more than money



AML/CTF Reforms

Dealers in Precious Metals, Stones and Products

From 1 July 2026, anti-money laundering and counter-terrorism financing (AML/CTF) obligations will apply to dealers in precious metals, stones and products, and other professions known as ‘Tranche 2 entities’.

It is important to commence preparing for the changes now to ensure you are ready to comply with the new obligations.

Guide for Tranche 2 Entities

Do you provide services that will be regulated by AUSTRAC?

If your business accepts cash and/or virtual assets valued at AUD$10,000 or more when purchasing or selling:



- precious metals,
- precious stones and/or
- precious products



check the AUSTRAC website to determine if you need to enrol as a reporting entity and seek professional advice if you're unsure.

AUSTRAC: The Australian Transaction Reports and Analysis Centre is Australia's financial intelligence unit and AML/CTF regulator.



Precious metals are multi-purpose assets with a range of features that make them attractive to criminals.

Criminals are known to buy and sell precious metals, precious stones and/or precious products as they have high intrinsic value, can be purchased with cash and provide anonymity when transferring value. This allows criminals to easily invest, transfer, and conceal the proceeds of crime with low risk of detection.

Precious metals are easy to hide and transport across international borders to be converted back to legitimate funds. Other features that make this attractive to criminals include:

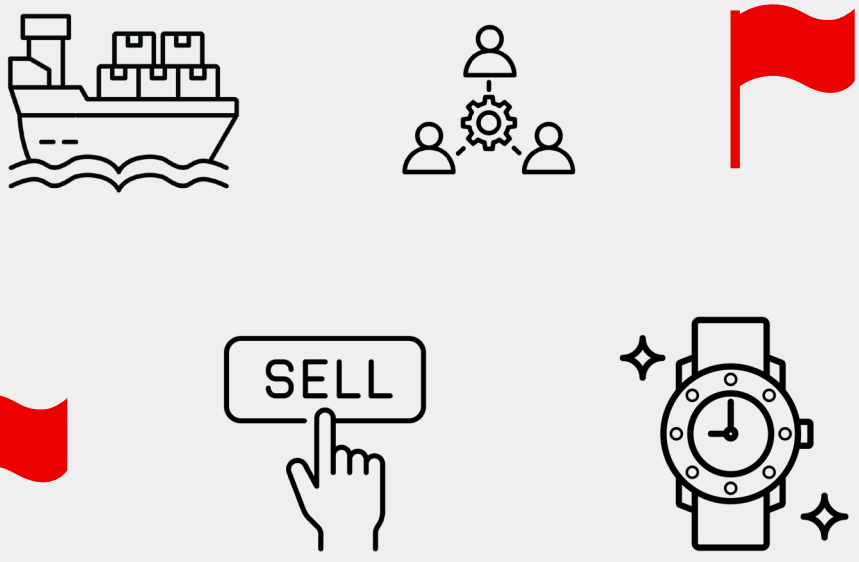
- Their universal acceptance in extensive domestic and global regulated and unregulated markets.
- Their relative ease to acquire.
- Their universal acceptance in extensive domestic and global regulated and unregulated markets.
- The comparatively large values and relative ease to transport.
- The use of precious metal certificates to verify ownership and storage services which allows criminals to distance themselves from the asset and conceal the true source of funds used to acquire the precious metal.
- Their status as a safe haven investment, meaning that the benefits of these assets to a legitimate investor apply equally to criminals.

Source: AUSTRAC Money Laundering in Australia National Risk Assessment 2024

Spot the red flags

Red flags are warning signs of potential money laundering or terrorism financing that may require investigation. Here are some examples:

- Frequent purchase of high value items
- Large cash transactions or structuring of cash transactions to avoid the AUD$10,000 threshold
- Use of third parties to conduct purchases
- Exporting goods to high-risk countries
- Rapid resale of products



What do I need to do?

AUSTRAC expects that by 1 July 2026, you will:

- ◯ Be enrolled as a reporting entity
- ◯ Have an AML/CTF Program
- ◯ Have appointed an AML/CTF Compliance Officer
- ◯ Have trained your staff on your AML/CTF Program and processes
- ◯ Be ready to undertake Customer Due Diligence on your clients
- ◯ Be ready to report suspicious matters

How can I start preparing for the changes?

1. Check the AUSTRAC website for the new industries and services to be regulated and the geographical link requirement.

2. Review the guidance published by AUSTRAC about the AML/CTF reforms to understand your new obligations.

3. Conduct a risk assessment to identify potential money laundering, terrorism financing and proliferation financing risks.

4. Seek support from industry bodies.

5. Register to attend AUSTRAC's education webinars and sign up to receive updates about the reforms.

Scan the QR code below to access the AUSTRAC website on the AML/CTF Reforms:



Note: This document is intended to provide general guidance based on information from the Attorney General's Department, AUSTRAC, multiple rounds of industry consultation and other publicly available material. It does not constitute legal advice. The outlined changes are not yet in effect and may be subject to change pending the outcome of further consultation.

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