

Perth Mint Physical Gold ETF (AAAU) Frequently Asked Questions

Explanatory Information

The Trust, Perth Mint Physical Gold ETF (AAAU), offers shares on the New York Stock Exchange that are backed by physical gold¹ through its custodian Gold Corporation, which trades as The Perth Mint.

The shares are backed by allocated gold secured within The Perth Mint's network of central bank grade vaults in Western Australia. The Perth Mint may, on rare occasions, store the gold in other highly secure vaults. All the gold held on behalf of AAAU is guaranteed by the Government of Western Australia.

The Perth Mint is owned by the Government of Western Australia which guarantees the Mint's offerings, operations and obligations, including the gold secured on behalf of investors in AAAU. The Trustee is a global finance industry leader, the Bank of New York Mellon (BNYM).

1. What is The Perth Mint?

The Perth Mint (www.perthmint.com) is the trading name of Gold Corporation, the custodian sponsor and custodian of the Perth Mint Physical Gold ETF (AAAU).

Much more than a traditional mint, it is Australia's largest fully integrated precious metals refining, minting and depository enterprise.

Its refinery is one of a select group globally that is fully accredited by the five major gold exchanges: the London Bullion Market Association (LBMA), New York Commodities Exchange (COMEX), Shanghai Gold Exchange (SGE), Tokyo Commodities Exchange (TOCOM) and the Dubai Multi Commodities Centre (DMCC).

With one of the largest refineries in the world, The Perth Mint processes more than 90% of Australia's newly mined gold and its total production capacity is in excess of 800 tons of gold per year.

Additionally, The Perth Mint operates the southern hemisphere's most extensive network of central bank grade vaulting premises, where it safeguards precious metals worth billions of dollars for a range of investors from across the globe.

One of Western Australia's top five exporters, The Perth Mint distributes precious metal bars and coins worth about USD 14 billion throughout more than 130 countries annually.

The Perth Mint's operations, including the gold secured on behalf of investors in AAAU, are guaranteed under the [Gold Corporation Act 1987](#).²

2. How does the government guarantee work?

The exclusive Government of Western Australia guarantee covers The Perth Mint's operations including all gold held in storage on behalf of investors in AAAU.

¹ The shares are neither interests in nor obligations of, and are not guaranteed by, the Sponsors (Gold Corporation and Exchange Traded Concepts, LLC), their member(s), or any of their affiliates.

² The guarantee referenced does not apply to fluctuations in the value of shares based on the price of gold which could create potential losses.

This unique government guarantee is explicitly set out in the [Gold Corporation Act 1987](http://www.legislation.wa.gov.au/legislation/statutes.nsf/main_mrtitle_390_homepage.html), (www.legislation.wa.gov.au/legislation/statutes.nsf/main_mrtitle_390_homepage.html) which was passed by the Western Australian Parliament.

3. Are Perth Mint Physical Gold ETF (AAAU) shares backed by physical gold?

Yes. Through the trust's custodian the shares are backed by allocated gold secured within The Perth Mint's network of central bank grade vaults.

4. Are AAAU shares exchangeable for physical gold and can I have the metal delivered to me?

Yes. AAAU shares can be exchanged for a wide range of gold bullion products.³

A list of The Perth Mint's popular bullion products are available on the Calculator page of this website. Further details of The Perth Mint's extensive bullion product range are available at: www.perthmintbullion.com.

By making a selection from The Perth Mint's extensive range of gold bullion products and transferring the required number of your shares to The Perth Mint's stockbroker/dealer account, you are easily able to take physical delivery of gold backing your investment in AAAU. For details about how to exchange your shares for physical gold go to the AAAU Physical Delivery Process FAQs, available as a downloadable document on this website.

5. Who is the trustee of AAAU and what is its role?

The trustee is the Bank of New York Mellon (BNYM) and its role is to ensure that AAAU operates in accordance with all disclosures made in the prospectus.

Established in 1784, BNYM is one of the longest-standing financial institutions in the world and its credit ratings from all four major agencies (Moody's, S&P, Fitch and DBRS) are consistently among the highest in the investment industry.

With clients in more than 100 markets across the globe, BNYM has more than \$34.5 trillion under custody and/or administration and \$1.8 trillion in assets under management, as at 31 March 2019.

It is one of the industry's most experienced service providers for Exchange Traded Funds (ETFs), being named "Best Service Provider – The Americas" at the 13th annual Global ETF Awards in 2017 for the 11th consecutive year. In March 2018 BNYM was named ETF Custodian of the Year by ETF.com and separately Best Global Custodian by etfexpress.

6. Where is the gold produced and vaulted?

A key benefit of AAAU is that the vast majority of the gold backing the fund is produced at The Perth Mint's own state of the art refinery. The gold is then securely stored within its own network of central bank grade vaults in Western Australia, one of the world's most stable geopolitical regions.

The physical gold is held in a segregated manner in the name of AAAU. A holdings list is published on this website specifying all physical gold segregated and secured for AAAU investors.

7. How can I verify the gold holdings?

The Perth Mint is subject to rigorous audits at least twice a year.

The administrative sponsor, Exchange Traded Concepts (ETC) is responsible for appointing auditors or other inspectors to monitor accounts and operations of The Perth Mint to ensure the interests of AAAU investors are protected. As such, auditors are entitled to visit The Perth Mint's premises to examine AAAU's gold holdings and related records.

³ Subject to final approval by the Gold Corporation trading as The Perth Mint. Please see the disclosures section for potential limitations for the delivery of physical gold.

8. Is the physical gold insured?

Yes. In addition to The Perth Mint's comprehensive insurance on the gold it secures, every ounce of precious metal held is subject to its explicit government guarantee (see [*Gold Corporation Act 1987*](#)).

9. Can AAAU invest in derivative products or lend shareholders' gold?

No. AAAU does not, and will not, hold or employ derivatives. The gold held by AAAU is not, and will never be, subject to any borrowing arrangements with third parties. Accordingly, AAAU's gold will not be subject to counterparty credit risks.

For further information about the Perth Mint Physical Gold ETF - AAAU fund contact Exchange Traded Concepts on 1-844-880-3837 (toll free).

For more details on the AAAU physical delivery process contact The Perth Mint on +61-8-9421-7615.

Disclosures

This material must be preceded or accompanied by a prospectus, a copy of which may be obtained by [clicking here](#). Before investing, you should carefully consider the trust's investment objectives, risks, charges and expenses. Please read the prospectus carefully before you invest.

All obligations of the trust custodian, The Perth Mint, including the gold held on behalf of investors in AAAU, are guaranteed by the government of Western Australia.

The government guarantee is subject to the claims-paying ability of the Government of Western Australia. If the custodian becomes insolvent, its assets, and the assets of the Government of Western Australia under the government guarantee, may not be adequate to satisfy a claim by the trust or any authorized participant. The referenced guarantee does not apply to fluctuations in the value of shares based on the price of gold which could create potential losses. Gold owned by the trust may be subject to loss, damage, theft or restriction on access.

The trust is not a mutual fund or any other type of investment company within the meaning of the Investment Company Act of 1940, as amended, and is not subject to regulation thereunder. The value of your shares fluctuates based upon the price of the gold held by the trust. Fluctuations in the price of gold could materially adversely affect your investment in the shares. Investors should be advised that there is no assurance that gold will maintain its long-term value in terms of U.S. dollar value in the future. The lack of an active trading market for the shares may result in losses on your investment at the time of disposition of your shares. Because the trust invests only in gold, an investment in the trust may be more volatile than an investment in a more broadly diversified portfolio. Substantial sales of gold by central banks, governmental agencies and multi-lateral institutions could adversely affect an investment in the shares.

The request for the exchange of shares for gold is subject to a number of risks including but not limited to the potential for the price of gold to decline during the time between the submission of the request and delivery. Delivery may take a considerable amount of time depending on your location. The trust may suspend redemptions of baskets by authorized participants and Gold Corporation may suspend or reject the exchange of shares for physical gold, which could affect the market price of the shares. The withdrawal of an authorized participant and substantial redemptions by authorized participants may affect the liquidity of the shares.

Market Price: The current price at which shares are bought and sold. Market returns are based upon the last trade price.

NAV: The dollar value of a single share, based on the value of the underlying assets of the fund minus its liabilities, divided by the number of shares outstanding. Calculated at the end of each business day at 4:00PM.

Marketing Agent: Foreside Fund Services, LLC