

CENTRAL FUND OF CANADA LIMITED

FOR IMMEDIATE RELEASE

TSX SYMBOL: CEF.A

AMEX SYMBOL: CEF

CLOSING OF U.S. \$ 48.5 MILLION SHARE ISSUE

TORONTO, Ontario (June 13, 2002 /CNW/) – Central Fund of Canada Limited of Calgary, Alberta announced today that it has completed the sale of 11,584,660 Class A Shares to a syndicate of underwriters led by CIBC World Markets Inc. and raised total gross proceeds of US\$48,539,727 (Cdn \$ 74,489,362). The Shares were sold to investors in Canada and in the United States, under the multijurisdictional disclosure system.

The issue was completed at a price that was non-dilutive to the net asset value of Class A shareholders prior to the issue, since the issue price incorporated a sufficient net asset value premium to offset all of the expenses and underwriters commission associated with the offering.

In accordance with its investment policies, Central Fund has invested net proceeds of approximately U.S.\$45,612,000 (Cdn.\$71,532,198) in approximately 75,200 fine ounces of gold and 3,760,000 ounces of silver with approximately U.S.\$2,500,000 in cash left available for further bullion purchases and working capital.

The new total of issued and outstanding Class A Shares of Central Fund of Canada Limited is 35,797,520. The investment holdings of Central Fund are now represented by approximately 237,855 fine ounces of gold, 11,906,639 ounces of silver and U.S.\$4,500,000 primarily in cash.

Central Fund of Canada Limited is a refined gold and silver bullion holding company.

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