



PRESS RELEASE  
For immediate publication

## **KITCO CATEGORICALLY DENIES ALL OF REVENU QUÉBEC'S ALLEGATIONS**

**Montreal, June 9, 2011** Contrary to Revenu Québec's allegations in a press release published today, Kitco Metals Inc. (Kitco) has never participated in any tax fraud, nor has it ever carried out any fictitious transactions. In all respects, Kitco vigorously contests all aspects of Revenu Québec's investigation. Mindful of protecting its irreproachable reputation, Kitco has mandated attorneys, of the law firm of Gowling Lafleur Henderson, to evaluate all available recourses with regards to the allegations of Revenu Québec.

Earlier today Kitco, filed and presented a motion at the Superior Court of Québec to have an interim receiver appointed so that it may continue its normal operations under the supervision of the accounting firm RSM Richter (Mr. Gilles Robillard, partner). This action was taken in the interest of the corporation, of its clients and of its business partners to allow for the time required to vigorously contest Revenu Québec's unfounded claims. As always, Kitco will respect all of its commitments towards its clients and business partners.

Kitco buys precious metals scrap and pays the suppliers sales taxes on these purchases for which Kitco receives a tax credit. It is the responsibility of these suppliers to pay back the sales taxes to Revenu Québec. Revenu Québec alleges that some of these suppliers have not remitted the taxes paid to them. Revenu Québec is unjustly holding Kitco responsible for the unremitted taxes, which led to the issuance of the tax assessments.

Kitco is vigorously opposing these tax assessments. Kitco has respected all applicable laws and by-laws since the founding of the company over 30 years ago.

### **ABOUT KITCO METALS INC.**

A Canadian corporation founded in 1977, Kitco Metals Inc. is an international company with its head office located in Montreal, and operates offices in New York, Hong Kong and Shanghai. It is one of the largest retailers of precious metals in the world, and a specialized supplier of refining services. Kitco has a workforce of 200 employees and provides a vast array of gold, silver, platinum, palladium and rhodium products to tens of thousands of clients. The company is one of few authorized resellers of products made by some of the most prestigious government mints. Considered to be the leading precious metals reference, Kitco's website ([www.kitco.com](http://www.kitco.com)) is visited daily by close to a million people around the world and has received industry awards. Kitco has earned a solid reputation for itself as a leading innovator in the industry, being the first precious metals company to carry out its activities online and to create real-time market information applications for smartphones.

- 30 -

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