



BETASHARES FUNDS
PRODUCT DISCLOSURE STATEMENT

BETASHARES
GOLD BULLION ETF
– CURRENCY HEDGED
ASX CODE: QAU

BetaShares Capital Ltd
ABN 78 139 566 868 | AFSL 341181

Dated: 29 September 2017



BetaShares
Exchange Traded Funds

IMPORTANT INFORMATION

About this PDS

This Product Disclosure Statement (**PDS**) is dated 29 September 2017.

BetaShares Capital Ltd ABN 78 139 566 868 AFS Licence 341181 is the issuer of this PDS and is responsible for its contents. In this PDS references to the "Responsible Entity", "BetaShares", "we", "our" and "us" refer to BetaShares Capital Ltd.

This PDS is the offer document for the following registered managed investment scheme: BetaShares Gold Bullion ETF - Currency Hedged (ARSN 150 081 851) (the "Fund"). A copy of this PDS has been lodged with the Australian Securities and Investments Commission (**ASIC**) on 29 September 2017. Neither ASIC nor ASX Limited takes any responsibility for the contents of this PDS.

The Fund commenced operations on 3 May 2011. An application was made to, and approved by, the ASX for Units to be quoted for trading on the AQUA market of the ASX. The Units are currently quoted for trading on the AQUA market of the ASX under the AQUA Rules.

A copy of the latest PDS for the Fund is available on the BetaShares website at www.betashares.com.au or by contacting BetaShares on (02) 9290 6888. A paper copy will be provided free of charge on request.

The offer

The offer under this PDS is for persons who have been authorised as 'trading participants' under the ASX Operating Rules. Certain sections of the PDS (particularly those relating to applications for and redemptions of Units in the normal course) are of direct relevance to such persons only.

Other investors cannot apply for Units under this PDS, but can buy Units on the ASX through a stockbroker, or via a financial adviser. Such investors may use this PDS for information purposes only.

The offer to which this PDS relates is available to Authorised Participants receiving the PDS (electronically or otherwise) in Australia.

This PDS does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer.

No action has been taken to register or qualify the Fund in any jurisdiction outside Australia and New Zealand, although the Responsible Entity reserves the right to do so at any time. The distribution of this PDS outside Australia and New Zealand may be restricted by law and persons who come into possession of this PDS outside Australia and New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law.

Units have not been registered under the United States Securities Act of 1933 (as amended) and except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America or any of its territories or for the benefit of a US Person (as defined in Regulation S of such Act).

PDS updates

Information in this PDS that is not materially adverse to investors is subject to change from time to time and may be updated by the Responsible Entity by publishing such information on the BetaShares website at www.betashares.com.au. A paper copy of any updated information will be provided free of charge on request. Any new or updated information that is materially adverse to investors will be available to investors via a supplementary or new PDS accessible via the ASX Market Announcements Platform.

Risks

An investment in the Units is subject to risk (refer to section 4), which may include possible delays in repayment and loss of income and capital invested.

None of BetaShares Holdings Pty Ltd, BetaShares, or any of their related entities, directors or officers gives any guarantee or assurance as to the performance of, or the repayment of capital or income reinvested in, the Fund. BetaShares Holdings Pty Ltd and its related entities may invest in, lend to or provide other services to the Fund.

Not personal advice

This PDS is prepared for general information only and is not financial product advice. It is not intended to be a recommendation by the Responsible Entity, any of the Responsible Entity's associates or any other person to invest in the Fund. In preparing this PDS, the Responsible Entity did not take into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision, investors need to consider whether an investment in the Fund is appropriate to their needs, objectives and circumstances.

Investors should consult a professional financial adviser and ensure they understand the risks of the Fund before investing.

Definitions

Certain terms used in this PDS are defined in the Glossary in section 9.

For further details on BetaShares Funds, please contact a stockbroker or financial adviser or visit www.betashares.com.au.

PRODUCT DISCLOSURE STATEMENT

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1 KEY FEATURES

1.1 ABOUT THE FUND

The Fund aims to provide investors with a return that tracks the performance of the price of gold bullion, with a currency hedge against movements in the AUD/USD exchange rate, before fees and expenses.

The Fund seeks to provide a convenient investment alternative for investors interested in gaining exposure to physical gold bullion (hedged into Australian dollars) without the inconvenience typically associated with directly purchasing, storing and insuring physical gold bullion.

In addition, because the Units of the Fund will be quoted on the ASX, investors can benefit from simple trading of their investment, including the ability to buy and sell during the course of the trading day, much like listed shares.

The Fund carries certain investment risks. For information on the risks applicable to the Fund, see section 5.

1.2 SUMMARY OF KEY INFORMATION

The following table briefly summarises some of the key information contained in this PDS. It is not a complete summary of this PDS and you should read the PDS in its entirety. You should seek your own professional investment advice before deciding to invest in the Fund.

TABLE 1.2: SUMMARY OF KEY INFORMATION

TOPIC	SUMMARY	SECTION
Investment objective	The Fund aims to provide investors with a return that tracks the performance of the price of gold bullion, with a currency hedge against movements in the AUD/USD exchange rate, before fees and expenses.	2.2
Investment strategy	<p>The Responsible Entity will invest the Fund's assets into the purchase of physical gold bullion from the National Bank of Canada (the Gold Vendor) on the terms of the Gold Contract.</p> <p>All of the physical gold bullion purchased under the Gold Contract will be held in an allocated and segregated account maintained by the Gold Vendor with JPMorgan Chase Bank N.A. (the Gold Custodian), in JPMorgan's London vault premises (or, on a temporary basis, by an authorised sub-custodian). All such gold bullion will be certified "London Good Delivery".</p> <p>The gold will be subject to a registered charge in favour of the Fund (the Gold Charge).</p> <p>On any London Business Day, the Responsible Entity may require the Gold Vendor to deliver the gold to the Fund, or alternatively pay to the Fund the equivalent value of the gold in cash (based on the spot price of gold on that day). Accordingly, the value of the Units in the Fund is expected to vary based on the day to day movements in the spot price of gold.</p> <p>Since gold is priced in U.S. dollars, the Fund will use forward foreign exchange contracts with the aim of reducing the currency risk for Australian investors. Amounts of cash will be held from time to time to meet Fund expenses.</p>	2.2.2 and 2.2.3
Investing	<p>The offer in this PDS is only available to Authorised Participants. However, Units are quoted on the ASX. Subject to market conditions, therefore, other investors may purchase Units on the ASX.</p> <p>An application for Units under this PDS by an Authorised Participant may be made by a cash payment in Australian dollars equal to the Net Asset Value of the Units applied for. Applications are subject to an application fee described in section 4.</p> <p>The minimum investment by an Authorised Participant under this PDS is \$1,000,000 unless the Responsible Entity agrees otherwise.</p> <p>The purchase of Units on the ASX is not governed by the terms of this PDS and therefore the minimum investment does not apply to purchases of Units on the ASX.</p>	6

Redemptions	<p>Only Authorised Participants who are Australian Residents can redeem Units under this PDS. However, Units are quoted on the ASX. Subject to market conditions, therefore, other investors may sell Units on the ASX.</p> <p>The amount payable to an Authorised Participant on redemption will be paid in cash in Australian dollars, unless the Responsible Entity agrees otherwise, and will be equal to the Net Asset Value of the Units redeemed, less a redemption fee described in section 4.</p> <p>The minimum redemption by an Authorised Participant under this PDS is 100,000 Units, unless the Responsible Entity agrees otherwise.</p> <p>In certain specified circumstances, redemption requests may be delayed, rejected or scaled down. See section 7.2.7 and 7.2.8 for further information.</p> <p>The sale of Units on the ASX is not governed by the terms of this PDS and therefore the minimum redemption does not apply to sales of Units on the ASX.</p>	6, 7.2.7 and 7.2.8.
Distributions	Any income generated by the Fund will be distributed to Unitholders at least annually.	2.4
Risks	<p>There are a number of risks associated with investing in the Fund. The key risks include the following:</p> <ul style="list-style-type: none"> • Market volatility can cause the value of Units to decrease. • The value of Units will be affected by movements in the price of gold, which fluctuates as a result of many unpredictable factors. • There are risks associated with custody of the gold by the Gold Custodian. • There is no assurance that the Fund's currency hedging strategy will be effective. • The Fund may suffer loss if the Gold Vendor, the Gold Dealer, the Gold Custodian, or any other counterparty defaults on its obligations under the relevant contract. • In certain circumstances, the Responsible Entity can suspend or scale down applications or redemptions. • There is no assurance that there will be a liquid market for Units, and no assurance that there will be a liquid market for the Fund's investments. • The trading price of Units on the ASX may differ from the Net Asset Value per Unit. <p>This is not a comprehensive summary of all the risks of investing in the Fund. Before investing, investors should carefully consider the risks associated with an investment in the Fund and obtain financial advice on whether an investment in the Fund is suitable for their objectives, financial situation and needs.</p> <p>For further details on the risks of investing, see section 5.</p>	5
Fees and other costs	Fees and other costs as set out in section 4 will apply.	4
Tax	Tax information of a general nature is set out in section 8. Investors should seek their own professional tax advice which takes into account their particular circumstances.	8
Complaints	The Responsible Entity has a process in place to deal with complaints from Unitholders.	7.2.22
Responsible Entity	BetaShares Capital Ltd is the responsible entity of the Fund and is the issuer of this PDS.	1.3

1.3 ABOUT BETASHARES

BetaShares Capital Ltd is the responsible entity of the Fund and is responsible for the ongoing management of the underlying assets of the Fund.

The Responsible Entity is an Australian asset management business located in Sydney which was established in 2009 to be a specialist provider of fund products that are exchange traded. The Responsible Entity launched its first funds in 2010. As at the date of this PDS, it manages over \$4.6 billion in assets and acts as responsible entity for more than 40 funds whose units are, or are expected to be, quoted for trading on the Australian Securities Exchange under the AQUA Rules. These funds provide exposure to the performance of specific equity strategies, equity indices, fixed income strategies, fixed income indices, currencies, commodities or commodity indices. The primary focus of the Responsible Entity's business is the operation of funds that are exchange traded.

The Responsible Entity is a member of the Mirae Asset Global Investments Group. Mirae Asset Global Investments Co., Ltd., which is the international asset management business within Mirae Asset Financial Group, is one of Asia's largest asset management firms, managing over US\$100 billion in assets globally as of 31 August 2017, including more than US\$10 billion in exchange traded funds.

No member of the Mirae Asset Global Investments Group, or any of its related entities, directors or officers gives any guarantee or assurance as to the performance of, or the repayment of capital invested in, the Fund.

The Responsible Entity has sufficient working capital to enable it to operate the Fund as outlined in this PDS.

1.4 ADMISSION TO TRADING UNDER THE AQUA RULES

Units in the Fund have been admitted to trading status on the ASX under the AQUA Rules. The AQUA Rules form part of the ASX Operating Rules. The Fund will not be listed on the ASX under the ASX Listing Rules.

The AQUA Rules provide a tailored framework for the quotation of exchange traded funds, managed funds and structured products on the ASX.

In operational terms, the market for products quoted under the AQUA Rules operates in the same way that it does for listed equities, with continuous matching of bids and offers and an opening and closing auction.

AQUA Rules: fundamental difference

The key distinction between products admitted under the ASX Listing Rules and those quoted under the AQUA Rules is the level of control and influence that the issuer of the relevant product has over the value of the underlying assets of the product.

Under the ASX Listing Rules, listed equity securities typically reflect the value of the business operated by the issuer. By contrast, the value of a product quoted under the AQUA Rules typically reflects the performance of the underlying assets.

The following table highlights the key specific differences between the AQUA Rules and the ASX Listing Rules.

ASX LISTING RULES	AQUA RULES
Continuous Disclosure	
Issuers are subject to the continuous disclosure requirements under ASX Listing Rule 3.1 and Section 674 of the <i>Corporations Act</i> .	<p>Issuers of products quoted under the AQUA Rules are not subject to the continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the <i>Corporations Act</i> but must disclose information about:</p> <ul style="list-style-type: none"> the Net Tangible Assets ("NTA") or the Net Asset Value ("NAV") of the fund; distributions declared; and any other information that is required to be disclosed to ASIC under section 675 of the <i>Corporations Act</i> must be disclosed via the ASX Market Announcements Platform at the same time it is disclosed to ASIC. The Responsible Entity also intends to post any such information on its website www.betashares.com.au at the same time. <p>AQUA Product issuers must also disclose to the ASX any information the non-disclosure of which may lead to the establishment of a false market in its products or would materially affect the price of its products.</p>

ASX LISTING RULES	AQUA RULES
Periodic Disclosure	
<p>Issuers are required to disclose their half-yearly and annual financial information or annual reports to the ASX under Chapter 4 of the ASX Listing Rules.</p>	<p>Financial reports relating to the issuer itself are not required to be disclosed to the ASX. However, periodic financial reports relating to the AQUA Product must be disclosed to the ASX at the same time they are lodged with ASIC under Chapter 2M of the <i>Corporations Act</i>.</p>
Corporate Control	
<p>Requirements in the <i>Corporations Act</i> and the ASX Listing Rules in relation to matters such as takeover bids, share buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings, apply to companies and listed schemes.</p>	<p>These requirements do not apply to AQUA Product issuers. Section 601FM of the <i>Corporations Act</i> continues to apply to the removal or change of the responsible entity. An extraordinary resolution would be required to change the responsible entity. An extraordinary resolution is a resolution passed by a majority of the total votes that may be cast by members entitled to vote on the resolution.</p>
Related Party Transactions	
<p>Chapter 10 of the ASX Listing Rules, which relates to transactions between an entity and persons in a position to influence the entity, specifies controls over related party transactions.</p>	<p>Chapter 10 of the ASX Listing Rules does not apply to AQUA Products. Products quoted under the AQUA Rules which are registered managed investment schemes remain subject to the related party requirements in Part 5C.7 and Chapter 2E of the <i>Corporations Act</i>.</p>
Auditor Rotation Obligations	
<p>There are specific requirements in relation to auditor rotation under Part 2M.4 Division 5 of the <i>Corporations Act</i>.</p>	<p>Issuers of products quoted under the AQUA Rules are not subject to the requirements under Part 2M.4 Division 5 of the <i>Corporations Act</i>. A responsible entity of a registered managed investment scheme will continue to be required to undertake an independent audit of its compliance with the scheme's compliance plan in accordance with Section 601HG of the <i>Corporations Act</i> and the auditor must not be the auditor of the scheme's financial statements (but may be from the same firm).</p>
Spread Requirements	
<p>There are requirements under the ASX Listing Rules that issuers satisfy certain minimum spread requirements (i.e. a minimum number of holders each having a minimum parcel size).</p>	<p>These requirements do not apply to AQUA Product issuers. Under the AQUA Rules, unless and until a suitable spread of holders is achieved, an AQUA Product issuer must ensure a reasonable bid and volume is maintained for the AQUA Product on the ASX except in permitted circumstances, or have in place other arrangements which meet the ASX's requirements for providing liquidity, generally through the appointment of a market making agent.</p>

2 ABOUT THE FUND

2.1 RATIONALE FOR THE FUND

The purpose of the Fund is to provide investors with a cost-effective and convenient way to gain exposure to gold bullion, with protection against movements in the AUD/USD exchange rate.

Potential advantages of investing in the Fund include:

- **Easily accessible.** Units will be quoted on the ASX, providing investors with indirect access to the gold bullion market in an easily-accessible form.
- **Cost efficient.** The Responsible Entity expects that, for many investors, the costs associated with the purchase of Units on the ASX and the payment of the Fund's ongoing costs and expenses will be lower than those associated with buying, handling, storing and insuring physical gold.
- **Backed by physical gold.** The Fund has the benefit of a registered charge over gold that is held in the vaults of the Gold Custodian (or by an authorised sub-custodian). The gold is held by the Gold Custodian in the form of specifically allocated and identifiable gold bars (other than an amount held in unallocated form which is too small to make up a whole gold bar or which is held temporarily to effect a creation or redemption of Units). On any London Business Day, the Responsible Entity may require the Gold Vendor to deliver the gold to the Fund, or alternatively pay to the Fund the equivalent value of the gold in cash (based on the spot price of gold on that day).
- **Transparent.** The value of the Fund's assets and Net Asset Value per Unit will be reported on the Fund's website daily. A list of the specific gold bars that secure the assets of the Fund will also be available on the website.
- **Reduced currency risk.** Because gold is traded and priced in U.S. dollars, the return on an investment in gold for Australian investors is affected by two variables: (i) the price return of gold in U.S. dollars; and (ii) the variation in the AUD/USD exchange rate. To reduce the currency risk for Australian investors, the Fund will hedge substantially all of its U.S. dollar exposure value back to the Australian dollar.

2.2 INVESTMENT POLICY

2.2.1 Investment objective

The investment objective of the Fund is to provide an investment return, before fees and expenses, that closely tracks the performance of the price of gold bullion, with a currency hedge against movements in the AUD/USD exchange rate.

There is no assurance or guarantee that the return of the Fund will meet its investment objective.

2.2.2 Investment strategy

The Fund will invest its assets into the purchase of physical gold bullion from the Gold Vendor on the terms of the Gold Contract. Rather than delivering physical gold to the Fund at the time of purchase, the Gold Vendor will retain legal ownership of the gold in its name and will secure its obligation to deliver gold to the Fund by way of a registered charge over the gold in favour of the Fund.

All of the physical gold that secures the performance of the Gold Vendor's obligations under the Gold Contract will be stored for the Gold Vendor by the Gold Custodian, being JPMorgan Chase Bank

N.A. The gold will be stored in JPMorgan's London vault premises or, on a temporary basis, by an authorised sub-custodian. Gold will be held in the form of specifically allocated gold bars, which will meet the specifications required for certification as "London Good Delivery Bars".

Any residual value that is too small to be split into standard gold bars will be held in unallocated gold (generally expected to be no more than 430 troy ounces at any time). Some gold may also be held in unallocated form on a short term basis when gold is in the process of being allocated or de-allocated in connection with Unit applications and redemptions.

The Fund will also hold forward foreign exchange contracts or similar instruments (to protect against movements in the AUD/USD exchange rate) and, from time to time, cash.

Other than by holding gold exposure as set out in this section, the Fund will not engage in any activities designed to protect against, or profit from, changes in gold prices.

2.2.3 Hedging strategy

Since gold is priced in U.S. dollars, the Fund will use forward foreign exchange contracts (or similar instruments) with the aim of reducing the currency risk for Australian investors. The Fund aims to hedge substantially all of its U.S. dollar exposure back to the Australian dollar.

A forward foreign exchange contract is a contract between two parties to buy or sell a specific currency in the future at a pre-agreed rate. As at the date of this PDS, the counterparty to these contracts is JPMorgan Chase Bank ("FX counterparty"). The Responsible Entity intends to reset the forwards on a monthly basis. This process will generally trigger either a receipt of cash from the FX counterparty, or a payment of cash to the FX counterparty, depending on which way the exchange rate has moved. If a cash amount is received from the FX counterparty, the Responsible Entity will generally use the proceeds to purchase additional gold from the Gold Vendor under the Gold Contract. If a cash amount is payable to the FX counterparty, the Responsible Entity will generally direct the Gold Vendor to sell an amount of gold and will use the proceeds delivered to it under the Gold Contract to pay the FX counterparty.

Other than for this purpose, the Fund does not intend to use derivatives.

2.2.4 Environmental, social and ethical considerations

The Responsible Entity does not take into account labour standards or environmental, social or ethical considerations when selecting, retaining or realising investments.

2.2.5 Performance

Performance information for the Fund, and the Net Asset Value for the Fund, will be published on the BetaShares website at www.betashares.com.au. Information relating to past performance is not a reliable indicator of future performance.

2.2.6 Changes to investment objectives and strategy

The Responsible Entity may from time to time vary the investment mandate for the Fund as set out in this PDS (i.e. the investment objective and strategy described in sections 2.2.1 to 2.2.3).

Any significant change to the investment mandate will be notified to investors and potential investors via a supplementary or new PDS accessible through the ASX Market Announcements Platform.

2.3 ABOUT THE GOLD VENDOR AND THE GOLD CUSTODIAN

National Bank of Canada (“NBC”) will serve as the Gold Vendor.

NBC is a chartered bank organised under the laws of Canada and regulated by the Office of the Superintendent of Financial Institutions, which is an independent agency of the Government of Canada. Founded in 1859, NBC employs over 19,000 people and has total assets of \$230 billion as at 31 July 2016.

JPMorgan Chase Bank, N.A. (“JPMorgan Chase Bank”) will serve as the custodian of the gold held by the Gold Vendor.

JPMorgan Chase Bank is a wholly owned bank subsidiary of JPMorgan Chase & Co., whose principal office is located in New York, New York. JPMorgan Chase Bank offers a wide range of banking services to its customers, both domestically and internationally. It is chartered and its business is subject to examination and regulation by the Office of the Comptroller of the Currency, an independent bureau of the U.S. Department of the Treasury responsible for regulating and supervising national banks in the United States.

As of 31 December 2016, JPMorgan Chase Bank had total assets of approximately \$2,500 billion.

2.4 DISTRIBUTIONS

The Fund earns interest on cash balances held from time to time. The Fund also derives assessable income (and incurs deductions) under forward foreign exchange contracts used to protect against fluctuations in the AUD/USD exchange rate. Any such income will be distributed to Unitholders at least annually.

There is no guarantee that any income will be greater than the Fund's fees and expenses. As such, there is no guarantee that the Fund will distribute any income to Unitholders.

2.4.1 Distributions

Unitholders holding Units in the Fund at the end of a distribution period are entitled to a pro-rata share of the distributable income (if any) for that period based on the number of Units held in the Fund at the end of the distribution period.

Any income of the Fund will be distributed at least annually in respect of the period ending on 30 June each year. The amount of distributable income at the end of any distribution period will be determined by the Responsible Entity.

Distributions will generally be paid within 15 business days of the end of the distribution period to which they relate by deposit to a Unitholder's nominated Australian bank, building society or credit union account.

The amount of any distribution will vary from period to period, and there may be periods when the Fund will not pay a distribution.

The Responsible Entity may, in its discretion, change the duration of a distribution period for the Fund (provided that distribution periods cannot be longer than one year).

Information about the timetable for each distribution and the declared distribution amount will be announced via the ASX Market Announcements Platform.

2.4.2 Tax statement

The Responsible Entity will, as soon as reasonably practicable after the end of each financial year, issue to each Unitholder who received an entitlement to the distributable income of the Fund during a financial year, a tax statement which outlines the amount and composition of the taxable income of the Fund to which the Unitholder became entitled.

3 ABOUT THE GOLD MARKET

3.1 INTRODUCTION

Gold is a physical asset that is accumulated, rather than consumed. As a result, virtually all the gold that has ever been mined still exists today. Gold is virtually indestructible and viewed by many around the world as a store of value which differentiates it from other commodities.

3.2 GOLD SUPPLY AND DEMAND

The primary source of gold supply is mine production. Additional supply comes from old scrap, which is gold that has been recovered from jewellery and other fabricated products and converted back into marketable gold.

Demand for gold is driven primarily by demand for jewellery and for investment purposes. Industrial applications are also an important source of demand.

3.3 OPERATION OF THE GOLD BULLION MARKET

3.3.1 Global gold trading

The majority of global gold trading takes place "over the counter" ("OTC") on a 24-hour per day basis. These trades are conducted directly between counter-parties who negotiate their own terms and conditions, including risk and settlement arrangements. Market makers and other OTC market participants trade with each other and clients on a principal-to-principal basis, using relatively flexible terms for quotes, price, size, delivery location and other factors.

Most of the OTC activity takes place in London, New York and Zurich. Market participants, which include central banks, mining companies, jewellery manufacturers, investors and speculators, typically transact in one of these markets. Most of the world's bullion dealers are either members or associate members of the London Bullion Market Association ("LBMA").

In addition to the OTC market, there is also a developed market for exchange traded futures and options on gold.

3.3.2 The London bullion market

Although the market for physical gold is distributed globally, most OTC market trades are cleared through London. Among other things, the LBMA is the trade association that co-ordinates the activities conducted in the London bullion market, and acts as the principal point of contact between the market and its regulators.

A primary function of the LBMA is its involvement in the promotion of refining standards by maintenance of the "London Good Delivery Lists," which are the lists of LBMA accredited melters and assayers (or inspection agencies) of gold. The LBMA also coordinates market clearing and vaulting, promotes good trading practices and develops standard documentation.

The LBMA publishes a list of specifications for a gold bar to be accepted for trading in the London bullion market – these requirements are set out in "The Good Delivery Rules for Gold and Silver Bars" published by the LBMA.

Specification criteria are set out for weight, dimensions, purity, identifying marks (e.g. assay stamps) and appearance. Gold bars meeting these requirements are described in this PDS as "London Good Delivery Bars". All physical gold that will be owned by the

Gold Vendor (and over which the Fund will have a registered charge) will meet these standards.

A London Good Delivery Bar must contain between 350 and 430 fine troy ounces of gold, with a minimum fineness (or purity) of 995 parts per 1,000 (99.5%), must be of good appearance and must be easy to handle and stack. It must also bear the stamp of one of the melters and assayers that are on the LBMA approved list.

3.3.3 Trading unit

The trading unit for gold is one fine troy ounce – representing pure gold irrespective of the purity of a particular bar. The conversion factors used by the LBMA to convert between troy ounces and metric are: one troy ounce equals 31.1034768 grams and one kilogram equals 32.1507465 troy ounces.

3.3.4 Allocated Accounts

An allocated gold account is an account where the account holder has full title to the gold in the account, with the dealer holding as custodian on behalf of the account holder. The gold is stored in a vault which is owned and managed by a recognised bullion dealer or depository. Specific bars, numbered and identified by weight, hallmark and purity, are allocated to the account holder. These bars are segregated from other gold or metals held in the vault of the dealer. Gold held in allocated accounts cannot be traded, leased or loaned except on the specific instructions of the account holder.

3.3.5 Unallocated Accounts

An unallocated gold account is an account where specific bars are not set aside and the account holder has a general entitlement to the gold. It is the most convenient, cheapest and most commonly used method of holding gold. Transactions may be settled by credits or debits to the account while the balance represents the indebtedness between the two parties. Credit balances on the account do not entitle the account holder to specific bars of gold, but are backed by the general stock of the bullion dealer with whom the account is held. The account holder is an unsecured creditor and is exposed to the creditworthiness of the bank or dealer providing the service in the same way as with any other kind of account. Should the account holder wish to receive actual gold, this is done by "allocating" specific bars.

3.3.6 Loco London spot price

The majority of gold traded in London is done on a "loco London basis" and is based on U.S. dollars per fine troy ounce of gold. "Loco London" gold refers to gold physically held in London that meets the requirements described in section 3.3.2. Settlement and delivery terms for the gold are two good business days in London after the day of the deal. Delivery can either be physical delivery or through the clearing systems to an unallocated account.

3.3.7 London AM and PM fix

Two times a day during London trading hours there is a "fix" which provides reference gold prices for that day's trading. The fixing for gold occurs at 10:30 a.m. London time (the "London AM fix") and at 3:00 p.m. London time (the "London PM fix"). The London fix is the most widely used benchmark for daily gold prices and is quoted by various financial information sources.

ICE Benchmark Administration administers the operation of an electronic, tradable and auditable over the counter auction market.

The auction establishes a reference gold price for each day's trading.

3.3.8 Clearing

Some members of the London bullion market offer clearing services. The clearing members of the LBMA use the unallocated accounts they maintain between themselves for the settlement of mutual trades as well as third party transfers. These transfers are conducted on behalf of clients and other members of the London bullion market in settlement of their own loco London bullion activities. This system is designed to avoid the security risks and costs that would be involved in the physical movement of gold.

4 FEES AND OTHER COSTS

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

4.1 FEES AND OTHER COSTS

This PDS shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

TABLE 4.1: TABLE OF FEES AND OTHER COSTS

BETASHARES GOLD BULLION ETF – CURRENCY HEDGED

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
FEES WHEN YOUR MONEY MOVES IN OR OUT OF THE FUND		
Establishment fee: The fee to open your investment	Nil	Not applicable.
Contribution fee: The fee on each amount contributed to your investment	Authorised Participants ¹ : \$750 plus 0.02% of the value of the application amount Investors who buy Units on the ASX: Not applicable	Payable only by Authorised Participants ¹ . This fee will be payable by Authorised Participants together with the application amount at the time of the application.
Withdrawal fee: The fee on each amount you take out of your investment	Authorised Participants: \$1,500 plus 0.02% of the value of the redemption amount Investors who sell Units on the ASX: Not applicable	Payable only by Authorised Participants. This fee will be deducted from the redemption proceeds.
Exit fee: The fee to close your investment	Nil	Not applicable.
Management costs: The fees and costs for managing your investment	0.59% p.a. of the Fund's Net Asset Value	As at the date of this PDS, the management costs of the Fund consist of the following components: Management fee 0.49% per annum of the Fund's Net Asset Value. The management fee is calculated and accrued daily as a percentage of the Fund's Net Asset Value, and reflected in the daily Net Asset Value per Unit. The amount is deducted from the Fund's assets monthly on or after the first day of the following month.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
		<p>Plus</p> <p>Recoverable expenses</p> <p>Capped at 0.10% per annum of the Fund's Net Asset Value.²</p> <p>The recoverable expenses are calculated and accrued daily as a percentage of the Fund's Net Asset Value, and reflected in the daily Net Asset Value per Unit. The amount is deducted from the Fund's assets monthly on or after the first day of the following month.</p> <p>Plus</p> <p>Indirect costs</p> <p>Estimated at 0.00% per annum of the Fund's Net Asset Value³.</p> <p>Indirect costs are accrued daily as a percentage of the Fund's Net Asset Value per Unit. The amount is deducted from the Fund's assets as and when they arise.</p>
Service fees		
Switching fee:	Nil	Not applicable.
The fee for changing investment options		

¹ An Authorised Participant is a trading participant under the ASX Operating Rules who has entered into an agreement with the Responsible Entity in relation to Unit applications and redemptions. For an explanation of the contribution fees and withdrawal fees (also referred to in this PDS as application fees and redemption fees) please see section 4.3.6 "Application and Redemption Fees for Authorised Participants" in the "Additional Explanation of Fees and Costs".

² This figure reflects the recoverable expenses incurred by the Fund for the previous financial year ended 30 June 2017. See "Recoverable expenses" in the "Additional Explanation of Fees and Costs" section below for more information.

³ This figure reflects the indirect costs incurred by the Fund for the previous financial year ended 30 June 2017. For more information on the meaning and calculation of indirect costs, see "Indirect costs" in the "Additional explanation of fees and costs" section below.

Certain additional costs apply, such as transactional and operational costs. See explanation of "Management costs" in the "Additional Explanation of Fees and Costs" section below for more information.

Each fee set out in this table may in some cases be negotiated with wholesale clients. For more information, refer to the explanation of "Differential fees, rebates and related payments" in the "Additional Explanation of Fees and Costs" section below.

All fees and costs in the table above include Goods and Services Tax (GST) net of any reduced input tax credits.

4.2 EXAMPLE OF ANNUAL FEES AND COSTS

This table gives an example of how the fees and costs for this product can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

TABLE 4.2: EXAMPLE OF ANNUAL FEES AND COSTS

EXAMPLE – BETASHARES GOLD BULLION ETF – CURRENCY HEDGED	AMOUNT	BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 ¹ DURING THE YEAR
CONTRIBUTION FEES	<p>\$0 if you are not an Authorised Participant; or</p> <p>\$750 plus 0.02% of the value of the application</p>	<p>For every additional \$5,000 you put in, you will be charged:</p> <p>\$0 if you are not an Authorised Participant; or</p> <p>\$751 if you are an Authorised Participant.</p>

	amount if you are an Authorised Participant.	
PLUS MANAGEMENT COSTS² (management fee plus recoverable expenses plus indirect costs)	0.59% p.a. of the Fund's Net Asset Value	And , for every \$50,000 you have in the Fund you will be charged \$295 each year.
EQUALS COST OF FUND		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 ³ during that year, you would be charged fees of \$295 (if you are not an Authorised Participant) or \$1,046 (if you are an Authorised Participant). What it costs you will depend on whether you are an Authorised Participant, the investment option you choose and the fees you negotiate.

An Authorised Participant who redeems Units directly will also be charged a withdrawal fee of \$1,500 plus 0.02% of the value of the redemption amount.

Each fee in this table may in some cases be negotiated with wholesale clients. For more information, refer to the explanation of "Differential fees, rebates and related payments" in the "Additional Explanation of Fees and Costs" section below.

¹ Please note that the minimum investment in the Fund by an Authorised Participant is \$1,000,000 unless the Responsible Entity agrees otherwise.

² Management costs are made up of the management fee of 0.49% p.a., capped recoverable expenses of 0.10% p.a. and estimated indirect costs of 0.00% p.a., of the Fund's Net Asset Value. Certain additional costs apply, such as transactional and operational costs. For more information, refer to the "Additional Explanation of Fees and Costs" section below.

³ Assumes the \$5,000 investment occurs on the last day of the year.

4.3 ADDITIONAL EXPLANATION OF FEES AND COSTS

4.3.1 Management costs

The management costs for the Fund incorporate all relevant ongoing fees and other costs involved in managing the Fund and deriving investment returns. The management costs comprise:

- Responsible Entity's management fee;
- recoverable expenses; and
- indirect costs.

Management costs do not include:

- transactional and operational costs, such as brokerage, transactional custodian fees, and other transaction fees associated with buying and selling the Fund's assets; and
- other costs that an investor would ordinarily incur when investing directly in the Fund's underlying assets.

(These costs are therefore not included in the management costs set out in Table 3.1 and Table 3.2 above, but they are paid out of the Fund's assets).

4.3.2 Management fee

The management fee is charged by the Responsible Entity for managing the Fund and making it available to investors. It is calculated and accrued daily as a percentage of the Fund's Net Asset Value, and reflected in the daily Net Asset Value per Unit. The amount is deducted from the Fund's assets monthly on or after the first day of the following month.

4.3.3 Recoverable expenses

The recoverable expenses represent the operating expenses incurred in the operation of the Fund. The Fund's constitution allows all properly incurred expenses to be recovered from the Fund and

does not place any limit on the amount or types of expenses that can be recovered.

The expenses normally incurred in the day to day operation of the Fund include custodian, Gold Vendor, fund administration, unit registry, ASX and audit costs (other than transactional and operational costs described above). These expenses normally incurred and charged to the Fund will be capped at 0.10% per annum of the Fund's Net Asset Value while this PDS is current. Any such expenses in excess of the cap will be borne by the Responsible Entity from its own resources, on the basis that the Responsible Entity has the right to be reimbursed for them at a later time, provided that the cap will not be exceeded at the time of reimbursement. The Responsible Entity may withdraw or replace this PDS at any time.

The normally incurred recoverable expenses of the Fund for the previous financial year ended 30 June 2017 were at the cap set out in Table 4.1 above.

Extraordinary recoverable expenses are expenses that are not normally incurred in the day to day operation of the Fund and are not necessarily incurred in any given year. They may include costs associated with holding unitholder meetings, changing the Fund's constitution, or defending or pursuing legal proceedings. Extraordinary recoverable expenses are not included in the cap on expenses described in this section. Any such expenses will be recovered from the Fund and reflected in the Fund's Net Asset Value per Unit. At the date of this PDS the estimate of extraordinary recoverable expenses of the Fund for the previous financial year ended 30 June 2017 were nil.

4.3.4 Indirect costs

Indirect costs are any amounts that we know or where required, reasonably estimate, will reduce the Fund's returns that are paid from the Fund's assets (other than the management fee, recoverable expenses, and transactional and operational costs described elsewhere in this section) or that are paid from the assets of any

interposed vehicle (such as an underlying fund) in which the Fund may invest.

At the date of this PDS the indirect costs of the Fund for the previous financial year ended 30 June 2017 are estimated to be 0.00% p.a. of the Net Asset Value of the Fund.

4.3.5 Transactional and operational costs

The Fund incurs transactional and operational costs, such as brokerage, transactional custodian fees, and other transaction fees associated with buying and selling the Fund's assets. Transactional and operational costs are an additional cost and are not included in the management costs.

The Fund's total transactional and operational costs for the previous financial year ended 30 June 2017 were 0.36% p.a. of the Fund's Net Asset Value (or \$180 for every \$50,000 you have in the Fund).

These transactional and operational costs are in addition to the management costs set out in Table 3.1 and Table 3.2 above.

The amount of these costs can be expected to vary from year to year depending on the volume and value of transactions undertaken.

4.3.6 Application and redemption fees for Authorised Participants

Note: No application fees or redemption fees are payable by investors who buy and sell Units on the ASX. However, brokerage charges may apply.

Application fees and redemption fees will only be payable by Authorised Participants on an application for or redemption of Units directly with the Fund.

The application fee and redemption fee applicable to the Fund is set out in the table in section 4.1

These fees will be added to the investment amount receivable from an Authorised Participant on application, or deducted from the amount payable to an Authorised Participant on redemption (as applicable). Any such fees will therefore not be incurred by the Fund and will not affect the Net Asset Value of the Fund.

4.3.7 Stockbroker fees

Investors may incur customary brokerage fees and commissions when buying and selling Units on the ASX, as for any listed or quoted security. Please consult a stockbroker for more information in relation to their fees and charges.

4.3.8 Can fees and costs change and what are the maximums?

Yes, fees and costs can change subject to maximums in the Fund's Constitution.

The Constitution of the Fund limits the amount of the Responsible Entity's fee to a maximum of 3% p.a. of the Fund's Net Asset Value (plus GST). The Constitution of the Fund provides for the following maximum application and redemption fees:

- a maximum application fee of 5% of the aggregate Issue Price of the Units applied for (plus GST);
- a maximum redemption fee of 5% of the aggregate Withdrawal Amount of the relevant Units (plus GST).

Application and redemption fees are not payable by investors who buy and sell Units on the ASX.

The Responsible Entity also has the right to recover from the Fund all expenses properly incurred in the performance of its duties.

As at the date of this PDS, the Responsible Entity does not have any intention to change the fees and costs described in this PDS, although it has the right to do so at any time. Any increase in the fees and costs for the Fund will be announced to the ASX via the Market Announcements Platform at least 30 days before it occurs.

Any estimates of fees and costs in this PDS are based on information available as at the date of this PDS. As such, the actual fees and costs may differ and are subject to change from time to time. Information in this PDS that is not materially adverse to investors is subject to change from time to time and may be updated by the Responsible Entity by publishing such information on the BetaShares website at www.betashares.com.au. A paper copy of any updated information will be provided free of charge on request.

4.3.9 Differential fees, rebates and related payments

The Responsible Entity may, from time to time, agree with wholesale clients to rebate or reduce some of the management or other fees on a case by case basis. The amount of fee reduction is at the Responsible Entity's discretion. The Responsible Entity will achieve these reductions and meet any rebates in relation to management fees by payments from its own resources. For more information, please contact the Responsible Entity.

Any reduction in management fees offered by the Responsible Entity to a wrap platform or master trust operator may be passed on to the clients of the operator or retained by the operator.

Subject to applicable law, the Responsible Entity may also pay one-off or annual product access payments to wrap platform or master trust operators for including the Fund in their offering. As of the date of this PDS, no product access payments have been made. The Responsible Entity would make any such payment from its own resources.

4.3.10 Indirect investors

Indirect investors investing through a wrap platform or master trust should note that the fees outlined in this section 4 are in addition to any other fees and costs imposed by the wrap platform or master trust operator.

5 RISKS

Unitholders in the Fund face a number of investment risks. There are risks associated with any investment. Generally, the higher the expected return of an investment, the higher the risk and the greater the variability of returns.

The market price and Net Asset Value per Unit can fluctuate within a wide range. When considering an investment in the Fund, personal tolerance for fluctuating market values should be taken into account.

The most common risks associated with investing in the Fund are described below, but there could be other risks that affect the performance of the Fund. The discussion below is general in nature.

The Responsible Entity does not provide assurances or guarantees on future profitability, returns, distributions or return of capital. An investment in the Fund could lose money over short or long periods.

You should seek your own professional advice on the appropriateness of this investment to your circumstances. You should also consider how an investment in the Fund fits into your overall investment portfolio.

5.1 MARKET RISK

Investment returns are influenced by the performance of financial markets as a whole. This means that the value of the Units can be affected by factors such as changes in interest rates, investor sentiment and global events, depending on which markets or asset classes you invest in. Markets are volatile and fluctuate from day-to-day. This volatility may cause the value of an investment in the Fund to decrease.

5.2 GOLD PRICES

The value of Units in the Fund will be affected by movements in the price of gold. Gold prices fluctuate as a result of many unpredictable international, economic, monetary and political factors, including but not limited to:

- Global or regional political, economic or financial events and situations, particularly war, terrorism, expropriation and other activities which might lead to disruptions to supply from countries that are major gold producers;
- Global gold supply and demand, which is influenced by such factors such as production and cost levels in major gold-producing countries such as South Africa, the United States and Australia, jewellery demand, industrial product demand, gold scrap recycling activity, forward selling by gold producers, purchases made by gold producers to unwind gold hedge positions and central bank purchases and sales;
- Financial activities including investment trading and hedging activities conducted by large trading houses, producers, users, hedge funds, commodities funds, governments or other speculators which could impact global gold supply or demand; and
- Financial market factors such as investors' expectations with respect to the future rates of inflation, movements in world financial markets, interest rates and currency exchange rates, particularly the strength of and confidence in the U.S. dollar.

5.3 GOLD VENDOR RISK

Under the Gold Contract, the Responsible Entity will purchase gold from the Gold Vendor on a deferred delivery basis. This means the gold is not delivered to the Fund at the time of purchase. Instead, pending delivery to the Fund or payment of an equivalent value in cash, legal ownership of the gold remains with the Gold Vendor and the gold is held by the Gold Custodian (in the Gold Custody Accounts) on behalf of the Gold Vendor and not on behalf of the Fund. The rights and economic exposure of the Fund in relation to gold arise pursuant to the Gold Contract and not through a physical holding of gold. However, the obligations of the Gold Vendor to deliver gold or cash to the Responsible Entity under the Gold Contract are secured by way of a registered charge over all the gold held in the Gold Custody Accounts (the Gold Charge).

If the Gold Vendor defaults on its obligations in connection with the Gold Contract, the Responsible Entity may enforce the Gold Charge. There may be delays and/or costs associated with enforcing the charge that may adversely affect the Fund and the value of the Units.

5.4 CUSTODY RISK

Gold will be held for the Gold Vendor by the Gold Custodian at its London vault premises (or held temporarily until transported to such vault by a sub-custodian appointed by the Gold Custodian or by a delegate of a sub-custodian). Access to such gold could be restricted by natural events (e.g. earthquake or flooding) or human actions (e.g. war or terrorist attack). Any such event may adversely affect the operations of the Fund and, consequently, the value of the Units.

The Gold Custodian will make such insurance arrangements in connection with its custodial obligations with respect to gold as it considers appropriate, and will be responsible for all costs, fees and expenses in relation to such insurance policy or policies. Neither the Gold Vendor nor the Fund will be a beneficiary of any such insurance and neither has the ability to dictate the existence, nature or amount of coverage. Unitholders cannot be assured that the Gold Custodian will maintain adequate insurance or any insurance with respect to the gold held by it on behalf of the Gold Vendor. The Gold Vendor will not insure the gold that secures its obligations to the Fund and is not responsible for ensuring that adequate insurance arrangements have been made.

The Gold Custodian will not require any direct or indirect sub-custodians to be insured or bonded with respect to their custodial activities or in respect of the gold held by them on behalf of the Gold Vendor. Further, the Gold Custodian will only be responsible for loss or damage suffered as a direct result of any negligence, fraud or wilful default on its part in the performance of its duties, and in such case its liability will not exceed the market value of the gold lost or damaged at the time such negligence, fraud or wilful default is discovered. Consequently, a loss may be suffered with respect to the gold that is held by the Gold Vendor which is not covered by insurance and for which the Gold Custodian is not liable in damages.

Neither the Gold Custodian, the Gold Vendor or the Responsible Entity independently confirms the fineness or weight of the gold. While the Responsible Entity intends to employ independent gold auditors to check the quality of the gold held by the Gold Custodian at least annually, the gold may be different from the reported fineness or weight required by the standards of the LBMA for bars of gold delivered in settlement of a trade in gold, in which case the

value of the Units might decrease. (See section 7.3 for more information on the Gold Custody Agreement.)

5.5 GOLD CUSTODIAN INSOLVENCY

Amounts of gold will be held for a time by the Gold Vendor in the Unallocated Account in connection with the creation or redemption of Units or the withdrawal of gold in connection with the payment of accrued fees and expenses. Also, any residual amount of gold that is too small to make up a whole London Good Delivery Bar will be held in the Unallocated Account.

Gold held in the Unallocated Account will not be segregated from the Gold Custodian's assets, and any such gold will represent an unsecured credit risk against the Gold Custodian.

Neither the Fund nor the Gold Vendor has a proprietary interest in unallocated gold. If the Gold Custodian becomes insolvent, its assets may not be adequate to satisfy the claims of the Gold Vendor.

5.6 GOLD DEALER RISK

Under the Gold Dealing Agreement, the Gold Vendor may buy gold from, and sell gold to, the Gold Dealer in support of its obligations to the Responsible Entity. The Fund relies on the ability of the Gold Dealer to perform its obligations under the Gold Dealing Agreement. In the event that the Gold Dealer defaults on its obligations, the Fund may suffer a loss. In addition, in the event that the Gold Dealer became insolvent, the Fund may also suffer a loss.

5.7 CURRENCY HEDGING

As gold is priced in U.S. dollars, the return on an investment in gold for Australian investors will be affected by two variables: (i) the price return of gold in U.S. dollars; and (ii) the variation in the AUD/USD exchange rate. The Responsible Entity will hedge substantially all of the Fund's U.S. dollar exposure back to the Australian dollar.

The Fund intends to enter into forward foreign exchange contracts or other derivatives designed to offset the Fund's exposure to the U.S. dollar. A forward foreign exchange contract is a contract between two parties to buy or sell a specific currency in the future at a pre-agreed rate. There is no assurance that the currency hedging strategy will be effective. The strategy is designed to minimise the impact of currency fluctuations on the Fund's returns, but it does not eliminate exposure to all currency fluctuations. The return of the forward foreign exchange contracts will not perfectly offset the actual fluctuations in the AUD/USD exchange rate.

Currency hedging also involves costs and implementation risks due to the volatility of currency markets. The primary risks associated with the use of forward foreign exchange contracts ("forward contracts") are:

- the values of the forward contracts failing to move in line with the underlying currency;
- the potential lack of liquidity of the forward contracts;
- possibility that the forward contracts are difficult or costly to manage or reverse;
- the Fund may not be able to meet payment obligations as they arise;
- the counterparty or counterparties to the forward contracts may not meet their obligations under the contracts or there may be a dispute about the value of the forward contracts or any other matter; and
- other factors cause the forward contracts to terminate early.

5.8 GENERAL REGULATORY & LEGAL RISK

There is a risk that a government or regulator may introduce regulatory or tax changes, or that a court makes a decision in relation to the interpretation of the law or the underlying contracts that establish the Fund (including the Fund's security interest under the Gold Charge) which affects the enforceability of those contracts or the tax treatment of the Fund or Unitholders or which generally affects the value of the Units. There is a general legal risk that the underlying contracts that establish the Fund are unenforceable or invalid or do not operate as intended.

The Fund may also be affected by changes to legislation or government policy or political developments both in Australia and in other countries. These changes are monitored by the Responsible Entity and action is taken, where appropriate, to facilitate the achievement of the investment objectives of the Fund. The Responsible Entity may not always be in a position to take such action.

5.9 TAX RISK

Taxation law is complex and subject to changes by the Australian Government, possibly with retrospective effect.

As the circumstances of each investor are different, the Responsible Entity strongly recommends that prior to investing in the Fund investors obtain professional tax advice relating to the tax implications of investing in and dealing in Units.

General information in relation to taxation matters is provided within this PDS in section 8.

5.10 MANAGER RISK

There is a risk that the Responsible Entity's investment strategy is not successful, or not successfully implemented, resulting in the Fund failing to meet its objectives. No assurance can be given that the trading systems and strategies utilised by the Responsible Entity will prove successful under all or any market conditions.

5.11 FUND RISK

There is a risk that the Fund could terminate, that fees and expenses could change or that the Responsible Entity could be replaced as responsible entity of the Fund.

The Fund is not actively managed and no attempt will be made to buy or sell gold to protect against, or to profit from, fluctuations in the price of gold.

5.12 CONTRACT PERFORMANCE RISK

The Fund may suffer a loss if the Gold Vendor, the Gold Dealer, the Gold Custodian, or any counterparty to other contracts that the Responsible Entity is party to, defaults on its obligations under the relevant contract. There is also a risk that the Fund may suffer a loss if the Gold Contract, the Gold Dealing Agreement or the Gold Charge do not operate as intended.

5.13 CONCENTRATION RISK

The Fund aims to track the performance of the price of gold, with a currency hedge against movements in the AUD/USD exchange rate, before fees and expenses. As such, the Fund's holdings will not be diversified which may result in a greater degree of volatility in the net asset value of the Fund over time, relative to the value of a more broadly diversified portfolio.

5.14 OPERATIONAL RISK

The Fund's day to day operations may be adversely affected by circumstances beyond the reasonable control of the Responsible Entity, such as failure of technology or infrastructure, or natural disasters. A breakdown in administrative procedures and risk control measures implemented by the Responsible Entity or its service providers, including with respect to cyber-security, may also adversely affect the operation and performance of the Fund.

5.15 TRADING RISK

In certain circumstances, the ASX may suspend trading of the Units of the Fund and therefore Unitholders will not be able to buy or sell Units of the Fund on the ASX. In these circumstances, the Responsible Entity may suspend the application and redemption process.

There may be other occasions where the Responsible Entity may suspend the application and redemption process, such as around the end of a distribution period or where other factors prevent the accurate calculation of Unit prices. The Responsible Entity may also scale down redemption requests on a pro-rata basis, if the Responsible Entity receives one or more redemption requests in respect of a particular valuation time that seek the redemption in aggregate of more than 10% of the total number of Units on issue.

The ASX also imposes certain requirements for Units to continue to be quoted. The Responsible Entity will endeavour to meet these requirements at all times to ensure the Units remain quoted, although there can be no assurance that Units will remain quoted on the ASX. Under these circumstances, the Responsible Entity may take measures such as suspending the application and redemption process or potentially terminating the Fund.

5.16 LIQUIDITY RISK

Although the Units are quoted on the AQUA market of the ASX there can be no assurances that there will be a liquid market for Units. The Responsible Entity has in place market making arrangements to assist in maintaining liquidity for the Fund on the ASX. The Responsible Entity cannot guarantee that the market maker will fulfil its obligations or that a market maker will continue to be appointed. The market making arrangements agreed by the Responsible Entity also specify certain permitted circumstances where the market making obligations may be suspended (such as operational disruptions, market disruptions or unusual conditions, other events set out in the ASX Operating Rules, the suspension or rejection of applications for Units or redemption requests, or the market maker not having ASIC relief to allow short selling of Units). If the market maker defaults on its obligations, the Responsible Entity may seek to replace the market maker, although the arrangements with the market maker may limit or exclude any liability on the part of the market maker.

In addition, there is the risk that the assets held by the Fund may be difficult or impossible to sell, preventing the Fund from closing out its position in a timely manner and at a fair price. This may be due to factors specific to that investment or to prevailing market conditions. A lack of liquidity could potentially result in the suspension of redemptions, which may cause the Fund's Units to be suspended from trading on the ASX.

5.17 TRADING PRICE OF UNITS MAY DIFFER FROM NET ASSET VALUE PER UNIT

As with any exchange traded fund, it is possible that the trading price of Units on the ASX may differ from the Net Asset Value per Unit. The trading price is dependent on a number of factors including the demand for and supply of Units, investor confidence, the availability of market maker services during the course of the trading day, and the bid-offer spread charged by a market maker. The trading price may be affected if there is a suspension of the application and redemption process. The application and redemption facility is designed to reduce the likelihood of Units trading at a significant discount or premium to the Net Asset Value per Unit. If the application or redemption facility for the Fund is closed on a particular day, the trading price might diverge further from the Net Asset Value per Unit.

Periods of increased market volatility or disruptions to the market making function may result in wider bid-offer spreads for Units and trading prices that differ significantly from the Fund's Net Asset Value per Unit. This risk may be higher in the period shortly after the ASX opens for trading and near the close of trading. If an investor purchases Units at a time when the market price is at a premium to the Net Asset Value per Unit or sells at a time when the market price is at a discount to the Net Asset Value per Unit, then the investor may sustain losses. Investors should consider placing "limit orders" to reduce the risk of trading at unfavourable prices.

5.18 GOLD MARKET DISRUPTION RISK

If the arrangements for the trading of gold through LMBA members breaks down, it may be difficult or impossible for the Responsible Entity and the Gold Vendor to buy and sell gold. Under these circumstances, the Responsible Entity may take measures such as suspending the application and redemption process or potentially terminating the Fund.

5.19 SETTLEMENT RISK

The application and redemption processes associated with the issue or redemption of Units for Authorised Participants are subject to the normal settlement procedures through CHESS. The Fund is exposed to some risk if an Authorised Participant fails to comply with its settlement obligations. These risks are mitigated by the fact that Authorised Participants are subject to usual ASX trading practices including ASX fail fees.

6 HOW TO BUY AND SELL UNITS

NOTE: Only Authorised Participants may apply for Units directly through this PDS. Accordingly, the material below that relates to applications for and redemptions of Units is of direct relevance to such persons only.

Other investors may buy and sell Units by trading on the ASX through a stockbroker, or via a financial adviser.

Prior to being issued Units, an Authorised Participant must execute an Authorised Participant Agreement that deals with, amongst other things, the rights and obligations of the Authorised Participant in relation to applying for Units. An Authorised Participant may only redeem Units if it is an Australian Resident. See section 7.4 for further information about Authorised Participant Agreements.

To effect an application or redemption, Authorised Participants must also complete the Application Form or Redemption Form attached to this PDS (or available on the BetaShares website www.betashares.com.au).

6.1 MINIMUM APPLICATIONS AND REDEMPTIONS

The minimum application amount for Authorised Participants is \$1,000,000, unless otherwise agreed with the Responsible Entity.

The minimum redemption amount for Authorised Participants is 100,000 Units, unless otherwise agreed with the Responsible Entity.

6.2 PROCESSING APPLICATIONS AND REDEMPTIONS

Application and Redemption forms may only be lodged by Authorised Participants on a day that is both an ASX Business Day and a London Business Day (referred to in this PDS as a "Business Day").

Application or Redemption forms received from Authorised Participants before the Dealing Deadline on a Business Day are processed at the Issue Price or Withdrawal Amount (being the Net Asset Value per Unit) for the Fund applicable to that day.

Application or Redemption forms received from Authorised Participants after the Dealing Deadline on a Business Day, or on a day that is not a Business Day, will be treated as being received on the next Business Day.

By signing an Authorised Participant Agreement, an Authorised Participant agrees to be bound by certain execution and settlement procedures in relation to applications for and redemptions of Units which are set out in the Authorised Participant Agreement.

The procedures allow the Responsible Entity to (amongst other things) cancel an application or redemption in certain circumstances. The Responsible Entity may also reject any application in whole or in part at any time, without giving reasons.

6.3 APPLICATIONS

The Authorised Participant must pay the application consideration by transferring to the Responsible Entity or custodian the cash amount of the application, plus the application fee, in Australian dollars.

On T+1, the Responsible Entity will advise the Authorised Participant of the number of Units (rounded down to the nearest Unit) that equates to the value of the application. Settlement of the application will generally occur through CHES.

The Responsible Entity will use the application consideration to purchase gold from the Gold Vendor under the terms of the Gold Contract. The Gold Vendor will use the application consideration to purchase gold from the Gold Dealer under the Gold Dealing Agreement, and such gold will be delivered by the Gold Dealer into the Unallocated Account. Once gold is received in the Unallocated Account, the Gold Custodian will allocate all the gold (other than an amount less than one London Good Delivery Bar) by transferring such gold to the Allocated Account. Allocation is generally expected to be completed the same day.

6.4 REDEMPTIONS

Unless otherwise agreed with the Responsible Entity, an Authorised Participant will receive cash in Australian dollars on redemption of Units.

Redemptions will be effected by the Gold Vendor selling gold to the Gold Dealer under the terms of the Gold Dealing Agreement and then paying the proceeds to the Responsible Entity under the Gold Contract. The proceeds will be used by the Fund to fund the redemption.

The Authorised Participant must deliver the relevant Units to the Responsible Entity or custodian, in return for a cash payment equal to the aggregate Net Asset Value of the Units being redeemed, less the redemption fee. Settlement of the redemption generally occurs through CHES.

Where agreed with the Responsible Entity, and subject to entering into a separate agreement with the Gold Vendor, Authorised Participants may be able to purchase gold from the Gold Vendor by directing the Responsible Entity to pay the proceeds in connection with a redemption to the Gold Vendor. In order to obtain gold in this way, Authorised Participants must have an unallocated gold account with a bullion dealer in London that is a member of the LBMA.

6.5 SUSPENSIONS OF APPLICATIONS AND REDEMPTIONS

There may be occasions where the Responsible Entity may suspend applications or delay or reject redemption requests. This may occur, for example, around the end of a distribution period when the Responsible Entity is calculating and paying the distributable income (if any) for the relevant period or where there are factors, as determined by the Responsible Entity, which prevent the accurate calculation of Unit prices. The Responsible

Entity will advise Unitholders of any general suspension of applications or delay or rejection of redemptions.

The Responsible Entity may also scale down redemptions in certain circumstances.

See section 7.2.7 and 7.2.8 for further information.

6.6 VALUATIONS AND PRICING

After the Units are quoted, the amount per Unit payable by an Authorised Participant upon an application for Units is known as the Issue Price, and is equal to the Net Asset Value per Unit.

The amount per Unit to which an Authorised Participant is entitled on the redemption of Units is known as the Withdrawal Amount, and is equal to the Net Asset Value per Unit.

The Issue Price and the Withdrawal Amount are calculated in the same manner and will have the same value at any time. This value is determined by dividing the Net Asset Value of the Fund by the number of Units on issue in the Fund at the time the Issue Price and/or Withdrawal Amount are determined (the valuation time).

The valuation time for the Fund is generally 10.30am London time (being the time of the London AM gold fix).

The Withdrawal Amount paid to an Authorised Participant on the redemption of Units may include an entitlement to the distributable income of the Fund. (Please refer to section 4 of this PDS for details regarding how this entitlement is determined).

The Net Asset Value of the Fund is calculated by deducting from the aggregate value of the assets of the Fund all liabilities such as accrued fees and other costs, and provisions relating to the Fund. Fees and other costs, including the Responsible Entity's fees, are normally accrued daily. The value of any assets or liabilities denominated in a foreign currency is converted to Australian dollars using the applicable closing spot and forward rates as of the valuation time for the Fund. The Fund's assets reflect their market value. The valuation methods applied by the Responsible Entity to value the Fund's assets and liabilities are consistent with applicable industry standards and result in Net Asset Value per Unit calculations that are independently verifiable.

Details of the daily Net Asset Value per Unit (and hence the Issue Price and Withdrawal Amount) will be made available on the BetaShares website at www.betashares.com.au.

7 ADDITIONAL INFORMATION

7.1 THE ROLE OF CERTAIN ENTITIES IN REGARD TO THE FUND

There are a number of parties, in addition to the Responsible Entity, involved in the ongoing operation and administration of the Fund or who otherwise provide services in connection with the Fund:

7.1.1 Gold Vendor

The Responsible Entity will buy gold from the Gold Vendor on a deferred delivery basis under the Gold Contract. The Gold Vendor will hold the gold subject to a registered charge in favour of the Fund (the Gold Charge). (See section 2.3 for information about the Gold Vendor, which is National Bank of Canada.) The Responsible Entity may change the Gold Vendor.

7.1.2 Gold Dealer

The Gold Dealer has agreed to sell gold to, or buy gold from, the Gold Vendor, from time to time on the terms of the Gold Dealing Agreement. (See section 2.3 for information about the Gold Dealer, which is JPMorgan Chase Bank, N.A.) The Responsible Entity, with the agreement of the Gold Vendor, may change the Gold Dealer.

7.1.3 Gold Custodian

The Gold Custodian will serve as the custodian of the gold held in the name of the Gold Vendor. See section 2.3 for information about the Gold Custodian, which is JPMorgan Chase Bank, N.A.. The Responsible Entity, with the agreement of the Gold Vendor, may change the Gold Custodian.

7.1.4 Custodian and administrator

The custodian provides certain custodial services to the Responsible Entity, including holding the assets of the Fund (primarily cash). The custodian has a limited role and has no obligation to monitor whether the Responsible Entity is complying with its obligations as responsible entity of the Fund. The custodian may, from time to time, appoint sub-custodians. It is not intended that the Fund or the Fund's custodian will hold gold. As discussed in section 7.1.3, the Gold Custodian will serve as the custodian of the gold held in the name of the Gold Vendor.

The administrator provides administration services to the Responsible Entity. These services include fund accounting, maintenance of books and records, calculating distribution amounts, calculating the Issue Price and Withdrawal Amount, and taxation and other services.

The Responsible Entity may change the custodian and administrator without prior notice to Unitholders.

As of the date of this PDS, the custodian and administrator is:

RBC Investor Services Trust
Level 47
2 Park Street
Sydney NSW 2000

7.1.5 Registrar

As for any quoted security, the role of the Registrar is to keep a record of the Unitholders in the Fund. This includes details such as the quantity of securities held and tax file numbers (if provided). The

Responsible Entity may change the Registrar without prior notice to Unitholders.

As of the date of this PDS, the registrar is:

Link Market Services
Level 12
680 George Street
Sydney NSW 2000

7.1.6 Market maker

The role of a market maker is to provide liquidity in the market for Units and to satisfy supply and demand for Units. They do this by:

- Subject to certain conditions, providing liquidity to the market through acting as the buyer and seller of Units during a significant part of the trading day; and
- Creating and redeeming Units in the primary market pursuant to this PDS, which helps to ensure the number of Units on issue matches supply and demand.

The Responsible Entity seeks to appoint market making firms: that have experience in making markets in exchange-traded securities both in Australia and internationally; that have the necessary skill and expertise to perform market making functions; and that are ASX participants (or trade through an ASX participant). To qualify for admission as an ASX participant, a firm must meet admission requirements set out in the ASX Operating Rules, which require the firm to hold an Australian financial services licence that authorises it to carry on its business as a market participant and to satisfy ASX of various matters including organisational competence and business integrity.

Information about the market maker(s) selected by the Responsible Entity from time to time can be obtained by contacting the Responsible Entity.

The arrangements with the market maker specify certain permitted circumstances where the market making obligations may be suspended (such as operational disruptions, market disruptions or unusual conditions, other events set out in the ASX Operating Rules, the suspension or rejection of applications for Units or redemption requests, or the market maker not having ASIC relief to allow short selling of Units). If a market maker defaults on its obligations, the Responsible Entity may seek to replace the market maker, although the arrangements with the market maker may limit or exclude any liability on the part of the market maker. The arrangements with the market maker may also provide that the market maker has no liability or responsibility to Unitholders for any act or omission made in connection with the market making arrangements.

Unitholders should be aware that a market maker will retain for its own account any trading profit and bear any loss which may be generated by its market making activities. Subject to the AQUA Rules and the agreement with the market maker, the Responsible Entity may appoint or terminate a market maker in respect of the Fund. The Responsible Entity may determine to no longer appoint a market maker in respect of the Fund in circumstances where it is no longer required to do so under the AQUA Rules.

7.1.7 Auditor

The Responsible Entity has appointed KPMG as the auditor of the financial statements of the Fund and of the Responsible Entity's compliance plan for the Fund.

7.1.8 Monitoring of service providers

The Responsible Entity has procedures in place to monitor the performance of those service providers to whom functions have been outsourced. Monitoring methods include, where appropriate, daily observation of service provider performance, review of regular compliance and audit reports, regular meetings with service providers and performance assessments.

7.2 OTHER INFORMATION YOU NEED TO KNOW

7.2.1 BetaShares as the responsible entity

BetaShares, as the responsible entity, is responsible for the management and administration of the Fund. The Responsible Entity holds an Australian Financial Services Licence (AFSL 341181) that authorises it to act as the responsible entity of the Fund. The powers and duties of the Responsible Entity are set out in the Constitution of the Fund, the *Corporations Act* and general trust law.

The Responsible Entity has the power to appoint an agent, or otherwise engage a person, to do anything that it is authorised to do in connection with the Fund and, for the purpose of determining whether the Responsible Entity has properly performed its duties as responsible entity, the Responsible Entity is taken to have done (or failed to do) anything that the agent or person has done (or failed to do) because of the appointment or engagement, even if they were acting fraudulently or outside the scope of their authority or engagement.

7.2.2 The Constitution

The Fund is a registered managed investment scheme governed by the Constitution. Under the Constitution of the Fund, the Responsible Entity has all the powers it is possible to confer on a trustee as though it were the absolute owner of the Fund's assets and acting in its personal capacity. The Constitution for the Fund sets out the rights of the Unitholders and the obligations of the Responsible Entity, as responsible entity of the Fund. This PDS outlines some of the more important provisions of the Constitution of the Fund.

A copy of the Constitution may be inspected by Unitholders at the Responsible Entity's office, during business hours. The Responsible Entity will provide Unitholders with a copy of the Constitution upon request by contacting BetaShares on 1300 487 577 (within Australia) or +61 2 9290 6888 (outside Australia).

7.2.3 Amendments to the Constitution

The Responsible Entity may amend the Constitution of the Fund from time to time, subject to the provisions of the Constitution and the *Corporations Act*. Generally, the Responsible Entity can only amend the Constitution where the Responsible Entity reasonably considers that the change will not adversely affect the rights of Unitholders. Otherwise the Constitution can only be amended if approved at a meeting of Unitholders by a resolution approved by at least 75% of the votes cast by Unitholders entitled to vote on the resolution.

7.2.4 The compliance plan

The Responsible Entity has prepared and lodged a compliance plan for the Fund with ASIC. The compliance plan sets out the key criteria that the Responsible Entity will follow to ensure that it is complying with the *Corporations Act* and the Constitution. Each year the compliance plan, and the Responsible Entity's compliance with the compliance plan, will be independently audited, as required by the *Corporations Act*, and the auditor's report will be lodged with ASIC.

7.2.5 The compliance committee

The Responsible Entity has established a compliance committee with a majority of members that are external to the Responsible Entity. The compliance committee's functions include:

- monitoring the Responsible Entity's compliance with the compliance plan and reporting its findings to the Responsible Entity;
- reporting breaches of the *Corporations Act* or the Constitution to the Responsible Entity;
- reporting to ASIC if the committee is of the view that the Responsible Entity has not taken or does not propose to take appropriate actions to deal with breaches reported to it by the committee; and
- assessing the adequacy of the compliance plan, recommending any changes and reporting these to the Responsible Entity.

7.2.6 Unit pricing policy

The Responsible Entity has documented its policy on how it exercises discretions when determining Unit prices for the Fund. The policy has been designed to meet the ASIC requirements and is available on request to all Unitholders and prospective Unitholders at no charge.

7.2.7 Suspensions of applications and redemptions

The Constitution of the Fund allows the Responsible Entity to suspend the issue of Units in the Fund by publishing a notice to that effect. Application forms received from Authorised Participants during a period of suspension may be rejected or treated as received when the period of suspension ceases. The Responsible Entity may also reject any application by Authorised Participants in whole or in part at any time, without giving reasons.

The Constitution of the Fund provides that, in some circumstances, the period for satisfaction of redemption requests (generally two ASX Business Days) may be extended, or that redemption requests may be suspended or rejected for as long as the relevant circumstances apply. Those circumstances are where:

- i. the Responsible Entity has taken all reasonable steps to realise sufficient assets to pay amounts due in respect of Units to which a redemption request applies and is unable to do so due to circumstances outside its control, such as restricted or suspended trading in the market for an asset;
- ii. the Responsible Entity believes that it is impracticable or not possible to transfer, in the manner acceptable to the Responsible Entity, sufficient assets to satisfy the redemption request (for example, because of disruption to a settlement or clearing system);
- iii. the Responsible Entity believes that it is not practicable or desirable to carry out the calculations necessary to satisfy the redemption request (for example, because a relevant index, exchange rate or other reference price is not compiled or published, or it is impracticable or undesirable to calculate the Net Asset Value because of restricted or suspended trading in the market for an asset or because the value of any asset cannot otherwise promptly or accurately be ascertained);
- iv. the quotation of any Units on the ASX is suspended or the trading of any Units is otherwise halted, interrupted or restricted by the ASX;
- v. the Units cease to be admitted to trading status on the ASX;
- vi. a redemption request is received in a financial year and the Responsible Entity determines that the date on which the

completion of the redemption of the Units would otherwise occur would be in the next financial year;

- vii. a redemption request is received during the period commencing on the Fund's ex date for distributions and expiring at the end of the relevant distribution period;
- viii. the Responsible Entity does not consider that it is in the best interests of Unitholders of the Fund taken as a whole to transfer or realise sufficient assets to satisfy the redemption request; or
- ix. the Responsible Entity believes that assets cannot be realised at prices that would be obtained if assets were realised in an orderly fashion over a reasonable period in a stable market.

7.2.8 Spreading redemption requests

The Constitution of the Fund provides that, if the Responsible Entity receives one or more redemption requests in respect of a particular valuation time that seek the redemption in aggregate of more than 10% of the total number of Units on issue, the Responsible Entity may scale down pro rata each redemption request so that no more than 10% of the number of Units on issue will be redeemed in respect of that valuation time. If a redemption request is scaled down in this way, the relevant Unitholder shall be deemed to have made a redemption request with respect to the unsatisfied balance of the Units the subject of the redemption request and that request will be deemed to have been received immediately following the first valuation time. The balance of such unsatisfied redemption request will be satisfied in priority to any subsequently received redemption request and will generally be satisfied in full no later than the 10th valuation time following the first valuation time.

7.2.9 Non-Authorised Participant redemption request

Generally, investors who are not Authorised Participants may only buy and sell their Units on the ASX and may not redeem Units directly under this PDS. If there are no Authorised Participants, however, the Responsible Entity may accept a redemption request from a person who is not an Authorised Participant, provided such person is an Australian Resident at the time of giving the redemption request. In such a case Unitholders should note that they may become entitled to distributable income of the Fund on the redemption of their Units. See section 8.1.5 for further information.

7.2.10 Information relating to redemptions

The information in section 6 relating to redemptions assumes that the Fund is liquid within the meaning of section 601KA of the *Corporations Act*. The Fund will be liquid if at least 80% of its assets, by value, are liquid assets under the *Corporations Act*. Broadly, liquid assets include money in an account or on deposit with a bank, bank accepted bills, marketable securities and other property which the Responsible Entity reasonably expects can be realised for its market value within the period specified in the Constitution for satisfying redemption requests. At the date of this PDS, the Responsible Entity expects that the Fund will be liquid under the *Corporations Act*. If the Fund is not liquid, a Unitholder will not have a right to redeem Units and can only redeem where the Responsible Entity makes a withdrawal offer to Unitholders in accordance with the *Corporations Act*. The Responsible Entity is not obliged to make such offers.

7.2.11 Rights of a Unitholder

A Unit confers a beneficial interest on a Unitholder in the assets of the Fund but not an entitlement or interest in any particular part of the Fund or any asset.

The terms and conditions of the Fund's Constitution are binding on each Unitholder in the Fund and all persons claiming through them respectively, as if the Unitholder or person were a party to the Constitution.

7.2.12 Reimbursement of expenses

In addition to any other indemnity which the Responsible Entity may have under the Fund's Constitution or at law, the Responsible Entity is indemnified and entitled to be reimbursed out of, or paid from, the assets of the Fund for all liabilities, losses and expenses incurred in relation to the proper performance of its duties as responsible entity of the Fund. The Fund may sell gold from time to time to generate cash in connection with payment of the Fund's fees, expenses and other amounts payable under the Fund's Constitution.

7.2.13 Retirement of BetaShares

BetaShares may retire as responsible entity of the Fund by calling a meeting of Unitholders to enable Unitholders to vote on a resolution to choose a company to be the new responsible entity. The Responsible Entity may be removed from office by an extraordinary resolution (i.e. a resolution passed by at least 50% of the total votes that may be cast by Unitholders entitled to vote on the resolution) passed at a meeting of Unitholders, in accordance with the *Corporations Act*.

7.2.14 Termination

The Responsible Entity may wind up the Fund at any time. Following winding up, the net proceeds will be distributed to Unitholders pro-rata according to the number of Units they hold.

7.2.15 Limitation of liability of Unitholders

The Constitution of the Fund provides that the liability of each Unitholder is limited to the consideration (if any) which remains outstanding in relation their subscription subject to:

- i. the indemnities each Unitholder gives the Responsible Entity for losses or liabilities incurred by the Responsible Entity:
 - a) in relation to the Unitholder's failure to provide requested information;
 - b) for tax or user pays fees as a result of any act or omission by the Unitholder or any matter arising in connection with the Units held by the Unitholder;
- ii. application/redemption fees and management fees; and
- iii. execution and settlement procedures prescribed by the Responsible Entity that relate to the issue and redemption of Units.

Subject to the matters described above, a Unitholder is not required to indemnify the Responsible Entity or a creditor of the Responsible Entity against any liability of the Responsible Entity in respect of the Fund. However, no complete assurance can be given in this regard, as the ultimate liability of a Unitholder has not been finally determined by the courts.

7.2.16 Meeting of Unitholders

The Responsible Entity may convene a meeting of Unitholders of the Fund at any time, (e.g. to approve certain amendments to the Fund's Constitution or to wind up the Fund). The *Corporations Act* provides that Unitholders also have limited rights to call meetings and have the right to vote at any Unitholder meetings. Except where the Fund's Constitution provides otherwise, or the *Corporations Act* requires otherwise, a resolution of Unitholders must be passed by Unitholders who hold Units exceeding 50% in value of the total value of all Units held by Unitholders who vote on the resolution.

A resolution passed at a meeting of Unitholders held in accordance with the Fund's Constitution binds all Unitholders of the Fund.

7.2.17 Indemnities and limitation of liability of the Responsible Entity

The Responsible Entity is indemnified out of the assets of the Fund for any liability incurred by it in properly performing or exercising any of its powers or duties in relation to the Fund. To the extent permitted by the *Corporations Act*, the indemnity includes any liability incurred by the Responsible Entity as a result of any act or omission of a delegate or agent appointed by the Responsible Entity.

The Responsible Entity is not liable in contract, tort or otherwise to Unitholders for any loss suffered in any way relating to the Fund except to the extent that the *Corporations Act* imposes such liability.

7.2.18 Defective applications

The Constitution of the Fund allows the Responsible Entity to cancel Units in certain circumstances including where the Responsible Entity determines that the applicant was not entitled to apply for or hold the Units, the application form was incorrectly executed or was otherwise defective or where the execution and settlement procedures were not complied with.

7.2.19 Discretionary redemptions

The Constitution of the Fund allows the Responsible Entity to redeem some or all of a Unitholder's Units at any time.

7.2.20 Information from Unitholders

The Constitution of the Fund provides that the Responsible Entity may request any information from Unitholders where it believes that such information is necessary to (a) comply with any law or regulatory request; or (b) lessen the risk of the Fund or any Unitholder suffering a material detriment. If a Unitholder fails to provide the requested information, the Unitholder must indemnify the Responsible Entity for any loss suffered by the Responsible Entity in relation to such failure.

7.2.21 Borrowings

The Fund's Constitution places no formal limits on borrowing. It is not the Responsible Entity's intention to enter into borrowing for the Fund, except that temporary overdrafts may be used occasionally to manage certain cash flows. Any borrowing costs would be borne by the Fund.

7.2.22 If you have a complaint

If a Unitholder has a complaint regarding the Fund or services provided by the Responsible Entity, please contact Client Services on 1300 487 577 (within Australia) or +61 2 9290 6888 (outside Australia) from 9:00 am to 5:00 pm Sydney time, Monday to Friday.

If the complaint is not satisfactorily resolved within three business days, a Unitholder may refer the matter in writing to:

Manager Client Services
BetaShares Capital Ltd
Level 11
50 Margaret Street
Sydney NSW 2000

To expedite a resolution of the matter, copies of all relevant documentation and other materials supporting the complaint should be provided with the complaint.

The Responsible Entity will try to resolve complaints as soon as possible, but in any event, will inform the Unitholder in writing of its determination regarding the complaint within 45 days of receiving the complaint.

In the event that a Unitholder is not satisfied with the outcome of a complaint, the Unitholder has the right to request the Responsible Entity to review their decision or to refer the matter to an external complaints resolution scheme. The Responsible Entity is a member of the Financial Ombudsman Services (FOS). Unitholders can contact FOS on 1800 367 287, or at the following address:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Email: info@fos.org.au

Information may also be obtained at www.fos.org.au. To be considered by FOS, the claim involved must fall within FOS's jurisdiction as set out in their Terms of Reference (published on the above website), including that any claim must not exceed \$500,000 (as may be amended by FOS from time to time).

7.2.23 Privacy policy

Privacy laws regulate, among other matters, the way organisations collect, use, disclose, keep secure and give people access to their personal information.

The Responsible Entity is committed to respecting the privacy of a Unitholder's personal information. The Responsible Entity's privacy policy states how the Responsible Entity manages personal information.

The Responsible Entity collects personal information in the Application and Redemption Form, and may collect additional personal information in the course of managing the Fund. Some information must be collected for the purposes of compliance with the *Anti-Money Laundering and Counter Terrorism Financing Act 2006*.

The Responsible Entity may provide personal information to a Unitholder's adviser if written consent is provided to the Responsible Entity. The Responsible Entity may disclose personal information to authorities investigating criminal or suspicious activity and to the Australian Transaction Reports and Analysis Centre (AUSTRAC) in connection with anti-money laundering and counter-terrorism financing.

The Responsible Entity may provide a Unitholder's personal information to its service providers for certain related purposes (as described under the *Privacy Act 1988*) such as account administration and the production and mailing of statements. The Responsible Entity may also use a Unitholder's personal information and disclose it to its service providers to improve customer service (including companies conducting market research) and to keep Unitholders informed of the Responsible Entity's or its partners' products and services, or to their financial adviser or broker to provide financial advice and ongoing service.

The Responsible Entity will assume consent to personal information being used for the purposes of providing information on services offered by the Responsible Entity and being disclosed to market research companies for the purposes of analysing the Responsible Entity's investment base unless otherwise advised.

To obtain a copy of the privacy policy, contact BetaShares on 1300 487 577 (within Australia) or +61 2 9290 6888 (outside Australia).

7.2.24 Anti-money laundering

The Responsible Entity is bound by laws regarding the prevention of money laundering and the financing of terrorism, including the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*

(AML/CTF Laws). By completing the Application or Redemption Form, the Unitholder agrees that:

- it does not subscribe to the Fund under an assumed name;
- any money used to invest in the Units is not derived from or related to any criminal activities;
- any proceeds of the investment will not be used in relation to any criminal activities;
- if the Responsible Entity requests, the Unitholder will provide to it any additional information that is reasonably required for the purposes of AML/CTF Laws (including information about the investor, any beneficial interest in the Units, or the source of funds used to invest);
- the Responsible Entity may obtain information about the Unitholder or any beneficial owner of a Unit from third parties if it is believed this is necessary to comply with AML/CTF Laws; and
- in order to comply with AML/CTF Laws, the Responsible Entity may be required to take action, including:
 - delaying or refusing the processing of any application or redemption, or disclosing information that the Responsible Entity holds about the Unitholder or any beneficial owner of the Units to its related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether in or outside of Australia);
 - disclosing information that the Responsible Entity holds about the Unitholder or any beneficial owner of the Units to the Responsible Entity's related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether in or outside of Australia).

7.2.25 Interest on amounts awaiting investment or redemption

Amounts paid to the Fund may accrue interest in the Fund's accounts pending the issue of Units or the return of application monies. Similarly, amounts made available to satisfy a redemption request may also accrue interest pending payment. Any such interest will be retained by the Responsible Entity as an asset of the Fund.

7.2.26 Other services

The Responsible Entity in its personal capacity, or companies related to the Responsible Entity, may provide services to the Fund. Any fees for such services will be at arm's length commercial rates.

7.2.27 Indicative Net Asset Value per Unit

As at the date of this PDS, the Responsible Entity intends to make available, or may designate other persons to make available on its behalf, an estimated indicative Net Asset Value per Unit (**iNAV**) for the Fund from time to time, for informational purposes. Such information, if made available (on the BetaShares website or via one or more financial data vendors) on any ASX Business Day, will be calculated based upon information available to the Responsible Entity or its designate during the ASX Business Day or any portion of the ASX Business Day.

Any iNAV is not, and should not be taken to be or relied on as being, the value of a Unit or the price at which Units may be applied for or redeemed, or bought or sold on the ASX, and may not reflect the true value of a Unit. Investors interested in applying for or redeeming Units, or buying or selling Units on the ASX, should not rely on any iNAV which is made available in making investment decisions but should consider other market information and relevant economic factors. Neither the Responsible Entity nor any designate or other

service provider to the Responsible Entity shall be liable to any person who relies on the iNAV.

No assurance can be given that any iNAV will be published continuously, will be up to date or free from error.

7.2.28 Foreign Account Tax Compliance Act (FATCA) & OECD Common Reporting Standard (CRS)

FATCA was enacted by the U.S. Congress to target non-compliance by US taxpayers using foreign accounts. In order to prevent FATCA withholding tax being applied to any US connected payments made to the Fund in Australia, the Fund is required to collect and report information to the Australian Taxation Office relating to certain U.S. accounts, which may be exchanged with the U.S. Internal Revenue Service.

Similar to FATCA, the CRS is the single global standard for the collection, reporting and exchange of financial account information on foreign tax residents. Australian financial institutions need to collect and report financial account information regarding non-residents to the Australian Taxation Office.

Accordingly, the Fund may request that you provide certain information about yourself (for individual investors) or your controlling persons (where you are an entity) in order for the Fund to comply with its FATCA or CRS compliance obligations.

7.2.29 Other services

The Responsible Entity in its personal capacity, or companies related to the Responsible Entity, may invest in or provide services to the Fund. Any such services will be provided on terms that would be reasonable if the parties were dealing at arm's length.

7.2.30 Warning statement for New Zealand investors

The following disclosure is made to enable the Fund's Units to be offered by the Responsible Entity in New Zealand under the mutual recognition scheme between Australia and New Zealand:

1. This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
2. This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.
3. There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
4. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.
5. Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

6. The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
7. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

Currency exchange risk

1. The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
2. If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Trading on financial product market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Dispute resolution process

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

7.3 SUMMARY OF THE GOLD AGREEMENTS

The Responsible Entity has entered into a number of agreements in relation to the Fund in connection with the purchase and sale of gold.

Certain key provisions of these agreements are summarised below.

In this section 7.3, "Gold" means gold in physical form complying with the rules of the LBMA and/or any credit balance in the Unallocated Account as the context requires. This summary is not intended to set out in detail all the provisions of the agreements.

7.3.1 Gold Contract and Gold Dealing Agreement

The Gold Contract is between the Responsible Entity and the Gold Vendor (National Bank of Canada). Under it, the Gold Vendor agrees to sell Gold to the Responsible Entity on a deferred delivery basis. This means the Gold purchased by the Responsible Entity for the Fund is not delivered at the time of purchase. Instead, the Gold Vendor has an obligation to: (a) deliver the Gold; or (b) convert the obligation to deliver the Gold into U.S. dollars ("USD") and pay the proceeds to the Responsible Entity, in either case as and when directed by the Responsible Entity in accordance with the Gold Contract. The Responsible Entity intends to direct the Gold Vendor to cash settle the Gold Contract in all cases.

The Gold Dealing Agreement is between the Responsible Entity, the Gold Vendor and the Gold Dealer (JPMorgan Chase Bank, N.A.). Under it, the Gold Vendor may, from time to time, request that the Gold Dealer sells Gold to the Gold Vendor or buys Gold from the Gold Vendor.

On any London Business Day, if the Responsible Entity wishes to purchase Gold under the Gold Contract then it provides the Gold Vendor with a notification that sets out the aggregate Australian dollar amount ("AUD Amount") of Gold to be purchased.

At the same time, under the Gold Dealing Agreement, the Gold Dealer agrees to sell the AUD Amount of Gold to the Gold Vendor, with the number of fine troy ounces of Gold determined by the AUD/USD spot exchange rate (as at the valuation time of the Fund) and the applicable Gold reference price (being the London a.m. gold fixing price.)

On the second following London Business Day, the Gold Dealer delivers the amount of Gold purchased by the Gold Vendor into the Unallocated Account, and the Gold Vendor pays the aggregate purchase price to the Gold Dealer. On the same date, the Responsible Entity pays to the Gold Vendor the same aggregate purchase price as is payable by the Gold Vendor under the Gold Dealing Agreement.

On any London Business Day the Responsible Entity may request delivery of an amount of the Gold which has been purchased by it from the Gold Vendor under the Gold Contract. This Gold is to be delivered by the Gold Vendor on the second following London Business Day to such unallocated Gold account as the Responsible Entity specifies.

On any London Business Day, the Responsible Entity may require the Gold Vendor to convert its obligation under the Gold Contract to deliver some or all of the Gold to the Fund into an obligation to pay the equivalent value of the Gold in cash (in USD). If the Responsible Entity wishes to do this, it provides the Gold Vendor with a notification that sets out the relevant number of fine troy ounces of Gold to be sold and converted into USD. The Responsible Entity intends to direct the Gold Vendor to cash settle the Gold Contract in all cases.

At the same time, under the Gold Dealing Agreement, the Gold Vendor agrees to sell to the Gold Dealer the relevant number of fine troy ounces of Gold, with the purchase price determined by the applicable Gold reference price (being the London a.m. gold fixing price.)

On the second following London Business Day, the Gold Vendor delivers the Gold to the Gold Dealer in return for payment of the USD purchase price by the Gold Dealer. Under the Gold Contract, the amount of USD payable by the Gold Vendor to the Responsible Entity is equal to the amount payable by the Gold Dealer to the Gold Vendor for the sale by the Gold Vendor under the Gold Dealing Agreement.

Fees are payable by the Responsible Entity to the Gold Vendor under the Gold Contract. These fees are not included within the capped management costs described in section 4.3.1. However, while this PDS is current, the Responsible Entity will reimburse the Fund for any fees payable to the Gold Vendor to the extent that such amounts would exceed 0.1% per annum of the Fund's Net Asset Value.

The Gold Dealer can refuse to act on instructions given to it under the Gold Dealing Agreement if they are unclear or ambiguous. The Gold Contract and the Gold Dealing Agreement are governed by English law.

7.3.2 Gold Charge

The Gold Charge is between the Responsible Entity and the Gold Vendor. Under it, the Gold Vendor charges to the Responsible Entity, as security for the Gold Vendor's obligations under the Gold Contract, all of the Gold Vendor's right, title and interest in

connection with the Gold Custody Accounts (including the Gold in those accounts) and in connection with the Gold Dealing Agreement and the Gold Contract. The Gold Vendor agrees to not withdraw Gold from the Gold Custody Accounts, amend or terminate the Gold Dealing Agreement or Gold Contract or dispose or otherwise deal with any of the charged property, without the Responsible Entity's consent as chargee.

If an event of default occurs under the Gold Charge (including events such as a failure by the Gold Vendor to perform the obligations which are secured or if the Gold Vendor becomes insolvent) then the Gold Charge permits the Responsible Entity to enforce the Gold Charge against the property secured (including the Gold in the Gold Custody Accounts).

The Gold Vendor's liability to pay an amount under the Gold Charge is limited to the property charged under it. However, this limitation does not apply in certain circumstances such as the Gold Vendor's fraud, negligence or wilful default in connection with certain documents including the Gold Dealing Agreement, the Gold Contract and the Gold Custody Agreements or the failure of the Gold Vendor to perform obligations under those documents other than the obligation to pay money or deliver Gold. The Gold Charge is governed by English law.

Since the Gold Vendor is a Canadian chartered bank whose registered office is located in the Province of Québec, additional security in the form of a "Québec hypothec" will be granted by the Gold Vendor in favour of the Responsible Entity over the same property and rights as are subject to the Gold Charge in order to secure the same obligations secured under the Gold Charge, on substantially the same terms as the Gold Charge.

7.3.3 Gold Custody Agreements

The Gold Custody Agreements are the Allocated Account Agreement between the Responsible Entity, the Gold Vendor and the Gold Custodian (JPMorgan Chase Bank, N.A.) and the Unallocated Account Agreement between the same parties. They are governed by English law. The Allocated Account and the Unallocated Account (the "Gold Custody Accounts") have been established pursuant to the terms of the Gold Custody Agreements.

7.3.3.1 Gold Custody Accounts

The Gold Custodian will open and maintain the Gold Custody Accounts in the name of the Gold Vendor. The Gold Custody Accounts shall evidence and record the withdrawals of Gold from, and deposits of Gold to, the accounts. The Gold Custody Accounts will be denominated in fine troy ounces.

The Gold Vendor (but only with the consent of the Responsible Entity as chargee) shall be the only party able to make instructions in relation to the Gold Custody Accounts.

The Gold Custodian will provide reports to the Responsible Entity and the Gold Vendor by the close of each London Business Day (only if there have been any changes). The Gold Custodian retains the right to reverse recording errors with retrospective effect.

7.3.4 Deposits and withdrawals

Instructions relating to intended deposits and withdrawals of Gold to and from a Gold Custody Account must be delivered in accordance with the provisions of the relevant Gold Custody Agreement. The Gold Custodian may amend the procedure for deposits or withdrawals or impose additional procedures as it considers appropriate in certain circumstances. It is intended that, in order to withdraw Gold from the Allocated Account, such Gold will first be "de-allocated" by being transferred to the Unallocated Account.

7.3.5 Refusal to act on instructions

The Gold Custodian may refuse to act on instructions given to it if they are unclear, ambiguous or contrary to the rules of the LBMA or applicable law.

7.3.6 Custody services

The Gold Custodian will segregate the Gold credited to the Allocated Account from any other Gold which it owns or holds for itself or others by making appropriate entries in its books and records, and will require any sub-custodians it appoints to so segregate the Gold in the same manner. The Gold Custodian will identify in its books that the Gold credited to the Allocated Account belongs to the Gold Vendor and is subject to the Gold Charge in favour of the Responsible Entity. Unless otherwise agreed between the parties, Gold will be held at the Custodian's London vault premises or by or for any sub-custodian permitted in accordance with the terms of the Allocated Account Agreement.

7.3.7 Sub-custodians

The Gold Custodian may appoint sub-custodians solely for the temporary custody and safekeeping of Gold until transported to the Gold Custodian's London vault premises. The Allocated Account Agreement requires the Gold Custodian to use reasonable care in the selection of those sub-custodians and provides that it shall not be liable for any act or omission, or for the solvency, of any sub-custodian it appoints unless the appointment of that sub-custodian was made by it negligently or in bad faith.

7.3.8 Fees and Expenses

The Gold Custodian is entitled to a fee for its services under the Gold Custody Agreements, which will be paid by the Gold Vendor. The Gold Custodian is also entitled to be reimbursed by the Gold Vendor for all costs, charges and expenses it incurs in connection with the performance of its obligations under the Gold Custody Agreements.

No fees are incurred directly by the Responsible Entity under the Gold Custody Agreements. However the Responsible Entity will pay fees to the Gold Vendor under the Gold Contract. See sections 7.3.1 and 4.3.1 of this document for further information.

7.3.9 Value Added Tax

All sums payable to the Gold Custodian under the Gold Custody Agreements shall be deemed to be inclusive of VAT.

7.3.10 Scope of Responsibility

General

The Gold Custodian will use reasonable care in the performance of its duties under the Gold Custody Agreements and will only be responsible for any loss or damage suffered as a direct result of any negligence, fraud or wilful default by it in the performance of its duties, and in which case its liability will not exceed the market value of Gold lost or damaged at the time that such negligence, fraud or wilful default is discovered by the Gold Custodian.

The Gold Custodian is under no duty or obligation to make or take, or require any sub-custodian it appoints to make or take, any special arrangements or precautions beyond those required by any applicable rules, regulations, practices and customs of the LBMA, the Bank of England or any other applicable regulatory authority or as specifically set out in the relevant agreement.

Insurance

The Gold Custodian will make such insurance arrangements from time to time in connection with its custodial obligations under the Gold Custody Agreements as the Gold Custodian considers

appropriate and will be responsible for all costs, fees and expenses (including any relevant taxes) in relation to such insurance policy or policies.

Force majeure

The Gold Custodian shall not be liable for any delay in performance, or for the non-performance of any of its obligations under the Gold Custody Agreements by reason of any cause beyond the Gold Custodian's reasonable control.

Indemnity

The Gold Vendor shall indemnify the Gold Custodian against all costs and expenses, damages, liabilities and losses (other than VAT) which it may suffer or incur, directly or indirectly in connection with the Gold Custody Agreements except to the extent that such sums are due directly to the Gold Custodian's negligence, wilful default or fraud.

7.3.11 Termination

Either the Gold Vendor (if the prior consent of the Responsible Entity as chargee has been obtained) or the Gold Custodian may terminate either Gold Custody Agreement for any reason including if the Gold Custodian ceases to offer the services contemplated by the agreements or proposes to withdraw from the bullion business, by giving not less than 90 days' written notice, provided that the agreements may be terminated immediately upon written notice as follows:

- the Gold Custodian ceases to offer the services contemplated by the relevant Gold Custody Agreement to its clients or proposes to withdraw from the bullion business;
- it becomes unlawful for the Gold Custodian to be a party to the relevant Gold Custody Agreement or to offer its services on the terms contemplated by such agreement or it becomes unlawful for the Gold Vendor to receive such services or be a party to such agreement;
- there is any event which, in the Gold Custodian's reasonable view, indicates the Gold Vendor's insolvency or impending insolvency;
- there is any event which, in the Gold Vendor's sole view, indicates the Gold Custodian's insolvency or impending insolvency;
- the Fund is to be terminated; or
- if the Allocated Account Agreement or Unallocated Account Agreement (as applicable) ceases to be in full force and effect at any time.

If arrangements have not been made for the redelivery of the Gold held in the Gold Custody Accounts within six months of the termination date, the Gold Custodian will be entitled to sell such Gold and account to the Gold Vendor (subject to the Gold Charge) for the proceeds.

7.4 OTHER MATERIAL CONTRACTS

The Responsible Entity has entered into a number of other contracts in relation to the Fund, as set out below.

TABLE 7.4: MATERIAL CONTRACTS

CONTRACT AND PARTY	DESCRIPTION
Custody agreement RBC Investor Services Trust	This agreement sets out the services provided by the custodian on an ongoing basis together with the service standards.
Investment administration agreement RBC Investor Services Trust	This agreement sets out the services provided by the administrator (accountancy services, tax services and fund administration services including Unit price calculations), together with the service standards.
Registry agreement Link Market Services Limited	This agreement sets out the services provided by the Registrar on an ongoing basis together with the service standards.
Authorised participant agreement Authorised Participants	An Authorised Participant Agreement deals with execution and settlement procedures in relation to the application for and redemption of Units. The terms of each Authorised Participant Agreement may vary and each may be amended from time to time. Under the Authorised Participant Agreement, the Authorised Participant makes certain representations to the Responsible Entity about its status as an appropriately licensed entity and agrees to comply with the Constitution and with the execution and settlement procedures.
Nominee deed poll RBC Investor Services Trust	Under this document, if applicable, the Applicant Nominee agrees to hold Units the subject of an application by an Authorised Participant as nominee for the Authorised Participant pending settlement.
Nominee terms Authorised participant	By signing the Application Form, if applicable, the Authorised Participant covenants for the benefit of the Applicant Nominee to be bound by the Nominee Terms under which the Applicant Nominee will hold Units for the Authorised Participant subject to a security interest in favour of the Responsible Entity pending settlement of the application. Under the Nominee Terms, if the Authorised Participant does not comply with its obligations relating to the issue of Units, the Responsible Entity may direct the Applicant Nominee that the Units not be transferred to the Authorised Participant, in which case the Units are to be held solely for the Responsible Entity.

7.5 ASIC RELIEF

Equal Treatment Relief

ASIC has granted relief under section 601QA(1)(a) of the *Corporations Act* from the equal treatment requirement in section 601FC(1)(d), to the extent necessary to allow the Responsible Entity to restrict eligibility to submit redemption requests in relation to Units to Authorised Participants who are Australian Residents. The Responsible Entity will not treat Unitholders of the same class equally to the extent that it restricts redemptions from the Fund to such Authorised Participants.

Ongoing Disclosure Relief

ASIC has granted relief under section 1020F(1)(a) of the *Corporations Act* from ongoing disclosure requirements in section 1017B of the *Corporations Act* on the condition that the Responsible Entity complies with the provisions of the *Corporations Act* that apply to unlisted disclosing entities as if the Fund was an unlisted disclosing entity. The Responsible Entity will comply with these continuous disclosure provisions as if the Fund was an unlisted disclosing entity.

Periodic Statements Relief

ASIC Class Order 13/1200 exempts the Responsible Entity from certain periodic statement requirements. In particular, the

Responsible Entity is not required (and does not propose) to include in periodic statements details of the price at which an investor transacts in Units on the ASX, or information on the return on an investment in Units acquired on the ASX (for the year in which the Units are acquired), if the Responsible Entity is not able to calculate this and the periodic statement explains why the information was not included and how it can be obtained.

7.6 DOCUMENTS LODGED WITH ASIC

The Responsible Entity will comply with certain regular reporting and disclosure obligations in relation to the Fund as if the Fund was a "disclosing entity" under the *Corporations Act*. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office.

As an investor in the Fund, a Unitholder may obtain the following documents from the Responsible Entity:

- the annual report most recently lodged with ASIC in respect of the Fund;
- any half-year financial report lodged with ASIC in respect of the Fund after the lodgement of the abovementioned annual report and before the date of this Product Disclosure Statement; and

- any continuous disclosure notices given in respect of the Fund after the lodgement of the above mentioned annual report and before the date of this PDS.

The Responsible Entity will send a requesting Unitholder a printed or electronic copy of any of the above documents free of charge within five business days of the request.

7.7 COOLING OFF

There is no cooling off period in relation to the subscription for Units in the Fund. This means that once an application form is submitted by an Authorised Participants, an applicant cannot decide to withdraw the application.

7.8 INDIRECT INVESTORS

When an investor invests through a master trust or wrap platform or an IDPS, the operator of the trust, platform or IDPS is investing on the investor's behalf. Consequently the operator (or the custodian of the platform), and not the investor as an indirect investor, holds the Units and therefore has the rights of a Unitholder in the Fund. For example, if an investor is an indirect investor they will not have rights to attend and vote at Unitholder meetings, to withdraw Units or receive distributions. Instead the platform operator will exercise those rights in accordance with their arrangements with the investor. For information about their investment, an investor should contact their platform operator.

7.9 INFORMATION AVAILABLE FROM BETASHARES

The Responsible Entity is subject to regular reporting and disclosure obligations, in its capacity as responsible entity of the Fund and issuer of the Units. The following information can be obtained from the Responsible Entity by visiting the BetaShares website at www.betashares.com.au or by contacting BetaShares on 1300 487 577 (within Australia) or +61 2 9290 6888 (outside Australia):

- The daily Net Asset Value (NAV) for the Fund;
- The daily NAV per Unit for the Fund;
- Details of the specific gold bars held by the Gold Custodian in the Allocated Account;
- The Responsible Entity's Unit pricing policy;
- The latest PDS for the Fund;
- Copies of any continuous disclosure notices given by the Responsible Entity to the ASX after the lodgement of the last annual report and before the date of this PDS;
- Copies of announcements made to the ASX via the ASX Company Announcements Platform (including continuous disclosure notices and distribution information);
- Information about distributions as soon as possible after they are declared;
- Annual Reports and Financial Statements for the Fund; and
- Information in relation to the Fund to enable Authorised Participants and market makers to estimate the Net Asset Value per Unit of the Fund during the course of a trading day.

7.10 DISCLAIMER

RBC Investor Services Trust ("RBC Investor Services") has been appointed as the custodian and administrator. RBC Investor Services' role as custodian is limited to holding certain assets of the Fund. As administrator, RBC Investor Services is responsible for the day to day administration of the Fund. RBC Investor Services has no supervisory role in relation to the operation of the Fund and has no liability or responsibility to Unitholders for any act done or omission made in accordance with the custody and investment administration agreements.

RBC Investor Services was not involved in preparing, nor takes any responsibility for this PDS and RBC Investor Services makes no guarantee of the success of the Fund nor the repayment of capital or any particular rate of capital or income return.

JPMorgan Chase Bank N.A. ("JPMorgan") does not sponsor or endorse the Fund in any way and does not give any representation, warranty, guarantee, assurance or undertaking express or implied as to any matter in connection with the Fund (including, but not limited to, the performance of the gold custodian function, or the gold dealing function, described in this PDS or the expected or projected success, profitability, return, performance, results or benefit of any investment or participation in the Fund). JPMorgan has had no involvement in the preparation of any part of this PDS (including, but not limited to, the role of the gold custodian or gold dealer described in this PDS). JPMorgan has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this PDS.

National Bank of Canada ("NBC") does not sponsor or endorse the Fund in any way and does not give any representation, warranty, guarantee, assurance or undertaking express or implied as to any matter in connection with the Fund. The role of NBC is limited to being the Gold Vendor to the Fund. It has no involvement in connection with the sale of Units under this PDS. NBC has not been involved in the preparation of this PDS nor has it performed any review of the contents of this PDS. NBC has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this PDS.

8 TAXATION

The taxation information in this PDS is provided for general information only. It is a broad overview of some of the Australian tax consequences associated with investing in the Fund for a potential Australian resident investor.

It does not take into account the specific circumstances of each person who may invest in the Fund. It should not be used as the basis upon which potential investors make a decision to invest.

As the circumstances of each investor are different, the Responsible Entity strongly recommends that investors obtain professional independent tax advice relating to the tax implications of investing in and dealing in Units.

The taxation information in this PDS has been prepared based on tax laws and administrative interpretations of such laws available at the date of this PDS. These laws and interpretations may change.

8.1.1 Distributions from the Fund

Under existing taxation legislation, if the Fund has not elected into AMIT as yet (see section 8.1.5 below) the Fund should not have to pay Australian income tax, provided Unitholders are presently entitled to all of the income of the Fund in each year of income, which is intended to be the case, and provided the Fund does not take delivery of the Gold under the Gold Contract.

The taxable income of the Fund, to which a Unitholder becomes entitled during a financial year, forms part of the Unitholder's assessable income for that year, even if payment of the entitlement does not occur until after the end of the financial year.

A Unitholder may receive an entitlement to the income of the Fund for a financial year if the Unitholder holds Units at the end of a distribution period, or if the Unitholder redeems any Unit during the financial year.

The tax impact for a Unitholder of receiving an entitlement to the income of the Fund depends upon the components of the distribution.

The components of any distribution are expected to consist of income amounts. This is because the payments and receipts under the Gold Contract (which is always intended to be cash settled) should be on revenue account, and because interest earned on cash and money market instruments, as well as the payments and receipts under any forward contracts used as part of the hedging strategy of the Fund (e.g. which give rise to foreign exchange gains and losses), should also generally be on revenue account.

The Fund may also distribute "tax deferred amounts", relating to distributions of capital by the Fund, which are generally non-assessable for tax purposes. Where non-assessable, tax deferred amounts reduce the capital gains tax ("CGT") cost base of a Unitholder's Units, and may increase the capital gain or reduce the capital loss subsequently realised on disposal of the Units. Where the total tax deferred amounts received by a Unitholder have exceeded the cost base of their Units, the excess is treated as a capital gain to the Unitholder.

For Unitholders who hold Units as trading stock or as part of a securities trading business (eg an Authorised Participant), tax deferred amounts will generally be assessable income (refer Taxation Ruling IT 2512 and the ATO Guidance on the proposed New taxation system for Managed Investment Trusts).

Unitholders will be provided with distribution statements after the end of each financial year detailing the components, for tax purposes, of any distributions received from the Fund during the financial year, including on the redemption of Units.

8.1.2 Selling or transferring Units

If a Unitholder disposes of Units by selling or transferring the Units to another person (e.g. selling on-market), the Unitholder may be liable for tax on any gains realised on that disposal of Units.

As the circumstances of each Unitholder are different, the Responsible Entity strongly recommends that Unitholders obtain professional independent tax advice relating to whether their Units are held on revenue or capital account.

If a Unitholder is assessed otherwise than under the capital gains tax provisions on a disposal of Units (e.g. if the Unitholder is in the business of dealing in securities like Units), any profits made on the disposal of the Units should be assessable as ordinary income. Such Unitholders may be able to deduct any losses made on the disposal of Units.

If a Unitholder is assessed under the capital gains tax provisions on disposal of Units, the Unitholder may make a capital gain or loss on the disposal of those Units, in the year in which the contract for the disposal is entered into. Some Unitholders may be eligible for the CGT discount upon disposal of Units if the Units have been held for at least 12 months (excluding the acquisition and disposal dates) and the relevant requirements are satisfied. Unitholders should obtain professional independent tax advice about the availability of the CGT discount.

Any capital loss arising on a disposal of Units may be able to be offset against capital gains made in that year or in subsequent years.

8.1.3 Goods and Services Tax (GST)

The issue and redemption of Units should not be subject to GST. However, fees and expenses, such as management costs, incurred by the Fund would likely attract GST (at the rate of 10%).

Given the nature of the activities of the Fund, the Fund may not be entitled to claim input-tax credits for the full amount of the GST incurred. However, for the majority of the expenses, a Reduced Input-Tax Credit (RITC) may be able to be claimed.

The GST and expected RITC relating to fees and expenses is incorporated in the management costs for the Fund.

8.1.4 Unit redemptions by Authorised Participants

A person will only be eligible to apply for and redeem Units if they are an Authorised Participant. In the case of redemptions, the Authorised Participant must be an Australian Resident.

This section seeks to provide a summary of the tax consequences for Authorised Participants who are assessed on the disposal of Units otherwise than under the capital gains tax provisions (e.g. because they are in the business of dealing in securities like Units).

Authorised Participants should obtain professional independent tax advice regarding the tax consequences of applying for and the redemption of their Units, particularly if they are assessed on the disposal of Units under the capital gains provisions.

Redemptions

An Authorised Participant who redeems Units will become entitled to receive the Withdrawal Amount on the redemption (less the redemption fee). The Withdrawal Amount is satisfied by way of a cash payment to, or at the direction of, the Authorised Participant.

The Withdrawal Amount may comprise a distribution of the income of the Fund as well as the payment of the redemption price for the Units which are to be redeemed.

The distribution of the income of the Fund received on the redemption of Units may include an entitlement to income realised by the Fund (such as gains on the cash settlement of the Gold Contract and also foreign exchange gains) arising as a result of the redemption of the Units to the redeeming Authorised Participant.

An Authorised Participant whose Units are redeemed should be assessed on any profit arising on the redemption of the Units. An Authorised Participant who redeems Units may be entitled to a deduction for any loss arising on the redemption of Units.

For the purposes of determining the profit or loss arising on the redemption, the redemption price (being the Withdrawal Amount less the distribution of income provided as part of the Withdrawal Amount) should be regarded as the proceeds received in respect of the disposal.

That part of the Withdrawal Amount that is a distribution of income should also be assessable, based on the components of the distribution of income.

The split between the components of the Withdrawal Amount (that is, how much of it represents a distribution of the distributable income of the Fund and how much represents the price paid on redemption of the Units), and the composition of any income entitlement included in the Withdrawal Amount, will not be known until after the financial year end.

The Responsible Entity will notify persons who have redeemed Units during a financial year of the composition of the Withdrawal Amount and the composition of any income entitlement they received in connection with the redemption of Units during that year following the end of the financial year, once that information becomes available.

The distribution of income to an Authorised Participant who redeems Units aims to ensure that any taxable income that arises for the Fund as a result of the redemption by the Authorised Participant should be allocated to the Authorised Participant, rather than continuing investors in the Fund.

Other comments

In all cases where Units are to be redeemed, the Authorised Participant must also be an Australian Resident as defined in the Constitution for the Fund. This means that the Fund should generally not be required to withhold any amounts from the Withdrawal Amount paid on redemption of Units on account of any distribution of income provided on redemption as part of the Withdrawal Amount.

A Unitholder will be an Australian Resident as defined in the Constitution of the Fund if they provide the Responsible Entity with an undertaking that they have been an Australian resident for tax purposes from the beginning of the financial year to the time of redemption, and will continue to be until the end of the financial year. A Unitholder will not be an Australian Resident even if they provide such an undertaking if they have at any time provided the

Responsible Entity with an address outside Australia, or if they authorise the Responsible Entity to pay any amounts to them outside Australia.

8.1.5 Attribution Managed Investment Trust (AMIT) tax regime

The Tax Laws Amendment (New Tax System for Managed Investment Trusts) Act 2016 introduced into taxation law the new Attribution Managed Investment Trust (AMIT) regime. An AMIT, in broad terms, is a managed investment trust (MIT) whose unitholders have clearly defined interests in relation to the income and capital of the trust and the responsible entity has made an irrevocable election to apply the regime.

The regime can apply to a trust from 1 July 2016, and had an optional early start date of 1 July 2015.

The AMIT rules contain a number of provisions that will impact on the taxation treatment of the Fund. The key features of the new tax system include:

- an attribution model for determining member tax liabilities, which allows amounts to retain their tax character as they flow through a MIT to its unitholders;
- the ability to carry forward understatements and overstatements of taxable income, instead of re-issuing investor statements;
- deemed fixed trust treatment under the income tax law;
- upwards cost base adjustments to units to address double taxation; and
- legislative certainty about the treatment of tax deferred distributions

BetaShares will monitor the impact of the AMIT rules on the Fund in order to determine if it should elect into the regime.

Reforms to the taxation of trusts are generally ongoing. Investors should seek their own advice and monitor the progress of announcements and proposed legislative changes to assess their potential impact.

8.1.6 Tax File Number ("TFN") or Australian Business Number ("ABN")

Unitholders will be requested by the Fund to provide their TFN or ABN (if applicable) or claim an exemption in relation to their investment in the Fund. It should be noted that there is no obligation to provide a TFN, however, Unitholders who do not provide their TFN or ABN or claim an exemption may have tax deducted from distributions at the highest marginal rate.

9 GLOSSARY

These definitions are provided to assist investors in understanding some of the expressions used in this PDS:

Allocated Account	The allocated gold account number 01482 opened in the name of the Gold Vendor with the Gold Custodian pursuant to the Allocated Account Agreement or any other additional or replacement account.
Allocated Account Agreement	The Allocated Account Agreement dated on or about 20 April 2011 between the Responsible Entity, the Gold Vendor and the Gold Custodian, as amended or replaced.
Applicant Nominee	An entity which holds Units pending settlement on behalf of Authorised Participants applying for Units. As at the date of this PDS the Applicant Nominee is RBC Investor Services Trust. The Responsible Entity may determine that the Applicant Nominee is no longer to be appointed to hold Units pending settlement on behalf of Authorised Participants applying for Units.
AQUA Product	A product admitted under the ASX Operating Rules to the AQUA market of the ASX.
AQUA Rules	Schedule 10A of the ASX Operating Rules and related rules and procedures as amended, varied or waived from time to time.
ASX	ASX Limited or the Australian Securities Exchange, as the case requires.
ASX Business Day	A "Business Day" as defined in the ASX Operating Rules, unless determined otherwise by the Responsible Entity.
ASX Listing Rules or Listing Rules	The listing rules of the ASX as amended, varied or waived from time to time.
ASX Operating Rules	The operating rules of the ASX as amended, varied or waived from time to time.
Australian Resident	An Australian resident for tax purposes, as defined in the Constitution and as described in section 8.1.5.
Authorised Participant	Trading participants under the ASX Operating Rules who have entered into an Authorised Participant Agreement with the Responsible Entity.
Authorised Participant Agreement	An agreement between the Responsible Entity and an Authorised Participant in relation to Unit applications and redemptions.
Business Day	A day that is both an ASX Business Day and a London Business Day.
CHESS	The Clearing House Electronic Sub-Register System.
Constitution	The constitution governing the Fund, as amended or replaced from time to time.
Corporations Act	<i>Corporations Act 2001 (Cth)</i>
Dealing Deadline	4 pm Sydney time on each ASX Business Day (or such other time advised by the Responsible Entity), being the time by which an Application/Redemption Form must be received by the Responsible Entity to be processed for that trading day.
Fund	BetaShares Gold Bullion ETF-Currency Hedged.
Gold Charge	Gold Charge dated on or about 20 April 2011 between the Responsible Entity and the Gold Vendor.
Gold Contract	Deferred Gold Purchase Agreement dated on or about 20 April 2011 between the Responsible Entity and the Gold Vendor.
Gold Custodian	The entity that provides custody and transfer facilities for gold held by the Gold Vendor from time to time, as at the date of this PDS being JPMorgan Chase Bank, N.A.
Gold Custody Accounts	The Allocated Account and the Unallocated Account.

Gold Custody Agreements	The Allocated Account Agreement and the Unallocated Account Agreement.
Gold Dealer	JPMorgan Chase Bank, N.A. in its capacity as gold dealer in accordance with the terms of the Gold Dealing Agreement, or any successor or additional gold dealer appointed from time to time.
Gold Dealing Agreement	The Gold Purchase and Sale Agreement dated on or about 20 April 2011 between the Responsible Entity, the Gold Vendor and JPMorgan Chase Bank, N.A.
Gold Vendor	National Bank of Canada in its capacity as gold vendor in accordance with the terms of the Gold Contract, or any successor or additional gold vendor appointed from time to time.
Issue Price	The Net Asset Value divided by the number of Units on issue in the Fund.
LBMA	The London Bullion Market Association, a trade association that acts as the coordinator for activities conducted on behalf of its members and other participants in the London bullion market.
London Business Day	A day (other than a Saturday or a Sunday or a public holiday in England) on which commercial banks generally and the London bullion market are open for the transaction of business in London.
London Good Delivery Bar	A bar of gold meeting the London Good Delivery Standards.
London Good Delivery Standards	The specifications for weight, dimensions, fineness (or purity), identifying marks and appearance of gold bars as set forth in "The Good Delivery Rules for Gold and Silver Bars" published by the LBMA.
Net Asset Value or NAV	The Net Asset Value for the Fund calculated in accordance with section 6.6
Nominee Terms	In relation to an application for Units, the nominee terms made available by the Responsible Entity to applicants, as described in section 7.4
PDS	This Product Disclosure Statement.
Registrar	Link Market Services Limited (ABN 54 083 214 537), or any other registry that the Responsible Entity appoints to maintain the register.
Tax Act	The Income Tax Assessment Act 1936, the Income Tax Assessment Act 1997 or both, as appropriate.
Unallocated Account	The unallocated gold account number 01479 opened in the name of the Gold Vendor with the Gold Custodian pursuant to the Unallocated Account Agreement or any other additional or replacement account.
Unallocated Account Agreement	The Unallocated Account Agreement dated on or about 20 April 2011 between the Responsible Entity, the Gold Vendor and the Gold Custodian, as amended or replaced.
Unit	A unit in the Fund.
Unitholder	A holder of a Unit.
Withdrawal Amount	The Net Asset Value divided by the number of Units on issue in the Fund.

FORMS

APPLICATION FORM

BetaShares Gold Bullion ETF-Currency Hedged Product
Disclosure Statement Dated 29 September 2017 issued by
BetaShares Capital Ltd, ABN 78 139 566 868, AFSL 341181 as
Responsible Entity.

IMPORTANT NOTE: *This form is for use by Authorised Participants only. Other investors can buy Units on the ASX through a stockbroker or via a financial adviser.*

It is important to read the Product Disclosure Statement (PDS) carefully. If this PDS was obtained electronically, a paper copy of this PDS (including any supplementary PDS) and the Application Form will be provided free of charge upon request. If you give another person access to the Application Form you must at the same time and by the same means give the other person access to this PDS and any supplementary PDS. Capitalised terms have the same meaning as in the PDS.

Please fax the completed Application Form to (02) 9262 4950 or scan it and send it by email to orders@betashares.com.au.

APPLICANT DETAILS

Name _____

ACN/ABN _____

Postal address _____

Suburb _____

State _____ Postcode _____

Telephone (____) _____

Fax (____) _____

APPLICATION AMOUNT AND UNITS APPLIED FOR

This Applicant hereby applies to the Responsible Entity to apply the Application Amount in Australian dollars specified below for the issue of Units.

Please note: *The minimum application amount is \$1,000,000 (unless the Responsible Entity agrees otherwise).*

ETF: BetaShares Gold Bullion ETF-Currency Hedged

ASX code: QAU

Application Amount (\$): _____

ACKNOWLEDGEMENTS

By signing this Application Form:

- I/We confirm that the representations and warranties made and given in the Authorised Participant Agreement continue to be true and correct.
- I/We confirm that all of the information in this Application Form is true and correct.
- I/We represent and warrant that I/we have received the PDS (electronic or hard copy) in Australia.
- I/We declare I/we have read the PDS and agree to be bound by the terms and conditions of the PDS and the Constitution of the Fund in which I/we are investing (as amended or replaced from time to time).
- I/We agree to the Applicant Nominee holding Units on the applicant's behalf pending settlement of this application in accordance with the Nominee Terms, if required, as determined by the Responsible Entity.
- I/We covenant, for the benefit of the Applicant Nominee, to be bound by the Nominee Terms, if applicable.
- I/We understand that none of BetaShares Holdings Pty Ltd, BetaShares Capital Ltd or their related entities, directors or officers guarantees the performance of, the repayment of capital invested in, or the payment of income from the Fund.
- I/We acknowledge that an investment in Units is subject to risk which may include possible delays in repayment and loss of income and capital invested.
- I/We declare that the applicant has the capacity and power to make an investment in accordance with the application.
- I/We declare that in making a decision to invest the only information and representations provided by the Responsible Entity are those contained in this PDS to which this application relates.
- I/We understand the risks of the investment and have obtained all professional financial and taxation advice independently of the Responsible Entity as we consider necessary prior to deciding to invest in the Fund.
- I/We acknowledge that I/we have read and understood the privacy disclosure statement in the PDS and agree to information about the applicant being collected, used and disclosed in accordance with that statement.
- If signed under power of attorney, the/each attorney verifies that no notice or revocation of that power has been received.
- I/We intend this Application Form to take effect as a deed poll.

Signatures

Signature of Authorised Person

Name of Authorised Person (block letters)

Position (block letters)

Signature of Authorised Person

Name of Authorised Person (block letters)

Position (block letters)

Date: _____

FORMS

REDEMPTION FORM

BetaShares Gold Bullion ETF-Currency Hedged Product Disclosure Statement Dated 29 September 2017 issued by BetaShares Capital Ltd, ABN 78 139 566 868, AFSL 341181 as Responsible Entity.

IMPORTANT NOTE: *This form is for use by Authorised Participants. Other investors can sell Units on the ASX through a stockbroker or via a financial adviser.*

It is important to read the Product Disclosure Statement (PDS) carefully. If this PDS was obtained electronically, a paper copy of this PDS (including any supplementary PDS) and the Redemption Form will be provided free of charge upon request. Capitalised terms have the same meaning as in the PDS.

Please fax the completed Redemption Form to (02) 9262 4950 or scan it and send it by email to orders@betashares.com.au.

UNITHOLDER DETAILS

Name _____

ACN/ABN _____

Postal address _____

Suburb _____

State _____ Postcode _____

Telephone (____) _____

Fax (____) _____

NUMBER OF UNITS TO BE REDEEMED

We hereby request the Responsible Entity to redeem Units as specified below.

Please note: *The minimum redemption is 100,000 Units (unless the Responsible Entity agrees otherwise)*

ETF: BetaShares Gold Bullion ETF-Currency Hedged

ASX code: QAU

Number of Units: _____

SIGNATURE BY REDEEMING UNITHOLDER

By signing this Redemption Form:

- I/We confirm and undertake that I/we:
 - have been an Australian resident for the purposes of the Tax Act continuously from the beginning of the current financial year; and
 - will continue to be an Australian resident for the purposes of the Tax Act at all times until the end of the current financial year;
- I/We repeat the representations and warranties made and given in the Authorised Participant Agreement in relation to redemption requests.
- I/We agree to reimburse and indemnify the Responsible Entity for all taxes, duties and charges imposed against the Responsible Entity or its agents that may be assessed against the Responsible Entity as a result of my/our entitlement to the capital or distributable income of the Fund (Taxation Amount).
- I/We authorise the Responsible Entity to deduct from my/our income distributions payable from the Fund, on account of the Taxation Amount which the Responsible Entity is or may become liable to pay in respect of my/our entitlement to the capital or distributable income of the Fund.
- I/We confirm that I/we have read and understood the PDS as it relates to redemptions.
- If signed under power of attorney, the/each attorney verifies that no notice or revocation of that power has been received.

Signatures

Signature of Authorised Person

Name of Authorised Person (block letters)

Position (block letters)

Signature of Authorised Person

Name of Authorised Person (block letters)

Position (block letters)

Date: _____

DIRECTORY

Responsible Entity

BetaShares Capital Ltd

Level 11

50 Margaret Street

Sydney NSW 2000

Telephone: 1300 487 577 (within Australia) or +61 2 9290 6888 (outside Australia)

Custodian & Fund Administrator

RBC Investor Services

Level 47

2 Park Street

Sydney NSW 2000

Registrar

Link Market Services

Level 12

680 George Street

Sydney NSW 2000

Solicitors to BetaShares

MinterEllison

Governor Macquarie Tower

1 Farrer Place

Sydney NSW 2000

Auditor

KPMG

Level 38

Tower Three, International Towers Sydney

300 Barangaroo Avenue

Sydney NSW 2000