

## Mining

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Industry Comment - Changes

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### Mining

#### Precious Metals: Updating Our Precious Metals Price Deck & Reviewing Equity Valuations

With debt concerns throughout the western economies, inflation rising in the developing countries, and the overall lack of confidence in policy makers and paper currencies, the gold price has held in much better than we expected during what is historically a seasonally weak period for bullion.

Given this strong performance in the metal to date in 2011 and the increasing uncertainty related to sovereign debt issues and the potential for additional Quantitative Easing programs driving further “safe haven” strength, we are increasing our price deck from 2011 through to 2014 on average by 7%. At the same time we are introducing our 2015 estimate and we have adjusted our longer-term price forecasts (beginning in 2016E) for gold from \$1,100/oz to \$1,200/oz given an increase in our “All-in Cost” analysis.

We have observed that silver has remained elevated throughout 2011, nearly breaching the \$50/oz level early in the second quarter, partly on the back of renewed inflation concerns and the continued strength of gold prices. Once the focus switched from deflation worries to concerns regarding inflation (around the time QE2 was announced), silver once again became gold’s more volatile sidekick. Our “All-in Cost” analysis for silver and our view of the longer-term momentum for the metal lead us to increase our long-term price forecasts from \$17.00/oz to \$19.50/oz.

In this publication we also i) review a number of factors influencing the valuations of the gold and silver equities (i.e. cost inflation, geopolitical risks, multiple compression, etc.), ii) set out our revised target multiples, target prices, and ratings, and iii) highlight the “All-in Cost” analysis based on the first quarter.

We recommend investors add to positions in the higher quality gold and silver equities as we enter the latter half of the summer - history has shown that late July/early August can provide an excellent buying opportunity in the precious metals space prior to the typically stronger second half (this year however, it appears this seasonal strength is setting in earlier). Although there is no such thing as a ‘normal’ year for the gold market, the typical trend that continues to play out each year (some years more loosely than others) has been strong performance early in the year, weak to sideways trading in the late spring and during the summer months before returning a strong finish. See our full report on Seasonality entitled “Precious Metals: Early Arrival This Year? Reviewing Gold Seasonality” dated Jul-15-11.

After incorporating the revised price deck, and other model adjustments, **our top picks at current levels include Yamana (based on its valuation and renewed growth profile), Trelawney (near surface resource with excellent exploration potential), Sulliden (growing oxide resource, progressing towards feasibility), Guyana Goldfields (moving down the de-risking path and a potential takeout candidate), and Pan American Silver (given its relative valuation and potential to move Navidad forward).**

Company	Ticker		Current Price	Target Price (6-12mo)		Div. Yield	Tot. Return To Target	Rating	
	Primary	Secondary		Old	New			Old	New
<b>Gold</b>									
Agnico-Eagle Mines	AEM-NYSE	AEM-TSX	US\$56.72	US\$89.60	US\$85.00	1%	50%	Outperform 2	Outperform 2
Alacer Gold Corp	ASR-TSX		C\$9.28	C\$10.40	C\$10.60	0%	14%	Market Perform 3	Market Perform 3
Alamos Gold Inc.	AGI-TSX		C\$17.40	C\$24.00	C\$24.60	1%	41%	Outperform 2	Outperform 2
Crocodile Gold Corp.	CRK-TSX		C\$0.68	C\$1.50	C\$1.60	0%	135%	Outperform 2	Outperform 2
Detour Gold Corp.	DGC-TSX		C\$30.47	R	R	R	R	Restricted	Restricted
Eldorado Gold Corp.	EGO-NYSE	ELD-TSX	US\$17.41	US\$26.50	US\$24.00	1%	38%	Strong Buy 1	Outperform 2
Geologix Explorations Inc.	GIX-TSX		C\$0.43	C\$1.10	C\$1.10	0%	156%	Outperform 2	Outperform 2
Golden Star Resources	GSS-AMEX	GSC-TSX	US\$2.51	US\$3.65	US\$3.65	0%	45%	Market Perform 3	Market Perform 3
Great Basin Gold Ltd.	GBG-AMEX	GBG-TSX	US\$2.09	US\$3.90	US\$4.00	0%	91%	Outperform 2	Outperform 2
Guyana Goldfields Inc.	GUY-TSX		C\$8.00	C\$15.00	C\$15.00	0%	88%	Outperform 2	Outperform 2
Kiska Metals Corporation	KSK-TSXV		C\$0.72	C\$1.80	C\$1.50	nm	108%	Strong Buy 1	Strong Buy 1
Lake Shore Gold Corp.	LSG-TSX		C\$2.37	C\$3.60	C\$3.60	nm	51%	Market Perform 3	Market Perform 3
Orezone Gold Corp.	ORE-TSX		C\$3.20	C\$5.45	C\$6.00	0%	88%	Outperform 2	Outperform 2
Orvana Minerals Corp.	ORV-TSX		C\$2.44	R	R	R	R	Restricted	Restricted
Osisko Mining Corp.	OSK-TSX		C\$14.17	C\$16.25	C\$16.75	0%	18%	Market Perform 3	Market Perform 3
Sulliden Gold Corporation Ltd.	SUE-TSX		C\$1.91	C\$3.20	C\$3.30	0%	73%	Strong Buy 1	Strong Buy 1
Trelawney Mining and Exploration Inc.	TRR-TSXV		C\$5.00	C\$6.80	C\$6.80	0%	36%	Outperform 2	Outperform 2
Victoria Gold Corp.	VIT-TSXV		C\$0.67	C\$1.20	C\$1.20	nm	79%	Strong Buy 1	Strong Buy 1
Yamana Gold Inc.	AUY-NYSE	YRI-TSX	US\$13.09	US\$19.00	US\$19.25	1%	47%	Outperform 2	Outperform 2
<b>Silver</b>									
Bear Creek Mining Corp.	BCM-TSXV		C\$4.83	C\$7.80	C\$7.80	0%	61%	Market Perform 3	Market Perform 3
MAG Silver	MAG-TSX	MVG-AMEX	C\$10.35	C\$16.40	C\$14.70	nm	42%	Outperform 2	Outperform 2
Minco Silver	MSV-TSX		C\$4.08	C\$5.90	C\$5.90	0%	45%	Market Perform 3	Market Perform 3
Pan American Silver	PAAS-NASDAQ	PAA.T-TSX	US\$31.46	US\$50.50	US\$51.25	0%	63%	Strong Buy 1	Strong Buy 1
Silver Wheaton	SLW-NYSE	SLW-TSX	US\$34.41	US\$50.00	US\$52.00	0%	51%	Outperform 2	Outperform 2
Silvercorp Metal	SVM-NYSE	SVM.T-TSX	US\$10.23	US\$16.80	US\$16.00	1%	56%	Outperform 2	Outperform 2

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## Increasing Our Precious Metal Price Deck

At the time of our last metal price deck update in December (see our Dec-20-10 Industry Comment), we anticipated that gold and silver prices would follow the typical seasonal path in 2011: strong start and end with a soft middle. However given the increasing uncertainty globally, particularly surrounding sovereign debts, debt ceilings, potential debt downgrades, the shaky recovery, and fears of inflation longer-term (although already evident in the developing world), bullion prices remained strong throughout the summer.

As a result, our 2011E \$1,425/oz and \$34.50/oz gold and silver price forecasts, respectively, appear to be light. Year-to-date the gold price has averaged roughly \$1,460/oz with silver averaging around \$35.00/oz, both are tracking above our 2011 forecasts. Given that we continue to believe the gold price will see a stronger second half in 2011, we have adjusted our 2011 gold price average estimate to \$1,520/oz from \$1,425/oz (+7%) and silver price forecast to \$37.80/oz from \$34.50/oz (+9%).

While reviewing the drivers for gold and silver bullion over the short and medium-term we continue to remain bullish as we see the foundation supporting our view as only growing stronger. We see nothing on the horizon that suggests the current fear and uncertainty in the marketplace will abate any time soon making the current financial and economic uncertainty, geo-political tensions, and dramatic fiat currency debasement very supportive for bullion, indicating to us that even higher highs are likely over the near to medium-term.

We believe our view is well supported by the positive supply/demand fundamentals, lack of confidence in paper currencies and policy makers, and concerns regarding high future inflation.

We have also increased our longer-term prices after analyzing the “All-in Cost” environment from the first quarter. As we have discussed in the past, we derive our long-term gold and silver price forecast (used in our valuations for target setting purposes) by analyzing the average “All-in Cost” for the producer group and applying what we consider to be the minimum required return above these costs.

Our revised gold and silver price deck is shown in the Exhibit below. The most significant changes were on the medium term silver prices. Our gold price assumptions have increased on average by 7%. We are also introducing a 2015 forecast.

### Exhibit 1: Raymond James Ltd. Revised Gold and Silver Price Deck

US\$/oz		2011E	2012E	2013E	2014E	2015E	Long-Term
<b>Gold</b>	<b>Revised</b>	<b>1,520</b>	<b>1,580</b>	<b>1,550</b>	<b>1,450</b>	<b>1,300</b>	<b>1,200</b>
	Previous	1,425	1,450	1,450	1,350	New	1,100
	% Change	7%	9%	7%	7%		9%
<b>Silver</b>	<b>Revised</b>	<b>37.80</b>	<b>38.50</b>	<b>35.00</b>	<b>30.00</b>	<b>26.00</b>	<b>19.50</b>
	Previous	34.50	35.00	25.00	22.50	New	17.00
	% Change	10%	10%	40%	33%		15%

Source: Raymond James Ltd.

Going into the second half of 2011 we recommend investors add to positions in **Yamana, Guyana Goldfields, Trelawney, Sulliden, and Pan American Silver.**

### What Happened to the Equities?

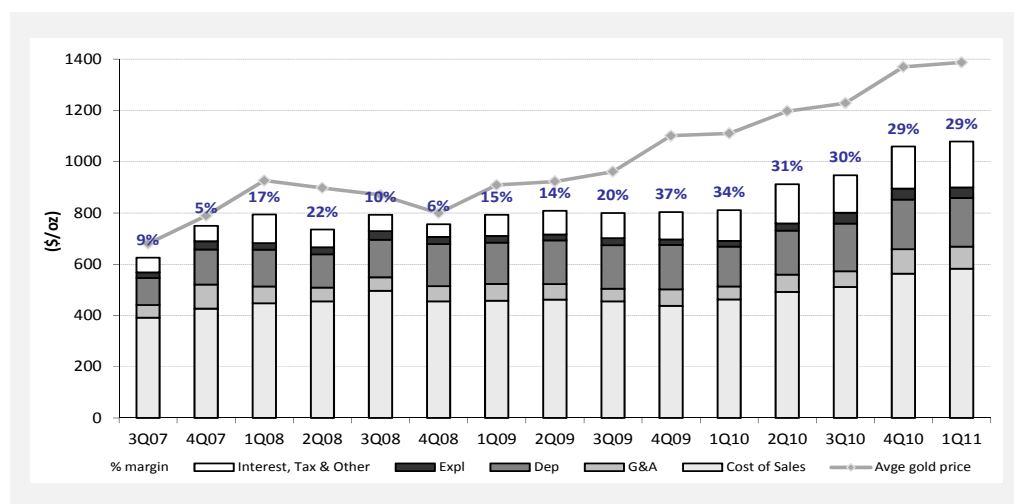
Typically an increase in metal price assumptions, particularly involving the longer-term prices, would have a positive impact on our targets and in some cases even our ratings. However as we discuss below we have also made a number of other adjustments (i.e. capex, timelines, multiple compression, etc.) that offset some of the positive impact. We touch on the key adjustments below.

- ♦ **Inflating Costs** – Cost inflation is once again beginning to rear its ugly head. Feedback from a variety of mining companies has been a little concerning with the cost of several key inputs and pieces of equipment continuing to increase and becoming harder to obtain in a timely manner. On the operating front, the saving grace has been and continues to be that the gold price is increasing at a faster rate than the costs.

As we outline in the Exhibit below, we calculate that quarterly “All-in Costs” have increased approximately 30% from \$800/oz in 1Q09 to \$1,050/oz in the first quarter of 2011. Over this same period the gold price has jumped some 50% from \$910/oz to \$1,387/oz. We attribute this cost inflation not only to higher consumable and other input costs but also to the declining grades and ageing mines of many of the major producers. And looking forward, given many of the new, larger projects tend to be lower grade, require large initial capital investments, and are located in more challenging environments, we do not believe gold is going to get any cheaper to extract.

That said it is fairly apparent from the chart below that the gold price started gaining ground on cost inflation in the fourth quarter of 2009. Compared to an average net profit margin of 13% from 3Q07 to 3Q09, the average profit margin over the last 6 quarters was 32%. This has been one of the key missing ingredients for investors looking to either enter or add to positions in the gold sector. As investors become increasingly more comfortable with gold’s key attributes and uncomfortable with paper currencies and global economies, we suspect these enhanced margins (and more attractive valuations) will attract an above average flow of funds into precious metal equities.

**Exhibit 2: Gold Producer Group – All-in-Costs & Net Profit Margins (3Q07-1Q11) Q/Q**

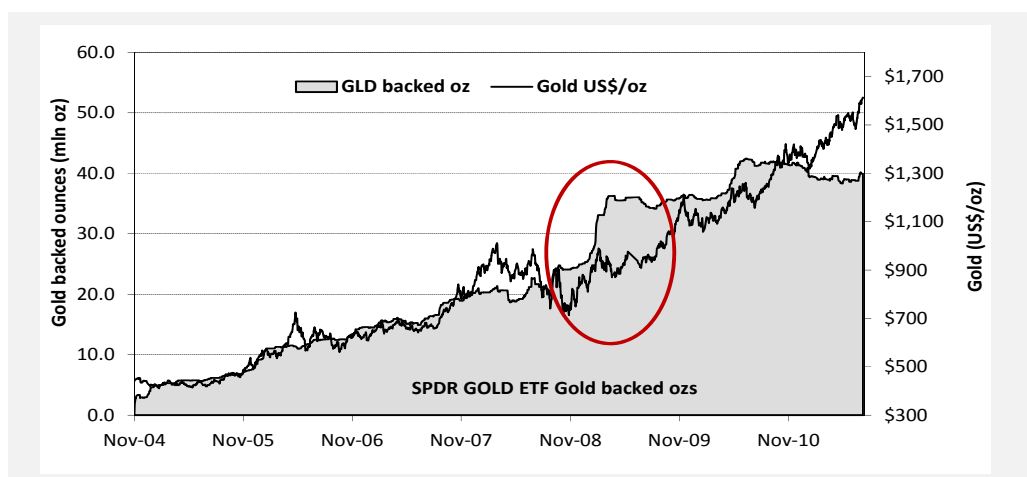


Source: Company Reports, Raymond James Ltd.

- ◆ **Expanding Timelines** – One by-product of inflating costs (as a result of market tightening) is expanding timelines. Although it does not appear to be overly widespread yet, we have heard some anecdotal evidence that certain large pieces of heavy equipment are seeing lead times stretch to more than the typical construction period of 24 months. This could have a negative impact on developers just now ordering long lead time items.
- ◆ **Labour Pressures** – Higher commodity prices can also result in pressure on the limited labour pool. There are two primary issues: 1) the rising metal prices lead to an increase in the number of labour disruptions and demands for higher wages and other benefits (both from unionized and non-unionized workers); and 2) limited skilled labour: many management teams have recently commented on the difficulty of finding qualified personnel, particularly in active mining areas, even at competitive wages. Both of these issues tie directly into the theme of rising operating costs and expanding timelines.
- ◆ **Contracting Multiples** – This is something we have been tracking since the meltdown in 2008. Initially (back in late 2004) there was a concern that once the gold ETFs gained wide acceptance, the equities would lose the battle for investment flows given the lower perceived risk and new ease of ownership.

However, even with the ETF being far more successful than anyone could have anticipated, we did not see a significant, across-the-board negative impact on the equities over the first few years. In fact, it could be argued that the ETF attracted new, more risk adverse investment flows to the precious metals sector. However, once the credit crisis hit in 2008 and the market lost faith and confidence in policy makers, financial institutions, and any risky assets, gold's unique qualities versus paper assets (no default risk, not tied to any government, portfolio diversification, etc.) really began to gain investor attention. So what we saw in 2008 was a significant jump in the gold ETF holdings as displayed below (SPDR Gold ETF – the largest by gold holdings). This is where we started to see the more “risky” gold and silver equities being displaced in portfolios by the much less risky precious metal ETFs. Essentially once gold gained wider acceptance as an alternative currency/“safe haven” asset post credit crisis, a multiple rerating occurred between the gold price and gold equities.

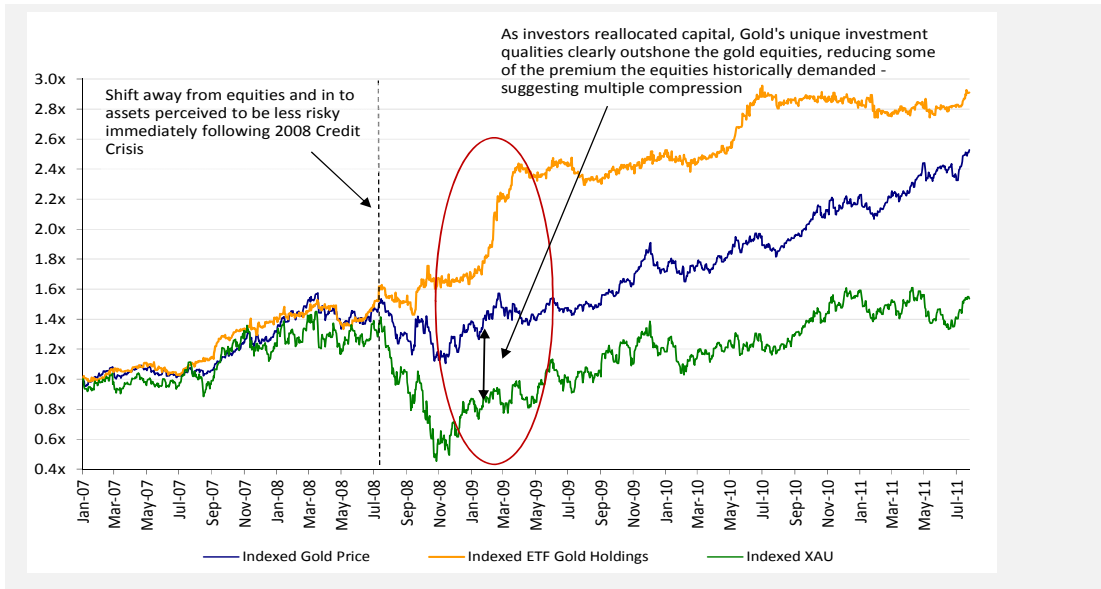
**Exhibit 3: SPDR Gold ETF vs Gold Price**



Source: Bloomberg

In the chart below we highlight the period where investors increased holdings in the ETF coinciding with a period of falling interest in the gold equities.

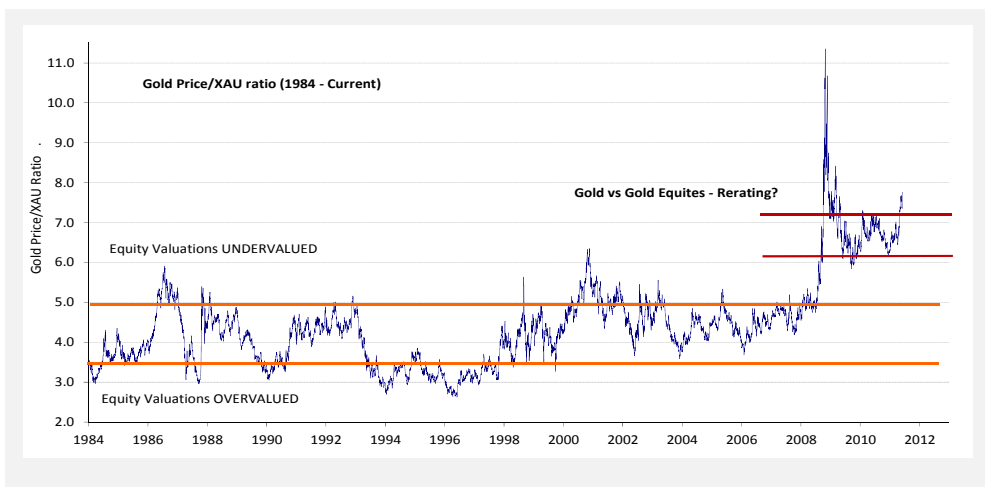
**Exhibit 4: Gold Price vs. XAU vs. Global ETF Holdings (Indexed to January 1, 2007)**



Source: Capital IQ, Raymond James Ltd.

This rerating between the equities and the gold price can also be seen in the Gold Price/XAU Index Ratio. Although this isn't anywhere near sufficient data to claim a new paradigm, it does suggest that either some of the premium historically demanded by the gold equities has compressed, or that the gold price is now demanding more of a premium given its "safe haven" qualities versus the equities. Historically this ratio has held to a fairly well defined range; however, it appears to have shifted upwards since the credit crisis in 2008.

**Exhibit 5: Gold Price/XAU Index Ratio**



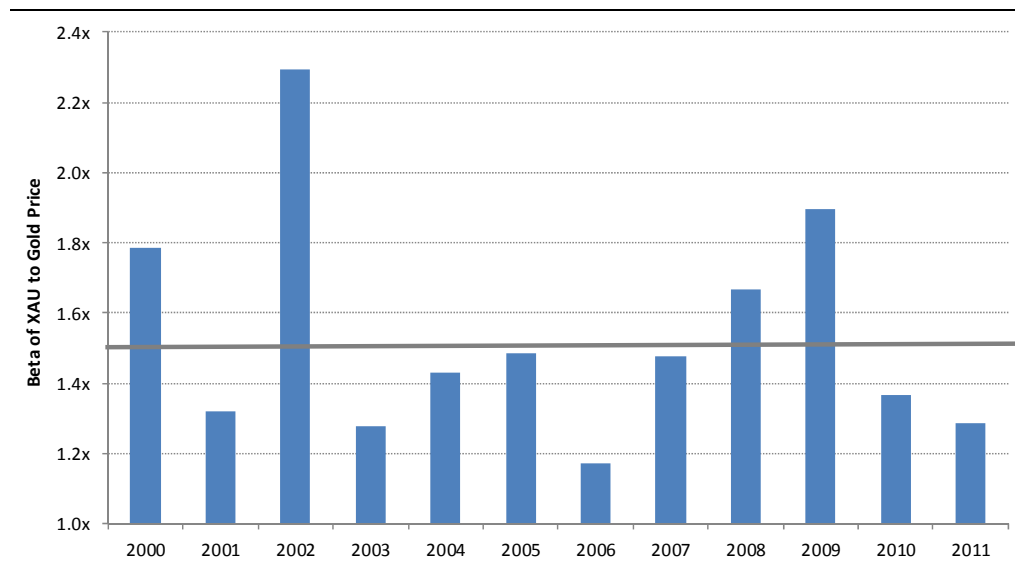
Source: Bloomberg, Raymond James Ltd

The implications from this analysis on our coverage universe would suggest that, at least while gold demand is driven largely as a “safe haven” asset or alternative currency, some of the gold and silver equities that historically garnered premium multiples in the market will now see lower peak valuations.

**Leverage** – Investors have historically looked to the gold and silver equities for levered exposure to the bullion prices. As shown below, this has paid off as the equities historically moved on average 1.54x as much as the price of bullion (2000-2011). The beta of the XAU Index to gold has declined over the past two years to closer to 1.3x.

We also suspect given where the gold price is currently trading, investors are finding the likelihood of gold doubling from \$1,600/oz to over \$3,000/oz over the short to medium-term more difficult to envision (vs. gold moving from \$300/oz to \$600/oz). As a result, we believe investors may no longer be as willing to accept the greater risks associated with the equities (political, operating, etc.), paying significant multiples to obtain this additional leverage – supporting the view that multiples, at least over the near-term, have been compressed.

#### Exhibit 6: Historical Annual Beta: XAU to Gold Price



Source: Capital IQ, Bloomberg

**Heightened Political Uncertainty** – High commodity prices have motivated a number of governments to evaluate various tax and royalty changes. This has created additional uncertainty in a variety of countries negatively impacting valuations and project timelines. This of course could ultimately be positive for metal prices as some projects are indefinitely deferred.

Elevated commodity prices can also lead to social unrest, as local communities feel they are not being equitably compensated by the companies operating in their regions.

We would suggest that premiums are now being applied to those equities where the majority of their values are derived from assets in North America and greater discounts are being applied to other parts of the world.

**Revised Ratings and Targets** – Given our gold and silver price revisions and adjustments on the back of the discussions above (primarily capex and opex inflation and multiple compression) we provide our revised target multiples, new targets and ratings in the Exhibit below. **For the most part, the largest offsetting impact on target prices relate to our lower target multiples (see discussion above on multiple compression).** Notably two companies that have historically been rewarded with premium multiples: Agnico-Eagle and Eldorado. These two stocks have seen some of this premium compress (in our view); as a result we have lowered our target multiples and as a consequence our target prices.

#### Exhibit 7: Revised Target Multiples, Target Prices and Ratings

	Analyst	Symbol	Stock Rating	Target Multiple	6-12 mth Target Price	Target Price Change
		CAD/US		(x)	C\$/US\$	%
<b>GOLD - PRODUCERS</b>						
Agnico-Eagle	BH	AEM-T   N	Old <b>New</b>	O/P <b>O/P</b>	2.4x <b>\$85.00</b>	 <b>-5%</b>
Alamos Gold	GB	AGI-T	Old <b>New</b>	O/P <b>O/P</b>	1.5x <b>\$24.60</b>	 <b>3%</b>
Alacer Gold	BH	ASR-T	Old <b>New</b>	M/P <b>M/P</b>	1.5x <b>\$10.60</b>	 <b>2%</b>
Crocodile Gold	GB	CRK-T	Old <b>New</b>	O/P <b>O/P</b>	1.0x <b>\$1.60</b>	 <b>7%</b>
Eldorado Gold	BH	ELD-T/EGO-N/EAU-ASX	Old <b>New</b>	S/BUY <b>OP</b>	2.2x <b>\$24.00</b>	 <b>-9%</b>
Golden Star	BH	GSC-T/GSS-A	Old <b>New</b>	M/P <b>M/P</b>	1.3x <b>\$3.65</b>	 <b>0%</b>
Great Basin Gold	BH	GBG-T   A	Old <b>New</b>	O/P <b>O/P</b>	1.4x <b>\$4.00</b>	 <b>3%</b>
Lake Shore Gold	BJ	LSG-T	Old <b>New</b>	M/P <b>M/P</b>	1.4x <b>\$3.60</b>	 <b>0%</b>
Osisko	BH	OSK-T	Old <b>New</b>	M/P <b>M/P</b>	1.6x <b>\$16.75</b>	 <b>3%</b>
Yamana Gold	BH	YRI-T/AUY-N	Old <b>New</b>	O/P <b>O/P</b>	1.7x <b>\$19.25</b>	 <b>1%</b>
<b>GOLD - DEVELOPERS</b>						
Geologix	GB	GIX-T	Old <b>New</b>	O/P <b>O/P</b>	0.8x <b>\$1.10</b>	 <b>0%</b>
Guyana Goldfields	BH	GUY-T	Old <b>New</b>	O/P <b>O/P</b>	1.3x <b>\$15.00</b>	 <b>0%</b>
Kiska Metals	BJ	KSK-V	Old <b>New</b>	S/BUY <b>S/BUY</b>	0.41x <b>\$1.50</b>	 <b>-17%</b>
Orezone	BH	ORE-T	Old <b>New</b>	O/P <b>O/P</b>	1.2x <b>\$6.00</b>	 <b>10%</b>
Sulliden	GB	SUE-T	Old <b>New</b>	S/BUY <b>S/BUY</b>	1.2x <b>\$3.30</b>	 <b>3%</b>
Trelawney	BJ	TRR-V	Old <b>New</b>	O/P <b>O/P</b>	1.20x <b>\$6.80</b>	 <b>0%</b>
Victoria Gold	BJ	VIT-V	Old <b>New</b>	S/BUY <b>S/BUY</b>	1.26x <b>\$1.20</b>	 <b>0%</b>
<b>SILVER - PRODUCERS</b>						
Pan American Silver	BH	PAA-T/PAAS-Q	Old <b>New</b>	S/BUY <b>S/BUY</b>	2.0x <b>\$51.25</b>	 <b>1%</b>
Silver Wheaton	BH	SLW-T   N	Old <b>New</b>	O/P <b>O/P</b>	2.4x <b>\$52.00</b>	 <b>4%</b>
Silvercorp Metals	BH	SVM-T   N	Old <b>New</b>	O/P <b>O/P</b>	2.2x <b>\$16.00</b>	 <b>-5%</b>
<b>SILVER - DEVELOPERS</b>						
Bear Creek	BH	BCM-V	Old <b>New</b>	M/P <b>M/P</b>	0.9x <b>\$7.80</b>	 <b>0%</b>
Minco Silver	BH	MSV-T	Old <b>New</b>	M/P <b>M/P</b>	1.0x <b>\$5.90</b>	 <b>0%</b>
Mag Silver	BJ	MAG-T/MVG-A	Old <b>New</b>	O/P <b>O/P</b>	1.54x <b>\$14.70</b>	 <b>-10%</b>

Source: Company Reports, Raymond James Ltd.

### Notable Model Adjustments and Multiple Revisions:

- ◆ Although the metal price changes had a positive impact on **Agnico-Eagle's** NAV estimate, our adjustments to operating costs and our new lower target multiple offset this impact. We lowered our target multiple from a historical peak multiple of 2.4x to 2.0x. This is still a premium multiple relative to its peers but a level we consider more reflective of the current environment given Agnico-Eagle's cost structure, growth potential, political risk profile, management track record, and because the company is in a bit of a "show me" phase.
- ◆ **Alamos** remains one of the industry's lowest cost producers (justifying a high multiple to NAV) however we have lowered our multiple to 1.4x (from 1.5x) to better reflect the current gold producer trading range.
- ◆ We lowered **Eldorado's** target 9% as a result of our revised target multiple profile across our coverage universe and lowered our rating from Strong Buy to Outperform given the lower return to target and recent share price strength. Eldorado continues to under-promise and over-deliver, report some of the lowest costs in the group, and has, in our view, a favourable growth profile.
- ◆ For **Geologix**, we have lowered our assumed issue price (used for future equity dilution) to \$0.75 (from \$0.85) to reflect recent share price depreciation and we've lowered our multiple to 0.7x (from 0.8x) to better reflect the current gold developer trading range.
- ◆ For **Kiska**, we are lowering our target to \$1.50 (from \$1.80). Our target is based on a NAVPS of C\$3.46 (from C\$4.36) and a 0.4x P/NAV multiple. Our lower NAVPS reflects updated quarterly working capital and share count, as well as a SG&A item (NPV of -C\$93 mln) newly incorporated into our NAV calculation.
- ◆ For **Lake Shore**, we are maintaining our Market Perform rating and \$3.60 target. Our target is predicated on a NAVPS (5%) of C\$2.87 (from C\$2.65) and a 1.2x (from 1.3x) P/NAV multiple. Our higher NAVPS reflects a stronger price deck. Our compressed multiple better reflects gold producers peers (currently trading at 1.2x), as well as our continued conservative stance on the name post recent disappointments. A higher gold price has decreased our projected future funding shortfall to C\$36 mln (from C\$53 mln) – reducing funding risk somewhat. However, our Market Perform rating reflects our continued caution ahead of LSG's upcoming guidance on capital requirements.
- ◆ For **MAG Silver**, we are lowering our target to \$14.70 (from \$16.40). Our target is derived from our NAVPS (5%) of C\$9.52 (from C\$10.62) and our P/NAV multiple of 1.5x. Our lower NAVPS reflects: (i) increased up-front capex assumed at Valdecanas (US\$206 mln from US\$100 mln, 100% basis), reflecting general mining inflation, plus our new 'standalone' assumption (previously, we assumed processing synergies with Fresnillo (FRES-LSE)); (ii) Valdecanas start-up of early 2016E (from mid-late 2013E), reflecting the recent 9-12 month slip in PEA completion and a standalone construction period (>3 years in the 2009 PEA); (iii) deferral of our Pozo Seco Mo-Au project notional start-up to mid 2019E (from mid 2016E), reflecting corporate focus on Juanicipio. The above factors, largely offset by a higher price deck, drop our NPV of Valdecanas by 5% to C\$440 mln (attributable) and increase our NPV of Cinco de Mayo by 45% to C\$77 mln (from C\$53 mln). Higher capex has triggered a future funding shortfall (C\$59 mln from nil) in our model. We have also newly incorporated a SG&A item (NPV of -C\$83 mln) to our NAV table.
- ◆ **Trelawney** - Our target (\$6.80; unchanged) is predicated on a NAVPS (5%) of C\$5.93 (from C\$5.66) and a P/NAV multiple of 1.1x (from 1.2x). Our increased NAVPS reflects a higher price deck, offset somewhat by slightly higher strip ratio and capex estimates at Cote Lake (92.5% interest). To be conservative, we increased our strip

ratio to 2.0:1 (from 1.5:1); this increased our LOM cash costs to US\$428/oz (from US\$397/oz). We also tweaked our up-front capex by 10% to C\$842 mln (from C\$767 mln). The above adjustments, on balance, boosted our NPV for Cote Lake by 11% to C\$1.1 bln (from C\$0.9 bln, attributable).

- ♦ For **Victoria**, our target is predicated on a NAVPS (5%) of C\$0.95 and a 1.2x P/NAV multiple. Our NAVPS reflects a stronger price deck, offset by more conservatism in our Dublin Gulch (Eagle Zone) DCF model consisting of: (i) slightly higher initial capex (C\$357 mln from C\$327 mln) and (ii) slightly deferred production start-up to early 2015E (from mid-late 2014E, calendar). Our NPV (5%) of Dublin Gulch still increases 46% to C\$175 mln (from C\$120 mln). This is offset, however, by higher LOM future funding shortfall (C\$341 mln from C\$304 mln) and a newly incorporated SG&A item (a NPV of –C\$44 mln).

### Precious Metals - Top Picks

We continue to suggest investors focus on those names with attractive valuations, strong growth profiles, relatively low cost structures, favourable mining jurisdictions, and management teams with impressive track records. With that in mind, going into the second half of 2011 we recommend investors add to positions in Yamana, Sulliden, Trelawney, Guyana Goldfields, and Pan American Silver. Admittedly, some of the best leverage to the metal price can be found in companies that report higher operating costs and limited growth potential, however we caution that this leverage cuts both ways and investors who follow this strategy must be very nimble.

Notwithstanding all the discussion above about the challenges facing the gold and silver equities, we still believe the equities will outperform the gold price in the second half of the year. This has been the case historically as shown below and in fact appears to be repeating with gold up 15% versus the XAU Index down 3% YTD but since mid-July gold is up 2% and the XAU Index is up 8%.

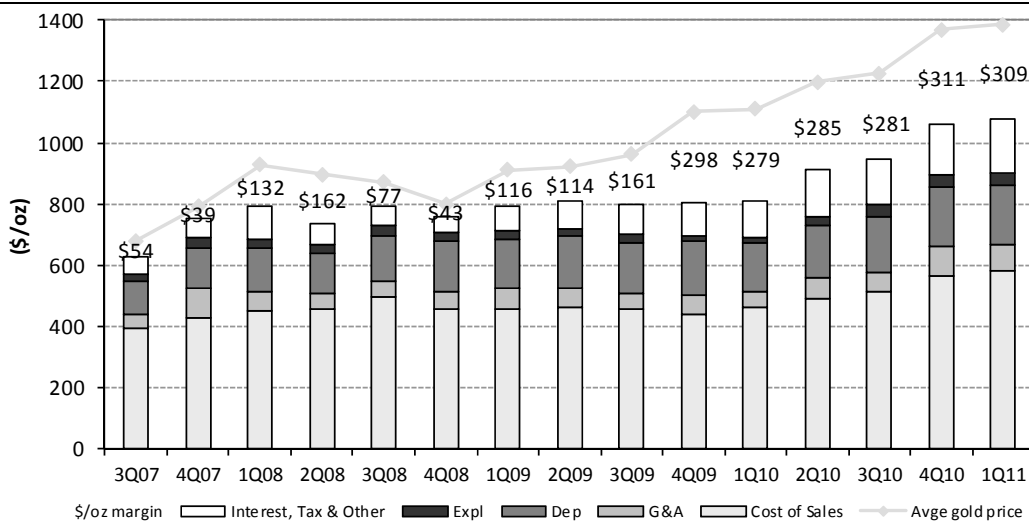
**Exhibit 8: Gold Equities (XAU Index) vs. Gold Price - Average Cumulative Returns 2001-2010**



Source: Bloomberg, Raymond James Ltd.

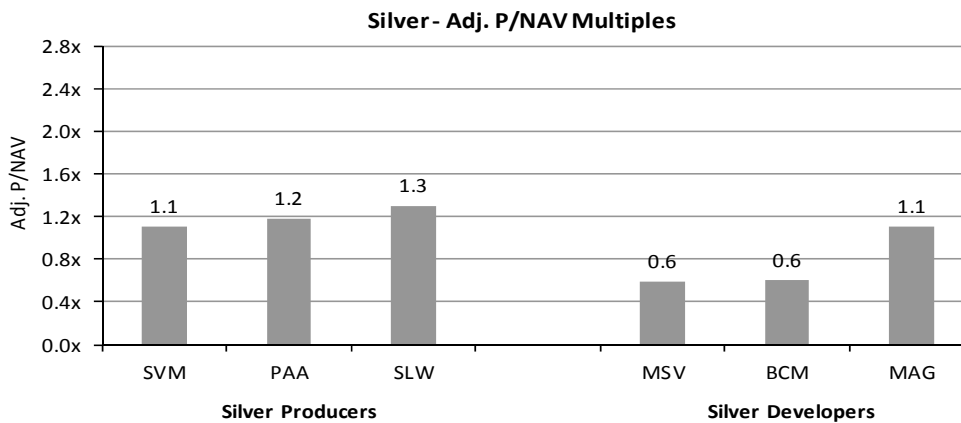
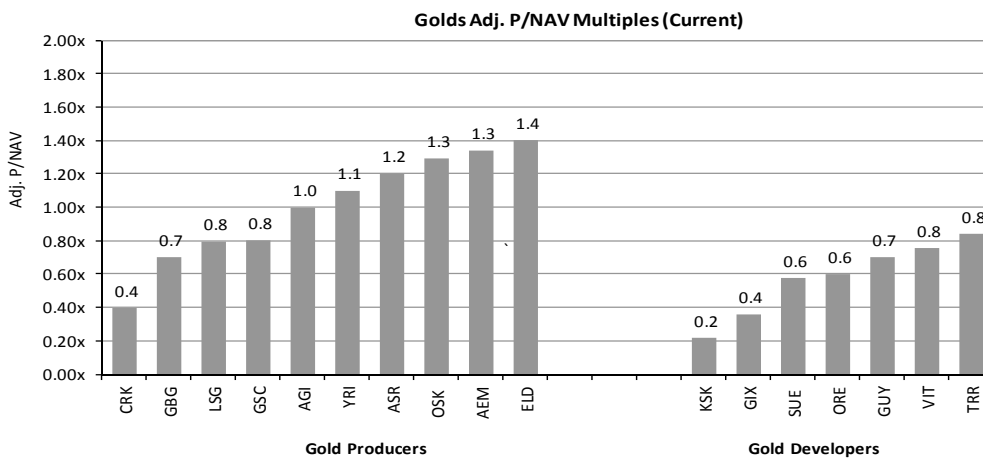
The gold and silver equities have been underperforming the price of bullion which has led to an attractive situation where margins remain strong but valuations low.

**Exhibit 9: Healthy Margins**



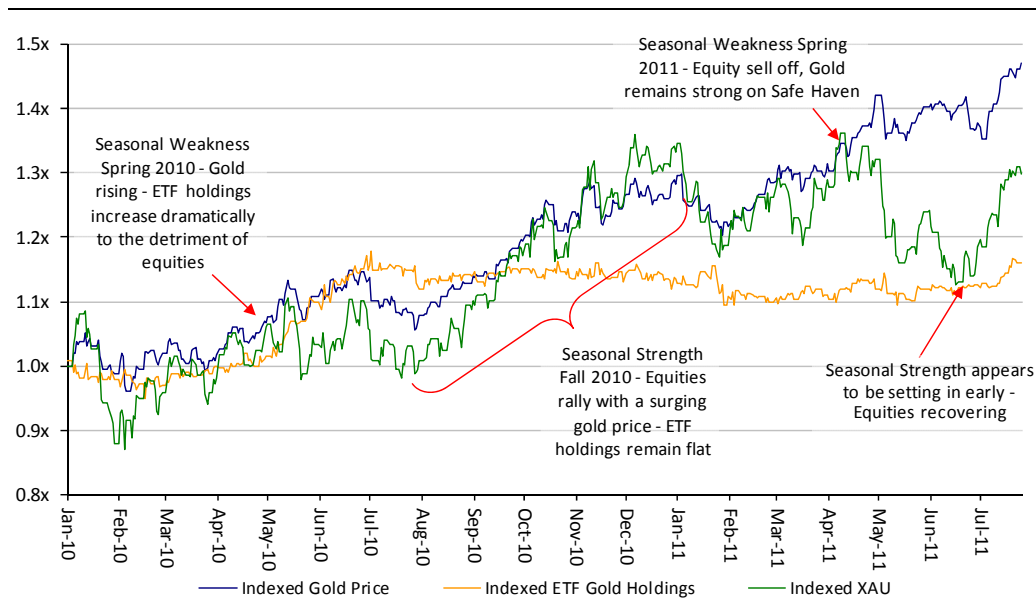
Source: Company Reports, Bloomberg, Raymond James Ltd.

**Exhibit 10: Revised P/NAV Multiples**



Source: Company Reports, Bloomberg, Raymond James Ltd.

And given the equities underperformed their historical average returns over the summer months, while gold prices outperformed (on the back of safe haven demand) we would suggest the equities, even if we are in a period of compressed margins, have some catching up to do. We believe the combination of the strong margins and discounted valuations should attract additional funds flow into the second half of 2011.

**Exhibit 11: Gold Price vs. XAU vs. Global ETF Holdings (Indexed to Jan-1-10)**

Source: Capital IQ, Raymond James Ltd.

**Our TOP PICKS include Yamana, Guyana Goldfields, Sulliden, Trelawney and Pan American Silver (listed in alphabetical order below).**

**Guyana Goldfields Inc. (GUY-TSX)** – Guyana is a gold developer on the “de-risking path” with feasibility study, minerals agreement, key permits, updated resources, financing and a production decision all expected within the next 6 to 8 months. We believe the company is also a potential take out candidate given its relevant size, low operating costs, and relatively low capital requirements.

**Pan American Silver (PAAS-NASDAQ | PAA-TSX)** – At current levels we believe Pan American offers good value with its strong balance sheet, impressive track record, respected management team, and given (in our opinion) it is currently not receiving full value for its “world class” Navidad project. A decision on open pit mining in the region around Navidad we expect will be a key driver for its valuation. We suspect an announcement could be made between now and the end of the first quarter of 2012.

**Sulliden Gold Corp. (SUE-TSX)** – Sulliden’s share price has come under pressure recently relating to turmoil in Peru but we don’t expect there to be any long-term impact on SUE. Our positive outlook remains intact and we view recent share price weakness as an opportunity to further add to positions. With \$40 mln in cash, we believe SUE is well financed to carry out the aggressive 70,000 metre drill program culminating with a feasibility study by year-end.

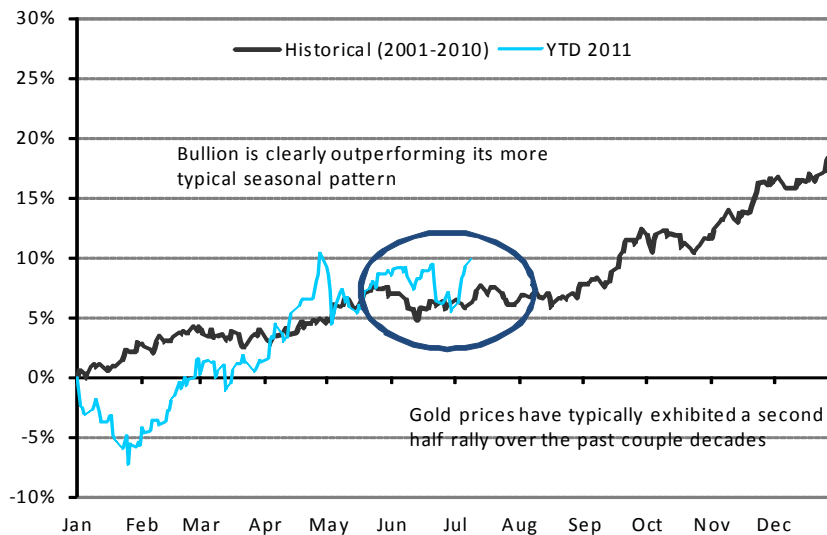
**Trelawney Mining and Exploration Inc. (TRR-TSXV)** – Trelawney’s flagship Cote Lake is a near-surface, open-pit, 4.2Moz deposit with excellent infrastructure in a low political risk jurisdiction (south of Timmins). We believe Cote is poised to grow (we see potential for 7.4Moz) given compelling geophysics, historic showings, and aggressive drilling planned for the remainder of the year. We expect the next Cote drill results in early September 2011 and an updated resource estimate by year-end 2011E.

**Yamana Gold Inc. (AUY-NYSE | YRI-TSX)** – Historically, Yamana’s share price has outperformed during periods of high production growth (2005 – 2008) and has stagnated during periods of flat production (2008 – 2010). We expect AUY’s next wave of growth is forecast to begin in 2H12 from the C1 Santa Luz, Mercedes, Ernesto/Pau-a-Pique, and Pilar projects.

## Adjusting Our Gold and Silver Price Deck

As mentioned earlier in this report, we had initially expected gold and silver prices to exhibit more seasonality (i.e. weakness over the summer months), however as shown in the Exhibit below, gold bullion is actually outperforming its historical seasonal trend. This is due, in large part, to safe haven demand offsetting much of the typical seasonal weakness on the back of heightened sovereign debt uncertainties and concerns over the strength of the recovery.

**Exhibit 12: Gold Price Average Cumulative Returns: 2001-2010 vs. 2011 YTD**



Source: Bloomberg, Raymond James Ltd.

As a result, gold is now tracking above our 2011 forecast of \$1,425/oz (YTD \$1,619/oz) and given we see no fundamental reason why gold should not once again return a stronger second half, we are increasing our gold and silver price assumptions on average 7% and 9%, respectively. For 2011E, we have increased our gold price from \$1,425/oz to \$1,520/oz and our silver price from \$34.50/oz to \$37.80/oz. This implies a y/y increase of 25% for gold and 90% for silver.

We have also adjusted our medium-term bullion price assumptions as the drivers remain firmly entrenched with uncertainty regarding the state of the western world's sovereign debt, currency debasement, and inflation in the developing world leading to increasing unrest. In more general terms, the fear and uncertainty that we have been highlighting over the past several years continues to intensify, underscored by positive supply/demand fundamentals, the complete lack of confidence in paper currency and the policy makers that control them, and concerns regarding future inflation.

As set out below, we have increased our gold price deck on average by 7% in 2011 to 2014 to better reflect our view on the current key drivers (sovereign debt concerns, currency debasement, low real rates, Official Sector buying, supply constraints, and the lack of confidence in policy makers and the financial sector underpinned by potential longer-term inflation). At the same time, we have increased our silver price assumptions, although we still believe that the supply side of the equation will negatively impact silver prices over the longer-term, this impact will likely not be fully felt in the market until 2014 and beyond.

Given the state of global economies and the constant flow of data and news we continue to expect significant volatility leading to fairly wide trading ranges over the next few years (similar to what we have witnessed in the more recent past); however, we believe that the higher costs related to the development and operation of gold assets are here to stay and that a new higher base price has been set for gold bullion. (note gold traded between \$1,062/oz and \$1,423/oz in 2010 and has traded between \$1,313/oz and \$1,643/oz so far in 2011).

**Exhibit 13: Raymond James Ltd. Revised Gold and Silver Price Deck**

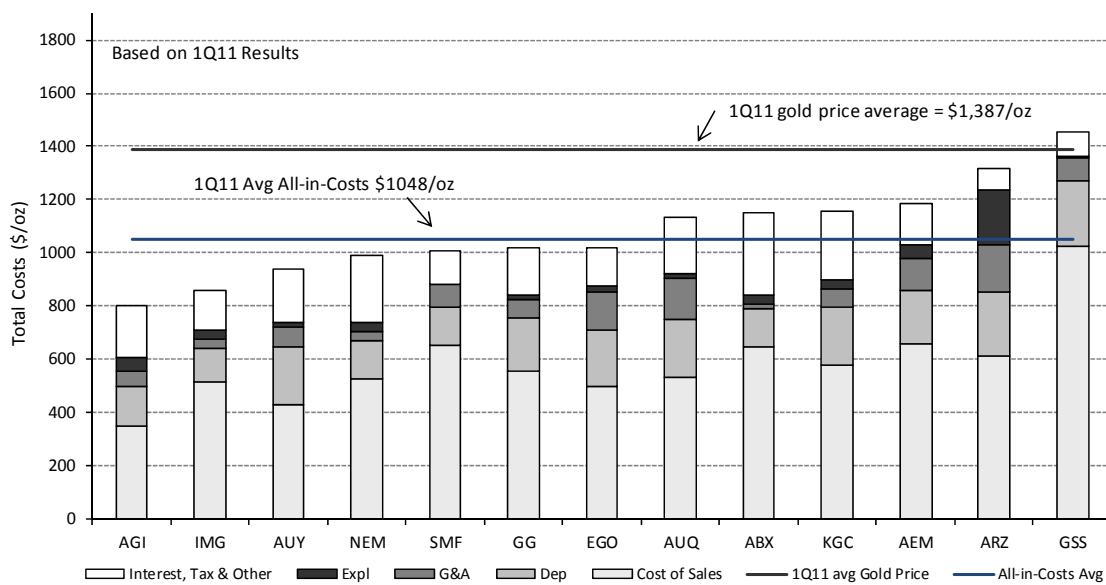
US\$/oz		2011	2012	2013	2014	2015	Long-Term
<b>Gold</b>	<b>Revised</b>	<b>1520</b>	<b>1580</b>	<b>1550</b>	<b>1450</b>	<b>1300</b>	<b>1200</b>
	Previous	1425	1450	1450	1350	New	1100
	% Change	7%	9%	7%	7%		9%
<b>Silver</b>	<b>Revised</b>	<b>37.80</b>	<b>38.50</b>	<b>35.00</b>	<b>30.00</b>	<b>26.00</b>	<b>19.50</b>
	Previous	34.50	35.00	25.00	22.50	New	17.00
	% Change	10%	10%	40%	33%		15%

Source: Raymond James Ltd

**“All-in Costs” and Our Long-Term Gold and Silver Price Assumptions**

As we have highlighted in the past our long-term metal price assumptions are largely based on our “All-in Cost” analysis and what we consider to be the minimum required margin (15%). As shown below the producers reported an “All-in Cost” of \$1,048/oz vs. the average gold price of \$1,387/oz in the first quarter of 2011. Certainly a number of the factors driving operating costs higher are also leading to higher metal prices (i.e. direct inflation and local currency strength relative to the US\$) and others are the result of the higher commodity prices (i.e. higher consumable prices). The relationship between metal prices and costs is strengthened further as many producers adjust mine plans (lowering cutoff grades for example) as metal prices increase.

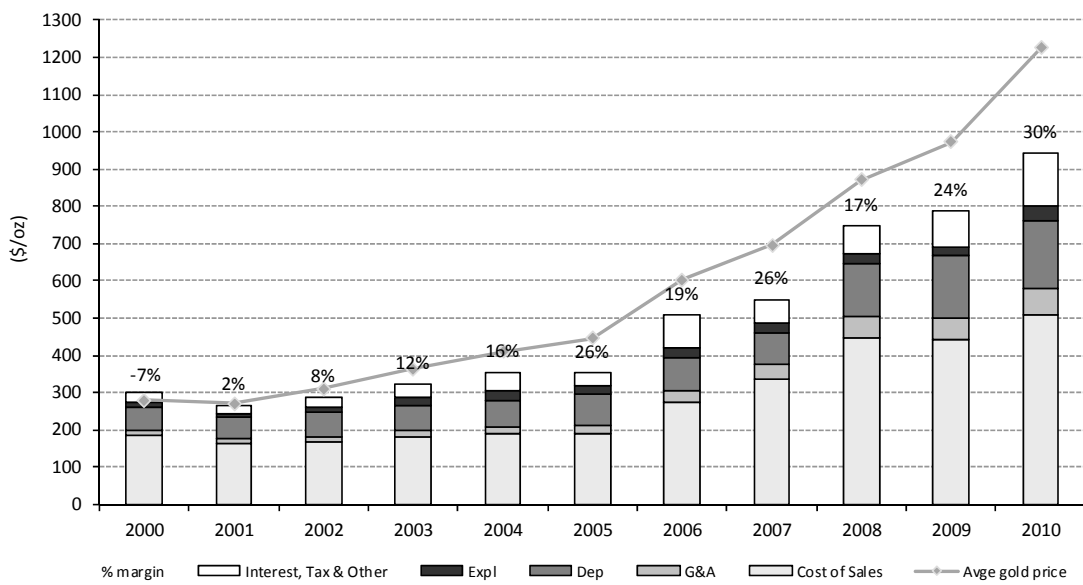
**Exhibit 14: Gold Producer Group – 1Q11 All-in-Costs**



Source: Company Reports, Raymond James Ltd.

For reference, our “All-in-Cost” measure includes the company’s operating costs and royalties (ie. total cash costs as reported by the company); however it also includes exploration costs, depreciation expense (as a proxy for capital), interest expense, and taxes. Although not perfect, we believe this measure is more meaningful as it not only quantifies the actual net profit margin reported by a company as opposed to the operating margin, but it also allows a more ‘apples to apples’ comparison between companies that operate in different tax jurisdictions and have different expensing versus capitalizing policies. We calculate that “All-in Costs” across the group that we track averaged roughly \$1,050/oz in the first quarter of 2011 (+2% from 4Q10 and +30% from 1Q10). Our new \$1,200/oz long-term gold price assumes a conservative 15% required return. The 15% return is consistent with the average profit margin reported by the major gold producers in this most recent bull-run (2000-2010).

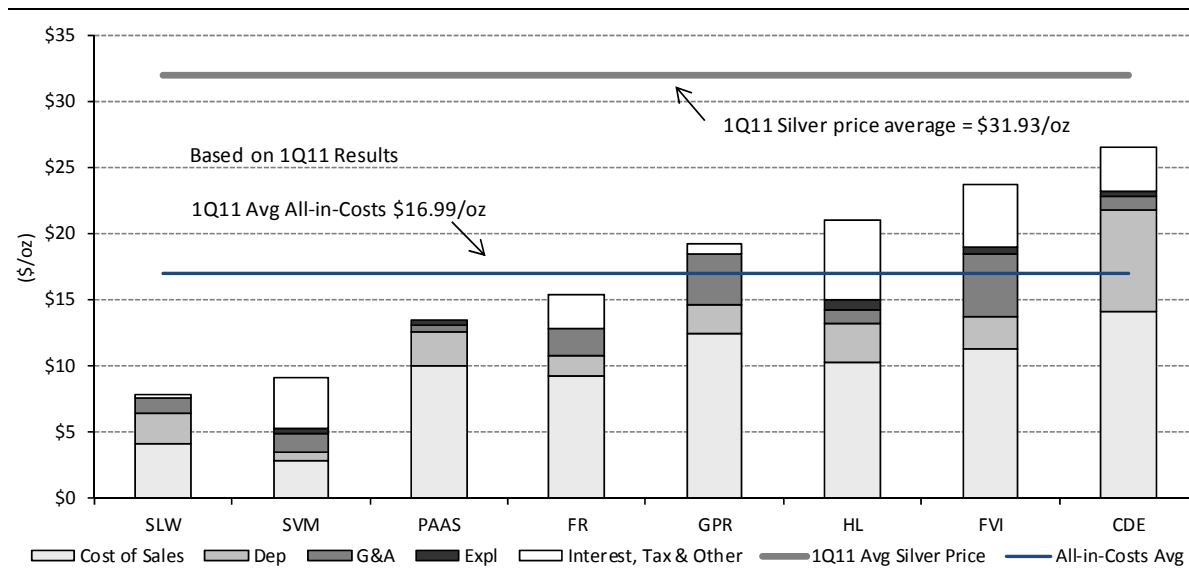
**Exhibit 15: Annual Margin over Our “All-in Costs”**



Source: Company Reports, Raymond James Ltd.

On the silver front, we are increasing our long-term price forecast from \$17.00/oz to \$19.50/oz. Like gold, we derive our long-term silver price forecast (used in our valuations) by analyzing the average “All-in Cost” for the producer group and applying what we consider to be the minimum required return (15%). “All-in Costs” for the silver group we track averaged roughly \$17.00/oz in the first quarter of 2011; generating our revised long-term silver price assumption of \$19.50/oz. We have also revised upwards our silver price assumptions from 2011 to 2014 and introduce a 2015 estimate – refer to Exhibit 1 for further details.

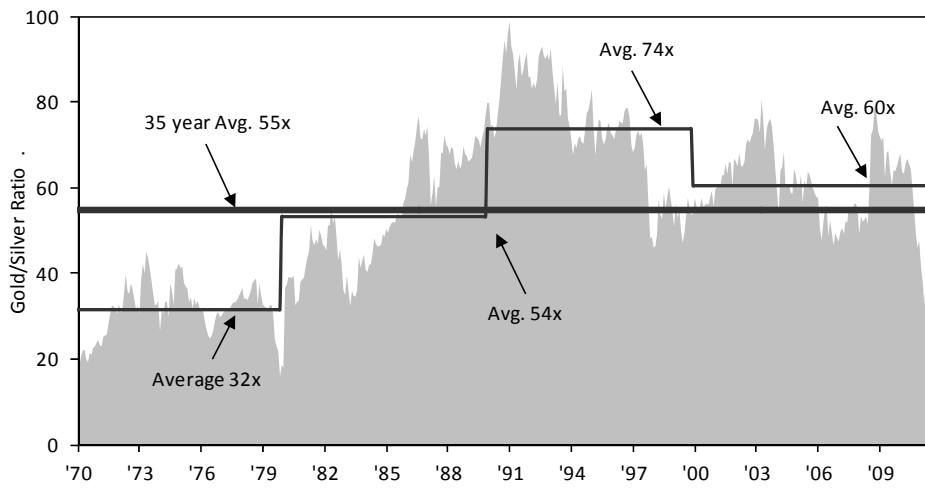
**Exhibit 16: Silver Producer Group – 1Q11 All-in-Costs**



Source: Company Reports, Raymond James Ltd.

As a result mining companies are realizing very strong margins from their silver production, leading, we suspect, to a renewed focus on portions of deposits that are more silver rich. We continue to expect silver prices to trade at a lower than average gold/silver ratio given silver prices tend to do well in an environment of rising inflation concerns. This was quite evident a year ago when the general view switched from concerns over deflation to inflation with the announcement of the second Quantitative Easing program. Although the Fed has been pretty adamant that QE3 is not on the cards we would not be surprised if some similar form of easing was utilized in an attempt to drive the recovery. We believe that once the Fed embarked down this path it committed itself to see it through to fruition. As a result we suspect that the increase in silver supply, which is arguably a little further out now given the challenging development environment, will partially be offset by an increase in demand as an inflation hedge.

**Exhibit 17: Gold/Silver Ratio – Actual and Forecast Based on Raymond James Ltd. Revised Price Deck**



	2011				2012					2012	2013	2014	2015	LT
	Q1A	Q2A	Q3	Q4	2011	Q1	Q2	Q3	Q4	2012	2013	2014	2015	LT
<b>Au/Ag Ratio</b>	43	39	39	40	40	40	42	42	41	41	44	48	50	62

Source: Bloomberg, Raymond James Ltd.

## RAYMOND JAMES PRECIOUS METALS COMPARATIVE TABLE

## MARKET STATS

RJ Gold and Silver Comparables  
August 2, 2011

Symbol	Analyst	Trading Currency	Current Share Price	Stock Rating	6-12 mth Target Price	Implied Returns	Basic Shares O/S	FD shares O/S	Market Cap	Cash	Net Debt	EV	Working Cap	NAV	Cash Adjusted P/NAV	
CAD/US					C\$/US\$	%	(mlns)	(mlns)	(US\$m)	(US\$m)	(US\$m)	(US\$m)	(US\$m)	(\$/share)	(x)	
<b>GOLD - PRODUCERS</b>																
Agnico-Eagle	AEM-T   N	BH	US\$	\$57.62	O/P	\$85.00	48%	168.3	172.9	\$9,699.9	\$139.0	\$461.0	\$10,160.9	\$371.1	\$43.03	1.34x
Alamos Gold	AGI-T	GB	C\$	\$18.22	O/P	\$24.60	35%	116.7	123.2	\$2,126.1	\$156.0	-\$156.0	\$1,970.1	\$225.5	\$18.26	1.00x
Alacer Gold	ASR-T	BH	C\$	\$9.41	M/P	\$10.60	13%	274.8	295.1	\$2,585.8	\$20.7	\$269.1	\$2,829.3	\$36.9	\$7.42	1.20x
Crocodile Gold	CRK-T	GB	C\$	\$0.70	O/P	\$1.60	129%	309.8	313.6	\$216.9	\$88.2	-\$88.2	\$128.7	\$90.0	\$1.77	0.40x
Eldorado Gold	ELD-T/EGO-N/EAU-ASX	BH	US\$	\$18.18	O/P	\$24.00	32%	548.5	551.5	\$9,971.7	\$356.4	-\$292.8	\$9,678.9	\$296.3	\$12.47	1.40x
Golden Star	GSC-T/GSS-A	BH	US\$	\$2.68	M/P	\$3.65	36%	258.5	265.2	\$692.8	\$184.0	-\$59.1	\$633.7	\$171.2	\$3.03	0.80x
Great Basin Gold	GBG-T   A	BH	US\$	\$2.11	O/P	\$4.00	90%	405.9	451.3	\$856.4	\$39.6	\$115.1	\$971.4	\$6.6	\$3.32	0.70x
Lake Shore Gold	LSG-T	BJ	C\$	\$2.29	M/P	\$3.60	57%	399.3	418.3	\$914.5	\$88.1	-\$78.7	\$835.8	\$72.6	\$2.87	0.80x
Osisko	OSK-T	BH	C\$	\$14.35	M/P	\$16.75	17%	381.8	407.7	\$5,478.3	\$386.7	-\$98.9	\$5,379.4	\$283.1	\$11.11	1.29x
Yamana Gold	YRI-T/AUY-N	BH	US\$	\$13.48	O/P	\$19.25	43%	744.9	751.6	\$10,040.7	\$460.4	\$25.0	\$10,065.7	\$646.6	\$11.79	1.10x
Producer Average <b>80%</b>																
excluding crk, osv																
<b>GOLD - DEVELOPERS</b>																
Geologix	GIX-T	GB	C\$	\$0.45	O/P	\$1.10	144%	131.8	143.5	\$59.3	\$22.7	-\$22.7	\$36.7	\$23.4	\$1.26	0.36x
Guyana Goldfields	GUY-T	BH	C\$	\$8.57	O/P	\$15.00	75%	83.4	90.5	\$714.6	\$67.0	-\$67.0	\$647.6	\$82.2	\$13.31	0.70x
Kiska Metals	KSK-V	BJ	C\$	\$0.75	S/Buy	\$1.50	100%	99.2	123.0	\$74.4	\$26.7	-\$26.7	\$47.8	\$25.4	\$3.46	0.22x
Orezone	ORE-T	BH	C\$	\$3.47	O/P	\$6.00	73%	82.9	85.8	\$287.7	\$61.3	-\$61.3	\$226.4	\$10.0	\$5.95	0.60x
Sulliden	SUE-T	GB	C\$	\$1.88	S/BUY	\$3.30	76%	206.3	228.4	\$387.8	\$48.9	-\$48.9	\$338.9	\$47.5	\$3.26	0.58x
Trelawney	TRR-V	BJ	C\$	\$4.98	O/P	\$6.80	37%	144.9	179.4	\$721.8	\$103.5	-\$103.5	\$618.2	\$103.4	\$5.93	0.84x
Victoria Gold	VIT-V	BJ	C\$	\$0.71	S/BUY	\$1.20	69%	276.9	295.5	\$185.5	\$25.7	-\$25.7	\$159.9	\$25.5	\$0.95	0.75x
Developers Average <b>76%</b>																
excluding gix, ksk																
<b>SILVER - PRODUCERS</b>																
Pan American Silver	PAA-T/PAAS-Q	BH	US\$	\$31.22	S/BUY	\$51.25	64%	107.2	108.0	\$3,347.6	\$360.5	-\$360.5	\$2,987.1	\$433.8	\$26.40	1.18x
Silver Wheaton	SLW-T   N	BH	US\$	\$37.27	O/P	\$52.00	40%	346.6	358.3	\$12,916	\$428.6	-\$321.5	\$12,594.9	\$265.1	\$26.84	1.30x
Silvercorp Metals	SVM-T   N	BH	US\$	\$10.21	O/P	\$16.00	57%	174.7	171.6	\$1,783.5	\$223.7	-\$223.7	\$1,559.8	\$209.3	\$9.22	1.11x
Producer Average <b>53%</b>																
<b>SILVER - DEVELOPERS</b>																
Bear Creek	BCM-V	BH	C\$	\$5.02	M/P	\$7.80	55%	92.0	94.4	\$444.5	\$143.8	-\$143.8	\$300.7	\$131.8	\$10.49	0.60x
Minco Silver	MSV-T	BH	C\$	\$4.25	M/P	\$5.90	39%	57.5	63.7	\$234.7	\$69.5	-\$69.5	\$165.3	\$69.8	\$7.25	0.59x
Mag Silver	MAG-T/MVG-A	BJ	C\$	\$10.31	O/P	\$14.70	43%	55.3	59.1	\$570.6	\$35.5	-\$35.5	\$535.2	\$37.7	\$9.52	1.10x
Developer Average <b>46%</b>																
<b>Raymond James Commodity Price Forecasts</b>																
		Spot														
<b>Metal/Currency</b>	<b>Prices</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>2009A</b>	<b>2010A</b>	<b>2011E</b>	<b>2012E</b>	<b>2013E</b>	<b>2014E</b>	<b>2015E</b>	<b>LT</b>				
Gold (US\$/oz)	\$1,655	\$604	\$697	\$873	\$973	\$1,221	\$1,520	\$1,580	\$1,550	\$1,450	\$1,300	\$1,100				
Silver (US\$/oz)	\$40.60	\$11.59	\$13.39	\$14.99	\$14.69	\$19.85	\$37.80	\$38.50	\$35.00	\$30.00	\$26.00	\$17.00				
Copper (US\$/lb)	\$4.16	\$3.06	\$3.24	\$3.16	\$2.34	\$3.42	\$4.58	\$4.65	\$5.00	\$5.00	\$5.00	\$2.50				
Lead (US\$/lb)	\$1.14	\$0.58	\$1.18	\$0.95	\$0.78	\$0.97	\$1.22	\$1.25	\$1.25	\$1.25	\$1.25	\$0.95				
Zinc (US\$/lb)	\$1.02	\$1.48	\$1.48	\$0.86	\$0.75	\$0.98	\$1.09	\$1.20	\$1.20	\$1.25	\$1.30	\$1.10				

## \*Notes:

- Analysts: BH = Brad Humphrey; BJ = Bart Jaworski; GB = Gary Baschuk
- Rating: S/Buy = Strong Buy; O/P = Outperform; M/P = Market Perform; U/P = Under Perform; R = Research Restricted, UR = Under Review.
- EV = Market Capitalization + Net Debt + Minority Interest
- Financial data based on the most recent quarterly reporting
- LOM estimates for developers (production and costs) are based on single development project only
- Sources: Thomson Analytics, Company Reports, RJ Research and Estimates
- nm = Not Material; R = Restricted
- Silvercorp has a March year-end. Accordingly, the above data for Silvercorp is for the following year than what is referenced in each column heading
- Silvercorp's production is attributable only.

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## EARNINGS STATS

RJ Gold and Silver Comparables  
August 2, 2011

	Earning Per Share (\$/sh)				P/EPS Multiple (x)				Cash Flow Per Share (\$/sh)				P/CFPS Multiple (x)			
	2009A	2010A	2011E	2012E	2009A	2010A	2011E	2012E	2009A	2010A	2011E	2012E	2009A	2010A	2011E	2012E
<b>GOLD - PRODUCERS</b>																
Agnico-Eagle	\$0.66	\$1.78	\$2.32	\$3.28	87.2x	32.5x	24.9x	17.6x	\$1.49	\$3.50	\$3.91	\$5.99	38.8x	16.5x	14.8x	9.7x
Alamos Gold	\$0.47	\$0.49	\$0.62	\$1.09	38.6x	37.3x	29.1x	16.6x	\$0.90	\$0.78	\$0.97	\$1.48	20.3x	23.3x	18.7x	12.3x
Alacer Gold	(\$0.25)	(\$0.27)	\$0.47	\$0.38	nm	nm	20.0x	24.8x	(\$0.11)	(\$0.10)	\$0.29	\$0.54	nm	nm	31.9x	17.5x
Crocodile Gold	(\$0.27)	(\$0.06)	\$0.01	\$0.23	nm	nm	nm	3.1x	(\$0.08)	\$0.03	\$0.06	\$0.28	nm	21.8x	11.1x	2.5x
Eldorado Gold	\$0.28	\$0.42	\$0.62	\$0.98	nm	43.1x	29.4x	18.5x	\$0.34	\$0.65	\$0.92	\$1.32	nm	27.9x	19.8x	13.8x
Golden Star	\$0.02	(\$0.02)	\$0.14	\$0.04	nm	nm	19.9x	nm	\$0.50	\$0.41	\$0.44	\$0.45	5.4x	6.6x	6.1x	6.0x
Great Basin Gold	(\$0.13)	(\$0.04)	\$0.10	\$0.49	nm	nm	20.8x	4.3x	(\$0.10)	(\$0.01)	\$0.20	\$0.53	nm	nm	10.4x	4.0x
Lake Shore Gold	\$0.01	(\$0.02)	\$0.13	\$0.28	nm	nm	18.2x	8.3x	(\$0.03)	(\$0.02)	\$0.18	\$0.35	nm	nm	13.2x	6.6x
Osisko	(\$0.08)	(\$0.05)	\$0.39	\$1.05	nm	nm	36.9x	13.8x	(\$0.07)	(\$0.05)	\$0.47	\$1.24	nm	nm	30.6x	11.7x
Yamana Gold	\$0.43	\$0.61	\$1.01	\$1.08	31.6x	22.1x	13.4x	12.5x	\$0.70	\$1.00	\$1.55	\$1.54	19.3x	13.5x	8.7x	8.8x
Mid-Tier Average					-	<b>33.8x</b>	<b>23.6x</b>	<b>12.3x</b>					-	<b>18.3x</b>	<b>16.5x</b>	<b>8.6x</b>
<b>GOLD - DEVELOPERS</b>																
Geologix	(\$0.13)	(\$0.04)	(\$0.02)	(\$0.02)	nm	nm	nm	nm	(\$0.02)	(\$0.04)	(\$0.02)	(\$0.02)	nm	nm	nm	nm
Guyana Goldfields	(\$0.06)	(\$0.05)	(\$0.06)	(\$0.20)	nm	nm	nm	nm	(\$0.05)	(\$0.04)	(\$0.08)	(\$0.20)	nm	nm	nm	nm
Kiska Metals	(\$0.29)	(\$0.17)	(\$0.13)	(\$0.12)	nm	nm	nm	nm	(\$0.23)	(\$0.20)	(\$0.13)	(\$0.12)	nm	nm	nm	nm
Orezone	(\$0.03)	\$0.02	(\$0.03)	(\$0.03)	nm	nm	nm	nm	(\$0.02)	(\$0.02)	(\$0.03)	(\$0.03)	nm	nm	nm	nm
Sulliden	(\$0.03)	(\$0.06)	(\$0.06)	(\$0.05)	nm	nm	nm	nm	(\$0.00)	(\$0.04)	(\$0.01)	(\$0.05)	nm	nm	nm	nm
Trelawney	(\$0.10)	(\$0.13)	(\$0.11)	(\$0.06)	nm	nm	nm	nm	(\$0.02)	(\$0.06)	(\$0.06)	(\$0.06)	nm	nm	nm	nm
Victoria Gold	(\$0.10)	(\$0.03)	(\$0.01)	(\$0.01)	nm	nm	nm	nm	(\$0.03)	(\$0.02)	(\$0.01)	(\$0.01)	nm	nm	nm	nm
Developers Average					nm	nm	nm	nm					nm	nm	nm	nm
<b>SILVER - PRODUCERS</b>																
Pan American Silver	\$0.72	\$1.07	\$2.87	\$3.83	43.7x	29.3x	10.9x	8.2x	\$1.69	\$2.02	\$3.76	\$5.11	18.6x	15.5x	8.3x	6.1x
Silver Wheaton	\$0.39	\$0.80	\$2.21	\$2.22	nm	46.8x	16.9x	16.8x	\$0.53	\$0.93	\$2.41	\$2.41	nm	40.3x	15.5x	15.5x
Silvercorp Metals	\$0.25	\$0.37	\$0.65	\$0.65	41.1x	27.8x	15.7x	15.9x	\$0.37	\$0.55	\$0.99	\$0.96	28.0x	18.8x	10.4x	10.7x
Seniors Average					nm	<b>34.6x</b>	<b>14.5x</b>						<b>23.3x</b>	<b>24.9x</b>	<b>11.4x</b>	<b>10.8x</b>
<b>SILVER - DEVELOPERS</b>																
Bear Creek	(\$0.15)	(\$0.20)	(\$0.14)	(\$0.09)	nm	nm	nm	nm	(\$0.09)	(\$0.21)	(\$0.15)	(\$0.09)	nm	nm	nm	nm
Minco Silver	(\$0.13)	(\$0.08)	(\$0.11)	(\$0.11)	nm	nm	nm	nm	(\$0.09)	(\$0.07)	(\$0.05)	(\$0.07)	nm	nm	nm	nm
Mag Silver	(\$0.27)	(\$0.24)	(\$0.15)	(\$0.15)	nm	nm	nm	nm	(\$0.15)	(\$0.13)	(\$0.08)	(\$0.08)	nm	nm	nm	nm

Source: Bloomberg, Capital IQ, Raymond James Ltd.

## PRODUCTION STATS

RJ Gold and Silver Comparables August 2, 2011													LOM Avg. Annual RJ Estimates				
Production				EV/Production (US\$/oz)				Total Cash Costs (US\$/oz)				Prod'n		Total Cash Costs		Initial Capex	Capex Intensity
Gold(000 oz)/Silver (mln oz)												(000 oz)		(US\$/oz)		(US\$ mln)	(US\$/oz)
2009A	2010A	2011E	2012E	2009A	2010A	2011E	2012E	2009A	2010A	2011E	2012E	(000 oz)	(US\$/oz)	(US\$/oz)	(US\$/oz)	(US\$ mln)	(US\$/oz)
<b>GOLD - PRODUCERS</b>																	
Agnico-Eagle	490	988	1,016	1,279	\$20,834	\$10,331	\$10,038	\$7,977	\$413	\$471	\$528	\$446	885	\$11,528	\$495	-	-
Alamos Gold	179	156	145	222	\$10,984	\$12,569	\$13,542	\$8,847	\$278	\$361	\$480	\$370	241	\$8,134	\$386	-	-
Alacer Gold	-	-	324	376	-	-	\$8,696	\$7,487	-	-	\$689	\$654	429	\$6,577	\$499	\$707	\$47
Crocodile Gold	-	82	90	154	-	\$1,573	\$1,434	\$837	-	\$1,109	\$1,173	\$779	107	\$1,202	\$800	-	-
Eldorado Gold	350	585	631	825	\$27,668	\$16,546	\$15,354	\$11,734	\$337	\$414	\$439	\$400	893	\$10,843	\$866	-	-
Golden Star	410	355	322	393	\$1,559	\$1,800	\$1,985	\$1,627	\$596	\$810	\$1,034	\$1,095	411	\$1,556	\$903	-	-
Great Basin Gold	44	89	190	310	\$21,723	\$10,873	\$5,061	\$3,110	\$525	\$770	\$771	\$673	263	\$3,660	\$632	\$649	\$28
Lake Shore Gold	7.5	43.6	168.9	176.5	-	\$18,689	\$4,824	\$4,614	\$511	\$628	\$414	\$414	213	\$3,821	\$473	\$311	\$86
Osisko	-	-	270	651	-	-	\$20	\$8	-	-	466	394	577	\$9,382	\$483	\$1,000	\$51
Yamana Gold	981	1,026	1,088	1,156	\$10,277	\$9,825	\$9,266	\$8,723	\$357	\$451	\$466	\$487	1,375	\$7,333	\$469	-	-
Mid-Tier Average					\$18,716	\$12,078	\$9,531	\$7,680	\$431	\$654	\$677	\$571	\$476	\$5,476	\$591		
<i>*Cash cost data for Yamana are co-product cash costs, Orvana are cash costs per equivalent ounce</i>																	
<b>GOLD - DEVELOPERS</b>																	
Geologic	-	-	-	-	-	-	-	-	-	-	-	-	124	\$311	\$634	\$331	\$106
Guyana Goldfields	-	-	-	-	-	-	-	-	-	-	-	-	272	\$2,394	\$490	\$803	\$120
Kiska Metals	-	-	-	-	-	-	-	-	-	-	-	-	369	\$117	\$313	\$940	\$168
Orezone	-	-	-	-	-	-	-	-	-	-	-	-	343	\$619	\$723	\$602	\$134
Sulliden	-	-	-	-	-	-	-	-	-	-	-	-	139	\$2,418	\$359	\$162	\$36
Trelawney	-	-	1,730	-	-	-	\$0	-	-	-	-	850	409	\$1,367	\$539	\$863	\$189
Victoria Gold	-	-	-	-	-	-	-	-	-	-	-	-	109	\$1,600	\$662	\$320	\$42
Developers Average																	
<b>SILVER - PRODUCERS</b>																	
													Moz				
Pan American Silver	23.0	24.3	23.2	24.9	\$130	\$124	\$129	\$121	\$5.53	\$5.79	\$7.40	\$6.46	2.9	\$1,029	\$5.98	-	-
Silver Wheaton	15.7	20.4	25.5	26.5	\$805	\$620	\$496	\$476	\$3.97	\$3.97	\$4.01	\$4.01	2.5	\$5,022	\$4.13	-	-
Silvercorp Metals	3.6	4.1	4.5	5.2	\$436	\$382	\$351	\$305	(\$6.14)	(\$6.59)	(\$6.78)	(\$6.02)	4.9	\$318	(\$3.18)	-	-
Seniors Average					\$584	\$458	\$369	\$350									
<b>SILVER - DEVELOPERS</b>																	
Bear Creek	0.0	0.0	0.0	0.0	-	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00	17.3	\$17	\$2.44	\$525	\$0.99
Minco Silver	0.0	0.0	0.0	1.0	-	-	-	\$165	\$0.00	\$0.00	\$0.00	\$0.00	5.1	\$32	\$6.48	\$137	\$0.87
Mag Silver	0.0	0.0	0.0	0.0	-	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00	5.0	\$105	\$3.41	\$288	\$0.98

Source: Bloomberg, Capital IQ, Raymond James Ltd.

**RESERVE and EBITDA STATS****RJ Gold and Silver Comparables  
August 2, 2011**

	2P	EV/	M&I	EV/	Global	EV/	EBITDA - (\$mln)				EV / EBITDA (x)			
	Res'v	Res'v	Res'c	Res'c	Res'c	Res'c	2009A	2010A	2011E	2012E	2009A	2010A	2011E	2012E
	(mln oz)	(US\$/oz)	(incl. 2P)	(US\$/oz)										

**GOLD - PRODUCERS**

Agnico-Eagle	18.3	\$557	27.9	\$366	34.7	\$294	\$188.9	\$677.2	\$854.9	\$1,306.8	54.0	15.1	11.9	7.8
Alamos Gold	2.4	\$821	6.8	\$289	7.7	\$254	\$93.8	\$113.7	\$117.6	\$229.0	20.9	17.2	16.7	8.6
Alacer Gold	5.5	\$511	14.8	\$189	14.9	\$187	(\$21.6)	(\$37.9)	\$132.8	\$267.4	nm	nm	21.2	10.5
Crocodile Gold	0.7	\$194	3.2	\$41	5.3	\$24	(\$17.3)	(\$10.0)	\$19.4	\$104.6	nm	nm	6.7	1.2
Eldorado Gold	15.1	\$641	21.3	\$455	26.7	\$363	\$183.8	\$407.1	\$629.0	\$964.9	52.7	23.8	15.4	10.0
Golden Star	3.7	\$171	5.9	\$109	7.5	\$85	\$163.6	\$118.0	\$157.6	\$132.6	3.9	5.4	4.1	4.8
Great Basin Gold	7.2	\$134	13.6	\$71	23.3	\$41	(\$54.2)	(\$16.7)	\$97.8	\$333.7	nm	nm	9.9	2.9
Lake Shore Gold	0.8	\$1,003	1.1	\$766	3.6	\$225	\$1.9	(\$9.6)	\$67.6	\$142.7	n.m.	n.m.	12.0	5.7
Osisko	10.7	\$505	11.9	\$451	19.4	\$276	(\$24.1)	(\$26.7)	\$274.4	\$730.3	nm	nm	19.7	7.4
Yamana Gold	17.6	\$574	30.5	\$330	40.7	\$247	\$616.6	\$955.6	\$1,458.7	\$1,580.6	16.3	10.5	6.9	6.4
Mid-Tier Average		<b>\$478</b>		<b>\$266</b>		<b>\$173</b>					<b>29.6x</b>	<b>14.4x</b>	<b>11.5x</b>	<b>5.7x</b>

**GOLD - DEVELOPERS**

Geologix	0.0	nm	1.4	\$27	3.1	\$12	(\$6.3)	(\$2.7)	(\$2.9)	(\$3.0)	nm	nm	nm	nm
Guyana Goldfields	0.0	nm	5.3	\$122	6.7	\$97	(\$5.3)	(\$7.6)	(\$11.5)	(\$11.1)	nm	nm	nm	nm
Kiska Metals	0.0	nm	2.2	\$19	5.6	\$8	(\$10.6)	(\$11.6)	(\$10.9)	(\$10.9)	nm	nm	nm.	nm.
Orezone	0.0	nm	2.3	\$91	4.5	\$47	(\$1.7)	\$1.4	(\$2.4)	(\$2.4)	nm	nm	nm	nm
Sulliden	0.0	nm	2.4	\$139	4.5	\$76	(\$2.6)	(\$4.4)	(\$9.7)	(\$9.8)	nm	nm	nm	nm
Trelawney	0.0	nm	4.0	\$141	4.6	\$123	(\$2.6)	(\$8.9)	(\$8.0)	(\$8.2)	nm	nm	nm	nm
Victoria Gold	1.8	nm	4.8	\$36	7.7	\$22	(\$10.2)	(\$6.1)	(\$2.7)	(\$3.8)	nm	nm	nm.	nm.
Developers Average		<b>\$137</b>		<b>\$84</b>		<b>\$58</b>					<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>

**SILVER - PRODUCERS**

Pan American Silver	223.7	\$13.42	938.2	\$3.20	1169.5	\$2.57	\$177.2	\$291.2	\$641.4	\$728.0	16.9	10.3	4.7	4.1
Silver Wheaton	923.7	\$13.69	1307.8	\$9.67	1723.7	\$7.34	\$159.1	\$334.1	\$849.1	\$838.2	79.5	37.8	14.9	15.1
Silvercorp Metals	63.4	\$24.54	122.7	\$12.67	246.0	\$6.32	\$51.9	\$97.0	\$178.3	\$179.9	30.2	16.2	8.8	8.7
Seniors Average		<b>\$17.22</b>		<b>\$8.51</b>		<b>\$5.41</b>					<b>42.2</b>	<b>21.4</b>	<b>9.5</b>	<b>9.3</b>

**SILVER - DEVELOPERS**

Bear Creek	321.2	\$0.93	465.8	\$0.64	529.6	\$0.56	(\$8.9)	(\$17.8)	(\$21.3)	(\$21.0)	nm	nm	nm	nm
Minco Silver	55.4	\$2.95	93.5	\$1.75	156.8	\$1.04	(\$4.5)	(\$4.4)	(\$6.6)	(\$6.9)	nm	nm	nm	nm
Mag Silver	0.0	nm	169.4	\$3.13	294.2	\$1.80	(\$14.6)	(\$13.2)	(\$8.2)	(\$8.2)	nm	n.m	nm	nm

Source: Bloomberg, Capital IQ, Raymond James Ltd.

## Gold

## Agnico-Eagle Mines AEM-NYSE

Rating: Outperform

Current Price(Aug-01-11)	US\$56.72	Target Price (6-12 mos)	Old: US\$89.60	New: US\$85.00
52-Week Range	US\$88.20 - US\$54.75	Total Return to Target	50%	
Market Capitalization (mln)	US\$9,804	Dividend/Yield	US\$0.64/1.1%	
Shares Outstanding (mln, f.d.)	173.0	Current Net Debt (mln)	US\$461	
Average Daily Volume (000s)	1,909	Enterprise Value (mln)	US\$10,265	

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
2010A	US\$0.30	US\$0.44	US\$0.49	US\$0.55	US\$1.78	US\$1,423		31.8x	
Old 2011E	0.45A	0.46A	0.48	0.61	2.00	1,777	38.01		
<b>New 2011E</b>	<b>0.45A</b>	<b>0.46A</b>	<b>0.66</b>	<b>0.75</b>	<b>2.32</b>	<b>1,858</b>	<b>43.03</b>	<b>24.4x</b>	<b>1.3x</b>
Old 2012E	0.67	0.66	0.68	0.68	2.69	2,187	NA		
<b>New 2012E</b>	<b>0.82</b>	<b>0.80</b>	<b>0.83</b>	<b>0.83</b>	<b>3.28</b>	<b>2,343</b>	<b>NA</b>	<b>17.3x</b>	<b>NA</b>

	Au Price (US\$/oz)	Au Production (000 oz)	Au Total Cash Cost (US\$/oz)	CFPS	P/CFPS	EBITDA (mln)	EV/EBITDA
2010A	US\$1,226	988.0	US\$471	US\$3.50	16.2x	US\$677	15.2x
Old 2011E	1,425	1,016.0	535	3.59		772	
<b>New 2011E</b>	<b>1,520</b>	<b>1,016.0</b>	<b>528</b>	<b>3.91</b>	<b>14.5x</b>	<b>855</b>	<b>12.0x</b>
Old 2012E	1,450	1,290.0	445	5.41		1,150	
<b>New 2012E</b>	<b>1,580</b>	<b>1,279.0</b>	<b>446</b>	<b>5.99</b>	<b>9.5x</b>	<b>1,307</b>	<b>7.9x</b>

Source: Raymond James Ltd., Thomson One

## Alacer Gold Corp ASR-TSX

Rating: Market Perform

Current Price(Aug-01-11)	C\$9.28	Target Price (6-12 mos)	Old: C\$10.40	New: C\$10.60
52-Week Range	C\$10.82 - C\$5.34	Total Return to Target	14%	
Market Capitalization (mln)	C\$2,445	Dividend/Yield	C\$0.00/0.0%	
Shares Outstanding (mln, f.d.)	295.0	Current Net Debt (mln)	C\$269	
Average Daily Volume (000s)	866	Enterprise Value (mln)	C\$2,714	

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
2009A	C\$(0.06)	C\$(0.06)	C\$(0.06)	C\$(0.06)	C\$(0.25)	C\$6		NA	
Old 2010A	(0.05)	(0.05)	(0.06)	(0.11)	(0.27)	1	NA		
<b>New 2010A</b>	<b>(0.05)</b>	<b>(0.05)</b>	<b>(0.06)</b>	<b>(0.11)</b>	<b>(0.27)</b>	<b>1</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Old 2011E	(0.05)A	0.15	0.13	0.16	0.39	445	6.81		
<b>New 2011E</b>	<b>(0.05)A</b>	<b>0.15</b>	<b>0.18</b>	<b>0.19</b>	<b>0.47</b>	<b>474</b>	<b>7.42</b>	<b>153.8x</b>	<b>1.2x</b>

	Au Price (US\$/oz)	Au Production (000 oz)	Au Total Cash Cost (US\$/oz)	CFPS	P/CFPS	EBITDA (mln)	EV/EBITDA
2009A	US\$973	0.0	US\$0	C\$(0.11)	NA	C\$(22)	NA
Old 2010A	1,226	0.0	0	(0.10)		(38)	
<b>New 2010A</b>	<b>1,226</b>	<b>0.0</b>	<b>0</b>	<b>(0.10)</b>	<b>NA</b>	<b>(38)</b>	<b>NA</b>
Old 2011E	1,425	313.0	709	0.20		100	
<b>New 2011E</b>	<b>1,520</b>	<b>324.0</b>	<b>689</b>	<b>0.29</b>	<b>31.5x</b>	<b>133</b>	<b>20.4x</b>

Source: Raymond James Ltd., Thomson One

## Gold

## Alamos Gold Inc. AGI-TSX

Rating: Outperform

Current Price(Aug-01-11)	C\$17.40	Target Price (6-12 mos)	Old: C\$24.00 New: C\$24.60
52-Week Range	C\$21.65 - C\$13.26	Total Return to Target	41%
Market Capitalization (mln)	C\$2,030	Dividend/Yield	C\$0.10/0.6%
Shares Outstanding (mln, f.d.)	123.2	Current Net Debt (mln)	-C\$156
Average Daily Volume (000s)	431	Enterprise Value (mln)	C\$1,874

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAVPS	P/E	CFPS
	Mar	Jun	Sep	Dec	Year	(mln)			
2010A	C\$0.13	C\$0.10	C\$0.07	C\$0.18	C\$0.49	C\$180		35.8x	C\$0.78
Old 2011E	0.15A	0.14	0.15	0.14	0.58	202	16.75		0.92
<b>New 2011E</b>	<b>0.15A</b>	<b>0.14</b>	<b>0.18</b>	<b>0.16</b>	<b>0.62</b>	<b>210</b>	<b>18.26</b>	<b>27.9x</b>	<b>0.97</b>
Old 2012E	0.24	0.26	0.25	0.22	0.97	305	NA		1.35
<b>New 2012E</b>	<b>0.27</b>	<b>0.29</b>	<b>0.28</b>	<b>0.25</b>	<b>1.09</b>	<b>326</b>	<b>NA</b>	<b>16.0x</b>	<b>1.48</b>

	Working Capital (mln)	Capex (mln)	Cash Costs (US\$/oz)	Gold Production ('000 oz)	Silver Production ('000 oz)
2010A	C\$214.6	C\$59.3	US\$361	156	0
Old 2011E	227.8	96.8	477	145	0
<b>New 2011E</b>	<b>233.3</b>	<b>96.8</b>	<b>480</b>	<b>145</b>	<b>0</b>
Old 2012E	269.6	125.8	365	222	0
<b>New 2012E</b>	<b>289.6</b>	<b>125.8</b>	<b>370</b>	<b>222</b>	<b>0</b>

Source: Raymond James Ltd., Thomson One

## Crocodile Gold Corp. CRK-TSX

Rating: Outperform

Current Price(Aug-01-11)	C\$0.68	Target Price (6-12 mos)	Old: C\$1.50 New: C\$1.60
52-Week Range	C\$1.65 - C\$0.66	Total Return to Target	135%
Market Capitalization (mln)	C\$211	Dividend/Yield	C\$0.00/0.0%
Shares Outstanding (mln, f.d.)	313.6	Current Net Debt (mln)	-C\$88
Average Daily Volume (000s)	640	Enterprise Value (mln)	C\$123

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAVPS	P/E	CFPS
	Mar	Jun	Sep	Dec	Year	(mln)			
2010A	C\$(0.01)	C\$(0.01)	C\$0.00	C\$(0.03)	C\$(0.06)	C\$73		nm	C\$0.03
Old 2011E	(0.03)A	(0.01)	(0.01)	0.04	(0.01)	129	1.51		0.04
<b>New 2011E</b>	<b>(0.03)A</b>	<b>(0.01)</b>	<b>0.00</b>	<b>0.05</b>	<b>0.01</b>	<b>135</b>	<b>1.77</b>	<b>104.7x</b>	<b>0.06</b>
Old 2012E	0.05	0.05	0.05	0.04	0.20	220	NA		0.26
<b>New 2012E</b>	<b>0.06</b>	<b>0.06</b>	<b>0.06</b>	<b>0.05</b>	<b>0.23</b>	<b>235</b>	<b>NA</b>	<b>3.0x</b>	<b>0.28</b>

	Working Capital (mln)	Capex (mln)	Cash Costs (US\$/oz)	Gold Production ('000 oz)
2010A	C\$20.4	C\$106.6	US\$1,109	82
Old 2011E	74.1	47.1	1,173	90
<b>New 2011E</b>	<b>79.8</b>	<b>47.2</b>	<b>1,173</b>	<b>90</b>
Old 2012E	149.9	3.3	779	154
<b>New 2012E</b>	<b>164.5</b>	<b>3.5</b>	<b>779</b>	<b>154</b>

Source: Raymond James Ltd., Thomson One

## Gold

Eldorado Gold Corp. EGO-NYSE			Rating Old: Strong Buy	Rating New: Outperform
Current Price(Aug-01-11)	US\$17.41		Target Price (6-12 mos)	Old: US\$26.50 New: US\$24.00
52-Week Range	US\$20.23 - US\$13.34		Total Return to Target	38%
Market Capitalization (mln)	US\$9,549		Dividend/Yield	US\$0.10/0.6%
Shares Outstanding (mln, f.d.)	552.0		Current Net Debt (mln)	-US\$293
Average Daily Volume (000s)	4,243		Enterprise Value (mln)	US\$9,257

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
2010A	US\$0.10	US\$0.11	US\$0.11	US\$0.10	US\$0.42	US\$803		NA	
Old 2011E	0.10A	0.14A	0.14	0.19	0.56	1,037	11.87		
<b>New 2011E</b>	<b>0.10A</b>	<b>0.14A</b>	<b>0.17</b>	<b>0.22</b>	<b>0.62</b>	<b>1,088</b>	<b>12.47</b>	<b>28.1x</b>	<b>1.4x</b>
Old 2012E	0.22	0.22	0.23	0.23	0.90	1,432	NA		
<b>New 2012E</b>	<b>0.25</b>	<b>0.24</b>	<b>0.25</b>	<b>0.25</b>	<b>0.98</b>	<b>1,505</b>	<b>NA</b>	<b>17.7x</b>	<b>NA</b>

	Au Price (US\$/oz)	Au Production (000 oz)	Au Total Cash Cost (US\$/oz)	CFPS	P/CFPS	EBITDA (mln)	EV/EBITDA
2010A	US\$1,226	585.0	US\$414	US\$0.65	26.7x	US\$407	22.7x
Old 2011E	1,449	631.0	438	0.85		580	
<b>New 2011E</b>	<b>1,520</b>	<b>631.0</b>	<b>439</b>	<b>0.92</b>	<b>19.0x</b>	<b>629</b>	<b>14.7x</b>
Old 2012E	1,450	854.0	386	1.23		896	
<b>New 2012E</b>	<b>1,580</b>	<b>825.0</b>	<b>400</b>	<b>1.32</b>	<b>13.2x</b>	<b>965</b>	<b>9.6x</b>

Source: Raymond James Ltd., Thomson One

Geologix Explorations Inc. GIX-TSX			Rating: Outperform	
Current Price(Aug-01-11)	C\$0.43		Target Price (6-12 mos)	C\$1.10
52-Week Range	C\$1.00 - C\$0.20		Total Return to Target	156%
Market Capitalization (mln)	C\$57		Dividend/Yield	C\$0.00/0.0%
Shares Outstanding (mln, f.d.)	143.5		Current Net Debt (mln)	-C\$23
Average Daily Volume (000s)	321		Enterprise Value (mln)	C\$34

EPS	1Q	2Q	3Q	4Q	Full	Revenues	NAV	CFPS	P/E
	Mar	Jun	Sep	Dec	Year	(mln)			
2010A	C\$(0.01)	C\$(0.01)	C\$(0.01)	C\$(0.01)	C\$(0.04)	C\$0		C\$(0.04)	nm
Old 2011E	(0.01)A	(0.01)	(0.01)	(0.01)	(0.02)	0	1.20	(0.02)	
<b>New 2011E</b>	<b>(0.01)A</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.02)</b>	<b>0</b>	<b>1.26</b>	<b>(0.02)</b>	<b>nm</b>
Old 2012E	(0.01)	(0.01)	(0.01)	0.00	(0.02)	0	NA	(0.02)	
<b>New 2012E</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>0.00</b>	<b>(0.02)</b>	<b>0</b>	<b>NA</b>	<b>(0.02)</b>	<b>nm</b>

	Working Capital (mln)	Capex (mln)	Cash Costs (US\$/oz)	Au Production (Koz)	Cu Production (Mlbs)
2010A	C\$4.9	C\$4.8	US\$0	0.0	0.0
Old 2011E	17.2	8.2	0	0.0	0.0
<b>New 2011E</b>	<b>17.2</b>	<b>8.2</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>
Old 2012E	0.8	151.7	0	0.0	0.0
<b>New 2012E</b>	<b>0.8</b>	<b>151.7</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>

Source: Raymond James Ltd., Thomson One

## Gold

## Golden Star Resources GSS-AMEX

Rating: Market Perform

Current Price(Aug-01-11)	US\$2.51	Target Price (6-12 mos)	US\$3.65
52-Week Range	US\$6.01 - US\$2.14	Total Return to Target	45%
Market Capitalization (mln)	US\$649	Dividend/Yield	US\$0.00/0.0%
Shares Outstanding (mln, f.d.)	265.0	Current Net Debt (mln)	-US\$59
Average Daily Volume (000s)	3,333	Enterprise Value (mln)	US\$590

EPS	1Q Mar	2Q Jun	3Q Sep	4Q Dec	Full Year	Revenue (mln)	NAV	P/E	P/NAV
2009A	US\$(0.02)	US\$0.00	US\$0.01	US\$0.03	US\$0.02	US\$401		NA	
Old 2010A	0.02	0.03	(0.01)	(0.07)	(0.02)	433	NA		
<b>New 2010A</b>	<b>0.02</b>	<b>0.03</b>	<b>(0.01)</b>	<b>(0.07)</b>	<b>(0.02)</b>	<b>433</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Old 2011E	(0.01)A	0.01	0.03	0.05	0.08	465	2.81		
<b>New 2011E</b>	<b>(0.01)A</b>	<b>0.01</b>	<b>0.05</b>	<b>0.08</b>	<b>0.14</b>	<b>491</b>	<b>3.03</b>	<b>15.0x</b>	<b>0.8x</b>

	Au Price (US\$/oz)	Au Production (000 oz)	Au Total Cash Cost (US\$/oz)	CFPS	P/CFPS	EBITDA (mln)	EV/EBITDA
2009A	US\$973	410.0	US\$596	US\$0.50	5.0x	US\$164	3.6x
Old 2010A	1,219	355.0	810	0.41		118	
<b>New 2010A</b>	<b>1,219</b>	<b>355.0</b>	<b>810</b>	<b>0.41</b>	<b>6.1x</b>	<b>118</b>	<b>5.0x</b>
Old 2011E	1,449	320.0	1,016	0.39		139	
<b>New 2011E</b>	<b>1,520</b>	<b>322.0</b>	<b>1,034</b>	<b>0.44</b>	<b>5.7x</b>	<b>158</b>	<b>3.7x</b>

Source: Raymond James Ltd., Thomson One

## Great Basin Gold Ltd. GBG-AMEX

Rating: Outperform

Current Price(Aug-01-11)	US\$2.09	Target Price (6-12 mos)	Old: US\$3.90	New: US\$4.00
52-Week Range	US\$3.32 - US\$1.67	Total Return to Target	91%	
Market Capitalization (mln)	US\$848	Dividend/Yield	US\$0.00/0.0%	
Shares Outstanding (mln, f.d.)	451.0	Current Net Debt (mln)	US\$122	
Average Daily Volume (000s)	2,193	Enterprise Value (mln)	US\$970	

EPS	1Q Mar	2Q Jun	3Q Sep	4Q Dec	Full Year	Revenue (mln)	NAV	P/E	P/NAV
2009A	C\$(0.04)	C\$(0.04)	C\$(0.05)	C\$(0.01)	C\$(0.13)	C\$34		NA	
Old 2010A	(0.02)	0.00	(0.04)	0.01	(0.05)	100	NA		
<b>New 2010A</b>	<b>(0.02)</b>	<b>0.00</b>	<b>(0.04)</b>	<b>0.01</b>	<b>(0.05)</b>	<b>100</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Old 2011E	(0.02)A	0.00	0.02	0.06	0.07	265	2.75		
<b>New 2011E</b>	<b>(0.02)A</b>	<b>0.00</b>	<b>0.04</b>	<b>0.08</b>	<b>0.10</b>	<b>282</b>	<b>3.32</b>	<b>25.5x</b>	<b>0.7x</b>

	Au Price (US\$/oz)	Au Production (000 oz)	Au Total Cash Cost (US\$/oz)	CFPS	P/CFPS	EBITDA (mln)	EV/EBITDA
2009A	US\$973	44.0	US\$525	C\$(0.05)	NA	C\$(54)	NA
Old 2010A	1,226	89.0	770	(0.04)		(15)	
<b>New 2010A</b>	<b>1,226</b>	<b>89.0</b>	<b>770</b>	<b>(0.04)</b>	<b>NA</b>	<b>(15)</b>	<b>NA</b>
Old 2011E	1,425	190.0	767	0.19		81	
<b>New 2011E</b>	<b>1,520</b>	<b>190.0</b>	<b>771</b>	<b>0.20</b>	<b>10.4x</b>	<b>98</b>	<b>9.9x</b>

Source: Raymond James Ltd., Thomson One

## Gold

## Guyana Goldfields Inc. GUY-TSX

Rating: Outperform

Current Price(Aug-01-11)	C\$8.00	Target Price (6-12 mos)	C\$15.00
52-Week Range	C\$11.79 - C\$6.65	Total Return to Target	88%
Market Capitalization (mln)	C\$667	Dividend/Yield	C\$0.00/0.0%
Shares Outstanding (mln, f.d.)	91.0	Current Net Debt (mln)	-C\$67
Average Daily Volume (000s)	240	Enterprise Value (mln)	C\$600

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Jan	Apr	Jul	Oct	Year	(mln)			
2009A	C\$0.00	C\$(0.02)	C\$(0.01)	C\$(0.04)	C\$(0.06)	C\$0		NA	
Old 2010E	(0.01)A	(0.01)A	(0.01)A	(0.02)	(0.05)	0	NA		
<b>New 2010E</b>	<b>(0.01)A</b>	<b>(0.01)A</b>	<b>(0.01)A</b>	<b>(0.02)</b>	<b>(0.05)</b>	<b>0</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Old 2011E	(0.01)	(0.01)	(0.02)	(0.02)	(0.07)	0	11.15		
<b>New 2011E</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.02)</b>	<b>(0.02)</b>	<b>(0.06)</b>	<b>0</b>	<b>13.31</b>	<b>NA</b>	<b>0.7x</b>

	Au Price (US\$/oz)	Au Production (000 oz)	Au Total Cash Cost (US\$/oz)	CFPS	P/CFPS	EBITDA (mln)	EV/EBITDA
2009A	US\$973	0.0	US\$0	C\$(0.05)	NA	C\$(5)	NA
Old 2010E	1,226	0.0	0	(0.04)		(8)	
<b>New 2010E</b>	<b>1,226</b>	<b>0.0</b>	<b>0</b>	<b>(0.04)</b>	<b>NA</b>	<b>(8)</b>	<b>NA</b>
Old 2011E	1,425	0.0	0	(0.08)		(12)	
<b>New 2011E</b>	<b>1,520</b>	<b>0.0</b>	<b>0</b>	<b>(0.08)</b>	<b>NA</b>	<b>(12)</b>	<b>NA</b>

Source: Raymond James Ltd., Thomson One

## Kiska Metals Corporation KSK-TSXV

Rating: Strong Buy

Current Price(Aug-01-11)	C\$0.72	Target Price (6-12 mos)	Old: C\$1.80 New: C\$1.50
52-Week Range	C\$1.74 - C\$0.65	Total Return to Target	108%
Market Capitalization (mln)	C\$71	Dividend/Yield	nm/nm
Shares Outstanding (mln, basic)	99.2	Current Net Debt (mln)	-C\$27
Average Daily Volume (000s)	190	Enterprise Value (mln)	C\$45

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
2010A	C\$(0.03)	C\$(0.06)	C\$(0.09)	C\$0.00	C\$(0.17)	C\$1		nm	
Old 2011E	(0.04)	(0.03)	(0.03)	(0.03)	(0.13)	1	NA		
<b>New 2011E</b>	<b>(0.04)A</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(0.12)</b>	<b>1</b>	<b>3.46</b>	<b>nm</b>	<b>0.2x</b>
Old 2012E	NA	NA	NA	NA	NA	NA	NA		
<b>New 2012E</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(0.13)</b>	<b>1</b>	<b>NA</b>	<b>nm</b>	<b>NA</b>

	CFPS	Working Capital (mln)	Capex (mln)	Long Term Debt (mln)	Production (000s oz)	Cash Costs (US\$/oz)
2010A	C\$(0.20)	C\$7.5	C\$(0.4)	C\$0.0	0.0	US\$0.0
Old 2011E	(0.13)	18.3	0.0	0.0	0.0	0.0
<b>New 2011E</b>	<b>(0.11)</b>	<b>18.6</b>	<b>(0.5)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Old 2012E	NA	NA	NA	NA	NA	NA
<b>New 2012E</b>	<b>(0.13)</b>	<b>11.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: Raymond James Ltd., Thomson One

## Gold

## Lake Shore Gold Corp. LSG-TSX

Rating: Market Perform

Current Price(Aug-01-11)	C\$2.37	Target Price (6-12 mos)	C\$3.60
52-Week Range	C\$4.42 - C\$1.98	Total Return to Target	51%
Market Capitalization (mln)	C\$954	Dividend/Yield	nm/nm
Shares Outstanding (mln, basic)	399.3	Current Net Debt (mln)	-C\$79
Average Daily Volume (000s)	2,279	Enterprise Value (mln)	C\$876

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
Old 2010A	C\$(0.01)	C\$(0.01)	C\$(0.01)	C\$(0.01)	C\$(0.02)	C\$0		nm	
Old 2011E	0.01A	(0.03)	(0.03)	(0.02)	(0.08)	93	2.65		
<b>New 2011E</b>	<b>0.01A</b>	<b>(0.03)</b>	<b>(0.02)</b>	<b>(0.02)</b>	<b>(0.06)</b>	<b>98</b>	<b>2.87</b>	<b>nm</b>	<b>0.8x</b>
Old 2012E	(0.01)	(0.01)	(0.01)	0.00	(0.03)	137	NA		
<b>New 2012E</b>	<b>(0.01)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>150</b>	<b>NA</b>	<b>nm</b>	<b>NA</b>

	CFPS	Working Capital (mln)	Capex (mln)	Long Term Debt (mln)	Production (000s oz)	Cash Costs (US\$/oz)
Old 2010A	C\$(0.02)	C\$68.3	C\$(103.6)	C\$0.0	44.0	US\$857.0
Old 2011E	(0.01)	14.1	(111.0)	0.0	85.2	796.0
<b>New 2011E</b>	<b>0.01</b>	<b>19.6</b>	<b>(111.0)</b>	<b>0.0</b>	<b>85.2</b>	<b>796.0</b>
Old 2012E	0.03	(20.3)	(98.4)	0.0	97.6	689.0
<b>New 2012E</b>	<b>0.06</b>	<b>(20.3)</b>	<b>(98.4)</b>	<b>0.0</b>	<b>97.6</b>	<b>689.0</b>

Source: Raymond James Ltd., Thomson One

## Orezone Gold Corp. ORE-TSX

Rating: Outperform

Current Price(Aug-01-11)	C\$3.20	Target Price (6-12 mos)	Old: C\$5.45 New: C\$6.00
52-Week Range	C\$5.26 - C\$0.70	Total Return to Target	88%
Market Capitalization (mln)	C\$265	Dividend/Yield	C\$0.00/0.0%
Shares Outstanding (mln, f.d.)	86.0	Current Net Debt (mln)	-C\$61
Average Daily Volume (000s)	245	Enterprise Value (mln)	C\$204

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
Old 2009A	C\$(0.01)	C\$(0.01)	C\$0.00	C\$(0.01)	C\$(0.03)	C\$1		NA	
Old 2010A	0.00	0.03	0.00	0.00	0.02	4	NA		
<b>New 2010A</b>	<b>0.00</b>	<b>0.03</b>	<b>0.00</b>	<b>0.00</b>	<b>0.02</b>	<b>4</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Old 2011E	(0.06)A	(0.01)	(0.01)	(0.01)	(0.03)	0	4.32		
<b>New 2011E</b>	<b>(0.06)A</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.03)</b>	<b>0</b>	<b>5.95</b>	<b>NA</b>	<b>0.6x</b>

	Au Price (US\$/oz)	Au Production (000 oz)	Au Total Cash Cost (US\$/oz)	CFPS	P/CFPS	EBITDA (mln)	EV/EBITDA
Old 2009A	US\$973	0.0	US\$0	US\$(0.02)	NA	US\$(2)	NA
Old 2010A	1,226	0.0	0	(0.02)		1	
<b>New 2010A</b>	<b>1,226</b>	<b>0.0</b>	<b>0</b>	<b>(0.02)</b>	<b>NA</b>	<b>1</b>	<b>148.0x</b>
Old 2011E	1,449	0.0	0	(0.03)		(2)	
<b>New 2011E</b>	<b>1,520</b>	<b>0.0</b>	<b>0</b>	<b>(0.03)</b>	<b>NA</b>	<b>(2)</b>	<b>NA</b>

Source: Raymond James Ltd., Thomson One

## Gold

## Osisko Mining Corp. OSK-TSX

Rating: Market Perform

Current Price(Aug-01-11)	C\$14.17	Target Price (6-12 mos)	Old: C\$16.25	New: C\$16.75
52-Week Range	C\$16.39 - C\$12.07	Total Return to Target	18%	
Market Capitalization (mln)	C\$5,410	Dividend/Yield	C\$0.00/0.0%	
Shares Outstanding (mln, f.d.)	408.0	Current Net Debt (mln)	-C\$99	
Average Daily Volume (000s)	1,773	Enterprise Value (mln)	C\$5,311	

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
Old 2009A	C\$0.00	C\$(0.02)	C\$(0.02)	C\$(0.02)	C\$(0.08)	C\$0		NA	
Old 2010A	0.00	(0.02)	(0.03)	0.00	(0.05)	0	NA		
<b>New 2010A</b>	<b>0.00</b>	<b>(0.02)</b>	<b>(0.03)</b>	<b>0.00</b>	<b>(0.05)</b>	<b>0</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Old 2011E	(0.01)A	(0.01)	0.12	0.24	0.33	394	10.19		
<b>New 2011E</b>	<b>(0.01)A</b>	<b>(0.01)</b>	<b>0.14</b>	<b>0.28</b>	<b>0.39</b>	<b>431</b>	<b>11.11</b>	<b>NA</b>	<b>1.3x</b>

	Au	Au	Au	CFPS	P/CFPS	EBITDA	EV/EBITDA
	Price	Production	Total Cash			(mln)	
	(US\$/oz)	(000 oz)	Cost				
			(US\$/oz)				
Old 2009A	US\$973	0.0	US\$0	C\$(0.07)	NA	C\$(24)	NA
Old 2010A	1,226	0.0	0	(0.05)		(27)	
<b>New 2010A</b>	<b>1,226</b>	<b>0.0</b>	<b>0</b>	<b>(0.05)</b>	<b>NA</b>	<b>(27)</b>	<b>NA</b>
Old 2011E	1,449	270.0	467	0.41		236	
<b>New 2011E</b>	<b>1,520</b>	<b>270.0</b>	<b>466</b>	<b>0.47</b>	<b>30.0x</b>	<b>274</b>	<b>19.4x</b>

Source: Raymond James Ltd., Thomson One

## Silvercorp Metal SVM-NYSE

Rating: Outperform

Current Price(Aug-01-11)	US\$10.23	Target Price (6-12 mos)	Old: US\$16.80	New: US\$16.00
52-Week Range	US\$16.32 - US\$6.45	Total Return to Target	56%	
Market Capitalization (mln)	US\$1,787	Dividend/Yield	US\$0.08/0.8%	
Shares Outstanding (mln, f.d.)	172.0	Current Net Debt (mln)	-US\$224	
Average Daily Volume (000s)	3,439	Enterprise Value (mln)	US\$1,563	

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
Old 2010A	US\$0.09	US\$0.07	US\$0.11	US\$0.07	US\$0.34	US\$154		43.7x	
Old 2011A	0.09	0.07	0.13	0.08	0.37	176	NA		
<b>New 2011A</b>	<b>0.09</b>	<b>0.07</b>	<b>0.13</b>	<b>0.08</b>	<b>0.37</b>	<b>176</b>	<b>NA</b>	<b>25.0x</b>	<b>NA</b>
Old 2012E	0.16	0.14	0.15	0.14	0.60	272	7.98		
<b>New 2012E</b>	<b>0.16</b>	<b>0.16</b>	<b>0.17</b>	<b>0.16</b>	<b>0.65</b>	<b>289</b>	<b>9.22</b>	<b>15.6x</b>	<b>0.0x</b>

	Ag	Ag	Ag	CFPS	P/CFPS	EBITDA	EV/EBITDA
	Price	Production	Cash Cost			(mln)	
	(US\$/oz)	(mln oz)	(US\$/oz)				
Old 2010A	US\$23.48	5.0	US\$(6.14)	US\$0.52	27.8x	US\$90	30.1x
Old 2011A	23.96	5.0	(6.59)	0.55		97	
<b>New 2011A</b>	<b>23.96</b>	<b>5.0</b>	<b>(6.59)</b>	<b>0.55</b>	<b>18.7x</b>	<b>97</b>	<b>16.1x</b>
Old 2012E	36.13	6.0	(6.89)	0.91		165	
<b>New 2012E</b>	<b>39.79</b>	<b>6.0</b>	<b>(6.78)</b>	<b>0.99</b>	<b>10.3x</b>	<b>178</b>	<b>8.8x</b>

Fiscal years ending before May are treated as previous year. Source: Raymond James Ltd., Thomson One. Fiscal Year End March 31st.

## Gold

## Sulliden Gold Corporation Ltd. SUE-TSX

Rating: Strong Buy

Current Price(Aug-01-11)	C\$1.91	Target Price (6-12 months)	Old: C\$3.20	New: C\$3.30
52-Week Range	C\$2.78 - C\$0.62	Total Return to Target	73%	
Market Capitalization (mln)	C\$394	Dividend/Yield	C\$0.00/0.0%	
Shares Outstanding (mln, f.d.)	228.4	Current Net Debt (mln)	-C\$49	
Average Daily Volume (000s)	1,110	Enterprise Value (mln)	C\$345	

EPS	1Q	2Q	3Q	4Q	Full	Revenues	NAVPS	P/E	CFPS
	Jul	Oct	Jan	Apr	Year	(mln)			
2009A	NA	NA	NA	NA	NA	NA		NA	NA
Old 2010A	0.00	(0.02)	(0.03)	(0.01)	(0.06)	0	NA		(0.04)
<b>New 2010A</b>	<b>0.00</b>	<b>(0.02)</b>	<b>(0.03)</b>	<b>(0.01)</b>	<b>(0.06)</b>	<b>0</b>	<b>NA</b>	<b>nm</b>	<b>(0.04)</b>
Old 2011E	(0.01)A	(0.01)A	(0.03)	(0.01)	(0.06)	0	2.76		(0.01)
<b>New 2011E</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.03)</b>	<b>(0.01)</b>	<b>(0.06)</b>	<b>0</b>	<b>3.26</b>	<b>nm</b>	<b>(0.01)</b>

	Working	Capex	Cash	Gold
	Capital (mln)	(mln)	Costs	Production
			(US\$/oz)	('000 oz)
2009A	NA	NA	NA	NA
Old 2010A	13.2	6.0	0	0.0
<b>New 2010A</b>	<b>13.2</b>	<b>6.0</b>	<b>0</b>	<b>0.0</b>
Old 2011E	47.8	11.9	0	0.0
<b>New 2011E</b>	<b>47.8</b>	<b>11.9</b>	<b>0</b>	<b>0.0</b>

Source: Raymond James Ltd., Thomson One

## Gold

## Trelawney Mining and Exploration Inc. TRR-TSXV

Rating: Outperform

Current Price(Aug-01-11)	C\$5.00	Target Price (6-12 mos)	C\$6.80
52-Week Range	C\$5.91 - C\$0.69	Total Return to Target	36%
Market Capitalization (mln)	C\$725	Dividend/Yield	C\$0.00/0.0%
Shares Outstanding (mln, basic)	144.9	Current Net Debt (mln)	-C\$104
Average Daily Volume (000s)	480	Enterprise Value (mln)	C\$621

EPS	1Q	2Q	3Q	4Q	Full	Revenues	P/E	NAV	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
2010A	C\$(0.02)	C\$(0.02)	C\$(0.02)	C\$(0.07)	C\$(0.13)	C\$0	nm		
Old 2011E	(0.10)A	(0.03)	(0.01)	(0.01)	(0.16)	1		5.63	
<b>New 2011E</b>	<b>(0.10)A</b>	<b>(0.03)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.16)</b>	<b>1</b>	<b>nm</b>	<b>5.93</b>	<b>0.84x</b>
Old 2012E	(0.01)	(0.01)	(0.01)	(0.01)	(0.05)	0		NA	
<b>New 2012E</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.05)</b>	<b>0</b>	<b>nm</b>	<b>NA</b>	<b>N/A</b>

	CFPS	Working Capital (mln)	Capex (mln)	Long Term Debt (mln)	Production (Moz)	Cash Costs (US\$/oz)
2010A	C\$(0.06)	C\$52.20	C\$(5.10)	C\$0.00	0.00	US\$0.00
Old 2011E	(0.12)	82.60	(19.40)	0.00	0.00	850.00
<b>New 2011E</b>	<b>(0.12)</b>	<b>82.60</b>	<b>(19.50)</b>	<b>0.00</b>	<b>0.00</b>	<b>856.00</b>
Old 2012E	(0.05)	50.50	(24.10)	0.00	0.00	0.00
<b>New 2012E</b>	<b>(0.05)</b>	<b>50.50</b>	<b>(24.10)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Source: Raymond James Ltd., Thomson One

## Victoria Gold Corp. VIT-TSXV

Rating: Strong Buy

Current Price(Aug-01-11)	C\$0.67	Target Price (6-12 mos)	C\$1.20
52-Week Range	C\$1.55 - C\$0.58	Total Return to Target	79%
Market Capitalization (mln)	C\$186	Dividend/Yield	nm/nm
Shares Outstanding (mln, basic)	295.5	Current Net Debt (mln)	-C\$26
Average Daily Volume (000s)	289	Enterprise Value (mln)	C\$160

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	May	Aug	Nov	Feb	Year	(mln)			
2010A	C\$(0.01)	C\$(0.01)	C\$(0.02)	C\$0.00	C\$(0.03)	C\$0		nm	
Old 2011E	(0.03)A	0.00A	0.00A	0.00	(0.01)	0	0.95		
<b>New 2011A</b>	<b>(0.03)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(0.01)</b>	<b>0</b>	<b>0.95</b>	<b>nm</b>	<b>0.7x</b>
Old 2012E	0.00	0.00	0.00	0.00	(0.02)	0	NA		
<b>New 2012E</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(0.01)</b>	<b>0</b>	<b>NA</b>	<b>nm</b>	<b>NA</b>

	CFPS	Working Capital (mln)	Capex (mln)	Long Term Debt (mln)	Production (Moz)	Cash Costs (US\$/oz)
2010A	C\$(0.02)	C\$17.6	C\$(10.6)	C\$0.0	0.0	US\$0.0
Old 2011E	(0.01)	30.1	(15.3)	0.0	0.0	0.0
<b>New 2011A</b>	<b>(0.01)</b>	<b>25.5</b>	<b>(19.9)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Old 2012E	(0.01)	(1.9)	0.0	0.0	0.0	0.0
<b>New 2012E</b>	<b>(0.01)</b>	<b>23.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: Raymond James Ltd., Thomson One

## Gold

## Yamana Gold Inc. AUJ-NYSE

Rating: Outperform

Current Price(Aug-01-11)	US\$13.09	Target Price (6-12 mos)	Old: US\$19.00	New: US\$19.25
52-Week Range	US\$13.69 - US\$9.33	Total Return to Target	47%	
Market Capitalization (mln)	US\$9,750	Dividend/Yield	US\$0.12/0.9%	
Shares Outstanding (mln, f.d.)	752.0	Current Net Debt (mln)	US\$25	
Average Daily Volume (000s)	8,775	Enterprise Value (mln)	US\$9,775	

Adjusted EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
2009A	US\$0.04	US\$0.13	US\$0.12	US\$0.14	US\$0.43	US\$1,183		30.7x	
Old 2010A	0.10	0.12	0.16	0.23	0.61	1,687	NA		
<b>New 2010A</b>	<b>0.10</b>	<b>0.12</b>	<b>0.16</b>	<b>0.23</b>	<b>0.61</b>	<b>1,687</b>	<b>NA</b>	<b>21.5x</b>	<b>NA</b>
Old 2011E	0.21A	0.24	0.25	0.26	0.95	2,230	11.60		
<b>New 2011E</b>	<b>0.21A</b>	<b>0.24</b>	<b>0.28</b>	<b>0.29</b>	<b>1.01</b>	<b>2,302</b>	<b>11.79</b>	<b>13.0x</b>	<b>1.1x</b>

	Au Price (US\$/oz)	Au Production (000 oz)	Au Co-Product Cash Cost (US\$/oz)	CFPS	P/CFPS	EBITDA (mln)	EV/EBITDA
2009A	US\$973	981.0	US\$357	US\$0.70	18.7x	US\$617	15.9x
Old 2010A	1,226	1,026.0	451	1.00		956	
<b>New 2010A</b>	<b>1,226</b>	<b>1,026.0</b>	<b>451</b>	<b>1.00</b>	<b>13.1x</b>	<b>956</b>	<b>10.2x</b>
Old 2011E	1,425	1,091.0	465	1.49		1,393	
<b>New 2011E</b>	<b>1,425</b>	<b>1,088.0</b>	<b>466</b>	<b>1.55</b>	<b>8.4x</b>	<b>1,459</b>	<b>6.7x</b>

Source: Raymond James Ltd., Thomson One

## Bear Creek Mining Corp. BCM-TSXV

Rating: Market Perform

Current Price(Aug-01-11)	C\$4.83	Target Price (6-12 mos)	C\$7.80
52-Week Range	C\$12.00 - C\$3.58	Total Return to Target	61%
Market Capitalization (mln)	C\$445	Dividend/Yield	C\$0.00/0.0%
Shares Outstanding (mln, f.d.)	94.0	Current Net Debt (mln)	-C\$144
Average Daily Volume (000s)	472	Enterprise Value (mln)	C\$301

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
2009A	C\$(0.03)	C\$(0.03)	C\$(0.07)	C\$(0.02)	C\$(0.15)	C\$0		NA	
Old 2010A	(0.05)	(0.07)	(0.05)	(0.05)	(0.20)	0	NA		
<b>New 2010A</b>	<b>(0.05)</b>	<b>(0.07)</b>	<b>(0.05)</b>	<b>(0.05)</b>	<b>(0.20)</b>	<b>0</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Old 2011E	(0.04)A	(0.03)	(0.04)	(0.04)	(0.14)	0	8.93		
<b>New 2011E</b>	<b>(0.04)A</b>	<b>(0.03)</b>	<b>(0.04)</b>	<b>(0.04)</b>	<b>(0.14)</b>	<b>0</b>	<b>10.49</b>	<b>NA</b>	<b>0.6x</b>

	Ag Price (US\$/oz)	Ag Production (mln oz)	Ag Cash Cost (US\$/oz)	CFPS	P/CFPS	EBITDA (mln)	EV/EBITDA
2009A	US\$14.69	0.0	US\$0.00	C\$(0.09)	NA	C\$(9)	NA
Old 2010A	20.21	0.0	0.00	(0.21)		(18)	
<b>New 2010A</b>	<b>20.21</b>	<b>0.0</b>	<b>0.00</b>	<b>(0.21)</b>	<b>NA</b>	<b>(18)</b>	<b>NA</b>
Old 2011E	35.36	0.0	0.00	(0.15)		(21)	
<b>New 2011E</b>	<b>37.80</b>	<b>0.0</b>	<b>0.00</b>	<b>(0.15)</b>	<b>NA</b>	<b>(21)</b>	<b>NA</b>

Source: Raymond James Ltd., Thomson One

## Silver

## MAG Silver MAG-TSX

Rating: Outperform

Current Price(Aug-01-11)	C\$10.35	Target Price (6-12 mos)	Old: C\$16.40 New: C\$14.70
52-Week Range	C\$14.15 - C\$6.12	Total Return to Target	42%
Market Capitalization (mln)	C\$573	Dividend/Yield	nm/nm
Shares Outstanding (mln, basic)	55.3	Current Net Debt (mln)	-C\$36
Average Daily Volume (000s)	130	Enterprise Value (mln)	C\$537

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAVPS	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
Old 2010A	C\$(0.03)	C\$(0.08)	C\$(0.09)	C\$(0.09)	C\$(0.24)	C\$0		nm	
Old 2011E	(0.04)	(0.04)	(0.04)	(0.04)	(0.15)	0	NA		
<b>New 2011E</b>	<b>(0.03)A</b>	<b>(0.04)</b>	<b>(0.04)</b>	<b>(0.04)</b>	<b>(0.14)</b>	<b>0</b>	<b>9.52</b>	<b>nm</b>	<b>1.1x</b>
Old 2012E	NA	NA	NA	NA	NA	NA	NA		
<b>New 2012E</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>(0.14)</b>	<b>0</b>	<b>NA</b>	<b>nm</b>	<b>NA</b>

	CFPS	Working	Capex	Long	Production	Cash
		Capital (mln)	(mln)	Term Debt	(Moz)	Costs
				(mln)		(US\$/oz)
Old 2010A	C\$(0.13)	C\$40.5	C\$(3.0)	C\$0.0	0.0	US\$0.0
Old 2011E	(0.08)	18.8	(19.4)	0.0	0.0	0.0
<b>New 2011E</b>	<b>(0.11)</b>	<b>35.7</b>	<b>(0.2)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Old 2012E	NA	NA	NA	NA	NA	NA
<b>New 2012E</b>	<b>(0.08)</b>	<b>40.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: Raymond James Ltd., Thomson One

## Minco Silver MSV-TSX

Rating: Market Perform

Current Price(Aug-01-11)	C\$4.08	Target Price (6-12 mos)	C\$5.90
52-Week Range	C\$7.14 - C\$2.95	Total Return to Target	45%
Market Capitalization (mln)	C\$235	Dividend/Yield	C\$0.00/0.0%
Shares Outstanding (mln, f.d.)	64.0	Current Net Debt (mln)	-C\$69
Average Daily Volume (000s)	101	Enterprise Value (mln)	C\$165

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
Old 2009A	C\$(0.01)	C\$(0.03)	C\$(0.01)	C\$(0.05)	C\$(0.14)	C\$0		NA	
Old 2010A	(0.03)	0.01	(0.03)	(0.08)	(0.08)	0	NA		
<b>New 2010A</b>	<b>(0.03)</b>	<b>0.01</b>	<b>(0.03)</b>	<b>(0.08)</b>	<b>(0.08)</b>	<b>0</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Old 2011E	(0.05)A	(0.02)	(0.02)	(0.02)	(0.11)	0	5.87		
<b>New 2011E</b>	<b>(0.05)A</b>	<b>(0.02)</b>	<b>(0.02)</b>	<b>(0.02)</b>	<b>(0.11)</b>	<b>0</b>	<b>7.25</b>	<b>NA</b>	<b>0.86x</b>

	Ag	Ag	Ag	CFPS	P/CFPS	EBITDA	EV/EBITDA
	Price	Production	Cash Cost			(mln)	
	(US\$/oz)	(mln oz)	(US\$/oz)				
Old 2009A	US\$14.69	0.0	US\$0.00	C\$(0.09)	NA	US\$(5)	NA
Old 2010A	20.21	0.0	0.00	(0.07)		(4)	
<b>New 2010A</b>	<b>20.21</b>	<b>0.0</b>	<b>0.00</b>	<b>(0.07)</b>	<b>NA</b>	<b>(4)</b>	<b>NA</b>
Old 2011E	35.36	0.0	0.00	(0.05)		(7)	
<b>New 2011E</b>	<b>37.80</b>	<b>0.0</b>	<b>0.00</b>	<b>(0.05)</b>	<b>NA</b>	<b>(7)</b>	<b>NA</b>

Source: Raymond James Ltd., Thomson One

## Silver

## Pan American Silver PAAS-NASDAQ

Rating: Strong Buy

Current Price(Aug-01-11)	US\$31.46	Target Price (6-12 mos)	Old: US\$50.50	New: US\$51.25
52-Week Range	US\$43.06 - US\$22.70	Total Return to Target	63%	
Market Capitalization (mln)	US\$3,373	Dividend/Yield	US\$0.03/0.1%	
Shares Outstanding (mln, f.d.)	108.0	Current Net Debt (mln)	-US\$361	
Average Daily Volume (000s)	1,487	Enterprise Value (mln)	US\$3,013	

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
2009A	US\$0.07	US\$0.15	US\$0.22	US\$0.28	US\$0.72	US\$455		NA	
Old 2010A	0.20	0.20	0.26	0.41	1.07	632	NA		
<b>New 2010A</b>	<b>0.20</b>	<b>0.20</b>	<b>0.26</b>	<b>0.41</b>	<b>1.07</b>	<b>632</b>	<b>NA</b>	<b>30.1x</b>	<b>NA</b>
Old 2011E	0.62A	0.65	0.61	0.71	2.59	1,002	23.24		
<b>New 2011E</b>	<b>0.62A</b>	<b>0.65</b>	<b>0.78</b>	<b>0.82</b>	<b>2.87</b>	<b>1,058</b>	<b>26.40</b>	<b>9.6x</b>	<b>1.2x</b>

	Ag	Ag	Ag	CFPS	P/CFPS	EBITDA	EV/EBITDA
	Price	Production	Cash Cost			(mln)	
	(US\$/oz)	(mln oz)	(US\$/oz)				
2009A	US\$14.69	23.0	US\$5.53	US\$1.70	18.7x	US\$177	17.0x
Old 2010A	20.21	24.0	5.79	2.02		291	
<b>New 2010A</b>	<b>20.21</b>	<b>24.0</b>	<b>5.79</b>	<b>2.02</b>	<b>15.5x</b>	<b>291</b>	<b>10.3x</b>
Old 2011E	35.36	23.0	7.38	3.44		584	
<b>New 2011E</b>	<b>37.80</b>	<b>23.2</b>	<b>7.40</b>	<b>3.76</b>	<b>8.4x</b>	<b>641</b>	<b>4.7x</b>

Source: Raymond James Ltd., Thomson One

## Silver Wheaton SLW-NYSE

Rating: Outperform

Current Price(Aug-01-11)	US\$34.41	Target Price (6-12 mos)	Old: US\$50.00	New: US\$52.00
52-Week Range	US\$47.60 - US\$18.90	Total Return to Target	51%	
Market Capitalization (mln)	US\$11,925	Dividend/Yield	US\$0.12/0.4%	
Shares Outstanding (mln, f.d.)	358.0	Current Net Debt (mln)	-US\$321	
Average Daily Volume (000s)	11,085	Enterprise Value (mln)	US\$11,604	

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Mar	Jun	Sep	Dec	Year	(mln)			
2009A	US\$0.06	US\$0.06	US\$0.11	US\$0.14	US\$0.39	US\$239		NA	
Old 2010A	0.14	0.16	0.17	0.33	0.80	423	NA		
<b>New 2010A</b>	<b>0.14</b>	<b>0.16</b>	<b>0.17</b>	<b>0.33</b>	<b>0.80</b>	<b>423</b>	<b>NA</b>	<b>41.6x</b>	<b>NA</b>
Old 2011E	0.34A	0.48	0.56	0.57	1.95	917	21.95		
<b>New 2011E</b>	<b>0.34A</b>	<b>0.48</b>	<b>0.71</b>	<b>0.68</b>	<b>2.21</b>	<b>1,010</b>	<b>26.84</b>	<b>15.8x</b>	<b>1.3x</b>

	Ag	Ag	Ag	CFPS	P/CFPS	EBITDA	EV/EBITDA
	Price	Production	Cash Cost			(mln)	
	(US\$/oz)	(mln oz)	(US\$/oz)				
2009A	US\$14.69	16.0	US\$3.98	US\$0.53	65.0x	C\$159	72.9x
Old 2010A	20.21	20.0	3.97	0.93		334	
<b>New 2010A</b>	<b>20.21</b>	<b>20.0</b>	<b>3.97</b>	<b>0.93</b>	<b>37.0x</b>	<b>334</b>	<b>34.7x</b>
Old 2011E	35.36	25.0	4.01	2.15		757	
<b>New 2011E</b>	<b>37.80</b>	<b>25.5</b>	<b>4.01</b>	<b>2.41</b>	<b>14.0x</b>	<b>849</b>	<b>13.7x</b>

Source: Raymond James Ltd., Thomson One

## Silver

## Silvercorp Metal SVM-TSX

Rating: Outperform

Current Price(Aug-01-11)	US\$10.27	Target Price (6-12 mos)	Old: US\$16.80	New: US\$16.00
52-Week Range	US\$16.32 - US\$6.45	Total Return to Target	56%	
Market Capitalization (mln)	US\$1,794	Dividend/Yield	US\$0.08/0.8%	
Shares Outstanding (mln, f.d.)	172.0	Current Net Debt (mln)	-US\$224	
Average Daily Volume (000s)	3,439	Enterprise Value (mln)	US\$1,570	

EPS	1Q	2Q	3Q	4Q	Full	Revenue	NAV	P/E	P/NAV
	Jun	Sep	Dec	Mar	Year	(mln)			
2010A	US\$0.09	US\$0.07	US\$0.11	US\$0.07	US\$0.34	US\$154		43.8x	
Old 2011A	0.09	0.07	0.13	0.08	0.37	176	NA		
<b>New 2011A</b>	<b>0.09</b>	<b>0.07</b>	<b>0.13</b>	<b>0.08</b>	<b>0.37</b>	<b>176</b>	<b>NA</b>	<b>25.1x</b>	<b>NA</b>
Old 2012E	0.16	0.14	0.15	0.14	0.60	272	7.98		
<b>New 2012E</b>	<b>0.16</b>	<b>0.16</b>	<b>0.17</b>	<b>0.16</b>	<b>0.65</b>	<b>289</b>	<b>9.22</b>	<b>15.7x</b>	<b>0.0x</b>

	Ag	Ag	Ag	CFPS	P/CFPS	EBITDA	EV/EBITDA
	Price	Production	Cash Cost			(mln)	
	(US\$/oz)	(mln oz)	(US\$/oz)				
2010A	US\$23.48	5.0	US\$(6.14)	US\$0.52	27.9x	US\$90	30.2x
Old 2011A	23.96	5.0	(6.59)	0.55		97	
<b>New 2011A</b>	<b>23.96</b>	<b>5.0</b>	<b>(6.59)</b>	<b>0.55</b>	<b>18.8x</b>	<b>97</b>	<b>16.2x</b>
Old 2012E	36.13	6.0	(6.89)	0.91		165	
<b>New 2012E</b>	<b>39.79</b>	<b>6.0</b>	<b>(6.78)</b>	<b>0.99</b>	<b>10.4x</b>	<b>178</b>	<b>8.8x</b>

Fiscal years ending before May are treated as previous year. Source: Raymond James Ltd., Thomson One. Fiscal Year End March 31st .

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	Coverage Universe Rating Distribution		Investment Banking Distribution	
	RJL	RJA	RJL	RJA
<b>Strong Buy and Outperform (Buy)</b>	75%	56%	59%	15%
<b>Market Perform (Hold)</b>	23%	39%	35%	5%
<b>Underperform (Sell)</b>	2%	5%	0%	2%

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