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PRESS RELEASE

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and U.S. Minimum Disclosure Circuit

MAJOR PRIVATE PLACEMENT FOR CENTRAL FUND OF CANADA

Central Fund Of Canada Limited announces completion of a private placement today of 4,153,846 Class A shares for aggregate gross proceeds of U.S. \$15,660,000. The shares are being issued at a non-dilutive price of U.S. \$ 3.77 per share, being Cdn. \$6.00 at the exchange rate of 1.5918.

The subscription was received unsolicited from Canadian Investment Manager, Sprott Asset Management Inc., together with its managed accounts, Sprott Canadian Equity Fund and accounts and/or pooled investment vehicles managed by Sprott Asset Management Inc.

The U.S. \$15,660,000 has been invested in an additional 26,800 fine ounces of gold and 1,340,000 ounces of silver with approximately US \$992,400 retained, after expenses of the issue, as working capital.

The new total of issued and outstanding Class A shares of Central Fund of Canada Limited is 23,566,706. The holdings of Central Fund are now represented by 159,027 fine ounces of gold, 7,955,768 ounces of silver and U.S. \$1,852,989 primarily in cash and other net assets.

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