

August 18, 2009

Central Fund of Canada Limited (symbols: NYSE Amex U.S. - CEF, TORONTO - CEF.A) has today released selected comparative financial information relating to net assets and results of operations for the three and nine months ended July 31, 2009.

**CENTRAL FUND OF CANADA LIMITED**  
**Statement of Net Assets**  
(expressed in U.S. dollars, unaudited)

	<i>July 31</i> <i>2009</i>	<i>October 31</i> <i>2008</i>
<b>Net assets:</b>		
<i>Gold bullion, at market, average cost</i> \$707,225,090 (2008: \$526,252,976)	\$ 1,101,473,626	709,313,709
<i>Silver bullion, at market, average cost</i> \$602,091,235 (2008: \$475,723,982)	799,383,050	450,336,352
<i>Cash</i>	1,023,350	1,470,435
<i>Short-term deposits</i>	59,302,420	45,498,877
<i>Prepaid insurance, interest receivable and other</i>	124,343	262,962
	<u>1,961,306,789</u>	<u>1,206,882,335</u>
<i>Accrued liabilities</i>	(1,859,998)	(1,358,756)
<i>Dividends payable</i>	-	(1,524,677)
<b>Net assets representing shareholders' equity</b>	<u>\$ 1,959,446,791</u>	<u>1,203,998,902</u>
<b>Represented by:</b>		
<i>Capital stock</i>		
<i>Class A shares issued:</i> 184,967,713 (2008: 152,467,713)	\$ 1,367,183,782	1,041,656,871
<i>Common shares issued:</i> 40,000 (2008: 40,000)	19,458	19,458
	<u>1,367,203,240</u>	<u>1,041,676,329</u>
<i>Contributed surplus</i>	541,981	4,693,182
<i>Retained earnings inclusive of unrealized appreciation of holdings</i>	591,701,570	157,629,391
	<u>\$ 1,959,446,791</u>	<u>1,203,998,902</u>
<b>Net asset value per share:</b>		
<i>Class A shares</i>	\$ 10.59	7.90
<i>Common shares</i>	\$ 7.59	4.90
<b>Exchange rate:</b> U.S. \$1.00 = Cdn.	\$ 1.0790	1.2165
<b>Net asset value per share expressed in Canadian dollars:</b>		
<i>Class A shares</i>	\$ 11.43	9.61
<i>Common shares</i>	\$ 8.19	5.96

This analysis should be read in conjunction with Central Fund's financial statements prepared in accordance with Canadian generally accepted accounting principles included in its 2008 Annual Report and the accompanying Management's Discussion and Analysis.

The change in net assets as reported in U.S. dollars from period to period is primarily a result of the public offerings completed during the period and the changing market prices of gold and silver and the proportion of each held by the Company. Changes in the value of the U.S. dollar relative to the Canadian dollar will also have an impact on net assets when reported in Canadian dollars.

Net assets increased by \$755.4 million during the nine months ended July 31, 2009 as a result of the two public offerings completed on February 3, 2009 and April 16, 2009 as well as increases in gold and silver prices.

On August 13, 2009, the Company, through a public offering, issued 11,040,000 Class A shares for proceeds of \$126,120,960 net of underwriting fees of \$5,255,040. Costs relating to this public offering were approximately \$600,000 and net proceeds were approximately \$125,520,960. The Company used the net proceeds from this public offering to purchase 69,342 fine ounces of gold at a cost of \$67,404,584 and 3,467,086 ounces of silver at a cost of \$52,595,695, both in physical bar form. The balance of

\$5,520,681 was retained by the Company in interest-bearing cash deposits for working capital purposes.

**CENTRAL FUND OF CANADA LIMITED**  
**Statement of Income**  
(expressed in U.S. dollars, unaudited)

	<i>Nine months ended July 31</i>		<i>Three months ended July 31</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
<b>Income:</b>				
<i>Interest</i>	\$ 317,590	688,206	\$ 50,216	183,323
<i>Change in unrealized appreciation of holdings</i>	434,072,179	215,828,975	124,125,245	69,423,469
	<b>434,389,769</b>	<b>216,517,181</b>	<b>124,175,461</b>	<b>69,606,792</b>
<b>Expenses:</b>				
<i>Administration fees</i>	2,755,238	2,444,251	1,029,723	845,688
<i>Safekeeping, insurance and bank charges</i>	1,200,313	1,204,281	456,437	432,038
<i>Shareholder information</i>	154,286	137,977	18,950	21,891
<i>Directors' fees and expenses</i>	97,520	101,093	32,315	34,547
<i>Stock exchange fees</i>	96,508	97,209	31,822	32,591
<i>Accounting fees</i>	61,418	61,462	21,923	10,066
<i>Registrar and transfer agent fees</i>	55,343	60,511	17,822	22,581
<i>Legal fees</i>	46,159	95,447	5,823	4,153
<i>Miscellaneous</i>	934	909	294	275
<i>Foreign currency exchange loss</i>	1,072	1,851	581	700
<b>Total expenses</b>	<b>4,468,791</b>	<b>4,204,991</b>	<b>1,615,690</b>	<b>1,404,530</b>
<i>Net income inclusive of the change in unrealized appreciation of holdings</i>	\$429,920,978	212,312,190	\$122,559,771	68,202,262
<b>Net income per share:</b>				
<i>Class A shares</i>	\$ 2.56	1.69	\$ 0.66	0.53
<i>Common shares</i>	\$ 2.56	1.69	\$ 0.66	0.53

The net income (inclusive of the change in unrealized appreciation of holdings) for the three months ended July 31, 2009 was \$122.6 million compared to \$68.2 million for the comparative period in 2008. For the nine months ended July 31, 2009, the net income (inclusive of the change in unrealized appreciation of holdings) was \$429.9 million compared to \$212.3 million for the same period in 2008. Virtually all of the income respectively was due to the change in unrealized appreciation of holdings. Certain expenses, such as administration fees which are scaled, have varied in proportion to net asset levels or, in the case of stock exchange fees, with market capitalization based on the number of Class A shares issued. Administration fees, which are calculated monthly based on net assets at each month end, increased during the three month period to \$1,029,723 from \$845,688 for the same period in 2008 and for the nine month period to \$2,755,238 from \$2,444,251 for the same period in 2008 as a direct result of the higher level of net assets under administration.

Expenses as a percentage of average month-end net assets for the three-month period ended July 31, 2009 were 0.08%, compared to 0.09% for the same three-month period in 2008. Expenses as a percentage of average month-end net assets for the nine-month period ended July 31, 2009 were 0.26%, compared to 0.29% for the same nine-month period in 2008. For the twelve months ended July 31, 2009, this expense ratio was 0.35% compared to 0.39% for the prior twelve-month period in 2008.

Central Fund of Canada Limited is a specialized investment holding company which invests primarily in long-term holdings of allocated, segregated and unencumbered gold and silver bullion and does not speculate in gold and silver prices. At July 31, 2009, the Class A shares of Central Fund were backed 97% by gold and silver bullion and may be purchased or sold with ease on either the NYSE Amex (Symbol: CEF) or The Toronto Stock Exchange (Symbols: CEF.A in Canadian dollars and CEF.U in U.S. dollars).

For further information please contact:  
J.C. Stefan Spicer, President & CEO  
Email: [info@centralfund.com](mailto:info@centralfund.com)  
Website: [www.centralfund.com](http://www.centralfund.com)  
Telephone: 905-648-7878