

## GOLDNERDS RESEARCH STOCK PERFORMANCE REVISITED

On the 1 Sep 2009, we wrote an article revealing a list of our Top 5 Australian gold producing companies for research purposes using parameters from the 25 May 2009 Pro version of GoldNerds:

<http://www.globalspeculator.com.au/documents/Top5goldstocksrevealedusingGoldNerdsPro.pdf>

Today we will review the performance.

### THE RESULTS

#### GOLDNERDS TOP 5 PRODUCERS

Company Name	Code	25-May-09	18-Jun-10	Return
Silver Lake	SLR	0.58	1.97	243%
Lion Selection/Catalpa *	CAH	0.96	1.61	121%
Kingsgate	KCN	5.90	10.50	78%
Troy Resources	TRY	1.55	2.48	60%
Tribune Resources	TBR	0.86	1.10	28%
<b>Average</b>				<b>106%</b>

\* Lion Selection merged its gold assets with Catalpa returning \$0.50 in capital and exchanging 1 Lion share for 1 Catalpa share. Included in the return.

#### COMPARATIVE LIST OF AUSTRALIAN GOLD PRODUCERS

Company Name	Code	25-May-09	18-Jun-10	Return
<b>Silver Lake Resources</b>	<b>SLR</b>	<b>0.58</b>	<b>1.97</b>	<b>243%</b>
OceanaGold	OGC	1.14	3.77	231%
Medusa Mining	MML	1.72	4.45	159%
<b>Lion Selection/Catalpa *</b>	<b>CAH</b>	<b>0.96</b>	<b>1.61</b>	<b>121%</b>
<b>Kingsgate</b>	<b>KCN</b>	<b>5.90</b>	<b>10.50</b>	<b>78%</b>
Focus Minerals	FML	0.03	0.05	71%
Dragon Mining	DRA	0.06	0.09	60%
<b>Troy Resources</b>	<b>TRY</b>	<b>1.55</b>	<b>2.48</b>	<b>60%</b>
Avoca Resources	AVO	1.71	2.56	50%
Resolute Mining	RSG	0.69	1.03	49%
St Barbara	SBM	0.26	0.38	46%
Lihir Gold	LGL	3.18	4.35	37%
<b>Tribune Resources</b>	<b>TBR</b>	<b>0.86</b>	<b>1.10</b>	<b>28%</b>
Newcrest Mining	NCM	31.39	35.24	12%
Coeur D'Alene Mines	CXC	19.25	18.00	-6%
Allied Gold	ALD	0.43	0.37	-14%
Norton Gold	NGF	0.26	0.20	-23%
Bendigo Mining	BDG	0.28	0.21	-25%
Dominion Mining	DOM	4.71	3.08	-35%
<b>Average</b>				<b>60%</b>

\* Lion Selection merged its gold assets with Catalpa returning \$0.50 in capital and exchanging 1 Lion share for 1 Catalpa share. Included in the return.

In November 2009, we did a GoldNerds presentation at the Gold Standard Institute conference in Canberra where a Top 5 list of development stage companies was also revealed using the same 25 May 2009 GoldNerds data:

[http://www.globalspeculator.com.au/documents/TheGoldStandardInstituteGoldNerdsPresentation\\_000.pdf](http://www.globalspeculator.com.au/documents/TheGoldStandardInstituteGoldNerdsPresentation_000.pdf)

## THE RESULTS

### GOLDNERDS TOP 5 DEVELOPERS

Company Name	Code	25-May-09	18-Jun-10	Return
Matsa Resources	MAT	0.11	0.27	145%
Saracen	SAR	0.21	0.44	110%
Adamus Resources	ADU	0.34	0.54	59%
A1 Minerals	AAM	0.19	0.25	29%
Conquest Mining	CQT	0.40	0.35	-14%
<b>Average</b>				<b>66%</b>

### COMPARATIVE LIST OF AUSTRALIAN GOLD DEVELOPMENT STAGE COMPANIES

Company Name	Code	25-May-09	18-Jun-10	Return
Perseus Mining	PRU	0.88	2.35	169%
<b>Matsa Resources</b>	<b>MAT</b>	<b>0.11</b>	0.27	<b>145%</b>
<b>Saracen</b>	<b>SAR</b>	<b>0.21</b>	0.44	<b>110%</b>
Red 5	RED	0.09	0.15	76%
Andean Resources	AND	1.98	3.48	76%
<b>Adamus Resources</b>	<b>ADU</b>	<b>0.34</b>	0.54	<b>59%</b>
Regis Resources	RRL	0.57	0.86	52%
Leyshon Resources	LRL	0.14	0.21	46%
CGA Mining	CGX	1.75	2.27	30%
<b>A1 Minerals</b>	<b>AAM</b>	<b>0.19</b>	0.25	<b>29%</b>
Millenium Minerals	MOY	0.02	0.03	25%
Envirogold	EVG	0.05	0.05	20%
<b>Conquest Mining</b>	<b>CQT</b>	<b>0.40</b>	0.35	<b>-14%</b>
Integra Mining	IGR	0.34	0.27	-19%
Ramelius Resources	RMS	0.6	0.47	-22%
Navigator Resources	NAV	0.24	0.18	-25%
Gold One	GDO	0.44	0.30	-33%
Citigold	CTO	0.18	0.10	-43%
<b>Average</b>				<b>38%</b>

When you study the performance of our two Top 5 lists above, you can see the results were quite compelling. The Producers list outperformed a comparative list of companies by a substantial 46% with an average return of 106% versus just 60%. 4 of our 5 companies were in the Top 8 performers on an overall basis. Silver Lake Resources, the best performer, was also in our list.

Looking at the performances of the development stage companies, we find our list outperformed the comparative list by 28%, with an overall return of 66% versus 38%. Masta Resources, our top performer, was second only to Perseus Mining. In the presentation down in Canberra, we demonstrated to the audience the value of the GoldNerds product by showing how the release of the Ayunfuri (now called CAPG) feasibility study for Perseus in July 2009 sent the company to number 1 on our list, once the numbers had been integrated into the spreadsheet (updates are mostly fortnightly). The share price actually fell when the result came out, giving astute investors plenty of opportunity to take advantage. 4 of our 5 companies made it into the top 10 of the comparative list and if you include Perseus, we get 4 companies in the Top 6.

Again, this is a pretty reasonable result given these companies were only a short list using quantitative analysis (numbers only) and nothing else. No qualitative analysis was done whatsoever. It is up to the investor to do his or her own analysis in determining whether an investment is right for them.

## **WAS THIS A FLUKE?**

There is of course a chance that we got lucky with our lists and the numbers had very little to do with the results. This is why we are going to try the exercise again. We have made some adjustments to the scoring parameters but, by in large, they will be very similar. We have recently released a report detailing three new lists for the coming 12 month period, made available exclusively to our GoldNerds Pro subscribers. This report will detail the parameters used to compile the lists as well as the results. There is an Australian and also a North American version made available to our respective GoldNerds Pro subscribers. Just to reiterate, our short lists do not represent recommendations as such. The GoldNerds spreadsheet is simply a tool allowing investors to efficiently sort through a significant amount of publically available information, in order to short list appropriate investment candidates to research further. As we have seen in the results above, however, quantitative analysis on its own can be used to very good effect. If you are not a GoldNerds Professional subscriber and would like access to this valuable PDF report I encourage you to subscribe using the following link:

[http://goldnerds.com.au/o/component/option,com\\_oscommerce/osMod,index/cPath,1/Itemid,44/](http://goldnerds.com.au/o/component/option,com_oscommerce/osMod,index/cPath,1/Itemid,44/)

Troy Schwensen

Research Analyst  
[www.globalspeculator.com.au](http://www.globalspeculator.com.au)

Editor of GN North America  
[www.goldnerds.com.au](http://www.goldnerds.com.au)

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