

Paramount Gold TSX/NY PZG
Entry Price \$1.25 Stop/loss \$2.05

Recent Price \$2.38
Opinion - buy

I have made one mistake on the Selection List, a subscriber pointed out. It won't have any effect on the list performance for 2011, but I had PZG stopped out when we had actually bought it back later

The Aug. 31 newsletter highlighted that we got stopped out at \$2.50 and I suggested buying back about same price (\$2.52) at the time but did not adjust the stop/loss which I would have set way below \$2.50 where I thought it was stopped out again. I use the charts for stop losses so would have set it at \$2.05 and that where the stop/loss is now

PZG progressing well with lots of good news and continued expansion of both their San Miguel project in Mexico and the Sleeper in Nevada

PZG was added to the Standard & Poor's Canadian Global Mining Index effective at the open on Monday, Dec. 19, 2011.

Over the holidays PZG released updated 43-101 resources on the La Union and San Antonio deposits (2 of 7 deposits at San Miguel) The new model for the La Union deposit estimates 807,000 ounces of silver and 8,800 ounces of gold in the indicated category at a 25-g/t silver-equivalent cut-off. In the inferred category, La Union is estimated to contain 9.03 million ounces of silver and 147,000 ounces of gold at the same cut-off. These estimates do not include 2011 drill results which will be incorporated into a new resource estimate scheduled for the second quarter of 2012.

The near-surface San Antonio silver deposit is estimated to contain 7.02 million ounces of silver and 3,000 ounces of gold in the indicated category using a 25-g/t silver-equivalent cut-off. Estimated inferred resources for San Antonio are 12.42 million ounces of silver and 7,700 ounces of gold at the same cut-off. Recent drill results have not been included in these estimates, and drilling is continuing.

Earlier this year, Paramount announced remodeled resource estimates by MDA for the other five known deposits at San Miguel including the San Miguel vein, San Francisco, Monte de Cristo-Sangre de Cristo, La Veronica and Don Ese deposits (see news release of April 11, 2011). This estimate included all 2010 drilling results. Resources for all of San Miguel's deposits will be re-estimated in the second quarter of 2012 to incorporate 2011 and early 2012 drilling. The resulting updated estimate will be used in the PEA.

On Dec. 12th Paramount released more exceptional high-grade intercepts from continuing infill and exploration drilling at the Don Ese discovery part of their 100% owned San Miguel project. Two new core holes drilled at Don Ese North have intersected significant widths (up to 38.9 metres) of strong gold and silver values including **5.55 metres grading 4.73 g/t of gold and 249.68 g/t of silver**. This drilling, together with previously reported results, confirms the continuity of this wholly owned high-grade zone first discovered last December (see Paramount news release of Dec. 9, 2010). The Don Ese North vein strikes north-northwest directly toward the nearby Palmarejo mine owned by Couer d'Alene and appears to be an extension of the structure which hosts this highly successful gold-silver producer. True width of the Don Ese vein is typically in the range of 10 metres but is locally up to 19 metres wide.

<http://www.paramountgold.com>

Panoro TSXV:PML
Entry Price \$0.23

Recent Price \$0.42
Opinion – hold, buy on breakout over \$0.48

Mackie Research just initiated coverage on Panoro with a \$1.20 target “*Panoro is developing two copper projects in a prime copper belt in Peru. The ongoing drill program and anticipated resource updates should see the resource grow significantly, making it a likely candidate for bringing in the next large high-grade copper porphyry.*”

Canaccord has listed Panoro among their top 22 exploration stocks for 2012

Panoro is currently focused on its Cotabambas copper-gold project, located in southern Peru, from which the company recently announced results of its continuing 24,400-metre drill program. To date, the company has completed approximately 16 drill holes for a total of 8,595 metres of the program. The results from the first eight drill holes have been announced, while other results are pending receipt of assay results from the laboratory

The stock is getting attention and has rallied nicely so far in 2012 bouncing off of support. It looks like it is about to break its down trend line and a move above \$0.48 would be a clear break out that would likely see the stock then go to \$0.60. The 200 day MA sits about \$0.45.

We also seen a long consolidation phase between \$0.35 and \$0.48. If you don't own the stock you could buy some now and add to it on a break out above \$0.48. Otherwise I would hold from the original \$0.23 entry price and consider adding to positions on the break out.



<http://www.panoro.com>

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