

Toronto Resource Conference
September 26/27 2009

I always like to check out the audience any time I attend a conference to see the make-up of the attendees. At this conference, I estimated approximately 80% white males over the age of 55 (greying or bald). Of the remaining 20%, I would say 5% were women, most over 55 and 5% white males under 55%. The remaining 10% were of Asian descent with most under the age of 30 (the future of gold/silver investors and an example as to why China and India crave gold). Needless to say, not a place to pick up a girl if you're looking for a date.

Now for some picks:

Dudley Baker and Thom Calandra like Avanti Mining (Moly)

Lawrence Roulston said stay away from the flavor of the month and likes:

- Exeter Resources – still feels it's undervalued
- Verena – 3 million ounces in Brazil, scoping study due in a few weeks
- Underworld – PP comes free trading this week, buy on weakness; expects resource to exceed expectations
- Kaminak Gold – Good news on sampling expected in a week or so
- Alexco – silver play

On advanced stage projects he likes Selwyn (lead zinc-Chinese taking a position; Sunridge Gold; Terrane Metals; Copper Fox and Baja Mining

I attended an Evolving Gold break-out - 6 drill holes going

I attended a Maudore break-out – 500,000 ounce resource, 200 new holes should expand it greatly; could be a 2 KM strike length – 55% institutional holding, mostly European

I attended a Pelangio break-out. Same management that found Detour...says they have another in Ghana.

Listened to a Brent Cook talk. - Great Geo.

Listened to a Paul Van Eeden talk – said returns of individual investors will be proportionate to the work (research) you do. Note – I can't stress this enough. He said he makes millions because most of the retail investors do zero research. Note – Again, I strongly agree. Doesn't like gold or base metals here but likes the USD (contrarian play).

Was at a David/Eric Coffin Q&A (two of my favorite newsletter writers):

- says any tungsten junior who drills a decent hole gets a call from the Chinese as they are very interested in Tungsten plays (My note – Colt Resources-GTP will be drilling a high grade tungsten deposit in Portugal – see write-up at my site statesidereport.com)
- I asked Eric Coffin about the Decade announcement. He said he had seen it and was impressed with the grades. Eric is a financial guy. He called up his brother David who is the geo. David said he had been in some of the old adits at Red Cliff about 20 years ago and always thought there was the potential for a large discovery in the area (My note – another vote of confidence among the many other positives on the Decade discovery)
- Eric said he hasn't seen a good silver discovery in a while. Isn't impressed with 100 g/t silver grades that are common in Mexico.
- David Coffin had flown to Azteca site (Silver Valley in US) to view cores. Was not impressed.
- On Kaminak Gold, sampling assays way overdue and will now not drill this season as a result. Mgmt ready to shoot the assay company. Suggests waiting for December lows to buy.

Booth visits:

Nakina (NKA) – visited them to see their claims next to the Decade discovery. Here's a picture of their booth showing me the claims:



There is quite the buzz in the area. Apparently Ed Kruchkowski (geo supervisor for Decade) is a big burly guy and rumor has it he is standing guard with a shotgun on the property (only half joking). Everyone is impressed with the grades and can't wait to see the results of hole #9. Apparently there will be more news on companies obtaining claims surrounding the Decade area as a mad rush is still going on.

My "undiscovered" pick of the show is Lovitt Resources (LRC). They only have 5 million shares outstanding and at \$.34 is a \$1.5 million market cap company. They have 400,000 ounces of gold in Washington State and will be deep drilling below the resource which has never been done before. I'll have a full report out on them in a few weeks. No warrants or options makes this the tightest share gold play around. They expect to release news every 10-14 days as they do additional sampling and get ready for the drill program. They had a booth and did a presentation at the show:



Visited the International Inexco (IEC) booth. I had written them up in May. Their main focus is their Hot Pot gold JV in Nevada. They had planned 2 holes but are now on hole 6 (apparently they like what they see).

Listened to a Jim LeTourneau presentation. He likes Xtreme Coil Drilling. It's a play on the Cantarell field in Mexico depleting and the need for fast, on-shore drilling which Xtreme has a contract in Mexico.

Listened to a Mickey Fulp (mercenary geologist) talk. His favorite play is Lydian – an Armenia gold play.

Visited Triple Dragon Resources (a shell right now on the CNSX 77% owned by Zimtu Capital. Looking for a major product to move onto the TSX.

John Kaiser gave a Rare Earth Talk that was standing room only. He's a rock star due to the rare earth craze. Expects the bubble to last 1-2 years before crashing (expects consolidation among the juniors). Said the reason for the rare earth mania started on May 26th this year when Jim Dines sent out a letter to his 40,000 subscribers that rare earths would be the next big wave. He likes Avalon and Quest.

Listened to a presentation from Gold Eye. They mentioned their Todd Project in Stewart was close to the Decade discovery but I haven't had time to see how close they are to Decade. Someone next to me mentioned Tenajon also had some property near Decade but again I haven't had time to research this.

Listened to a Jay Taylor talk. He expects a general market crash in the next few months so is out of the junior explorers. I remember he sold too late last year and lost 50%. One of the companies he sold was Oro Gold at \$.18. I bought them (maybe his shares?) at \$.18 in April for a 5 bagger – the report I put out is on my site at statesidereport.com.

Finally, listened to Chris Powell and Bill Murphy of GATA fame bash the gold cartel. I love listening to them as they fire up the gold bug crowd. Here's a few pictures below:



Thanks for reading. Until next time,

stateside