The Bull & Bear's Resource Investor

March, 2004

GOLD
SILVER
PLATINUM
PALADIUM
BASE METALS
DIAMONDS
OIL & GAS

# The Next Big Markets

By George Kleinman
Commodity Resource Corp.

While our primary market approach is technical, there are times the fundamentals are so compelling they can't be ignored. From a fundamental viewpoint, as we enter 2004 the soybean market appears to have the most dramatic upside potential of any market we trade.

Here's a little background. One of the biggest hits I ever had trading commodities was the 1998 bull soybean market. There are differences–there was a drought in '88–but from a supply/demand viewpoint, the current scenario is similar to that year. While I wasn't trading futures in '73, the history books suggest that year was similar too. In 1988, soybeans traded north of $10 and 1973 saw beans trade at their all-time high levels (nearly "beans in the teens"). I didn't just pick these years out of a hat; they were both unique in combining short corps with relentless demand. 2003 was a short crop year too (2.45 million bushels, down from 2.75 in 2002).

Consider this: Last year the US used 2.7 million bushels. So, if usage stays the same, this crop year (the crop year starts September 1 through the end of August), the

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# Dispelling Popular Market Myths

By Kenneth Coleman, editor
Investment Tracker

There are a number of myths that were created during the past market mania – buy and hold, a strong dollar is always good for the nation, job loss always weakens the economy, the world will always do business in dollars, and gold is an archaic metal that no longer has ties to the value of money.

## Myth 1: Buy And Hold

The mantra for middle class investors was buy and hold, buy and hold. In the beginning, the mutual funds had telephone switching so that mutual fund investors could easily move in and out of these funds.

Eventually, the mutual funds quietly forced a de facto buy and "mold" strategy by making it too expensive and difficult to move out of harm's way when a fund's price began to fall. Forcing mutual fund holders to stay put kept the sell-off of stocks in declining sectors from mushrooming. It also helped to improve a fund's bottom line by having more buyers and holders than sellers.

Realizing they had a captive audience bred contempt in the integrity of many fund managers. It was just a matter of time before mutual fund managers took advantage of the system that sets its price once daily to indulge in arbitraging.

It was just another example of how slack regulation, over a period of time, eventually leads to a breakdown in the regulatory arm of the markets and to unethical and illegal practices.

## Myth 2: A Strong Dollar Is Always Good For The Nation

This is only true if the dollar and the other currencies with which it trades is tied to a gold monetary system .The last gold system died in 1971. Since that time, the dollar and the world's other currencies have floated in value. Nations vie for undue trade advantage by keeping their currency's value too low or by allowing the world's trading currency – the dollar – to be valued too high. In essence, a strong currency is a sign of weakness rather than strength.

In a fiat monetary world and in a global economic trading arrangement, the weaker currency countries can dominate. The strategy was once referred to as "beggar they neighbor."

After 1971, when the dollar's

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# The Next Big Markets

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math says supplies will be reduced by 250 million bushels. Another way to look at this is if usage remains constant, on paper the US will run out of soybeans. However, demand isn't just the same–only four months into t6he crop year, 78 percent of the annual US Department of Agriculture (USDA) exports projection for the entire year has been met. Of course, realistically we won't run out of any commodity. Instead, prices will rise to the point where demand is rationed. This is what the USDA is saying when it projects there will be 125 million bushels remaining at the end of this crop year.

Did they fabricate this number? Well, they need to make the numbers fit, so they tell us exports will be down by a whopping 150 million bushels and domestic use will drop by 133 million. Thus far, however, this crop year exports are up by 40 million bushels (a near record export pace) and domestic use is essentially the same. There are nine months left in the crop year, and if we're not going to run out of beans, usage will need to drop by an unprecedented 300 million bushels.

Because *Wall Street Winners* always tries to present both sides, I should mention that the bears point to a record large South American crop coming this spring. I'll point out that while the bears seem to have already dialed this in, this crop is by no means a record because we know very little about it right now. Their "weather scare" period is in the January to February time period. In either case, until late spring the world will have to come to the US to secure supply. After that, the Southern crop potentially will depress global prices, but won't come to the US due to political considerations. The big variable is whether Argentina or Brazil also have short crops.



## The Next, Next Big Market

The federal government is spending $ 1 billion more per day than it takes in. In the long run, gold prices are most sensitive to inflation. Does anyone really believe inflation will remain tame in the coming years? Gold just ended 2003 above $400–its highest level since 1996 and its third consecutive year of gains. The only major gold bull market in my lifetime lasted for four years–from 1976 to 1980, with the last year of that being the most dramatic. This bull-run doesn't show any evidence of the accelerated type move seen at market tops. Gold is our second pick for that next major leg up in 2004, and that last leg up is generally the most lucrative.

Gold stocks have been on a tear this past year, but it's my belief in 2004 it'll be more profitable to own gold futures (even on a non-leveraged basis) than the stocks. The XAU index was up just 19 percent–or only a little more than one-third what the stocks have done.

Investors should buy direct, and by that I mean buying futures at the Comex. Keep in mind that coins and bars are more costly, typically with 5 to 10 percent premiums added to the spot price.

**Editor's Note:** George Kleinman is president of *Commodity Resource Corp*. He's been trading futures and commodities since 1978 and is widely regarded as one of the futures industry's top strategists.

George is currently a member of the New York Mercantile Exchange, COMEX division and the Minneapolis Grain Exchange. He's also author of *Commodities Futures and Options; A Step by Step Guide to Successful Trading* (Financial Times Group) and editor of Future's Magazine's advisory newsletter "Trends in Futures." Call 800-233-4445 or visit www.commodity.com for more info.

# Dispelling Popular Market Myths

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value was no longer pegged to gold, the U.S. stupidly assumed the vast majority of nations would continue to hold dollars rather than to opt for gold. After World War II, many nations did not officially join the gold monetary system established in 1944 until the late 1950s.

That gold monetary system would have died much sooner than 1971 had our government not decided to pay out two-thirds of our gold holdings in order to tempt countries that held dollars to continue holding those devaluing dollars.

Today we have a floating exchange fiat monetary system. There are two reserve currencies – the U.S. dollar and the Euro. This system calls for fiat money holders to value government debt more dearly than they value gold. The central banks of the U.S. and Eurolands hope that people with wealth will hold that wealth mainly in one of the reserve currencies – instead of gold.

It's too soon to say if this fait money system will last. Never in modern history has a fiat monetary system lasted more than four decades.

Within the next 20 years, China will be forced to become a third member of this monetary system, by operating a third reserve currency.

Between 1997 and 2001, the dollar's value had been pushed higher by nations delighted to invest in U.S. markets and our government's monetary policy. Foreign investors had an advantage over domestic investors of about 10% because of the revaluing dollar.

Our dollar has been kept artificially high for too long. Our trade deficit has soared to all-time highs, and too many jobs have been permanently transferred overseas where production and labor costs are much cheaper.

Although the dollar is now dropping the consensus of non-government monetary analysts is that the dollar is still overvalued by as much as 30%. If our government continues to keep the dollar to valued, our standard of living will continue to erode.

There has been much talk about what is now referred to as the "Wal-Mart come from China.

However, Wal-Mart is simply a surrogate of the system, taking advantage of the fact that it can buy and sell China's products cheaper than the products of other countries. China has tied its currency to the value of the dollar and can take advantage of the "beggar thy neighbor" option in the fiat monetary system.

## Myth 3: Job Loss Always Weakens The Economy

In the world of fiat money, job loss due to an overvalued trading currency relative to the value of its trading partners, forces corporations to move abroad in order to compete. If the corporations profit, this is a positive, not a negative. It is corporate profits that delight the stock market, not jobs.

Jobs don't necessarily equal greater productivity or increased profits. Cheap labor costs and an undervalued currency often do equal increased profits. That is the cruel reality the fiat monetary system has created.

## Myth 4: The World Will Always Do The Vast Majority Of Its Business In Dollars

If you have been reading this article, you probably know the reason this statement is a myth. In a fiat monetary world, it's not a nation's wealth alone that makes its currency valuable. In a fiat monetary world, currencies become nothing more than commodities, trading like pork bellies and frozen orange juice. Supply and demand become the determining factor of value.

During the Vietnam War, our country created more dollars than there was demand. The excess money supply drove the price of gold higher, eventually destroying the value of the dollar. This drove more investors out of dollars.

Today, there has been another U.S. dollar supply and demand problem. As the U.S. has been forced to devalue the dollar, increasing numbers of dollar users are turning to other currencies such as the Euro, Swiss franc and gold.

As fewer governments and investors are willing to buy our debt, the Fed will soon be forced to raise interest rates in order to lure investors back in to our notes and bonds.

The Fed has decided to leave rates alone and pledged to keep them at the 1% level for a "considerable period." It should be obvious the Fed is committed to keeping the economy growing for as long as conditions allow (translation: the dollar will continue to decline and debt will continue to rise).

If I were on the Fed board, I would realize that rising interest rates would destroy the emerging boom market and its economy. I would opt for a serious market correction that would scare the hell out of the "weak hands" investors, but would provide a buying opportunity for savvy investors.

What else besides rising interest rates could cause a significant stock market correction? A slow down in the money supply into the economy. The broad money supply (MZM) has been slowly moving lower since July. If this trend continues, it would first bring down smallcaps and gold/silver mining shares, and then eventually topple the big caps as well.

The media will seize on a news opportunity to make any correction seem worse than it is. I feel the Fed and our government have spent too much time,

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# Bull & Bear's Mining Stock Review

## Abington Ventures, Inc.

### Abington Options New Properties Prepares for 2004 Drill Campaign

VANCOUVER, BC, January 13 – Abington Ventures Inc. (TSX.V ABV) (the "Company") is pleased to announce it has entered into a binding letter of intent to enter into an option agreement with an arms length United States company, effective January 12, 2004. Under the terms of the letter outlining the option agreement, the Company has an option to acquire all right, title and interest in 25 mining claims located in Yuma and La Paz Counties, Arizona.

There are five groupings of claims: Eureka (2 claims), Thelma (6 claims), Big Casino (1 claim), Oakland (4 claims), and BVO (12 claims).

These claims are located in areas geologically significant because of their association with the known epithermal ore deposit which comprised the Verdstone mine (a past producer from 1992 to 1996) and the V3w high grade gold/silver deposit outlined by the Company's 2003 drilling program. Both the Verdstone mine and V3w are located on lands already under option by the Company.

The Eureka claims are of significant interest because they are contiguous to the Verdstone claim where the Company's V3w mineralized zone is located (described in previous press releases). Having access to drilling and exploration rights to the adjoining property will allow the Company to expand the scope and of its work program. Some IP geophysical data is available on the Eureka claims and is being evaluated by the company's geological team.

The Oakland claims consist of apparent gold bearing veins located in the 1930's as part of the effort in the district to find other gold veins similar to the Sheeptank Mine then operating about 5 miles to the west. There has been limited exploration on the Oakland zone due to a greater degree of historical focus on the Verdstone mine about 1.5 km to the NNW. Mapping and sampling by previous operators has located several veins in outcrop.

Geological reviews of the new properties, including those of previous induced-polarization (IP) data from the Eureka zone, are currently being completed. The Company is also completing plans for a priority sequence of drill targets for the proposed 2004 drilling campaign, which is to begin shortly.

Under the proposed agreement (which is subject to all applicable regulatory approvals), the Company is required to maintain the 25 mineral claims in good standing and to make a total of US$40,000 payments over four years and issue 100,000 common shares of the Company over three years (subject to Exchange and other regulatory approvals). Abington will have the right to exercise the option and acquire 100% title over the claims at any time the option is in good standing for US$200,000 and 100,000 shares (subject to a 5% net operating profit royalty). The properties may be brought into production before exercise of the option, in which case the Company would pay the greater of a 7.5% net operating profit royalty or US$50,000 per annum to the optionor.

For more information on Abington Ventures Inc. contact Steven Feldman, Investor Relations Manager at 1-866-292-2288 or (604) 683-6657, Fax: (604) 684-4407. E-mail: info@abingtonventures.com. Visit the Web site at www.abingtonventures.com.

The TSX has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the information contained herein.

## Apollo Gold Corporation

### Apollo Gold Corp. Reports on 4th Quarter and 2003 Production

DENVER, CO, FEBRUARY 26 – Apollo Gold Corporation (TSX APG; AMEX AGT) reports on 4th quarter 2003 and year 2003 production.

**Operations Summary**

Apollo's total gold production for the year 2003 was 157,717 ounces (including production of 11,782 ounces during the development phase at Montana Tunnels). The 2003 cash operating cost per ounce of gold was US$ 273.

R. David Russell, President and CEO of Apollo Gold commenting on the year 2003 results stated, "The production results for 2003 were encouraging and were in-line with our forecasts. We look forward to 2004 in which we will see the first full year of production from Montana Tunnels and the start-up of the Standard Gold Mine".

Florida Canyon Mine produced 23,863 ounces of gold in the 4th quarter and 101,811 ounces of gold for the year, at a cash operating cost of US$ 317 per ounce of gold and US$ 276 per ounce of gold, respectively. Florida Canyon also produced 60,065 ounces of payable by-product silver during the year, the proceeds of which are credited against cash operating costs.

Montana Tunnels produced 14,469 ounces of gold in the 4th quarter for a total of 55,906 ounces of gold for the year, which included the 11,782 ounces of gold revenue capitalized in the 1st quarter 2003. For the 3 quarters (2nd, 3rd and 4th) of commercial production in 2003 the mine also produced 416,216 ounces of payable silver, 10,840,000 pounds of payable lead and 21,790,000 pounds of payable zinc, each by-product whose proceeds are credited against cash operating costs. Cash operating costs per ounce of gold were US$ 287 per ounce for the 4th quarter and US$ 267 per ounce for the commercial production period of 2003. The mine moved over 7.4 million tons of waste during the 4th quarter for a total of 18.8 million tons of waste moved in 2003 as part of the East and West wall stripping projects in the pit. Wade Bristol – VP Operations said, "The stability of the west wall continues to be good and we are pleased with our stripping progress to date and expect to be mining ore from the west wall commencing in the 3rd quarter 2004. As planned the mill through-put of 15,000 tons per day should be achieved in the second half of 2004".

**Exploration Update**

During 2003 Apollo spent over US$ 5.0 million on exploration of the company's advanced stage exploration programs, grass roots exploration programs and development drilling around its operating mines. Richard Nanna, Senior Vice-President of Exploration and Development, commenting on the exploration program for the year stated "Over 300,000 feet of core and reverse circulation (RC) drilling was completed during the year which is expected to significantly increase the proven and probable ore reserves scheduled to be updated during February 2004". Apollo plans to continue to aggressively pursue its exploration programs and expects to expend US$ 2.5 million on exploration in 2004. In addition the company plans to expend US$ 10 million in 2004, on the further development of its Black Fox project, including underground exploration drift, core drilling, permitting, and feasibility studies.

**2004 Outlook**

Apollo expects to produce approximately 176,000 ounces of gold for 2004, an anticipated increase of approximately 12 % compared to 2003 production, at cash operating cost of less than US$ 260 / ounce.

The Nevada operations (Florida Canyon and the Standard Gold Mine) are expected to produce approximately 115,000 ounces of gold in 2004. Production in the 1st quarter is expected to be approximately 21,500 ounces of gold. The Standard Gold Mine project will be in the development phase most of the year with operating permits expected in the 3rd quarter and approximately 10,000 ounces of gold production expected in the 4th quarter 2004.

Montana Tunnels is expected to produce approximately 13,000 ounces of gold in the 1st quarter 2004 and approximately 61,000 ounces for the full year. In addition, production of by-product metals is expected to total approximately 893,000 ounces of payable silver, 14 million pounds of payable lead and 36 million pounds of payable zinc. The mine's 2004 stripping project, of 14 million tons of waste, should be completed during the 3rd quarter 2004.

**About Apollo Gold Corporation**

Apollo Gold is a gold mining company with operating mines in Nevada and Montana and an advanced stage development project, Black Fox, along the productive Destor-Porcupine Fault east of the Timmins Gold Camp in Ontario, Canada.

For more information on Apollo Gold Corporation, contact Dave Young, VP Business Development, (720) 886-9656 ext. 55, Toll-free: 1-886-801-0782. Email: info@apollogold.com or visit the Web site at www.apollogold.com.

Forward-Looking Statements. This press release includes certain "Forward-Looking Statements" within the meaning of section 21E of the United States Securities Exchange Act of 1934, as amended. All statements regarding potential mineralization and reserves, exploration results and future plans and objectives of Apollo Gold, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from these forward-looking statements include: the results of independent NI 43-101 reports, the outcome of assays and additional exploration sampling and drilling efforts, the availability of funding for the future exploration and development of Apollo Gold mines and projects, and other factors disclosed under the heading "Risk Factors" and elsewhere in Apollo Gold documents filed from time to time with the Toronto Stock Exchange, The American Stock Exchange, The United States Securities and Exchange Commission and other regulatory authorities.

# BacTech Mining Corp.

## BacTech Signs a Second MOU for China Mining Projects New Mine Developments and Joint Venture

TORONTO, ON, January 23, 2004 – BacTech Mining Corporation ("BacTech") (TSX.V BM) announced today that it has signed a second Memorandum of Understanding ("MOU") to participate in a Joint Venture Company ("JVCO") in China. BacTech has agreed to take part in a newly formed JVCO with Shandong Tarzan Gold (Group)

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Co., Ltd. ("STG"), a state enterprise organized under the laws of the People's Republic of China. The MOU sets out the terms and conditions whereby BacTech and STG will explore, develop and operate gold mining projects in China. JVCO will be owned equally by the two parties. It is also contemplated that the mining output, in the form of concentrate or otherwise, would be on-sold for processing to the previously announced joint venture between BacTech, Shandong Tarzan Biogold Co., Ltd and Michelago Limited.

Under the terms of the JVCO, STG will identify at least 3 mineral deposits of merit, subject to review and acceptance by BacTech, to allow a preliminary assessment of the property potential for mining. BacTech will have 90 days to determine their participation in each new project presented to JVCO. If a project is accepted by BacTech, an independent valuation shall determine the value of the contribution to JVCO and BacTech will match such value to earn at least 50% ownership. The equity contribution by BacTech will include initial project expenditures such as technical and environmental studies, additional drilling, expansion capital or development capital. The initial term of the JVCO is 50 years.

BacTech is currently reviewing the first project proposed by STG, the Guizhou Zhenfeng Beixie Gold Mine in Zhenfeng County, Guizhou Province. The initial review is being conducted by an independent Canadian geological consultant.

### Corporate Profile

On August 5, 2003, BacTech announced the closing of its acquisition of a 55% interest in the Tonkin Springs Gold Mine located in north-central Nevada on the prolific Cortez Trend. On November 12, 2003 BacTech announced its second acquisition, the optioning of 100% of the MacKinnon Creek gold project in southeast British Columbia. On December 17, 2003 BacTech entered into a series of agreements that will see the Company participating in the Chinese gold industry through equity and project participation.

BacTech has developed and patented bioleach technology for the treatment of refractory ores and concentrates to enhance the recovery of gold, silver and base metals. BacTech has commissioned three commercial bioleach plants for the recovery of gold and more recently has successfully demonstrated its technology in the selective recovery of precious and base metals from complex sulphide concentrates. Bioleaching is a commercially accepted and environmentally friendly alternative to conventional smelting operations and provides BacTech with a distinct market advantage in the acquisition and operation of mineral properties. BacTech's business is to own and operate mining projects independently or in joint venture.

For more information on BacTech Mining Corporation contact Ross Orr, President and CEO, at (416) 813-0303, Fax: (416) 596-9840. E-mail: borr@bactech.com.

## Bralorne-Pioneer Gold Mines Ltd

### The Peter Vein Bulk Sample Test Plant Is Nearing Completion of the Installation Phase

VANCOUVER, BC. February 27 – Bralorne-Pioneer Gold Mines Ltd. (TSX-V BPNis pleased to announce that the Peter vein bulk sample test plant is nearing completion of the installation phase of the project. The crushing circuits are now complete and final testing has been done. Both the coarse and fine ore bins are now filled and are waiting for the completion of the grinding circuits. Grinding and flotation have been tested and the concentrate thickener needs to be installed before the complete grinding circuit can be run in and debugged. The tailings line has been put into place and is waiting final connection.

The ore bins have initially been filled with mine waste rock that will be used during the plant debugging and run in phase. This phase is now complete for the crushing circuit and will be completed for the grinding circuit by mid March. The plant will then begin processing the stockpiled Peter vein mineralization beginning with the lowest grade material first. The first gold may be poured by mid April.

The gravity bulk sample plant is designed to process a minimum of 120 tons per day and produce a jig concentrate containing about 40% of the recovered gold content. The remaining 60% of the recovered gold, which will be contained in the flotation concentrate, will be recovered through processing by others at a destination yet to be determined. The flotation concentrate will be shipped in one or two ton bags, by truck to Lillooet and thence by rail to the final treatment destination.

Work has commenced on the first stope on the Peter vein at the 800 level. Initial intersection of the vein in the stope undercut sublevel has yielded gold values of 0.47 ounces per ton over a vein thickness of 8.5 feet. Subdrifting is now underway to develop the 125 foot long shrinkage stope that is expected to produce about 35% of the 10,000 ton bulk sample. A northerly extension drift on the Peter vein on this same level, is currently being driven and has reached the area with a strong, well mineralized vein indicated from previous underground drilling. Work on the upper part of the Peter vein will recommence by the end of March and will provide the remainder of the material for the bulk sample from a 215 foot length of vein that averages 0.38 ounce per ton gold over a four foot stope width.

The foregoing information has been compiled by Hank Sanche, P. Geol., a qualified person pursuant to National Instrument 43-101.

For more information on Bralorne-Pioneer Gold Mines Ltd. contact David Wolfin, (604) 682-3701, Fax: (604) 682-3600. E-mail: mining@bralorne.com. Web site: www.bralorne.com.

# Cassidy Gold Corp.

## More Gold in the JJ Vein

KAMLOOPS, BC, February 24 – Cassidy Gold Corp. (TSX.V CDY) is pleased to announce strong gold intercepts from ongoing diamond drilling on its Kouroussa Property in Guinea, West Africa, including three additional drill holes through the JJ Vein structure. Cassidy has the right to earn 100% interest, subject to a 15% state participation. Three HQ-NQ diamond drillholes, totalling 317.0 metres, tested the JJ Vein Trend, and one hole 121.0m in length, tested under artisanal working 160 metres north of the Sanu Folo Vein Trend. Highlights from the JJ Vein Trend include 12.87 g/t gold over 3.95 metres true thickness in KD-24, 46.57 g/t gold over 1.5 metres true thickness in KD-25, and 11.23 g/t gold over 2.22 metres true thickness in KD-26. All significant results are included in Table 1. For a complete plan and sections of drilling to date, please refer to our web site: http://www.cassidygold.com.

### JJ Vein Trend

As reported in the February 17, 2004 News Release, the JJ Vein Trend is a northwest-trending trench several metres wide, previously mined by the orpailleurs (artisanal miners). This trench exceeds 5 metres width and 4 metres depth over a total distance of 300 metres and is very similar to the Sanu Filanan Vein Trend. KD-23, the first drill hole to test the JJ Vein Trend, was drilled toward 053 azimuth and intersected a strongly mineralized zone grading 21.57 g/t gold over an estimated true thickness of 6.11 metres. These figures are slightly lower than those released previously due to a minor adjustment to sample intervals.

DDH KD-24 was collared approximately 47 metres behind and on section with KD-23. Two distinct mineralized zones were intersected separated by 16 metres of weakly mineralized rock. The upper zone averaged 3.96 g/t gold over 6.25 metres true width and the lower assayed 12.87 g/t gold over 3.95 metres true width.

DDH KD-25 was collared 50 metres northwest of KD-24 and drilled to the northeast, parallel to KD-23 and KD-24. Again, two zones were intersected; an upper zone assaying 46.57 g/t gold over 1.50 metres and a lower zone of 1.89 g/t gold over 3.92 metres true thickness.

DDH KD-26 was collared 35 metres southeast of KD-24 and drilled to the northeast, parallel to KD-23 and KD-24. An upper zone, high in the saprolite, returned 2.38 g/t gold over 3.0 metres, while a well-defined lower zone assayed 11.23 g/t gold over 2.22 metres true thickness.

### North Sanu Folo Vein Trend

DDH KD-27 was drilled to the north under a small area of workings aligned east-west some 160 metres north of the Sanu Folo Vein Trend. Two zones of low-grade mineralization between 96.5 and 110.05 metres appear to line up with the artisanal surface workings.

### Future Drilling

To this point of the program, drill sites have been selected to effectively and efficiently test a number of targets defined by artisanal workings and soil geochemistry. This program has also allowed company geologists to gain a better understanding of the structural setting and the character and intensity of alteration and mineralization for the entire Koe Koe area and to use that understanding to enhance targeting in untested areas such as Sodyanfe and Bokoro/Tambiko.

DDH KD-28 to KD-36 have been focussed in an area of extensive artisanal diggings, approximately 500 metres north of the Sanu Folo Vein Trend. Results from these drillholes are pending. Drilling has progressed from this North Vein Trend area, back to the east. Current drilling is following up on encouraging results from KD-1, in another area of extensive artisanal mining activity.

Shortly, the drill will be moved back to the Sanu Folo Vein Trend to follow up on strong results in KD-3 (7.07 g/t gold over 1.9 metres true thickness) with a single diamond drillhole. Two drillholes are planned for Sanu Filanan Vein Trend. The first will test the transition from KD-4 in which 8.0 metres of strongly mineralized quartz vein was intersected, to KD-12 which hosts a strongly mineralized, silicified stockwork quartz vein system, 80 metres to the northwest. KD-4 returned an impressive 16.87 g/t gold over 8.04 metres true width, while KD-12 returned 5.12 g/t gold over an equally impressive true thickness of 27.58 metres with the bottom 1.0 metre assaying 2.92 g/t gold. A second hole will step 25 metres northwest of KD-12 to test the mineralized zone along strike and potentially down-plunge.

One drill hole has been planned for the Marie Structure, a well-defined trend of quartz vein material in laterite, parallel to and approximately 1,100 metres southwest of Sanu Filanan. Chip sampling of exposed quartz vein material from the Marie Structure returned values of up to 1.90 g/t gold over 1.0 metre.

Following the Marie Structure, the drill will be moved to the Sodyanfe target area. Drill targets are currently being selected and prioritized in anticipation of this stage of the program. Sodyanfe is defined by a strong gold in soil geochemical anomaly located 2 kilometres west-northwest of the Koe Koe target area. A total of 213 samples collected on a 25x50 metre spaced grid, returned an average gold grade of 0.49 g/t gold. In addition, artisanal miners were very active over most of the Sodyanfe anomaly.

### Conclusion

All drill core was split and samples were sent to ABILAB Afrique de l'Ouest in Bamako, Mali for fire assay using a 50 gram subsample. High results were checked by reassaying the same pulp and a gravimetric finish was used on all samples assaying over 10 g/t Au and some assaying over 4 g/t Au. Several high values were checked by taking another split from the sample rejects and fire assaying with both an AAS and gravimetric finish.

The exploration team in Africa consists of Project Manager Jean-Jacques Lefebvre, M.Sc., Marthe Archambault, P.Geo, the company's Qualified Person on site, and Thomas Hasek, P.Eng. Christopher J. Wild, P.Eng, Cassidy Gold's Vice-President of Exploration and Qualified Person as defined by National Instrument 43-101, oversaw the preparation of this news release.

For more information on Cassidy Gold Corp. contact James T. Gillis, President or Robert Ferguson, VP Corporate Development at (250) 372-8222, Fax: (250) 828-2269. Email: cassidygold@telus.net or visit the Web site at www.cassidygold.com.



## Eastmain Resources Inc.

**Eastmain - Noranda Exploration Agreement To Utilize MegaTEM Technology**

TORONTO, ON, January 19, 2004 – Eastmain Resources Inc. (TSX ER) is pleased to announce the signing of an agreement with Noranda Inc. for the purpose of completing MegaTEM airborne electromagnetic surveys over part of the prolific western Abitibi Greenstone Belt, Ontario. Approximately 12,000 line-kilometres of surveys are planned to target gold, VMS Cu-Zn-Ag and Ni-Cu PGE deposits. Eastmain will hold a 65% interest in any discovery made from these surveys. Eastmain shall have access to Noranda's proprietary exploration data in the areas to be flown and to their technical expertise in MegaTEM interpretation.

Proposed exploration will begin with MegaTEM surveys and ground follow-up of the best anomalies. The program budget includes subsequent drill testing of 30 to 40 high-priority targets. Under a joint management committee, Noranda shall act as the initial operator. Eastmain has the right to become operator on any gold discovery.

The MegaTEM airborne system has demonstrated superior depth of penetration and conductor resolution through the thick glacial overburden blanketing this prospective greenstone belt. The system allows detection of massive sulphide-type deposits up to 250 metres below surface. Application of this technology led Noranda to the discovery of the Perseverance zinc-copper deposit in Québec. Discovered in the year 2000, this deposit includes 5.1 million tonnes of reserves grading 15.8% Zn, 1.24% Cu and 29.37 grams per tonne silver.

Don Robinson, President of Eastmain states: "Part of our corporate philosophy is to form partnerships with world renowned mining companies, in order to enhance our opportunity for discovery. We are extremely pleased to join Noranda, a leader in the application of new mining technologies, in the exploration of one of the richest mineral belts in the world."

For further information on Eastmain Resources Inc. contact Donald J. Robinson, President or Catherine Butella, Exploration Manager at (519) 940-4870, Fax (519) 940-4871. E-mail: robinson@eastmain.com or visit the Web site at www.eastmain.com.

## International PBX Ventures Ltd.

**Tierra de Oro Property, Chile Atacama Zone Gold Assays**

VANCOUVER, B.C., February 23, 2004 – International PBX Ventures Ltd. (TSX.V PBX) is pleased to report additional assays from detailed surface mapping and sampling programs on its wholly owned, 4056 hectare Tierra de Oro property which covers the Sierra Chanchero gold camp containing over 35 linear km of gold bearing structural zones ranging from 50 to 300 metres in width.

Atacama, discovered in 1998, is a 50 to 100 metre wide zone of numerous, multi-directional, gold-quartz-iron oxide bearing structure 'veins' similar to the Escondida zone. The Atacama zone lies 500 metres north of the Escondida and may in fact be an extension of it. Six to eight, 1-2 metre wide, 'main veins' have been worked discontinuously along the 400m of zone mapped and sampled to date.

Thirty two "vein" and wall rock chip sample assays have now been received. The 'vein' assays range in value from 0.46 g/t to 16.7 g/t gold and in widths from 0.9 to 2.0 metres. The weighted average grade of the seventeen 'vein' assays received so far is 4.17 g/t over 1.36 metres. Some of the higher assay values include;

| Sample # | Gold (g/t) | Width (m) |
|---|---|---|
| 115734 | 7.27 | 1.4 |
| 115735 | 7.01 | 1.3 |
| 115756 | 16.70 | 1.3 |
| 116343 | 3.42 | 1.1 |
| 10609 | 5.23 | 1.6 |
| 10612 | 5.27 | 1.5 |
| 10614 | 4.96 | 2.0 |
| 10617 | 3.17 | 1.4 |

Chip sample assays from the intervening wall rocks (i.e. areas between high-grade veins) range from 0.16 to 0.72 g/t gold and average about 0.4 g/t gold.

An additional sampling crew has been engaged in light of the excellent results obtained to date to more quickly develop drill targets over this very large gold camp.

All samples were collected by experienced samplers and geologists under the supervision of T. Walker M. Sc. P. Geo., the designated qualified person as defined by National Policy Instrument NI43_101. All samples were analysed in Chile at Acme Analytical Laboratories, Santiago (1998) or ALS Chemex Laboratory, Coquimbo.

The sampling programs continue on this and other zones with more results expected soon from this historic gold camp with both underground and open pit potential.

For more information on International PBX Ventures Ltd. contact Gary Medford or Verna Wilson at (604) 681-7748, Fax (604) 681-0568. E-mail: ipbx@uniserve.com or visit the Web site at www.internationalpbx.com.

The TSE Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

## GLR Resources Inc.

### Geochemical Gold Zones Identified

KIRKLAND LAKE, ON, February 12, 2004 – GLR Resources Inc. (TSX GRS) (GLR) is pleased to report exploration results on its 100% owned Kirkland West Property (KLW).

Recently completed soil geochemical sampling by GLR on the western portion of the KLW (Eby Township) property, has returned anomalous values of gold and other pathfinder minerals. These are the first geochemical results of the large sampling program to be received by GLR. Two distinct elevated gold trends covering over 400 and 300 metre strike lengths and cross-cutting the Larder-Kirkland Lake deformation zone have been identified. Gold geochemical values exceeding 90 times background as well as elevated pathfinder minerals of arsenic, molybdenum, lead, tungsten and zinc also occur with in these trends. Both gold trends have geophysical responses.

Historic reverse circulation till sampling (1987) was completed by GLR in this area of the KLW property and returned up to 25,000 ppb gold. Several of the samples contained flakes of visible gold and most of the holes contained sphalerite (zinc). In a report prepared for GLR by Jeanette Lourim and Associates, 1987, this area, along with three others on the property, were considered to be highly prospective for gold deposition and also suggested a local source, possibly from a NE/SW structure to the main Larder-Kirkland Lake deformation zone.

In 1987 and 1988 GLR completed several diamond drill holes on the property. Only one ME88-19 was drilled in the vicinity and west of the geochemical anomalies. This drill hole returned low gold assays however, considerable alteration with porphyry and carbonate stringers were noted in the hole. Diamond drilling to test this area will be undertaken as soon as a drill and crew can be secured.

“GLR” is a Canadian Based Exploration Company with several gold, base metal and Platinum group metal properties within its portfolio with the most advanced being the 100% owned Goldfields Project consisting of two open pitable deposits containing a resource estimate of 1,000,000 ounces gold. The Company currently has 21.7 million shares issued and outstanding.

For further information on GLR Resources please contact Robert J. Kasner, President & CEO at (705) 567-5351, Fax: (705) 567-5557. E-mail: kasner1@ntl.aibn.com or visit the Web site at www.glrresources.com.

## International Wayside Gold Mines Ltd

### Bonanza Ledge Delivers Ore to Mount Polley Mines for Processing Drill Results Show Continuity of the Bonanza Ledge Gold Deposit

VANCOUVER, BC, FEBRUARY 24 – The Board of Directors of International Wayside Gold Mines Ltd. (the Company) is pleased to report that ore is being shipped from the Cariboo Gold Project’s Bonanza Ledge Deposit to the Mount Polley Mill near Williams Lake, British Columbia for processing. The Project is under the direction of Mr. Michael Hibbitts P.Geo., the “Qualified Person” as required under National Instrument 43-101. The Bonanza Ledge Deposit will produce 10,000 metric tonnes from an underground bulk sample in the upcoming weeks, with an anticipated grade of 0.70 ounces per ton Au (23.66 g/mt). The Mount Polley Mill is scheduled to make a bulk gold-sulfide concentrate suitable for smelting or cyanidation for final gold recovery. Metallurgical testing at Imperial Metals Mount Polley Mine Site has indicated 92%-95% recovery of contained gold.

As of February 16, 2004 an estimated total of 1400 metric tonnes of development ore has been delivered to surface from underground.

Stope development and blasting based on mine designs provided by Golder Associates (Mining and Geotechnical Engineering Consultants) is scheduled to produce the remining 8,600 metric tonnes within the next few weeks. Production will be approximately 450 tonnes per day from three stoping blocks. The Golder Associates stope design incorporates the ability to continue mining on the next 70,000 thousand tonne expansion of the Bonanza Ledge Deposit. Permitting for the 70,000 metric tonnes, under The British Columbia Mines Act is in progress.

A program of underground drilling, designed to outline both grade and thickness of the ore zone, continues to meet with success. The ore zone in the area that is scheduled to be mined, approximately 120 feet of strike, has shown both a higher-grade core and a larger mineralized envelope than previously identified from surface. (See News Release 04-1).

Surface exploration drilling has been confirmed with underground diamond drilling.

The underground assay results received to date indicate continuity of the gold bearing Bonanza Ledge zone as well as a higher grade core in the majority of the eleven holes reported to date from the underground drill program.

The underground drilling for stope development is now complete. The underground drill program will now focus on exploration with the view to expand the strike and depth continuation of the Bonanza Ledge Deposit. Several priority targets both on strike and at depth will be tested from existing underground workings.

The detailed results of diamond drill holes UG BL 04-06 to UG BL-04-11 are shown in Table 1.0, below. Assay results from diamond drill holes UG BL 04-12, UG BL-04-13 and UG BL-04-14 are pending.

The detailed assay results of diamond drill holes UG-BL 03-01 to UG BL-03-03 and UG-04-04 and UG BL-04-05, previously released in News Release 04-01, are available on our Web site, www.wayside-gold.com.

Detailed stope design and development is near completion pending final results from diamond drill holes UG BL-04-12, 13 and 14. The mining plan produced by Golder Associates required the addition of a sub-level drift for the purpose of blast hole drilling. The 4715 sub—level drift has a total of 181 ft of advance required to complete the Project. An estimated total of 1470 feet of development will complete the first phase of production from the Bonanza Ledge Deposit.

The Company, from initial phase of permitting, has continued to seek the highest level of technical input from the view of environmental protection to mining. The Bonanza Ledge Deposit represents one of the Company's key assets paving the way to exploration and production of their jointly held land holdings in Cariboo District of British Columbia.

Eco Tech Laboratories Ltd. of Kamloops, B.C, is performing fire assay sample analysis.

The Bonanza Ledge Deposit discovered in the spring of 2000 will be the first production of a phased program to re-instate the Wells/Barkerville camp as one of British Columbia's most historic and prolific gold mining camps. The Company presently has a continued plan of development and exploration for 2004 and beyond.

The Cariboo Gold Project encompasses the former producing Cariboo Gold Quartz mine, and the Hardscrabble Tungsten Mine on the property of International Wayside Gold Mines Ltd.; jointly held with Island Mountain Gold Mines Ltd., the Aurum, Island Mountain, and the Mosquito Creek Gold mines (now on care and maintenance), and the Cariboo Hudson and Cariboo Thompson Gold & Silver mines on the property of Golden Cariboo Resources Ltd.

The Cariboo Gold Project's land holdings now cover 456 square kilometers (170 square miles) covering 57 kilometers (34 miles) in length and over 8 kilometers (5 miles) in width. In the Barkerville Camp, 79 creeks have reported placer gold production. Recorded production from the area was 3.8 million ounces of gold (2.6 million ounces from placer and 1.2 million ounces from lode mining.

For more information on the Cariboo Gold Project and International Wayside Gold Mines Ltd., contact J. Frank Callaghan, President and CEO at 1-800-663-9688, Fax: (604) 669-3041. Email: info@wayside-gold.com or visit the Web site at www.wayside-gold.com.

This News Release contains forward-looking statements regarding the timing and content of upcoming programs. Actual results may differ materially from those currently anticipated in such statements. The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

# Kimberly Gold Mines, Inc.

## Kimberly Gold Reports 2003 Exploration Results at the Kimberly Gold Mine

COEUR D'ALENE, Idaho, January 13 – Kimberly Gold Mines Inc. (KMGM) is pleased to report 2003 exploration results from its 100-percent held Kimberly Gold Mine in central Idaho. The Company is rebuilding project infrastructure and exploring for additional mineralization at Kimberly with the ultimate goal of returning the mine to production.

The 2003 work season saw the initiation of surface and structural geological mapping studies, bulk sampling and metallurgical studies, continued sampling and infrastructure rehabilitation, and the commencement of the Company's first diamond drill program. The 2004 work season will see the continuation and/or completion of these programs.

Additional sampling of surface and underground vein exposures continued to demonstrate the presence of high-grade gold at Kimberly. With the inclusion of 2003 sampling data, company geologists have now delineated approximately 287,000 tons of mineralized material, grading an average of 0.58 ounces per ton (oz/t) gold and 1.48 oz/t silver. Most of the historic workings are open along strike and to depth and the potential to expand mineralized tonnage is excellent.

Accomplishments for the 2003 work season at the Kimberly Gold Mine include:

- Preliminary structural geological mapping studies, both from surface and underground, greatly enhancing knowledge of the geology and structural controls. Results include the discovery of an additional mineralized vein as well as two skarn horizons, potentially providing the first bulk tonnage drill targets for the project.
- A bulk sampling study showing high-grade gold in both quartz and fault gouge in the Hickson-Bishop Vein (indicating that local faulting occurred post-mineralization) and subsequent metallurgical work that confirmed the need to incorporate both gravity and floatation circuits to achieve optimal

mineral recoveries. Past production data has shown recoveries consistently above 90 percent without cyanide leaching.

• The completion of 1,560 feet of the planned 10,000-foot drill program. The objective of the initial drilling was to intersect the Gold Crest Vein above and below the Gold Crest No. 2 Adit/Tunnel. However, although several mineralized structures and quartz veins were encountered, no significant gold intercepts were recorded and results are thus far inconclusive. Additional structural study will precede drill program completion in 2004.

A detailed surface geological map covering most of the project area was created during the 2003 work season. This study successfully mapped the intrusive/metasediment contact, identified three major faults and eight individual stratigraphic units, and led to the discovery of two skarn horizons providing new potential bulk tonnage drill targets. It also identified surface exposures of the Gold Crest Vein, which returned sample grades up to 0.39 oz/t gold and 1.65 oz/t silver.

The underground structural mapping program focused on areas within the Kimberly, New Fisher, and Gold Crest #1 tunnels. The study identified a second quartz vein within the Kimberly Tunnel, striking N25W compared to the main vein that strikes N70E. This discovery indicates the presence of unexplored veins striking orientations that run counter to the primary trend.

The 2004 exploration program will include the continued rehabilitation of mine workings, additional surface and underground sampling of accessible veins, additional bulk sampling, the completion of surface and underground geological mapping studies, the continuation of the reverse circulation drilling, and the initiation of underground core drilling.

Commenting on the 2003 work season, Kimberly President Kevin Shiell stated, “We are pleased with the overall results this year as we are becoming increasingly confident in the project’s long-term viability, especially considering the dramatic improvements in the gold price and in marketplace sentiment toward mining investment. If these trends continue, we believe that it will translate into enhanced financing opportunities for the Company in 2004, allowing us to move more quickly and decisively toward resuming production at the Kimberly Gold Mine.”

**About Kimberly Gold Mines, Inc.**

Kimberly Gold Mines is an aggressive gold exploration company focused on the historic mining districts of the Pacific Northwest. Active Kimberly projects include the Kimberly Gold Mine in central Idaho, the Matthews and Compton properties along the Wenatchee Gold Belt of central Washington, and the Empire Creek Project on the Republic Graben of northeastern Washington.

Kimberly has approximately 9.3 million shares outstanding and no long-term debt. Kimberly stock trades on the OTC Market under the symbol “KMGM”.

For more information on Kimberly Gold Mines, Inc. contact Ray De Motte, CFO at (208) 676-1629. Email: rdemotte@aol.com or visit the Web site at www.kimberlygold.com.

Certain statements contained in this press release are “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based on beliefs of management as well as assumptions made by and information currently available to management. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results.

## Minera Andes Inc.

### Drilling Has Started on High-Grade Gold/Silver Discovery at Minera Andes’ San Jose Project, Argentina

SPOKANE, WA, February 11, 2004 – Minera Andes Inc. (TSX.V MAI) (OTC BB: MNEAF) is pleased to announce that a drilling program of up to 3,000 meters has commenced at the Huevos Verdes East area discovered last year during exploration at the San Jose project in Santa Cruz province, southern Argentina. The zone of high-grade gold/silver mineralization identified at Huevos Verdes East is being drilled by joint venture partner Mauricio Hochschild & Cia. Ltda. (“MHC”).

The exploration drilling program underway at the Huevos Verdes East area is located on a parallel trend about 2 kilometers to the northeast of the developing high-grade gold/silver resource at Huevos Verdes. This mineralized zone was discovered last year in three holes drilled “blind” on a geophysical target in a basalt-covered area at San Jose project where 32 km of vein trends are currently identified on the property. The zone is defined by the three discovery holes drilled in the center of a 3 km-long geophysical anomaly. The Huevos Verdes East trend itself is currently known to be 6 km long. The best drill intercept in the three holes drilled last year averages 1.57 opt (53.75 g/t) gold and 50 opt (1,711.6 g/t) silver over 1.04 meters. This hole, SJD-31, was drilled at a 50 degree angle and encountered the vein intercept at a depth of 246 meters down the hole.

The first hole in this year’s program, SJD-33, is being drilled at 50 degree angle to a depth of about 350 meters, parallel to and beneath the discovery holes, SJD-21 and SJD-31, to test for continuity of the vein at greater depth. Initial observations from MHC personnel indicate that approximately 2 meters of vein was encountered in hole SJD-33 some 50 meters down dip from the vein intercept in hole SJD-31. Additionally, two other previously unknown 0.6 meter wide veins were intercepted higher up the drill hole. Assay results are pending.

Allen Ambrose, President of Minera Andes, said, "Minera Andes'management is very pleased with the continuing development of new areas of mineralization at the San Jose project and we look forward to reporting the progress at Huevos Verdes East."

Minera Andes is a mining exploration corporation that is involved with approximately 10 projects on about 198,000 hectares (about 489,000 acres) of mineral exploration land in Argentina. The properties primarily contain gold, silver and copper mineralization targets. The Corporation is presently pursuing the further development of its co-owned gold/silver discovery property in Santa Cruz province, and is prospecting in other Argentine provinces. The Corporation presently has 59,740,865 issued and outstanding common shares.

For further information on Minera Andes contact: Art Johnson, Investor Relations at the Spokane office (Tel: (509) 921-7322, Fax: (509) 921-7325, Email: mineraandes@minandes.com), or Krister A. Kottmeier, Investor Relations, Canada, at the Vancouver office (Tel: (604) 689-7017, Email: ircanada@minandes.com) or visit the Web site: www.minandes.com.

# Minera Andes Inc.

### Minera Andes Acquires New Gold/Silver Prospects in Santa Cruz Province, Argentina

SPOKANE, WA, February 17, 2004 – Minera Andes Inc. (TSX.V MAI) (OTC BB: MNEAF) has acquired several new epithermal gold/silver prospects in southern Argentina through an active, generative exploration program. Santa Cruz province, location of the new properties, is emerging as an under-explored, highly prospective area for gold and silver and is host to several mines and discoveries.

Santa Cruz is where Minera Andes discovered and co-owns the San Jose project, a successfully evolving advanced-stage gold/silver exploration project. The project, based on a high-grade vein system, is currently in construction to develop the underground workings at the Huevos Verdes target, where a mine development/production decision is planned for later this year.

### New Exploration

Minera Andes has always believed that people are key to a successful exploration program. Minera Andes'exploration team, with a proven track record of discovery success in the Americas, including Argentina, is headed by Brian Gavin, vice president of exploration. The Santa Cruz exploration program is headed by veteran exploration geologist Denis Hall, who has worked for the company in Argentina for several years. An aggressive reconnaissance program is underway using the company's accumulated expertise in the region to find new gold/silver systems. This exploration program combines both state-of-the-art geologic tools such as remote sensing imagery from orbiting satellites, and the indispensable human-based benefits of knowledge and judgment to find and evaluate mineralized terrain. Areas with promising showings of mineralization are then subjected to further detailed evaluation.

In selecting new targets, Minera Andes' geologists designed an exploration model based on alteration color anomalies and structures defined by the mineralized veins known at Minera Andes'San Jose property where construction is underway at Huevos Verdes, and AngloGold's Cerro Vanguardia mine. Cerro Vanguardia, is a producing, high grade gold/silver vein mine in Santa Cruz province containing in excess of 3 million ounces of gold.

### New Prospects

Several new properties have been acquired through the filing of mineral applications (see attached map). These properties reveal numerous similarities to Minera Andes'San Jose property in northern Santa Cruz province. Two new properties, La Huella and El Trumai, contain mineralized structures with high-level, low sulfidation hydrothermal alteration in faults and fracture zones which strike north/northwest to northwest. Strong arsenic and mercury geochemistry associated with the mineralization is consistent with the zone at or near the paleo surface above bonanza grade veins. Quartz-hosted mineralization extends along two principal structures within an area 2.5 km long and 1 km wide. These characteristics mirror much that has been discovered about San Jose. Minera Andes'geologists regard La Huella as a good example of a Cerro Vanguardia-like structural environment. Other prospects contain structures with sinter-like quartz veining and anomalous arsenic and mercury.

### About Minera Andes

Minera Andes is a mining exploration corporation that is involved with approximately 10 projects on about 198,000 hectares (about 489,000 acres) of mineral exploration land in Argentina. The properties primarily contain gold, silver and copper mineralization targets. The Corporation is presently pursuing the further development of its co-owned gold/silver discovery property in Santa Cruz province, and is prospecting in other Argentine provinces. The Corporation presently has 59,740,865 issued and outstanding common shares

For further information on Minera Andes contact: Art Johnson, Investor Relations at the Spokane office (Tel: (509) 921-7322, Fax: (509) 921-7325, Email: mineraandes@minandes.com), or Krister A. Kottmeier, Investor Relations, Canada, at the Vancouver office (Tel: (604) 689-7017, Email: ircanada@minandes.com) or visit the Web site: www.minandes.com.

Forward Looking Statement: Although Minera Andes believes many of its properties have promising potential, its properties are in the early stages of exploration. None have yet been shown to contain proven or probable mineral reserves. There can be no assurance that such reserves will be identified on any property, or that, if identified, mineralization may be economically extracted. In addition, Minera Andes'joint venture partner, Mauricio Hochschild & Cia. Ltda., does not accept responsibility for the use of project data or in the adequacy or accuracy of this release.

This news release uses the term “Inferred Resources.” We advise U.S. investors that while this term is recognized and required by Canadian regulations, the SEC does not recognize it. “Inferred Resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an “Inferred Resource” will ever be upgraded to a higher category. Under Canadian rules estimates of “Inferred Resources” may not form the basis of feasibility or other economic studies.

# Minefinders Corporation Ltd.

## Minefinders Strengthens Management Team In Mexico

VANCOUVER, BC, February 27 – Minefinders Corporation Ltd. (the “Company”) (TSX: MFL; AMEX: MFN), Mark H. Bailey, President and CEO, is pleased to announce the appointment of Mr. Luis Escudero, P.Eng. to the Company's management team working to bring the Dolores gold and silver deposit, located in Chihuahua, Mexico, to production.

Mr. Escudero is a highly regarded professional within the mining industry and governmental agencies of Mexico, with more than 40 years of experience in the management of operating mines and including the last 10 years, until his retirement in January of 2004, as the Director General of mines for the Secretaria de Economia (formerly SECOFI) of the Federal Government in Mexico City. “His experience and in-depth knowledge of Mexican mining laws, permitting requirements, contract negotiations, industry contacts and government relations will prove invaluable in development of the Dolores gold and silver mine,” said Mr. Bailey. More importantly, according to Mr. Bailey, is “Luis's outstanding personal reputation within the mining community of North America.”

Mr Escudero has a Masters Degree in mining engineering and metallurgy with extensive experience in operating gold, copper and fluorite mines throughout Mexico. He spent more than 25 years in various capacities from general foreman for the mill to general director of the mine and plant operations for Minera San Francisco del Oro, Chihuahua.

Minefinders is a highly successful precious metals exploration company with a significant gold and silver deposit being developed on its Dolores property. Additionally the Company is continuing to advance its La Bolsa gold deposit and bring several new projects in Sonora Mexico to the drill stage. The Company has identified more than 3.5 million ounces of gold and 160 million ounces of silver resource in Mexico since 1996 and is continuing to seek new discoveries.

For more information on Minefinders Corporation Ltd. contact Mark Bailey, President and CEO or Mike Wills, Investor Relations at (604) 687-6263, Fax: (604) 687-6267. E-mail: info@minefinders.com. Visit the Company's Web site at www.minefinders.com.

# Mines Management Inc.

## Mines Management Appoints New Board Member

SPOKANE, WA, February 13, 2004 – Mines Management, Inc. (OTC BB: MNMM) announced today the appointment of Mr. Russell C. Babcock to its board of directors. Mr. Babcock's successful career with Kennecott Minerals Company of Salt Lake City spanned more than 40 years, having been employed by the company and its subsidiaries since 1956. During this time he managed projects throughout North America, and established exploration projects for the company in New Zealand and Eastern Australia. He was appointed Director of Exploration in 1986 and became Chief Geologist for Kennecott in November 1990. Mr. Babcock has also worked extensively in the public sector with state and federal agencies on issues governing mining, land use, taxation and permitting. He is past President of the Northwest Mining Association and holds membership in a number of professional societies including the Society of Economic Geologists. In 2003 he was the recipient of the Society for Mining, Metallurgy and Exploration Ben Dickerson Award. He resides with his wife in Salt Lake City, Utah.

Commenting on Mr. Babcock's appointment, Chairman and CEO Glenn Dobbs said, “We are very pleased Russ has agreed to join Mines Management's board of directors. As a career economic geologist, he brings to the company a substantial breadth and depth of technical experience within the industry as well as a strong background in working with public agencies. Russ's association with the company will be invaluable as we work through the re-permitting process at the Montanore Project and toward advanced development of the project.”

### About Mines Management, Inc.

Mines Management, Inc., founded in 1947, is a U.S. based public mineral development company focused on the exploration and development of silver dominant deposits. The 2002 acquisition of the Montanore silver-copper project, containing 260 million ounces of silver and 2 billion pounds of copper, places the Company in the top tier of silver companies in the world.

For more information on Mines Management, Inc. contact Douglas Dobbs, Investor Relations at (509) 838-6050, Fax: (509) 838-0486. Email: info@minesmanagement.com or visit the Web site at www.minesmanagement .com.

# Silver Standard Resources Inc.

### Silver Standard Expands Cordon Colorado And Intersects New Zone At La Pitarrilla In Mexico

VANCOUVER, BC, Fenruary 23 – Silver Standard Resources Inc. (TSX.V SSO; Nasdaq Small Cap: SSRI) is pleased to report results from all of the remaining Phase III drill holes at its wholly-owned La Pitarrilla project located approximately 150 kilometers north of Durango in west central Mexico. The 14 infill and extension holes reported here all intersected silver mineralization in the Cordon Colorado zone, several with vertical thicknesses exceeding 60 meters (~ 200 feet). Cordon Colorado is one of three known zones of silver mineralization at La Pitarrilla.

This third phase of drilling had two objectives: (1) infill drilling within Cordon Colorado for purposes of resource calculation; and (2) drilling to extend the zone to the southeast and the west. Infill drilling, comprised of holes BP-44 through BP-51, intersected significant intervals with grades increasing to the southwest. Values ranged from 47.9 grams of silver per tonne over 30.5 meters (1.4 ounces of silver per ton over 100.1 feet) in BP-45 at the northeast end of the fence to 169.9 grams of silver per tonne over 63.0 meters (5.0 ounces of silver per ton over 206.7 feet) in BP-51 located to the southwest, close to an inferred fault zone.

Four holes (BP-40 through BP-43) tested the southeast extension of Cordon Colorado and were successful in extending an area of higher grade silver mineralization. The best hole was BP-43 which intersected 172.0 grams of silver per tonne over 57.9 meters (5.0 ounces of silver per ton over 190.0 feet), including 273.4 grams of silver per tonne over 31.5 meters (8.0 ounces of silver per ton over 103.3 feet). Based on results from BP-40, the mineralization at Cordon Colorado appears to reduce in thickness to the southeast.

Two holes (BP-38 and BP-39) tested an area known as the West Zone southwest of the inferred fault and Cordon Colorado, and both holes intersected silver mineralization. BP-38 intersected 70.9 grams of silver per tonne over 35.6 meters (2.1 ounces of silver per ton over 116.8 feet). The presence of silver mineralization in both holes expands the potential of the property to the southwest.

Silver Standard has previously reported commencement of a Phase IV program that includes an additional 3,000 meters of reverse circulation drilling. The 24 planned holes are aimed at expanding Cordon Colorado and continued drill testing of the Peña Dyke where the company had encountered very high-grade mineralization in two holes. See Silver Standard's news release dated February 17, 2004 for details on Peña Dyke. Phase IV work will also include road construction and trenching in a third area of silver mineralization known as Javelina Creek. This zone is located approximately two kilometres to the east of the Peña Dyke.

In other project news, drilling is underway at Silver Standard's wholly-owned San Agustin project, also located in the state of Durango, where the target is bulk-tonnage gold-silver mineralization. Drilling results are expected from the infill drill program on the 50%-owned Manantial Espejo silver-gold project in southern Argentina and from project exploration on the 100%-owned Diablillos property in northern Argentina.

Feasibility studies are under way at Manantial Espejo under the direction of Pan American Silver Corp. as operator, and at Silver Standard's wholly-owned Bowdens silver project in Australia.

Silver Standard Resources Inc. is a well-financed silver resource company with over $60 million in cash, excluding marketable securities. The company continues to seek resource growth through acquisitions and exploration of its own projects.

For further information on Silver Standard Resources, contact Robert A. Quartermain, President or Paul LaFontaine, Director, Investor Relations at (604) 689-3846, Toll-free: (888) 338-0046, Fax: (604) 689-3847. E-Mail: invest@silverstandard.com or visit the Web site at www.silver-standard.com.

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein. The statements that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties which could cause actual results to vary considerably from these statements. The risks and uncertainties include those described in Silver Standard's SEC Form 20F as amended.

# Teryl Resources Corp.

### Teryl Resources Announces Drilling Program To Commence At West Ridge Gold Prospect, Fairbanks, Alaska

FAIRBANKS, Alaska, February 23 – Teryl Resources Corp. (TSX-V: TRC; Pinksheet Symbol: TRYLF) announces that drilling on the West Ridge commences next week. The Alaska Division of Mining Land and Water Management has approved a total of 15 holes in the drilling permit. The goal is to test the intrusive target on the West Ridge, Old Glory gold zone.

Pad sites for the obvious intrusive drill targets are now being constructed. The first three holes will be targeted within the intrusive and angled to the north and south to test a multi-element soil and trench rock anomaly discovered in 2003. Our consultant, Avalon Development Corp., advised that the remaining 10 to 12 holes go into the intrusive target with multiple holes drilled from a single pad enabling cross section determination and the estimation of potential resources more quickly.

The property is located in the Tintina Gold Belt where a total of 24 million ounces of gold have been discovered in eight separate deposits. Teryl

Resources Corp. discovered an intrusive mass on the Old Glory zone, which intersected a highly oxidized zone containing up to 2.98 grams of gold per ton (0.1 ounces of gold per ton). Previous ground magnetic work over the intrusive in Trench 3 extends the target area at least 700 feet south of the end of the trench, in an area where high gold-in-soil values were discovered by last year's soil auger drill program.

The West Ridge Property is 100% owned by Teryl Resources Corp. and is less than 8 kilometers from Kinross's original 4 million ounce gold deposit. The West Ridge is adjacent to the producing True North gold deposit with a road only 2 kilometers from the West Ridge property. This road leads to the producing Kinross Fort Knox Mill, which is currently processing 40,000 tons daily of ore grading approximately 0.03 ounces per ton, for daily production of approximately 1,200 ounces of gold.

With interests in four gold properties, Teryl Resources Corp. is one of the main landowners in the Fairbanks Mining District, Alaska. The Gil project is a joint venture (80% Kinross/20% Teryl) with Kinross Gold Corporation (TSX: K; NYSE: KGC). The Company's holdings also include the Fish Creek Claims, 50% optioned from Linux Gold Corp. (OTC BB: LNXGF), and the Stepovich Claims, which Teryl has a 10% net profit interest from Kinross. Teryl Resources Corp. also has one joint venture silver prospect located in Northern BC, Canada.

For further information on Teryl Resources contact John Robertson, President at 1-800-665-4616 or (604) 278-5996, Fax (604) 278-3409 or visit the Company's Web site at www.terylresources.com.

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein. Statements in this press release regarding Teryl's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

# Wits Basin Precious Minerals Inc.

## Wits Basin Reports on the Preliminary Results of the Serrita Project

MINNEAPOLIS, MN, February 27, 2004 – Wits Basin Precious Minerals Inc., (OTC BB: WITM) is pleased to announce that it has completed a positive preliminary geological mapping and geochemical sampling exercise in the Serrita Project, which is located in Brazil, South America. The Serrita Project is one of four distinct mineral exploration properties owned by Brazmin Ltda., a wholly owned subsidiary of Wits Basin.

The town of Serrita, with a population of approximately 5,000, is located at the westernmost part of Pernambuco State. The Serrita Project is comprised of two regions, a north and south region, each of which covers approximately 10,000 hectacres. The Project can easily be reached by car, along the two-lane paved road federal BR232.

Our objective with the initial field inspection was to confirm the existence of various mineralized quartz veins. We sought to confirm access to some high-grade gold mineralization from the workings that have been silted up, which were generally considered left behind reject material. The results of 33 rock chip and channel samples were positive and confirm some potential of the area.

The preliminary report defines the samples extracted from the north Serrita region, which has had substantial garimpeiro (artesinal mining) activity over the years. Mr. Francisco Irineu Resende, an independent senior field geologist, prepared the report. The sample testing was preformed by the internationally recognized consultants ALS Chemex, and the results reported to us are as follows:

"High gold grades were confirmed in two localities: (1) at Garimpo Antonio do Leite, a 0.60m channel returned 44.0 g/t Au, 3.0 g/t Ag, 255 ppm Bi and 1,03% Cu; and (2) at Gameleira de Baixo, a chip sample returned 17.95 g/t Au and 33.1 g/t Ag.

Additional results obtained at Garimpo Baixio do Ouro, where a 1.0m channel gave 11.70 g/t Au. Furthermore, twelve other samples returned Au values in the range of 2.5 g/t to 7.4 g/t.

It is very important to note that the sampled zones generally represent the "barren" material from the garimpos areas and that at thinner zones, also for them, the exploitation is very difficult. That is the reason why at some places it is possible to see thin quartz veins adjacent to wider pits. So, it is logical to conclude that the mined zones are higher grade and thicker in relation to the sampled zones (both zones being contained within the north Serrita garimpo area).

In order to do so, a regional systematic sampling program should be underlined (undertaken), including specific grids in the garimpo areas. Careful detailed geological mapping is necessary in order to subsidize a future drilling program to test the depth and the continuity of the quartz veins.

Taking into account the observed garimpos mineralization, the possibility exists for a viable low tone high-grade prospect."

We intend to continue our limited exploration efforts of the north Serrita region and proceed with the preparation of a budget in order to make recommendations for future exploration work. We will include in our review, the south Serrita and the other three properties held by Brazmin.

### About Wits Basin Precious Minerals Inc.

We are a precious minerals exploration company. We currently have interests in mineral exploration projects in South Africa (the FSC Project), in Canada (the Holdsworth Project) and in South America (Brazmin). Wits Basin is headquartered in Minneapolis, MN with offices in Toronto, Ontario.

For more information on Wits Basin Precious Minerals Inc. contact H. Vance White, President and CEO at (416) 214-2250 or Mark D. Dacko, Investor Relations, at 1-866-214-9486 or (612) 664-0570, Fax: (612) 338-7332. E-mail: dacko@witsbasin.com. Visit the company's Web site at www.witsbasin.com.

Risk Factors. Except for historical information contained herein, this news release also includes forward-looking statements. All statements regarding potential mineralization and reserves, exploration results and future objectives of ours, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. We are under no obligation to, and expressly disclaim any such obligation to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise.

The exploration for and development of mineral deposits involves significant financial risks, which even experience and knowledge may not eliminate, regardless of the amount of careful evaluation applied to a process. While the discovery of a mineral deposit may result in substantial rewards, few properties are ultimately developed into producing mines. Moreover, we cannot make any estimates regarding probable reserves and mineral resources in connection with any of our projects. Therefore, no assurance can be given that any size of reserves or grades of reserves will be realized. If a discovery is made, the mineral deposit discovered, assuming recoverable, may differ from the reserves and mineral resources already discovered and recovered by others in the same region of the planned areas of exploration.

The cost of exploration and exploitation can be extensive and there is no assurance that we will have the resources necessary or the financing available to pursue projects we currently hold interests in or to acquire interests in other mineral exploration projects that may become available. The risks are numerous and detailed information regarding these risks may be found in filings made by us with the Securities and Exchange Commission, including our most recent annual report on Form 10-K, quarterly reports on Form 10-Q and reports on Form 8-K.

# Tyhee Development Corp.

## Tyhee Development Corp. Commences 2004 Exploration and Development Program on Yellowknife Gold Properties

VANCOUVER, BC, January 28, 2004 – Tyhee Development Corp. (TSX.V TDC) announced that it has commenced its 2004 exploration and development program on its wholly-owned Yellowknife gold properties.

"Two separate and extremely important initiatives have commenced today," said Tyhee President David Webb. "First, we move one step closer to underground development at the Discovery Mine, where we have already outlined a significant portion of our measured and indicated resource of more than 470,000 ounces of gold. Second, a major 10,000-metre surface drill program will soon be under way once the winter road is constructed."

Specifically, Mr. Webb said the Company has initiated the following:

The awarding of the underground development program contemplated in its scoping study to Camlaren Mine Development. The contract is subject to signing a final agreement satisfactory to both parties. The underground phase of work will commence with the installation of a 640 metre long decline, together with sub drifts and raises to allow access to six of the mineralized structures. Tyhee plans to demonstrate the continuity of these zones at depth, complete approximately 6,000 metres of underground diamond drilling and provide additional material for engineering studies.

The awarding of the winter road construction and maintenance contract to KeTe Whii Limited. A larger camp, fuel, and diamond drill supplies will moved onto the Discovery Mine once the winter road is ready, to enable the Company to complete a minimum 10,000 metre surface diamond drill program. A diamond drill is currently on the property.

The surface diamond drill program is fully funded and is targeting expansion of the existing resource that is currently open in all directions. Additionally, surface crews will commence a program of mapping and prospecting using newly developed exploration models that have been developed over the past several years by Tyhee, government and university researchers.

The scoping study determined that the Company's properties could profitably support an underground mine complex feeding a surface plant producing approximately 62,000 ounces of gold per year at a cash cost of just over US$200 per ounce. This prefeasibility work will be used to define the parameters of a full feasibility study.

### About Tyhee Development Corp.

Tyhee Development Corp.'s primary asset is the Yellowknife Gold Project, which consists of two adjacent gold deposits, the Discovery Mine and the Nicholas Lake Mine, located near Yellowknife, NWT. The resources on the property total 476,000 ounces of Measured and Indicated gold and 384,000 ounces of Inferred gold (see NR S.4 R.12, August 21, 2003).

The Yellowknife Gold Project is fully permitted for diamond drilling and underground exploration, and the Company intends to develop the project in an effective and timely manner. The results from the recently completed diamond drill program are being incorporated in a new resource model, and several new targets have been identified for diamond drilling. The Company recently announced that $2.9 million was raised within the past month

For additional information on Tyhee Development Corp. contact Jamie Brown, Investor Relations at (604) 681-2877, toll free1-866-681-2877, Fax (604) 681-2879. E-mail: jamie@tyhee.com or visit the Company's Web site at www.tyhee.com.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

# Dispelling Popular Market Myths

Continued from page 3

energy and resources to keep this economy growing and will not allow it to die easily.

If the Fed's strategy proves correct, any market correction will be a buying opportunity to buy the right stocks on price dips. It will also be an opportunity to see what the big block buyers accumulated from panic-stricken weak-hand investors. My guess is that gold and gold mining shares are going to top the list.

FOMC Chairman Alan Greenspan has taken much of the recent pressure off the Chinese to float their currency against world currencies and unpeg it from the dollar.

Greenspan stated that if the Chinese did allow the value of their currency to float and the Chinese yuan rose in value, it might cut China's exports. But he said rather than boosting production of textiles in the U.S., it was "far more likely" that U.S. imports from other low-wage countries in Asia would simply replace the Chinese textiles.

What I hear Greenspan saying is our government has no intention of forcing the Chinese to increase the value of yuan-remninbi to what many experts believe should be an increase of as much as 40%.

This leaves to other options: (1) Continue to allow the Chinese an incredibly unfair trade advantage in the U.S.; or (2) Allow the dollar to move to such a low level that the Chinese will be forced to unpeg its yuan in order to salvage the dollar wealth China has gained over the past decade.

Chinas has accumulated a massive amount of our debt in payment for its products in recent years. If the dollar continues its decline, the value of China's dollar holdings will also decline. This is a more subtle way of forcing the nation that is beggaring they neighbor into a more favorable trading situation. It is certainly more favorable than attempting to engage in a trade war.

In the past 200 years every major long-term business cycle (lasting between 40 to 60 years) has ended with an escalating trade war.

New technology has jump-started every long cycle for the past 200 years. After 20 to 30 years, demand slows and global production soars. Many nations are forced to cheat in doing business with their trading partners to keep from falling into recession.

In the past, when this point in the long cycle has come to fruition, it has led to an escalating trade war that has always ended in the real thing.

This time the current long cycle is supposed to end differently. Countries are expected to solve trade problems by allowing currencies to float and let their values adjust to supply and demand.

However, there may be a speed bump ahead. Increased corporate and individual bankruptcies are taking a toll on the MZM (money to zero maturity) money supply. Since July, MZM money supply, on a quarterly basis, is down 40%.

The Nasdaq is particularly in tune with the flow of money into and out of the economy. Unless there is a reversal of decreasing money supply, the Nasdaq could move much lower. This drying up of MZM money supply liquidity would buoy dollar value and cause gold and silver to move lower.



### Myth 5: Gold Is An Archaic Metal That No Longer Has Ties To The Value Of Money

After our nation came off the gold standard in 1971, our government made an agreement with OPEC to allow it to tie its crude oil cost to the value of gold. This was the real basis for the G7 nations' War on Gold for the last 30 years.

OPEC recently grew tired of G7 nations managing its profits by forcing gold's price to remain well below a free market level. OPEC opted to move to the Euro for its crude export payments. The Russian government has suggested it will follow suit if the dollar keeps falling.

That is another reason our government, in league with the other major industrial nations, is still selling gold reserves into a bullish gold market. Our central bank, the Fed, as well as the other major central banks, are determined to keep gold's value as far below free market value as possible.

Many nations are still holding gold reserves and are buying bargain basement priced gold after every G7 nations' gold sale. To even suggest that gold has no place in helping to determine the value of currencies is laughable.

The day governments give up all attempts at controlling the upward moves of gold's price will be the day we should check to see if nations and wealthy individuals are still accumulating it. Don't hold your breath on that. Governments have manipulated the price of gold for centuries.

The Gold Money Flow Index is at its most bullish level since the mid 1970s. If not for government manipulation, gold's price today would probably be nearing $500 an ounce. The manipulation makes it difficult to predict gold's price movement, but experts estimate gold is undervalued by at least 25% to 35%.

**Editor's Note:** Kenneth Coleman is editor of the **Investment Tracker**, 4805 Courageous Lane, Carlsbad, CA 92008, 1 year, 12 issues, $139. Visit the Web site at www.theinvestmenttracker.com.

# Gold Buyers Should Not Fear Central Bank Sales

By John Embry
Sprott Asset Management

*Ongoing debasement of paper money worldwide will lead to significantly higher gold prices, despite efforts from the anti-gold crowd,* writes John Embery, president of Sprott Asset Management, and portfolio manager of the Sprott Gold and Precious Minerals Fund, in *Investor's Digest of Canada.*

Gold is currently caught in the crossfire of a vicious battle between physical buyers and long speculators, who believe that gold is significantly underpriced as the debasement of paper money gathers steam, and the central banks whose fading credibility is at stake.

Recently, there have been several utterances from central banks designed specifically to weaken gold. The president of the German Bundesbank, Ernst Welteke, repeated for the umpteenth time his intentions to sell 600 tonnes of German gold.

There are several observations that can be made concerning this. To begin with, a serious seller of anything who wishes to receive the best possible price does not advertise his intentions.

Secondly, any German sales would fall under the restrictions of the Washington Agreement, the pact that currently limits European central banks' collective sales to 400 tonnes per annum and 2,000 tonnes in the five-year period ending September 2004.

It is widely anticipated that this will be renewed with slightly higher limits within the next few months, and this is already factored into the gold price.

Thirdly, there was an article in *Der Spiegel*, an influential German news magazine, following Mr. Welteke's remarks that quoted a member of the Bundesbank's board as saying that at least five of the eight directors would not support such an initiative.

Lastly, there have been strong rumors in gold circles for some time that the Germans have leased out over half their gold reserves to facilitate producer hedging and financial speculation, so perhaps these proposed sales are just recognition of the reality that some of the leased gold will not be returned.

In any case, Mr. Welteke's continued assertions of the future sales are tiresome and, in the fullness of time, irrelevant. But they do serve to put pressure on the gold market from a psychological point of view.

As an example, I received a note from one of my unit holders the other day on just this subject. In reaction to the German announcement, he wondered if the prospect of central-bank selling would mark the end of the gold move, and was confused as to which currency the Germans would choose to reinvest the proceeds of their gold sales.

I responded that the sales, if they ever happen, will have minimal impact in a gold market where current demand far exceeds mine supply and, in fact, are actually necessary to maintain some semblance of order in the physical gold market.

In addition, because I believe this initiative is being undertaken for appearance's sake, I suspect there has been little if any thought devoted to which depreciating currency the proceeds might be invested in.

My concern is that if my unitholder, who is probably better informed than most on the gold market, is disturbed by this, what is the reaction of people who knows little or nothing about gold?

Fortunately, the German blister had little or no impact on the market, so the Norwegians stepped into the breach and announced that they had sold 16 tonnes and planned to liquidate their remaining 17 tonnes.

The market accepted this with equanimity, and then the Japanese finance minister, Sadakazu Tanagaki, unleashed a bit of hornet's nest when, in response to a question in the Japanese lower house of parliament, he averred that Japan needs to carefully consider diversifying its official reserves to include more holdings of gold.

He further stated that boosting holdings of gold "would affect the gold market and should be carefully considered." This gave a lift to the gold price and threatened to move it through an important level of overhead resistance.

Within 24 hours of this development, Fed Chairman Alan Greenspan in reporting on the latest Federal Open Market Committee deliberations noted that the Fed policymakers unexpectedly dropped their commitment to hold interest rates "for a considerable period" while nevertheless voting to hold the benchmark U.S. interest rate at one per cent.

This change in semantics, the removal of the "considerable" phrase, briefly roiled financial markets and permitted the anti-gold crowds to trash gold to the tune of $16 per oz. in less than 24 hours.

My take on all this is that the financial establishment is clearly uncomfortable with gold being much above US$400 per oz. at this juncture. Whether this pertains to the suggestion of higher inflation, a derivatives problem on the relative appeal that gold might possess vis-à-vis the U.S. dollar, I do not know.

That a prominent Japanese official was so candid was totally out of character and remarkable in itself, but it was summarily dealt, as Mr. Greenspan's

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## The Future For Photographic Demand For Silver

At times, photographic use of silver has consumed more of the metal in a year than any other category. The success of APS and digital cameras displacing 35 MM cameras and the rising use of non-silver papers for printing photographs has led some to be concerned that total silver consumption will decline as photography technology moves away from silver film and paper.

The First Quarter 2004 issue of *Silver News* published by the Silver Institute has an article by Dan Franz, Group Publisher of *Photofinishing News* Discussing trends in photographic silver usage.

He states that net worldwide silver usage for photographic purposes (gross usage less silver recovered in recycling) was 87.5 million ounces in 2000 and forecasts net usage of 85.4 million ounces in 2008.

Areas where photographic silver usage has declined and will continue to fall include 1) the quantity of rolls of film sold, 2) graphic arts applications, and 3) the quantity of silver-paper prints made from silver films.

However, these declines will be largely offset by other factors such as 1) the increase in the average number of pictures per roll of film, 2) the increased demand for silver paper used to print photographs taken by digital cameras, and 3) the continued increase in silver for X-ray films (despite the growing usage of digital X-ray technology).

So, while the silver consumed in *films* will decline, Franz projects that photographic silver *paper* usage will increase about 1/3 from 2000 to 2008, and the net X-ray film demand will rise slightly!

As the world's population grows wealthier, camera usage is spreading. And, because it costs less to print pictures from digital cameras onto silver paper than it does to print them on non silver paper in an inkjet printer, overall photographic silver usage will hold relatively steady.

With the rising demand for silver in applications such as water purification, superconducting wires, anti-bacterial solutions and materials, and as possible non-toxic substitute for current wood preservatives, overall silver demand is, in my view, certain to increase in the coming years.

**Source**: Patrick A. Heller, Liberty's Outlook, 300 Frandor Ave., Lansing, MI 48912.



# Gold Buyers

Continued from page 19

interest rate remarks sparked a selling frenzy. But was it real, or did it just provide yet another opportunity for the anti-gold cabal to apply yet another smack-down to the gold price?

If one deconstructs Mr. Greenspan's remarks, there was absolutely nothing to suggest that interest rates would be rising anytime soon. Instead of using the expression of keeping interest rates low for "a considerable period," he emphasized that rates would not rise as long as there was "the persistence of quite low inflation and slack in resource use."

The harsh fact is the Fed would prefer to never have to raise rates for fear of the damage that it would do to a seriously over-indebted economy. It will search for every reason to maintain the status quo and this will create further downward pressure on the dollar as time goes on.

### Still at bargain price

Other companies will resist the weakness (the Japanese alone spent US$68 billion for the purchase of U.S. Treasuries in the month of January to resist the upward pressure on the yen), and the resultant ongoing debasement of paper money worldwide will lead to significantly higher gold prices, irrespective of the efforts of the anti-gold crowd.

The only advice I can give investors is that the inevitable rise in gold will be met by periodic, violent resistance from both the establishment and the central banks. This volatility existed during the historic rise in the '70s, and unfortunately, will plague investors again in this gold bull market.

Investors should resist the urge to sell on weakness and should instead look at it as an opportunity to buy gold and gold shares at what are still bargain prices.

Another gold fund manager, the brilliant and eloquent John Hathaway, who runs the Tocqueville Fund out of New York City, perhaps best described the situation in his year-end gold review.

"Gold at $400 is one of the few remaining bargains in a financial world that is a minefield of risk," he wrote. "Investors owe thanks to central banks. Their repeated sales of the metal have kept a lid on the price. Without such sales, the price would already be several hundred dollars higher.

"Those with vast pools of wealth to protect, including institutional and private investors, can only hope that these outdated bureaucracies, managed by financially ignorant civil servants, continue their divestment process to facilitate acquisitions of meaningful gold position at attractive prices."

**Editor's Note:** John Embry's article appeared in the **Investor's Digest of Canada**, recently voted the World's Best Investment Advisory, 133 Richmond St., W., Toronto, ON M5H 3M8, 1 year, 24 issues, $137.

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