Review of the Australian Gold Industry

Lonsec Equities Research

LONSEC

July 2009

Overview

This review covers Australia's major listed producers (both domestic and international) as well as those companies boasting a mineral resource base in excess of 500,000 ozs of gold. Companies fitting the above criteria, but whose main source of current income is not gold (such as the diversified metal companies, Independence Group, Pan Australian Resources etc), are excluded. For details, see Table 1.

The review is not intended as a detailed analysis of each of the mining companies, but to provide an overview of the companies' activities, production status, capital structure, cash position, resources and reserves and exploration potential. Lonsec's opinion regarding each company's strengths and weaknesses, whether perceived or real, is also provided. **Note that this is an opinion and does not express or imply an investment recommendation.**

Companies are ranked by various criteria, including market capitalisation, cash and cash backing, mineral resource and mining reserve, enterprise value per ounce of resource/reserve, resource and reserve grade, production and cost. It must be stressed that these rankings are for comparative purposes and although useful in a filtering process, should under no circumstances be used in isolation to determine recommendations. As many companies are in late stage exploration or at the scoping/feasibility stage, no cash flow analysis and NPV assessment has been undertaken.

Lonsec's Preferred Gold Exposures

Newcrest Mining Limited (NCM) is Lonsec's preferred exposure at the top end of the market. Like all major gold companies, Newcrest is not cheap on earnings or cash flow multiples and trades at a significant premium to its valuation. Nevertheless, Newcrest is a 'top 10' international gold company with long-life mines and is a relatively low cost producer. It has multiple sources of gold and the revenue from copper by-products is significant. The company has a pipeline of organic growth/replacement projects.

Following the acquisition of Equigold in 2008, **Lihir Gold Limited (LGL)** now has a more diversified production base and is finally meeting production targets at its Lihir operation. While the quality of the assets and the development pipeline are probably not as impressive as Newcrest, the company may begin to replace Newcrest as the premier Australian gold stock in some portfolios.

Amongst the mid-sized producers, **Dominion Mining Limited (DOM)** has established itself as a reliable, relatively low cost operator, highly successful in adding to its reserve base. This well-managed company is debt free, with a cash balance in excess of $50m.

Avoca Resources Limited (AVO) is establishing itself as one of the leading emerging producers. The Higginsville plant is running well above design capacity, and in the June 2009 quarter, head grade exceeded the budgeted 5.3g/t. The company expects to produce +190,000 ozs of gold in FY10, and although the mine life is currently limited, the mineral endowment in the district should extend the mine life considerably. There is also considerable exploration upside.

Several companies with the potential to become reasonable sized producers are worthy of monitoring. **Regis Resources Limited (RRL)** is one of the few companies to develop a new Australian goldfield (Duketon) in recent times; a change in Board and management is likely to speed up the development process. **Mineral Deposits Limited (MDL)** recently commissioned its Sabodala Project in Senegal and has the potential to develop a mineral sands project in Senegal over the next few years. **Centamin Egypt Limited (CNT)** recently announced that it had poured its first gold from the Sukari Gold Project in Egypt and is expected to produce around 200,000 ozs per annum.

Other smaller companies of interest are: **Alkane Resources Limited (ALK)** which is currently completing a feasibility study on its Tomingley Gold Project in NSW and progressing the Dubbo Zirconium Project feasibility study and demonstration plant; **Perseus Mining Limited (PRU)** and **Adamus Resources Limited (ADU)** - both have projects in Ghana, the former expects to complete a definitive feasibility in July while the latter has recently completed a feasibility study; and **Andean Resources Limited (AND)** with a substantial high grade resource in Argentina which appears to be largely factored into the share price.

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Recent Share Market Price Performance

During the period 18 June 2008 (Lonsec's previous Australian Gold Review) and 26 June 2009, only ten stocks provided a positive return (see table below). Seven of the ten were companies that are ranked in the top 10 in terms of market capitalisation. The inference is that in a strong but volatile market, the top end of the market tends to outperform.

Companies Ranked by ~12-Month Share Price Performance

	18-Jun-08	26-Jun-09	% Change
Catalpa Resources Limited	0.05	0.10	122.2%
Regis Resources Limited	0.24	0.47	93.8%
Medusa Mining Limited	1.15	2.10	82.6%
Centamin Egypt Limited	1.25	1.79	43.2%
Dominion Mining Limited	3.42	4.60	34.5%
Kingsgate Consolidated Limited	5.40	7.01	29.8%
GOLD (A$/oz)	942.64	1,166.90	23.8%
Andean Resources Limited	1.57	1.89	20.4%
Sino Gold Mining Limited	4.83	5.32	10.1%
OceanaGold Corporation	1.04	1.11	6.7%
GOLD (US$/oz)	887.50	942.00	6.1%
Newcrest Mining Ltd	28.32	30.03	6.0%

It is interesting to note that physical gold (or equivalent) in Australian dollar terms ranks behind the top six companies while gold in US$ terms ranks behind the top nine companies. Not surprisingly, Australia's largest gold company, Newcrest Mining represents the best proxy for US$-based physical gold; both improved by around 6% over the ~12month period.

The three smaller companies in the top ten performers were Catalpa Resources, which raised sufficient capital to finance the Edna May Project and locked in a hedged price of A$1,545/oz, believed to be the highest in Australian history; Regis Mining, where the previous Board and management were replaced largely by former Equigold personnel and OceanaGold, which significantly improved its cash cost position and recovered off a very low base.

Perhaps not surprisingly, it was the high cost producers and smaller end of the market which recorded the largest falls when the gold price fell to just above US$700/oz in October last year. Many of these companies have recorded stellar increases from their 12-month lows; in fact, more than half doubled in price from their lows and more than 20% recorded in excess of 300%. By contrast, gold, in both US$ and A$ terms, was only around 30% off its 12-month lows.

Apex Minerals, which was the third worst performing stock over the period, was still trading at its 12-month low on 26 June 2009.

Percentage off 12-month lows

Top 10		Bottom 10	
OceanaGold Corporation	594%	Focus Minerals Limited	53%
Regis Resources Limited	564%	Avoca Resources Limited	48%
Tanami Gold NL	460%	Ramelius Resources Ltd	36%
Catalpa Resources Limited	426%	Tianshan Goldfields Limited	33%
Medusa Mining Limited	412%	GOLD (US$/oz)	32%
Adamus Resources Limited	315%	GOLD (A$/oz)	30%
Intrepid Mines Limited	306%	St Barbara Limited	26%
Andean Resources Limited	302%	Carrick Gold Limited	24%
Mundo Minerals Ltd	300%	Citigold Corporation Limited	16%
Dragon Mining Ltd	287%	Apex Minerals NL	0%

Table 1: Companies Assessed

Code	Company	Status	Location	Projects
ADU	Adamus Resources Limited	Feasibility	Ghana	Southern Ashanti
ALK	Alkane Resources Limited	Feasibility	Australia (NSW)	Tomingley, Dubbo Zirconium
ALD	Allied Gold Limited	Producer	PNG	Simberi
AND	Andean Resources Limited	Feasibility	Argentina	Cerro Negro
AXM	Apex Minerals NL	Commissioning	Australia (WA)	Wiluna, Gidgee, Youanmi
AVO	Avoca Resources Limited	Producer	Australia (WA)	Higginsville
BCD	Beaconsfield Gold NL	Producer	Australia (Tas)	Beaconsfield
CRK	Carrick Gold Limited	Resource	Australia (WA)	Lindsays, Kurnalpi
CAH	Catalpa Resources Limited	Development	Australia (WA)	Edna May
CNT	Centamin Egypt Limited	Construction	Egypt	Sukari
CVR	Central Asia Resources Ltd	Resource	Kazakhstan	Alytnas, Kepkin, Kengir
CTO	Citigold Corporation Limited	Producer	Australia (Qld)	Charters Towers
CGX	CGA Mining Ltd	Commissioning	Philippines	Masbate
CRE	Crescent Gold Limited	C&M	Australia (WA)	Laverton
DIO	Dioro Exploration NL	Producer	Australia (WA)	South Kal, Frogs Leg
DOM	Dominion Mining Limited	Producer	Australia (SA)	Challenger
DRA	Dragon Mining Ltd	Producer	Sweden, Finland	Svartliden, Vammala
FML	Focus Minerals Limited	Producer	Australia (WA)	Coolgardie
GDO	Gold One International Limited	Development	South Africa	Modder East, Sub Nigel
IGR	Integra Mining Limited	Feasibility	Australia (WA)	Aldiss-Randalls
IAU	Intrepid Mines Limited	Producer	Australia (WA), Indonesia	Paulsens
KCN	Kingsgate Consolidated Limited	Producer	Thailand	Chatree
LGL	Lihir Gold Limited	Producer	PNG, Australia, Ivory Coast	Lihir, Mt Rawdon, Bonikro
MAT	Matsa Resources Limited	Scoping	Australia (WA)	Norseman
MML	Medusa Mining Limited	Producer	Philippines	Co-0
MDL	Mineral Deposits Limited	Producer	Senegal	Sabodala
MLI	Mintails Ltd	Producer	South Africa	WERGO, Mogale
MUN	Mundo Minerals Ltd	Producer	Brazil, Peru	Engenho, Torrecillas
NAV	Navigator Resources Ltd	Pre-Feasibility	Australia (WA)	Leonora
NCM	Newcrest Mining Ltd	Producer	Australia, Indonesia	Cadia, Ridgeway, Telfer, Kencana
NQM	North Queensland Metals Ltd	Producer	Australia (Qld)	Pajingo
NGF	Norton Gold Fields Ltd	Producer	Australia (WA)	Paddington, Mt Morgan
OGC	OceanaGold Corporation	Producer	New Zealand	Macraes, Reefton, Didipio
PRU	Perseus Mining Limited	Feasibility	Ghana	Ayanfuri, Kayeya
RMS	Ramelius Resources Ltd	Producer	Australia (WA)	Wattle Dam
RRL	Regis Resources Limited	Feasibility	Australia (WA)	Duketon
RSG	Resolute Mining Ltd	Production	Australia, Tanzania	Ravenswood, Golden Pride, Syama
SGX	Sino Gold Mining Limited	Producer	China	Jinfeng, White Mountain
SBM	St Barbara Limited	Producer	Australia (WA)	Southern Cross, Gwalia Deeps
SBS	Sub-Sahara Resources NL	Resource	Eritrea	Zara
TAM	Tanami Gold NL	Producer	Australia (NT)	Coyote
TGF	Tianshan Goldfields Limited	Feasibility	China	Gold Mountain
TRY	Troy Resources NL	Producer	Australia, Brazil, Argentina	Sandstone, Andorinhas

Gold – Supply and Demand

	2007	2008	% Change
Supply (t)			
Mine	2,478	2,416	-3
Net Producer Hedging	-444	-358	
Official Sector Sales	484	246	-49
Scrap	958	1,215	27
Total	3,476	3,519	1
Demand (t)			
Jewellery	2,404	2,186	-9
Industrial/Dental	462	436	-6
Retail Investment	432	863	100
ETFs & Similar	253	321	27
Total	3,551	3,806	7
"Inferred Investment"	-75	-287	

Source: WGC, GFMS (May 2009)

Primary gold production is expected to be flat to declining over the next few years. This is the result of, amongst other things, a material decline in global exploration spending from 1996 to 2002. Only around one third of the larger discoveries were developed, the remainder falling victim to unfavourable economics, permitting issues, metallurgical challenges and other issues. South Africa, which has for many years been the world's largest producer, has seen a steady decline over the past 15-20 years, while other major producers face declining head grades at many of their operations. Production from China has increased to the point where it is now the world's largest producer, despite the fact that there are very few large scale operations in the country.

Net producer hedging continues to decline as most of the world's largest producers de-hedge. Secondary scrap sales are expected to remain at elevated levels while the price of gold remains high. However, in the current financial climate, where many countries are cash-strapped, there is a real threat that official sector sales could increase, although China may increase its gold holdings.

Demand is driven by a number of factors, which include fabrication, investment, interest rate changes and inflationary pressures and movements in the US dollar.

- Fabrication. A broad range of end uses is included in the fabrication category. The most significant is the production of jewellery. Other fabrication purposes include official coins, electronics, miscellaneous industrial and decorative uses, medals and medallions. Demand for jewellery has a tendency to weaken when the gold price surges; according to the World Gold Council's latest statistics, fabrication fell by 9% in 2008. Jewellery demand in the March Quarter of 2009 was 38% below the December 2008 quarter and 24% below the previous corresponding quarter. Industrial demand also suffered under the pressure of extremely weak economic conditions.

- Investment. Net retail investment doubled in 2008, with significant increases in bar hoarding, official coin offtake and other retail investments. There was also a solid YoY gain in Exchange Traded Funds (ETFs) and similar products. This has continued into 2009, with March 2009 investment in ETFs and similar products up almost five fold on the December 2008 figure.

- Interest rate changes and inflation.

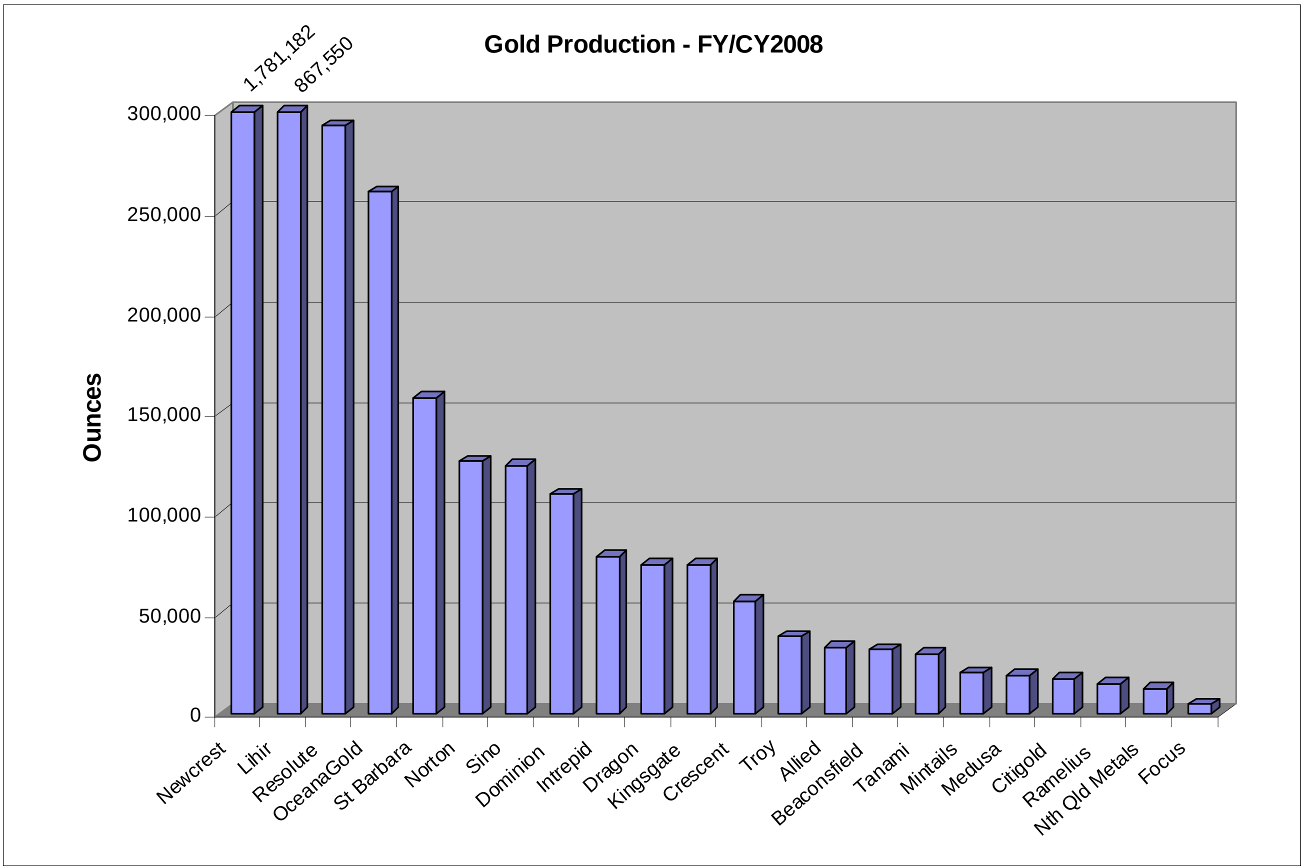
- US dollar movements. Gold acts more like a currency than a commodity, and there is a negative correlation between the US dollar and the gold price. Pressure on the US dollar would provide a positive driver for the gold price.

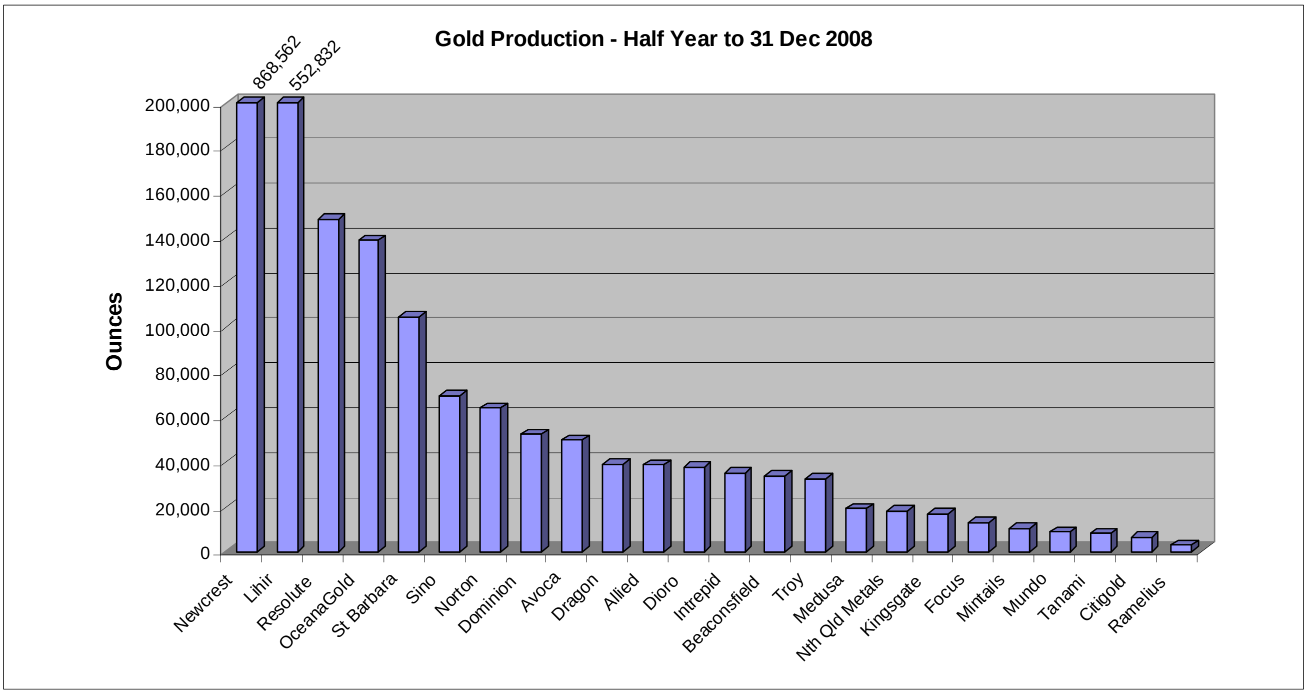
- The positive correlation with the oil price is not as strong as is commonly thought. The current strength of the oil price should nevertheless add some stability.

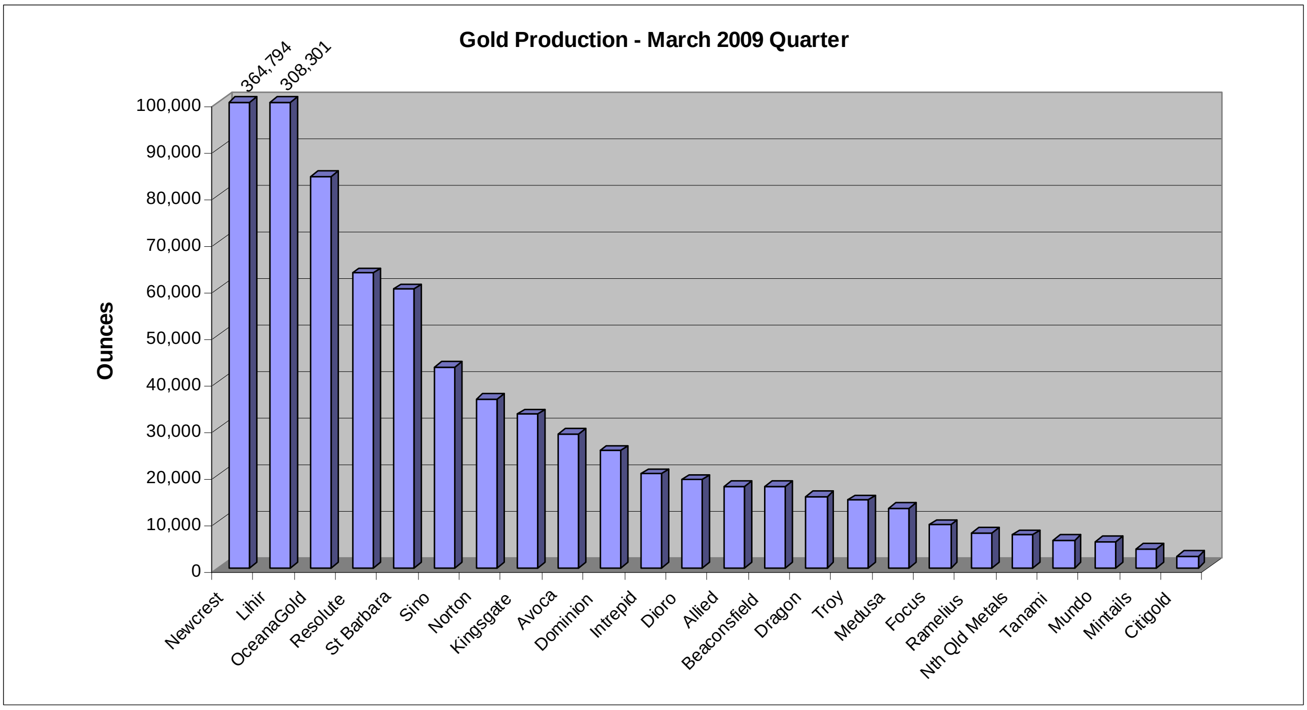
Lonsec's short-term view on the gold price remains positive, although it may require an unusual event or set of circumstances for gold to break out of its recent US$880/oz to US$980/oz trading range. The most likely influence in the short to medium term is likely to be the US dollar and bond rates. In the longer term, the price could ease if the likelihood of further financial catastrophes diminishes, world economic recovery gathers pace and less investment is directed at gold as a 'safe haven'.

Australian Production

In FY08/CY08, only four companies – Newcrest, Lihir, Resolute and OceanaGold - produced in excess of 200,000 ozs of gold. They could, in the near future, be joined by Centamin Egypt (first gold pour at the Sukari project in late June 2009), SinoGold and St Barbara. Citigold (250,000 ozs pa) has set unrealistic targets which are unlikely to be achieved while Apex (200,000 ozs, still struggling with start up problems) and Regis (200,000 ozs, development yet to begin) still have some way to go before these levels of production are achieved. Details of production are shown in Appendix 6.

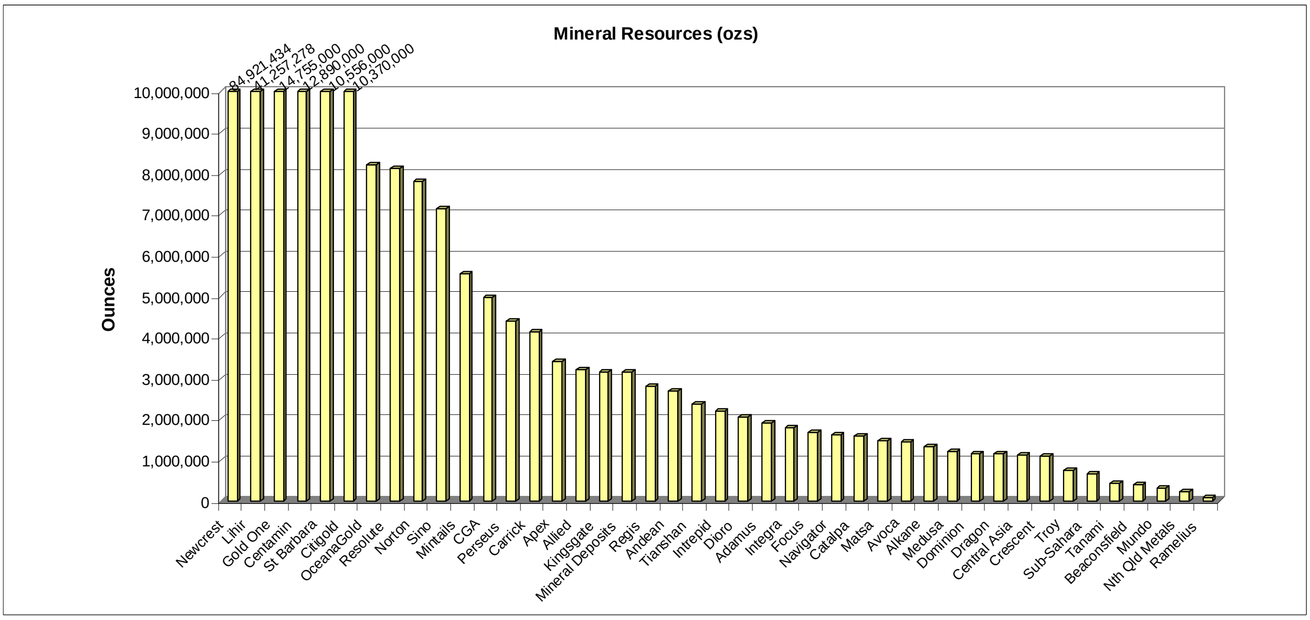


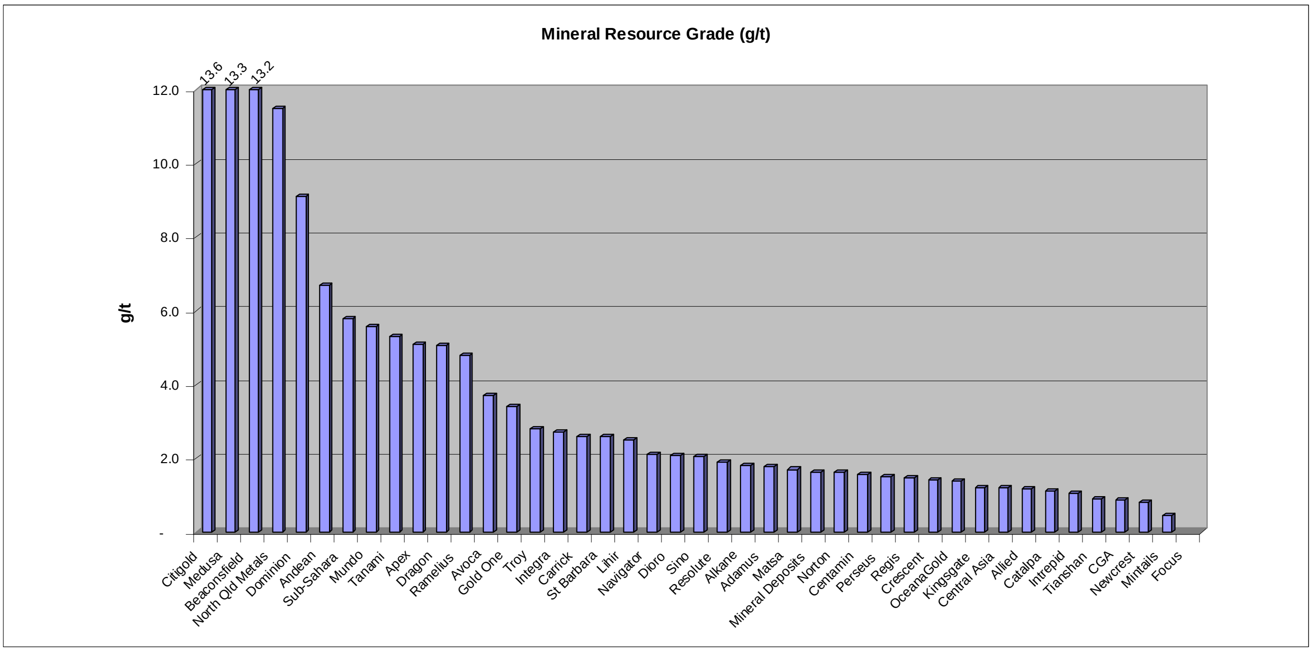


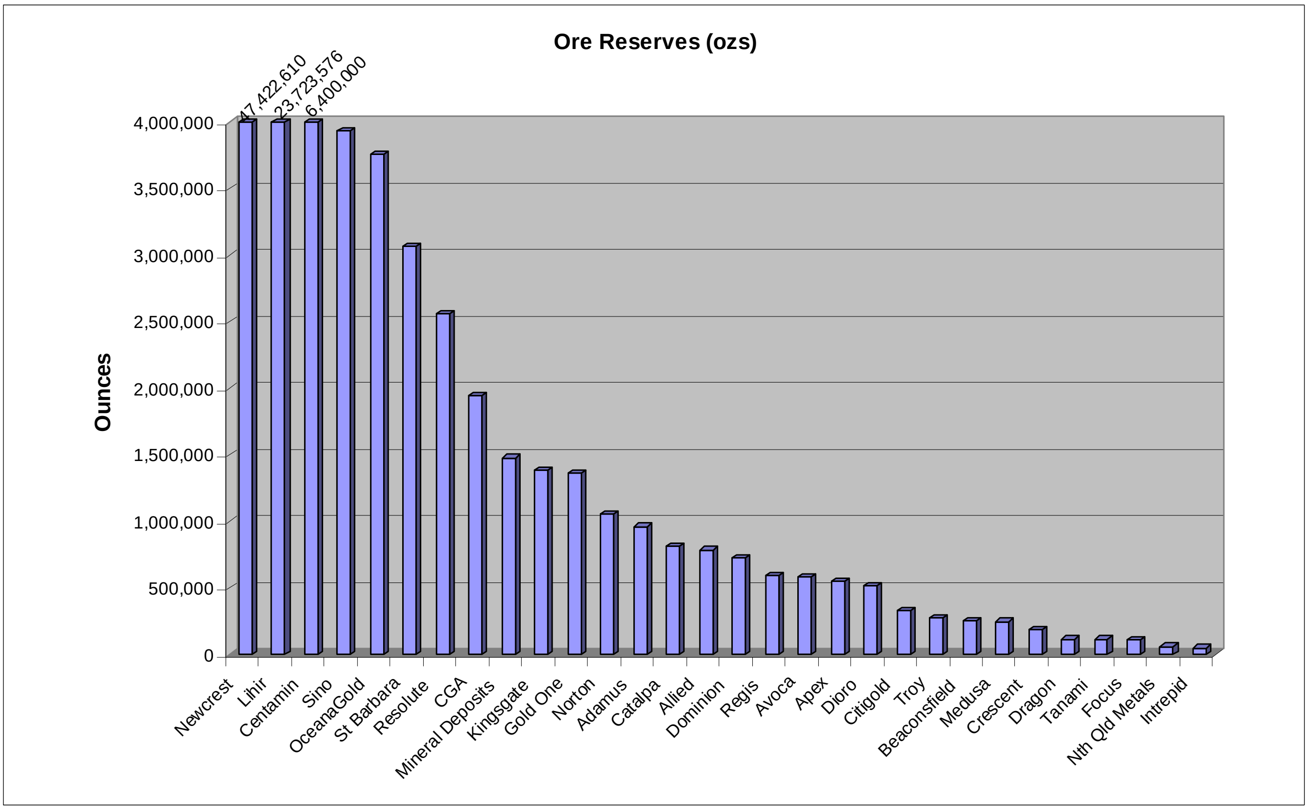


Resources and Reserves

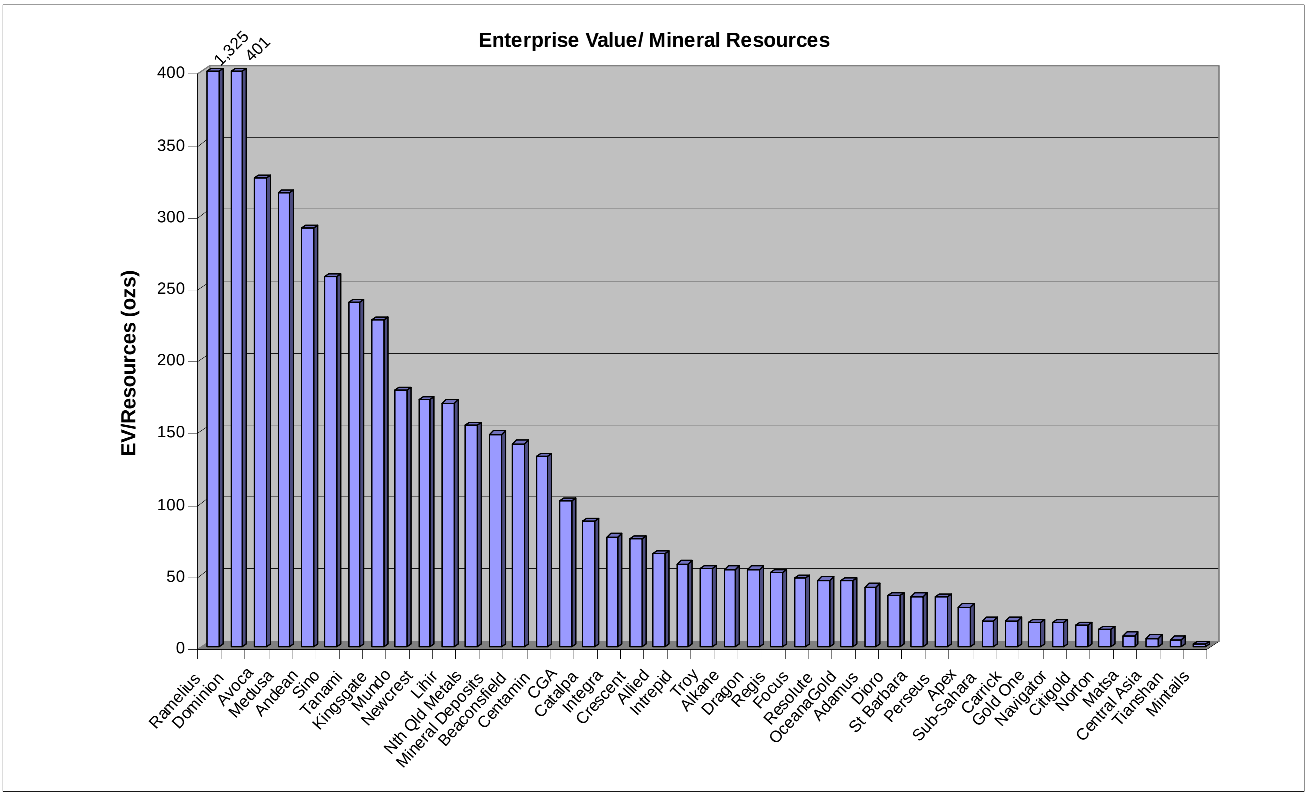
Appendix 3 ranks the companies according to the absolute size of their resource and reserve base. For those companies with significant co-products or by-products, the gold equivalent ounces have been reported. The graphs that follow show the size of the resources and reserves and the grade of the resources (the grade of the resource and reserves, ranked in descending order, are tabulated in Appendix 5). These grades could easily be converted into dollar values (in-situ for resources, recoverable for reserves), which can then be directly compared to the likely unit production costs.

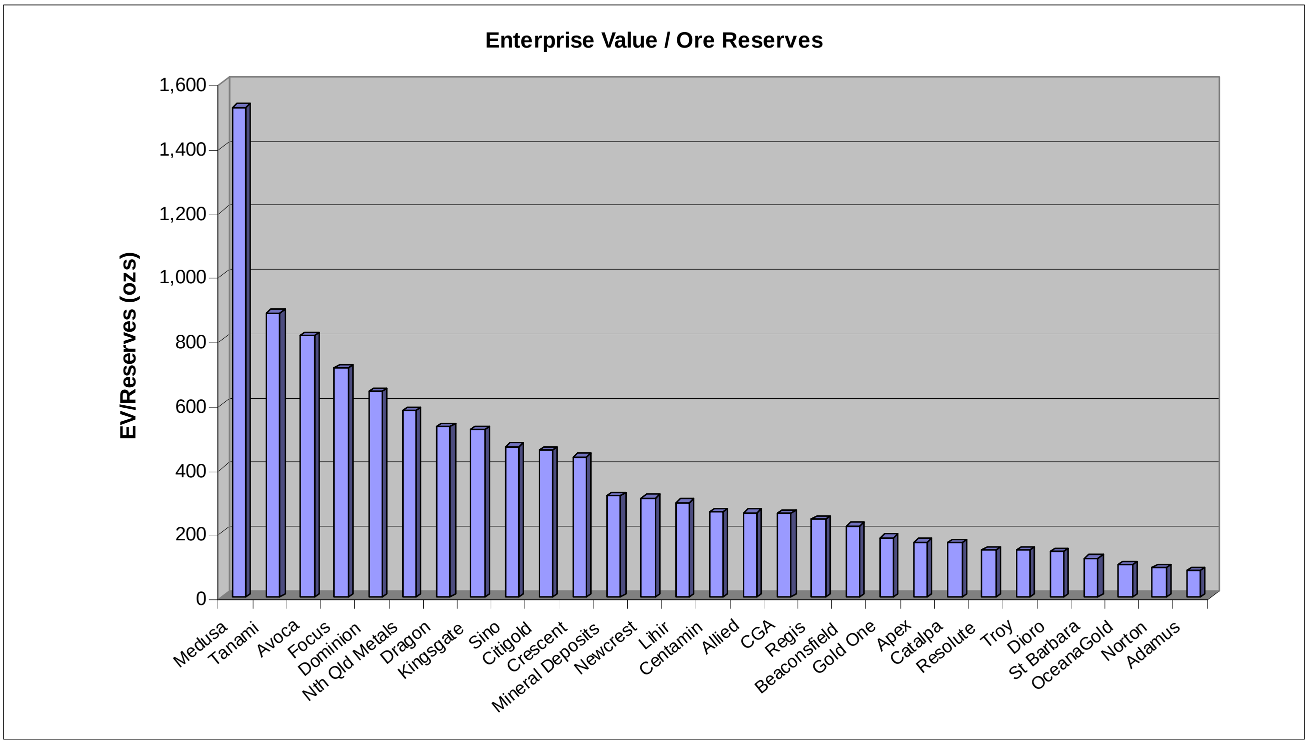




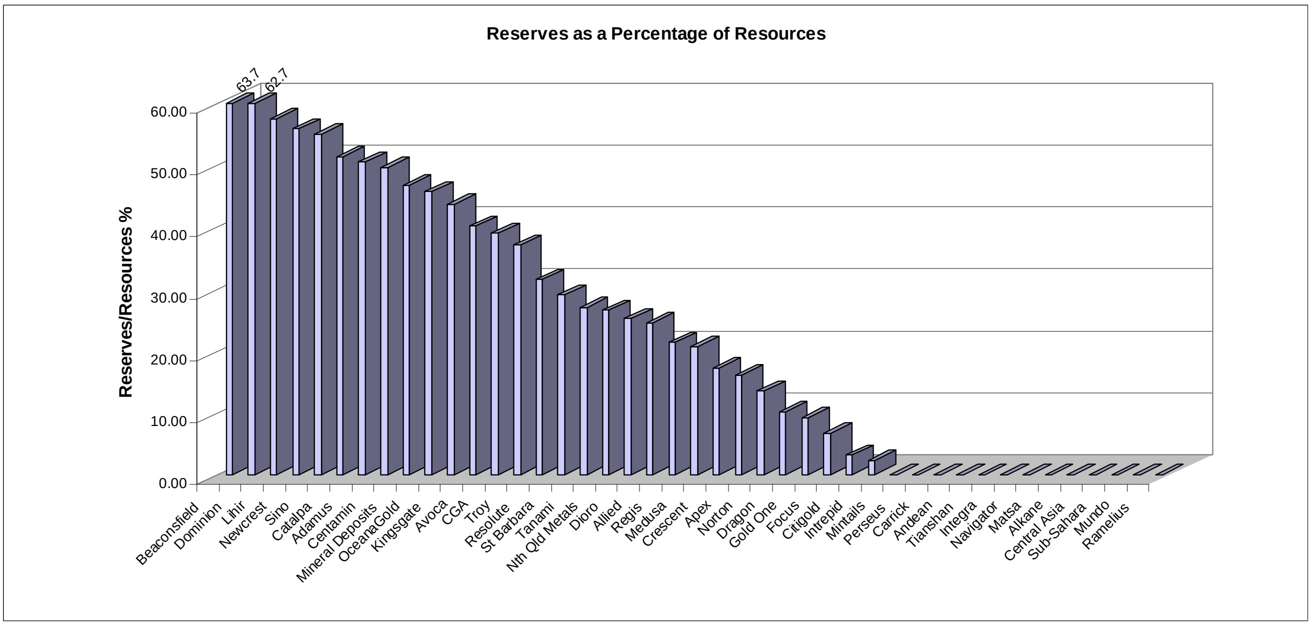


Ranking by absolutes may have some merit for the producers themselves, but is less relevant for investors as it does not take account of the size of the company. It is therefore more appropriate to rank companies according to the market capitalisation per ounce of resource or reserve. In simple terms, this is effectively the cost of buying an ounce of gold in the ground, in either a developed or undeveloped state. The rankings in Appendix 4 have been modified to include debt and cash – hence enterprise value per ounce. In theory, the lower the EV/oz, the more attractive is the investment. However, the ratio should be treated with some caution as it takes no account of capital and operating costs, nor indeed if companies in the advanced exploration stage will ever make the transition to production. The EV/oz of resource and reserve is illustrated in the graphs that follow.



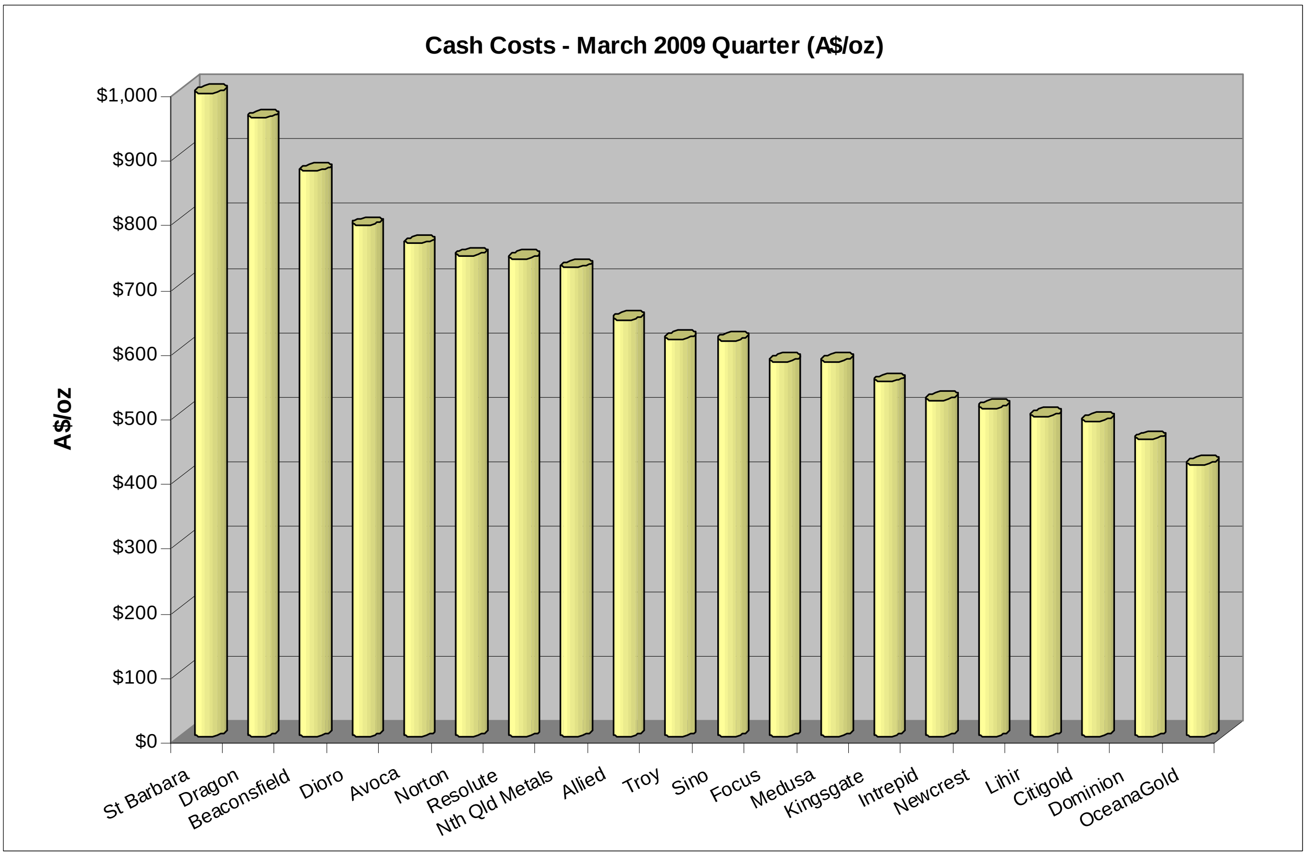


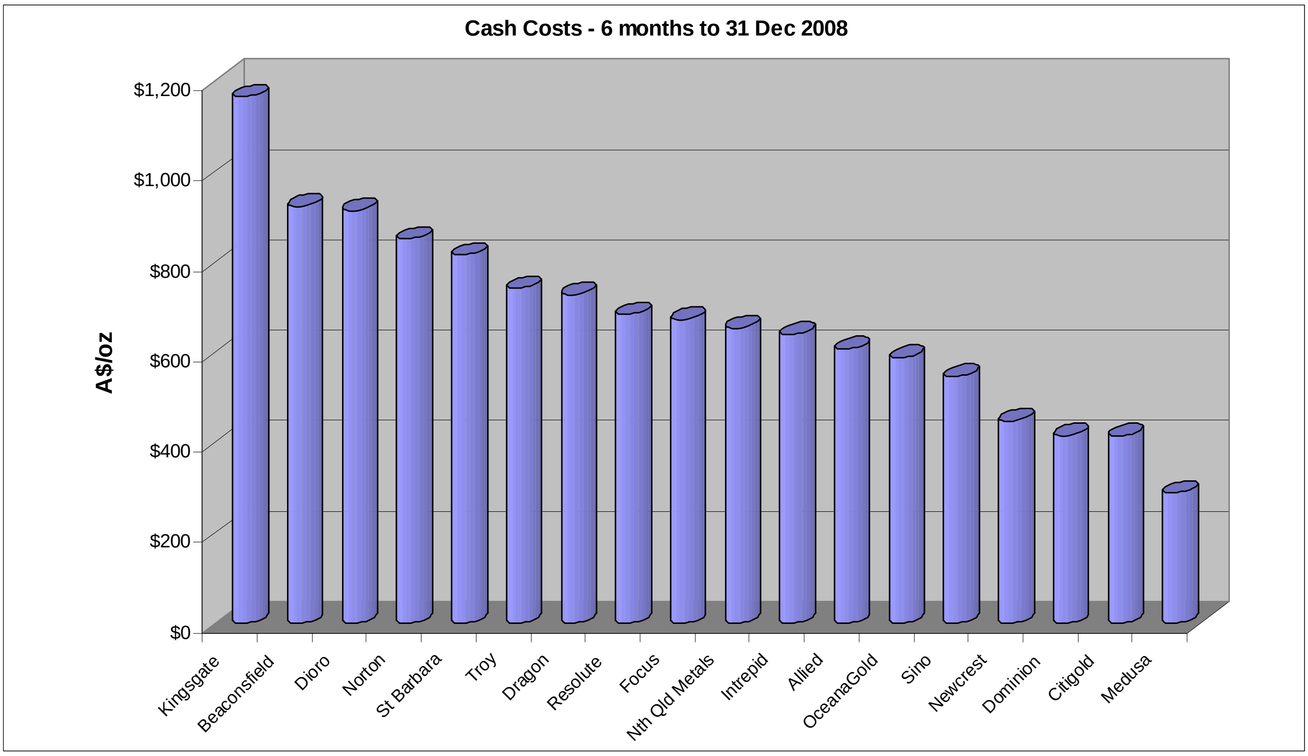
To round off the resource/reserve picture, the graph that follows shows ore reserves as a percentage of mineral resources. The objective for all mining companies is to convert as much of the resource base to reserves as possible, thereby ensuring the longevity and ultimate survival of the mining operations.

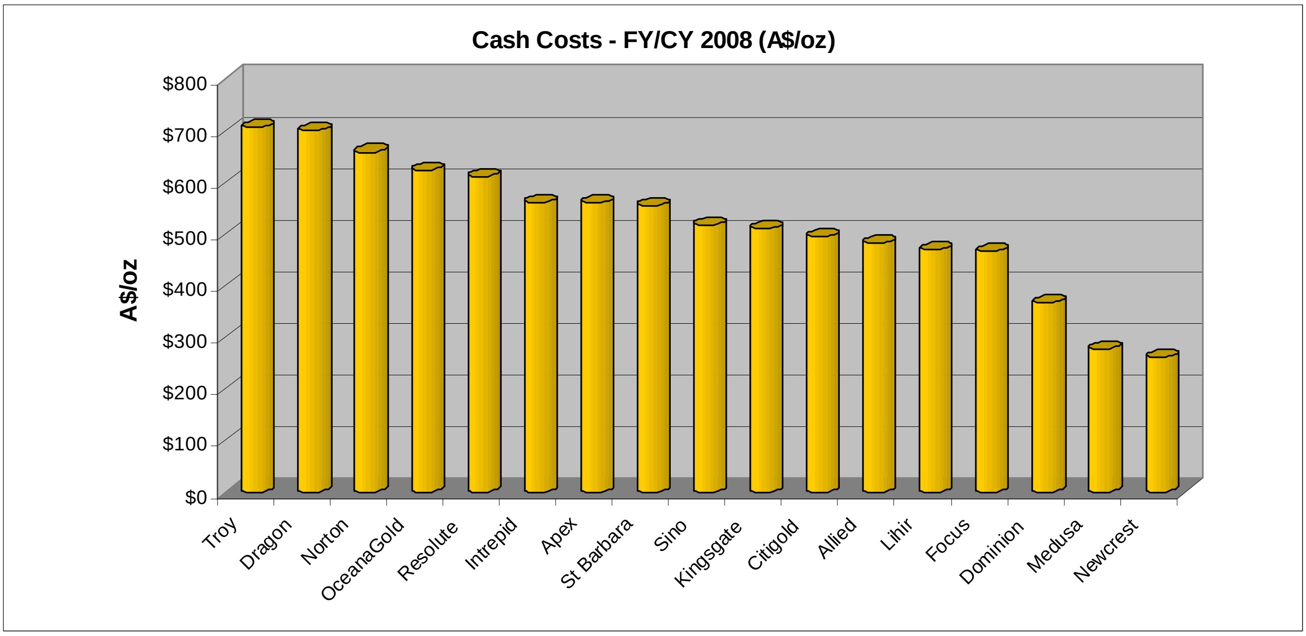


Operating Costs

Operating costs, ranked on the March 2009 quarter, are shown in Appendix 7. While the definition of 'cash costs' may differ slightly from company to company, they are essentially profit and loss costs ie they have been adjusted/smoothed for waste stripping and development costs, as well as for by-product credits. During periods of significant open pit cut backs or underground development, these reported costs can considerably understate true cash costs, sometimes with serious consequences to project viability. Note too that the costs do not take account of capital costs, exploration and the general and administration costs not directly associated with site production.







Western World cash operating costs have risen from approximately US$180/oz in 2000 to US$380/oz in the second quarter of 2007 (GFMS Gold Survey, 2007, Updated) and have continued to rise since then. The 2008 world average cost was US$467/oz (A$548/oz). For the March 2009 Quarter, an average cash cost of US$377/oz (A$579/oz) has been estimated for the Lonsec sample of listed Australian producers. Note that these costs may not be truly representative of Australian costs as they exclude production from the international gold miners (eg Barrick, Newmont, AngloGold and Goldfields) operating in Australia.

Capital Costs

Capital costs for a number of projects recently developed or currently being developed by listed Australian companies are tabulated below. Capital costs are generally a function of the size of the mine and treatment plant and the method of mining and treatment. Location, infrastructure and access to power and water also play a significant role.

Project	Location	Company		Capex US$m	Capex A$m	Resource Mozs	Reserve Mozs	Capex/oz Resource	Capex/oz Reserve
Ayanfuri	Ghana	Perseus	Pre-Feasibility	134.4	168	4.022		42	
Bonikro	Ivory Coast	Lihir	Producing		103	1.364	0.930	76	111
Casposo	Argentina	Troy	Feasibility	86	107.5	0.455	0.382	236	281
Cerro Negro	Argentina	Andean	Pre-Feasibility	318.2	398	2.682		148	
Duketon	Western Australia	Regis	Feasibility		136.1	2.817	0.598	48	228
Edna May	Western Australia	Catalpa	Development		92.0	1.590	0.817	58	113
Gold Mountain	China	Tianshan	Pre-feasibility	41	51.3	2.640		19	
Gwalia Deeps	Western Australia	St Barbara	Producing		149.0	3.555	1.730	42	86
Higginsville	Western Australia	Avoca	Producing		103.0	1.447	0.581	71	177
Leonora	Western Australia	Navigator	Pre-feasibility		45	0.742		61	
Masbate	Philippines	CGA	Commissioning	250	297.6	7.770	3.032	38	98
Sabodala	Senegal	Mineral Deposits	Producing	163.0	177.2	2.963	1.489	60	119
Simberi	PNG	Allied Gold	Producing		94	3.204	0.785	29	120
Southern Ashanti	Ghana	Adamus	Feasibility	94	120	2.112	1.068	57	112
Sukari	Egypt	Centamin	Commissioning	265.3	315.8	9.390	6.400	34	49
Syama	Mali	Resolute	Commissioning	189	225.0	3.957	2.060	57	109
Tomingley	NSW Australia	Alkane	Pre-Feasibility		50	0.849		59	
White Mountain	China	Sino Gold	Producing	62.5	74.4	1.187	0.790	63	94

The capital cost per ounce of reserve gives an indication of the likely amortisation charges and the importance of further conversion of resources to reserves.

Adamus Resources Limited (ADU) - $0.415 www.adamusresources.com.au

Overview

Adamus is a Perth-based emerging gold producer which is listed on the ASX and the TSX Venture Exchange in Canada. The company's main focus is on exploring and realising the economic potential of the 90% owned Southern Ashanti Gold Project in Ghana, West Africa. Adamus also has exploration interests in Australia.

Capital Structure		Financials	
Fully Paid Shares:	164.6m	Equity:	$36.3m (31 Dec 08)
Options:	31.0m	Cash:	$1.2m (31 Dec 08)
Market Cap (Fully Diluted):	$68.3m	Debt:	$1.0m (31 Dec 08)

Operations/Projects

The **Southern Ashanti Gold Project** is located on the southern extension of the Ashanti Gold Belt, approximately 40km south of the large Bogosu (3.3Mozs) and Prestea (10.7Mozs) deposits. The company completed the Optimised Feasibility Study in June 2008 and has continued to make progress towards its first production target by year-end 2010. A comprehensive environmental assessment program has now been completed with the approval of the environmental permit by the Environmental Protection Agency of Ghana. The updated ore reserve estimate includes an initial 115,000 ozs from the Bokrobo area which comprises both sediment-hosted and granite-hosted mineralisation. This is the first time that this style has been identified within the project area. Estimated capital expenditure for the project is approximately US$90m. The company recently secured a $5m interim convertible loan facility and completed a further placement of $3.5m. Advanced discussions have taken place with a number of financial institutions regarding project financing for the project.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Southern Ashanti	37.180	1.77	2,112,000	16.540	2.01	1,068,000	90	1,900,800	961,200

Production & Costs

The company estimates cash operating costs for years one and two to be around US$408/oz and cash operating costs for the life of the mine to be US$489/oz. Average annual gold production is expected to be around 90,000oz over a ten year period.

Exploration

- Adamus has a 100% interest in the Serpentine Ridge Nickel Prospect in Tasmania which was subject to a detailed soil geochemistry program. Due to the company's focus on the South Ashanti Gold Project, Tasmanian exploration areas are currently under joint venture evaluation by a third party.

Lonsec's opinion

- ✔ Solid resource base, low EV/oz reserve.
- ✔ Good exploration potential.
- ✔ Ghana is a relatively stable West African country with a long history of major gold mining.
- ✔ Potential takeover target.
- ✖ Still at feasibility stage – financing and development risk.
- ✖ Initially likely to be a single mine company.
- ✖ Relatively low level of cash and cash backing per share.

Alkane Resources Limited (ALK) - $0.31 www.alkane.com.au

Overview

Alkane Resources is a minerals exploration company, primarily engaged in exploration and development of gold and zircon/rare earths projects in the central west region of New South Wales. The company's major focus is on the Tomingley Gold Project and the Dubbo Zirconium Project in New South Wales.

Capital Structure		Financials	
Fully Paid Shares:	244.6m	Equity:	$35.9m (31 Dec 08)
Options:	4.4m	Cash:	$8.3m (31 Dec 08)
Market Cap (Fully Diluted):	$75.8m	Debt:	Nil (31 Dec 2008)

Operations/Projects

The **Tomingley Gold Project** extends over 100kms within the central west of New South Wales. Exploration during the year was focussed on the recent discovery at Caloma which is centred about 500m east of the defined resources at the Wyoming One and Wyoming Three deposits. The Definitive Feasibility study is progressively advancing and many of the infrastructure issues of site access, power and water are being resolved. Mine planning and scheduling has recently commenced comprising three open pit mines, Wyoming One, Wyoming Three and Caloma, followed by possible underground operations. Initial gold production would be through a conventional Gravity-CIL gold recovery circuit at an expected open pit mining rate of around 1Mtpa. Annual gold production of between 50,000 ozs and 70,000 ozs is anticipated. The **Dubbo Zirconia Project** is located 30km south of Dubbo in the central west region of New South Wales. In addition to zirconium, other elements/metals contained within the deposit are hafnium, niobium, tantalum, yttrium and rare earths. A Demonstration Pilot Plant, constructed at the ANSTO facilities at Lucas Heights, was commissioned in May 2008. The plant is designed to test the complete flowsheet, providing process and engineering data plus several tonnes of various products for distribution to potential end users.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Wyoming One	6.484	2.51	523,248				100	523,248	
Wyoming Three	0.837	1.99	53,551				100	53,551	
Caloma	4.070	2.08	272,175				100	272,175	
Peak Hill Sulphides(1)	11.270	1.29	467,417				100	467,417	
	22.661	1.8	1,316,391					1,316,391	
Dubbo (Au Equiv)	35.7	4.8	5,479,174				100	5,479,174	
Total	58.4	3.6	6,795,565					6,795,565	

(1) Refractory sulphide gold-copper orebody, also contains 0.11% Cu (2) Value of zircon and other products discounted by 50%

Production & Costs

Current capital cost estimates for the base case development model of a 1Mtpa operation are around $50m. Cash operating costs are expected to range between $600/oz and $700/oz.

Exploration

- Exploration for gold at the McPhillamys Prospect, located within the Orange District Exploration Joint Venture in the central west of New South Wales continues. Newmont is earning a 51% interest in the project, which hosts significant low grade gold mineralisation.
- The company conducted limited exploration work at the Wellington Copper-Gold Project and the Bodangora and Cudal Gold-Copper Project, both located in New South Wales and the Leinster Nickel-Gold Joint Venture located in Western Australia.

Lonsec's opinion

- ✔ Two development projects, not entirely gold-dependent.
- ✔ Successful track record of developing gold operations in NSW.
- ✔ Considerable exploration upside at McPhillamys, Tomingley and regional NSW.
- ✖ Still at feasibility stage, therefore subject to finance and development/construction risk.

Allied Gold Limited (ALD) - $0.43 www.alliedgold.com.au

Overview

Allied Gold Limited is listed on both the ASX and the London (AIM) Exchange. The company's main asset is the Simberi Oxide Gold Project located in the Tabar Islands of Papua New Guinea. A capital raising at $0.50 per share totalling $30.7m has recently been completed. The company also has interests in the exploration of gold and copper on the adjacent Tatau and Big Tabar Islands and silver and base metals projects in Mexico.

Capital Structure		Financials	
Fully Paid Shares:	472.6m	Equity:	$115.6m (31 Dec 08)
Options:	48.8m	Cash:	$1.7m (31 Dec 08))
Market Cap (Fully Diluted):	$203.2m	Debt:	$11.9m (31 Dec 08)

Operations/Projects

The **Simberi Gold Project** is located in the New Ireland Province of eastern Papua New Guinea on an island approximately 60km north-west of the Lihir Gold Project. The project currently produces around 80,000 ozs per annum and total mineral resources are estimated to be 3.2Moz with a mine life of eight years. Open pit mining methods are used, the ore being treated through a standard carbon-in-leach (CIL) processing plant.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Simberi	85.360	1.17	3,204,000	17.830	1.37	785,000	100	3,204,000	785,000

Production & Costs

	FY2007	FY2008*	1H 2009	Mar Qtr 2009
Ore Mined (Mt)		0.411	0.850	0.394
Ore Treated (Mt)		0.417	0.763	0.430
Gold Head Grade (g/t)		2.95	1.91	1.61
Recovery (%)		84.3	81.5	78.2
Gold Produced (ozs)		33,068	38,631	17,510
Cash Cost (A$/oz)		482	608	644
Cash Cost (A$/t)		38.26	30.80	26.23
Cash Costs (US$/oz)			474	428

* From February 2008

Hedging

Allied Gold restructured its hedge book reducing the overall duration by approximately twelve months. As at 31 March 2009 the mark-to-market of the hedge book was approximately US$11m.

Exploration

- A resource estimate carried out by Golder Associates for the Pigiput East oxides totalled an Indicated and Inferred Resource of 293,000oz of gold.
- At the Tabar-Tatau Joint Venture, Barrick Gold's exploration included drilling at the Tupinda prospect, drilling at the Banessa prospect, mapping and rock chip sampling at Tatau Island and completion of a Heli-EM survey.

Lonsec's opinion

- ✔ Potential for fairly significant expansion.
- ✔ Relatively low debt level.
- ✔ Exploration upside.
- ✖ Single mine company.
- ✖ Remote locality, although this can sometimes be a positive in PNG.
- ✖ No existing track record.

Andean Resources Limited (AND) - $1.89 www.andean.com.au

Overview

Andean Resources is an Australian listed company focused on exploration and development of gold projects in Argentina. The company is also listed on the Toronto Stock Exchange. The company recently entered into an agreement with a syndicate of underwriters to raise C$90m through the issue of 56.3m shares at C$1.60 per share. The net proceeds will be used to advance the exploration and development of the Cerro Negro Project in Argentina.

Capital Structure		**Financials**	
Fully Paid Shares:	405.5m	Equity:	$83.5m (31 Dec 08)
Options:	13.1m	Cash:	$28.8m (31 Dec 08))
Market Cap (Fully Diluted):	$766.4m	Debt:	Nil (31 Dec 08)

Operations/Projects

The **Cerro Negro Gold-Silver Project** is located in the Santa Cruz Province in southern Argentina. Mineralisation style is low-sulphidation, epithermal gold hosted within quartz veins and associated stockworks. There are approximately ten identified prospect areas with manifestations of epithermal gold mineralisation. The Vein Zone deposit and the new Eureka West deposit have been currently identified.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve	Resource	Resource
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs	ozs Silver	ozs Gold Eq
Cerro Negro:Vein	8.920	3.2	920,624				100	920,624	-		920,624
Cerro Negro:Eureka West	3.462	12.27	1,365,900				100	1,365,900		23,722,100	1,761,268
	12.382	5.7	2,286,524					2,286,524			2,681,892
Gold Equivalent	12.382	6.7	2,681,892				100	2,681,892			

Production & Costs

The company is at the advanced exploration stage and is not currently producing. A bankable feasibility study is scheduled for completion at the end of 2009.

Exploration

- The company's main exploration focus is the Cerro Negro Gold-Silver Project including expanding the resources at the Eureka West veins and developing inferred resources at the Eureka Main vein.
- Regional exploration resulted in two new gold and silver vein discoveries at the previously undrilled Bajo Negro prospect and the Mariana Sur prospect.

Lonsec's opinion

- ✔ Significant resource base.
- ✔ Low discovery cost.
- ✔ Highly prospective, good exploration potential.
- ✖ High market cap for a company that has yet to complete a feasibility study.

Apex Minerals NL (AXM) - $0.16

www.apexminerals.com

Overview

Apex Minerals is a gold exploration and development company with projects located in Western Australia. The company's major project is the Wiluna Gold Mine located in Western Australia. The company also has joint venture interests in nickel and lead-zinc. The company recently raised $14m through a share placement and has resolved to raise a further $14m through a rights issue to fund the completion of the delayed ramp-up of the Wiluna Gold Project to full capacity.

Capital Structure		**Financials**	
Fully Paid Shares:	555.8m	Equity:	$61.9m (31 Dec 08)
Options:	29.4m	Cash:	$2.85m (31 Dec 08))
Market Cap (Fully Diluted):	$88.9m	Debt:	$47.7m (31 Dec 08)

Operations/Projects

Apex Minerals acquired the **Wiluna Gold Project**, located 1,000km northeast of Perth in the Eastern Goldfields of Western Australia in August 2007. Ore is sourced from both open pit and underground mining operations. The **Wilsons (Gidgee) Gold Mine** is located 640km northeast of Perth in Western Australia. The project covers an area of 2,500km^2 and currently has a total JORC resource of 650,000oz gold and a 600,000tpa gold treatment plant (currently not in operation). The **Youanmi Gold Mine** is located 480km northeast of Perth in Western Australia. The project covers 40km of gold mineralised within a shear zone consisting of a high grade narrow vein style deposit. The project comprises a total JORC resource of 951,000oz gold, a 600,000tpa gold treatment plant, a 270,000tpa sulphide flotation plant and a BacTech bacterial oxidation treatment plant capable of treating the gold concentrate. Project development activities involving dewatering and refurbishment of the underground mine will be deferred to mid-2010. The **Aphrodite Gold Deposit** is located 65km north of Kalgoorlie in Western Australia. The project covers 51km^2 of the Bardoc Tectonic Zone which is a highly prospective regional gold bearing shear zone. The project comprises a refractory gold deposit containing 287,000oz of gold. The ore body is potentially accessible from a shared underground development in the event of a decision to mine.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	**Mt**	**g/t**	**ozs**	**Mt**	**g/t**	**ozs**	**%**	**Equity ozs**	**Equity ozs**
Wiluna	8.000	6.0	1,539,000	2.100	5.6	378,000	100	1,539,000	378,000
Gidgee (Wilsons)	3.270	6.0	626,000	0.826	6.4	170,000	100	626,000	170,000
Youanmi	8.230	3.6	953,000						-
Aphrodite	1.440	6.2	287,000						-
	20.940	5.1	3,405,000	2.926	5.83	548,000		2,165,000	548,000

Production & Costs

The commissioning of the Wiluna gold processing plant commenced in November 2008. To date, 44,356t at 3.78g/t Au has been milled at a production rate of approximately 7,000oz per month. The company has set an initial monthly production target of 10,000oz of Au at a cash operating cost of $560/oz.

Hedging

The company has 75,000oz forward sold at $1140/oz, which is approximately 60% of its first year of production. In addition, the company has 150,000oz of $952/oz put options, which is approximately 50% of its second and third year production.

Exploration

- Apex Minerals and Barrick Gold (56%) are jointly exploring the Lawlers Nickel Sulphide Project in the North Eastern Goldfields of Western Australia.
- The Jillawarra Joint Venture with Abra Mining (70%) covers an area of approximately 1,500km^2 and is prospective for lead and zinc.

Lonsec's opinion

- ✔ Potentially a reasonable sized producer.
- ✔ Potential for expansion.
- ✖ Recycled assets.
- ✖ Refractory ores.
- ✖ Production ramp up not as successful as expected.

Avoca Resources Limited (AVO) - $1.55

www.avocaresources.com.au

Overview

Avoca Resources is a mineral exploration and development company with projects in Western Australia and South Australia. The company has recently developed the Higginsville Gold Project and is exploring several high potential gold deposits in Western Australia. The company announced the successful completion of a private placement of $28.9m to finance the construction of the Trident paste fill plant and for future working capital. The company recently announced a $49m scrip takeover offer for Dioro Exploration NL (DIO).

Capital Structure		Financials	
Fully Paid Shares:	259.0m	Equity:	$101.3m (31 Dec 08)
Options:	11.9m	Cash:	$4.05m (31 Dec 08)
Market Cap (Fully Diluted):	$401.5m	Debt:	$104.8m (31 Dec 08)

Operations/Projects

The **Higginsville Gold Project** (100%) lies between Norseman and Kambalda in the Eastern Goldfields of Western Australia. Avoca acquired the project in July 2004. Following the construction and subsequent commissioning of the 1Mtpa Higginsville treatment facility, the company commenced gold production in July 2008. Exploration is currently focussed on the Trident Gold Deposit, the Main Higginsville Line of Lode, Chalice and Regional, all located within the 2677km^2 holding at Higginsville.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Trident	4.918	6.0	951,000	3.409	5.3	581,000	100	951,000	581,000
Trident Stockpiles	0.308	2.6	26,000				100	26,000	
Fairplay Area	3.598	1.8	209,000				100	209,000	
Chalice	0.741	5.2	123,000				100	123,000	
Paleochannels	1.379	2.0	88,000				100	88,000	
Other Higginsville	0.666	1.6	35,000				100	35,000	
Low Grade Stockpiles	0.644	0.7	15,000				100	15,000	
	12.254	3.7	1,447,000	3.409	5.3	581,000		1,447,000	581,000

Production & Costs

	FY2008	Sep Qtr 2008	Dec Qtr 2008	1H 2009	Mar Qtr 2009
Ore Mined (Mt)		0.179	0.243	0.421	0.271
Grade (g/t)		3.8	3.92	3.87	3.4
Ore Treated (Mt)		0.251	0.264	0.516	0.290
Gold Head Grade (g/t)		2.9	3.31	3.11	3.2
Recovery (%)		96.7	96.8	96.8	97.0
Gold Produced (ozs)		21,766	27,856	49,622	28,802
Cash Cost (A$/oz)					762
Cash Cost (A$/t)					75.78
Cash Costs (US$/oz)					-

Hedging

The company has no committed hedges, either through forward sales contracts or gold call options. However, the company has in place deferred premium gold put options protecting the Australian dollar gold price movements below $830/oz and generally covering reserve production through to March 2011.

Exploration

- Exploration work at Mt Fisher Gold-Nickel Project (100%), located 420km north of Kalgoorlie is continuing. Significant aircore drill results include 9m at 7.1g/t Au, 16m at 2.2g/t Au and 32m at 0.6g/t Au.
- Avoca's portfolio of seven joint ventures relates to uranium, base metals and gold exploration in the south and eastern regions of the Western Australian goldfields. Exploration work is continuing.

Lonsec's opinion

- ✔ Mineral endowment in the Higginsville area could extend mine life from four to ten years.
- ✔ Potentially a reasonably low cost producer.
- ✔ No hedging commitments but downside protection.
- ✖ Single mine company.
- ✖ Current short mine life (but with potential to extend, see above).
- ✖ Expensive based on most valuation measures.

Centamin Egypt Limited (CNT) - $1.79

www.centamin.com

Overview

Centamin is a gold exploration and development company that has been actively exploring in Egypt since 1995. The company's principal asset is the Sukari Gold Project located in the Eastern Desert of Egypt. The company is listed on the ASX, the London (AIM) Exchange and the Toronto Stock Exchange.

Capital Structure		**Financials**	
Fully Paid Shares:	991.3m	Equity:	US$329.7m (31 Dec 08)
Options:	22.9m	Cash:	US$97.5m (31 Dec 08)
Market Cap (Fully Diluted):	$1,774.4m	Debt:	Nil (31 Dec 08)

Operations/Projects

The **Sukari Gold Project** is located in the Eastern Desert, 700km south of Cairo in Egypt. The project covers an area of 160km^2. Construction began in 2007, and the company recently announced its first gold pour. The expected mine life is fifteen years.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	**Mt**	**g/t**	**ozs**	**Mt**	**g/t**	**ozs**	**%**	**Equity ozs**	**Equity ozs**
Sukari	191.000	1.53	9,390,000	142.000	1.40	6,400,000	50	4,695,000	3,200,000

Production & Costs

The Sukari Gold Project is expected to be in production starting at the end of the second quarter this year. A definitive feasibility study in February 2007 concluded that the project was expected to produce an average of 200,000 ozs per annum. Total capital construction costs are estimated at US$216m with average cash operating costs of US$365/oz.

Hedging

The company is unhedged.

Exploration

- Extensive regional exploration has been undertaken surrounding the Sukari Gold Mine, targeting stronger alteration and structurally complex shear zones and quartz veining.
- The company aims to produce a comprehensive geological, geochemical, structural and alteration map for the full tenement.

Lonsec's opinion

- ✔ Project was equity funded (sale of special warrant), hence no need for project financing.
- ✔ No debt, no hedging.
- ✔ Potentially a reasonable sized producer.
- ✖ Still in the commissioning stage, potential operational risk.
- ✖ Single mine company.

Citigold Corporation Limited (CTO) - $0.18 www.citigold.com

Overview

Citigold is a gold mining company producing gold from the Charters Towers goldfield in Queensland. A recent share purchase plan raised $9.5m to support the company's capital works program at the Charters Towers Gold Project. The company is listed on the ASX and the Dubai Stock Exchange.

Capital Structure		Financials	
Fully Paid Shares:	841.8m	Equity:	$197.5m (31 Dec 08)
Options:	37.6m	Cash:	$0.369m (31 Dec 08)
Market Cap (Fully Diluted):	$151.5m	Debt:	$11.3m (31 Dec 08)

Operations/Projects

The **Charters Towers Gold Project** is located 128km southwest of Townsville in north eastern Queensland, Australia. The underground development works continued to advance with the extension of the western decline and associated level drives to enable access to the second ore drive. The company expects these works to substantially increase gold production by the third quarter of calendar 2009.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Charters Towers	23.740	13.6	10,370,000	0.800	12.8	330,000	100	10,370,000	330,000

Production & Costs

	FY2007	FY2008	1H 2009	Mar Qtr 2009
Tonnes Treated (Mt)		0.063		
Gold Head Grade (g/t)				
Recovery (%)		97.0	97.4	97.4
Gold Produced (ozs)	3,319	17,497	6,529	2,522
Cash Cost (A$/oz)		495	415	488
Total Cost (A$/oz)				
Cash Cost (A$/t)				
Cash Cost (US$/oz)		444	324	324

Hedging

The company is unhedged.

Exploration

- The company's exploration focus is on the Charters Towers Gold Project mine site, implementing the large mine planning drill program.
- Regional exploration programs include ground geophysical surveys, mapping, stream sediment, soil and rock sampling. This work aims to delineate new drill targets outside the existing resource.

Lonsec's opinion

- ✔ Metallurgical recovery of gold, at around 97%, is high.
- ✔ Existing infrastructure.
- ✖ No clear strategy of how the company intends to meet its production objectives.
- ✖ Single mine company.
- ✖ Poor/incomplete reporting.
- ✖ Issues relating to resources, reserves.

CGA Mining Limited (CGX) - $1.50 www.cgamining.com

Overview

CGA Mining is a gold and copper exploration company with interests in Zambia, Nigeria and the Philippines. The company's principal asset is its indirect 64% interest in the Masbate Gold Project in the Philippines. The company recently announced a private placement of 14.8m shares for a total amount of $22.7m. The proceeds are proposed to be used to supplement general working capital during the initial months of production at the Masbate Gold Project. The company is listed on both the ASX and the Toronto Stock Exchange.

Capital Structure		**Financials**	
Fully Paid Shares:	269.2m	Equity:	US$123.0m (31 Dec 08)
Options:	14.4m	Cash:	US$30.6m (31 Dec 08)
Market Cap (Fully Diluted):	$403.8m	Debt:	US$101.8m (31 Dec 08)

Operations/Projects

The **Masbate Gold Project**, located in the Philippines, was successfully constructed with first gold poured on 12 May 2009. The project is currently ramping up to full production with a total indicated resource base of 4.5Moz, total inferred resource base of 3.2Moz and a probable reserve of 3.0Moz of gold. It is currently forecast to produce over 200,000 ounces per annum. Construction of the CIL processing plant and the 30MW power plant has been completed. The company acquired 51% interest in the **Segilola Gold Project** in Nigeria. The company has not yet commissioned a technical report on the project. Field work including new trenches, re-sampling old trenches and diamond drilling continues. Samples have been sent off for metallurgical test work to provide additional and ongoing confirmation for the gold recovery potential.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Masbate	280.560	0.9	7,770,000	92.236	1.02	3,032,000	64	4,972,800	1,940,480

Production & Costs

The US$250m Masbate Gold Project is estimated to produce 200,000 ounces per annum at an estimated cash cost of US$400/oz.

Hedging

The company has successfully executed a hedging program of puts covering 46,079 ounces and forward sales covering 214,337 ounces.

Exploration

- The company's activities focused on the completion and commissioning of the Masbate Gold Project and the continuation of a drilling program at the Segilola Gold Project.
- A regional exploration program at the Mkushi Copper Project in Zambia has been suspended to allow a full interpretation of results and resource estimation.

Lonsec's opinion

- ✔ Significant resource base at Masbate.
- ✔ Other exploration/projects.
- ✖ Country risk, particularly Philippines risk.
- ✖ Single mine company.
- ✖ Indirect interest in Masbate.

Dioro NL (DIO) - $0.60 www.dioro.com.au

Overview

Dioro is a gold exploration, development and production company based in Perth, WA. The company's principal assets are the South Kal Operations and the Frog's Leg Project, both located in Western Australia. Dioro is listed on both the ASX and the Toronto Stock Exchange. In April, Avoca Resources announced a scrip takeover offer for Dioro, on the basis of 1 Avoca share for every 2.82 Dioro shares.

Capital Structure		Financials	
Fully Paid Shares:	67.9m	Equity:	$87.5m (28 Feb 09)
Options:	12.0m	Cash:	$5.0m (28 Feb 09)
Market Cap (Fully Diluted):	$40.7m	Debt:	$8.1m (28 Feb 09)

Operations/Projects

The **South Kalgoorlie Operations** (South Kal) are located south of Kalgoorlie and around 50km from the company's 49% owned Frog's Leg Project. The project includes the 1.2Mtpa Jubilee mill and 1,675,000 ounces of resources. The company is currently completing detailed analysis of the resources to determine the quantum of mineable ore. The company will continue to run the mill at its full capacity by feeding a combination of ore from the project's open pit mine, the Frog's Leg underground mine and stockpiles of low grade ore. The **Frog's Leg Project** is located 25km west of Kalgoorlie in Western Australia. The resources have grown in the past three years with a 95% increase in 2007, a 37% increase in 2008 and a 6% increase in 2009. In addition, there has been an increase in grade to 7.0g/t. An ore reserve update is scheduled to be completed in July 2009 and will incorporate an improved mine design and stoping techniques. Ore production at the underground mine is anticipated to increase in accordance with the design schedule.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
South Kal	29.826	1.7	1,674,000	4.442	1.5	220,000	100	1,674,000	220,000
Frog's Leg	5.344	6.6	1,136,000	4.697	6.63	1,001,000	49	556,640	490,490
	35.170	2.49	2,810,000	9.139	4.16	1,221,000		2,230,640	710,490

Production & Costs

	Aug Qtr 2008	1H 2009	Feb Qtr 2009
Ore Mined (Mt)	0.315	0.590	0.192
Grade (g/t)	2.28	2.07	2.50
Ore Treated (Mt)	0.305	0.623	0.284
Gold Head Grade (g/t)	2.26	2.03	2.25
Recovery (%)	91.3	92.0	92.0
Gold Produced (ozs)	20,160	37,760	18,896
Cash Cost (A$/oz)		914	790
Cash Cost (A$/t)		55.40	52.52
Cash Costs (US$/oz)		714	525

Hedging

As part of the $10m debt facility, the company entered into four mandatory forward contracts, hedging 38,000 ounces at a net average gold price of $1,004/oz.

Exploration

- An agreement with the Jidi Jidi Aboriginal Corporation has been successfully signed allowing the company to explore for uranium at the Kunderong and Kennedy Joint Venture Projects, located 220km southwest of Newman in Western Australia. Under the terms of the farm in agreement, joint venture partner, Vale is to spend $4m on exploration at the project over the next four years to earn an interest of 60% in the uranium rights.

Lonsec's opinion

- ✔ Low debt level.
- ✔ Reasonably priced on EV/oz resource and reserve.
- ✖ "Recycled" South Kal Project.

Dominion Mining Limited (DOM) - $4.60 www.dml.com.au

Overview

Dominion Mining is a publicly listed Australian gold producer and explorer. The company's key asset is the 100% owned Challenger Gold Project located in South Australia which has been in production since October 2002.

Capital Structure		Financials	
Fully Paid Shares:	103.0m	Equity:	$112.6m (31 Dec 08)
Options:	8.4m	Cash:	$51.4m (31 Dec 08)
Market Cap (Fully Diluted):	$473.8m	Debt:	$0.3m (31 Dec 08)

Operations/Projects

The **Challenger Gold Mine** is located within the Gawler Craton region of South Australia. Open pit mining commenced in 2002 and by 2004, underground development commenced. Four principal ore positions have been delineated, the M1, M2 and M3 lodes and the M1 Shadow Zone. An expansion feasibility study has been completed and approved for the Challenger Plant to a throughput capacity of around 530,000tpa. The company anticipates a capital cost of $4.8m with an expected increased production rate of 120,000 ozs per annum from 2010. The mine has an estimated mine life of seven years.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Challenger	3.977	9.1	1,159,830	3.073	7.4	727,040	100	1,159,830	727,040

Production & Costs

	FY2007	FY2008	1H 2009	Mar Qtr 2009
Tonnes Mined (Mt)	0.383	0.450	0.247	0.107
Tonnes Treated (Mt)	0.374	0.433	0.216	0.108
Gold Head Grade (g/t)	9.66	8.35	8.12	7.38
Recovery (%)	93.4	93.8	94.1	93.8
Gold Produced (ozs)	108,191	109,326	52,283	25,141
Cash Cost (A$/oz)	309	367	416	459
Cash Cost (A$/t)	89.41	92.68	100.71	106.82
Cash Cost (US$/oz)	243	329	325	305

Hedging

The company has 36,276 ounces (representing 6% of current reserves) of forward sales contracts at an average delivered price of $1,004 per ounce. These are currently scheduled to be delivered between April 2009 and January 2010.

Exploration

- Exploration work was primarily focused on the M1, M2 and M3 Shoots at the Challenger Gold Mine. Drilling to further evaluate the continuity of the shoot system is ongoing.
- Exploration work at the Barton West Project (90%) located in the Eucla Basin District of South Australia is continuing with a targeted drilling program planned. Resources of heavy mineral sands is estimated to total 171.7Mt grading 2.8% HM.
- Aircore drilling at the Cundeelee Project (100%) situated on the Tropicana Belt in Western Australia targeted previous gold intercepts beneath surface anomalies defining gold mineralisation. Follow up reverse circulation drilling is planned.
- An interface drilling program at the Kukerin Project (100%) located in southern Western Australia is expected to be completed during the June quarter.

Lonsec's opinion

- ✔ Effectively debt free with more than $50m in cash.
- ✔ One of Australia's lowest cost gold producers.
- ✔ Highly successful in adding to reserve base.
- ✔ Extremely well managed company and mining operation.
- ✔ One of the few gold miners actually converting ounces produced into profits.
- ✖ Deeper mining could increase mining costs.
- ✖ Single mine company.

Dragon Mining Limited (DRA) - $0.058 www.dragon-mining.com.au

Overview

Dragon is a gold mining and exploration company primarily focused on Scandinavian operations. The company now has an interest in two gold operations: Svartliden in Sweden and Vammala in Finland. The company is also involved in exploring for gold and base metals in Finland, Sweden, Russia, Australia and Eritrea.

Capital Structure		Financials	
Fully Paid Shares:	737.3m	Equity:	$44.2m (31 Dec 08)
Options:	13.4m	Cash:	$8.5m (31 Dec 08)
Market Cap (Fully Diluted):	$42.8m	Debt:	$21.1m (31 Dec 08)

Operations/Projects

The **Svartliden Gold Project** is located 700km north of Stockholm in Sweden and was brought into production in March 2005. The ore is processed through a CIL plant with a design capacity of 300,000tpa. To date, the open pit mine has produced 181,677 ounces of gold. Work will continue on a new operating licence application with the aim of including the future underground mining operation. The process is expected to be completed during 2009. The **Vammala Plant** is located in the Tampere region, an area enriched with gold and nickel mineralisation in southern Finland. Dragon owns the plant, the nearby **Orivesi Gold Mine** and the **Jokisivu Gold Project**. The plant is a 600,000tpa crushing, milling and flotation facility.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Svartliden	1.791	3.1	179,900	0.638	3.7	76,300	100	179,900	76,300
Vammala	2.945	6.2	588,700	0.182	7.0	41,000	100	588,700	41,000
Kuusamo	1.349	4.1	178,800				100	178,800	-
Koka	5.130	6.3	1,041,300				20	208,260	-
	11.216	5.52	1,988,700	0.820	4.4	117,300		1,155,660	117,300

Production & Costs

	CY2007	CY2008	2H 2008	Mar Qtr 2009
Ore Mined (Mt)	0.398	0.515	0.278	0.144
Ore Treated (Mt)	0.413	0.451	0.236	0.122
Gold Head Grade (g/t)	5.37	5.72	5.68	4.49
Recovery (%)	88.90	89.7	90.6	87.3
Gold Produced (ozs)	63,137	74,206	38,816	15,313
Cash Cost (A$/oz)	577	700	727	956
Cash Cost (A$/t)	88.17	115.01	119.47	119.61
Cash Costs (US$/oz)	482	596	568	635

Hedging

At the end of March, the company had 3,250 ounces of gold hedging remaining at a forward price of US$406. The mark-to-market of the hedge book was negative US$1.7m. The company will continue to deliver 500 ounces per month from Svartliden production into the gold hedge book.

Exploration

- Four exploration licenses covering the Zara Gold Project in Eritrea have been extended by the Government for a further twelve months. The project is managed by Sub-Sahara Resources NL and Dragon has a 20% interest and is free carried to completion of a bankable feasibility study expected to be completed in May 2010.
- Exploration work focussed on drilling the depth extensions at the Svartliden Gold Mine. Also, regional exploration activities continued with the despatch of infill geochemical samples and reconnaissance work.
- The Dragon Mining-Vale Inco Alliance was terminated effective 31 March 2009. The company has decided to continue with only eight of the twenty-four pending applications which encompass nickel mineralisation.
- The evaluation of the nickel-copper potential of the Vammala area continues with efforts primarily focussed on the historic Stormi and Ekojoki nickel-copper occurrences which are located in the immediate vicinity of the Vammala Production Centre.

Lonsec's opinion

- ✔ Upside from the Zara Joint Venture.
- ✖ Costs have risen substantially since 2007.
- ✖ Relatively small producer.
- ✖ Fairly high EV/oz reserve.

Focus Minerals Limited (FML) - $0.026 www.focusminerals.com.au

Overview

Focus Minerals is an Australian based exploration and development company with gold and nickel projects in Western Australia. The company recently raised $25m to fund refurbishment of its 1.2Mtpa Three Mile Hill treatment facility.

Capital Structure		Financials	
Fully Paid Shares:	2,646.1m	Equity:	$40.4m (31 Dec 08)
Options:	59.3m	Cash:	$4.7m (31 Dec 08)
Market Cap (Fully Diluted):	$68.8m	Debt:	Nil (31 Dec 08)

Operations/Projects

The **Coolgardie Gold Project** is located in the Coolgardie region, 40km west of Kalgoorlie in Western Australia. The project area covers 210km^2 of the Coolgardie Archean Greenstone Belt. Production commenced at the Perseverance Project in April 2008 and the mine recently reached 35,274 ounces (one tonne) of total refined gold production. With the refurbishment of the 1.2Mtpa Three Mile Hill processing plant, the company aims to increase gold production to 80,000 ounces in 2010 and +100,000 ounces from 2011 onwards.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Perseverance	0.49	7.5	118,500	0.69	4.5	100,000	100	118,500	100,000
Countess	0.45	4.0	57,700	0.91	4.4	128,700	100	57,700	128,700
Brillant	3.10	2.4	240,100				100	240,100	-
Total Coolgardie	4.042	3.2	416,300	1.598	4.45	228,700		416,300	228,700

Production & Costs

	FY2008*	Sep Qtr 2008	Dec Qtr 2008	1H 2009	Mar Qtr 2009
Ore Mined (Mt)		0.020	0.068	0.088	0.059
Ore Treated (Mt)	0.041				
Recovered Grade (g/t)	3.35	6.2	4.12	4.59	4.69
Gold Produced (ozs)	4,456	3,982	9,007	12,989	9,187
Cash Cost (A$/oz)	467			673	580
Cash Cost (A$/t)	50.34			99.23	90.41
Cash Costs (US$/oz)				526	385

Hedging

At 30 June 2008 the company had forward gold contracts for a total of 32,000 ozs gold and 15,450 ozs of gold put options. The company expects its hedge position to be fully closed out by September 2009.

Exploration

- The company plans to recommence exploration at the Coolgardie Gold Project in June to ensure that a long term production profile can be sustained.
- A Feasibility Study at the Nepean Nickel Project was completed in 2008. The company has made a commercial decision to defer mining for the moment and concentrate on deep drilling beneath the current mine workings to further enhance mining opportunities.

Lonsec's opinion

- ✔ No debt.
- ✔ Potential to increase production.
- ✖ Largely "recycled" assets.
- ✖ Single mine operation.
- ✖ High EV/oz reserve.

Integra Mining Limited (IGR) - $0.29 www.integramining.com.au

Overview

Integra Mining is an Australian gold exploration company. The company's flagship project is the Aldiss-Randalls Gold Project east of Kalgoorlie in Western Australia. The company recently announced the placement of 70m shares at 19.5c per share to raise gross proceeds of approximately $13.7m. Funds raised from this issue will be used for the Randalls Project Feasibility Study and exploration at the Aldiss-Randalls Project.

Capital Structure		Financials	
Fully Paid Shares:	470.5m	Equity:	$44.6m (31 Dec 08)
Options:	24.8m	Cash:	$8.8m (31 Dec 08)
Market Cap (Fully Diluted):	$136.5m	Debt:	Nil (31 Dec 08)

Operations/Projects

A feasibility study at the **Aldiss-Randalls Project** (100%) located 75km east of Kalgoorlie in Western Australia is approximately 70% complete. Major elements nearing completion include resources to reserves conversion drilling, mill construction tenders and mine design. The company's primary focus is on the Salt Creek and Maxwells gold deposits. Ore from the development of these two significant open pit mining areas would be treated at the central processing plant located at Salt Creek. Consolidated mineral resources are estimated to be 1.8Moz at an average grade of 2.8g/t gold. The **Oodnadatta Gold Project** is located 400km north-northwest of Olympic Dam in South Australia. Joint venture partner Barrick Gold of Australia Ltd intends to withdraw from the project. The company will decide whether to proceed on a sole basis or to seek a new earn-in partner.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Randals	10.809	3.25	1,129,915				100	1,129,915	
Aldiss	7.055	2.21	502,226				100	502,226	
Mt Monger	2.015	2.00	129,548				100	129,548	
	19.879	2.8	1,761,689					1,761,689	

Production & Costs

The company's project is still at the feasibility stage and there is subsequently no historic production or costs. Annual gold production of around 120,000 ozs is expected.

Exploration

- Exploration activity focused on diamond drilling at the Aldiss-Randalls Gold Project. Activity also focused on evaluation of a number of new discovery opportunities within the area and preparation for a major new exploration drilling initiative.

Lonsec's opinion

- ✔ Reasonable cash levels.
- ✔ Zero debt.
- ✖ Still at feasibility stage, therefore subject to construction/development risks and delays.
- ✖ Will become a single mine company.

Intrepid Mines Limited (IAU) - $0.325 www.intrepidmines.com

Overview

Intrepid Mines is an international precious metals producer, developer and explorer operating in Australia, Argentina, Indonesia, Mexico and El Salvador. The company is listed on the both the ASX and TSX. The company's only operating mine is the Paulsens Gold Mine in Western Australia.

Capital Structure		Financials	
Fully Paid Shares:	415.8m	Equity:	US$46.6m (31 Dec 08)
Options:	22.0m	Cash:	US$10.9m (31 Dec 08)
Market Cap (Fully Diluted):	$135.1m	Debt:	US$0.3m (31 Dec 08)

Operations/Projects

The **Paulsens Gold Mine** is located in the Pilbara, WA, approximately 180km west-northwest of Paraburdoo. The conventional CIL plant has a nominal capacity of 250,000tpa, but has consistently operated at 325,000tpa. Mining is by underground methods. Based on current reserves, the mine life is less than one year, although this may be slightly extended by the conversion of resources. Construction of the **Casposo Gold-Silver Project** in Argentina was postponed in October 2008 and the project was recently sold to Troy Resources for US$22m. Drilling at the **Tujah Bukit Joint Venture** in Indonesia (Intrepid 80%) has delineated a substantial near-surface oxide gold/silver resource with gold grades of around 0.6g/t and silver grades of around 27g/t. The company will need to work with relevant Indonesian authorities should they choose to proceed with exploration activities.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve	Resource
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs	ozs Gold Eq
Tujah Bukit	80.057	0.58	1,490,210				80	1,192,168		2,102,420
Paulsens	0.269	9.23	79,800	0.219	7.0	49,300	100	79,800	49,300	79,800
	80.326	0.61	1,570,010	0.219	7.00	49,300		1,271,968	49,300	2,182,220
Gold Equivalent	80.326	1.05	2,707,825	0.219	7.00	49,300		1,271,968	49,300	2,182,220

Production & Costs

	CY2007	CY2008	2H 2008	Mar Qtr 2009
Ore Mined (Mt)	0.325	0.324	0.164	0.090
Grade (g/t)	7.38	7.8	6.9	8.4
Ore Treated (Mt)	0.326	0.330	0.168	0.083
Gold Head Grade (g/t)	7.31	7.8	6.9	8.7
Recovery (%)	93.4	94.0	93.0	95.0
Gold Produced (ozs)	71,464	78,252	35,196	20,141
Cash Cost (A$/oz)	503	561	639	520
Cash Cost (A$/t)	110.40	132.89	134.14	126.56
Cash Cost (US$/oz)	420	478	499	345

Hedging

The company is currently unhedged.

Exploration

- The company's main exploration focus is currently the Paulsens Project, where the delineation of additional reserves or conversion of existing resources is crucial to maintain production beyond one to two years.
- Intrepid and Aura Silver are jointly exploring the Taviche Project in Mexico for high grade silver-gold deposits.
- As the El Salvador government has not provided exploration permits to any mining companies over the past twelve months, the company is in the process of ceasing activities in the country.

Lonsec's opinion

✔ Positive exploration.

✖ Short mine life.

✖ Single mine company.

✖ Very high EV/oz reserve.

Kingsgate Consolidated Limited (KCN) - $7.01 www.kingsgate.com.au

Overview

Kingsgate Consolidated is a gold mining and exploration company which owns and operates the Chatree Gold Mine in central Thailand.

Capital Structure		Financials	
Fully Paid Shares:	96.1m	Equity:	$208.5m (31 Dec 08)
Options:	5.9m	Cash:	$4.8m (31 Dec 08)
Market Cap (Fully Diluted):	$673.9m	Debt:	$7.7m (31 Dec 08)

Operations/Projects

The **Chatree Gold Mine** is located 280km north of Bangkok in Thailand. The Chatree deposit was discovered in 1995 and mining leases were applied for in 1997 and granted in 2000. Production commenced in November 2001 and plant capacity is currently 2.4Mtpa. A further expansion is planned for 2009-2010 to increase plant throughput to 5Mtpa with an anticipated mine life of eight years. The processing plant is currently operating at full capacity of 2.4Mtpa. Conventional open pit mining methods are used. The company forecasts annual gold production to be 150,000 ounces at cash costs of US$350/oz.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Chatree	81.000	1.2	3,160,000	35.330	1.2	1,381,000	100	3,160,000	1,381,000

Production & Costs

	FY2007	FY2008	1H 2009	Mar Qtr 2009
Tonnes Mined (Mt)	1.523	0.977	0.581	0.649
Tonnes Treated (Mt)	2.405	2.474	0.581	0.649
Gold Head Grade (g/t)	1.20	1.1	1.0	1.7
Recovery (%)	90.0	88.8	90.7	91.8
Gold Produced (ozs)	85,994	74,137	16,974	32,992
Cash Cost (A$/oz)	560	510	1,166	548
Cash Cost (A$/t)	20.02	15.28	34.09	27.87
Cash Cost (US$/oz)	440	457	911	364
Total Cost (US$/oz)	524	556	1,021	428

Hedging

The company is currently unhedged.

Exploration

- Regional exploration drilling continues at the new Chokdee Prospect, located 20km north of the Chatree Gold Mine in Thailand. Wide zones of significant gold mineralisation with high grade sections were intersected from near surface and potential extensions have been identified.

Lonsec's opinion

- ✔ Virtually debt free.
- ✔ Good exploration prospects.
- ✔ Expanded operations from 2009.
- ✖ Single mine company.
- ✖ Perceived country risk.

Lihir Gold Limited (LGL) - $2.96 www.lglgold.com

Overview

Lihir Gold is a mining, development and exploration company focussed on gold mining and processing in Papua New Guinea. Following the acquisition of Equigold in 2008, the company now also has gold operations in West Africa and Australia. The company is listed on both the ASX and the TSX. The company recently completed an institutional placement raising US$325m. A share purchase plan was also completed raising approximately $25m. Proceeds of the issue will be used for the plant expansion at Lihir Island.

Capital Structure		Financials	
Fully Paid Shares:	2,368.7m	Equity:	$2,928m (31 Dec 08)
Options:	161.5m	Cash:	$64.7m (31 Dec 08)
Market Cap (Fully Diluted):	$7,011.4m	Debt:	$0.5m (31 Dec 08)

Operations/Projects

Lihir Gold's main operation is located on **Lihir Island**, 900km north of Port Moresby in Papua New Guinea. Annual production from the open pit mine is 6Mt of ore and 4-6Mt of lower grade ore with a mine life of up to thirty years. Lihir Gold acquired the **Ballarat Project** located 100km west of Melbourne, Victoria in March 2007. The ongoing reassessment of the project has led to a reduction in estimated production in the current year to approximately 20,000 ozs. The **Mount Rawdon Gold/Silver Project** is located 80km south-west of Bundaberg in south east Queensland and was acquired in June 2008. Gold production from the open pit is expected to be 90,000oz in 2009 with a mine life of approximately ten years. The **Bonikro Gold Project** (85%) is located in the central-southern portion of the Ivory Coast in West Africa and was acquired in June 2008.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Lihir	430.5	2.63	36,403,202	239.6	2.83	21,800,376	100	36,403,202	21,800,376
Mount Rawdon	52.123	0.90	1,509,000	35.459	1.0	1,086,200	100	1,509,000	1,086,200
Bonikro	24.579	1.73	1,365,000	15.960	1.8	930,000	90	1,228,500	837,000
Other Cote D'Ivoire	7.439	2.7	650,000				98	637,000	-
Ballarat East	3.9	11.8	1,479,576				100	1,479,576	-
	518.5	2.48	41,406,778	291.0	2.55	23,816,576		41,257,278	23,723,576

Production & Costs

	CY2007	CY2008	2H 2008	Mar Qtr 2009
Ore Treated (Mt)	4.816	8.782	5.686	2.893
Gold Head Grade (g/t)	5.51	3.58	3.51	3.70
Recovery (%)	86.0	85.7	86.3	85.2
Gold Produced (ozs)	700,211	867,550	552,832	308,301
Cash Cost (A$/oz)	361	469	486	495
Cash Cost (A$/t)	52.42	46.35	47.25	52.81
Cash Cost (US$/oz)	301	400	379	329

* Excludes Ballarat production

Hedging

The remainder of the hedge book - 95,782 ozs - is due to be delivered at $600/oz over the next six quarters.

Exploration

- Exploration activity focussed on the unexplored area between the Kapit and Lienetz pits at the Lihir Island.
- An additional five exploration licences were granted at Côte d'Ivoire totalling 16 licences and covering an area of 10,663km^2 of prospective ground. An extensive drilling program is planned.

Lonsec's opinion

- ✔ Debt free, with cash reserves estimated to be around $500m.
- ✔ Large resource and reserve base, long life operation at Lihir.
- ✔ Multiple sources of gold post the Equigold merger.
- ✖ Ballarat was a very poor acquisition.
- ✖ Significant cost in expanding production at Lihir.

Medusa Mining Limited (MML) - $2.10 www.medusamining.com.au

Overview

Medusa Mining is a gold and copper production and exploration company with major activities concentrated in the Philippines. The company has been listed on the ASX since December 2003. The company recently announced a placement of 20.3m fully paid shares at $1.21 per share to raise $24.5m. The proceeds will be applied to the Co-O underground mine expansion.

Capital Structure		Financials	
Fully Paid Shares:	168.7m	Equity:	$93.2m (31 Dec 08)
Options:	5.1m	Cash:	$5.7m (31 Dec 08)
Market Cap (Fully Diluted):	$354.3m	Debt:	Nil (31 Dec 08)

Operations/Projects

The **Co-O Gold Mine** is located in the central-eastern region of the Philippines. The tenement lies over a regional structural feature, the Philippine Rift Fault, where mineralisation occurs as copper-gold porphyries, epithermal gold veins, skarn and disseminated deposits. Open pit and underground mining methods are used at the mine. Phase I mine expansion works are continuing with a total of 2,893m development completed. The company expects to produce 60,000 ozs annually once the Phase I expansion is complete. Phase II expansion has commenced with the setting up of the collar and headframe at the western end of the mine.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Co-O	2.820	13.3	1,203,000	0.72	10.7	249,000	100	1,203,000	249,000

Production & Costs

	FY2007	FY2008	1H 2009	Mar Qtr 2009
Ore Treated (Mt)				
Gold Head Grade (g/t)	11.9	10.42	13.13	13.05
Gold Produced (ozs)	16,616	19,009	19,144	12,716
Cash Cost (A$/oz)	342	277	288	580
Cash Cost (A$/t)				
Cash Costs (US$/oz)	269	248	225	211

Hedging

The company is currently unhedged.

Exploration

- Exploration work continues at the Lingig Porphyry Copper Discovery, comprising two prospects situated to the north and east of the Co-O Mine.
- Exploration work also continues at the Tambis-Barobo Project, under a mining agreement with Philex Gold Philippines Inc. over mineral production sharing of the gold, copper and iron-rich area.
- Exploration activities continue at the Kamarangan Copper Project, through its Philippines operating company Philsaga Mining Corporation.

Lonsec's opinion

- ✔ Low cost producer.
- ✔ Debt free.
- ✖ Country risk – Philippines.
- ✖ Relatively small producer.
- ✖ Single mine company.

Mineral Deposits Limited (MDL) - $0.64

www.mineraldeposits.com.au

Overview

Mineral Deposits is a heavy minerals and gold exploration and development company, focused on the Sabodala Gold Project in Senegal, Africa. The company also has the Grande Cote Zircon and Ilmenite Project located in Senegal, Africa. The company has been listed on the ASX since April 1997.

Capital Structure		Financials	
Fully Paid Shares:	563.4m	Equity:	$506.4m (31 Dec 08)
Options:	45.1m	Cash:	$48.0m (31 Dec 08)
Market Cap (Fully Diluted):	$360.6m	Debt:	$112.5m (31 Dec 08)

Operations/Projects

The **Sabodala Gold Project** is located 650km southeast of the capital Dakar in far west Senegal. The project covers an area of 20.3km^2 and includes both the Sabodala and Niakafiri deposits. Gold production commenced on 15 March 2009 and the company expects to produce 160,000 ozs in calendar 2009 at a cash cost of US$430/oz. The resource is mined by conventional open pit methods with an estimated mine life of ten years. The new 2Mtpa carbon-in-leach (CIL) treatment plant at Sabodala is now operating at nominal mill capacity.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Sabodala	52.7	1.75	2,963,000	21.8	2.13	1,489,000	90	2,666,700	1,340,100
Niakafiri	14.4	1.18	547,000	2.9	1.63	154,000	90	492,300	138,600
	67.1	1.63	3,510,000	24.720	2.07	1,643,000		3,159,000	1,478,700

Production & Costs

The US$220m Sabodala Gold Plant commissioning has proceeded with the plant currently operating at rates of 2Mtpa. The company expects to produce approximately 160,000oz of gold to 31 December 2009 at a cash operating cost of between US$420 and US$440 per ounce.

Hedging

At the end of March, the company had hedged to 399,000 ozs at a flat forward delivery price of US$846 per ounce. This gold is for delivery at quarterly intervals in various amounts that reflect the gold production schedule over the period from May 2009 to February 2013.

Exploration

- The company has four gold exploration joint ventures covering 1,750km^2 of the Birimian greenstone belt in Senegal. Regional exploration work is continuing.
- A study to incorporate commercial production at the **Grande Côte Zircon-Ilmenite Project** located 100km northeast of Dakar in Senegal is underway.

Lonsec's opinion

- ✔ Significant upside from mineral sands (not factored into resource valuation).
- ✔ Reasonable sized producer.
- ✖ Perceived country (African) risk.

Newcrest Mining Limited (NCM) - $30.03 www.newcrest.com.au

Overview

Newcrest Mining is Australia's largest gold producer and a leading international gold company. The company's main focus is its gold operations in Australia and Indonesia with other projects in Papua New Guinea and Fiji. The company also produces significant amounts of copper as a co-product from three of its operating mines. A share purchase plan was recently completed raising approximately $59m following a $750m institutional placement of shares.

Capital Structure		Financials	
Fully Paid Shares:	483.8m	Equity:	$3,458m (31 Dec 08)
Options:	1.2m	Cash:	$170.1m (31 Dec 08)
Market Cap (Fully Diluted):	$14,528.5m	Debt:	$839.4m (31 Dec 08)

Operations/Projects

The **Cadia Hill Mine** is located in the Orange District in central western New South Wales. Annual gold production from the open pit is around 250,000 ozs. Operations at the **Ridgeway Mine**, also located in the Cadia Valley, commenced in 2002. The underground mine has an estimated mine life of approximately one year. The **Cracow Joint Venture Mine** (70%) is located approximately 500km northwest of Brisbane in central Queensland. Underground mining methods are used at the mine with an estimated mine life of approximately three years. The **Kencana Mine** (82.5%) is located within the Gosowong gold province on Halmahera Island in the North Maluku province in Indonesia. Kencana is an underground mine with an estimated mine life of approximately four years. The **Telfer Mine** is located in the Great Sandy Desert in the Paterson Province of Western Australia, 450km east-southeast of Port Hedland. The operations comprise both underground and open pit mining. The underground mine has an estimated mine life of six years and the open pit mine has an estimated mine life of fourteen years.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs	t copper	t copper
Cadia Hill	417.0	0.5	6,300,000	137.0	0.7	2,900,000	100	6,300,000	2,900,000	520,000	210,000
Cadia Extended	37.0	0.4	500,000				100	500,000	-	80,000	
Big Cadia	34.0	0.4	400,000							170,000	
Cadia East	1,834.0	0.5	28,000,000	828.0	0.6	15,800,000	100	28,000,000	15,800,000	5,570,000	2,680,000
Ridgeway	157.0	0.8	4,100,000	74.0	0.9	2,200,000	100	4,100,000	2,200,000	610,000	310,000
Telfer	572.3	1.1	19,500,000	461.0	1.0	14,400,000	100	19,500,000	14,400,000	710,000	550,000
Kencana	2.6	33.5	2,800,000	2.5	28.6	2,300,000	83	2,310,000	1,897,500		
Cracow	2.0	7.8	500,000	0.4	7.8	100,000	70	350,000	70,000		
Harmony JV	179.0	1.3	7,300,000	56.0	1.2	2,100,000	50	3,650,000	1,050,000	880,000	400,000
Marsden	186.0	0.2	1,100,000				100	1,100,000	-	640,000	
Total	3,420.9	0.6	70,500,000	1,558.9	0.8	39,800,000		65,810,000	38,317,500	9,180,000	4,150,000
Gold Equivalent	3,420.9	0.89	97,856,275	1,558.9	1.05	52,418,208		93,166,275	50,935,708		

Production & Costs

	FY2007	FY2008	1H 2009	Mar Qtr 2009
Tonnes Treated (Mt)	43.473	41.434	20.089	11.061
Gold Head Grade (g/t)	1.37	1.53	1.55	1.22
Gold Produced (ozs)	1,617,251	1,781,182	868,562	364,794
Copper Grade (%)	0.25	0.23	0.24	0.24
Copper Produced (t)	88,940	87,458	42,782	23,436
Cash Cost (A$/oz)	280	261	448	507
Total Cost (A$/oz)	420	416	600	707
Cash Cost (A$/t)	10.42	11.22	19.37	16.72
Cash Cost (US$oz)	220	234	350	337

Hedging

The company is currently unhedged.

Exploration

- Exploration drilling at the Namosi Joint Venture (NCM 65%) in Fiji is continuing with assay results pending.
- Drilling is continuing at the Morobe Mining Joint Venture (NCM 50%) in Papua New Guinea.

Lonsec's opinion

- ✔ Multiple sources of gold.
- ✔ Copper makes a significant contribution to profitability.
- ✔ Mainly large, long-life, lower cost operations.
- ✔ Significant organic growth potential.
- ✖ Not cheap on valuation or earnings multiples.

North Queensland Metals Limited (NQM) - $0.26 www.nqm.com.au

Overview

North Queensland Metals is a gold production and exploration company primarily focussed on the Pajingo Gold Mine (60%) located in Queensland. The company also has interests in the Herberton Copper-Tin-Silver-Indium Project located in North Queensland. The company aims to open a second gold mine through an option over the Dotswood Project, northeast of Charters Towers and is actively looking to expand its gold interests on its extensive exploration area in the Drummond Basin.

Capital Structure		Financials	
Fully Paid Shares:	147.2m	Equity:	$39.3m (31 Dec 08)
Options:	1.3m	Cash:	$1.2m (31 Dec 08)
Market Cap (Fully Diluted):	$38.3m	Debt:	Nil (31 Dec 08)

Operations/Projects

The company acquired 60% of the **Pajingo Gold Mine** along with its joint venture partner Heemskirk Consolidated. The mine is located 53km south of Charters Towers in Queensland. The mine has produced more than 2.3Moz of gold from underground operations since 1996 at a grade of 11g/t. The operations comprise open pit and underground mining and have an estimated mine life of five years. The company has concluded negotiations for an option agreement to purchase the **Dotswood Gold Project** located 60km southwest of Townsville in Queensland. The project has a history of gold production from previous owners during 1986-1987 and 2000-2004. This is an advanced underground project and the company plans to undertake confirmatory drilling in the six-month option period with the expectation of completing a scoping study to decide whether to proceed with the purchase of the project.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Pajingo	1.475	8.1	384,000	0.538	5.9	102,000	60	230,400	61,200

Production & Costs

Gold production for the March 2009 quarter was 11,676 ounces at a cash cost of $725/oz, compared with the December 2008 quarter of 16,287 ounces at a cash cost of $634/oz.

Hedging

By the end of the March quarter, the company closed out both April and May forward sales totalling 3,240 ozs of gold.

Exploration

- Exploration activities focussed on the Baal Gammon copper-tin-silver-indium project located within the Herberton Project using soil grids of geophysical anomalies to identify new potential high grade tin pipes. A drilling program within the tenements is also underway.

Lonsec's opinion

- ✔ Debt free.
- ✖ Small producer.
- ✖ Short mine life.
- ✖ Relatively high cost

Norton Gold Fields Limited (NGF) - $0.20

www.nortongoldfields.com.au

Overview

Norton Gold Fields is a gold production and exploration company focused on the Paddington Gold Mine near Kalgoorlie, Western Australia. The company also has active copper and coal exploration projects. The company has been listed on the ASX since September 2005.

Capital Structure		Financials	
Fully Paid Shares:	420.6m	Equity:	$1.4m (31 Dec 08)
Options:	66.2m	Cash:	$22.8m (31 Dec 08)
Market Cap (Fully Diluted):	$84.1m	Debt:	$36.6m (31 Dec 08)

Operations/Projects

The **Paddington Gold Mine** is located 40km north of Kalgoorlie in Western Australia. The project area of 1,200km^2 contains over one hundred known prospects. Paddington's Homestead underground mine has recently opened and is expected to produce approximately 50,000 ozs per annum in addition to 150,000 ozs per annum from the open cut mine. The carbon-in-leach (CIL) processing operation has the capacity to process over 3Mt of ore annually. Paddington has an estimated mine life of ten years. The **Mount Morgan Mine** is located 38km south west of Rockhampton in Queensland and was acquired by Norton in 2007. Gold was discovered at Mount Morgan in 1882 and mining commenced in 1883 until open pit operations ceased in 1981. Project development is planned in two phases; phase one comprises the construction and commissioning of a tailings re-treatment operation for gold recovery and phase two involves increasing project profitability.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Paddington	75.92	2.06	5,023,000	18.34	1.78	1,052,200	100	5,023,000	1,052,200
Bellamel Assets	73.85	1.17	2,777,930				100	2,777,930	-
	149.77	1.62	7,800,930	18.34	1.78	1,052,200		7,800,930	1,052,200

Production & Costs

	FY2007	FY2008*	1H 2009	Mar Qtr 2009
Ore Mined (Mt)		1.418	1.223	0.866
Grade (g/t)		1.85	1.44	1.45
Ore Treated (Mt)		2.691	1.581	0.789
Gold Head Grade (g/t)		1.53	1.39	1.48
Recovery (%)		92.0	91.2	94.7
Gold Produced (ozs)		125,526	63,893	36,153
Cash Cost (A$/oz)		659	851	743
Cash Cost (A$/t)		30.74	34.40	34.05

Hedging

Norton has forward sold approximately 70,000 ozs of gold per year at a price of $875/oz covering the period to June 2012.

Exploration

- Exploration activities centred on drilling at the recently-acquired Bellamel assets. Conversion drilling and project optimisation has allowed further optimisation of the life of mine plan and introduced new projects to the project pipeline.
- Exploration at the Sienna Coal Deposit located in the Bowen Basin continued. The inferred resource estimation for the project totals 57.0Mt with an average cumulative coal seam thickness of 9.4m.

Lonsec's opinion

- ✔ Reasonable-sized producer.
- ✔ Potential to develop a second operation.
- ✖ Initially a single mine company.
- ✖ "Recycled" mines, Paddington has a recent history of lack of ore.
- ✖ Upside limited by hedging programme, but does provide protection for a relatively high cost producer.

OceanaGold Corporation (OGC) - $1.11 www.oceanagold.com

Overview

OceanaGold is a mineral exploration company with production, development and exploration projects located in New Zealand and the Philippines. The company's major operations are the Macraes and Reefton Projects in New Zealand. The company is listed on the Australian, Toronto and New Zealand Stock Exchanges.

Capital Structure		Financials	
Fully Paid Shares:	161.6m	Equity:	US$246.7m (31 Dec 08)
Options:	4.0m	Cash:	US$9.7m (31 Dec 08)
Market Cap (Fully Diluted):	$179.4m	Debt:	US$156.7m (31 Dec 08)

Operations/Projects

The **Macraes Gold Mine** is located in the historic Macraes Goldfields, 100km north of Dunedin in the Otago region of the South Island of New Zealand. The mine has produced over 2Moz of gold since mining operations began in 1990 with a current estimated mine life of six years. Open pit and underground mining methods are used at the mine with a treatment plant utilising flotation and pressure oxidation leaching. The **Reefton Gold Mine** is located 7km southeast of the township of Reefton, within the West Coast Region of New Zealand's South Island. Ore from the open pit mine is treated at an adjacent plant and the gold concentrate is sent by rail to the Macraes pressure oxidation plant for final processing. The mine is expected to produce 65,000 ozs gold per annum and has an estimated mine life of seven years. The **Didipio Gold-Copper Project** is located approximately 270km north of Manila in Luzon Island, Philippines. The project has been placed under care and maintenance.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs	t copper	t copper
Macraes	82.530	1.28	3,388,808	26.870	1.27	1,097,140	100	3,388,808	1,097,140		
Reefton	15.720	2.47	1,247,342	5.180	2.08	346,405	100	1,247,342	346,405		
Sams Creek							100	-	-		
Didipio	89.770	0.85	2,440,423	34.820	1.48	1,656,842	100	2,440,423	1,656,842	337,000	195,000
Total	188.020	1.17	7,076,573	66.870	1.44	3,100,387		7,076,573	3,100,387	337,000	195,000
Gold Equivalent	188.020	1.36	8,210,530	66.870	1.75	3,756,534		8,210,530	3,756,534		

Production & Costs

	CY2007	CY2008	2H 2008	Mar Qtr 2009
Ore Treated (Mt)	6.166	6.738	3.414	1.743
Gold Head Grade (g/t)	1.20	1.52	1.57	1.90
Recovery (%)	77.5	79.1	81.4	81.5
Gold Produced (ozs)	183,209	259,812	138,688	84,037
Cash Cost (A$/oz)	666	624	588	420
Cash Cost (A$/t)	19.79	24.06	23.87	20.26
Cash Costs (US$/oz)	556	532	459	279

Hedging

The company settled its gold hedging contracts for the first nine months of 2008 for US$26m. This transaction reduces the company's fixed forward contracts by 78,312oz bringing the total fixed forward contracts outstanding to 241,476oz. The remaining contracts are scheduled for delivery up until December 2010.

Exploration

- The company commenced an exploration program at the Manhulayan Gold-Copper Project in the Philippines with soil sampling and geophysical surveying of the area. An interpretation of these data sets has identified two targets and four proposed diamond holes.
- The company has eleven granted tenements in the Philippines, nine of which are currently being considered for renewal by the Mines and Geosciences Bureau.

Lonsec's opinion

- ✔ Reasonable-sized producer.
- ✔ Substantial resource/reserve base.
- ✖ Relatively high debt level.
- ✖ Philippines country risk.

Perseus Mining Limited (PRU) - $0.745 www.perseusmining.com

Overview

Perseus Mining is a gold explorer focused on exploration and development of gold projects in West Africa. The company has completed its $75m fundraising through a non-renounceable rights issue and institutional share placement at $0.82 per share. The proceeds will be used to fund the development of the Ayanfuri Mine, exploration work and general working capital.

Capital Structure		**Financials**	
Fully Paid Shares:	298.2m	Equity:	$63.1m (31 Dec 08)
Options:	12.2m	Cash:	$3.6m (31 Dec 08)
Market Cap (Fully Diluted):	$222.2m	Debt:	Nil (31 Dec 08)

Operations/Projects

The **Ayanfuri Gold Project** was acquired by Perseus in May 2006 and is located 45km southwest of Obuasi on the Ashanti Gold Belt in Ghana. A Definitive Feasibility Study is expected to be completed in July 2009. A throughput rate for design criteria is estimated at 4.5Mtpa for primary ore. The **Tengrela Gold Project** is located in the northern Ivory Coast on the border with Mali, 30km south-west from the Syama Gold Mine. A scoping study was recently conducted.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	**Mt**	**g/t**	**ozs**	**Mt**	**g/t**	**ozs**	**%**	**Equity ozs**	**Equity ozs**
Ayanfuri	87.3	1.4	4,022,000				90	3,619,800	
Tengrela	15.7	1.8	970,000				80	776,000	
Total (>0.8g/t)	103.0	1.5	4,992,000					4,395,800	
Ayanfuri (Low Grade)	60.1	0.8	1,261,000				90	1,134,900	
Grumesa (Low Grade)	30.4	0.8	814,000				90	732,600	
Total (incl Low Grade)	193.5	1.1	7,067,000					6,263,300	

Production & Costs

Results of a recent scoping study at the Tengrela Gold Project envisage a project with a capital cost of US$89m producing 514,000 ozs for the first four years at cash costs of US$396/oz. Gold production over eight years is expected to be 838,000 ozs at an average cash cost of US$452/oz.

Hedging

The company is currently unhedged.

Exploration

- The company's main exploration focus is at the Sissingue Prospect located within the Tengrela Gold Project.
- A reconnaissance project is continuing at both the Mahale Permit and the Mbengue Permit in the Ivory Coast.

Lonsec's opinion

- ✔ Significant resource base and low EV/Resource oz of only $35/oz.
- ✔ Excellent exploration portfolio yielding very positive results.
- ✔ Multiple projects.
- ✔ TSX listing will facilitate better access to capital, a better understanding of the asset values and hence a better appreciation of the company's value.
- ✖ Australian market will apply a discount for African and other offshore assets.
- ✖ Development and financing risks.

Ramelius Resources Limited (RMS) - $0.53

www.rameliusresources.com.au

Overview

Ramelius is a minerals exploration company, primarily focused on prospective gold properties in the Coolgardie and Spargoville regions in Western Australia. The company also has nickel interests in Western Australia.

Capital Structure		Financials	
Fully Paid Shares:	219.0m	Equity:	$33.1m (31 Dec 08)
Options:	33.2m	Cash:	$6.1m (31 Dec 08)
Market Cap (Fully Diluted):	$116.1m	Debt:	Nil (31 Dec 08)

Operations/Projects

The **Wattle Dam Gold Mine** is located 25km southwest of Kambalda in Western Australia. Mining operations commenced in March 2006 and were suspended in October 2007 as the current pit limit was reached. Most recently, the company successfully raised $13.4m to fund the new underground gold mine to exploit high grade gold ore below the open pit. The company has commenced development of the underground decline and stoping of ore is expected to commence in the December quarter. The Burbanks Treatment Plan is located 8km south of the town of Coolgardie and 65km from the Wattle Dam Gold Mine. The underground mine is projected to produce gold at an annualised rate of 70,000 ozs by the third quarter of 2010. The **Eagles Nest Project** is located approximately 7km to the south of Wattle Dam Gold Mine in Western Australia. The lease was the site of the discovery in 1931 of “The Golden Eagle Nugget” which weighed in at 78 pounds or 1,131oz. No exploration is scheduled for the project in the near future.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Wattle Dam	0.540	4.8	83,200				100	83,200	-

Production & Costs

	FY2007	FY2008	1H 2009	Mar Qtr 2009
Tonnes Treated (Mt)	0.066	0.096	0.051	0.045
Gold Head Grade (g/t)	8.36	5.00	1.90	5.35
Recovery (%)	95.3	96.1		
Gold Produced (ozs)	16,963	14,769	3,036	7,443
Cash Cost (A$/oz)	na	na	na	na
Total Cost (A$/oz)	na	na	na	na
Cash Cost (A$/t)	na	na	na	na

Hedging

The company is currently unhedged.

Exploration

- The company’s main exploration focus is on the Wattle Dam underground mine.
- Exploration work at the 8500N Prospect, the Golden Orb Prospect and the North Widgie Regional Prospect, all within a 1km vicinity of Wattle Dam is continuing with a number of drilling programs planned.

Lonsec’s opinion

- ✔ Company operated profitably in FY2007 and 1H08.
- ✔ Debt free.
- ✖ Small scale operations.
- ✖ Very short mine life.
- ✖ Single mine company.
- ✖ Very high EV/oz resource.

Regis Resources Limited (RRL) - $0.465 www.regisresources.com.au

Overview

Regis Resources Limited is an Australian minerals explorer with extensive landholdings in the Laverton-Leonora area of the Eastern Goldfields of Western Australia. The company is primarily focussed on the Duketon Gold Project.

Capital Structure		**Financials**	
Fully Paid Shares:	243.6m	Equity:	$125.3m (31 Dec 08)
Options:	54.8m	Cash:	$10.2m (31 Dec 08)
Market Cap (Fully Diluted):	$113.3m	Debt:	$4.4m (31 Dec 08)

Operations/Projects

The **Duketon Gold Project** (100%) is located near Leonora in Western Australia and consists of nine separate shallow gold deposits. The company acquired 100% of the project in December 2006. Gold mineralisation in the Duketon region extends over 60km within the tenements and represents the northern extension of the Laverton Tectonic Zone. Following receipt of the results of a Definitive Feasibility Study, the company has committed to the development of the project. Initially, 145,000 ounces of gold production is expected to be produced in the first year with an average annual production of 111,000 ozs and a mine life of five years. The project is estimated to cost $125m and construction is scheduled to commence in the third quarter of 2009.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	**Mt**	**g/t**	**ozs**	**Mt**	**g/t**	**ozs**	**%**	**Equity ozs**	**Equity ozs**
Moolart Well	39.4	1.15	1,462,000	12.6	1.48	598,000	100	1,462,000	598,000
Erlistoun	1.9	3.67	224,000				100	224,000	
Satellite/Other	18.2	1.93	1,131,000				98	1,110,000	
Total	59.5	1.47	2,817,000					2,796,000	
Moolart Well (Low Grade)	52.4	0.45	758,000				100	758,000	
Total (incl Low Grade)	111.9	0.99	3,575,000					3,554,000	

Production & Costs

Cash costs for the Duketon Gold Project are estimated to be $345/oz for the first year with an average life of the mine cash cost of $495/oz. Annual ore throughput is estimated to be 2.5Mt.

Hedging

The company is currently unhedged.

Exploration

- Gold exploration continued at the Garden Well Prospect 35km south of the Moolart Well site. Further drilling is proposed to define the full extent of the mineralisation.
- Nickel exploration focussing on the prospective Collurabbie area to the north of the Duketon tenements is continuing.

Lonsec's opinion

- ✔ New management is likely to accelerate the development process.
- ✔ Potential to be a reasonable-sized producer.
- ✖ Will initially be a single mine company.
- ✖ Low cash levels, will require further equity raisings.
- ✖ Development and finance risk.

Resolute Mining Limited (RSG) - $0.625

www.resolute-ltd.com.au

Overview

Resolute Mining is a gold mining and exploration company operating in Africa and Australia. The company's major projects are the Golden Pride Gold Project (100%) in Tanzania and the Ravenswood Gold Project (100%) in Australia. The company recently raised $25m through the issue of 35.7m shares at $0.70 each. In the December and March quarters, the company raised $63.7m through the subscription for convertible notes and ordinary shares. A significant portion of the funds will be used to complete construction of the Syama Gold Mine in Mali.

Capital Structure		Financials	
Fully Paid Shares:	346.8m	Equity:	$273.8m (31 Dec 08)
Options:	84.5m	Cash:	$37.0m (31 Dec 08)
Market Cap (Fully Diluted):	$216.8m	Debt:	$125.6m (31 Dec 08)

Operations/Projects

The **Golden Pride Gold Mine** is located in Tanzania, East Africa, 750km north-west of the port of Dar es Salaam and 200km south of Lake Victoria. The open pit mine produced 150,224 ozs in 2008. The **Ravenswood Gold Mine** is located 95km south-west of Townsville and 65km east of Charters Towers in north-east Queensland. Ore is sourced from both the Sarsfield open pit and the Mount Wright underground and is treated using conventional three-stage crushing, grinding and carbon-in-leach processing at a rate of 5Mtpa. The **Syama Gold Project** (80%) is located in the south of Mali, approximately 30km from the Cote d'Ivoire border and 300km south-east of the capital Bamako. Resolute acquired the project in 2004 and work is continuing on the re-development of the mine with a total capital cost of $189m.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Golden Pride	25.400	1.7	1,378,000	11.020	1.5	518,000	100	1,378,000	518,000
Ravenswood	31.540	1.6	1,602,000	8.600	1.4	394,000	100	1,602,000	394,000
Syama	49.150	2.5	3,957,000	22.490	2.8	2,060,000	80	3,165,600	1,648,000
Nyakafura JV	19.400	1.7	1,072,000				100	1,072,000	-
Etruscan JV	9.100	2.5	741,000				60	444,600	-
Akoase	13.300	1.2	513,000				90	461,700	-
	147.890	1.9	9,263,000	42.110	2.2	2,972,000		8,123,900	2,560,000

Production & Costs

	FY2007	FY2008	1H 2009	Mar Qtr 2009
Ore Mined (Mt)	7.497	6.660	3.005	0.624
Ore Treated (Mt)	7.140	7.572	4.264	2.103
Gold Head Grade (g/t)	1.34	1.40	1.24	1.06
Recovery (%)	85.3	86.2	93.6	88.2
Gold Produced (ozs)	257,068	293,057	147,921	63,327
Cash Cost (A$/oz)	622	612	683	738
Total Cost (A$/oz)	708	691	794	884
Cash Cost (A$/t)	22.40	23.69	23.70	22.24
Cash Costs (US$/oz)	557	548	533	490
			ex Syama	ex Syama

Hedging

At the end of March, the company had forward sales of 218,637 ozs at A$740/oz and 57,263 ozs at US$525/oz. In addition, the company had 110,000 ozs of bought put options at A$1,000/oz and 10,000 ozs of sold calls at A$1,300/oz.

Exploration

- Regional exploration continued at the tenements in Mali, Tanzania and in Queensland for gold mineralisation.
- Exploration expenditure and activity has been reduced with only committed and key programs completed.

Lonsec's opinion

- ✔ Multiple sources of gold production.
- ✔ Fairly substantial resource/reserve base.
- ✖ Upside partly capped by hedging.
- ✖ African exposure, perceived country/sovereign risk.
- ✖ High cost producer, generally low grade.
- ✖ Significant capital raisings.

Sino Gold Mining Limited (SGX) - $5.32

www.sinogold.com.au

Overview

Sino Gold is an Australian company involved exclusively in the exploration, development and production of gold in China. The Jinfeng Gold Mine is Sino Gold's flagship project.

Capital Structure		Financials	
Fully Paid Shares:	292.4m	Equity:	$820.3m (31 Dec 08)
Options:	12.3m	Cash:	$70.5m (31 Dec 08)
Market Cap (Fully Diluted):	$1,555.5	Debt:	$253.1m (31 Dec 08)

Operations/Projects

The **Jinfeng Gold Mine** (82%) is located in the Guizhou Province, 236km southwest of the provincial capital Guiyang in China. Construction started in 2005 and commercial gold production commenced in 2007. Ore is currently being mined from the open pit and underground mining is planned to start during the second half of 2009. The **White Mountain Gold Mine** is located 230km south-southeast of Changchun, the capital city of Jilin Province in northeast China. Sino Gold acquired 95% interest in 2003 with the mine's first gold pour in October 2008. Gold production is averaging 65,000oz per annum with an average head grade of 3.5g/t Au. Development of the underground mine is continuing. The **Eastern Dragon Gold-Silver Project** (95%) is located in Heilongjiang Province in northern China, approximately 425km north of the provincial capital Harbin. A feasibility study completed in early 2009 indicates that the project will comprise both open pit and underground mining operations with a carbon-in-leach processing plant. The operation is planned to produce an average 90,000 ozs per annum for the first five years and the commissioning of gold production is anticipated at the end of 2010. The **Beyinhar Project** (95%) was acquired by the company as part of the take-over of Golden China Resources Corporation. The project is located 500km northwest of Beijing in the Inner Mongolia Autonomous Region, China. The company continues to evaluate the potential of developing an open pit and heap-leach gold operation.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Jinfeng	34.4	4.5	5,004,000	19.4	5.2	3,232,000	82	4,103,280	2,650,240
White Mountain	12.3	3.0	1,187,000	6.7	3.7	790,000	95	1,127,650	750,500
Beyinhar	69.2	0.56	1,235,000	27.8	0.62	558,000	95	1,173,250	530,100
Eastern Dragon	3.4	7.1	777,000	2.0	8.2	527,000	95	738,150	500,650
	119.3	2.1	8,203,000	55.9	2.8	5,107,000		7,142,330	4,431,490

Production & Costs

	CY2007	CY2008	2H 2008	Mar Qtr 2009
Ore Treated (Mt)	0.368	1.020	0.550	0.393
Gold Head Grade (g/t)	5.5	4.7	4.75	4.2
Recovery (%)	71.9	81.0	83.2	80.3
Gold Produced (ozs)	46,724	123,761	69,323	43,080
Cash Cost (A$/oz)		518	546	611
Cash Cost (A$/t)		62.90	68.81	67.09
Cash Cost (US$/oz)		442	426	406

Hedging

The company is currently unhedged.

Exploration

- Exploration is largely confined to existing projects.
- Metallurgical testwork and bulk sampling is continuing on the Beyinhar Project.

Lonsec's opinion

- ✔ Previous experience of operating mines in China (Jianchaling, 1998-2006).
- ✔ Significant production upside.
- ✖ Perceived Chinese risk.

St Barbara Limited (SBM) - $0.24 www.stbarbara.com.au

Overview

St Barbara is an Australian gold producer and explorer. The company's primary focus is gold production from its Southern Cross and Leonora projects in Western Australia.

Capital Structure		Financials	
Fully Paid Shares:	1,493.9m	Equity:	$249.2m (31 Dec 08)
Options:	6.3m	Cash:	$20.5m (31 Dec 08)
Market Cap (Fully Diluted):	$358.5	Debt:	$118.9m (31 Dec 08)

Operations/Projects

The **Southern Cross** operations are centred at Marvel Loch, 30km south of the town of Southern Cross and 360km east of Perth in Western Australia. The plant has been in operation for more than 15 years and has a production capacity of 2.4Mtpa. Open pit and underground mining methods are used at the operations. The **Leonora** operations are located near the township of Leonora in Western Australia. The Gwalia underground mine has an ore reserve of 1.7Moz gold at an average grade of 9g/t and an estimated mine life of nine years. After two years of redevelopment, the first gold pour from the operations occurred in October 2008. The **Tower Hill** prospect, 2km from Gwalia, has open pit and underground mining potential with a resource of 1.4Moz.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Southern Cross	27.390	3.1	2,692,000	9.977	2.8	911,000	100	2,692,000	911,000
Gwalia Underground	12.370	8.9	3,555,000	5.990	9.0	1,730,000	100	3,555,000	1,730,000
Tower Hill Underground	19.140	2.2	1,367,000	2.144	4.7	323,000	100	1,367,000	323,000
Other Leonora	67.680	1.4	2,942,000	1.144	2.9	105,000	100	2,942,000	105,000
	126.580	2.6	10,556,000	19.255	5.0	3,069,000		10,556,000	3,069,000

Production & Costs

	FY2007	FY2008	1H 2009	Mar Qtr 2009
Tonnes Mined (Mt)	1.506	2.494	1.373	0.728
Grade (g/t)	3.22	2.42	2.61	2.57
Tonnes Treated (Mt)	2.228	2.231	1.451	0.855
Gold Head Grade (g/t)	2.60	2.50	2.50	2.40
Recovery (%)	92.0	88.0	89.2	91.7
Gold Produced (ozs)	171,182	157,477	104,579	59,889
Cash Cost (A$/oz)	508	555	815	995
Cash Cost (A$/t)	39.03	39.17	58.79	69.71
Cash Cost (US$/oz)	399	497	637	661

Hedging

The company is currently unhedged.

Exploration

- Exploration activities are currently focussed on identifying potential sources of ore to complement ore from Gwalia and Marvel Loch.
- The exploration budget for the current year has been reduced to approximately $16m. The majority of the budget has been spent on resource modelling, reserve estimates and detailed mine planning.

Lonsec's opinion

- ✔ Call options provide floor price without commitment.
- ✔ Reasonable sized producer.
- ✔ Under new management.
- ✖ Relatively short mine life at Southern Cross unless more resources are converted.
- ✖ Ambitious growth plans may put pressure on producing/development assets.

Tanami Gold NL (TAM) - $0.028 www.tanami.com.au

Overview

Tanami Gold is a mineral exploration and development company with projects in the Tanami-Arunta Province in the Northern Territory. The company's major focus is the Coyote-Bald Hill operation located in the most isolated gold province of Australia.

Capital Structure		Financials	
Fully Paid Shares:	3,538.4m	Equity:	$31.4m (31 Dec 08)
Options:	43.4m	Cash:	$5.1m (31 Dec 08)
Market Cap (Fully Diluted):	$99.1m	Debt:	$7.4m (31 Dec 08)

Operations/Projects

The **Coyote Gold Project** is located in the remote Tanami Desert region of Western Australia. The operations comprise a 250,000tpa treatment plant and underground operations. The progressive development and ramp-up of the operations should result in a significant increase in gold production. Underground mine development is continuing.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Coyote	0.708	11.5	261,000	0.275	13.1	116,000	100	261,000	116,000
Bald Hill	1.803	2.9	168,000						
Total	2.511	5.3	429,000	0.275	13.1	116,000	100	261,000	116,000

Production & Costs

	FY2007	FY2008	1H 2009	Mar Qtr 2009
Ore Treated (Mt)		0.242	0.068	0.031
Gold Head Grade (g/t)		4.1	3.9	6.1
Recovery (%)		93.8	96.3	97.0
Gold Produced (ozs)		29,751	8,213	5,971
Cash Cost (A$/oz)				
Cash Cost (A$/t)				
Cash Costs (US$/oz)				

Hedging

The company is currently unhedged.

Exploration

- Following a hiatus in exploration activities over the past six months, the company will aim to recommence exploration at Coyote later in the June 2009 quarter.
- Drilling will aim to extend the life of the Coyote Gold Project out to an initial five year mine life.

Lonsec's opinion

- ✔ Exploration potential.
- ✖ Small resource and reserve base.
- ✖ Relatively small producer.
- ✖ Still not operating at capacity.
- ✖ Single mine company.

Tianshan Goldfields Limited (TGF) - $0.08

www.tianshangoldfields.com.au

Overview

Tianshan Goldfields is a gold exploration company focused on developing the Gold Mountain Project (90%) in north western China.

Capital Structure		Financials	
Fully Paid Shares:	268.4m	Equity:	$59.6m (31 Dec 08)
Options:	7.7m	Cash:	$12.6m (31 Dec 08)
Market Cap (Fully Diluted):	$21.5m	Debt:	Nil (31 Dec 08)

Operations/Projects

The **Gold Mountain Project** is located in the Xinjiang Province of north west China. The project comprises eleven exploration licences in the Tulasi Basin covering a combined total area of 579.6km^2. JORC-compliant measured, indicated and inferred resources totalling 94.8Mt at 0.9g/t for 2.64Moz of gold have been delineated. The project is suitable for an open pit mine development and heap leach operation with an estimated mine life of nine years.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Gold Mountain	94.772	0.9	2,640,000				90	2,376,000	-

Production & Costs

At an annual treatment rate of 5Mtpa producing around 65,000 ounces of gold, the estimated cash operating cost for the Gold Mountain Project is US$514 per ounce. The estimated total capital cost for the project is US$41m.

Hedging

The company is currently unhedged.

Exploration

- The company's major exploration focus is the tenements surrounding the Gold Mountain Project.
- The exploration program proposed for the Oixia Gold Project (60%) located in the Linglong Mountains in the Shandong Province is currently under review.

Lonsec's opinion

- ✔ No debt, reasonable cash levels.
- ✔ Capital and development costs likely to be fairly modest.
- ✔ Operating costs also likely to be relatively low.
- ✔ Good exploration potential.
- ✔ Very cheap on EV/oz resource basis.
- ✖ Operations based in China, perceived risk.
- ✖ In the feasibility stage, therefore has development and finance risks.
- ✖ Initially a single mine company.

Troy Resources NL (TRY) - $1.325 www.try.com.au

Overview

Troy Resources is an international gold and minerals mining and exploration company with its main projects located in Western Australia and Brazil.

Capital Structure		Financials	
Fully Paid Ordinary Shares:	69.8m	Equity:	$108.9m (31 Dec 08)
Partly Paid/Options:	8.3m	Cash	$57.1m (31 Dec 08)
Market Cap (Fully Diluted):	$92.5m	Debt:	Nil (31 Dec 08)

Operations/Projects

The company reached agreement to buy the **Casposo Gold-Silver Project** in San Juan province of Argentina from Intrepid Mines Limited. The acquisition price is US$20m on closing and US$2m on the 6th month anniversary of first production. The project will comprise both open pit and underground mining. The **Sandstone Gold Project** is located 600km northeast of Perth in the East Murchison Mineral Field, Western Australia. Mineral tenements in the project encompass an area of approximately 1,800km^2 within the Archaean Yilgarn Block of Western Australia. The mine was due to close in February 2009; however it will now continue production throughout 2009. The **Andorinhas Gold Project** is located in the Para State of north central Brazil, close to the town of Rio Maria and covers an area of 116,268ha. The main resource is the Mamao Deposit which contains three main lodes. The project comprises both open pit and underground mining and has an estimated mine life of approximately five years. Troy Resources acquired 70% interest in the **Goias Velho Project** in Brazil, which was brought into production in March 2003. The deposit is located on cleared grazing land in the State of Goias, 380km west of the Brazilian capital city of Brazilia.

Resources & Reserves

	Mineral Resource			Ore Reserves			Equity	Resource	Reserve
Project	Mt	g/t	ozs	Mt	g/t	ozs	%	Equity ozs	Equity ozs
Andorinhas	2.452	5.0	391,100	1.168	6.6	246,700	100	391,100	246,700
Sandstone	5.686	1.9	352,000	0.557	1.6	29,000	100	352,000	29,000
Total	8.138	2.8	743,100	1.725	5.0	275,700		743,100	275,700

Production & Costs

	FY2007	FY2008*	1H 2009	Mar Qtr 2009
Ore Treated (Mt)	0.677	0.467	0.389	0.190
Gold Head Grade (g/t)	5.20	2.81	2.94	2.71
Recovery (%)	93.1	91.6	88.4	88.3
Gold Produced (ozs)	105,723	38,478	32,450	14,537
Cash Cost (A$/oz)	330	706	742	615
Cash Cost (A$/t)	51.52	58.12	61.94	47.18
Cash Cost (US$/oz)	259	678	537	418

* Four month's production from Andorinhas not included in costs

Hedging

The company holds bought put options at $900 per ounce for more than around 29,200 ounces of gold at maturity dates between April and December 2009.

Exploration

- Exploration activity at the Gutain Davaa Gold Project (80%) located in Mongolia is focussed on geophysical surveys and field exploration is tentatively scheduled to commence in June.
- Exploration work at the Project Generation (100%) located in Mongolia has identified high priority targets with field exploration scheduled during the June 2009 quarter.

Lonsec's opinion

- ✔ Reasonable level of cash and debt free.
- ✔ Unhedged.
- ✖ Relatively small producer.
- ✖ Limited mine life at some assets.
- ✖ Not yet in full production.

Appendix 1

Companies Ranked by Market Capitalisation, including financials

Code	Company	Share Price (26 Jun 09) A$	Mkt Cap A$m	EV $Am	Cash $Am	Debt $Am
NCM	Newcrest Mining Ltd	30.03	14,564	14,604	800.0	839.4
LGL	Lihir Gold Limited	2.96	7,490	6,990	500.0	0.5
CNT	Centamin Egypt Limited	1.79	1,812	1,702	109.6	-
SGX	Sino Gold Mining Limited	5.32	1,620	1,840	33.9	253.1
AND	Andean Resources Limited	1.89	803.3	781.0	22.3	-
KCN	Kingsgate Consolidated Limited	7.01	715.5	718.4	4.8	7.7
DOM	Dominion Mining Limited	4.60	512.5	464.6	48.2	0.3
MML	Medusa Mining Limited	2.10	407.3	379.7	27.6	-
AVO	Avoca Resources Limited	1.55	404.1	472.1	36.8	104.8
CGX	CGA Mining Ltd	1.50	400.5	504.3	23.9	127.7
MDL	Mineral Deposits Limited	0.64	399.9	466.9	17.9	84.9
SBM	St Barbara Limited	0.24	359.7	371.5	84.5	96.3
RSG	Resolute Mining Ltd	0.625	269.6	377.3	17.9	125.6
GDO	Gold One International Limited	0.345	251.2	250.7	0.5	-
ALD	Allied Gold Limited	0.43	224.2	206.3	29.9	11.9
OGC	OceanaGold Corporation	1.11	183.9	374.7	25.5	216.3
PRU	Perseus Mining Limited	0.745	162.9	152.2	10.7	-
IGR	Integra Mining Limited	0.29	154.8	137.6	17.2	-
RRL	Regis Resources Limited	0.465	146.2	144.3	6.2	4.4
CTO	Citigold Corporation Limited	0.18	144.8	151.1	5.0	11.3
IAU	Intrepid Mines Limited	0.325	142.3	125.8	16.8	0.3
CAH	Catalpa Resources Limited	0.10	140.6	138.8	1.8	-
RMS	Ramelius Resources Ltd	0.53	133.5	110.2	23.3	-
TRY	Troy Resources NL	1.325	101.6	40.5	61.1	-
TAM	Tanami Gold NL	0.028	100.3	102.7	3.6	6.0
CRE	Crescent Gold Limited	0.16	99.8	82.8	22.1	5.2
NGF	Norton Gold Fields Ltd	0.20	98.7	96.4	40.3	38.0
AXM	Apex Minerals NL	0.160	97.1	94.2	2.9	-
CRK	Carrick Gold Limited	0.680	86.4	75.4	11.0	-
ALK	Alkane Resources Limited	0.310	77.2	70.9	6.3	-
ADU	Adamus Resources Limited	0.415	77.0	79.1	2.9	5.0
FML	Focus Minerals Limited	0.026	70.3	79.5	1.1	10.3
DIO	Dioro Exploration NL	0.60	69.5	72.6	5.0	8.1
BCD	Beaconsfield Gold NL	0.145	61.2	55.8	7.9	2.5
MUN	Mundo Minerals Ltd	0.40	59.7	58.3	1.4	-
DRA	Dragon Mining Ltd	0.058	43.5	62.3	6.1	24.8
NQM	North Queensland Metals Ltd	0.26	38.4	35.5	2.9	-
MLI	Mintails Ltd	0.042	32.6	11.0	21.6	-
NAV	Navigator Resources Ltd	0.195	29.6	27.4	2.3	-
TGF	Tianshan Goldfields Limited	0.080	22.9	11.8	11.2	-
SBS	Sub-Sahara Resources NL	0.023	12.8	11.9	0.9	-
CVR	Central Asia Resources Ltd	0.06	12.6	6.7	5.9	-
MAT	Matsa Resources Limited	0.115	12.3	11.4	1.2	0.2

Appendix 2

Companies Ranked by Cash Balance (31 Dec or 31 Mar) and Cash Backing Per Share

Company	Cash $Am		Company	Cash Per Share/ Share Price %
Newcrest Mining Ltd	800.0	e	Mintails Ltd	66.4
Lihir Gold Limited *	500.0	e	Troy Resources NL	60.2
Centamin Egypt Limited	160.9	M	Tianshan Goldfields Limited	48.7
St Barbara Limited	84.5	M	Central Asia Resources Ltd	47.2
Troy Resources NL	61.1	M	Norton Gold Fields Ltd	40.9
Dominion Mining Limited	48.2	M	St Barbara Limited	23.5
Norton Gold Fields Ltd	40.3	M	Crescent Gold Limited	22.2
Avoca Resources Limited	36.8	M	Ramelius Resources Ltd	17.5
Sino Gold Mining Limited	33.9	M	Dragon Mining Ltd	14.0
Allied Gold Limited	29.9	M	OceanaGold Corporation	13.9
Medusa Mining Limited	27.6	M	Allied Gold Limited	13.3
OceanaGold Corporation	25.5	M	Beaconsfield Gold NL *	12.9
CGA Mining Ltd *	23.9	M	Carrick Gold Limited	12.7
Ramelius Resources Ltd	23.3	M	Intrepid Mines Limited	11.8
Andean Resources Limited *	22.3	M	Integra Mining Limited	11.1
Crescent Gold Limited	22.1	M	Matsa Resources Limited *	9.6
Mintails Ltd	21.6	M	Dominion Mining Limited	9.4
Mineral Deposits Limited	17.9	M	Avoca Resources Limited	9.1
Resolute Mining Ltd *	17.9	M	Alkane Resources Limited	8.1
Integra Mining Limited	17.2	M	Navigator Resources Ltd *	7.6
Intrepid Mines Limited	16.8	M	North Queensland Metals Ltd	7.5
Tianshan Goldfields Limited	11.2	M	Dioro Exploration NL	7.2
Carrick Gold Limited	11.0	M	Sub-Sahara Resources NL	7.0
Perseus Mining Limited *	10.7	M	Medusa Mining Limited	6.8
Beaconsfield Gold NL *	7.9	M	Lihir Gold Limited *	6.7
Alkane Resources Limited	6.3	M	Resolute Mining Ltd *	6.6
Regis Resources Limited	6.2	M	Perseus Mining Limited *	6.6
Dragon Mining Ltd	6.1	M	Centamin Egypt Limited	6.1
Central Asia Resources Ltd	5.9	M	CGA Mining Ltd *	6.0
Citigold Corporation Limited *	5.0	D	Newcrest Mining Ltd	5.5
Dioro Exploration NL	5.0	F	Mineral Deposits Limited	4.5
Kingsgate Consolidated Limited	4.8	D	Regis Resources Limited	4.3
Tanami Gold NL	3.6	M	Adamus Resources Limited *	3.7
North Queensland Metals Ltd	2.9	M	Tanami Gold NL	3.6
Apex Minerals NL *	2.9	M	Citigold Corporation Limited *	3.5
Adamus Resources Limited *	2.9	M	Apex Minerals NL *	3.0
Navigator Resources Ltd *	2.3	M	Andean Resources Limited *	2.8
Catalpa Resources Limited *	1.8	M	Mundo Minerals Ltd	2.3
Mundo Minerals Ltd	1.4	M	Sino Gold Mining Limited	2.1
Matsa Resources Limited *	1.2	M	Focus Minerals Limited *	1.5
Focus Minerals Limited *	1.1	M	Catalpa Resources Limited *	1.3
Sub-Sahara Resources NL	0.9	M	Kingsgate Consolidated Limited	0.7
Gold One International Limited *	0.5	M	Gold One International Limited *	0.2

M = March Quarter 2009 D = December Quarter 2008 e = Estimate

* Note: Some companies have raised equity since 31 March 2009

Appendix 3

Companies Ranked by Mineral Resources and Ore Reserves

Company	Resource Mozs	Company	Reserve Mozs
Newcrest Mining Ltd *	84,921,434	Newcrest Mining Ltd *	47,422,610
Lihir Gold Ltd	41,257,278	Lihir Gold Ltd	23,723,576
Gold One International Ltd	14,755,000	Centamin Egypt Limited	6,400,000
Centamin Egypt Limited	12,890,000	Sino Gold Mining Limited	3,930,840
St Barbara Limited	10,556,000	OceanaGold Corporation *	3,756,534
Citigold Corporation Limited	10,370,000	St Barbara Limited	3,069,000
OceanaGold Corporation *	8,210,530	Resolute Mining Ltd	2,560,000
Resolute Mining Ltd	8,123,900	CGA Mining Ltd	1,940,480
Norton Gold Fields Ltd	7,800,930	Mineral Deposits Limited #	1,478,700
Sino Gold Mining Limited	7,143,280	Kingsgate Consolidated Limited	1,381,000
Mintails Ltd *	5,545,000	Gold One International Ltd	1,360,000
CGA Mining Ltd	4,970,979	Norton Gold Fields Ltd	1,052,200
Perseus Mining Limited	4,395,800	Adamus Resources Limited	961,200
Carrick Gold Limited	4,130,221	Catalpa Resources Limited	817,000
Apex Minerals NL	3,405,000	Allied Gold Limited	785,000
Allied Gold Limited	3,204,000	Dominion Mining Ltd	727,040
Kingsgate Consolidated Limited	3,160,000	Regis Resources Limited	598,000
Mineral Deposits Limited #	3,159,000	Avoca Resources Limited	581,000
Regis Resources Limited	2,796,000	Apex Minerals NL	548,000
Andean Resources Limited *	2,681,892	Dioro Exploration NL	515,401
Tianshan Goldfields Limited	2,376,000	Citigold Corporation Limited	330,000
Intrepid Mines Limited *	2,182,220	Troy Resources NL	275,700
Dioro Exploration NL	2,041,360	Beaconsfield Gold NL	251,485
Adamus Resources Limited	1,900,800	Medusa Mining Limited	249,000
Integra Mining Limited	1,800,000	Crescent Gold Ltd	190,000
Focus Minerals Limited	1,663,100	Dragon Mining Ltd	117,300
Navigator Resources Limited	1,623,129	Tanami Gold NL	116,000
Catalpa Resources Limited	1,590,000	Focus Minerals Limited	111,255
Matsa Resources Limited	1,470,000	North Queensland Metals Ltd #	61,200
Avoca Resources Limited	1,447,000	Intrepid Mines Limited *	49,300
Alkane Resources Limited #	1,316,391	Alkane Resources Limited #	-
Medusa Mining Limited	1,203,000	Andean Resources Limited *	-
Dominion Mining Ltd	1,159,830	Carrick Gold Limited	-
Dragon Mining Ltd	1,155,660	Central Asia Resources Limited	-
Central Asia Resources Limited	1,122,262	Integra Mining Limited	-
Crescent Gold Ltd	1,100,000	Matsa Resources Limited	-
Troy Resources NL	743,100	Mintails Ltd *	-
Sub-Sahara Resources NL	651,360	Mundo Minerals Ltd	-
Tanami Gold NL	429,000	Navigator Resources Limited	-
Beaconsfield Gold NL	394,784	Perseus Mining Limited	-
Mundo Minerals Ltd	326,500	Ramelius Resources Ltd	-
North Queensland Metals Ltd #	230,400	Sub-Sahara Resources NL	-
Ramelius Resources Ltd	83,200	Tianshan Goldfields Limited	-

* Gold Equivalent

\# Does not include other commodities

Appendix 4

Companies Ranked by Enterprise Value per Ounce of Resource/Reserves

Company	EV/oz Resource	Company	EV/oz Reserve
Mintails Ltd	2	Adamus Resources Limited	82
Tianshan Goldfields Limited	5	Norton Gold Fields Ltd	92
Central Asia Resources Ltd	6	OceanaGold Corporation	100
Matsa Resources Limited	8	St Barbara Limited	121
Norton Gold Fields Ltd	12	Dioro Exploration NL	141
Citigold Corporation Limited	15	Troy Resources NL	147
Navigator Resources Ltd	17	Resolute Mining Ltd	147
Gold One International Limited	17	Catalpa Resources Limited	170
Carrick Gold Limited	18	Apex Minerals NL	172
Sub-Sahara Resources NL	18	Gold One International Limited	184
Apex Minerals NL	28	Beaconsfield Gold NL	222
Perseus Mining Limited	35	Regis Resources Limited	241
St Barbara Limited	35	CGA Mining Ltd	260
Dioro Exploration NL	36	Allied Gold Limited	263
Adamus Resources Limited	42	Centamin Egypt Limited	266
OceanaGold Corporation	46	Lihir Gold Limited	295
Resolute Mining Ltd	46	Newcrest Mining Ltd	308
Focus Minerals Limited	48	Mineral Deposits Limited	316
Regis Resources Limited	52	Cresent Gold Limited	436
Dragon Mining Ltd	54	Citigold Corporation Limited	458
Alkane Resources Limited	54	Sino Gold Mining Limited	468
Troy Resources NL	54	Kingsgate Consolidated Limited	520
Intrepid Mines Limited	58	Dragon Mining Ltd	531
Allied Gold Limited	64	North Queensland Metals Ltd	580
Cresent Gold Limited	75	Dominion Mining Limited	639
Integra Mining Limited	76	Focus Minerals Limited	714
Catalpa Resources Limited	87	Avoca Resources Limited	813
CGA Mining Ltd	101	Tanami Gold NL	885
Centamin Egypt Limited	132	Medusa Mining Limited	1,525
Beaconsfield Gold NL	141	Intrepid Mines Limited	2,551
Mineral Deposits Limited	148	Alkane Resources Limited	na
North Queensland Metals Ltd	154	Andean Resources Limited	na
Lihir Gold Limited	169	Carrick Gold Limited	na
Newcrest Mining Ltd	172	Central Asia Resources Ltd	na
Mundo Minerals Ltd	179	Integra Mining Limited	na
Kingsgate Consolidated Limited	227	Matsa Resources Limited	na
Tanami Gold NL	239	Mintails Ltd	na
Sino Gold Mining Limited	258	Mundo Minerals Ltd	na
Andean Resources Limited	291	Navigator Resources Ltd	na
Medusa Mining Limited	316	Perseus Mining Limited	na
Avoca Resources Limited	326	Ramelius Resources Ltd	na
Dominion Mining Limited	401	Sub-Sahara Resources NL	na
Ramelius Resources Ltd	1,325	Tianshan Goldfields Limited	na

Appendix 5

Companies Ranked by Resource and Reserve Grades

Company	Resource Grade g/t	Company	Reserve Grade g/t
Citigold Corporation Limited	13.6	North Queensland Metals Ltd	13.1
Medusa Mining Limited	13.3	Tanami Gold NL	13.1
Beaconsfield Gold NL	13.2	Citigold Corporation Limited	12.8
North Queensland Metals Ltd	11.5	Medusa Mining Limited	10.77
Dominion Mining Limited	9.1	Beaconsfield Gold NL	10.5
Andean Resources Limited *	6.7	Dominion Mining Limited	7.4
Sub-Sahara Resources NL	5.8	Intrepid Mines Limited *	7.0
Mundo Minerals Ltd	5.58	Apex Minerals NL	5.8
Tanami Gold NL	5.3	Gold One International Limited	5.51
Apex Minerals NL	5.1	Avoca Resources Limited	5.3
Dragon Mining Ltd	5.1	Troy Resources NL	5.0
Ramelius Resources Ltd	4.8	St Barbara Limited	5.0
Avoca Resources Limited	3.7	Dragon Mining Ltd	4.4
Gold One International Limited	3.41	Dioro Exploration NL	2.60
Troy Resources NL	2.8	Lihir Gold Limited	2.55
Integra Mining Limited	2.7	Sino Gold Mining Limited	2.43
Carrick Gold Limited	2.6	Resolute Mining Ltd	2.12
St Barbara Limited	2.6	Mineral Deposits Limited	2.07
Lihir Gold Limited	2.49	Adamus Resources Limited	2.01
Navigator Resources Ltd	2.10	Cresent Gold Limited	1.9
Dioro Exploration NL	2.07	Norton Gold Fields Ltd	1.78
Sino Gold Mining Limited	2.04	OceanaGold Corporation *	1.78
Resolute Mining Ltd	1.90	Regis Resources Limited	1.48
Alkane Resources Limited	1.81	Centamin Egypt Limited	1.40
Adamus Resources Limited	1.77	Allied Gold Limited	1.37
Matsa Resources Limited	1.7	Catalpa Resources Limited	1.20
Mineral Deposits Limited	1.63	Kingsgate Consolidated Limited	1.2
Norton Gold Fields Ltd	1.62	Newcrest Mining Ltd *	1.03
Centamin Egypt Limited	1.57	CGA Mining Ltd	1.02
Perseus Mining Limited	1.50	Alkane Resources Limited	-
Regis Resources Limited	1.47	Andean Resources Limited *	-
Cresent Gold Limited	1.4	Carrick Gold Limited	-
OceanaGold Corporation *	1.38	Central Asia Resources Ltd	-
Kingsgate Consolidated Limited	1.2	Integra Mining Limited	-
Central Asia Resources Ltd	1.19	Matsa Resources Limited	-
Allied Gold Limited	1.17	Mintails Ltd *	-
Catalpa Resources Limited	1.12	Mundo Minerals Ltd	-
Intrepid Mines Limited *	1.05	Navigator Resources Ltd	-
Tianshan Goldfields Limited	0.9	Perseus Mining Limited	-
CGA Mining Ltd	0.86	Ramelius Resources Ltd	-
Newcrest Mining Ltd *	0.80	Sub-Sahara Resources NL	-
Mintails Ltd *	0.45	Tianshan Goldfields Limited	-
Focus Minerals Limited	na	Focus Minerals Limited	na

* Gold Equivalent

Appendix 6

Companies Ranked by 2008 Production

Company	FY08/CY08	1H2009	Mar-09	Est Annual Production
	ozs	ozs	ozs	ozs
Newcrest Mining Ltd	1,781,182	868,562	364,794	1,700,000
Lihir Gold Limited	867,550	552,832	308,301	1,200,000
Resolute Mining Ltd	293,057	147,921	63,327	250,000
OceanaGold Corporation	259,812	138,688	84,037	300,000
St Barbara Limited	157,477	104,579	59,889	240,000
Norton Gold Fields Ltd	125,526	63,893	36,153	150,000
Sino Gold Mining Limited	123,761	69,323	43,080	250,000
Dominion Mining Limited	109,326	52,283	25,141	120,000
Intrepid Mines Limited	78,252	35,196	20,141	80,000
Dragon Mining Ltd	74,206	38,816	15,313	60,000
Kingsgate Consolidated Limited	74,137	16,974	32,992	150,000
Crescent Gold Limited	56,195			
Troy Resources NL	38,478	32,450	14,537	70,000
Allied Gold Limited	33,068	38,631	17,510	75,000
Beaconsfield Gold NL	31,858	33,617	17,405	70,000
Tanami Gold NL	29,751	8,213	5,971	50,000
Mintails Ltd	20,223	10,504	3,976	
Medusa Mining Limited	19,009	19,144	12,716	60,000
Citigold Corporation Limited	17,497	6,529	2,522	250,000
Ramelius Resources Ltd	14,769	3,036	7,443	67,000
North Queensland Metals Ltd	12,364	17,975	6,995	35,000
Focus Minerals Limited	4,456	12,989	9,187	80,000
Avoca Resources Limited		49,622	28,802	170,000
Dioro Exploration NL		37,760	18,896	80,000
Mundo Minerals Ltd		8,805	5,588	30,000
Adamus Resources Limited				90,000
Alkane Resources Limited				60,000
Andean Resources Limited				+260,000
Apex Minerals NL				150,000
Carrick Gold Limited				
Catalpa Resources Limited				100,000
Centamin Egypt Limited				200,000
Central Asia Resources Ltd				
CGA Mining Ltd				200,000
Gold One International Limited				
Integra Mining Limited				120,000
Matsa Resources Limited				
Mineral Deposits Limited				135,000
Navigator Resources Ltd				60,000
Perseus Mining Limited				150,000
Regis Resources Limited				200,000
Sub-Sahara Resources NL				
Tianshan Goldfields Limited				65,000

Appendix 7

Companies Ranked by March Quarter 2009 Operating Costs

Company	FY08/CY08 A$/oz	1H2009 A$/oz	Mar-09 A$/oz	Mar-09 US$/oz
Medusa Mining Limited	277	288	318	211
OceanaGold Corporation	624	588	420	279
Dominion Mining Limited	367	416	459	305
Citigold Corporation Limited	495	415	488	324
Lihir Gold Limited	469	486	495	329
Newcrest Mining Ltd	261	448	507	337
Intrepid Mines Limited	561	639	520	345
Kingsgate Consolidated Limited	510	1,166	548	364
Focus Minerals Limited	467	673	580	385
Sino Gold Mining Limited	518	546	611	406
Troy Resources NL	706	742	615	408
Allied Gold Limited	482	608	644	428
North Queensland Metals Ltd	na	654	725	481
Resolute Mining Ltd	612	683	738	490
Norton Gold Fields Ltd	659	851	743	493
Avoca Resources Limited			762	506
Dioro Exploration NL		914	790	525
Beaconsfield Gold NL		923	874	581
Dragon Mining Ltd	700	727	956	635
St Barbara Limited	555	815	995	661
Mintails Ltd	na	na	na	na
Ramelius Resources Ltd	na	na	na	na
Tanami Gold NL	na	na	na	na
Adamus Resources Limited				
Alkane Resources Limited				
Andean Resources Limited				
Apex Minerals NL				
Carrick Gold Limited				
Catalpa Resources Limited				
Centamin Egypt Limited				
Central Asia Resources Ltd				
CGA Mining Ltd				
Crescent Gold Limited				
Gold One International Limited				
Integra Mining Limited				
Matsa Resources Limited				
Mineral Deposits Limited				
Mundo Minerals Ltd				
Navigator Resources Ltd				
Perseus Mining Limited				
Regis Resources Limited				
Sub-Sahara Resources NL				
Tianshan Goldfields Limited				

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