J Taylor's

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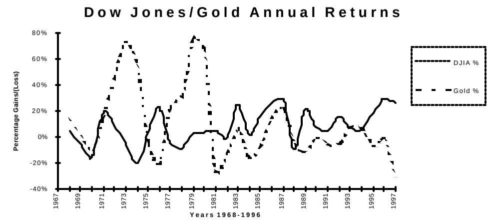
Gold

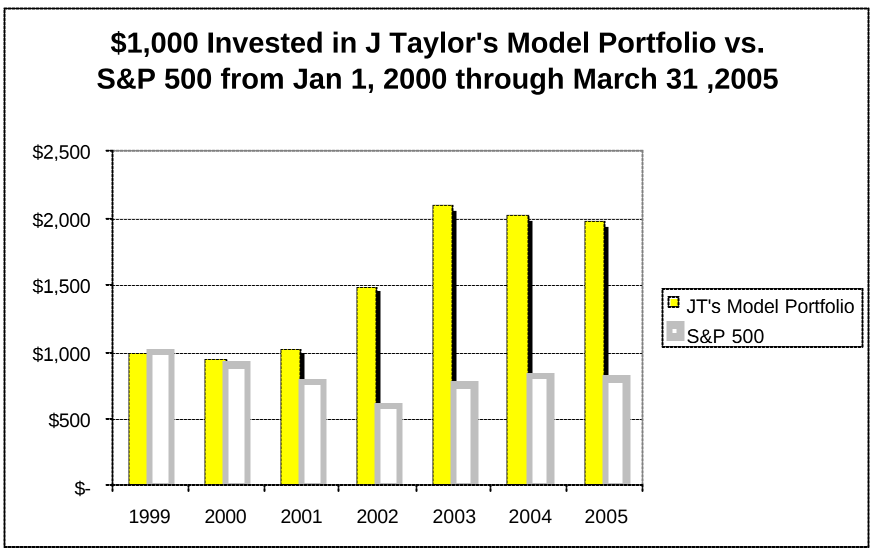


& Technology Stocks

Volume 24 No. 4 (*Now in our 23rd Year)* April 13, 2005

Reviewing the Primary Market Trends & Our Portfolio

Some investors like to trade in and out of markets using technical analysis. Still others like to use momentum methods to hop on to a market when it begins to move and then hop off as momentum begins to fade. Still others, like Warren Buffet, are value-oriented investors who seek to buy into markets when they are so out of fashion that they offer huge upside potential with limited downside risk. This letter seeks to make investment decisions from a value perspective combined with an analysis of the primary trends of major markets such as the equity, bond, dollar, commodity, oil, and gold markets. And since we began providing an overall investment strategy as part of this letter's mission, that strategy has worked fairly well, as evidenced by our Model Portfolio's performance. An investment of $1,000 put into our hypothetical Model Portfolio would have nearly doubled to $1,974.22 by March 31, 2005. By contrast, $1,000 invested in the S&P 500 in January 2000 would have fallen by more than 20% to $799.06.

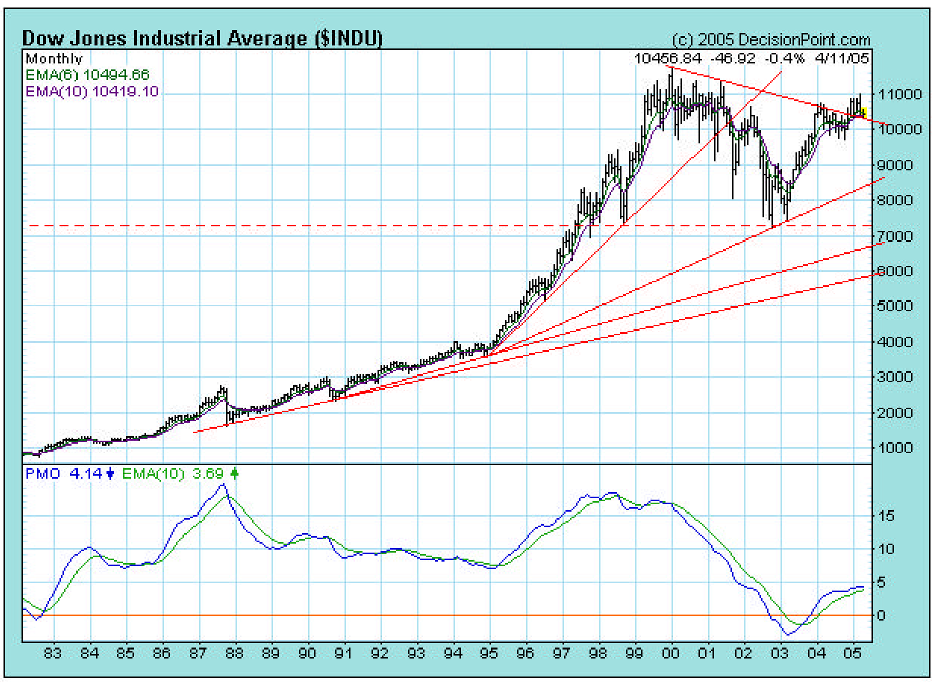

$1,000 Invested in J Taylor's Model Portfolio vs. S&P 500 from Jan 1, 2000 through March 31 ,2005

A secular market trend as opposed to a cyclical trend is a trend that can and often does approach a time frame of a generation (20 years). If a market is in a primary bear trend, we want to avoid it all together unless there is a way to short that market without taking undue risk. For example, there is an effective way to short the equity market right now and that is through the ***Prudent Bear Fund (BEARX)*** managed by **David Tice & Associates**. If a market is in a primary or secular bull market, we want to take a long position in those markets, but we don't want to buy assets in a "willy-nilly" fashion. We want to buy the most undervalued assets in a secular bull market because we know that over time, value strategies are most successful for most investors.

Our investment approach is not for everyone. Many folks lack the patience required to take the tortoise approach to investing. Like the story of the hare and tortoise fable, trading or momentum investing may be fast-paced and therefore more exciting, but for most investors, long-term buy and hold strategies are much more effective than trading in and out of markets, especially if bullish positions are staked early in a secular bull market. There is, of course, a place for prudent trading that seeks to take advantage of short-term moves in markets without taking undue risks. For example, Roger Wiegand's *Trader Tracks* seeks markets that are about to rally and then suggests conservative trading strategies that allow you to cut your losses in the event the markets run opposite from what he expects. And Roger is not averse to taking profits early. A profit is a profit. It's hard to argue against taking them and then risk losing them as well as your initial investment. And Roger has compiled an enviable record already since he began working with us; so those of you who may enjoy trading should pay special attention to the enclosed advertisement. More than a few of our subscribers have already have been subscribing to *Trader Tracks* and have been quite happy so far.

But the focus of this letter will remain on the method of investing that is akin to the character of the patient tortoise, rather than that of the hare which may be more like trading in and out of markets. To keep our long-term goals in sight, we tortoise investors need to step back from time to time to see the big picture unfolding. Otherwise when we flip on CNBC or some other major media, we are easily distracted by the whirring breeze of the hare darting past us. Wall Street is all about selling product. Therefore, the Street doesn't want to encourage you to think "buy and hold." And heaven forbid you should think we are in an equity bear market because that would really kill Wall Street profits. So if you depend on the mainstream media for your financial news, Wall Street will try to keep you distracted from the long-term trends, especially when stocks are in a bear market. They will flash the news of the hare darting past the tortoise so you feel like you have to jump on board too. But they will ignore or play down the times when the rabbit runs in the wrong direction or chooses to dart off the road to nibble some vegetables along the way. Wall Street wants you to buy and sell stocks as frequently as possible and they will do everything they can to keep you in the paper markets. They want you thinking like a rabbit and not like the tortoise (think Warren Buffet) because their profits depend on (a) keeping you in the market and then (b) churning you as often as possible. To help us maintain the big picture as we tortoises must, let's view the key markets we have in our Model Portfolio to determine the status of the primary trends in which we are investing.

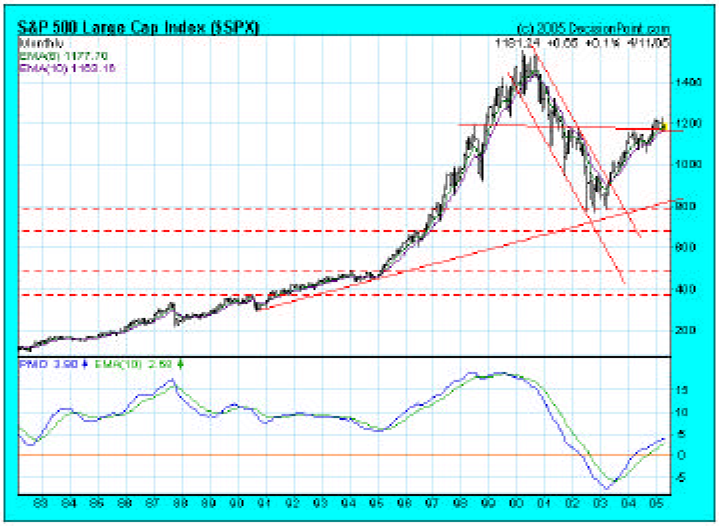
The Equity Markets

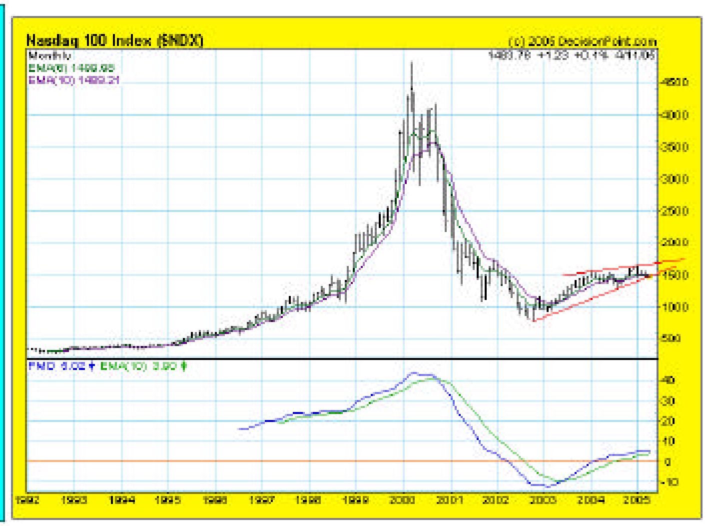


The equity markets have been in a correction phase since they bottomed in 2002. Wall Street calls it a bull market. However, conditions that mark the end of a major bull market such as low PE ratios and high dividend yields as well as psychological capitulation have not come close to indicating an end of a secular bear market that we are convinced began in 2000. Typically at the bottom of bear markets, the best companies in America will sell at price to earnings ratios of under 10 and provide dividend yields ranging from 5% to 10%. At such a time, psychologically, virtually everyone believes stocks are a very poor investment. At that time, your friends will think you strange if you buy stocks, but you will be in good company with investors like Warren Buffet who recognize good value when they see it. Intrinsic value, or value on the basis of earnings per share and/or net asset value per share, will render stocks an excellent investment—unlike now, when people are still buying stocks, not because their earnings provide a good return on investment, but because the greater fools theory is still in play. People are still buying stocks because they think or at least they hope someone else will be here to buy them whether or not their earnings are good.

At this point, the public does seem to be losing interest in stocks, though they are continuing to pump money into their 401-k plans, hoping to gain back at least some of what they lost in the first leg down of this secular bear market.

However, the professionals to whom they have entrusted their 401-k investments are about as complacent as they have ever been. Overvaluation and complacency are the ingredients of a very dangerous market. In addition, the recent Dow Transport weakness leads me to believe we could now be very near the next major leg down in equities. The next downturn should begin to scare the fear of God back into people who still believe one big lie told by Wall Street during the 1990s, namely that "in the long run stocks only move higher."





The Dow Jones Industrial Average (chart on page 2) has been the major Index that has declined the least thus far during this secular bear market. As the charts of the NASDAQ and S&P 500 demonstrate, those indexes are down much further from their 2000 peaks than the Dow. But what I find most remarkable is the fact that in spite of the most expansive monetary and fiscal policies ever, the Dow has still not been able to reach its old high of over 11,700. When this bear market is over, there will be wailing and gnashing of teeth that will mark a possible entry point into stocks. However, we agree with Ian Gordon when he suggests any bottoming out of equity is still probably at least 10 to 15 years away. Attempts to keep natural bear market forces from working will prolong the downturn and make it ultimately all the worse.

So we believe the equity markets are in a secular bear market. To profit from that trend, we have allocated approximately 16% of our Model Portfolio to the **Prudent Bear Fund (BEARX**), which applies most of its resources to shorting the equity markets.

U.S. Treasury Markets

In addition to shear overvaluation, one of the major factors that has kept U.S. equities from rising to new highs, despite extremely stimulative monetary and fiscal polices, is that of enormous deflationary pressures. Debt, which is growing much, much faster than income, is one major deflationary force in play, as is the growing prominence of the Chinese and Indian economies, which are able to produce huge quantities of goods and services at very low prices. These two highly populated countries are exerting downward pressure on wage inflation in the U.S. Combined, those two forces preclude, in my view, any need to worry about hyperinflation. Mounting debt relative to income emasculates the demand side of the economy, while wage pressure from China and India means that the American wage earner will not be able to earn enough income to continue his rabid spending once banks begin to realize consumer lending is a losing business. How much longer banks will keep lending consumers money they can never repay is a big question, but we note the banks are preparing themselves for that day by way of a new bankruptcy law that will make it much easier for banks to take possession of consumer assets when they default. That is of course the day we are waiting for, because when massive defaults occur, that will mark a distinct deflationary economy. Those who have avoided debt and have managed to save money and gold as we have been recommending will be in a very enviable position of being able to buy things when the vast majority of the population is scrambling for cash to repay their debts.

J Taylor's Model Portfolio **as of:**	**4/8/2005**		
Category	**Weight**	**YTD Gain**	**Tot Gain**
Progress "A" Gold Producers	17%	-0.84%	19.32%
Speculative Mining Shares	23%	-10.64%	81.84%
Essential Technology Stocks	10%	-6.47%	68.31%
Energy Stocks	16%	-4.00%	92.57%
Gold & Silver Bullion	4%	1.25%	22.17%
Prudent Bear Fund	16%	2.43%	37.96%
iShares Lehman 20+ Yr. US Treasu	7%	-3.99%	-3.99%
Rogers Raw Materials Index Fd	9%	12.13%	111.05%
Model Portfolio	**100%**	**-3.74%**	**117.68%**
S&P 500		**-2.53%**	**-10.53%**

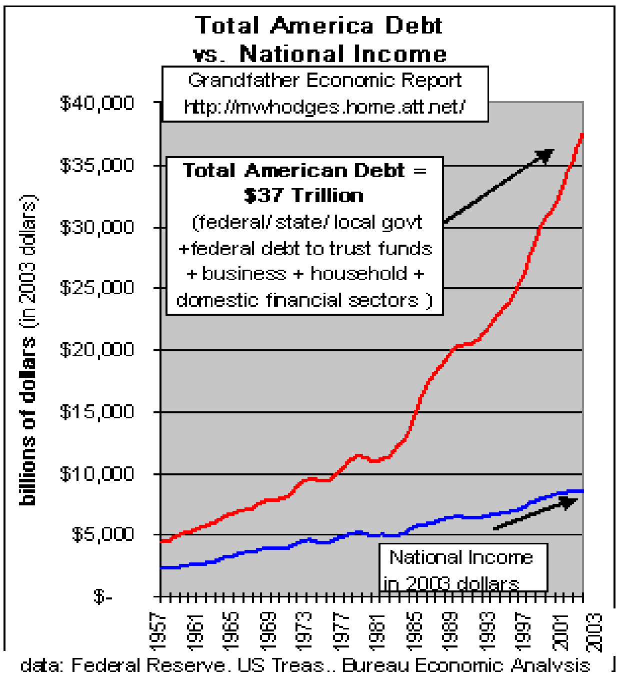
These forces of deflation are not lost on the U.S. Treasury market. When these deflationary plays become prominent, they will wreck junk bonds, but U.S. Treasuries should remain strong as they have for quite some time as investors flee from the risky private sector to the U.S. Treasury, which will not default because the government can always print more money to repay that debt. So many sophisticated investors (Bill Gross included) have been surprised that the bond market has continued as strong as it has. But most of these folks believe "helicopter" Ben Bernanke of the Fed can and will be able to inflate the U.S. debt burden away simply by printing money. Because of the deflationary forces I just mentioned, plus the alliance with Japan, which still has deflation and much lower interest rates than we have, I believe the long-term secular bull market in long U.S. Treasuries, that is clearly visible in the chart above, may well continue for a number of years, much to the surprise and chagrin of those who have jumped out of these markets. I could be wrong if the U.S. dollar falls out of bed, which I admit is possible. However, as Bob Hoye points out, the senior currency is normally very strong following major bubbles like those we continue to work our way through.

Early this year, your editor suggested you sell your short dollar position (The Prudent Global Income Fund), buy the TLT, which is an ETF that provides investors with a position in long U.S. Treasuries (20 to 30 years). So far, that strategy has not worked out very well, evidenced by a loss of 3.99% in the Model Portfolio through March 31. However, it seems clear to me, based on the chart of the 30-year U.S. Treasury as shown on page 3, that the bullish trend in long treasuries remains in place. If and when the 30-year Treasury breaks below the long bull market up-channel, we will sell this position out of our Model Portfolio. For now we plan to continue holding TLT in our Model Portfolio, believing that in a deflationary environment, the 4.50% yield paid at this time will seem quite attractive in the future when incomes become ever more difficult to come by. As investors scramble for safe income from wherever it is possible to find it, yields on safe debt instruments (which will mean only U.S. Treasuries and perhaps a handful of corporate bonds) may drop even lower than they are now.

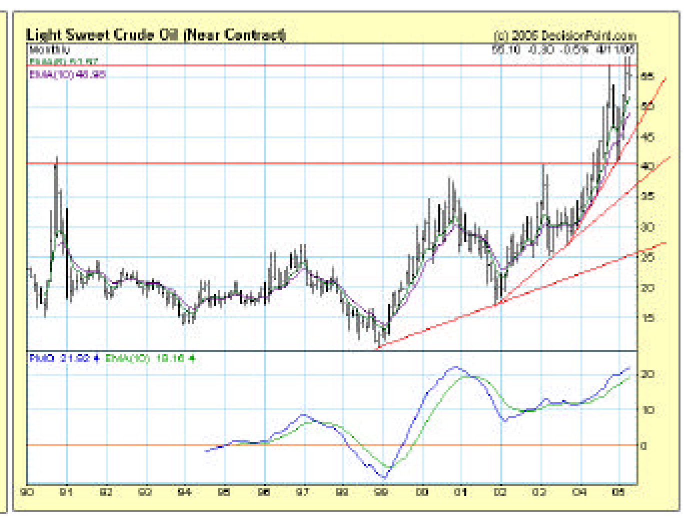
OIL & COMMODITIES IN GENERAL

Policy makers like to blame the Great Depression on the gold standard. They argue that if only the gold standard were not in place, they could have pumped more money into the economy. Now that there is no gold standard, even most gold bugs believe a deflationary depression is out of the question. We strongly disagree. In fact, the presence of a gold standard did nothing to stop highly stimulative monetary and fiscal policy after the 1929 crash. But those policies did not work. True, without a gold standard now, the tendency to run to the bank and replace paper money with gold has been less pronounced; though there has been a tendency on a small scale to begin hoarding gold since the bear market in equities began. So I would agree that the absence of a gold standard has made it easier for policy makers to delay the natural market correction in the form of a deflationary depression. And there is no denying that there has been a strong inflationary trend since the gold standard has been abandoned, because politicians have not had to worry about a run on the banking system for gold withdrawals. But what nearly everyone seems to not consider is the fact that debt is the raw material from which fiat money (paper money) is created. So, the more money that is created, the faster the debt grows relative to income, as the chart below illustrates has been true in the U.S. You don't have to be a brain surgeon to understand that, with mathematical certainty, if the trajectory of income and debt continues as pictured in this chart, a day will come when America will in fact be nationally insolvent.

In fact, that day has already come, but thanks to the Japanese and so far the Chinese, who have been enslaving Americans by lending us something like $2.8 billion per day, our day of reckoning is only being delayed. But a time will certainly arrive when foreign interests will discontinue that policy. Then interest rates are likely to spiral upward out of control, at which time the Kondratieff winter of this cycle will freeze up all but the most essential economic activity. When that day arrives, I do not want to own commodities and I don't think you will either. Having said that, however, there is no denying that for the present, the primary trend of the commodity markets, as well as oil, remains upward. And so we have roughly 25% of our Model Portfolio in energy stocks and commodities in the form of the Rogers Raw Materials Index Fund and/or the Global Resource Fund managed by Frank Holmes.



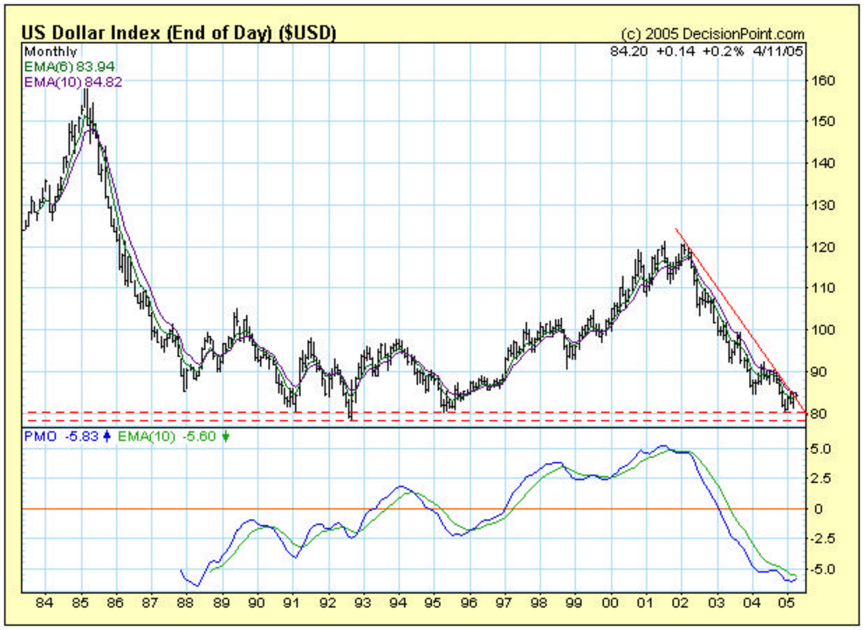
Is the CRB in a secular or cyclical bull market? What about oil—secular or cyclical? Equity bears who do not buy deflation arguments suggest we are in the early stages of a bull market for commodities. I believe commodities in general, and perhaps more specifically oil, have reached their peaks or may be nearly ready to do so, given my belief that we are nearing the Kondratieff winter of this current 60- to 70-year Kondratieff cycle. However, oil may be especially problematic if Hubbert's peak is in fact a reality. But actually I see rising commodity prices as representing an added deflationary threat, because America consumes far more commodities than it produces. Rising oil prices definitely robs the demand side of the economy, which is already strained because of wage deflation (thanks to China and India), as well as huge and rising debt. If you add



rising interest rates into that mix, the tipping point from a still moderately growing economy to the dreaded Kondratieff winter may very near. Such an environment is not at all bullish for commodities. With respect to inflation, we need to remember that it is not caused by rising prices of goods and services but rather by increased demand caused by an increased money supply. Rising oil and other commodities result in a redistribution of cash flow. To the extent flows are decreased to the world's largest debtor nation, which is the United States, rising oil especially could be hugely deflationary at the tipping point where a collapse of demand occurs. Where is that point? No one knows, especially those most skilled at econometrics.

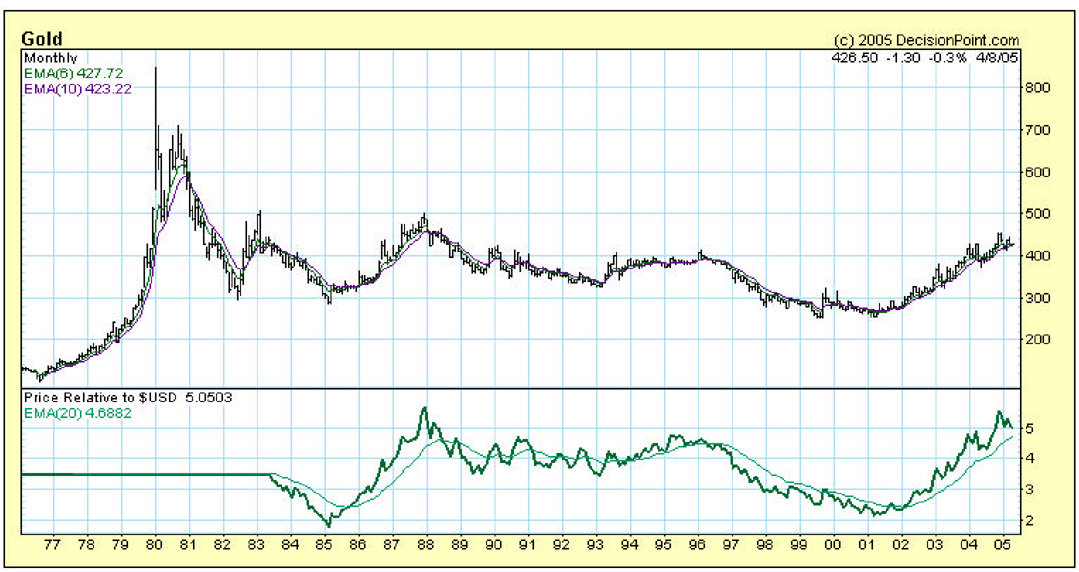
THE DOLLAR

The dollar of course is key to all this discussion. A plunging dollar would likely result in substantially higher interest rates, as foreign capital would require perhaps dramatically higher interest rates to keep foreigners motivated to lend us the capital with which we keep buying our SUVs and bigger and bigger houses. But dramatically rising rates would plunge us into a horrible depression. Painful as all that might be, I believe our policy makers will not hesitate to orchestrate a higher interest rate policy if required to defend the dollar at or near its recent low of around 0.80 on the index. I say that because only if the dollar retains its credibility will the U.S. remain the world's lone superpower. Otherwise, foreign capital to fund our military presence around the world will not be available, and the CFR, Trilateralists, and Bilderbergers, who really run America, will have lost their dream of forming a one-world government with themselves in charge. I'm not saying the establishment *will be able* to defend the dollar forever. But I think they will do everything within their power to keep the greenback from collapsing, because nothing is more important to the ruling elite than retaining superpower status. This geopolitical factor is, in my view, another argument in favor of deflation.



Also, as Bob Hoye has pointed out in my interview with him in our February issue, the senior currency (the U.S. dollar now) has historically been the strongest currency after passing through a major bubble economy like the one we are still in the process of working our way through. I believe that has been true because, during the inflationary expansion, the largest amount of debt is denominated in the senior currency. When the bubbles burst, there will be a huge scramble to turn virtually everything into dollars in order to meet debt obligations when the margin clerks call in the loans. I believe that will be true in general across the globe, but I expect it will be especially true for the dollar because it will be the currency with what, in effect, will be the largest short position. As everything in sight is offered at fire sale prices, those holding cash positions will be in the catbird's seat as prices plunge.

GOLD



Finally, we turn to gold. The dollar will rise in value (gain purchasing power) as the depression-induced short squeeze leads to an involuntary reversal of inflationary forces and debt shrinks through repayment and repudiation. Out of necessity, people will scramble for liquidity, which is why during a deflation; the thing they scramble most for is gold. Cash represents liquidity, but gold represents maximum liquidity and maximum safety. Gold is the safest and most liquid asset of all during a deflation because unlike the dollar, its value does not depend on the ability of others to repay their debts. Especially during a deflationary depression, the ongoing viability of over-indebted institutions is called into question because of the uncertainty of whether they will be able to collect increasingly doubtful receivables. Cash literally in hand is safe during a deflation and in fact should gain purchasing power. However, cash left with institutions becomes increasingly risky, while gold adds purchasing power even faster because of the widespread preference for gold—for its intrinsic worth as well as ultimate safety.

This is the deflationary argument for gold bullion and secondarily for gold shares. The inflationary argument is much better known today because we just experienced it in the 1970s, when gold rose in terms of a devalued dollar from $35 to $850. What is harder for most folks to comprehend is that the dollar and gold could both rise in value vis-à-vis other currencies and against virtually everything else in the universe. So whether you buy the deflation argument or not, gold is a good investment to hold because it protects you against either extreme inflation or deflation.

In summary, here are our views of the Primary Trends of the Markets and how we have allocated our Model Portfolio resources accordingly:

1. We are in a secular bear market in equities for which we expect to profit via the Prudent Bear Fund (BEARX), which shorts the equity markets and also holds a gold share position.

2. We believe the U.S. Treasury market remains in a long-term secular bull market although most of Wall Street's pros, who have incorrectly announced its demise, continue to do so. If the 30-year Long Bond breaks the long-term uptrend lines, we will sell our long position in the TLT and most likely allocate those resources to gold or cash.

3. We think oil and commodity markets are in a cyclical bull market. How long can these commodity markets rise in light of an over-indebted American consumer and declining real wages for American workers? That is the hardest question for us to answer now. And so we are retaining a long position in energy stocks and the Rogers Raw Materials Index, though for flexibility purposes, we are recommending you exit the Rogers Raw Materials Fund and buy the Global Resource Fund (PSPFX).

4. We expect the U.S. dollar to remain strong for a much longer period of time than most folks believe, because of the behavior of the senior currency in prior post-bubble eras. Also the global dominance of the United States requires a dollar to remain stable, if not strong, if the U.S. is to retain its ability to use its military to project American economic and political power around the world. While the establishment will try to inflate the debt problem away, the last thing it wants or can afford is for the dollar to crash, because a crashing dollar would result in the rapid demise of the superpower status of the U.S. Because we expect the dollar will hold the 0.80 level on the index for the foreseeable future, we have sold our short position by way of the Prudent Safe Income Fund and allocated the proceeds to the TLT. Should the dollar plunge below 0.80 on the index and/or the 30-year Treasury fall through its long bull market uptrend, we will sell out of the TLT and may or may not buy back into the Prudent Global Income Fund.

5. Gold is THE superb asset during deflation. It also works well as an inflation hedge. So unless we become convinced that the establishment is right in suggesting no serious economic threats lie in our immediate future, we will continue to allocate the largest sum of our portfolio to gold and gold shares. We have a hard time seeing any other assets on the horizon that make as much sense, given the fact that virtually everything else including equities, real estate, junk bonds, etc., has been inflated to price levels that render them high risk/low return propositions at this juncture.

Until it becomes clear that the primary trends discussed above are violated and until overvalued markets approach historical bargain basement prices, our Model Portfolio as well our Low Budget/Low Risk Model Portfolio will remain unchanged.

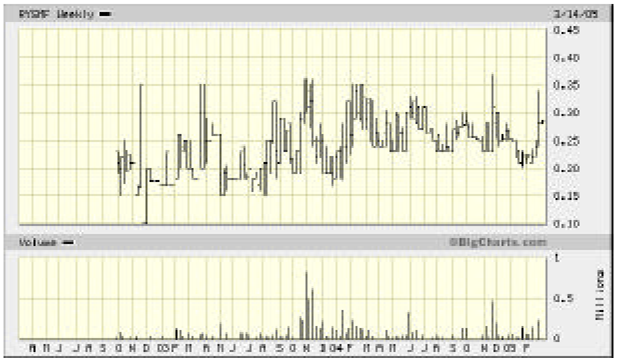
We should also mention one more tortoise-like characteristic of our portfolio strategy, and that is diversification. If we were a gold-stock-only newsletter, we would have had triple digit average gains a couple of years ago rather than gains in the 40% to 50% range. However, in 2004, we would have suffered a much bigger loss than the 3.57% setback we endured for that year. What we have succeeded in doing over the past 4+ years is build wealth slowly while avoiding major losses, as the chart on page 1 demonstrates. Remember, the hare may have more fun running the race but the tortoise wins. There is a place for both strategies depending on your preference, and in fact thanks to Trader Rog, we now offer both the hare and the tortoise approach. Your editor is personally more comfortable with being a tortoise, so that is what I will be, and I'll let Roger guide you down the bunny path.

Weekly Hotline Messages

A substantial amount of information provided to our subscribers is handed out in our weekly Hotline e-mail transcripts. Because the cost would be prohibitive via postal delivery, we seldom provide commentary about existing recommendations in the monthly letter that we do via our weekly e-mail. Because e-mail delivery is so much more comprehensive, if you have access to a computer, we would encourage you to contact Claudio Bassi at (718) 457-1426 for help in learning how to use our weekly e-mail service. Of course you are also welcome to call our Hotline summary phone line which is (718) 779-1009. These messages are updated every Saturday at 8:00 PM unless otherwise noted.

New Buy Recommendation

Royal Standard Minerals



Traded: Toronto Venture–Royal Standard
Pink Sheets–RYSMF
Shares Outstanding: 43,036,018
Price 3/17/05:$0.395
Market Capitalization: $17 Million
Progress Rating: "B"

Royal Standard is a name that long-time subscribers may remember from the past. The company always had some good properties and it had some interests in the oil and gas business, too, at one time. Unfortunately, the 20-year bear market in gold wreaked havoc on most junior mining firms, which either disappeared completely into cyberspace or hunkered down into a state of hibernation in the belief that gold prices would eventually rise again to a price level that would lead once again to an economically viable industry. Royal Standard chose the hibernation option and by the looks of things, shareholders that hung in there with this company and its CEO, Roland Larsen, could be in for some very, very exciting days ahead.

The new, revised Royal Standard story was brought to my attention by a very good friend of mine and one of Vancouver's primary junior gold-mining company financiers. Regulatory requirements prohibit me from revealing his name, but suffice it to say he works for a household name Canadian firm that is currently helping Royal Standard raise in excess of C$2 million through the issuance of 6.2 million shares.

The company plans to develop, subject to further analyses, positive feasibility, and financing, three projects to production over the next 1–4 years in Nevada. The first project, Gold Wedge, has the potential to be in gold production in early 2005. The Gold Wedge Project is fully permitted by the State of Nevada (NDEP) for a full mine and processing facility that will allow the company to produce gold onsite.

Gold Wedge *
Nye County, Nevada

Gold Wedge is 100%-owned by Royal Standard. It is located in the Manhattan Mining District, approximately eight miles south of the large Round Mountain Gold Mine from which some many millions of ounces of gold have been produced. This is the project that may well make Royal Standard a producer before the end of this year. Toward that end, at last report, the company has completed nearly 700 feet of decline and has crosscut the mineralized horizon and in that process some spectacularly high gold values were intersected. Most significant was a 10-ft. intersection that graded 4.8 ounces of gold per ton and 30 ft. of 1.9 oz. gold per ton. These are the kinds of numbers Goldcorp is cutting at Red Lake. While these are certainly above average values, cast your eyes over the per-ton values listed below for various drill holes, as reported on five-foot intervals. A total of 14 surface drill holes with multiple gold intercepts occur within 300 feet of strike length and depth of the decline/crosscut, a section that is targeted for the initial stage underground drilling and bulk sampling. Grade and thickness highlights are as follows:

Hole	From ft	To ft	Length ft	Gold opt	Hole	From ft	To ft	Length ft	Gold opt
72	150	155	5	0.809		275	280	5	0.540
	270	275	5	0.379		380	385	5	4.854

	385	390	5	4.796
	390	395	5	0.928
	380	400	20	2.702
	390	395	5	0.928
90-92	145	150	5	0.289
	150	155	5	0.483
	145	160	15	0.321
	225	230	5	0.368
	230	235	5	0.410
	225	240	15	0.316
91-4	110	125	15	0.337
	110	115	5	0.978
	190	195	5	0.320
64	275	285	10	0.414
	300	330	30	1.890
	300	305	5	0.759
	305	310	5	4.541
	310	315	5	5.118
	315	320	5	0.324
	320	325	5	0.390
	505	510	5	0.261
04-05	Assays pending			
04-06	Assays pending			
90-95	140	170	30	0.569
	140	145	5	1.675
	145	150	5	1.174
	270	275	5	0.620
	320	330	10	0.594
	325	330	5	1.176

Not only are these extremely impressive grades, but also, equally important to the potential economics of this project are mining widths, and here, too, the news is very good. The gold mineralization on the Gold Wedge occurs within a zone that is approximately 70 feet wide and consists of at least five higher-grade zones that are enclosed by lower-grade gold values and have been established through drilling over a vertical extent of 300 feet. The 300-foot strike section under evaluation is part of a structural zone that has been drill tested for more than 1,100 feet in length and is open along strike and to depth.

The decline has crosscut through the easternmost mineralized structure known to exist on the property. Channel sampling of wall samples scored 25 ft. grading 0.204 oz. gold/ton, 15 ft. grading 0.320 oz. gold/ton, and 5 ft. grading 0.824 oz. gold per ton. As the decline is constructed and bulk sampling is carried out, management plans to extend the decline to the next proposed development level, approximately 45 to 50 ft. below the current crosscut, and construct the second crosscut into the structural zone. Management expects to repeat this process every 300 ft. as the decline development follows the structural, gold-bearing zone along strike and to depth. This effort would represent the initial stages of a development program that would assist in the completion of a detailed reserve analysis and onsite production scale gold recovery testing of this material, as well as prepare the property for development.

Bulk mining and test mining are reportedly occurring during this first quarter of 2005. Management is preparing surface facilities to ready the company for production. Included in this construction is a water containment silt pond, ore pad, waste rock dump, and plant site. Royal Standard has also purchased and delivered to the site a complete-use, full-production 150-ton-per-hour gravity plant. At last report, the company was working on preparing the assembly and enclosing the facility. Management plans to use the gravity plant to process bulk samples and to use this plant as the core facility for full-scale production.

Following the experience we have gained over the years, most recently with Golden Phoenix, we know that small mining companies seeking to go into production bring with them considerable risk. With regard to Golden Phoenix, we recently voiced concerns about that company's lack of attention to detail, especially in the area of metallurgy. It is our understanding that gold mineralization at Gold Wedge is largely "free milling" and that a simple gravity mill should work well in allowing for high recovery rates. But very frequently a lack of attention to metallurgical details is a contributing factor to the failure of small mining concerns, and it is something we will be watching closely with respect to Royal Standard's progress at Gold Wedge.

It is too early to "bank" on Gold Wedge economics, in which metallurgical recoveries will play a role. However, we assume that with recoveries in at least the low 90% range, the economics of this project should be highly favorable. Good recoveries, large mining widths, and high grades should lead to relatively low production costs perhaps on the order of $150/oz. A resource of 500,000 ounces based on exploration to date, with considerable upside potential, would seem a realistic possibility. The mill can operate 150 tons per hour, which, in theory, suggests the potential to process 1,200 tons over an eight-hour shift. Time will tell, but on the basis of what we know at present, it seems as though Gold Wedge could provide positive cash flows in the very near future, which Royal Standard could use to explore this and some of its other highly prospective properties, not the least of which is the Piñon/Railroad targets.

Piñon/Railroad Project
Elko County, Nevada

My Vancouver financier friend, who brought this story to me, told me he found Royal Standard because he wanted very badly to invest in the Piñon/Railroad Project. In fact, another company he had been financing on the basis of another project had disappointed him when they failed to obtain the Piñon/Railroad Project. Believing in the major world-class potential of this project, my friend did a little research and that is when he discovered Royal Standard not only obtained the Piñon/Railroad but also had the Gold Wedge and more prospective properties in Nevada.

Royal Standard also holds a 100% interest in this property, located on the southern end of the prolific gold-bearing Carlin Trend. More than 50 million ounces of gold have been produced from this trend. The Piñon/Railroad Property extends for about 10 miles from the Rain Fault (Rain Gold Mine) on the north end to the South Bullion Deposit on the south end. In 1995, Royal Standard acquired Cyprus Gold Exploration's position. Since its inception, approximately $15 million has been spent on the project by various joint venture partners.

Exploration to date, based on more than 600 drill holes, has identified several potentially economic low-grade (0.02–0.10 opt) bulk-mineable gold deposits to include the Pod and South Bullion deposits. South Bullion includes a large gold/silver-bearing system with measured, indicated, and inferred tonnages of 30.6 million tons of 0.026 opt at a 0.01 opt cutoff grade, or nearly 800,000 ounces of gold. The lower-grade geologic mineral inventory is in addition to several other near-surface gold deposits occuring within more than 16,000 acres of unpatented, patented, and "fee lands" under control by Royal Standard.

Royal Standard is currently evaluating the economic potential of the larger, near-surface deposits (Main Zone and North Pod open pit measured oxide gold—the "starter pit") in the South Bullion resource area, which is part of a larger gold/silver resource. There is the potential for a higher-grade (0.04–0.05 opt) open pit oxide deposit that the company is currently evaluating for possible development. But what is really exciting and very common with many of these Nevada lower-grade surface deposits is the existence of higher-grade "feeder" gold deposit(s) under the near-surface deposits, which have been where much of the really big Nevada gold production has come from in recent years.

The Railroad/Pod-Jasperoid deposits located on the northern portion of the company's 16,000-acre land package (close to Newmont's Rain Mine) is considered to be a high priority project to be further evaluated for its economic potential. The Pod Deposit hosts a near-surface oxide gold deposit.

The geologic environment is very similar between the Piñon and Rain extension deposits. Piñon is located directly on the Carlin Trend corridor of mineralization with the Rain Extension Deposit (four million ounces @ 0.45 opt gold grade) occurring 10 miles north of the Piñon Project. Both deposits occur in graben-faulted areas, with the Rain Deposit occurring in the fault-bounded margin of the graben, and Piñon occurring in the siltstone beds within the graben. The web formation is mineralized above the Devils Gate limestone at both deposits. At Rain, the mineralization occurs in and is closely associated with the Rain Fault. At Piñon, the known mineralization has not been connected to a strongly mineralized fault. However, higher-grade economic mineralization has been encountered at very shallow depths and these oxide zones occur along a 1,300-foot strike length and occur less than 90 feet below the surface. Thus it would seem this gold resource may provide the potential for low cost open pit heap leach gold production.

So, the focus of this project is to define shallow economically viable gold mineralization in the 0.04 to 0.05 opt range that is mineable by open pit methods and also to outline higher grade material, around 0.45 opt at deepth along the fault-bounded margin of a graben. While the Piñon/Railroad Property is likely to be further away from production than the Gold Wedge, it is huge, has all the markings of containing one or more viable open pit gold deposits, and may well contain high grade feeder zones at depth. This is the typical Nevada model and it is one that has made Nevada one of the largest gold producing regions in the world. In other words, I agree with my Vancouver friend that the Piñon/Railroad Deposit has great exploration potential.

<u>The Como District Project</u>
Lyon Co., Nevada

This property is located approximately eight miles southeast of the famous Comstock Lode, which produced about 8.4 million ounces of gold and 193 million ounces of silver. The property includes 47 unpatented lode claims and 5 patented claims.

The Como District consists of at least eight gold/silver bearing structures. The property was discovered in 1860 by prospectors looking for mineralization similar to the Comstock Lode. The property has had some historical gold and silver underground production with the Como vein producing about 20,000 ounces of gold and 500,000 ounces of silver with the gold equivalent grade of nearly 0.3 opt. The higher-grade underground vein extensions are largely not drill-tested. Over the past 20 years, modern exploration methods have continued to advance the understanding of the geologic framework and have identified two bulk-mineable gold/silver deposits that will require further work to ascertain the economic potential.

Since the 1960s, several large companies have explored the property, which includes St. Joe American, Amoco, Meridian Gold, and Amax Gold Inc. (who identified a low-grade open pit resource, based on 46 holes), for a large tonnage bulk-mineable gold/silver deposit. More recently (2000) Anglo Gold Corp. explored the property for a potential multimillion-ounce deposit. Anglo released the property in 2001 after drilling eight holes and completing considerable surface geologic mapping, rock chip, and geochemical sampling.

Several multi-ounce gold (grades of up to 4.86 opt) rock chip samples occur on the property, requiring follow-up work. Additionally, Anglo's drilling program discovered a "new" high-grade (0.45 opt over 10' within a mineralized zone that is 40'–70' in thickness) vein system on this property that requires additional exploration. Surface rock chip samples on this vein have returned values up to 0.417 opt gold.

Royal Standard acquired its option on the Como gold/silver project based upon the previous exploration results. This district has potential for the discovery of more than one economic bulk mineable open pit and underground gold/silver deposit(s).

Fondaway Canyon
Churchill Co., NV

This property has an indicated resource of 390,636 tons averaging 0.428 opt gold, for a total of 167,192 ounces. It has an inferred gold resource totaling 372,849 tons grading 0.409 opt, for 152,621 ounces of gold. However, with the vertical extend of high-grade gold in mineralized shear zones of more than 1,000 feet, and with one shear zone, namely the Paperweight-Hamburger Hill Zone, striking for 3,700 feet and with widths of between 5 and 20 feet, the potential to compile a multimillion-ounce gold deposit or deposits here would seem to be very good. The Fondaway is one more property that offers Royal Standard shareholders major blue sky potential.

MANAGEMENT

RSM management has a cumulative 100+ years of experience in the exploration and development of mineral deposits. The bulk of that experience has been in the exploration and development of gold deposits. In addition to the individuals indicated below, the company utilizes some of the more notable and experienced technical consultants in the mineral industry for specific technical support. These individuals act as advisors to the corporation and function as independent arms-length evaluators of the company's ongoing business.

Roland M. Larsen, president/CEO, has over 30 years of experience in the natural resources industry in exploration and management roles. He has served the last 11 years as an officer of public companies, primarily in the natural resources business.

For the previous 10 years, he was employed as a regional exploration manager with Utah International and BHP Minerals International Inc. Prior to that he was a senior geologist for NL Industries Inc. for 5 years. In addition he has several years of experience working with consulting geologists and engineering firms, including Derry, Michener & Booth and WGM. He is a member of the AIPG, SEG, and AIME. Mr. Larsen holds a M.S. degree in geology from the University of Tennessee.

Timothy D. Master, exploration manager, has more than 25 years of experience in exploration and development of gold/silver, base metals, and uranium deposits in the U.S. He has spent the last 13 years in Nevada gold exploration and reserve delineation. He has worked as a staff geologist for Chevron Resources, Gencor, Western States Minerals, Atlas Minerals, Callahan Mining, and Western Mine Development. Consulting-contract positions were held with Weyerhaeuser, Kennecott, Glamis, and Echo Bay. His experience includes generative prospect identification, acquisitions, and reserve definition, both surface and underground. His current position has focused on the acquisition and delineation of shallow underground mineable reserves at Manhattan and other promising projects in Nevada. He is a member of SEG and has a M.S. degree in geology from the University of Wyoming.

Mackenzie I. Watson, director, has been a prominent contributor to the Canadian mining industry for several decades. He is currently the president of Freewest (Canada) Resources Inc. and was involved in the discovery of the Holloway Gold Deposit with Hemlo Gold Mines. Earlier in his career, he was president and exploration manager of Lynx-Canada Exploration Ltd., which, under his leadership, discovered numerous precious, base metals, and coal deposits. Prior to that, he was a project geologist for the Icon Syndicate, where he participated in the discovery of the Sullivan Mine in Chibougamau, Quebec. Mr. Watson holds a B.Sc. degree in geology from the University of New Brunswick.

Roger C. Steininger, PhD., director, has more than 30 years' experience in mineral exploration, property development, evaluation, and mine geology, and ore reserve analysis. He has been associated with the discovery of several mineral deposits, most of which were eventually mined. The most significant discovery was Royal Gold's South Pipeline Deposit in central Nevada, which contains more than five million ounces of gold. Dr. Steininger was employed with Climax Molybdenum for 14 years (1967-81) and Amselco for 6 years (1981-87). He is a member of AIPG and several other professional organizations and has a Ph.D. from Colorado State University.

SUMMARY & CONCLUSION

This company has not one but several gold properties that have world-class exploration potential. And with one project, namely the Gold Wedge, on the verge of providing the company with some positive cash flows, I find Royal Standard to be one of the most exciting and undervalued junior gold stocks in this sector. I understand one major Canadian fund jumped on this story in a heartbeat after seeing a presentation. Once I took the time to look at it, so did I.

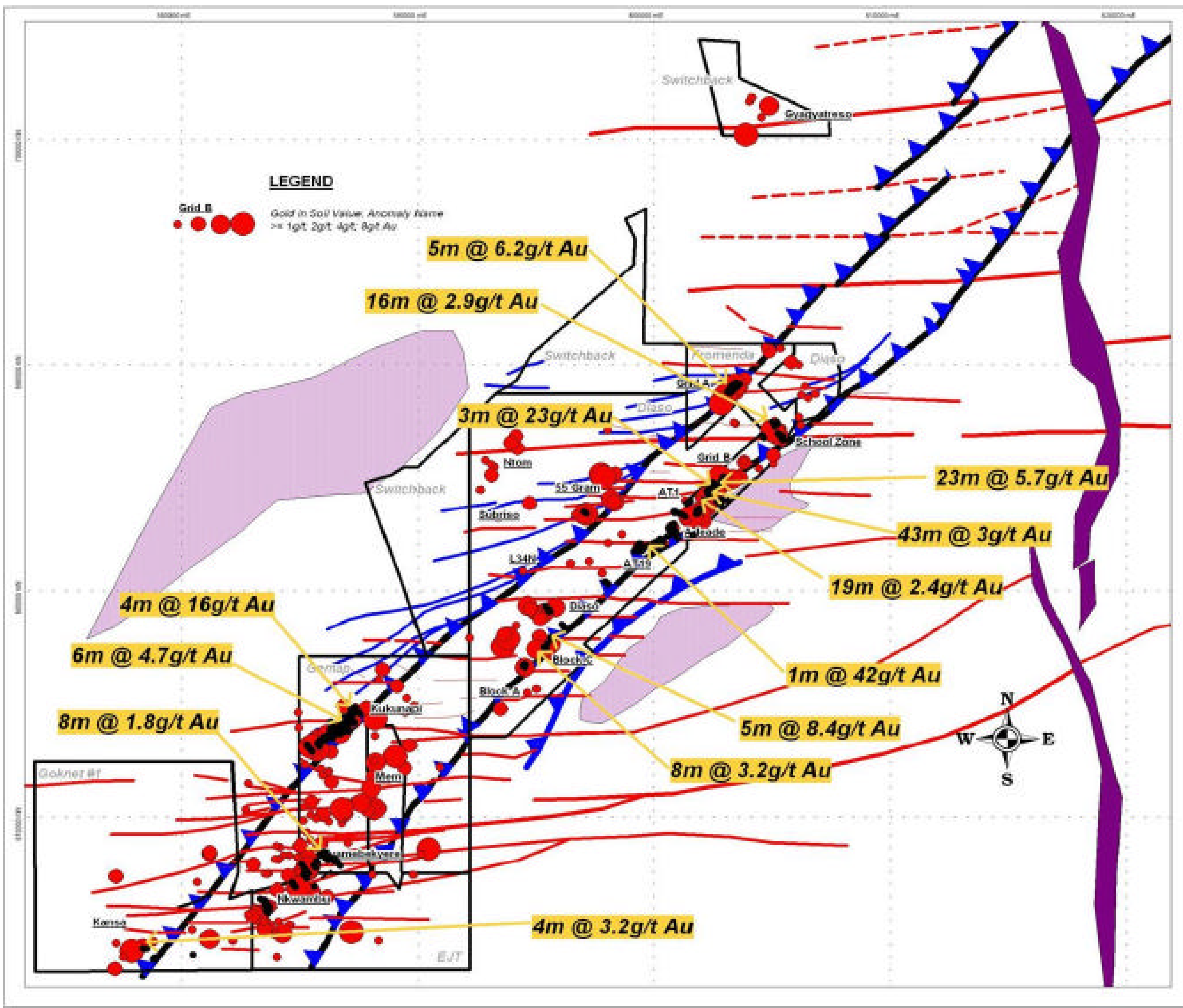
As enthusiastic as I am, I want to underscore the fact that this is still a non producer and as such must rely on the issuance of stock to stay in business. Assuming the Gold Wedge is able to provide some early cash flows from which to explore and develop that property as well as the three others named above, Royal Standard could, with a bit of luck, reach 10-bagger status for those who buy these shares at around their current price. 775-331-3860 and/or www.royal-standard.com.

Stock Pick of the Week – 4/2/05

PMI Ventures

Initial Recommendation: 7/19/03 - $0.39
Shares Outstanding: 30,066,967
Price 4/1/05:$0.18
Market Cap: $5.5 million
Progress Rating: "D"

As grass roots exploration plays go, they don't get better than PMI Venture's Asankrangwa Gold Belt concessions located in a prolific gold producing region of Ghana. The company's claims are enormous. In fact, they are equivalent in size to the entire Carlin trend in Nevada. To provide an overview of the enormous potential this exploration company has, cast your eyes on the following illustration of favorable geology that trends in a northeastern direction for over 50 kilometers. PMI Ventures can earn an 85% interest in this enormous area play from Goknet Mining Company, a private Ghanaian company and the government of Ghana retains the right to a 10% carried interest.



The two blue lines extending to the northeast represent two major fold-thrust belts in which the area to the west was thrust over top of the area to the east. Note the very attractive gold drill results displayed at various points along these very long striking northeast trends. Grades range from 1.8 grams over 8 meters on the low side to 23 grams/tonne over 3 meters.

What has frustrated explorationists in the past has been the inconsistency of gold mineralization along the northeast trending major fault structures. However, recent geological and geophysical work carried out by the company and its consulting firm, suggests gold occurs most notably along the intersecton of the two major northwest trending structures noted above and the east trending fault or shear zones denoted above in red. It is my understanding that it is at these points and perhaps along these east trending structures where drilling will commence over the next several weeks.

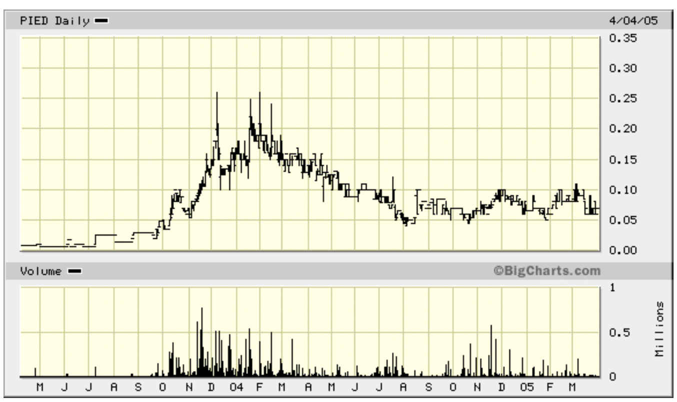
PMI is in the process of raising some cash to do more work. Some good exploration results should begin to attract some joint venture partners. Given its massive holdings in such a highly prospective area, PMI should be in the enviable position of being able to let others spend their capital to earn into joint venture arrangements.

Some other key issues with regard to the viability of any mineral deposit is infrastructure and work force. Project infrastructure is very well developed, with the area served by a network of roads, rail and power lines that is said to be superior even to some of Canada's mining "hot spots." The Ghanaian government is supportive of the mining industry and with some major gold mines operating in the country over the years, mining law is well established as is the legal system which is based on the British system. There is an abundance of skilled and low priced labor. Your editor also considers it positive that the Country is mostly Christian with minimal Muslim influence.

The company's endeavors in Ghana are extensive and in some ways seem a bit overwhelming for such a small company. But PMI Ventures has a strong exploration management team and a strong board of directors. If the company can begin to mount an impressive exploration campaign that attracts the interests of majors, this little mini-cap penny gold stock could be on its way. Based on work carried out to date, PMI Ventures is in my view about as good a grass roots exploration play as you will find. With some exploration scheduled to being in another few weeks, this stock could be poised for a considerable run to deservedly higher levels. We strongly recommend speculative investors allocate up to 5% of their portfolio to the purchase. For the time being, we believe these shares represent a speculative bargain under US.$0.30. 604-682-8089 and/or www.pmiventures.com

Stock Pick of the Week – 4/9/05

PIEDMONT MINING COMPANY, INC.



Recommended 10/11/03 - $0.06
Price 4/8/05:$0.06
Shares Outstanding: 37,152,646
Shares Fully Diluted:
Market Capitalization: $2.2 Million
Progress Rating: "D"

After we recommended this speculative gold exploration stock in 2003, it wasn't long before it shot up to over $0.25. Piedmont Mining Company, Inc. (PIED) was swept up to those levels in the midst of the first mini-mania of this new secular gold bull market. Since then, it has settled back to about the price at which we first recommended it. But the company's story is now much better than it was when it was selling at $0.25.

At that time the company didn't have a single mineral property. Now, it not only has one very exciting silver/gold target in Nevada, but it also has added more stellar talent to its management team in the persons of Lewis B. Gustafson, Pete Ingersoll and Ralph Kettell. We don't usually provide biographies of management teams in our updates, but given the extent of the new talent added to PIED since we first told you about this company, I have included the bios of the current management team below; I think you will agree they are about as good as you will find for a junior mining firm.

If you are looking for a speculative gold exploration stock that has a shot at returning you 10 or 20 times your money, I believe PIED may offer you one of the best opportunities for gains of that magnitude, but try to buy this stock below about $0.15. A management comprised of the kind of talent PIED has can be expected not only to ferret out highly prospective properties, but also to add shareholder value through exploration and moving properties toward commercial viability. Recently, PIED announced a Letter of Intent on its first promising property, namely the Antelope Ridge Silver/Gold Property near Eureka, Nevada. My expectations are that the company will announce another property or two in the near future, all of which should begin to justify a higher share price.

Antelope Ridge Silver/Gold Property
Eureka, Nevada

The first property to be acquired by the company is the Antelope Ridge Silver/Gold Property, located near Eureka, Nevada. PIED has signed a Letter of Intent whereby it plans to acquire a 10-year lease on the property with a right to purchase it outright. The property consists of 50 unpatented claims in the southern end of the prolific gold-bearing Battle Mountain-Eureka Trend. It is my understanding in speaking with CEO Robert Shields that the formal agreement for this property acquisition is well advanced and could be announced very soon.

Over 100 samples of outcropping rock have been taken over the mineralized zone on this more than 1.5-square-mile property area to date. Silver assays have ranged from below detection to over 60 ounces of silver per ton with low gold values. The first round of sampling included 79 samples of jasperoid and siliceous wall rocks exposed discontinuously over about three quarters of a mile of strike length. The assays averaged almost 6 ounces of silver per ton. The limestone host rock dips gently toward the pediment, so only a small part of the stratigraphy is exposed. Recently, a subtly exposed, bleached, silicified and pyritized zone has been discovered on the edge of the pediment, assaying hundreds of parts per billion gold with low silver. Clearly, there is considerable exploration potential for both gold and silver here for Piedmont's talented exploration team to investigate.

To acquire its interest in the property, Piedmont will pay $10,000 in cash, of which $4,000 has already been paid, and issue 100,000 shares of Piedmont's common stock to the property owners on signing the formal lease agreement. The work commitment is $20,000 in the first year, $100,000 in the second year, and $100,000 in the third year. The Letter of Intent also provides that annual lease payments to the property owners will be as follows: $10,000 in cash plus $10,000 of Piedmont's common stock by the first anniversary date; $15,000 in cash plus $15,000 of Piedmont's common stock by the second anniversary date; and $20,000 in cash plus $20,000 of Piedmont's common stock by the start of each year thereafter. All lease payments are to be creditable against the purchase option price of $1,000,000. The Letter of Intent also states that the lease will provide for a 3% NSR royalty payable to the property owners, of which 2 percentage points may be bought down prior to the commencement of production from this property.

Two More Nevada Projects

What about the next projects? I had breakfast with CEO Robert Shields in New York earlier this week and from the little he could tell me, they sound very promising. One of the big coups Robert pulled off since I first told you about this company is the addition of Lew Gustafson, who is extremely well regarded in the exploration business. Projects that might not have otherwise been available to PIED could now become available as a result of Lew's involvement with PIED, not only as a director but also as vice-president of exploration.

An Internet Cash Cow?

Several years ago, PIED announced that it owned a Web site called NetColony.com. Nothing has been said about this Web site since then because it was dormant. Last fall, however, management decided to try to add some value to it. I understand they have now constructed on this site a new generation of online Web site community, where people can build and publish their own Web sites directly online for free, to rapidly create Web pages without the need for FTP server access software, HTML editing software, or DNS/domain management skills. It is my understanding that this site's traffic is now growing rapidly, even though it is not yet completely finished. More importantly, it is already starting to produce some internal cash flow for the company from advertising. Clearly this business has nothing to do with mining or exploration, but it could add considerable value to the company downstream and it is a wholly-owned asset of PIED. From my conversation with Robert Shields, I expect management could be saying something about this Web site and its business model when it is ready in the next month or so. For now, you should consider NetColony.com as something that may add value to PIED in the future and could indeed, all by itself, more than justify the current share price of PIED.

MANAGEMENT

Robert M. Shields, Jr. - Chairman of the Board, President & Chief Executive Officer. Mr. Shields has had extensive experience in exploration and mining and is a seasoned executive with over 30 years of business experience, primarily on Wall Street and then running a publicly traded gold company. He has been chairman of the board and chief executive officer of Piedmont since his founding of it in 1983. He is also a founder of GoldColony.com, a new and increasingly popular Web site for the gold community. In April 1985, at its Haile property in South Carolina, Piedmont put into production the first operating gold mine in the eastern United States since 1942.

Mr. Shields was an associate with Morgan Stanley & Co. in corporate finance in the early 1970s and a security analyst with Paine, Webber, Jackson and Curtis in the mid 1960s. He is a member of the American Geophysical Union, the M.I.T. Enterprise Forum of New York City, the Society of Economic Geologists, the Geological Society of Nevada, Ducks Unlimited, the National Audubon Society, Trout Unlimited, the New York Academy of Sciences, and the New York Section of The Society of Mining Engineers.

He graduated *cum laude* and with high distinction in geology from Dartmouth College in 1960 and received a PhD in geochemistry from the Massachusetts Institute of Technology in 1965, where he was elected to Sigma Xi, Honorary Scientific Society, and Phi Lambda Upsilon, Honorary Chemical Society. He also received an MBA from the Stanford University Graduate School of Business Administration in 1971. He was an officer in the U.S. Army Corps of Engineers from 1967 to 1969 and was honorably discharged with the rank of captain.

Lewis B. Gustafson - Vice President - Exploration & Director. Mr. Gustafson has had a long and distinguished career in exploration and economic geology. Born in Timmins, Ontario, he began his career as a geologist with The Anaconda Company. He spent seven years at the El Salvador Mine in Chile, and then six years in Arizona, where he became chief geologist in 1975. He then was professor of economic geology for six years at the Australian National University in Canberra, Australia. From 1982 to 1986 he was senior staff geologist and then chief research geologist at Freeport Exploration Company in Reno, Nevada. From 1986 to 1991 he was a general partner in Annapurna Exploration and a vice president of REX Resources, Inc. Since 1986 he has been an independent geological consultant to numerous well-known international mining companies. He has worked in many foreign countries, including Chile, Peru, Turkey, and Australia, as well as Canada and the United States. He speaks and reads three foreign languages.

During his long career Mr. Gustafson has authored or co-authored 17 major publications in economic and exploration geology. He is a member of the Geological Society of America, the Society of Economic Geologists, the Society of Mining Engineers, the Geological Society of Nevada, and the Nevada Petroleum Society, and is a frequent lecturer at exploration and mining meetings.

Mr. Gustafson has received numerous awards and commendations, especially from the Society of Economic Geologists. He received their Lindgren Award in 1962 and was a member of their editorial board from 1970 to 1980. From 1973 to 1974 he was their Thayer Lindsey Visiting Lecturer, their distinguished lecturer in applied geology in 1989, chairman of their ad hoc committee on geologic mapping from 1989 to 1993, and a trustee of the SEG Foundation from 1996 to 2001. From 1981 to 1984 and from 1997 to 2000 he was a member of their research committee and chairman of it in 1984. He was also a councilor of the Australian Mineral Foundation from 1977 to 1979 and is currently on the advisory committee of the Nevada Bureau of Mines and Geology.

Mr. Gustafson received a BSE degree from Princeton University, an MS degree from the California Institute of Technology, and a PhD degree from Harvard University.

Pete Ingersoll – Director. Pete Ingersoll has had an outstanding career of more than 30 years as a financial analyst in the metals and mining industry. For nine consecutive years (1984 to 1992) he was elected to Institutional Investor Magazine's All-Star Team in the Gold and/or Nonferrous Metals Industries. He was with Salomon Brothers from 1982 to 1987 and then with Lehman Brothers from 1987 to 1992.

Mr. Ingersoll was a director of Getchell Gold Corporation (formerly FirstMiss Gold Inc.), a mid-sized Nevada gold producer, from 1994 to 1999, when it was acquired by Placer Dome Inc., and a director of Stillwater Mining Company, a Montana producer of platinum and palladium, from May 1997 to December 1998. He is currently a director of E-VAT INC., a research and development company developing an electrochemical process for recovering gold without using cyanide. He is also a director of Concentric Energy Corp., a natural resource company specializing in uranium and other energy related resources.

Mr. Ingersoll is a chartered financial analyst, a member of the New York Society of Security Analysts, the American Institute of Mining Engineers, and a past president and retired member of the Nonferrous Metals Analysts of New York. He holds a BA degree from Williams College and an MBA degree from the Harvard University Graduate School of Business Administration.

Douglas D. Donald – Director. Mr. Donald has had a long and distinguished career in exploration, mining, and related investments. He started out as an exploration geologist with Homestake Mining Company, spent five years as a mining engineer with New Jersey Zinc Company, and then did engineering and consulting work for Behre Dolbear & Co. for the next eight years.

Mr. Donald joined Scudder, Stevens & Clark as an analyst in 1963 and was manager of the Scudder Gold Fund from its inception in 1988 until his retirement from Scudder at the end of 1996. In 1996 the Scudder Gold Fund was one of the best performing gold funds in the United States. He has also been a director of Stillwater Mining Company, Dayton Mining Corp. prior to its merger with Pacific Rim, and Repadre Capital Corp. until its recent merger into IAMGOLD. He is currently a mutual fund advisor.

Mr. Donald holds a BS degree in geological engineering from Princeton University and an MS degree in mining from Columbia University. He is a member of the New York Section of the Society of Mining and Metallurgical Engineers. He has been a director of Piedmont Mining Company, Inc. since 1997.

Ralph W. Kettell – Director. Ralph Kettell has had a variety of interesting careers in high-tech engineering design, commercial real estate, and, more recently, in exploration for precious and energy related minerals. He has been involved in numerous engineering design projects involving radio communications and radar systems for NASA, the Space Shuttle, the International Space Station and the U.S. Department of Defense. He was one of the lead engineers in the B-1B Electronic Warfare System and also designed various components for the EA-6B ICAP Electronic Warfare System. In addition, Mr. Kettell has designed software for various communications satellites and radar and warfare systems.

Mr. Kettell has also founded and managed a high-tech R&D start-up. He directed the design of a UHF radio location system used for the location and safety of guards in prison systems and was the lead engineer and program manager in the development of a cryogenic surgical instrument for the treatment of prostate cancer.

Since 2000, Mr. Kettell has focused on mineral exploration. He is the founder and president of Concentric Energy Corp., a privately held natural resource company specializing in energy and industrial mineral resources. Its principal assets are the Anderson uranium property in Arizona and the MB fluorite and rare element property in Nevada. He is also a founding partner of Nevada Sunrise, LLC, a private gold exploration company that controls 20 gold, silver, and copper properties, primarily in Nevada, most of which host known mineral resources. Finally, he is a founder and director of AuEx Inc., a private Nevada mineral exploration company with several gold and silver properties, and a founder of North Range Resources Ltd., a mineral exploration company with eight gold and base metals properties in Newfoundland. Mr. Kettell was formerly the marketing director for 321gold.com, a popular gold Web site on the Internet.

Mr. Kettell holds a BS degree and also an MS degree in electrical engineering from Lehigh University, and is a registered professional engineer.

SUMMARY & CONCLUSION:

PIED has an outstanding management team and one with a solid track record. The company appears to be closing in on the first of three possible Nevada-based precious metals properties. That property appears to hold considerable exploration potential. I anticipate a couple more prospective properties might soon be announced as well. In addition, NetColony.com could add considerable value to PIED in time as well.

At present, PIED has minimal revenues, limited assets, and an $11.5 million tax-loss carry forward. As is the case with virtually all junior gold exploration companies, PIED will have to raise cash through the sale of equity to fund its exploration efforts. And of course, as good as this company's management team is, there is no guarantee that it will be able to raise the requisite capital, or, even if it is able to do so, that it will be successful in establishing one or more viable mineral deposits. Those are simply the facts of life for exploration companies. But those are the risks that also make it possible to earn 10 or 20 times your investment when success occurs. In my view, this management team has as good a chance of being as successful as any others on our list among our "D" progress rated companies. And for the benefit of new subscribers, let me take this opportunity to tell you that because of the high risk/return relationship of these stocks, we urge our subscribers to allocate no more than 5% of their portfolios to any one stock at the time of purchase. Go to www.piedmontmining.com and /or contact the company via email at info@piedmontmining.com.

PIED PRIVATE PLACEMENT OPPORTUNITY

If you are an accredited investor (net worth, excluding your home, of $1 million and/or annual income of $250,000 or more) and if you are interested in acquiring some attractively priced restricted shares of PIED via a private placement, you should contact the company via email or call Robert Shields at 347-210-6956.

Stock Pick of the Week – 3/17/05

CENTURY MINING CORP.

Initial Recommendation: 10/21/04–$0.36
Price 3/17/05: $0.45
Shares Outstanding: 31,817,615
Market Capitalization: $14.3 Million
Progress Rating: "A" - Producer

This week, CEO, Margaret Kent (formerly known as Peggy Witte of Royal Oak Mines), announced that the company had commenced gold production at its Sigma-Lamaque Mine at Val d'Or, Québec. The company acquired this property out of bankruptcy for C$25.9 million. The latest estimate for production this year is 90,000 ounces. Ms. Kent is projecting production of approximately 115,000 ounces per year from the company's 5,000-tonne-per-day mill at a cash cost of $290 per ounce.

The company has now completed 15,000 meters of reverse circulation drilling in the open pit and all information from the program has been entered into a database. All mobile equipment has now been delivered to the mine site. During the past few weeks, the company has hauled approximately 500,000 tonnes of material from the bottom of the open pit. Approximately 37,000 tonnes of ore have been stockpiled and are now being processed in the 5,000-tonne-per-day-capacity mill. According to a press release Tuesday, the company plans to continue mining in excess of 30,000 tonnes per day of material in order to provide sufficient feed to the mill. Management states that the start-up has proceeded as planned and no unforeseen difficulties have been encountered.

This will be an interesting project to watch. With cash costs of $290/oz. there should be some positive cash flow from the Sigma-Lamaque Mine from the start, and if we are right about our view that we are in the very early stages of a major gold bull market, then this little penny gold stock could become a really big winner, assuming costs and production continue along the same lines. Management believes the property potentially has in excess of 4 million ounces of gold from which it can feed the mill in the coming years. In addition, the company has also acquired a package of six exploration properties in the area, and it has also acquired the old Carolin Mine property at Hope, B.C., with a 250,000-ounce gold resource and the potential to host one million ounces of gold.

We recommended purchase of this stock, and at least one subscriber, who had previously held an investment in the old bankrupt company, was outraged. He wrote a nasty letter to me and asked me to wake up and do my homework. He complained about Century's unpopular CEO Margaret Kent whose former Royal Oak company left some investors high and dry when that firm lost money in the midst of a 20 year bear gold bear market. Ms. Is known to be a hard-nosed negotiator with the unions and was known as a quite a "penny pincher." But the facts are that she and her team have succeeded in turning around several gold-mining projects in the past, such as Pamour Mine at Timmons Ontario, the Giant Yellowknife Mine in the Northwest Territories, and the Hope Brook Project in Newfoundland. If a CEO is tempted to give away the mine so to speak in order to win friends or rather than making hard choices required to keep an operation economically viable, I'll go with the hard nosed CEO every time because a bankrupt company and idle resources serve the good of noone.

The purchase price for the Sigma-Lamaque Mine consisted of cash, shares, and debt assumption, totals approximately $25.9 million. The purchase price was satisfied by paying Investissement Quebec a $5 million payment on closing and the balance of $13.5 million is payable in 16 equal semi-annual payments commencing in 2006; by paying vacation pay of $741,000 to the employees of McWatters, who provided service to the limited partnership; by paying the creditors with valid enforceable legal hypotheses of approximately $541,000; and paying the unsecured creditors 100 cents on the dollar, a sum not to exceed $6 million, by the issuance of common shares of Century and $100,000 cash.

Century also plans to pursue the exploration potential of the property with the objective of placing significant additional ounces of gold into the mineable category within the first year of operation. Century believes that the exploration potential of the Sigma-Lamaque properties is in excess of four million ounces of gold plus as mentioned above it has other prospective properties surrounding the Sigma-Lamaque.

Since its reorganization in September of last year, Century's objective has been to become an operating gold-mining company. The hard nosed Ms. Kent has achieved that objective in short order. She and her team were successful in the past even during a time when the gold mining industry had its ups and downs. If I am right that we are in the early stages of a multi-year gold bull market, then Ms. Kent's team may well earn as many friends as she did enemies during the bear market and in which event, the current share price will look amazingly inexpensive. As always, we suggest you limit your allocation to this one stock to not more than 5% of your overall portfolio. 360-312-9910 and/or www.cenurymining.com

Hidden Value Renders MKBY Worth Considerably More Than $9 per share!

McKenzie Bay International—the Mining Company!

Recommended 3/25/00 - $2.00
Price 4/8/05: - $0.85
Shares Outstanding: 26.5 million
Market Cap: $22.5 Million
Vanadium Resource: - 5 Billion Pounds
Titanium Resoruce – 50 Billion Pounds
Company's Business: Vertically integrated electric power company.
Progress Rating: "B"

Our excitement over this company's evolving WindStor and WindStor turbine business has caused us to all but forget what initially attracted us to the company in the first place. Our initial recommendation of McKenzie Bay International was made on the basis of its Lac Dore vanadium/titanium property near

Chibougamau, Quebec, Canada. ***Not only was the Lac Dore vanadium/titanium project very large, but the company has in fact completed a bankable feasibility study that has outlined an exceptionally profitable vanadium/titanium mining and processing operation that was hugely profitable at metals prices that were only about 17% of the current vanadium price. The price of vanadium then was about $3.50 per pound. What is it now? Between $20 and $22 per pound!***

Because of this enormous rise in vanadium prices, I understand in talking to members of management that the company will not be focusing some of its attention on gaining value from what is an enormously undervalued asset. Let me explain to you how unrecognized the value of Lac Dore is on the basis of the following details that came out of the 2002 bankable feasibility study completed by SNC Lavalin Inc. (SNC).

- Annual production – 16.5 million pounds
- Assumed value of vanadium pentoxide product to be produced – US$3.50/lb. However, as noted above, vanadium is currently selling for between $20/lb. and $22/lb. per pound. Approximately 7% of the projects revenues would come from titanium and 93% from vanadium priced at $3.50.
- Average production cost per pound – between US$1.40 and US$1.70
- Average cash production costs –$1.56 per pound
- 80% recovery rates
- Value of recoverable vanadium only at $3.50 per pound – $12.25 million
- Capital expenditures of C$105 million assuming 60% debt and 40% equity
- Annual operating cash flows – C$35 million before capital costs
- Pre-tax internal rate of return – 68.285%
- Net present value applying an 8% discount – C$297.4 million

Worth More Than $9 per Share

These are very, very strong economics, but clearly they pale, compared to what would result from the sale of vanadium at $20/lb. or $22/lb., compared to the assumed price of $3.50/lb. assumed in the feasibility study. We would point out that the assumption of anything close to $20 or $22 for future Lac Dore production is most likely not realistic. We say that because the Lac Dore project, if it were to come on stream, would represent a major percentage of total global vanadium production. The Lac Dore project is considered to be the largest standalone vanadium project in North America, and if it were to be placed into production on a scale noted above, McKenzie Bay would become the second largest vanadium producer in the world. Adding that much supply to the global economy is likely to suppress its price somewhat. However, even if we were to assume an $8 or $10 price for vanadium, it seems logical to expect the economics of the Lac Dore project would be substantially more attractive than what was outlined in the 2002 feasibility study. But even if we apply the current Canadian dollar exchange rate of 0.814 to the 8% discounted present value of C$297 million, you get a value of $242 million. **Divide that number by the 26.5 million shares outstanding and you get a real trimmed down value per share of $9.13 without any value for the company's WindStor business.**

With the stock selling down this week to $0.85 and with the market giving it ZERO value for its mining project, is MKBY a bargain or what?

It is my understanding that given the advice of some investment bankers and some interests from foreign interests (think Chinese) for this very substantial vanadium property, management is beginning to seek ways to get some value into MKBY's shares for this asset that has all but escaped from the conscience of the market. In talking to the President Gary Westerholm last week, it is my understanding that this refocus on the company's mining business will not detract one iota from its WindStor business. However with the industrial world starved for vanadium and with prices reaching lunar heights, management is rightly seeking a way to derive some value for what it would seem makes this company's shares worth a minimum of $9 and perhaps much more than that.

What will come of this refocus? My sense is that management would accept any deal that makes sense for shareholders, whether that may mean a major company buyout, a partial buyout, or a joint venture arrangement whereby the major spends its money to advance the project, time will tell.

Recently I told you I was a buyer of this stock when it dipped in the $0.80 to $1.00 range. Because it would not be ethical for me to buy the stock before I told you of this news, I did not take advantage on Friday afternoon of the dip to $0.85. However, you can do so next week if you so desire. If this stock was a bargain at $0.85 without consideration of its mining asset worth $9 per share, how could I not buy more MKBY once you, my subscribers, have had first dibs on it the next business day? 519-439-9392 and/or www.mckenziebay.com.

ENVIRONMENTAL POWER CORPORATION (AMERICAN-EPG-$5.40)

On March 31, management announced its year-end financial and operating results for 2004. Total revenues increased 12% to $59.8 million in 2004 from $53.4 million in 2003, and included $3.7 million of product sales from Microgy, as compared to no such sales in 2003. Power generation revenues rose 5% to $56.1 million in 2004 from $53.4 million in 2003. In 2004, billed power revenues increased by 12% to $53.9 million from $48.2 million in 2003. However, total operating expenses increased by 16.7% to $63.4 million. Included in these expenses was $3.7 million in costs of goods sold for Microgy and $2.3 million in non-cash, variable stock-based compensation expense, as compared to an expense of $713,000 last year.

The company's power plant in Pennsylvania, which generates electricity from waste coal, generated pre-tax income of $1.8 million in 2004, as compared to pre-tax income of $1.9 million in 2003. Pre-tax income for 2004 included higher maintenance fees, offset by higher revenues, resulting from the increased operating capacity of 91.99% versus 86.63% last year. Pre-tax losses at Microgy totaled $2.6 million in 2004, compared to pre-tax losses of $1.7 million last year, due primarily to higher operating expenses associated with beginning construction on three projects and increased development efforts.

Overall, the company reported a net loss for 2004 of $4.0 million, or $.86 per share on 4.58 million shares outstanding, as compared to a net loss of $978,000, or $0.29 per share, on 3.37 million shares outstanding in 2003. The higher consolidated net loss in 2004 was primarily due to higher non-cash, variable stock-based compensation expense, and higher operating expenses at Microgy.

The reason we like this stock is because of the company's Microgy business, which transforms manure and gold industry waste into methane-rich biogas that can be used to generate electricity or thermal energy, or refined into pipeline-grade methane for sales as a commodity. There are 3,500 large animal feeding operations in the U.S. These operations generate a huge amount of manure and are causing increased pollution of our water systems. Increasingly, regulators are issuing mandates to limit the spreading of manure on the lands and thus the runoff into our water systems. However, complying with these mandates places a potentially significant cost burden on American farmers. The Environmental Power business model not only reduces the cost for farmers to comply with these regulations, but also provides a potential profit center for these operations and, at the same time, allows for significant profit potential for Environmental Power, as we discussed a few weeks ago.

Agreements with a host of farms in the Midwest and California have been signed, and the first electricity is expected to be generated during the first half of this year. It would seem this business model has the potential for explosive growth in earnings for Environmental Power as it serves to reduce a serious environmental power while at the same time generating energy, either in the form of methane for sale as a commodity, or by using that methane and generating electricity for local communities. I consider this to be a very exciting story that could provide very significant upside potential for investors. 603-431-1780 and/or www.environmentalpower.com.

PORTFOLIO SCORECARD

Security	Exch	Ticker	P	Company Activity/Comments	Price 12/31/04	Initial Date	Initial Price	Price 4/8/05	2005 % Gain	Overall Gain	Buy/ HOLD
***Essential* Technology Stocks**											
Environmental Power Co.	O	EPG	A	83 Mw waste coal-fired electric generation	$ 7.00	1/1/02	$ 3.15	$5.40	-22.9%	71.4%	Buy
Flexible Solutions *	A	FSI	A	Patented Water Saving Technology	$ 4.04	3/16/02	$ 2.65	$4.31	6.7%	62.6%	Buy
Itronics Inc. *	O	ITRO	A	Photo waste recycled to silver & fertilizer	$ 0.06	3/1/97	$ 0.10	$0.07	30.9%	-28.0%	Buy
McKenzie Bay Int'l *	O	MKBY	B	Vertically integrated vanadium tech energy Co.	$ 1.45	3/25/00	$ 2.00	$0.85	-41.4%	-57.5%	Buy
Nevada Geo'them Power *	C	NGP	B	Nevada Geothermal Electricity Project	$ 0.53	1/1/02	$ 0.14	$0.38	-28.2%	177.2%	Buy
Pro-Pharmaceuticals *	A	PRW	B	Improved Chemotheorpy Drug - Phase I Trials	$ 2.50	8/19/00	$ 5.50	$2.80	12.0%	-49.1%	Buy
Wex Pharmaceuticals *	C	WXI	B	Pharmaceutical - Near commercial detox drug	$ 2.42	11/5/99	$ 0.59	$2.36	-2.5%	301.4%	Buy
Average Gain (Loss) on Technology Stocks (Including closed positions) ==>									**-6.47%**	**68.31%**	
Energy Stocks											
International TME Resc. *	C	ITME	A	Small Texas gas producer & development projct	$ 0.55	6/29/02	$ 0.08	$0.41	-25.5%	412.5%	Buy
Petrofund Energy Trst *	A	PTF	A	Oil & gas royalty trust in Western Canada	$ 13.04	1/1/02	$ 7.54	$14.65	14.3%	148.1%	Buy
Petrol Oil & Gas *	O	POIG	A	Methane gas producer in Kansas & Missouri	$ 2.40	8/21/04	$ 2.00	$2.39	-0.4%	19.5%	Buy
S & P Energy ETF *	A	XLE	A	S & P Oil and Gas Exchange Traded Fund	$ 42.05	2/18/05	$ 42.05	$42.72	1.6%	1.6%	Buy
Transcanada Corp. *	N	TRP	A	Natural gas transmission and electric generation	$ 24.87	1/1/02	$ 12.46	$24.38	-2.0%	112.2%	Buy
Average Gain (Loss) on Miscellaneous Stocks (Including closed positions) ===================================>									**-2.38%**	**138.78%**	
Precious Metals & Hedge Funds											
Gold *	N/A	N/A	N/A	The Best Money Ever Discovered by Humankind	$ 438.10	12/3/90	$ 390.00	$426.50	-2.65%	9.4%	Buy
Silver *	N/A	N/A	N/A	2nd Best Money Ever Discovered by Humankind	$ 6.79	11/15/97	$ 5.29	$7.14	5.2%	35.0%	Buy
The Prudent Bear Fnd *	O	BEARX	A	David Tice - Hedge fund for small investors	$ 5.35	9/25/99	$ 4.37	$5.48	2.4%	38.0%	Buy
iShares Leh 20+ Yr. USTrea	O	TLT	A	Lehman Bros. 20+ Year U.S. Treasury ETF	$ 92.65	5/20/00	$ 92.65	$88.95	-4.0%	-4.0%	Buy
World Prec. Metals Fnd	O	UNWPX	A	Frank Holmes - Produc. And Expl. Gold Stocks	$ 16.83	03/20/03	$ 9.70	$15.78	-6.24%	67.4%	Buy
Global Resource Fnd	O	PSPFX	A	Frank Holmes - Commodity Exposure Fund	$ 10.85	03/20/03	$ 4.69	$12.37	14.01%	171.0%	Buy
Rogers Int'l Raw Materials	O	N/A	A	Rogers Raw Material Index Fund	$ 9,536	5/6/02	$ 5,067	$10,693	12.13%	111.0%	Buy
U.S. Treasury Cash Fund	O	USTXX	A	Frank Holmes-U.S. Treasury Cash Fund	$ 1.00	4/22/04	$ 1.00	$1.00	0.00%	0.9%	Buy
J Taylor's Model Portfolio	N/A	N/A	N/A	Portfolio Reflecting Newsletter Stratagy	$ 2,261	1/1/01	$ 1,000	$2,177	-3.74%	117.7%	Buy
J's LBLM Model Portfoio	N/A	N/A	N/A	Low Budget/Low Maintenance Proxy Porfolio	$ 1,406	1/1/03	$ 1,000	$1,361	-3.16%	36.1%	Buy
S&P 500 Index	N/A	N/A	N/A	Broad based measure of U.S. Equity Markets	$ 1,212	1/1/01	$ 1,320	$1,181	-2.53%	-10.5%	--

Acrex Ventures Ltd.	T	AKV	C	Advanced Stage Underground Au Mine - Ontario	$	0.15	8/14/04	$	0.16	$0.11	-31.2%	-33.4%	Buy
Agnico Eagle Mines Ltd. *	N	AEM	A	Mid sized Quebec Underground Producer - Qu.	$	14.37	4/9/05	$	14.37	$14.37	0.0%	0.0%	Buy
Anaconda Gold Corp. *	T	ANX	B	Advanced gold props in NWT and Newfoundland	$	0.25	1/30/04	$	0.26	$0.19	-23.4%	-27.5%	Buy
Argent Resorces Ltd. *	T	AOU	D	Highly Prosepctive Gold Target - Timmins Ontar	$	0.08	3/19/04	$	0.14	$0.08	-2.2%	-41.4%	Buy
Cangold Ltd. *	T	CLD	C	Promising Exploration in Red Lake Gold Mine	$	0.12	6/23/03	$	0.08	$0.08	-34.8%	3.0%	Buy
Canarc Resources *	T	CCM	B	Advanced stage gold project in B.C.	$	0.47	2/27/89	$	1.19	$0.42	-10.9%	-65.1%	Buy
Candente Resource Corp	C	DNT	B	Highly Prospective Gold Targets in Peru	$	0.50	1/26/02	$	0.11	$0.37	-25.0%	234.3%	Buy
Century Mining Corp.	C	CMM	B	Advanced Stage gold projects -Quebec & B.C.	$	0.38	10/21/04	$	0.36	$0.35	-9.6%	-3.9%	Buy
Claude Resources *	A	CGR	A	Smaller Producer in Saskatchewan, Ontario	$	1.08	5/11/02	$	1.06	$0.95	-12.0%	-10.4%	Buy
Continuum Resorce. Ltd.	C	CNU	B	Near Production in Mexican gold/zinc + Canada	$	0.23	3/19/04	$	0.60	$0.27	15.3%	-55.2%	Buy
Copper Ridge	T	KRX	C	Advanc. Proj in Mexico Also prospects in N. Am.	$	0.09	5/1/04	$	0.12	$0.09	2.3%	-24.5%	Buy
Eastmain Resources *	T	ER	B	High Grade Underground Mine Develop in Queb	$	0.47	9/11/04	$	0.49	$0.38	-17.9%	-21.9%	Buy
Emgold Mining Corp. *	C	EMR	B	California Underground Mine - multi million oz.	$	0.58	10/19/02	$	0.15	$0.38	-34.3%	162.0%	Buy
Endeavour Silver Corp.	T	EDR	B	Gold & Silver Properties in Mexico	$	1.39	2/7/04	$	1.21	$1.71	23.0%	41.3%	Buy
Energold Mining Ltd.	C	EGD	C	Highly Prosective Gold Projects = Dom Republic	$	0.96	10/13/01	$	0.08	$1.15	20.0%	1390.6%	HOLD
Fjordland Minerals *	C	FEX	C	Gold Copper target in B.C./ Gold target in Nevac	$	0.18	2/21/04	$	0.19	$0.16	-9.0%	-13.4%	Buy
GeoCom Resources *	O	GOCM	C	Advamced Stage Gold in Argentina + Alaska pro	$	0.33	3/29/03	$	1.15	$0.36	9.1%	-68.7%	Buy
Golden Arrow *	C	GRG	D	IMR Spinoff - Argentina & Peruvian Exploration	$	0.79	7/7/04	$	0.23	$0.49	-38.2%	117.1%	HOLD
Gold Canyon Resources	T	GCU	C	Gold Property at Red Lake/Gallium in Nevada	$	0.50	2/18/05	$	0.50	$0.47	-6.1%	-6.1%	Buy
GoldCorp Inc.	N	GG	A	Low cost mid sized gold producer	$	13.90	4/9/05	$	13.90	$13.90	0.0%	0.0%	Buy
Golden Phoenix Minerals *	O	GPXM	B	Advanced Stage gold & copper Explorat'n	$	0.22	7/3/99	$	0.13	$0.11	-50.0%	-15.4%	HOLD
Golden Goliath	C	GNG	C	Large scale gold-silver exporation play in Mexico	$	0.19	1/17/03	$	0.17	$0.20	4.4%	14.9%	Buy
Great Basin Gold *	A	GBN	B	Large gold deposits in Nevada & South Africa	$	1.19	11/8/03	$	2.04	$1.11	-6.7%	-45.6%	Buy
Great Panther *	T	GPR	B	Advanced Stage gold/silver projects in Mexico	$	0.33	5/1/04	$	0.41	$0.34	2.7%	-16.2%	Buy
Great Quest Metals *	C	GQ	C	Promising Exploration Targets in Mali, Africa	$	0.52	10/19/02	$	0.16	$0.65	26.2%	309.6%	Buy
IMA Exploration *	C	IMR	C	300 mill. oz. low cost silver discovery - Argentina	$	3.34	2/5/00	$	0.40	$3.09	-7.5%	748.3%	Buy
Jaguar Mining Inc. *	T	JAG	A	Small Production & Large Upside in Brazil	$	3.04	3/19/04	$	4.31	$2.85	-6.2%	-33.9%	Buy
Liberty Star Gold *	O	LBTS	D	Grass Roots near Northern Dynasty's Pebble	$	1.66	3/27/04	$	1.71	$1.35	-18.7%	-21.1%	HOLD
Madison Minerals Inc. *	T	MMR	C	Promsing gold proj in Nevada & PNG	$	0.53	2/25/05	$	0.53	$0.50	-6.2%	-6.2%	Buy
Mag Silver Corporation	C	MAG	C	Potential World Class Mexican Silver deposit	$	0.86	11/29/03	$	1.65	$0.81	-5.0%	-50.7%	Buy
New Guinea Gold Corp. *	T	NGG	B	Advanced Gold Mines in New Guinea	$	0.44	9/20/03	$	0.19	$0.24	-44.6%	26.5%	Buy
Newmont Mining Corp.	N	NEM	A	Multi-national largest gold producer in the world	$	41.98	4/9/05	$	41.98	$14.37	-65.8%	-65.8%	Buy
Northern Dynasty Min *	A	NDM	B	Coper/Gold Porphyry Target in Alaska	$	4.84	1/1/02	$	0.26	$4.17	-13.9%	1503.0%	Buy
Northern Star Mining *	C	NSM	C	Advanced Stage Underground Au Mine - Quebe	$	0.48	7/26/03	$	0.25	$0.33	-32.5%	32.4%	Buy
NovaGold Resources Inc.	A	NG	B	5 mill oz. Au + 5 bns lbs. Copper in Alaska	$	7.75	11/22/03	$	3.52	$8.09	4.4%	129.6%	Buy
Pacific Ridge Exploration	T	PEX	C	Highly Prospective Nevada Gold Targets	$	0.09	11/14/03	$	0.18	$0.07	-25.5%	-63.8%	Buy
Panoro Minerals Ltd.	T	PML	D	Promising Grass Roots Gold/Copper Porphyry	$	0.14	5/29/04	$	0.11	$0.21	49.6%	99.7%	Buy
PMI Ventures *	T	PMV	D	Highly Prospective Gold Targets in Ghana WA	$	0.17	7/19/03	$	0.39	$0.20	22.3%	-48.0%	Buy
Pelangio Mines Inc. *	C	PLG	C	1.7 Million Ounce Resource + Major explorat. Pc	$	0.42	1/1/02	$	0.08	$0.42	-0.2%	453.5%	Buy
Piedmont Mining Co. *	O	PIED	-	Start-up Junior Mining Co with Stellar Managm't	$	0.07	10/11/03	$	0.06	$0.06	-7.7%	0.0%	Buy
Radius Exploration Ltd.. *	C	RDU	D	Highly Prospective properties in Central America	$	1.49	3/6/04	$	1.03	$1.35	-9.4%	31.1%	Buy
Redhawk Resoruces Inc.	T	RDK	D	Early Stage gold target in Nevada	$	0.17	1/30/04	$	0.22	$0.15	-16.1%	-33.1%	Buy
Royal Standard Minerals *	T	RSM	B	Advanced Stage Projects in Nevada	$	0.40	3/17/05	$	0.40	$0.31	-21.7%	-21.7%	Buy
Ross River Minerals	T	RRM	C	Very promising gold/silver target in Mexico	$	0.42	8/23/03	$	0.28	$0.30	-29.0%	7.6%	Buy
RNC Gold	T	RNC	A	Open Pit Heap Leach Producer in Cent. Americ	$	1.21	10/1/04	$	1.03	$0.73	-39.7%	-28.9%	Buy
Samex Mining *	O	SMXMF	D	Large gold Expl. Targets in Boliva & Chile	$	0.72	4/16/03	$	0.15	$0.40	-44.4%	175.9%	Buy
Seabridge Gold Inc. *	T	SEA	B	Gold Resources totaling 13.8 million oz.	$	3.58	2/1/03	$	1.97	$2.63	-26.5%	33.5%	Buy
Southern Rio *	T	SNZ	C	High Grade gold vein system discovered in B.C.	$	0.09	8/16/03	$	0.07	$0.08	-15.5%	7.4%	Buy
Strata Gold Corp.	T	SGV	B	Advanced Stage Gold Props in Yukon & Guyana	$	0.57	10/30/04	$	0.41	$0.33	-42.5%	-20.6%	Buy
Sultan Minerals	C	SUL	C	Large Gold Exploration Target in B.C.	$	0.12	3/6/03	$	0.16	$0.09	-22.4%	-40.0%	Buy
Tan Range Exploration *	T	TNX	C	Large Property Position in Tanzania - Barrick Gc	$	0.93	8/21/04	$	0.92	$0.84	-10.0%	-8.9%	Buy
Tumi Resources *	T	TM	C	Highly Prospective silver-gold Targets in Mexico	$	0.79	11/19/03	$	0.72	$0.36	-54.2%	-49.7%	Buy
X-Cal Resources Ltd. *	T	XCL	B	Operator on Sleeper Mine nearing production	$	0.44	4/8/00	$	0.24	$0.22	-51.1%	-10.1%	Buy
Average Gain (Loss) on Gold Mining Stocks (Including closed positions) == >											**-14.12%**	**86.23%**	

CHART EXPLANATION|| Exch. A=American; N=New York; O=NASDAQ/Bulletin Board; C= Canadian Exchanges; M= Montreal. T= Toronto. ||**P=PROGRESS RATING -** A = Currently Operating, B=Not in operation but with pre-feasibility or feasibility study in hand; C = No feasibility study but indications of a commercially viable mineral deposit. D= A mineral resource not yet delineated but based on size of mineral bearing structures and early geological work, potential for outlining an ore body appears good. **2005 CLOSED POSITIONS: Excellon Resources (+111.8%), Globestar Mining (+57.7%). || J Taylor's Gold & Technology Stocks,** is published monthly as a copyright publication of **Taylor Hard Money Advisors, Inc. (THMA)**, Box 770871, Woodside, N.Y. Tel.: (718) 457-1426.|| ***** Represents companies in which the editor and/or his family hold a long position. Website: **www.miningstocks.com.** THMA provides investment advice solely on a paid subscription basis. Companies are selected for presentation in this publication strictly on the merits of the company. No fee is charged to the company for inclusion. The currency used in this publication is the U.S. dollar unless otherwise noted. The material contained herein is solely for information purposes. Readers are encouraged to conduct their own research and due diligence, and/or obtain professional advice. The information contained herein is based on sources, which the publisher believes to be reliable, but is not guaranteed to be accurate, and does not purport to be a complete statement or summary of the available information. Any opinions expressed are subject to change without notice. The editor, his family and associates and THMA are not responsible for errors or omissions. They may from time to time have a position in the securities of the companies mentioned herein. All such positions are denoted by an asterisk next to the name of the security in the chart above. No statement or expression of any opinions contained in this publication constitutes an offer to buy or sell the securities mentioned herein. Under copyright law, and upon request companies mentioned herein, from time to time pay THMA a fee of $250 per page for the right to reprint articles that are otherwise restricted for the benefit of paid subscribers. Subscription rates: One Year $123; Two Years - $219; Three Years $299. Foreign delivery postal system, add 25% to regular prices.