

# “Game Changers” in Discovery Investing

Cambridge House Tutorial

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# The Need For Game Changers

- Shift in Market Psychology
- Energy, Food, Industrial design, Infrastructure development and health care.
- The average Portfolio is decimated. For many Baby Boomers - there is too little time to restore the retirement assets.

# Security Selection: A Ten Point Discovery Grid

1. **Assets / IP / Technology** world class?
2. Percent Project Ownership?
3. **Potential impact and immediacy? A GAME CHANGER?**
4. **Management and Board** track record, ownership and insider buying?
5. **Company Diversification:** Portfolio across several assets?
6. **Cycle and Catalyst** identification?
7. **Establish Positions in Contrarian** Assets. Black Swan?
8. Financial **Soundness / Sustainability / Dilution mgmt?**
9. **Company's Stakeholder** relations?
10. Investor **Behavior:** Patience and Courage?

# Key Discovery Factors on The Grid (Today)

1,3, 4, 8

1. World Class Character
4. Management track record of experiential success
8. Strong balance sheet or strategic industry relationships
- 3. Game Changing character of a potential Discovery.**

## Game Changing Characteristics of Discoveries

- Creative Destruction
- Global, Geopolitical or National Economic impact
- Black Swan – Unpredictable / Unlikely Occurrence
- Potential for wealth creation independent of the economic cycle.
- Require two to three decades of research for maturation.

A “Game Changer” is usually a  
“BREAKTHROUGH” of some kind

## George Soros Defines Game Changing Events

- “On Monday September 15, Lehman Brothers, the US investment bank, was allowed to go into [bankruptcy](#) without proper preparation. It was a game-changing event with catastrophic consequences.”

## What are A Few Game Changing Discoveries?

- Cure / effective treatment for Cancer.
- Cloud Computation.
- Food Discoveries: increased production in adverse conditions.
- Cheap, Clean Energy Technologies.
- Strategic Resource Discoveries. (Rare Earth Elements).

## Game Changers (Cont'd)

- Stem Cell Advances.
- Hi tech: iPod, iPhone, Internet.
- Bio-Tech: Gene Discovery.
- Materials: Nanotechnology.
- Encryption Technologies for threat remediation.

## A Few Companies With Game Changing Discovery Potential

- Senesco Technologies.
- Vadium Technologies
- DataMeg
- Blue Earth Resources
- Commerce Resources
- Minco Silver / Minco Gold
- Indicator Resources
- Neuralstem
- Avalon Rare Earth
- Houston Lake
- Hyperion
- NuCoal
- Melkior
- Midway Gold
- Terraco Gold

Senesco Technologies  
(SNT AMEX)

May Have a Cancer Breakthrough Using cell  
Biology Discovery and nanotechnology to  
Deliver Treatment

Mayo Clinic Researcher Dr. John Lust's  
Presentation to American Hematological  
Society

December 9, 2008

## Mayo Clinic's pre Clinical Studies on SCID Mice – Human Trials 2009

- **Results:** Western analysis demonstrated that the siRNA successfully inhibited the production of endogenous eIF5A. In vivo, after 24 days of monitoring tumor volume: group 1 mice showed that the KAS-6/1 cells grew from a mean tumor volume of  $7 \pm 1$  up to  $102 \pm 16$  mm<sup>3</sup>; tumors in group 2 mice remained relatively stable in size from  $21 \pm 9$  to  $26 \pm 10$  mm<sup>3</sup>. **Group 3 mice showed a mean 92% tumor regression from  $99 \pm 21$  down to  $7 \pm 1$  mm<sup>3</sup>.**

# Senesco

- **Conclusions:**

**Delivery of eIF5A siRNA and eIF5AK50R plasmid by PEI nanoparticles results in **significant anti-tumoral reponses** in vitro and in vivo. These studies may provide a novel therapy for myeloma patients with end stage disease that have failed standard treatments.**

**WHY IS THIS A POTENTIAL  
GAME CHANGER?**

## NUCOAL ENERGY: Canada's Contribution to North American Clean Energy Security

- Ready availability of huge deposits of lignite coals.
- Close proximity to the US border.
- Pipelines, railroads, highway transport.
- Low population density.
- Shenhua, China CTL in operation as of January 2009.
- Extensive technological and infrastructure cooperation.

# NUCOAL ENERGY

- Project could Be economic at \$40 oil
- CO2 sequestration and vastly reduced sulphur and other pollutants.
- Multiple end products.
- Strategic project with ready demand and infrastructure.
- Near term completion.
- US DOE interest.
- Pilot to produce 150,000 barrels of Gasoline initially.
- Partners: Sherritt, Sinopec, North Rim Exp, SRC, Trans Canada



## **CTL PRODUCTION QUANTITIES**

Products/Feedstock	Daily Quantities Produced/Consumed	
	<i>First Phase Plants Saskatchewan</i>	<i>Resource Supports Second &amp; Third Phase Expansions</i>
Gasoline (barrels/day)	135,000	300,000
Carbon Dioxide (tonnes/day)	33,000	66,000
Sulphuric Acid (tonnes/day)	750	1,666
Aggregate (tonnes/day)	10,960	24,112
Lignite Requirement (tonnes/day)	55,636 (20.3 million tonnes/year)	123,623 (45.1 million tonnes/year)

# Why a Game Changer?

# Vadium Technologies

***Information warfare is the offensive and defensive use of information and information systems to deny, exploit, corrupt, or destroy, an adversary's information, information-based processes, information systems, and computer-based networks while protecting one's own. Such actions are designed to achieve advantages over military, political or business adversaries.***

**-- Dr. Ivan Goldberg**

There are over 200 million registered user of MySpace (as of September 2008)

If MySpace were a country, it would be the 5th-largest in the world (between Indonesia and Brazil)

There are 31 billion Google searches each month.

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In 2006 there were only 2.7 billion all year.

## A World Wide Botnet That Shut Down Estonia

“The 2007 assault that nearly shut down Estonia’s digital infrastructure was blamed on Russian ire over the moving of a Soviet war memorial.

But that attack came from a “botnet”—a network of infected machines round the world—including many in America. The sale and rent of botnets is an established criminal business on the internet.

Other recent cyber-attacks have coincided with conflicts between Israel and Hamas, and Russia and Georgia.”

# Vadium Technologies

- One time pad (OTP) that ensures unbreakable encryption security.
- Our information based world is increasing in size and speed exponentially.
- Digital threats – spybots / Botnets / confickers exist everywhere today.
- Botnets may control 20,000 computers including your computer.

## Just to Review

- 1. Melkior Resources (Gold)
- 2. Neuralstem (ALS)
- 3. Indicator Minerals (Diamonds)
- 4. Houston Lake (Gold)
- 5. DataMeg (Recycling)
- 6. Avalon (Heavy Rare Earth Elements and Lithium)
- 7. Hyperion (Modular Nuclear technology)
- 8. Blue Earth (Recycling)
- 9. Quaterra (base and precious metals)
- 10. Terraco Gold (Gold and silver)
- 11. Midway Gold (Gold)
- 12. Commerce Resources (Tantalum and Niobium)
- 13. Minco Silver and Gold

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