



PERTH MINT GOLD

QUOTED PRODUCT



PRODUCT DISCLOSURE STATEMENT

ISSUER

GOLD CORPORATION

ABN 98 838 298 431

A statutory authority of the
Government of Western Australia

7 May 2003





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Term Sheet

This Term Sheet forms part of the Terms and Conditions on which the PMG is issued.

Issuer	Gold Corporation, a statutory authority of the Government of Western Australia.
ASX Code	ZAUWBA
Underlying Parcel	One troy ounce of fine gold
Conversion Ratio	100 PMGs
Guarantees	Each PMG will be fully backed by 1/100 th of a troy ounce of fine gold owned by Gold Corporation. The liabilities of Gold Corporation, including its obligations under the PMG Terms and Conditions, are guaranteed under section 22 of the <i>Gold Corporation Act 1987</i> , an Act of the Western Australian Parliament.
Expected Issue Date	9 May 2003
PDS Close Date	9 May 2003
Expiry Date	31 December 2013
Management Fee	0.333% annually (paid by annual redemption of PMGs or by pro rata as calculated into the price of the PMG in the form of a Trading Fee)
Exercise Style	American (any time before Expiry Date)
Minimum Exercise Set	100 PMGs
Settlement Method	Physical (deliverable) gold or cash

Physical Settlement

Physical Forms	(a) London Good Delivery Bar (approximately 400 troy ounces and minimum purity of 99.50%). (b) Perth Mint coin and bar products (subject to availability).
Exercise Price	\$0.50 per Underlying Parcel.
Settlement Date	(a) In the case of London Good Delivery Bars, 20 Business Days after Exercise Date. (b) In the case of Perth Mint coin or bar products, as determined by Gold Corporation and dependent on availability.
Number of PMGs Required	Subject to a minimum of 100 PMGs, variable, depending on the Physical Form selected by Holder.
Physical Settlement Fee	Variable, depending on the Fabrication Charges of the Physical Form and costs of delivery method selected by Holder and any Taxes and Duties. Other costs (a Non-Delivery Fee) may be incurred if Holder fails to take delivery of its Physical Form.

Cash Settlement

Settlement Date	5 Business Days after the Exercise Date.
Cash Settlement Reduction Amount	\$0.50 per Underlying Parcel exercised plus an amount of \$100.

This Term Sheet is only a summary of the key features of the PMG. Investors should read this entire PDS, including the Terms, before making an investment decision. All fees payable from time to time are set out in the Exercise Product & Price Schedule in Part 11 of this PDS.

Note: There is no application form in this PDS because, in general, PMGs can be purchased by investors only on the ASX.

Additional information about the Perth Mint Gold Quoted Product

If you have any questions about the procedure for investing in the Perth Mint Gold Quoted Product or how to complete the Exercise Notice, please contact Gold Corporation on 1300 651 465 or visit the investment section of Gold Corporation's website at www.perthmint.com.au.

Gold Corporation may waive any or all fees payable under the Terms at Gold Corporation's discretion, at any time.

Important Dates

Date of PDS	7 May 2003
Expected Issue Date	9 May 2003
Expected Quoting Date	16 May 2003
PDS Close Date	9 May 2004
Expiry Date	31 December 2013

Gold Corporation reserves the right to vary the dates and times of the offer except the Expiry Date. This means, amongst other things, that Gold Corporation has discretion to extend or reduce the length of the offer period by changing the PDS Close Date or changing the Issue Date. This allows Gold Corporation some flexibility in respect of the offer period.

Disclosures

Product Disclosure Statement: This Product Disclosure Statement ("PDS") dated 7 May 2003 has been prepared by Gold Corporation ABN 98 838 298 431 ("Gold Corporation"), a statutory authority of the Government of Western Australia established under the *Gold Corporation Act 1987*, and the issuer of the Perth Mint Gold Quoted Product ("PMG"). While the Australian Securities and Investments Commission ("ASIC") takes no responsibility for the contents of this PDS, nevertheless a PDS In-use Notice has been lodged with ASIC.

Gold Corporation is exempt from the *Corporations Act* (except Chapter 5) as it is an "exempt public authority" as defined in section 9 of the *Corporations Act*. However, this PDS has been prepared in accordance with Chapter 7 of the *Corporations Act*. Gold Corporation is bound by the provisions of the *Fair Trading Act (WA) 1987* which prohibits Gold Corporation from engaging in conduct that is misleading or deceptive or likely to mislead or deceive in relation to this PDS. Also, Gold Corporation will be liable for the contents of this PDS in accordance with ordinary common law principles.

Investment Decisions: It is impossible in a document of this type to take into account the investment objectives,

financial situation and particular needs of each reader. Accordingly, nothing in this PDS should be construed as a recommendation by Gold Corporation, or any associate of Gold Corporation or any other person concerning an investment in the PMG. Readers should not rely on this PDS as the sole or principal basis of a decision to invest in the PMG and should seek independent financial and taxation advice before making a decision whether to invest in the PMG. No person is authorised by Gold Corporation to give any information or to make any representation not contained in this PDS. Any information or representation not contained in this PDS must not be relied upon as having been authorised by or on behalf of Gold Corporation. Nothing in this PDS is, or may be relied upon as, a representation as to the future performance of the PMG.

Jurisdiction and Selling Restrictions: This PDS is not an offer or invitation in relation to the PMG in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. The distribution of this PDS outside Australia may be restricted by the laws of places where it is distributed and therefore persons into whose possession this document comes should seek advice on and observe those restrictions. Failure to comply with relevant restrictions may violate those laws.

The Terms

This PDS has been prepared by Gold Corporation in accordance with the financial product disclosure requirements under the *Corporations Act*.

The PMG is entered into between the Investor and Gold Corporation on the terms set out in the Terms and Conditions (the "Terms") which are contained in Part 6 of this PDS. It is important that you read the Terms (including the Term Sheet) in full as these set out your rights and obligations in relation to the PMG.

Disclaimer

The gold market is volatile. Investments in gold involve a high degree of risk and are not suitable for all persons. Losses may be incurred both as a result of gold price diminution and if any price gains do not exceed applicable management, handling, delivery and related fees. Gold Corporation has not offered or given and will not provide any investment advice in connection with this PDS or the PMG. If you are in any doubt as to the suitability of precious metals as an investment you should contact your legal and financial adviser before investing in the PMG.



Our Ref: 200303904/BL

21 March 2003

The Board of Directors
Gold Corporation
Perth Mint Buildings
310 Hay Street
EAST PERTH WA 6004

Dear Directors

PERTH MINT GOLD QUOTED PRODUCT

The Gold Corporation is established as a statutory authority of the Government of Western Australia under the *Gold Corporation Act 1987*.

The Corporation's functions under the *Act* include promoting Perth as an international bullion centre and providing safe storage facilities to international standards for gold and other precious metals under the security of the State Government guarantee.

I note the Corporation's Perth Mint Depository precious metal storage facilities are attracting renewed interest from Australian and international investors, in response to global economic and financial market uncertainty.

It is gratifying to learn that Western Australia's triple-A credit rating is an important reason why investors are choosing Perth Mint Depository as custodian of their precious metal assets, together with the State Government guarantee.

The Corporation's new initiative, the Perth Mint Gold Quoted Product (PMG), which will be fully backed by gold purchased by the Corporation, will enable more investors to take advantage of the Mint's depository facilities.

Yours sincerely

**DR GEOFF GALLOP MLA
PREMIER**

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Information about the Perth Mint Gold Quoted Product

Perth Mint Gold is fully backed by gold owned by Gold Corporation.

What is PMG?

The Perth Mint Gold Quoted Product (“PMG”) is essentially a right created on-market by Gold Corporation to enable you to invest in gold on the Australian Stock Exchange (“ASX”).

PMG is structured as a call warrant in accordance with the ASX Business Rules. Each PMG entitles you to acquire one hundredth of a troy ounce of fine gold on or before the Expiry Date of 31 December 2013 and may be exercised by you at any time before the Expiry Date.

The ASX price of the PMG is intended to track closely the international over-the-counter market spot price of gold and will be based on the market value of the gold backing a PMG at the time of purchase.

PMG is a WA Government Guaranteed Product

One of PMG’s strengths is the status of its issuer. Gold Corporation is a statutory authority of the Government of Western Australia, one of Australia’s wealthiest States. At the date of this PDS the Government of Western Australia’s domestic debt is rated AAA by the US international credit rating agency, Standard and Poor’s, its highest rating category.

The liabilities of Gold Corporation, including its obligations under the PMG Terms and Conditions, are guaranteed under section 22 of the *Gold Corporation Act 1987*, an Act of the Western Australian Parliament.

PMG is fully backed by gold

The PMG will be fully backed by gold owned by Gold Corporation. Gold Corporation will purchase one hundredth of a troy ounce of fine gold (which is the amount of pure gold in a bar or coin) for each PMG it sells to you. Every 100 PMGs you exercise will entitle you to take delivery of 1 troy ounce of this fine gold. For example, if you exercise 100 PMGs and you select a 1ozt Bar of 99.99% purity, it will contain 0.9999 troy ounces of fine gold. Due to refining constraints, it is not possible to deliver products containing 100% pure gold.

You will have no interest in or ownership of the gold backing each PMG until or unless your PMGs are exercised by lodging a valid Exercise Notice with Gold Corporation electing physical settlement.

Where will Gold Corporation store PMG gold?

Although you have no interest in or ownership of the gold underlying your PMGs, you may wish to know where Gold Corporation will store this underlying gold.

Gold Corporation intends to store most of the PMG gold purchased after Holders buy PMGs in its vaults in Perth, Western Australia, in (a) the form of gold bars segregated physically from any other precious metal held in Gold Corporation’s vaults.

Some PMG gold also may be held (b) in a physical unsegregated form in Gold Corporation’s operations in Perth; and (c) in Gold Corporation’s London metal accounts to provide liquidity for redeemed PMGs.

Gold Corporation has a legal obligation under the PMG Terms to ensure your gold is available for collection within a specified period from the date of receiving your Exercise Notice. All PMG gold held

will be in forms that enable Gold Corporation to fulfil its physical gold delivery obligations to you.

What are the benefits of investing in PMG?

The possible benefits of investing in PMG include:

- Acquiring an innovative non-leveraged product that tracks closely the international over-the-counter market spot price of gold;
- Owning an investment managed by Gold Corporation, a statutory authority of the Government of Western Australia;
- Gaining a Government guaranteed right to acquire physical gold from Australia's leading precious metals mint, which has over a century's involvement in the nation's gold industry;
- Owning an investment that can be traded on the ASX, which provides a transparent and regulated market; and
- Avoiding the risks and costs associated with personal storage of gold bullion.

What are the risks of investing in PMG?

When reading this PDS, you also should consider carefully the risks described in greater detail in Part 3 of the PDS (on pages 13 to 14). The risks include, without limitation:

- general market risks;
- risk of non-performance by Gold Corporation;
- risk of changes in the PMG Management Fee;
- market liquidity risk; and
- volatility risk in the international gold and currency markets.

As with any investment, it is very important that you understand and appreciate the risks involved in investing in PMG. Losses may be incurred as a result of gold price declines and adverse currency movements, or if any price gains do not exceed your Exercise Price, and Physical Settlement Amount or Cash Settlement Reduction Amount (as applicable) and the PMG Management Fee.

How do I obtain PMG?

You can buy a PMG only on the ASX. You cannot subscribe for a PMG directly from Gold Corporation.

PMG will trade on the ASX

Gold Corporation has made an application for admission of PMG to quotation on the ASX. You will be able to acquire PMGs through your stockbroker when it is quoted on ASX. Gold Corporation will make a primary issue to GoldCorp Australia as well as to Don Mackay-Coghill, the Chief Executive Officer of Gold Corporation as a retail investor (see "How will Gold Corporation create PMGs?" below).

Deferred Settlement Period

There will be a period of deferred settlement trading for the PMG around 31 December of each year. This is to allow for redemption of the number of PMGs corresponding to the amount of the PMG Management Fee payable by the Holder (see clause 9 in Part 6 of this PDS). While you may transact (i.e. buy or sell PMGs) on the ASX, settlement of these transactions will not occur until the third day after re-commencement of trading on a normal T+3 basis. This deferred settlement trading period is expected to commence on the fifth trading day prior to 31 December of each year, with normal T+3 settlement recommencing on the fifth trading day following 31 December. The exact dates for deferred settlement trading (if any) will be advised by the Issuer making an announcement via ASX prior to commencement of deferred settlement trading.

For example, if you sell on the first day of deferred settlement trading, you will remain registered as the Holder of the PMGs on 31 December. You will not receive the proceeds of your sale until 3 days after the recommencement of trading on a T+3 basis.

During the deferred settlement trading period, the PMGs will trade on a "post-reset" basis. This means that trading during this period will be treated as if trades occurred on a normal T+3 basis.

PMG is a WA Government guaranteed right to acquire physical gold.

You are bound by the PMG Terms and Conditions when you buy a PMG

The Perth Mint Gold Quoted Product is issued by Gold Corporation on the Terms set out in this PDS and in particular in Part 6. You should ensure that you read and understand the Terms. By purchasing a PMG on ASX you will become bound by the Terms.

How will Gold Corporation create PMGs?

The PMG will be created by Don Mackay-Coghill, the Chief Executive Officer of Gold Corporation offering to subscribe for 100 PMGs and GoldCorp Australia ABN 49 230 812 547 (“GoldCorp”) offering to subscribe for all remaining PMGs issued by Gold Corporation, both Gold Corporation and GoldCorp being bodies corporate created under the *Gold Corporation Act 1987*. Gold Corporation will instruct a financial services licensee acting on Gold Corporation’s behalf to accept both Don Mackay-Coghill’s and GoldCorp’s offer by making an announcement via ASX’s Company Announcements Platform (“CAP”). Don Mackay-Coghill’s PMGs will be issued directly to Don Mackay-Coghill. The PMGs issued to GoldCorp will constitute PMG Treasury Stock, representing the authorised amount of PMGs that can be sold to general investors through the ASX under this PDS. This PDS is available at www.perthmint.com.au or a copy can be obtained from your broker or through the ASX website.

Gold Corporation’s intention is to issue 321,500,000 units of Treasury Stock to GoldCorp, which would represent approximately 100 tonnes of gold. Treasury Stock will not represent physical gold until it is transferred to a Holder who is not GoldCorp. Gold Corporation may increase the amount of Treasury Stock at its discretion in response to market demand while this PDS is in force.

PMGs backed by physical gold are transferred to you by the following process. When you accept the sell offer quoted by a Market Maker on the ASX, the Market Maker will purchase the corresponding amount of gold in the over-the-counter spot market. The Market Maker will deliver this gold to Gold Corporation, which will instruct GoldCorp to transfer Treasury Stock to the Market Maker to

enable them to settle with you in CHESSE. Gold Corporation will then transfer the PMGs to you.

How will Gold Corporation ensure a market in PMGs?

Under ASX Business Rules, Gold Corporation is obligated to either make markets by quoting buy and sell offers for PMG or appoint Market Makers to quote buy and sell offers for PMG on SEATS on its behalf. By quoting PMG buy and sell offers, the Market Makers will provide:

(a) Reference Pricing

The provision of continuous buy offers and sell offers (while PMG Treasury Stock is available) by the Market Makers will provide investors with information about the intra-day over-the-counter spot gold price and provide a link between the spot gold market and PMG trading on the ASX.

(b) Liquidity

The Market Makers will act as buyers or sellers of last resort, enabling investors to acquire or dispose of PMG for cash settlement via the ASX.

However, if the number of PMGs sold equals the total issued PMG Treasury Stock, Gold Corporation will inform the market immediately via ASX’s CAP that there are no more PMGs available for offer. Market Makers therefore will cease to quote sell offers for PMGs until Gold Corporation notifies the market that it has available PMG Treasury Stock on which Market Makers can resume quoting sell offers. During this time, Market Makers will continue to quote PMG bid prices to enable investors to sell their PMGs.

How much does PMG cost?

All fees that you must pay for the PMG are set out in the Exercise Product & Price Schedule in Part 11 of this PDS. This Schedule will vary during the life of the PMG because some of the costs (such as manufacturing the gold bar or coin you choose for delivery) will change from time to time before the Expiry Date. Gold Corporation will notify you of any such change by updating its Exercise Product & Price Schedule and making it available from the

Market Makers will ensure PMG liquidity on the ASX.

investment section of its website at www.perthmint.com.au. A summary of all the costs and fees payable is set out below.

Purchase Price

The cost of PMG will be equal to the price you pay to buy a PMG on the ASX, which will be the sum of the underlying gold value of a PMG as set by the Market Makers plus the PMG Trading Fee (see below).

Brokerage Fees

You may incur brokerage fees on the purchase and sale of a PMG on the ASX if you use a broker.

Holding Fees

If you hold PMGs at the close of trading on 31 December, you will incur the PMG Management Fee.

PMG Management Fee

The PMG Management Fee covers the following annual costs incurred by Gold Corporation:

- (a) any shipment, storage and insurance costs associated with the management of the gold underlying each PMG;
- (b) the cost of making this product available to you;
- (c) registry and CHES costs associated with trading in PMG by its Holders;
- (d) any other costs incurred by Gold Corporation at any time in the future in the management of this product. At the date of issue of this PDS, Gold Corporation is not aware of any such costs.

The PMG Management Fee will vary over the life of the PMGs because storage, insurance, CHES, registry and other management costs will change. Gold Corporation will send written notification to each Holder on (or as soon as possible after) 1 January of each year informing the Holder what the PMG Management Fee will be for the proceeding year.

For the period to 31 December 2003, the PMG Management Fee will be fixed at a rate of 1 PMG for every 300 PMGs held by a Holder (equivalent to 0.333% annually). The minimum PMG Management Fee will be 1 PMG.

The PMG Management Fee will be charged each year at the close of trading on ASX on 31 December. If you become a Holder after 31 December, then

you will be charged the PMG Management Fee on the following 31 December. Cash payment of this fee will not be required or accepted by Gold Corporation. Instead, Gold Corporation will deduct the appropriate number of PMGs from your holding at a rate of 1 PMG for every 300 PMGs held, according to the following schedule:

- if you hold less than 600 PMGs, 1 PMG will be deducted;
- if you hold 600 to 899 PMGs, 2 PMGs will be deducted;
- if you hold 900 to 1199 PMGs, 3 PMGs will be deducted; and so on.

A revised Holdings Statement will be sent to you as soon as possible after such deduction is made showing the number of PMGs redeemed by Gold Corporation to pay your PMG Management Fee and the number of PMGs you continue to hold. If the number of PMGs you continue to hold falls below the Minimum Exercise Set of 100 PMGs, you will not be able to exercise your PMGs. If you wish to exercise your PMGs, you will need to purchase additional PMGs to equal the Minimum Exercise Set. Alternatively, you may sell your PMGs on the ASX.

PMG Trading Fee

The time value of the PMG Management Fee will be included in the price of a PMG in the form of a "PMG Trading Fee". Gold Corporation will require Market Makers to add this PMG Trading Fee to both the underlying gold bid and ask prices of PMG as set by the Market Makers. This will be done to ensure long-term Holders of PMG are not disadvantaged compared to:

- (a) short-term Holders, who may buy and sell PMG within a year; and
- (b) Holders who may attempt to avoid the PMG Management Fee by selling PMG immediately before 31 December and buying back after that date.

The addition of the PMG Trading Fee to PMG's underlying gold ask price is, in effect, an upfront payment by a Holder of the pro-rata amount of the PMG Management Fee. The PMG Trading Fee will decline over a calendar year. For example, the PMG Trading Fee included in PMG's ASX price on 1 January will be at the full PMG Management Fee rate (fixed at 0.333% until 31 December 2003),

compared to the PMG Trading Fee included in PMG's ASX price on 1 July, which will be at half of the PMG Management Fee rate. A history of actual daily PMG Trading Fees applied will be available from the investment section of Gold Corporation's website at www.perthmint.com.au.

The addition of the PMG Trading Fee to PMG's underlying gold bid price is, in effect, a refund of that pro rata amount of the PMG Trading Fee paid at the time of purchase that remains "unused" at the time of sale.

Exercise Fees & Reductions

If you exercise your PMG, you also will have to pay the following fees depending on which form of settlement you choose:

Physical Settlement

- (a) Exercise Price;
- (b) Physical Settlement Fee (including Fabrication Charges which will differ depending upon the type of physical gold form you choose); and
- (c) if you fail to take delivery of the gold, any costs incurred by Gold Corporation in selling your gold (including the costs of returning the gold to Gold Corporation, if required) and making a cash payment to you.

Cash Settlement

- (a) Cash Settlement Reduction Amount.

Further details on PMG's physical and cash settlement options can be found in Part 10 of this PDS. Part 11 of this PDS is the Exercise Product & Price Schedule. This sets out all the fees payable on exercise as at the date of this PDS. If any of these fees change from time to time, an updated Exercise Product & Price Schedule will be available from the investment section of Gold Corporation's website at www.perthmint.com.au.

Gold Corporation may waive Fees

Gold Corporation may waive any or all fees payable under the Terms at Gold Corporation's discretion, at any time.

Commissions, fees and expenses

There is no commission, establishment fee or additional ongoing management fee charged to you in respect of the PMG other than the fees described above.

How do I exit my PMG investment?

Under the PMG Terms and Conditions you have the right to either

- (a) sell your PMGs on the ASX through your broker; or
- (b) convert your PMGs into physical gold by sending an Exercise Notice electing Physical Settlement to Gold Corporation; or
- (c) receive a cash payment for your PMGs by sending an Exercise Notice electing Cash Settlement to Gold Corporation

at any time before the Expiry Date of 31 December 2013.

How do I exercise my PMG?

You can choose one of two exercise options: physical (deliverable) gold or cash. The minimum number of PMGs you can exercise ("Minimum Exercise Set") is 100 PMGs (corresponding to 1 troy ounce of fine gold).

If you do not have a sufficient number of PMGs for a Minimum Exercise Set then you may buy more PMGs on the ASX to make up a minimum Exercise Set, and then exercise, or Gold Corporation may, in its absolute discretion:

- (a) determine that the Exercise Notice is invalid and void; or
- (b) pay you part of the Underlying Parcel as cleared funds; or
- (c) suggest you sell your PMGs on the ASX.

In the case of PMG physical settlement, an Exercise Price of \$0.50 per Underlying Parcel (equal to 1 troy ounce of fine gold) exercised will be payable. Gold can be delivered to you in a number of forms, including The Perth Mint's bars and Australian legal tender coins. Gold can be collected directly from The Perth Mint or delivered via secure carrier to you. A Physical Settlement Fee may be payable in addition to the Exercise Price. The Physical

PMG can be exercised easily for deliverable gold or cash at any time up to its Expiry Date.

Settlement Fee is made up of the cost of fabricating (or manufacturing) the type of bar or coin you have chosen (the "Fabrication Charges") and the cost of the delivery method you have chosen plus any applicable Taxes and Duties. The Fabrication Charges for each type of bar and coin form are set out in the Exercise Product & Price Schedule. Please contact Gold Corporation for information regarding the cost of the delivery method available to you.

A list of all deliverable products and their corresponding fees will be detailed in an Exercise Product & Price Schedule available from Gold Corporation or its website. An indicative Exercise Product & Price Schedule as at the date of this PDS can be found in Part 11 of this PDS. While Gold Corporation reserves the right to change the products listed on this Schedule, PMG gold will be deliverable in the form of the London Good Delivery Bars at all times.

If you elect not to take physical delivery, Gold Corporation can pay you the Cash Equivalent Amount of your PMGs less an amount equal to \$0.50 per Underlying Parcel exercised less another amount of \$100 which covers Gold Corporation's costs, as at the date of this PDS, of selling the gold and paying the cash to you. However, these selling and payment costs may change from time to time. If the amount does vary from \$100, Gold Corporation will notify you on the Exercise Product & Price Schedule available from the investment section of its website www.perthmint.com.au.

Further details on PMG's physical and cash settlement options can be found in Part 10.

When do PMGs expire?

The PMGs expire:

- (a) at 5.00pm Perth time on 31 December 2013 if an Exercise Notice has not been given to Gold Corporation; or
- (b) at the Settlement Date after a valid Exercise Notice is received; or
- (c) if a Force Majeure event occurs, or you call for a liquidated damages amount to be paid, as described in clause 11 of the Terms (in Part 6 of this PDS); or
- (d) six months after the date of a CAP announcement by Gold Corporation that the total number of PMGs held by a Holder(s) other than GoldCorp is below 10 million

PMGs, at Gold Corporation's absolute discretion.

What if I do not return the Exercise Notice before the Expiry Date?

If you have not exercised the PMG by the Expiry Date, the PMGs will expire and Gold Corporation may:

- (a) sell the gold backing your PMGs on the over-the-counter market and send the sale proceeds to you, less Gold Corporation's costs and expenses in selling the gold (no Exercise Price, Physical Settlement Fee or Cash Settlement Reduction Amount will be payable in this case, see clause 12.2 of the Terms contained in Part 6 of this PDS); or
- (b) give you the option of continuing your investment in a new PMG issue. If so, Gold Corporation will send you a new Product Disclosure Statement describing the new PMG issue before 31 December 2013.

Can the PMG Terms change?

Yes. The Terms (see Part 6 of this PDS) may be amended or varied if authorised by Holders, or if necessary to comply with the law or ASX requirements or to correct an inconsistency or error in the Terms in Part 6. You will be notified of any such changes. You should read clause 18 of the Terms to fully understand your rights and obligations if these Terms are amended.

Disputes concerning PMG

You may make a complaint relating to the PMG directly to Gold Corporation via telephone on 1300 651 465. If the complaint cannot be resolved in the first instance, the relevant officer will forward the complaint to senior management to instigate an investigation and seek a resolution. You will be informed of the outcome. If you are not satisfied with the way in which Gold Corporation deals with your complaint, you may refer it to:

The Parliamentary Commissioner for
Administrative Investigations
Level 17
44 St George's Terrace
Perth, Western Australia
Website: www.ombudsman.wa.gov.au

2 Information about Gold Corporation

The Perth Mint has been storing and dealing in gold for over a century.

What is Gold Corporation?

Gold Corporation is Australia's largest precious metals refining, minting, depository and value-adding group, providing high quality services and precious metal products to domestic and international markets. The group was established by the *Gold Corporation Act 1987* on 30 June 1988 and is wholly owned by the Government of Western Australia. The *Gold Corporation Act 1987* also formalised the merger of the Western Australian Mint (also known as The Perth Mint) and GoldCorp Australia, a new body corporate created under the Act.

The mission of Gold Corporation is:

to provide high quality refining, processing and other services to the gold industry and to develop and market globally, innovative, value-added precious metal products at a commercial rate of return acceptable to its shareholder.

Gold Corporation's functions, as described in sections 10, 36 and 49 of the *Gold Corporation Act 1987*, include:

- providing high quality processing services to the precious metals industry;
- adding value to Australia's precious metals before export;
- generating consumer interest in, and demand for, precious metals;
- promoting and developing markets for gold;
- providing international standard storage and safekeeping facilities for precious metals and other valuables; and
- promoting Perth as an international bullion centre.

The liabilities of Gold Corporation are guaranteed by the Government of Western Australia under section 22 of the *Gold Corporation Act 1987*. Gold Corporation's Board of Directors includes the Under Treasurer of the State of Western Australia. Gold Corporation is audited annually by the State Auditor General to ensure compliance with the *Financial Administration & Audit Act 1985* and the *Gold Corporation Act 1987*.

Gold Corporation's Operations

Gold Corporation is the holding company of two wholly owned subsidiaries, the Western Australian Mint and GoldCorp Australia. Gold Corporation provides central services to the group, including treasury, bullion services and settlement, accounting, personnel management, business development, information systems, public affairs, government relations, security and records management.

GoldCorp Australia was formed in 1986 to manage the redevelopment of the Western Australian Mint and to mint and market Australia's first legal tender precious metal bullion coin program internationally, under a unique agreement with the Commonwealth of Australia. GoldCorp Australia is a significant participant in international markets for value-added precious metal investment and collectable coin products, marketing a wide range of legal tender bullion and collector coins, and precious and base metal medallions.

Perth Mint Depository, a division of Gold Corporation, has developed an international reputation as a safe haven precious metal depository. The Depository offers precious metal storage

services to domestic and international private clients, trusts, superannuation funds and corporations seeking secure storage under government guarantee.

Gold Corporation's operations also include a significant interest in Australia's largest precious metals refining group, via the Western Australian Mint's 40 percent equity in the AGR Matthey partnership.

Gold Corporation's Annual Report is available at www.perthmint.com.au. With regard to the financial position of the Government of Western Australia, a Quarterly Financial Results Report is available at www.dtf.wa.gov.au

Board of Directors

The Gold Corporation Board comprises five non-executive Directors: Mr Peter Unsworth, Mr Peter Lalor, Ms Martine Pop, Ms Valerie Davies and the Under Treasurer of the State of Western Australia, Mr John Langoulant, who is an *ex officio* non-executive Director. Mr Don Mackay-Coghill (Chief Executive Officer of Gold Corporation and Managing Director of GoldCorp Australia and the Western Australian Mint) is the only executive Director on the Board.

Apart from the Under Treasurer, each of the non-executive Directors was appointed by the Government of Western Australia, on the nomination of the Minister, for three-year terms commencing 1 July 2001.

Chairman

Peter Unsworth CA, B.Com

Peter Unsworth is a corporate finance specialist and director of a number of public and private companies, including the AGR Matthey partnership. He was formerly an Executive Director of Western Australian stockbroker, Paterson Ord Minnett Ltd. His career includes six years with international accounting firm Coopers & Lybrand (now PricewaterhouseCoopers) in Perth and Sydney, and six years with the Perth Stock Exchange Ltd.

Directors

Peter Lalor LL.B

Peter Lalor is the Executive Chair of Sons of Gwalia Ltd. Mr Lalor is a law graduate from the University of Western Australia and practised in Perth prior to starting Sons of Gwalia Ltd. with his brother Chris, in 1981. He has significant legal and commercial experience and has been actively involved in Perth's business and industry sectors for many years.

Mr Lalor is currently the President of the Chamber of Minerals & Energy of Western Australia (Inc.) and a Vice-President of the Executive Committee of the Minerals Council of Australia in Canberra. He is a member of the Board of the Scitech Discovery Centre. Mr Lalor is a member of the Western Australian Government's Premier's Science Council and State Development Forum.

Martine Pop PhD EEC Commercial Law

Martine Pop has more than 12 years of credit, risk management and control management experience with Macquarie Bank and Challenge Bank, in senior and executive positions. Ms Pop worked for more than six years as an Executive Consultant with Ernst & Young, providing risk management and corporate management/governance advisory services to the private and public sectors. She holds directorships on The Grain Pool of WA and the Australian Rail Track Corporation, and is the Deputy Chairperson of the Centre for Mental Health Services Research. Ms Pop is also the chair of the WA Meat Industry Authority.

John Langoulant B Ec(Hons)

John Langoulant is the Western Australian Under Treasurer, a position he has held since June 1995. Prior to this appointment, he worked for 18 years in State and Federal Treasury Departments, developing and implementing economic and financial policies. More than a decade of this experience was with the Federal Treasury in Canberra. Mr Langoulant is also Chairman of the Western Australian Treasury Corporation.

Valerie Davies MAICD

Communications specialist Valerie Davies is the principal of One.2.One Communications Pty Ltd and a Director of Iluka Resources Ltd and Integrated Group Ltd. A former newspaper journalist, Ms Davies was the first woman to read nightly news on commercial television in Perth and anchored the 11.30 News Report. The 1997 WA Telstra Business Woman of the Year specialises in strategic planning, coaching and mentoring on business, communication and life-skills.

Don Mackay-Coghill

Don Mackay-Coghill is the Chief Executive Officer of Gold Corporation, a position he has held since the proclamation of the *Gold Corporation Act 1987* on 30 June 1988. Mr Mackay-Coghill joined International Gold Corporation Limited (Intergold) in South Africa in 1971. The following year, he was appointed Manager of the Johannesburg Office of Intergold. He became Manager, Worldwide, in 1975 and was appointed Chief Executive, Worldwide, in 1979. During his time at Intergold, Mr Mackay-Coghill was responsible for the international marketing of the Krugerrand, which created the first global market for bullion coins. In recognition of his achievements he received the South African Marketing Award of the Year in 1978. He resigned from Intergold in 1986 and emigrated from South Africa to take up the dual position of Chief Executive Officer of GoldCorp Australia, and Managing Director of the Western Australian Mint. Mr Mackay-Coghill was appointed Chairman of AGR Matthey partnership on 15 June 2001.

CORPORATE GOVERNANCE

The Board of Directors is the governing body of Gold Corporation. The *Gold Corporation Act 1987* empowers the Board to determine policies for the Corporation and its subsidiaries, and requires the Board to:

- (a) develop and expand the Corporation's business for the benefit and to the greatest advantage of the people of Australia;
- (b) operate in accordance with prudent commercial principles; and
- (c) strive to earn a commercial rate of return on its capital.

The Board's authority is limited by the provisions in the *Gold Corporation Act 1987* and by Ministerial direction. The Board is committed to sound corporate governance principles, high standards of legislative compliance, and financial and ethical behaviour. The Board regards directorial and managerial conduct seriously and as an integral part of sound governance practices. In accordance with that, the Board has established and committed itself to a Statement of Business Principles and a Corporate Governance Charter. The Board acknowledges its accountability to the Corporation's only shareholder, the Government of Western Australia.

Risks of investing in the Perth Mint Gold Quoted Product

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This outline of risks does not purport to disclose all of the risks or other relevant considerations relating to an investment in the PMG. The PMG is considered by Gold Corporation to be suitable only for investors who understand and accept the risks involved in investing in this gold quoted product. Gold Corporation recommends that you obtain independent financial advice before buying a PMG.

General Market Risks

The general economic and political climate, general movements in local and international stock markets, prevailing and future economic conditions, investor sentiment, interest rates, and other events and factors outside the control of Gold Corporation could all affect the value of your PMG.

PMG is a financial instrument with a finite, but long, life. It may fall in price at or before expiry. The market value of your PMGs will be determined by market conditions, including:

- (a) the volatility of the over-the-counter gold and foreign exchange markets;
- (b) the liquidity of the over-the-counter gold and foreign exchange markets; and also
- (c) the Expiry Date.

While the Expiry Date would normally remain unchanged, all other factors may change. Changing market conditions therefore may cause a change in the PMG's price on the ASX.

Market Liquidity Risk

In the event that the over-the-counter gold or AUD/USD exchange rate markets are illiquid, Market Makers may be unable to quote buy and sell offers for PMG on SEATS or quote competitive buy

and sell offers. If this occurs, you may be unable to trade your PMGs if there are insufficient PMG holders willing to trade their PMGs.

Risk of Non-performance by Gold Corporation

Physical settlement of PMG depends on the ability of Gold Corporation to perform its obligations and deliver to you the specified amount of gold you are entitled to under the PMG.

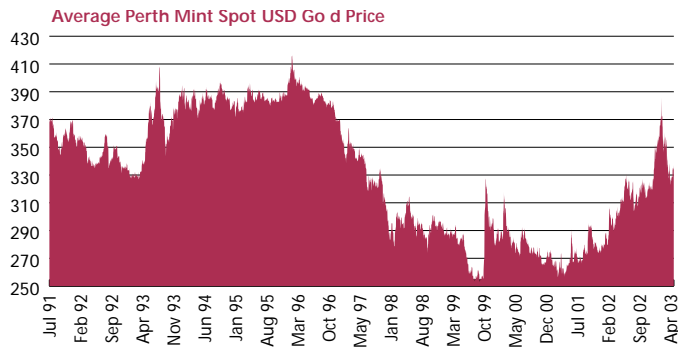
The liabilities of Gold Corporation, including its obligations under the PMG Terms, are guaranteed by the Government of Western Australia under the *Gold Corporation Act 1987*.

The State's AAA credit rating as at the date of this PDS may change from time to time in response to changes in its economic performance. Any such change in the State's credit rating may affect the perceived strength of Gold Corporation's Government Guarantee.

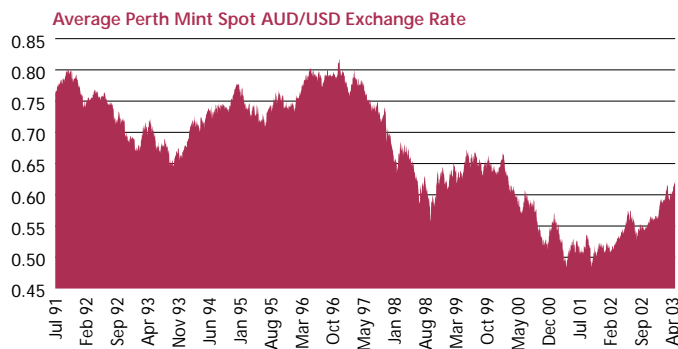
Risk of Changes in the PMG Management Fee

The PMG Management Fee will vary over the life of the PMG's because storage, insurance, CHES, registry and other management costs will change. While the PMG Management Fee will be fixed until 31 December 2003, Gold Corporation may increase the PMG Management Fee in subsequent periods if the costs associated with the operation of PMG increase or Gold Corporation has underestimated these costs. Gold Corporation will send written notification to each Holder on (or as soon as possible after) 1 January of each year informing the Holder what the PMG Management Fee will be for the proceeding year.

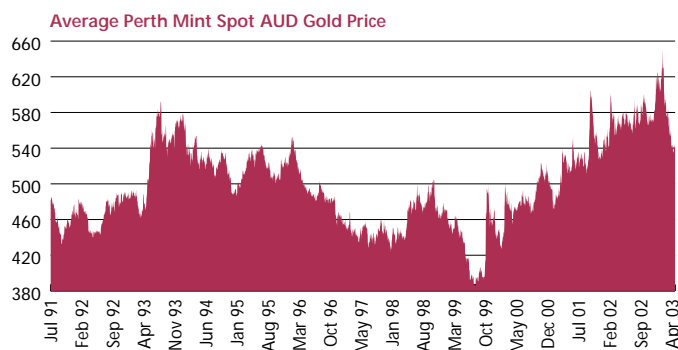
PMG is suitable for investors who understand and accept the risks of investing in it.



The USD gold price can fluctuate significantly in response to investor sentiment, industrial demand, mine supply, central bank policies, and other actors outside the control of Gold Corporation.



The AUD/USD exchange rate is also volatile. It can fluctuate in response to changes in Australia’s economic environment, political climate, stock market performance, interest rates, and other events and factors outside the control of Gold Corporation.



Investors interested in further information on the above data should visit the investment section of Gold Corporation’s website at www.perthmint.com.au where The Perth Mint’s extensive historical records of precious metal spot prices, exchange rates, London Fix prices and interest rates may be accessed free of charge.

Gold Price and Exchange Rate Volatility Risks

Gold generally is traded internationally in US dollars (USD). As PMG will be traded on the ASX in Australian dollars (AUD), your PMG investment will be affected by movements both in the AUD/USD exchange rate and the USD gold price. Increases in the AUD gold price may arise from increases in the USD gold price and/or decreases in the AUD/USD exchange rate.

The graphs below may assist you to decide whether you wish to invest in PMG. They show The Perth Mint’s average daily USD gold price, AUD/USD exchange rate and AUD gold price from 1 July 1991 to 30 April 2003. However the graphs below do not take into account any fees associated with an investment in PMG. They are historical trends only and are not necessarily indicative of the future performance of the USD gold price, AUD/USD exchange rate, AUD gold price or an investment in PMG.

Exercise of discretion by Gold Corporation

The PMG Terms confer discretions on Gold Corporation regarding PMG Exercise. The exercise or non-exercise of these discretions could affect adversely the value of the PMG. You do not have the power to direct Gold Corporation concerning the exercise of any discretion. These discretions include, but are not limited to, those set out in clauses 7.3, 7.4, 9.1, 12.1(e), 13.2 and 18.1 in the Terms contained in Part 6 of this PDS.

World Events

World events such as terrorism, war, political and economic trends, can all have an impact on the market price of gold and the AUD/USD exchange rate and hence the market value of PMG.

Introduction

The following summary of Australian tax implications has been prepared by Baker & McKenzie for inclusion in a Product Disclosure Statement dated on or about 7 May 2003 to be issued by Gold Corporation in relation to the proposed offer of Perth Minted Gold Quoted Product ("PMG"). A more detailed discussion on the Australian tax implications is available from Gold Corporation and appears on the investment section of Gold Corporation's website www.perthmint.com.au.

This discussion is a general guide to the key Australian tax implications arising for an Australian resident individual taxpayer who acquires PMGs and holds them on capital account. This summary is not relevant for Holders who hold a PMG on revenue account or as trading stock. Accordingly, this discussion does not apply to Holders who acquire a PMG in carrying on a business of trading or dealing in securities or gold.

This discussion is necessarily general in nature and does not take into account the specific taxation circumstances of each individual Holder. Potential Holders should not rely on this summary and should seek their own independent advice on the taxation implications relevant to their own circumstances before making any investment decision.

This discussion is based on the law in force, and administrative practice, as of 7 May 2003 and each Holder should be aware that the ultimate interpretation of the taxation law rests with the Courts and that the law, and the way the Commissioner of Taxation administers the law, may change at any time.

In this discussion, the "1936 Tax Act" means the

Income Tax Assessment Act 1936 and "CGT" refers to the capital gains tax provisions contained in the *Income Tax Assessment Act 1997* ("1997 Tax Act"). Capitalised terms used in this summary that are not defined in this summary have the same meaning as in the Product Disclosure Statement.

Summary of Tax Implications

Characterisation of PMG for income tax purposes

Division 16E of Part III of the 1936 Tax Act applies to tax the holder of "*qualifying securities*" on an accruals basis. It is considered that a PMG is not a security as defined for the purposes of Division 16E. Consequently, Division 16E does not apply to a PMG.

Sections 26BB and 70B of the 1936 Tax Act treat (broadly) any gains or losses on the redemption or disposal of a traditional security as ordinary income or losses. As a PMG is an option to acquire gold bullion, it is not a security as defined and so sections 26BB and 70B will not apply on the disposal or redemption of a PMG.

Unit Trusts

Broadly speaking, Division 6C of Part III of the 1936 Tax Act taxes "public trading trusts" as if they were companies. If a Holder is a unit trust that is not a public trading trust before investing in the PMG, then the investment in the PMG will not of itself cause the Holder to become a public trading trust.

Unit trusts who complete an Exercise Notice and take delivery of the gold will be holding physical gold bullion and not a financial instrument. The holding of physical gold bullion is not an "*eligible investment business*" for the purposes of Division 6C of Part III of the 1936 Tax Act.

CGT Implications

For CGT purposes, a PMG is a “CGT asset”. The CGT asset is the option itself and not the Underlying Parcel (that is, gold). Please refer to the “Capital gains tax” section in the detailed discussion available from Gold Corporation for more detail of the CGT consequences summarised below.

Exit mechanism	Capital gains tax impact
Sale of PMG on ASX	Disposal of PMG is a taxable CGT event. Discount may be available if PMG held for more than 12 months.
Physical Settlement	No CGT event. Costs of acquisition and exercise of PMG become part of cost base of the gold.
Cash Settlement	Cancellation of PMG on the Cash Settlement is a taxable CGT event, with the Cash Settlement Amount being the capital proceeds for CGT purposes. Discount may be available if PMG held for more than 12 months.

Fee/Reduction	Capital gains tax impact
PMG Management Fee	Not deductible in the year in which it is incurred. Forms part of the cost base of the PMG. Can be utilised to reduce any capital gain on the disposal or cancellation of the PMG. Does not form part of the reduced costs base of the PMG and so cannot increase any capital loss on disposal or cancellation of a PMG. Not a cost of acquiring or exercising the PMG. Will not become part of the cost base of any physical gold a Holder acquires through exercising the PMG.
PMG Trading Fee	The PMG Trading Fee paid by a Holder when purchasing a PMG on the ASX is added to the Holder’s cost base in the PMG. The PMG Trading Fee which is received when a Holder sells a PMG on the ASX increases the capital proceeds for CGT purposes received by a Holder on a disposal of the PMG.
Cash Settlement Reduction Amount	Is not a separate fee charged by Gold Corporation. It reduces the capital proceeds for CGT purposes received by a Holder on a Cash Settlement.

Consents and Disclosures

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Consents

Baker & McKenzie, solicitors, has given its written consent to being named as having acted as solicitors to Gold Corporation in connection with the Perth Mint Gold Quoted Product pursuant to this PDS. Baker & McKenzie has given its written consent to being named as having acted as tax advisers to Gold Corporation in connection with the Perth Mint Gold Quoted Product pursuant to this PDS and to the inclusion of the taxation summary in this PDS in the form and context in which it appears. An amount of \$156,000 in legal fees has been paid or is payable to Baker & McKenzie. Baker & McKenzie take no responsibility for any part of this PDS other than the tax summary. Baker & McKenzie does not make any statement in this PDS nor does any statement herein purport to be based on a statement made by Baker & McKenzie. Baker & McKenzie has not authorised or caused the issue of this PDS.

Interests of Experts and Advisers

No expert and no firm in which an expert is a partner, has at the date of this PDS any material interest in connection with the formation or promotion of either Gold Corporation or the PMG. Baker & McKenzie will receive legal fees for their professional services in connection with this PDS as solicitors to Gold Corporation.

Director and Related Entity Interests

Neither Gold Corporation nor its related bodies corporate, nor any director or proposed director of Gold Corporation, nor any firm in which a director or proposed director of Gold Corporation is a partner, has, at the date of this PDS, any material interest in connection with the formation or promotion of either Gold Corporation or the PMG.

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Terms and Conditions

Perth Mint Gold Quoted Product (“PMG”)

Terms of the PMGs: The PMGs are issued by Gold Corporation (the “Issuer”) to GoldCorp Australia (“GoldCorp”) as subscriber. An acceptance will be made by Gold Corporation acting through an arrangement with a financial services licensee causing the Australian Stock Exchange (“ASX”) to release through the Companies Announcement Platform (“CAP”) an announcement being the acceptance of GoldCorp’s offer to subscribe for all the PMGs. Gold Corporation will issue the PMGs to GoldCorp under the following Terms:

1. Title and transfer of PMG
 - 1.1 The Issuer will grant the relevant PMGs to the subscriber in return for the subscriber paying consideration to the Issuer.
 - 1.2 The PMGs will be CHESS Approved Securities. Certificates will not be issued to Holders.
 - 1.3 PMGs are transferable in accordance with the ASX Business Rules and SCH Business Rules.
 - 1.4 Title to a PMG will pass to a Holder upon registration of a transfer of the PMGs in the Register. No PMG transaction may take place on the ASX after the close of business on the Expiry Date.
2. Register of PMGs
 - 2.1 The Issuer must maintain a Register of PMGs, in accordance with the ASX Business Rules and the SCH Business Rules.
 - 2.2 The property in the PMG, being the rights conferred on the Holder under clause 4, is situated at the place where the Register is located.
- 2.3 Except as otherwise provided in these Terms, the Issuer must recognise the registered Holder from time to time as the absolute owner of the PMG and all persons must act accordingly.
3. Status of PMGs
 - 3.1 The PMGs are unsecured obligations of the Issuer. However, the Issuer is a statutory authority of the Government of Western Australia established under the *Gold Corporation Act 1987*. Under section 22 of the *Gold Corporation Act 1987*, the cash equivalent of gold due, payable and deliverable by Gold Corporation or GoldCorp is guaranteed by the Treasurer, in the name and on behalf of the Crown in right of the State.
4. Nature of PMGs
 - 4.1 Each PMG:
 - (a) confers on the Holder the right, but not the obligation, to acquire the Underlying Parcel from the Issuer, on giving the Issuer a valid Exercise Notice electing Physical Settlement of the PMG; and
 - (b) does not confer on the Holder any right to or interest in any Underlying Parcel unless and until the right in sub-clause (a) above is validly exercised; or
 - (c) confers on the Holder the right, but not the obligation, to obtain the Cash Settlement Amount from the Issuer, on giving the Issuer a valid Exercise Notice electing Cash Settlement of the PMG.
5. Exercise of PMGs
 - 5.1 A Minimum Exercise Set of PMGs may be exercised at any time before the Expiry Date,

provided the PMG has not expired early (see clause 12).

- 5.2 The Holder may exercise the PMG at any time before 5.00pm Perth time on the Expiry Date by giving to the Issuer a valid Exercise Notice.
- 5.3 Where an Exercise Notice has been issued to exercise a PMG under this clause 5 and it is received before 5.00pm Perth time on a Business Day, the PMG is deemed to be exercised on that Business Day. Where the Exercise Notice is received after 5.00pm Perth time on a Business Day or a non-Business Day, the PMG is deemed to be exercised on the next Business Day that follows immediately after.
- 5.4 The Issuer must give each Holder no more than thirty Business Days and no less than twenty Business Days notice of the impending Expiry Date, containing the matters required by the ASX Business Rules.

Exercise Notice Irrevocable

- 5.5 An Exercise Notice given to the Issuer cannot be revoked.

Validity of Exercise Notice

- 5.6 An Exercise Notice is valid if and only if:
- (a) it is given by the Holder, or a person who claims to be entitled to be registered as the Holder, to the Issuer; and
 - (b) the PMGs to be exercised have not expired; and
 - (c) the Holder exercises a Minimum Exercise Set of PMGs; and
 - (d) the Holder elects either Cash Settlement or Physical Settlement on its Exercise Notice; and
 - (e) where the Holder elects Physical Settlement on its Exercise Notice:
 - (i) the Holder has nominated an approved Physical Form for delivery of the Underlying Parcel on its Exercise Notice; and

- (ii) the Holder elects a Physical Settlement method in accordance with clause 7; and
- (iii) the Holder has authorized the Issuer to redeem the number of PMGs necessary to pay for the Exercise Price and the Physical Settlement Fee before delivering the Underlying Parcel. The number of PMGs to be redeemed will be that number that corresponds to the amount of the Exercise Price and Physical Settlement Fee, calculated pursuant to the London Fix on the Exercise Date (or the earliest London Fix thereafter if there is no London Fix on the Exercise Date) divided by the Hedge Settlement Rate on the Exercise Date (or the earliest Hedge Settlement Rate thereafter if there is no Hedge Settlement Rate on the Exercise Date) (the “Redeeming PMGs”);

- 5.7 If the number of PMGs included in the Exercise Notice exceeds the number of PMGs held by the Holder, the Exercise Notice is valid only to the extent of the number of PMGs held by the Holder.
- 5.8 If more than one Exercise Notice is given in respect of a PMG, the valid Exercise Notice will be the Exercise Notice which the Issuer knows or reasonably believes was given by the last of those persons who became entitled to be the Holder of those PMGs before 5.00 pm Perth time on the Exercise Date.
- 5.9 The Issuer’s registrar will certify to the Issuer that a person purporting to exercise PMGs is the Holder of the number of PMGs being exercised.
- 5.10 The Issuer may determine whether an Exercise Notice is valid. An invalid Exercise Notice will be void. The Issuer will promptly notify the Holder that an Exercise Notice is invalid.

6. Effect of Valid Exercise Notice
- 6.1 If the Holder complies with clause 5:
- (a) the Issuer will undertake all acts necessary to effect the settlement, on the Settlement Date, for the number of PMGs exercised; and
 - (b) the PMGs that are exercised will expire.
7. Physical Settlement
- 7.1 On its Exercise Notice, the Holder must elect one only of the following two methods of Physical Settlement:
- (a) in person – if the Holder elects to collect the Physical Form of the Underlying Parcel corresponding to the PMGs exercised in person, the Holder must provide 100 points of identification as detailed in AUSTRAC’s 100 Point Check (Form 201 or Form 203, whichever is applicable) to prove that it is the Holder of the PMGs; or
 - (b) the Issuer’s agent – if the Holder elects this option, the Issuer will arrange shipment of the Holder’s Physical Form of the Underlying Parcel to the Holder’s registered address. The Holder must provide the Issuer and the Issuer’s agent with 100 points of identification as detailed in AUSTRAC’s 100 Point Check (Form 201 or Form 203, whichever is applicable). The Holder may request, and the Issuer will use its best endeavours to deliver, at an appropriate delivery time. The Holder agrees to pay all shipment and insurance costs as part of the Physical Settlement Fee.
- 7.2 The Holder acknowledges that:
- (a) under clause 7.1(a), the Issuer is deemed to have delivered or caused to be delivered to the Holder the Physical Form of the Underlying Parcel, for the purpose of clause 11.1, when the Issuer makes the Physical Form of the Underlying Parcel available for collection;
 - (b) under clause 7.1(b), the Issuer is deemed to have delivered or caused to be delivered to the Holder the Physical Form of the Underlying Parcel, for the purpose of clause 11.1, when the Physical Form of the Underlying Parcel is released by the Issuer from The Perth Mint;
 - (c) the purity of the Physical Form of the Underlying Parcel delivered to the Holder will be no less than 99.50%;
 - (d) the Issuer is not obligated to offer shipment of the Physical Form of the Underlying Parcel under clause 7.1(b).
- 7.3 If the Holder does not exercise a Minimum Exercise Set of PMGs, then, in the Issuer’s absolute discretion, the Issuer may do any one or more of the following:
- (a) inform the Holder the Exercise Notice is invalid and void; or
 - (b) suggest the Holder sell its PMGs on-market; or
 - (c) pay the Holder, in cleared funds, the market value of all or any portion of the Underlying Parcel (after deducting the Exercise Price, Physical Settlement Fee (if any) and any costs of the sale (including brokerage)).
- 7.4 If the Holder fails to take delivery of its Physical Form of Underlying Parcels within 20 Business Days of the Settlement Date, then the Issuer, in its absolute discretion, may sell the Physical Form of the Underlying Parcels and pay to the Holder the sale proceeds after deducting the Exercise Price and Physical Settlement Fee (if these have not already been paid) and the Issuer’s costs in selling the Physical Form of the Underlying Parcels (including the costs of returning the Physical Form to the Issuer, if any) and making a cash payment. The Holder acknowledges that these costs (the “Non-Delivery Fee”) may change from time to time. The Issuer agrees to notify the Holder of the Non-Delivery Fee in the Exercise Product & Price Schedule from time to time. The Holder agrees and

acknowledges that the Exercise Price and Physical Settlement Fee will not be refunded.

8. Cash Settlement

- 8.1 If the Holder elects Cash Settlement on its Exercise Notice, the Issuer will pay the Holder, in cleared funds, the Cash Settlement Amount by cheque drawn to the Holder's name as it appears on the Register and sent to the Holder's address as recorded on the Register.
- 8.2 The Holder acknowledges that under clause 8.1, the Issuer is deemed to have paid the Cash Settlement Amount, for the purpose of clause 11.1, on the date the cheque is sent or posted to the Holder's address as recorded on the Register.
- 8.3 If the Holder does not exercise a Minimum Exercise Set of PMGs, then, in the Issuer's absolute discretion, the Issuer may do any one or more of the following:
- (a) inform the Holder the Exercise Notice is invalid and void; or
 - (b) suggest the Holder sell its PMGs on-market; or
 - (c) pay the Holder, in cleared funds, the Cash Settlement Amount.

9. Fees

- 9.1 Notwithstanding any of the fees described in this clause 9, the Issuer may waive any or all of these fees at the Issuer's absolute discretion.

Physical Settlement Fee

- 9.2 A Holder must pay the Physical Settlement Fee if the Holder elects Physical Settlement on the Exercise Notice. The Issuer will determine the number of PMGs that correspond to the amount of the Physical Settlement Fee (the "Redeeming PMGs").
- 9.3 The Physical Settlement Fee includes:
- (a) Fabrication Charges, if applicable; plus
 - (b) shipment and freight insurance costs, if applicable; plus

(c) any applicable Taxes and Duties;

- 9.4 The Issuer will notify the Holder the amount of the Physical Settlement Fee and the corresponding number of Redeeming PMGs as soon as practicable after receipt of the Holder's Exercise Notice. At the close of trading on the Exercise Date, the Issuer will redeem the Redeeming PMGs. The payment due to the Holder by the Issuer after redemption of the Redeeming PMGs will be set off by the Issuer against the outstanding Physical Settlement Fee and Exercise Price.

PMG Management Fee

- 9.5 A Holder must pay the annual PMG Management Fee, which will be determined by the Issuer in accordance with clause 9.6. On, or as soon as possible after, 1 January of each year, the Issuer will send the Holder a written notice informing the Holder of the amount of the PMG Management Fee payable for that year. The PMG Management Fee becomes due and payable on 31 December of each year.
- 9.6 The Issuer will determine annually the number of PMGs that correspond to the amount of the PMG Management Fee (the "Redeeming PMGs"). At the close of trading on ASX on 31 December of each year, the Issuer will redeem the Redeeming PMGs. The payment due to the Holder by the Issuer after redemption of the Redeeming PMGs will be set off by the Issuer against the outstanding PMG Management Fee and will constitute payment by the Holder of the PMG Management Fee. For the period to 31 December 2003, the PMG Management Fee will be charged at a rate of 0.333% which corresponds to redeeming from a Holder's PMGs 1 Redeeming PMG for every 300 PMGs held on 31 December 2003. The minimum PMG Management Fee will be 1 PMG.
- 9.7 As soon as possible after the redemption of the Redeeming PMGs, the Issuer will give the Holder a written notice setting out the amount of the PMG Management Fee and the

number of PMGs that have been redeemed.

PMG Trading Fee

9.8 A Holder acknowledges that the Market Makers will add a PMG Trading Fee each day to both the underlying gold bid and ask prices of PMG as set by the Market Makers to prevent a Holder from attempting to avoid the PMG Management Fee by selling PMG immediately before 31 December and buying back after that date.

10. Termination of Delivery Contract

10.1 The delivery contracts arising under clause 7 terminate automatically at the close of business on the Settlement Date unless the person who gave the Issuer an Exercise Notice is registered as the Holder of the PMGs being exercised.

11. Failure to Perform

Failure of Issuer to Perform

11.1 If the Issuer does not by the Settlement Date, for each Minimum Exercise Set exercised, deliver or cause to be delivered to the Holder, an Underlying Parcel or pay the Cash Settlement Amount, the Issuer must, if required in writing by the Holder, either:

- (a) deliver to the Holder 110% of the Underlying Parcel due on the Settlement Date; or
- (b) pay to the Holder the cash equivalent of 110% of the Underlying Parcel calculated pursuant to the London Fix on the Exercise Date (or the earliest London Fix thereafter if there is no London Fix on the Exercise Date) divided by the Hedge Settlement Rate on the Exercise Date (or the earliest Hedge Settlement Rate thereafter if there is no Hedge Settlement Rate on the Exercise Date).

Acknowledgment

11.2 The Holder and the Issuer acknowledge to each other that the amount of damages calculated in accordance with clause 11.1 is a genuine pre-estimate of the damage that the

Holder would suffer from the failure of the Issuer to perform its obligations under clauses 6, 7 and 8 (whichever is applicable) and that on the receipt of a notice under clause 11.1 (in accordance with Rule 8.17B) of the Business Rules, the Issuer is relieved of its obligations under clauses 6, 7 and 8 and its only obligation is to make the payments required by clause 11.1.

12. Expiry of PMGs

12.1 A PMG expires under any of the following circumstances:

- (a) at 5.00pm Perth time on the Expiry Date, if a valid Exercise Notice has not been given to the Issuer; or
- (b) when the Underlying Parcel is transferred or the Cash Settlement Amount is paid after a valid Exercise Notice has been given to the Issuer; or
- (c) when the Holder gives the Issuer notice under clause 11.1; or
- (d) with the consent of the ASX, when:
 - (i) the PMGs are suspended or cease to trade for a period of 24 hours or more, except where either event is caused by the Issuer; or
 - (ii) the Underlying Parcel is suspended or ceases to trade on over-the-counter markets; or
 - (iii) if a Force Majeure event occurs and the Issuer is unable to acquire, sell or otherwise deal in the Underlying Parcel; or
- (e) six months after the date of a CAP announcement by the Issuer that the total number of PMGs held by a Holder(s) other than GoldCorp is below 10 million PMGs, at the Issuer's absolute discretion; or
- (f) if the Issuer has bought back all outstanding PMGs so that there are no longer any Holders recorded and the Issuer notifies the ASX that the PMGs have expired.

- 12.2 If a PMG expires other than under clauses 12.1 (b), (c), (d)(ii), (d)(iii) or (f) and it has an intrinsic value, the Issuer will pay to the Holder the intrinsic value of the PMG, being the London Fix on the Business Day after the Expiry Date (or the earliest London Fix thereafter if there is no London Fix on the Business Day after the Expiry Date) divided by the Hedge Settlement Rate on the Business Day after the Expiry Date (or the earliest Hedge Settlement Rate thereafter if there is no Hedge Settlement Rate on the Business Day after the Expiry Date) less the Issuer's costs and expenses in storing and selling the gold.
- 12.3 The Issuer must notify each Holder of an early expiry under clause 12.1(d) within 10 Business Days of the Issuer receiving the consent of the ASX.
- Effect of PMG Expiry*
- 12.4 When a PMG expires, it is automatically and permanently cancelled and all rights and obligations created by or in respect of it are terminated except:
- in respect of any payment required under clauses 11.1 or 12.2; and
 - for any other rights the Holder may have arising out of a breach of the Terms by the Issuer.
13. Dealing in PMGs by Issuer
- 13.1 The Issuer may at any time deal in PMGs at any price in the open-market on its own account or through its Market Makers.
- 13.2 Any PMGs purchased by the Issuer will not be cancelled automatically and may be resold, however, they may be cancelled at the discretion of the Issuer.
14. Further Issues of PMGs
- 14.1 The Issuer may, with consent of the ASX, issue further PMGs having the same Terms as these PMGs so as to form a single series with these PMGs.
15. Taxation of PMGs
- 15.1 The Issuer is not liable for any Taxes and Duties arising from the ownership, transfer or exercise of a PMG.
- 15.2 Holders must pay all Taxes and Duties in connection with the ownership, transfer and exercise of their PMGs.
16. Law Governing PMGs
- 16.1 The PMGs are governed by the law of New South Wales.
17. Suspension of PMG Trading
- 17.1 The ASX may, under the ASX Business Rules, suspend the PMGs from trading.
18. Amendment of Terms
- 18.1 The Issuer may amend these Terms where:
- the amendment is authorised by a resolution of Holders; or
 - the amendment is desirable in the Issuer's reasonable opinion to comply with the law or rules or a requirement of the ASX or other governmental or regulatory body; or
 - the amendment is desirable to correct an inconsistency or error in these Terms (but only if such amendment does not, in the opinion of the Issuer, prejudice the interest of the Holders and the ASX does not object to the amendment); or
 - the Terms, in the Issuer's reasonable opinion, become impossible or unworkable to comply with (for example, if the London Bullion Market Association's Gold Fixing, or the over-the-counter spot gold market, ceases to operate or exist); or
 - there are no longer any Holders (except any amendment to the Expiry Date).
- 18.2 The Issuer must notify all Holders in writing of a proposed amendment together with a ballot paper.
- 18.3 Holders may return ballot papers to the Issuer by no later than 20 Business Days after the

- date of the notice. Each Holder is entitled to one vote for each PMG held.
- 18.4 A resolution is duly passed if 75% or more of the votes cast are in favour of the amendment. The registrar shall determine the validity of all ballot papers and add together all of the votes cast on valid ballot papers during the voting period.
- 18.5 If there are no Holders of the PMG other than the Issuer, the Issuer will proceed with the amendment after informing the ASX and making an announcement over the CAP.
- 18.6 The Issuer or its associates must not vote unless they are voting as trustee or nominee for a person who is not an associate.
- 18.7 An amendment must be notified to the ASX.
19. Business Rules
- 19.1 All provisions of these Terms are subject to any contrary requirement from time to time of the ASX Business Rules or, when applicable, the SCH Business Rules unless the ASX or, if appropriate, the SCH gives or has given a waiver or consent in respect of the PMGs of any of those rules.
20. Set off
- 20.1 All monetary obligations imposed on a Holder under these Terms are:
- (a) absolute; and
 - (b) free of any right to counterclaim or set off; and
 - (c) may only be satisfied once the payment has cleared.
- 20.2 The Issuer may:
- (a) set off any amount payable to the Issuer or any of their agents by a Holder against any amount payable by the Issuer to the Holder; and
 - (b) withhold any amount payable by the Issuer or any of their agents to a Holder in satisfaction of any amount payable to the Issuer or any of their agents by the Holder.
21. Service of Documents
- 21.1 A notice may be given by the Issuer to any Holder either personally, by facsimile or electronically to the relevant facsimile number or electronic address of the Holder as shown on the Register or provided by the Holder, by sending it by post addressed to the Holder at its address as shown in the Register or otherwise by any method (including by advertisement) as the Issuers may determine.
- 21.2 In the case of a Holder whose registered address is outside Australia, a notice sent by post will be sent by airmail.
- 21.3 A notice may be given by the Issuer to the joint holders of a PMG by giving the notice to the joint holder whose name appears first in the Register and that notice will be sufficient notice to all the joint holders.
- 21.4 Any notice by advertisement will be deemed to have been served on the day of publication of the newspaper containing the advertisement.
- 21.5 Any notice sent by post will be deemed to have been served on the day following the day on which the notice is posted unless sent by airmail to an address outside the country in which it was posted, in which case it will be deemed to have been served on the fifth day following the day on which it is posted.
- 21.6. A notice sent by facsimile or other electronic means will be deemed to have been served on the same day that it is sent.

In this PDS:

“**ASIC**” means Australian Securities & Investment Commission;

“**ASX**” means Australian Stock Exchange Limited (ACN 008 624 691);

“**AUSTRAC**” means Australian Transaction Reports & Analysis Centre, the government agency responsible for implementing the legislative requirements of the Financial Transaction Reports Act (1988) (Cth);

“**Business Day**” means a day on which banks are open for business in Perth, Sydney and Melbourne;

“**Business Rules**” means the Business Rules of the ASX as amended from time to time;

“**Cash Equivalent Amount**” means the cash equivalent of the Underlying Parcel corresponding to the PMGs exercised calculated pursuant to the London Fix on the Exercise Date (or the earliest London Fix thereafter if there is no London Fix on the Exercise Date) divided by the Hedge Settlement Rate on the Exercise Date (or the earliest Hedge Settlement Rate thereafter if there is no Hedge Settlement Rate on the Exercise Date);

“**Cash Settlement**” means when the Holder elects to receive the Cash Settlement Amount in accordance with clause 8;

“**Cash Settlement Amount**” means the Cash Equivalent Amount less the Cash Settlement Reduction Amount;

“**Cash Settlement Reduction Amount**” means the amount deducted from the Cash Equivalent Amount to calculate the Cash Settlement Amount and will be calculated as follows: an amount equal to \$0.50 per Underlying Parcel exercised plus an amount of \$100, or such other amount determined by Gold Corporation from time to time;

“**CHESS**” means the Clearing House Electronic Subregister System operated by the ASX;

“**Conversion Ratio**” means the number of PMGs to 1 Underlying Parcel as specified in the Term Sheet;

“**Exercise Date**” means any time before the Expiry Date and specifically, the date on which the Holder delivers a valid Exercise Notice to the Issuer;

“**Exercise Notice**” means a notice in the form set out on page 35 of the PDS headed “Exercise Notice”;

“**Exercise Price**” means the exercise price payable by the Holder of \$0.50 per Underlying Parcel exercised;

“**Exercise Product & Price Schedule**” means the exercise product and price schedule available from the Issuer or the Issuer’s website. An indicative Exercise Product & Price Schedule as at the date of this PDS is set out in Part 11 of this PDS;

“**Expiry Date**” means the earlier of:

- (a) the Settlement Date; or
- (b) 31 December 2013;

“**Fabrication Charges**” means the fabrication charges per gold bar or coin, forming part of the Physical Settlement Fee, as indicated in the Exercise Product & Price Schedule;

“**Fine Gold**” means the amount of pure gold in a product;

“**Force Majeure**” means any act of God, war, sabotage, riot, insurrection, civil commotion, national emergency (whether in fact or law) strikes, lock-outs or other industrial disturbance, accidents, uncontrollable delays in transportation, inability to obtain any necessary materials, equipment, facilities or qualified employees or the effect of any applicable laws, orders, rules or regulations and any other matters beyond the reasonable control of the Issuer and which prevents the Issuer from fulfilling its obligations under these Terms;

“**Gold Corporation Act 1987**” means the Act of Parliament of the State of Western Australia, being an Act to constitute the Gold Corporation and provide for its functions and the conduct of its business;

“**Hedge Settlement Rate**” means the Australian Financial Markets Association’s AUD/USD Hedge Settlement Rate that, as at the date of this PDS, is calculated from the mid rates of the last update from each contributor on Reuters page HSRACONT between 9:43:00am and 9:45:59am Sydney time;

“**Holder**” means a person whose name appears in the Register of PMGs from time to time;

“**Issuer**” means Gold Corporation (ABN 98 838 298 431);

“**London Fix**” means the last USD London gold fix per troy ounce on a day (if any) as set by the members of the London Bullion Market Association’s Gold Fixing;

“**London Good Delivery Bar**” is a gold bar that conforms to the good delivery specifications of the London Bullion Market Association;

“**Market Maker**” means such person whom the Issuer appoints for the purpose of making a market in the PMG;

“**Minimum Exercise Set**” means 100 PMGs;

“**Non-Delivery Fee**” has the meaning given to it under clause 7.4;

“**PDS**” means this document, including the Term Sheet;

“**Physical Form**” means either London Good Delivery Bar or any other gold coin or bar product(s) made available by the Issuer for delivery of the Underlying Parcel upon exercise of a Minimum Exercise Set of PMGs;

“**Physical Settlement**” means when the Holder elects to take physical delivery of the gold corresponding to the Holder’s PMGs in accordance with clause 7;

“**Physical Settlement Fee**” means the fee payable by the Holder on delivering to the Issuer an Exercise Notice electing Physical Settlement in accordance with clause 9;

“**PMG**” means the Perth Mint Gold Quoted Product being issued under the PDS;

“**PMG Management Fee**” means a fee charged each year at the close of trading on ASX on 31 December which covers the annual costs incurred by the Issuer in relation to the PMG in accordance with clause 9;

“**PMG Trading Fee**” means a fee charged by Market Makers each day to both the underlying gold bid and ask prices of PMG to reflect the time value of the PMG Management Fee. Therefore, the PMG Trading Fee calculated into the price of PMG on 1 January will be higher than the PMG Trading Fee calculated into the price of PMG on 30 December;

“**Redeeming PMG**” has the meaning given to it under clause 5.6(e)(iii), in respect of the Exercise Price and Physical Settlement Fee and under clause 9.6, in respect of the PMG Management Fee;

“**Register**” means a register of PMGs to be maintained in accordance with clause 2;

“**Settlement Date**” means:

- (a) for London Good Delivery Bar, the 20th Business Day after the Exercise Date;
- (b) for other Physical Forms, the date notified to the Holder by the Issuer; and
- (c) for Cash Settlement, 5 Business Days after the Exercise Date;

“**SCH**” means the ASX Settlement and Transfer Corporation Pty Limited (ACN 008 504 532);

“**Taxes and Duties**” means any tax, duty, or other charge including GST arising from ownership, transfer or exercise of a PMG;

“**Terms**” means the Terms and Conditions which are contained in Part 6;

“**Term Sheet**” means the Term Sheet distributed by the Issuer and attached to this PDS;

“**The Perth Mint**” means 310 Hay Street, East Perth, Western Australia 6004, or such other location as specified by the Issuer; and

“**Underlying Parcel**” means one troy ounce of Fine Gold.

Terms defined in the ASX Business Rules or in the SCH Business Rules have the same meaning in this document unless they are specifically defined in this document or the context otherwise requires.

Privacy Statement 8

Gold Corporation will only collect personal information necessary for the products or services you request. The information we obtain from you or other people during the course of managing the PMG is required to manage your investment and comply with relevant laws.

We may use this information to send you details about Gold Corporation's other precious metal and investment products. If at any time you are receiving information from us about our products and do not wish to do so, please let us know. Gold Corporation may also disclose information about you to third party service providers who assist Gold Corporation in its business operations and service provision.

Further information about Gold Corporation's privacy practices can be found at www.perthmint.com.au.

If you have any queries, please contact Gold Corporation on 1300 651 465 or by mail to GPO Box M924, Perth Western Australia 6004.

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Directory - Contact details

PMG Issuer

Perth Mint Buildings
310 Hay Street
East Perth, Western Australia 6004

Postal Address:
GPO Box M924, Perth
Western Australia 6834

Telephone: 1300 651 465
Facsimile: (08) 9221 7074
Website: www.perthmint.com.au

PMG Registrar

Computershare Investor Services Pty Limited
Level 2, 45 St George's Terrace
Perth, Western Australia 6000

Postal Address:
GPO Box D182, Perth
Western Australia 6840

Telephone: (08) 9323 2000
Facsimile: (08) 9323 2033
Website: www.computershare.com

Exercise Procedure

10

Your guide to the Exercise Notice

You can choose one of two exercise options: physical (deliverable) gold or cash. The minimum number of PMGs that you can exercise ("Minimum Exercise Set") is 100 PMGs. This corresponds to 1 troy ounce of fine gold.

Option 1: Physical Settlement

If you wish to take delivery of the gold represented by your PMGs ("Physical Settlement"), you must:

- (a) send the Exercise Notice to Gold Corporation:
 - (i) nominating the physical form, namely the quantity and type of coin or bar product(s) in which you wish to take delivery of the gold represented by your PMGs;
 - (ii) authorising Gold Corporation to redeem the number of PMGs necessary to pay for the Exercise Price and Physical Settlement Fee;
 - (iii) nominating the collection method for physical delivery of the gold; and
- (b) hold a Minimum Exercise Set of PMGs sufficient to cover:
 - (i) the number of PMGs required for the coin or bar product(s) you have chosen; and
 - (ii) the Exercise Price and Physical Settlement Fee.

Subject to your compliance with (a) and (b) above, Gold Corporation will make the gold represented by your PMGs available for collection at The Perth Mint by the Settlement Date.

Exercise Product & Price Schedule

PMG gold is deliverable in a number of forms. One of the forms in which gold is traded internationally and in which PMG gold can be delivered to you is London Good Delivery Bars. London Good Delivery Bars weigh approximately 400 troy ounces and have a purity of at least 99.50%. The purity and weight may vary slightly between the bars.

Gold Corporation also fabricates gold into other internationally acceptable bar and Australian legal tender coin forms in various smaller sizes. Gold Corporation will make these products available as deliverable forms for PMG under the Terms of this PDS. If you wish to have one of these forms delivered to you, an additional amount will be payable because of the higher fabrication cost of converting London Good Delivery Bars into these forms.

For the purposes of illustration, assume you are a holder of 100 PMGs and you choose to exercise these 100 PMGs by electing physical settlement and nominating a 1ozt Bar 99.99% as the physical form to be delivered to you. In this case, Gold Corporation will treat the 0.9999 troy ounces of fine gold as rounded up to 1 troy ounce of fine gold for the purpose of your exercised PMGs and will fabricate and deliver the gold to you in this form. A list of all deliverable products (including the London Good Delivery Bar) and their corresponding Fabrication Charges will be detailed in an Exercise Product & Price Schedule available from Gold Corporation or its website. An indicative Exercise Product & Price Schedule as at the date of this PDS can be found in Part 11 of this PDS. Gold Corporation reserves the right to change the

products listed on this Schedule, and the Fabrication Charges of each product, from time to time.

Exercise Price and Physical Settlement Fee

Each Underlying Parcel exercised will incur a nominal Exercise Price of \$0.50. If you elect physical settlement of your PMGs, you will incur also a Physical Settlement Fee to cover the cost of delivering physical gold to you, which will include:

- (a) Fabrication Charges, if applicable;
- (b) shipment and freight insurance costs, if applicable; and
- (c) any applicable Taxes and Duties.

The Physical Settlement Fee cannot be specified in this Product Disclosure Statement in advance because it is determined by the physical form and collection method you nominate in your Exercise Notice. For example, if you wish to collect your physical gold from The Perth Mint and select a London Good Delivery Bar, then the Physical Settlement Fee (at the date of this PDS) is \$0.00. If you select a 1oz Australian Nugget legal tender gold coin, then the Physical Settlement Fee (as at the date of this PDS) would be 6% of the total fine gold of the coin (that is, 6 PMGs).

You will pay the Exercise Price and Physical Settlement Fee by authorising Gold Corporation to redeem that number of PMGs corresponding to the amount of the Exercise Price and Physical Settlement Fee.

Collection Method for Physical Gold

The PMG represents “loco Perth” gold, which means that your gold will be made available for collection from the Registered Office of Gold Corporation, located at The Perth Mint, 310 Hay Street, East Perth, Western Australia by the Settlement Date. Gold Corporation will also offer the option of having your gold delivered to you, but is not obliged to do so.

On the Exercise Notice you must select one of the two collection options described below:

- (a) **In Person** – if you choose this option, your gold will be available for collection from the

Registered Office of Gold Corporation.

- (b) **Via Gold Corporation’s Agent** – if you choose this option Gold Corporation will arrange delivery of your gold via secure carrier to the address on the records of PMG’s Registry. The shipment and insurance cost will be at your expense and will be added to the Physical Settlement Fee. Please note that restrictions apply to the addresses secure carriers will deliver to, details of which will be specified in the Exercise Product & Price Schedule. For the purposes of determining performance of Gold Corporation’s delivery obligations under the PMG Terms, delivery will be deemed to have been made by Gold Corporation at the time your gold is released by Gold Corporation from The Perth Mint.

In both cases, you will need to provide copies of sufficient identification under AUSTRAC’s 100 Point Check (Form 201 or Form 203, whichever is applicable) to establish your identity as the Holder of the PMGs you intend to exercise to Gold Corporation in advance of delivery. At the time of collection, you must show the originals of the previously supplied identification documents to Gold Corporation or its Agent before your gold will be released.

If you fail to take delivery of your gold within 20 Business Days of the Settlement Date, then Gold Corporation reserves the right to liquidate your gold for its Fine Gold content (the Exercise Price and the Physical Settlement Fee will not be refunded) and remit the cash to your nominated bank account less any costs incurred by Gold Corporation in selling your gold (including the costs of returning the gold to Gold Corporation, if required) and making a cash payment to you (the “Non-Delivery Fee”). This Non-Delivery Fee will be set out in the Exercise Product & Price Schedule from time to time.

Settlement Date

Gold Corporation will make the gold represented by your PMGs available for collection at The Perth Mint by the Settlement Date.

If, for example, you nominate a London Good Delivery Bar as your physical form for delivery, then the Settlement Date will be 20 Business Days after the Exercise Date. If you nominate any other physical form, Gold Corporation will inform you of the Settlement Date, which will depend on Gold Corporation's product inventory, manufacturing schedule and other factors. Gold Corporation will endeavour to make your product available for collection within 20 Business Days, but cannot be held responsible for any delivery delays.

Option 2: Cash Settlement

If you do not wish to take physical delivery of the gold and prefer to receive a cash amount when exercising the PMG, you should elect the Cash Settlement option on the Exercise Notice.

Under the Cash Settlement option, Gold Corporation will pay you the Cash Settlement Amount being the 'cash equivalent' of the PMGs exercised ("Cash Equivalent Amount") less an amount equal to \$0.50 per Underlying Parcel exercised plus an amount of \$100, or such other amount determined by Gold Corporation from time to time ("Cash Settlement Reduction Amount") by the Settlement Date.

Where do I send the Exercise Notice?

The Exercise Notice should be delivered to:

By Mail: Gold Corporation
Perth Mint Gold Quoted Product
GPO Box M924
Perth
Western Australia 6834

In Person/
By Courier: Gold Corporation
Perth Mint Gold Quoted Product
310 Hay St
East Perth
Western Australia 6004

What if my Exercise Notice is invalid?

If your Exercise Notice is invalid for any reason whatsoever, we will notify you and you will need to submit a new Exercise Notice.

If you do not have a sufficient number of PMGs for a Minimum Exercise Set (100 PMGs) then Gold Corporation may, in its absolute discretion:

- (a) determine that the Exercise Notice is invalid and void; or
- (b) pay you part of the Underlying Parcel as cleared funds; or
- (c) suggest you sell your PMGs on the ASX.

How do I complete the Exercise Notice?

Please complete all relevant sections of the Exercise Notice in BLOCK LETTERS, using black ink. These instructions are cross-referenced to each section of the Form.

A - HOLDER DETAILS

Please complete your name(s) and address as it appears on the register of PMG.

B – DAYTIME CONTACT DETAILS

Please enter your daytime telephone number and area code so that we can contact you in relation to this Notice. We will need to contact you to inform you of the day your coins or bars will be available and to finalise any details of your exercise, such as a collection time/delivery date.

C – CHESS DETAILS

Please supply your PID and HIN if the PMGs are held on the CHESS Sub-register. Please supply your SRN if the PMGs are held on the Issuer Sponsored Subregister.

D – SETTLEMENT FORM

Please select one of the two forms of settlement below:

- (a) **Physical Settlement** – you will need to complete sections E, F and G of the Exercise Notice.

You will authorise Gold Corporation to redeem the number of PMGs necessary to pay for the Exercise Price and the Physical Settlement Fee before delivering the gold.

On receipt of your Exercise Notice Gold Corporation will determine the number of PMGs that correspond to the amount of the Exercise Price and Physical Settlement Fee (the “Redeeming PMGs”) and will redeem the Redeeming PMGs. The payment due to the Holder by the Issuer after redemption of the Redeeming PMGs will be set off by the Issuer against the outstanding Exercise Price and Physical Settlement Fee and will constitute payment by the Holder of the Exercise Price and Physical Settlement Fee.

- (b) **Cash Settlement** – you will need to complete section G of the Exercise Notice.

E – COLLECTION METHOD

On the Exercise Notice you must select one of the two collection options described below:

- (a) **In Person** – if you choose this option, your gold will be available for collection from the Registered Office of Gold Corporation.
- (b) **Via Gold Corporation’s Agent** – if you choose this option Gold Corporation will arrange delivery of your gold via secure carrier to the address on the records of PMG’s Registry. The shipment and insurance cost will be at your expense and will be added to the Physical Settlement Fee.

In both cases, you will need to provide copies of sufficient identification under AUSTRAC’s 100 Point Check (Form 201 or Form 203, whichever is applicable) to establish your identity as the Holder of the PMGs you intend to exercise to Gold Corporation in advance of delivery. At the time of collection, you must show the originals of the previously supplied identification documents to Gold Corporation or its Agent before your gold will be released.

F – PHYSICAL FORM(S) REQUESTED

Please indicate the quantity of bars/coins you would like your PMGs converted into in the *Quantity Requested* column. You may request more than one coin or bar product.

Multiply the quantity requested by the amount in the *Number of PMGs Required per Bar/Coin* column to calculate the total number of PMGs to be exercised for each product and place this amount into the *Number of PMGs Being Exercised* column.

Sum the amounts in the *Number of PMGs Being Exercised* column and enter this into the *Total Number of PMG’s Being Exercised* box. This is the number of PMGs that Gold Corporation will deduct from your holding to cover the fine gold content of your requested physical forms (rounded up as the case may be) not taking into account the number of Redeeming PMGs that Gold Corporation will redeem corresponding to the Exercise Price and Physical Settlement Fee (where applicable).

G – SIGNATURES

An individual Holder must sign the Exercise Notice personally, or have his/her attorney(s) sign. Joint Holders must all sign the Exercise Notice, or have their attorney(s) sign. A corporate Applicant must sign under seal (if required by the constitution of the corporation) or by its authorised attorney(s).

Exercise Product & Price Schedule

as at 7 May 2003

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The Exercise Product & Price Schedule in this Part 11 is current as at the date of this PDS. The Exercise Product & Price Schedule will be updated from time to time and will be available from Gold Corporation or Gold Corporation's website.

Part A – Fees and Reductions

- (a) Brokerage Fees: as notified to you by your broker.
- (b) Holding Fees:
 - (i) PMG Management Fee (0.333% annually).
 - (ii) PMG Trading Fee (the pro rata amount of the PMG Management Fee).

Physical Settlement

- (c) Exercise Price of \$0.50 per Underlying Parcel.
- (d) Physical Settlement Fee comprising:
 - (i) Fabrication Charges (see Part B of this Schedule).
 - (ii) Delivery Costs (please contact Gold Corporation for the cost of delivery).
 - (iii) any applicable Taxes and Duties (please contact Gold Corporation or your broker for the amount of Taxes and Duties payable).
- (e) Non-Delivery Fee (if you do not collect your gold or accept delivery within 20 days): \$100 plus the costs of returning the gold to Gold Corporation, if required.

Cash Settlement

- (f) Cash Settlement Reduction Amount: \$0.50 per Underlying Parcel exercised plus \$100.

Part B – Physical Forms

Product Code	Product Size and Type	Purity	Number of PMGs Required per Bar/Coin ¹	Fabrication Charge per Bar/Coin
A1CD010	1ozt Nugget Coin	99.99%	100	6 PMGs
A1CC010	2ozt Nugget Coin	99.99%	200	10 PMGs
A1CB010	10ozt Nugget Coin	99.99%	1,000	40 PMGs
A1CA010	Kilo Nugget Coin	99.99%	3,215.1	64.3 PMGs
A1BE	1/2ozt Bar	99.99%	50	\$19.00
A1BD	1ozt Bar	99.99%	100	\$25.00
A1BM	2.5ozt Bar	99.99%	250	\$27.00
A1BN	5ozt Bar	99.99%	500	\$36.00
A1BB	10ozt Bar	99.99%	999.9	\$53.00
A1BO	20ozt Bar	99.99%	1999.8	\$87.00

Product Code	Product Size and Type	Purity	Number of PMGs Required per Bar/Coin ¹	Fabrication Charge per Bar/Coin
A1BA	1 Kilo Bar (numbered)	99.99%	3,214.8	\$129.00
A1BI	50ozt Bar	99.99%	4,999.5	\$195.00
A1BJ	400ozt (approx) London Good Delivery Bar (numbered) ²	99.50% minimum	40,000 ²	\$0.00

¹This number does not take into account the number of Redeeming PMGs that Gold Corporation will redeem corresponding to the Exercise Price and Physical Settlement Fee (where applicable).

² London Good Delivery Bars are made to order and the purity and number of PMGs required will vary between bars. Gold Corporation will supply you with a bar list detailing the bar numbers, purity and fine ounce weights of each bar and indicate the number of PMGs that you will need to exercise.

Collection Method

Holders nominating “in person” collection will be contacted by Gold Corporation to arrange a suitable date and time. Business hours of The Perth Mint are from 9.00am to 4.00pm, Monday to Friday. There will be no cost for “in person” collections.

Holders nominating “via Gold Corporation’s Agent” collection will be contacted by Gold Corporation to arrange a suitable address for delivery, date and time. Please note that gold will be delivered only via secure carrier and that such carriers do not deliver to residential addresses for security reasons.

The cost for “via Gold Corporation’s Agent” collection will depend on the amount of gold being delivered and the delivery address. Gold Corporation recommends that you call and discuss the delivery options and costs before sending in your Exercise Notice.

Examples

The following examples illustrate how Gold Corporation will determine the number of Redeeming PMGs when PMGs are exercised for Physical Settlement (a PMG price of \$6.00 is assumed).

		Number of PMGs
A Holder nominating five Kilo Nugget Coins for delivery		
Number of PMGs required per coin	5 x 3,215.1	= 16,075.5
Number of PMGs for Exercise Price	$(\$0.50 \times 16,075.5 / 100) / \6.00	= 13.4
Fabrication Charge in PMGs	5 x 64.3	= 321.5
Number of PMGs for \$200 freight cost	$\$200 / \6.00	= 33.3
Total number of PMGs		= 16,443.7
Number of PMGs redeemed (rounded up)		= 16,444

		Number of PMGs
A Holder nominating three 20oz Bars for collection		
Number of PMGs required per bar	3 x 1,999.8	= 5,999.4
Number of PMGs for Exercise Price	$(\$0.50 \times 5,999.4 / 100) / \6.00	= 5.0
Fabrication Charge in PMGs	$\$87.00 / \6.00	= 14.5
Total number of PMGs		= 6,018.9
Number of PMGs redeemed (rounded up)		= 6,019

F – PHYSICAL FORM(S) REQUESTED

Product Size and Type	Purity	Quantity Requested	Number of PMGs Required per Bar/Coin ¹	Number of PMGs Being Exercised
1ozt Nugget Coin	99.99%		100	
2ozt Nugget Coin	99.99%		200	
10ozt Nugget Coin	99.99%		1,000	
Kilo Nugget Coin	99.99%		3,215.1	
1/2ozt Bar	99.99%		50	
1ozt Bar	99.99%		100	
2.5ozt Bar	99.99%		250	
5ozt Bar	99.99%		500	
10ozt Bar	99.99%		999.9	
20ozt Bar	99.99%		1999.8	
1 Kilo Bar (numbered)	99.99%		3,214.8	
50ozt Bar	99.99%		4,999.5	
400ozt (approx) London Good Delivery Bar (numbered) ²	99.50% minimum		40,000 ²	
Total Number of PMG's Being Exercised (round decimal amounts up) ³				

Notes:

¹This number does not take into account the number of Redeeming PMGs that Gold Corporation will redeem corresponding to the Exercise Price and Physical Settlement Fee (where applicable). For a list of all deliverable products and their corresponding Fabrication Charges, please refer to the Exercise Product & Price Schedule available from Gold Corporation or its website. An indicative Exercise Product & Price Schedule as at the date of this PDS can be found in Part 11 of this PDS.

² London Good Delivery Bars are made to order and the purity and number of PMGs required will vary between bars. Gold Corporation will supply you with a bar list detailing the bar numbers, purity and fine ounce weights of each bar and indicate the number of PMGs that you will need to exercise.

³ For this Exercise Notice to be valid, you must exercise at least 100 PMGs.

G – SIGNATURES

Individual/Joint Application

Signature Applicant 1

Signature Applicant 2

Signature Applicant 3

Print Name

Print Name

Print Name

Date

Date

Date

Company Applications

Director/Sole Director Signature

Director/Sole Director Signature

Print Name

Print Name

Date

Date

Company applications must be signed by two directors and company secretary of the company, or for a proprietary company that has a sole director who is also the sole company secretary, by that director. The Application Form can also be signed under the company seal provided that two directors witness the fixing of the seal.

Corporate Directory

DIRECTORS

P J Unsworth	Chairman
D Mackay-Coghill	Executive
J L Langoulant	Non-executive
P K Lalor	Non-executive
M D F Pop	Non-executive
V Davies	Non-executive

COMPANY SECRETARIES

M G Kile
A P Melville

REGISTERED OFFICE

Perth Mint Buildings
310 Hay Street, East Perth
Western Australia 6004

Telephone: (618) 9421 7222
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Western Australia 6843

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BANKERS

Westpac Banking Corporation

MINISTER

The Hon. N. D. Griffiths, LL.B, MLC
Minister for Government Enterprises

STATUTE

Gold Corporation was established under
the *Gold Corporation Act 1987*.



GOLD CORPORATION

Perth Mint Buildings
310 Hay Street, East Perth
Western Australia 6004