



BULLION  
MANAGEMENT  
GROUP INC.

## **BMG BullionFund Performance 2008 Q1**

*BMG BullionFund performance momentum continues in first half of 2008 – Strength of silver and platinum prices playing a role in Fund's continuing momentum.*

**Toronto, ON – July 11, 2008** – The strong performance of BMG BullionFund (the Fund) in the first half of 2008 demonstrates the strength of diversification and the benefits of holding physical metal in an investment portfolio. The combination of inflation, higher oil prices, and weakness in the US dollar helped boost the performance of precious metals during the first six months of the year and gold, silver and platinum are expected to continue to outperform in the remainder of 2008.

### **PERFORMANCE OF THE FUND**

In the first half of 2008, the Fund's Class A units increased by 22.5% (or a 45% annualized rate) for the Canadian dollar units, and by 19.2% (38.4% annualized) for the US dollar units. Due to its silver and platinum holdings, the Fund outperformed the US dollar spot price of gold by 7.3%. Longer term, performance of the Fund's Canadian dollar three- and five-year units was 20% and 14% respectively, while performance of the US dollar three- and five-year units was 27% and 21% respectively.

To June 30, 2008, the Fund's year-to-date US dollar performance surpassed the Gold BUGS Index (HUI) by 9.3%, the Philadelphia Gold and Silver Index (XAU) by 6.5%, the Dow Jones Industrial Average by 33.6% and the MSCI World Equity Index by 30.2%.

In Canadian terms the Fund outperformed the TSX Composite Index by 18.6%. The Fund also outperformed all of the Canadian precious metals mutual funds by significant amounts, as most of the mining stocks funds posted losses in 2008.

### **ASSETS UNDER MANAGEMENT (AUM)**

During the first six months of 2008, the Fund experienced its highest rate of growth since inception. Total AUM increased by 62% during the first six months of 2008, from \$125 million to \$202 million surpassing \$200 million for the first time.

"The strength of precious metals bullion in turbulent times is clearly evident in the Fund's performance, as it outperformed many stock indices and other funds that invest in precious metal companies," said Nick Barisheff, President and CEO of Bullion Management Group Inc., which manages BMG BullionFund. "The popularity of investing in gold and other precious metals will increase as investors look for effective and efficient ways to mitigate risk, provide investment diversity and help maintain performance in their portfolio."



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Barisheff also pointed to the Fund's diversity as key to its success: "Having equal portions of gold, platinum and silver in the Fund ensures it is not relying on a single metal for its performance. The recent strength in both platinum and silver has helped boost overall performance," he said.

Bullion Management Group Inc. is one of the world's fastest-growing precious metals bullion investment companies. Its flagship fund is BMG BullionFund, the investment objective of which is to provide a secure, convenient, low-cost alternative for investors seeking the real wealth protection and appreciation that only bullion ownership offers. The BMG BullionFund fund code is: MBF100.

Ratings: Globefund.com - 5-Star Fundata.com - Fund Grade A **Media Contacts:**

Rob Para

Vice President, Marketing

Bullion Management Group Inc.

Phone: +1 888-474-1001, ext. 2930

Email: [bmgpr@bmgbullion.com](mailto:bmgpr@bmgbullion.com)

Hugh Cameron

Media Relations

RazorVoice Inc.

Phone: 416.488.3215

Email: [hcameron@razorvoice.com](mailto:hcameron@razorvoice.com)

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