

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PROSPECTUS

Continuous Distribution

January 26, 2011



CLAYMORE GOLD BULLION ETF

This prospectus qualifies the distribution of hedged common units (the “Hedged Common Units”) and non-hedged common units (the “Non-Hedged Common Units”) of Claymore Gold Bullion ETF (the “Claymore Gold ETF”), an exchange traded fund (“ETF”) established under the laws of the Province of Ontario. The Hedged Common Units and Non-Hedged Common Units are collectively referred to herein as the “Units”.

The Units are being offered and sold on a continuous basis by this prospectus and there is no maximum number of Units that may be issued.

The Claymore Gold ETF is designed to provide holders of Units (the “Unitholders”) with an exposure to physical gold bullion. The Hedged Common Units also provide investors with a currency hedge against the US dollar (“USD”). The Manager (defined below) believes that the Claymore Gold ETF provides a secure, low-cost and convenient alternative to investors interested in holding gold bullion.

The investment objective of the Claymore Gold ETF is to replicate the performance of the price of gold bullion, less its expenses and fees. The Claymore Gold ETF is not actively managed. The Claymore Gold ETF does not anticipate making regular distributions. See “Investment Objective”.

The net assets of the Claymore Gold ETF consist of physical gold bullion which the Claymore Gold ETF purchases and holds in accordance with its investment objective, strategy, policies and restrictions, as well as the forward contracts relating to the currency hedge, permitted gold certificates, if any, and cash. All of the Claymore Gold ETF’s physical gold bullion is stored on an allocated and segregated basis in the vaults of The Bank of Nova Scotia, a Canadian Schedule I chartered bank, or an affiliate or a division thereof, or a sub-custodian. All of the gold bullion purchased by the Claymore Gold ETF is certified either “London Good Delivery” or “COMEX Good Delivery”. See “Investment Strategy” and “Risk Factors – Risks Relating to Unallocated Gold”.

Claymore Investments, Inc. (the “Manager” or “Claymore”), a registered portfolio manager and exempt market dealer, is the trustee and manager of the Claymore Gold ETF and is responsible for the administration of the Claymore Gold ETF. Claymore, which, as of December 31, 2010 had \$5.7 billion in assets under management, is a wholly-owned subsidiary of Guggenheim Funds Services Group, Inc. (formerly Claymore Group, Inc.), a financial services and asset management company based in the Chicago, Illinois area and is an indirect subsidiary of Guggenheim Partners, LLC, (“Guggenheim”) a global, diversified financial services firm with in excess of US\$100 billion in assets under supervision. Guggenheim, through its affiliates, provides investment management, investment advisory, insurance, investment banking and capital markets services. Claymore, in addition to acting as the manager of the Claymore Gold ETF, is also the investment adviser for all of the Claymore exchange traded funds. See “Organization and Management of the Claymore Gold ETF – The Manager”.

The Claymore Gold ETF does not have a fixed termination date. See “Termination of the Claymore Gold ETF”.

The Hedged Common Units are listed on the Toronto Stock Exchange (“TSX”) under the symbol CGL, and are offered on a continuous basis. Investors can buy or sell Hedged Common Units on the TSX through registered

brokers and dealers in the province or territory where the investor resides. From time to time as may be agreed by the Claymore Gold ETF and the Designated Brokers and Underwriters, the Designated Brokers and Underwriters may agree to accept Baskets of Physical Gold Bullion as payment for Units from prospective purchasers. Investors may incur customary brokerage commissions in buying or selling Units. The Non-Hedged Common Units are not currently listed on a stock exchange. The TSX has conditionally approved the listing of the Non-Hedged Common Units and subject to the Claymore Gold ETF fulfilling all of the TSX's listing requirements on or before January 18, 2012, the Non-Hedged Common Units of the Claymore Gold ETF will be offered on a continuous basis. The Manager expects that the issuance of the Non-Hedged Common Units of the Claymore Gold ETF offered hereby will occur in February 2011 and the Non-Hedged Common Units will be listed for trading in February 2011.

Unitholders may redeem Units in any number for cash, subject to a redemption discount, or, may exchange a Prescribed Number of Units (or integral multiple thereof) for Baskets of Physical Gold Bullion held by the Claymore Gold ETF and cash.

The Claymore Gold ETF will issue Units directly to Designated Brokers and Underwriters.

No underwriter has been involved in the preparation of the prospectus or has performed any review of the contents of the prospectus.

There is no assurance that the Claymore Gold ETF will be able to achieve its investment objective.

For a discussion of the risks associated with an investment in the Units, see "Risk Factors".

In the opinion of counsel, Units of a class of the Claymore Gold ETF will be "qualified investments" for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, registered education savings plans and tax-free savings accounts provided that either or both: (i) the Claymore Gold ETF qualifies as a "mutual fund trust" within the meaning of the *Income Tax Act* (Canada) and the regulations thereunder (collectively the "Tax Act"), or (ii) Units of such class are listed on a designated stock exchange (including the TSX). Holders of tax-free savings accounts should consult their own tax advisors to ensure that Units of a class of the Claymore Gold ETF would not be a "prohibited investment" (as defined in the Tax Act) in their particular circumstances.

While the Claymore Gold ETF will be a mutual fund under the securities legislation of certain provinces and territories of Canada, it has been granted exemptive relief from certain provisions of Canadian securities legislation applicable to conventional mutual funds.

During the period in which the Claymore Gold ETF is in continuous distribution, additional information will be available in the most recently filed annual financial statements, any interim financial statements filed after the most recent annual financial statements, the most recently filed annual management report of fund performance ("MRFP") and any interim MRFP filed after the annual MRFP for the Claymore Gold ETF.

Registrations and transfers of Units will be effected only through the book-entry only system administered by CDS Clearing and Depository Services Inc. Beneficial owners will not have the right to receive physical certificates evidencing their ownership.

TABLE OF CONTENTS

PROSPECTUS SUMMARY	1
GLOSSARY	9
DOCUMENTS INCORPORATED BY REFERENCE	11
OVERVIEW OF THE LEGAL STRUCTURE OF THE CLAYMORE GOLD ETF	11
RATIONALE FOR THE CLAYMORE GOLD ETF	12
INVESTMENT OBJECTIVE	12
INVESTMENT STRATEGY	12
Hedging Strategy for the Hedged Common Units.....	12
OVERVIEW OF THE SECTOR IN WHICH THE CLAYMORE GOLD ETF INVESTS	13
Rationale for Investing in Gold	13
Low Correlation with Other Asset Classes	13
Rationale for Holding Gold Through an ETF.....	13
INVESTMENT RESTRICTIONS	13
FEES AND EXPENSES	15
Management Fee.....	15
Other Fees and Expenses.....	15
Management Fee Distributions.....	15
Harmonized Sales Tax	15
RISK FACTORS	16
No Assurances of Achieving Objective.....	16
Fluctuations in Net Asset Value	16
Concentration Risk; Other Investments.....	16
Gold Price Volatility.....	16
Loss, Damage or Restriction of Access to Gold; Risks Relating to Inspection of Gold.....	17
Uninsured and Underinsured Losses	17
Risks Relating to Unallocated Gold.....	17
Risks Relating to the Hedging Strategy	17
Reliance on the Manager	18
Sensitivity to Interest Rates	18
Risks Related to Redemptions	18
Trading Price of the Units.....	18
Global Geo-Political Events	18
Risks Associated with Creation and Redemption	18
Potential Conflicts of Interest	18
Changes in Legislation	19
Counterparty Risk.....	19
Taxation of the Claymore Gold ETF	19
DISTRIBUTION POLICY	20
Distributions	20
Distribution Reinvestment Plan	20
REDEMPTIONS	22
Exchange and Redemption of Units	22
Suspension of Exchange and Redemption.....	22
Costs Associated with Exchange and Redemptions	23
CONTINUOUS DISTRIBUTION	23
DESIGNATED BROKERS AND UNDERWRITERS	23
Issuance of Units	24
Buying and Selling Units.....	24
SPECIAL CONSIDERATIONS FOR UNITHOLDERS	24
TRADING PRICE AND VOLUME	25
CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	25
Taxation of the Claymore Gold ETF	26
Taxation of Unitholders.....	28

Alternative Minimum Tax	29
Taxation of Registered Plans	29
ORGANIZATION AND MANAGEMENT OF THE CLAYMORE GOLD ETF	30
The Manager.....	30
Directors and Officers of the Trustee and Manager.....	31
Conflicts Of Interest	33
Independent Review Committee.....	34
The Trustee.....	35
The Custodian.....	35
The Valuation Agent	36
Auditors	37
Registrar and Transfer Agent.....	37
Promoter	37
CALCULATION OF NET ASSET VALUE	37
Valuation Policies and Procedures	37
Reporting of Net Asset Value.....	39
BOOK-ENTRY ONLY SYSTEM	39
ATTRIBUTES OF THE UNITS	39
UNITHOLDER MATTERS	40
Meetings of Unitholders	40
Matters Requiring Unitholder Approval.....	40
Reporting to Unitholders	41
Accounting and Reporting.....	42
Non-Resident Unitholders	42
TERMINATION OF THE CLAYMORE GOLD ETF	42
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	43
MATERIAL CONTRACTS	43
EXPERTS.....	43
EXEMPTIONS AND APPROVALS	43
LEGAL AND ADMINISTRATIVE PROCEEDINGS.....	44
PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RECISSION	44
AUDITORS' CONSENT	F-1
CERTIFICATE OF THE CLAYMORE GOLD BULLION ETF, THE TRUSTEE, THE MANAGER AND THE PROMOTER	C-1

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Units and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus. Unless otherwise indicated, all references to dollar amounts in this prospectus are to Canadian dollars.

THE OFFERING

Issuer: The Claymore Gold Bullion ETF (the “Claymore Gold ETF”) is an exchange traded fund (“ETF”) established under the laws of the Province of Ontario pursuant to a declaration of trust (the “Declaration of Trust”) dated as of May 19, 2009 as amended on December 10, 2009 and as amended and restated on January 29, 2010. Claymore Investments, Inc. (“Claymore” or the “Manager”) is the trustee and manager of the Claymore Gold ETF. See “Overview of the Legal Structure of the Claymore Gold ETF”.

Offering: The Claymore Gold ETF offers two classes of Units under this Prospectus: hedged common units (the “Hedged Common Units”) and non-hedged common units (the “Non-Hedged Common Units”). The Hedged Common Units and the Non-Hedged Common Units are collectively referred to herein as the “Units”.

The only difference between the Hedged Common Units and the Non-Hedged Common Units is that the Hedged Common Units will contain a currency hedge against the US dollar (“USD”). Accordingly, the net asset value (“NAV”) per Unit of each class of Unit will not be the same as a result of the hedging strategy of the Hedged Common Units. The attributes of the Units will be identical in all other respects.

See “Attributes of the Units”.

Conversion: The Claymore Gold ETF was previously a closed-end investment trust named the “Claymore Gold Bullion Trust” (the “Fund”), the units (the “Fund Units”) and warrants (“Warrants”) of which were offered to the public under a prospectus dated May 19, 2009 and issued at the closing of its initial public offering. As set out in such prospectus, the Fund was to automatically convert (the “Conversion”) into an ETF if, commencing after November 28, 2009, the daily weighted average trading price of the Fund Units was greater than a discount of 2% of the NAV per Fund Unit for that day, for a period of 10 consecutive trading days. The conversion was met and, effective January 29, 2010, the Fund Units converted into the Hedged Common Units. Warrants not exercised by 4:00 p.m. (Toronto time) on November 30, 2009 expired and are void and of no further value. Claymore has a patent pending in Canada for the ETF conversion process.

Continuous Distribution: The Hedged Common Units are listed on the Toronto Stock Exchange (the “TSX”) under the symbol CGL, and are offered on a continuous basis with no maximum number of Hedged Common Units that may be issued. Investors may buy or sell Hedged Common Units on the TSX through registered brokers and dealers in the province or territory where the investor resides. The Non-Hedged Common Units are not currently listed on a stock exchange. The TSX has conditionally approved the listing of the Non-Hedged Common Units and subject to the Claymore Gold ETF fulfilling all of the TSX’s listing requirements on or before January 18, 2012, the Non-Hedged Common Units of the Claymore Gold ETF will be offered on a continuous basis with no maximum number of Non-Hedged Common Units that may be issued. Investors will be able to buy or sell Non-Hedged Common Units on the TSX through registered brokers or dealers in the province or territory where the investor resides. The Manager expects that the issuance of the Non-Hedged Common Units offered hereby will occur in February 2011 and the Non-Hedged Common Units will be listed for trading in February 2011. Investors may

trade Units in the same way as other securities listed on the TSX, including by using market orders and limit orders. Investors may incur customary brokerage commissions in buying or selling Units. The Claymore Gold ETF issues Units directly to Designated Brokers and Underwriters. From time to time as may be agreed to by the Claymore Gold ETF and such Designated Brokers and Underwriters, the Designated Brokers and Underwriters may agree to accept Baskets of Physical Gold Bullion as payment for Units from prospective purchasers.

See “Continuous Distribution” and “Designated Brokers and Underwriters”.

Rationale for the Claymore Gold ETF:

The Claymore Gold ETF is designed to provide holders of Units (the “Unitholders”) with an exposure to physical gold bullion. The Manager believes that the Claymore Gold ETF will provide a secure, low-cost and convenient alternative to investors interested in holding gold bullion. See “Rationale for the Claymore Gold ETF”.

Investment Objective:

The investment objective of the Claymore Gold ETF is to replicate the performance of the price of gold bullion, less its expenses and fees. The Fund is not actively managed. See “Investment Objective”.

Investment Strategy:

The assets of the Claymore Gold ETF consist of physical gold bullion (the “Portfolio”) which the Claymore Gold ETF purchases and holds in accordance with its investment objective, strategy, policies and restrictions, as well as the forward contracts relating to the currency hedge, cash and permitted gold certificates, if any. All of the Claymore Gold ETF’s physical gold bullion is stored on an allocated and segregated basis in the vaults of The Bank of Nova Scotia, a Canadian Schedule I chartered bank, or an affiliate or a division thereof, or a sub-custodian. All of the gold bullion purchased and held by the Claymore Gold ETF is certified either “London Good Delivery” or “COMEX Good Delivery”. See “Investment Strategy” and “Risk Factors – Risks Relating to Unallocated Gold”.

Exemptive Relief:

The Fund has received exemptive relief from the Canadian securities regulatory authorities for relief from NI 81-102 to (i) permit entities not listed in NI 81-102 to act as sub-custodians for Portfolio assets of the Claymore Gold ETF held in Canada and outside of Canada and (ii) exempt the Claymore Gold ETF from certain other provisions of NI 81-102. See “Exemptions and Approvals”.

Currency Hedging:

In respect of the Hedged Common Units, the Claymore Gold ETF hedges substantially all of its USD currency exposure back to the Canadian dollar. Other than the foregoing, the Claymore Gold ETF does not intend to use derivatives.

Rationale for Currency Hedging

As gold bullion is priced in USD, for Canadian investors, the return on an investment in gold will be affected by two variables: (i) the price return of gold in USD; and (ii) the variation in the USD/Canadian dollar exchange rate. As a result, hedging the USD currency exposure of the Hedged Common Units provides exposure to gold while reducing the currency risk for Canadian investors. Investors who purchase the Non-Hedged Common Units will be exposed to variations in the USD/Canadian dollar exchange rate.

Conversion:

The Claymore Gold ETF was previously a closed-end investment trust named the “Claymore Gold Bullion Trust” (the “Fund”), the units (the “Fund Units”) and warrants (“Warrants”) of which were offered to the public under a prospectus dated May 19, 2009 and issued at the closing of its initial public offering. As set out in such prospectus, the Fund was to automatically convert (the “Conversion”) into an ETF if, commencing after November 28, 2009, the daily weighted average trading price of the Fund Units

was greater than a discount of 2% of the NAV per Fund Unit for that day, for a period of 10 consecutive trading days. The conversion was met and, effective January 29, 2010, the Fund Units converted into the Hedged Common Units.

Overview of the Gold Sector:

Rationale for Investing in Gold

Ownership of physical gold can protect against inflation, deflation, stagflation, systematic failure, financial collapse, and currency devaluation. Gold is known throughout history as the most consistently marketable commodity. It has a history as a means of exchange and as a currency at the centre of the global monetary system.

Fully allocated gold is the only asset that has virtually no default risk whereas certain derivative based investments may assume credit and liquidity risks. With the absence of default risk, gold is an attractive investment at a time when corporate and banking default risks have increased.

Low Correlation with Other Asset Classes

Gold's low historical correlation with other major asset classes offers an investor the opportunity to diversify across a portfolio's risk spectrum. Over the long term, gold has historically retained value more effectively than non-hard asset categories as gold is typically a stronger inflationary hedge. Although gold is a commodity and an investment asset, its safe haven status means that it tends to move independently of other key asset classes and commodities, especially during times of crisis. This makes gold a very effective portfolio diversifier.

Rationale for Holding Gold Through an ETF

Many investors have difficulty in obtaining direct exposure to gold. An equity investment in a gold producer may result in extraneous exposure to other variables, such as management and exploration risk, market sentiment, company costs and credit exposure, analyst reviews and earnings reports. Owning gold bullion is the most direct and secure method of obtaining direct exposure to gold.

An investment fund or an ETF is a logical vehicle for holding gold. By investing in a gold bullion fund or ETF, investors receive a direct interest in the underlying gold bullion. Holding such an interest in gold bullion within a fund structure provides investors with low cost direct ownership of gold bullion.

See "Overview of the Sector in which the Claymore Gold ETF Invests".

Risk Factors:

An investment in the Units will be subject to certain risk factors, including:

- (i) there can be no assurance that the Claymore Gold ETF will be able to achieve its investment objective;
- (ii) the NAV per Unit will vary according to, among other things, the value of the gold bullion held in the Portfolio, the hedging strategy in relation to the Hedged Common Units and distributions paid on the Units, if any;
- (iii) concentration risk and the risk of holding gold versus other types of investments;
- (iv) risks relating to the price of gold;
- (v) risks relating to loss, damage or restriction of access to gold and risks relating to inspection of gold;

- (vi) risks relating to uninsured or underinsured losses;
- (vii) risks relating to unallocated gold;
- (viii) risks relating to the hedging strategy relating to the Hedged Common Units;
- (ix) reliance on the Manager;
- (x) sensitivity to interest rates;
- (xi) risks relating to redemptions of Units;
- (xii) the Units may trade in the market at a premium or a discount to the NAV per Unit and there can be no guarantee that Units will trade at prices that reflect their net asset value;
- (xiii) global geo-political events can affect the price of gold;
- (xiv) the purchase or sale by the Claymore Gold ETF of gold bullion in connection with the creation or redemption of Baskets of Physical Gold Bullion may temporarily increase or decrease the price of gold;
- (xv) potential conflicts of interest;
- (xvi) changes in legislation;
- (xvii) counterparty risk; and
- (xviii) risks related to taxation of the Claymore Gold ETF.

See “Risk Factors”.

**Canadian Federal
Income Tax
Considerations:**

A Unitholder who is resident in Canada for the purposes of the *Income Tax Act* (Canada) and the regulations thereunder (collectively the “Tax Act”), will generally be required to include in the Unitholder’s income for tax purposes for any year the amount of net income and net taxable capital gains, if any, of the Claymore Gold ETF paid or payable to the Unitholder in the year and deducted by the Claymore Gold ETF in computing its income. Any non-taxable distributions from the Claymore Gold ETF (other than the non-taxable portion of any net realized capital gains of the Claymore Gold ETF) paid or payable to a Unitholder in a taxation year will reduce the adjusted cost base of the Unitholder’s Units. To the extent that a Unitholder’s adjusted cost base would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the Unitholder and the adjusted cost base of the Unit to the Unitholder will be increased by the amount of such capital gain. Any loss of the Claymore Gold ETF cannot be allocated to, and cannot be treated as a loss of, the Unitholders of the Claymore Gold ETF. Upon the actual or deemed disposition of a Unit, including the exchange or redemption of a Unit, a capital gain (or a capital loss) will generally be realized by the Unitholder to the extent that the proceeds of disposition of the Unit exceed (or are less than) the aggregate of the adjusted cost base to the Unitholder of the Unit and any reasonable costs of disposition.

The Declaration of Trust governing the Claymore Gold ETF requires that the Claymore Gold ETF distribute its net income and net realized capital gains, if any, for each taxation year to Unitholders to such an extent that the Claymore Gold ETF will not be liable in any taxation year for ordinary income tax.

Each investor should satisfy himself or herself as to the federal and provincial tax consequences of an investment in Units by obtaining advice from his or her tax advisor.

See “Canadian Federal Income Tax Considerations”.

Eligibility for Investment:

In the opinion of counsel, Units of a class of the Claymore Gold ETF will be “qualified investments” for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, registered education savings plans and tax-free savings accounts provided that either or both: (i) the Claymore Gold ETF qualifies as a “mutual fund trust” within the meaning of the Tax Act, or (ii) Units of such class are listed on a designated stock exchange (including the TSX). Holders of tax-free savings accounts should consult their own tax advisors to ensure that Units of a class of the Claymore Gold ETF would not be a “prohibited investment” (as defined in the Tax Act) in their particular circumstances. See “Canadian Federal Income Tax Considerations”.

Exchanges and Redemptions:

In addition to the ability to sell Units on the TSX, Unitholders may redeem Units in any number for cash, subject to a redemption discount, or may exchange a Prescribed Number of Units (or integral multiple thereof) for Baskets of Physical Gold Bullion and cash. The Units will be redeemed in the exchange. See “Redemptions - Exchange and Redemptions of Units”.

Special Considerations for Purchasers:

The provisions of the so-called “early warning” requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units. In addition, the Claymore Gold ETF has obtained exemptive relief from the securities regulatory authorities to permit Unitholders to acquire more than 20% of the Units of the Claymore Gold ETF through purchases on the TSX without regard to the takeover bid requirements of applicable Canadian securities legislation, provided that any such Unitholder, and any person acting jointly or in concert with the Unitholder, undertakes to Claymore not to vote more than 20% of the Units of the Claymore Gold ETF at any meeting of Unitholders.

Market participants are permitted to sell Units of the Claymore Gold ETF short and at any price without regard to the restrictions of the Universal Market Integrity Rules that generally prohibit selling securities short on the TSX unless the price is at or above the last sale price.

See “Special Considerations for Unitholders”.

Distribution Policy:

The Claymore Gold ETF does not anticipate making regular distributions on its Units.

On an annual basis, the Claymore Gold ETF will ensure that the net income and net realized capital gains of the Claymore Gold ETF have been distributed to Unitholders to such an extent that the Claymore Gold ETF will not be liable for ordinary income tax thereon. To the extent that the Claymore Gold ETF has not distributed the full amount of its net income or capital gains in any year, the difference between such amount and the amount actually distributed by the Claymore Gold ETF will be paid as “reinvested distributions”. Reinvested distributions, net of any required withholding tax will be reinvested automatically in additional Units at a price equal to the NAV per Unit and the Units will be immediately consolidated such that the number of outstanding Units following the distribution will equal the number of Units outstanding prior to the distribution.

See “Distribution Policy”.

Distribution Reinvestment:

The Claymore Gold ETF may provide Unitholders with the opportunity to elect to reinvest cash distributions made by the Claymore Gold ETF, if any, through participation in the distribution reinvestment plan (the “Reinvestment Plan”) of the Claymore Gold ETF described under “Distribution Policy - Distribution Reinvestment Plan”.

Termination: The Claymore Gold ETF does not have a fixed termination date. Subject to complying with applicable securities law, the Claymore Gold ETF may be terminated by the Manager upon not less than 60 days prior written notice of the termination to Unitholders. After paying outstanding liabilities, the Claymore Gold ETF will, on termination, distribute its remaining assets *pro rata* to Unitholders. See “Termination of the Claymore Gold ETF”.

Documents Incorporated By Reference: Additional information about the Claymore Gold ETF is available or will be in the most recently filed annual and interim financial statements of the Claymore Gold ETF and the most recently filed annual and interim management report of fund performance of the Claymore Gold ETF. These documents are or will be incorporated by reference into this prospectus. Documents incorporated by reference into this prospectus legally form part of this prospectus just as if they were printed as part of this prospectus. These documents are or will be publicly available on the website of the Claymore Gold ETF at www.claymoreinvestments.ca and may be obtained upon request, at no cost, by calling toll-free 1-866-416-4640 or by contacting your dealer. These documents and other information about the Claymore Gold ETF are also publicly available at www.sedar.com. See “Documents Incorporated by Reference”.

ORGANIZATION AND MANAGEMENT OF THE CLAYMORE GOLD ETF

Manager: Claymore Investments, Inc., a registered portfolio manager and exempt market dealer, is the trustee and manager of the Claymore Gold ETF and is responsible for the administration of the Claymore Gold ETF. Claymore, which, as of December 31, 2010 had \$5.7 billion in assets under management, is a wholly-owned subsidiary of Guggenheim Funds Services Group, Inc. (formerly Claymore Group, Inc.), a financial services and asset management company based in the Chicago, Illinois area and is an indirect subsidiary of Guggenheim Partners, LLC, (“Guggenheim”) a global, diversified financial services firm with in excess of US\$100 billion in assets under supervision. Guggenheim, through its affiliates, provides investment management, investment advisory, insurance, investment banking and capital markets services. Claymore, in addition to acting as the manager of the Claymore Gold ETF, is also the investment adviser for all of the Claymore exchange traded funds.

The principal office of the Claymore Gold ETF and Claymore is located at 200 University Avenue, 13th Floor, Toronto, Ontario, M5H 3C6.

See “Organization and Management of the Claymore Gold ETF – The Manager”.

Trustee: Claymore is the trustee for the Claymore Gold ETF pursuant to the Declaration of Trust. See “Organization and Management of the Claymore Gold ETF — The Trustee”.

Promoter: The Manager may be considered a promoter of the Claymore Gold ETF within the meaning of the securities legislation of certain provinces or territories of Canada by reason of its initiative in organizing the Claymore Gold ETF. See “Organization and Management of the Claymore Gold ETF — Promoter”.

Custodian: The Bank of Nova Scotia is the custodian (the “Custodian”) of the assets of the Claymore Gold ETF pursuant to a custodian agreement. The Custodian’s principal place of business in respect of the Claymore Gold ETF is Toronto, Ontario. See “Organization and Management of the Claymore Gold ETF — The Custodian”.

Valuation Agent: RBC Dexia Investor Services Trust is the valuation agent (the “Valuation Agent”) of the Claymore Gold ETF pursuant to a valuation agreement. The Valuation Agent’s principal place of business in respect of the Claymore Gold ETF is Toronto, Ontario. See “Organization and Management of the Claymore Gold ETF — The Valuation Agent”.

Registrar and Transfer Agent: Equity Financial Trust Company at its principal offices in Toronto, is the registrar, transfer agent and distribution agent for the Units pursuant to a transfer agent, registrar, disbursing agent and reinvestment plan agent agreement. See “Organization and Management of the Claymore Gold ETF — Registrar and Transfer Agent”.

Auditors: The auditors of the Claymore Gold ETF are Ernst & Young LLP, Chartered Accountants, Licensed Public Accountants, Toronto, Ontario. See “Organization and Management of the Claymore Gold ETF — The Auditors”.

SUMMARY OF FEES AND EXPENSES

The following table contains a summary of the fees and expenses payable by the Claymore Gold ETF and the Manager. Payment of fees and expenses by the Claymore Gold ETF will reduce the value of an investor’s investment in the Claymore Gold ETF. For further particulars, see “Fees and Expenses”.

Type of Fee

Amount and Description

Fees and Expenses Payable by the Claymore Gold ETF:

Management Fee:

The annualized management fee for the Claymore Gold ETF is 0.50%. The Claymore Gold ETF will pay the Manager the monthly management fee based on the daily average NAV of each class of units, plus any applicable taxes. Fees payable to the Manager are calculated and accrued daily and will be paid monthly in arrears.

Fees Payable by the Manager:

Other Fees and Expenses:

The Manager is responsible for all costs and expenses of the Claymore Gold ETF other than the management fee, expenses associated with the implementation and on-going operation of an independent review committee as required pursuant to National Instrument 81-107 – *Independent Review Committee for Investment Funds*, brokerage expenses and commissions, income taxes, goods and services or other sales taxes, withholding and any other taxes, gold settlement fees and any extraordinary expenses. These costs and expenses include the fees incurred in connection with the continuous public reporting and filing requirements of the Claymore Gold ETF, fees payable to the Registrar and Transfer Agent and Plan Agent, fees payable to the Custodian and fees payable to other service providers retained by the Manager as described under “Organization and Management of the Claymore Gold ETF – Duties and Services to be Provided by the Manager”.

Management Fee Distributions:

The Manager may agree to charge a reduced fee as compared to the fee it would otherwise be entitled to receive from the Claymore Gold ETF with respect to large investments in the Claymore Gold ETF by Unitholders. In such cases, an amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed to the applicable Unitholders as Management Fee Distributions.

Harmonized Sales Tax:

Effective July 1, 2010, the Ontario and British Columbia provincial sales taxes were harmonized with the 5% federal goods and services tax (“GST”) to create a federal harmonized sales tax (“HST”) for goods and services. Due to such tax harmonization, the federal government released draft rules for calculating the amount of HST to be paid by investment funds such as the Claymore Gold ETF. Such draft rules would generally require the Claymore Gold ETF to undertake a separate calculation for each class of its Units using a tax rate determined by reference to the relevant rate for each province, and the portion of the value of Units of such class attributable to the Unitholders resident in that province. Accordingly, the HST to be paid by the Claymore Gold ETF will be a “blended rate” of the 5% rate applicable to non-harmonized provinces, 12% in British Columbia, 15% in Nova Scotia and 13% in the other harmonized provinces depending on the residency of the unitholders in the classes of the Units of the Claymore Gold ETF.

The Claymore Gold ETF has been evaluating and will continue to evaluate alternatives to applying the blended rate to achieve a result that is fair to the Claymore Gold ETF and its Unitholders. At this time, the Claymore Gold ETF believes that the application of the blended rate, consistent with the draft rules released by the federal government, is the only viable method to fairly apply these fees; however, the Claymore Gold ETF reserves the right to switch to a different methodology at any time.

FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus are “forward-looking statements”, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend” and similar expressions to the extent they relate to the Claymore Gold ETF or the Manager (each as herein defined). Potential investors and other readers are urged to consider these factors carefully in evaluating these forward-looking statements and are cautioned not to place undue reliance on them. The forward looking statements are not historical facts but reflect the current expectations of the Manager regarding the Claymore Gold ETF’s future growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements reflect the Manager’s current beliefs and are based on information currently available to the Manager. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Some of these risks, uncertainties and other factors are described in this prospectus under the heading “Risk Factors”. Although the forward-looking statements contained in this prospectus are based upon assumptions that the Claymore Gold ETF and the Manager believe to be reasonable, neither the Claymore Gold ETF nor the Manager can assure investors that actual results will be consistent with these forward-looking statements. These forward looking statements are made as of the date of this prospectus, and neither the Claymore Gold ETF nor the Manager assumes any obligation to update or revise them to reflect new events or circumstances, except as required by law.

GLOSSARY

The following terms have the following meanings:

Baskets of Physical Gold Bullion: an amount of physical gold bullion determined by the Manager and publicly announced on each Trading Day for the purpose of subscription orders, exchanges, redemptions or for other purposes.

CDS: CDS Clearing and Depository Services Inc.

CDS Participant: a participant in CDS that holds Units on behalf of beneficial owners of Units.

Claymore: Claymore Investments, Inc., a corporation established under the federal laws of Canada, the trustee and manager of the Claymore Gold ETF.

Claymore Gold ETF: the Claymore Gold Bullion ETF, an exchange traded fund established under the laws of the Province of Ontario.

CRA: the Canada Revenue Agency.

Custodian: The Bank of Nova Scotia, a Canadian Schedule I chartered bank or an affiliate or a division thereof or a sub-custodian.

Declaration of Trust: the declaration of trust establishing the Claymore Gold ETF dated May 19, 2009 as amended on December 10, 2009 and as amended and restated on January 29, 2010.

Designated Broker: a registered dealer that has entered into a Designated Broker Agreement with the Manager, on behalf of the Claymore Gold ETF, pursuant to which the Designated Broker agrees to perform certain duties in relation to the Claymore Gold ETF.

Designated Broker Agreement: an agreement between the Manager, on behalf of the Claymore Gold ETF, and a Designated Broker.

ETF: a stock exchange listed, continuously offered open-ended fund.

Management Fee Distribution: as described under “Fees and Expenses – Management Fee Distributions”, an amount equal to the difference between the management fee otherwise chargeable and a reduced fee determined by the Manager from time to time, and that is distributed quarterly in cash to Unitholders who hold large investments in the Claymore Gold ETF.

Manager: Claymore Investments, Inc., a corporation established under the federal laws of Canada, the trustee and manager of the Claymore Gold ETF.

NAV and NAV per Unit (of a class): the net asset value of the Claymore Gold ETF and the net asset value per Unit of that class of that Claymore Gold ETF, calculated as described in “Calculation of Net Asset Value”.

NI 41-101: National Instrument 41-101 – *General Prospectus Requirements*.

NI 81-102: National Instrument 81-102 – *Mutual Funds*.

NI 81-107: National Instrument 81-107 – *Independent Review Committee for Investment Funds*.

Plan Participant: as defined under “Distribution Policy – Distribution Reinvestment Plan”.

Portfolio: the physical gold bullion, the forward contracts relating to the hedging strategy, cash and permitted gold certificates, if any, comprising the net assets of the Claymore Gold ETF.

Prescribed Number of Units: the number of Units of a class determined by the Manager and publicly announced on each Trading Day for the purpose of subscription orders, exchanges, redemptions or for other purposes.

Registrar and Transfer Agent: Equity Financial Trust Company.

Reinvestment Plan: the distribution reinvestment plan of the Claymore Gold ETF described under “Distribution Policy – Distribution Reinvestment Plan”.

Tax Act: the *Income Tax Act* (Canada) and the regulations thereunder.

Trading Day: a day on which a regular session of the TSX and/or the New York Stock Exchange is held.

TSX: the Toronto Stock Exchange.

Underwriter: a registered dealer (that may or may not be a Designated Broker) that has entered into an Underwriting Agreement with the Manager, on behalf of the Claymore Gold ETF, pursuant to which the Underwriter may subscribe or redeem Units of the Claymore Gold ETF.

Underwriting Agreement: an underwriting agreement between the Manager, on behalf of the Claymore Gold ETF, and an Underwriter.

Unit: a class of redeemable, transferable hedged common units or non-hedged common units of the Claymore Gold ETF, which represents an undivided interest in the net assets of the Claymore Gold ETF.

Unitholder: a holder of a class of Units of the Claymore Gold ETF.

Valuation Agent: RBC Dexia Investor Services Trust.

Valuation Date: each Trading Day and any other day designated by the Manager on which the NAV and NAV per Unit of the Claymore Gold ETF will be calculated. If the Claymore Gold ETF elects to have a December 15 year-end for tax purposes as permitted by the Tax Act, the NAV per Unit will be calculated on December 15.

Valuation Time: 4:00 p.m. (Toronto time) or such other time the Manager deems appropriate on each Valuation Date.

DOCUMENTS INCORPORATED BY REFERENCE

Additional information about the Claymore Gold ETF is or will be available in the following documents:

- (a) the most recently filed annual financial statements of the Claymore Gold ETF, together with the accompanying report of the auditors, when filed;
- (b) any interim financial statements of the Claymore Gold ETF;
- (c) the most recently filed annual management report of fund performance of the Claymore Gold ETF, when filed; and
- (d) any interim management report of fund performance of the Claymore Gold ETF filed after that most recently filed annual management report of fund performance of the ETF.

These documents are incorporated by reference into this prospectus, which means that they legally form part of this document just as if they were printed as part of this document. You can obtain a copy of these documents, at your request, and at no cost, by calling toll-free: 1-866-417-4640 or by contacting your dealer. These documents are available on the Claymore Internet site at www.claymoreinvestments.ca. These documents and other information about the Claymore Gold ETF are also available on the Internet at www.sedar.com.

In addition to the documents listed above, any documents of the type described above that are filed on behalf of the Claymore Gold ETF after the date of this prospectus and before the termination of the distribution of the Claymore Gold ETF are deemed to be incorporated by reference into this prospectus.

Any statement contained in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein or in any other subsequently filed document that also is incorporated by reference herein modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or includes any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed in its unmodified or superseded form to constitute a part of this prospectus.

OVERVIEW OF THE LEGAL STRUCTURE OF THE CLAYMORE GOLD ETF

The Claymore Gold ETF is an exchange traded fund established under the laws of the Province of Ontario pursuant to a declaration of trust dated May 19, 2009, as amended on December 10, 2009 and as amended and restated on January 29, 2010 (the “Declaration of Trust”). Claymore Investments, Inc. (“Claymore” or the “Manager”) is the trustee and manager of the Claymore Gold ETF. See “Organization and Management of the Claymore Gold ETF”.

The Claymore Gold ETF was previously a closed-end investment trust named the “Claymore Gold Bullion Trust” (the “Fund”), the units (the “Fund Units”) and warrants (the “Warrants”) of which were offered to the public under a prospectus dated May 19, 2009 and issued at the closing of its initial public offering. As set out in such prospectus, the Fund was to automatically convert (the “Conversion”) into an ETF if, commencing after November 28, 2009, the daily weighted average trading price of the Fund Units was greater than a discount of 2% of the NAV per Fund Unit for that day, for a period of 10 consecutive trading days. The conversion test was met and, effective January 29, 2010, the Fund Units converted into the Hedged Common Units. Claymore has a patent pending in Canada for the ETF conversion process.

The Claymore Gold ETF is offering two classes of Units under this Prospectus: hedged common units (the “Hedged Common Units”) and non-hedged common units (the “Non-Hedged Common Units”). The Hedged Common Units and the Non-Hedged Common Units are collectively referred to herein as the “Units”.

While the Claymore Gold ETF will be a mutual fund under the securities legislation of certain provinces and territories of Canada, it has been granted exemptive relief and has applied for certain other exemptive relief from certain provisions of Canadian securities legislation applicable to conventional mutual funds. See “Exemptions and Approvals”.

The principal office of the Claymore Gold ETF and Claymore is located at 200 University Avenue, 13th Floor, Toronto, Ontario, M5H 3C6.

RATIONALE FOR THE CLAYMORE GOLD ETF

The Claymore Gold ETF is designed to provide holders of Units (the “Unitholders”) with an exposure to physical gold bullion. The Manager believes that the Claymore Gold ETF provides a secure, low-cost and convenient alternative to investors interested in holding gold bullion.

INVESTMENT OBJECTIVE

The investment objective of the Claymore Gold ETF is to replicate the performance of the price of gold bullion, less its expenses and fees. The Fund is not actively managed. The Claymore Gold ETF does not anticipate making regular distributions on its Units.

INVESTMENT STRATEGY

The assets of the Claymore Gold ETF consist of physical gold bullion (the “Portfolio”) which the Claymore Gold ETF purchases and holds in accordance with its investment objective, strategy, policies and restrictions, as well as the forward contracts relating to the currency hedge, cash and permitted gold certificates, if any.

The Claymore Gold ETF invests its assets in holdings of unencumbered gold bullion, in 100 or 400 troy ounce international bar sizes, and will not speculate with regard to short-term changes in gold prices. This strategy provides investors with the ability to invest in unencumbered gold bullion in a convenient, tradable and secure manner without the associated inconvenience and high transaction, handling, storage, insurance and other costs typical of direct gold bullion investment.

All physical gold bullion owned by the Claymore Gold ETF must be stored in the vault facilities of a Canadian Schedule I chartered bank, or an affiliate or a division thereof, or a sub-custodian on an allocated and segregated basis. The term “vault” means a high security facility ordinarily in use by the Custodian (as defined below) for the safekeeping and storage of physical gold bullion. The Claymore Gold ETF has entered into a custodian agreement (the “Custodian Agreement”) dated May 20, 2009 as amended and restated on January 29, 2010, with The Bank of Nova Scotia, a Canadian Schedule I chartered bank, or an affiliate or a division thereof (the “Bank” or the “Custodian”) pursuant to which the Bank has agreed to provide storage for the gold bullion owned by the Claymore Gold ETF in accordance with the Declaration of Trust. The majority of the gold bullion will be held in locations in Canada with the remaining gold held in London and/or New York. All of the gold bullion purchased and held by the Claymore Gold ETF is certified either “London Good Delivery” or “COMEX Good Delivery”.

The Claymore Gold ETF received exemptive relief from the Canadian securities regulatory authorities for relief from NI 81-102 to permit the Claymore Gold ETF to invest up to 100% of its net assets, taken at market value at the time of purchase, in physical gold bullion, of which no more than 10% of its net assets, taken at market value at the time of purchase, may be invested in permitted gold certificates as well as certain other relief from NI 81-102.

The Claymore Gold ETF has also applied and received exemptive relief from the Canadian securities regulatory authorities in order to (i) permit entities not listed in NI 81-102 to act as sub-custodians for Portfolio assets of the Claymore Gold ETF held in Canada and outside of Canada and (ii) exempt the Claymore Gold ETF from certain other provisions of NI 81-102. See “Exemptions and Approvals”.

Hedging Strategy for the Hedged Common Units

In respect of the Hedged Common Units, the Claymore Gold ETF will hedge substantially all of the Claymore Gold ETF’s USD currency exposure back to the Canadian dollar. Other than the foregoing, the Claymore Gold ETF does not intend to use derivatives.

As gold bullion is priced in USDs, for Canadian investors, the return on an investment in gold will be affected by two variables: (i) the price return of gold in USDs and (ii) the variation in the USD/Canadian dollar exchange rate. As a result, hedging the USD currency exposure of the Hedged Common Units provides exposure to gold while reducing the currency risk for Canadian investors of the Hedged Common Units. Investors who purchase the Non-Hedged Common Units will be exposed to variations in the USD/Canadian dollar exchange rate.

OVERVIEW OF THE SECTOR IN WHICH THE CLAYMORE GOLD ETF INVESTS

Rationale for Investing in Gold

Ownership of physical gold can protect against inflation, deflation, stagflation, systematic failure, financial collapse, and currency devaluation. Gold is known throughout history as the most consistently marketable commodity. It has a history as a means of exchange and as a currency at the centre of the global monetary system.

Fully allocated gold is the only asset that has virtually no default risk whereas certain derivative based investments may assume credit and liquidity risks. With the absence of default risk, gold is an attractive investment at a time when corporate and banking default risks have increased.

Low Correlation with Other Asset Classes

Gold's low historical correlation with other major asset classes offers an investor the opportunity to diversify across a portfolio's risk spectrum. Over the long term, gold has historically retained value more effectively than non-hard asset categories as gold is typically a stronger inflationary hedge.

Although gold is a commodity and an investment asset, its safe haven status means that it tends to move independently of other key asset classes and commodities, especially during times of crisis. This makes gold a very effective portfolio diversifier.

Rationale for Holding Gold Through an ETF

Many investors have difficulty in obtaining direct exposure to gold. An equity investment in a gold producer may result in extraneous exposure to other variables, such as management and exploration risk, market sentiment, company costs and credit exposure, analyst reviews and earnings reports. Owning gold bullion is the most direct and secure method of obtaining direct exposure to gold.

An investment fund or an ETF is a logical vehicle for holding gold. By investing in a gold bullion fund or ETF, investors receive a direct interest in the underlying gold bullion. Holding such an interest in gold bullion within a fund structure provides investors with low cost direct ownership of gold bullion.

INVESTMENT RESTRICTIONS

The Claymore Gold ETF is subject to certain investment restrictions that, among other things, limit the types of investments that the Claymore Gold ETF may acquire for the Portfolio. The Claymore Gold ETF's investment restrictions provide that the Claymore Gold ETF shall:

- (a) hold a minimum of 90% of its net assets in physical gold bullion in 100 or 400 troy ounce international bar sizes;
- (b) hold no more than 10% of its net assets in the following:
 - (i) permitted gold certificates (as defined in NI 81-102) to enable payments, if any, to be made in connection with: (x) the redemption of any Units or other securities of the Claymore Gold ETF; (y) making distributions, if any, to Unitholders; and (z) for working capital purposes; and
 - (ii) cash and interest-bearing accounts, short-term government debt or short-term investment grade corporate debt for working capital purposes;

- (c) not issue Units (or rights, warrants, convertible securities or options to acquire Units) unless the gross proceeds per Unit to be received by the Claymore Gold ETF shall not be less than the most recently calculated NAV prior to, or upon, the authorization of such issuance;
- (d) not borrow except to facilitate redemptions of Units, provided that, under such circumstances, the Claymore Gold ETF may only enter into short-term borrowing arrangements for which all outstanding amounts, at any time, do not exceed 5% of the Claymore Gold ETF's total net assets and such borrowing arrangements are in compliance with NI 81-102;
- (e) store all the physical gold bullion owned by the Claymore Gold ETF in the vault facilities of a Schedule I Canadian chartered bank, or an affiliate or a division thereof or a sub-custodian on an allocated and segregated basis;
- (f) ensure that no part of the physical gold bullion held in storage on behalf of the Claymore Gold ETF may be delivered out of safekeeping by the Custodian or sub-custodian without receipt of a certified resolution of the Board of Directors of the Manager specifying the purpose of the delivery and giving direction with respect to specific amount;
- (g) ensure that no director or officer of the Manager, or appointed representative of the Claymore Gold ETF or the Manager, is authorized to enter the vault facilities designated for the storage of the Claymore Gold ETF's gold bullion without being accompanied by one or more representatives of the Custodian;
- (h) ensure that the gold bullion held in storage on behalf of the Claymore Gold ETF shall be inspected annually, and spot inspected periodically, by bar number, refiner, weight and purity, in the presence of at least one director or officer of the Manager, at least one representative of the Custodian and at least one representative of the auditors of the Claymore Gold ETF;
- (i) ensure that the Custodian has adequate insurance in place in respect of the vaults in which the gold bullion is held by the Custodian on behalf of the Claymore Gold ETF;
- (j) ensure that the gold bullion is unencumbered, except in connection with borrowing to facilitate bullion purchase payments;
- (k) not undertake any activity, take any action, omit to take any action or make or hold any investment that would result in the Claymore Gold ETF failing to qualify as a "mutual fund trust" within the meaning of the Tax Act;
- (l) not invest in securities of an issuer that is or would be a foreign affiliate of the Claymore Gold ETF or of any holder of Units;
- (m) not acquire any interest in a non-resident trust that is not an "exempt foreign trust", or invest in the securities of any non-resident corporation or trust or other non-resident entity if the Claymore Gold ETF would be required to mark its investment in such securities to market in accordance with proposed section 94.2 of the Tax Act or to include any significant amounts in income pursuant to proposed sections 94.1 or 94.3 of the Tax Act, as set forth in the proposed amendments to the Tax Act dealing with foreign investment entities and non-resident trusts contained in Bill C-10 which was previously before the 39th Parliament (or amendments to such proposals, provisions as enacted into law or successor provisions thereto); and
- (n) not invest in any security that would be a "tax shelter investment" within the meaning of the Tax Act.

The foregoing investment restrictions may not be changed without the approval of the Unitholders by an Extraordinary Resolution (as defined herein), unless such changes are necessary to ensure compliance with all applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time. See "Unitholder Matters".

The Claymore Gold ETF has received exemptive relief from the Canadian securities regulatory authorities for relief from NI 81-102 to permit the Claymore Gold ETF to invest up to 100% of its net assets, taken at market value at the time of purchase, in physical gold bullion, of which no more than 10% of its net assets, taken at market value at the time of purchase, may be invested in permitted gold certificates, as well as certain other relief from NI 81-102.

FEES AND EXPENSES

Management Fee

Pursuant to the terms of the Declaration of Trust, the Manager is entitled to a monthly management fee equal to one-twelfth of 0.50% of the net assets of the Claymore Gold ETF at month end, plus applicable taxes. Fees payable to the Manager are calculated and accrued daily and will be paid monthly in arrears.

Other Fees and Expenses

The Manager will pay for all ordinary expenses incurred in connection with the operation and administration of the Claymore Gold ETF. It is expected that these expenses will include, without limitation: mailing and printing expenses for periodic reports to Unitholders and other Unitholder communications including marketing and advertising expenses; fees payable to the Registrar and Transfer Agent; fees payable to the Custodian; any reasonable out-of-pocket expenses incurred by the Trustee, the Manager or its agents in connection with their on-going obligations to the Claymore Gold ETF; fees payable to the auditors and legal advisors of the Claymore Gold ETF; regulatory filing, stock exchange and licensing fees; and any expenditures incurred upon the termination of the Claymore Gold ETF. The Claymore Gold ETF will be responsible for any extraordinary expenses which it may incur from time to time.

The Manager is not responsible for the management fee, expenses associated with the implementation and on-going operation of an independent review committee as required pursuant to NI 81-107, brokerage expenses and commissions, income taxes, goods and services taxes, withholding and any other taxes, gold settlement fees and any extraordinary expenses.

Management Fee Distributions

To encourage very large investments in the Claymore Gold ETF and to achieve effective management fees which are competitive for these investments, the Manager may agree to charge a reduced fee as compared to the fee it otherwise would be entitled to receive from the Claymore Gold ETF with respect to investments in the Claymore Gold ETF by Unitholders that hold, on average during any period specified by the Manager from time to time (currently a quarter), Units of the Claymore Gold ETF having a specified aggregate value, currently in excess of \$25 million. An amount equal to the difference between the fee otherwise chargeable and the reduced fee of the Claymore Gold ETF will be distributed quarterly in cash by the Claymore Gold ETF to those Unitholders as "Management Fee Distributions".

The availability and amount of Management Fee Distributions with respect to Units of the Claymore Gold ETF will be determined by the Manager. Management Fee Distributions will generally be calculated and applied based on a Unitholder's average holdings of Units over each applicable period as specified by the Manager from time to time. Management Fee Distributions will be available only to beneficial owners of Units and not to the holdings of Units by dealers, brokers or other CDS Participants that hold Units on behalf of beneficial owners. Management Fee Distributions will be paid first out of net income of the Claymore Gold ETF then out of capital gains of the Claymore Gold ETF and thereafter out of capital. In order to receive a Management Fee Distribution for any applicable period, a beneficial owner of Units must submit a claim for a Management Fee Distribution that is verified by a CDS Participant on the beneficial owner's behalf and provide the Manager with such further information as the Manager may require in accordance with the terms and procedures established by the Manager from time to time.

The Manager reserves the right to discontinue or change Management Fee Distributions at any time. The tax consequences of Management Fee Distributions made by the Claymore Gold ETF generally will be borne by the Unitholders receiving these distributions.

Harmonized Sales Tax

Effective July 1, 2010, the Ontario and British Columbia provincial sales taxes were harmonized with the 5% federal goods and services tax ("GST") to create a federal harmonized sales tax ("HST") for goods and services. Due to such tax harmonization, the federal government released draft rules for calculating the amount of HST to be paid by investment funds such as the Claymore Gold ETF. Such draft rules would generally require the Claymore Gold ETF to undertake a separate calculation for each class of its Units using a tax rate determined by reference to the relevant rate for each province, and the portion of the value of Units of such class attributable to the Unitholders resident in that

province. Accordingly, the HST to be paid by the Claymore Gold ETF will be a “blended rate” of the 5% rate applicable to non-harmonized provinces, 12% in British Columbia, 15% in Nova Scotia and 13% in the other harmonized provinces depending on the residency of the Unitholders in the classes of the Units of the Claymore Gold ETF.

The Claymore Gold ETF has been evaluating and will continue to evaluate alternatives to applying the blended rate to achieve a result that is fair to the Claymore Gold ETF and its Unitholders. At this time, the Claymore Gold ETF believes that the application of the blended rate, consistent with the draft rules released by the federal government, is the only viable method to fairly apply these fees; however, the Claymore Gold ETF reserves the right to switch to a different methodology at any time.

RISK FACTORS

In addition to the considerations set out elsewhere in this prospectus, the following are certain considerations relating to an investment in the Units which prospective investors should consider before purchasing such Units:

No Assurances of Achieving Objective

There is no assurance that the Claymore Gold ETF will be able to achieve its investment objective. There is no assurance that the Portfolio will earn any return. The investment objective of the Claymore Gold ETF is to replicate the performance of the price of gold bullion, less its expenses and fees. The Claymore Gold ETF will attempt to achieve this investment objective through its investment strategy as described above under the heading “Investment Strategy”. As the Hedged Common Units are listed for trading on the TSX, it is possible that the Units will trade at a premium or at a discount to their NAV. It is also possible that the currency hedging strategy of the Claymore Gold ETF may result in the Hedged Common Units trading at a higher or lower value than an aggregate amount of gold bullion equal to the NAV of the Claymore Gold ETF. As such, investing in Hedged Common Units may not replicate the price of gold bullion.

Fluctuations in Net Asset Value

The NAV per Unit will vary according to, among other things, the value of the gold bullion, the forward contracts relating to the currency hedging strategy for the Hedged Common Units, any permitted gold certificates or cash held in the Portfolio and any distributions paid on the Units. The Claymore Gold ETF has no control over currency exchange rates and the factors that affect the value of the gold bullion in the Portfolio, including factors that affect gold prices generally such as general economic and political conditions and fluctuations in interest rates, and factors unique to the gold industry.

Concentration Risk; Other Investments

The Claymore Gold ETF will be invested at all times in physical gold bullion, forward contracts relating to the currency hedging strategy for the Hedged Common Units, permitted gold certificates and cash, if any, subject to the investment restrictions of the Claymore Gold ETF. The Claymore Gold ETF’s holdings will not be diversified and the NAV per Unit may be more volatile than the value of a more broadly diversified portfolio and may fluctuate substantially over short periods of time. This may have a negative impact on the value of the Units of the Claymore Gold ETF.

Direct purchases of gold by the Claymore Gold ETF may generate higher transaction and custody costs than other types of investments, which may impact the performance of the Claymore Gold ETF.

Gold Price Volatility

The investment objective of the Claymore Gold ETF is to replicate the performance of the price of gold bullion, less its expenses and fees. The principal factors affecting the value of the Units are factors which affect the currency price of gold. The gold bullion assets of the Claymore Gold ETF are tradable internationally and are denominated in USDs. The value of the Units of the Claymore Gold ETF will depend on, and typically fluctuate with, the price fluctuations of gold and the price of the USD relative to the Canadian dollar. The price of gold may be affected at any time by many unpredictable international, economic, monetary and political factors, including, without limitation:

- global gold supply and demand, which is influenced by such factors as: (i) forward selling by gold producers; (ii) purchases made by gold producers to unwind gold hedge positions; (iii) central bank purchases and sales; and (iv) production and cost levels in major gold-producing countries;
- investor's expectations for future inflation rates;
- exchange rate volatility of the USD, the principal currency in which the price of gold is generally quoted;
- interest rate volatility; and
- unexpected global, or regional, political or economic incidents.

Changing tax, royalty, land and mineral rights ownership and leasing regulations under different political regimes can impact market functions and expectations for future gold supply. This can impact both gold mining shares, and the relative prices of other commodities, which can also be competitive factors that impact investor decisions in respect to investing in gold.

Loss, Damage or Restriction of Access to Gold; Risks Relating to Inspection of Gold

There is a risk that part or all of the Claymore Gold ETF's gold bullion could be lost, damaged or stolen, notwithstanding the handling of deliveries of bullion by and storage of bullion in the vaults of the Custodian or sub-custodian. Also, access to the Claymore Gold ETF's gold bullion could be restricted by natural events or human actions. Any of these events may adversely affect the assets of the Claymore Gold ETF and, consequently, an investment in the Units.

The Custodian does not inspect the fineness or quality of the physical gold bullion that is delivered to it. There is no assurance as to the fineness or quality of the physical gold bullion delivered to the Claymore Gold ETF.

Uninsured and Underinsured Losses

The Claymore Gold ETF does not insure its gold. Allocated gold bullion owned by the Claymore Gold ETF is stored in the vaults of the Custodian or sub-custodian once it is delivered to the Custodian or sub-custodian. The Custodian maintains insurance as the Custodian deems appropriate against all risk of physical loss or damage except the risk of war, nuclear incident, terrorism events or government confiscation. The Custodian maintains insurance with regard to its business on such terms and conditions as it considers appropriate. The Claymore Gold ETF is not a beneficiary of any such insurance and does not have the ability to dictate the existence, nature or amount of coverage. There can be no assurance that such insurance is sufficient to cover any losses which may be suffered by the Custodian or sub-custodian or the Claymore Gold ETF.

Risks Relating to Unallocated Gold

The physical gold bullion to be purchased by the Claymore Gold ETF will be allocated by the applicable counterparty in a commercially reasonable time and manner. There will be a period of time after the Claymore Gold ETF has purchased gold bullion but before such gold bullion has been fully allocated to the Claymore Gold ETF, or when the Claymore Gold ETF is redeeming Units that the Claymore Gold ETF will hold unallocated gold bullion. The Claymore Gold ETF will attempt to limit the length of the period of time during which any gold remains unallocated. During this time, the Claymore Gold ETF will be subject to the credit risk of the counterparty and/or the vendors of the gold bullion. There can be no assurance that any losses attributable to holding unallocated gold bullion will be recovered by the Claymore Gold ETF.

Risks Relating to the Hedging Strategy

As gold bullion is priced in USDs, the return on an investment in gold will be affected by two variables: (i) the price return of gold in USDs and (ii) the variation in the USD/Canadian dollar exchange rate. In respect of the Hedged Common Units, the Claymore Gold ETF will hedge substantially all of the Claymore Gold ETF's USD currency exposure back to the Canadian dollar. There is no assurance that the hedging strategy of the Claymore Gold ETF in respect of the Hedged Common Units will be effective or that such strategy will replicate the price of gold.

Reliance on the Manager

Unitholders will be dependent on the ability of the Manager to effectively manage the Claymore Gold ETF in a manner consistent with the investment objective, strategy, policies and restrictions of the Claymore Gold ETF. There is no certainty that the individuals who are principally responsible for providing administration and portfolio management services to the Claymore Gold ETF will continue to be employed by the Manager.

Sensitivity to Interest Rates

The market price of the securities of the Claymore Gold ETF may be affected by the level of interest rates prevailing from time to time. In addition, any decrease in the NAV resulting from an increase in interest rates may also negatively affect the market price of the securities of the Claymore Gold ETF. Unitholders will therefore be exposed to the risk that the NAV per Unit or the market price of the securities of the Claymore Gold ETF may be negatively affected by interest rate fluctuations.

Risks Related to Redemptions

If holders of a substantial number of Units exercise their redemption rights, the number of Units outstanding and the NAV of the Claymore Gold ETF could be significantly reduced. If a substantial number of Units are redeemed, this could decrease the liquidity of the Units in the market and increase the management expense ratio of the Claymore Gold ETF. In any such circumstance, the Manager may determine it appropriate to (i) suspend redemptions of Units (as described under “Redemptions — Suspension of Exchange and Redemption”); or (ii) terminate the Claymore Gold ETF without the approval of the Unitholders if, in the opinion of the Manager, it is no longer economically feasible to continue the Claymore Gold ETF or the Manager determines that it would be in the best interests of Unitholders to terminate the Claymore Gold ETF.

Trading Price of the Units

Units may trade in the market at a premium or discount to the NAV per Unit and there can be no assurance that Units will trade at prices that reflect their NAV.

Global Geo-Political Events

The possibility of large-scale distress sales of gold in times of crisis may have a short-term negative impact on the price of gold and adversely affect an investment in the Units. For example, the 1998 Asian financial crisis resulted in significant sales of gold by individuals which depressed the price of gold. Crises in the future may impair gold's price performance which would, in turn, adversely affect an investment in the Units.

Risks Associated with Creation and Redemption

Purchasing activity associated with acquiring or selling the gold bullion that is transferred into the Claymore Gold ETF in connection with the creation or redemption of Baskets of Physical Gold Bullion may temporarily increase or decrease the market price of gold, which may result in higher or lower prices for the Units. Temporary increases or decreases in the market price of gold may also occur as a result of the purchasing or selling activity of other market participants. Other market participants may attempt to benefit from an increase or decrease in the market price of gold that may result from increased or decreased purchasing activity of gold connected with the issuance or redemption of Units for Baskets of Physical Gold Bullion. Consequently, the market price of gold may increase or decline immediately after Baskets of Physical Gold Bullion are created or redeemed. If the price of gold increases or declines, the trading price of the Units may also increase or decline.

Potential Conflicts of Interest

The Manager, its directors and officers and its affiliates and associates may engage in the promotion, management or investment management of other accounts, funds or trusts which could invest primarily in gold bullion or other securities or assets held by the Claymore Gold ETF.

Although officers, directors and professional staff of the Manager will devote as much time to the Claymore Gold ETF as is deemed appropriate to perform its duties, the staff of the Manager may have conflicts in allocating their time and services among the Claymore Gold ETF and the other funds managed by the Manager.

Changes in Legislation

There can be no assurance that income tax, securities and other laws will not be changed in a manner which adversely affects the distributions, if any, received by the Claymore Gold ETF or by the Unitholders. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner which adversely affects the Unitholders. If the Claymore Gold ETF ceases to qualify as a “mutual fund trust” under the Tax Act, the income tax considerations described under the heading “Canadian Federal Income Tax Considerations” would be materially and adversely different in certain respects.

Effective July 1, 2010, the Ontario and British Columbia provincial sales taxes were harmonized with the 5% federal goods and services tax (“GST”) to create a federal harmonized sales tax (“HST”) for goods and services. Due to such tax harmonization, the federal government released draft rules for calculating the amount of HST to be paid by investment funds such as the Claymore Gold ETF. Such draft rules would generally require the Claymore Gold ETF to undertake a separate calculation for each class of its Units using a tax rate determined by reference to the relevant rate for each province, and the portion of the value of Units of such class attributable to the Unitholders resident in that province. Accordingly, the HST to be paid by the Claymore Gold ETF will be a “blended rate” of the 5% rate applicable to non-harmonized provinces, 12% in British Columbia, 15% in Nova Scotia and 13% in the other harmonized provinces depending on the residency of the Unitholders in the classes of the Units of the Claymore Gold ETF.

The Claymore Gold ETF has been evaluating and will continue to evaluate alternatives to applying the blended rate to achieve a result that is fair to the Claymore Gold ETF and its Unitholders. At this time, the Claymore Gold ETF believes that the application of the blended rate, consistent with the draft rules released by the federal government, is the only viable method to fairly apply these fees; however, the Claymore Gold ETF reserves the right to switch to a different methodology at any time.

Counterparty Risk

Due to the nature of the hedging strategy relating to the Hedged Common Units of the Claymore Gold ETF, the Claymore Gold ETF relies on the ability of the counterparty to the hedging transaction to perform its obligations. In the event that a counterparty fails to complete its obligations, the Hedged Common Units of the Claymore Gold ETF bear the risk of loss of the amount expected to be received under the hedging transaction or other transactions in the event of the default or bankruptcy of a counterparty.

Taxation of the Claymore Gold ETF

If the Claymore Gold ETF fails to, or ceases to, qualify as a “mutual fund trust” under the Tax Act, the income tax considerations described under the heading “Canadian Federal Income Tax Considerations” would be materially and adversely different in certain respects.

On October 31, 2003 the Department of Finance (Canada) announced a Tax Proposal relating to the deductibility of losses under the Tax Act which is proposed to apply to taxation years beginning after 2004. Under this Tax Proposal, a taxpayer will be considered to have a loss from a business or property for a taxation year only if, in that year, it is reasonable to assume that the taxpayer will realize a cumulative profit from the business or property during the time that the taxpayer has carried on, or can reasonably be expected to carry on, the business or has held, or can reasonably be expected to hold, the property. Profit, for this purpose, does not include capital gains or capital losses. If such Tax Proposal were to apply to the Claymore Gold ETF, certain losses of the Claymore Gold ETF may be limited with after-tax returns to Unitholders reduced as a result. On February 23, 2005, the Minister of Finance (Canada) announced that an alternative proposal to replace this Tax Proposal would be released. No such alternative proposal has been released as of the date hereof. There can be no assurance that such alternative proposal will not adversely affect the Claymore Gold ETF.

Pursuant to rules pertaining to specified investment flow-through trusts or partnerships, (defined as “SIFT trusts” and “SIFT partnerships”, respectively, in the Tax Act), SIFT trusts or SIFT partnerships, the securities of which are listed or traded on a stock exchange or other public market and that hold one or more “non-portfolio properties” (as defined in the Tax Act) would effectively be taxed on income and capital gains in respect of such non-portfolio properties at combined rates comparable to the rates that apply to income earned and distributed by Canadian corporations (the “SIFT Rules”). Distributions of such income received by Unitholders of SIFT trusts (and allocations of such income made to members of SIFT partnerships) would be treated as eligible dividends from a taxable Canadian corporation.

Counsel believes that the SIFT Rules were not intended to apply to trusts such as the Claymore Gold ETF. The Claymore Gold ETF is subject to investment restrictions intended to ensure that it will not be a SIFT trust (as defined in the Tax Act). If the Claymore Gold ETF were to qualify as a SIFT trust, the income tax considerations described under “Canadian Federal Income Tax Considerations” would be materially and adversely different in certain respects.

Particularly in circumstances where the Claymore Gold ETF realizes net gains upon settlement of currency hedging contracts in a taxation year which are unsheltered by any loss carryforwards from prior taxation years, the Claymore Gold ETF will distribute net income and net realized gains in the form of Hedged Common Units to the holders of Hedged Common Units. The amount of such income or taxable portion of such capital gains will be included in the income of the Unitholders and subject to tax despite the absence of any cash distribution from the Claymore Gold ETF to fund the resulting tax liability of the Unitholders.

The Claymore Gold ETF will treat gains (or losses) as a result of any disposition of gold bullion as capital gains (or capital losses) or, depending on the circumstances, include the full amount in (or deduct from) income. The CRA has expressed the opinion that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances. The Manager has advised counsel that generally, the Claymore Gold ETF will treat gains and deduct losses in connection with currency hedges and other investments made through derivatives on income account, except in the event that such derivatives or currency hedges are sufficiently linked to assets of the Claymore Gold ETF held as capital property. If any transactions of the Claymore Gold ETF are reported on capital account but are subsequently determined to be on income account, the net income of the Claymore Gold ETF for tax purposes and the taxable component of distributions to Unitholders could increase. Any such redetermination by the CRA may result in the Claymore Gold ETF being liable for unremitted withholding taxes on prior distributions made to Unitholders who were not resident in Canada for the purposes of the Tax Act at the time of the distribution. Such potential liability may reduce NAV, NAV per Unit of a class and/or the trading prices of the Units of a class.

DISTRIBUTION POLICY

Distributions

The Claymore Gold ETF does not anticipate making regular distributions on its Units.

On an annual basis, the Claymore Gold ETF will ensure that the net income and net realized capital gains of the Claymore Gold ETF have been distributed to Unitholders to such an extent that the Claymore Gold ETF will not be liable for ordinary income tax thereon. To the extent that the Claymore Gold ETF has not distributed the full amount of its net income or capital gains in any year, the difference between such amount and the amount actually distributed by the Claymore Gold ETF will be paid as a “reinvested distributions”. Reinvested distributions, net of any required withholding tax will be reinvested automatically in additional Units at a price equal to the NAV per Unit and the Units will be immediately consolidated such that the number of outstanding Units following the distribution will equal the number of Units outstanding prior to the distribution.

Distribution Reinvestment Plan

The Claymore Gold ETF may adopt a distribution reinvestment plan (the “Reinvestment Plan”) which will provide that cash distributions made by the Claymore Gold ETF, if any, shall, at the election of a Unitholder, be automatically reinvested in additional Units on such Unitholder’s behalf in accordance with the terms of such plan (as described below) and the reinvestment plan agency agreement (the “Reinvestment Plan Agency Agreement”) to be entered into by the Manager on behalf of the Claymore Gold ETF, the Manager and a Canadian plan agent (the “Plan Agent”) appointed to establish the Reinvestment Plan. Notwithstanding the foregoing, Unitholders who are not residents of Canada will not be able to participate in the Reinvestment Plan and Unitholders who cease to be residents of Canada will be required to terminate such Unitholders’ participation in the Reinvestment Plan.

At the Manager’s discretion, upon notice by press release to Unitholders cash distributions, if any, may be automatically reinvested in Units pursuant to the Reinvestment Plan. In such circumstance, Unitholders may elect to

receive distributions in cash by notifying CDS via the applicable CDS Participants through which such Unitholder holds its Units of the Unitholder's intention not to participate in the Reinvestment Plan. The CDS Participant must, on behalf of such Unitholder, provide a notice to CDS that the Unitholder does not wish to participate in the Reinvestment Plan no later than 4:00 p.m. (Toronto time) on the business day immediately prior to the applicable distribution record date (which is any date designated by the Manager as a record date for the determination of Unitholders entitled to receive a distribution) in respect of the next expected distribution in which the Unitholder does not wish to participate. CDS shall, in turn, notify the Plan Agent no later than 5:00 p.m. (Toronto time) on the applicable distribution record date that such Unitholder does not wish to participate in the Reinvestment Plan.

Subject to the foregoing, cash distributions, if any, will be automatically reinvested in additional Units on behalf of those Unitholders who are residents of Canada (each such Unitholder being a "Plan Participant"). Such distributions due to Plan Participants will be paid to the Plan Agent and applied to the purchase of Units on behalf of Plan Participants in the following manner. If the weighted average trading price of the Units on the TSX, or such other exchange or market on which the Units are then listed) for the 10 trading days immediately preceding the relevant Distribution Date (the "Market Price") plus estimated brokerage fees and commissions is greater than or equal to the NAV per Unit (calculated as described under "Calculation of Net Asset Value") as at such Distribution Date, the Plan Agent will, after the relevant Distribution Date, apply distributions to the purchase of Units from the Claymore Gold ETF at a price equal to NAV per Unit as at the Distribution Date, provided that if the NAV per Unit as at the Distribution Date is less than 95% of the Market Price per Unit as at the Distribution Date, then Units will be purchased from the Claymore Gold ETF at a price equal to 95% of the Market Price as at the Distribution Date (the "Treasury Purchase Procedure"). Otherwise, if the Market Price plus estimated brokerage fees and commissions is less than the NAV per Unit as at the Distribution Date, purchases of Units will be made in the market during the ten business days next following the relevant Distribution Date, on any business day when the Market Price is less than the NAV per Unit as at such Distribution Date, and on the 11th business day after the Distribution Date the unused part (if any) of the distributions paid to the Plan Agent for the benefit of Plan Participants will be applied to a purchase of Units from the Claymore Gold ETF in accordance with the Treasury Purchase Procedure. Applicable brokerage fees and commissions incurred in connection with purchases of Units made in the market pursuant to the Reinvestment Plan will be paid by and from the accounts of Plan Participants.

The Units purchased in the market or from the Claymore Gold ETF will be allocated on a *pro rata* basis to the Plan Participants. The Plan Agent will credit a Plan Participant's account in respect of Units acquired on behalf of such Plan Participant under the Reinvestment Plan. While the Claymore Gold ETF will not issue fractional Units, a cash payment for any fractional Units that would otherwise be issuable under the Reinvestment Plan relating to a distribution will be paid by the Plan Agent to the relevant Plan Participants shortly after the payment date for such distribution. No certificates representing Units issued or purchased pursuant to the Reinvestment Plan will be issued. The automatic reinvestment of the distributions under the Reinvestment Plan will not relieve Plan Participants of any income tax applicable to such distributions. See "Canadian Federal Income Tax Considerations".

If the Units are thinly traded, purchases in the market under the Reinvestment Plan may significantly affect the market price. Depending on market conditions, direct reinvestment of cash distributions by Unitholders in the market may be more, or less, advantageous than the reinvestment arrangements under the Reinvestment Plan. The Plan Agent's fees for administering the Reinvestment Plan will be paid by the Claymore Gold ETF.

The Manager will be able to terminate the Reinvestment Plan, in its sole discretion, upon not less than 30 days' notice to the Plan Participants and the Plan Agent. The Manager will also be able to amend, modify or suspend the Reinvestment Plan at any time in its sole discretion, provided that it gives notice of that amendment, modification or suspension to Unitholders, which notice may be given by the Claymore Gold ETF by issuing a press release or by publishing an advertisement containing a summary description of the amendment in at least one major daily newspaper of general and regular paid circulation in Canada, or in any other manner the Manager determines to be appropriate. The Claymore Gold ETF will not be required to issue Units into any jurisdiction where that issuance would be illegal.

REDEMPTIONS

On any Trading Day, Unitholders may redeem Units of the Claymore Gold ETF for cash at a redemption price per Unit equal to 95% of the closing price for the Units on the TSX on the effective day of the redemption. Because Unitholders will generally be able to sell Units at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming their Units for cash.

In order for a cash redemption to be effective on a Trading Day, a cash redemption request in the form prescribed by the Manager from time to time must be delivered to the Claymore Gold ETF at its head office by 10:00 a.m. (Toronto time) on that day. If a cash redemption request is not received by 10:00 a.m. (Toronto time) on a Trading Day, the cash redemption request will be effective only on the next Trading Day. Payment of the redemption price will be made by no later than the third Trading Day after the effective day of the redemption. The cash redemption request forms may be obtained from any registered broker or dealer.

Exchange and Redemption of Units

As described under “Book-Entry Only System”, registration of interests in, and transfers of, the Units will be made only through the book-entry only system of CDS. The exchange and redemption rights described below must be exercised through the CDS Participant through which the owner holds Units. Beneficial owners of Units should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold Units sufficiently in advance of the cut-off times described below to allow such CDS Participants to notify CDS and for CDS to notify the Manager prior to the relevant cut-off time.

Exchange of Units for Baskets of Physical Gold Bullion

On any Trading Day, Unitholders acting through Designated Brokers or Underwriters may exchange the Prescribed Number of Units (or an integral multiple thereof) for Baskets of Physical Gold Bullion and cash. To effect an exchange of Units, a Designated Broker or Underwriter must submit an exchange request in the form prescribed by the Manager from time to time to the Claymore Gold ETF at its head office by 10:00 a.m. (Toronto time) on a Trading Day. The exchange price will be equal to the NAV of the Units on the effective day of the exchange request, payable by delivery of Baskets of Physical Gold Bullion (constituted as most recently published prior to the receipt of the exchange request) and cash. The Units will be redeemed in the exchange. The Manager will publish the Prescribed Number of Units and Baskets of Physical Gold Bullion following the close of business on each Trading Day on its website, www.claymoreinvestments.ca.

It is expected that if an exchange request is not received by 10:00 a.m. (Toronto time) on a Trading Day, the exchange order will be effective only on the next Trading Day. Settlement of exchanges for Baskets of Physical Gold Bullion and cash will be made by no later than the third Trading Day after the effective day of the exchange request.

Designated Brokers or Underwriters should be aware that the NAV per Unit will decline on the date of declaration of any distribution payable in cash on Units. A Designated Broker or Underwriter that exchanges Units prior to the applicable distribution record date will not be entitled to receive that distribution.

In connection with the redemption of Units, the Claymore Gold ETF may dispose of physical gold bullion or other securities or assets of the Claymore Gold ETF.

Suspension of Exchange and Redemption

The Manager may suspend the redemption of Units or payment of redemption proceeds of the Claymore Gold ETF with the prior permission of the securities regulatory authorities where required, for any period not exceeding 30 days during which the Manager determines that conditions exist which render impractical the sale of assets of the Claymore Gold ETF or which impair the ability of the Custodian to determine the value of the assets of the Claymore Gold ETF. The suspension may apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager of the suspension and that the redemption will be effected at a price determined on the first Valuation Date following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for redemption. The suspension shall terminate in any event on the first day

on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Claymore Gold ETF, any declaration of suspension made by the Manager shall be conclusive.

Costs Associated with Exchange and Redemptions

The Manager may charge to Unitholders, at its discretion, an administrative fee of up to 0.05% of the exchange or redemption proceeds of the Claymore Gold ETF to offset certain transaction costs associated with the exchange or redemption of Units of the Claymore Gold ETF.

CONTINUOUS DISTRIBUTION

The Hedged Common Units are listed on the Toronto Stock Exchange (the “TSX”) under the symbol CGL, and are offered on a continuous basis with no maximum number of Hedged Common Units that may be issued. Investors may buy or sell Hedged Common Units on the TSX through registered brokers and dealers in the province or territory where the investor resides. The Non-Hedged Common Units are not currently listed on a stock exchange. The TSX has conditionally approved the listing of the Non-Hedged Common Units and subject to the Claymore Gold ETF fulfilling all of the TSX’s listing requirements on or before January 18, 2012, the Non-Hedged Common Units of the Claymore Gold ETF will be offered on a continuous basis with no maximum number of Non-Hedged Common Units that may be issued. Investors will be able to buy or sell Non-Hedged Common Units on the TSX through registered brokers or dealers in the province or territory where the investor resides. The Manager expects that the issuance of the Non-Hedged Common Units offered hereby will occur in February 2011 and the Non-Hedged Common Units will be listed for trading in February 2011. Investors may trade Units in the same way as other securities listed on the TSX, including by using market orders and limit orders. Investors may incur customary brokerage commissions in buying or selling Units. The Claymore Gold ETF issues Units directly to Designated Brokers and Underwriters. From time to time as may be agreed to by the Claymore Gold ETF and such Designated Brokers and Underwriters, the Designated Brokers and Underwriters may agree to accept Baskets of Physical Gold Bullion as payment for Units from prospective purchasers.

DESIGNATED BROKERS AND UNDERWRITERS

The Manager, on behalf of the Claymore Gold ETF, has entered into a Designated Broker Agreement with a Designated Brokers pursuant to which the Designated Broker has agreed to perform certain duties relating to the Claymore Gold ETF including, without limitation, to post a liquid two way market for the trading of Units on the TSX.

The Designated Broker Agreement will provides that the Manager may from time to time and, in any event not more than once quarterly, require the Designated Broker to subscribe for Units for cash in an aggregated dollar amount not to exceed 0.30% of the NAV of the Claymore Gold ETF. The number of Units issued will be the subscription amount divided by the NAV per Unit next determined following the delivery by the Manager of a subscription notice to the Designated Broker. It is expected that payment for the Units will be made by the Designated Broker, and the Units will be issued, by no later than the third Trading Day after the subscription notice has been delivered.

The Manager, on behalf of the Claymore Gold ETF, may enter into various Underwriting Agreements with registered dealers (that may or may not be Designated Brokers) pursuant to which the Underwriters may subscribe for or redeem Units of the Claymore Gold ETF as described above under “Redemptions” and below under “Issuance of Units”.

Issuance of Units

To Designated Brokers and Underwriters

All orders to purchase Units directly from the Claymore Gold ETF must be placed by Designated Brokers or Underwriters. The Claymore Gold ETF reserves the absolute right to reject any subscription order placed by a Designated Broker or Underwriter. No fees will be payable by the Claymore Gold ETF to a Designated Broker or Underwriter in connection with the issuance of Units. On the issuance of Units, the Manager may, at its discretion, charge an administrative fee to a Designated Broker or Underwriter to offset the expenses (including any applicable TSX additional listing fees) incurred in issuing the Units. The Custodian may also, at its discretion, charge an administration fee to a Designated Broker.

It is anticipated that on any Trading Day, a Designated Broker or Underwriter may place a subscription order for a Prescribed Number of Units (or an integral multiple thereof) of the Claymore Gold ETF. It is expected that, if a subscription order is received by the Claymore Gold ETF by 10:00 a.m. (Toronto time) on a Trading Day, that the Claymore Gold ETF will issue to the Designated Broker or Underwriter the Prescribed Number of Units (or an integral multiple thereof) by no later than the third Trading Day after the date on which the subscription order is accepted, provided that payment for such Units has been received.

For each Prescribed Number of Units issued, a Designated Broker or Underwriter must deliver payment consisting of, in the Manager's discretion, (i) one Basket of Physical Gold Bullion and cash in an amount sufficient so that the value of the physical gold bullion and the cash received is equal to the NAV of the Units on the effective date of the exchange request; or (ii) a combination of physical gold bullion and cash, as determined by the Manager in an amount sufficient so that the value of the physical gold bullion and the cash received is equal to the NAV of the Units on the effective date of the exchange request.

The Manager will publish the Prescribed Number of Units and Basket of Physical Gold Bullion for the Claymore Gold ETF following the close of business on each Trading Day on its website, www.claymoreinvestments.ca. The Manager may, at its discretion, increase or decrease the Prescribed Number of Units from time to time.

To Designated Brokers in Special Circumstances

Units may be issued by the Claymore Gold ETF to Designated Brokers in connection with cash redemptions of Units as described above in "Redemptions".

To Unitholders as Reinvested Distributions

Units may be issued by the Claymore Gold ETF to Unitholders of the Claymore Gold ETF on the automatic reinvestment of special distributions and other reinvested distributions and in accordance with the Reinvestment Plan, if implemented by the Claymore Gold ETF. See "Distributions – Distribution Reinvestment Plan".

Buying and Selling Units

Investors may trade Units in the same way as other securities listed on the TSX, including by using market orders and limit orders. An investor may buy or sell Units on the TSX only through a registered broker or dealer in the province or territory where the investor resides. Investors may incur customary brokerage commissions when buying or selling Units.

SPECIAL CONSIDERATIONS FOR UNITHOLDERS

The provisions of the so-called "early warning" requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units. In addition, the Claymore Gold ETF has obtained exemptive relief from the securities regulatory authorities to permit Unitholders to acquire more than 20% of the Units of the Claymore Gold ETF, through purchases on the TSX without regard to the takeover bid requirements of applicable Canadian securities legislation, provided that any such Unitholder, and any person acting jointly or in concert with the Unitholder, undertakes to Claymore not to vote more than 20% of the Units of the Claymore Gold ETF at any meeting of Unitholders.

Under the Universal Market Integrity Rules applicable to trading on the TSX, market participants are generally not permitted to sell securities short unless the price is at or above the last sale price. However, under these rules, market participants are permitted to short sell Units of the Claymore Gold ETF.

TRADING PRICE AND VOLUME

The following chart provides the price ranges and volume of the Fund Units and Hedged Common Units traded on the TSX since the Fund's inception:

<u>2009</u>	<u>Low</u>	<u>High</u>	<u>Volume</u>
May ⁽¹⁾	\$9.40	\$9.42	3,459,018
June	\$9.00	\$9.45	5,214,785
July	\$8.65	\$9.00	3,427,115
August	\$8.59	\$9.00	7,982,815
September	\$8.92	\$9.50	4,723,816
October	\$9.29	\$9.85	8,134,718
November	\$9.85	\$10.36	11,351,762
December	\$9.75	\$10.73	18,420,475
<u>2010</u>			
January	\$9.76	\$10.32	13,171,532
February	\$9.57	\$10.12	20,514,532
March	\$9.82	\$10.26	31,608,383
April	\$10.17	\$10.63	11,529,569
May	\$10.60	\$11.21	9,816,020
June	\$10.91	\$11.35	6,645,903
July	\$10.47	\$10.96	4,708,236
August	\$10.70	\$11.25	2,932,400
September	\$11.20	\$11.79	4,306,593
October	\$11.84	\$12.41	5,850,478
November	\$12.03	\$12.69	4,809,221
December	\$12.34	\$12.84	3,790,040
<u>2011</u>			
January ⁽²⁾	\$12.00	\$12.47	3,060,085

(1) The Fund Units commenced trading on May 28, 2009, and the Hedged Common Units commenced trading on February 16, 2010.

(2) January 1 – 25, 2011.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Wildeboer Dellelce LLP, the following is a summary of the principal Canadian federal income tax considerations under the Tax Act for the Claymore Gold ETF and for a prospective investor in the Claymore Gold ETF who, for the purpose of the Tax Act, is an individual (other than a trust), is resident in Canada, holds Units of the Claymore Gold ETF, and any gold bullion accepted as payment for Units of the Claymore Gold ETF, as capital property, and is not affiliated and deals at arm's length with the Claymore Gold ETF. This summary is based upon the current provisions of the Tax Act, all specific proposals to amend the Tax Act that have been publicly announced by the Minister of Finance (Canada) prior to the date hereof ("Tax Proposals"), and counsel's understanding of the current published administrative policies and assessing practices of the CRA. This summary does not take into account or anticipate any other changes in law whether by legislative, administrative or judicial action and it does not take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the considerations described below.

This summary is of a general nature only and is not intended to be legal or tax advice to any prospective purchaser of Units. Prospective investors should consult their own tax advisors for advice with respect to the tax consequences of an investment in Units based on their particular circumstances.

This summary is also based on the assumption that the Claymore Gold ETF will at no time be a "SIFT trust" as defined in the Tax Act (see below "Canadian Federal Income Tax Considerations – Taxation of the Claymore Gold ETF – SIFT Trust Rules"). If the Claymore Gold ETF were to qualify as a SIFT trust, the income tax considerations described

below would be materially different in certain respects.

Status of the Claymore Gold ETF

This summary is based on the assumption that the Claymore Gold ETF will comply at all material times with the conditions set out in the Tax Act and otherwise so as to qualify as a “mutual fund trust” as defined in the Tax Act. Counsel is advised that the Claymore Gold ETF has qualified, and is anticipated to qualify, as a “mutual fund trust” under the Tax Act at all material times. If the Claymore Gold ETF does not qualify as a “mutual fund trust” under the Tax Act, the income tax consequences would differ materially from those described below.

In the opinion of counsel, Units of a class of the Claymore Gold ETF will be “qualified investments” for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, registered education savings plans and tax-free savings accounts (collectively, “Registered Plans”) provided that either or both: (i) the Claymore Gold ETF qualifies as a “mutual fund trust” within the meaning of the Tax Act, or (ii) Units of such class are listed on a designated stock exchange (including the TSX). Holders of tax-free savings accounts should consult their own tax advisors to ensure that Units of a class of the Claymore Gold ETF would not be a “prohibited investment” (as defined in the Tax Act) in their particular circumstances.

In the case of an exchange of Units of the Claymore Gold ETF for a Basket of Physical Gold Bullion, the Unitholders will receive gold bullion. The gold bullion received by a Unitholder as a result of an exchange of Units may or may not be a qualified investment for Registered Plans. Unitholders should consult their own tax counsel for advice on whether or not such securities would be qualified investments for Registered Plans.

A condition to qualify as a mutual fund trust for the purposes of the Tax Act is that the Claymore Gold ETF may not be established or maintained primarily for the benefit of non-resident persons unless, at all times, substantially all of its property consists of property other than “taxable Canadian property” within the meaning of the Tax Act (or if certain Tax Proposals released on September 16, 2004 are enacted as proposed, “taxable Canadian property” within the meaning of the Tax Act and certain other types of “specified property”). Gold bullion is not “taxable Canadian property” or another type of “specified property” under the Tax Proposals. Accordingly, based on the Claymore Gold ETF’s investment objectives, investment strategy and investment restrictions, the Claymore Gold ETF should not hold any such property.

Taxation of the Claymore Gold ETF

The taxation year of the Claymore Gold ETF is the calendar year. In each taxation year, the Claymore Gold ETF will be subject to tax under Part I of the Tax Act on any income for the year, including net realized taxable capital gains, less the portion thereof that it deducts in respect of the amounts paid or payable in the year to Unitholders. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid to the Unitholder in the year by the Claymore Gold ETF or if the Unitholder is entitled in that year to enforce payment of the amount. The Claymore Gold ETF intends to deduct, in computing its income in each taxation year, such amount in each year as will be sufficient to ensure that the Claymore Gold ETF will generally not be liable for income tax under Part I of the Tax Act. The Claymore Gold ETF will be entitled for each taxation year to reduce (or receive a refund in respect of) its liability, if any, for tax on its capital gains by an amount determined under the Tax Act based on the redemption of Units during the year (the “capital gains refund”). See “Taxation of Unitholders — Dispositions of Units” below. On this basis, the Claymore Gold ETF will generally not be liable for income tax under Part I of the Tax Act.

The Claymore Gold ETF will include in its income for each taxation year all interest on trust assets that accrues to the Claymore Gold ETF to the end of the year, or that becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year. As the Claymore Gold ETF is, and intends to continue to be, a long-term holder of gold bullion, the Claymore Gold ETF will treat gains (or losses) as a result of any disposition of gold bullion as capital gains (or capital losses) or, depending on the circumstances, include the full amount in (or deduct from) income. The CRA has expressed the opinion that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances.

In computing its income, the Claymore Gold ETF may deduct reasonable administrative costs and other expenses incurred by it for the purpose of earning income. The Claymore Gold ETF may also deduct from its income for

the year a portion of the expenses incurred by the Claymore Gold ETF to issue Units. The portion of such issue expenses deductible by the Claymore Gold ETF in a taxation year is 20% of such issue expenses, pro-rated should the Claymore Gold ETF's taxation year be less than 365 days.

The Declaration of Trust provides that on an annual basis a sufficient amount of the Claymore Gold ETF's income, for purposes of the Tax Act, including net capital gains realized during the year, will be distributed or made payable during the year to Unitholders so that the Claymore Gold ETF will not be liable for any income tax for the year. Such distributions shall be distributed to Unitholders in the form of additional Units. Income of the Claymore Gold ETF allocated and payable to Unitholders from the distribution of additional Units will generally be deductible by the Claymore Gold ETF in computing its income under the Tax Act.

In certain circumstances, the capital gains refund, if any, in a particular taxation year may not completely offset the Claymore Gold ETF's tax liability for such taxation year arising as a result of the distribution of trust assets on the redemption of Units. The Declaration of Trust provides that part or all of the income or capital gain realized by the Claymore Gold ETF as a result of the disposition of trust assets to fund a redemption may, at the discretion of the Trustee, be treated as paid to, and as income or a taxable capital gain of, the redeeming Unitholders. Any amount so designated as income or a taxable capital gain will be considered to have been paid out of the redemption price paid to the redeeming Unitholders. Such amount must be included in computing the income of the redeeming Unitholders and will be deductible by the Claymore Gold ETF.

For the purposes of the Tax Act, all amounts (including cost, adjusted cost base and proceeds of disposition) must be determined in Canadian dollars. Amounts denominated in USDs must be converted into Canadian dollars using the rate of exchange quoted by the Bank of Canada at noon on the day on which the amount first arose or such other rate of exchange as is acceptable to the CRA.

The amount of income, gains and losses realized by the Claymore Gold ETF may be affected by fluctuations in the value of foreign currencies relative to the Canadian dollar. The Manager has advised counsel that, generally, the Claymore Gold ETF will include gains and deduct losses in connection with currency hedges and other investments made through derivative securities on income account, except in the event that such derivatives or currency hedges relate to assets of the Claymore Gold ETF held as capital property, and that the Claymore Gold ETF will recognize such gains and losses for tax purposes at the time they are realized.

Losses incurred by the Claymore Gold ETF cannot be allocated to Unitholders but may be carried forward and deducted by the Claymore Gold ETF in subsequent years subject to detailed provisions of the Tax Act.

The Claymore Gold ETF is subject to the suspended loss rules contained in the Tax Act. A loss realized on a disposition of capital property is considered to be a suspended loss when Claymore Gold ETF acquires a property (a "substituted property") that is the same or identical to the property disposed of, within 30 days before and 30 days after the disposition and the Claymore Gold ETF owns the substituted property 30 days after the original disposition. If a loss is suspended, the Claymore Gold ETF cannot deduct the loss from the Claymore Gold ETF's capital gains until the substituted property is sold and is not reacquired within 30 days before and after the sale.

SIFT Trust Rules

Under the SIFT Rules, SIFT trusts, the securities of which are listed or traded on a stock exchange or other public market and that hold one or more "non-portfolio properties" (as defined in the Tax Act), would effectively be taxed on income and capital gains in respect of such non-portfolio properties at combined rates comparable to the rates that apply to income earned and distributed by Canadian corporations. Distributions of such income received by Unitholders of SIFT trusts would be treated as eligible dividends from a taxable Canadian corporation.

Physical gold bullion and other property of the Claymore Gold ETF will be non-portfolio property if such property is used by the Claymore Gold ETF (or by a person or partnership with which it does not deal at arm's length within the meaning of the Tax Act) in the course of carrying on a business in Canada. In some circumstances, significant holdings of "securities" (as broadly defined in the Tax Act) of other entities could also be non-portfolio property.

Counsel believes that the SIFT Rules were not intended to apply to trusts such as the Claymore Gold ETF. The Claymore Gold ETF is subject to investment restrictions that are intended to ensure that it will not be a SIFT trust. In the view of counsel, the mere holding by the Claymore Gold ETF of physical gold bullion as capital property (or as an

adventure in the nature of trade) would not represent the use of such property in carrying on a business in Canada and, therefore, would not by itself cause the Claymore Gold ETF to be a SIFT trust.

Taxation of Unitholders

Distributions

A Unitholder will generally be required to include in income for a particular taxation year the portion of the income of the Claymore Gold ETF for that particular taxation year, including net realized taxable capital gains, if any, that is paid or payable to the Unitholder in the particular taxation year, whether such amount is received in additional Units or cash.

Provided that appropriate designations are made by the Claymore Gold ETF, such portion of its net taxable capital gains as is paid or payable to a Unitholder will effectively retain its character and be treated as such in the hands of the Unitholder for purposes of the Tax Act.

The non-taxable portion of any net realized capital gains of the Claymore Gold ETF that is paid or payable to a Unitholder in a taxation year will not be included in computing the Unitholder's income for the year. Any other amount in excess of the income of the Claymore Gold ETF that is paid or payable to a Unitholder in such year will not generally be included in the Unitholder's income for the year. However, where such an amount is paid or payable to a Unitholder (other than as proceeds of disposition of a Unit), the Unitholder generally will be required to reduce the adjusted cost base of the Units to the Unitholder by such amount. To the extent that the adjusted cost base of a Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Unitholder from the disposition of the Unit and the Unitholder's adjusted cost base in respect of the Unit will be increased by the amount of such deemed capital gain to zero.

Under the Tax Act, the Claymore Gold ETF is permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions for the year. This will enable the Claymore Gold ETF to utilize, in a taxation year, losses from prior years without affecting the ability of the Claymore Gold ETF to distribute its income annually. The amount distributed to a Unitholder but not deducted by the Claymore Gold ETF will not be included in the Unitholder's income. However, the adjusted cost base of the Unitholder's Units will be reduced by such amount. To the extent that the adjusted cost base of a Unit would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the Unitholder from the disposition of the Unit and the Unitholder's adjusted cost base will be increased by the amount of such deemed capital gain to zero.

The cost to a Unitholder of additional Units received on a distribution will be the amount distributed by the issue of such Units. The adjusted cost base of such additional Units will be determined by averaging such cost with the adjusted cost base to the Unitholder of all Units of the same class as those Units owned by the Unitholder.

Unitholders will be informed each year of the composition of the amounts distributed to them, including amounts in respect of both cash and reinvested distributions. This information will indicate whether distributions are to be treated as ordinary income, taxable capital gains or non-taxable amounts.

Dispositions of Units

Upon the actual or deemed disposition of a Unit, including the exchange or redemption of a Unit, a capital gain (or a capital loss) will generally be realized by the Unitholder to the extent that the proceeds of disposition of the Unit exceed (or are less than) the aggregate of the adjusted cost base to the Unitholder of the Unit and any reasonable costs of disposition. In general, the adjusted cost base of all Units of a class of the Claymore Gold ETF held by the Unitholder is the total amount paid for the Units (including brokerage commissions paid and the amount of reinvested distributions), regardless of when the investor bought them, less any non-taxable distributions (other than the non-taxable portion of capital gains), such as a return of capital, and less the adjusted cost base of any Units of that class of the Claymore Gold ETF previously redeemed/exchanged by the Unitholder. For the purpose of determining the adjusted cost base of Units to a Unitholder, when Units are acquired, the cost of the newly acquired Units will be averaged with the adjusted cost base of all Units of that class owned by the Unitholder as capital property immediately before that time. If a Unitholder participates in the Reinvestment Plan and acquires a Unit from the Claymore Gold ETF at a price that is less than the then fair market value of the Unit, it is the administrative position of the CRA that the Unitholder must include the difference in income and that the cost of the Unit will be correspondingly increased.

Where Units of a Claymore Gold ETF are exchanged by the redeeming Unitholder for Baskets of Physical Gold Bullion, the proceeds of disposition to the Unitholder of the Units will be equal to the fair market value of the Baskets of Physical Gold Bullion so received, plus the amount of any cash received on the exchange, and less any capital gain or income realized by the Claymore Gold ETF as a result of the transfer of those Baskets of Physical Gold Bullion which has been designated by the Claymore Gold ETF to the Unitholder. Where income or a capital gain realized by the Claymore Gold ETF as a result of the transfer of Baskets of Physical Gold Bullion on the redemption of Units has been designated by the Claymore Gold ETF to a redeeming Unitholder, the Unitholder will be required to include in income the income or taxable portion of the capital gain so designated. The cost for tax purposes of gold bullion acquired by a redeeming Unitholder on the exchange or redemption of Units will generally be the fair market value of such gold bullion at that time.

A consolidation of Units of a class following a distribution paid in the form of additional Units of that class will not be regarded as a disposition of Units of the class.

Where Baskets of Physical Gold Bullion are Accepted as Payment for Units of the Claymore Gold ETF

Where Baskets of Physical Gold Bullion are accepted as payment for Units acquired by a Unitholder, such Unitholder will generally realize a capital gain (or capital loss) in the taxation year of the Unitholder in which the disposition of such gold bullion takes place to the extent that the proceeds of disposition for such gold bullion, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such gold bullion to the Unitholder. For this purpose, the proceeds of disposition to the Unitholder will equal the aggregate of the fair market value of the Units received and the amount of any cash received in lieu of fractional Units. The cost to a Unitholder of Units so acquired will be equal to the fair market value of the gold bullion disposed of in exchange for such Units at the time of disposition less any cash received in lieu of fractional Units, which sum would generally be equal to or would approximate the fair market value of the Units received as consideration for the gold bullion. In computing the adjusted cost base of a Unit so acquired by a Unitholder, the cost of such Unit must be averaged with the adjusted cost base of any other Units of that class then held by that Unitholder as capital property.

Taxation of Capital Gains and Capital Losses

One-half of any capital gain realized by an investor and the amount of any net taxable capital gains realized or considered to be realized by a Claymore Gold ETF and designated by the Claymore Gold ETF in respect of an investor will be included in the investor's income as a taxable capital gain. One-half of a capital loss will be an allowable capital loss realized by an investor that may be deducted from taxable capital gains subject to and in accordance with detailed rules in the Tax Act.

Alternative Minimum Tax

In general terms, net income of the Claymore Gold ETF paid or payable to a Unitholder who is an individual and that is designated as net realized taxable capital gains and capital gains realized on the disposition of Units, as the case may be, may increase the Unitholder's liability for alternative minimum tax.

Taxation of Registered Plans

In general, the amount of a distribution paid or payable to a Registered Plan from a Claymore Gold ETF and gains realized by a Registered Plan on a disposition of a Unit will not be taxable under the Tax Act. As is the case for all investments held in Registered Plans, amounts withdrawn from a Registered Plan (other than from a tax-free savings account or a return of contributions from a registered education savings plan or registered disability savings plan) will generally be subject to tax.

ORGANIZATION AND MANAGEMENT OF THE CLAYMORE GOLD ETF

The Manager

Claymore Investments, Inc., a registered portfolio manager and exempt market dealer, is the manager of the Claymore Gold ETF and will be responsible for the administration of the Claymore Gold ETF.

Currently, Claymore acts as the manager for the following TSX-listed closed-end investment funds:

- Big Bank Big Oil Split Corp. (TSX: BBO, BBO.PR.A); and
- Claymore Silver Bullion Trust (TSX:SVR.UN).

In addition, Claymore currently acts as the manager for the following TSX-listed exchange-traded funds:

- Claymore Gold Bullion ETF (TSX:CGL);
- Claymore Canadian Fundamental Index ETF (TSX:CRQ);
- Claymore US Fundamental Index ETF (TSX:CLU);
- Claymore International Fundamental Index ETF (TSX:CIE);
- Claymore Japan Fundamental Index ETF C\$ hedged (TSX:CJP);
- Claymore S&P/TSX Canadian Dividend ETF (TSX:CDZ);
- Claymore Global Monthly Advantaged Dividend ETF (TSX:CYH);
- Claymore Canadian Financial Monthly Income ETF (TSX:FIE);
- Claymore BRIC ETF (TSX:CBQ);
- Claymore China ETF (TSX:CHI)
- Claymore Broad Emerging Markets ETF (TSX:CWO);
- Claymore Oil Sands Sector ETF (TSX:CLO);
- Claymore Global Real Estate ETF (TSX:CGR);
- Claymore Global Infrastructure ETF (TSX:CIF);
- Claymore S&P Global Water ETF (TSX:CWW);
- Claymore S&P/TSX Global Mining ETF (TSX:CMW);
- Claymore Global Agriculture ETF (TSX: COW);
- Claymore Equal Weight Banc & Lifeco ETF (TSX:CEW);
- Claymore S&P/TSX CDN Preferred Share ETF (TSX:CPD);
- Claymore 1-5 Yr Laddered Government Bond ETF (TSX:CLF);
- Claymore 1-5 Yr Laddered Corporate Bond ETF (TSX:CBO);
- Claymore Advantaged High Yield Bond ETF (TSX:CHB);
- Claymore Inverse 10 Yr Government Bond ETF (TSX:CIB);
- Claymore Advantaged Canadian Bond ETF (TSX:CAB);
- Claymore Premium Money Market ETF (TSX:CMR);
- Claymore Balanced Income CorePortfolio™ ETF (TSX:CBD);
- Claymore Balanced Growth CorePortfolio™ ETF (TSX:CBN);
- Claymore Natural Gas Commodity ETF (TSX:GAS)and;
- Claymore Broad Commodity ETF (TSX:CBR).

Claymore, which, as of December 31, 2010 had \$5.7 billion in assets under management, is a wholly-owned subsidiary of Guggenheim Funds Services Group, Inc. (formerly Claymore Group, Inc.), a financial services and asset management company based in the Chicago, Illinois area. and is an indirect subsidiary of Guggenheim Partners, LLC, (“Guggenheim”) a global, diversified financial services firm with in excess of US\$100 billion in assets under supervision. Guggenheim, through its affiliates, provides investment management, investment advisory, insurance, investment banking and capital markets services.

The principal office of Claymore is located at 200 University Avenue, 13th Floor, Toronto, Ontario, M5H 3C6.

Duties and Services to be Provided by the Manager

Pursuant to the Declaration of Trust, Claymore is the manager of the Claymore Gold ETF and, as such, is responsible for providing managerial, administrative and compliance services to the Claymore Gold ETF including acquiring the gold bullion in the Portfolio on behalf of the Claymore Gold ETF and for providing or arranging for required administrative, compliance and portfolio management services to the Claymore Gold ETF including, without limitation: authorizing the payment of operating expenses incurred on behalf of the Claymore Gold ETF; preparing financial statements and financial and accounting information as required by the Claymore Gold ETF; ensuring that Unitholders are provided with financial statements (including interim and annual financial statements) and other reports as are required by applicable law from time to time; ensuring that the Claymore Gold ETF complies with regulatory requirements and applicable stock exchange listing requirements; preparing the Claymore Gold ETF's reports to Unitholders and the Canadian securities regulatory authorities; determining the amount of distributions to be made by the Claymore Gold ETF; negotiating contractual agreements with third party providers of services, including custodians, registrars, transfer agents, auditors and printers; and arranging for any payment required on or about the Termination Date.

Claymore is required to exercise its powers and discharge its duties as Manager honestly, in good faith and in the best interests of Unitholders, and in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent manager would exercise in similar circumstances.

Claymore may resign as manager of the Claymore Gold ETF upon 60 days' notice to the trustee and the Unitholders. If the Manager resigns, it may appoint its successor but, unless its successor is an affiliate of the Manager, its successor must be approved by the Unitholders. The Unitholders may also remove the Manager and appoint a successor manager.

Claymore is entitled to fees for its services as Manager under the Declaration of Trust as described under "Fees and Expenses" and will be reimbursed for all reasonable costs and expenses incurred by Claymore on behalf of the Claymore Gold ETF. In addition, Claymore and each of its directors, officers, employees and agents (collectively, the "Indemnified Parties") will be indemnified by the Claymore Gold ETF for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against Claymore or any of its officers, directors, employees or agents in the exercise of its duties as manager, if they do not result from Claymore's or the Indemnified Parties', as the case may be, wilful misconduct, bad faith, negligence or breach of its obligations under the Declaration of Trust (in the case of Claymore).

The management services of Claymore under the Declaration of Trust are not exclusive and nothing in the Declaration of Trust prevents Claymore from providing similar management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Claymore Gold ETF) or from engaging in other activities.

Directors and Officers of the Trustee and Manager

The name and municipality of residence of each of the directors and senior officers of Claymore and their principal occupations are as follows:

<u>Name and Municipality of Residence</u>	<u>Position with Manager</u>	<u>Principal Occupation</u>
SOM SEIF..... Toronto, Ontario	Chief Executive Officer, President and Director	Chief Executive Officer, President and Director, Claymore Investments, Inc.
BRUCE ALBELDA Hinsdale, Illinois	Chief Financial Officer and Director	Chief Financial Officer, Director, Guggenheim Funds Services Group, Inc.
CHUCK R. CRAIG Naperville, Illinois	Chief Investment Officer	Managing Director, Guggenheim Funds Services Group, Inc.

<u>Name and Municipality of Residence</u>	<u>Position with Manager</u>	<u>Principal Occupation</u>
KEVIN M. ROBINSON Oak Park, Illinois	Secretary	General Counsel and Corporate Secretary, Guggenheim Funds Services Group, Inc.
MICHAEL J. RIGERT Naperville, Illinois	Vice President	Vice-Chairman, Guggenheim Fund Services Group, Inc.
JEFFREY D. LOGAN Barrie, Ontario	Vice President and Director	Vice President, Claymore Investments, Inc.
DAVID C. HOOTEN Wheaton, Illinois	Chairman of the Board of Directors	Chairman & Chief Executive Officer, Guggenheim Funds Services Group, Inc.
BRUCE SAXON Naperville, Illinois	Vice-President, Compliance	Vice-President, Fund Compliance Officer, Guggenheim Funds Distributors, Inc.

The directors of Claymore serve until their successors are elected or appointed. The directors of Claymore have served as directors since being first elected as follows: Bruce Albelda was elected on January 22, 2007; David C. Hooten was elected on November 3, 2004; Som Seif was elected on January 4, 2005; and Jeffrey D. Logan was elected on October 19, 2010.

The following is a brief description of the background of the directors and officers of the Manager:

Som Seif, CFA, President, Chief Executive Officer and Director

Som is responsible for running the operations of Claymore and its business development and corporate strategies. Prior to joining Claymore in December 2004, Som was an investment banker with RBC Capital Markets, where he worked since 1999. Som played a key role in developing the structured products group at RBC Capital Markets in both Canada and the U.S., where he structured and raised capital for both Canadian and U.S. asset managers. Som is a Chartered Financial Analyst and has a Bachelor of Applied Science with an emphasis on Industrial and Systems Engineering from the University of Toronto.

Bruce Albelda, Chief Financial Officer and Director

Bruce heads Claymore's corporate finance team. Before joining Claymore Bruce served as Chief Financial Officer for Cantata Technology, a privately-funded telecommunications company formed through the merger of Excel Switching Corporation and Brooktrout Technology. Additionally, Bruce served as Chief Financial Officer for Airslide Systems, a wireless infrastructure company and began his career in the Boston and Toronto offices of Bain & Company, an international management consulting firm. Bruce graduated cum laude from Williams College with a bachelors degree in Economics and earned his MBA from the Wharton School at the University of Pennsylvania.

Chuck R. Craig, CFA, Chief Investment Officer

Chuck serves as a portfolio manager and oversees the screening, selection and development of several of the Claymore's ETFs while also providing valuable market insight and analysis to Claymore. Chuck previously served as Assistant Vice President of Equity Strategy Research at First Trust Portfolios. Chuck received a Masters of Science degree in Financial Markets at the Illinois Institute of Technology, a Bachelor of Science in Finance from Northern Illinois University, holds the Chartered Financial Analyst designation and is Series 7, 24, 53, 63 and 65 registered. He served for eight years in the U.S. Air Force, including six years at the White House Communications Agency, where he served three U.S. Presidents.

Kevin M. Robinson, Secretary

As General Counsel of Guggenheim Funds Services Group, Inc. (formerly Claymore Group Inc.), parent company of Claymore, Kevin oversees the firm's legal, compliance and governance efforts. Kevin was most recently at NYSE Euronext, Inc., where he acted as Associate General Counsel for its Corporate Practice Group. He previously worked at ABN Amro Inc., where he was responsible for corporate and regulatory matters, and he served as Senior Counsel in the Enforcement Division of the U.S. Securities and Exchange Commission. Kevin earned a JD from the University of Iowa College of Law, and a BA from Coe College. He is a member of the American Bar Association, the American Corporate Counsel Association and the Society of Corporate Secretaries and Governance Professionals.

Michael J. Rigert, Vice President

Michael is responsible for Guggenheim Funds Services Group Inc.'s overall business development, playing a key role in the determination of overall corporate strategies and directly overseeing product development and investment management. With leadership and organizational experience dating back to 1984, Mike most recently served as Vice President and Knowledge Officer of the Enterprise Network Division for Sprint Corporation.

Jeffrey D. Logan, Vice President and Director

Since joining Claymore in 2005, Jeffrey has played key roles in Claymore's fund administration, operations, and product development. He is now focused on developing and maintaining strategic relationships for the firm. Prior to joining Claymore, Jeffrey spent over seven years at RBC Financial Group where he held several positions focused on investment funds. He started his career in financial services with Scotiabank in 1996. Jeffrey is a graduate of the University of Western Ontario.

David C. Hooten, Director

With financial services experience dating back to 1985, David is responsible for Guggenheim Fund Services Group Inc.'s corporate strategies and principles and oversees the management of all divisions within Claymore Group. Dave previously served as Managing Director of Sales for Structured Investments at Nuveen Investments and prior to that, served as Senior Vice President and National Accounts Manager for Nike Securities (now known as First Trust Portfolios).

Bruce Saxon, Vice-President, Compliance

With financial services experience dating back to 1987, Bruce brings a wealth of knowledge to Claymore, where he is responsible for the compliance oversight of the firm, sub-advisers and service providers as it pertains to the firm's closed-end, open-end and exchange-traded fund line. Prior to joining Claymore in February, 2006 Bruce previously served as a Principal and Chief Compliance Officer for Harris Investment Management, Inc. and as Director of Compliance for Harris Investor Services LLC. Prior positions included Senior Compliance Specialist for Van Kampen Investments and Senior Compliance Examiner for the NASD. Bruce holds the Certified Financial Planner designation and is Series 7, 24, 27, 53, 63 and 65 registered. Bruce earned a BA in Economics and Finance from the University of Illinois and serves on the New York Stock Exchange's Continuing Education Content Committee.

Conflicts Of Interest

The Manager is responsible for the management, administration and investment management of the Portfolio held by the Claymore Gold ETF. The Manager provides, and may in the future provide, management and/or investment advisory services to other funds, limited partnerships or other investment funds or managed accounts in addition to the Claymore Gold ETF. In the event that the Manager elects to undertake such activities and other business activities in the future, the Manager and its principals may be subject to conflicting demands in respect of allocating management time, services and other functions. The Manager and its principals and affiliates will endeavour to treat each client, investment pool and managed account fairly and not to favour one client, investment pool or managed account over another.

In executing its duties on behalf of the Claymore Gold ETF, the Manager will be subject to the provisions of the Declaration of Trust, which provides that the Manager will execute its duties in good faith and with a view to the best interests of the Claymore Gold ETF and its Unitholders.

The Manager may execute a portion of the Portfolio transactions through an affiliate (as such term is defined in the *Securities Act* (Ontario)) which is a registered investment dealer, provided that the terms of any such arrangements are no less favourable to the Claymore Gold ETF than those which would be obtained from parties which are at arm's length for comparable services.

The possible conflicts of interest between the Manager and the Claymore Gold ETF will be addressed by the IRC (as defined below) and the policies and practices of the Manager. See "Independent Review Committee" below.

Independent Review Committee

The Claymore Gold ETF is advised by an advisory board which also constitutes the independent review committee ("IRC") for the Claymore Gold ETF under National Instrument 81-107 - *Independent Review Committee for Investment Funds* ("NI 81-107"). The advisory board consists of three members, each of whom is independent of the Manager and free from any interest and any business or other relationship which could, or could be reasonably perceived to, materially interfere with the exercise of the member's judgment. However, the advisory board members may be members of the advisory boards or independent review committees of other investment funds managed by Claymore.

The advisory board provides independent advice to the Manager to assist it in performing its services under the Declaration of Trust. The members of the advisory board are required to act honestly and in good faith in the best interests of the Claymore Gold ETF and the Unitholders, and in connection therewith will exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Manager reports to the advisory board on the operation and performance of the Claymore Gold ETF on a quarterly basis, including with respect to compliance with the investment objective and strategy and material contracts as amended from time to time.

Under NI 81-107, the Manager refers all conflict of interest matters to the IRC for review or approval. The Manager has established a written charter for the IRC which includes its mandate, responsibilities and functions, and the written policies and procedures it will follow when performing its functions including dealing with conflict of interest matters. The Manager will maintain records in respect of these matters and will provide assistance to the IRC in carrying out its functions. The IRC is subject to requirements to conduct regular assessments and provide reports, at least annually, to the Claymore Gold ETF and to Unitholders in respect of its functions. The report prepared by the IRC will be available on the website of the Manager (www.claymoreinvestments.ca), or at a Unitholder's request at no cost, by contacting the Manager at info@claymoreinvestments.ca.

The IRC:

- reviews and provides input on the Manager's written policies and procedures that deal with conflict of interest matters;
- reviews conflict of interest matters referred to it by the Manager and makes recommendations to the Manager regarding whether the Manager's proposed actions in connection with the conflict of interest matter achieves a fair and reasonable result for the Claymore Gold ETF;
- considers and, if deemed appropriate, approves the Manager's decision on a conflict of interest matter that the Manager refers to the IRC for approval; and
- performs such other duties as may be required of the IRC under applicable securities laws.

All fees and expenses of the IRC incurred in connection with its duties with respect to the Claymore Gold ETF will be paid by the Claymore Gold ETF and the IRC will have the authority to retain, at the expense of the Claymore Gold ETF, independent counsel or other advisors if the IRC deems it appropriate to do so. The members of the IRC will be indemnified by the Claymore Gold ETF, except in cases of wilful misconduct, bad faith, negligence or breach of their standard of care. The advisory board members are not responsible for the investments made by the Claymore Gold ETF, or for the performance of the Claymore Gold ETF

The fees and expenses of the IRC are paid for by the Claymore Gold ETF and each of the other exchange-traded and closed-end funds managed by Claymore. Expenses for the IRC include premiums for insurance coverage, legal fees, travel expenses and reasonable out-of-pocket expenses. The compensation for the members of the IRC is currently set at a retainer of \$80,000 per annum for each member of the IRC to serve on the IRC of the Claymore Gold ETF and each

other exchange-traded and closed-end fund managed by Claymore. Compensation paid to the Chairman of the IRC is the same as that paid to the other IRC members. The Claymore Gold ETF does not pay any IRC meeting fees.

The following table sets forth the names of the members of the IRC and advisory board of the Claymore Gold ETF:

**Name and Municipality of
Residence**

RANDALL C. BARNES
Naperville, Illinois

ROMAN FRIEDRICH III
Vancouver, British Columbia

DOUGLAS G. HALL
Halifax, Nova Scotia

The following is a brief description of the background of the current members of the IRC:

Randall C. Barnes

Prior to his retirement in 1997, Randy spent four years as Senior Vice President and Treasurer of PepsiCo, Inc., where he was employed since 1987. He was President of the Pizza Hut International division from 1991 to 1993, and prior to that time Senior Vice President, Strategic Planning and New Business Development. Randy currently sits on the advisory boards of the Claymore funds and is a trustee of nine NYSE-listed closed-end funds, five open-ended mutual funds and nine exchange-traded funds administered by Claymore Advisors, LLC in the United States.

Roman Friedrich III

Roman is the founder of Roman Friedrich & Company, a Vancouver-based firm that specializes in the provision of financial advisory services to corporations in the resource sector. Previously, he was a Managing Director at TD Securities Inc. Roman currently sits on the advisory boards of the Claymore funds and is a director of Gateway Gold Corp. and StrataGold Corporation, both listed on the TSX, and GFM Resources Ltd., listed on the TSX Venture Exchange. Roman is the Chairman of the Board of Trustees of Dreman/Claymore Dividend & Income Fund, a NYSE-listed closed-end fund advised by Claymore Advisors, LLC.

Douglas G. Hall

Doug was a Managing Director at RBC Capital Markets covering public and private capital raising, mergers and acquisitions support and strategic advisory assignments for diversified industry groups from 1979 until his retirement in 2005. From 1998, he was responsible for senior account coverage in Atlantic Canada, and previously had senior corporate account coverage in Toronto. Doug currently sits on the advisory boards of other Claymore funds, is a director of Millar Western Forest Products Ltd., a privately held lumber and pulp company based in Alberta, and is Chair of Nova Scotia Business Inc., a company formed by the Nova Scotia provincial government to manage the economic development function with a private sector board of directors.

The Trustee

The Manager is the trustee of the Claymore Gold ETF under the Declaration of Trust, and is responsible for managing all of the Claymore Gold ETF's activities.

The Custodian

The Bank of Nova Scotia is the custodian (the "Custodian") of the assets of the Claymore Gold ETF pursuant to the Custodian Agreement. The Custodian's principal place of business in respect of the Claymore Gold ETF is Toronto, Ontario.

In carrying out its duties, the Custodian is required to exercise:

- (a) the degree of care, diligence and skill that a reasonably prudent custodian would exercise in the circumstances; or
- (b) at least the same degree of care which it gives to its own property of a similar kind under its custody, if this is a higher degree of care than in paragraph (a) above.

Except to the extent the Custodian has not complied with its standard of care, the Custodian will not be liable for any act or omission in the course of, or connected to, rendering services under the Custodian Agreement or for loss to, or diminution of, the Claymore Gold ETF's property. In no event shall the Custodian be liable for any consequential or special damages. The Claymore Gold ETF shall indemnify and save harmless the Custodian, and its affiliates, subsidiaries and agents, and their directors, officers, and employees from and against all legal fees, judgments and amounts paid in settlement incurred by such indemnified parties in connection with custodial services provided under the Custodian Agreement except to the extent incurred as a result of the breach of the above standard of care.

The Custodian Agreement provides that it may be terminated by either party at any time on 60 days' written notice unless a different period is agreed to. Either party may terminate the Custodian Agreement immediately in the event that either party is declared bankrupt or shall be insolvent, the assets or the business of either party shall become liable to seizure or confiscation by a public or governmental authority, or the Manager's power and authority to act on behalf of or represent the Claymore Gold ETF have been revoked or terminated.

The Custodian receive fees for the custodial services provided to the Claymore Gold ETF. The Manager pays the fees of the Custodian.

The Valuation Agent

RBC Dexia Investor Services Trust (the "Valuation Agent") is the valuation agent of the Claymore Gold ETF pursuant to an amended and restated valuation agreement (the "Valuation Agreement") between the Claymore Gold ETF and the Valuation Agent dated January 29, 2010. The Valuation Agent, or an affiliate of the Valuation Agent, or another service provider also carries out, on behalf of the Manager, certain aspects of the day-to-day administration of the Claymore Gold ETF, including maintaining the books and records of the Claymore Gold ETF. The Valuation Agent's principal place of business in respect of the Claymore Gold ETF is Toronto, Ontario.

The Valuation Agent is responsible for providing valuation services to the Claymore Gold ETF and will calculate the NAV and NAV per Unit pursuant to the terms of the Valuation Agreement. See "Calculation of Net Asset Value".

In carrying out its duties, the Valuation Agent is required to exercise the degree of care, diligence and skill that a reasonably prudent service provider would exercise in comparable circumstances.

Except to the extent the Valuation Agent has not complied with its standard of care, the Valuation Agent will not be liable for any act or omission in the course of, or connected to, rendering services under the Valuation Agreement or for loss to, or diminution of, the Claymore Gold ETF's property. In no event shall the Valuation Agent be liable for any consequential or special damages including, but not limited to, loss of reputation, goodwill or business. The Claymore Gold ETF shall indemnify and save harmless the Valuation Agent, and its affiliates, subsidiaries and agents, and their directors, officers, and employees from and against all legal fees, judgments and amounts paid in settlement incurred by such indemnified parties in connection with the valuation services provided under the Valuation Agreement except to the extent incurred as a result of the breach of the above standard of care. Notwithstanding the foregoing, the liability of the Valuation Agent under the Valuation Agreement shall in no event exceed the aggregate amount of fees received by the Valuation Agent from the Manager with respect to the services provided during the immediately preceding twelve (12) months.

The Valuation Agreement provides that it may be terminated by either party at any time on 60 days' written notice unless a different period is agreed to. Either party may terminate the Valuation Agreement immediately in the event that either party is declared bankrupt or shall be insolvent, the assets or the business of either party shall become liable to seizure or confiscation by a public or governmental authority, or the Manager's power and authority to act on behalf of or represent the Claymore Gold ETF have been revoked, terminated or otherwise no longer in full force or effect.

The Valuation Agent receive fees for the valuation services provided to the Claymore Gold ETF. The Manager will pay the fees of the Valuation Agent.

Auditors

The auditors of the Claymore Gold ETF are Ernst & Young LLP, Chartered Accountants, Licensed Public Accountants, Toronto, Ontario.

Registrar and Transfer Agent

Equity Financial Trust Company at its principal offices in Toronto, is the registrar, transfer agent and distribution agent for the Units pursuant to a transfer agent, registrar, disbursing agent and reinvestment plan agent agreement dated January 9, 2009.

Promoter

The Manager may be considered a promoter of the Claymore Gold ETF within the meaning of the securities legislation of certain provinces or territories of Canada by reason of its initiative in organizing the Claymore Gold ETF. The promoter will not receive any benefits, directly or indirectly, from the issuance of securities offered hereunder other than as described under "Fees and Expenses".

CALCULATION OF NET ASSET VALUE

The NAV of the Claymore Gold ETF on a particular date will be equal to the aggregate value of the assets of the Claymore Gold ETF less the aggregate value of the liabilities of the Claymore Gold ETF, including any income, net realized capital gains or other amounts payable to Unitholders on or before such date expressed in Canadian dollars at the applicable exchange rate on such date. The NAV per Unit (of a class) on any day will be obtained by dividing the NAV (of a class) of the Claymore Gold ETF on such day by the number of Units (of a class) then outstanding.

The NAV and the NAV per Unit will be calculated as of 4:00 p.m. (Toronto time) or such other time the Manager deems appropriate (the "Valuation Time") on each business day. If the Claymore Gold ETF elects to have a December 15 year-end for tax purposes as permitted by the Tax Act, the NAV and the NAV per Unit will also be calculated on December 15.

Valuation Policies and Procedures

The total assets of the Claymore Gold ETF consist of the assets of the Portfolio. In determining the NAV of the Claymore Gold ETF, at any time the Trustee will take into account the following:

- (a) the value of any cash on hand or on deposit, prepaid expenses, cash dividends and other distributions declared and interest accrued and not yet received, shall be deemed to be the face amount thereof, unless the Manager determines that any such asset is not worth the face amount thereof, in which event the value thereof shall be deemed to be such value as the Manager determines to be the fair value thereof;
- (b) short term investments including notes and money market instruments shall be valued at cost plus accrued interest;
- (c) any security purchased, the purchase price of which has not been paid, shall be included for valuation purposes as a security held, and the purchase price, including brokers' commissions and other expenses, shall be treated as a liability of the Claymore Gold ETF;
- (d) any security sold but not delivered, pending receipt of the proceeds, shall be valued at the net sale price;
- (e) illiquid securities shall be valued at the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that the Claymore Gold ETF's acquisition cost was of the market value of such securities at the time of acquisition; provided that a gradual taking into account of the actual value of such securities may be made where the date on which the restriction will be lifted is known;

- (f) the value of any futures contract or forward contract shall be the gain or loss with respect thereto that would be realized if, at the Valuation Time, the position in the futures contract, or the forward contract, as the case may be, were to be closed out unless daily limits are in effect in which case fair value shall be based on the current market value of the underlying interest;
- (g) debt-like securities shall be valued at the current market value thereof;
- (h) gold bullion shall be valued at its market value based on the London, U.K. p.m. closing price and, if the London, U.K. market is closed, gold bullion shall be valued at the London, U.K. p.m. last closing price or an alternative market price as determined by the Manager;
- (i) the value of all assets of the Claymore Gold ETF quoted or valued in terms of foreign currency, the value of all funds on deposit and contractual obligations payable to the Claymore Gold ETF in foreign currency and the value of all liabilities and contractual obligations payable by the Claymore Gold ETF in foreign currency shall be determined using the applicable rate of exchange current at, or as nearly as practicable to, the applicable date on which the NAV of the Claymore Gold ETF and the NAV per Unit are determined; and
- (j) all expenses or liabilities (including fees payable to the Manager) of the Claymore Gold ETF shall be calculated on an accrual basis to the date as of which the NAV of the Claymore Gold ETF and the NAV per Unit are being determined.

The value of any security or property to which, in the opinion of the Valuation Agent, in consultation with the Manager, the above valuation principles cannot be applied (because no price or yield equivalent quotations are available as provided above, or the current pricing option is not appropriate, or for any other reason), shall be the fair value as determined in such manner by the Valuation Agent and generally adopted by the marketplace from time to time provided that, any change to the standard pricing principals as set out above, shall require prior consultation and written agreement with the Manager.

Fair valuing the investments of the Claymore Gold ETF may be appropriate if: (i) market quotations do not accurately reflect the fair value of an investment; (ii) an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded; (iii) a trading halt closes an exchange or market early; or (iv) other events result in an exchange or market delaying its normal close. The risk in fair valuing an investment of the Claymore Gold ETF is that the value of the investment may be higher or lower than the price that the Claymore Gold ETF may be able to realize if the investment had to be sold.

For the purposes of financial statement reporting, the Claymore Gold ETF is required to calculate NAV in accordance with Canadian generally accepted accounting principles ("GAAP"). On April 1, 2005, the Canadian Institute of Chartered Accountants (the "CICA") issued Section 3855, Financial Instruments – Recognition and Measurement ("Section 3855") of the CICA Handbook – Accounting, which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. The adoption of Section 3855 results in the use of different valuation techniques for certain investments.

Canadian generally accepted accounting principles ("Canadian GAAP") requires that the fair value of long positions in financial instruments (specifically securities held by the Claymore Gold ETF that are actively traded) be measured based on the bid price for the security instead of the closing price or last sale price of the security for the day. This requirement is reflected in the reported value of the Claymore Gold ETF's investments in its annual and interim financial statements, as these financial statements are prepared in accordance with Canadian GAAP. However, in accordance with National Instrument 81-106 - *Investment Fund Continuous Disclosure* the fair value of the assets of the Claymore Gold ETF used to determine daily NAV per Unit of the Claymore ETF for subscription orders, exchanges or redemptions is based on the Claymore Gold ETF's valuation principles, as set out above, which are not the same as GAAP requirements.

Reporting of Net Asset Value

The NAV and the NAV per Unit will be provided by Claymore to Unitholders at no cost and on request by calling toll-free 1-866-417-4640 or via the Internet at www.claymoreinvestments.ca.

BOOK-ENTRY ONLY SYSTEM

Registration of interests in, and transfers of, the Units will be made only through the book-entry only system of CDS. The Units must be purchased, transferred and surrendered for retraction only through a CDS participant. All rights of an owner of Units must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS participant through which the owner holds such Units. Upon purchase of any Units, the owner will receive only the customary confirmation. References in this prospectus to a holder of Units means, unless the context otherwise requires, the owner of the beneficial interest in such Units.

The Claymore Gold ETF, the Manager, and the Agents will not have any liability for (i) records maintained by CDS relating to the beneficial interests in the Units or the book-entry or book-based accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS participants.

The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such owner's interest in such Units (other than through a CDS participant) may be limited due to the lack of a physical certificate.

The Claymore Gold ETF has the option to terminate registration of the Units through the book-entry only system in which case certificates for Units in fully registered form will be issued to beneficial owners of such Units or to their nominees.

ATTRIBUTES OF THE UNITS

The Claymore Gold ETF is offering two classes of Units under this Prospectus: Hedged Common Units and Non-Hedged Common Units.

The only difference between the Hedged Common Units and the Non-Hedged Common Units is that the Hedged Common Units will contain a currency hedge against the USD. Accordingly, the NAV per Unit of each class of Units will not be the same as a result of the hedging strategy of the Claymore Gold ETF. The attributes of the Units will be identical in all other respects.

Units shall be issued only as fully paid and, once issued, shall be non-assessable. There shall be no limit to the number of Units that may be issued, subject to any determination to the contrary made by the Manager in its sole discretion. No Unit of a class shall have any rights, preference or priorities over any other Unit of a class, other than as set-out herein. No fractional Units shall be issued. Claymore may be a Unitholder of the Units of the Claymore Gold ETF.

The Units shall have the following rights, privileges and restrictions:

- (a) each Unit shall entitle the holder thereof to one vote at all meetings of Unitholders;
- (b) each Unit shall entitle the holder thereof to participate equally with respect to any and all distributions made by the Claymore Gold ETF, including distributions of net income and net realized capital gains if any;
- (c) each Unit of a class shall entitle the holder thereof to require the Claymore Gold ETF to redeem the Unit of that class; and
- (d) on liquidation or termination of the Claymore Gold ETF, each Unit of a class shall entitle the holder thereof to participate equally with respect to the distribution of the remaining assets of the Claymore Gold ETF after payment of the Claymore Gold ETF's debts, liabilities and liquidation or termination expenses allocable to the Units of that class.

In addition:

- (a) there shall be no pre-emptive rights attaching to Units; and
- (b) there shall be no liability for future calls or assessments attaching to Units. Units may be consolidated or subdivided by the Manager at any time.

UNITHOLDER MATTERS

Meetings of Unitholders

A meeting of Unitholders may be convened by the Manager by a written requisition specifying the purpose of the meeting and must be convened if requisitioned by Unitholders holding not less than 10% of the Units then outstanding by a written requisition specifying the purpose of the meeting. Not less than 21 days' and not more than 50 days' notice will be given of any meeting of Unitholders. The quorum at any such meeting is two Unitholders present in person or by proxy except for the purpose of any meeting called to consider item (d) below under "Matters Requiring Unitholder Approval" in which case the quorum shall be Unitholders holding 15% of the outstanding Units. If no quorum is present at such meeting when called, the meeting, if called on the requisition of Unitholders or for the purpose of item (d), will be terminated and otherwise will be adjourned for not less than 10 days and at the adjourned meeting the Unitholders then present in person or represented by proxy will form the necessary quorum. At any meeting of Unitholders, each Unitholder will be entitled to one vote for each whole Unit registered in the Unitholder's name.

The Claymore Gold ETF does not intend to hold annual meetings of Unitholders.

Matters Requiring Unitholder Approval

Pursuant to the Declaration of Trust, other than in respect of the Conversion, the following matters require the approval of Unitholders by resolution passed by at least 66 2/3% of the votes cast at a meeting called and held for such purpose or rendered by instruments in writing signed by Unitholders holding not less than 66 2/3% of the number of Units outstanding (an "Extraordinary Resolution"), other than items (d), (e), (f) and (i), which require approval of Unitholders by a simple majority vote at a meeting called and held for such purpose or rendered by instruments in writing signed by Unitholders holding not less than a simple majority of the number of Units outstanding (an "Ordinary Resolution"):

- (a) a change in the investment objective of the Claymore Gold ETF as described under "Investment Objective";
- (b) a change in the investment restrictions of the Claymore Gold ETF as described under "Investment Restrictions" unless such changes are necessary to ensure compliance with all applicable laws, regulations or other requirements imposed by applicable securities regulatory authorities from time to time;
- (c) any change in the basis of calculating fees or other expenses that are charged to the Claymore Gold ETF which could result in an increase in charges to the Claymore Gold ETF other than a fee or expense charged by a person or company that is at arm's length to the Claymore Gold ETF;
- (d) a change of the manager of the Claymore Gold ETF, other than a change resulting in an affiliate of such person assuming such position;
- (e) except as described under "Organization and Management of the Claymore Gold ETF", a change in the trustee of the Claymore Gold ETF, other than a change resulting in an affiliate of such person assuming such position;
- (f) a change in the auditors of the Claymore Gold ETF;
- (g) an amendment, modification or variation in the provisions or rights attaching to the Units;
- (h) the issuance of additional Units, other than: (i) for gross proceeds per Unit equal to or greater than 100% of the most recently calculated NAV per Unit calculated prior to the pricing of such issuance; (ii) by way of Unit distribution; or (iii) pursuant to the Reinvestment Plan. From and after Conversion, the Claymore Gold ETF will issue Units on a continuous basis at the NAV per Unit; and
- (i) a reduction in the frequency of calculating the NAV per Unit.

In addition, the Manager may, without obtaining Unitholder approval and subject to TSX approval, merge the

Claymore Gold ETF (a “Permitted Merger”) with another fund or funds, provided that:

- (a) the fund(s) with which the Claymore Gold ETF is merged must be managed by the Manager or an affiliate of the Manager (the “Affiliated Fund(s)”);
- (b) Unitholders are permitted to redeem their Units at a redemption price equal to 100% of the NAV per Unit, less any costs of funding the redemption, including commissions, prior to the effective date of the merger;
- (c) the Affiliated Fund(s) have similar investment objectives as set forth in their respective declarations of trust, as determined in good faith by the Manager and by the manager of the Affiliated Fund(s) in their sole discretion;
- (d) the Manager must have determined in good faith that there will be no increase in the management expense ratio borne by the Unitholders as a result of the merger;
- (e) the merger of the funds is completed on the basis of an exchange ratio determined with reference to the net asset value per unit of the Claymore Gold ETF and of the Affiliated Fund(s); and
- (f) the merger of the funds must be accomplished on a tax-deferred rollover basis for unitholders of each of the funds.

If the Manager determines that a merger is appropriate and desirable, the Manager can effect the merger, including any required changes to the Declaration of Trust, without seeking Unitholder approval for the merger or such amendments. If a decision is made to merge, the Manager will issue a press release at least thirty (30) business days prior to the proposed effective date thereof disclosing details of the proposed merger. While the funds to be merged will have similar investment objectives, the funds may have different investment strategies, guidelines and restrictions and, accordingly, the units of the merged funds will be subject to different risk factors.

The Manager may, without the approval of or notice to Unitholders, amend the Declaration of Trust for certain limited purposes specified therein, including to:

- (a) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any law or regulation applicable to or affecting the Claymore Gold ETF;
- (b) make any change or correction in the Declaration of Trust which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;
- (c) bring the Declaration of Trust into conformity with applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities industry, provided that any such amendment does not adversely affect the rights, privileges or interests of the Unitholders;
- (d) maintain, or permit the Manager to take such steps as may be desirable or necessary to maintain, the status of the Claymore Gold ETF as a “mutual fund trust” for the purposes of the Tax Act; or
- (e) provide added protection to Unitholders.

Except for changes to the Declaration of Trust which require the approval of Unitholders or changes described above which do not require approval of or prior notice to Unitholders, the Declaration of Trust may be amended from time to time by the Manager upon not less than 30 days’ prior written notice to Unitholders.

Reporting to Unitholders

The Claymore Gold ETF will deliver to Unitholders reports, financial statements (including interim unaudited and annual audited financial statements) and other continuous disclosure documents of the Claymore Gold ETF as required by the applicable securities legislation. Prior to any meeting of Unitholders, the Claymore Gold ETF will provide the Unitholders (along with notice of such meeting) all such information as is required by applicable securities legislation.

Accounting and Reporting

The Claymore Gold ETF's fiscal year will be the calendar year or such other fiscal period permitted under the Tax Act as the Claymore Gold ETF elects. The annual financial statements of the Claymore Gold ETF shall be audited by the Claymore Gold ETF's auditors in accordance with Canadian generally accepted auditing standards. The auditors will be asked to report on the fair presentation of the annual financial statements in accordance with Canadian generally accepted accounting principles. The Manager will ensure that the Claymore Gold ETF complies with all applicable reporting and administrative requirements.

The Manager will keep adequate books and records reflecting the activities of the Claymore Gold ETF. A Unitholder or his or her duly authorized representative will have the right to examine the books and records of the Claymore Gold ETF during normal business hours at the offices of the Manager. Notwithstanding the foregoing, a Unitholder shall not have access to any information that, in the opinion of the Manager, should be kept confidential in the interests of the Claymore Gold ETF.

Non-Resident Unitholders

At no time may (i) non-residents of Canada, (ii) partnerships that are not Canadian partnerships or (iii) a combination of non-residents of Canada and such partnerships (all as defined in the Tax Act) be the beneficial owners of a majority of the Units, and the Manager shall inform the registrar and transfer agent of the Claymore Gold ETF of this restriction. The Manager may require declarations as to the jurisdictions in which a beneficial owner of Units is resident and, if a partnership, its status as a Canadian partnership. If the Manager becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the Units then outstanding are, or may be, non-residents and/or partnerships that are not Canadian partnerships, or that such a situation is imminent, the Manager may make a public announcement thereof. If the Manager determines that more than 40% of the Units are beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the Manager may send a notice to such non-resident Unitholders and partnerships, chosen in inverse order to the order of acquisition or in such manner as the Manager may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Manager with satisfactory evidence that they are not non-residents or partnerships other than Canadian partnerships within such period, the Manager may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such sale, the affected holders shall cease to be beneficial holders of Units and their rights shall be limited to receiving the net proceeds of sale of such Units.

Notwithstanding the foregoing, the Manager may determine not to take any of the actions described above if the Manager has been advised by legal counsel that the failure to take any of such actions would not adversely impact the status of the Claymore Gold ETF as a mutual fund trust for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the Claymore Gold ETF as a mutual fund trust for purposes of the Tax Act.

TERMINATION OF THE CLAYMORE GOLD ETF

The Claymore Gold ETF does not have a fixed termination date.

Subject to complying with applicable securities law, the Manager may terminate the Claymore Gold ETF at its discretion. In accordance with the terms of the Declaration of Trust and applicable securities law, Unitholders will be provided with not less than 60 days prior notice of the termination.

If the Claymore Gold ETF is terminated, the Trustee is empowered to take all steps necessary to effect the termination of the Claymore Gold ETF. Prior to terminating the Claymore Gold ETF, the Trustee may discharge all of the liabilities of the Claymore Gold ETF and distribute the net assets of the Claymore Gold ETF to the Unitholders.

Upon termination, the cash and other assets remaining after paying or providing for all liabilities and obligations of the Claymore Gold ETF shall be distributed *pro rata* among the Unitholders. The rights of Unitholders to exchange and redeem Units will cease as and from the date of termination of the Claymore Gold ETF.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Manager will receive the fees described under “Fees and Expenses” for its services to the Claymore Gold ETF and will be reimbursed by the Claymore Gold ETF for all expenses incurred in connection with the operation and administration of the Claymore Gold ETF.

MATERIAL CONTRACTS

The following contracts can reasonably be regarded as material to purchasers of Units:

- (a) the Declaration of Trust described under “Attributes of the Units”;
- (b) the Custodian Agreement described under “Organization and Management of the Claymore Gold ETF - The Custodian”;
- (c) the Valuation Agreement described under “Organization and Management of the Claymore Gold ETF - The Valuation Agent”;
- (d) the form of Designated Broker Agreement that may be entered into between the Manager, on behalf of the Claymore Gold ETF, and various Designated Brokers from time to time described under “Designated Brokers and Underwriters”; and
- (e) the form of Underwriting Agreement that may be entered into between the Manager, on behalf of the Claymore Gold ETF, and various Underwriters from time to time described under “Designated Brokers and Underwriters”.

Copies of the agreements referred to above after the execution thereof may be inspected during business hours at the principal office of the Claymore Gold ETF during the course of distribution of the Units offered hereby and will also be available on SEDAR.

EXPERTS

The matters referred to under “Canadian Federal Income Tax Considerations” and certain other legal matters relating to the securities offered hereby will be passed upon on behalf of the Claymore Gold ETF and the Manager by Wildeboer Dellelce LLP.

Ernst & Young LLP, the auditors of the Claymore Gold ETF, have consented to the incorporation by reference of their audit report dated March 24, 2010 to the Unitholders of the Claymore Gold Bullion Trust on the statement of investment portfolio as at December 31, 2009, the statement of net assets as at December 31, 2009, and the statement of operations, and changes in net assets for the periods then ended.

Ernst & Young LLP has confirmed that it is independent with respect to the Claymore Gold ETF within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

EXEMPTIONS AND APPROVALS

The Claymore Gold ETF has received exemptive relief from the Canadian securities regulatory authorities for relief from NI 81-102 to permit the Claymore Gold ETF, after Conversion to invest up to 100% of its net assets, taken at market value at the time of purchase, in physical gold bullion, of which no more than 10% of its net assets, taken at market value at the time of purchase, may be invested in permitted gold certificates as well as certain other relief from NI 81-102.

The Claymore Gold ETF has received exemptive relief from the Canadian securities regulatory authorities for relief from NI 81-102 to (i) permit entities not listed in NI 81-102 to act as sub-custodians for Portfolio assets of the

Claymore Gold ETF held in Canada and outside of Canada and (ii) exempt the Claymore Gold ETF from certain other provisions of NI 81-102.

The Claymore Gold ETF will also be able to rely on the following exemptive relief which has also been obtained by the Manager:

- (a) to relieve the Claymore Gold ETF from the requirement that a prospectus contain a certificate of the underwriters in connection with the distribution of its Units, if any;
- (b) to relieve the Claymore Gold ETF from the dealer registration requirement in connection with dissemination of sales communications in connection with the distribution of its Units, if any, provided that the Manager complies with Part 15 of NI 81-102; and
- (c) to permit a Unitholder to acquire more than 20% of the Units through purchases on the TSX without regard to the takeover bid requirements of applicable Canadian securities legislation.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

Management of the Claymore Gold ETF is not aware of any litigation outstanding, threatened or pending as of the date hereof by or against the Claymore Gold ETF or relating to the business that would be material to a purchaser of Units.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RECISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase mutual fund securities within two business days after receipt of a prospectus and any amendment or within 48 hours after receipt of a confirmation of a purchase of such securities. If the agreement is to purchase such securities under a contractual plan, the time period during which withdrawal may be made may be longer. In several of the provinces and territories, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contain a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or should consult with a legal adviser.

AUDITORS' CONSENT

We have read the prospectus of Claymore Gold Bullion ETF dated January 26, 2011, relating to the sale and issuance of Hedged Common Units and Non-Hedged Common Units of the Claymore Gold Bullion ETF. We have complied with Canadian generally accepted standards for auditor involvement with offering documents.

We consent to the incorporation by reference in the above-mentioned prospectus of our audit report dated March 24, 2010 to the Unitholders of the Claymore Gold Bullion Trust on the statement of investment portfolio as at December 31, 2009, the statement of net assets as at December 31, 2009, and the statement of operations, and changes in net assets for the periods then ended.

Toronto, Canada
January 26, 2011

(Signed) ERNST & YOUNG LLP
Chartered Accountants
Licensed Public Accountants

**CERTIFICATE OF THE CLAYMORE GOLD BULLION ETF, THE TRUSTEE, THE MANAGER AND
THE PROMOTER**

Dated: January 26, 2011

This prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

**CLAYMORE INVESTMENTS, INC.
as Trustee and Manager on behalf of Claymore Gold Bullion ETF**

(Signed) SOM SEIF
Chief Executive Officer and President

(Signed) BRUCE ALBELDA
Chief Financial Officer

On behalf of the Board of Directors of Claymore Investments, Inc.

(Signed) DAVID C. HOOTEN
Director

(Signed) JEFFREY D. LOGAN
Director

CLAYMORE INVESTMENTS, INC., as Promoter

(Signed) SOM SEIF
Chief Executive Officer and President