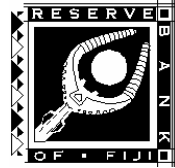


RESERVE BANK OF FIJI



PRESS RELEASE

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Mr. Savenaca Narube, Governor of the Reserve Bank of Fiji, Launches Fiji's New Coin Series

Mr. Savenaca Narube, Governor of the Reserve Bank of Fiji, officially unveiled Fiji's new coin series in Suva, today (Thursday 11 December 2008) and marked the completion of the Bank's currency review.

The new coins comprise smaller, thinner and lighter 5, 10, 20, 50 cents and \$1 coins. The Bank earlier on 13 October 2008 ceased issuing the 1 and 2 cents coins to commercial banks and this was part of plans to change our coins.

In addressing the guests during the launch, Governor Narube said that the change was a "once in a lifetime" event and definitely a noteworthy milestone for our nation and the Reserve Bank of Fiji. He said that while we have changed our notes several times, it is almost 40 years since we changed our coins to decimal currency on 13 January 1969.

Governor Narube outlined the reasons for the change as follows:

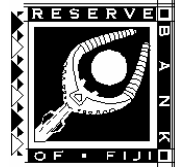
- Firstly, prices of base metals used in coin production have increased dramatically. This increase has made central banks change the metal composition of coins. This has significantly reduced the cost of minting coins.
- Secondly, technology has allowed innovative minting techniques to make more efficient use of base metals. Again, this has reduced costs.
- Thirdly, we can reduce the size of the coins. Many countries have done this. Smaller and lighter coins are much cheaper to mint. Not only that, the cost of handling is also reduced.

The change is therefore primarily to reduce the costs of minting and handling our coins.

On concerns on the cessation of one and two cents coins Governor Narube said it will cost us to continue to mint these coins when they do not circulate any longer. As well, experiences around the world clearly confirm that the change is not inflationary. He stressed that the benefits of not minting the one and two cents far outweigh the costs and the decision "fully serves the interest of the nation". The Reserve Bank of Fiji acknowledged the assistance of the Reserve Bank of New Zealand in this exercise.

Governor Narube also announced that Royal Canadian Mint (RCM), a world renowned and one of the leading and innovative mints in the world was awarded the contract to mint a five year supply of our new coins valued at approximately \$7.8 million dollars. RCM has produced Fiji's coins in the past.

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On cost savings to the nation, Governor Narube said “if we were to produce the same quantity of our current coins, it would have cost us approximately \$8 million more. We saved approximately \$5 million by not minting the 1 and 2 cents coins and a further \$3 million by reducing the size, weight and metal composition. These savings will also apply when the Bank reorders coins in the future.

The benefits do not end there. Due to the significant reduction in size and weight of these new coins, individuals and businesses will save substantial costs in terms of transportation, handling and storage.

“We have also introduced for the first time varied edge designs” Governor Narube said. Varied edge designs serve as an added identification and differentiating feature for the visually impaired as well as for the general public. The new 5 cents will now have a plain edge, 10 cents will continue to have rough or serrated edge, 20 cents will now feature interrupted serrations, a series of rough edge followed by smooth edge, 50 cents will now feature rough edges and the new \$1 will continue to have rough edges. Coins will not only be able to be identified by size but also by their edgings.

Governor Narube added that the existing designs on the front and back of the coins have been retained. He said that “leaving the designs unchanged makes the change to the new coins much easier. They make the new coins easier to identify.”

Governor Narube said that our new coins will have a different metal composition called Multi-ply layers. Multi-ply is patented by the Royal Canadian Mint and offers greater security, reliability and durability at reduced minting costs.

“I am confident that we will be proud of our new coins” said Governor Narube.

The new coins will be issued into circulation on 13 January 2009 to coincide with 40 years of decimal currency in Fiji. Governor Narube said that the new and old coins will co-circulate until 31 March 2009. Old coins will cease to be a legal tender from 01 April 2009. After that they can only be redeemed for value at the Reserve Bank of Fiji.

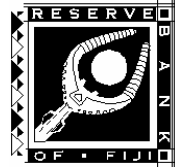
Public relations exercise will commence from today 11 December 2008 to inform the public of the changes to our coins. These will be conducted in three languages.

The Governor stressed that there is absolutely no need to rush your old coins to the bank. He said, “the public can continue to use the old coins until 31 March 2009 to make payments for goods and services. I call on everyone to help make this change as smoothly as possible. I particularly ask the retailers to continue to accept these old coins for payment until the end of March 2009. If you have any questions please do not hesitate to contact the Reserve Bank of Fiji first”

The new Fiji Coin specifications and existing coin specifications are attached as per Annex 1 and Annex 2 respectively.

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Annex 1 - Modernised Fiji Coin specifications

Denomination	Design	Alloy	Shape	Edge Type	Diameter (mm)	Coin Edge Thickness (mm)	Coin Weight (grams)
5-Cents	Lali (Drum)	Multi-ply Nickel Plated Steel	Round	Plain	19.50±0.13	1.20±0.12	2.34±0.10
10-Cents	Wau (War Club)	Multi-ply Nickel Plated Steel	Round	Serrated	21.50±0.13	1.50±0.12	3.55±0.17
20-Cents	Tabua (Whales Tooth)	Multi-ply Nickel Plated Steel	Round	Interrupted Serrations	24.00±0.13	1.60±0.12	4.68±0.19
50-Cents	Drua (Double Hulled Canoe Under Full Sail)	Multi-ply Nickel Plated Steel	Round	Serrated	26.50±0.13	1.80±0.12	6.50±0.30
\$1	Saqamoli (Drinking Vessel)	Multi-ply Brass Plated Steel	Round	Serrated	23.00±0.13	1.80±0.12	5.05±0.21

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Annex 2 - Existing Fiji Coin specifications

Denomination	Design	Alloy	Shape	Edge Type	Diameter (mm)	Coin Edge Thickness (mm)	Coin Weight (grams)
1-cent	Tanoa (Grog Bowl)	Copper Plated Zinc Plate Thickness of 8 Microns	Round With Plain Edge	Plain	1.58	17.53	1.2
2-cents	Fan Used in Fijian Dances (Iri)	Copper Plated Zinc Plate Thickness of 9 Microns	Round With Plain Edge	Plain	3.16	21.08	1.6
5-cents	Drum (Lali)	Nickel Plated Steel 7.3% Average Nickel Plate Thickness of 30 Microns	Round With Milled Edge	Serrated	2.34	19.41	1.35
10-cents	War Club (Wau)	Nickel Plated Steel 6.9% Average Nickel Plate Thickness of 30 Microns	Round With Milled Edge	Serrated	4.75	23.6	1.7
20-cents	Whales Tooth (Tabua)	Nickel Plated Steel 6.35% Average Nickel Plate Thickness of 30 Microns	Round With Milled Edge	Serrated	10.5	28.5	2.5
50-cents	Double Hull Canoe Under Full Sail (Drua)	Nickel Plated Steel 6.25% Average Nickel Plate Thickness of 30 Microns	12-sided Plain Edge Equilateral, Equiangular Dodecagon	Plain	13.44	31.51	2.48
\$1	Drinking Vessel (Saqamoli)	92% Copper 6% Aluminum 2% Nickel	Round With Milled Edge	Serrated	8	23	2.74