

Goldletter INTERNATIONAL

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AFRICA

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According to the **Gold Survey 2009** published by GFMS (www.gfms.co.uk), Africa is the world's third largest gold production continent, next to Asia and Latin America.

Up to 2007 Africa had the world's largest gold output, but has suffered from South Africa's ongoing decline in gold production, which has halved in the last ten years.

During the same period, gold production in emerging countries, led by China and Peru, has improved significantly, and China having passed South Africa as the world's premier gold producer by country in 2007.

In 2009, gold output from emerging countries passed production from traditional countries.

In Africa there has been a shift in gold production from South Africa to Black African countries. In 2008, for the first time, these countries exceeded South Africa's gold production.



AFRICA

Gold production (in tonnes)	2008	1999
South Africa	233.3	476.5
Ghana	80.4	78.2
Mali	47.0	25.4
Tanzania	35.5	9.2
Guinea	23.4	13.3
Zimbabwe	8.8	29.7
Burkina Faso	6.9	2.7
Mauretania	6.8	0.5
Dem. Rep. of Congo	6.0	4.0
Cote d'Ivoire	5.3	3.3
Other	30.9	18.4
Total Africa	484.3	661.2
South Africa in % of total Africa :	48%	72%

WORLD GOLD PRODUCTION by REGION (in tonnes)

	2008	in % total	1999	in % total
Asia:	555.9	23	457.4	18
China	292.0		162.8	
Indonesia	94.7		151.5	
Papua New Guinea	70.3		65.0	
Philippines	35.6		32.8	
Latin America:	486.3	20	381.4	15
Peru	179.5		128.5	
Brazil	58.8		54.1	
Mexico	49.6		23.8	
Argentina	41.0		35.0	
Chile	38.9		48.2	
Africa:	484.3	20	661.2	25
South Africa	233.0		476.5	
Ghana	80.4		78.2	
Mali	47.0		25.4	
Tanzania	35.5		9.2	
Guinea	23.4		13.3	
Zimbabwe	8.8		29.7	
North America:	330.9	14	499.8	19
United States	234.5		341.9	
Canada	96.4		157.9	
CIS:	312.4	13	262.5	10
Russia	188.7		138.4	
Uzbekistan	77.0		88.1	
Kazakhstan	20.9		9.9	
Kyrgyzstan	18.4		20	
Oceania:	230.7	9.5	315.9	12
Australia	214.2		299.5	
Europe:	15.2	0.5	24.3	1
Sweden	4.9		4.4	
Bulgaria	2.9		2.5	
Finland	1.1		2.7	
World total	2415.7	100	2602.5	100

source: GFMS - Gold Survey 2009

Market valuation of the world's top-10 listed gold producers

<i>Year-end 2009</i>	<i>Trading symbol</i>	<i>Share price Year end 2009</i>	<i>Year-to-year change in %</i>	<i>High 2009</i>	<i>Low</i>	<i>Net shares issued</i>	<i>Market cap. US\$ billion</i>
South Africa (2)		JSE – in Rand					
AngloGold Ashanti	ANG	306.29	22	369.00	232.06	362.2	14.9
Gold Fields	GFI	97.98	7	125.00	76.21	705.2	<u>9.3</u>
<i>Subtotal</i>							<u>24.2</u>
USA (2)		NYSE – in US\$					
Newmont Mining	NEM	48.93	20	56.45	34.40	480.4	19.6
Freeport McMoRan *	FCX	80.29	229	87.35	21.16	429.9	<u>10.5</u>
<i>Subtotal</i>							<u>30.1</u>
Canada (3)		TSE – in Cdn\$					
Barrick Gold	ABX	41.46	-7	50.53	32.69	983.1	38.8
Goldcorp	G	41.35	8	48.37	29.08	733.3	28.9
Kinross	K	19.37	-14	25.22	16.52	695.9	<u>12.8</u>
<i>Subtotal</i>							<u>80.5</u>
Australia (1)		ASX Sydney – in A\$					
Newcrest Mining	NCM	35.33	4	39.75	27.61	483.7	<u>15.2</u>
<i>Subtotal</i>							<u>15.2</u>
China (1)		Hong Kong (H shares) – in HK\$					
Zijin Mining **	2899	7.42	58	9.33	3.72	14,541.3	<u>13.9</u>
<i>Subtotal</i>							<u>13.9</u>
Peru (1)		NYSE - in US\$					
Minas Buenaventura	BVN	33.47	68	42.69	14	274.9	<u>9.2</u>
<i>Subtotal</i>							<u>9.2</u>
Total							<u>173.0</u>

* also major copper producer

** integrated mining company; 10,535.9 million domestic A-shares + 4,005.4 million H-shares

Shift in gold production from traditional to emerging countries

	Production in tonnes				Production in tonnes		
	2009	2008	1999		2009	2008	1999
	H1				H1		
Traditional countries				Emerging countries			
United States	108	234.5	341.9	China	152	292.0	162.8
South Africa	104	233.3	476.5	Peru	89	179.5	128.5
Australia	111	215.2	299.5	Russia	80	188.7	138.4
Canada	47	96.4	157.9	Indonesia *	74	94.7	151.1
Total	370	779.4	1,275.8		395	754.9	580.8
Total world production	1,212	2,415.6	2,602.5		1,212		
% total world production	30.6	32.3	49.0		32.7	31.3	22.3
source: GFMS		* in 2008 output of Grasberg (Freeport McMoran) contracted by 45 tonnes					

Overview of foreign gold exploration and development companies active in Africa

Year-end 2009	Trade symbol		Share price in Cdn\$	12 months prices		Net shares issued million	Market cap. in Cdn\$ mln
				H	L		
South Africa			Cdn\$	Cdn\$	Cdn\$		Cdn\$
Great Basin Gold x	GBG	TSX	1.81	2.38	1.11	333.8	604.2
Witwatersrand Cons. Gold	WGR	TSX	10.90	13.90	4.02	27.9	304.1
Caledonia Mining	CAL	TSX	0.07	0.12	0.05	500.2	35.0
Eastern Goldfields *	EGDD	OTCBB	1.25	3.50	0.51	9.9	12.4
* share price as per December 7, 2009							
x major assets in US							
Ghana			Cdn\$	Cdn\$	Cdn\$		Cdn\$
Keegan Resources	KGN	TSX	6.63	7.96	1.25	44.7	296.4
Pelango Exploration x	PX	TSX.V	0.58	0.76	0.05	117.6	68.2
Volta Resources	VTR	TSX	0.84	1.03	0.11	73.3	61.6
Moydow Mines	MOY	TSX	0.78	0.89	0.07	60.6	47.3
African Gold Group	AGG	TSX.V	0.65	0.95	0.05	64.9	42.2
Midlands Minerals	MEX	TSX.V	0.33	0.59	0.08	80.9	26.7
African Queen xx	AQ	TSX.V	0.51	0.74	0.20	38.8	19.8
PMI Gold	PMV	TSX.V	0.10	0.21	0.01	118.9	11.9
Tres-Or Resources x	TRS	TSX.V	0.10	0.14	0.05	61.2	6.1
AMI Resources	AMU	TSX.V	0.15	0.18	0.02	32.2	4.8
			A\$	A\$	A\$		A\$
Adamus Resources	ADU	ASX	0.45	0.53	0.17	284.9	128.2
Signature Metals	SBL	ASX	0.03	0.055	0.004	935.5	28.1

x also assets in Canada

xx also diamond assets in Botswana and Namibia

<i>Year-end 2009</i>	<i>Trade symbol</i>		<i>Share price in Cdn\$</i>	<i>12 months prices</i>		<i>Net shares issued million</i>	<i>Market cap. in Cdn\$ mln</i>
				<i>H</i>	<i>L</i>		
<i>Mali</i>			Cdn\$	Cdn\$	Cdn\$		Cdn\$
Avion Gold	AVR	TSX.V	0.64	0.79	0.16	285.6	182.8
Etruscan Resources	EET	TSX	0.43	0.63	0.18	338.9	145.7
Merrex Gold	MXI	TSX.V	0.94	1.01	0.14	81.7	76.8
African Gold Group	AGG	TSX.V	0.65	0.95	0.05	64.9	42.2
Axmin	AXM	TSX.V	0.09	0.18	0.07	305.7	27.5
Avnel Gold Mining	AVK	TSX	0.17	0.29	0.03	80.8	13.7
Robex Resources	RBX	TSX.V	0.11	0.17	0.04	106.7	11.7
Appleton Exploration	AEX	TSX.V	0.20	0.67	0.06	34.5	6.9
African Metals	AFR	TSX.V	0.32	0.50	0.07	20.3	6.5
North Atlantic Resources	NAC	TSX	0.10	0.16	0.03	34.8	3.5
Great Quest Metals	GQ	TSX.V	0.08	0.16	0.03	35.9	2.9
<i>Tanzania</i>			Cdn\$	Cdn\$	Cdn\$		Cdn\$
Tanzanian Royalty Expl.	TNX	TSX	3.67	6.50	2.91	91.2	334.7
MDN x	MDN	TSX	0.53	0.85	0.42	94.3	50.0
Helio Resource	HRC	TSX.V	0.63	0.91	0.22	65.4	41.2
Canaco Resources	CAN	TSX.V	0.53	0.64	0.03	48.4	25.7
Currie Rose Resources	CUI	TSX.V	0.07	0.21	0.03	61.9	4.3
			US\$	US\$	US\$		US\$
Douglas Lake Minerals	DLKM	OTCBB	0.24	0.51	0.12	72.3	17.4
Lake Victoria Mining	LVCA	OTCBB	0.61	1.49	0.34	57.8	35.3
Midex Gold	MXGD	OTCBB	0.02	0.26	0.02	175.0	3.5
x	<i>also assets in Canada</i>						
<i>Burkina Faso</i>			Cdn\$	Cdn\$	Cdn\$		Cdn\$
Etruscan Resources x	EET	TSX	0.43	0.63	0.17	338.9	145.7
NGEx Resources	NGQ	TSX.V	0.78	0.84	0.21	146.9	114.6
Cluff Gold xx	CFG	TSX	1.02	1.40	0.60	96.9	98.8
Volta Resources	VTR	TSX	0.84	1.03	0.11	73.3	61.6
Orezone Gold	ORE	TSX	0.86	0.93	0.26	67.3	57.9
Riverstone Resources	RVS	TSX.V	0.27	0.40	0.09	49.2	13.3
Searchgold Resources xxx	RSG	TSX.V	0.04	0.05	0.02	148.0	5.9
Goldrush Resources	GOD	TSX.V	0.09	0.15	0.03	63.0	5.7
Channel Resources	CHU	TSX.V	0.07	0.14	0.03	59.9	4.2
Starrex Mining	STX.H	TSX.V	0.41	0.60	0.32	3.4	1.4
			A\$	A\$	A\$		A\$
Gryphon Minerals	GRY	ASX	0.45	0.59	0.08	216.0	97.2
Ampella Mining	ANX	ASX	0.60	0.76	0.07	148.3	89.0
x	<i>also assets in Ivory Coast and other African countries</i>						
xxx	<i>also producing assets in Ivory Coast</i>						
xxx	<i>also assets in Gabon</i>						

<i>Year-end 2009</i>	<i>Trade symbol</i>		<i>Share price in Cdn\$</i>	<i>12 months prices</i>		<i>Net shares issued million</i>	<i>Market cap. in Cdn\$ mln</i>
				<i>H</i>	<i>L</i>		
Guinea			Cdn\$	Cdn\$	Cdn\$		Cdn\$
Crew Gold	CRU	TSX	0.13	1.13	0.11	106.9	13.9
Cassidy Gold	CDX	TSX.V	0.30	0.33	0.11	31.1	9.3
Democratic Republic Congo			Cdn\$	Cdn\$	Cdn\$		Cdn\$
Banro	BAA	TSX	2.04	3.37	1.25	106.0	216.2
Loncor Resources	LN	TSX.V	1.45	1.60	0.15	23.5	34.1
Kilo Goldmines	KGL	TSX.V	0.48	0.73	0.20	54.1	26.0
Niger			Cdn\$	Cdn\$	Cdn\$		Cdn\$
Rockgate Capital x	RGT	TSX.V	0.66	0.78	0.17	67.0	44.2
Island Arc Exploration xx	IAX	TSX.V	0.12	0.13	0.03	31.7	3.8
x also uranium assets							
xx also uranium assets and diamond assets in Canada							
Liberia			Cdn\$	Cdn\$	Cdn\$		Cdn\$
African West Minerals x	AFW	TSX.V	0.06	0.09	0.03	42.1	2.5
x also gold and diamond assets in Cameroon							