

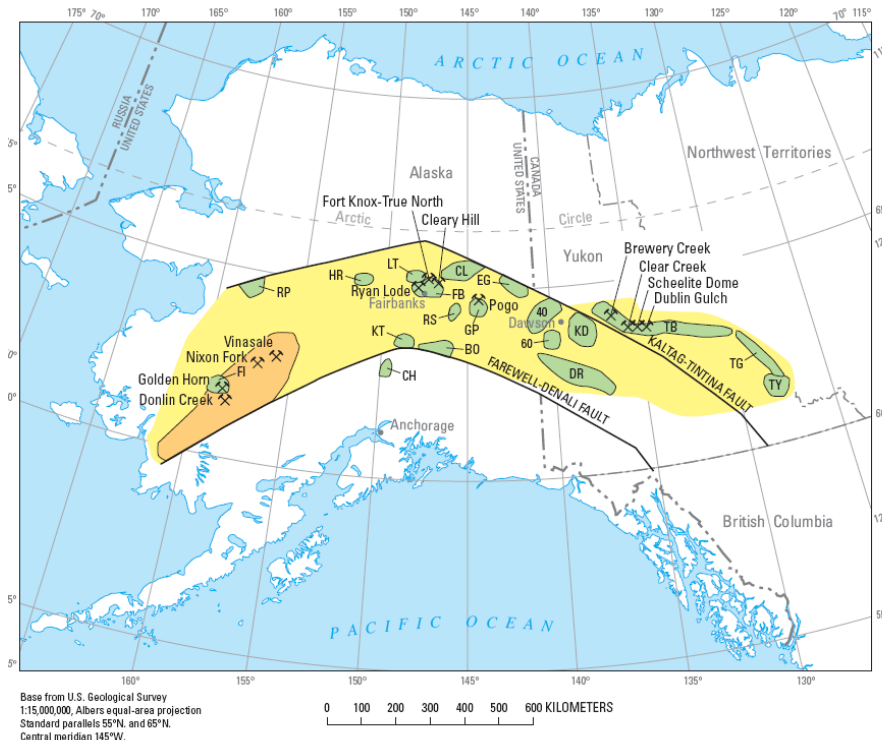
**Today's Notes:**

**1. Golden Predator (Chris Berry, MBA)**

As markets melted down last week no sector, industry or company was spared. The upside of a downturn in asset prices can, of course, be viewed as a buying opportunity. One discovery opportunity we've been researching is Golden Predator Corp. (GPD: TSX). There are, in our opinion, four reasons to consider this company.

GPD is exploring for, and developing, world class Canadian gold mines. It also has significant silver assets and a royalty business that will complement its core business as a future gold producer. GPD has set its sights on becoming a mid-tier gold producer by focusing on Canada's Yukon Territory. CEO Bill Sheriff is building GPD into a self-funded company through a royalty plan augmented by core Nevada assets. In addition to royalties, gold properties that the company leases or owns in Nevada will generate cash flow to fund GPD's exploration in the Yukon. CEO Bill Sheriff stated:

***"Everything we do is dedicated to our leadership, participation, and ultimate success in the emerging Yukon Tintina Gold Belt where we have an unparalleled opportunity to build the next significant gold company in North America."***



- EXPLANATION
- Tintina Gold Province
  - Kuskokwim basin
  - Mining or placer districts
  - Major geologic fault system
  - Major mineral deposit

Mr. Sheriff's business plan focuses on the historical gold and silver grandeur of Nevada's Carlin-style gold deposits to enter a newer, and increasingly more attractive, gold province in the Yukon – the Tintina. The location of the Tintina Gold Belt shown above. As you can see the Tintina is already a significant gold province.

GPD believes the Yukon is under-explored and has potential to be a new "Carlin District." Mined intermittently since the late 1890's, the Tintina Trend is a large strike-slip fault in western North America. It extends from northwestern British Columbia, through Canada's Yukon well into the U.S. state of Alaska. It represents the northern extension of the Rocky Mountain Fault in the northern United States. The Tintina district is greater than 150,000 square miles in size, much larger than Nevada's famous Carlin and associated Trends. Historically the Tintina trend in the Yukon has been a favorable locale for discovery of world class gold deposits. The known gold mines and deposits of the Tintina have been a bountiful source of the yellow metal. Here's a partial list of Tintina gold mines from USGS data.

Deposit	Location	Endowment (Moz)	Grade (g/t)	Production to date (Moz)
Donlin Creek	Kuskokwim basin	31.7	2.91	none
Fort Knox	Fairbanks district	9.2	0.93	4.6
Pogo	Goodpaster district	5.6	18.9	1.2
Dublin Gulch	Selwyn basin	1.96	0.916	none
Cleary Hill	Fairbanks district	1.6	34.0	0.5
Shotgun	Kuskokwim basin	1.1	0.93	none
Vinasale	Kuskokwim basin	0.92	2.4	none
Brewery Creek	Selwyn basin	0.85	1.44	0.27
True North	Fairbanks district	0.79	1.69	0.44

The grades and resources listed above are significant, ranging from ~1 gram per ton (GPT) and 9 million ounces of gold at Fort Knox to 2.91 gpt and 31.7 million ounces at Donlin Creek.

Recently the Tintina has proven its gold potential again. Underworld Resource's gold discovery at "White Gold" has been rewarded by a takeout from Kinross Gold Corporation for \$139 million, a 36% premium. The Underworld case study is a classic example of successful discovery investing. Yesterday Kaminak Gold reported world class drill results at its 100% owned Coffee project in the Yukon, (17.07 grams of gold (1/2 + ounce) over 15.5 meters). Indeed the Golden Race is on in the Yukon. Golden Predator will be a big part of this picture.

The market has acted unkindly to GPD since April 15th when it peaked at C\$.62 (C\$.80 at year end 2009). It had fallen to a low of 40 cents last Friday before rebounding to close at C\$.52 yesterday. GPD's shares have declined almost 40% since January 1st 2010 and 20% since April 15th.



2. Location and Politics: The Yukon is located in a politically stable area of the world. The Yukon is currently ranked as the 11th best jurisdiction out of 71 for mining and exploration by Canada's Fraser Institute. It has been under-explored relative to other jurisdictions. In our interview with CEO Sheriff, he stated that only 4% to 5% of land in the Yukon has been explored sufficiently.
3. The sheer size of GPD's land claims leads us to believe there is significant upside regarding mineral discovery. For example GPD's Gold Dome property in the Yukon is 70 square kilometres in aerial extent.

On the political front many governments seem to be interfering more often with the mining and exploration industry. Quebec for example has instituted a 12% tax on mining in that province. The Yukon is headed in the opposite direction with the completion of a process known as "Devolution."<sup>1</sup> This process cedes decision-making on permits from Ottawa to Whitehorse. The speed and efficiency gained from this process will make the Yukon a more appealing and profitable exploration and development space in the future.

4. Mr. Sheriff's history of building successful companies: Mr. Sheriff was the driving force in creating EMC Metals Corp. He took this company from a TSX listing, to the NYSE AMEX in 30 months and ultimately sold the company to Uranium One for \$1.8 billion in 2007. We wish to draw attention to his successful wealth creating track record. We think he can do it again with Golden Predator.

There are other reasons GPD stands out from its peers. Admittedly, the stock performance of GPD hasn't been pretty of late, but we think this makes a stronger case for the stock as somewhat of a contrarian investment. I do not own GPD shares.

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<sup>1</sup> Devolution is the process of transferring authority from one government to the other. Over the years, there have been a number of responsibilities devolved to the Government of Yukon, from the Government of Canada, the most recent being the transfer of land and resources. The governments of Canada and Yukon spent several years negotiating this transfer and framework for change. In October 2001 the Devolution Transfer Agreement was finalized. On April 1, 2003 a new *Yukon Act* came into effect, giving the Government of Yukon direct control over a greater variety of provincial type programs, responsibilities and powers. These expanded authorities enabled citizens of the Yukon to have more say over their economic future and the ability to respond quickly and effectively to issues as they arose.

*may differ materially. In addition Mr. Berry may review investments that are not registered in the U.S. We cannot attest to nor certify the correctness of any information in this note. Please consult your financial advisor and perform your own due diligence before considering any companies mentioned in this informational bulletin.*