

# Goldletter INTERNATIONAL

the international independent information and advice bulletin for gold and related investments

September 2011



## SHORTLIST OF GOLD INVESTMENT RECOMMENDATIONS - as at August 31, 2011

Location of listing	Trading symbol		Share price		Change in %	12 months		Net issued shares million	Market capitalization
			Current	Year-end 2010		H	L		
Barrick Gold	ABX	TSX	Cdn\$ 49.85	Cdn\$ 53.12	-8	Cdn\$ 55.64	Cdn\$ 41.94	999.5	Cdn\$ mln. 49,825
Kinross Gold	K	TSX	17.03	18.91	-10	19.98	13.53	1,136.5	19,355
Agnico Eagle Mines	AEM	TSX	67.69	76.60	-12	88.05	52.89	169.2	11,453
Eldorado Gold	ELD	TSX	19.51	18.50	5	20.62	13.03	549.3	10,717
Iam Gold	IMG	TSX	20.23	17.75	14	22.69	16.11	375.3	7,592
Golden Star	GSC	TSX	2.38	4.57	-48	6.21	1.78	258.6	615
Sandspring Resources *	SSP	TSX.V	2.03	3.63	-44	3.75	1.75	75.0	152
Majestic Gold *	MJS	TSX.V	0.21	0.21 **	0	0.29	0.11	566.4	119
Andean American Gold	AAG	TSX.V	0.44	0.95	-54	1.09	0.42	144.5	64
Astur Gold *	AST	TSX.V	1.95	1.21 **	61	2.25	0.86	27.7	54
Edgewater Exploration *	EDW	TSX.V	0.72	0.90****	-20	1.40	0.67	61.9	45
TriStar Gold *	TSG	TSX.V	0.70	0.80 **	-13	0.95	0.23	51.0	36
Sacre-Coeur Minerals * 1)	SCM	TSX.V	0.36	1.27	-72	1.57	0.30	46.6	17
African Queen Mines *	AQ	TSX.V	0.27	0.42 *	-36	0.75	0.16	58.3	16
Centurion Minerals *	CTN	TSX.V	0.62	0.98 ***	-37	1.82	0.55	24.6	15
Bolero Resources * 2)	BRU	TSX.V	0.28	0.39 *	-28	0.58	0.17	36.0	10
Northern Dynasty Minerals	NAK	NYSE	US\$ 10.49	US\$ 18.10 x	-42	US\$ 21.76	US\$ 7.06	95.0	US\$ million 997
Alkane Resources * 3)	ALK	ASX	A\$ 1.93	A\$ 1.00	93	A\$ 2.73	A\$ 0.57	269.0	A\$ mln. 519
Gold One Int. *	GDO	ASX	0.53	0.33	61	0.54	0.26	809.0	429
African Barrick Gold	ABG	AIM	pence 546.50	pence 582.00 x	-6	pence 648.00	pence 383.00	410.1	£ mln. 2,241
Red Rock Resources * 4)	RRR	AIM	6.56	15.00	-56	19.75	2.12	724.0	47
<b>Removed as at March 1, 2011:</b>			<b>A\$</b>	<b>A\$</b>		<b>A\$</b>	<b>A\$</b>		<b>A\$</b>
Citigold	CTO	ASX	0.09	0.12	-8	0.14	0.08	1,040.3	94
<b>Removed as at April 1, 2011:</b>									
Bravo Gold	BVG	TSX.V	0.08	0.13	-38	0.37	0.07	164.0	13
<b>Removed as at July 1, 2011:</b>			<b>Cdn\$</b>	<b>Cdn\$</b>		<b>Cdn\$</b>	<b>Cdn\$</b>		<b>Cdn\$ mln.</b>
Continental Gold	CNL	TSX	7.34	10.00	-27	10.78	3.06	107.4	788

\* featured as at March 1, 2011

\*\*\* featured as at May 1, 2011

x included as at March 1, 2011

\*\* featured as at April 1, 2011

\*\*\*\* featured as at June 1, 2010

1) take-over offer in Sept.2010 by Nord Gold (formerly Severstal Gold) at Cdn\$ 1.60 per share, withdrawn on Feb. 11, 2011

2) also REE assets

3) also major REE assets

4) also iron ore, manganese and REE interests

2011 market performance to date: -13.5% - featured companies -11%

2010 market performance: 59% - featured companies 90%

2009 market performance: 151% - featured companies: 160%

\* featured as Special Situation



## Sandspring Resources (SSP – TSX.V)

In November 2009, Sandspring Resources (“Sandspring”) announced the completion of the acquisition of 100% of the issued and outstanding shares of GoldHeart Investment Holdings which qualified as the Company’s qualifying mineral transaction. GoldHeart holds certain mineral and prospecting interests in an area within the **Republic of Guyana, South America**, which the Company refers to as the **Upper Puruni Property**.

Sandspring holds, within the exterior boundaries of the Upper Puruni Property, **Toroparu Project**, a recently updated NI 43-101 compliant resource consisting of 3.51 million ounces of gold and 330.0 million pounds of copper in the Measured and Indicated resource category (4.35 million ounces gold-equivalent) and 4.93 million ounces of gold and 2.36 million pounds of copper in the Inferred resource category (5.53 million ounces gold-equivalent).

On March 22, 2011, Sandspring announced receipt of an independent NI 43-101 compliant Preliminary Economic Assessment (PEA) prepared by P & E Mining Consultants. The PEA envisions a phased open-pit mine plan, a 33,000 tonnes per day mill and associated infrastructure, with life of mining production of 3.83 million ounces of gold and 308 million pounds of copper.

**Annual production over the first 4 years of operation is expected to average 310,000 ounces of gold and 29 million pounds of copper.**

The 2011 work program for the Toroparu Project includes initiation of a Feasibility Study in 2012.

On August 25, 2011, Sandspring announced that an expansion and extended infill-drilling program at the Toroparu Deposit continues to provide economic gold and copper assay results. Results from holes TPD-184-223 represent an additional 14,628 metres of core drilling. Results include 117 metres of 1.49 g/t gold and 0.10% copper in TPD-216, including 11.41 g/t gold and 0.23% copper over 6.0 metres.

A total of 36,790 metres of results have now been reported from the current round of infill, step-out and off-trend exploration target drilling. The results continue to provide evidence to expand and enhance the Deposit resource in depth, laterally and along strike.

A total of 106,506 metres of diamond core drill results haven now been reported from the Toroparu Gold-Copper Deposit area.

Sandspring maintains a flexible, results-drive infill and step-out drill program with the objective to optimize the existing measured and indicated resource grade and explore the open extent of the resource in preparation for the Pre-Feasibility and Definitive Feasibility engineering of the Project.

In October 2010 Sandspring completed a bought deal private placement of 19.63 million common shares at a price of Cdn\$ 2.60 per common share for gross proceeds of Cdn\$ 51.0 million.

The Company’s has a current cash position of approximately Cdn\$ 30 million.



## Majestic Gold Corp. (MJS – TSX.V)

Majestic Gold is a gold exploration and development company with a gold deposit with trial-stage producing in the **Shandong Province of China**. Gold from this peninsula accounts for more than 25% of China’s gold production, which is presently estimated to be in excess of 288 tonnes or 9.3 million ounces.

In October 2010, Majestic published the most recently updated resource estimate for its **Song Jiagou Gold Project** prepared by Wardrop Engineering. The total NI 43-101 defined resource is Indicated – 33.74 million tonnes grading 1,147 g/t gold containing 1.244 million ounces of gold. Inferred – 38.81 million tonnes grading 1.467 g/t gold containing 1.83 million ounces of gold

These resources were defined at a cut-off grade of 0.30 g/t gold and a capped in grade of 40 g/t gold.

It is estimated that, of the total resource of approximately 3.0 million ounces of gold, approximately 2.3 million ounces are potentially recoverable under the current mining plan.

Majestic is currently processing 1,400 tonnes per day using two local mills. Production for 2010 was approximately 4,700 ounces of gold. However, construction of a new mill is on track to be operational from May 2011. The new mill will expand the Company's production to 7,400 tonnes per day (combined from mill (6,000 tpd) and underground mines (1,400 tpd).

On January 20, 2011, Majestic announced that Wardrop had completed and delivered a positive Preliminary Assessment for the Song Jiagou Gold Project. Highlights include Net Present Value of US\$ 525 million using a 10% discount rate; **total gold production of 2.32 million ounces at an average of 105,645 ounces per year for the mine-life of 22 years.**; Internal Rate of Return of 78.6%; Payback in 1.4 years; Life of Mine strip ratio 1.87: 1 (waste to ore); Initial capital costs US\$ 64.4 million.

Majestic intends to undertake further exploration over the next two years at a total expense of Cdn\$ 4.5 million. Phase I (Cdn\$ 1 million) is planned to convert inferred resources in the upper area to the Indicated category and Phase II (Cdn\$ 3.5 million) is planned to define resources in the mid-pit area and to test for additional resources at depth and along strike.

On July 26, 2011, Majestic announced that it had arranged a Cdn\$ 10 million 7.5% convertible loan to advance its Song Jiagou Gold Project. A total of Cdn\$ 9 million from the proceeds of the loan will be used by the Company in connection with the Project and the balance of Cdn\$ 1 million for general working capital purposes. The loan will have a 1-year term and loan principal will be convertible at the option of the lender in whole or in part into common shares of the Company at a price of Cdn\$ 0.205 per share.

In addition, Majestic announced that it had arranged a non-brokered private placement of up to 15 million shares to be issued at Cdn\$ 0.20 per share for gross proceeds of Cdn\$ 3.0 million.



### **Astur Gold (AST – TSX.V)**

Astur Gold's primary focus is the advanced exploration **Salave Gold Project**, located near Tapia de Casariego, Province of Asturias, **northern Spain**, which is one of the largest undeveloped highest-grade gold deposits in Western Europe.

The Salave Gold Project, which was formerly owned by Rio Narcea Gold Mines, a subsidiary of Lundin Mining, has a current NI 43-101 compliant mineral resource estimate containing 1.68 million ounces in the Measured and Indicated category (17.94 million tonnes grading 2.9 g/t gold) and 338,000 ounces in the Inferred category (3.77 million tonnes grading 2.8 g/t gold).

There is an excellent exploration potential with four of the principal high-grade zones of mineralization open at depth and additional exploration areas to the west that have never been tested.

There has been over € 40 million spent to date on the Salave Gold Project as well as 64,377 metres of drilling in 430 holes (235 diamond drill holes).

In February 2011, Astur Gold published the results of a Scoping Study. The pre-tax Net Present Value is ranging from US\$ 374 million (UG) to US\$ 576 million (large OP) using a basic case hold price of US\$ 1.000 per ounce and a 5% discount rate.

Annual production will range from 107,500 ounces to 133,300 ounces of gold at a cash cost of US\$ 419 per ounce to US\$ 529 per ounce for a Pressure Oxidation scenario and US\$ 435 per ounce to US\$ 547 per ounce for a Bio oxidation scenario.

Throughput is calculated at a rate of 1.1 million tonnes per year. The pre-production capital expenditure payback period is ranging from 2.0 to 3.1 years.

The Company is submitting applications for geotechnical drilling (500 metres) for the exploration drift project and metallurgical drilling (2,000 metres) for samples to continue metallurgical work in preparation for the Bankable Feasibility Study later this year.

On August 16, 2011, Astur Gold announced that it has secured additional concessions totaling 2,755 contiguous hectares surrounding the Salave Deposit, which increases the total concessions by over 600% to 3,198 hectares.

The Company has committed to invest at least € 57,000 over the next 3 years to maintain the Property in good standing.



### Edgewater Exploration (EDDW – TRS.V)

Edgewater Exploration is a Canadian-based mineral exploration and mine development company with gold assets in prolific gold regions in **Ghana**, **West Africa** and **La Coruña, northwestern Spain**.

The Company successfully secured two mid-stage gold projects from Red Back Mining and Lundin Mining. Red Back Mining, now Kinross Gold, optioned to Edgewater the **Enchi Gold Project** in Ghana, located 70 km southwest of Kinross' 5 million ounces Chirano Gold Mine.

The Enchi Gold Project covers a 50 km strike length of the Bibiani Shear Zone that hosts a number of major gold mines and deposits including the Chirano Gold Mine and the 5 million ounces Bibiani Gold Deposit.

To date, a total of 10,000 metres of drilling has been completed leading to an initial resource estimate during the fourth quarter of 2011.

The Company has an expanded 35,000 metres diamond drilling program underway on the Enchi Gold Project.

In addition, Edgewater owns a 100% interest in the **Corcoesto Gold Deposit** in **northwestern Spain**, as well as an additional 7 gold and gold-copper projects totalling 50,013 ha in **southwest Spain**.

An independent updated Technical Report was recently filed for Corcoesto, which estimates a Measured and Indicated resource of 5.72 million tonnes grading 1.734 g/t gold and **containing 325,000 ounces of gold** (0.65 g/t gold cut-off) with Inferred resources of 20.26 million tonnes grading 1.76 g/t gold containing 1.15 million ounces of gold.

Edgewater has a multi-rig 12,000 metre drilling program underway that is designed to expand the existing gold resource and provide sufficient data for the completion of an updated resource estimate and subsequently the commencement of a Preliminary Assessment (Scoping Study).

On September 12, 2011, Edgewater announced that it had engaged CRN Engineering on an underground ramp study for the future construction of an underground mine at the Corcoesto Gold Project, which signals a key transition of the Project from mid-stage exploration to advanced exploration and near-term development. Subject to further studies by the Company's various engineering consultants future underground ramp development could significantly enhance the economic viability of Corcoesto Project when viewed in parallel to open pit mining.

An ongoing Scoping Study or PEA is progressing schedule and is currently pending completion of metallurgical tests. Preliminary resource modelling analysis has been conducted, with put shells generated at different gold prices in parallel with the various production throughput parameters options being considered. In addition, various plant site layouts, tailings and waste rock storage facilities are being finalized as part of the Study.

The PEA will model the Corcoesto Project using a revised and updated resource model and will include the evaluation of both open pit and underground alternatives and synergies.

The PEA is scheduled to be completed in the fourth quarter of 2011.

The ongoing infill and step-out diamond drilling program is progressing as expected, with the completion of 36 drill holes totalling 9,761 metres.

The latest results include: 5.7 g/t gold over 4.60 metres, including 18.9 g/t gold over 1.20 metres (drill hole 11W33) , and 2.6 g/t gold over 9.80 metres, including 11.4 g/t gold over 1.10 metres (11W34).

Edgewater expects to add a third rig shortly in order to accelerate the step-out and infill drilling to further define the total resource potential of the Corcoesto Project.

All exploration activities to date are progressing on budget and ahead of schedule.

In June 2011, Edgewater announced that it had secured Cdn\$ 2.2 million from the exercise of all warrants attached from an earlier private placement provided by Kinross.

Kinross now holds 3.62 million shares and 5.31 million warrants (5.0 million of which are only exercisable in the event Edgewater delineates a 3 million ounce Measured and indicated resource for the Company's Enchi Gold Project, representing 12.6% of Edgewater's outstanding shares), assuming the exercise of all warrants held by Kinross only.



### **Sacre-Coeur Minerals' (SCM – TSX.V)**

Sacre-Coeur's exploration activities are focused on Guyana, South America, where it holds the country's largest land position comprising of 996 square kilometres of mineral properties.

The Company's key project is the Million Mountain Project in north-central Guyana, which has been previously drilled by the Guyana Geology and Mines Commission, Golden Star and Heritage Mines and a historic inferred resource estimate of 1.32 million tonnes grading 3.78 g/t gold, containing 158,760 ounces of gold being established in 2001 by Heritage Mines.

Since Sacre-Coeur commenced drilling of the Project in December 2005, the Company has been very successful with its ongoing exploration and drilling program and reported high-grade results from its first prime Northwest Project target area.

This culminated in September 2008 in the release of a NI 43-101 compliant interim resource estimate of 451,397 Measured and Indicated ounces of gold contained in Zone 1 near surface.

Counting that Zone 1 represents only 1% of the area of the total 9 mineralised target zones recurring on the Million Mountain Project, this implies that the Million Project has the potential to grow to a multi-million ounces gold deposit.

The current phase of resource expansion drilling has included more than 4,000 metres drilled to date in 7 holes. The goal of this phase of drilling was to better understand the plumbing of the mineralizing system, to identify key structural control both pre and post mineralization and to develop drilling data for expansion of the NI 43-101 compliant resource.

Since the Severstal offer at a price of Cdn\$ 1.60 (at a premium of 88%), having collapsed in February 2011, Sacre-Coeur raised Cdn\$ 2.58 million at Cdn\$ 0.55 per share to take exploration in its own hands again by beginning drilling on the targets identified by the geophysical surveys completed in the fall of 2010 over Zone 1 of the Million Mountain Project.

Sacre-Coeur has budgeted up to 23,000 metres of additional drilling to define these possible expansion areas to the Zone 1 resource body.

Upon completion of this drill program, the NI 43-101 resource estimate for the Zone 1 will be updated, which is expected to be completed in the fourth quarter of 2011.

In March 2011, Sacre-Coeur announced the closing of a non-brokered private placement which raised gross proceeds of Cdn\$ 2.58 million through the issuance of 4.68 million units at Cdn\$ 0.55 per unit. Each unit consisted of one common share of the Company and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at an exercise price of Cdn\$ 0.75 until March 15, 2013.



## **African Queen Mines (AQ – TSX.V)**

African Queen Mines is an exploratory resource company with diversified mineral properties in **Southern, East and West Africa**. It is exploring its properties in **Mozambique, Ghana and Kenya** for gold and other metals and is undertaking exploration in **Botswana and Namibia** for diamonds, gold and other metals.

In July 2009, African Queen signed an earn-in and joint venture agreement with Swiss-based Opti Metal Trading covering exploration, development and exploitation of a prospecting licence which covers an area of approximately 230 sq.km in the centre of the Fingoe Belt in **Mozambique**, including the **King Solomon Gold Project**. The licence is adjacent to five prospecting licences which are the subject of an existing earn-in and joint venture agreement in April 2007 between African Queen and African Eagle Resources, comprising approximately 150 sq. km in aggregate.

The licence has been extended for a 5-year period and is now effective for the period through to May 20, 2015.

The Company completed its initial 3,000 metres drill program in 2010 encompassing a total of 19 holes ranging from 120 to 200 metres in depth.

Significant copper, gold and silver mineralization was reported from the Mankombiti West target, including intersections up to 1.32 g/t gold and 27.6 g/t and silver, 1.63% copper, 1.13 g/t gold and 32.2 g/t silver.

In June 2011, African Queen announced that it has commenced its 2011 core drilling program covering approximately 3,000 metres focused upon the Mankombiti West, Mankombiti East, Ntumba and Bulasho targets.

In October 2009, African Queen entered into an Earn-in and Joint Venture Agreement with Akan Exploration covering exploration, development and exploitation of the **Noyem Gold Project**, located within the Birim North District, located at the northwestern end of the well-known gold producing Ashanti Gold Belt in **Ghana**.

Simultaneously, African Queen entered into a Purchase and Sale Agreement with Newmont Ghana Gold under which the Noyem-Nyafoman prospecting Licence for the Noyem Gold Project is transferred directly to African Queen's Ghanaian subsidiary AQ Ghana.

Diamond drilling during 1996-1997 resulted in the definition of a historic gold resource of approximately 1.1 million ounces.

In May 2010, African Queen announced that it had entered into an earn-in and joint venture agreement with Kenyan private company Abba Mining, covering exploration, development and exploitation of the **Rongo Gold Field Project** in **Kenya**, subject to a "Special Licence" granted by the government of Kenya.

The Project is forming part of the rich Lake Victoria Greenstone Belt extending from Tanzania and hosting known world-class gold deposits including: African Barrick Gold's Buluanhulu and North Maria Mines and AngloGold Ashanti's Geita Mine.

Two new projects in Western Kenya are the **Ugunja Gold Project** with field work underway and the **Karameri Metals Project** (copper, gold, nickel and iron ore).

In **Botswana**, African Queen's licences are adjacent to claims acquired by De Beers and that Company's Namibian affiliate in neighbouring **Namibia**, as well as licences of Tsodilo Resources.

On August 8, 2011, African Queen closed a non-brokered private placement of 9.6 million units at Cdn\$ 0.25 per unit, which raised gross proceeds of Cdn\$ 2.4 million.



## Centurion Minerals (CTN – TSX.V)

Centurion Minerals owns 6 projects in the **Aceh Province** in **northern Sumatra** where potential for mineable gold mineralization has been demonstrated, but with exploration inactivity over an extended period for more than 10 years.

Prior discoveries remain to be fully explored and elevated in light of current favorable metal prices.

Brown fields exploration opportunities offer a high probability that jungle cover conceals mineralized zones in close proximity to known zones of mineralization identified by previous explorers Highlands Pacific and Barick Gold in the 1990s with an expenditure estimate of more than \$ 6 million.

On the **Banda Raya** and **Halimon** properties, preliminary reconnaissance at multiple priority target areas have confirmed the presence of widespread high-sulphidation style epithermal alteration localized copper sulphide minerals and copper-gold porphyry mineralization. Exploration and sampling continues with drilling anticipated in May/June 2011.

Other promising projects in the Aceh province are **Badak** (gold and base metals), **Sable** is located 15 kilometres west of East Asia Minerals's Miwah 3.2 million pounds epithermal gold discovery and the **Menewan Property**.

In October 2010, Centurion entered into a Financial Partnership with Kamona which allows Centurion to earn a 10.8% interest in the Miwah Project.

In December 2010, Centurion entered into a Strategic Alliance with PT Titan Metals which provides the Company the first right of refusal to participate in any of the projects in which Titan is seeking a partner in exchange for Centurion's technical, legal and financial expertise.

On August 11, 2011, Centurion announced that two holes of its Phase I drilling program have been completed, being drilled to the maximum drill trig capacity depth of 211 metres. A third hole is underway. Upon completion of this hole, the rig will be used to drill for epithermal gold that overlies the porphyry mineralization. This epithermal target area has widespread gold anomalies on the surface including rock channel samples assaying up to 9 g/t gold.

Centurion is well funded in excess of Cdn\$ 4 million in its treasury.



## Bolero Resources (BRU – TSX.V)

Bolero Resources is a Canadian gold and Rare Earth exploration and development company.

The Company has a 100% interests in the **Red Chris South** copper-gold prospect, covering over 13,000 acres in north-western BC, contiguous to Imperial Metals Corp's (III.T) Red Chris copper-gold discovery where they announced drill intercepts of 628.7 metres grading 1.97 g/t gold and 1.13% copper and 1,112.5 metres grading 0.54% copper, 0.61 g/t gold and 1.96 g/t silver.

On July 12, 2011, Bolero announced that drilling of four holes, each approximately 400 metres deep, has commenced on the Red Chris South prospect. Two holes will test the western geophysical Induced Polarization "IP" anomaly and two holes will test the eastern IP anomaly that has a coincident Mobile Metal Ion (MI) copper-gold anomaly, which were identified during the 2010 geophysical and geochemical surveys.

On September 8, 2011, the Company announced completion of drilling. Mineralised intervals in holes 2 and 3 have been logged, split and shipped to Acme Analytical Laboratories in Vancouver, BC for multi-element analysis.

In the "**White Gold District**" of the **Yukon**, Bolero has 2 separate quartz claim blocks covering over 6,500 acres. These claims are in close proximity to recently announced recoveries by Kaminak Gold (KAM – TSX.V) and their Coffee Property and by Underworld Resources that has recently agreed to a friendly take-over by Kinross Gold.

On August 11, 2011, Bolero announced that a work program of sampling, mapping and prospecting is underway on the White Gold Project to further define the significant multi-element soil anomaly discovered during the 2010 sapling program.

The southeastern end of this anomaly contains the largest sustained gold values on the Property. These continue for several kilometres to the northwest, with scattered samples yielding gold values among the highest encountered during the program.

Elevated values of As, Sb and Mo accompany the gold at the eastern end of the anomalies.

Bolero's "**Carbonatite Syndicate**" consists of 211 mineral claims prospective for Rare Earth Elements covering over 90,000 hectares (222,415 acres), making it the largest land package in the area, and being contiguous to Spectrum Mining's Wicheeda Project in northern BC.

The Company's 100% interest in the **Charge REE prospect** is located in northern British Columbia, approximately 50 kilometres southeast of the Kemess Mine operated by Northgate Minerals (NGX – TSX). The Charge REE prospect currently contains the highest lanthanum (La) – 1,146 ppm, yttrium (Y) – 647 ppm and second highest cerium (Ce) – 1,247 ppm samples in the province of British Columbia's Regional Geochemical Survey (BCRGS) database, with over 7,000 samples recently taken from the region.



### TriStar Gold (TSG – TSX.V)

TriStar Gold was spun-off from Brazauro Resources when Eldorado Gold bought Brazauro including the **Tocantinzinho Project** for approximately Cdn\$ 122 million in July 2010.

Eldorado Gold funded TriStar, including the **Bom Jardim** and **Andorinhas projects** in the historically rich, gold producing region of **Tapajós** in **Pará State**, with Cdn\$ 10 million.

The Tapajós region has an official historic production of 10 million ounces of gold and an unofficial production of 30-40 million ounces of gold.

In October 2010, TriStar signed an option to acquire the **Castelo de Sonhos Property**, also located in the Tapajós region. Barrick Gold explored the concession extensively in 1995-1996. The Company will incur minimum exploration expenditures of US\$ 750,000 in 2011 and has announced in the start-up of exploration expenditures which in first instance will check all of Barrick's 4,087 soil samples, 15 trenching samples and 22 diamond drill holes. The soil samples revealed two very large gold-in-soil anomalies.

On August 9, 2011, TriStar signed a drilling contract to perform a first phase drilling plan with a minimum of 5,000 metres of core drilling to cover the two main targets at Castelo de Sonhos Project, the Esperança Center (started drilling in the first week of September) and Esperança South (to start in the second half of September).



### Alkane Resources (ALK – ASX)

Alkane's **Tomingley Gold Project (TGP)**, located in the Central West region of New South Wales, currently has a mineable gold reserve of 209,100 ounces and a open pitable 310,022 ounce gold resource within the Wyoming and Caloma deposits.

In December 2010, Alkane completed a Definitive Feasibility Study (DFS), which shows that the TGP can recover 369,260 ounces of gold over a 7.5-year mine life representing A\$ 516 million in revenue.

In April 2011, Alkane announced that it had entered into a mandate to arrange and underwrite a project loan and hedging facility for the Tomingley Gold Project. This financing will indicatively comprise of a Project Loan Facility of up to A\$ 45 million and a Gold Hedging Facility of up to 163,000 ounces.

The facility does not impact Alkane's ability to separately finance its Dubbo Zirconia Project.

The Company also has a joint venture with **Newmont Australia** which resulted in the discovery in 2006 of a significant gold deposit at **McPhillamys** within the **Moorilda Project**. Newmont has elected to increase their interest in the joint venture from 51% to 75% by completing a Bankable Feasibility Study.

In July 2010, an initial resource of Indicated plus Inferred resources containing 2.96 million ounces of gold and 60,000 tonnes of copper has been defined for McPhillamys.

Elsewhere within the region Alkane has defined a shallow Indicated resource of 2 million tonnes grading 0.99% copper and 0.3 g/t gold, which is being reviewed for its development potential at **Galwadgere** within the **Wellington Project**.

In **Western Australia**, Alkane holds a diluting 23% residual interest in a nickel sulphide joint venture with Xstrata Nickel (Jubilee) near Leinster.

Alkane's **Dubbo Zirconia Project (DZP)**, also located in the Central West region of New South Wales, is one of the world's most advanced zirconium, niobium, yttrium and rare earth elements in-ground resources.

Alkane has signed three Memorandums of Understanding (MOUs) for joint ventures which ensure that DPZ is now expected to be expanded to 1 million tonnes per day of zirconium oxychloride (ZOC) output.

Revenue estimate for zirconium production is now US\$ 125-150 million, which represents 25-33% of annual DZP revenue estimates of US\$ 400-450 million.

MOUs for other DZP products including Niobium, Light and Heavy Rare Earths, are at an advanced stage of negotiation.

Data from DPP and Letters of Intent from future customers will be incorporated in the current Definitive Feasibility Study.

A development decision is anticipated in the second half of 2011, with production possible late 2013 or early 2014.



### Gold One (GDO – ASX)

Gold One's flagship property is the **Modder East Mine** which has JORC compliant Probable and proven reserves of 1.53 million ounces of gold and in addition indicated and Inferred resources of 3.13 million ounces and 1.21 million ounces, respectively.

The Company's total Indicated and Inferred resources are 7.08 million ounces and 13.34 million ounces, respectively, to a total of 20.42 million ounces of gold.

Having started gold production at Modder East in June 2009, the Company produced 17,040 ounces and 66,445 ounces in 2009 and 2010, respectively. The current annualised production is over 100,000 ounces of gold, which positions Gold One well to achieve a production target for 2011 of at least 120,000 ounces of gold. Gold One also owns the nearby existing Sub Nigel training facility. The Company's other projects and targets include **Ventersburg, Boundary**, and the **Megamine areas**, all located in the Free State goldfields, the **Tulo** concession in Mozambique and the **Etendeka** goldfields project in Namibia.

In October 13, 2010, Gold One announced the spinning out of its Megamine assets, which has created **Goliath Gold Mining**, a new medium/depth gold explorer and development company with a 12.65 million ounce gold resource.

Gold One is holding 74% of Goliath Gold.

On April 28, 2011, Gold One announced that it has made a binding offer to acquire 100% of **Rand Uranium** for US\$ 250 million (ZAR 1.68 billion) in cash that has been accepted by Pamodzi Uranium, Pamodzi Coke and Armgold/Harmony joint ventures, joint owners of Rand Uranium .

Rand Uranium is an established shallow gold operation, which produced 163,000 ounces of gold in 2010 at approximately US\$ 1,222 per ounce. The acquisition is in line with Gold One's stated strategy of mining shallow, low technical risk gold resources.

Rand Uranium is a private company that was established in 2008 when Harmony Gold Mining, among the world's top-10 hold producers, sold the Cooke 1, 2 and 3 underground operations and the surface assets of Randfontein Estates Gold Mine (excluding the Doornkop Section) to the Sellers.

Rand Uranium's assets and operations are situated in the West Rand, 30 kilometres from Johannesburg and have a net asset value over US\$ 500 million.

The acquisition will enhance Gold One's **gold production profile to some 300,000 ounces per annum**, while adding some 3 million ounces of gold mineral (ore) reserves, as well as 13.5 million ounces of gold mineral resources.

Additionally, the acquisition of Rand Uranium will allow Gold One the unique opportunity to consider gold and uranium co-product optimization when undertaking production planning, given Rand Uranium's extensive uranium mineral resource (**approximately 90 million pounds**) and mineral (ore) reserve (**approximately 41 million pounds**).

The ability to consider uranium extraction as a co-product to gold significantly reduces the cash cost per ounce of gold production.

A Definitive Feasibility Study on the uranium potential has been 70% completed.

On August 29, 2011, Gold one announced that it had signed financing agreements with Investic Bank, which provide for a total facility of ZAR 1.47 billion (equivalent to US\$ 210 million), to give effect to the acquisition of Rand Uranium.

In May 2011, Gold One announced that it had signed a Transaction Implementation Agreement with a Consortium of Chinese investors to become the Company's long term, strategic partner and major shareholder.

The Consortium, comprising Baiyin Non-Ferrous Group (60%), the China/Africa Development Fund and Long March Capital Group (10%) had already secured 17.64% of Gold One from Africa Global Capital for A\$ 75.6 million.

The Consortium has entered into the transaction through a special purpose vehicle, BCX Gold Investment Holdings ("Bidco").

Through a series of independent transactions including an offer for A\$ 150 million (ZAR 1.1 billion) capital injection in Gold One at A\$ 0.40 per share and a share offer at A\$ 0.55 per share (ZAR 4.08), which represents a premium of 37% above the Company's latest closing price before the cash offer was made, the Consortium plans to achieve a 60% to 75% shareholding in the Company.

Through these transactions, Gold One will continue to position itself as an active participant in the consolidation of the African and the global mining industry.

The Company's management is focused on securing value accretive opportunities and announced such as the acquisition of Rand Uranium for US\$ 250 million.



### **Red Rock Resources (RRR – AIM)**

Red Rock Resources is a mineral exploration and development company focused on iron ore and manganese, uranium and rare earths and gold.

The Company is operating in **Australia** and East Africa (Kenya).

The principal focus of Red Rock in 2011 is its gold assets in **Kenya** and gold investments in **Colombia**.

Red Rock has a 4.6% equity asset in Australia-listed **Jupiter Mines** (JMS – ASX), representing a current market valuation of approximately A\$ 34 million.

Red Rock's largest operating asset is its interest in the Mid-Migori Mining Company (MMM) in **Kenya**. Currently, this comprises a 15% direct holding in this company, plus an effective 35.2% interest in Canada's **Kansai Mining Corporation** (KAN – NEX), which holds the remaining 85% of MMM.

MMM owns 5 assets with NI 43-101-compliant resources, namely KKM, Gori Maria, MK, Nyanza and Macalder tailings. Historically, the sum total of MMM's resources was estimated to be **1.24 million ounces gold** of which 1.23 million ounces were in the Indicated category and 9,164 ounces were in the Measured category. In August 2010, the estimated resource at Macalder in the Indicated category according to JORC standards was increased from 67,042 ounces to 75,000 ounces of gold.

The diamond core and RC drilling program currently in progress aims to increase resource confidence levels through the existing 1.2 million ounces NI 43-101 Indicated resource and is expected to result in a revised mineral resource estimate for each deposit.

Red Rock's interest in its **Colombian** gold assets is held through a 51% stake in **Mineras Four Points** (MFP). MFP owns the El Limon Gold Mine and the El Mango (Machuca) Mine.

El Limon is a 60-year old mine which after an extended refurbishment started production again in January 2011. In June 2011, an average production of 52.9 tonnes of ore per day and 9.9 g/t was reported with total gold sales of 8,385 tonnes (273 ounces).

In July 2011, the Company announced that it expects steady improvement at both the mine and plant.

Early March 2011, Red Rock signed an option and earn-in agreement to explore iron ore deposits in **north-west Greenland**. By fulfilling the 2011 and 2012 exploration programs at an aggregate cost of US\$ 5 million, the Company can earn a 60% interest. Exploration has begun in July 2011.

Red Rock holds a 24.9% equity interest in Australian-listed **Resource Star** (RSL – ASX), which has announced an increased JORC Inferred Resource of 8.3 million pounds of U3O8 at 325 ppm (including 5.1 million pounds at 388 ppm) at its **Livingstonia Deposit** in **Malawi**.

Resource Star also holds joint ventures with Globe Metals and Mining on the Machinga Rare Earths Project in **Malawi**, and an interest in the Spinifex Ridge unconformity prospect in **Australia**.

Red Rock holds a 23.4% equity interest in **Ascot Mining** (ASMP - Plus Markets) by having invested £ 1.5 million to complete the acquisition of 100% of the Chassoul Gold Mine in **Costa Rica**.

The Company holds a 17.6% interest in **Cue Resources** (CUE – TSX.V), developing a **uranium project** in **south-eastern Paraguay**.