

Castle Meets with U.S. Mint to See First Pure Gold Coin Ever Minted -- June 29, 2006

Gets first hand glimpse of new 24 karat American Buffalo Coin

Washington D.C. -- Delaware Congressman Mike Castle, a senior member of the House Financial Services Committee, and previous chair of the Subcommittee on Domestic and International Monetary Policy, met with Cliff Northrup, Director of Legislative and Intergovernmental Affairs at the U.S. Mint, who showed the Congressman firsthand the new 24 karat American Buffalo coins, the first pure gold coins ever to be minted in the United States. The coins' production is a result of Rep. Castle's "Presidential \$1 Coin Act" which was signed into law by the President in December 2005.

"It's very exciting to see this valuable pure gold coin for the first time. From my work in Congress with coins over the years, I have come to appreciate the artwork and careful precision that comes with the design of a coin. This pure-gold Buffalo currency is certainly no exception to that meticulous detail. As I've said before, my hope is that this coin will continue to help invigorate interest in coin collecting throughout the United State, along with the Presidential dollar coin program which will begin next January," Rep. Castle said.

The solid gold buffalo coin was added to Congressman Castle's Presidential \$1 Coin Act in the Senate after the House of Representatives had approved the bill. The Congressman supported the plan to add it to his bill, and supported the idea enthusiastically, knowing there was a large and growing market for gold investment coins. The

U.S. had never offered a pure-gold investment-grade coin, although Canada and China were large players in that market.

The U.S. Mint will sell two versions of the coin -- one for investors and one for collectors. The cost for the bullion coin designed for investors will be based on the market price of gold, plus markups. The cost of the proof coin for collectors -- which has a finer finish, a higher quality strike and be made in limited quantities -- is set at about \$800 per proof coin. Only 300,000 proof versions will be produced, of which approximately 100,000 have already been sold in the first days of issuance. The design of the coin comes from the "Type 1" Buffalo Nickel designed by James Earle Fraser. An American bison appears on the reverse side while the "face," or obverse, bears the Fraser design of an American Indian. "Buffalo nickels" were issued by the Treasury Department from 1913-1938.

Starting in 2007, the dollar coin legislation also creates a circulating one-dollar coin program with a regularly changing design, featuring the Presidents of the United States in the order in which they served, with a new design every three months. The reverse of the coin will feature a dramatic image of the Statue of Liberty. Taking into account the expensive price of this smaller, sold-gold coin, Rep. Castle's legislation calls for the Mint to strike inexpensive bronze copies of the Spouse coins so that a school child, for example, could own a collectible George and Martha Washington for a price as low as ten dollars.

