



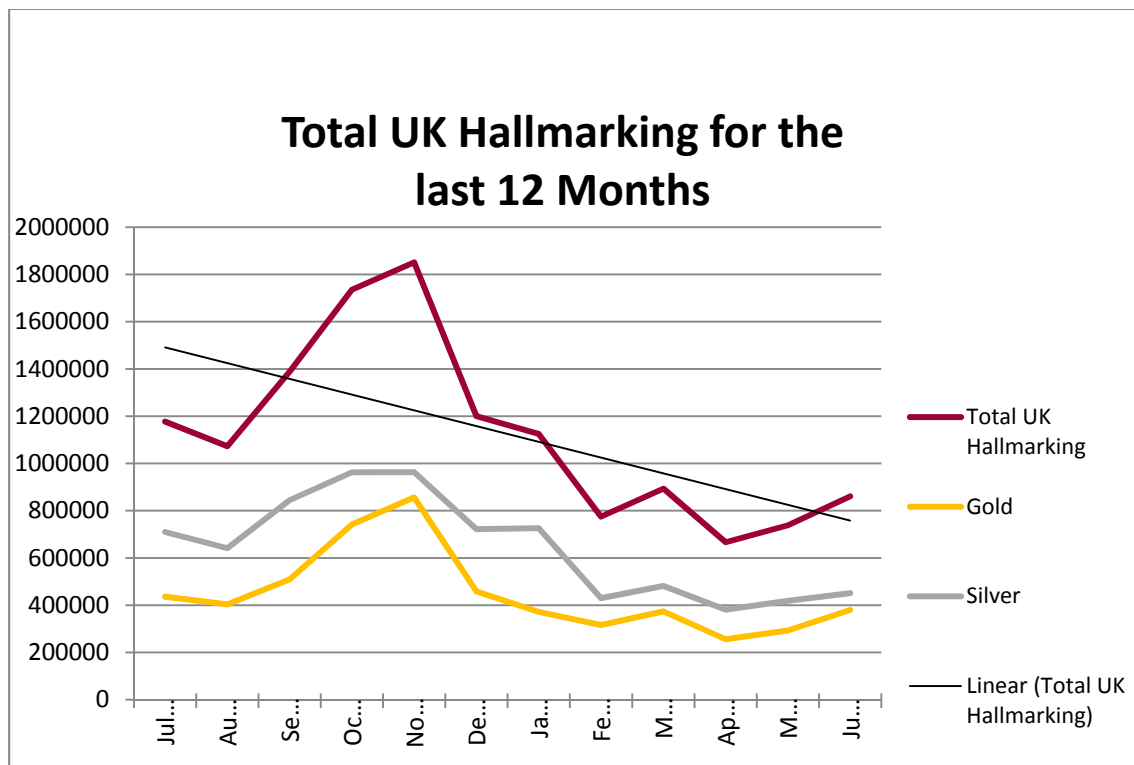
EDINBURGH ASSAY OFFICE

July 2011

Dear Customer,

Difficult times for the Jewellery trade are reflected through Hallmarking statistics.

The last 6 months have seen a continued shrink in demand for 9ct gold jewellery in the UK. The decline has been sustained by the rising gold price. In addition to the marked drop in demand for gold hallmarking, an increase in the price of silver over the last 12 months has made a significant impact on the retail price point for silver jewellery. A sharp rise in cost of living brought about by rising fuel costs coupled with broader public concern over longer term job security and property prices have resulted in a marked decline in consumer confidence. These conditions in turn have resulted in a marked drop in the overall demand for hallmarking on jewellery products.



Prices for 2011- 2012

This year the Edinburgh Assay Office has taken the unprecedented step of introducing a much simpler and much needed single unit charge for any jewellery item weighing less than 100grams, regardless of metal type or product type.* In the case of gold, platinum and palladium articles this change means that unit hallmarking prices will be significantly lower. However, in order to achieve a single price we have made a modest increase to the silver unit hallmarking cost enabling us to achieve a simpler pricing system. It will now be far easier to calculate hallmarking costs across all precious metal types and product types.

It is important for me to point out that these are the first price changes made by the Edinburgh Assay Office for over 30 months.

Please find enclosed our new price list for the next 12 months.

Diamond Jubilee Hallmark

The UK Assay Offices have launched a commemorative hallmark to celebrate the Queen's Diamond Jubilee in 2012. The limited edition hallmark depicts a young Queen Elizabeth wearing an oversized crown in a diamond shaped surround. It will be available from the Edinburgh Assay Office from July 2011 until October 2012.

Point of sale Retail Packs to promote the Queen's Diamond Jubilee Hallmark are available to purchase from the Assay Office at a cost of £10.

It only remains for me to thank you for your continued custom. Please contact me if you wish to discuss any aspect of this letter in further detail.

Best wishes,



Scott Walter
Assay Master

* The hallmarks applied are of a standard layout and are restricted to a maximum size of 1.75mm in height.