

The Millennium BullionFund™



A SOLID FOUNDATION FOR EVERY PORTFOLIO

2004 ANNUAL REPORT

The Gryphon

The gryphon, symbol of Bullion Management Services Inc., is a mythical creature with the head, talons and wings of an eagle, and the body of a lion. Legends about this fantastic beast date back to 3300 BC, when a gryphon was chosen as companion to the Egyptian Pharaoh.

Blessed with the eagle's speed, flight and penetrating vision, and the lion's strength, courage and majesty, the gryphon represents intelligence and strength. Gryphons were said to have drawn the chariot of Apollo, the Sun god, across the sky each day.

Legend has it that gryphons, driven by instinct to seek out treasure, roamed the Caucasus Mountains in search of gold and precious stones. They would dig up these riches with their powerful talons, then sit and admire their treasure for hours, fascinated by the gold and gems shining in the sunlight and moonlight. They built their nests of gold and laid agates rather than eggs, making the nests a target for hunters. The gryphons became ever vigilant, protecting their nests and keeping thieves away, thus developing a reputation for being the guardians of gold. Some mythologies say that gryphons "have hoards of fabulous treasure, which they guard endlessly."

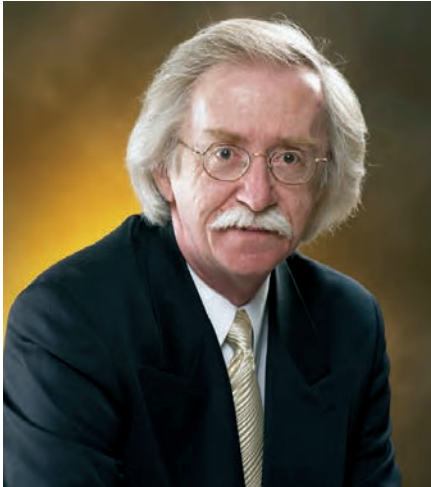
Known for centuries as the guardian of gold and a symbol of strength and vigilance, today the gryphon embodies the spirit of Bullion Management Services Inc.



“...because the gryphons do wonderfully love the gold, which lies discovered above the ground, and do wonderfully keep it, and are very fierce upon them that touch it.”

Pomponius Mela

Message from the President



The following is an excerpt from a speech given by Mr. Nick Barisheff, president of Bullion Management Services Inc., at the 2005 Empire Club's Annual Investment Outlook luncheon, Toronto, January 6th, 2005.

It's January, the beginning of a new year, and the time when economists, analysts and even astrologers like to prognosticate about what lies in store for the next 12 months.

With respect to gold, opinions on the price vary from US\$400* to US\$500 dollars per ounce for 2005. These opinions presume that current conditions will remain relatively stable, and if they do the \$400 - \$500 range is reasonable. Since the range is quite broad, a review of some history, and an examination of some current trends, may be helpful in gaining additional insights.

First, it is important to realize that the 70 percent rise in the price of gold since 2001 is not because of any supply/demand imbalance as an industrial commodity. Merely speculating on the price of gold ignores its other benefits and relegates it to a commodity with no more stature than copper or pork bellies. But gold has an important monetary role, as confirmed by the billion ounces still held by Central Banks, and by the clearing turnover of \$6 billion daily by members of the London Bullion Market Association.

Although various paper proxies and gold derivatives can provide trading opportunities, they may not provide the wealth preservation and hedging benefits of bullion itself. In order to achieve these benefits, gold holdings must be in the form of fully allocated, segregated bullion with reliable custodial arrangements. Since mining shares and other gold proxies are either someone

else's liability or promise of performance, they may not provide these benefits at a time when they are needed most.

Wealth preservation is an attribute of gold bullion, and is the reason gold has functioned as money for over 3,000 years. Although gold prices in local currencies may have fluctuated during both inflationary and deflationary periods, gold has maintained or even increased its purchasing power in both instances.

Gold's ability to preserve purchasing power was discussed in detail in an essay written in 1966 by none other than Alan Greenspan, entitled "Gold and Economic Freedom."

We have all heard that you could always buy a man's suit with an ounce of gold. I can remember that in 1971, the price of a basic car was about \$2,500, or 71 ounces of gold. Since then, the dollar price of the car has increased 5-fold to \$14,000, but for the same 71 ounces of gold, you can now buy two cars. This relationship holds true for real estate, oil, and the number of ounces to purchase the Dow, where the cost in gold ounces has either remained the same or decreased over the last 30 years.

The same cannot be said for paper currencies. Throughout history, currencies have come and gone as they were inflated away by emperors, kings and politicians. Since 1971, when the US abandoned gold convertibility, the purchasing power of both the Canadian and the US dollar has declined by over 80 percent due to inflation.

Because of wealth preservation and hedging benefits, gold bullion cannot be viewed like other portfolio holdings.

The hedging benefits of bullion are achieved because gold is negatively correlated to traditional financial assets such as stocks and bonds. These hedging benefits become particularly pronounced during periods of economic stress. When you compare how poorly stocks, bonds, real estate and currency performed relative to gold during recent currency crises in Russia, South East Asia and Argentina, these benefits become apparent.

*all amounts in US dollars unless otherwise stated.

The old Wall Street saying “**Put ten percent of your money in gold and hope it doesn’t work,**” is particularly applicable today.

Often when I mention this saying I am asked what it means. Why would you hope it doesn’t work? Aren’t you in the precious metals business?

Over the long term, a portfolio allocation of at least 10 percent to physical bullion reduces overall volatility, improves returns and provides a form of portfolio insurance. With our investment portfolios, we would all like to maintain an optimistic outlook, hoping that the economy will continue growing and our investments continue appreciating. However, since financial markets are cyclical, it is only prudent to maintain some portfolio insurance, in the form of bullion, in case markets move against us. Even though we pay for house insurance year after year, we would still rather that our house does not actually burn down.

Unlike traditional insurance or other hedging strategies, bullion is an asset rather than an expense. It has a price floor approximately equal to the cost of mining it. Unlike stocks and financial derivatives, the value of bullion cannot decline to zero.

Because of the recent equity rally, many investors feel that the worst is over and there is no longer a need to diversify and hedge. However, an increasing gold price is like a financial barometer warning of an impending storm.

Is the storm over, or are we actually in the eye of a hurricane?

Leaving aside the impact of natural disasters, terrorist attacks and wars, are the economic conditions that have contributed to a rising gold price still relevant as we go forward into 2005 and beyond?

Are the financial vulnerabilities arising from a mortgage-induced real-estate bubble still present? Are the concerns expressed by both Warren Buffett and Alan Greenspan about the \$200 trillion of derivatives exposure still present? By historical measures, are equity markets fairly valued? Will the looming peak in oil production and increasing global demand cause a continuous rise in the price of oil, thus impacting global economies and industrialized societies?

But the worst threat of all comes from continuous increases in the money supply through the expansion of credit, at all levels. Simply put, there is an ever-increasing amount of paper money chasing a limited supply of physical bullion. Unless corrected, the inflationary growth of the money supply, federal budget deficit, trade deficit and current account deficit will cause the US dollar to plunge in value while the gold price climbs. In looking forward to 2005 and beyond, we need to determine whether it is realistic to expect that this credit growth will be stopped or even reduced.

Today, the annual increases in the US federal budget deficit are greater than the total federal government debt was in 1971. This is an alarming trend. Even during reported budget surpluses in 1998 and 1999, total government debt still grew year after year to the current level of \$7 trillion. The US is now paying over \$300 billion in interest to holders of federal debt. If this rate of increase continues, eventually annual tax revenues will not be enough to even service interest costs.

Notwithstanding that the US Dollar Index has declined by over 35 percent, the trade deficit grew to a staggering \$600 billion in 2004, and now totals nearly \$5 trillion cumulatively. The phenomenon of a growing trade deficit during a currency decline is without historical precedent. We don’t have to look far to find the reason for this anomaly. Since the US has outsourced a great deal of its manufacturing and is dependent on commodity and energy imports, the trade deficit has become an ongoing systemic problem. For the past 60 years the US has enjoyed special privileges because of the dollar’s reserve status and the willingness of foreigners to invest in US dollar assets.

The US current account deficit now stands at over \$650 billion, and represents about 6 percent of GDP. But what has this got to do with the price of gold? This ratio is the highest since 1929. Most economists consider 5 percent a critical level for current account deficit/GDP ratios. In the past, when third-world countries reached that level, a currency crisis followed.

Could the US be the next Argentina?

This credit expansion has led to a total US debt of \$34 trillion - over 300 percent of GDP - the highest level in history. In addition, we need to add \$55 trillion in unfunded pension liabilities and Medicare obligations. In all, this mountain of debt requires that the US borrows about \$80 million per hour, and absorbs over 80 percent of the world's savings.

Here is a startling fact - it now takes \$7 of new debt for every \$1 increase in GDP. How much confidence would you have in a corporation that needed to borrow \$7 annually just to increase its gross revenues by a dollar? Clearly this can not go on much longer.

No wonder Alan Greenspan recently warned that "foreigners' appetite to continue to invest in the US may not be adequate to fully sustain the expected growth in the net indebtedness of the US."

Translated into English, his statement means that eventually foreign investors will stop lending the US any more money.

“You don’t own real money (gold) with the idea of using it for trading profits. You own gold because you are familiar with the history of fiat money. The history of fiat money is “bankruptcy.” The history of fiat money is that ultimately it becomes worthless.”

James Grant, Author/publisher “Grant’s Interest Rate Observer”

No one knows for certain when that day will come. It may be next week, or several years from now. You may think that it cannot happen in the US, but history gives us numerous examples of excess debt leading to a currency collapse. Unless there is the political will to reduce or eliminate the current mountain of debt, the day of reckoning must eventually come. The longer it is postponed, the worse it will ultimately be. Since politicians are not known for their ability to control their spending and are not elected on platforms that propose unpleasant financial medicine,

it is difficult to imagine that the steps necessary to fix the problem will be taken.

Canadians need to pay attention to these issues as well. While I have focused on increases in the US money supply, you may be surprised to know that the Canadian money supply has risen at twice the rate of the US. Because of the fractional reserve banking system and global fiat currencies, the US has exported credit bubbles to the countries that run a trade surplus with it. In Canada, we are particularly vulnerable to the state of the US economy and its monetary policy. We depend on the US to buy our exports, and US dollars represent 50 percent of our currency reserves. Canada is now the only G8 country without any gold bullion to back its currency.

Bearing this in mind, is it likely that the Canadian dollar will maintain its recent gains against the US dollar?

Up to this point, we have simply assumed a continuation of current conditions. Maybe the US and the global economy will “muddle through”, and business will continue as usual. But is it really prudent to maintain a long-only bias in your portfolio and assume that the longest-running bull market in history will continue for another 20 years? After all, markets are cyclical, not linear. A 10 percent allocation to bullion for its hedging and wealth preservation benefits seems more than justified.

However, if one of the previously mentioned vulnerabilities experiences a trigger event, then bullion may provide impressive capital gains over and above hedging.

Since February 2002, the US Dollar Index has declined 35 percent, wiping out \$3 trillion for foreign investors. If the dollar continues to decline, the day will come when the world will no longer be willing to increase their US dollar holdings. The US Federal Reserve will then be faced with a no-win situation: increase interest rates dramatically, or let the dollar fall.

If foreign investors get nervous and start selling some of their 10 trillion dollars' worth of US dollar holdings, it may create a descending spiral of further dollar declines coupled with financial

asset declines. If that happens, the line between hedging and capital appreciation will become blurred. In the 1970s, a loss of confidence resulted in the US dollar declining 70 percent in German marks and Swiss francs. Gold, however, experienced a 2,300 percent increase.

Historically, a reliable indicator for the trend direction of gold and equities is the Dow:gold ratio. When the ratio increases, it is a good time to be overweight equities and when it declines, it is better to be overweight gold. The ratio was 1:1 in 1935. In 1980, when gold was \$850 and the Dow was 925, it again approached 1:1. The ratio peaked at 43:1 in 2001, but has steadily declined to its current level of 25:1. Richard Russell, publisher of the Dow Theory Letter since 1958, predicts that the Dow:gold ratio will once again be 1:1. The question is, will both gold and the Dow be at... 1000, 2000, or 5000?

As far-fetched as these possibilities may sound today, they may in fact come to pass. In 1989, investors would have found it hard to imagine the 80 percent decline in Japanese equities that ensued over the next 13 years. Equally difficult to foresee in the early 1980s, when the NASDAQ was 400, was its rise to 5000. In 1971, when gold was \$35 an ounce, no one imagined the 23-fold increase that gold would experience over the next 9 years.

We now appear to be entering the second leg of the metals bull market, a time when institutions and hedge funds are beginning to invest in physical bullion. Because of the tremendous market-size disparity between financial assets and precious metals, bullion prices would rise dramatically if a minute percentage of global investors allocate 10 percent to bullion.

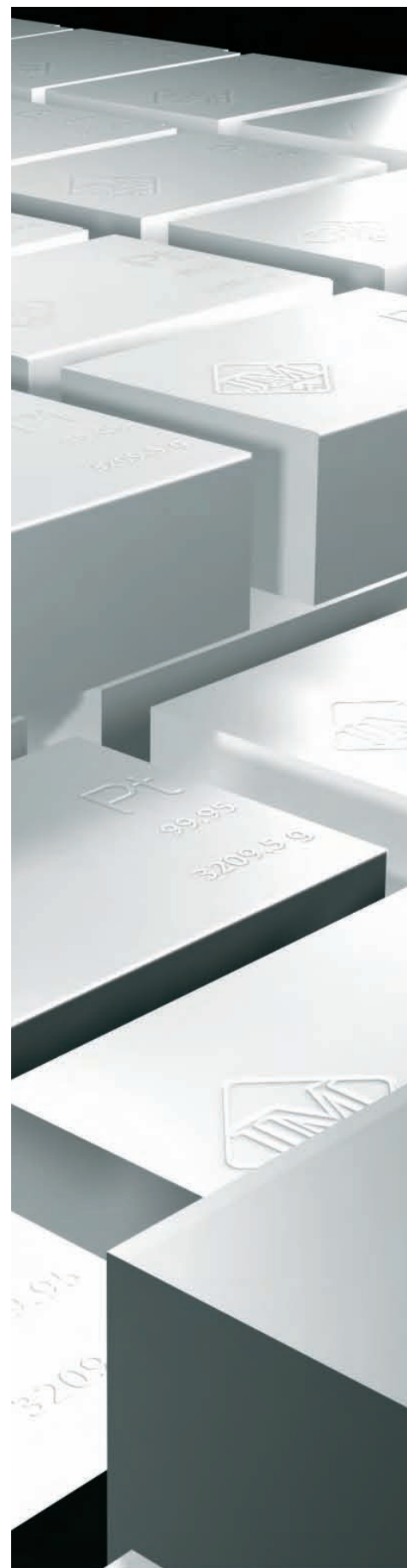
While there is \$50 trillion in global financial assets, there is less than \$1.5 trillion in above-ground gold, less than \$1 billion in above-ground silver and practically no above-ground platinum.

Eventually there may even be shortages. You cannot simply print more bullion to meet demand. New mines take 5 – 10 years to bring into production.

Whether the price of gold in 2005 will be \$400 or \$500 does not really matter. Would it have mattered whether you bought the NASDAQ at 400 or 500 in the mid-1980s?

It is only important that you did not buy at 5,000.

No matter what the price turns out to be in 2005, it is still wise to put 10 percent of your money into gold... and hope it does not work.



The Gold, Oil and US Dollar Relationship

The 2003 Annual Report included a general overview, *The Case for Bullion*, which provided a summary of the role of precious metals from both a commodity and a monetary point of view. The vulnerabilities for traditional financial assets discussed there not only still exist, but in many cases have become more serious in nature. The rising oil price is one such vulnerability. In 2004, oil hit an all-time high of \$56 per barrel, up 366 percent from the \$12 low of 1998, and up 75 percent since January 2004.

Generally speaking, an increasing oil price results in increasing inflation, negatively impacting the global economy, particularly oil-dependent economies such as the US. Apart from increased transportation, heating and utility costs, higher oil prices are eventually reflected in virtually every finished product, as well as food and commodities in general. Furthermore, there is evidence that global oil production is peaking and the flow will soon be in permanent decline.

The US has enjoyed inexpensive oil-based energy for nearly a century, and this is one of the prime factors behind the unprecedented prosperity of its economy in the 20th century. While the US accounts for only 5 percent of the world's population, it consumes 25 percent of the world's fossil fuel-based energy. It imports about 75 percent of its oil, but owns only 2 percent of world reserves. Because of this dependency on both oil and foreign suppliers, any increases in price or supply disruptions will negatively impact the US economy to a greater degree than any other nation.

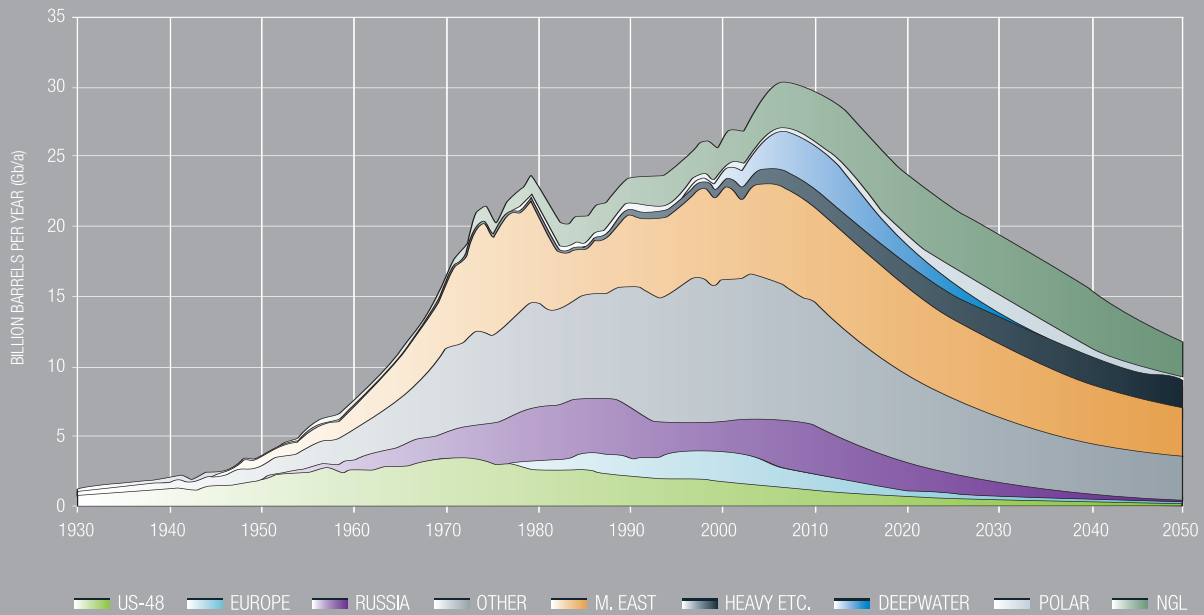
The majority of oil reserves are located in politically unstable regions, with tensions in the Middle East, Venezuela and Nigeria likely to intensify rather than to abate. Because of frequent terrorist attacks, Iraqi oil production is subject to disruption, while the risk of political problems in Saudi Arabia grows. The timing for these risks is uncertain and hard to quantify, but the implications of Peak Oil are predictable and quantifiable, and the effects will be more far-reaching than simply a rising oil price.

In the early 1950s, M. King Hubbert, one of the leading geophysicists of the time, developed a predictive model showing that all oil reserves follow a pattern called Hubbert's Curve, which runs from discovery through to depletion. In any given oil field, as more wells are drilled and as newer and better technology is installed, production initially increases. Eventually, however, regardless of new wells and new technology, a peak output is reached. After this peak is reached, oil production not only begins to decline, but also becomes less cost effective. In fact, at some point in this decline, the energy it takes to extract, transport and refine a barrel of oil exceeds the energy contained in that barrel of oil. When that point is reached, extraction of oil is no longer feasible and the reserve is abandoned. In the early years of the 20th century, in the largest oil fields, it was possible to recover 50 barrels of oil for each barrel used in the extraction, transportation and refining process. Today that 50:1 ratio has declined to 5:1 or less. And it continues to decline.

Hubbert's 1956 prediction that crude oil production in the US would peak in the early 1970s and then decline was greeted with great skepticism. After all, production in the US was increasing and technology was improving. However, there were no new major reserves being discovered, and his prediction proved to be correct. Oil production in the US did peak in 1970, and has been declining ever since.

Using analytic techniques based on Hubbert's work, oil and gas experts now project that world oil production will peak sometime in the latter half of this decade. We are now depleting global reserves at an annual rate of 6 percent, while demand is growing at an annual rate of 2 percent (and that growth rate is expected to triple over the next 20 years). This means we must increase world reserves by 8 percent per annum simply to maintain the status quo, and we are nowhere near achieving that goal. In fact, we are so far from it that, according to Dr. Colin Campbell, one of the world's leading geologists, the world consumes four barrels of oil for every one it discovers.

Oil and Gas Production



Once a supply shortfall materializes, the US will be in competition with China, India, Japan and other importing countries for available oil. Many experts are now predicting US\$100 per barrel within the next two years. Some believe it will go even higher. Taking geopolitical factors and supply/demand fundamentals into consideration, it is impossible to predict how high the price of oil will soar. One thing seems certain – the age of cheap oil is over.

There are numerous social, economic and political implications related to world oil production peaking in the next few years, but our concern here is to examine how a rising oil price is linked to precious metals. The answer to that question begins with the historical desire of Arab producers to receive gold in exchange for their oil. This dates back to 1933 when King Ibn Saud demanded payment in gold for the original oil concession in Saudi Arabia. In addition, Islamic law forbids the use of a promise of payment, such as the US dollar, as a medium of exchange. There is growing dissension among religious fundamentalists in Saudi Arabia regarding the exchange of oil for US dollars.

Oil, gold and commodities have all been priced in US dollars since 1975 when OPEC officially agreed to sell its oil exclusively for US dollars. From 1944 until 1971, US dollars were convertible into gold by central banks in order to adjust for any trade imbalances between countries. Up to that point, the price of gold was fixed at US\$35 per ounce, and the price of oil was relatively stable at about US\$3.00 per barrel. Once the US ceased gold convertibility

in 1971, OPEC producers were forced to convert their excess US dollars by purchasing gold in the marketplace. This resulted in price increases for both oil and gold, until eventually oil reached US\$40 per barrel and gold reached US\$850 per ounce.

Today, apart from geopolitical threats in oil-producing regions, supply/demand imbalances from Peak Oil and increasing demand from developing countries, the price of both gold and oil can be expected to increase as the US dollar declines. With an ever-increasing US money supply, growing triple deficits and mounting debt at all levels, the US dollar is likely to continue the decline that began in 2001. Since then, foreign holders of US dollar assets have already lost 33 percent of their investment. How long will oil exporters continue to accept declining US dollars? How long will they continue to hold US dollars as their reserve currency?

At some point, they may decide to abandon the US dollar in favour of euros. Russian premier Vladimir Putin and Venezuela's president Hugo Chavez have both publicly announced that they may begin to price oil in euros in the near future. Even Saudi Arabia has stated that it is considering pricing its oil in euros, as well as in US dollars. There have even been discussions among Arab nations about pricing oil in Islamic gold and silver dinars. If this happens, other producers may follow suit and opt out of accepting US dollars for oil. Demand for the currency will plummet, sending the dollar into a freefall while demand for euros, gold and silver soars.

“At some point, the rest of the world will no longer be willing to accept 50 million paper dollars an hour in exchange for their products. Then, with the US no longer able to act as the world’s “engine of growth” a terrible economic adjustment will ensue.”

Richard Duncan, Author “The Dollar Crisis”

In addition, Middle Eastern oil producers would be forced to diversify their vast US dollar holdings into precious metals and other currencies to protect themselves from further losses. As losses mount, other large, non-oil producing, US dollar holders such as Japan, China, Korea, India and Taiwan would seek to diversify out of US dollars. Eventually, this could result in a dollar sell-off and a corresponding increase in oil and gold prices.

Over the last 50 years or so, gold and oil have generally moved together in terms of price, with a positive price correlation of over 80 percent. During this time, the price of oil in gold ounces has averaged about 15 barrels per ounce. However, with recent soaring oil prices, the relationship has strayed far from this average. While oil prices recently set an all-time high of \$56 per barrel, gold prices have not kept pace and the oil:gold ratio fell to an all-time low of 7.5:1. At US\$56 per barrel oil, the gold price should be in excess of US\$840 per ounce. Some experts are suggesting that, in two or three years, US\$100 per barrel oil is very possible. At that price gold should be US\$1500 per ounce.

The gold:silver ratio has varied from 16:1 to 100:1. Currently it is about 66:1. Gold Fields Mineral Services expects this ratio to fall to between 40:1 and 50:1 in the near future. At a 50:1 ratio and a US\$1,500 gold price the price of silver should be US\$30 per ounce. At 16:1 it would be US\$94 per ounce.

The size disparity between oil and gold markets must also be considered. While annual gold production is approximately US\$35 billion, annual oil production is US\$1.5 trillion, by far the largest-trading world commodity. As oil prices increase and demand for US dollar diversification increases, there will be an ever-expanding number of petro dollars and other offshore dollar holders chasing a relatively small amount of bullion ounces.

In conclusion, the price of oil is poised to rise steadily as the supply/demand imbalance increases and the dollar declines, even if there are no supply disruptions, terrorist threats or geopolitical concerns to consider. As this happens, the price of precious metals will climb until they eventually catch up to their historic ratios. Should oil producers demand euros, dinars or precious metals in payment for their product, the decline in the US dollar will accelerate while the price of precious metals explodes. If oil producers and other foreign US dollar holders begin to sell the trillions they hold and diversify into alternatives, then the price of both oil and precious metals will rise to levels that today are hard to imagine.

2004 – The Year in Review

There were many new financial records set in 2004. While generally positive for precious metals, the new statistics represent historically unprecedented vulnerabilities for traditional financial assets, and pose significant risks for investment portfolios globally. Since world economies in general, and Canada's economy in particular, are affected by economic conditions in the US and the value of its currency, it is important to understand US economic and monetary conditions.

Federal Budget Deficit

The annual US federal budget deficit rose from \$375 billion in 2003 to \$412 billion in 2004, a staggering \$37 billion increase, forcing the US to raise its statutory spending limit from \$7,384 trillion to \$8,184 trillion. To put this into perspective, consider that in 1971, when President Nixon ceased gold convertibility for US dollars, the total cumulative US federal debt was just over \$400 billion; now, the *annual increase* is greater. Although the increasing deficit alone is cause for concern, even more troubling is the fact that, according to *2004 Financial Report of the United States Government*, a document prepared by the Treasury Department in accordance with Generally Accepted Accounting Principles, the total indebtedness of the US government rose by \$11 trillion in 2004 to \$46 trillion – a 31 percent increase in one year. This number is so large that its significance is hard to comprehend. It means that the 2004 increase in indebtedness is equal to the entire economic output of the country, and is nearly

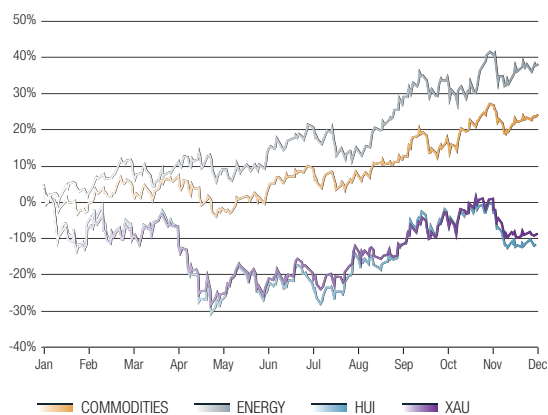
three times higher than the \$3.7 trillion increase in 2003. From another perspective, the federal debt:GDP ratio was 4:1 in 2004; at the height of the Great Depression it was only 2.5:1. The US federal government debt now represents about \$125,000 per person, or \$350,000 per full-time employee. Since both spouses are employed in the majority of families, this equates to \$700,000 per family. Given that annual tax revenues are about \$1.9 trillion, it is hard to imagine how this mountain of debt can ever be paid off.

David Walker, Comptroller General, stated: **“Without reform, known demographic trends, rising health care costs, and projected growth in spending for Social Security, Medicare and Medicaid will result in massive fiscal pressures that, if not effectively addressed could cripple the economy, threaten our national security, and adversely affect the quality of life of Americans in the future.”**

Trade Deficit

The 2004 US trade deficit of \$665 billion was the highest in history for any country and, at nearly 6 percent of GDP, is without precedent. Even more worrisome is that while the US dollar has declined by over 30 percent since 2001, the trade deficit actually continued to grow. The weakening dollar did not correct trade imbalances for two main reasons: the Chinese yuan is pegged to the US dollar, and much of America's manufacturing infrastructure

Commodity Indices



Equity Indices



has already been outsourced; the factories no longer exist within the US. As the dollar declines, making key commodities such as oil and natural gas more expensive, it is hard to imagine how the growth of the trade deficit can be slowed, let alone reduced.

Current Account Deficit

This brings us to the next historic record: the current account deficit, and the amount of US debt held by foreigners. In 2004, the current account deficit reached an all-time high of \$666 billion, with the cumulative deficit exceeding \$4 trillion. In simple terms, this required that in 2004, the US borrow about \$1.8 billion each day from foreigners. The annual deficit now represents nearly 6 percent of US GDP, nearly 1 percent of global GDP and absorbs close to two-thirds of global cumulative current account surpluses. History shows us that when the current account:GDP ratio exceeds 5 percent, a currency crisis soon follows.

Consumer Debt

Consumers and corporations are also setting new records for indebtedness. Consumer debt is now approaching \$10 trillion, representing 110 percent of disposable income - the highest level in history. Consumer spending has been responsible for over 64 percent of economic activity during the past 60 years. In 1993, consumer spending began to increase and climbed to a high of 70 percent by December 2001, where it stands today. The spending was paid for by increased levels of debt, which rose from 13 percent of GDP in 1945 to 83 percent of GDP in 2004. As interest rates climb, there will come a point when consumers are no longer able to make their debt payments, and they will have less disposable income to purchase additional goods and services.

Corporate Debt

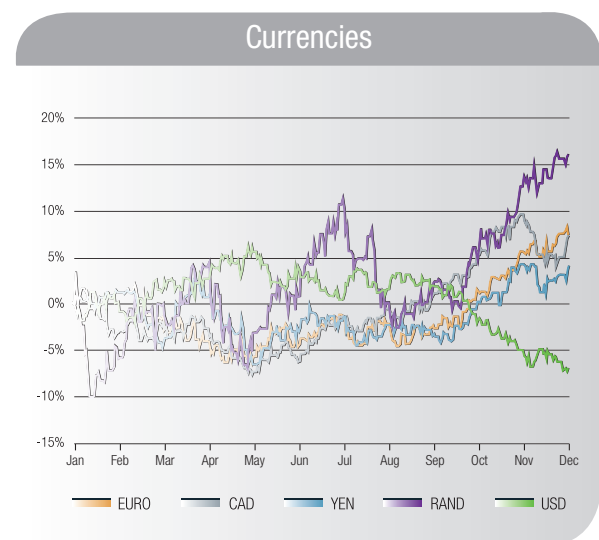
Corporate debt grew to new highs of over \$9.3 trillion, representing 85 percent of GDP. These high debt levels are significant when you consider that the Federal Reserve has stated it intends to continue to raise interest rates, and that equity markets are overvalued by all traditional measures. The combination of decreasing consumer spending and increased debt service costs will ultimately translate into slower growth, a contraction in earnings and reduced profit margins. This will translate into declines in stock prices.

Overvalued Equity Markets

Although equity markets are not as overvalued as they were in 2000, the total market price of all stocks as a percentage of GDP now stands at 136 percent as compared to 191 percent in 2000. This represents twice the average of 62 percent, and over four times the previous bear-market low of 32 percent in 1974. The combination of high debt levels, rising interest rates and high valuations represents significant risks to equity markets.

“There were good reasons why central banks hold so much gold, which earns no interest and whose storage is costly. He said they considered gold the ultimate store of value, and policymakers who ignored its price, did so at their own peril.”

Alan Greenspan, Chairman US Federal Reserve



The US\$ Index is a trade-weighted combination of exchange rates between the US and its largest trading partners. All other currencies listed are expressed in terms of the US dollar.

Other Records

The list of records set in 2004 continues:

- While real estate values hit all-time highs, total home equity as a percentage of the average-priced home was down to 18 percent from 50 percent in 1984. A 20 percent correction will wipe out all real estate equity in mortgaged houses.
- Corporate scandals peaked with 14 corporations paying fines exceeding \$30 million. Five corporations paid fines exceeding \$100 million. A continuation of these scandals may shake the confidence of both domestic and foreign investors in their US holdings.
- The Personal Savings Rate declined from its 40-year average of 8.2 percent to a 2004 low of 0.2 percent - the lowest of any major nation.
- Lowest Federal Fund rate (1 percent) in 43 years
- Highest level of insider selling since August 2000. Insiders sold \$6.6 billion in December 2004 compared with \$144 million purchased. High levels of insider selling often forewarn of coming declines in stock prices.
- Global derivatives grew to a record level of \$288 trillion in 2004. In the US the notional amount of derivatives in bank portfolios increased by \$3.7 trillion to \$87.9 trillion, with JP Morgan accounting for \$45 trillion. Both Alan Greenspan and Warren Buffett warned that derivatives pose significant risk to the global financial system.

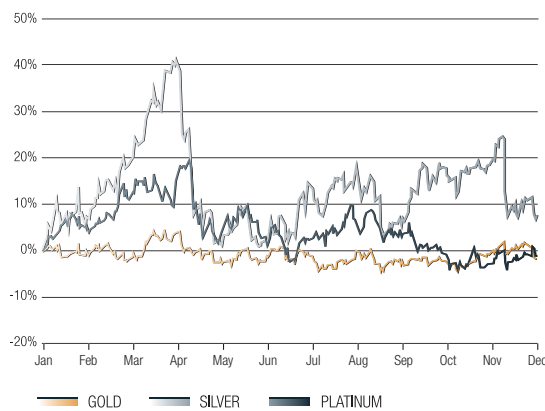
The result of these imbalances was that the US Dollar Index continued to decline in 2004, hitting a 13-year intraday low of 79.5 in December. The US Dollar Index of 80 is an extremely important level of technical support, since there is no precedent for the level of support beneath it. Further declines increase the risk of foreign investors curtailing their purchases, and eventually beginning to sell. Several central banks have openly discussed diversifying out of US dollars.

Equities posted modest gains: 3.1 percent for the Dow, 8.6 percent for the NASDAQ and 9 percent for the S&P 500. The lack of confirmation by the Dow Jones Transportation Average, together with high valuations, suggests that equities are experiencing a cyclical rally in a secular bear market rather than the beginning of a new bull market.

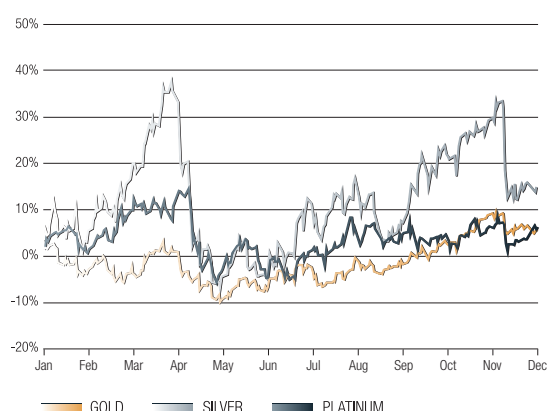
Tangible assets, however, all did well, progressing to new highs in 2004. The CRB Index achieved a 23-year high, increasing 11 percent to 283. The price of oil increased 75 percent from \$33 per barrel to hit an all-time high of \$56 per barrel in November.

Precious metals continued their secular bull market. In US dollars, gold increased 5.4 percent, reaching a 16-year high of \$455 per ounce in December 2004. Silver increased 14.2 percent, reaching an 8-year high of \$8 per ounce in March before pulling back to end the year at \$6.82 per ounce. Platinum increased 7 percent, peaking at \$931.31 per ounce, just 11 percent below its all-time high of \$1,050 posted in February of 1980.

Precious Metals – Canada



Precious Metals – US



Although the performance of precious metals did well in US dollar terms, the bull market in other currencies is still to come. Prices were basically unchanged in Canadian dollar terms, while gold declined 2 percent in euros and 9 percent in South African rand. The continued strength of the rand has resulted in a 27 percent reduction in the gold price (in rand) from its peak in 2002. This puts many of the high-cost gold and platinum producers in jeopardy, risking mine closures and supply reductions in 2005.

In 2004, the performance of bullion diverged from the performance of mining stocks. While bullion posted increases in 2004, the unhedged mining index (HUI) posted losses of 11.4 percent and the Philadelphia Gold and Silver Index posted losses of 8.7 percent. Many mining stocks were down as much as 50 percent.

Comparing The Millennium BullionFund™ to precious metals funds that invest in mining stocks is not useful because of the fundamental difference in asset classes. In 2004 The Millennium BullionFund's™ performance surpassed all other Canadian precious metals mutual funds, some of which posted losses of up to 20 percent.

In 2004 The Millennium BullionFund™ was able to grow its asset base by 66 percent from CDN\$16.6 million to CDN\$27.5 million. The Management Expense Ratio (MER) for class A units declined 14 percent from 4.06 percent in 2003 to 3.46 percent in 2004. As The Millennium BullionFund™ matures and assets increase, the MER is expected to decline further. The Canadian dollar performance, however, suffered because of the 7.4 percent increase in the Canadian dollar value. The Millennium BullionFund™

class A units posted a 3.97 percent loss in Canadian dollars, resulting in a -0.82 percent compounded return since inception in January 2002.

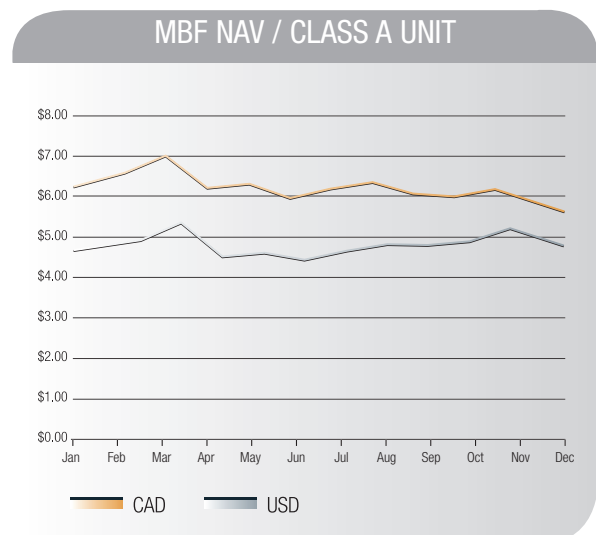
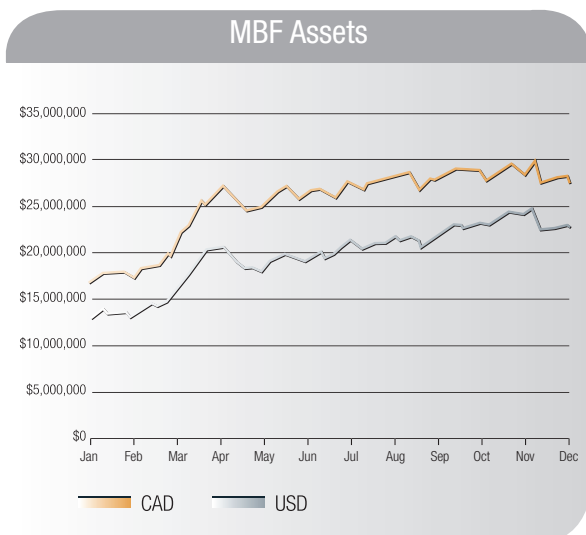
In terms of other Canadian bullion funds, the Central Fund of Canada posted a 3.6 percent decline in 2004, and the Central Gold Trust posted a 13.5 percent decline.

In US dollars, however, The Millennium BullionFund™ class A units posted a 3.59 percent gain in 2004, resulting in a 9.12 percent compounded return since inception in January 2002.

As these trends continue, the bull market in precious metals will become increasingly evident in all currencies.

“The stock market may have collapsed, the dollar may be in smithereens, your house may have been destroyed by termites, your spouse may have left you -- but your gold will still be wealth.”

Richard Russell, Author/publisher “Dow Theory Letter”



2005 Outlook

While the outlook in 2005 is positive for precious metals, traditional financial assets will be under pressure from the inflationary effects of a declining dollar, rising oil and commodity prices and rising interest rates. These inflationary effects are becoming global in nature. An increase in money supply is the true cause of inflation, as it leads to an increase in the prices of goods and services. A great deal is written about the increasing US money supply, but in fact all of the world's major economies have contributed to the problem. While the money supply has grown by 4.8 percent in the US, it has grown by 10.7 percent in Canada, by 9.5 percent in Australia and by 9.8 percent in the UK.

Many financial records were set during 2004, and 2005 seems to be moving in the same direction. The US current account deficit was tracking at approximately 6.3 percent of GDP in the fourth quarter of 2004. In 2005 the current account deficit is expected to grow to \$750 billion, or 6.5 percent of GDP. This means the US will now need to borrow about \$2.1 billion per day. At this growth rate, the current account deficit would rise to 7 percent of GDP in 2006 and 8 percent by 2008. By then, US net foreign debt will have increased to 50 percent of GDP. Lawrence Summers, former secretary of the Treasury, calls debt of this magnitude the "balance of financial terror": a system where stability hinges on the willingness of Asian central banks to hold enormous amounts of US treasuries, and continuously add to their holdings just to keep disaster at bay.

Some of the numbers being tossed around are quite alarming. The Economic Policy Institute estimates that by 2014 all government revenue will be consumed by just four areas: health care for the elderly and poor, Social Security for retirees, National Defence and interest on the debt. Where will the funding for education, transportation, justice and the environment come from? At some point in the future, debt payments will consume the entire budget.

Additional costs for the war in Iraq currently exceed \$150 billion, with no end in sight.

The current account deficit together with the federal budget deficit will continue to put pressure on the US dollar.

"My fondest dream is that I will give what insurance gold I have to my grandchildren. And that they will give it to their grandchildren. If that happens, nothing disastrous occurred in our lifetimes that caused us to part with the insurance gold."

John Mauldin, Author "Bull's Eye Investing"

"The dollar cannot avoid further declines against other major currencies unless the US trade and current account deficits improve. I think, over time, unless we have a major change in trade policies, I don't see how the dollar avoids going down. I don't know when it happens. I don't have any idea whether it will be this month, this year, or next year, but we are force-feeding dollars on to the rest of the world at the rate of close to a couple billion dollars a day, and that's going to weigh on the dollar."

Warren Buffett

So where will all this lead? Will the US economy come to resemble the Russian economy at the beginning of the millennium, one in a permanent state of depression? It is clear that the US debt problem can never really be solved, and there may even be a default. That would be a global disaster, since the US is the world's largest creditor. At some point foreigners will become increasingly concerned with financing US debts. How many

bankers would be willing to finance a business where annual debt increases equaled gross revenue? Foreign policy, trade and security in the US could become compromised by the fact that foreign countries hold the chips.

Foreigners are beginning to sense that the US dollar is floundering. The first countries

to begin limiting their US dollar investments are Russia, Malaysia, China, Japan and South Korea; each has already announced a desire to diversify their holdings. Eventually a flight from the dollar could occur. When this happens the US bond market will plummet, as will the dollar, and rising interest rates will cause a bursting in both the stock market and real estate bubbles. These events are unlikely to occur overnight, but rather in a gradual manner, since the US government will use every means at its disposal to postpone the ultimate outcome. The importance of allocating precious metals as part of an investment portfolio for their diversification and hedging benefits will become increasingly important as these events unfold.

Although Alan Greenspan criticized the Federal Reserve's actions in 1929, as chairman he has now exceeded the very point he criticized. He has added far more liquidity to the system than the 1929 Federal Reserve, creating bubbles in both the stock markets and real estate. Following the stock market crash in October 1929, there was an initial recovery to the spring of 1930 based on an

increase in money supply through the issuance of additional debt. Since the stock market peak in March 2000, the Federal Reserve has reduced interest rates to a 43-year low of 1 percent and increased the US money supply by \$2.7 trillion (39 percent), from \$6.8 trillion to \$9.5 trillion at the end of 2004. The magnitude of this increase becomes evident when you consider that the total money supply was only \$743 billion in August 1971. This added liquidity flowed into equities resulting in a 58 percent recovery of the S&P 500, a 27 percent recovery of the NASDAQ and a 79 percent recovery for the Dow. It also created a real estate bubble driven by low mortgage rates. As the rate of increase of the money supply declines with rising interest rates, the resumption of the secular bear market will proceed to the next, and most precipitous, winter phase of the Kondratieff cycle. In the last Kondratieff winter, which started in October 1929, the stock markets plunged 89 percent to their lows of 1932. The equity markets then traded sideways for the next 17 years. When you consider that only 10 percent of US families had invested in stocks in 1929 compared to over 50 percent today, the ramifications of a similar decline today will almost certainly be more severe.

While there are a number of potential catalysts for a decline in traditional financial assets, rising interest rates may well be the precipitating event. As the Federal Reserve increases interest rates to support the value of the US dollar and to ensure that foreigners continue to lend the US the \$2.1 billion per day needed to sustain the budget deficit and the trade deficit, financial assets will be negatively impacted. As bond yields increase, the value of bond portfolios will decline. There will be added risks in the form of defaults and downgraded credit ratings. Income trusts will be similarly impacted. As rates rise, corporate profits will suffer because of high debt loads, and because nearly 50 percent of US corporate profits are derived from financing activities. Overleveraged consumers will find that debt service on credit cards and variable rate mortgages will rise, forcing them to cut back on spending, which will further reduce corporate earnings. As rates rise, many homeowners who took advantage of low down-payment offers and variable rate mortgages will no longer be able to make their payments. As defaults increase and new sales decline, the surplus of unsold properties will start a real estate decline. Eventually, as all three asset classes decline in unison, investment portfolios that are not properly diversified will suffer significant capital losses.

The popular myth that a diversified portfolio of stocks and bonds will provide long-term growth is simply not true during bear markets or during periods of rising interest rates. For full diversification, portfolios need an allocation to tangible assets in order to provide negative correlation to financial assets, and to offset any declines. While North American investors have participated in the longest and highest equity bull market ever during the past twenty years, it is important to understand that this period was not the norm - nor is it likely to be repeated over the next 20 years. A secular bear market could last for a decade and wipe out any gains achieved during the bull market. The 1920s bull market took the Dow from 66 in 1921 to 381 by September 1929, and the ensuing decline took it down to 41. The current bull market started in 1982 at 777 and reached a peak of 11,750 in January 2000. The rally in 2003 is typical of a bear market rally: similar to the 1930 rally in the US, and the 1980 rally in the Japanese NIKKEI Index. Will this bear market repeat what previous secular bear markets have done? Will the ensuing decline take the Dow below 777?

“The greatest shock of this decade is that more people are about to lose more money than in any time before in our history. But the second greatest shock will be the incredible amount of money just a relatively small group of people will make at exactly the same time.”

Larry Bates, Author “The New Economic Disorder”

While many investors believe in the buy-and-hold strategy, it does not work during a bear market. Many of the baby-boom generation who subscribe to buy-and-hold will not live long enough to see returns on their investments during the coming bear market. Investors in the Dow of 1929 had to wait 30 years just to break even in inflation-adjusted terms. Japanese investors who held stocks in the NIKKEI are still down 71 percent, 15 years after the 1990 high.

Rather than buying and holding, investors need to consider the benefits of reallocating portfolio holdings during cyclical trend changes. Apart from the fundamental vulnerabilities previously discussed for traditional financial assets, it is important to understand the cyclical nature of markets. As asset classes move through individual bull and bear phases, investors should adjust portfolio allocations in order to maximize long-term growth. A portfolio overweight in a bear-phase asset class can result in huge losses requiring decades to recover from.

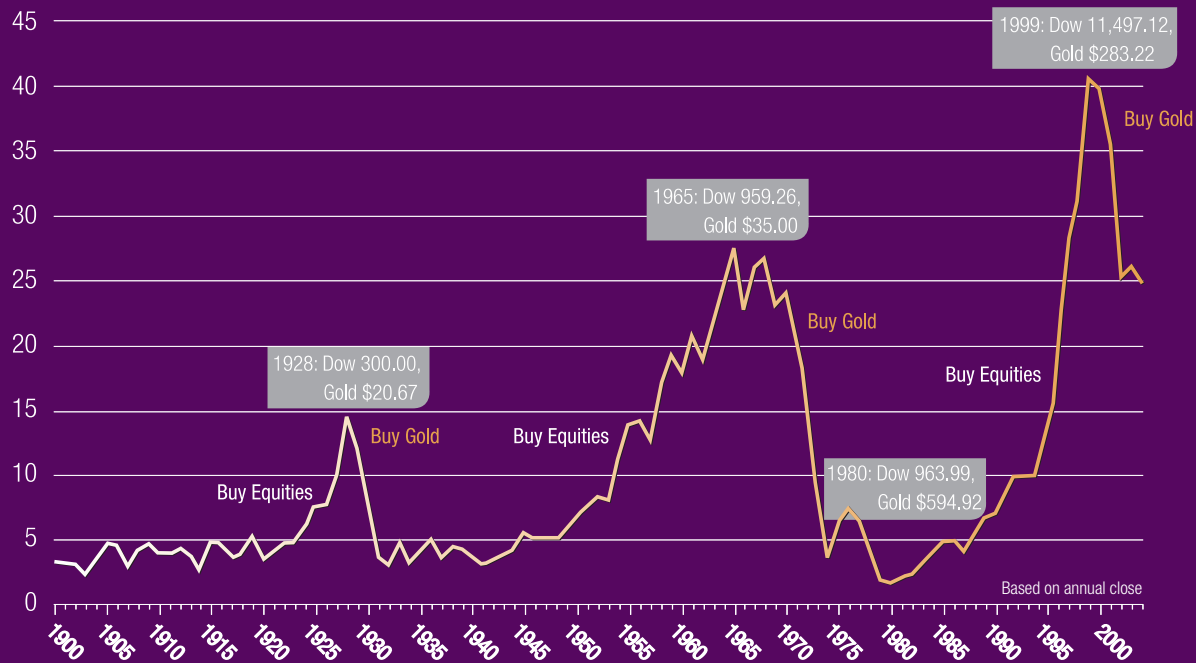
As these cyclical trend changes occur, an important indicator for portfolio adjustments between financial assets and tangible assets is the Dow:gold ratio. An increasing ratio, such as that experienced from 1921 to 1929, from 1933 to 1968 and from 1982 to 2000, indicates that portfolios should be overweight in equities.

Declining ratios, such as those experienced from 1929 to 1933, 1971 to 1980 and 2000 onward, indicate that portfolios should be overweight in gold. In 1933 and 1980 the ratio came close to 1:1, while in 2000 it reached its highest level of 43:1. Since then, it has declined to 25:1 and is trending lower. This indicator suggests

during all market conditions, an overweight position of at least 10 percent should be considered today.

Many investors seem to confuse these allocations, which are largely defensive measures, with speculation in precious metals.

Dow: Gold Ratio



that since March 2000 investors should have been allocating higher percentages to precious metals and smaller percentages to equities. Will this ratio again be 1:1, as the bear market in equities continues and the value of gold increases?

As the outlook for financial assets deteriorates, the importance of a fully diversified portfolio with allocations to tangible assets such as precious metals and oil becomes ever more critical. Although no one knows for certain the impact of rising oil prices, the risks posed by derivatives and high debt levels, and the threats posed by overvalued equity and real estate markets, there is more than enough justification to consider an overweight position in tangible assets. Apart from a portfolio allocation of 5 percent in bullion

For speculation, proxies for bullion such as mining stocks, mining stock mutual funds, commodities futures contracts and options may perform well but are subject to much higher levels of risk and volatility. In an extreme crisis, they may lose most of their value and can even decline to zero.

Bullion, on the other hand, in fully allocated, segregated form, should be the foundation of every portfolio, providing the wealth preservation, diversification and hedging benefits that only bullion can. The value of gold, silver and platinum bullion preserves purchasing power over the long term, regardless of inflation or deflation, and it can never decline to zero.

Financial Statements

Auditor's Report

To the Unitholders of **The Millennium BullionFund**

We have audited the statement of investment portfolio of **The Millennium BullionFund** as at December 31, 2004, and the statements of net assets as at December 31, 2004 and 2003, and the statements of operations and changes in net assets for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the investments of the Fund as at December 31, 2004, and its net assets as at December 31, 2004 and 2003, and the results of its operations and the changes in its net assets for the years then ended in accordance with Canadian generally accepted accounting principles.

Ernst + Young LLP

Chartered Accountants
Toronto, Canada,

March 18, 2005

Statements of Net Assets

As at December 31	2004 \$	2003 \$
ASSETS		
Gold, silver and platinum bullion, at market value [average cost \$27,577,370; 2003 - \$15,338,636]	27,582,450	16,421,273
Cash and short-term investments	–	174,076
Subscriptions receivable	74,598	114,304
	27,657,048	16,709,653
LIABILITIES		
Bank indebtedness	3,970	–
Management fees payable [note 4]	90,649	84,368
Accounts payable and accrued liabilities	91,259	37,436
Redemptions payable	17,449	16,582
	203,327	138,386
Net assets, at market value	27,453,721	16,571,267
Number of units outstanding [note 3]		
Class A	3,947,855	2,717,998
Class F	735,716	–
Net asset value per unit		
Class A	5.86	6.10
Class F	5.90	–

See accompanying notes

On behalf of the Board of Directors of Bullion Management Services Inc.,
Trustee and Manager of The Millennium BullionFund:



Nick Barisheff,
Director



Larry Gamble,
Director

Statements of Operations

Years ended December 31	2004	2003
	\$	\$
INVESTMENT INCOME		
Interest and miscellaneous	3,229	745
EXPENSES		
Management fees <i>[note 4]</i>	555,812	201,568
Legal fees	69,836	57,682
Audit fees - current year	40,895	10,211
Audit fees - prior year <i>[note 6]</i>	24,500	18,700
Filing and registration fees	10,982	27,725
Goods and Services Tax	53,322	23,328
Bullion storage fees	83,132	17,382
Interest and bank charges	234	8,973
Other	24,461	-
	863,174	365,569
Net investment gain (loss) for the year	(859,945)	(364,824)
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS		
Net realized gain (loss) on investments	-	(3,156)
Net realized gain (loss) on foreign exchange	(9,620)	-
Change in unrealized appreciation (depreciation) of investments	(1,077,557)	869,463
Net gain (loss) on investments	(1,087,177)	866,307
Increase (decrease) in net assets from operations	(1,947,122)	501,483
Net realized loss on investments		
Proceeds on sale of investments	-	149,969
Cost of investments sold		
Investments at cost, beginning of year	15,338,636	3,353,844
Purchases	12,238,734	12,137,917
Investments at cost, end of year	(27,577,370)	(15,338,636)
	-	153,125
Net realized loss on investments	-	3,156
Earnings (loss) per unit, for the year		
Class A	(0.45)	0.33
Class F	(0.20)	-

See accompanying notes

Statements of Changes in Net Assets

Years ended December 31	2004 \$	2003 \$
Net assets, beginning of year	16,571,267	3,831,502
Increase (decrease) in net assets from operations	(1,947,122)	501,483
Capital transactions		
Proceeds from issuance of units	21,721,039	14,343,423
Redemption of units	(8,891,463)	(2,105,141)
	12,829,576	12,238,282
Net assets, end of year	27,453,721	16,571,267

See accompanying notes

Statements of Investment Portfolio

As at December 31, 2004	Fine ounces	Average Cost \$	Market Value \$	Total %
Gold, silver and platinum bullion				
Gold bullion	17,416.472	9,189,070	9,089,903	32.96%
Silver bullion	1,165,155.226	9,191,978	9,513,950	34.39%
Platinum bullion	8,718.693	9,196,322	8,978,597	32.55%
Total Investment portfolio		27,577,370	27,582,450	100%

See accompanying notes

Notes to Financial Statements

December 31, 2004

1. THE FUND

The Millennium BullionFund [the “Fund”] was established under the laws of Ontario by a master declaration of trust and regulation each dated January 15, 2002, as amended. Bullion Management Services Inc. is the Trustee and Manager of the Fund. The Fund currently offers 3 classes of units. These financial statements pertain to Class A and Class F units. No Class I units have been issued as at December 31, 2004.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with Canadian Generally Accepted Accounting Principles and include estimates and assumptions made by the manager that affect the amounts of assets, liabilities, income and expenses during the reporting periods. The significant accounting policies are summarized below:

Valuation of investments

Gold, silver and platinum bullion are recorded in the accounts at the spot price of each metal on The Commodities Mercantile Exchange at 4:00 pm (Eastern Time) with the difference between this amount and the average cost being shown as unrealized appreciation (depreciation) of investments.

Cash and short-term investments

Cash and short-term investments include short-term investments which are recorded at amortized cost. Cost plus accrued income on such investments approximates market value.

The market value of short-term investments denominated in foreign currencies is translated into Canadian dollars at the rates of exchange applicable on the valuation date.

Investment transactions, income and expense recognition

Bullion transactions are recorded on the trade date.

Purchases and sales of foreign securities and income and expenses are translated into Canadian dollars at the exchange rates prevailing on the dates of the transactions.

The realized gain or loss on sale of investments is calculated with reference to the average cost of the related investments.

The Fund follows the daily accrual method of recording investment income and expenses. Expenses specifically related to each class of units are charged directly to the class. Other expenses are allocated proportionately to each class based on the average net asset value of each class.

Net asset value per unit

The net asset value [“NAV”] of each class of the Fund is calculated in Canadian dollars at 4:00 pm (Eastern Time) on each day on which The Commodities Mercantile Exchange, a division of The New York Mercantile Exchange, and The Toronto Stock Exchange are open for trading.

A separate NAV is calculated for each class of units of the Fund by taking the class's proportionate share of the Fund's common assets less that class's proportionate share of the Fund's common liabilities and deducting from this amount all liabilities that relate solely to a specific class. The NAV per unit for each class is determined by dividing the NAV of each class by the number of units of that class outstanding at the valuation date.

Income taxes

The net taxable investment income and the net realized capital gains during the year are distributed to the unitholders such that the Fund is not subject to income tax. Accordingly, no provision for income taxes has been recorded in these financial statements.

Earnings (loss) per unit, for the year

Earnings (loss) per unit in the Statements of Operations is calculated as the increase (decrease) in net assets from operations attributed to a class of units for the year, divided by the average number of units of that class outstanding during the year.

New accounting standards

The Canadian Institute of Chartered Accountants ["CICA"] issued Section 1100, "Generally Accepted Accounting Principles ["GAAP"]" of the CICA Handbook - Accounting, which establishes standards for financial reporting. Section 1100 applies to all entities, with the exception of rate-regulated operations, for fiscal years beginning on or after October 1, 2003.

As a result, certain disclosures previously considered GAAP by virtue of general use in the investment funds industry are no longer considered GAAP. This section primarily impacts the disclosure of an investment fund's financial statements, and accordingly, has no impact on the valuation of a fund or in the calculation of the NAV per unit of a fund.

3. UNITHOLDERS' EQUITY

Unit transactions during the years ended December 31 were as follows:

	CLASS A		CLASS F	
	2004 #	2003 #	2004 #	2003 #
Balance, beginning of year	2,717,998	610,486	-	-
Issued	2,667,602	2,472,524	736,042	-
Redeemed	(1,437,745)	(365,012)	(326)	-
Balance, end of year	3,947,855	2,717,998	735,716	-

A director of the Manager held 24,537 Class A units of the Fund as at December 31, 2004 and 2003.

4. MANAGEMENT FEES

The Manager is responsible for the day-to-day activities of the Fund, providing or arranging for all required administrative services and arranging for the distribution of units of the Fund. For these services, the Fund pays the Manager an annual management fee of 2.25% for Class A and 1.25% for Class F, payable monthly in arrears and based on the average daily net asset value of the Fund.

5. MANAGEMENT EXPENSE RATIO

The annualized management expense ratio of Class A 3.46% [2003 - 4.06%] and Class F 2.14% [2003 - nil] includes all fees, expenses and taxes and is expressed as a percentage of the average net assets administered during the year.

6. AUDIT FEES – PRIOR YEAR

The Fund has paid in the current year amounts relating to audit fees incurred for the previous year of \$24,500 [2003 - \$18,700].

7. INCOME TAX LOSS CARRYFORWARDS

The Fund has non-capital tax loss carryforwards of approximately \$1,255,000 available to offset future years' taxable income and expiring as to \$33,000 in 2009, \$365,000 in 2010, and \$857,000 in 2014.

8. COMPARATIVE FINANCIAL STATEMENTS

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2004 financial statements.

9. PORTFOLIO TRANSACTIONS

A statement of portfolio transactions [unaudited] is available to unitholders upon request to the Fund at #280-60 Renfrew Drive, Markham, Ontario, L3R 0E1.

Corporate Information

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The forward looking information, opinions, estimates and projections contained herein are solely those of Bullion Management Services Inc. (BMS) and are subject to change without notice. BMS makes every effort to ensure that the information has been derived from sources believed to be reliable and accurate. However, BMS assumes no responsibility for any losses or damages, whether direct or indirect, which arise out of the use of this information. The information should not be regarded by recipients as a substitute for the exercise of their own judgement. Commissions, trailing commissions, management fees and expenses all may be associated with an investment in The Millennium BullionFund™. Please read the prospectus before investing. The Millennium BullionFund™ is not guaranteed, its units fluctuate in value and past performance may not be repeated.

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