

# **Hard Assets Las Vegas September 2008**

**Las Vegas, USA**

**September 9, 2008**

**Presented by John Kaiser**

**Workshop:**

**Bottom-Fishing for Pounds and Ounces**

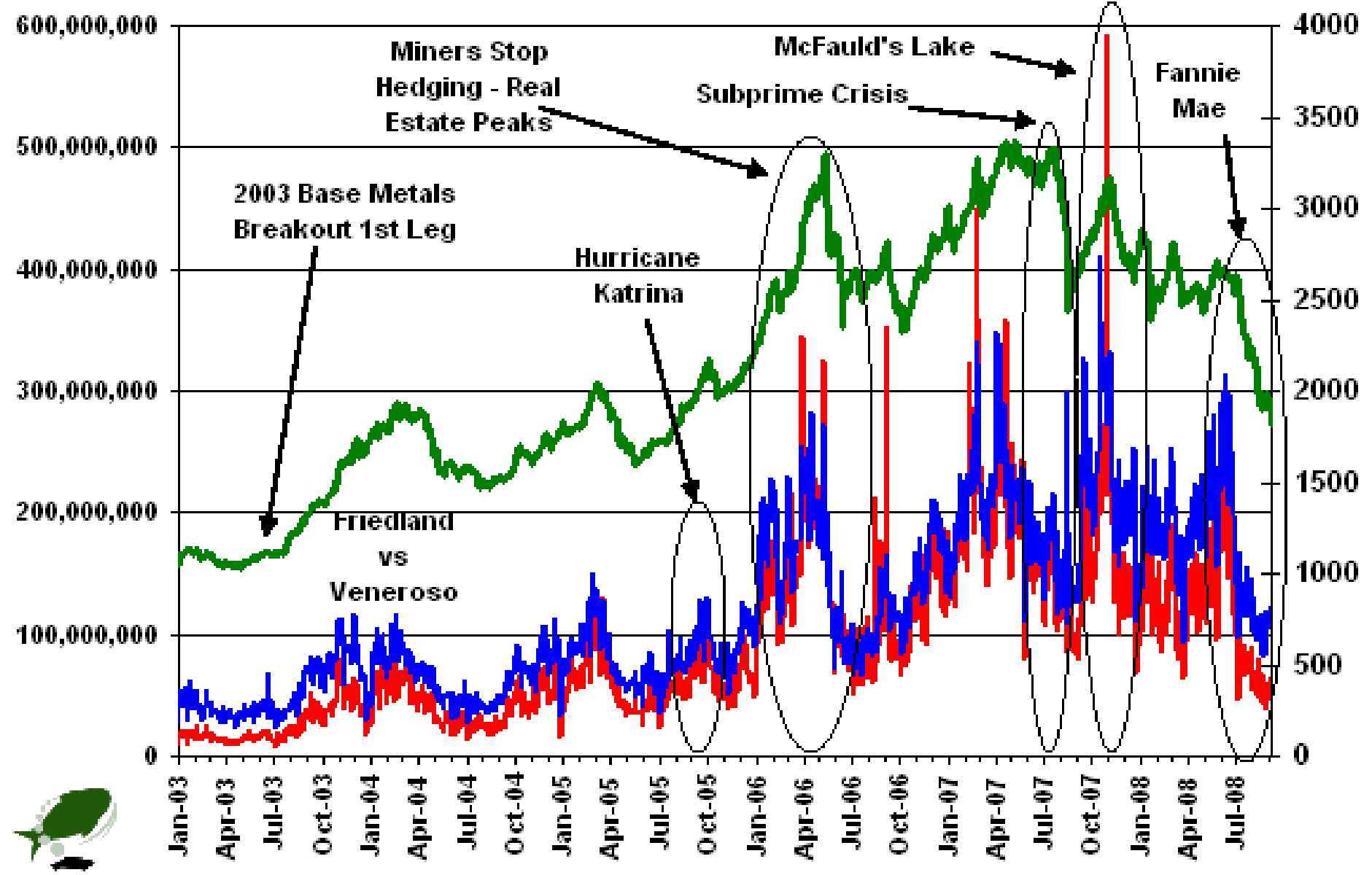
**[www.KaiserBottomFish.com](http://www.KaiserBottomFish.com)**



# Daily TSXV Volume & Value Traded

Value    Volume    TSXV Index

September 5, 2008



**Discovery Speculation:**

**Rational Speculation Model**

**Commodity Speculation:**

**Ounces and Pounds in the Ground  
Comparison**

# Peregrine Diamonds Ltd

9/6/2005 TO 9/5/2008



Issued: 64,660,075

High: \$5.01 on 1/18/2006

Max Volume: 1,845,500 on 8/28/2008

Diluted: 78,920,575

Low: \$0.09 on 9/21/2005

Max Value: \$5,230,305 on 1/18/2006

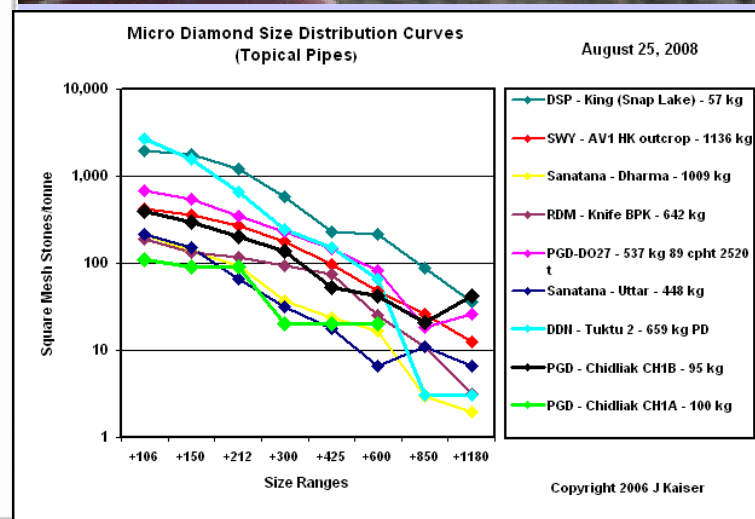
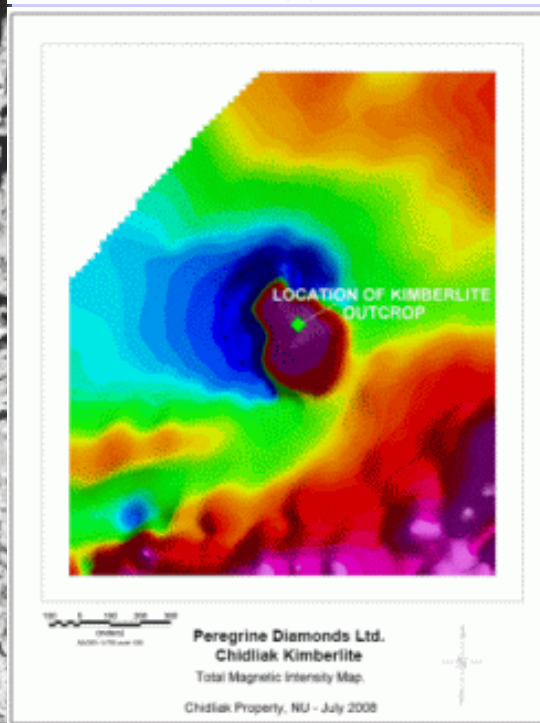
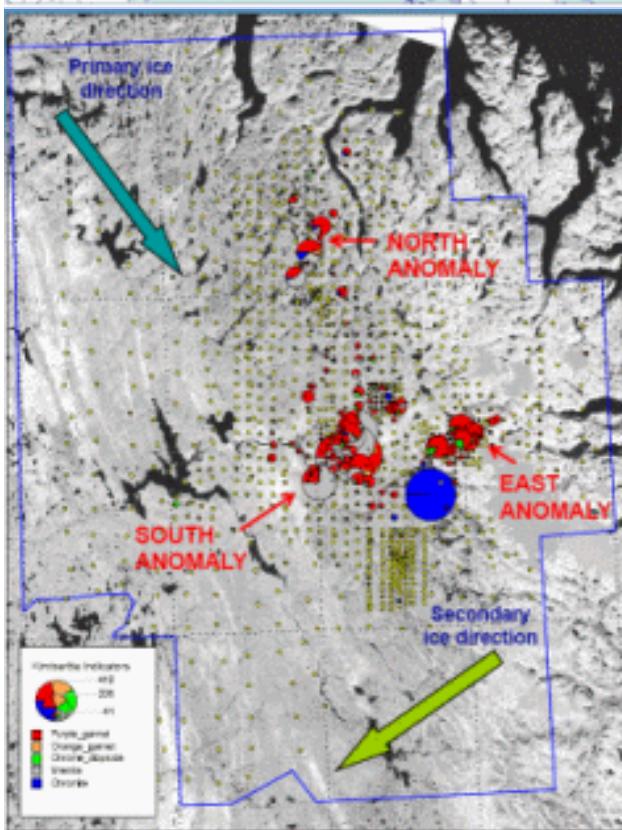
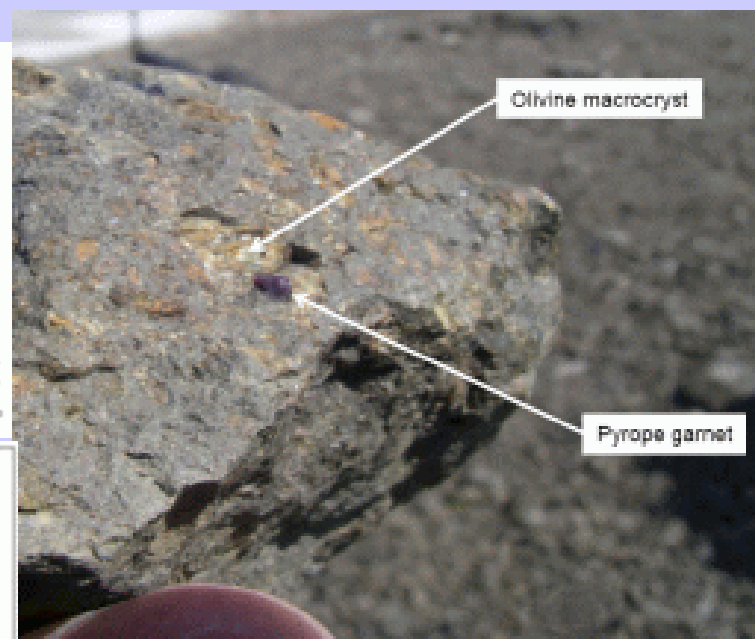
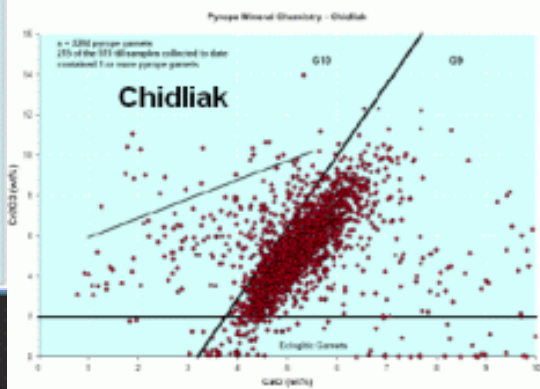


KaiserBottomFish.com

PGD - TSX - CAD \$0.40

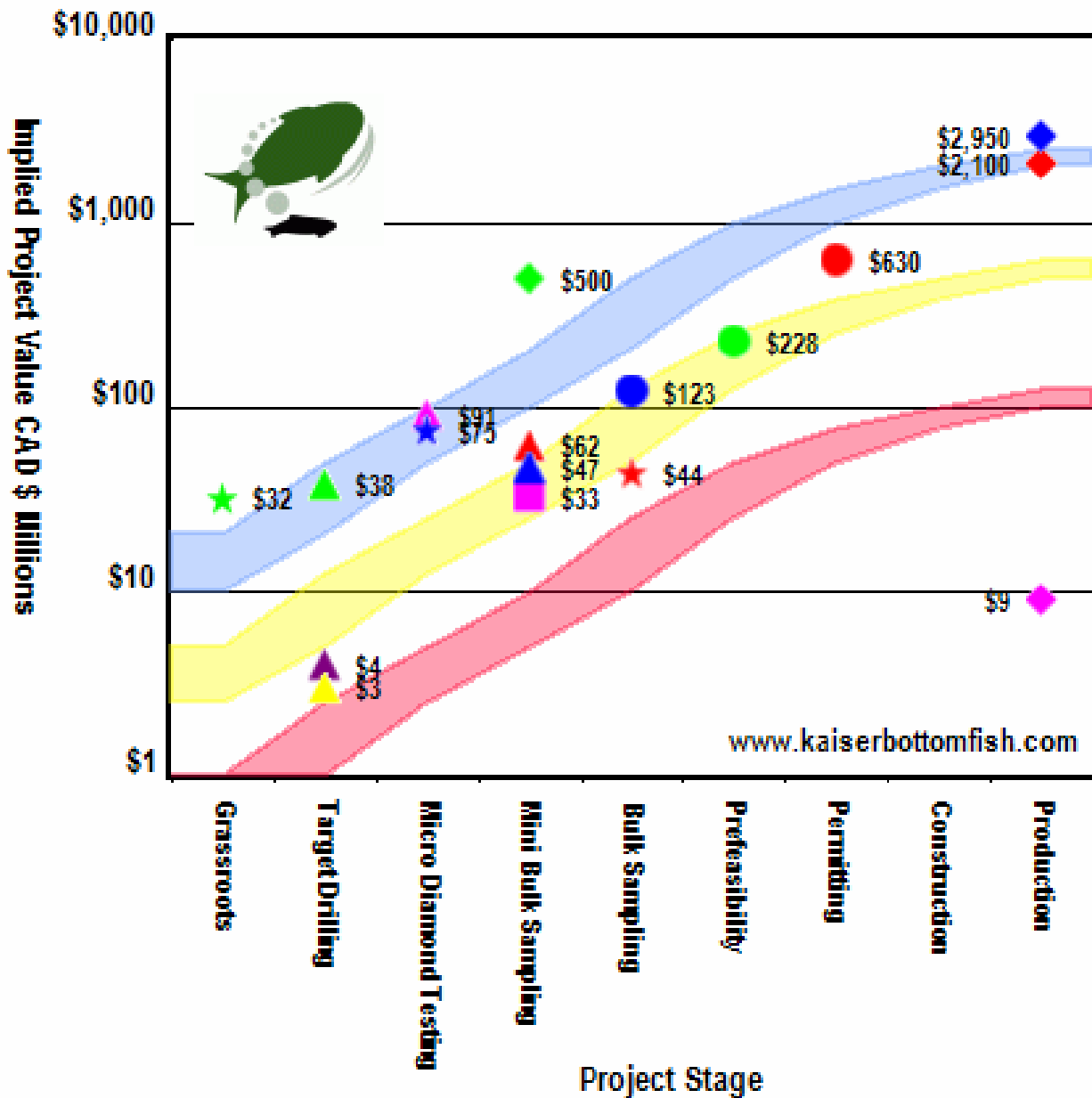
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# Peregrine Diamonds – the next Dia Met?



# Peregrine Project Valuations

Friday, September 05, 2008



## Dream Target Channels

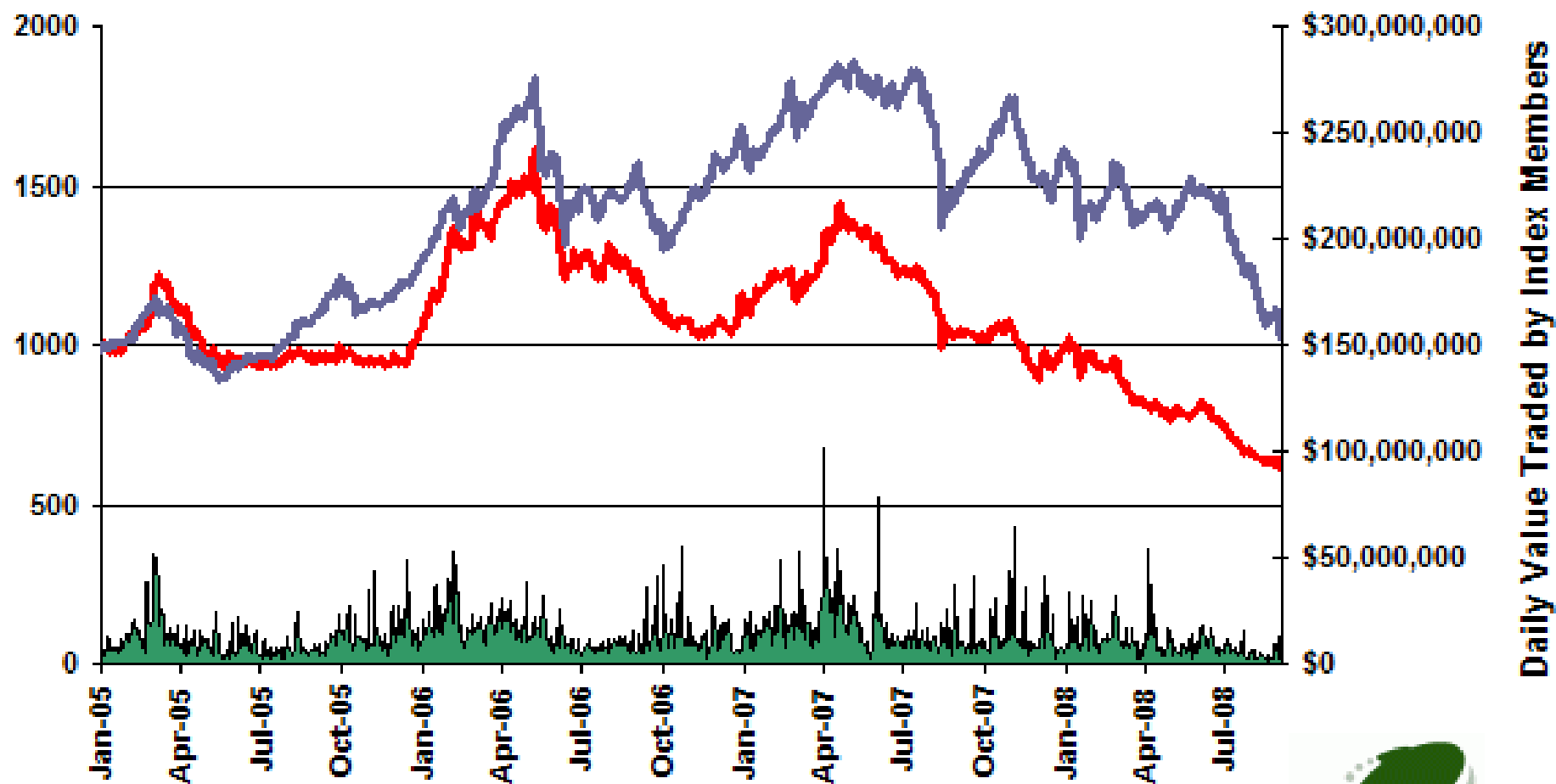
- \$100 million Dream Target
- \$500 million Dream Target
- \$2 billion Dream Target

- Key Company Projects
- ★ Peregrine - Chidliak
  - ★ Peregrine - WO
  - ★ Peregrine - Nanuq
- Peer Projects
- ▲ Diamondex - Buffalo Hills
  - ▲ Diamonds North - Amarak
  - ▲ Indicator - Darby
  - ▲ Patrician - Sahtu
  - ▲ Pure Diamonds - Baffin Island
  - ▲ Sanatana - Mackenzie
  - ▲ Shear - Churchill
  - Stornoway - Foxtrot
  - Mtn Province - Gahcho Kue
  - Shore Gold - Star
- Success Stories
- ◆ Harry Winston - Diavik
  - ◆ Dia Met - Ekati - \$21/sh
  - ◆ Winspear - Snap Lake - \$5/sh
  - ◆ Tahera - Jericho

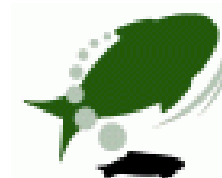
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# Cdn Diamond Junior Index

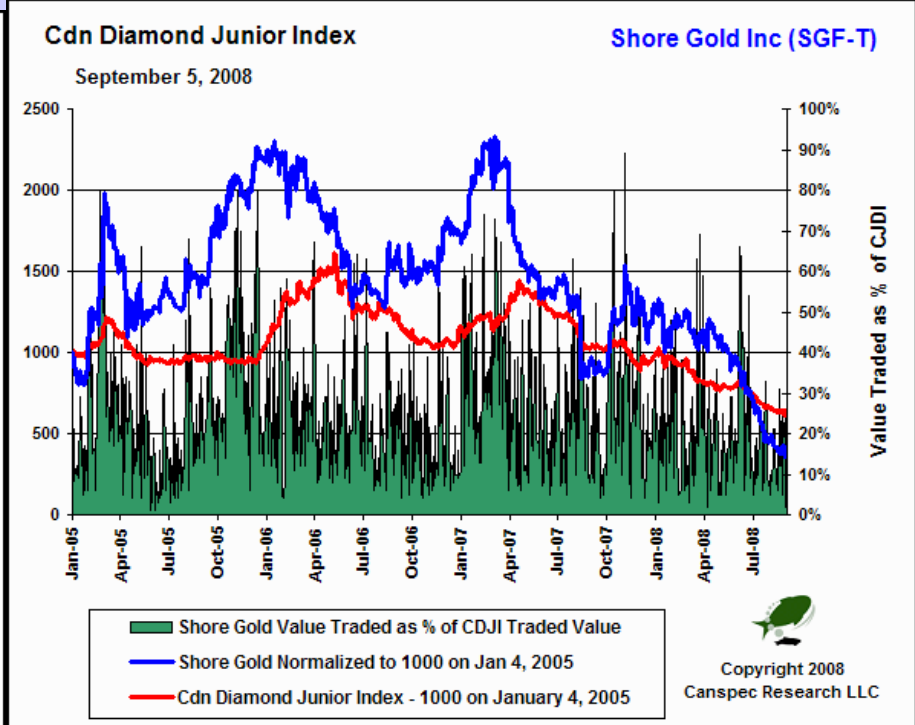
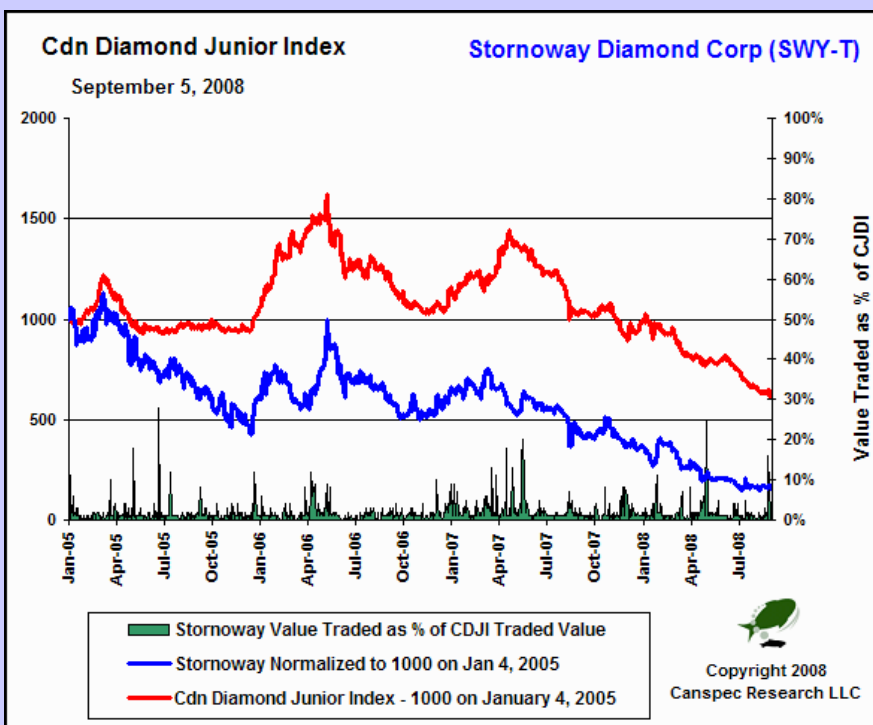
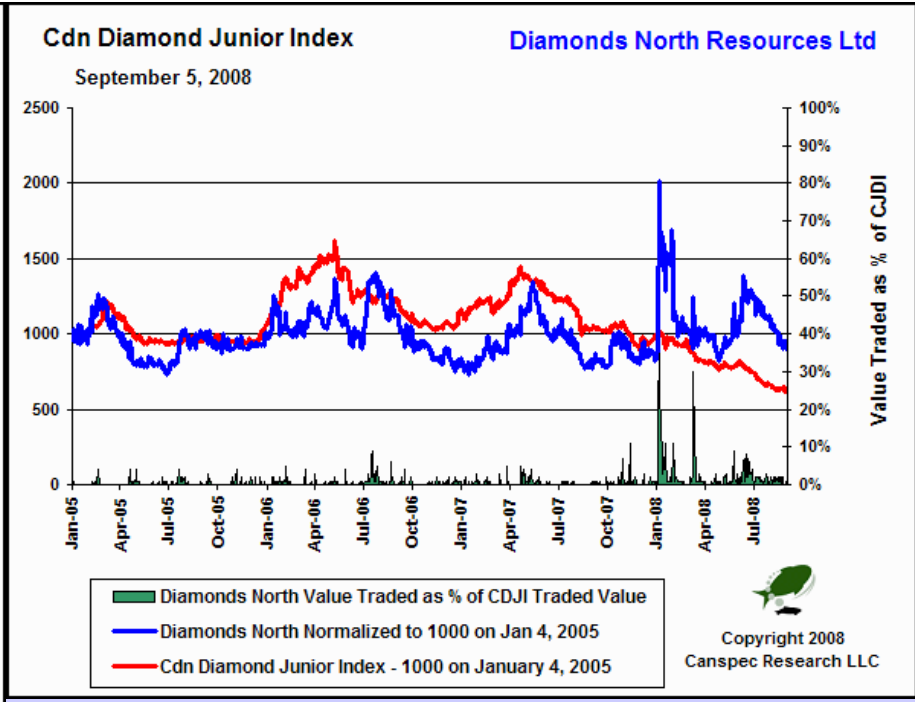
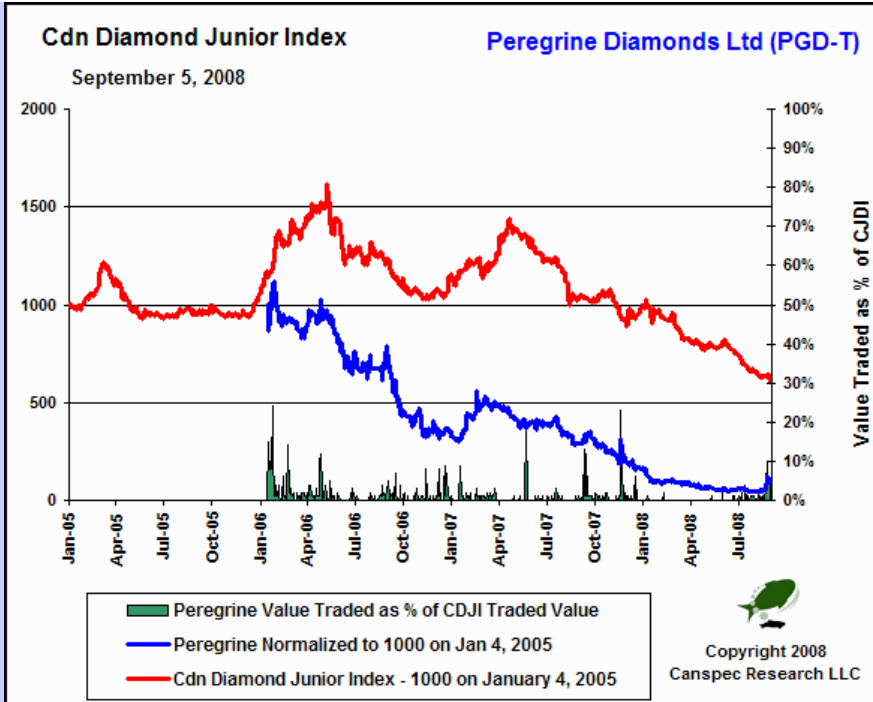
September 5, 2008



- Daily Value Traded by Index Members
- TSXV Index Normalized to 1000 on Jan 4, 2005
- Cdn Diamond Junior Index - 1000 on January 4, 2005

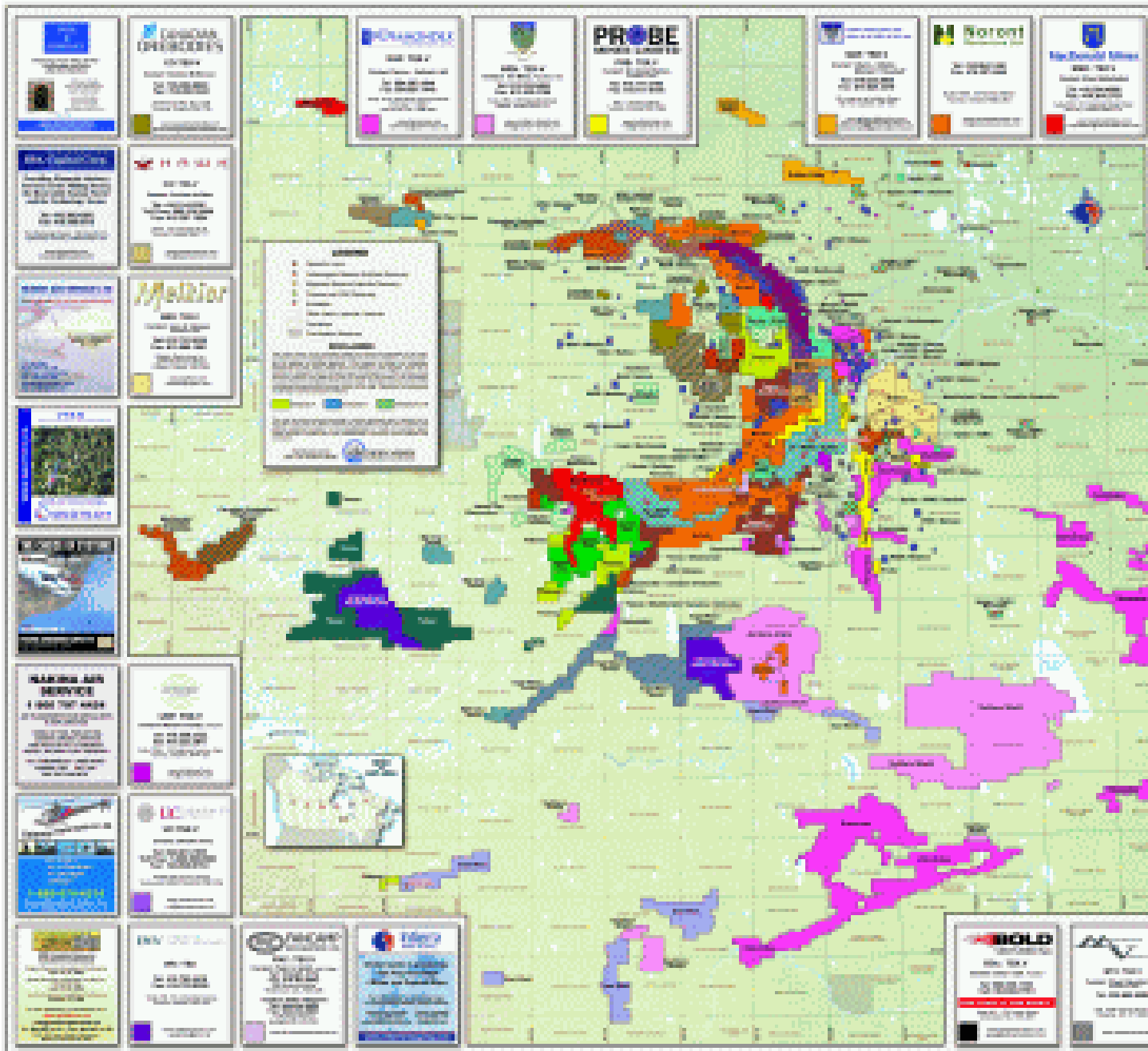


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













**McFAULDS LAKE**  
 Mining and Exploration Activity  
 SOUTHWEST, CANADA  
  
 JUNE 2004







**LEGEND**

 Exploration Permit  
 Mineral Rights  
 Mining Claim  
 Other

**EXPLORATION PERMIT**

 Exploration Permit Area  
 Exploration Permit Area  
 Exploration Permit Area  
 Exploration Permit Area  
 Exploration Permit Area

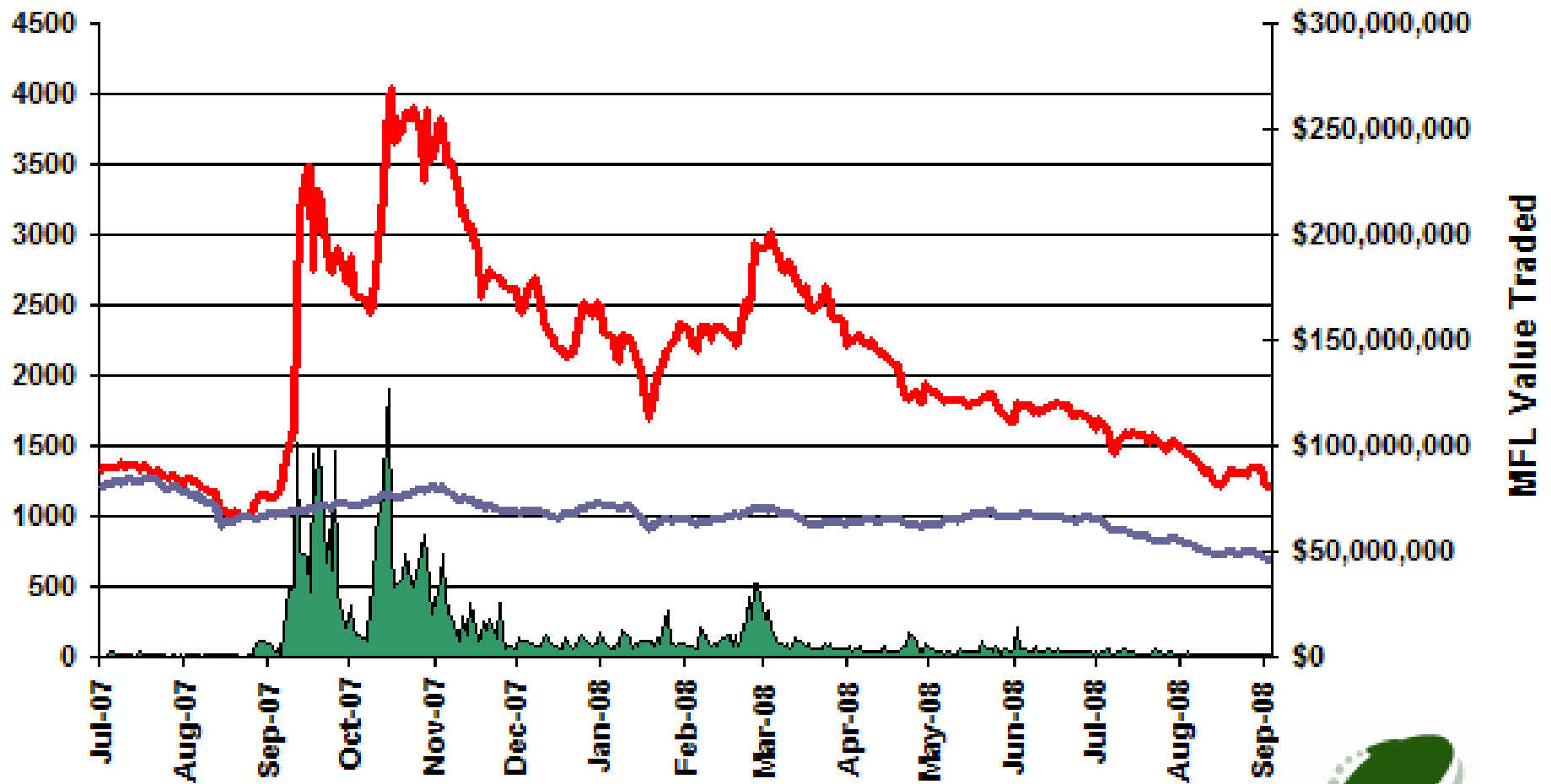
**MINERAL RIGHTS**

 Mineral Rights Area  
 Mineral Rights Area  
 Mineral Rights Area  
 Mineral Rights Area

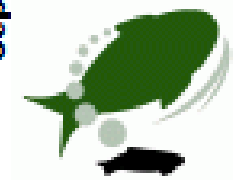
 ADAMANT 2004-2005 100-0000000	 CIBC 2004-2005 100-0000000
 WBW 2004-2005 100-0000000	 KWG 2004-2005 100-0000000
 Quest 2004-2005 100-0000000	 James Bay 2004-2005 100-0000000
 Maple 2004-2005 100-0000000	 PACIFIC 2004-2005 100-0000000
 PERENNIAL 2004-2005 100-0000000	 ENVIROTEC 2004-2005 100-0000000
 PLANTING 2004-2005 100-0000000	 HOLD 2004-2005 100-0000000
 Mill City 2004-2005 100-0000000	 SOUTH 2004-2005 100-0000000

# McFauld's Lake Index

September 5, 2008



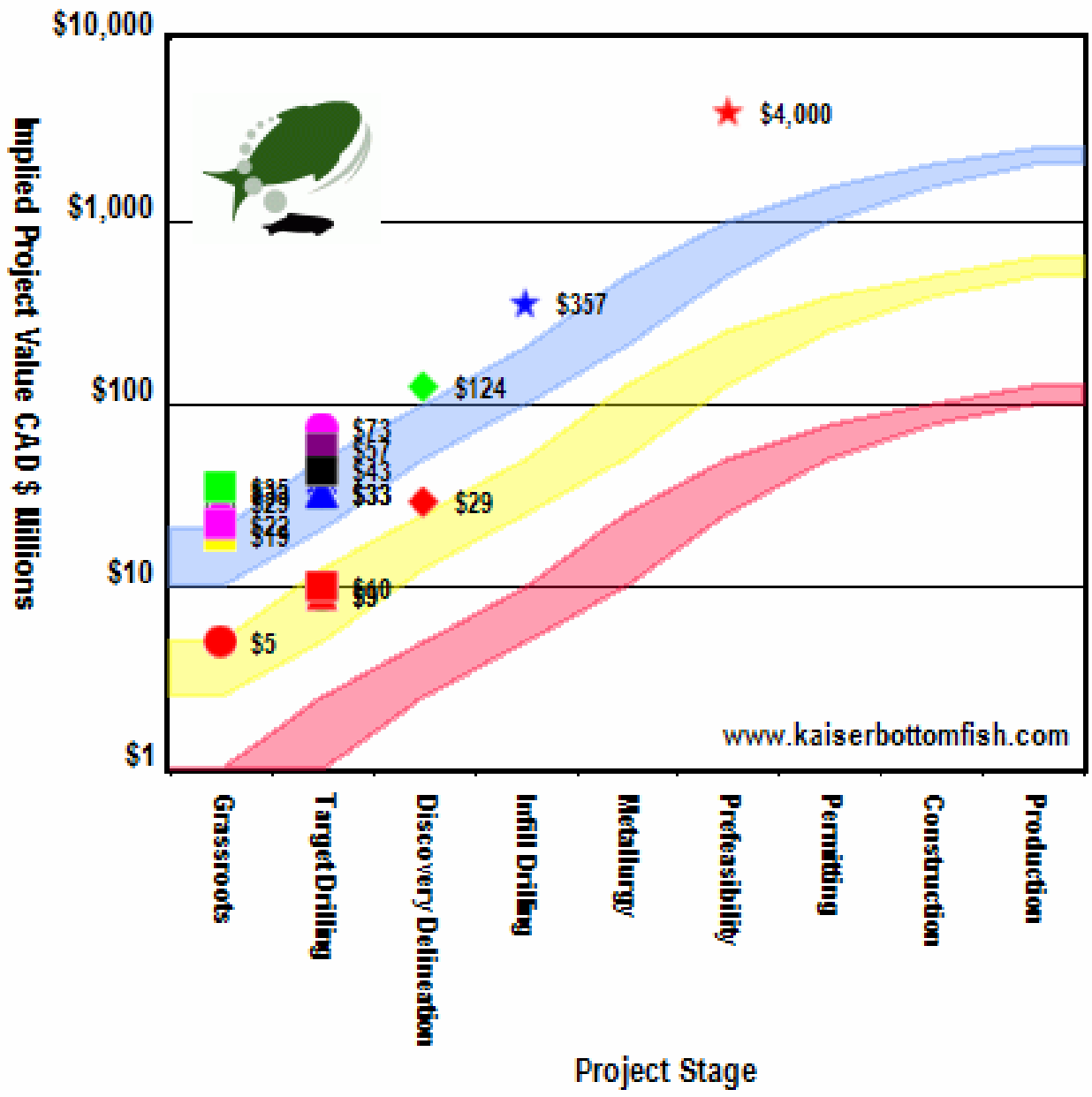
- Daily Value Traded by Index Members
- TSXV Index Normalized to 1000 on Aug 27, 2007
- McFauld's Lake Index - 1000 on August 27, 2007



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# McFauld's Lake Area Play Valuations

Friday, September 05, 2008



**Dream Target Channels**

- \$100 million Dream Target
- \$500 million Dream Target
- \$2 billion Dream Target

**Key Area Play Projects**

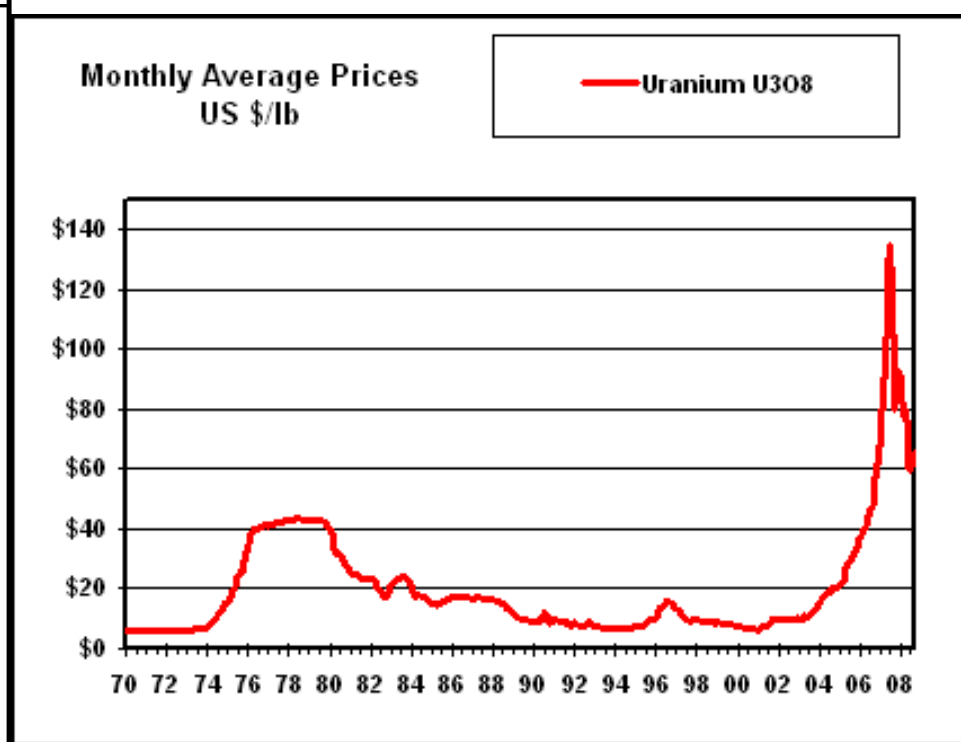
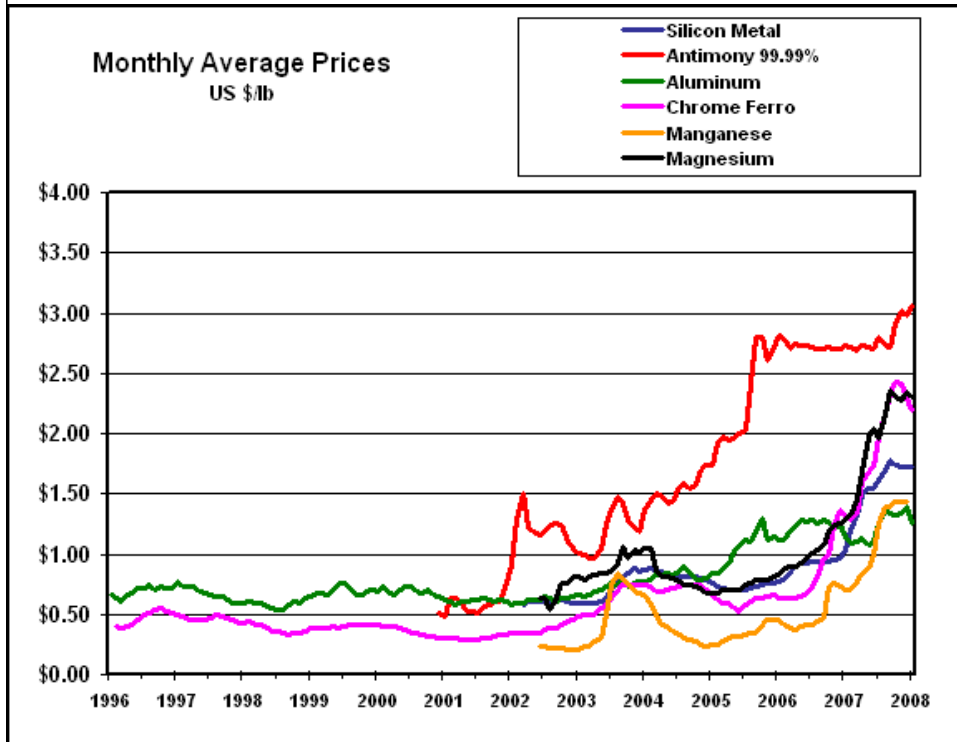
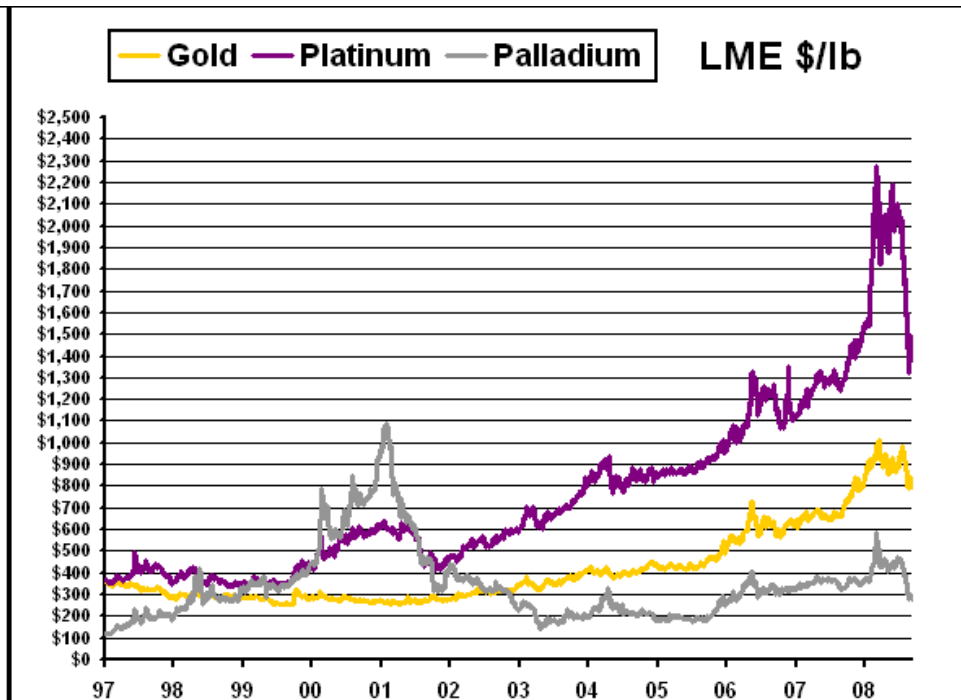
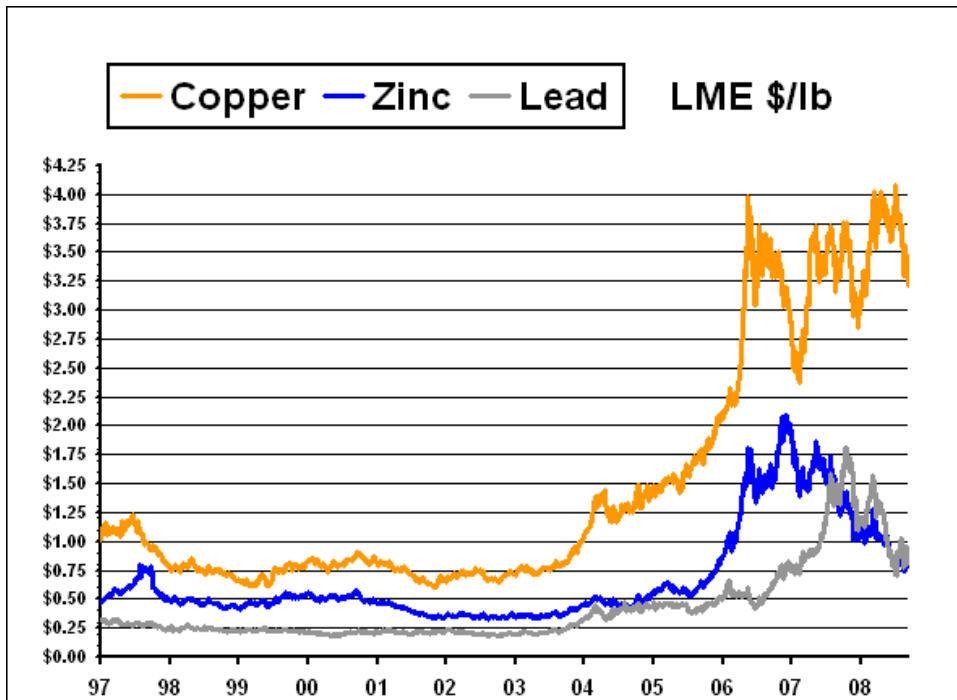
- Noront - Eagle One
- Cdn Orebodies - McFauld's Lake 100%
- Diamondex - Nickel Bay
- East West - Fishhook
- Fancamp - McFaulds Lake
- Freewest - McFauld's Lake
- James Bay - James Bay
- MacDonald - McNugget
- Probe Mines - McFauld's Lake West
- MacDonald - McNugget
- Melkior - East Rim Nickel
- Northern Shield - Eastbank
- Platinex - North McFaulds Lake
- Probe Mines - Victory
- Spider - McFauld's Lake Freewest JV
- Temex - McFauld's Lake 100%
- UC - McFauld's Lake
- WSR Gold - Lowland
- Diamondfields - Voisey's Bay

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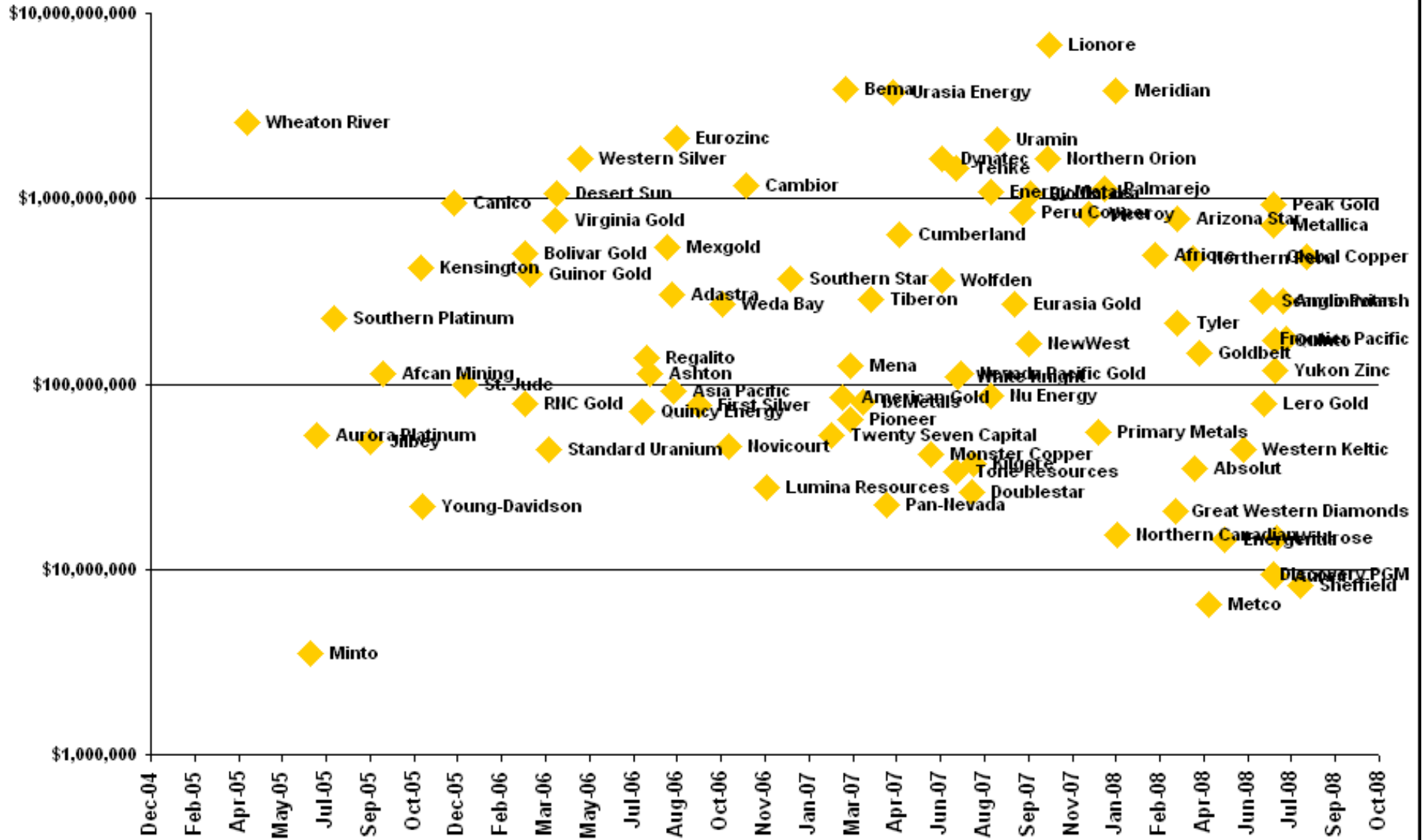
# Reasons for “Good” Spec Value

(Why undervalued?)

- Truth machine has destroyed the dream
- Title problem
- Political risk problem
- Permitting problem
- Infrastructure problem
- Metallurgical problem
- Model credibility problem
- Management credibility problem
- Measurement problem
- Partner problems
- Cyclical market low or downtrend for target metals
- Funding problem
- News flow timing dead zone
- Market awareness problem
- Late life cycle stock with rollback risk
- General bear market - extreme pessimism

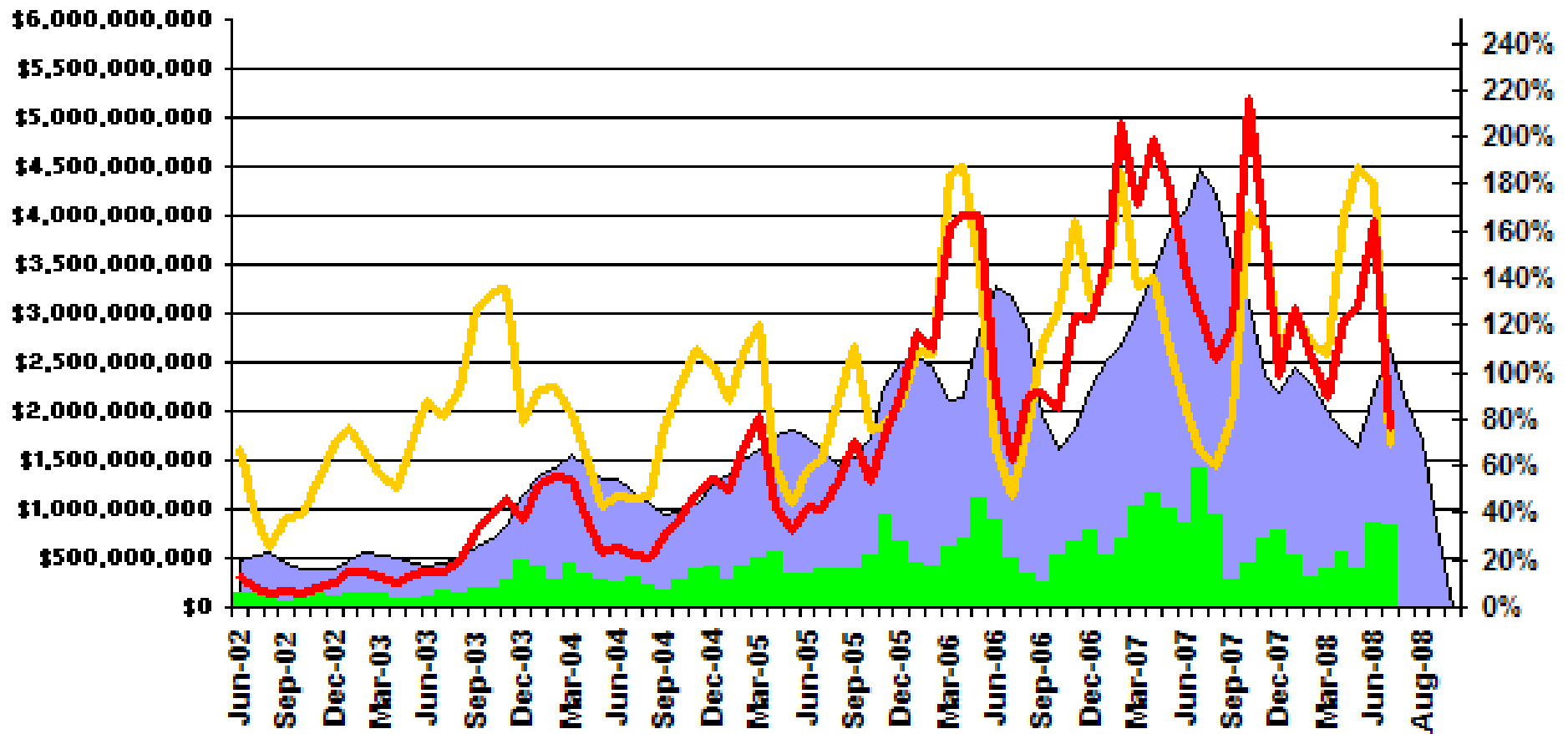


### Value of Takeover Bids - \$53 billion



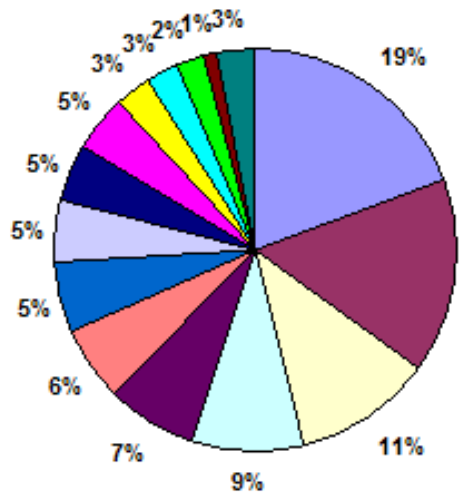
# TSXV Private Placement Timebomb

as of July 2008



- PP Value tied up by 4 month hold
- Monthly Value of Financings
- Traded Value as % of Timebomb
- Monthly Value Traded

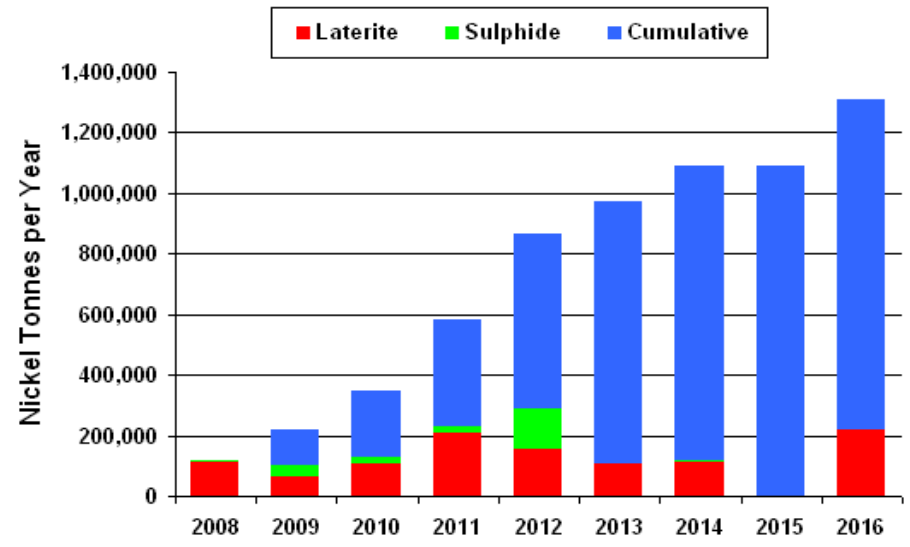
**Global Nickel Production  
2007 Total: 3.6 billion lbs  
\$43 billion at \$12.00 / lb**



Source: USGS 2007

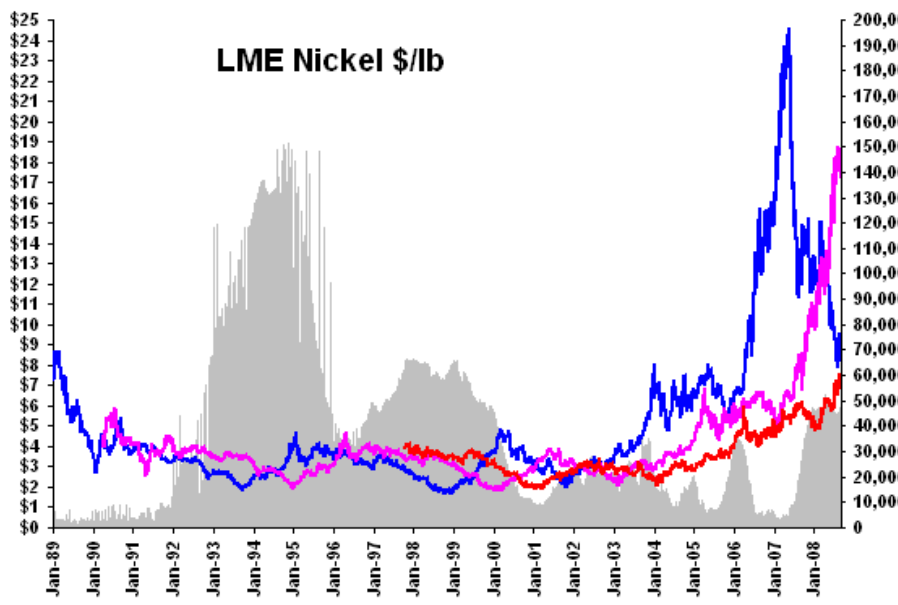
- Russia
- Canada
- Australia
- Indonesia
- New Caledonia
- Colombia
- Philippines
- China
- Cuba
- Brazil
- Dominican Republic
- South Africa
- Botswana
- Venezuela
- Others

**Projected New Nickel Supply  
(2007 Estimated Supply: 1,600,000 tonnes)**



Source: USGS 2005 Yearbook

**LME Nickel \$/lb**



■ LME Warehouse Stocks (t)      — Spot  
— Future Price projected 15 months prior      — Future Price projected 27 months prior

**Canadian Royalties Inc** 9/5/2006 TO 9/5/2008

Year	Quarter	Price (\$)	Volume	Value (\$)
2006	1st	\$1.00	~1,000,000	~\$1,000,000
2006	2nd	\$1.00	~1,000,000	~\$1,000,000
2006	3rd	\$1.00	~1,000,000	~\$1,000,000
2006	4th	\$1.00	~1,000,000	~\$1,000,000
2007	1st	\$1.50	~1,000,000	~\$1,500,000
2007	2nd	\$2.00	~1,000,000	~\$2,000,000
2007	3rd	\$3.50	~1,000,000	~\$3,500,000
2007	4th	\$4.50	~1,000,000	~\$4,500,000
2008	1st	\$3.00	~1,000,000	~\$3,000,000
2008	2nd	\$2.00	~1,000,000	~\$2,000,000
2008	3rd	\$1.50	~1,000,000	~\$1,500,000
2008	4th	\$1.00	~1,000,000	~\$1,000,000
2008	5th	\$0.50	~1,000,000	~\$500,000

Issued: 96,971,000      High: \$4.62 on 5/15/2007      Max Volume: 2,648,600 on 8/5/2008  
 Diluted: 108,353,000      Low: \$0.81 on 9/5/2008      Max Value: \$9,184,700 on 10/15/2007

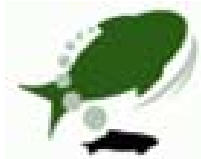
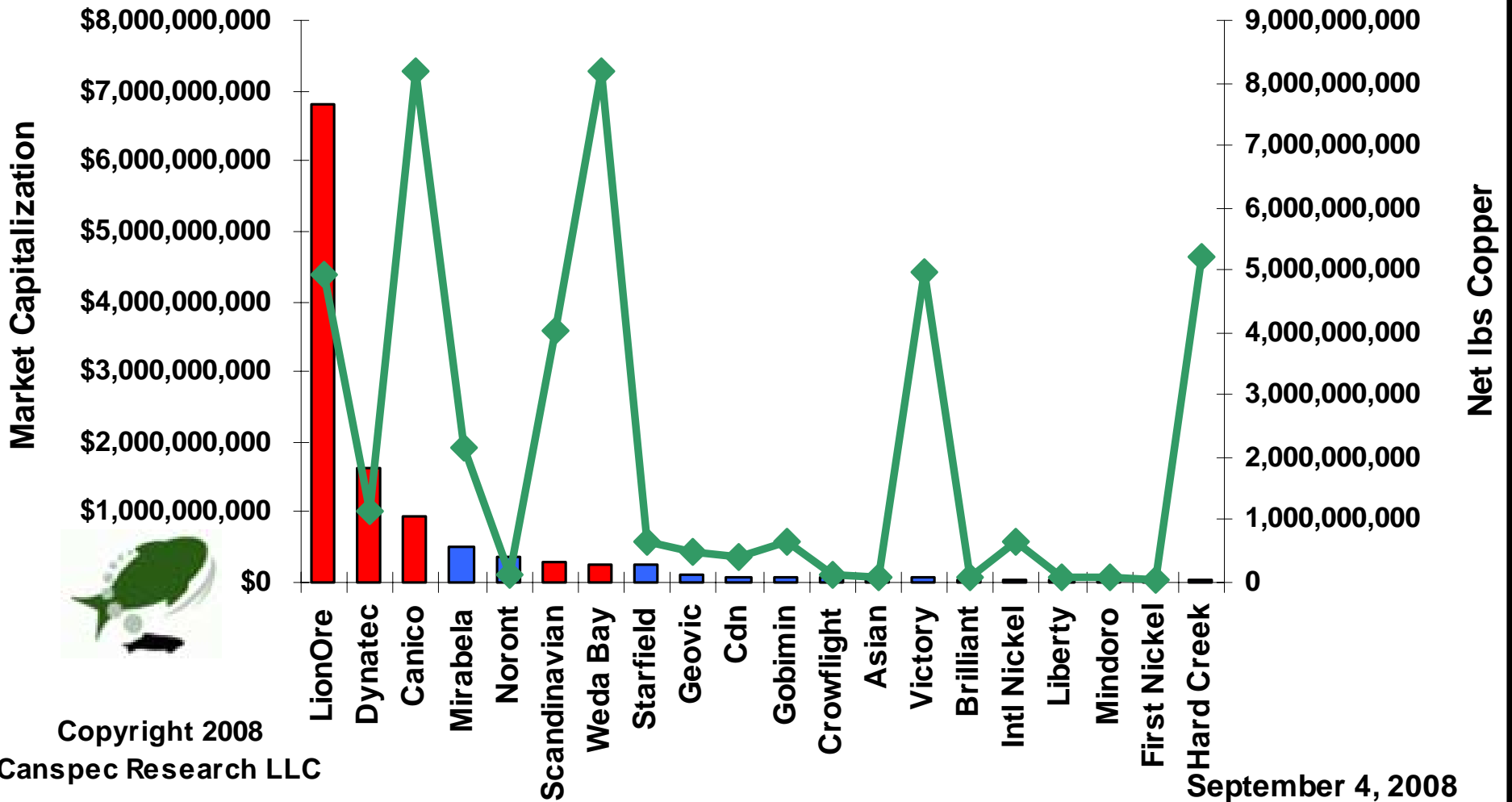
■ KaiserBottomFish.com      **CZZ - TSX - CAD \$0.82**      Copyright 2008 Canspec Research



# Primary Nickel Companies - Top 20

(Red - Companies taken over or merged, Orange - takeover pending)

Market Capitalization      Net Ibs Nickel

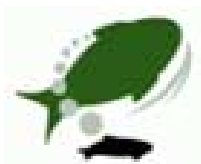
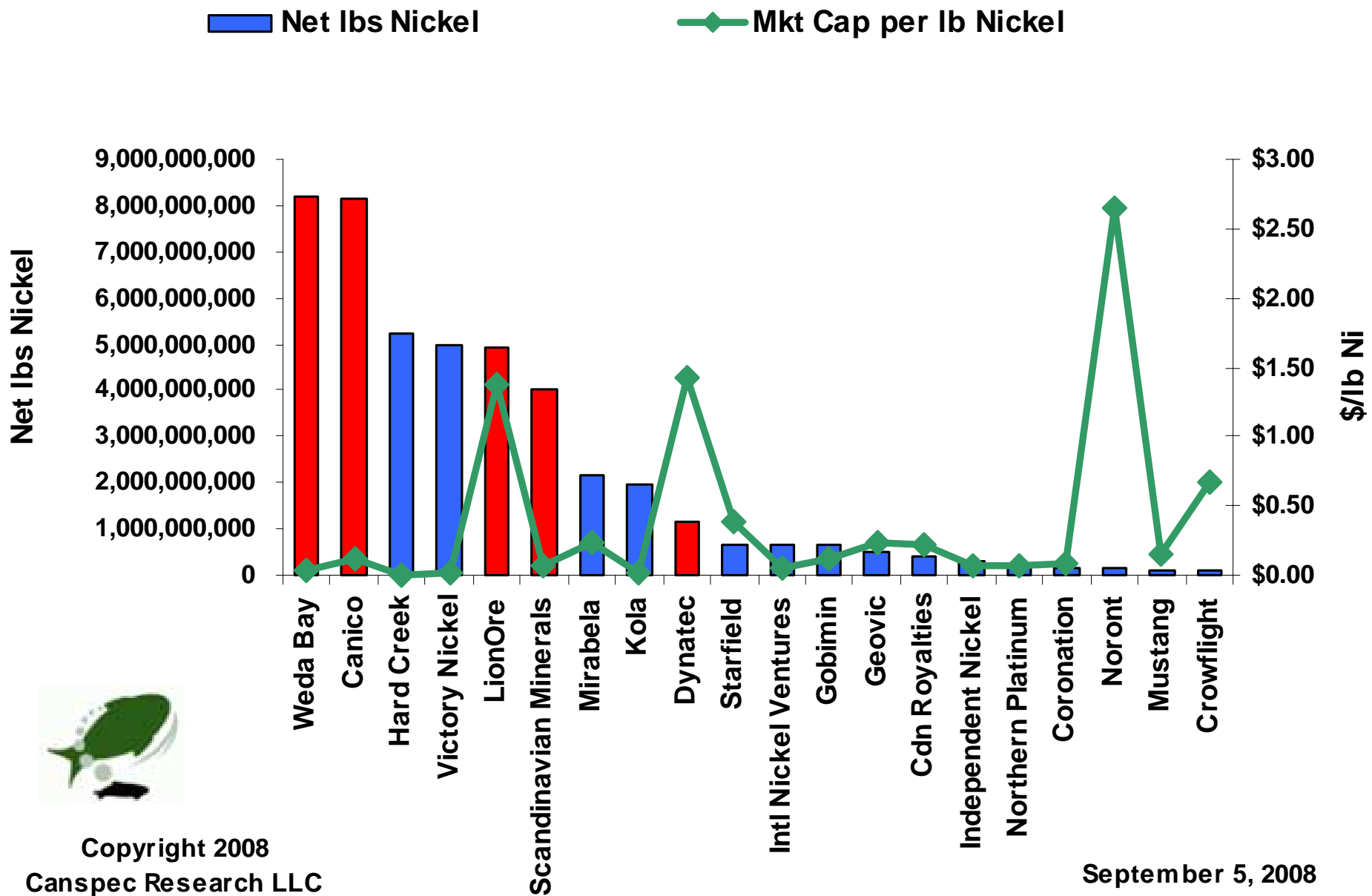


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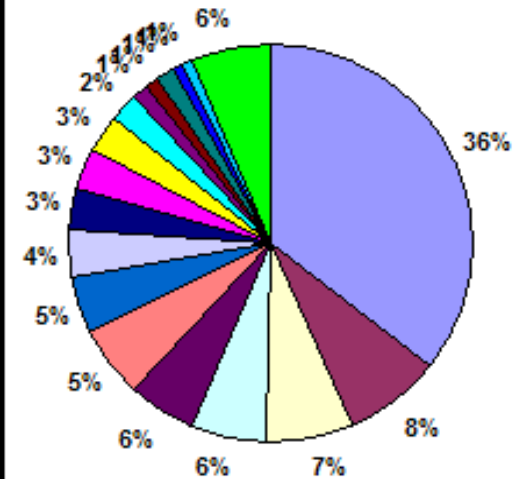
September 4, 2008

# Primary Nickel Companies - Top 20 by Pounds

(Red - Companies taken over or merged, Orange - takeover pending)



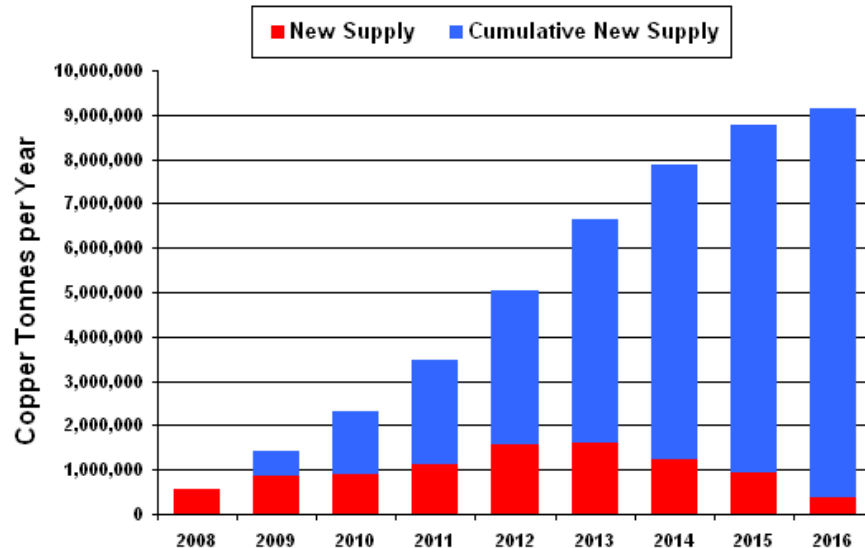
**Global Copper Production**  
2006 Total: 33 billion lbs  
\$114 billion at \$3.46 / lb



Source: USGS 2006 Yearbook

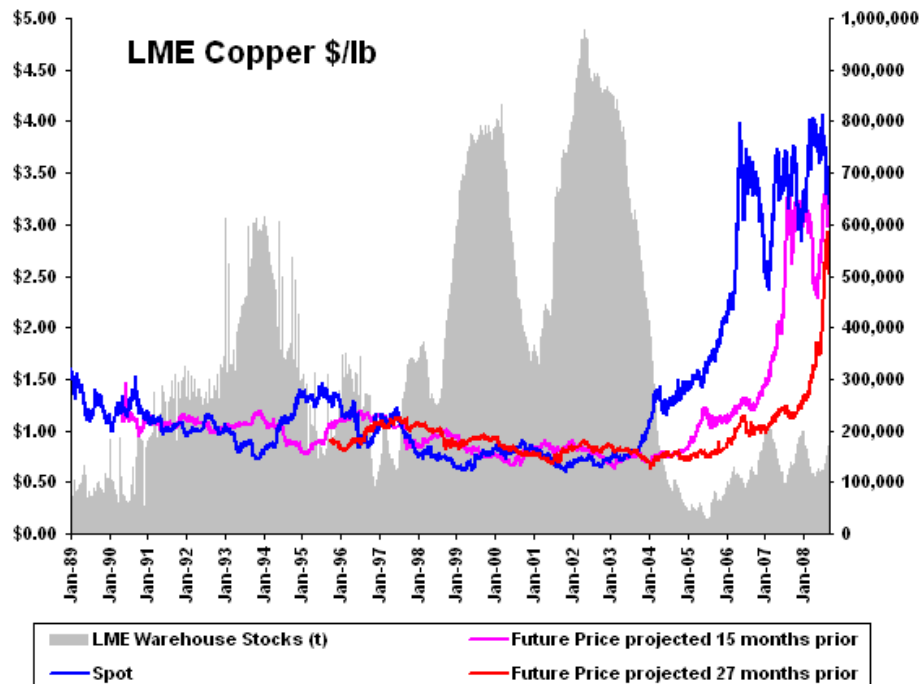
- Chile
- United States
- Peru
- China
- Australia
- Indonesia
- Russia
- Canada
- Poland
- Zambia
- Kazakhstan
- Mexico
- Iran
- Papua New Guinea
- Argentina
- Brazil
- Congo
- Others

**Projected New Copper Supply**  
(2007 Estimated Supply: 16,800,000 tonnes)

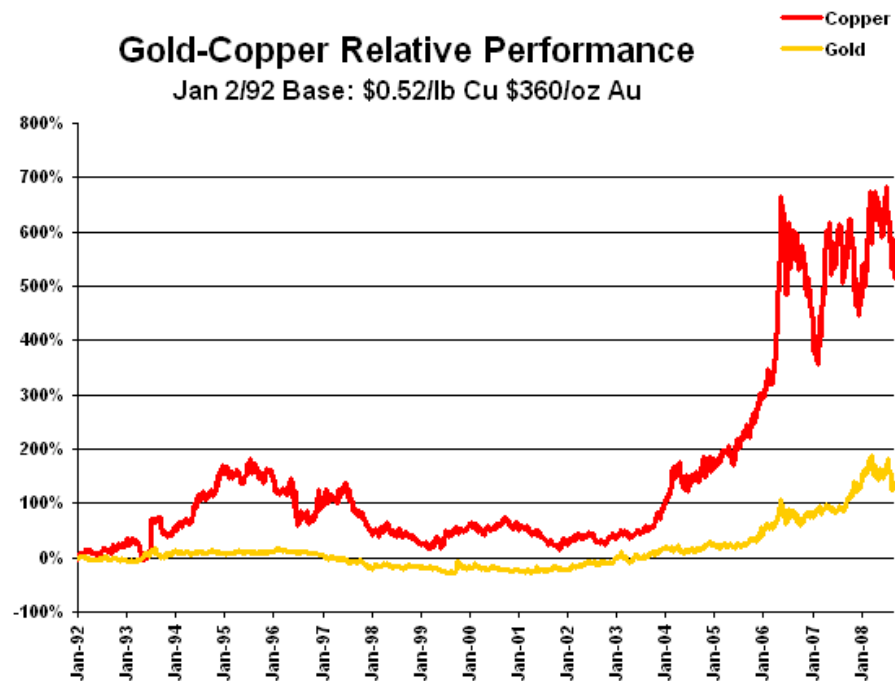


Source: Credit Suisse September 2007

**LME Copper \$/lb**



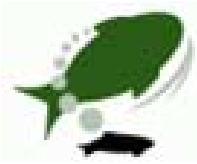
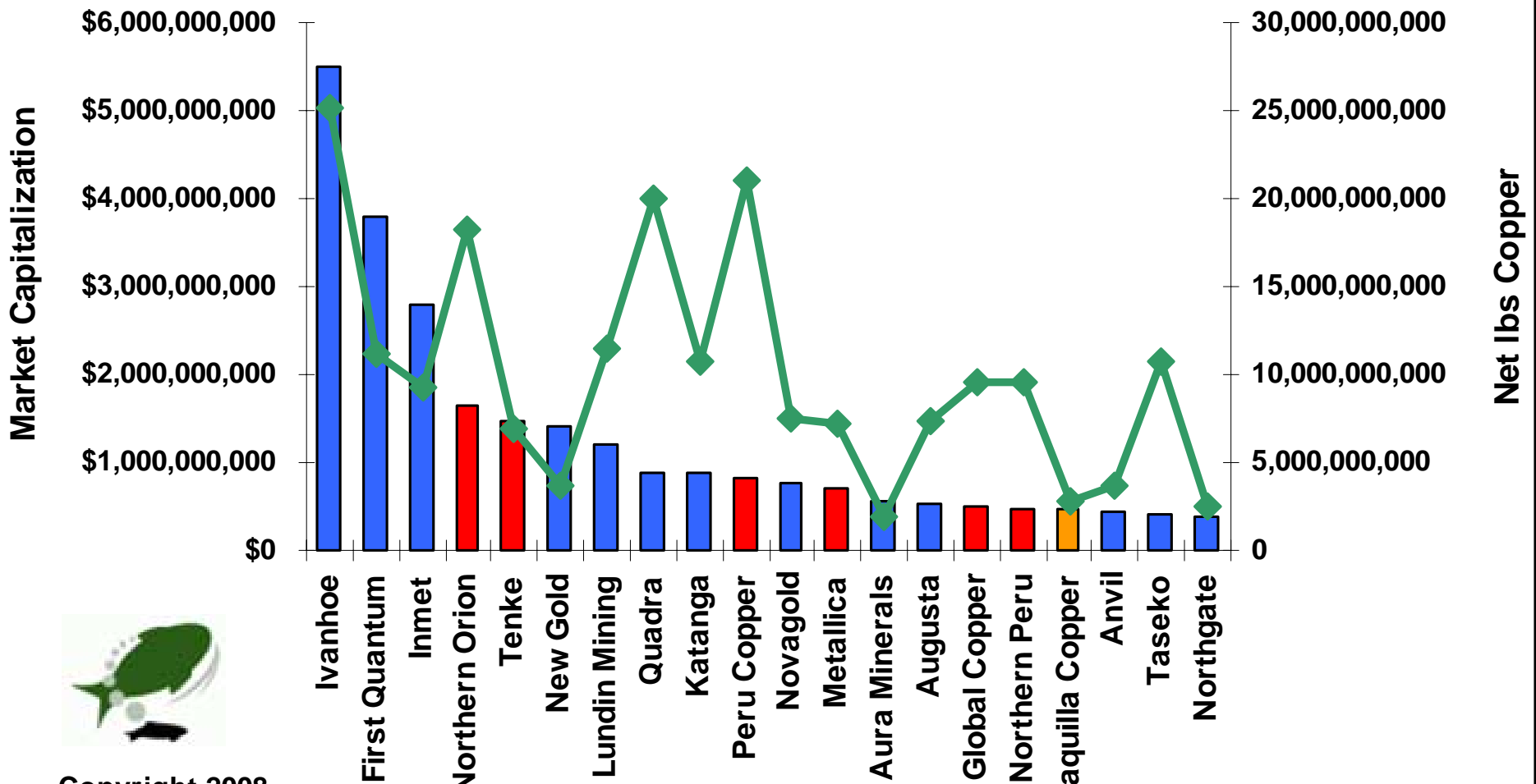
**Gold-Copper Relative Performance**



# Primary Copper Companies - Top 20

(Red - Companies taken over or merged, Orange - takeover pending)

Market Capitalization Net Ibs Copper



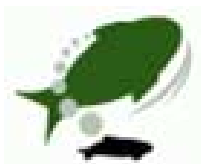
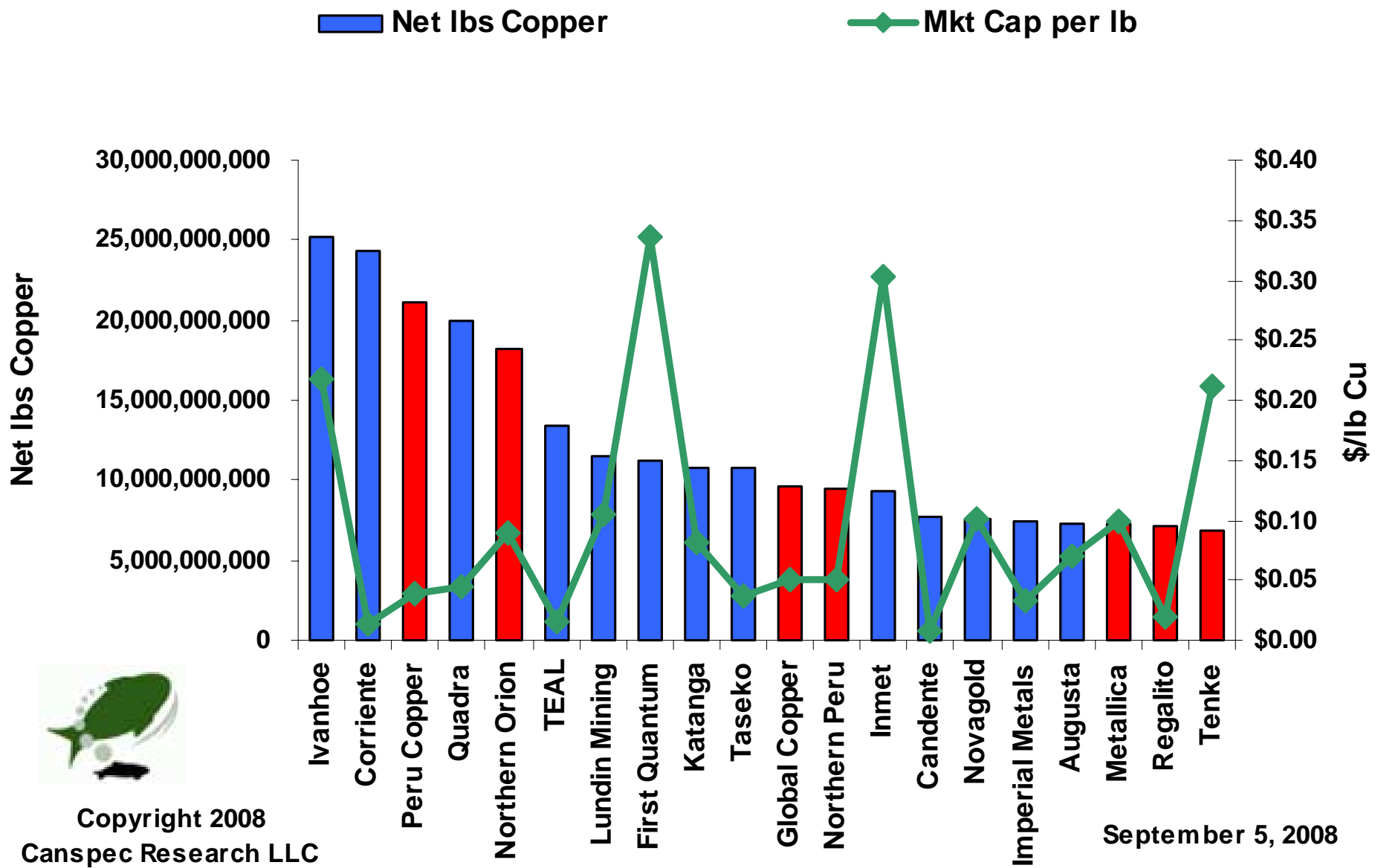
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# Primary Copper Companies - Top 20 by Pounds

(Red - Companies taken over or merged, Orange - takeover pending)



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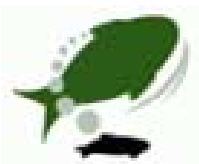
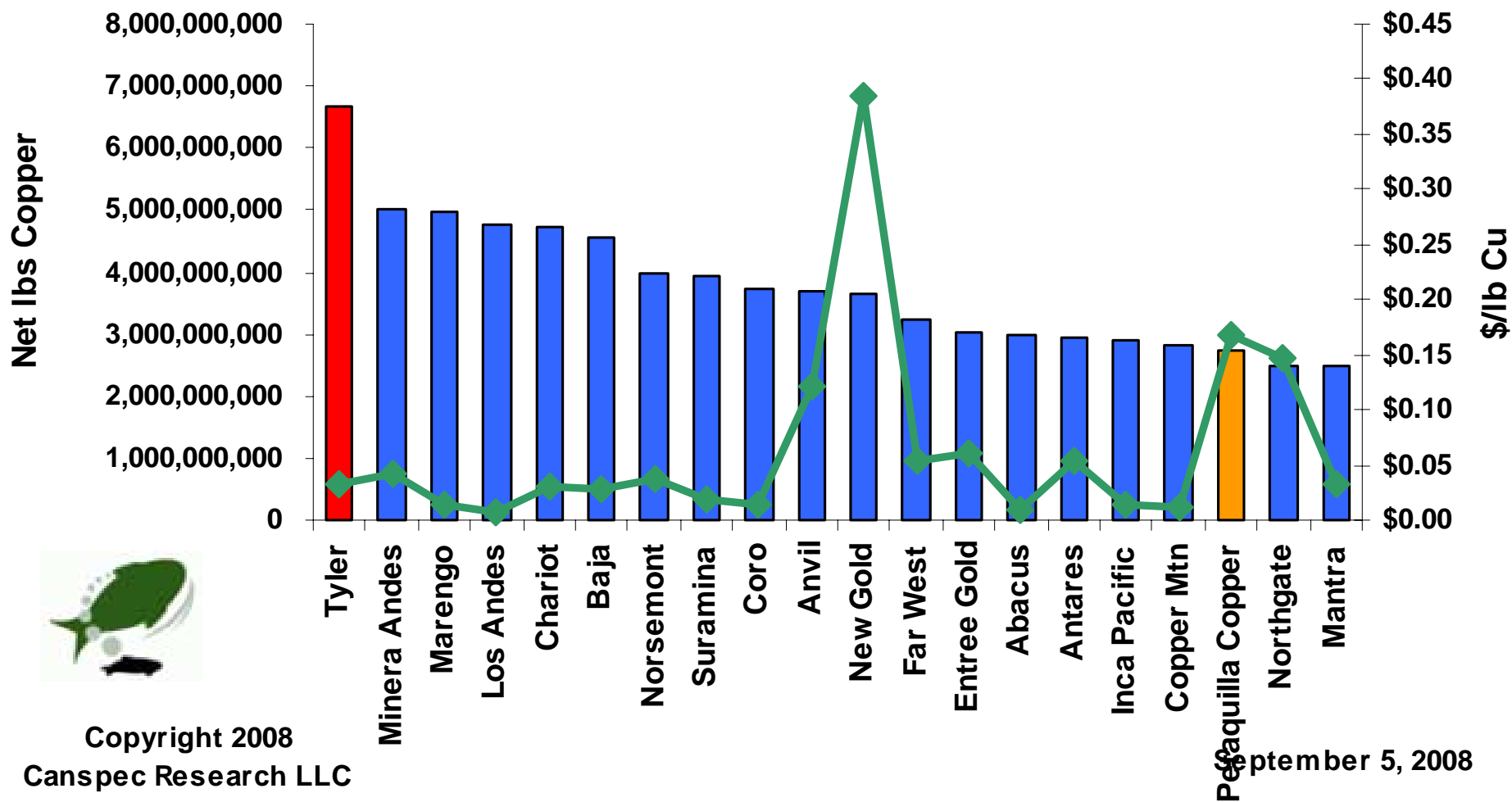
September 5, 2008

# Primary Copper Companies - Top 21-40 by Pounds

(Red - Companies taken over or merged, Orange - takeover pending)

Net Ibs Copper

Mkt Cap per Ib

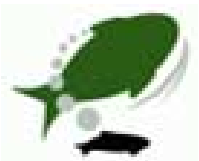
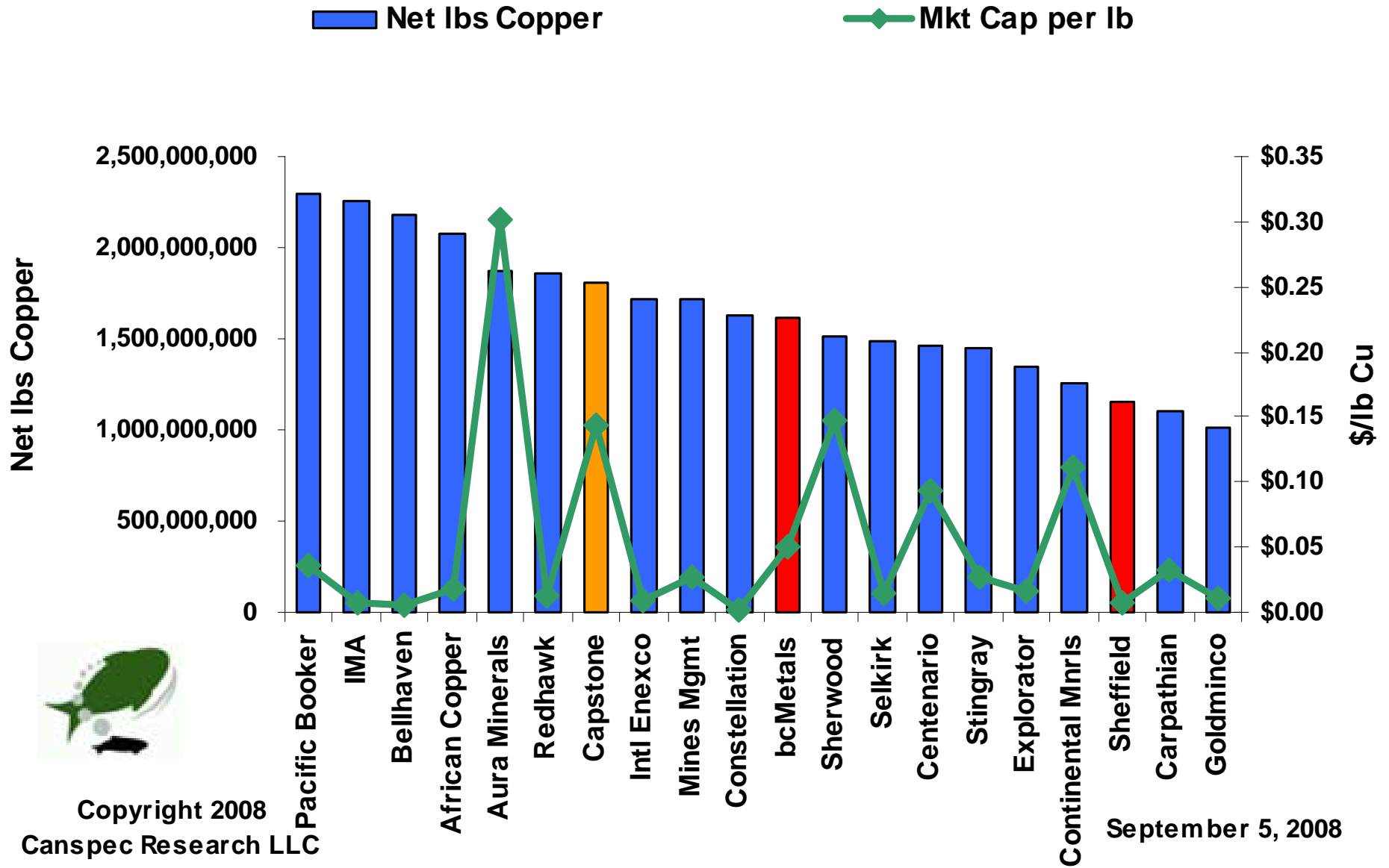


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# Primary Copper Companies - Top 41-60 by Pounds

(Red - Companies taken over or merged, Orange - takeover pending)



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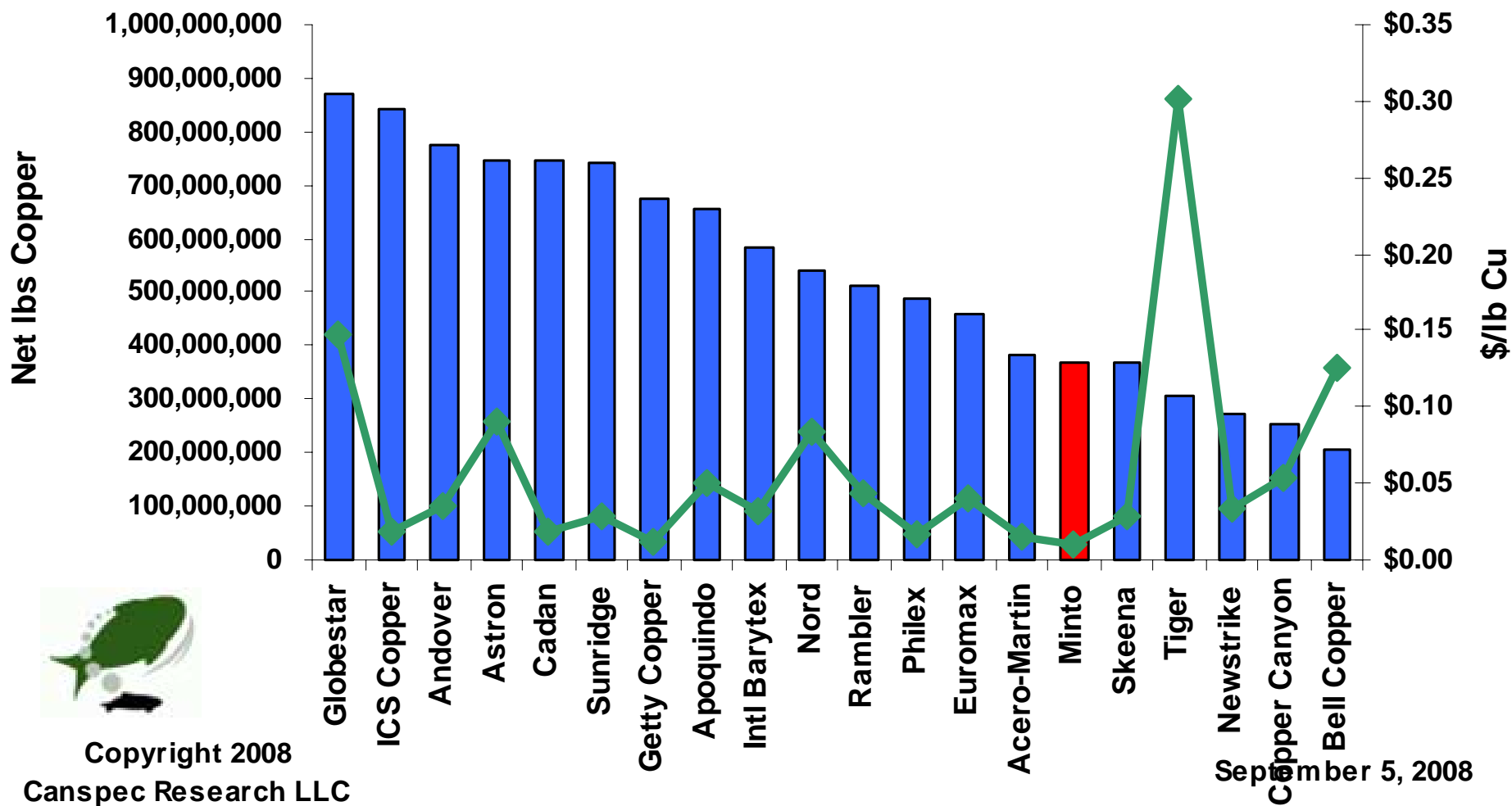
September 5, 2008

# Primary Copper Companies - Top 61-80 by Pounds

(Red - Companies taken over or merged, Orange - takeover pending)

Net Ibs Copper

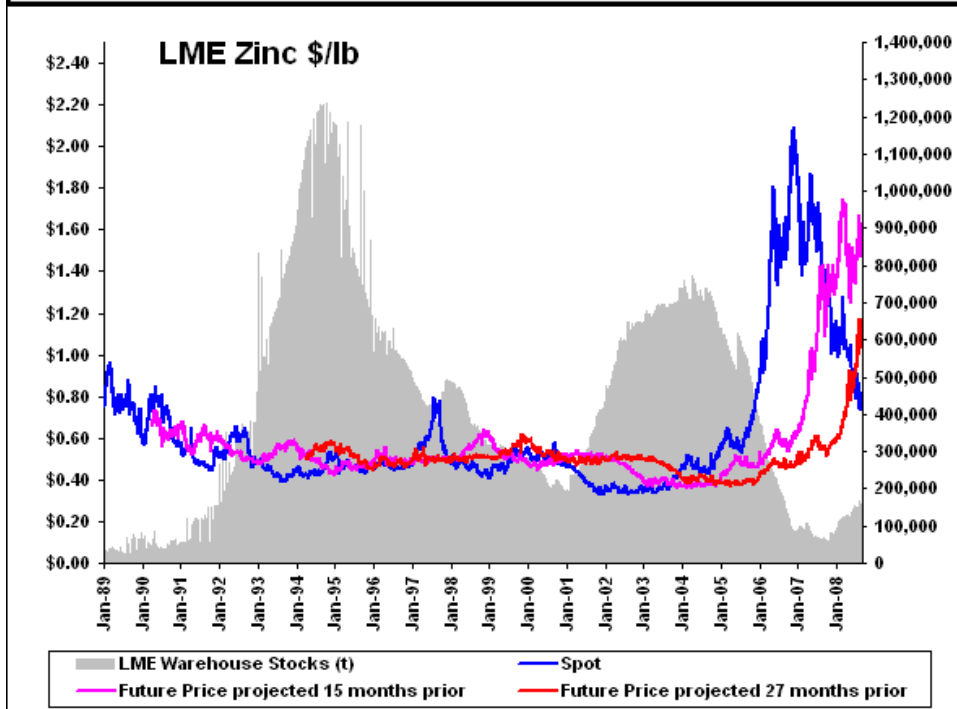
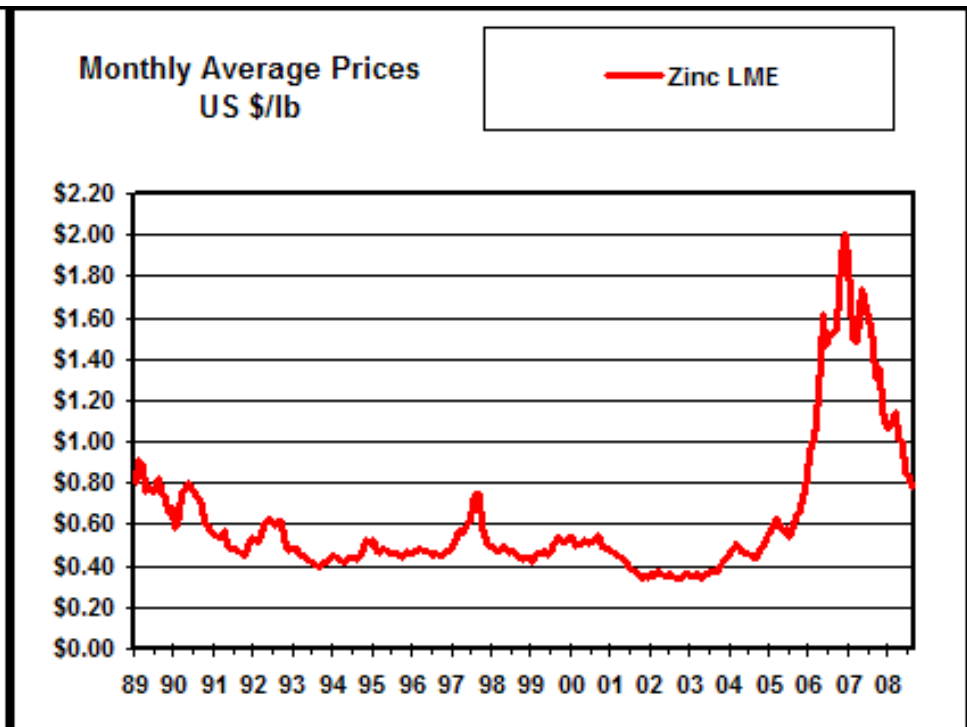
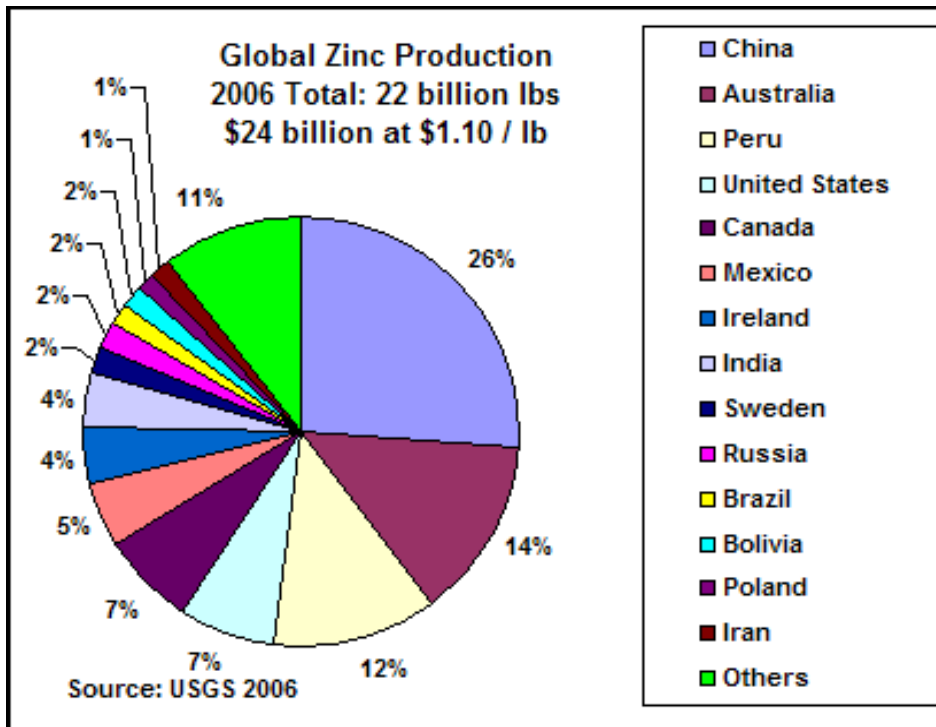
Mkt Cap per Ib



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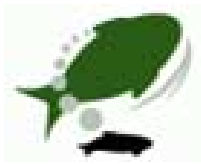
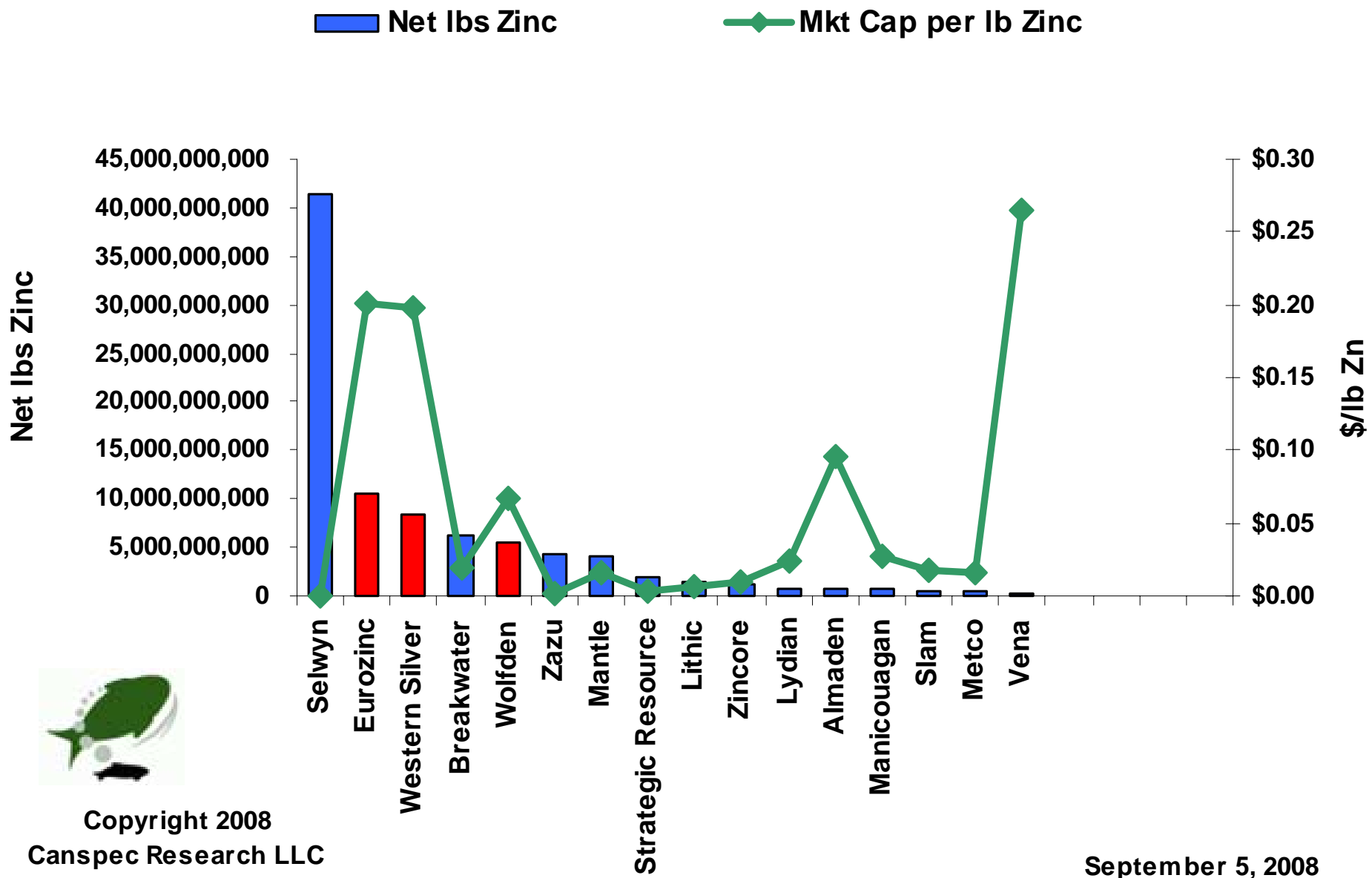
September 5, 2008





# Primary Zinc Companies - Top 20 by Pounds

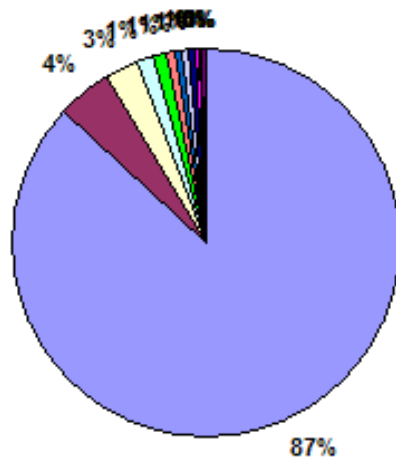
(Red - Companies taken over or merged, Orange - takeover pending)



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September 5, 2008

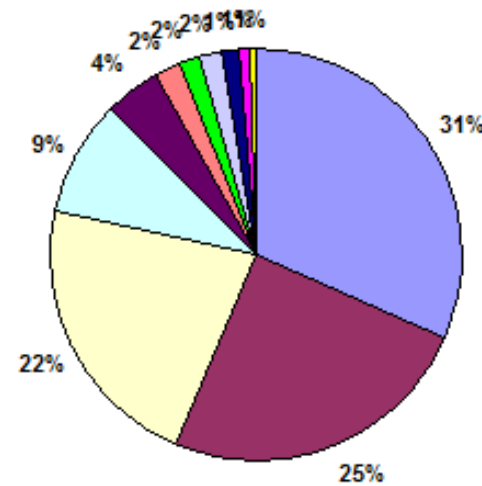
**Global Tungsten Production**  
 2006 Total: 200 million lbs  
 \$3.2 billion at \$16 / lb



Source: USGS 2006

- China
- Russia
- Canada
- Austria
- Bolivia
- Portugal
- North Korea
- Congo
- Brazil
- Myanmar
- Thailand
- Rwanda
- Others

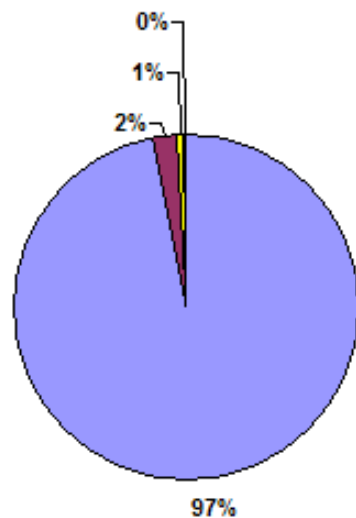
**Global Molybdenum Production**  
 2007 Total: 413 million lbs  
 \$14 billion at \$35.00 / lb



Source: USGS 2007

- United States
- China
- Chile
- Peru
- Canada
- Mexico
- Russia
- Armenia
- Iran
- Mongolia
- Others

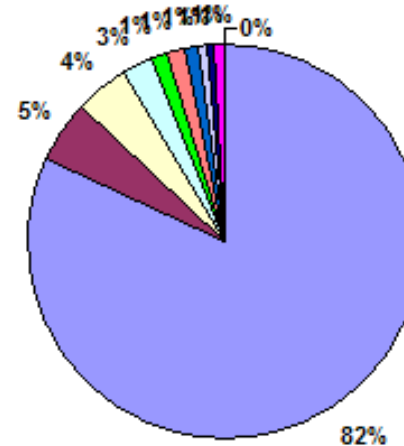
**Global Rare Earth Oxide Production**  
 2005 Total: 271 million lbs



Source: USGS 2005

- China
- India
- Malaysia
- Brazil

**Global Antimony Production**  
 2006 Total: 296 million lbs



Source: USGS 2006 Yearbook

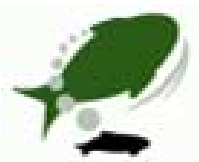
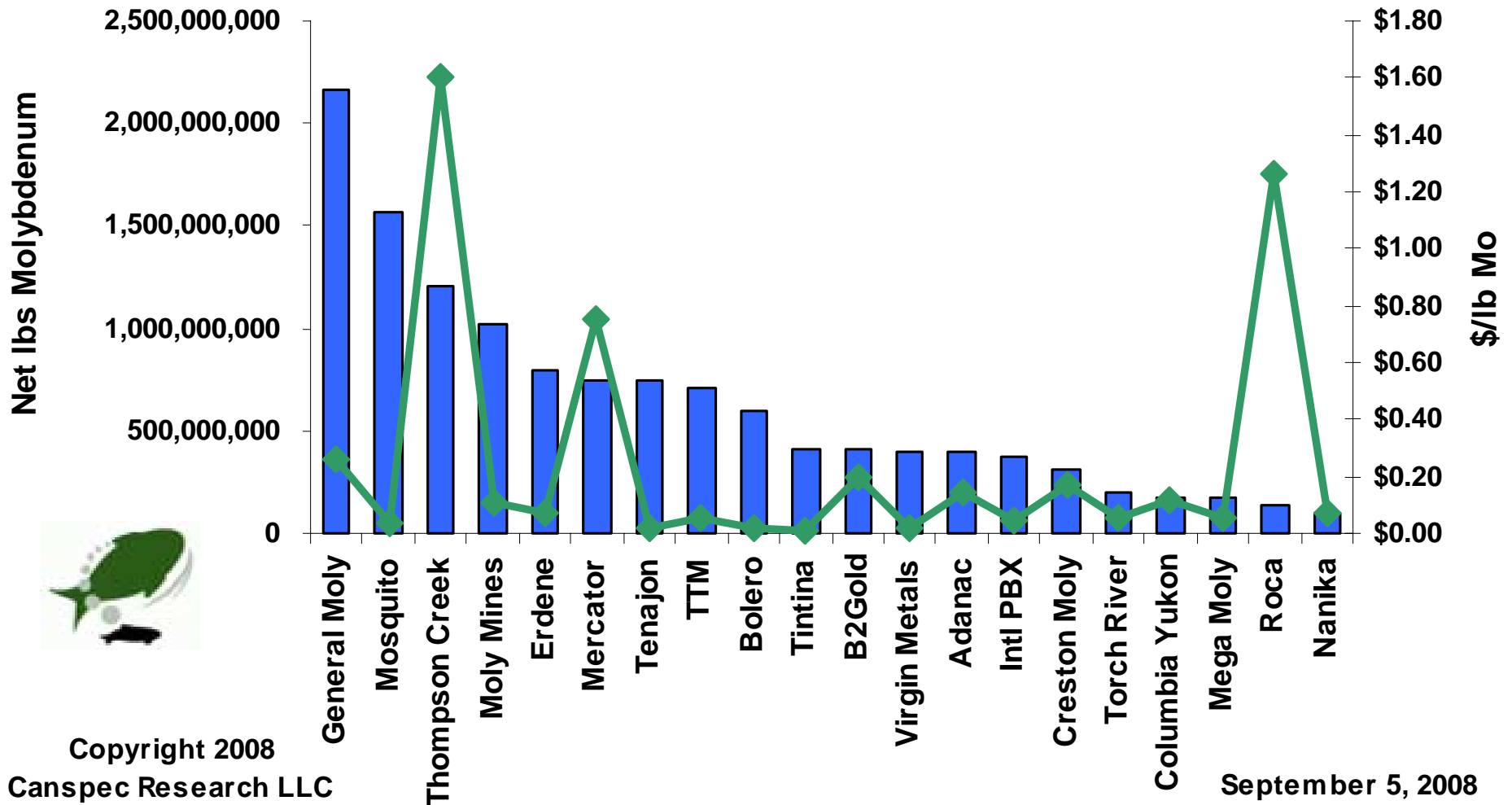
- China
- Bolivia
- South Africa
- Russia
- Tajikistan
- Australia
- Turkey
- Guatemala
- Thailand
- Peru
- Others

# Primary Molybdenum Companies - Top 20 by Pounds

(Red - Companies taken over or merged, Orange - takeover pending)

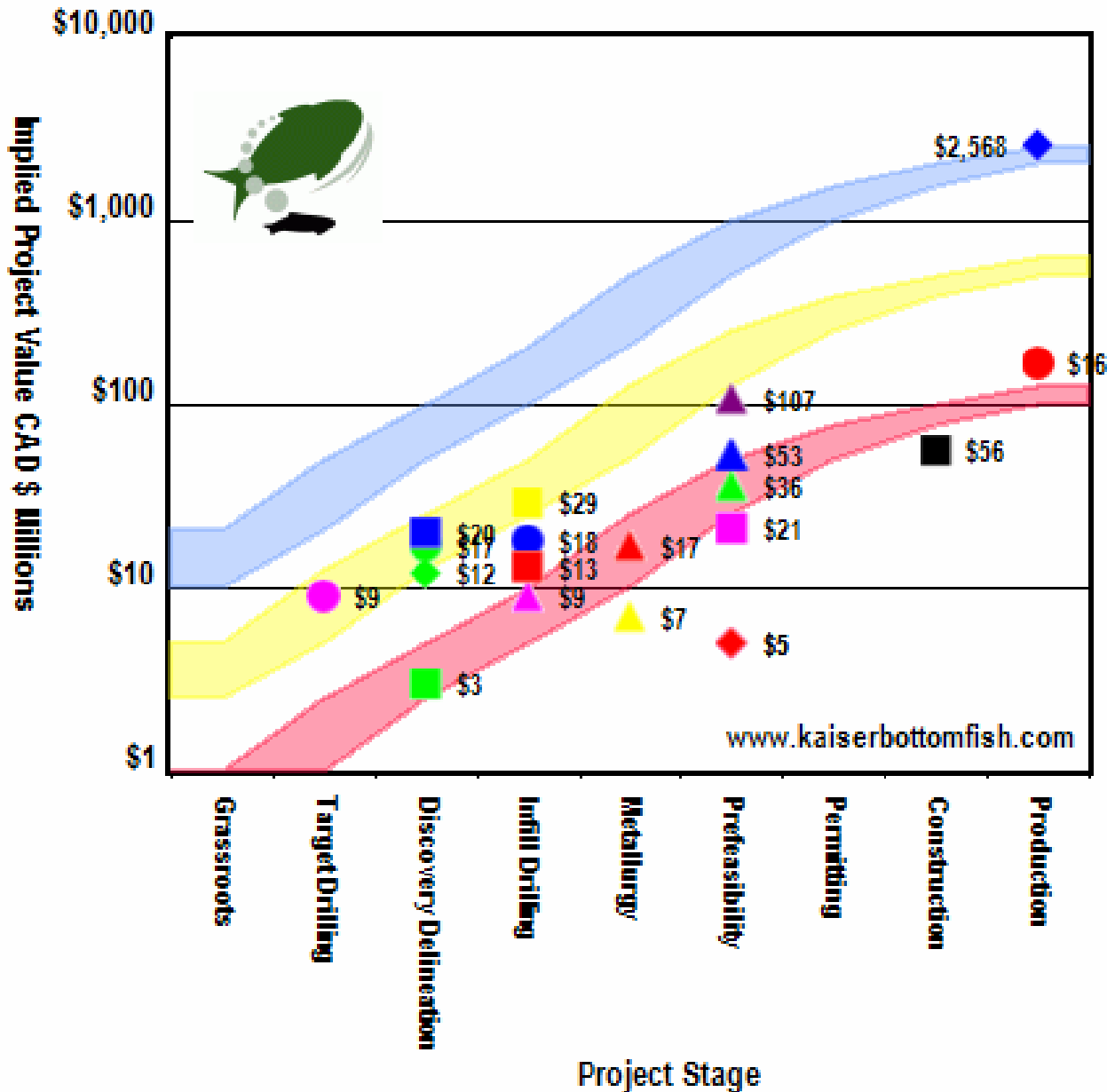
Net Ibs Molybdenum

Mkt Cap per Ib Mo



# Key MolyMania Project Valuations

Friday, September 05, 2008



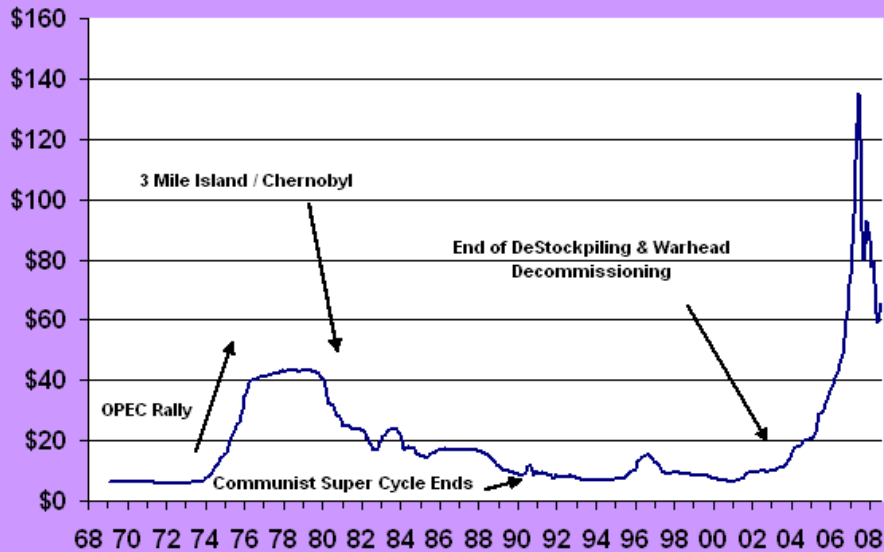
## Dream Target Channels

- \$100 million Dream Target
- \$500 million Dream Target
- \$2 billion Dream Target

- Adanac - Ruby Creek
- BCM - Shan
- Columbia Yukon - Storie
- Eagle Plains - Sphinx
- Galway - Victorio Mountain
- Geodex - Sisson Brook
- ▲ Georgia - El Creston
- ▲ Intl PBX - Copaquire
- ▲ Kobex - Mount Emmons
- ▲ Leeward - Nithi Mountain
- ▲ Moly Mines - Spinifex
- ▲ New Cantech - Lucky Ship
- Oriental - Sangdong
- Roca - Max
- Roxmark - Nortoba-Tyson
- Sirios - Tilly
- ◆ Tenajon - Moly Brook
- ◆ Thompson Creek - Endako Mine
- ◆ Tintina - Red Mountain
- ◆ Western Troy - MacLeod Lake

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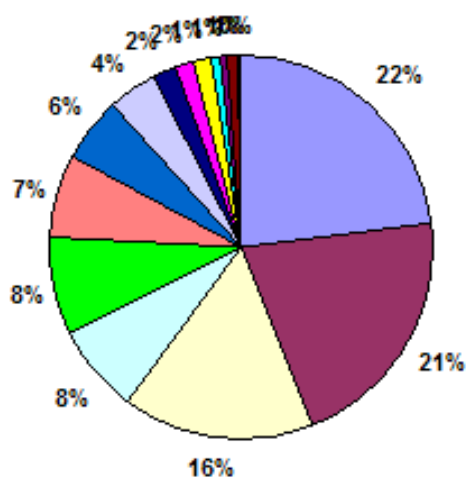
## Average Monthly Uranium US \$/lb U3O8



## Nuclear Energy & Uranium

- No fuel transportation cost
- No carbon emissions
- Secure electricity supply
- Long term contracts being written at \$95/lb

Global Uranium Production  
2007 Total: 91 million lbs (U3O8)  
\$6 billion at \$66 / lb



Source: World-Nuclear.org



### Cameco Corporation

9/6/2005 TO 9/5/2008



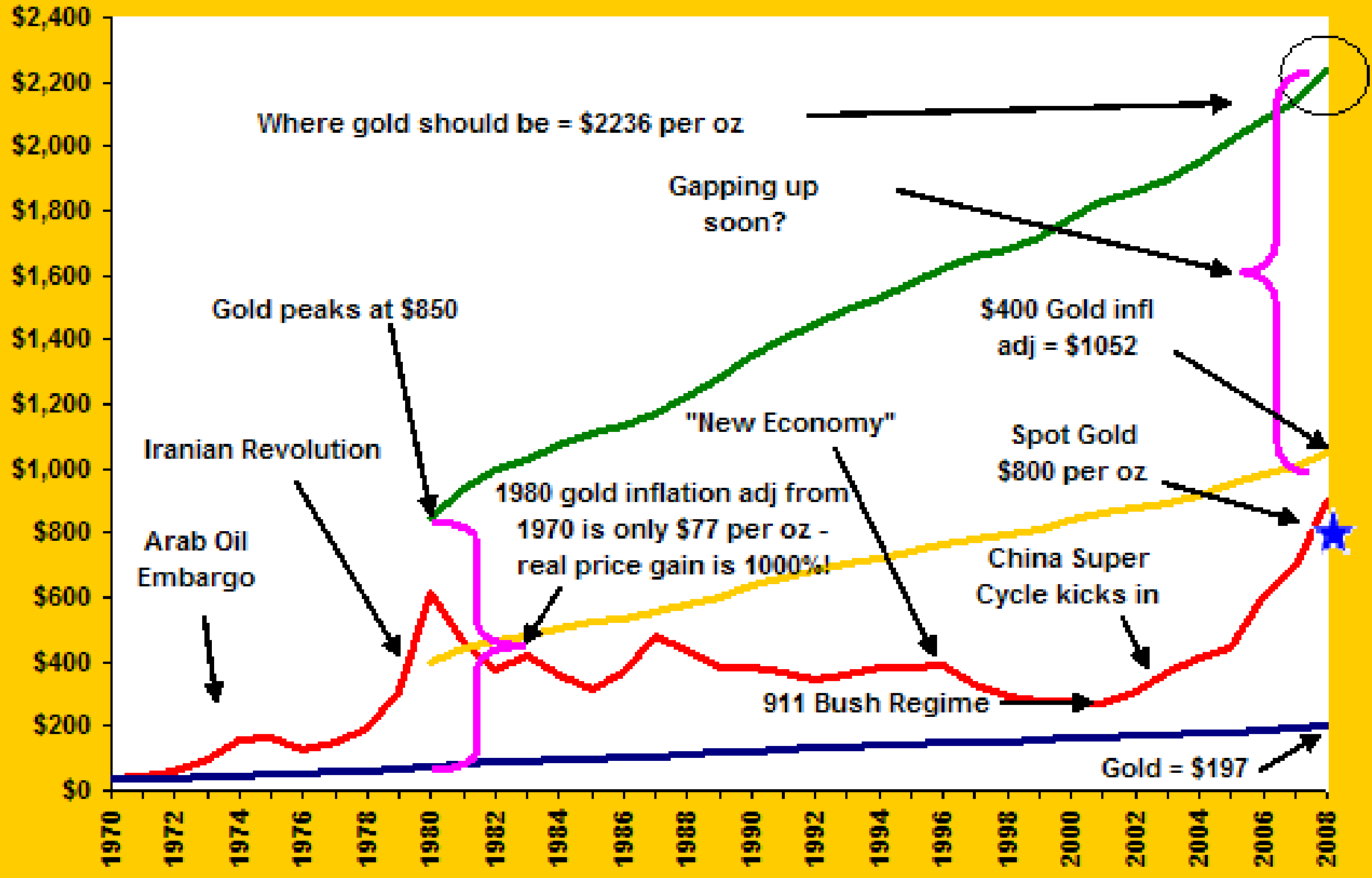
KaiserBottomFish.com

CCO - TSX - CAD \$28.53

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# Gold in Perspective

- Actual Average Annual Gold Price
- 1970 Base \$36 per oz inflation adjusted
- 1980 Base \$850 per oz inflation adjusted
- 1980 Base \$400 per oz inflation adjusted



Where gold should be = \$2236 per oz

Gapping up soon?

Gold peaks at \$850

\$400 Gold infl adj = \$1052

Iranian Revolution

"New Economy"

Spot Gold \$800 per oz

Arab Oil Embargo

1980 gold inflation adj from 1970 is only \$77 per oz - real price gain is 1000%!

China Super Cycle kicks in

911 Bush Regime

Gold = \$197

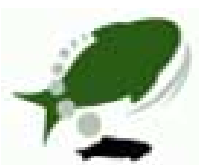
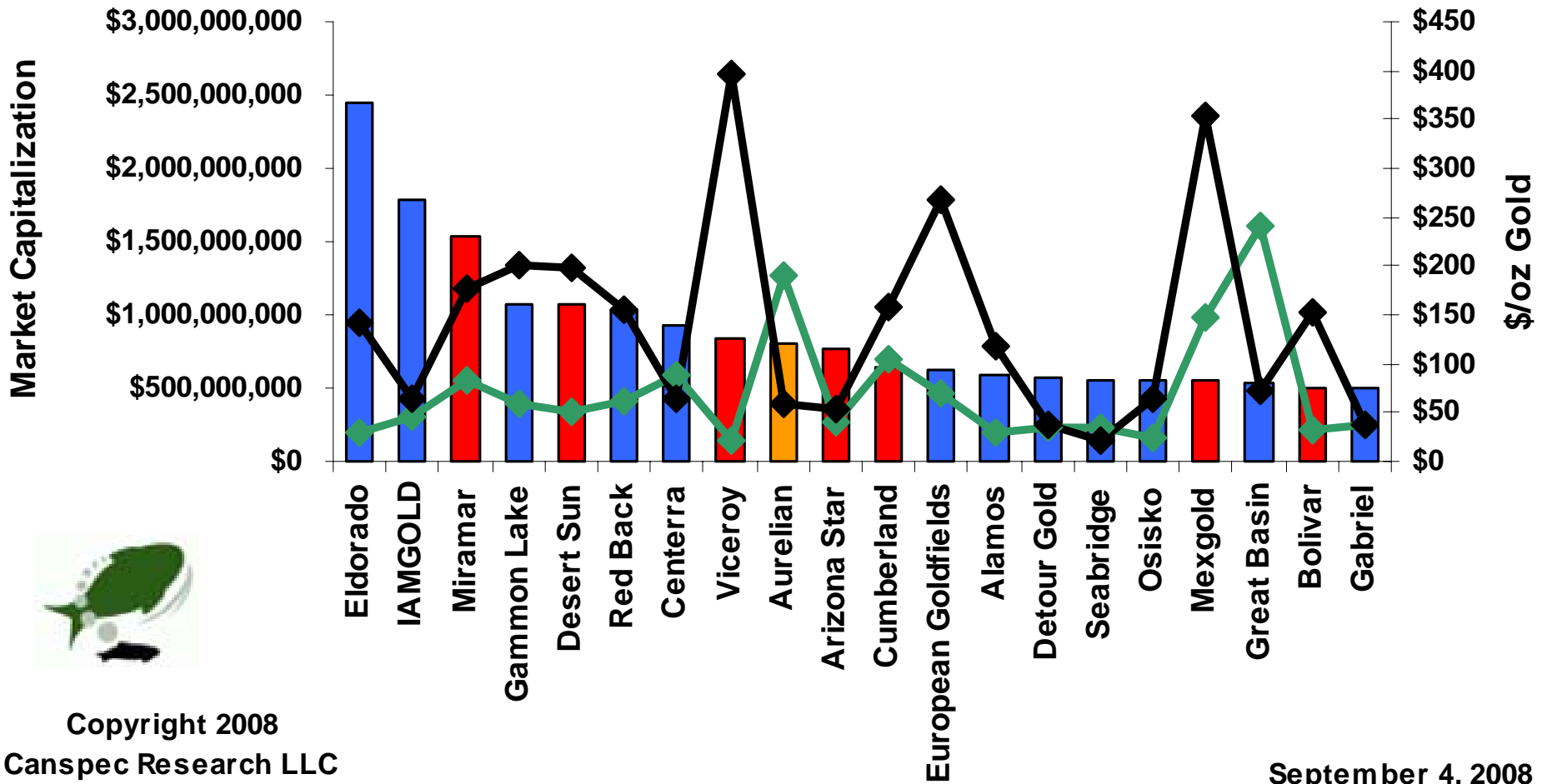
# Primary Gold Companies - Top 20 by Market Cap

(Red - Companies taken over or merged, Orange - takeover pending)

Market Capitalization

Rock Value \$/t

Mkt Cap per Oz

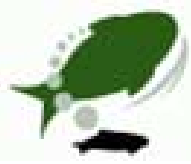
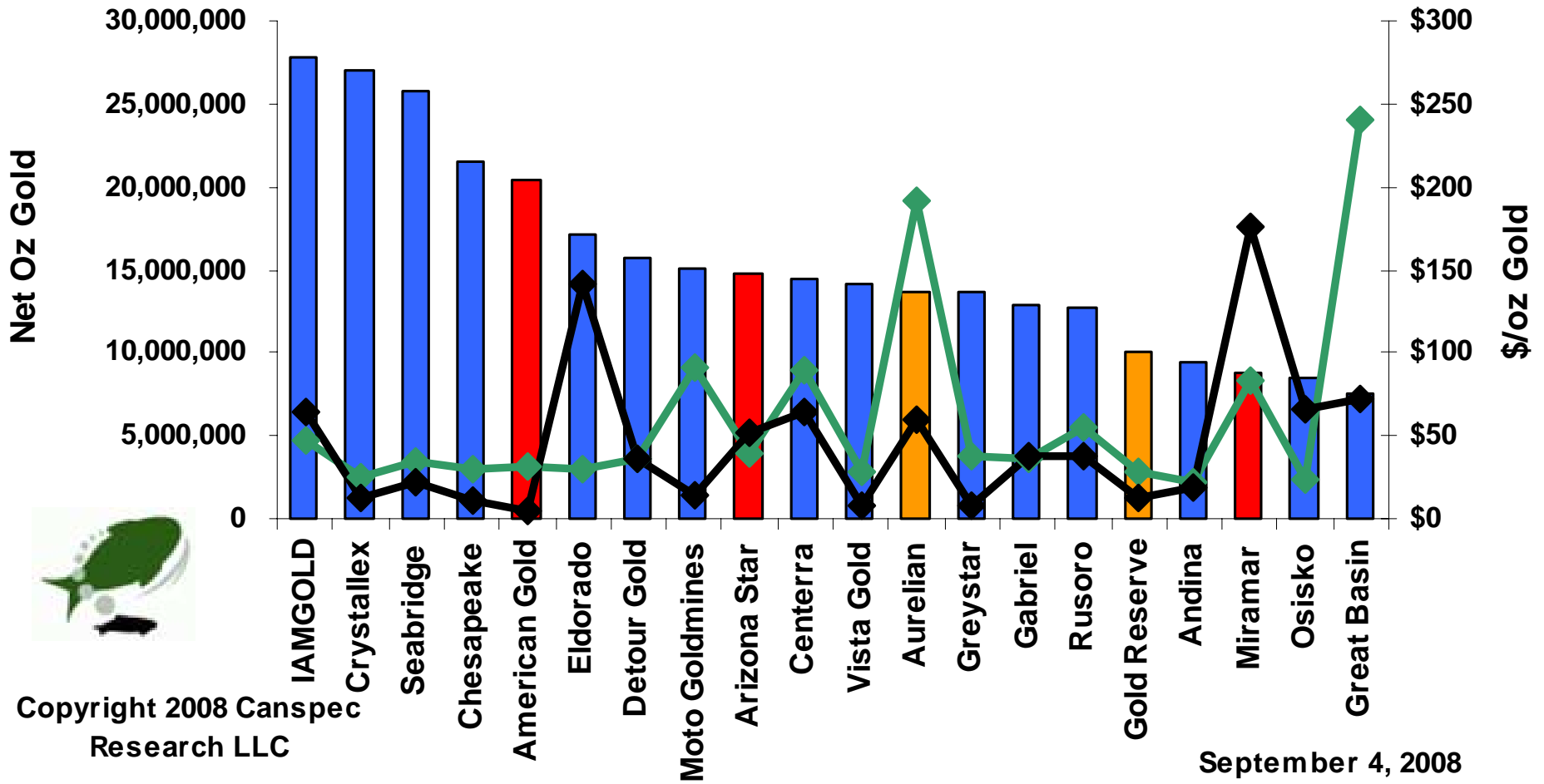




# Primary Gold Companies - Top 20 by Ounces

(Red - Companies taken over or merged, Orange - takeover pending)

■ Net Oz Gold     
 ◆ Rock Value \$/t     
 ◆ Mkt Cap per Oz



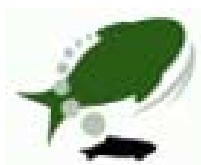
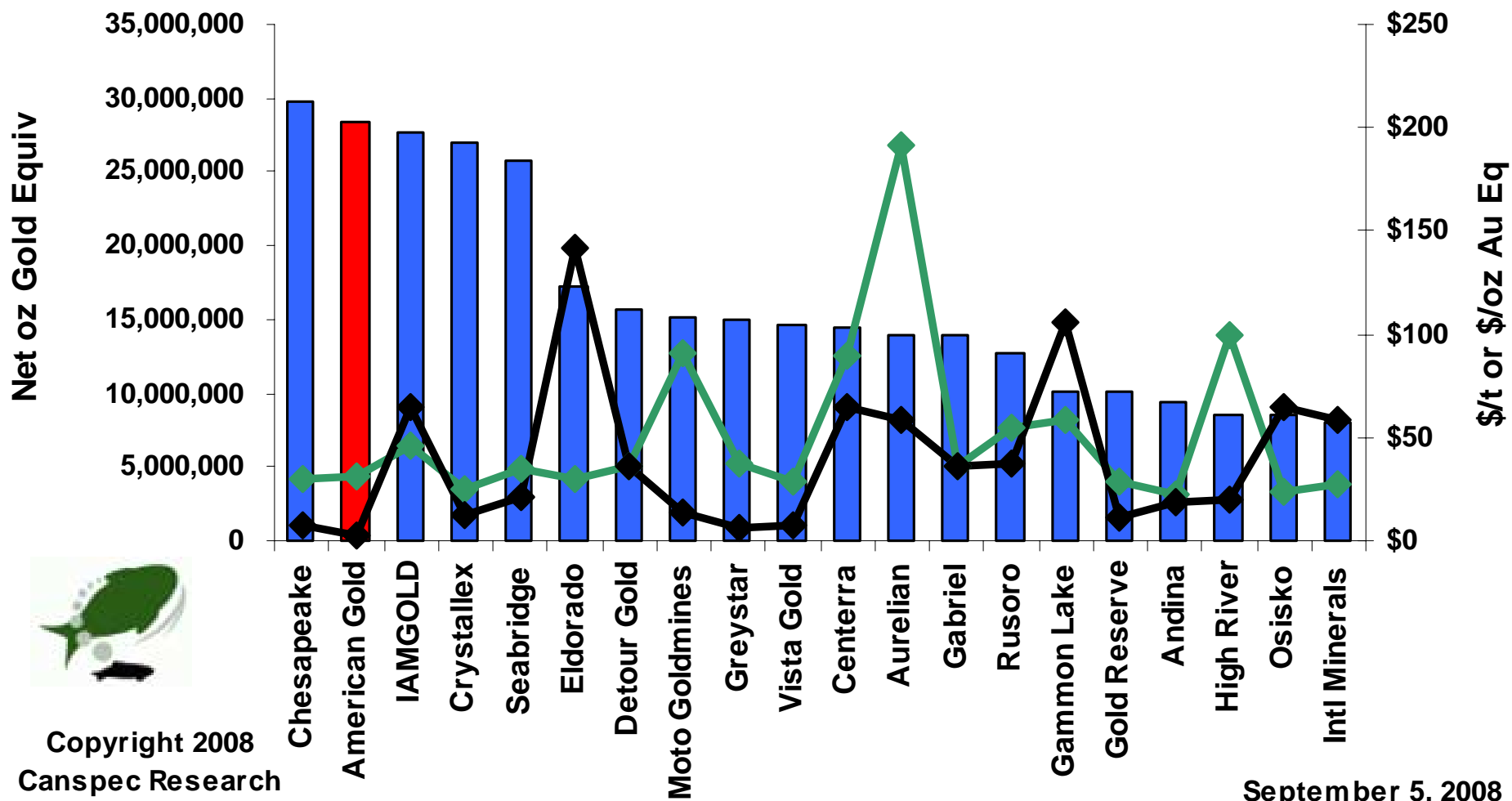
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# Primary Gold-Silver Companies - Top 20 by Ounces

(Red - Companies taken over or merged, Orange - takeover pending)

■ Net oz Gold Equiv     
 ◆ Rock Value \$/t     
 ◆ Mkt Cap per oz Gold Eq



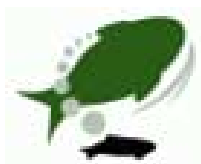
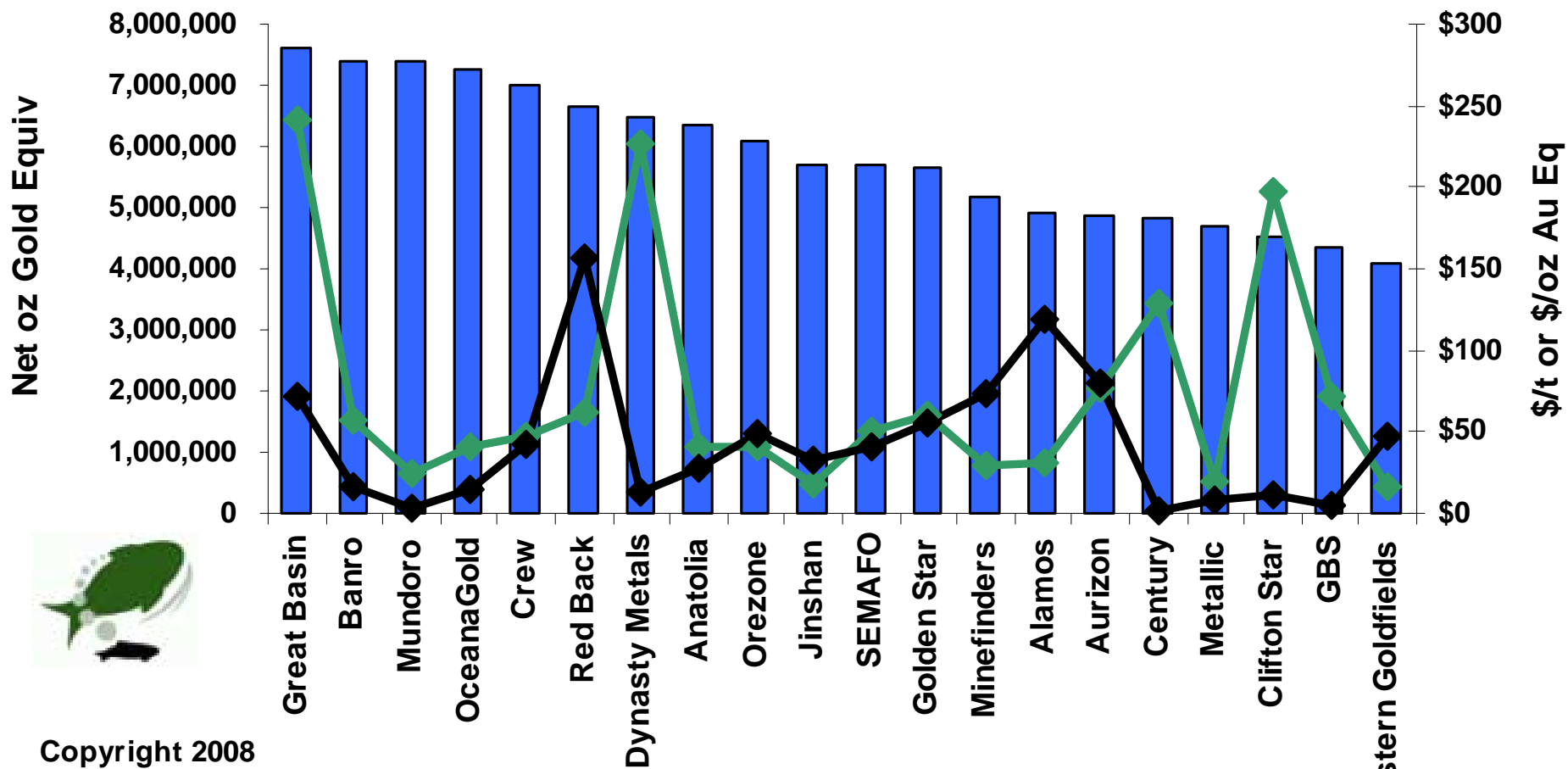
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# Primary Gold-Silver Companies - Top 21-40 by Ounces

(Red - Companies taken over or merged, Orange - takeover pending)

■ Net oz Gold Equiv     
 ◆ Rock Value \$/t     
 ◆ Mkt Cap per oz Gold Eq



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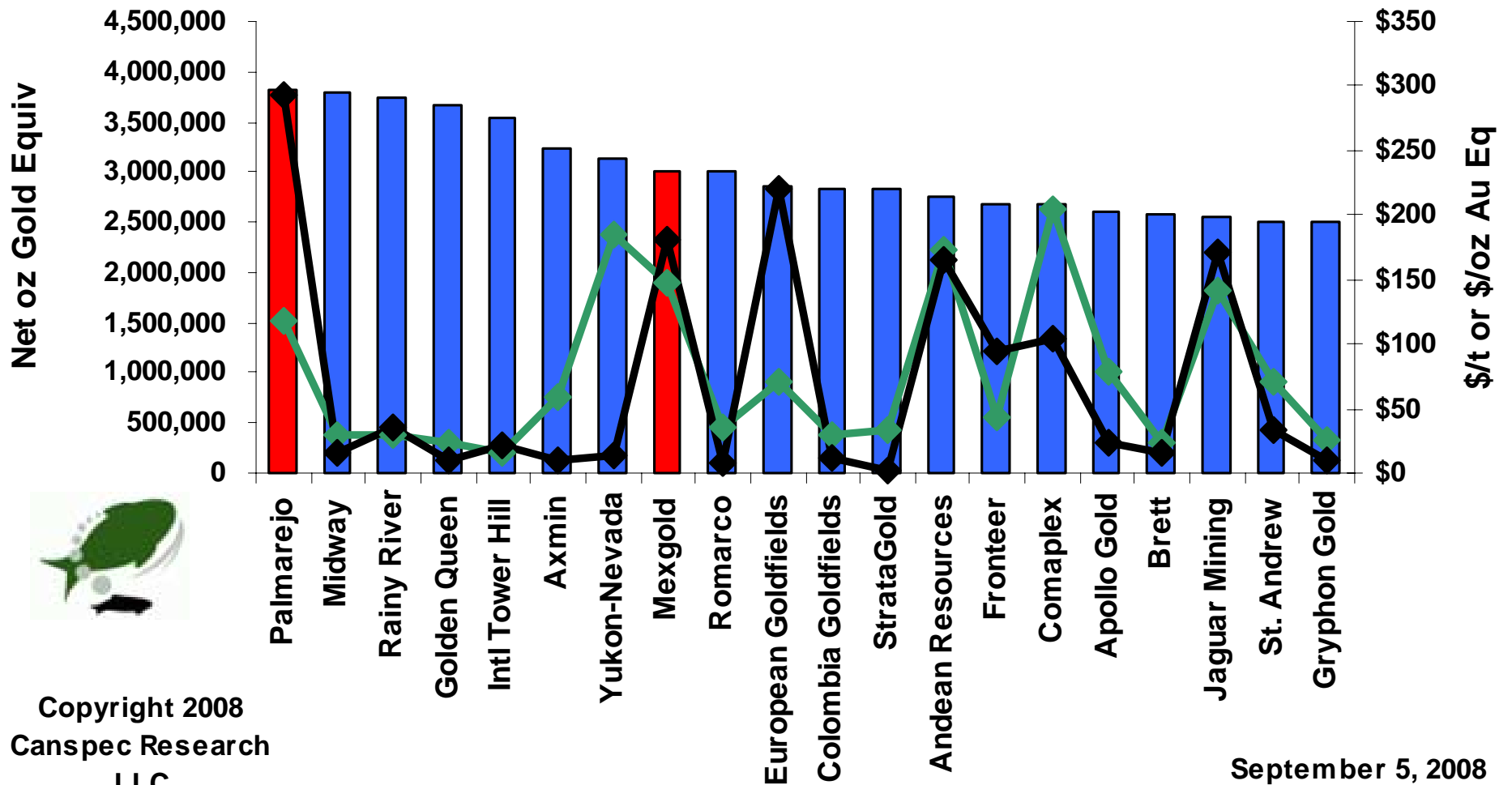
# Primary Gold-Silver Companies - Top 41-60 by Ounces

(Red - Companies taken over or merged, Orange - takeover pending)

Net oz Gold Equiv

Rock Value \$/t

Mkt Cap per oz Gold Eq



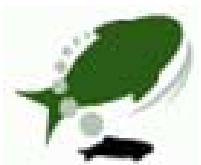
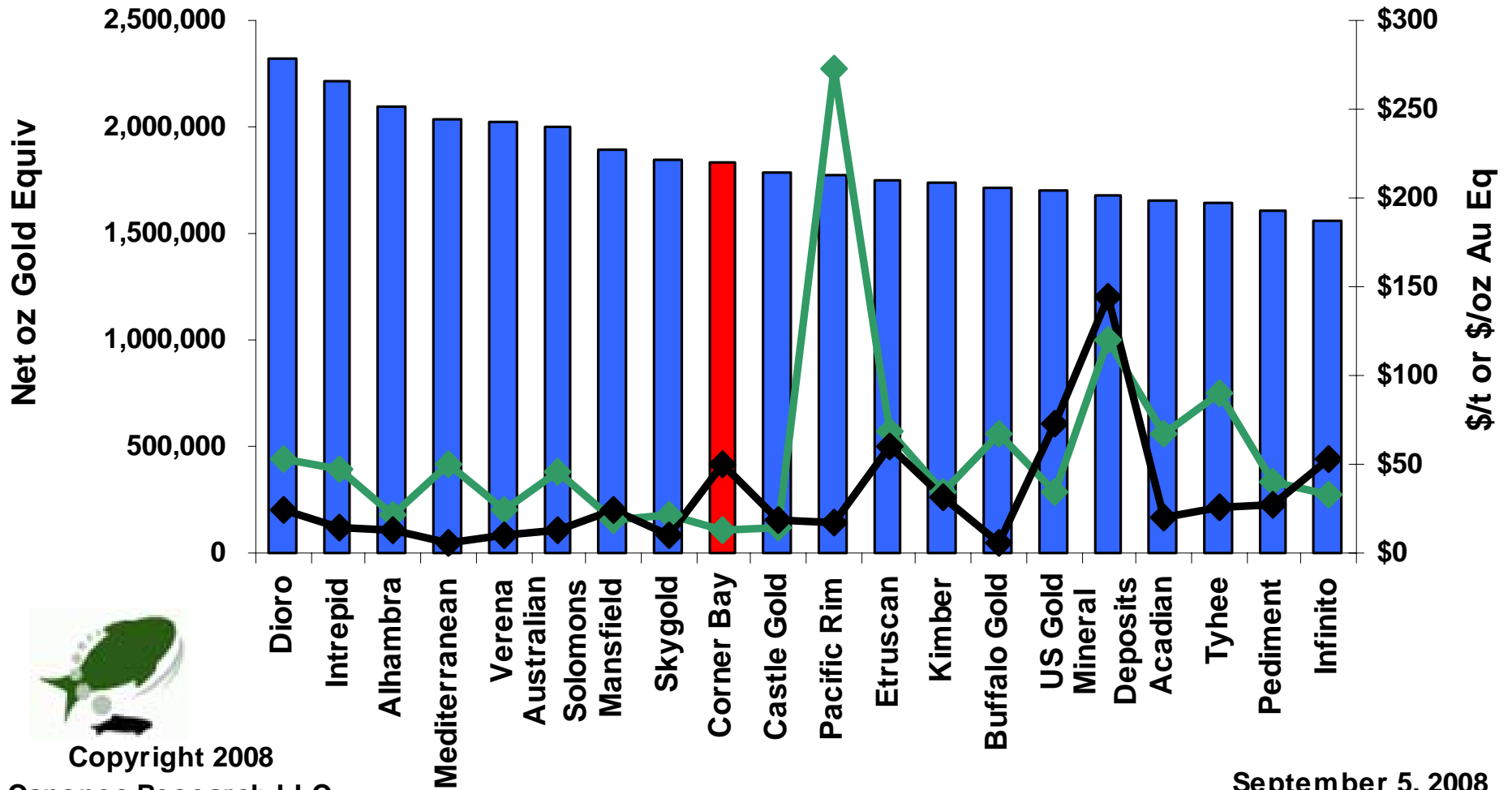
# Primary Gold-Silver Companies - Top 61-80 by Ounces

(Red - Companies taken over or merged, Orange - takeover pending)

Net oz Gold Equiv

Rock Value \$/t

Mkt Cap per oz Gold Eq



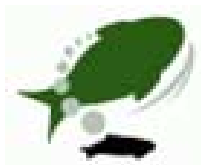
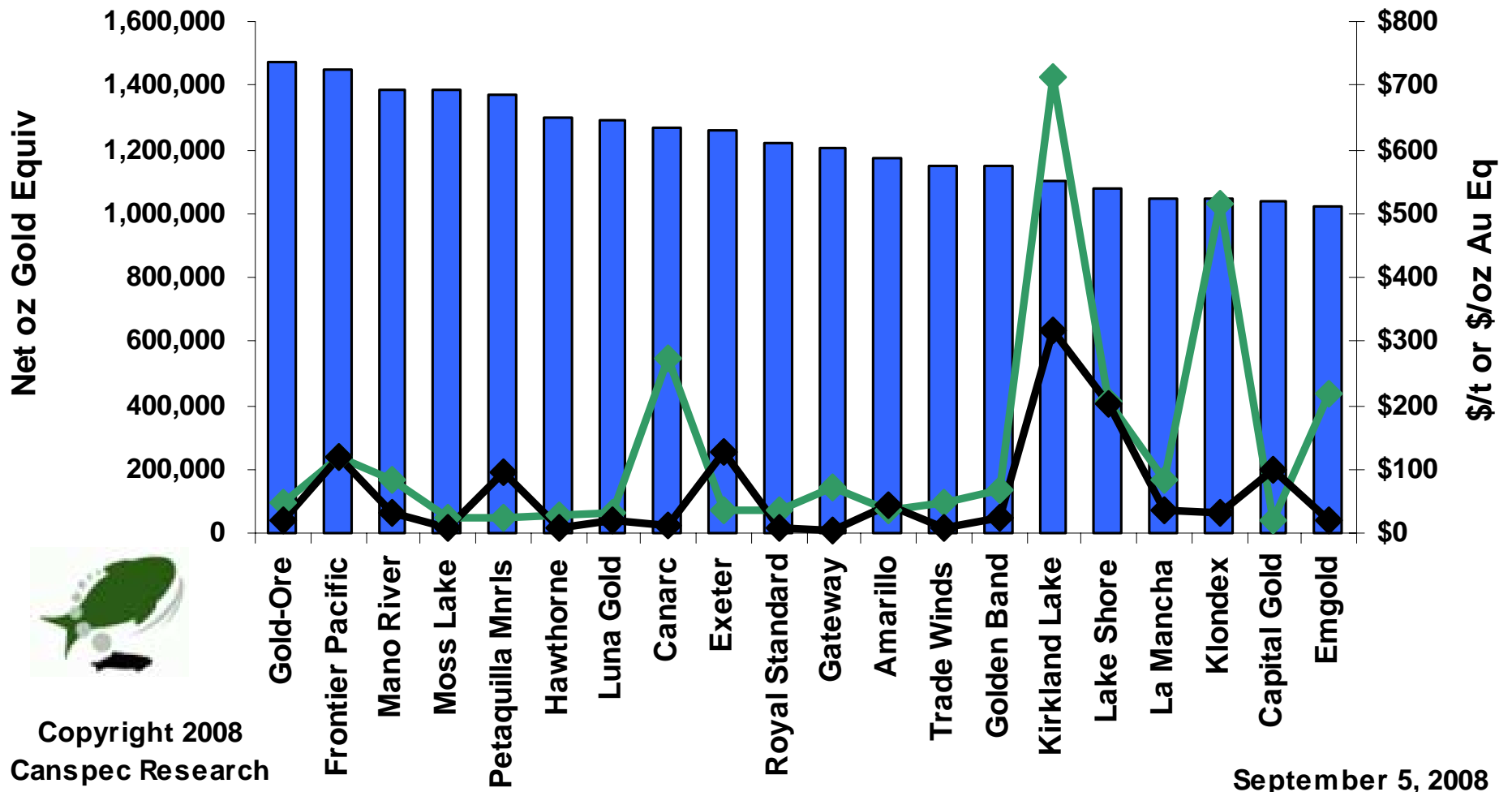
# Primary Gold-Silver Companies - Top 81-100 by Ounces

(Red - Companies taken over or merged, Orange - takeover pending)

Net oz Gold Equiv

Rock Value \$/t

Mkt Cap per oz Gold Eq



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**The better it looks, the harder you  
must look at it!**

**Thank You**

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