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Value Gold ETF

*(A Hong Kong unit trust,
authorised under Section 104 of the Securities and Futures Ordinance
(Cap. 571) of Hong Kong)*

HKD Counter Stock Code: 03081

RMB Counter Stock Code: 83081

Announcement -

Update on Changes to the London Gold Fixing Price

Unless otherwise defined, capital terms used in this Announcement shall have the same meanings ascribed to them under the Prospectus of the Value Gold ETF (the “Trust”).

Introduction

Further to its announcement relating to the Trust on 28 November 2014, the Manager wishes to update investors as to the status of the changes that will be made to the London Gold Fixing Price.

ICE Benchmark Administration (“IBA”) and the London Bullion Market Association (the “LBMA”) have provided further information in relation to the introduction of a replacement to the London Gold Fixing Price, to be known as the IBA Gold Fixing Price (as defined below). In particular:

- It has been announced that the “IBA Gold Fixing Price” is expected to replace the London Gold Fixing Price at sometime in March 2015; and

- Further details have been provided about the operation and regulation of the IBA Gold Fixing Price.

Background

The investment objective of the Trust is to provide investment results, before fees and expenses, that closely correspond to the performance of the London Gold Fixing Price.

The London Gold Fixing Price is the morning fixing price of gold per troy ounce quoted in US dollars by The London Gold Market Fixing Limited and published by the LBMA. The London Gold Fixing Price is a fully established benchmark and is the current widely accepted as the basis for pricing spot transactions as well as a variety of other transactions.

On 7 November 2014, the LBMA announced it will discontinue the London Gold Fixing Price during the first quarter of 2015 but that the exact date of the transition to a new gold bullion pricing standard was still under discussion and would be announced by the LBMA at a later date. The LBMA has accepted a proposal by the IBA to administer a replacement gold price benchmark mechanism.

The new process to be operated by IBA is to be an electronic, auction-based, tradable and auditable gold bullion market clearing process that will replace the London Gold Fixing Price. The IBA's electronic price fixing process, like the current process for the fixing, will establish and publish fixed prices for troy ounces of gold twice each London trading day at electronic auctions starting at 10:30 a.m. (London time) (the "**IBA Gold Fixing Price**") and 3:00 p.m. (London time).

New Information relating to the IBA Gold Fixing Price

On 2 February 2015, IBA issued further details relating to the IBA Gold Fixing Price as follows:

- It is expected that the IBA Gold Fixing Price will take effect and replace the London Gold Fixing Price at sometime in March 2015 (an exact date has not yet been provided).
- When the change in benchmark becomes effective at sometime in March 2015, the IBA Gold Fixing Price will be a physically settled, electronic and tradeable auction, with the ability to participate in three currencies: US dollars, Euro and British Pounds.
- Throughout the auction process aggregated gold bids and offers will be updated in real-time with the imbalance calculated and the price updated every 30 seconds.
- IBA's systems for administering the auction will allow direct participants, as well as sponsored clients, to manage their orders in the auction in real time via their desktops.

Further, the new physical gold benchmark will be subject to high regulatory standards and will be regulated by the Financial Conduct Authority in the United Kingdom (the "**FCA**") from 1 April 2015. The LBMA has been having ongoing discussions with the FCA on the scope of such regulation and has recently sought clarification and further guidance from the FCA on how the new benchmark will be regulated.

The Manager will continue to monitor the proposals for the new physical gold benchmark and will keep Unitholders informed of any developments.

Once the IBA Gold Fixing Price is declared operative by the LBMA, the Manager expects to use the IBA Gold Fixing Price as the benchmark for the Trust. The Manager will make a further announcement as soon as it becomes aware of the effective date of the transition to new gold bullion pricing standard and when it has further details of the IBA Gold Fixing Price or sufficient information to confirm that it will adopt the IBA Gold Fixing Price as the new benchmark of the Trust.

This change is subject to approval by the SFC under Chapter 8.6(k) of the Code on Unit Trusts and Mutual Funds (the “Code”) and any change to the benchmark of the Trust will be made in accordance with its constitutive documents. The Manager will keep the SFC updated as and when it is aware of any further details of the IBA Gold Fixing Price in order to assess its compliance under the Code.

Investors should exercise caution and consult with their professional and financial advisers before dealing in the Units of the Trust or otherwise deciding on a course of action to be taken in relation to Units of the Trust.

Further Enquiries

Investors who have any enquiries regarding the above may contact the Manager at 9/F Nexus Building, 41 Connaught Road Central, Hong Kong or our enquiry hotline at (852) 2143 0688 during office hours.

**Sensible Asset Management Hong Kong Limited
as Manager of the Value Gold ETF**

10 February 2015