

# Global Resource Investments Ltd.

## The Global Exploration Analyst - Research Report

*Company Analysis, Mineral Property Evaluation,  
Exploration Insights and Research*

**THE (SOMETIMES ON)  
FRIDAY SHEET**

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**\*\*Takeovers\*\***

**\*\*Altius\*\***

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**\*\*Atna\*\***

Bingo!! Inco acquires the Voisey's Bay class VBN shares for C\$7.50 plus 0.45 of an Inco share purchase warrant at C\$36. Kaching!! De Beers takes out Windspear. Ditto, Rio buys North Ltd, Noranda buys Rio Algom, Rio Tinto and De Beers are going after Ashton, Platexco goes to Impala Platinum and Pangea to Barrick. Who's next, Goldcorp, Gabriel Resources? Most of you are better equipped than myself to pick the next takeover, so I'll go with a fantasy; the merged Goldfields-Franco Nevada takes out Barrick and unwinds their hedge.

There's an obvious trend developing here; the experts in the mining industry, the mining giants (i.e. folks that know how to mine), are seeing undervalued assets throughout the industry and snagging them while they're cheap. It's clear the mining sector is coming back to life, there's a blip on the cardiograph at long last. A very successful day-trading buddy of mine even played and won on three mining stocks recently. Position yourself now!

Back in the July 21st Friday Sheet, I directed some disparaging comments towards Newfoundland's Premier, Brian Tobin, in regards to the Voisey's Bay fiasco. Well the Premier and I are back on "friendly" terms, so by way of a peace offering I'd like to present Newfoundland's very own Altius Minerals (ALS) as this week's "sleeper" exploration company. This recommendation follows up on an investment strategy outlined August 11th in which it was proposed that by investing in an exploration group meeting specific criteria, your odds of participating in a valid exploration play were enhanced. [E-mail me for a copy while GRI is revamping its web-site to include SEC approved portions of the Friday Sheet].

Briefly; Altius has 11.2mil shares outstanding, 14.2mil fully diluted, maybe 2mil of float around current prices of C\$0.50, C\$.7mil cash or C\$2.1mil fully diluted and in the money.

Terrain: The island of Newfoundland is comprised of a major ocean basin compressed between the Canadian Shield to the west and a portion of Africa on the east. The compressed ocean floor volcanics host a number of VMS deposits, the most famous being Buchans which contained 16mil tonnes grading 14% zinc, 7.5% lead, 1.3% copper, 126g/t silver and 1.4g/t gold. Additionally, ALS has discovered nickel mineralization on the Canadian Shield and a potential epithermal gold belt associated with a Devonian extensional event. In short, Newfoundland is prospective for the discovery of major ore deposits as evidenced by the presence of Phelps Dodge, Billiton, INCO, Hudson's Bay, and Falconbridge.

Geologic Ability: Geoff Thurlow, Brian Dalton and Roland Butler run the company and its exploration program. All three have extensive geologic experience throughout Newfoundland; they've devoted years to studying and working in the bush here. In particular, Geoff is a respected and renowned expert on volcanogenic massive sulfide deposits (VMS) and responsible, or associated with, over a dozen discoveries in Newfoundland, two of which are in feasibility. This is a very strong team focused on the early stage exploration end of the mining business with a current portfolio of about 20 properties.

Business Plan: ALS's basic modus operandi makes the most of their intimate knowledge of Newfoundland geology and mineralization to turn up high potential, early stage, exploration properties. These properties are then joint ventured off to a major company on terms that require the major to conduct the more expensive and riskier initial evaluation and, allows ALS the option to participate when considerably more data is available. Through this business plan they have leveraged themselves into five joint ventures that potentially represent C\$15 in partner expenditure for every C\$1 in original ALS expenditure. Active joint ventures include; Billiton at the Victoria River VMS property and Taylor Brook nickel showings, Inmet is drilling three holes at the Point Leamington and 4,000m at the Lockport properties this month and, Sulliden will be working the Rolling Pond and Mustang gold properties (assuming they come up with the money).

Promotion: So far Brian Dalton has been very cautious about overstating the prospectivity of the properties, which shows good sense considering how hard it is to actually make a discovery. Global Resource Investments and Rick Rule, a number of newsletter writers and some sophisticated investors are early investors. Analysts from Yorkton, Haywood and Pacific International have been on site and Dave Coffin and Doug Casey will be visiting this month. The word on Altius is slowly getting out to the investment public and any exploration success should be readily recognized.

What else is going on?

ABX has seven rigs punching holes into the El Valle trend for Rio Narcea (RNG) in Spain...hmmmm!

The Atna-US Cobalt deal on the Madison Cobalt deposit failed Atna's (ATN) due diligence. The deposit did not meet the economic hurdles Atna has set for itself in its efforts to join the world of big yellow trucks. David Watkins came on as CEO after heading Cyprus-Amax's international exploration efforts. He threw C\$300,000 of his own money into Atna's treasury as part of a private placement all employees participated in, and now plans to turn Atna into a profitable, mid-sized mining and exploration company. Atna is applying very solid economic principles to the numerous properties they are evaluating, you would be surprised how few junior mining companies actually do look to the bottom line. The company still sells for roughly its cash in the bank.

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