John Tumazos Advisory and Compensated Research, LLC 12/1/2011
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We organized a separate investment advisor and segregate our post-conference research concerning these four companies where we have past advisory relationships. Counsel advised us that regulators may challenge our research as "not independent" after accepting advisory fees. The state of New Jersey Bureau of Securities declared our new investment advisor "John Tumazos Advisory and Compensated Research, LLC" (CRD #157606) effective June 29th.

These are not "paid research reports." We invested in Texas Rare Earth Resources and Appia Energy at early stages roughly one year ago, and advised them afterwards. We invested in Galway Resources and Paramount Gold and Silver after we advised them. In full disclosure we segregate our company research involving disclosed advisory relationships that may be perceived as ethical conflicts.

HIGHLIGHTS OF NOVEMBER 29-30, 2011 METALS CONFERENCE IN BOSTON AMONG PAST ADVISORY CLIENTS TEXAS RARE EARTH RESOURCES, PARAMOUNT GOLD, GALWAY RESOURCES, AND APPIA ENERGY

* **Texas Rare Earth Resources** gave a highly restrained presentation, pending second-quarter completion of a preliminary economic assessment (PEA) with upwards of 700 mmt of resources defined with grades, recovery rates, cap ex needs, operating costs and revenue projections. The company communicated "credibility," where it only admitted to yttrium and dysprosium **among the ten elements where we estimate it may be the world's largest producer**. It did not mention ytterbium, holmium, erbium, thulium and lutetium REE, where its deposit has important ore grades as their markets were not quantified or discussed in the December 2010 US DOE white paper on critical materials. It did not discuss gallium, beryl ore or tantalum, as it limited itself to REE. The TRER presentation contrasted to Molycorp, which is less restrained.
* **Galway Resources** seeks to prepare maiden 43-101 compliant gold and silver resource estimates for three linearly continuous deposits in the California district in the first-quarter and the "El Volcan" mine area in the Vetas district 8 km away after mid-2012. Each cluster may exceed 1 mm oz of gold plus silver, where the first reIts Vetas 43-101 report will not encompass the roughly half of the "Stockworks" zone discovered by neighbor CB Gold that appears to lie on Galway Resources' adjoining Vetas property.
* **Paramount Gold and Silver** proposes a "superpit" enlarging the original Sleeper mine main pit in Nevada, where the 33.54 mm oz of silver may cover costs and the recoverable part of the 3.75 mm oz gold may be "gross profits." **Paramount Gold and Silver** proposes two processes at its 188,000 hectare huge San Miguel exploration property in Chihuahua. First, the disseminated gold "San Francisco" zone may support a roughly 100,000 oz per year heap leach gold mine. Second, a central 4,000 to 5,000 mtpd mill may support multiple small tonnage, high grade traditional Sierra Madre style silver-gold veins from "Clavo 66," "Don Ese," San Antonio, La Union or others as found.
* **Appia Energy** seeks continued funding to define more 43-101 compliant resources near Elliot Lake, Ontario in excess of 100 mmt grading roughly 1 lb/t of uranium and 3.5 lbs/t of Light rare earth resources.

Texas Rare Earth Resources Corp. (TRER)
Anthony Garcia, Senior Vice President of Project Development

TRER is a U.S. company reporting under SEC rules, where it cannot discuss any mineralization other than proven or probable reserves. It is pursuing a listing on the Toronto Stock Exchange, and will file 43-101 compliant resources in 2012 per Canadian rules. The company will not publicly discuss much about rare earth elements beyond the December 2010 US DOE study. The company will discuss 10 of the 17 REE where the US DOE estimated the size of the market. It is in the process of determining metallurgical recovery studies, and will not discuss recoverable amounts of the 10 or 17 REE or the 6 to 9 other minerals also present in the Round Top deposit.

Offices are outside of Denver and in Sierra Blanca, TX. Current cash balances are near $15 mm, and the company uses nearly $1 mm per month. It will require new funding for the beginning of 2013.

The company will publish a preliminary economic assessment (PEA) in the 2012 first-half, and address the issues of total capital cost, how many of the various minerals are recoverable, recovery rates, ore grades, mill tonnage. Gustafson and Associates has been contracted for the PEA. Studies will compare producing an intermediate concentrate versus leaching, hydromet and final products.

It anticipates a zero strip ratio, and is evaluating 1.6 billion tonne volcanic rhyolite structure within a 5 to 10 billion metric tonne rhyolite system of four mountains, feeders and an aeromagnetic anomaly in the valley floor. Rail, interstate highway, power and water infrastructures are within three miles.

Its goal is a 2015 construction completion timetable, and 2016 commercial sales. The state of Texas is highly supportive, where the only drawback to Texas is a 6.25% mineral royalty and an 8% royalty on uranium.

Two reverse circulation rigs currently are operating. An aeromagnetic high, typically 2% to 5% magnetite iron-bearing rocks, located a big structure in the valley floor "subcropping" below the plains. Texas Rare Earth Resources seeks to define a 43-101 compliant resource sufficient for roughly 20 years of mining at up to 100,000 mtpd, or from 0.7 billion tonnes of the 1.6 billion tonne Round Top mountain.

Its business intentions do not depend upon finding other mineralization from feeders, the high magnetic zone in the valley floor or three other mountains. However, the company will consider such opportunities as they arise.

TRER was very successful in establishing "credibility" in its November 29th presentation, which appeared highly restrained and understated due to the constraints of SEC disclosure rules as a U.S. company. Further, it was highly restrained pending completion of ongoing drilling, metallurgical testing and technical studies in various phases. Most listeners were left to wonder how much the company's opportunities may be.

Galway Resources (TSX-V: GWY)
Larry Strauss, Director

The California and Vetas properties in Colombia are the two primary assets. A fourth drill rig in California and a third rig in Vetas will each be added in a few weeks. Galway plans a first resource at California in the first-quarter of 2012 and a first resource for the Vetas deposit in mid-year.

Galway Resources does not believe that each company in the district should have its own mills, but Galway Resources will do what is in the best interests of shareholders. AUX, which is Eike Batista's Colombian gold company that bought Ventana Gold for $1.5 billion in late 2010, and Eco Oro (formerly called Greystar Resources) are the two larger neighbors.

El Volcan is 300 m by 500 m strike length trend in Vetas. Roughly 60 miners work each day in the artisanal mine active since 1590, which is the heart of the Vetas Trend. Galway has added to the nine previously known veins there. All 14 drill holes in Vetas district have hit multiple intercepts or veins at favorable grades where 93 intercepts were > 5 g/t of which 24 intercepts were > 30 g/t. Galway made channel/chip samples of average grade 38 g/t gold and 61 g/t silver over 1 m average widths for 615 m length in Reino de Oro level and averaging 21.5 g/t gold and 32 g/t silver averaging 1.17 m thick over 563 m at the Tajo Abierto Level at Vetas.

CB Gold recently discovered its "Stockwork" zone, where it adjoins Galway's Vetas property. Subsequent surveys suggest that roughly half of CB Gold's discovery lies on CB Gold ground and half on the adjoining Galway ground. CB Gold intercepted 115 m of 7.57 g/t gold, 41 m of 17 g/t and other impressive intercepts.

A complication in the 1 mm oz gold plus over 1 mm oz of silver is the target for Vetas involves an assumption of a 25% success rate in defining veins from the channel samples involves past artisanal mining. A physical survey must be made to verify whether historic mining extracted zones implied by drilling. The assumption is 500 meters of vertical mining in each zone. The Vetas district 43-101 intends to cover the El Volcan mine in mid-2012, and not the CB Gold "Stockworks" zone.

The Ventana Gold "La Mascota" deposit converges into the Pie de Gallo deposit of Galway Resources near California town.

San Celestino is in the southwest corner of the California claim blocks. The "Gap Area" lies between Galway's known deposits.

The "Machuca" area is south of the river is not too far from Pie de Gallo.

Galway is attempting to drill an 850 m continuing zone of mineralization in California district, but its drill holes terminate 450 m in depth. However, there is less drill density to depth where holes average 330 m to depth. Width, depth and topography will constain the maiden pending California resource.

A challenge in defining a 43-101 compliant resource is to "line up" the various veins or lenses that each drill hole separately intercepts in both drill camps. Drill plans are on 25 to 30 m centers in attempting to define indicated and inferred resources in California and Vetas.

Galway owes option payments to earn 80% of the California and 100% of the Vetas Districts. Galway has a right of first refusal on the 20% minority stake of California, which must match capital or operating costs or else be diluted down. Galway must pay a combined $2.6 mm, 2.7 mm Galway Resources shares and between 0.5% and 2% of the in situ value of measured and indicated resources after three years in California or a 1.5% in situ value payment for Vetas after four years in cash and stock.

Galway Resources also controls the Victorio tungsten-moly deposit in New Mexico, whose resources include up to 341 mm lbs of tungsten and 297 mm lbs of molybdenum at the lowest ore cutoffs.

Paramount Gold & Silver (PZG)
Christopher Crupi, Chief Exectuive Officer

Paramount Gold and Silver reported 4.85 mm oz of gold and 117.9 mm oz of silver resources at the end of 2010, and hopes to increase these amounts roughly 20% in 2011.

Numerous producing mines surround the Sleeper project within 75 miles, where Amax Gold produced 1.6 mm oz of gold and 8 mm oz of silver from 1986 to 1996. Newmont Mining's Sandman deposit acquired with Fronteer Gold adjoins the Sleeper landholdings to the west. Alllied Nevada is further to the west, Barrick Gold's 75%-owned Turquoise Ridge to the due east and Newmont Mining Twin Creeks to the northeast regionally.

SRK Consulting proposes a "Superpit" beneath and around the former Amax Gold pit. It looks like a $200 mm cap ex to produce over 100,000 oz of gold plus some silver. PZG believes the 33.54 mm oz of silver will cover the mining costs of the 254.5 mmt of ores, and the 3.75 mm oz of gold will be "free."

PZG is running a 65 hole reverse circulation hole drill program in 0.25 to 0.35 g/t waste dumps to have 0.5 mm oz of gold. There are 80 drill holes in the tailings, where PZG believes it could produce 100,000 to 200,000 oz from prior Sleeper historic production.

There are six distinct known deposits at the 188,000 hectare San Miguel property adjoining or surrounding the 11,000 hectare Palmarejo mine of Coeur d'Alene Mines. The San Francisco deposit is a potential 1 to 2 mm oz disseminated bulk tonnage gold deposit.

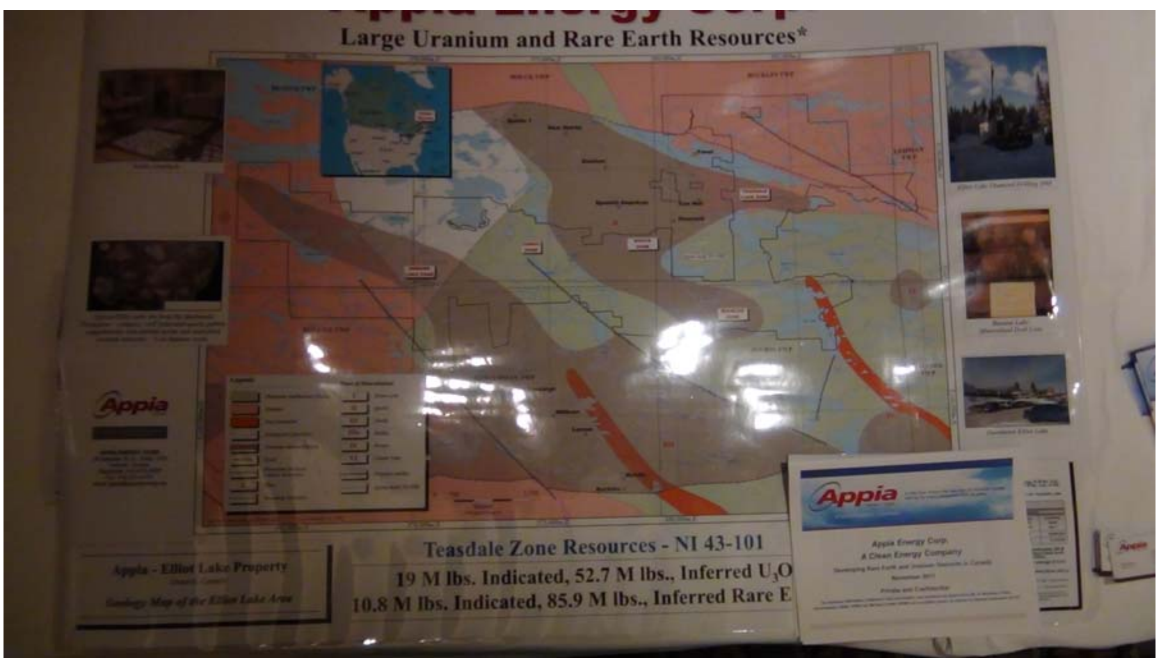
The San Miguel or also known as "Clavo 99" vein type deposit may exceed 1 mm oz of gold. San Antonio is a silver-rich outcropping vein system. Don Ese is a deep gold-silver vein system. La Union is a fifth area. Existing resources are 1.1 mm oz of gold and 83 mm oz of silver, both of which should increase. All five deposits are San Miguel will be analyzed as a single PEA by Mine Development Associates in 2012.

The San Francisco deposit may be a 100,000 oz annual heap leach deposit, depending on due diligence. Tests provide over 80% recovery rates in the first hours.

A central 4,000 to 5,000 mtpd mill for the Mexican district appears to be a reasonable concept, where it would process the classic vein-type ores from the various other vein-type deposits. Such a mill would be able to process new ores or deposits found in the future as PZG continues to explore its 188,000 hectares.

The seven million warrants expire March 2013. Paramount Gold and Silver has not developed a financing plan for its projects, but it expects financial markets to be favorable after it publishes technical studies describing its mine plans.

Figure 2: Appia Energy Explores in Historic "Elliot Lake," Ontario uranium district of prior 313 mm lbs historic uranium output. Appia has 43-101 compliant inferred resources of 72 mm lbs uranium and 96 mm lbs rare earth resources, which we estimate will increase to over 100 mm lbs of uranium and over 350 mm lbs of rare earth resources based on cumulative results to date near 1 lb/tonne UR and 3.5 lbs/t REE.



Appia Energy Corp (privately held planning IPO in 2012)
Tom Drivas, President & Chief Executive Officer

We provide our metals industry earnings estimates, gold price assumption and related data for the stocks under regular coverage at "John Tumazos Very Indpendendent Research, LLC" as a basis for comparison.

Universe Table 2: John Tumazos Very Independent Research, LLC Metals and Mining Coverage Universe

							Earnings Estimates			P/E Multiples		Gross Ca
			Price	Target	Mkt Cap	Shares	2011E	2012E	2013E	2011E	2012E	2012E
	Steel	Rating	12/1/11	Price	($ mm)	12/1/11	EPS	EPS	EPS	P/E	P/E	CF/Share
X	US Steel	O	26.75	44	4,588	171.5	($0.05)	$1.84	$3.49	NM	14.5	$6.16
NUE	Nucor	N	39.41	35	12,509	317.4	1.71	3.03	3.36	23.0	13.0	$4.75
ATI	Allegheny Technologies	O	49.96	80	5,815	116.4	2.30	3.90	6.10	21.7	12.8	$5.84
WOR	Worthington Ind. (May FY)	O	17.42	23	1,202	69.0	1.53	1.77	1.97	11.4	9.8	$2.47
	Gold Mining											**12 CFPS**
GYSLF	Greystar Resources	O	2.01	17	224	111.6	(0.12)	(0.10)	0.55	NM	NM	($0.10)
AEM	Agnico Eagle	O	44.48	80	7,760	174.5	1.70	4.90	5.57	26.2	9.1	$4.08
AU	AngloGold	N	48.62	50	18,801	386.7	4.55	8.67	9.10	10.7	5.6	$11.13
NEM	Newmont Mining	N	68.66	71	34,824	507.2	5.80	8.09	8.71	11.8	8.5	$11.72
GG	Goldcorp	N	53.28	45	42,317	794.2	2.49	3.62	4.03	21.4	14.7	$5.51
ABX	Barrick Gold	O	52.50	75	52,369	997.5	5.68	8.88	9.97	9.2	5.9	$11.38
RGLD	Royal Gold	U	79.96	50	4,424	55.3	1.29	2.96	3.26	62.0	27.0	$4.55
FNV	Franco Nevada	U	42.42	27	5,519	130.1	1.28	1.83	2.09	33.2	23.2	$2.06
SLW	Silver Wheaton	N	33.52	27	11,930	355.9	1.90	2.17	2.42	17.6	15.4	2.41
	Copper/Nickel/Diversified											**12 CFPS**
DULMF	Duluth Metals	O	2.30	13	253	110.0	(0.06)	(0.05)	7.01	NM	NM	($0.38)
GMO	General Moly	N	3.28	6	364	111.0	(0.29)	(0.18)	(0.15)	NM	NM	($0.15)
HBM	HudBay Minerals	O	10.00	16	1,800	180.0	(1.02)	0.10	0.26	NM	98.0	($2.64)
PLM	Polymet Mining	O	1.26	6	244	193.8	(0.06)	(0.06)	0.85	NM	NM	$0.64
ML.TO	Mercator Minerals	O	1.47	4	413	281.0	0.52	0.18	0.64	2.8	8.2	$0.37
TC	Thompson Creek	O	7.29	15	1,275	174.9	1.58	0.18	1.30	4.6	39.8	$0.80
QADMF	Quadra FNX Mining	O	10.66	18	2,125	199.4	2.17	1.90	2.37	4.9	5.6	$ 2.68
FSUMF	Fortescue Metals	O	4.80	10	14,817	3086.9	0.33	0.30	0.93	14.5	16.2	$ (1.38)
ANFGF	Antofagasta PLC	O	16.60	30	16,365	985.9	1.44	1.93	2.82	11.5	8.6	$2.18
TCK	Teck Resources Ltd	O	37.04	94	22,076	596.0	4.40	3.40	5.26	8.4	10.9	$6.39
FCX	Freeport-McMoRan Copper	O	39.15	79	36,370	929.0	5.07	6.38	9.34	7.7	6.1	$8.24
AAUKY	Anglo American ADR	O	19.09	33	49,138	2574.0	3.35	3.65	4.14	5.7	5.2	$8.68
xsraf	Xstrata	O	16.09	31	47,591	2957.8	2.18	2.26	2.82	7.4	7.1	$3.28
RIO	Rio Tinto ADR	N	52.36	66	99,405	1898.5	7.00	5.37	5.74	7.5	9.7	$9.27
VALE	Vale (CVRD)	O	23.20	41	122,019	5259.4	4.93	5.73	4.04	4.7	4.1	$7.72
BHP	BHP Billiton ADR	O	74.23	139	200,235	2697.5	8.54	8.05	8.79	8.7	9.2	$10.50
	Aluminum											**12 CFPS**
AWC	Alumina Ltd	O	5.81	9	3,559	612.5	0.04	0.06	0.08	NM	93.9	$0.02
CENX	Century Aluminum	O	9.47	17	838	88.5	0.46	0.82	0.86	20.7	11.5	$1.16
AA	Alcoa	N	9.80	15	10,780	1100.0	0.64	0.82	0.79	15.3	12.0	$2.21

UNDERLYING VARIABLES	2005	2006	2007	2008	2009E	2010	2011E	2012E	2013E	2014E	2015E
U.S. Steel Shipments (mm Tons)	105.0	109.5	106.4	97.8	60.3	83.4	92.4	96.0	99.5	99.5	99.5
Gold Price ($/oz)	438	604	697	870	972	1,229	1,600	2,000	2,000	1,500	1,500
Silver Price ($/oz)	$7.00	$11.52	$13.00	$14.86	$14.75	$20.29	$35.00	$35.00	$35.00	$25.00	$25.00
Copper Price ($/lb)	$1.65	$3.08	$3.20	$3.11	$2.34	$3.44	$4.00	$4.00	$4.50	$4.50	$4.00
Nickel Price ($/lb)	$6.71	$10.93	$16.00	$9.46	$6.65	$9.92	$10.50	$10.00	$9.00	$9.00	$9.00
Alum Ingot ($/lb)	$0.84	$1.13	$1.20	$1.18	$0.76	$0.99	$1.13	$1.15	$1.15	$1.27	$1.27

Universe Table 2A: John Tumazos Very Independent Research, LLC Metals and Mining Universe (cont.)

	Steel	Book Value	Tang Book Value	Est. Tang BV/share 2012	Price/ Tang. BV	2012 EV	2012 EBITDA	2012 EV/ EBITDA	Div.	Yield
X	US Steel	4,812	2,777	$16.19	1.4	$11,158	$1,449	7.7	$0.20	0.90%
NUE	Nucor	7,596	4,903	$13.84	2.6	$14,863	$1,465	10.1	1.45	4.08%
ATI	Allegheny Technologies	3,146	2,570	$22.08	2.0	$6,404	$678	9.4	0.72	1.66%
WOR	Worthington Ind. (May fisc	709	572	$8.29	1.8	$1,404	$262	5.4	0.48	3.30%
	Gold Mining			**12 TBVPS**					**Div.**	**Yld**
GYSLF	Greystar Resources	210	210	$1.88	1.0	$356	($14)	-26.1	$ -	0.00%
AEM	Agnico Eagle	4,546	4,546	$26.06	1.6	$7,020	$662	10.6	$ 0.64	1.54%
AU	AngloGold	8,797	8,603	$22.25	1.9	$13,627	$3,383	4.0	$ 0.30	0.70%
NEM	Newmont Mining	20,392	20,392	$40.21	1.6	$32,801	$7,285	4.5	$1.40	2.20%
GG	Goldcorp	29,521	29,521	$37.17	1.3	$35,771	$3,496	10.2	$ 0.41	0.86%
ABX	Barrick Gold	32,395	27,108	$27.18	1.8	$45,775	$9,941	4.6	$ 0.48	1.01%
RGLD	Royal Gold	1,546	1,546	28	2.7	$4,191	$331	12.7	$ 0.42	0.56%
FNV	Franco Nevada	2,284	2,284	$17.55	2.3	$4,957	$407	12.2	$ 0.48	1.19%
SLW	Silver Wheaton	3,395	3,395	9.54	3.2	$9,201	$860	10.7	$ 0.12	0.39%
	Copper/Nickel/Diversified			**12 TBVPS**					**Div.**	**Yld**
DULMF	Duluth Metals	66	66	$0.60	3.7	$250	($11)	-23.4	$ -	0.00%
GMO	General Moly	123	123	$1.11	2.5	$542	($30)	-17.8	$ -	0.00%
HBM	HudBay Minerals	1,550	1,550	$8.61	1.0	$1,519	$29	52.1	$ 0.20	2.27%
PLM	Polymet Mining	244	244	$1.26	0.9	$396	($7)	-55.1	$ -	0.00%
MLKKF	Mercator Minerals	412	412	$1.47	1.0	$807	$201	4.0	$ -	0.00%
TC	Thompson Creek	1,581	1,534	$8.77	0.7	$1,841	$367	5.0	$ -	0.00%
QADMF	Quadra FNX Mining	3,741	3,741	$ 19.64	0.5	$494	$716	0.7	$ -	0.00%
FSUMF	Fortescue Metals	3,829	3,829	$ 1.24	3.5	15,018	2,862	5.2	$ 0.07	1.62%
ANFGF	Antofagasta PLC	8,437	8,125	$8.24	2.3	$17,811	$3,879	4.6	$ 0.24	1.28%
TCK	Teck Resources Ltd	18,596	16,959	$28.46	1.1	$21,049	$5,816	3.6	$ 0.45	1.44%
FCX	Freeport-McMoRan Coppe	21,098	20,770	$23.21	1.5	$27,520	$10,812	2.5	$ 1.00	2.96%
AAUKY	Anglo American ADR	50,161	47,845	$37.18	0.5	$41,112	$16,905	2.4	$ 0.80	4.69%
xsraf	Xstrata	50,175	41,772	$14.12	1.0	$48,858	$11,454	4.3	$ 0.55	3.90%
RIO	Rio Tinto ADR	73,944	52,948	$27.89	1.7	$95,623	$26,019	3.7	$ 1.27	2.74%
VALE	Vale (CVRD)	107,022	107,022	$20.35	1.1	$120,825	$41,193	2.9	$ 0.77	3.52%
BHP	BHP Billiton ADR	70,836	69,932	$12.79	5.2	$188,736	$36,855	5.1	$ 1.84	2.77%
	Aluminum			**12 TBVPS**					**Div.**	**Yld**
AWC	Alumina Ltd	3,206	3,206	$1.57	3.1	$3,582	$159	22.5	$ 0.15	3.15%
CENX	Century Aluminum	1,165	1,165	$13.16	0.6	$1,037	$182	5.7	$ -	0.00%
AA	Alcoa	14,984	9,865	$8.97	1.0	$20,633	$3,505	5.9	$ 0.12	1.34%

Sources: Company reports, AISI, Comex, LME and JTVIR, LLC estimates.

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 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.

Paramount Gold and Silver, Galway Resources and Texas Rare Earth Resources 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 from 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, Freeport-McMoRan Copper and Gold In Arizona, Fortescue Metals to its mines, HudBay Mineral to Manitoba, Peru or Michigan, Goldcorp in Canada, Mexico and Argentina, Quadra FNX Mining in Nevada, Arizona and Sudbury, 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, Duluth Metals, Wits 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 none-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.

Because of Texas Rare Earth Resources June 10, 2011 disclosure of a financing upon which we had advanced knowledge and introductions, the June 28, 2011 disclosure that its S1 registration statement was effective with the SEC, and a subsequent June 30, 2011 8K filing with the SEC describing both our advisory relationship and that no mergers and acquisition discussions currently are ongoing, we treat July 2011 as an "open window" in which JTACR may write on TRER and during which a group of our employees or outside sales representatives may buy an approximately 40,000 share block of TRER.

We will distribute JTACR reports to JTVIR paid subscribers free, the particular mining companies may distribute JTACR reports from time-to-time and eventually we may sell JTACR to its own subscribers for $5,000 annually after building up a coverage list.

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 16-fold to $51.32 as of May 20, 2011. 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.

It is my management policy that any employee is welcome and 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 concerning any view to improve the quality our work.

DEFINITION OF A RESEARCH OPINION

We have target prices, investment ratings, earnings estimates and financial models for about 40 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 is 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. Knight Capital Group co-hosted our November 18-19, 2009 industry conference, providing us with "more hands" to administer the event and share costs. Knight Capital Group invited a company to speak as well. We have been approached by other broker-dealers interested in sponsoring or co-hosting our conferences, and our small team may accept help in hosting 275 or so guests at such a program.

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 35 to 40 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 two Metals 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 40 paid clients in the U.S., Canada, 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).

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. 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 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 was "inadequate by $300 mm." Augen Gold paid us, but retained separately Canaccord Genuity to render the fairness opinion that we did not render.

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 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. That assignment took a different form, however, as Tara Gold Resources adapted to new developments. 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 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. We covered Amax Gold and its parent companies, Amax Inc. and Cyprus Amax Minerals, as an analyst during its 1986-1996 former period of operation. We have received compensation from Paramount Gold and Silver.

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. That assignment concluded, as Galway determined to take its moly-tungsten project in Canada using a new publicly traded listed vehicle.

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.

Two other small capitalization companies, which we have not named as they have not made disclosures, engaged us to sell assets or negotiate joint ventures. These assignments expired without success or compensation, and we forfeited one year "follow on" periods. We may have occasional discussions with others.

Knight Capital Group asked us to "introduce" capital raising clients to it, principally in the range of $100 mm to $1 billion market capitalization emerging mines. Knight paid us nothing, and enjoyed no success. We have terminated that relationship.

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.

INVESTOR RELATIONS, CORPORATE MARKETING OR "ROADSHOW"

During 2011 several companies have asked us to schedule "roadshows" or investor meetings for them. Sometimes companies offer to pay us for such efforts. Generally these companies are small emerging mines without revenues.

Such compensation would be JTVIO business activity, as it is not "investment research" provided to institutions. However, many of our institutional investor clients in fact appreciate us bringing companies into their offices and some institutions have policy guidelines permitting them to pay for "corporate access" but not written research to research providers such as JTVIR. Thus, such "investor relations" or "roadshow" activities are inter-related to our core activities.

If we receive revenue from a company, however small, that constitutes taxable income in excess of expenses incurred, any future research we may publish will be "John Tumazos Advisory and Compensated Research, LLC" (JTACR) and not JTVIR reports.

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.

During the second half of 2011 JTACR has published research reports on Texas Rare Earth Resources, Paramount Gold and Silver and Galway Resources. Thus, it was published only three reports, and represents < 10% of our personnel's company research and < 5% of our written research report output.

POTENTIAL MONEY MANAGEMENT ACTIVITIES

We manage approximately $10 mm of my own money. Our trades conform to our published research and follow publication by a minimum of two business days. Client recommendations have first priority.

In September 2011 an investor approached us, and asked us 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, which we have thought about. However, to date we have been too busy to organize client advisory funds, but we do manage our own personal capital and intend to expand into this direction. "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 research of nearly 1,000 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 Mine Development Fund will focus on much smaller companies

POTENTIAL MINE SERVICES ACTIVITIES

We do not aspire to have a "consulting" business billed by the hour. However, 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 have not yet launched such a service, but we may from time-to-time provide "Third Party Review," critique or correct what we deem to be shortcomings in 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.

JTVIR DISCLOSLURES

“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 and paper 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 BHP Billiton, Southern Copper, Mercator Minerals, Platinum Group Metals, Packaging Corp. of America, Domtar, Norbord, U.S. Steel, SilverBirch Energy, HudBay Minerals, VMS Ventures, Advanced Exploration Inc., Rainy River Resources Ltd, Vale, Xstrata, Anglo American, Allegheny Technologies, Worthington Industries, Capstone Mining, Tahoe Resources, Everton Resources, Majescor, Anglo Aluminum, Stonegate Agricom, Premier Gold, Wits Gold, Virginia Mines, Paramount Gold and Silver, Entrée Gold, Torex Gold, Minera Andes, Claude Resources, Kirkland Lake Gold, Magellan Minerals, Argonaut Resources, Northern Superior, Connacher Oil and Gas, Duluth Metals, Polymet Mining, URU Metals, Kalahari Minerals PLC, Focus Gold, Appia Energy, Texas Rare Earth Resources Corp., Galway Resources, Greystar Resources, Pilot Gold, Rennaissance Gold, Klondex Mines, and Atna Resources, neither JTVIR, its members or is 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.

To date we have declined all requests to join corporate boards as our existing business keeps us busy. However, our policy permits up to three directorships and up to five consulting projects, advisory assignments or financial advice to corporations that might supplement, backcheck or substitute for certain services of a large investment banking firm. For example, we would accept an engagement to evaluate investment banking advice on behalf of a manufacturing company concerned whether advice is sincere or intended to maximize fees.

Our policy is full disclosure of any advisory relationship or conflict going back three years, except if our corporate clients have not disclosed the asset (or company itself) is for sale.

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 Thypin 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. Typically more than five investment banking assignments were evaluated, partly executed or "due diligenced" for any completed transaction. Some examples we can recall 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 and FNX Mining were dropped after full coverage initiation due to takeover. FNX Mining, Brett Resources, Linear Gold, Comaplex Resources, Skye Resources, Fording Coal, Gold Eagle Mines, International Royalty, Selkirk Metals, Franconia Minerals and Fronteer Gold are companies that have spoken, were scheduled or invited to speak at our conferences and later taken over, and UTS Energy successfully defended a takeover offer.

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 Teck, Agnico-Eagle Mines, Mercator Minerals, Skye Resources, General Moly, Inc., Duluth Metals, Polymet Mining, Greystar Resources, Vale, Xstrata, Anglo American, Packaging Corp. of America, Norbord, Rock Tenn, Quadra FNX Mining, 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.

Information contained herein is based on data obtained from recognized statistical services, issuer reports or communications, or other sources, believed to be reliable. Any statements nonfactual in nature constitute only current opinions, which are subject to change.

There are risks inherent in international investments, which may make such investments unsuitable for certain clients. These include, for example, economic, political, currency exchange rate fluctuations, and limited availability of information on international securities. John Tumazos Very Independent Research, LLC, and its affiliates, make no representation that the companies which issue securities that are the subject of their research reports are in compliance with certain informational reporting requirements imposed by the Securities Exchange Act of 1934.

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.