



ETFs Metal Securities Australia Limited

Registered No: ACN 101 465 383

**Report and Financial Statements for the
Six Months to 30 June 2017**

Contents

Directors' Report	1-2
Directors' Declaration	3
Auditor's Independence Declaration	4
Independent Auditor's Report	5-6
Condensed Statement of Profit or Loss and Other Comprehensive Income	7
Condensed Statement of Financial Position	8
Condensed Statement of Cash Flows	9
Condensed Statement of Changes in Equity	10
Notes to the Financial Statements	11-18

Directors' Report

The directors of ETFS Metal Securities Australia Limited (the "Company") submit herewith the interim financial report and interim financial statements of the Company for the period ended 30 June 2017.

In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Directors

The names and particulars of the directors of the Company during or since the end of the financial period are:

Graham J Tuckwell – Chairman
 Greg J Burgess
 Vincent WJ FitzGerald

Directors' Interests

The following table sets out each director's interests in Ordinary shares as at the date of this report:

Directors	Fully Paid Ordinary Shares
Graham J Tuckwell (as controlling party of ETF Securities Limited ("ETFSL"))	<u>144,208</u>

Principal Activities

The Company's principal activities during the course of the financial period were the continuing issue of ETFS Physical Gold Securities, ETFS Physical Palladium Securities, ETFS Physical Platinum Securities, ETFS Physical Silver Securities and ETFS Physical PM Basket Securities, allowing investors to own and trade that interest through a listed security traded on the Australian Stock Exchange ("ASX").

During the period there were no significant changes in the nature of the Company's activities.

Review of Operations

The Company was admitted to the official list of the ASX on 27 March 2003. ETFS Physical Gold Securities (formerly Gold Bullion Securities) commenced trading on the ASX on 28 March 2003. On 2 February 2009 ETFS Physical Gold Securities were launched on the AQUA platform and was joined by ETFS Physical Platinum Securities, ETFS Physical Palladium Securities, ETFS Physical Silver Securities and ETFS Physical PM Basket Securities.

A total of 26,166 (31 December 2016: 26,166) ETFS Physical Platinum Securities, 16,833 (31 December 2016: 16,833) Physical Palladium Securities, 2,728,689 (31 December 2016: 2,416,444) ETFS Physical Silver Securities, 3,358,998 (31 December 2016: 2,862,645) ETFS Physical Gold Securities and 40,011 (31 December 2016: 40,011) ETFS Physical PM Basket Securities were in issue at 30 June 2017.

Under the Administration Services Deed Poll between the Company and ETFS Management Company (Jersey) Limited ("ManJer"), ManJer provides or procures services to the Holders in connection with the issue and management of the Company's Metal Securities. Pursuant to this Deed Poll all the operating costs relating to the Company (including compensation of directors and executives) are paid for by ManJer.

For the period to 30 June 2017, the Company incurred no expenses, and accrued no income.

Directors’ Report (Continued)

Future Developments

The directors are not aware of any developments that might have a significant effect on the operations of the Company in subsequent financial periods not already disclosed in this report or the attached interim financial statements.

Dividends

There were no dividends declared or paid in the current or previous period. It is the Company’s policy that dividends will only be declared when the directors are of the opinion that there are sufficient distributable reserves.

Indemnification of Officers and Auditors

The Company provided a written indemnity to the directors of the Company, the company secretary and all executive officers of the Company against any liability incurred while performing the duties of a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*.

The Company has not otherwise, during or since the financial period, indemnified or agreed to indemnify an officer or auditor of the Company against a liability incurred as such an officer or auditor.

Directors Meetings

The number of directors’ meetings and the number of meetings attended by each director of the Company during the period were:

Directors	Held	Attended
Graham J Tuckwell	3	1
Greg J Burgess	3	3
Vincent WJ FitzGerald	3	3

Auditor’s Independence Declaration

The auditor’s independence declaration is included on page 4.

Signed in accordance with a resolution of the directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the directors



Greg J Burgess

Director
Melbourne, 8 September 2017

Directors' Declaration

In the opinion of the directors of ETFS Metal Securities Australia Limited (the "Company"):

- (a) the condensed financial statements and notes set out on pages 7 to 18, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance, for the six month period ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

On behalf of the directors

A handwritten signature in blue ink, appearing to read 'Greg J Burgess', written over a printed name.

Greg J Burgess

Director
Melbourne, 8 September 2017



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of ETFS Metal Securities Australia Limited

I declare that, to the best of my knowledge and belief, in relation to the review of ETFS Metal Securities Australia Limited for the half-year ended 30 June 2017 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

Michael O Connell

Partner

Sydney

8 September 2017



Independent Auditor's Review Report

To the shareholders of ETFS Metal Securities Australia Limited

Conclusion

We have reviewed the accompanying **Interim Financial Report** of ETFS Metal Securities Australia Limited (the Company).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of ETFS Metal Securities Australia Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the interim period ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed statement of financial position as at 30 June 2017;
- Condensed statement of profit or loss and other comprehensive income, Condensed statement of changes in equity and Condensed statement of cash flows for the interim period ended on that date;
- Notes 1 to 17 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- for such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. We conducted our review in accordance with *Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Interim Financial Report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 30 June 2017 and its performance for the interim period ended on that date; and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of ETFS Metal Securities Australia Limited, *ASRE 2410* requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.


KPMG



Michael O Connell
Partner

Sydney
8 September 2017

Condensed Statement Of Profit Or Loss And Other Comprehensive Income

	Period ended 30 June		
	Notes	2017 AUD	2016 AUD
Revenue			
Net Gains/(Losses) on Financial Instruments		-	-
Expenses			
		-	-
Profit Before Income Tax Expense			
Income Tax		-	-
Profit for the Period Attributable to Equity Holders of the Company			
		-	-
Other Comprehensive Income		-	-
Total Comprehensive Income for the Period			
		-	-

The directors consider the Company's activities as continuing.

The notes on pages 11 to 18 form part of these financial statements

Condensed Statement Of Financial Position

	Notes	As at	
		30 June 2017 AUD	31 December 2016 AUD
Assets			
Current Assets			
Cash and Cash Equivalents		-	11,606
Receivable from Related Parties	4	407,821	396,207
Gold Bar	5	680,789	672,406
Total Current Assets		1,088,610	1,080,219
Total Assets		1,088,610	1,080,219
Liabilities			
Current Liabilities			
Gold Overdraft Facility	6	680,789	672,406
Total Current Liabilities		680,789	672,406
Non-Current Liabilities			
Other Non-Current Liabilities	7	61	53
Total Non-Current Liabilities		61	53
Total Liabilities		680,850	672,459
Net Assets		407,760	407,760
Equity			
Issued Capital	8	250,100	250,100
Equity Contributions	9	360,000	360,000
Retained Earnings		(202,340)	(202,340)
Total Equity		407,760	407,760

The financial statements on pages 7 to 18 were approved by the board of directors and signed on its behalf on 8 September 2016.



Greg J Burgess
Director

The notes on pages 11 to 18 form part of these financial statements

Condensed Statement Of Cash Flows

	Notes	Period ended 30 June	
		2017 AUD	2016 AUD
Cash Flows Used In Operating Activities			
Payments to Related Parties	13	(11,614)	(122)
Net Cash Used in Operating Activities		(11,614)	(122)
Cash Flows Used By Financing Activities			
Payment Made for Trading of Metal Securities		8	-
Net Cash Used by Financing Activities		8	-
Net Decrease in Cash and Cash Equivalents		(11,606)	(122)
Cash and Cash Equivalents at the Beginning of the Period		11,606	11,800
Net Movement in Cash and Cash Equivalents		(11,606)	(122)
Cash and Cash Equivalents at the End of the Period		-	11,678

The notes on pages 11 to 18 form part of these financial statements

Condensed Statement Of Changes In Equity

	Issued Capital AUD	Retained Earnings AUD	Other Reserves AUD	Total Equity AUD
Opening Balance at 1 January 2016	250,100	(202,340)	360,000	407,760
Total Comprehensive Income for the Period	-	-	-	-
Balance at 30 June 2016	250,100	(202,340)	360,000	407,760
Opening Balance at 1 July 2016	250,100	(202,340)	360,000	407,760
Total Comprehensive Income for the Period	-	-	-	-
Balance at 31 December 2016	250,100	(202,340)	360,000	407,760
Opening Balance at 1 January 2017	250,100	(202,340)	360,000	407,760
Total Comprehensive Income for the Period	-	-	-	-
Balance at 30 June 2017	250,100	(202,340)	360,000	407,760

The notes on pages 11 to 18 form part of these financial statements

Notes To The Financial Statements

1. Summary of Accounting Policies

The main accounting policies of the Company are described below.

Statement of compliance

This half-year financial report is a general purpose financial report which has been prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year financial report does not include all notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The interim financial statements have been prepared under the historical cost convention, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise stated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the financial year ended 31 December 2016, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Adoption of new and revised accounting standards

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2017 reporting period and have not been early adopted by the Company. The directors' assessment of the impact of these new standards (to the extent relevant to the Company) and interpretations is set out below:

i) *AASB 9 Financial Instruments (and applicable amendments) (effective from 1 January 2018)*

AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting. The derecognition rules have not been changed from the previous requirements, and the Company does not apply hedge accounting.

The Company has not yet decided when to adopt AASB 9. Management does not expect this to have a significant impact on the recognition and measurement of the Company's financial instruments as they are carried at fair value through profit or loss.

ii) *AASB 15 Revenue from Contracts with Customers (effective from 1 January 2018)*

AASB 15 will replace AASB 118, which covers contracts for goods and services, and AASB 111, which covers construction contracts. AASB 15 is based on the principle that revenue is recognised when control of a good or service transfers to a customer so the notion of control replaces the existing notion of risks and rewards.

The Company' does not recognise income therefore is out of scope of the new revenue standard. As a consequence, the directors do not expect the adoption of the new revenue recognition rules to have a significant impact on the Company's accounting policies or the amounts recognised in the financial statements.

The directors do not anticipate that this standard will affect the amounts reported in the financial statements, as no revenue is recognised.

Notes To The Financial Statements (Continued)

1. Summary of Accounting Policies (continued)**Adoption of new and revised accounting standards (continued)***iii) AASB 16 Leases (effective from 1 January 2019)*

AASB 16 Leases removes the lease classification test and requires all leases (including operating leases) to be brought onto the balance sheet. The definition of a lease is also amended and is now the new on/off balance sheet test for lessees. The directors do not anticipate that this standard will affect the amounts reported in the financial statements, as no leases are recognised.

iv) Annual Improvements to AASBs

The AASB has reissued Standards and Interpretations to make editorial changes. The directors anticipate that these amendments may affect the amounts reported in the financial statements and result in more extensive disclosures in the financial statements, but this will be dependent upon the facts and circumstances of any relevant activities and transactions in future periods.

Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

Payables

Trade payables and other accounts payable are recognised when the parent company becomes obliged to make future payments resulting from the purchase of goods and services.

Gold Bar

The gold bar asset is a hedged item in a designated fair value hedge and is recorded at fair value. Changes in fair value are recognised in the Condensed Statement of Profit or Loss and Other Comprehensive Income.

Gold Overdraft Facility

The Company has a gold overdraft facility with HSBC Bank USA, N.A (the "Gold Overdraft Facility"), which is repayable in gold. This loan is recorded at the fair value with movements recognised in the Condensed Statement of Profit or Loss and Other Comprehensive Income.

ETFS Redeemable Preference Shares

ETFS Metal Shares are redeemable preference shares and are recorded at their nominal value of 1/1,000th of one cent each.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash in hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Condensed Statement of Financial Position.

1. Summary of Accounting Policies (continued)

Impairment of Assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method.

Loans and receivables

Trade receivables, loans, and other receivables are recorded at amortised cost less impairment.

2. Revenue and costs

For the period to 30 June 2017, the Company incurred no expenses and accrued no income.

Capital reserves will remain at AUD 250,100; sufficient to maintain on-going operations and the continuing issue of the Company's Metal Securities.

3. Income Tax

Under the terms of the Administration Services Deed Poll between Holders and ManJer, the creation and redemption fees and monthly gold sales charge are paid directly by Holders to the management company and the management company pays all expenses required to facilitate the Holders' investment in ETFS Metal Securities Australia Limited, including income taxes. This arrangement means the Company has received no income and incurred no liabilities or expenses, and therefore no income tax expenses is recorded for the period ended 30 June 2017 (2016: nil).

4. Amount Receivable from Related Parties

	As at	
	30 June 2017	31 December 2016
	AUD	AUD
Amount Receivable from ETF Securities Limited ("ETFSL")	309,181	309,181
Amount Receivable from ManJer	98,640	87,026
Amount Receivable from Related Parties	407,821	396,207

The amount receivable from related parties reflects costs incurred by the related parties that have been settled by the Company. These amounts are reimbursed to the Company by the related parties.

Notes To The Financial Statements (Continued)

5. Gold Bar

	As at	
	30 June 2017 AUD	31 December 2016 AUD
Gold Bar	680,789	672,406

The gold bar asset has been recorded at fair value. The fair value of the gold bar at reporting date is based on the market value of gold at reporting date of AUD 1,620.93 per ounce (31 December 2016: AUD 1,600.97 per ounce).

The gold bar asset has been recorded at fair value on the basis that the fair value hedge exists between the Company's gold bar and the Company's gold bar loan payable. Changes in the fair value of the gold bar asset are recognised in the Condensed Statement of Profit or Loss and Other Comprehensive Income.

The Company's gold bar has been made available for use by Gold Bullion Nominees Pty Ltd, an entity subject to common control. Gold Bullion Nominees Pty Ltd uses this bar to facilitate the movement of gold between unallocated and allocated physical stocks of gold and ensures all Holders' receive gold in allocated form.

6. Gold Overdraft Facility

	As at	
	30 June 2017 AUD	31 December 2016 AUD
Gold Overdraft Facility	680,789	672,406

The Company has a Gold Overdraft Facility with HSBC Bank USA, N.A. for the loan of 420 fine troy ounces of gold. The Agreement signed on 9 December 2004 provides a no-interest at call facility which is denominated in gold ounces.

The Gold Overdraft Facility has been recorded at fair value. The fair value of the Gold Overdraft Facility at reporting date is based on the market value of gold at reporting date of AUD 1,620.93 per ounce (2016: AUD 1,768.97 per ounce). The gain / (loss) on the fair value of the Gold Overdraft Facility for the period ended 30 June 2017 was AUD 8,383 (30 June 2016: AUD (130,636)) is recognised in the Condensed Statement of Profit or Loss and Other Comprehensive Income.

7. Other Non-Current Liabilities

	As at	
	30 June 2017 AUD	31 December 2016 AUD
Redeemable Preference Shares	61	53

Redeemable preference shares include issued Metal Securities. A Metal Security comprises of a Metal Share of nominal value plus a Beneficial Interest in the relevant amount of bullion (the Metal Entitlement), which is held in a Separate Trust for each Holder. A Metal Share is a redeemable preference share with a nominal value of 1/1,000th of 1 cent which carries with it a right to the Metal Entitlement applicable to that class of share. The Metal Share exists in order to provide a class of "share" which is tradable on the Australian Stock Exchange. The economic value of each Metal Security lies in the Metal Entitlement which is carried around with each Metal Share.

Notes To The Financial Statements (Continued)

7. Other Non-Current Liabilities (continued)

Whenever there is a transfer in ownership of a Metal Share, there is a corresponding transfer in the ownership of the Metal Entitlement applicable to that Metal Share. The Trustee of the metals is Gold Bullion Nominees Pty Ltd, a special purpose company established to facilitate the offer of Metal Securities. The owners and directors of the Trustee are the same as that of the Company.

The Metal Securities on issue at 30 June 2017 comprised the following:

	<u>Platinum</u>	<u>Palladium</u>	<u>Silver</u>	<u>Gold</u>	<u>Basket</u>
Number of Securities on Issue at 31 December 2016	26,166	16,833	2,416,444	2,862,645	40,011
Created During the Period	-	-	312,245	496,353	-
Redeemed During the Period	-	-	-	-	-
Number of Securities on Issue at 30 June 2017	26,166	16,833	2,728,689	3,358,998	40,011

Ownership of the Metals is held in the name of the Trustee for the benefit of the Holders. Metal held (in the name of the Trustee) per Metal Security was as follows:

	<u>Platinum oz</u>	<u>Palladium oz</u>	<u>Silver oz</u>	<u>Gold oz</u>
30 June 2017				
ETFS Physical Platinum	2,509.685	-	-	-
ETFS Physical Palladium	-	1,614.520	-	-
ETFS Physical Silver	-	-	2,617,193.447	-
ETFS Physical Gold	-	-	-	318,554.546
ETFS Physical PM Basket	383.763	767.524	46,051.357	1,546.903
	2,893.448	2,382.044	2,663,244.804	320,101.449
31 December 2016				
ETFS Physical Platinum	2,515.805	-	-	-
ETFS Physical Palladium	-	1,618.457	-	-
ETFS Physical Silver	-	-	2,323,359.368	-
ETFS Physical Gold	-	-	-	272,022.435
ETFS Physical PM Basket	384.698	769.396	46,163.668	1,549.981
	2,900.503	2,387.853	2,269,523.036	273,572.416

Holders of Metal Securities have the right to vote:

- on any proposal that affects rights attached to a Metal Security (except the issue of new Metal Securities, or the redemption of Metal Securities on issue);
- on any proposal to wind up the Company; and
- during the winding up of the Company.

Holders of Metal Securities are not entitled to:

- any right to the payment of any dividends;
- any rights of participation in any surplus assets and profits of the Company; or
- priority of payment of capital or dividends in relation to other classes of shares, except on the winding up of the Company.

Metal Securities are redeemable at any time (in accordance with the terms of Redemption) by the Holder. Metal Securities can also be compulsorily redeemed by the Company on provision of 30 days' notice or in the case of insolvency. Therefore an investment in Metal Securities may be redeemed earlier than desired by the Holder.

Notes To The Financial Statements (Continued)

8. Issued Capital

	As at	
	30 June 2017 AUD	31 December 2016 AUD
250,100 Fully Paid Ordinary Shares (31 December 2016: 250,100)	250,100	250,100

All ordinary shares issued by the Company carry one vote per share without restriction and carry the right to dividends. All ordinary shares are held by ETF Securities Limited, a Jersey registered Company.

	30 June 2017		31 December 2016	
	No.	AUD	No.	AUD
Fully Paid Ordinary Shares				
Balance at Beginning of Financial Period/Year	250,100	250,100	250,100	250,100
Movement in the Period/Year	-	-	-	-
Balance at End of Financial Period/Year	250,100	250,100	250,100	250,100

9. Equity Contribution

	As at	
	30 June 2017 AUD	31 December 2016 AUD
Equity Contribution	360,000	360,000

The equity contribution received from the parent entities in prior years was used to settle an income tax liability.

10. Contingent Liabilities and Contingent Assets

The Company does not have any material contingent liabilities or contingent assets at 30 June 2017.

11. Economic Support

Pursuant to the Administration Services Deed Poll between the Company and ManJer, all the operating costs relating to the Company, including gold storage, gold insurance, marketing and administration costs, are incurred and paid by ManJer to enable the continued operation of the Company.

12. Related Party Disclosures

The immediate and ultimate parent company is ETF Securities Limited ("ETFSL"), a Jersey registered company.

ManJer was appointed as the manager as of 1 January 2011.

Notes To The Financial Statements (Continued)

13. Notes To Condensed Cash Flow Statement

	Period ended 30 June	
	2017 AUD	2016 AUD
Reconciliation of Profit/(Loss) for the Period to Net Cash Flows from Operating Activities	-	-
Profit/(Loss) for the Period	-	-
Changes in Net Assets and Liabilities:		
Increase in Current Receivables	(11,614)	(122)
Net Cash Used in Operating Activities	(11,614)	(122)

14. Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	30 June 2017		
	Level 1 AUD	Level 2 AUD	Level 3 AUD
Gold Bar	680,789	-	-
Gold Overdraft Facility	680,789	-	-
Redeemable Preference Shares	(61)	-	-

	31 December 2016		
	Level 1 AUD	Level 2 AUD	Level 3 AUD
Gold Bar	672,406	-	-
Gold Overdraft Facility	(672,406)	-	-
Redeemable Preference Shares	(53)	-	-

There were no transfers of financial instruments between Level 1 and Level 2 during the period/year.

Notes To The Financial Statements (Continued)

15. Ultimate Controlling Party

The ultimate controlling party of the Company is Graham J Tuckwell, through his majority shareholding in ETFSL.

16. Subsequent Events

There has not been any matter or circumstance that has arisen since the end of the financial half-year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

17. Additional Company Information

ETFs Metal Securities Australia Limited is a public company incorporated and operating in Australia and admitted to the official list of the ASX under the debt listing rules. The Company's Metal Securities are quoted on the ASX under the following codes:

ETFs Physical Gold	GOLD
ETFs Physical Silver	ETPMAG
ETFs Physical Platinum	ETPMPT
ETFs Physical Palladium	ETPMPD
ETFs Physical PM Basket	ETPMPM

The Company's registered address and principal place of business is as follows:

Level 27, AMP Centre
50 Bridge Street
Sydney, NSW 2000
Australia