

Inspectorate International Limited
2 Perry Road, Witham, Essex CM8 3TU, UK
T: +44 (0)1376 536800
F: +44 (0)1376 520819
E: witham.hq@inspectorate.co.uk
www.inspectorate.com



30 January 2012

The Directors

ETF Securities Ltd

Ordnance House,

31 Pier Road,

St Helier,

Jersey, JE4 8PW

Dear Sirs,

Count of Silver Bullion in respect of ETFS Physical Silver

ETF Securities Ltd (the "Client") has engaged Inspectorate International Limited ("Inspectorate") to conduct two inspections per year of the silver bullion stock held on behalf of ETFS Metal Securities Australia Ltd at the vault of HSBC Bank USA N.A, London (the "Custodian").

It is with pleasure that we submit below our reports to the Client in accordance with the agreed procedures for record date as of 31 December 2011.

Name of Account	Gold Bullion Nominees Pty as Trustee for ETFS Physical Silver
Material	London Good Delivery Silver Bars
Locations	HSBC Bank USA N.A, London
Results	As at the close of business on 31 December 2011, ETFS Physical Silver held title to 2,199 London Good Delivery Silver Bars said to be of purity of 99.90% minimum, up to and including 99.99%. As per the weight list records of the Custodian the gross weight troy ounces are said to be: London Good Delivery Silver Bars : 2,131,726.900

Description of Activity Over the course of the inspection, we performed procedures including but not limited to:

- Reconciled the silver inventory records of the Administrator to the records of the Custodian.
- Agreed each individual batch of silver bars to the records of the Custodian as being held in the name of the above mentioned account.

- Checked the bar number and brand purity of one bar per pallet against the records of the Custodian.
- Reconciled the physical movement of bars which occurred during the inspection period between 31 December 2011 and 30 January 2012.

Anomalies

No anomalies were identified in respect of the silver bars as at 31 December 2011.

The audit was carried out to the best of our knowledge and this report reflects our findings as at time and place for audit only.

For and on behalf of

INSPECTORATE INTERNATIONAL LIMITED

