

shareholders' equity evaporated. Even if we assume that the assets were devalued mainly because of the decline in the gold price, they still managed to burn through \$154 million in cold, hard cash.

On the other hand, you will likely hear a lot of analysts trumpet Miramar's Hope Bay project in Northern Canada. There is no question that Miramar has a significant asset there, but it's not a slam-dunk. The deposit is remote and far north, which means that it is going to cost a lot of money to build infrastructure, and that impacts the economics significantly. In spite of that, it is possible for Miramar to delineate sufficient gold to possibly attract a major and get taken over. On balance though, it would seem that there are better places to put money than Miramar.

### Speaking Engagements

On December 1st I'm speaking at the San Francisco Precious Metals Conference (800-282-7469), to be held at the Marriott Hotel in San Francisco. The title of my talk is "Gold in Perspective" and it will cover the driving forces in the gold market, why the gold price is where it is and what we can reasonably expect from the gold price in the future. I will also be hosting a panel of three exploration companies, hand-picked by myself, which I believe offer excellent value to speculators interested in mineral exploration. If you can attend the conference, it is not only a great venue to learn more about these companies, but it affords you the opportunity to get to know the people with whom you invest personally.

**Altius Minerals (ALS.V: C\$1.10)** is, on a risk-adjusted basis, the best exploration company in the world. There is just no reason why Altius should not be in every exploration portfolio. The company single handedly started one of the largest land rushes in Canada, without even making a discovery. They convinced Barrick, the world's expert in Carlin style mineralization, that Newfoundland has the potential to host an entire belt of Carlin style deposits. In addition to a strategic alliance with Barrick, Altius has joint ventures with Cameco, Billiton, Inmet, Noranda and Sudbury Contact Mines (a subsidiary of Agnico Eagle) as well as several junior exploration companies. All of Altius' projects, from a very early stage, are funded by joint venture partners enabling Altius shareholders to get significant leverage to mineral exploration for a fraction of the risk associated with exploration.

**Radius Explorations (RDU.V: C\$0.25)** is the second company on the panel. I have known Simon Ridgway for over five years, ever since I visited the San Martin gold deposit they discovered in Honduras, the same deposit that is now Glamis Gold's flagship mine. As part of the San Martin acquisition (from Mar West) Glamis also acquired Cerro Blanco, a gold deposit in Guatemala that is likely to become one of Glamis' fu-

ture mines. How did Simon Ridgway manage to discover two gold deposits while most exploration companies never even discover one? He goes where no one else is going. He was early in Venezuela, early in Honduras and early in Guatemala. With his extensive knowledge of Central American geology and his ability to operate in these countries, garnered from being there, he has positioned Radius as the leading Central American exploration company. The geology of Central America is very prospective for mineral exploration and Radius already has a vast portfolio of properties as well as a seasoned exploration team.

**Virginia Gold (VIA.T: C\$1.00)** is the most active exploration company in Quebec, an under-explored province with demonstrated potential to host world-class deposits. The company has C\$9 million in working capital but in spite of that gets most of its exploration expenditures financed through joint ventures. Virginia recently announced its third agreement with Noranda relating to a joint venture that utilizes Noranda's advanced MegaTEM technology in the search for large, massive sulphide ore bodies. As a result of previous successes, the joint venture partners are likely to be drilling almost continuously for the next 18 months and possibly much longer. Virginia would be a good speculation based solely on its gold exploration projects and its joint venture with BHP-Billiton at Gayot; however, given the extent of this joint venture with Noranda, I feel certain that Virginia is going to make a significant discovery in Quebec. The question is not if, but when. ■

### Notes

► Longtime subscribers may have noted the absence of any editorial content regarding the mid-term elections. Every two years I traditionally recount the five reasons a public spirited American will neither register nor vote. But perhaps it's just a sign of what a waste of time I think voting really is that I haven't even written about it this year. The good news, however, is that a longstanding trend of fewer Americans voting in each election is still intact. Turnout has fallen fairly consistently from about 52% in 1966 to about 40% today. Suppose they gave a war, and nobody came (not likely in today's America). But suppose they gave an election, and nobody voted?

► I heard most of the speech Bush delivered on Nov 11, Veterans Day. His writers pushed every jingoistic button they had, and Bush read it from the teleprompter without his usual malapropisms, spoonerisms and other glitches. The audience was apparently as packed with sycophants and cheerleaders as any of Sadaam's, judging by the volume of applause after ev-