

Never forget the impact of history



1 | Naval Gold Medal sold for \$251,000
(photo courtesy of Noble Numismatics)



2 | 1789 Sydney Cove Medallion
acquired by Coinworks

As a company we are always preaching the merits of quality and rarity. How often do we see the words... “top quality and extremely rare” communicated? We have no criticism of the use of these terms for they define a coin (or banknote) relative to others. And they are critical points that should be addressed when contemplating a numismatic investment.

But there is one other attribute that we embrace when making rare coin decisions – and that is the history of the piece.

The rare coin market is a supply and demand market with restricted supply. Continuity of demand is as a consequence critical to underpinning price growth. Coins that are of great historical significance tend to have maximum appeal, high in demand and continually sought after by a broad collector base.

Recent auction results in Melbourne indicate that our preference for highly historical pieces is shared by others. Noble Numismatics recorded the sale of a Naval gold medal awarded to Captain William Bligh (Governor of the penal colony of New South Wales 1806 to 1808) for \$251,000 on an auction pre-estimate of \$200,000. Another gold medal, awarded to the same gentleman by the Society for the Encouragement of Arts sold for \$135,000 on a pre-auction estimate of \$50,000.

The appreciation of our early history is also reflected in Coinworks recent purchase of a 1789 Sydney Cove Medallion.

The medal was made from clay dug up in Sydney Cove on land that became the site of Australia’s first Government House. It was sent to Sir Joseph Banks in Britain who in turn sent it to Josiah Wedgwood to test for suitability in making pottery.

Wedgwood found it excellent and crafted a few commemorative medals known as the Sydney Cove Medallion. Twelve medallions are known – eleven of which are housed in institutions. Coinworks purchase makes it the only known example in private hands. (A medallion changed hands in September 2004 at Sothebys Melbourne for \$105,000.)

41 headsup

coinworks australian rare coins and notes

newsletter 41

September 2011

Stunning proofs back on the market

We have just been commissioned to sell the finest known Collection of commercial Proof Sets struck at the Melbourne Mint, pre-1955. (1916, 1934, 1938 and 1953)

The collection was put together by us in the 1990s so we know the coins and we know their background. The liquidation is in sync with the owner's retirement plans.

The Sets are extremely rare – and the quality simply sublime.

The ease with which decimal proof sets can today be purchased may have some buyers believing that pre-decimal proof sets were equally readily available. This is simply not the case.

Pre-1955, Proof Sets were not churned out annually as part of a collector-oriented sales strategy. Quite the reverse, Proof Sets were struck sporadically

on an ad-hoc basis, much to the frustration of collectors at the time.

It is a fact that over the thirty-eight year period between 1916 and 1953, the Melbourne Mint only struck Proof Sets in 1916, 1934, 1938 and 1953.

They are an integral part of our currency history and were the precedent for the proof coining program introduced by the Royal Australian Mint in 1966 and which today's market has so enthusiastically embraced.

Information will be disseminated to clients in November regarding the availability of the Proof Sets.



Welcome to the 41st edition of Heads Up.

This edition presents an overview of our activities in the first two months of this financial year (new staff, new web site) and details our plans for the future.

While the retail environment is tough, Coinworks has recorded solid sales in both July and August including another two top Holey Dollars (over and above our much publicised sale of the record breaking 1789 Holey Dollar) along with some superb pre-decimal proofs.

Our success reflects our delivery. The current financial environment demands that we offer value for money and as a Company we are delivering the goods, both in terms of quality and price. The seven rarities offered in this newsletter are each consistent with our quality/price philosophy.

Belinda Downie
Managing Director





Coinworks lunches/seminars



As a company Coinworks believes that history is integral to the future of the industry. We also believe that education is an important part of its development.

Coinworks has been conducting regular lunches/seminars at Melbourne's RACV Club for the past two years. The luncheons are a forum for imparting information about the industry in a relaxed (non-pressure) environment. Clients enjoy lovely food, superb wine and have the opportunity of sighting some of the finest coins around.



Our last luncheon held on August 19 revealed our plans for 2013, when Australia will celebrate the 200th anniversary of the striking of our first coins, the Holey Dollar and Dump. Appropriately we displayed five of the finest Holey Dollars and a superb Colonial Dump.

And we were pleased to welcome to the luncheon representatives of Macquarie Bank.

It is our intention to make the Holey Dollar a household name by the end of 2013 and part of the planned exposure is to engage Macquarie Bank in our promotions.

The next luncheon will be held mid November and will cover Australia's commercial proof coinage, 1916 to 1953.

Personal invitations will be sent out shortly. But as positions are extremely limited anyone wishing to attend should declare their intention early and contact our Office Manager Melinda Cuppens on 03 9642 3133.

New Coinworks website

A new Coinworks web site will be up and running by the end of September.

The web will take quality Australian rare coins and banknotes to a new level of appreciation by way of superb photography. Visitors to the site will also value the historical price information being made available to them via our Rarities Pricing Index.

Our Rarity Price Index will acknowledge Market Price Guides but will also give consideration to the current market environment taking into account Coinworks private sales and Auction realizations.



Nick Tham joins the team



I am very pleased to announce the appointment of Nicholas (Nick) Tham to the Coinworks team. Nick comes to Coinworks with a background in investments generally and rarities in particular.

His appreciation of numismatics was sparked through his academic majors in History and Asian Studies at Sydney University. Over the years, his interest developed into investing in the rarities market. He has worked for the Australian Stock Exchange and Macquarie Bank, and has had over 10 years of professional experience in client relationship roles dealing with Company Directors and Financial Advisors.

Since 2009, Nick has been part of the rare coin and banknote industry advising on the selection of the highest quality items for clients. He joined Coinworks in August 2011.

Nick will be operating out of Sydney: our prime focus to make top quality rare coins and banknotes more accessible to New South Wales clients. And while politically Canberra is Australia's foremost city, it is relatively poorly serviced with top quality rarities. Nick's presence will address that issue.

His appointment will also see us holding regular seminars / lunches in Sydney. Nick will be introducing himself to clients over the next month and will touch base with you directly about our planned program of events in Sydney and Canberra.

Contact Nick on 0450 421 286 or by email nick@coinworks.com.au



Recent sales

As reported in our last newsletter Coinworks enjoyed a 40 per cent increase in sales in the financial year 2010/11. We are on track to maintain – if not advance – that figure. And yet as we all know the current retail environment is tough.

Our success, in our opinion, reflects our delivery. We are delivering a great product – at the right price.

Recent sales include...

- 1789 Type 3 Holey Dollar Lima Mint EF \$485,000
(One of two Type 3 examples known, this being the finest)
- 1798 Type 5 Holey Dollar Mexico Mint gEF\$450,000
(With original silver lustre this coin is one of the finest known Holey Dollars)
- 1780 Type 2 Holey Dollar Mexico Mint aEF \$400,000
(Extremely rare type and top quality)
- 1886 Proof Sovereign \$180,000 (One of two known – and superb for quality)
- Type 5 Square Penny \$140,000
(A highlight of one of Australia's most popular coin series and extremely rare)
- 1953 Specimen Proof Set \$227,000
(The rarest Proof Set in the series 1916 to 1953, with only 12 Sets struck)
- 1915 Proof Florin Heaton Mint \$215,000 (One of two known)
- 1935 Proof Penny \$62,500 (Superb quality and rare)
- 1924 Proof Threepence \$57,500 (Superb quality and rare)
- 1930 Penny good Fine \$23,500 (Value plus)

The response to our offering of the 1930 Penny in the last newsletter (at \$23,500) is worthy of comment. The offer sparked enormous interest from buyers keen to acquire Australia's most high profile copper rarity – at a value-packed price. It was simply a case of the right product at the right price.

Coin	1953 Perth Mint Proof Penny
Quality	Brilliant FDC
Rarity	Of the highest rarity as the finest known
Provenance	Sprink Auctions November 1985 and July 1994
Price	\$69,500



It is a privilege to offer such an exceptional quality coin. Without doubt it is the finest 1953 Perth Proof Penny known and quite possibly the finest Perth Mint Proof of any year. (1941–1953)

You can tick all the investment indicators on this 1953 Perth Proof Penny

- Brilliantly preserved, the coin is presented with full original copper brilliance and impeccable fields. Even a hint of underlying copper brilliance is revered in a pre-decimal proof. Full brilliance is in a league of its own.
- As you would expect with a coin of this calibre, it comes with a solid history of success. A new auction record was established for Perth proofs when this coin sold at auction in July 1994. (\$4500 on a pre-auction estimate of \$2000)
- Furthermore it is rare. Perth Mint copper proofs are genuinely scarce. In this case, only eight 1953 Perth Proof Pennies have been sighted on the open market over the last 35 years. **And if you are hunting the finest (such as this coin), you might be waiting at least a decade before it comes up for grabs.**

As a closing comment, there is a perception amongst buyers that because a coin is struck to proof quality, it has to be great. **Well think again.**

The value of a proof coin is as much to do with its state of preservation – how well it's been cared for in the intervening years - as it is with the clarity and precision of the original striking. Is it spotty? Edge bumps? Harsh and unattractive toning? Scratched? Gouges? Traces of original brilliance?

This means that there are poor quality proofs, mediocre proofs, great proofs – and those you simply can't take your eyes off because they are truly spectacular. And this 1953 Perth Proof Penny is truly spectacular.

This is the coin
by which all other
proofs will be judged.

The Perth Mint 1899 – 1954.

The period commencing 1940 is considered by historians to be one of the most important eras in the annals of the Perth Mint. The mint was established in 1899 to produce gold sovereigns and half sovereigns. When Australia struck its last gold coin in 1931, the coining presses at the Perth Mint ground to a halt and the mint endured a nine-year period of nil-production.

The onset of war created a window of opportunity and in 1940 the Perth Mint took up the reins for striking Australia's circulating copper coins for the Commonwealth Government.

Coin	1894 Melbourne Mint Proof Sovereign
Quality	Brilliant FDC
Rarity	One of two known
Provenance	Murdoch Collection, Sotheby's 1903, Glendinings 1974, Barrie Winsor 2002
Price	\$145,000



The stability of the Australian rare coin market, and the financial balance that our industry offers relative to other more volatile investments is well illustrated by this 1894M Proof Sovereign.

Extreme rarity

Only two examples of the 1894M Proof Sovereign are known: neither of which have ever been offered at an Australian public auction.

Supreme quality and extremely popular

This is a brilliant, flawless proof with timeless appeal. There is nothing quite like gold... Australia's most popular collecting metal.

Solid track record of growth

The 1894 Proof Sovereign has never appeared at an Australian public auction. Held in the Coinworks stable for more than twelve years, the coin boasts an enviable track record of growth.

- Sale by private treaty 1999, \$26,500
- Sale by private treaty 2002, \$36,000
- Sale by private treaty 2006, \$75,000

Proof gold is genuinely scarce

The growth in value of the 1894M Proof Sovereign over the last twelve years not only reflects the rarity of the coin itself, but the extreme scarcity of the **entire sector** to which it belongs.

It is an interesting comparison that in a career that has spanned nearly forty years I have probably handled between sixty to seventy Square Pennies, bought and sold dozens of quality Holey Dollars and even more of the Colonial Dump. I could count on the fingers of two hands the number of Cracked Dies that I have sold and that's no surprise given its tiny original mintage.

Now while it is not my intention to either demean these rarities or undermine their potency as an investment force. My point here is that in the same 40-year time frame I have only ever handled three years out of the veiled head proof sovereign series, they being the 1894 (this coin), 1899 and 1901.

Why is proof gold so scarce?

The extreme rarity of the gold proofs pre-1931 is a consequence of their original mintages. One or two examples are known of each year ... sometimes three.

Whether it is one, two or three the mintages are minuscule relative to the size of today's investor/collector market.

And while the natural assumption may be that proofs were struck in every year this is simply not the case.

Coin	1937 Proof Crown
Quality	Gem FDC
Rarity	Of the highest rarity ranking as one of the finest known
Provenance	Sale by private treaty 2010
Price	\$65,000



The collector that has been waiting for a superb quality Proof 1937 Crown should look no further than this coin. It is the finest that we have handled – and indeed ever sighted.

A wonderful collector piece

This Proof 1937 Crown has a magnificent pale blue hue that is seldom seen. That hue is a 'quality indicator' and is evident in Melbourne Mint Proofs but only when they are at their very best.

As a point of note, a 1934 Proof Set sold in New York in January of last year for a world record price. The silver proofs in that set had the same milky bluish hue and strength of striking.

An investment piece

Its superior quality will underpin sound financial growth. This coin is a record breaker and sets the benchmark by which all other '37 Crowns will be judged.

Limited availability

The mintage of the Proof 1937 Crown is a mere 100 pieces. Natural attrition has reduced the number of specimens available to collectors.

We would sight maybe one or two specimens at auction annually, which relative to the demand of today's market is minuscule.

Once you introduce quality into the selection process you further reduce the number of available examples.

Historical importance

The Proof 1937 Crown also has some historical plusses which make it a coin in high demand.

- Struck to glorious proof quality at the Melbourne Mint to commemorate the crowning of King George VI it was in fact the only proof issue to be struck in that year. (Due to the upheaval of Edward VIII abdication)
- It also was one of the very few commercial issues struck at the Melbourne Mint. (Between 1916 and 1953 there were only eight years in which the Melbourne Mint produced proofs on a commercial basis. Historically and numismatically these eight issues are of the utmost significance for they represent the 'test' phase which led to the introduction in 1955 of an Australian proof coining programme.

The 1937 Proof Crown was one such 'commercial' proof striking making it a highly significant and historically important issue.

Coin	1919 Type 6 Square Penny
Quality	Superb FDC
Rarity	One of five sighted at auction
Provenance	IAG Auction 64, 2006
Price	\$140,000



The Type 6 in superior quality presents a perfect sales record at auction. It is a fact that of the five examples to have appeared at auction over the last 37 years each has sold at prices far in excess of their auction estimates.

Stunning quality

'Kid gloves' attention appears to have been used in the striking of this Type 6 Square Penny for it has stunning proof-like qualities, smooth and highly reflective surfaces. The coin has aged gracefully, and has toned to a beautiful golden hue.

Extreme rarity

This 1919 Square Penny is a rare gem for investors. An exceptional quality coin, it is one of only five sighted at auction over the last 37 years.

Solid track record

The Type 6 in superior quality presents a perfect sales record at auction.

It is a fact that of the five Uncirculated Type 6 coins to have appeared at auction over the last 37 years, they have all sold – and sold at prices far in excess of their pre-auction estimates. (The last recorded sale of this coin was in 2006 when it sold at auction for \$66,700 on an estimate of \$62,000)

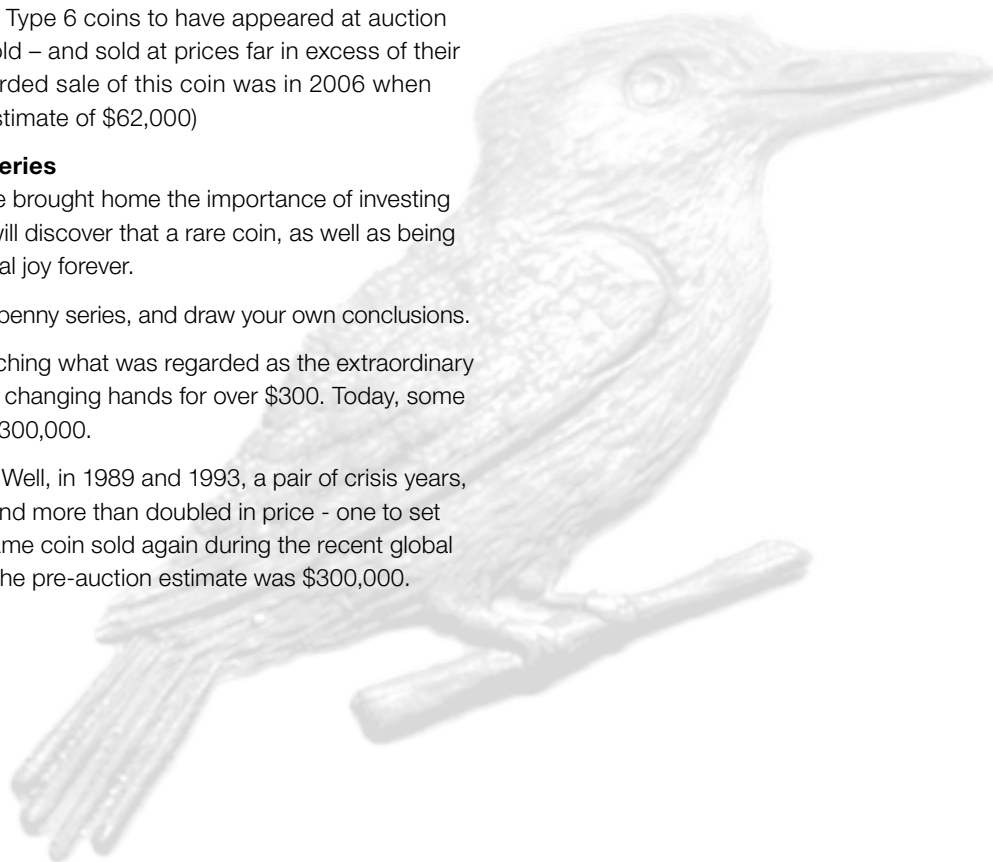
Comments on the Square Penny Series

Recent stockmarket uncertainties have brought home the importance of investing across a range of asset classes. You will discover that a rare coin, as well as being a thing of beauty, can also be a financial joy forever.

Consider these facts about the square penny series, and draw your own conclusions.

In the 1960's square pennies were fetching what was regarded as the extraordinary sum of £75. By the mid '70s they were changing hands for over \$300. Today, some coins in the series are valued at over \$300,000.

What about periods of financial crisis? Well, in 1989 and 1993, a pair of crisis years, two square pennies came to auction and more than doubled in price - one to set a new price record of \$23,000. This same coin sold again during the recent global financial crisis, another grim chapter. The pre-auction estimate was \$300,000. It sold for \$350,000.



Coin	1927 Proof Canberra Florin
Quality	Superb FDC
Rarity	Sighted at auction maybe once every year
Provenance	Private Collection USA 1998
Price	\$60,000



This particular proof has only been through two collector's hands over the last thirty-plus years. Owned by a US collector (for decades), it was acquired by us in 1998, sold to a Sydney collector and has remained in the same holding for the last thirteen years.

It is a superb quality Proof Canberra Florin and the pattern of long term holding goes hand-in-hand with choice quality coins.

The popularity of high quality 1927 Proof Canberra Florins (and their limited availability) underpinned a new auction record in September 2010.

The record didn't hold for long. It was superseded in March of this year re-affirming the coin's popularity and firmly supporting its current price level of \$60,000.

As a summary on this coin:

- The 1927 Proof Canberra Florin is an extremely popular high profile proof with an impressive record of growth. Recent results re-affirm the coin's continuing popularity.
- It also is rare. Natural attrition has taken its toll on the original mintage of 400. While we would expect to sight maybe one or two on the open market annually, setting high quality standards will lengthen the waiting time.
- It is superb for quality with brilliant mirror fields, handsome purple/grey toning. Visually it is stunning.
- The 1927 Proof Canberra Florin is an historically important coin, struck by the Melbourne Mint to test the waters of commercial proof coin production. This exercise, to determine the viability of selling proofs to the public, occurred in eight years only between 1916 and 1953 and led to the current coining series taken up by the Royal Australian Mint in 1966 – and which continues today.

No.	Year	No coins	Description	Mintage
1	1916	4 coin	silver specimen-proof set	25
2	1927	1 coin	silver proof florin	400
3	1934	6 coin	silver & copper proof set	40
4	1935	2 coin	copper proof penny & halfpenny	100
5	1937	1 coin	silver proof crown	100
6	1938	6 coin	silver & copper proof set	70
	1938	1 coin	silver proof crown	55
7	1939	1 coin	copper proof halfpenny	40
8	1953	5 coin	silver & copper specimen-proof set	12

Chart: Proofs struck at the Melbourne Mint between 1916 and 1953 on a commercial basis

Banknote	1936 George V £5 Riddle Sheehan R44b
Quality	Uncirculated
Rarity	One of two known
Provenance	Private sale 1981, Noble Auctions 2003
Price	\$58,000



The investor that has been waiting for a superb quality Riddle Sheehan £5 should look no further than this note. It is a distinguished piece and set a new auction record in 2003 when it sold for \$16,300 on a pre-auction estimate of \$7500.

The superb state in which this note was presented inspired spirited bidding. Original, crisp with vibrant colours, the market acknowledged its supreme quality level.

Bidders also recognized that, in Uncirculated quality, it was excruciatingly rare.

It is still to this day one of only two known at this quality level.

Historically significant this note defined a new era in Australian currency as the first £5 banknote to depict the new 'Legal Tender' status of the nation's paper currency. (With Australia's departure from the gold standard, banknotes were no longer redeemable in gold.)

This is a memorable note and presents a great buying opportunity.

- Presented in pristine Uncirculated quality
- Extremely scarce in this level of quality
- Highly sought after across grades
- Historically significant

R
12 252224

This unique, historical piece is the only known surviving Promissory Note issued by a woman.

Note	Ann Mash Promissory Note circa 1812
Quality	Very Fine
Rarity	Unique
Pedigree	Bill Wright Collection
Price	\$25,000



Convict Ann Mash is an inspiration to today's female entrepreneurs who strive to succeed in the business community while juggling serious family commitments.

Ann Mash was a convict sentenced in 1789 to seven years in the penal colony of New South Wales. A multi-tasker, she was a wife three times-over and gave birth to thirteen children.

She also showed huge entrepreneurial and business skills. Ann was literate and articulate and amongst other business enterprises became involved in a bakery, a butcher, a general store and a small goods and passenger boat service from Parramatta to Sydney.

She also held a wine and spirit licence for the King's Head Tavern. Her well-written signature exists on documents with the early Bank of New South Wales, which started trading in 1817.

This great historical piece, issued circa 1812, is unique. It is the only known surviving promissory note issued by a woman, Ann Mash.

Furthermore it is the only known promissory note issued in this denomination.

The Ann Mash Promissory Note is listed in the 'Confirmed Private Note Issuers' listing found in Dr W. J. D. Mira's publication, 'Coinage & Currency in NSW 1788-1829'. A copy will accompany this purchase.