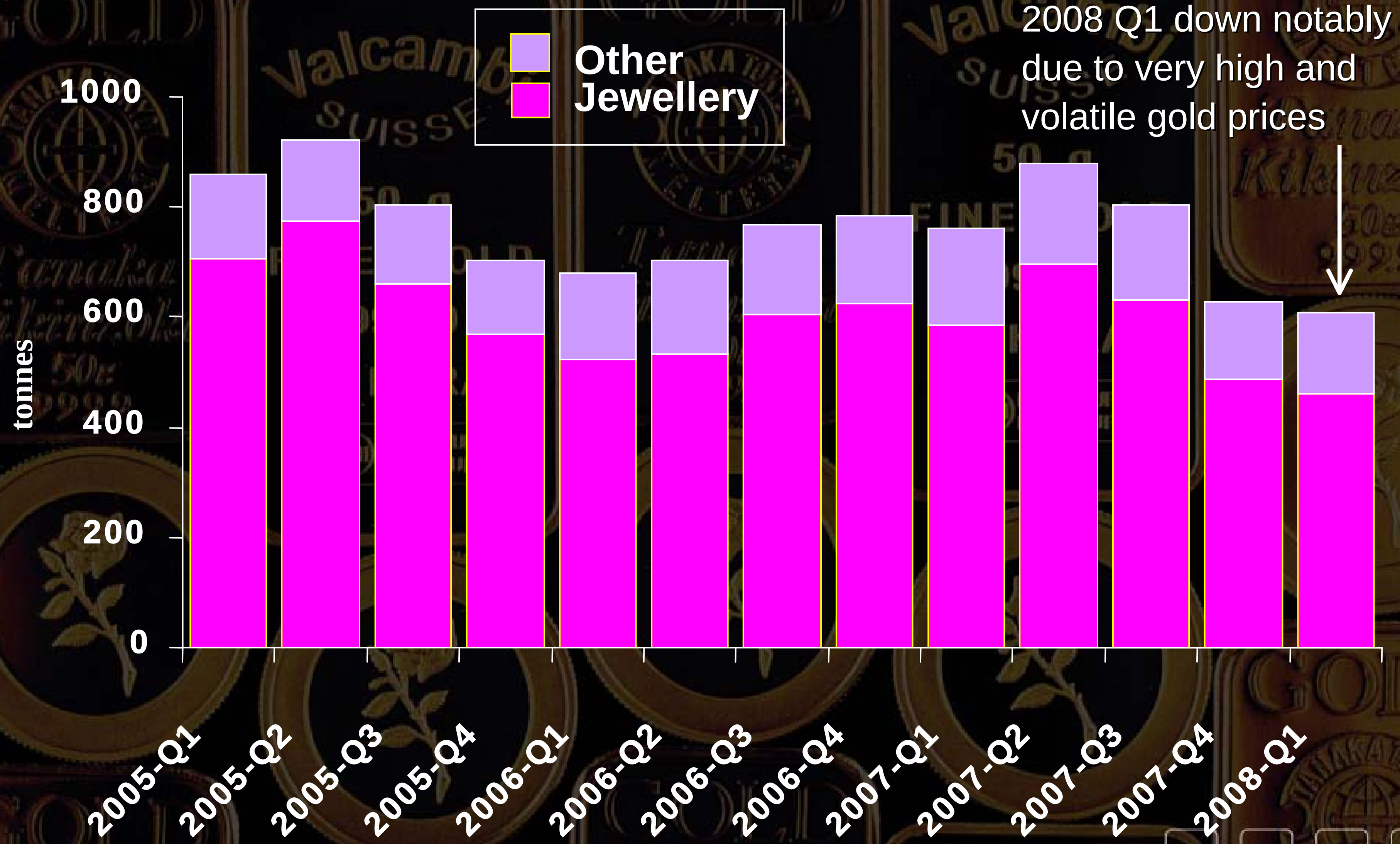
Quarterly World Gold Fabrication



Source: GFMS

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Fabrication Demand in 2007

- Recovery in jewellery demand the principal driver of the 4.8% or 140 t rise in fabrication demand to 3,072 tonnes.
- Full year jewellery fabrication up by 5.1% or 117 tonnes from the very low 2006 levels, as a result of lower price volatility as well as local currency strength in key markets such as China moderating rise in local gold prices.
- First half global jewellery demand up 22% year-on-year; second half down 9% as price rise and volatility in Q4 hit demand hard in most countries.
- Outlook for 2008 is for fabrication demand to fall by more than 10% year-on-year.

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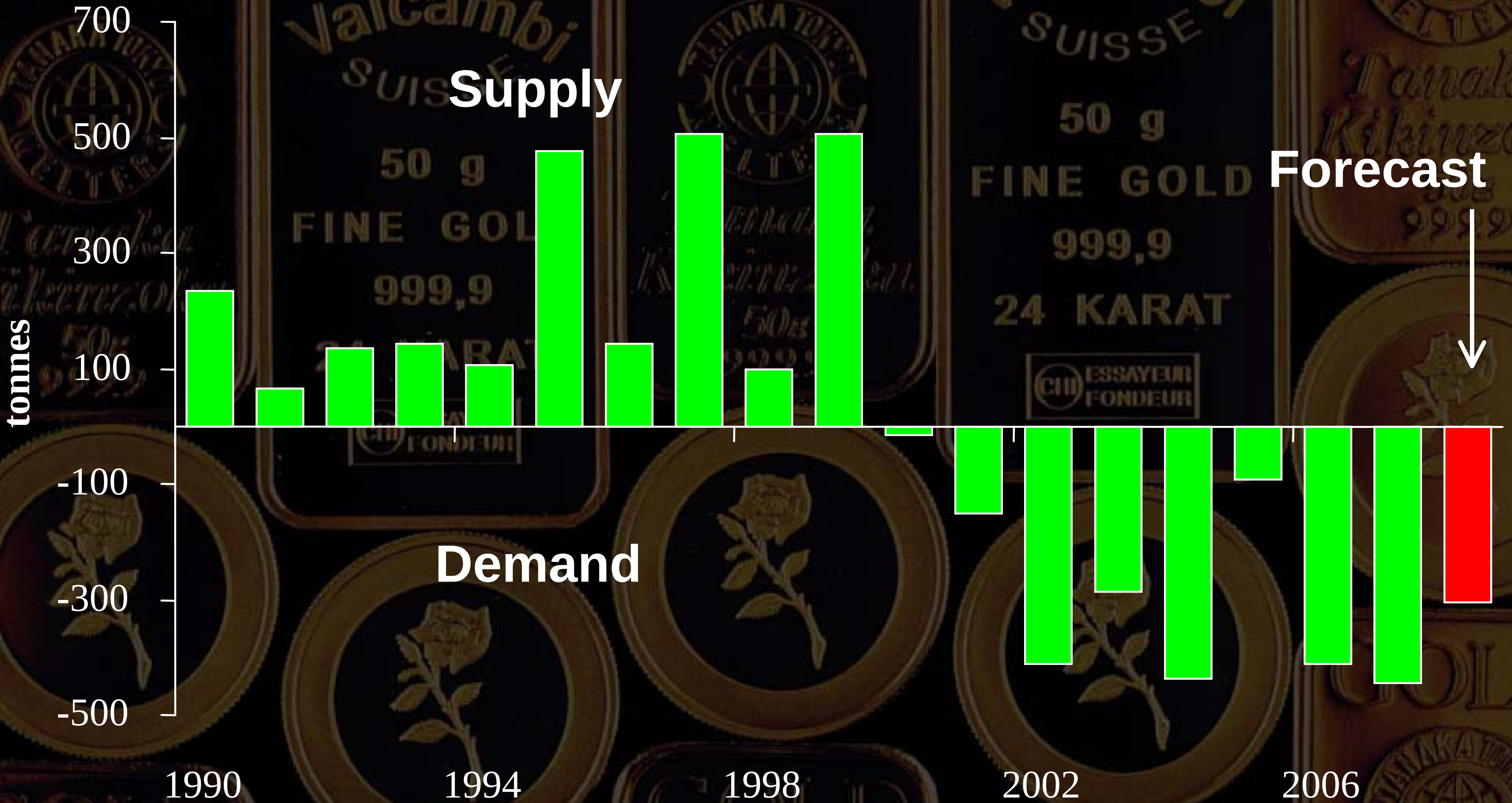
Net Market Impact of Producer Hedging



Source: GFMS

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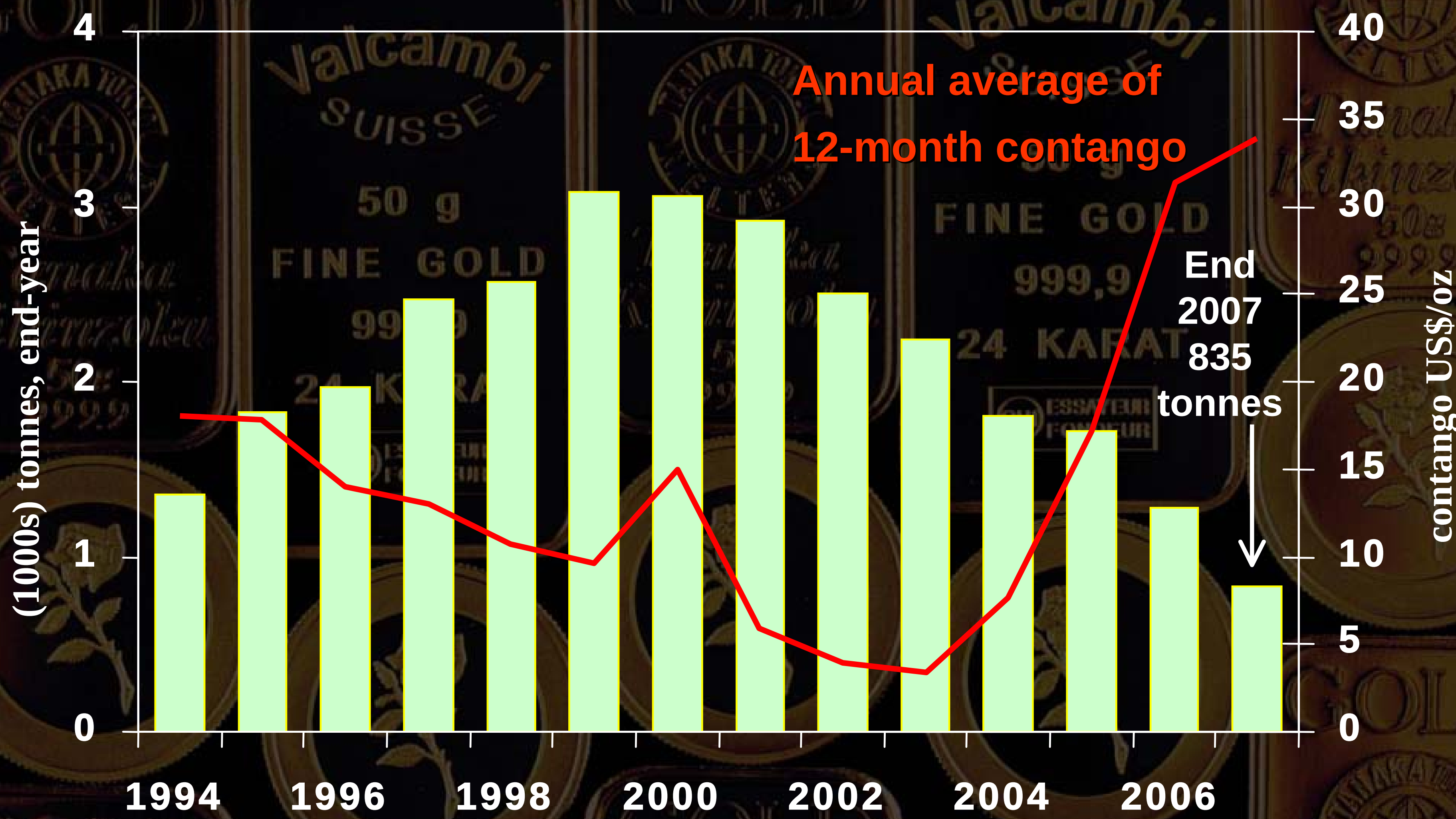
Total Accelerated Supply from Producer Hedging*



* outstanding forward sales, loans and net delta hedge against positions

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World Investment

(in tonnes)	2005	2006	2007
Official Coin Fabrication	111	129	137
Implied Net (Dis)investment	465	404	158
Bar Hoarding	264	235	236
World Investment	**840**	**769**	**531**
Approximate Value*	$12.0 bn	$14.9 bn	$11.9 bn

*Approximate value of World Investment based upon volume multiplied by annual average price.

Source: GFMS

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End-Quarter Value of Non-Commercial & Non-Reportable Positions in Various Commodity Futures

***Other includes softs, agricultural and dairy**

Source: Various

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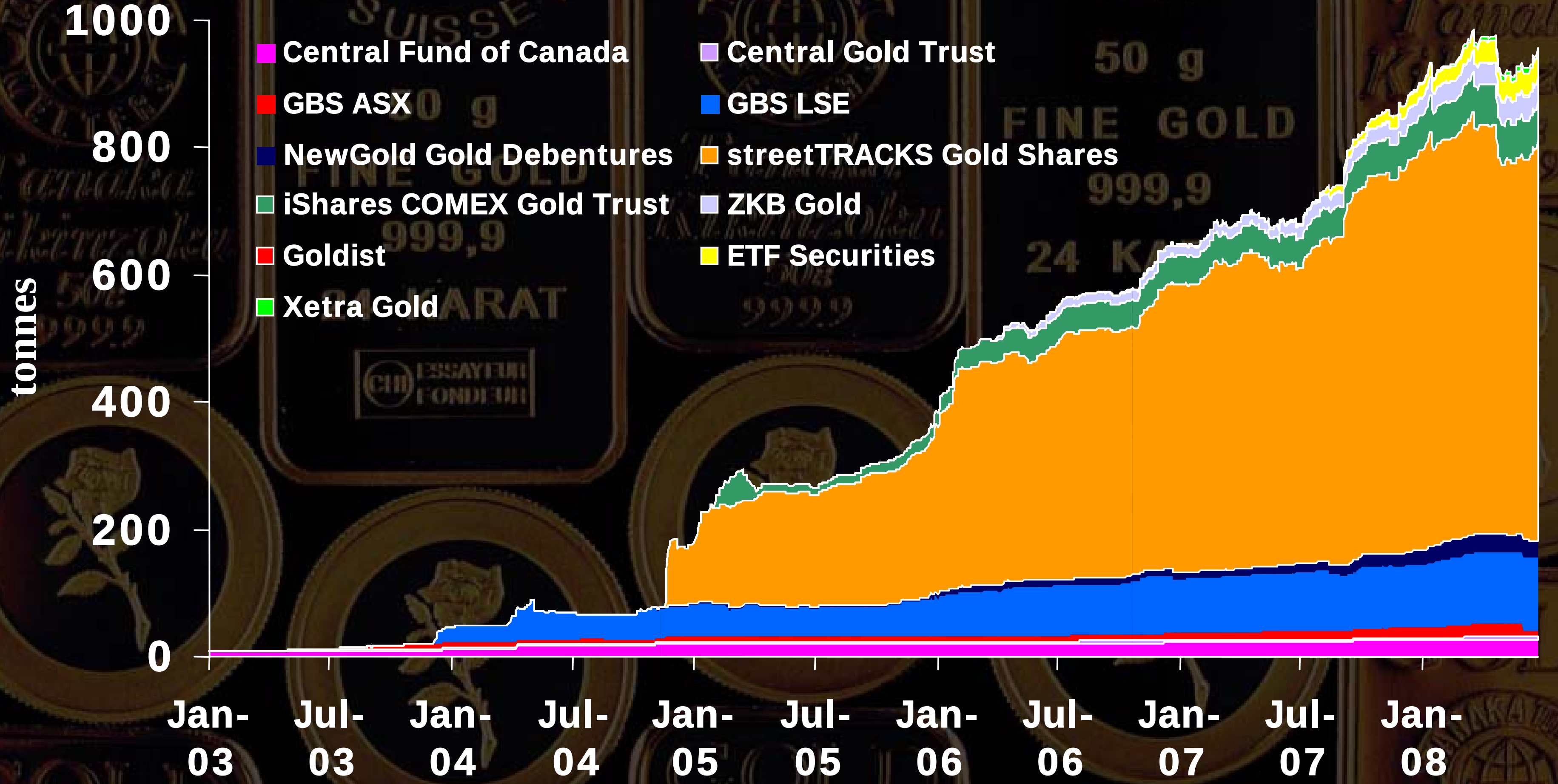
Gold Exchange Traded Funds



Source: Respective issuers

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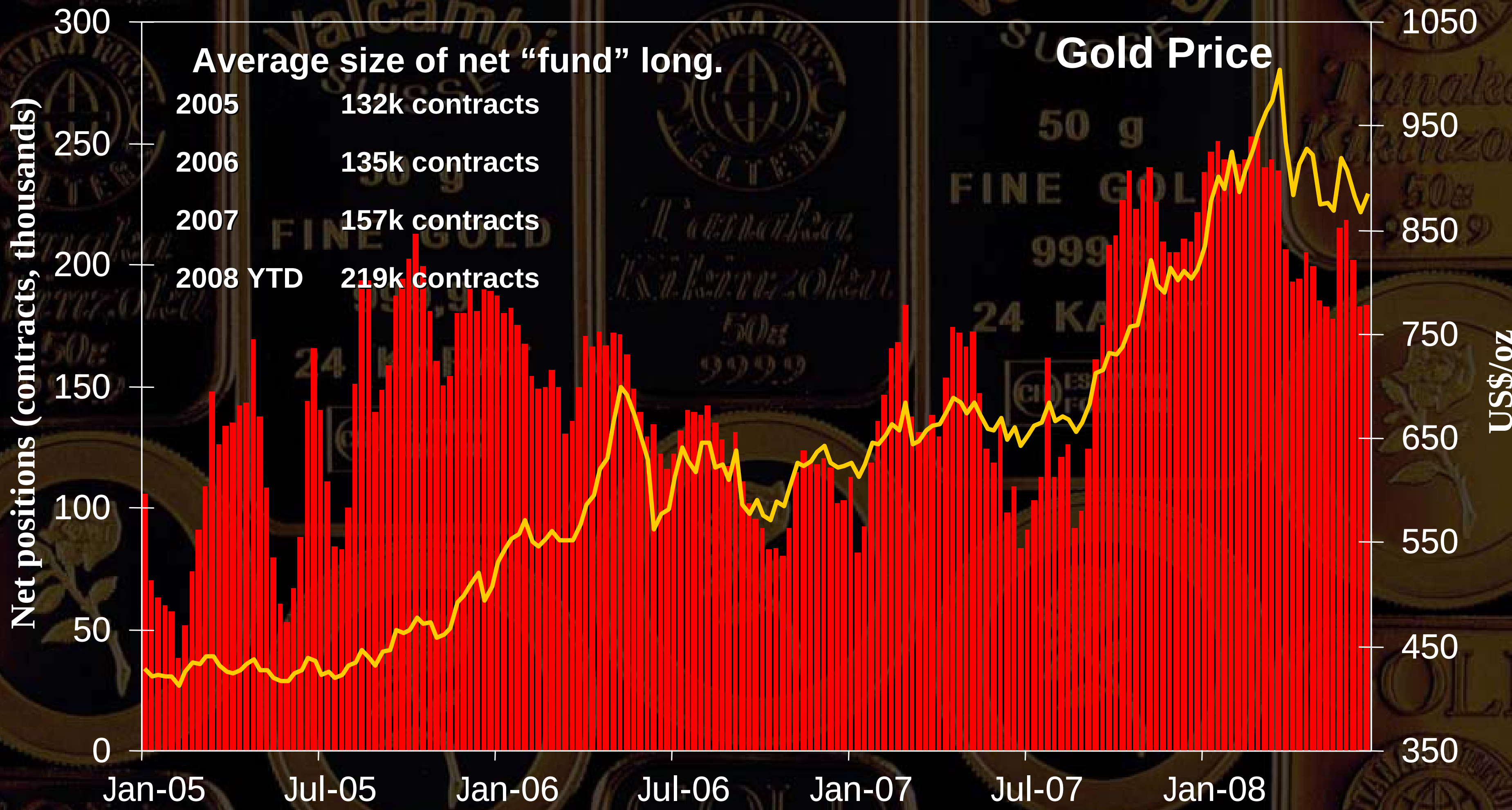
Investor activity in gold futures has increased…

(non-commercial & non-reportable positions in Comex futures)



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Investment in 2007

- Although the last four months saw a dramatic inflow of funds into gold, demand the rest of the year was unimpressive.
- The 61% decline in implied net investment to 158 tonnes was largely driven by net selling that took place in the OTC market.
- Elsewhere, gold futures, ETFs and positions in physical metal (mainly in allocated accounts) enjoyed healthy growth.
- The market was dominated by institutional and high-net worth investors.
- Many of the latter bought gold as a safe haven, soon after the the sub-prime credit crisis erupted.
- Demand by smaller retail investors grew over the year (and notably in the last couple of months), but its contribution to total investment remained marginal overall.

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Gold Demand in 2008

- Historically high prices and increased volatility will have a dramatic impact on jewellery demand. Some purchasing expected on dips, but at levels far lower than in 2007.
- Other fabrication growth expected to feel the effects of the slow-down in global economic growth.
- Prospects for further de-hedging are limited by the now very low outstanding producer hedgebook.
- Investor interest in gold is expected to remain strong throughout this year and potentially well into 2009.

Price Outlook

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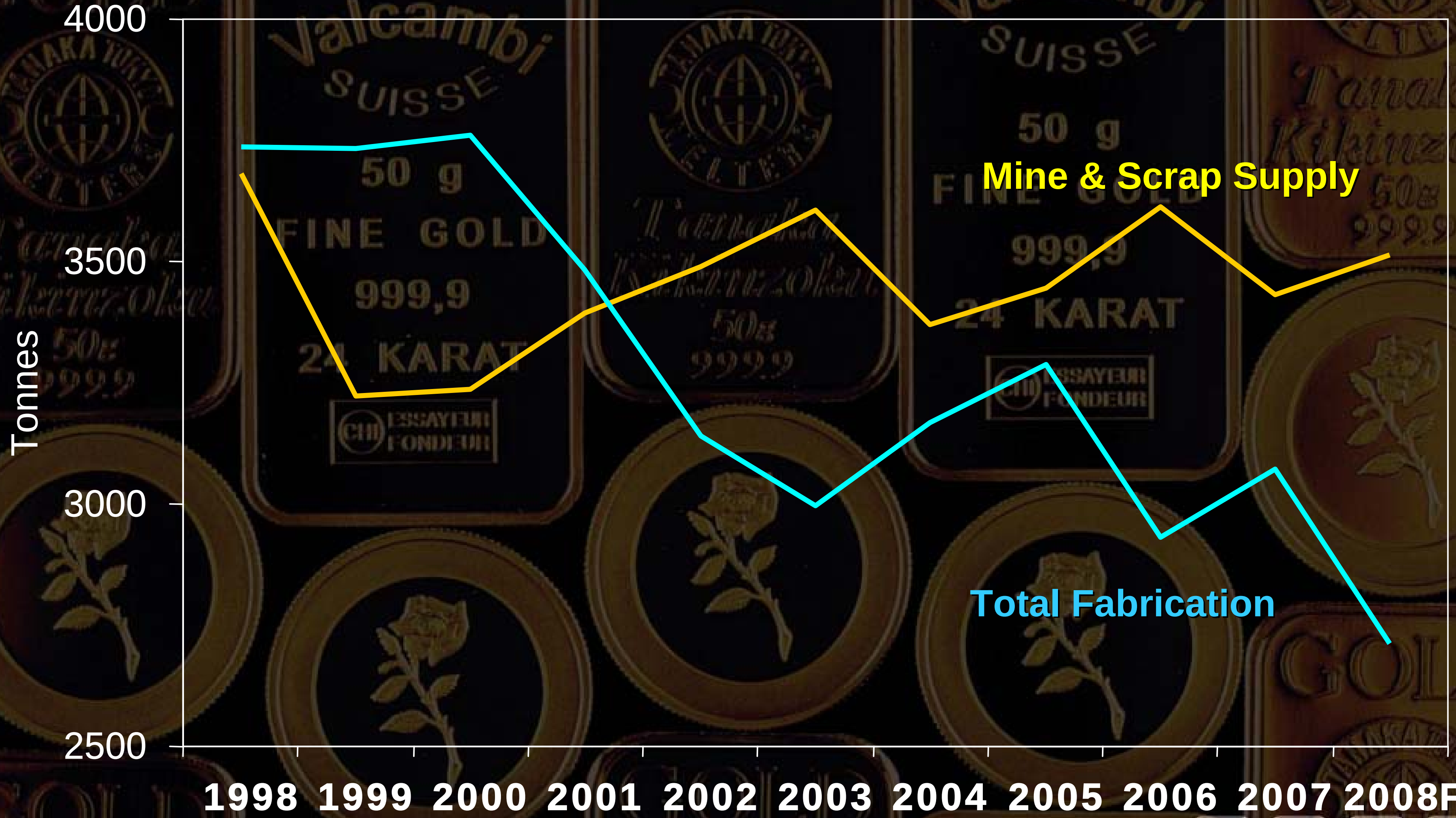
A Market in Surplus



Source: GFMS

Investment Issues

- The ongoing credit crisis continues to provide a strong investment case for gold:
    - Risk aversion has increased considerably with no material signs of this easing, despite intervention from monetary authorities.
    - Negative real US$ interest rates are putting an already weak US currency under further pressure.
    - Persistence of the twin-deficits in the US not helpful to the dollar. Although current account deficit will improve with probable decline in US consumer spending and recession, the fiscal position will deteriorate dramatically. US Federal budget deficit is set to soar from an already poor level.
    - Economic slow-down as well as problematic financial markets point to further declines in equity prices.
- Commodity prices in general remain strong…as does investor interest in the sector, in part due to heightened inflation expectations.

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GFMS' Price Outlook

- For the short-medium term gold may stay in a range. Probable low between $850-$870; at these levels prices will be attractive to bargain hunting investors and to fabricators for stock replenishment.
- Price appears to be capped at around $940-$950: But for how much longer? Growing potential for breakout within next few months as economic and political environment worsens.
- Expanding fundamental 'surplus' in the market due mainly to weaker fabrication demand is placing an increasing burden on investment.
- Eventually the investment case for gold will weaken and the price will have to fall. Nevertheless, this is most unlikely to occur in 2008 and potentially not until well into 2009.
- In the meantime ongoing investor interest will remain the main price driver, with another rally expected this year to a high above the $1000 mark. Rising possibility of fresh record prices being set in 2009.

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