



BULLION
MANAGEMENT
GROUP INC.

Steady Reliable Cash Flow for Income-starved Investors from New BMG Gold Advantage Return BullionFund

Markham, ON – October 18, 2012 – With one-year Canadian treasury bills offering just slightly more than one percent, Bullion Management Services Inc., a BMG company (BMG), is offering cash-flow-starved investors a new open-end mutual fund that couples \$0.07 per unit monthly fixed cash distributions with an underlying asset of uncompromised physical gold bullion.

The investment objective is to provide a secure, convenient, medium-risk alternative for investors seeking to indirectly hold gold bullion while receiving monthly cash flow from capital gains in a tax-efficient manner. BMG Gold Advantage Return BullionFund invests only in Class I units of BMG Gold BullionFund (the Underlying Fund).

The global economy is currently in a long-term, negative real interest rate environment – historically the best time to invest in gold. “Today’s low interest rates and dividend payouts mean tough choices for income-oriented investors planning for, or in, retirement,” said Nick Barisheff, President and CEO of BMG. “The BMG Gold Advantage Return BullionFund provides a brilliant alternative – an attractive fixed monthly distribution of \$0.07 per unit, with an underlying asset of gold bullion.”

Gold has delivered consistently high returns, with annualized returns of 13.45 percent over the past ten years and 16.21 percent over the past five years, according to the World Gold Council. “If gold repeats this performance,” says Mr. Barisheff, “investors will receive cash distributions in excess of 8 percent from their capital gains, while at the same time experiencing a growth in their capital.” For investment portfolios overwhelmingly invested in equities and bonds, BMG Gold Advantage Return BullionFund also provides an extra layer of diversification in an asset class that is negatively correlated to traditional asset classes.

The minimum investment in Class A and Class F units is \$1,000. The Fund Codes are: Class A-FE units (CDN dollars): BMG300; Class A-LL units (CDN dollars): BMG304; Class A-FE units (US dollars): BMG301; Class A-LL units (US dollars): BMG305; Class F units (CDN dollars): BMG302; Class F Units (US dollars): BMG303. The current Net Asset Value per Unit for Canadian Dollar Class A units is \$10.15.

Uncompromised bullion offers investors the absolute security of allocated, insured gold without compromising any of the fundamental attributes of precious metals ownership: absolute liquidity; no reliance on management skills; and no counterparty risk with no use of derivatives, futures, options, leasing, currency hedging or gold certificates.

For more detailed information, visit <http://www.bmgfunds.com/advantage>.



BULLION
MANAGEMENT
GROUP INC.

About Bullion Management Group Inc.

Toronto-based Bullion Management Group Inc. (BMG) is a precious metals bullion management company whose mission is to be a global leader in providing secure, cost-effective and transparent ways to purchase and store physical bullion. BMG has CDN\$625 million of bullion assets under management. The company is an Associate Member of the London Bullion Market Association (LBMA). Through its subsidiary, Bullion Management Services Inc., BMG manages three mutual funds. BMG BullionFund is the world's first open-end mutual fund trust that purchases equal dollar amounts of gold, silver and platinum bullion. BMG Gold Advantage Return BullionFund couples monthly fixed cash distributions with an underlying asset of physical gold. For more information on BMG and BMG Funds, please visit: www.bmgbullion.com.

Media Contacts:

Rob Para

Vice President, Marketing

Bullion Management Group Inc.

Phone: +1 888-474-1001, ext. 2930

Email: bmgpr@bmgbullion.com

Paul Brent

Senior Communications Strategist

market2world communications inc.

Phone: +1 613-256-3939

Email: paul@market2world.com

This news release does not constitute an offer to sell or a solicitation of an offer to buy the units of the Funds, nor shall there be any sale of the Funds in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities law of any such jurisdiction.

Additional details on the Funds can be found in the Fund's profile on SEDAR or on the internet site for the Fund at www.bmgbullion.com.