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Solid Gold Canadian Entrepreneurial Success Story Unveiled as BMG CEO Nick Barisheff Celebrates Tenth Anniversary of First Bullion Fund

Markham, ON – March 5, 2012 – It's hard to believe that bullion was once an unloved asset class, but Bullion Management Group Inc. (BMG) founder, President and CEO Nick Barisheff fought a multi-year uphill battle that led to the creation of BMG's first bullion fund 10 years ago today.

"We received the approval in Ontario for our first bullion fund in January 2002 and our first NAV was posted on March 5, 2002," says Barisheff. "But when I started BMG in 1998 to create that fund, it seemed like precious metals were dying a prolonged, painful death, dot-coms were all the rage, and short sellers were having a field day betting on further declines in bullion values. And yet I was convinced we were on the cusp of a historic bull market. I did not want to compromise any of the primary attributes of bullion while at the same time assuring RRSP eligibility. The fund had to maintain the ultimate liquidity that bullion provides, not rely on anyone's promise of performance and not be anyone else's liability. "

After navigating years of regulatory hurdles and bootstrapping BMG through to its first fund's launch, Barisheff's conviction has created an established bullion powerhouse with an enviable track record. Today BMG has \$642 million of Assets Under Management, and global sales from 57 dealers in 14 countries of two mutual funds as well as BMG BullionBars – an offering for high net worth clients who want to own uncompromised bullion in allocated storage.

"We now have more than 16,000 investors worldwide who have chosen BMG products upon the advice of financial advisors, wealth managers and private banks who have recommended the funds and bars," says Barisheff. "Over the last decade, BMG BullionFund Class A Canadian units rank in the top two per cent of returns out of the 14,697 mutual funds, with a 10-year average return of 8.56 per cent according to GlobeFund statistics as of January 31, 2012."

The backdrop for BMG product demand is the relentless build-up of sovereign debt and global issuance of fiat currencies with no gold backing. The US dollar and the British pound have lost more than 80 per cent of their purchasing power against gold over the past decade, and the euro, Canadian dollar and yen have lost more than 70 per cent.

"Although much of the attention has been on central bank purchases since they became net buyers of gold bullion in 2009, the real impetus for what I am convinced will be further rises in bullion values are the pension and insurance funds that at this point hold less than half of one per cent of their assets in gold and mining shares," says Barisheff. "Continued losses and growing pension deficits will make it mandatory for them to eventually include gold, the one asset class that is negatively correlated to financial assets such as stocks and bonds."



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For those looking for an upside target on the price of gold bullion, this fall Barisheff is launching a new book entitled: \$10,000 Gold: The Inevitable Rise and Investor's Safe Haven.

NOTE TO MEDIA: The text of Nick Barisheff's speech for this evening's tenth anniversary BMG BullionFund celebration is available today, with an accompanying photo, upon request. The speech will be given at 7 p.m.at the Donalda Club, 12 Bushbury Drive, in North York.

About Bullion Management Group Inc.

Toronto-based Bullion Management Group Inc. is one of the world's fast-growing precious metals bullion management companies, with CDN\$642 million of bullion holdings under management. The company is an Associate Member of the London Bullion Market Association (LBMA). Bullion Management Services Inc., a BMG Company, is the trustee and manager of BMG Funds. BMG BullionFund is the world's first open-end mutual fund trust that purchases equal dollar amounts of unencumbered gold, silver and platinum bullion, and also qualifies for all registered plans. BMG Gold BullionFund is designed for those who want to obtain the benefits associated with holding physical gold in bullion form. The BMG BullionBars program meets the needs of clients seeking to purchase and hold individual bars of unencumbered Good Delivery Standard gold, silver and platinum bullion. For more information on how to purchase BMG bullion products, please visit: www.bmgbullion.com.

Media Contacts:

Rob Para
Vice President, Marketing
Bullion Management Group Inc.
Phone: +1 888-474-1001, ext. 2930
Email: bmgpr@bmgbullion.com

Paul Brent
Senior Communications Strategist
market2world communications inc.
Phone: +1 613-256-3939
Email: paul@market2world.com

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