

## Privates For Publics

- Sale Starts Today: XTGR, BHV, AVT

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By Thom Calandra -- [TickerTrax.com](http://TickerTrax.com)

**This is what it is like to be an asset manager.** You get pitches on equity placements, debentures, convertibles. Every prospector (and life-sciences lab) wants your money.

The companies want you to lock up your money for a few months, maybe longer. In return, you get warrants or discounted stock ... usually both. A yield if it's a bond. If the paper chase works out, you sell the thing and keep the warrants for greater gains.

If the investment does not work out – say the premium you thought you had evaporates – you think about shorting against your placement stake. Or just selling and running away.

A friend of mine, an asset manager, used to tell me the great advantage ordinary folks have in the market is that they had little formal fiduciary responsibility. The professionals *have to* sell when the selling is good. That is their *clients'* money in the market.

**The rest of us have fiscal loyalty to ourselves and to our families. Maybe our favorite charities. Or causes. We are much more likely to let “it” ride in return for a chance at outsized returns.**

Here is our current advantage as ordinary folks: purchasing with no strings attached.

**Ticker Trax™** is in place – and thriving – because its fiscal loyalty is to subscribers who are

looking for radically cheap investments. Our service, started in November 2008, researches a select group of **Planetary Prospects** with legitimate shots at rising 1,000 percent or more in the span of two years, maybe less and maybe more.

Some of them already have risen 300 percent or 500 percent in short spans of time: **Endeavour Silver** ([AMEX: EXK](#), [Stock Forum](#)) and ([TSX: T.EDR](#), [Stock Forum](#)), **BioCryst Pharmaceuticals** ([NASDAQ: BCRX](#), [Stock Forum](#)) and **Colombian Mines** ([TSX: V.CMJ](#), [Stock Forum](#)) are in that group.

Others are priced so cheaply, that we say with some grounding our holdings are priced below looming financings. That is no guarantee; it is just common fiscal sense. Horse sense.

Case in point: several folks telephoned and e-mailed the other day when **Bellhaven Copper & Gold** ([TSX: V.BHV](#), [Stock Forum](#)) shares rose 30 percent in one fell swoop. Any news? Should we buy more?

Anyone who asked the “buy more” question almost surely is not a candidate for **Ticker Trax™**. Subscribers in this service are instructed to purchase cheaply when **Planetary Prospects** are named. Then hold and absorb our on-site research. Paper chasers please apply elsewhere. Not here.

Bellhaven, our Panama and Colombia prospector, is in a hunt for high-sulfidation epithermal deposits on Panama's **Azuero Peninsula**. Such deposits already have made a handful of Canada and Australia-listed prospectors, one of them being **East Asia Minerals** ([TSX: V.EAS](#), [Stock Forum](#)) and its Miwah project in Indonesia, among the gold market's strongest gainers in 2010.

To wrap this up, let us state there are three companies on our list of Planetary Prospects that appear to be priced at levels an asset manager might consider cheap. Even without warrants or coupons attached. We own them here at **Ticker Trax**. Each of them almost surely will need to raise money in the next six months. Each of them almost surely will be selling for twice their current levels, perhaps more, when the prospectors turn to the professionals for that placement money.

They are Bellhaven; **Avanti Mining** ([TSX: V.AVT](#), [Stock Forum](#)); **Xtra-Gold Resources** ([OTO: XTGR](#), [Stock Forum](#)). We here think you can bank on these three in the cheap category. Each of them has executives and large holders adding significant amounts to their holdings. In the case of James Longshore's Xtra-Gold in Ghana, the addition to his personal holdings comes to about one million recent shares purchased at about the current price.

- **Please see** our [Ticker Trax library](#) for coverage of Bellhaven, Xtra-Gold Resources and Avanti Mining.

## Planetary Prospects

There are now 12 of them. Please visit [www.tickertrax.com](http://www.tickertrax.com) and search our landing page for details on the start of coverage for individual **Planetary Prospects** and the entry price.

- **Central Fund of Canada** ([AMEX: CEF](#), [Stock Forum](#)) and ([TSX: T.CEF.A](#), [Stock Forum](#)) – Gold and silver repository. Its premiums, being a closed-end fund, are rising. Own this one as a money market proxy for real gold and silver – metal that actually might be delivered to investors if ever they want to cash in their paper stakes. One day, when investors decide they absolutely must own gold and silver, Central Fund shares will see their premium over net asset value double ... or more.
  
- **BioCryst Pharmaceuticals** ([NASDAQ: BCRX](#), [Stock Forum](#)) – Influenza and leukemia drugs. Gout, too. Biomedical appears to be back in vogue as an investment. We here at home are holding these shares – 75,000 and counting – as “The Return of H1N1” influenza virus plays at hemispheres, nations and regions near all of us. There is no risk of a dilutive financing. There is a risk of **Type A H1N1** remaining the dominant seasonal flu virus for several years. The company has a new 5.5 percent investor: Joseph L. Harrosh. (*Please view: [Stockhouse exclusive article.](#)*)
  
- Endeavour Silver ([AMEX: EXK](#), [Stock Forum](#)) and ([TSX: T.EDR](#), [Stock Forum](#)) – Silver (and gold) in Mexico. I expect **Endeavour Silver** to purchase a publicly-traded silver (or silver-gold open-pit) company this year. Probably in Mexico ... but Endeavour’s principals tell me they will not rule out other parts of North America. First-quarter metrics, including costs, cash flow (a net profit for the three months vs. a year-ago loss), silver and gold output, are improved markedly. **Brad Cooke** and his team realize they have to show their audience its [exploration activities](#) are vibrant enough to hurtle the small Guanajuato and Durango company above five million ounces of silver equivalent per year. Mr. Cooke and his team say they are doing exploration drilling at the **San Juanico** property in Parral, Chihuahua, among other points. Endeavour also is mapping and sampling at its freshly-purchased San Sebastian project in Jalisco. Endeavour Silver’s **project outline** is on its Internet site: [Please see the list.](#)

- **Endeavour Financial** ([TSX: T.EDV](#), [Stock Forum](#)) – No relation to Endeavour Silver. This is Neil Woodyer's profitable Canada-traded merchant bank that is making a big bet on West Africa. ... in the form of **Crew Gold** ([TSX: T.CRU](#), [Stock Forum](#)) and a 43 percent stake and **Etruscan Resources** ([TSX: T.EET](#), [Stock Forum](#)) and a 55 percent stake. The company just logged \$213 million of net profit in its most recent quarter. Endeavour Financial does business with natural resources and energy companies. The shares, even with a two-month steady climb, trade at a discount to the value of securities owned by Endeavour Financial. It owns about \$500 million of gold investments and other merchant bank investments, giving the company a book value that is about twice the current share price.

- **Xtra-Gold Resources** ([OTO: XTGR](#), [Stock Forum](#)) –This West Africa gold prospector might follow in the footsteps of successful **Keegan Resources** ([TSX: T.KGN](#), [Stock Forum](#)) ... and **Perseus Mining** ([TSX: T.PRU](#), [Stock Forum](#)) ... and **Red Back Mining** ([TSX: T.RBI](#), [Stock Forum](#)). Xtra-Gold shares get little attention on the USA over-the-counter bulletin board and deserve a listing on a commodities-comfortable exchange. Let's hope CEO **James Longshore** and his team, including new geologist-consultant Robert J. Casaceli, keep moving in the right direction. Mr. Longshore tells us he now owns three million shares of his own company, up from two million shares. Fresh drilling will start by July. (Please [see the Library](#) for coverage stretching back to autumn 2009. **Also:** Please visit [Stockhouse](#) for a perspective on the Kinross Gold investment in West Africa's Red Back Mining.)

- **Great Basin Gold** ([TSX: T.GBG](#), [Stock Forum](#)) – This is **Ferdi Dippenaar's** South Africa and Nevada miner. Real gold at Burnstone and Hollister mines ... and prospecting at Esmeralda in Nevada. Great Basin just reported its latest quarter. The company says it had "excellent operational performance at Hollister and improved efficiencies at the Esmeralda Mill facility." Ditto for South Africa's Burnstone Mine. I have been to all of the company's working properties. (Please [see our password-protected library](#) for coverage.)

- **Candente Copper** ([TSX: DNT](#), [Stock Forum](#)) – Joanne Freeze's Candente has copper in Peru at Cañariaco. The almost eight-billion-pound copper project is starting to get the attention of manufacturers and bankers. Yet Candente Copper's shares sell for a value of only a penny a pound for its *in-situ* copper. Candente Copper, formerly **Candente Resource**, is among the cheapest propositions (based on ore in the ground) in this list, along with Avanti Mining. The Candente companies' properties in Peru also include poly-metallic prospects that might some day package into a third separately traded company. (Please [see library](#) for coverage.)

- **Candente Gold** ([TSX: T.CDG](#), [Stock Forum](#)) – This separate company's shares were distributed to predecessor Candente Resource's shareholders in January 2010. We issued a full report on Candente Gold's **Peru** prospects in April. Now, we're examining El Oro, an entire district and artisanal mine workings in Mexico. I am hoping to see fresh and theoretical calculations on vein targets from Ms. Freeze. (Please [see password-protected library](#) for coverage.)

- **Great Panther Silver** ([TSX: T.GPR](#), [Stock Forum](#)) – Silver in Mexico. **Robert Archer** is the CEO. The Panther just extended one of its veins, called Recompensa, at the **Topia** property in Durango, Mexico. The company is on the prowl for assets so that it can notch 20 percent yearly gains in output. GPR's rising silver grades and low stock valuation compared with other Mexico silver producers make the company's shares look like a bargain. Quarterly performance at the Canada company produced a net profit. Great Panther's silver-equivalent output at **Guanajuato** and in Mexico's Durango state is benefiting from improved efficiencies and richer gold harvests. The company's metals' production includes byproducts and runs about half that of Guanajuato neighbor **Endeavour Silver**. Great Panther must mine richer ore in greater quantities to fulfill its promise as a Planetary Prospect.

- **Avanti Mining** ([TSX: V.AVT](#), [Stock Forum](#)) – Cheap and aspiring molybdenum mine at **Kitsault** in British Columbia. Avanti just hired **Bob Jacko** of Thompson Creek Metals to manage project development at the mine. When Avanti's **Craig J. Nelsen** and A J

Ali see this through, Kitsault will be producing about 25 million pounds of the stainless-steel additive each year – for 15 years. That is 215 million metric tons of ore grading 0.085 percent of moly. That works for a world where steel-based moly demand is expected to expand six percent or so this year and next. I just saw in the latest proxy that Mr. Nelsen, the Avanti CEO living in Colorado, owns 10 million shares of the company. Canada's **Bob Cross** of **B2Gold** is an Avanti director and owns more than five million shares. Avanti Mining at a market worth of less than \$20 million is the cheapest proposition on this list. Avanti must show it can line up plenty of cash or lending pacts for a project whose total cost probably will run more than \$640 million. Mr. Ali, Avanti CFO, is trying to notch one or two off-take agreements for the mine's easily reached moly. The takers likely will hail from Asia, where steel mills require a steady and reliable supply of the element molybdenum. I have been to Kitsault. Moly is an additive in all types of stainless steel. (Please [see the password-protected library](#) for coverage.)

- **Colombian Mines Corp.** ([TSX: V.CMJ](#), [Stock Forum](#)) – CMJ has one of the thickest property books in Colombia for such a tiny company: some 300,000 hectares. Bob and Gloria Carrington and Nate Tewalt's company has reported drill results from its **Yarumalito** project in Colombia. The numbers were mediocre. The company recently optioned its Anori gold and copper prospect to **Yamana Gold** (AUY and YAU). CMJ gets \$50,000 from Yamana right from the get-go. CMJ's **Robert Carrington says** he and CEO **Nate Tewalt** of Washington State are considering a joint venture or sale for its Venecia holding in Antioquia. (Please [see the password-protected library](#) for coverage.)

- **Bellhaven Copper & Gold** ([TSX: V.BHV](#), [Stock Forum](#)) – Our newest member. Panama and Colombia. We here at home now own 1.4 million shares at a price that is higher than its current price of 22 cents. Honolulu fund manager and doctor of geology **Paul Zweng** is a large investor and just-named interim CEO. Dr. Zweng's success rate with epithermal gold deposits and with copper prospects such as Peru's Antares Minerals (ANM) is among the best I have seen in eight years. Bellhaven now owns the Las Minas concession in Antioquia, close by CMJ's Venecia property and **Sunward's** ([TSX: V.SWD](#), [Stock Forum](#)) Titiribi. (Please [see the Library](#) for coverage.)

In Colombia, our speculative target is **Antioquia Gold** ([TSX: V.AGD](#), [Stock Forum](#)). We here at home own it. We also own (and have researched and visited since 2008) **Medoro Resources** ([TSX: V.MRS](#), [Stock Forum](#)). John Hicks' Medoro Resources is on track to purchase the historic **Frontino Mine** in Antioquia for as much as \$200 million. Medoro's annual report is just published and shows that its completed purchase of El Marmato in Antioquia has measured and indicated ounces of 7.5 million ounces and inferred ounces of 2.2 million. I intend to sell some of my longstanding Medoro shares and use the money to purchase more Xtra-Gold, more Bellhaven and more **Avanti Mining** ([TSX: V.AVT](#), [Stock Forum](#)).

We here at **Ticker Trax** cannot and will not address queries about any company or prospect/theme that is written as part of [Ticker Trax](#) or our **Stockhouse** reports but is not a **Planetary Prospect**. We stand firmly behind our Planetary Prospects and back them with our own patient money here at home. With the exception of Central Fund of Canada, which I view as a gold and silver money market for cash purposes, I have not sold and do not sell *in and out* of our Planetary Prospects. **Ticker Trax**<sup>TM</sup> and Stockhouse audiences receive plenty of notice time, in some cases weeks, when we here at home decide to purchase or sell any security named in these reports.

As for reporting on other companies, ideas are there for all to view and consider. Please do not expect that **Ticker Trax** will support these subjects with research, on-site visits and so on. Feel free to contact these companies, be they Nevada prospectors, Canada miners or Peru, Colombia and South Africa companies.

For an entire explanation of our strategies, research methods and disclosure procedures regarding all aspects of Ticker Trax and our Stockhouse reports, please visit our readily available [Stockhouse articles – especially this one: Core Box Revealed](#). Companies whose site tours I attend for research purposes pay part or all of my airfare and hotel. **Stockhouse** and I also pay when necessary. I plan on seeing a Butte, Montana, gold project run by **Timberline Resources** (TLR) in one week.

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*(All photos by Thom Calandra. Thom and his family own shares of each of the 12 Planetary Prospects. Thom's personal holdings are available for all to see on [Stockhouse](#), the Canada publishing company. Subscribers are informed well in advance of any shift in research regarding Planetary Prospects and any purchase or sales decisions. Subscribers always come first.)*

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**THOM CALANDRA** of [Ticker Trax](#) helps his audience find value in a quagmire of investment choices. Thom co-founded CBS MarketWatch and MarketWatch.com. As the voice of *Thom Calandra's StockWatch* and [The Calandra Report](#), Thom pegged \$300-ounce gold as a long-term hold in 1999 and in 2000. He has been covering life-sciences and natural resources since 1988.

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