GOLD STOCK ANALYST™

A Monthly Newsletter Finding ***Undervalued*** *Investment Opportunities through*
Fundamental Analysis & Rankings of the largest North American-Traded Precious Metals Mining Stocks

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IN THIS ISSUE:

Next Issue Mailed: 12/26/02

Newmont: Regaining its Virginity

When Newmont merged with Franco Nevada and Normandy Feb 02 to create the world's largest gold miner, it had to take some bad with the good. The bad was NDY's 7.55 mil oz hedge book. NEM continues to be maligned by gold's anti-hedging camp for not biting the bullet and writing $350+ mil check to end the book.

GSA is also an anti-hedger, but we think that NEM is steering the right course. As seen below, the book is falling… down 1.8 mil oz in 7 months. Moreover, the focus of the "anti" camp is on NEM's total committed Gold oz hedged, but it's really the A$ component that keeps the book in place. Much of the book was put in place when the A$ was much stronger… as high as US$0.75/US$1. Currently the book's delta is $38 mil/A$1¢ move; w/US Dollar expected to fall, at A$0.65/US$1 the book's Mark to Mkt would be at breakeven, and that's the time to close it out!

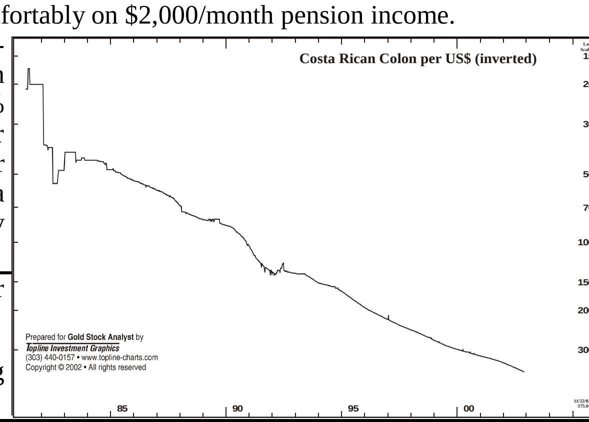
NP: data not public	At Acq 2/20/02	3/31/02	6/30/02	9/30/02	11/22/02
Hedged: NDY+NEM	7,550K+2,350K = 9,900K	7,300K+2,350K = 9,650K	6,600K+2,350K = 8,950K	5,779K+2,350K = 8,129K	___
Mark to Mkt	NP	($411 mil)	($364 mil)	($412 mil)	($318mil)*
Gold (Lon PM)	$291/oz	$301/oz	$319/oz	$321/oz	$318/oz
Delta/$1 oz	$9.7 mil	$9.0 mil	NP	$7.5 mil	—
US$/A$	US$0.52	US$0.53	US$0.56	US$0.545	$0.564
Delta/A$1¢	$48 mil	NP	NP	$38 mil	**GSA est*

Costa Rica

Your Editor had heard much about this lovely Central American nation that borders the Pacific and Caribbean, with mountains up to 12,500' running down the center. Crossing the coastline 2.5 hours out of Miami and descending into the 3,000' high valley that is home to San Jose, the capital, and 300K of the nation's 4 mil populace (w/95% literacy), the lush greenery and terrain suggested Vermont in the summer. The 15 minute cab ride to the hotel saw a bustling city with clean streets and little grafitti; but, the up to 15 story buldings need a good powerwashing.

A purpose of the short trip was to see how the nation survives its currency's 20 year decline from 17 to 370 Colons per US$, a 95% drop (see chart). Surprisingly well, was the conclusion. Your Editor, travelling with a friend that knew some Spanish and his way around, met several "gringo" Americans that had moved here; they claimed to live very comfortably on $2,000/month pension income.

Featuring national health-care for life expectancies in the mid-70s and 6% unemployment, the $4,200/yr avg income translates to a per capita GDP of $8,500 on a purchasing power parity basis. GSA plans to return.



• **"New" Kinross** proxy still not thru US SEC for its 3-way merger with **TVX** and **Echo Bay**; Co now hopes for a January 03 closing.
• Russia's **Norilsk** to acquire 51%+ of **Stillwater**; see report Pg 12.
• **GSA moves its office** in the Dec 17 to 20 period; hopefully moving the phone lines (keeping all the same numbers) will be uneventful.