

ISHARES GOLD TRUST
Form FWP
October 12, 2010

INVESTING
IN GOLD
Free Writing Prospectus
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October 12, 2010

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Agenda

Benefits of ETFs

Traditional ways to access gold

Accessing gold today

Questions and answers

3

The exchange traded landscape

Source: BlackRock, as of 12/31/09.

*Does

not

include

Target

Date

and
Alternative
funds.
There
are
a
total
of
912
Exchange
Traded
Products
(ETPs)
as
of
12/31/09.
ETFs
offer access to nearly any asset class or targeted market
segment in a cost-effective way.

0
100
200
300
400
500
600
700
800
900
1,000
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
Year
Currency
Commodity
Fixed Income
Int'l/Global Equity
Domestic Equity

4
ETFs
include many different regulatory
structures
Open-End
Fund
Unit Investment
Trust
1940 Act

Closed-End

Fund

ETF structure has exposure, risk, and tax implications.

1933 Act

Limited

Partnership

Exchange

Traded Notes

Other Listed

Vehicles

Grantor

Trust

5

The benefits of iShares ETFs

Low cost

Transparency

Exchange traded liquidity

Targeted exposure for implementing strategies

6

Examples: Mining
companies, precious
metals mutual funds

Reasonable costs
and low minimums

20 mutual funds:
\$29 billion in assets

4

0.75:

average five-
year correlation of
mutual funds to gold
spot price

5

Equities
and funds
Traditional ways to access gold

1.

One tonne

is equivalent to one metric ton, which is equivalent to 1,000 kilograms or 32,150.7465 troy ounces.

2.

Source: *Gold Survey 2010*, GFMS Limited. GFMS Limited is an independent precious metals research organization based in L

3.

Source: Ibid.

4.

Source: Morningstar, as of 4/30/10.

5.

Source: Ibid.

Predominantly
limited to large
institutional
investors

Derivatives
and futures

contracts

Examples: Bullion,
jewelry and gold
certificates

Provides pure
access to gold

1,759

tonnes

(\$55 billion):

2009 jewelry
consumption

473 tonnes

(\$15 billion):

2009 bar hoarding
and coin investing

Physical
gold

1

2

3

7

Accessing gold today

Exchange traded product landscape:

Provides access to gold through a vehicle that trades on an exchange

Low minimum investment amount

Gold exposure through equities, gold-based futures or physical gold

Eleven gold ETFs: \$56 billion in assets

Three hold physical gold

Eight use derivatives or publicly traded equities

Gold
exchange
traded
products

1.

Source: Morningstar, as of 4/30/10.

Derivatives
and futures
contracts

Equities
and funds

Physical
gold

1

8

A closer look at physically backed gold ETFs

Source: BlackRock, as of 8/6/10.

0

2

4

6

8

10

12
14
1/05
1/06
1/07
1/08
1/09
1/10
0
200
400
600
800
1,000
1,200
1,400

iShares Gold Trust NAV

COMEX Spot Settlement Price

Past performance does not guarantee future results. Please see slide 12 for more performance information.

Spot
settlement
prices
are
for
illustrative
purposes
only
and
do
not
represent
actual
iShares
Gold
Trust
performance.

Spot prices do not reflect any fees, transaction costs or expenses.

iShares Gold Trust

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Conclusion

ETFs

offer access to a wide range of asset classes and
strategies

Investor demand for gold has been increasing amid global
and political uncertainty

Access to the gold market varies depending on the
investment vehicle

Gold ETFs backed by physical gold offer investors an innovative way to access the price of gold

APPENDIX

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iShares Gold Trust (IAU)

Gold ETF (the Trust) that seeks to reflect, at any given time, the price of gold owned by the Trust at that time, less the expenses and liabilities of the Trust

Holds fully allocated

gold daily

Shares are listed and trade

on NYSE Arca

Cost-efficient

Transparent

Key Considerations

Trust Details

Ticker

IAU

Inception Date

1/21/05

Sponsor's Fee

0.25%

Trust Profile (as of 10/1/10)

Total Net Assets

\$4.22 Billion

Shares Outstanding

327 Million

Total Ounces of Gold

3.21 Million

Total Tonnes

of Gold

99.72

12

iShares Gold Trust Performance

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost.

Market
returns
are
based

upon
the
midpoint
of
the
bid/ask
spread
at
4:00
p.m.
ET
(when
NAV
is
normally
determined for
most
iShares
products)
and
do
not
represent
the returns you would receive if you traded shares at other times.

1.
COMEX
Spot
Month
Settlement
Price.
Spot
settlement
prices
are
for
illustrative
purposes
only
and
do
not
represent
actual
iShares
Gold
Trust
performance.

Spot prices do not reflect any fees, transaction costs or expenses.

Performance History (as of 9/30/10)

Trust inception date: 1/21/05

Trust

19.10%

29.27%

20.28%

22.29%

21.28%

Benchmark

1

19.41%

29.74%

20.75%

22.76%

16.93%

21.74%

Market Price Returns

19.27%

29.52%

20.29%

22.31%

21.28%

YTD 2010

1-Year

3-Year

5-Year

10-Year

Since Trust Inception

iShares Gold Trust (Trust) has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates.

Before you invest, you should read the prospectus and other documents the Trust has filed with the SEC for more complete information about the issuer and this offering.

You may get these documents for free by visiting www.iShares.com or EDGAR on the SEC website

at www.sec.gov. Alternatively, the Trust will arrange to send you the prospectus if you request it by calling toll-free 1-800-474-2737.

Investing involves risk, including possible loss of principal. The iShares Gold Trust (Trust) is not an investment company registered under the Investment Company Act of 1940 or a commodity pool for purposes of the Commodity Exchange Act. Shares of the Trust are not subject to the same regulatory requirements as mutual funds. Because shares of the Trust are created to reflect the price of the gold held by the Trust, the market price of the

shares
will
be
as
unpredictable
as
the
price
of
gold
has
historically
been.

Additionally,

shares of the Trust are bought and sold at market price (not NAV). Brokerage commissions will reduce returns. Shares of the Trust are created to reflect, at any given time, the market price of gold owned by the trust at that time less the trust's expenses and liabilities. The price received upon the sale of the shares, which trade at market price, may be more or less than the value of the gold represented by them. If an investor sells the shares at a time when no active market for them exists, such lack of an active market will most likely adversely affect the price received for the shares. For a more complete discussion of the risk factors relative to the Trust, carefully read the prospectus.

Following an investment in shares of the Trust, several factors may have the effect of causing a decline in the prices of gold and a corresponding decline in the price of the shares. Among them: (i) Large sales by the official sector. A significant portion of the aggregate world gold holdings is owned by governments, central banks and related institutions. If one or more of these institutions decides to sell in amounts large enough to cause a decline in world gold prices, the price of the shares will be adversely affected. (ii) A significant increase in gold hedging activity by gold producers. Should there be an increase in the level of hedge activity of gold producing companies, it could cause a decline in world gold prices, adversely affecting the price of the shares. (iii) A significant change in the attitude of speculators and investors towards gold. Should the speculative community take a negative view towards gold, it could cause a decline in world gold prices, negatively impacting the price of the shares.

The amount of gold represented by shares of the Trust will decrease over the life of the trust due to sales necessary to pay the sponsor's fee and trust expenses. Without increase in the price of gold sufficient to compensate for that decrease, the price of the shares will also decline, and investors will lose money on their investment. The Trust will have limited duration.

The
liquidation
of
the
Trust
may
occur
at
a
time
when
the
disposition
of
the

Trust s
gold
will
result in losses to investors.

Although market makers will generally take advantage of differences between the NAV and the trading price of Trust shares through arbitrage opportunities, there is no guarantee that they will do so. There is no guarantee an active trading market will develop for the shares, which may result in losses on your investment at the time of disposition of your shares. The value of the shares of the Trust will be adversely affected if gold owned by the Trust is lost or damaged in circumstances

in
which
the
Trust
is
not
in
a
position
to
recover
the
corresponding
loss.

The
Trust
is
a
passive
investment

vehicle. This means that the value of your shares may be adversely affected by Trust losses that, if the Trust had been actively managed, it might have been possible to avoid.

Shares of the iShares Gold Trust are not deposits or other obligations of or guaranteed by BlackRock, Inc., and its affiliates, and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

BlackRock Asset Management International Inc. (BAMII) is the sponsor of the Trust. BlackRock Fund Distribution Company (BFDC),

a
subsidiary
of
BAMII,
assists
in
the
promotion
of
the
Trust.
BAMII

is

an
affiliate
of
BlackRock,
Inc.

Although shares of the iShares Gold Trust may be bought or sold on the exchange through any brokerage account, shares of the Trust are not redeemable from the Trust except in large aggregated units called Baskets.

Commodity
Exchange,
Inc.,
and

COMEX
are
trademarks
of
Commodity
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Inc.,
and
have
been
licensed
for

use for certain purposes to BlackRock, Inc., and the iShares Gold Trust. The Trust is not sponsored, endorsed, sold or promoted by Commodity Exchange, Inc., nor does Commodity Exchange, Inc., make any representation regarding the advisability of investing in the Trust.

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of
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Trust
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N.A.
All
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trademarks,

servicemarks

or

registered

trademarks

are

the

property

of

their

respective owners. iS-3615-1010 3101-CM12-8/10