

Thursday, May 2, 2002

PRESS RELEASE

For Release on Thursday, May 2, 2002 at 4:30 p.m.(E.S.T.)
For Distribution on TSE Disclosure Circuit
and U.S. Minimum Disclosure Circuit

FURTHER PRIVATE PLACEMENT FOR CENTRAL FUND OF CANADA

Central Fund of Canada Limited announces completion of a private placement today of 646,154 Class A shares for aggregate gross proceeds of U.S. \$ 2,449,231. The shares are being issued at a non-dilutive price of U.S. \$ 3.79 per share, being Cdn.\$ 5.97 at the exchange rate of 1.575.

The U.S. \$ 2,449,231 has been invested in an additional 4,000 fine ounces of gold and 200,000 ounces of silver with approximately U.S. \$ 238,615 retained, after expenses of the issue, as working capital.

The new total of issued and outstanding Class A shares of Central Fund of Canada Limited is 24,212,860. The holdings of Central Fund are now represented by approximately 163,027 fine ounces of gold, 8,155,768 ounces of silver and U.S. \$ 2,091,604, primarily in cash.

For further information, please contact:
J.C. Stefan Spicer, President and CEO at (905) 648-7878
Website: www.centralfund.com