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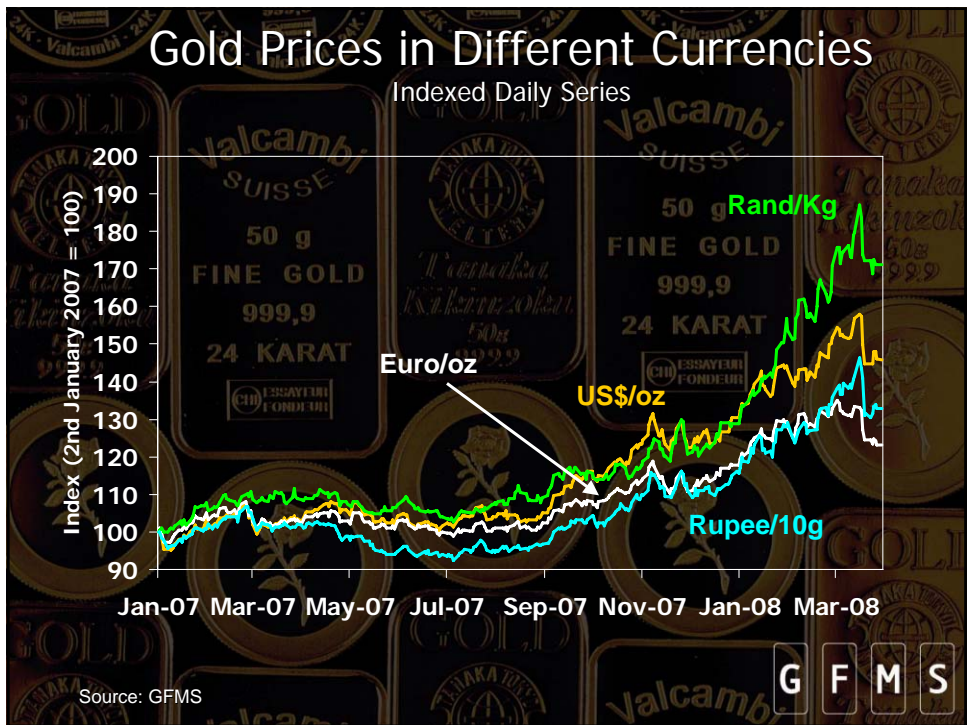
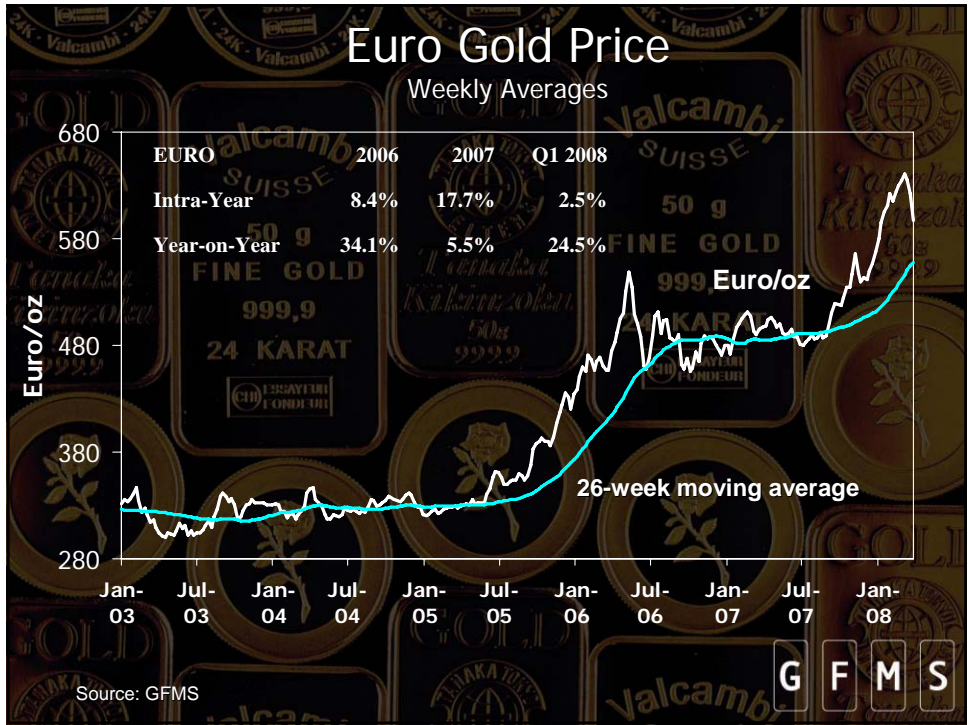


Presentation Outline

- Gold Prices
- Supply
- Demand
- Outlook

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Gold Price Correlations

(based on daily price changes)

	07Q1	07Q2	07Q3	07Q4	08Q1
US\$/Euro Rate	0.35	0.46	0.47	0.67	0.62
US\$/Yen Rate	-0.20	-0.07	-0.08	-0.09	0.31
Silver	0.62	0.59	0.44	0.50	0.63
Oil (WTI)	0.00	0.07	-0.12	0.45	0.21
GSCI	0.13	0.12	-0.04	0.49	0.29
CRB	0.14	0.18	0.33	0.28	0.35

Source: GFMS, Reuters EcoWin



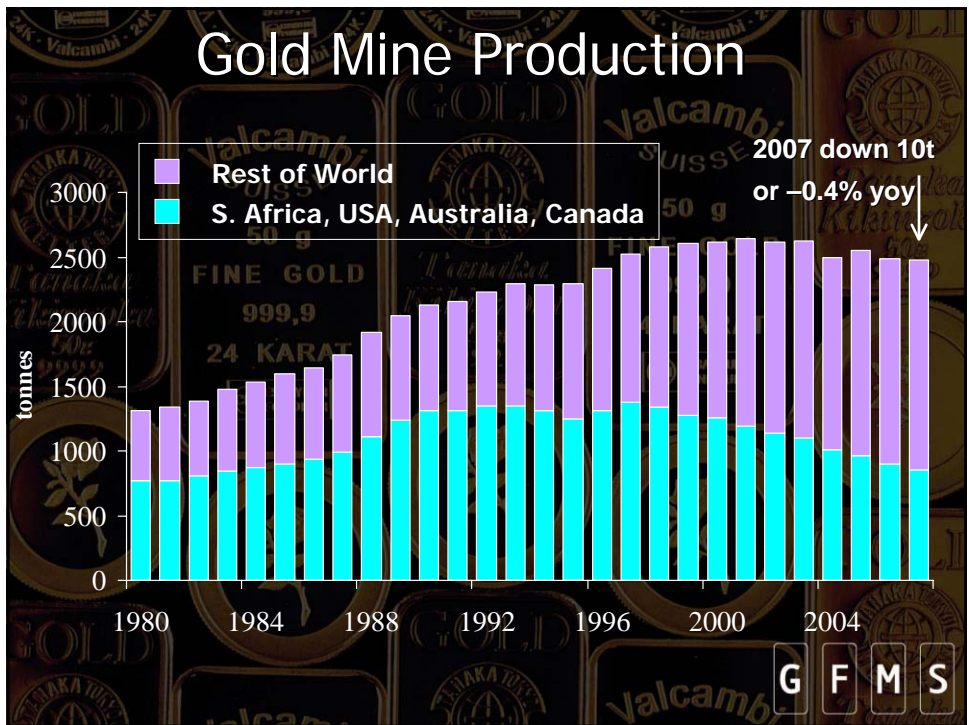
Supply

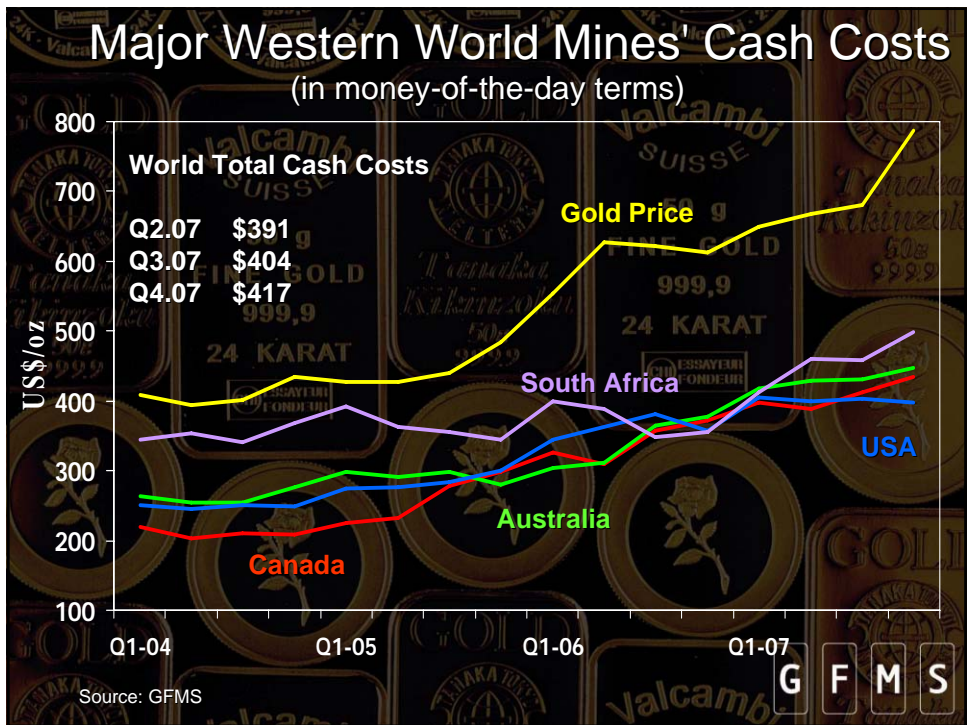
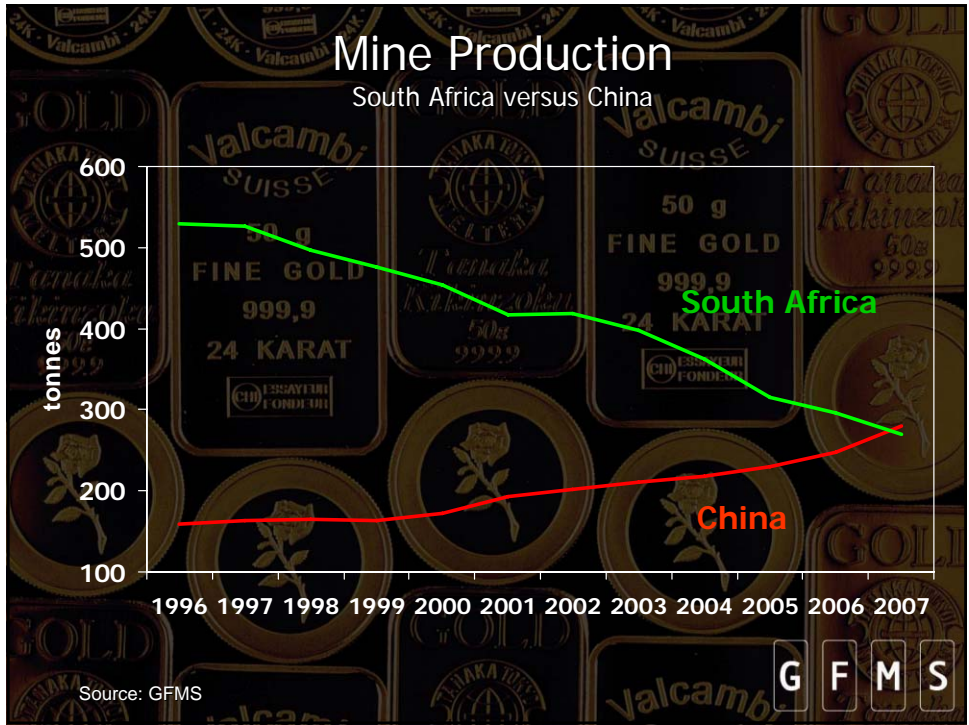


GFMS' Mine Supply Database

- Over 100 companies analysed on a quarterly basis – production/costs/corporate activity
- ~ 300 mines recorded on an annual basis – production/costs/reserves/grade
- ~ 320 projects – projected production profile, start-up date, capex, reserves, resources
- Informal mine production measured on a country-by-country basis
- Costs measured at 70% of Western World gold production
- Database used to record detailed quarterly producer hedging data
- Option analysis via BradyTrinity™

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Mine Production

- Modest 10 tonne decline equal to -0.4% y-o-y in 2007, nevertheless, pushed output to an 11-year low.
- Losses in Peru, South Africa and the United States each of 10 tonnes plus.
- Asia was the only region to return a meaningful rise, posted a 66 tonne or 12% increase, pushed higher by China and Indonesia.
- US dollar denominated total cash, and total production costs rose by a similar 25%; rose by \$45/oz versus \$160/oz rise in the gold price. Weighted average cash costs \$317/oz. Simple cash margins widened by \$13/oz.
- Average total production costs in Q4 2007 = \$518/oz.
- GFMS forecast production to be flat y-o-y in 2008.

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Change in Supply from Above-Ground Stocks

2007 compared to 2006

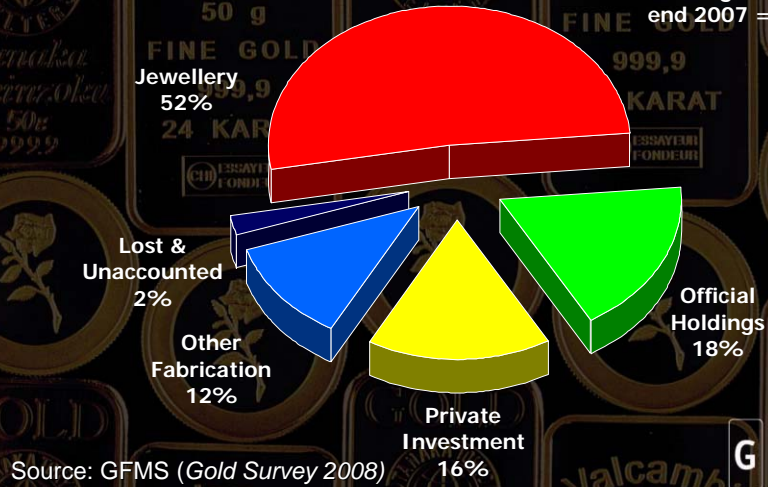


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Above-Ground Stocks of Gold, end-2007

Gold is not “consumed” like most commodities; stocks can be available at the right price...

Above-ground Stocks, end 2007 = 161,000t



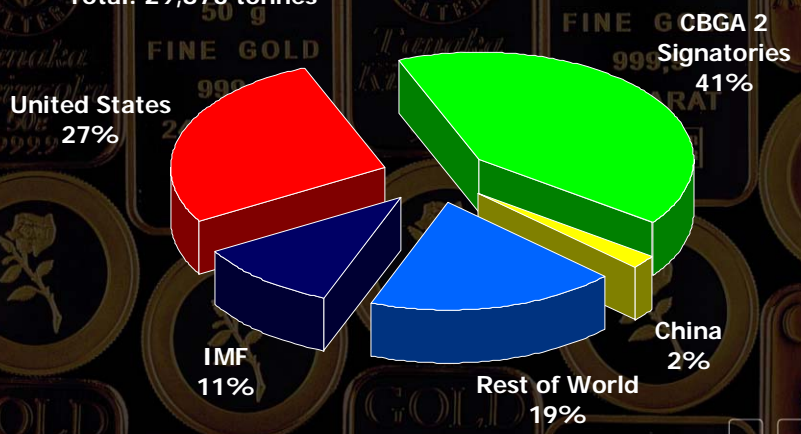
Source: GFMS (Gold Survey 2008)



World Official Sector Gold Holdings at end-2007

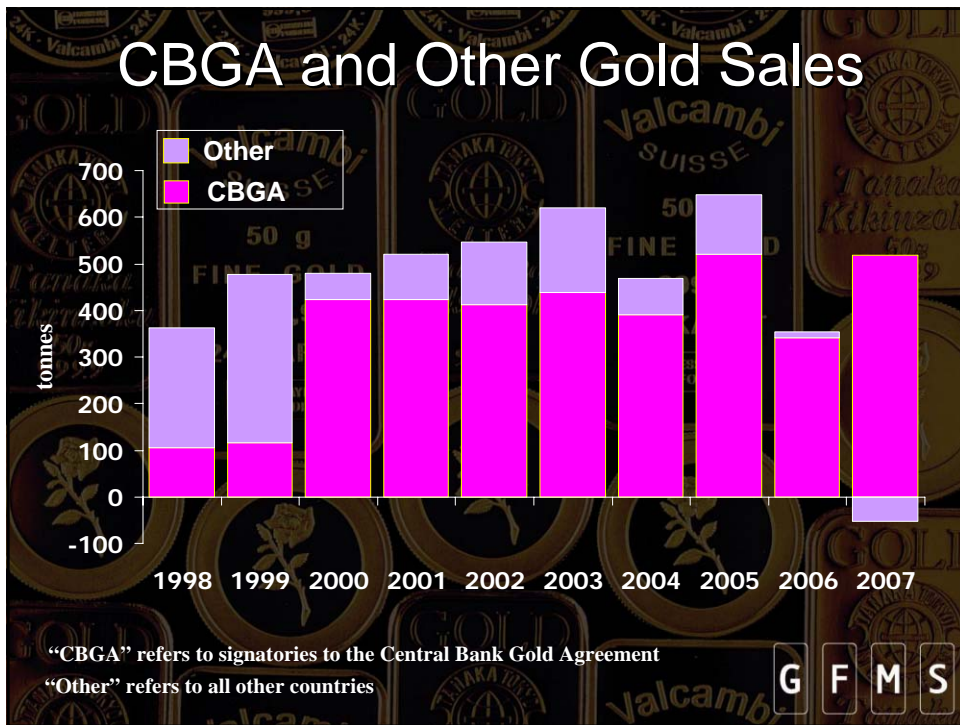
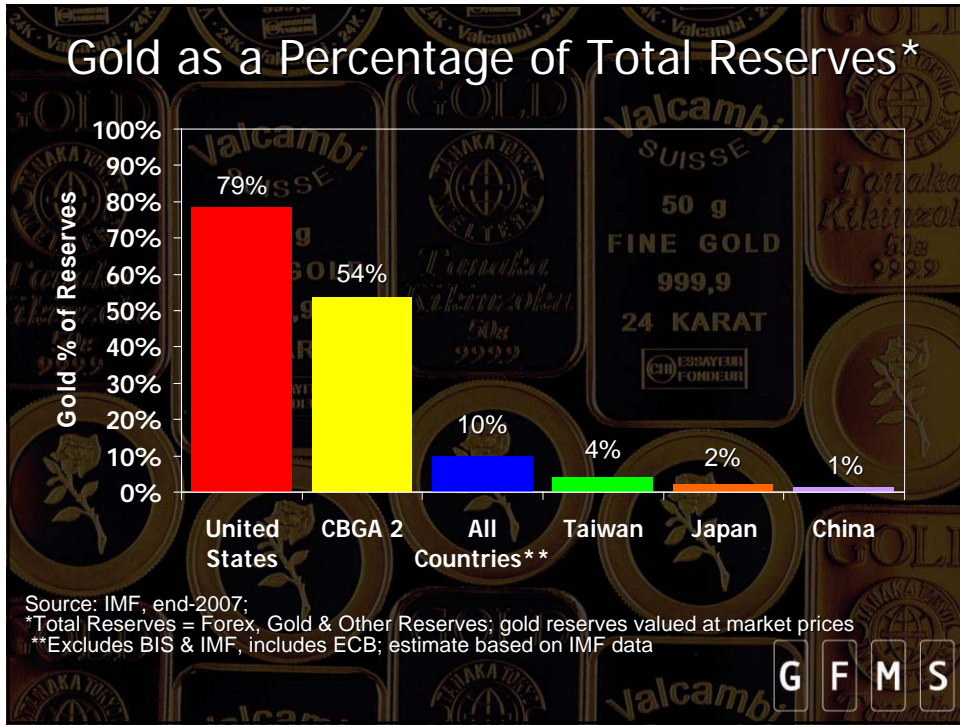
at end-2007

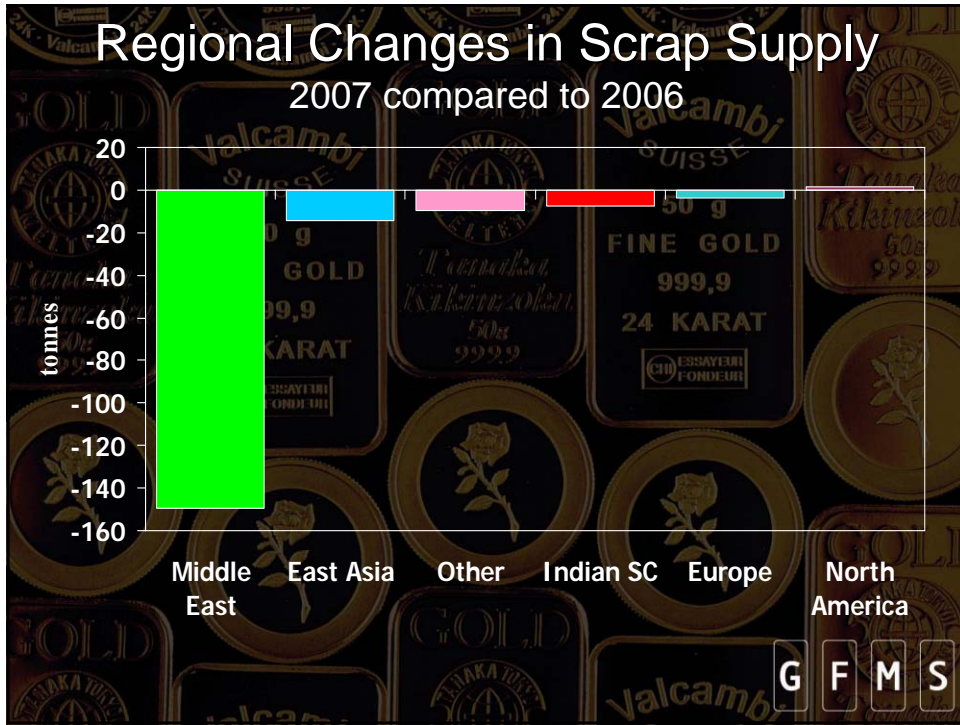
Total: 29,873 tonnes

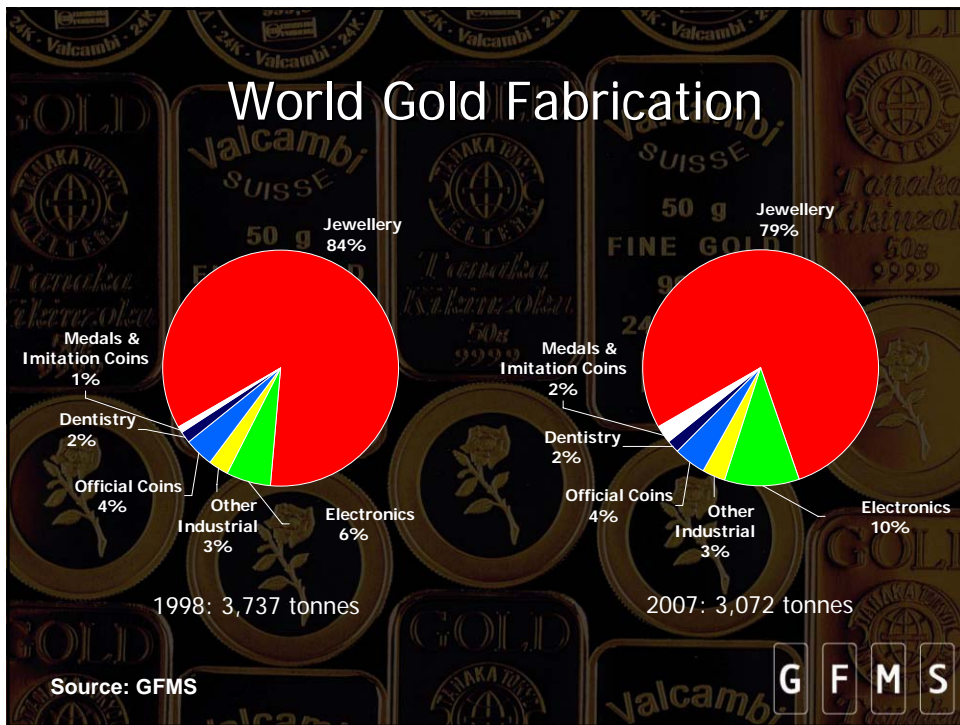
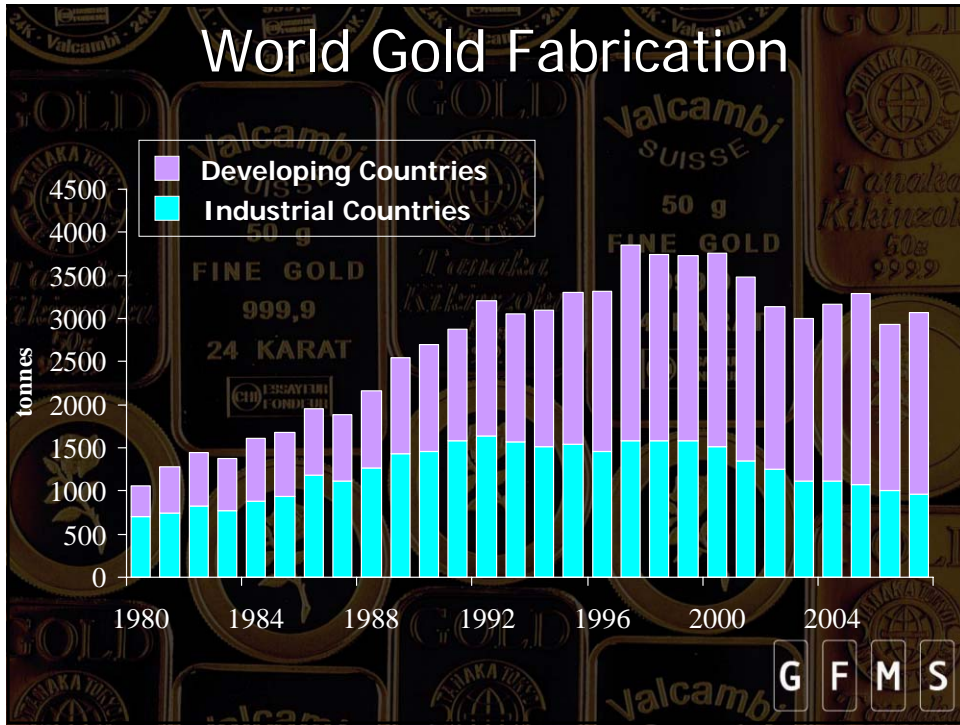


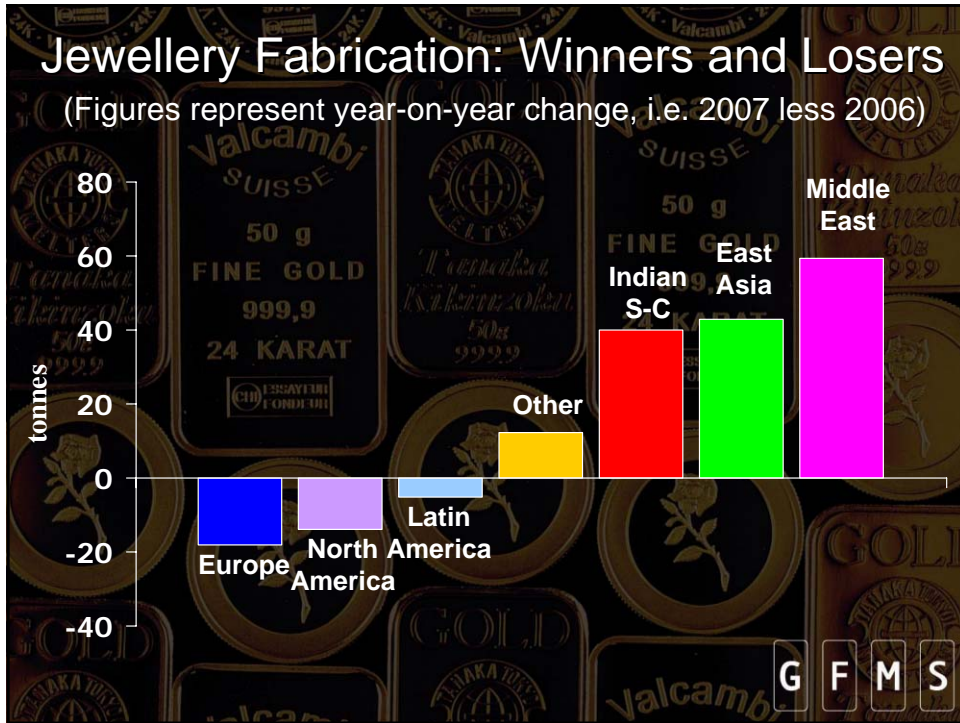
Source: IMF











Fabrication Demand in 2007

- Recovery in jewellery demand the principal driver of the 5% or 140 t rise in fabrication demand to 3,072t.
- Full year jewellery fabrication up by 5% or 117 tonnes from the very low 2006 levels, as a result of lower volatility as well as the dollar weakness dampening the rally in the gold price denominated in key market currencies.
- First half jewellery demand up 22% year-on-year; second half down 9% as price rise and volatility hit demand hard in Q4.
- Rising medals and imitation coin as well as official coin offtake accounted for the bulk of the 4% increase in other fabrication.

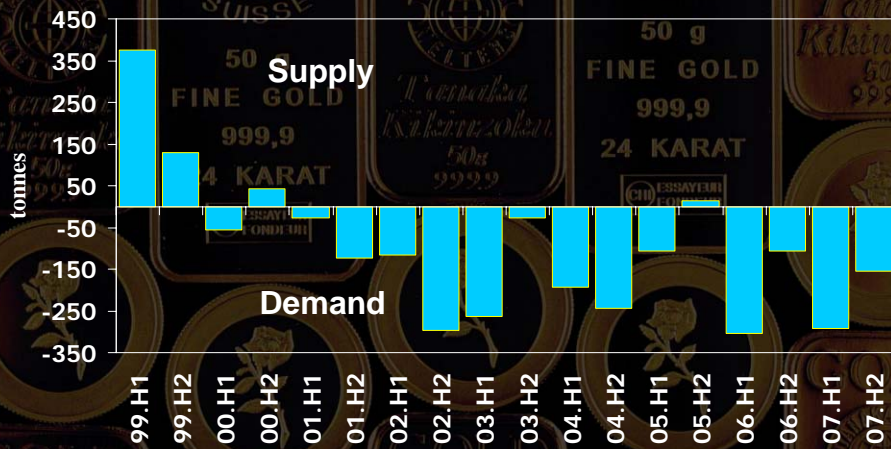
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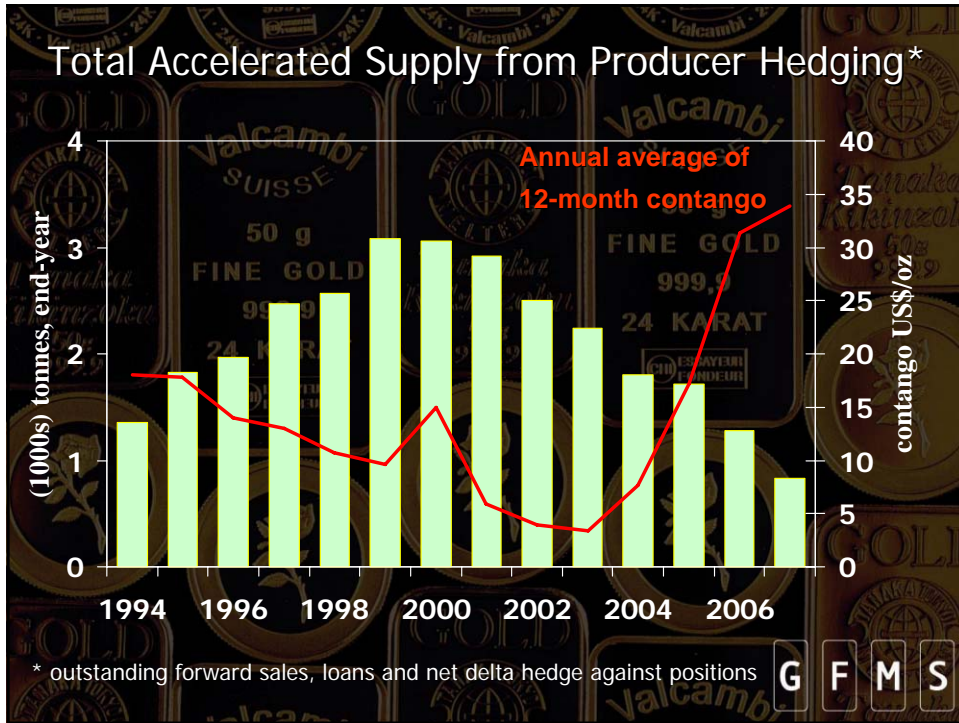
GFMS' Hedging Analysis

- GFMS enter all hedging transactions into our hedging database and the *Brady Trinity* system.
- Trades are input on a quarterly basis by company, instrument, year of expiry and currency.
- Using detailed market data, accurate deltas and other sensitivities are calculated.
- Comprehensive global hedge book analysis is published once per quarter by GFMS, in association with *Société Générale*.



Net Market Impact of Producer Hedging





Producer Hedging in 2007

- Producer de-hedging increased to a record 446 tonne reduction in the delta-adjusted book. Two-thirds took place in the first half.
- De-hedging contributed 11% of total gold demand versus 10% in 2006; a significant component in both years.
- Major de-hedging undertaken by several key participants: Newcrest (H2) and Barrick led the field, but large book reductions also made by Lihir, Newmont, Gold Fields and Buenaventura (the latter four all unhedged by early 2008).
- Outlook for 2008: Most likely to see a major slowdown in rate of de-hedging to around 150-200 tonnes.

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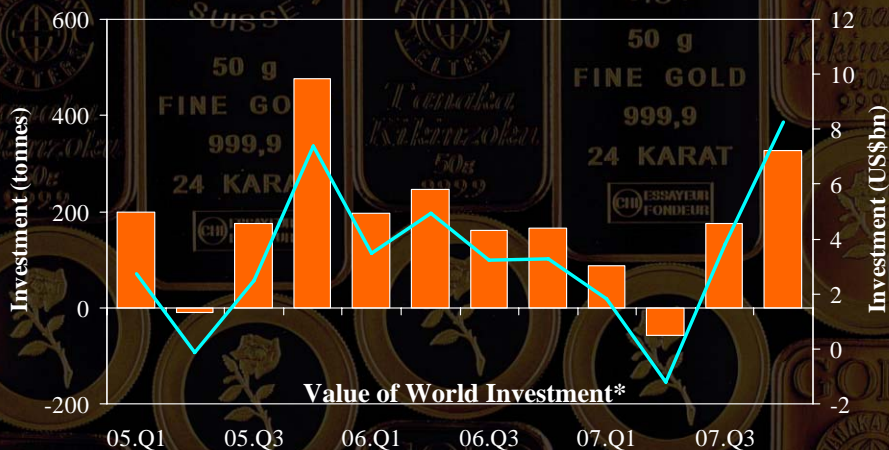
Investment in 2007

- 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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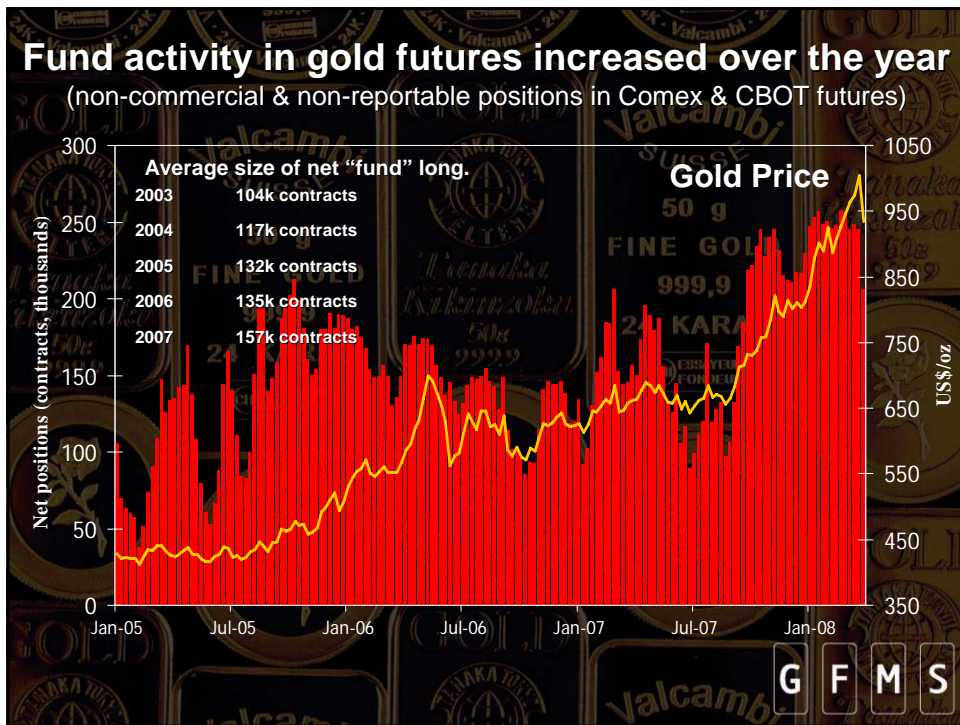
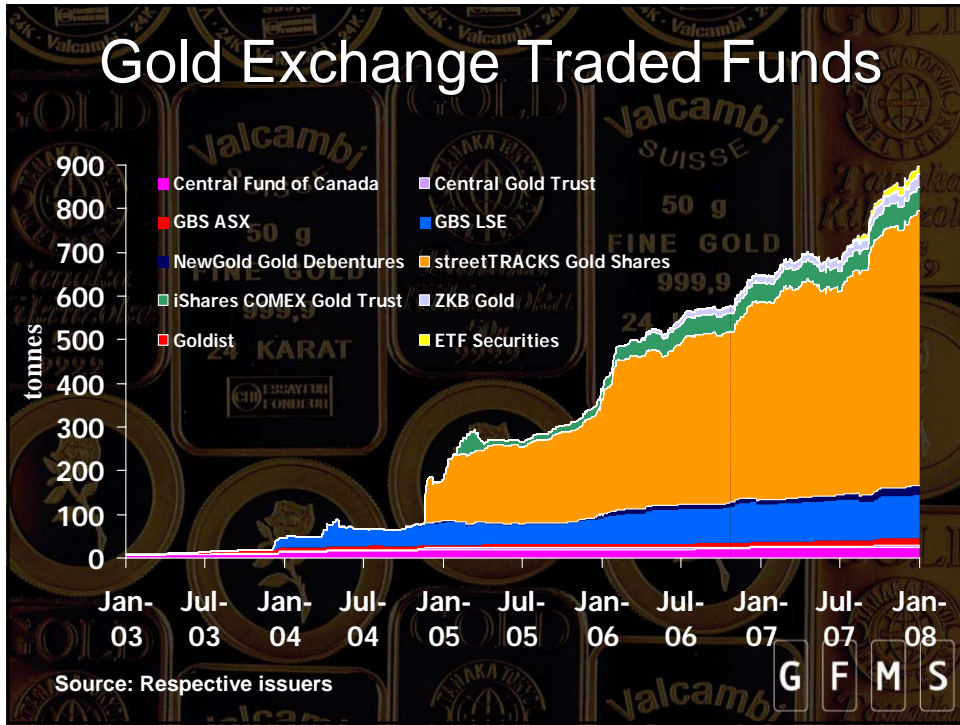
World Investment

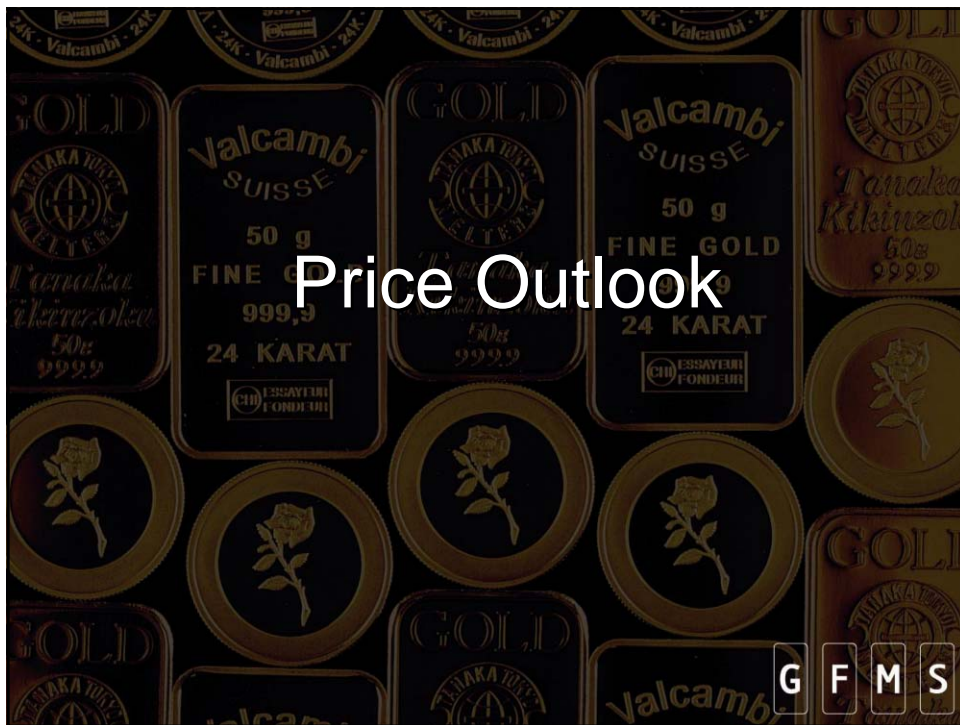
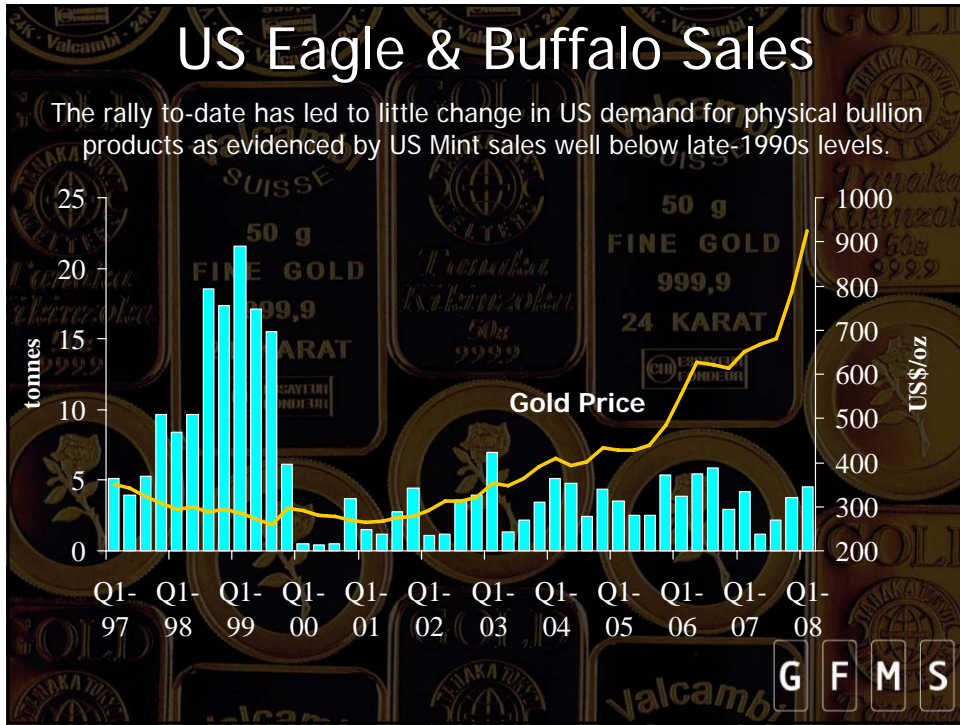
Bar hoarding, implied (dis)investment and official coins



*Value of World Investment is calculated as the product of World Investment and the quarterly average for the gold price

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Supply in 2008

- Mine Production in the current year expected to maintain 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 continue at levels similar to 2007, with CBGA sales close to but not at quota and countries outside the Agreement remaining broadly neutral 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.

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Demand in 2008

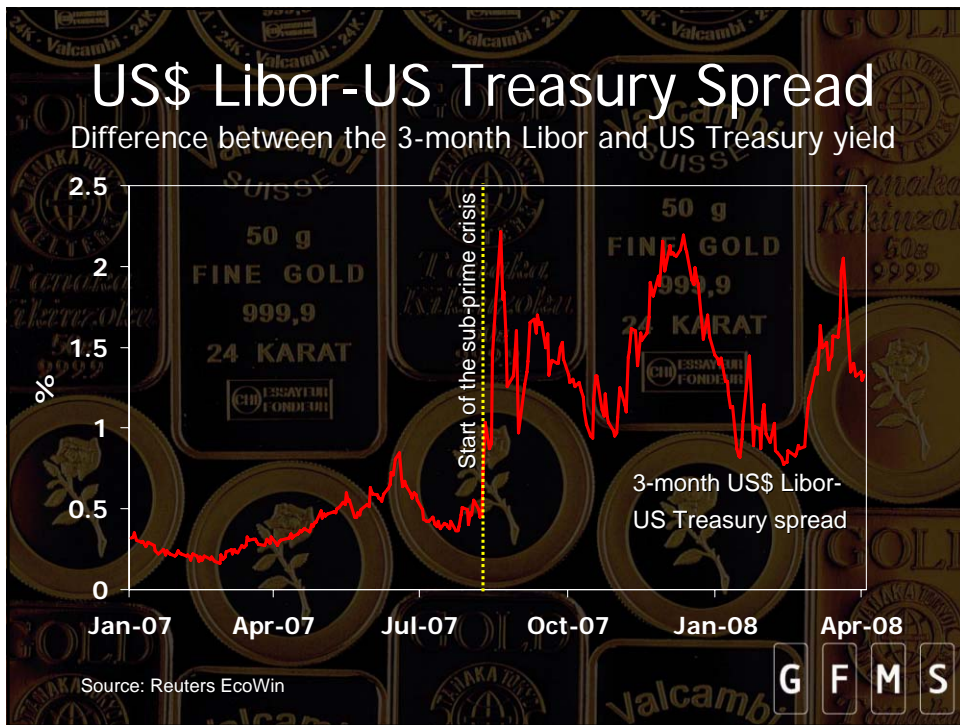
- Historically high prices and increased volatility will have a dramatic impact on jewellery demand. Some purchasing expected on dips, but at levels far lower than in 2007.
- Other fabrication growth expected to feel the effects of the slow-down in global economic growth.
- Prospects for further de-hedging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

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Investment Issues

- The effects of the sub-prime credit crisis continue to provide a strong investment case for gold:
 - Risk aversion has increased considerably with no material signs of easing, despite intervention from monetary authorities.

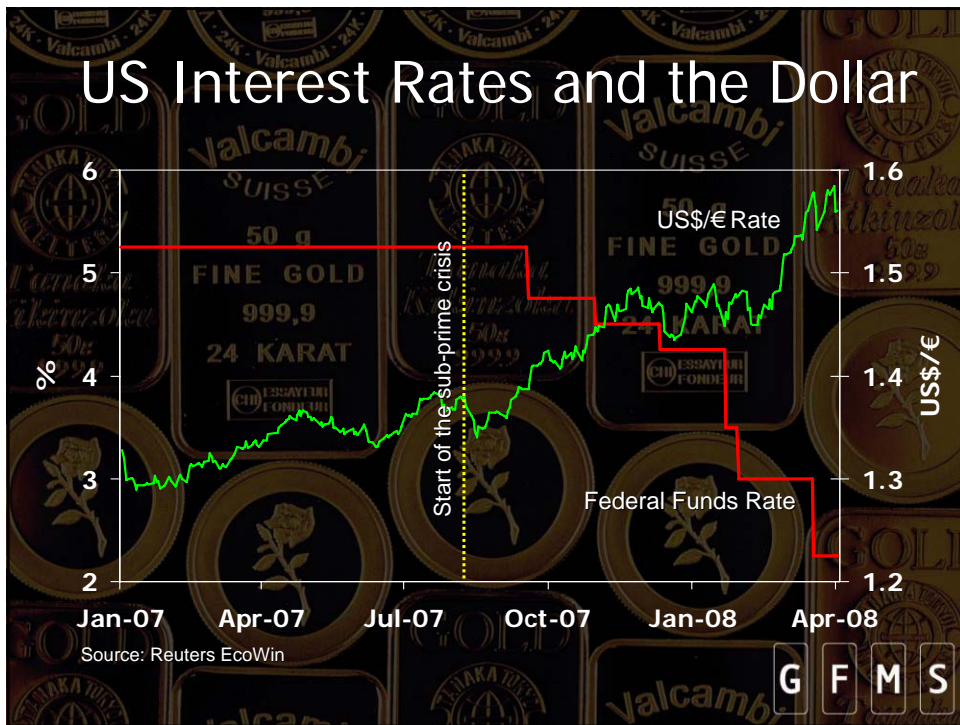
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- The effects of the sub-prime credit crisis continue to provide a strong investment case for gold:
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 - Declining US\$ interest rates to put an already weak US currency under further pressure.

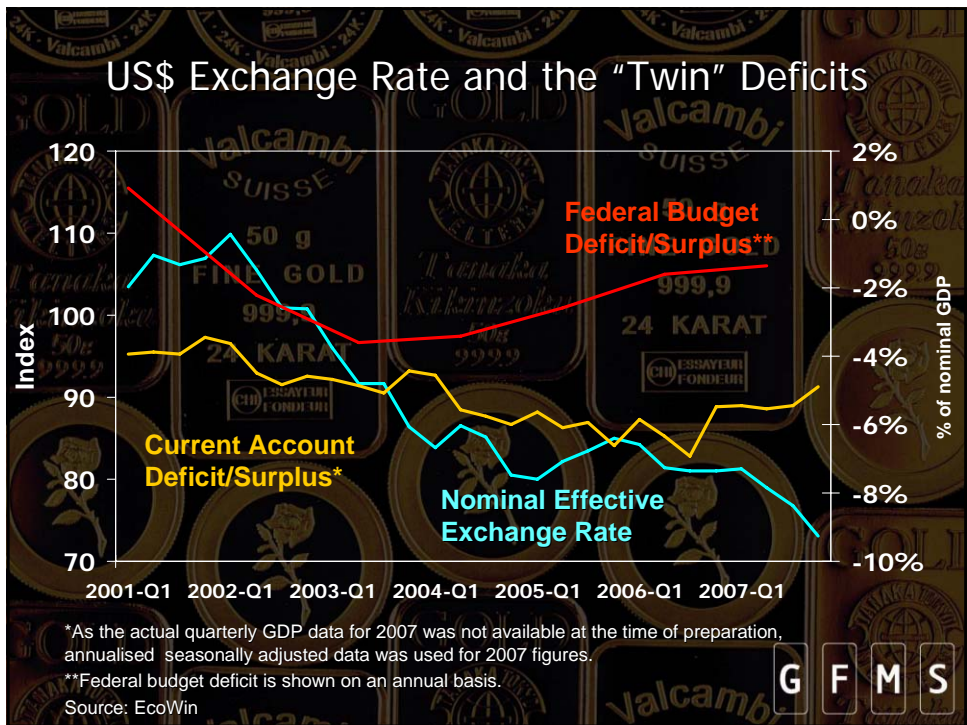
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 - Persistence of the twin-deficits in the US not helpful to the dollar. Although current account deficit will improve with probable decline in US consumer spending and recession, the fiscal position will deteriorate dramatically. US Federal budget deficit is set to soar from an already poor level.

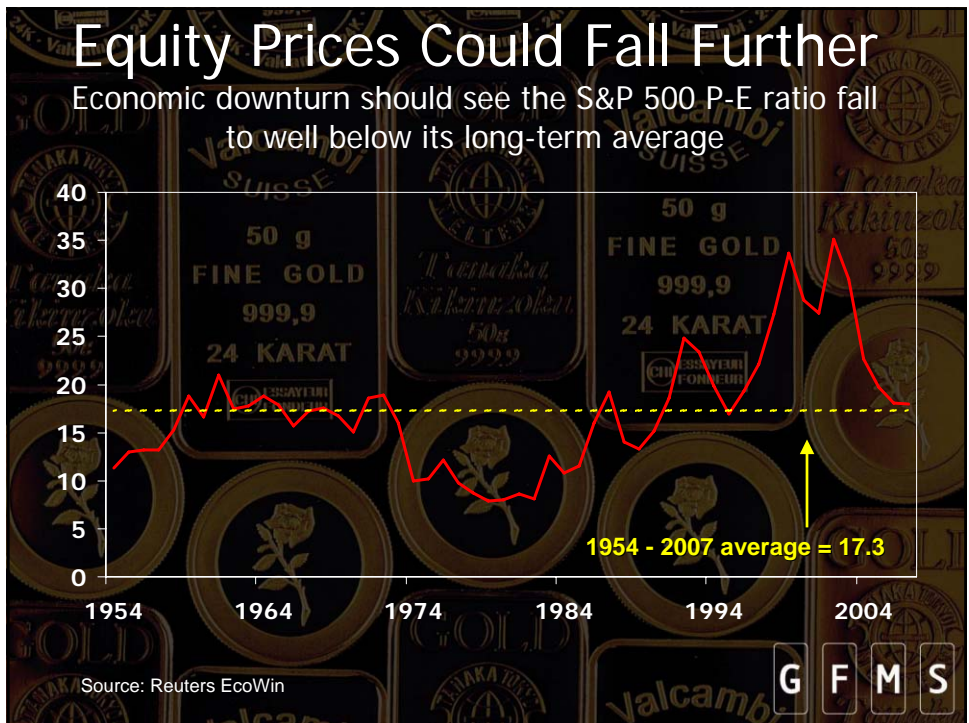
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 - Economic slow-down as well as problematic financial markets point to further declines in equity prices.

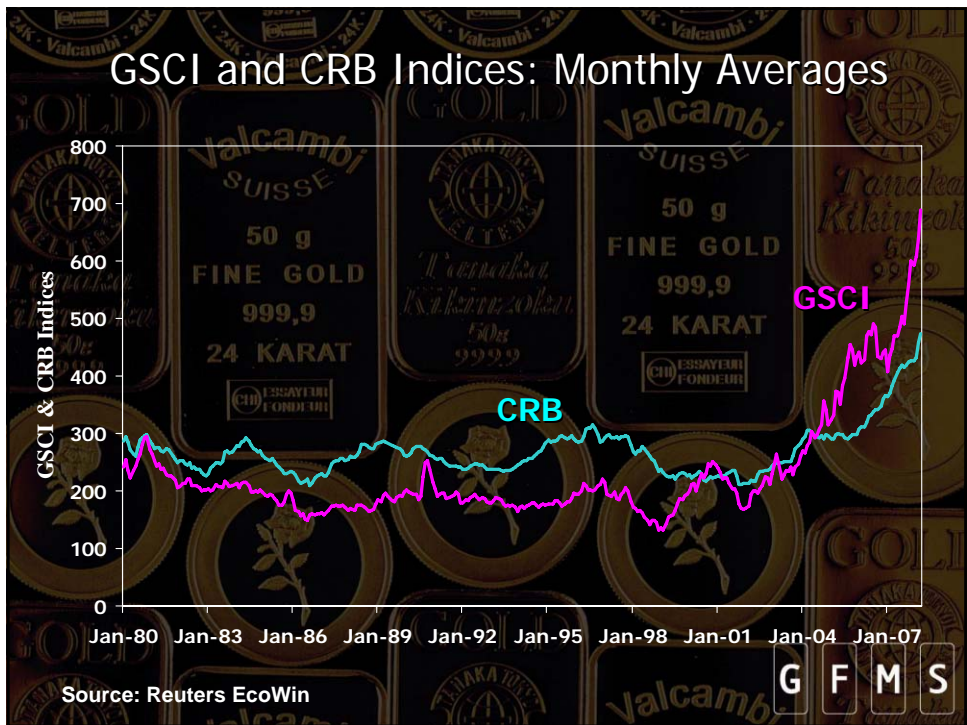
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- Commodity prices in general remain strong...

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



*Other includes soft, agricultural and dairy
Source: Various

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Price Outlook

- Continued investor interest will be the principal driver of the continued rally to a high above the \$1100 mark.
- In the medium term prices could move sideways or even retrace a little more; the mid-\$800s are a possible low for the rest of the year, with prices below that level most likely to be bid up by bargain hunting and stock replenishment.
- Supply's reaction to price rally limited so far: mine production and official sector sales expected to be flat. Rising scrap expected to only temporarily, if at all, affect prices.
- Impact of weaker fabrication demand on the price limited, as long as there is enough demand by investors to absorb the surplus.
- Imbalances in the market suggest that sooner or later the gold price will have to fall. Nevertheless, this is most unlikely to occur in 2008 and potentially not until well into 2009.

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GFMS Forthcoming Events

- 24 Apr. 2008: **Platinum & Palladium Survey 2008**
- 7 May 2008: **World Silver Survey 2008**
- 17 Sep. 2008: **GFMS Precious & Base Metals Seminar**

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The Gold Survey Cover

The cover of Gold Survey 2008 features:

- - twelve 50 gramme Valcambi sa rectangular minted bars
- - twenty eight 20 gramme Valcambi sa round minted bars
- - twelve 50 gramme Tanaka KK minted bars

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