

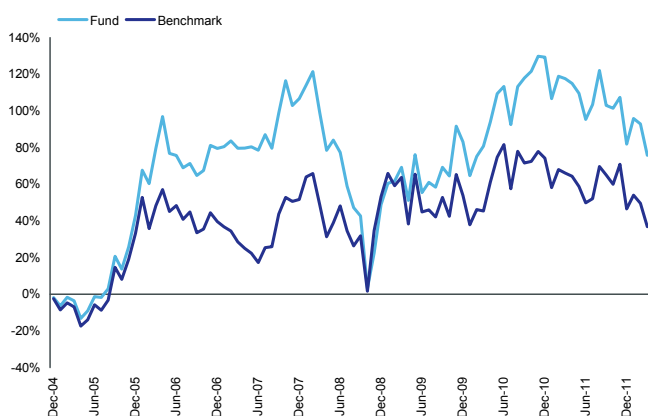
BlackRock International Gold Fund

Investment Performance (%)

	Fund Inception	1 Mth	3 Mths	CYTD	1 Yr	3 Yrs	5 Yrs	Inc
BlackRock International Gold Fund (D Class) (Net of Fees)	8 December 2004	-8.97	-3.62	-3.62	-20.18	0.13	-1.37	7.33
FTSE Gold Mining Index (Gross of Fees)		-8.54	-6.58	-6.58	-17.60	-5.80	1.27	4.42
Outperformance (Net of Fees)		-0.43	2.96	2.96	-2.58	5.93	-2.64	2.91
BlackRock International Gold Fund (C Class) (Net of Fees)	29 September 2005	-9.07	-3.88	-3.88	-21.02	-0.89	-2.35	4.01
FTSE Gold Mining Index (Gross of Fees)		-8.54	-6.58	-6.58	-17.60	-5.80	1.27	2.61
Outperformance (Net of Fees)		-0.53	2.70	2.70	-3.42	4.91	-3.62	1.40
BlackRock International Gold Fund (Gross of Fees)	7 December 2004	-8.87	-3.33	-3.33	-19.20	1.27	-0.43	8.02
FTSE Gold Mining Index (Gross of Fees)		-8.54	-6.58	-6.58	-17.60	-5.80	1.27	4.38
Outperformance (Gross of Fees)		-0.33	3.25	3.25	-1.60	7.07	-1.70	3.64

Past performance is not a reliable indicator of future performance. Performance for periods greater than one year is annualised. Performance is calculated in Australian dollars and assumes reinvestment of distributions. Gross performance is calculated gross of ongoing fees and expenses. Net performance is calculated on exit-to-exit price basis, e.g. net of ongoing fees and expenses.

Cumulative Performance (Gross)



Market Review

Gold prices drifted in March. Gold tumbled at the very start of the month following testimony from US Federal Reserve Chairman Ben Bernanke, who suggested that the bank is unlikely to engage in more monetary easing in the short term. This was followed up with a further statement to this effect on the 13th of March. A lower estimate on Chinese economic growth weighed on all commodities, including bullion.

The latest data from GFMS and the World Gold Council show that net purchases by central banks amounted to 440 tonnes last year, the highest level since 1964. The major buyers included Mexico (99 tonnes) and Russia (94 tonnes). The purchases made last year and in 2010 represent a major swing by the central banks, which had been net sellers of the metal for decades. The change is the result of two factors: firstly, it is the function of the fact that many banks (such as France and Switzerland) have now completed their sales; secondly, new buyers have entered the market. The latter have historically held little or no gold in their reserves and now see the merits of bullion as a diversification. Interestingly, even though gold prices have risen seven-fold since their 2001 low of US\$250/oz, their share of global reserves (at around 12.5%) has hardly changed due to the fact that banks have been net sellers for the last decade and foreign exchange reserves have increased significantly. GFMS estimates that net purchases for the first half of 2012 will be 190 tonnes.

In equity news, Eldorado Gold has completed the acquisition of European Goldfields, having announced the deal in December. The transaction transforms

Eldorado into a leading intermediate gold producer with a resource base of 28 million ounces and production growth of 160% to 1.6 million ounces by 2015. Elsewhere, Alamos Gold reported positive drilling results at the Mulatos deposit in Mexico. One drill hole in the El Victor zone returned 4.98g/t over 50.3m. This is the best hole the company has drilled to date. As the intercept falls outside the current open pit boundary, it clearly highlights the potential to add to resources at the operation. New Gold continued the trend in announcing strong financial results for 2011. The company reported record earnings and cashflows with gold production of 390,000 ounces at a cost (net of by-products) of just US\$446/oz. Guidance for 2012 looks even better. The company hopes to see production rise to 445,000 ounces at a production cost of US\$410-430/oz. In other equity news, Polyus Gold announced that its gold reserves have increased by 12% to 90.5 million ounces. The company now has the third largest gold reserves after Barrick Gold and Newmont.

Companies like Eldorado, Alamos and New Gold are capable, in our view, of delivering strong shareholder returns. They are well managed, have strong growth profiles and interesting exploration potential. They are also starting to return more capital to shareholders by way of dividends. Equities are trading at a discount to bullion prices.

Strategy Commentary and Outlook

Over the month of March the Fund returned -8.87% (before fees). For the same period the Fund's reference benchmark, the FTSE Gold Mines Index, returned -8.54%.

The Fund performed broadly in line with the index for the month. Holdings in Alamos Gold, Mantle Diamonds, B2 Gold all helped the Fund. The Fund also benefited by being underweight Anglo Ashanti and Newmont which both declined. However holdings like Duran Ventures, Ampella Mining and Centerra Gold fell further than the FTSE Gold Mines index, detracting from returns. Also Goldcorp and Barrick hurt relative returns as they declined by less than other gold stocks.

Gold market fundamentals remain supportive of higher prices. Jewellery demand growth looks to be well supported by India and China, while the drivers of investment demand are likely to persist for the foreseeable future. The potential for further net purchases by central banks could also be supportive of prices. Supply, on the other hand, remains hampered rising costs, lack of exploration success and more onerous permitting restrictions. The key threat to the gold market is an increase in real interest rates, which raises the opportunity cost of holding gold. At the moment, we believe the interest rate and exchange rate environment remain bullish for gold.

About the Fund

Investment Objective

The Fund seeks to maximise capital growth over the medium to long-term by investing primarily in gold mining shares through out the world, including Australia.

Fund Strategy

The Fund seeks investments primarily in gold companies that the Manager considers to offer the best long-term exposure to gold prices within an acceptable risk level. The Fund aims to invest in companies with strong management track records and with growth potential, both through existing operations and via the construction of new mines. Pure exploration companies would typically comprise only a small part of the portfolio.

Investment will be primarily in gold mining companies in countries including South Africa, Australia, Canada, USA and other mining companies.

Should be considered by investors who ...

- ▶ Seek a fund that invests in gold mining shares throughout the world as well as other precious metal, base metals and mining related shares.
- ▶ Have a long term investment horizon.

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Fund Details

BlackRock International Gold Fund	
Fund Size	42 mil
Buy/Sell Spread	0.35%/0.35%
BlackRock International Gold Fund (C Class)	
APIR	MAL0019AU
Management Fee	2.25% p.a.
BlackRock International Gold Fund (D Class)	
APIR	MAL0016AU
Management Fee	1.25% p.a.

Region Exposure

Region	Weight %
Asia Pacific ex Japan	27.31
Africa	12.86
Europe ex United Kindom	5.86
Latin America	26.54
North America	27.43

Top Holdings

Holding	Weight %
NEWCREST MINING LTD.	9.52
GOLDCORP INC.	7.99
ELDORADO GOLD CORP.	6.27
YAMANA GOLD INC.	5.14
KINROSS GOLD CORP.	4.49
RANDGOLD RESOURCES LTD. ADS	3.83
BARRICK GOLD CORP.	3.62
ANGLOGOLD ASHANTI LTD. ADS	3.47
ETFS PHYSICAL PALLADIUM ETF-C	3.15
COMPANIA DE MINAS BUENAVENTURA S.A	3.03