



We are fortunate to be busy at all our operations but especially at Presman as gold prices remain strong.

I am also pleased to announce our Mastermelt Refining operation at Buxton has achieved ISO 9001/2008 in record time. Congratulations go to Nick Milburn and Neil Redfern for their work in obtaining this accreditation.

All our UK sites now hold ISO 9001/2008 and ISO 14001 accreditations which are Quality and Environmental standards. The benefit to our customers is in the comfort that the Group can deliver a quality service in a competent, environmentally sound manner.

We are continually looking to make improvements in the way we run our business. We know that in the long run this makes the business more secure enabling our customers to feel the benefits in quality and service.

In closing, I would like to wish you all a very successful year ahead.

Chairman
Robert Davis M.I.E.M.A C.Env

Mastermelt Ltd. working with The Birmingham Assay Office

In December Mastermelt Ltd. and The Birmingham Assay Office created a new opportunity for customers to sell bars melted and assayed by The Birmingham Assay Office straight to Mastermelt.



This agreement enables Mastermelt customers based in the Birmingham area to have their scrap or lemls independently melted by The Birmingham Assay Office and then to sell them on direct. Mastermelt will make payment to the customer based on the Assay Report without the customer having to remove the bar from The Birmingham Assay Office.

Mastermelt Ltd. are pleased to be associated with The Birmingham Assay Office and believe this co operation will be very beneficial. Graham Couzens, Group Business Development Manager for Mastermelt says, "We are now able to offer our Birmingham customers a prompt, reliable and most of all convenient service for their scrap. We are always happy to buy a bar authenticated by an independent Assay Report from The Birmingham Assay Office".

For further details please call our London office on **020 7400 3400**

Mastermelt Refining Services gains ISO 9001

We are delighted to announce that in December Mastermelt Refining Services were awarded their ISO 9001 certification.

Due to the size of the business and the many processes employed at the Buxton site this was a major achievement. The staff at MRS made a major contribution to gaining this accreditation which will provide our customers with the knowledge that all materials arriving at our Buxton site will be subject to internationally recognised sampling procedures and subsequent refining.

All the Group's UK sites now have ISO 9001 and ISO 14001 accreditations which can provide our customers with the security they are dealing with a Group that adopts high standards of control while practising environmental responsibility.



The Presman Mastermelt Group

During the last year the Group has seen continued expansion at its operations in the UK and USA.

The rise in the gold price in has created unprecedented demand for Presman's scrap purchasing services with queues a regular feature outside its Hatton Garden offices. With record levels of postal receipts during the year, the operation has not managed to keep to its usual same day service but we have endeavoured to keep all our customers satisfied.

The Mastermelt Refining Services operation at Buxton has continued to be busy with a steady increase in intake from the electronics and chemical sectors since the summer. A noticeable milestone was the company receiving their ISO 9001 accreditation in November which is a major achievement for such a complex operation.

Mastermelt Ltd. has again had a very good year maintaining the levels of jewellery sweeps and lemls processed at its Hatton Garden operation and once again has increased its industrial base to take in record quantities of residues from the electronics, chemical and aerospace industries.

Our latest facility in Sweetwater Tennessee had a slow start to the year but it has seen a strong finish after gaining large quantities of catalyst residues from the chemical and chloro alkali industries during the last six months. The outlook remains very positive for this operation as the US economy pulls out of recession.

Our associated company Phoenix County Metals also saw a strong second half to the year as the electronics industry emerged from the doldrums.

The one constant factor is that all these operations are committed to provide a high level of customer service in addition to providing comprehensive refining options for our customers.

Gold price in has created unprecedented demand for Presman's scrap purchasing services



Is the gold bubble going to burst?



One of the most sustained periods of gold buying in the last six months of 2009 saw the price reach an all time high which it has largely managed to maintain going into 2010.

With the demise of the value of the dollar investors took to gold either as physical metal, especially in the Far East, or as electronic traded funds [EFT's] – which have become a very highly traded commodity.

This movement in the gold price has prompted a surge of gold scrap together with a mushrooming of companies buying gold from the public and advertising on the TV. It is estimated that over 1000 mt of gold was scrapped worldwide during 2009.

Conversely we saw the Central Bank of India purchasing 200 mt of gold from the IMF to offset their dependency on the dollar. In the first few days of 2010 imports of gold into India have started to get back to reasonable levels showing that despite the price it still remains an attractive investment,

so forming a strong base for future sales.

Will it last; well it depends on interest rates in the USA. If they rise the dollar will become an attractive investment again and so we could see a decline in the gold price.

Conversely as the world's economies recover the demand for the platinum group metals will improve. This has been evident with the rise in the prices of platinum, palladium and rhodium from their depths in 2009. The requirement in the UK to hallmark palladium jewellery from 2010 has seen over 40,000 items hallmarked over the last six months. Palladium jewellery with its hard glossy finish is a low cost alternative to white gold and platinum jewellery.

Whatever the outlook for metal prices in 2010 keep up to date by visiting our prices page and latest news on our website at www.mastermelts.co.uk.

Presman Registered Post Service



Since its launch in 2001 the Presman Postal Service has gone from strength to strength. From a typical level of 80 receipts a month in its early days, the number of envelopes received is now averaging over 1,500 a month and rising!

The convenience of being able to send scrap one day and receive payment back the next day is a service many retail jewellers appreciate. It not only allows them to turn round their stock quickly and avoid travelling into London but it's also free!

We have enclosed an envelope for your use and if you have not used this service yet then give it a try and see for yourself how easy it is.

Terms and Conditions apply.

If you need more envelopes then please contact Presman Bullion on the number below:

Tel: 020 7404 0903



Welcome to the winter edition of our newsletter. Talk of recession and economic gloom are beginning to fade although it is not over by any stretch of the imagination but everyone seems to be just getting on with business.

