

Past conflict of interest: On June 3, 2008 Galway Resources engaged our advisory affiliate John Tumazos Very Independent Opinions, LLC to commercialize its Victorio, New Mexico molybdenum-tungsten deposit containing up to 300 mm pounds of each mineral in situ (see www.galwayresources.com June 3, 2008 press release). We received compensation from Galway Resources, as we exercised warrants for 250,000 shares issued on June 2, 2009 at C\$0.15. On April 19, 2011 we received warrants for 100,000 more Galway Resources common shares exercisable at C\$1.24 that were exercised prior to the December 20, 2012 merger. No transactions were generated from the Victorio, New Mexico molybdenum-tungsten advisory. We own 2,018,000 shares of Galway Gold and 165,986 post-split shares of Galway Metals (GAYMF US \$0.25)

GALWAY GOLD MAY SEEK NEW PROJECTS IN NORTH AMERICA; VETAS DELAYED IN OUR MODELS TO 2035 FROM MID-2018 DUE TO COURT RULING

GAYGF US \$0.06 or GLW.to C\$0.08, rated Overweight, US\$0.13 price target

EPS	2015E	2016E	2017E	2018E	2019E	2020E....	2034E	2035E	2036E
4/13/17 (\$0.02)A		(\$0.01)	(\$0.01)	(\$0.01)	(\$0.02)	(\$0.02)	(\$0.03)	\$0.17	\$0.18
Gold	\$1,185	\$1,250	\$1,200	\$1,300	\$1,400	\$1,500	\$1,850	\$1,875	\$1,900
8/26/15 (\$0.02)		(\$0.03)	(\$0.05)	\$0.03	\$0.11	\$0.12	N/A	N/A	N/A
Gold	\$1,185	\$1,250	\$1,300	\$1,325	\$1,350	\$1,375	\$1,475	\$1,500	\$1,525
9/23/14 (\$0.02)		(\$0.04)	\$0.08	\$0.16	\$0.18	\$0.19			
7/19/13 (\$0.07)		\$0.29	\$0.32	\$0.34	\$0.36	\$0.39			

Highlights:

- There are several possible future paths for Galway Gold. It may acquire a new property much like sister Galway Metals added two and dropped one in the past year, sell out to 17.5% shareholder Mubadala Development Company that seeks to consolidate and mine the California and Vetás mining districts in Colombia (see www.mubadala.com) or find another path.
- In fact, if permitted, a Mubadala merger would offer several synergies to bypass any mill at Vetás, and deliver about 500 tonnes/day to a central California mill perhaps 8 km away. It would save money, reduce environmental disturbances and the cleaner Vetás ores could improve mill performance. Vetás has about three times the gold content, even though Galway Gold “top cut” assays to reduce estimated gold content 60%, and has no deleterious base metals like California. Vetás has better continuity and more competent host rock than California did.
- We maintain our Overweight investment rating for Galway Gold, but cut our price target to \$0.13 from \$0.53. We apply an NPV model with rising gold prices to \$1,500 in 2020 and \$1,750 by 2030, and a 10% discount rate.
- Galway Gold’s most recent 9/30/16 balance sheet had a cash balance of \$8.963 mm. This cash balance represents US\$0.05/share on their 166.512 mm in shares.
- We cut our price target due to the year ago court decision ruling striking down all 75 “exceptions” to the Colombian “Paramo” laws restricting mining above 3,200 meters. While “Vetás” lies near 3,400 m, it is a town of several thousands surrounding an active mine since 1590 that is no wilderness.

- We delayed our estimate of first production from Vetás to 2035 from the middle of 2018. In effect, we estimate a future regime shifts policy away from government regulation or environmental fanatics much like the USA in 2017. This delay was partially offset by higher gold price estimates each year 2019 and beyond. Additionally we increased our Vetás gold grade estimate slightly, to 0.33 oz/t from 0.30 oz/t.
- We now model the Vetás mine beginning production in 2025, back from prior estimate of 2018. We believe that in the future Colombia could come around to allowing Vetás to proceed without being impacted by the Paramo ban that is currently in place. On February 24, 2016 Galway Gold issued a press release commenting on Colombia's Constitutional Court Rescinding Mining Operations in the Paramo. Source:
http://www.galwaygoldinc.com/s/NewsReleases.asp?ReportID=740484&_Type=News-Releases&_Title=Galway-Gold-Comments-on-Colombias-Constitutional-Court-Rescinding-Mining-Op...
- We now model Galway Gold losing money each year 2017-2034, before beginning production in 2035 and enjoying profitability each year 2035-2044. We had previously modeled Galway Gold achieving profitability in 2018, as Vetás achieved production in the middle of 2018. We now model Galway Gold earning \$0.17 in 2035, increasing to \$0.25 in 2044 as our gold price estimates increase and Galway Gold repays the debt we model them issuing.
- We continue to model Galway Gold building the Vetás Project with 100% debt financing. We increased our debt issuance estimate for Galway Gold, to \$110 mm (\$50 mm **total** from 2020-2032, and \$30 mm each year 2033-2035), up from prior estimate of \$50 mm (\$20 mm in 2018 and \$30 mm in 2019). We increased our debt issuance estimates to help finance the company through the project delay period (from 2018 to 2034) that we now model.
- We ran an alternative scenario with Vetás achieving first output in 2025 rather than our base case estimate of 2035. Under this scenario we estimate Galway Gold's price target at \$0.39.

FINANCIAL MODELS TOTALLY "CONJECTURAL" OR HYPOTHETICAL

Because Galway Gold has about \$9 mm in cash, it is not subject to a "going concern" footnote. However, its flagship property has been "iced" by a Colombian court decision. It may invest in new gold properties in Canada, the US or very safe jurisdictions. All the risks associated with identifying a new property apply to it.

We have made a subjective estimate that "Vetás" resembles no wilderness. It is a town of several thousand, and has been an active gold mine for the majority of the years since gold mining began there in 1590. In fact, the gold recovery processes use mercury. We consider the exception to be appropriate that Galway Gold obtained concerning the "Paramo" regulations restricting mining above 3,200 meters from the Colombian government around 2011 despite the Constitutional Court's ruling striking down all such 75 exceptions. Someday we expect Colombia to enjoy an anti-regulation and pro-

employment backlash against environmental extremists much like the wonderful USA events of the past months.

MANAGEMENT TRACK RECORD

The current team sold predecessor Galway Resources in December 2012 for US \$340 mm in cash consideration based on a 1 mm oz gold resource that was not as attractive as the Vetás gold resources. Director Mike Sutton has been credited with the Kirkland Lake “South Mine Complex” discovery. Director Larry Strauss has been educated as a geologist at University of Texas main Austin campus, and retired after a career as the mining analyst and partner at GMP Securities. CEO Rob Hinchcliffe oversaw the creation of the three companies Galway Resources, Galway Gold and Galway Metals.

We invests in them based on our confidence in this team.

Two separate companies exist, Galway Metals and Galway Gold, as a spinoff in the late-2012 negotiations with Eike Batista’s gold company. Management structured US \$30 mm of the \$340 mm Galway Resources sale transaction to the two spinoffs, broken down as \$18 mm into Galway Gold for Vetás and \$12 mm for Galway Metals.

GALWAY GOLD UNDERLYING DYNAMICS AND CHANGES

We now estimate Galway Gold produces a total of 1.83 mm tonnes of ore from 2035-2044, at an average of 0.18 mm tonnes per year (500 tonnes per day). This is down from our prior estimate of a total of 2.28 mm tonnes, 0.9 mm tonnes in 2018, and 0.18 mm tonnes each year 2019-2030. We also made a very minor change to our ore grade estimate for Vetás. We increased our gold grade estimate to 0.33 oz/t from 0.30 oz/t, and decreased our silver grade estimate to 0.49 oz/t, down from prior estimate of 0.50 oz/t. We maintain our 90% gold recovery rate and our 75% silver recovery rate estimates. We now estimate average gold production of 54,200 ozs per year, up from prior estimate of 49,300 ozs. We now estimate average silver production of 67,100 ozs, down from prior estimate of 68,400 ozs.

Table 1: Vetás Gold Total Resource Effective November 6, 2013

Tonnes (mm)	1.811				
Au Grade (g/t)	10.38				
Au Grade (oz/t)	0.33				
Au Ozs (mm)	0.602				
Ag Grade (g/t)	15.12				
Ag Grade (oz/t)	0.49				
Ag Ozs (mm)	0.880				

Source: Galway Gold's November 27, 2013 Press Release and John Tumazos Advisory and Compensated Research LLC Estimates

Table 2: Underlying Dynamics for Galway Gold's Vetás Project

Year	2035E	2036E	2037E	2038E	2039E	2040E	2041E	2042E	2043E	2044E
Tonnes (mm)	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Gold Grade (0.33 oz/t)	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33
Silver Grade (0.49 oz/t)	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49
Au Recovery Rate %	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Ag Recovery Rate %	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Au Production (000 ozs)	54.2	54.2	54.2	54.2	54.2	54.2	54.2	54.2	54.2	54.2
Ag Production (000 ozs)	67.1	67.1	67.1	67.1	67.1	67.1	67.1	67.1	67.1	67.1

Sources: Galway Gold Financial Reports and John Tumazos Advisory and Compensated Research LLC. Estimates

INVESTMENT RATIONALE AND PRICE TARGET

We maintain our Overweight investment rating for Galway Gold, and lowered our price target to \$0.13 from \$0.53. We continue to value Galway Gold using an NPV model with rising gold prices to \$1,500 in 2020 and \$1,750 by 2030, and a 10% discount rate.

The main reason for the decrease in our price target is the delay of first production from Vetás to 2035 from the middle of 2018. This delay was partially offset by higher gold price estimates each year 2019 and beyond. Additionally, we increased our Vetás gold grade estimate slightly, to 0.33 oz/t from 0.30 oz/t.

Table 3: NPV Analysis for Galway Gold

Year: US \$	2017E	2030E	2033E	2034E	2035E	2036E	2037E	2038E	2039E	2040E	2041E	2042E	2043E	2044E
EBITDA	(3)	(3)	(3)	(3)	55	57	58	59	61	62	63	64	66	67
Taxes (33.33%)	-	(2)	(2)	(3)	13	14	15	16	17	17	18	18	19	20
Capex	0	0	25	25	5	5	5	5	5	5	5	5	5	5
FCF	(3)	(1)	(26)	(25)	37	38	38	38	39	40	40	41	42	42
WACC	10%													
NPV	\$14.71													
Plus: current net cash	9													
Fair market value	24													
Shares outstg (M)	178													
NPV / Share	\$ 0.13													
Company Value	\$23.67													

Sources: Galway Gold Financial Reports and John Tumazos Advisory and Compensated Research LLC. Estimates

DIFFERENCES BETWEEN A “PRICE TARGET” IN A RESEARCH REPORT AND A “FAIRNESS OPINION” RENDERED TO A BOARD OF DIRECTORS

Our price target in Table 3 may be different than a “Fairness Opinion” rendered to a board of directors by a large investment banking firm. First, our “price target” is estimated from public information, while a transaction will likely involve an up-to-the-minute data. Second, the law firm in such a transaction may “read the riot act” to the independent directors that they may be sued if they decline a premium offer and the stock price later falls to force closure. Third, the primary investment banker will send out a brochure or perhaps a fully documented offering memorandum in search of a higher offer. The independent directors may conclude or be advised hurriedly that an offer is “fair” if the primary banker obtains no other bids or fails to have another bidder even sign a confidentiality agreement. Potential bidders may be overwhelmed by their own existing

projects, opportunities, vendor non-performance or internal staff shortfalls. Investors should be cognizant of many flaws in corporate governance, advisors or timetables. Once a legal offer has been made, the CEO and board of directors have a fixed timetable to respond. The management may be consumed by shareholder, analyst, press, roadshow, in house employee communications and other time demands. A small company's legal or financial advisors may be distracted by larger transactions. Such processes are inherently less than perfect.

EARNINGS REVISIONS

We now model Galway Gold losing money each year 2017-2034, before beginning production in 2035 and enjoying profitability each year 2035-2044. We had previously modeled Galway Gold achieving profitability in 2018, as Vetas achieved production in the middle of 2018. We now model Galway Gold earning \$0.17 in 2035, increasing to \$0.25 in 2044 as our gold price estimates increase and Galway Gold repays the debt we model them issuing.

GALWAY GOLD FINANCIAL MODELS

We continue to model Galway Gold building the Vetas Project with 100% debt financing. We increased our debt issuance estimate for Galway Gold, to \$110 mm (\$50 mm total from 2020-2032, and \$30 mm each year 2033-2035), up from prior estimate of \$50 mm (\$30 mm in 2017 and \$20 mm in 2018). We increased our debt issuance estimates to help finance the company through the project delay period (from 2018 to 2034) that we now model. We now model Galway Gold making CAPEX outlays of \$25 mm in 2033 and \$25 mm in 2034, followed by debt repayments of \$25 each year 2035-2038 and \$10 mm in 2039.

In our financial models below we project Galway Gold building a cash balance of \$278 mm by 2044, the final year of our Vetas' mine life, and our financial models.

Table 4: Galway Gold Estimated Income Statement (US \$ MM)

Year	2015	2016	2017E	2030E	2033E	2034E	2035E	2036E	2037E	2038E	2039E	2040E
Gold Revenue		-	-	-	-	-	102	103	104	106	107	108
Silver Revenue		-	-	-	-	-	1	1	1	1	1	1
Total Revenue	-	-	-	-	-	-	103	104	106	107	109	110
Operating Expenses		-	-	-	-	-	37	37	37	37	37	37
Royalties			-	-	-	-	3	3	3	3	3	4
Depreciation +Amortization		-	-	-	-	-	5	5	5	5	5	5
S,G+A (Incl Stock Based)	1	1	1	1	1	1	5	5	5	5	5	5
Exploration	0	0	2	2	2	2	3	3	3	3	3	3
(Gain) Loss on Foreign Exch.	(0)	(0)										
Interest Expense (Income)	(0)	(0)	(0)	2	4	6	6	4	3	1	(0)	(1)
Other Expense (Income)												
Write-downs	1											
TOTAL EXPENSES	3	1	3	5	7	8	59	57	56	54	53	52
Pretax Income	(3)	(1)	(3)	(5)	(7)	(8)	44	47	50	53	56	58
Income Taxes		-	-	(2)	(2)	(3)	15	16	17	18	18	19
Effective Tax Rate		0%	0%	33%	33%	33%	33%	33%	33%	33%	33%	33%
Net Income	(3)	(1)	(3)	(3)	(4)	(6)	30	32	34	36	37	39
FD Shares Outstg.	167	167	178	178	178	178	178	178	178	178	178	178
EPS	\$(0.02)	\$(0.01)	\$(0.01)	\$(0.02)	\$(0.03)	\$(0.03)	\$0.17	\$0.18	\$0.19	\$0.20	\$0.21	\$0.22
Gold Price (\$/oz)		\$ 1,250	\$ 1,200	\$ 1,750	\$ 1,825	\$ 1,850	\$1,875	\$1,900	\$1,925	\$1,950	\$1,975	\$2,000
Silver Price (\$/oz)		\$ 17.10	\$ 17.50	\$ 22.00	\$ 22.00	\$ 22.00	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00

Sources: Galway Gold Financial Reports and John Tumazos Advisory and Compensated Research LLC. Estimates

Table 5: Galway Gold Estimated Sources and Uses

Year	2015	2016	2017E	2030E	2033E	2034E	2035E	2036E	2037E	2038E	2039E	2040E	2041E
SOURCES:													
Net Income	(3)	(1)	(3)	(3)	(4)	(6)	30	32	34	36	37	39	40
Depreciation+Amortization		-	-	-	-	-	5	5	5	5	5	5	5
Deferred taxes		-	-	(0)	(0)	(0)	1	2	2	2	2	2	2
Write downs	1												
Other noncash items	(0)												
Equity (Stock Compensation)	0		1										
Debt					30	30		-					
Change in Noncash W.C.	0	(0)	0	0	0	0	(5)	(1)	(1)	(1)	(1)	(1)	(1)
Asset Sales													
Other, net	(0)												
Total Sources	(1)	(1)	(2)	(4)	25	24	31	37	39	41	43	45	46
USES:													
Capital Expenditures					25	25	5	5	5	5	5	5	5
Investments													
Dividends													
Debt Repayment		-	-				25	25	25	25	10		
Other, net													
Change in Cash	(1)	(1)	(2)	(4)	0	(1)	1	7	9	11	28	40	41
Total Uses	(1)	(1)	(2)	(4)	25	24	31	37	39	41	43	45	46

Sources: Galway Gold Financial Reports and John Tumazos Advisory and Compensated Research LLC. Estimates

Table 6: Galway Gold Estimated Balance Sheet

Year: US \$	2015	2016	2017E	2030E	2033E	2034E	2035E	2036E	2037E	2038E	2039E	2040E	2041E
Cash and Equivalents	10	9	7	5	8	7	8	15	25	36	64	104	145
Receivables	-	-	-	-	-	-	10	10	11	11	11	11	11
Prepays + Deposits	0	0	0	0	0	0	1	2	3	4	5	6	7
Advances to Galway Metals													
Total Current Assets	10	9	7	5	8	7	20	28	38	51	80	121	164
Restricted Cash													
P,P,+E	-	-	-	-	25	50	50	50	50	49	49	49	49
Total Assets	10	9	7	5	33	57	69	78	88	100	130	170	213
Accounts Payable	0	0	0	0	0	0	7	7	7	7	7	7	7
Other Liabilities (Def. Taxes)	-	-	-	(1)	(1)	(2)	(0)	1	3	5	7	8	10
Bank Debt	-	-	-	40	80	110	85	60	35	10	-	-	-
Total Liabilities	0	0	0	40	79	109	91	68	45	21	13	15	17
Shareholders Equity	10	9	7	(34)	(46)	(52)	(22)	10	43	79	116	155	196
Payables/Costs	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Receivables/Revenue	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Cash/Share	0.06	0.05	0.04	0.03	0.04	0.04	0.04	0.09	0.14	0.20	0.36	0.58	0.82
Sources: Galway Gold Financial Reports and John Tumazos Advisory and Compensated Research LLC. Estimates													

ALTERNATIVE SCENARIO OF A 2025 PRODUCTION START

In tables 7-11 below we show the underlying dynamics, valuation, and projected financial models for Galway Gold assuming they build Vetás for \$50 mm, with first production beginning in 2025. We estimate Vetás produces 54,800 ozs of gold and 66,500 ozs of silver for nine years through the end of 2034. Under this scenario we estimate Galway Gold's price target at \$0.39, significantly higher than our base case price target of \$0.13, which assumed output begins in 2035.

Table 7: Underlying Dynamics for Galway Gold's Vetás Project											
Year	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	
Tonnes (mm)	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	
Gold Grade (0.33 oz/t)	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	
Silver Grade (0.49 oz/t)	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	
Au Recovery Rate %	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	
Ag Recovery Rate %	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	
Au Production (000 ozs)	54.8	54.8	54.8	54.8	54.8	54.8	54.8	54.8	54.8	54.8	
Ag Production (000 ozs)	66.5	66.5	66.5	66.5	66.5	66.5	66.5	66.5	66.5	66.5	
Sources: Galway Gold Financial Reports and John Tumazos Advisory and Compensated Research LLC. Estimates											

Table 8: NPV Analysis for Galway Gold

Year: US \$	2017E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
EBITDA	(3)	(3)	(3)	58	59	60	62	63	50	51	52	54	55
Taxes (33.33%)	-	-	-	14	15	16	17	18	14	15	15	16	16
Capex	0	25	25	5	5	5	5	5	5	5	5	5	5
FCF	(3)	(28)	(28)	38	39	39	40	40	31	32	32	33	34
WACC	10%												
NPV	\$59.69												
Plus: current net cash	9												
Fair market value	69												
Shares outstg (M)	178												
NPV / Share	\$ 0.39												
Company Value	\$68.65												

Sources: Galway Gold Financial Reports and John Tumazos Advisory and Compensated Research LLC. Estimates

Table 9: Galway Gold Estimated Income Statement

Year	2015	2016	2017E	2018E	2019E	2020E	2024E	2025E	2026E	2027E
Gold Revenue		-	-	-	-	-	-	89	90	92
Silver Revenue		-	-	-	-	-	-	1	1	1
Total Revenue	-	-	-	-	-	-	-	91	92	93
Operating Expenses		-	-	-	-	-	-	22	22	22
Royalties			-	-	-	-	-	3	3	3
Depreciation +Amortization		-	-	-	-	-	-	5	5	5
S,G+A (Incl Stock Based)	1	1	1	1	1	1	1	5	5	5
Exploration	0	0	2	2	2	2	2	3	3	3
(Gain) Loss on Foreign Exch.	(0)	(0)								
Interest Expense (Income)	(0)	(0)	(0)	(0)	(0)	1	5	4	2	1
Other Expense (Income)										
Write-downs	1									
TOTAL EXPENSES	3	1	3	3	3	4	7	42	40	39
Pretax Income	(3)	(1)	(3)	(3)	(3)	(4)	(7)	48	51	55
Income Taxes		-	-	-	-	-	-	16	17	18
Effective Tax Rate		0%	0%	0%	0%	0%	0%	33%	33%	33%
Net Income	(3)	(1)	(3)	(3)	(3)	(4)	(7)	32	34	37
FD Shares Outstg.	167	167	178	178	178	178	178	178	178	178
EPS	\$(0.02)	\$(0.01)	\$(0.01)	\$(0.01)	\$(0.02)	\$(0.02)	\$(0.04)	\$0.18	\$0.19	\$0.21
Gold Price (\$/oz)		\$ 1,250	\$ 1,200	\$ 1,300	\$ 1,400	\$ 1,500	\$ 1,600	\$1,625	\$1,650	\$1,675
Silver Price (\$/oz)		\$ 17.10	\$ 17.50	\$ 18.00	\$ 20.00	\$ 22.00	\$ 22.00	\$22.00	\$22.00	\$22.00

Sources: Galway Gold Financial Reports and John Tumazos Advisory and Compensated Research LLC. Estimates

Table 10: Galway Gold Estimated Sources and Uses

Year	2015	2016	2017E	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E
SOURCES:													
Net Income	(3)	(1)	(3)	(3)	(3)	(4)	(5)	(6)	(7)	(7)	32	34	37
Depreciation+Amortization		-	-	-	-	-	-	-	-	-	5	5	5
Deferred taxes		-	-	-	-	-	-	-	-	-	2	2	2
Write downs	1												
Other noncash items	(0)												
Equity (Stock Compensation)	0		1										
Debt						30	30	30					
Change in Noncash W.C.	0	(0)	0	0	0	0	0	0	0	0	(5)	(0)	(0)
Asset Sales													
Other, net	(0)												
Total Sources	(1)	(1)	(2)	(3)	(3)	26	25	24	(7)	(7)	34	41	43
USES:													
Capital Expenditures									25	25	5	5	5
Investments													
Dividends													
Debt Repayment		-	-								30	30	30
Other, net													
Change in Cash	(1)	(1)	(2)	(3)	(3)	26	25	24	(32)	(32)	(1)	6	8
Total Uses	(1)	(1)	(2)	(3)	(3)	26	25	24	(7)	(7)	34	41	43
Sources: Galway Gold Financial Reports and John Tumazos Advisory and Compensated Research LLC. Estimates													

Table 11: Galway Gold Estimated Balance Sheet

Year: US \$	2015	2016	2017E	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E
Cash and Equivalents	10	9	7	4	2	28	53	77	45	13	12	18	26
Receivables	-	-	-	-	-	-	-	-	-	-	9	9	9
Prepays + Deposits	0	0	0	0	0	0	0	0	0	0	0	0	0
Advances to Galway Metals													
Total Current Assets	10	9	7	4	2	28	53	77	45	13	21	27	36
Restricted Cash													
P,P,+E	-	-	-	-	-	-	-	-	25	50	50	50	50
Total Assets	10	9	7	4	2	28	53	77	70	63	71	77	85
Accounts Payable	0	0	0	0	0	0	0	0	0	0	4	4	4
Other Liabilities (Def. Taxes)	-	-	-	-	-	-	-	-	-	-	2	3	5
Bank Debt	-	-	-	-	-	30	60	90	90	90	60	30	-
Total Liabilities	0	0	0	0	0	30	60	90	90	90	66	38	10
Shareholders Equity	10	9	7	4	1	(2)	(7)	(14)	(20)	(28)	5	39	76
Payables/Costs	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Receivables/Revenue	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Cash/Share	0.06	0.05	0.04	0.02	0.01	0.16	0.30	0.43	0.25	0.07	0.07	0.10	0.15
Sources: Galway Gold Financial Reports and John Tumazos Advisory and Compensated Research LLC. Estimates													

BUSINESS RISKS

Because Galway Gold has about \$9 mm in cash, it is not subject to a “going concern” footnote. However, its flagship property has been “iced” by a Colombian court decision. It

may invest in new gold properties in Canada, the US or very safe jurisdictions. All the risks associated with identifying a new property apply to it.

Galway Gold is subject to the same commodities “macro” dynamics as other mining companies involving fluctuations in gold and silver prices. Fluctuations in currencies, interest rates, prospective capital costs, prospective operating costs and the global economy impact Galway Gold as well.

Environmental issues appear more sensitive in Colombia than in the U.S. Opponents to AngloGold’s La Colosa and Eco Oro’s open pit Angostura project delayed both of those > 10 mm oz projects. Spanish-language national publications claimed that Eco Oro’s (formerly known as Greystar Resources) Angostura would poison 4 mm people with arsenic and cyanide, which no national official clarified or corrected.

We estimate that Galway Gold issues a total of \$110 million of debt from 2023-2034 to finance the \$50 million of upfront CAPEX to build the Vetaz project, pay the 1.5% gold resource value for a full 100% interest in the project, and fund operating costs such as exploration and S,G+A. We estimate that Galway Gold is able to secure this financing at a 6% interest rate. There are risks to both the availability of this financing and the interest rate we estimate. There is also dilution risk if Galway Gold is forced to tap the equity markets. Galway Gold announced on June 4, 2013 that they issued 7 million stock options, exercisable at C\$0.20 each. Additional stock options could be issued, causing more dilution.

DISCLOSURES

John Tumazos Advisory and Compensated Research, LLC (JTACR) is a separate investment advisor registered with the State of New Jersey Bureau of Securities on June **by a mining or other publicly traded company simply to write a “paid” research report.** Its purpose is to include research reports after separate compensation has been received for an advisory service such as a fairness opinion, mergers & acquisitions advice, introductions of investors in a capital raising or other advisory services. Regulators presume that any “compensation” or potential compensation biases research reports, however small, and outside counsel advises us that we should not write about a company as “John Tumazos Very Independent Research, LLC” if compensated or seeking compensation.

We have created a separate web site, www.advisoryandcompensatedresearch.com to support JTACR. It is separate from our normal research investment advisor site, www.veryindependentresearch.com.

Paramount Gold and Silver, spinoff Paramount Gold Nevada, Galway Resources, spinoffs Galway Gold and Galway Metals and Texas Rare Earth Resources renamed “Texas Mineral Resource Corporation” have published favorable results from mineral properties, and their shares appreciated significantly after we received compensation. The purpose of JTACR is to remedy a “regulatory blackout,” where we cannot publish

research as “independent” under JTVIR after accepting compensation. The creation of JTACR remedies such a “regulatory gag,” while openly communicating that we were compensated. It is possible that some institutional investors may consider it to be a “feather in the cap” of a small company that it engaged us to advise them in a transaction owing to our experience.

After receiving compensation from Paramount Gold and Silver in June 2010 for a fairness opinion in its acquisition of X-Cal Resources or Galway Resources, Tara Gold Resources, Appia Energy, Focus Gold, Texas Rare Earth Resources in 2010 or potentially other companies in the future, John Tumazos Very Independent Research, LLC (JTVIR) refrains from publishing research reports on such companies.

We define “compensation” as any consideration that creates direct pretax income for any of our businesses, research or advisory or any of our employees personally. However, we do permit companies to defray expenses, and large companies’ policies vary. Rio Tinto or Teck have invoiced us for charter aircraft. In contrast, we have accepted free air travel to mine sites from Vale within Brazil, Canada or Mozambique, from Agnico-Eagle to Finland, Chihuahua or Nunavut, Stonegate Agricom to Idaho, Fortescue Metals to its mines, HudBay Mineral to Manitoba, Peru or Michigan, Goldcorp, Brigus and VG Gold each to Timmons, Augen Gold to Swayze, Paramount Gold and Silver to Chihuahua, Goldcorp to Zacatecas, and many others. We do not define as “compensation” if Barrick Gold, or some other company picks up a group client lunch tab or buys us lunch alone. We do not define as “compensation” if a company charters an airplane to facilitate a research visit to a mine location without convenient commercial air service. We routinely invoice companies participating in our investor conferences \$1,000 to \$2,000 each to cover their pro rata expenses of the conference on a “Dutch Treat” basis, where we send each company a full expense accounting of our conferences as well.

The nature of the advisory services we have provided for compensation include (1) fairness opinions to the boards of directors of Paramount Gold and Silver, Tara Gold Resources, Tara Minerals Corp., and Augen Gold, (2) introductions to capital raising for Texas Rare Earth Resources and Appia Energy and (3) advisory on joint venture, strategy or capital raising for Galway Resources Victorio tungsten-molybdenum property.

As of September 30, 2011, Paramount Gold and Silver, Galway Resources, Tara Gold, Appia Energy and Focus Gold are eligible for JTACR research reports as having been “advised” and we have been “compensated.” However, Texas Rare Earth Resources, Galway Resources and Quaterra Resources are the subject of current engagements, which may restrict our ability to write on them as regulators may presume we possess non-public information. In the past we have advised Duluth Metals, the Dorado Ocean Resources former subsidiary of Odyssey Marine Exploration and a private forest products company FXX, LLC without success and without receiving compensation.

We will distribute JTACR reports to JTVIR paid subscribers free and to the particular mining companies we write about.

We will monitor the financial returns of JTACR investment recommendations over time, and compare them to JTVIR returns. We expect that JTACR recommendations will provide much more volatile returns than the larger, more established companies JTVIR covers as large as BHP Billiton, Vale or Rio Tinto. Under previous employment at Donaldson, Lufkin & Jenrette, John Tumazos participated in the sole managed IPOs of Huntco in 1993 and Reliance Steel & Aluminum in September 1994 at \$3.225. Huntco subsequently went bankrupt after speculating on inventory and operating at low utilization rates. Reliance Steel & Aluminum, however, appreciated 22-fold to \$72 as of September 22, 2014. It is inevitable that some companies will make better decisions than others.

CERTIFICATION OF OUR RESEARCH OPINIONS

I, John Tumazos, certify that the opinions written in all research reports are my own. I believe what we write, and from time to time I may buy or sell the shares we recommend after a 48 hour delay after publishing our reports following the advice we give. Further, I personally proofread and “click the pdf button” on virtually every report we publish except sometimes when I am abroad.

Our team or employees is encouraged to disagree with me at any time. We have active and vigorous internal debates concerning appropriate discount rates or long-term terminal growth rates to use in net present value valuations or other analytical issues. My team realizes that customers want to pay for my 30+ years of experience, but I encourage them to disagree, correct or provoke debate to improve our work.

DEFINITION OF A RESEARCH OPINION

We have target prices, investment ratings, earnings estimates and financial models for 47 companies upon which we maintain regular research coverage.

The legal or regulatory definition of research, however, is more broad. Regulators consider any written or editorial commentary about a stock or publicly traded company to be “research.” However, a “recommendation” or “opinion” is not rendered unless there is a price target and specific buy or sell recommendation.

From time-to-time we visit very large, important global companies outside our research coverage. Our objective may be to be well informed about industry events, predict future mine output or “supply” in a particular market or to begin to learn about a complex company to begin future full research. We may need to learn and become familiar to provide inputs to our financial models. In May 2008 we published a partial report on Xstrata after visiting two of its mines in South America. In November 2008 we published a partial report summarizing our visits to the London headquarters of Xstrata and Anglo-American outside our coverage as well as Rio Tinto and Antofagasta PLC within our full coverage. In August 2009 we published two research reports on Severstal after visiting its Columbus, MS newest steel plant a second time. These “partial” reports contained no price target, investment rating, earnings estimates or financial models.

Instead, they provided detailed descriptions of the important locations we visited or meetings in headquarters.

We provide research about commodities markets in general, “seminar highlights” on up to another 75 or more companies we host annually at our conferences outside our regular full research coverage and “partial reports.” We have no price target, written investment opinion, earnings estimates or financial models (production, incomes statement, cash flow or balance sheet simulations) of such companies outside our coverage that speak at our March or November conferences. Any viewpoint we have without complete financial models or careful financial analysis is “winging it.”

Our intent in writing Seminar Highlights is to provide a one page written summary of each seminar participant company’s presentation. We provide live open, public, unrestricted webcasts of each such corporate presentation at our conferences as a courtesy to each participating company, and archive each webcast under the “conferences” tab of www.veryindependentresearch.com.

Our clients should not automatically consider our invitation of a company to speak at our future conferences as a “Buy Recommendation” or complete endorsement. We may not have visited the mines or assets of some of these companies. Occasionally we invite a company to speak to learn more about them as a stage in our learning process.

ORGANIZATION OF JTVIR

John Tumazos Very Independent Research, LLC (JTVIR) is organized as an investment advisor in the State of New Jersey and regulated by the NJ Bureau of Securities. We publish about 20 research reports each month covering about 40 to 50 stocks in the metals commodities markets, forest products, aluminum, steel, gold, copper and other mining sectors. We travel abroad or domestically typically each month visiting companies. We host Conferences each year in which companies make presentations, which are archived for roughly one year at www.veryindependentresearch.com under the “conferences” tab.

Currently we have over 30 paid clients in the U.S., Canada, Switzerland and U.K. Three of our clients have engaged us to write “custom studies” on pre-production mining stocks without any U.S. or global research coverage, including Skye Resources (an 11 bil lb nickel resource in Guatemala), Mercator Minerals (a copper-moly restart in Arizona) and JSW Steel’s 70%-owned Minera Santa Fe (48 sq km undrilled magnetic anomaly and associated iron ore properties in 3rd Region of Chile).

JTVIR DISCLOSURES

“John Tumazos Very Independent Research, LLC” (JTVIR) is a Delaware Corporation formed July 6, 2007 with registration effective on August 27, 2007 as an investment advisor in the state of New Jersey owing to our place of business in New Jersey.

JTVIR is not a broker-dealer, and conducts no trades. Its primary business is to provide “unbundled” metals, paper and fertilizer industry securities and market research to institutions or corporations in a zero commission, electronic execution, electronic dissemination, unbundled format for a specified annual fee structure.

Our investment rating system for securities recommendations is Overweight, Neutral Weight or Underweight. Overweight or Underweight recommendations are estimated to vary from the relative performance of the S&P 500 by more than 10% annually, and the intended time horizon is up to 24 months. Our securities research is intended for institutional investors that might buy up to 10% of a given company, and as such focuses more towards longer-term dynamics impacting the net present value of future cash flows rather than “day trading” sorts of near-term issues.

Except for Norbord, WestRock, Weyerhaeuser, Southern Copper, Grupo Mexico, Norilsk Nickel, Northern Dynasty, Worthington Industries, Pan American Silver, FCX, RNC (Royal Nickel), Vale, Fortescue Mining, Anglo American, Allegheny Technologies, Tahoe Resources, SilverCrest Metals, Premier Gold, Osisko Gold Royalties, Pure Gold, Entrée Gold, Kirkland Lake Gold, Anfield Gold, Argonaut Resources, Appia Energy, Texas Minerals Resources Corp., Galway Gold, Galway Metals, Eco Oro (Greystar Resources), Pilot Gold, TriMetals A and B and Renaissance Gold, neither JTVIR, its members or its employees own or have a financial interest in any securities discussed in this report or any reports we have published recently. Our policy is full disclosure.

Our policy permits personal trading in the metals or paper industries. Our policy is that any personal trading must be consistent with our recommendation, made two business days or more AFTER a recommendation or change in recommendation and held for a minimum of 30 days or one month. We believe it is virtuous for a securities analyst to “put his or her money where his mouth is” to invest consistent with the recommendation to clients after such recommendation has been made, and we disagree with some restrictions made upon broker-dealer employees after 2000 era scandals.

However, our policy permits up to three directorships and up to five consulting projects, advisory assignments or financial advice to corporations. Our policy is full disclosure of any advisory relationship or conflict going back three years.

Numerous prior investment banking relationships existed prior to three years history to the pre-1997 time frame under the employment of Donaldson, Lufkin and Jenrette or Oppenheimer & Co., Inc. Some of these we can recollect included 14 different gold mine valuations or sales for Barrick Gold, LAC Minerals (later acquired by Barrick), Addington Resources (gold assets in Montana acquired by Canyon Resources), Westworld Industries (Bolivian assets acquired by Battle Mountain Gold later acquired by Newmont Mining), Coeur d’Alene Mines, Crown Resources (acquired by Kinross Gold), Freeport-McMoRan Gold (acquired by Minorco later AngloGold later Queenstake Resources), FMC Gold (later renamed Meridian Gold) and others. Sole managed initial public offerings included Reliance Steel & Aluminum and Huntco. Lead-managed initial public offerings included American Steel & Wire (later acquired by Birmingham Steel)

and lead-managed underwritings included Quanex. Co-managed underwritings included the IPO of Century Aluminum and Grupo Imsa and offerings for AK Steel, Kaiser Aluminum, Agnico-Eagle Mines, Cameco and others. Asset sales or purchase advisories, fairness opinion or trusteeships were done for Thyssen Steel (sold to Ryerson Tull), Cyclops Corp. (sold to Armco later sold to AK Steel), Allegheny Corp., Bethlehem Steel, the U.S. Dept. of Justice pursuant to the June 1984 merger of LTV and Republic Steel to sell the Gadsden, AL integrated flat-rolled mill, Cobre Copper, and others. Some examples we can recall of incomplete transactions for which a prospectus was either drafted or partly drafted indicating much work included stock underwritings not completed for Wheeling-Pittsburgh Steel, Steel Dynamics, Atlas Corp., Webco, Sharon Steel, IPSCO, Co-Steel Inc., and others.

ANALYST UNIVERSE COVERAGE:

John C. Tumazos, CFA as of June 2007: Rio Tinto, Louisiana-Pacific, Nucor Corp., Newmont Mining, U.S. Steel, International Paper, BHP Billiton, MeadWestvaco Corp., Antofagasta PLC, Allegheny Technologies, Alcoa Inc., Inco Limited, Bowater, Temple-Inland, Barrick Gold, Abitibi-Consolidated, Weyerhaeuser Co., Alcan Inc., Smurfit-Stone Container, Plum Creek Timber, Worthington Industries, Goldcorp Inc., AngloGold Ashanti, Freeport-McMoRan Copper & Gold, and FNX Mining. Dynatec, Alcan and Bowater are companies not continued in the research coverage of JTVIR, LLC that was previously included in the prior June 6, 2007 Prudential Equities Group universe owing to takeovers. Smurfit-Stone Container and AbitibiBowater were dropped from JTVIR research coverage after they entered bankruptcy. Skye Resources, FNX Mining, QuadraFNX Mining, Duluth Metals, Xstrata, MeadWestvaco, Smurfit-Stone Container (new) were dropped after full coverage initiation due to takeover.

Subsequently, since September 2007 JTVIR, LLC has initiated regular coverage of new companies not previously covered in the former universe at the former Prudential Equities Group. These new companies include CF Industries, Mosaic, Franco-Nevada, Silver Wheaton, Royal Gold, Osisko Gold Royalties, Sandstorm Gold, South32, Teck, Agnico-Eagle Mines, Mercator Minerals, Skye Resources, General Moly, Inc., Thompson Creek Metals, Duluth Metals, Polymet Mining, Greystar Resources, Vale, GlencoreXstrata, Glencore, Xstrata, Anglo American, Packaging Corp. of America, Norbord, Rock Tenn, HudBay Minerals, Alumina Ltd., Fortescue Metals, and Century Aluminum.

In accordance with applicable rules and regulations, we note above parenthetically that our stock ratings of “Overweight,” “Neutral Weight,” and “Underweight” most closely correspond with the more traditional ratings of “Buy,” “Hold,” and “Sell,” respectively; however, please note that their meanings are not the same. (See the definitions above.) We believe that an investor’s decision to buy or sell a security should always take into account, among other things, that the investor’s particular investment objectives and experience, risk tolerance, and financial circumstances. Rather than being based on an expected deviation from a given benchmark (as buy, hold and sell recommendations often are), our stock ratings are determined on a relative basis (see the foregoing definitions).

There is no intention to “balance” the number of Overweight or Underweight ratings, as instances of broad over- or under-performance among basic industrials may occur. JTVIR makes each investment judgment in a “bottoms up” manner based on the assets of each individual company.

Price Target – Methods/Risks

The methods used to determine the price target generally are based on future earning estimates, product performance expectations, cash flow methodology, historical and/or relative valuation multiples. The risks associated with achieving the price target generally include customer spending, industry competition and overall market conditions.

Additional risk factors as they pertain to the analyst's specific investment thesis can be found within the report.

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Additional information on the securities discussed herein is available upon request. The applicable disclosures can be obtained by writing to: John Tumazos Very Independent Research, LLC, 11 Yellow Brook Road, Holmdel, NJ 07733 Attn: John C. Tumazos.

BOARD OF TRER AUGUST 6, 2012 TO MAY 27, 2013

On August 6, 2012 we joined the board of Texas Rare Earth Resources, and were elected Non-Executive Chairman. We made an early stage investment in the company after it obtained its core property in the fourth-quarter of 2010, and we and other activist shareholders believed there was room for improvement in its business plan and performance in 2012. We did not expect our participation in TRER to be indefinite, and believed that it will seek a larger mining company to help it complete its projects.

On May 27, 2013 we resigned from the Board of Texas Rare Earth Resources. We were pleased that metallurgical research into sulphuric acid heap leach processes made advances, which determined an alternative process requiring 10% to 20% of the cap ex proposed in the prior June 15, 2012 NI 43-101 study. The 2010 identification and possession of the property and the 2013 metallurgical advances added value, and we thought a larger organization would better develop the production plant.

We declined all other invitation to join Boards of Directors. We do not want distractions or other activities to weaken JTVIR, LLC. Further, we have a “team psychology” and a large commitment to one another within JTVIR, LLC.

JTVIO

John Tumazos Very Independent Opinions, LLC (JTVIO) is a separate company providing various services “other than” investment research sold to institutions in JTVIR. Counsel advised any other activities be organized separately. Such other activities have involved < 5% of our time.

In general, we may provide investment banking or advisory services mostly to sub-\$100 mm mining companies that have defined a “deposit,” but need more capital after a discovery for infill drilling, bulk metallurgical testing, definitive feasibility study or the capital outlays to build a mine. JTVIO envisions merger advisory, “second opinion” critiques of investment banking advice, strategic consulting, valuation opinions, fairness opinions, mine technical services such as “Third Party Reviews” of technical studies or other corporate services. The “research coverage” of JTVIR largely involves very large companies with completed steel, aluminum, forest products or mine plants with market capitalizations usually between \$1 and \$250 billion. Historic companies often over one century old, such as Alcoa or U.S. Steel or BHP Billiton, will use top ten commercial or investment banks for advisory services and we make no attempt to be engaged by them owing to their long historic relationships.

We prefer to advise companies without revenues, which large investment banks like Goldman Sachs, JP Morgan, Morgan Stanley or BMO often avoid. Such mining

companies without revenues are not as competitively over-banked, and many of the geologists are quite gifted and have extremely promising projects.

We undertook some platinum market studies for Platinum Group Metals in the past year.

We have accepted compensation from Texas Rare Earth Resources and Appia Energy, a private concern, related to introducing investors to them.

In August 2011 we advised the Board of Directors of Augen Gold that a hostile tender offer from Trelawney Mining. On October 9, 2010 we were engaged by Tara Gold Resources to evaluate the fairness of their September 13, 2010 proposed merger to amalgamate with Tara Minerals, which it terminated on March 7, 2011. We delivered a “structure opinion” to Tara Gold Resources and Tara Minerals on May 20, 2011 that the cancellation of the announced September 13, 2011 merger was “fair.” On June 24, 2010 we delivered a Fairness Opinion to the board of directors of Paramount Gold and Silver for compensation in their acquisition of X-Cal Resources, Ltd concerning the Sleeper gold mine near Winnemucca, NV formerly operated in 1986-1996 by Amax Gold and having past output of 1.66 mm oz gold and 2.3 mm oz silver plus 26,000 oz of placer gold almost one century ago.

On October 6, 2010 we were engaged by Dorado Ocean Resources Limited, a privately held company. That assignment has concluded without success or compensation.

On June 3, 2008 Galway Resources engaged JTVIO to commercialize its Victorio, New Mexico molybdenum-tungsten deposit containing over 200 mm pounds of each mineral in situ, which is JTVIO’s first activity (see www.galwayresources.com June 3, 2008 press release). We have received compensation from Galway Resources.

These past engagements pose no “conflict of interest” with JTVIR research coverage as long as JTVIR does not cover or write on Paramount Gold and Silver, Galway Resources, or other sub-\$250 mm market cap emerging companies. However, subsequently Galway Resources has documented gold occurrences on Galway grounds and begun drilling. After our November 6-12, 2009 trip to the California gold district of Colombia, we published research reports on Greystar Resources and NOT Galway Resources to avoid conflicted research. We omitted Galway Resources from our “Conference Highlights” report even though it spoke at our November 19, 2009 conference in a similar vein to avoid conflicted research.

JTACR

John Tumazos Advisory and Compensated Research, LLC (JTACR) is a separate investment advisor registered with the State of New Jersey Bureau of Securities on June 27, 2011 as CRD # 157,606. **Under no circumstances will JTACR be commissioned by a mining or other publicly traded company simply to write a “paid” research report.** Its purpose is to include research reports after separate compensation has been received for an advisory service such as a fairness opinion, mergers & acquisitions

advice, introductions of investors in a capital raising or other advisory services. Regulators presume that any “compensation” or potential compensation biases research reports, however small, and outside counsel advises us that we should not write about a company as “John Tumazos Very Independent Research, LLC” if compensated or seeking compensation.

We have created a separate web site, www.advisoryandcompensatedresearch.com to support JTACR. It is separate from our normal research investment advisor site, www.veryindependentresearch.com. Since the second half of 2011 JTACR has published research reports on Texas Rare Earth Resources, Paramount Gold and Silver, Galway Resources, Galway Gold, Galway Metals and Platinum Group Metals. These represent < 10% of our company research and < 5% of our written research report output.

POTENTIAL MONEY MANAGEMENT ACTIVITIES

We manage my own money and one client account. Our trades conform to our published research and follow publication by a minimum of two business days. Client recommendations have first priority.

In November 2011 we accepted our first customer money management account, and we are beginning to set up an account and legal agreement to manage money for him. We are in the process of completing such paperwork.

Money Management for clients could be another line of business. “Mine Development Fund” is a “current” project to establish a small fund to invest in post-discovery, large resource companies (over \$2 billion in situ mineral value already defined) requiring financing to “build the mine” and grow. The target market cap of the companies in which it would invest would be \$0.1 to \$10 billion. Our detailed studies of emerging mines may prove synergistic across several applications. We have also considered creating sector ETFs, but determined there is more value-added in fund management.

Our published over 1,500 research reports to Since July 7, 2007 has concentrated on the metals commodities themselves, steel, aluminum, forest products and larger capitalization mines like Rio Tinto, BHP, Freeport-McMoRan Copper, Barrick Gold, etc. Only 7%-10% of our written research involves the “sub-\$2 billion mine” size range that would be the focus of either JTVIO or Mine Development Fund. Thus, compliance issues or conflicts of interest would occur in a smaller subset of JTVIR coverage as JTVIR coverage involves larger caps, “established processing companies” or commodities. JTVIO or the buy-side investing may focus on much smaller companies

POTENTIAL MINE SERVICES ACTIVITIES

As a substantial user of mine feasibility study reports or other technical reports prepared at early stages after first discovery, sometimes we are very dissatisfied. We may from time-to-time provide “Third Party Review,” critique such mine scoping study or prefeasibility study reports. We do not seek to “second guess” scientific issues of mine

engineering or metallurgy. However, we may differ with the mathematics of reserve determination, capital cost estimates, “simultaneity” of price and cost assumptions, various business planning issues, the opportunity to “phase” or subcontract to reduce initial capital costs or other financial issues. The “custom studies” we have provided to several buy-side JTVIR customers may resemble “Mine Services” future products presented as “Third Party Review” of mine technical studies.