

CENTRAL GOLD-TRUST



1st Quarter Report

March 31, 2007

The Role of Central Gold-Trust

To serve investors as “The Gold Bullion Trust”™.

To hold gold bullion on a secure basis for the convenience of investors.

Investment Policies & Restrictions

The Declaration of Trust requires that at least 90% of Central Gold-Trust’s (Gold-Trust’s) assets be invested in physical gold bullion at all times. This cannot be changed without the approval of the Unitholders.

Gold-Trust’s physical gold holdings may not be loaned, pledged, subjected to options or otherwise encumbered in any way.

Safeguards

Gold bullion is stored on a segregated and insured basis in the underground treasury vaults of the Canadian Imperial Bank of Commerce, one of the largest banks in Canada.

The Bank may not release any physical bullion holdings without receipt of an authorizing resolution of the Board of Trustees of Gold-Trust.

Bullion holdings and bank vault security are inspected annually and spot inspected periodically by Trustees and/or officers of Gold-Trust. On each occasion, inspections are required to be performed in the presence of both Gold-Trust’s external auditors and Bank personnel.

Gold-Trust is subject to the regulations and reporting requirements of the American Stock Exchange, the Toronto Stock Exchange, and various Canadian provincial and U.S. securities regulatory authorities.

Conveniences

Gold-Trust’s units are listed on the American Stock Exchange (GTU) and on the Toronto Stock Exchange (GTU.UN in Canadian dollars and GTU.U in U.S. dollars). Making a gold bullion investment through ownership of Gold-Trust units is as easy as calling one’s stockbroker or investment dealer. Gold-Trust is advised that its units are eligible for most types of Canadian and United States regulated capital accounts where physical bullion investment is often not permitted.

The stock exchange listings provide readily quoted, liquid markets for the units. The bid/ask spreads are usually considerably less than the buying and selling price spreads of outright bullion purchases, especially for small transactions.

Unlike many other forms of bullion investment, there are no storage or other direct costs paid by the investor. As well, there are no assay charges to the Unitholder to verify the legitimacy and/or actual gold content upon sale, redemption or liquidation of Gold-Trust units.

Trustees' Report to Unitholders

Central Gold-Trust is a passive, single purpose, self-governing trust, with voting units, that is focused upon the secure holding of gold bullion on behalf of its Unitholders.

Net assets at March 31, 2007 were 98.8% invested in gold. Gold holdings were comprised of 118,326 fine ounces of gold bullion and 4,581 ounces in certificate form for a total of 122,907 ounces at March 31, 2007.

The accounts of Gold-Trust are denominated in United States dollars and, unless otherwise noted, discussion in this Report refers to United States dollars.

A part of the Management's Discussion and Analysis (MD&A) for the quarter ended March 31, 2007, with additional comments on pages 7 to 10 of this report, is as follows:

Net Assets – Net assets increased by \$3,065,441, or 3.9%, during the quarter to a total of \$82,351,993. The increase in net assets was attributable to the increase in the price of gold during the period.

Net Income – The net income for the quarter ended March 31, 2007 amounted to \$3,065,441 (\$0.94 per unit) compared to net income of \$8,360,272 (\$2.55 per unit) for the same period in 2006, after deducting expenses of \$155,896 (2006: \$134,260). Virtually all of the net income for the quarter represents the unrealized appreciation of investments, which is not distributable income, but is included in accordance with CICA Accounting Guideline 18.

Liquidity – All of the assets of Gold-Trust are liquid, consisting of gold bullion, cash and interest bearing cash deposits.

According to legal and tax counsel, the units of Gold-Trust qualify for investment by individuals and most types of Canadian and U.S. retirement accounts and financial institutions.

We are pleased to advise that, subsequent to quarter end, Gold-Trust completed an offering of units that closed on April 5, 2007. A total of 715,000 additional units were issued, increasing the outstanding number of units by 22%. This should serve to reduce the annual expense ratio for the benefit of all Unitholders.

We are committed to the secure stewardship of Central Gold-Trust and its gold bullion holdings to fulfill its purpose and mandate as "The Gold Bullion Trust"TM.

Sincerely,
On behalf of the Board of Trustees,



J.C. Stefan Spicer, President & CEO

April 26, 2007

STATEMENT OF NET ASSETS

(expressed in U.S. dollars)

	March 31, 2007	December 31, 2006
Net assets:		
Gold at market (note 3)	\$ 81,333,707	78,131,980
Cash	28,466	69,281
Interest-bearing cash deposits (note 4)	1,056,604	1,168,270
Prepaid expenses & other	33,736	12,240
	<u>82,452,513</u>	<u>79,381,771</u>
Accrued liabilities (note 6)	(100,520)	(95,219)
Net assets representing Unitholders' equity	<u>\$ 82,351,993</u>	<u>79,286,552</u>
Represented by:		
Capital: 3,277,500 units (note 5)	\$ 48,200,337	48,200,337
Retained earnings (inclusive of unrealized appreciation of investments)	34,151,656	31,086,215
	<u>82,351,993</u>	<u>79,286,552</u>
Net asset value per unit	<u>\$ 25.13</u>	<u>24.19</u>
Net asset value per unit expressed in Canadian dollars	<u>\$ 28.97</u>	<u>28.19</u>
Exchange rate: U.S. \$1.00 = Cdn.	<u>\$ 1.1529</u>	<u>1.1653</u>

See accompanying notes to financial statements.

On behalf of the Board of Trustees:

"John P. Embry"

"Douglas E. Heagle"

STATEMENT OF CHANGES IN NET ASSETS

(expressed in U.S. dollars)

	Three months ended March 31, 2007		2006
Net assets at beginning of period	\$79,286,552		64,659,747
Net issuance of units	-		-
Net income (inclusive of unrealized appreciation of investments)	3,065,441		8,360,272
			<u>8,360,272</u>
Increase in net assets during the period	3,065,441		8,360,272
Net assets at end of period	<u>82,351,993</u>		<u>73,020,019</u>

STATEMENT OF INCOME*(expressed in U.S. dollars)*

	<i>Three months ended March 31,</i>	
	<i>2007</i>	<i>2006</i>
Income:		
Interest	\$ 12,796	14,099
Unrealized appreciation of investments	3,208,541	8,480,433
	<u>3,221,337</u>	<u>8,494,532</u>
Expenses:		
Administration fees (note 6)	65,228	57,361
Safekeeping, insurance and bank charges	19,269	16,664
Regulatory filing fees	19,391	13,596
Legal fees (note 6)	18,235	13,063
Trustee fees and expenses (note 6)	12,094	9,915
Audit fees	9,000	12,323
Unitholder information	5,066	4,931
Stock exchange fees	4,006	3,681
Registrar and transfer agent fees	3,036	3,050
Miscellaneous	512	13
Foreign currency exchange (gain) loss	59	(337)
Total expenses	<u>155,896</u>	<u>134,260</u>
Net income:		
inclusive of unrealized appreciation of investments	3,065,441	8,360,272
Net income per unit:		
inclusive of unrealized appreciation of investments	\$ 0.94	2.55

See accompanying notes to financial statements.

STATEMENT OF UNITHOLDERS' EQUITY*(expressed in U.S. dollars)*

	<i>Three months ended March 31,</i>	
	<i>2007</i>	<i>2006</i>
Capital (note 5)		
3,277,500 units (2006: 3,277,500)	\$ 48,200,337	48,200,337
Retained earnings:		
Balance at beginning of period	31,086,215	16,459,410
Net income	3,065,441	8,360,272
Balance at end of period	<u>34,151,656</u>	<u>24,819,682</u>
Unitholders' Equity	<u>\$82,351,993</u>	<u>\$ 73,020,019</u>

See accompanying notes to financial statements.

Notes to Financial Statements*For the three months ended March 31, 2007**(amounts expressed in U.S. dollars unless otherwise stated)*

- Central Gold-Trust ("Gold-Trust") is a passive, single purpose, self-governing trust, with voting units, established under the laws of Ontario on April 28, 2003.
- The accounting policies used in the preparation of these unaudited interim financial statements conform with those presented in the December 31, 2006 audited financial statements of Gold-Trust. These unaudited interim financial statements do not include all of the disclosures included in the 2006 Annual Report and accordingly should be read in conjunction with the 2006 Annual Report.

3. Gold bullion:

Details of gold bullion holdings are as follows:

<i>Gold holdings at</i>	<i>March 31,</i>	<i>December 31,</i>
	<i>2007</i>	<i>2006</i>
Gold bullion in fine ounces	118,326	118,326
Gold certificates in fine ounces	4,581	4,581
Total fine ounces of gold	<u>122,907</u>	<u>122,907</u>
Cost (average \$373.48 per fine ounce)	\$ 45,903,639	45,903,639
Market – per fine ounce	\$ 661.75	635.70
Market value	<u>\$ 81,333,707</u>	<u>78,131,980</u>

4. Short term cash deposits:

As at March 31, 2007, the Trust held one U.S. dollar fixed deposit at a rate of 4.78% in the amount of \$400,000 with a maturity date of April 2, 2007, and one Canadian dollar flexible GIC at a rate of 3.75% in the amount of \$757,000 with a maturity date of July 31, 2007.

5. Capital:

Under the Declaration of Trust, an unlimited number of units may be issued. Each unit carries one vote at all meetings of Unitholders. Each unit is transferable and represents an equal, undivided, beneficial interest in Gold-Trust, in any distributions therefrom and in the net assets in the event of the termination or winding up of the Trust. There were 3,277,500 units issued and outstanding on March 31, 2007.

The units of Gold-Trust are redeemable by a holder at any time at a price equal to the lesser of: 90% of the average market price during a 10 day trading period commencing immediately following the date on which the units were tendered for redemption; and 100% of the closing market price on the last day of the period.

6. Related party transactions:

Gold-Trust is party to an agreement with Central Gold Managers Inc. (the "Administrator"), which is related to Gold-Trust through certain of its officers and Trustees. Administration fees remitted to Central Gold Managers Inc. for the three months ended March 31, 2007 increased to \$65,228 from \$57,361 due to the increase in the value of assets under administration. Included in accrued liabilities at March 31, 2007 is \$21,829 (2006: \$19,538) due to the Administrator. The Administrator furnishes administrative services to Gold-Trust. For such services, Gold-Trust has agreed to pay an administrative fee, on a monthly basis, equal to 0.40% per annum for the first \$100,000,000 of Gold-Trust's total assets, 0.30% per annum for any excess over \$100,000,000 up to \$200,000,000 and 0.20% per annum for any excess over \$200,000,000 of total assets. No Trustees fees are paid by Gold-Trust to Trustees who are members of the Executive Committee of Gold-Trust. **The Administrator has consented to reduced fees at three-quarters of stated rates during this stage of Gold-Trust's development.**

Sprott Asset Management Inc., ("SAM") has a marketing and advisory services agreement with the Administrator for the benefit of Gold-Trust and the Administrator. Fees amounting to \$12,736.10 were paid to SAM by the Administrator for the three months ended March 31, 2007 (2006: \$8,615).

Gold-Trust incurred legal fees amounting to \$18,235 for the three months ended March 31, 2007 (2006: \$13,063), of which \$14,244.33 (2006: \$13,063) was payable to a legal firm, of which one of Gold-Trust's officers was a partner. A balance of \$2,000 was included in accrued liabilities at March 31, 2007 (2006: \$333) relating to these services.

7. Financial Highlights:

	<i>Quarter ended</i>	
	<i>March 31, 2007</i>	<i>March 31, 2006</i>
<i>Per share operating performance:</i>		
Net asset value at beginning of period	\$ 24.19	19.73
Net investment income	(0.04)	(0.04)
Unrealized appreciation of investments	0.98	2.59
Total from investments	0.94	2.55
Net asset value at end of period	\$ 25.13	22.28
Total return ⁽¹⁾	3.9%	12.9%
<i>Percentages and supplemental data:</i>		
Net assets at end of period	\$82,351,993	73,020,019
Ratios to average net assets:		
Expenses ⁽¹⁾	0.19%	0.19%
Net investment income	-	-

⁽¹⁾ Ratios not annualized

8. Principal differences between Canadian and United States generally accepted accounting principles:

There are no differences between Canadian and United States generally accepted accounting principles which would require a reconciliation in the financial statements of Central Gold-Trust.

9. Subsequent Event:

An offering of units on March 22, 2007 closed on April 5, 2007 and 715,000 units were issued at \$26.35 each, for gross proceeds of \$18,840,250.00. The net proceeds to Gold-Trust were \$18,086,639.00. This issue increased the number of outstanding units to 3,992,500, an increase of 22%.

Management's Discussion and Analysis (MD&A)

The financial statements of Central Gold-Trust ("Gold-Trust") are prepared in United States dollars and in accordance with Canadian generally accepted accounting principles, otherwise known as Canadian GAAP. Notes to the financial statements on pages 5 and 6 should be referred to as supplementary information to this discussion and analysis.

Gold-Trust is a passive, single purpose, self-governing trust established by Declaration of Trust on April 28, 2003. Its purpose is to acquire, hold and secure gold bullion on behalf of its Unitholders. Gold-Trust is not in itself an operating entity nor does it have any employees, office facilities or the potential risks thereof. Gold-Trust retains Central Gold Managers Inc. (the "Administrator") to attend to all administrative duties as delegated by the Administrative Services Agreement and as guided by the Trustees.

There are no off-balance sheet items, arrangements, contingencies or obligations. All accounts are fully disclosed and itemized in the financial statements.

Disclosure Controls and Procedures

The senior executive officers have ensured that there are disclosure controls and procedures that provide reasonable assurance that material information relating to Gold-Trust is disclosed on a timely basis. They believe these disclosure controls and procedures have been effective during the quarter ended March 31, 2007.

Results of Operations – Changes in Net Assets

Net assets increased by \$3,065,441 or 3.9% during the three months ended March 31, 2007 to a total of \$82,351,993. The increase in net assets was due to the increased price of gold.

Summary of Quarterly Financial Information

	<i>Quarter ended (in U.S. \$)</i>			
	<i>Mar. 31/07</i>	<i>Dec. 31/06</i>	<i>Sept. 30/06</i>	<i>June 30/06</i>
Income (loss) inclusive of unrealized appreciation (depreciation) of investments	\$3,221,337	4,460,318	(1,736,445)	3,922,987
Net income (loss) inclusive of unrealized appreciation (depreciation) of investments	\$3,065,441	4,333,319	(1,858,328)	3,791,542
Net income (loss) per Unit inclusive of unrealized appreciation (depreciation) of investments	\$ 0.94	1.32	(0.57)	1.16

	<i>Quarter ended (in U.S. \$)</i>			
	<i>Mar. 31/06</i>	<i>Dec. 31/05</i>	<i>Sept. 30/05</i>	<i>June 30/05</i>
Income inclusive of unrealized appreciation of investments	\$ 8,494,532	4,869,040	4,501,625	1,178,432
Net income inclusive of unrealized appreciation of investments	\$ 8,360,272	4,798,862	4,410,656	1,078,696
Net income per Unit inclusive of unrealized appreciation of investments	\$ 2.55	1.46	1.35	0.33

Forward-looking Observations

Changes in the market price of gold are the primary cause of changes in the net asset value per unit. Assuming as a constant exchange rate, the rate which existed on March 31, 2007 of \$1.1529 Canadian for each U.S. dollar together with the holdings of gold bullion which existed on that date, a 10% change in the price of gold would increase or decrease the net asset value per unit by approximately U.S. \$2.48 per unit or Cdn \$2.86 per unit.

When expressed in U.S. dollar terms, Gold-Trust's net asset value per unit is largely unaffected by changes in the U.S./Canadian dollar exchange rate due to the fact that nearly all of Gold-Trust's net assets are gold which is priced in U.S. dollars. However, changes in the value of the U.S. dollar relative to the Canadian dollar have a direct impact on net assets as expressed in Canadian dollars. This arises because over 98% of Gold-Trust's net assets are denominated in U.S. dollars, including gold bullion and cash deposits. An increase in the value of the Canadian dollar versus the U.S. dollar means that the aforementioned U.S. dollar denominated assets are worth less when expressed in Canadian dollar terms.

Changes in the value of the U.S. dollar relative to the Canadian dollar will have an impact on the net asset value per unit as reported in Canadian dollars. As previously mentioned, over 98% of Gold-Trust's net assets are denominated in U.S. dollars. Assuming constant gold prices, a 10% increase or decrease in the value of the U.S. dollar relative to the Canadian dollar would change the net asset value per unit as expressed in Canadian dollars in the same direction by approximately the same percentage.

Results of Operations – Net Income

Gold-Trust's earned income objective is secondary to its investment objective of holding almost all of its net assets in gold bullion. Generally, Gold-Trust only seeks to maintain adequate cash reserves to enable it to pay the expenses of maintaining the Trust. Gold-Trust's actual revenues are a miniscule percentage of its net assets. However the Canadian Institute of Chartered Accountants Accounting Guideline 18, Investment

Companies, requires Gold-Trust to record unrealized appreciation (depreciation) of investments in income.

Net income for the three months ended March 31, 2007 was \$3,065,441 (\$0.94 per unit) compared to \$8,360,272 (\$2.55 per unit) for the same period in 2006, after deducting expenses of \$155,896 (2006: \$134,260). Expenses increased for the period, primarily due to higher administration fees resulting from the increase in net assets, and due to increased safekeeping, professional, regulatory and filing costs. Virtually all of the net income for the period is represented by the unrealized appreciation of investments, which is not distributable income, but is included in accordance with CICA Accounting Guideline 18.

The expenses of maintaining the Trust, as a percentage of the average of the month-end net assets remained unchanged at 0.19% for the three months ended March 31, 2007 when compared to the same period in 2006. For the twelve months ended March 31, 2007, the expense ratio was 0.68% compared to 0.69% for the same period in 2006.

Liquidity and Capital Resources

All of Gold-Trust's assets are liquid. Gold-Trust's objective is to hold cash reserves that generate some income primarily to be applied to pay operating expenses. For the three months ended March 31, 2007, Gold-Trust's cash reserves including cash equivalents decreased by \$152,481. The ability of Gold-Trust to have sufficient cash to pay the expenses of maintaining the Trust and to meet demands for redemption (if any), is primarily dependent upon its ability to realize cash flow from its cash equivalents. Should Gold-Trust in the future not have sufficient cash to meet its needs, minor portions of Gold-Trust's bullion holdings may be sold to provide working capital and to pay for redemptions (if any) of units. Sales of bullion could result in Gold-Trust realizing capital losses or gains.

Related party information

Please refer to Note 6 on page 6 of this interim report.

Other

Gold-Trust maintains its accounting records, purchases gold and reports its financial position and results in U.S. currency. However, certain of Gold-Trust's expenses are paid, and Gold-Trust's units trade, in Canadian currency as well as U.S. currency. Therefore, because exchange rate fluctuations are beyond Gold-Trust's control, there can be no assurance that such fluctuations will not have an effect on Gold-Trust's accounts or on the trading value of Gold-Trust's units in Canadian dollars.

The Trustees will consider from time to time the issue of additional units at a net price that would be non-dilutive to present Unitholders' interests. Additional unit issues to enlarge Gold-Trust's asset base should enable a reduction in the expense ratio per unit and broaden exchange trading liquidity to the advantage of current and new Unitholders.

The Trust is advised that U.S. Investors investing in Gold-Trust units for taxable accounts should acquaint themselves with Passive Foreign Investment Company (PFIC) rules and Qualifying Election Forms (QEF's) which may apply to their investment in Gold-Trust units.

This Report, dated April 26, 2007, annual information forms, notices of annual meetings and information circulars, press releases, financial and other information are available at www.sedar.com and www.gold-trust.com.

Corporate Information

Trustees

John P. Embry (E)
Brian E. Felske (A) (I)
Douglas E. Heagle (A) (C) (I) (L)
Ian M.T. McAvity (C) (I)
Robert R. Sale (A) (C) (I)
Philip M. Spicer (N) (E)
J.C. Stefan Spicer (N) (E)

Officers

John P. Embry, Co-Chairman
Philip M. Spicer, Co-Chairman
J.C. Stefan Spicer, President & CEO
John S. Elder, Q.C., Secretary
William L. Trench, A.C.I.S., CFO
Krystyna S. Bylinowski, Treasurer

- (A) - Member of Audit Committee
(C) - Member of Corporate Governance & Nominating Committee
(E) - Member of Executive Committee
(I) - Independent Trustee
(L) - Lead Trustee
(N) - Nominee of the Administrator

Administrator

Central Gold Managers Inc.
Ancaster, Ontario, Canada

Custodian

Canadian Imperial Bank of Commerce
Toronto, Ontario, Canada

Auditors

Ernst & Young LLP
Toronto, Ontario, Canada

Registrar and Transfer Agent

CIBC Mellon Trust Company, Canada
Mellon Investor Services LLC, N.Y.

Legal Counsel

Fraser Milner Casgrain LLP
Toronto, Ontario, Canada

Stock Exchange Listings

AMEX Symbol : GTU
TSX Symbols: GTU.UN (Cdn \$)
GTU.U (U.S. \$)

Dorsey & Whitney LLP
Toronto, Ontario, Canada

Unit Asset Value Information

The net asset value per unit is calculated daily and is available by calling Central Gold-Trust at (905) 304-4653. The total net assets, the net asset value per unit and the detailed basis of their calculations are posted daily at www.gold-trust.com and www.goldtrust.ca.



CENTRAL GOLD-TRUST

“The Gold Bullion Trust”

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