Can 22K gold be used for making coins and bars?

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Exploring the Role of 22K Gold and the Legacy of the Gold Sovereign

When considering gold for investment, most people turn to **24K gold**—valued for its **99.9% purity** and universal recognition. But what about **22K gold**? While typically associated with fine jewellery, 22K gold also plays a historic and valuable role in coinage, most notably in the **British Gold Sovereign**.

What is 22K Gold?

22K gold, or **22 carat gold**, consists of **91.6% pure gold** and 8.4% alloyed metals like copper or silver. This blend offers excellent **durability** without compromising the **rich golden hue**. It is the gold of choice for traditional and bridal jewellery in South Asia and the Middle East.

Introducing the Gold Sovereign

One of the most distinguished uses of 22K gold in coin form is the **British Gold Sovereign**—a coin steeped in royal heritage and economic significance.

First issued in **1817**, the Sovereign remains a legal tender coin produced by the **Royal Mint**. It features:

- The **monarch's effigy** on the obverse
- The classic **St. George and the Dragon** design by Benedetto Pistrucci on the reverse

Each Sovereign contains **7.32 grams of pure gold** within a **7.98-gram coin**, thanks to the 22K composition.

Why 22K Gold is Used in Sovereigns

Unlike 24K coins, which are soft and prone to scratching, 22K gold offers **increased strength**—perfect for coins designed to be circulated or handled. This makes Sovereigns more **durable**

and **resistant to wear**, ideal for collectors and investors alike.

Investment Value of Gold Sovereigns

Gold Sovereigns are not just beautiful—they're **valuable**. Here's why:

- **Capital Gains Tax Exempt (UK)**: Like 24K **Britannia coins**, Sovereigns are exempt from CGT, making them a **tax-efficient investment**.
- **Hallmarked and Trusted**: Produced by the Royal Mint, every Sovereign carries assured weight and purity.
- **Flexible Investment**: Smaller than standard bullion coins, Sovereigns allow you to invest in gold **incrementally**.

22K vs 24K: Which Is Best for Coins and Bars?

Feature	Gold Sovereign (22K)	Britannia Coin (24K)
Purity	91.6%	99.9%
Durability	High	Lower (softer)
Tax Exempt (UK)	Yes	Yes
Weight	7.98g	31.1g (1 oz)
Ideal For	Heritage, flexibility	Pure investment

The PureJewels Perspective

At **PureJewels**, we celebrate the value of both 22K and 24K gold. While 24K bars and Britannia coins are perfect for **high-purity investment**, **Gold Sovereigns** offer a **blend of heritage, tax-efficiency, and strength**—a perfect choice for discerning investors and collectors.