

**"Gold and silver are breaking out....don't be left behind"**

# Stateside "Gold and Silver" Report

**"A small investment to gain broad, worldwide exposure to the junior sector"**

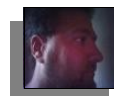


**"A Unique Report Service for the Retail Resource Investor"**

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**\*\*\*\*\* Investor Alert \*\*\*\*\***

**Oro Gold Resources Ltd (OGR.V) – Current Price \$.185 (4/13/2009)  
Accumulate Under \$.50**



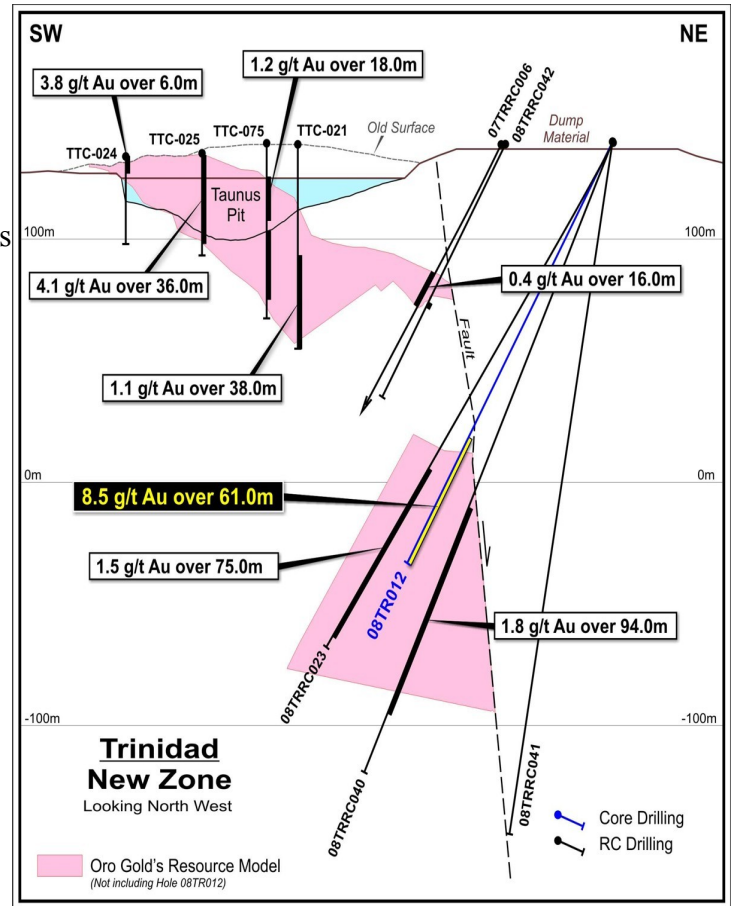
## ***The story in a nutshell:***

They say timing is everything and for Oro Gold, the timing couldn't have been any worse when they released their blockbuster news last October that should have driven their share price well over \$1. However, the Gold Gods were not smiling down on Oro Gold on October 8<sup>th</sup>, 2008 as the TSX suffered the worst point decline in its history on the day the press release was issued. On that day, Oro Gold announced drill results on their 100% owned Trinidad property located in Sinaloa State, Mexico. A core drill hole (the first) into the heart of a new discovery 200 meters north-east of the Taunus open pit (mined by El Dorado Gold for 2 years in the mid-90's) assayed 61.0 meters of 8.5 g/t gold, one of the best drill holes announced for all of 2008 by any gold company big or small. As good as this sounds, it only gets better. The hole was abandoned 40 meters short of its intended depth still in mineralization with the last assayed interval returning 11.3 g/t gold. There is a strong likelihood that the additional 40 meters would have averaged close to the same 8.5 g/t gold bringing the drill results to over 100 meters of over 8 g/t gold. Quite astonishing to say the least! However, after an initial small spike, the share price succumbed to the financial crisis gripping the world throughout October and November last year and currently sits near its low at \$.185 CAD. This ridiculously low price will likely not last long as a new drilling program to confirm and expand on this new discovery just got underway.

## *What we know that the rest of the investing world doesn't:*

The diagram below provides us clues to the tremendous potential of the blind discovery 200 meters north-east of the Taunus pit which is wide open in three directions and shows that El Dorado Gold may have missed a monster discovery by less than 50 meters. El Dorado was only interested in a low-cost heap leach operation in the mid-90's due to the low price of gold and never drilled down more than 100 meters during their exploration phase of the project. The mineralization of the new discovery starts at around 150 meters below surface.

As you can see in the diagram, the hole announced on October 8<sup>th</sup>, 2008 of 61.0 meters of 8.5 g/t gold was core drilled 200 meters north-east of the Taunus pit and encountered the mineralization about 75 meters below where El Dorado Gold had previously mined the property via an open pit heap leach operation. Earlier in 2008, Oro Gold initially announced the results of two reverse circulation drill holes (RC) shown in the diagram 20 meters on either side of the October 8<sup>th</sup> announced core drill hole (61.0 meters of 8.5 g/t) assaying 94 meters of 1.8 g/t and 75 meters of 1.5 g/t. Why then the discrepancy in grades? This is where things get interesting.



It appears that the RC drilling is significantly understating the grades of gold mineralization due to the fine-grained, free gold that has been observed in the cores which is leading to poor recovery of fine material in the wet RC drilling. This is evidenced by reviewing assays released by Oro Gold a week later (October 15<sup>th</sup>) after the initial discovery press release. One of the other core drilled holes (08TR014) was a twin of RC hole 08TRRC029. The RC hole showed two zones of mineralization, 1.7 g/t over 8 meters and 1.8 g/t over 8 meters. When the twin core drill hole was assayed, the interval that had showed 1.7 g/t over 8 meters in the RC drilling came back at 5.3 g/t over 8 meters and the interval that had showed 1.8 g/t over 8 meters came back at 9.7 g/t over 7 meters. This confirmed a significant increase in gold grade of over 300% in the core interval for the same mineralized interval in the RC hole. Oro Gold has started a 1,500 meter core drill program that will show the rest of the investing world what we already know.....that Oro Gold may have discovered an elephant in Mexico. If the two RC holes drilled on either side of the 61.0 meter 8.5 g/t discovery hole come back like the other twin holes previously drilled, we are looking at 3 holes to be released in May that "may" show 100 meters of mineralization at around 8 g/t gold. If you are not a shareholder on the day these results are announced, you will most likely need to pay 2-3 times today's share price to own a piece of this company.

The Trinidad property already shows an inferred mineral resource of 200,000 ounces of gold prior to the October 8<sup>th</sup> discovery hole. If the core results come back showing a significant improvement to the grades of the previously drilled RC holes and an expansion of the mineralization, the potential is here for this to be a multi-million ounce discovery. With the recently completed private placement, the company has over \$3 million in cash to fully complete the planned 10,000 meter 2009 drilling program. Also, with only 36 million shares issued and a share price under \$.20, this tiny market cap company has plenty of room to grow.

## *What we can look forward to:*

With drilling currently under way, the first set of results are expected within 30 days which will give the share price a nice chance to move appreciably higher before the June/July Summer doldrums set in. Investors looking to buy aggressively and accumulate a large number of shares before the next press release should be able to do so without moving the stock price up appreciably as a 2.5 million share private placement done at \$.25 in November became free trading on March 29<sup>th</sup>. Even though the current share price is 25% below the offering price, holders may be tempted to sell the shares and keep the ½ warrants that were attached to the offering. I should know. I was able to pick up 100,000 shares over the course of a few days without moving the share price much higher than \$.20. Overall, the share structure is rather tight with a high level of institutional involvement (Macquarie).

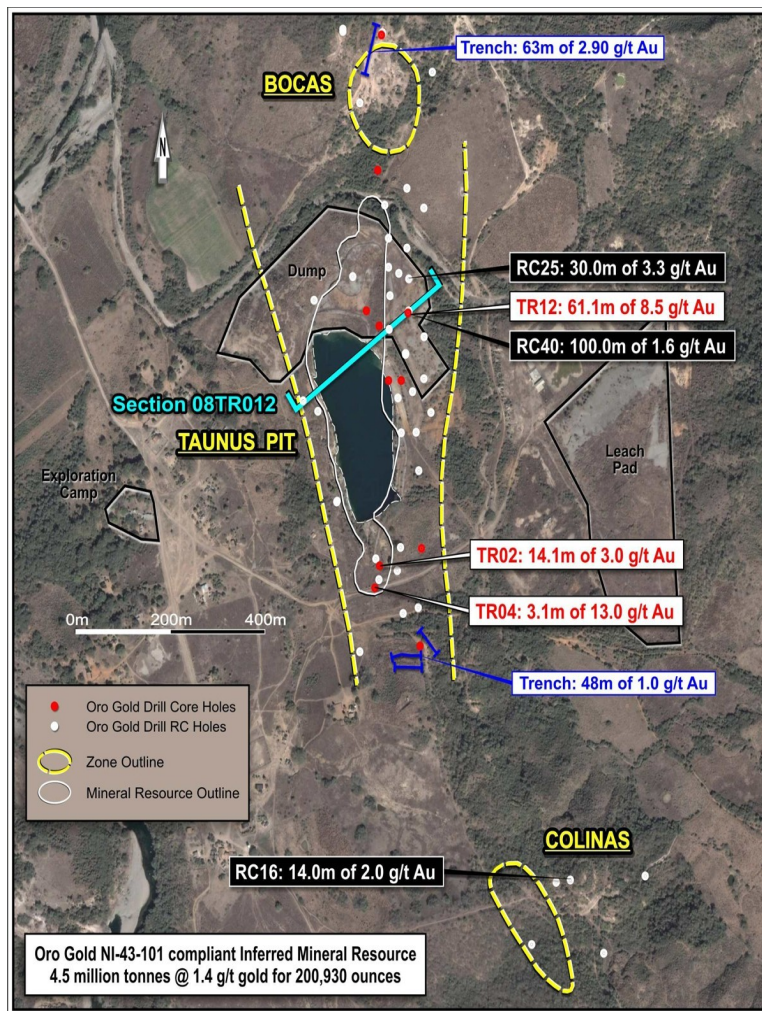
## *A few other positives:*

As most junior investors already know, it takes more than just an exciting property for a company to succeed in this business. People are just as important and the management of Oro Gold are highly respected in this area. The three principals; President Darren Bahrey, Vice-President Frank Powell, and CFO Peter Kendrick all came from Placer Dome and were all involved in major discoveries including the 10 million gold ounce Las Cristinas project. They have 3 full time geologists on staff to assist in the exploration process.

The 100% owned Trinidad project (see map) is a 651 square kilometer district scale monster with several other exciting discoveries made by Oro Gold that can be viewed on their website. This is the type of project that the majors would find interesting with a core project and several other satellite discoveries. The project is accessible by road (running through it) and has access to power. Oro Gold has 11 other properties in Mexico with 5 of these properties optioned out to third parties.

News flow should be strong beginning in just a few short weeks and last throughout the year as this 1,500 meter drill program is just the start of a planned 10,000 meter program for 2009. With over \$3 million of cash in the Treasury, Oro Gold will not need to do another financing in 2009 which should let the share price run higher as the news flow generates the excitement that will be forthcoming that just a few select investors (including you and I) already can anticipate.

The poor timing of the October 8<sup>th</sup> press release and the compounding factor of Jay Taylor telling his subscribers to sell the stock in December (he wanted to focus only on gold producers) has provided you and I a gift to buy shares near a 52-week low and before the frenzy that is sure to develop when the next set of results are released. We already know to expect at least 3 monster holes of around 100 meters of 8 g/t gold. Isn't it nice to be one of the few investors who know the story and can act on it before the herd? These opportunities don't come along that often and especially in this market environment.



And finally, Oro Gold issued a press release on April 8<sup>th</sup> noting the just completed \$2 million private placement had been oversubscribed with insiders also purchasing shares of the offering. It's refreshing to see management aligning themselves next to the investor class to profit from the coming out party in May.

As I mentioned previously, I have purchased 100,000 shares recently and have put my money where my mouth is. I plan to sell ½ on the expected double and let the other ½ ride throughout 2009 as the story unfolds. Anyone care to join me in this exciting adventure?



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