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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Denver Nuggets

Hot on the heels of a successful New York Gold Show came the Denver Mining Forum, an invitation-only event for some 300+ analysts, money managers and mining execs. While often retail and "smart money" investors are on different wavelengths, this time a cautious optimism prevailed in both groups.

One common thought in Denver was that there was little "new"... company "stories" were generally well known and needed only updating. And, as there had been little money spent on greenfield exploration over the past few years, there was very little in the way of "hot" new deposit stories on everyone's lips. Listed below is some of the interesting gossip and background buzz, followed by notes from some of the presentations GSA found of greatest interest.

GSA sees the most important Denver gossip item being the ETF (Exchange Traded Fund) supposedly being created by the World Gold Council (WGC). Discussed in more detail on Page 6, the info available now is really limited as the ETF is in registration with the SEC and the WGC is paranoid that too many details might get out, causing the fund to be delayed or cancelled. GSA sees this instrument as very important to the gold market as it will aggregate retail buying interest and create a big counter-balancing market force to the bullion banks.

Second on the "hot" gossip list had to be the news that founder Peter Munk had moved his office back into Barrick's headquarters. All *… continued Page 18*

"Chimera"

Webster's Dictionary: "an impossible conception of the imagination".

Bema is at it again. Just when you think it might be safe to buy this stock for its leverage to a higher gold price (which makes uneconomic oz into P+P and will allow production to start at Cerro Casale and restart at Refugio)… just when you think Bema's incessant share printing press might be silenced, you're proven wrong. In the quest for ounces without regard to how they fit into a big picture (Is there a corporate strategy here?), Bema has agreed to print another 50+ million shares to buy a South African mining company. Here's the deal:

A "buzz" item at the Denver Mining Forum was the search by Endeavour Financial for investors to provide US$40 to $50 million equity to Chimera Gold Corp (the new name for EAGC Ventures, the reorganized successor to East Asia Gold Corp which had prior gold mining efforts in Myanmar). Chimera is buying the gold mining assets and liabilities of Petra Mining for US$66.7 mil. With the equity funds raised, Standard Bank will loan Chimera $35 mil for 6 years to complete the purchase funding and provide working capital. While the brokers selling shares to the public are a syndicate led by Canadians Griffiths McBurney, BMO Nesbitt Burns, and Canaccord Capital, Endeavour Financial put the transaction together and gets its reward when the deal's completed.

According to the EAGC's Information Circular of Sept 24, Chimera's new mining assets will total 8 shafts and 3 open pits in the Wits Basin; production in FY ended 6/30/02 totaled 137K oz at $218 cash/oz. *… continued Page 18*

• GSA adds coverage on 6 gold stocks with this issue: **Apollo Gold, Miramar, Rangold Resources, Repadre, River Gold** and **Wheaton River.** All but Wheaton begin as Tier II, but one starts out as **an addition to the GSA Top 10.**
• Died: **Harry Bingham**. Long w/Van Eck Funds, Harry was one of the clearest voices on behalf of gold. He will be missed.