

Thursday, January 30, 2003

PRESS RELEASE

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For Distribution on TSE Disclosure Circuit
and U.S. Minimum Disclosure Circuit

CLOSING OF PRIVATE PLACEMENT FOR CENTRAL FUND OF CANADA

Central Fund of Canada Limited announces that it has completed, a sale on a private placement basis of 3,500,000 Class A shares for aggregate gross proceeds of U.S. \$15,295,000. The shares were issued at a non-dilutive price of U.S. \$ 4.37 per share, being approximately Cdn.\$ 6.71 at the exchange rate of 1.5350. CIBC World Markets Inc. acted as underwriter for the issue.

In accordance with its investment policies, the net proceeds of the offering, U.S. \$13,556,480 have been used to purchase an additional 22,400 fine ounces of gold and 1,120,000 ounces of silver with approximately U.S. \$820,820 retained, as working capital.

The new total of issued and outstanding Class A shares of Central Fund of Canada Limited is 39,297,520. After giving effect to this offering, the holdings of Central Fund will be represented by approximately 261,328 fine ounces of gold, 13,066,381 ounces of silver and approximately U.S. \$3,875,000 primarily in cash.

Central Fund of Canada Limited is a refined gold and silver bullion holding company.

These securities have not been and will not be registered under the United States Securities Act of 1933 as amended or the securities laws of any state and may not be offered or sold in the United States or to any "US Person" (as defined in Regulation S under the Securities Act of 1933) unless an exemption from registration is available.

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