

# Gold Newsletter

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By Brien Lundin

## NEW RECOMMENDATIONS: DYNASTY METALS & MINING

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Virginia Gold unquestionably tops the “ones that got away” list that I keep lodged in the back of my brain. Goldcorp recently added the company — and its world-class Eleonore Gold Project in northern Quebec — to its rapidly filling shopping cart of Canadian assets.

Seeing Virginia taken out for over C\$10.00 provides an object lesson in how exploration success can translate into riches beyond imagining for early investors. Fortunately for us, in a gold bull market like this one, there’s always another company waiting to become the next Virginia.

And Dynasty Metals & Mining, the first of four new recommendations this month, could well be it. With a number of advanced-stage gold and base metals assets in Ecuador, this company has that same winning combination of high gold grades and wide-open exploration potential that made Virginia one of 2005’s shining stars.

Combined, Dynasty’s projects boast 1.7 million ounces measured and indicated and 2.1 million ounces inferred gold and have the infrastructure and the drill targets to grow that already impressive total significantly.

Leading the way is its 100%-owned Zaruma Gold Project, where a just-released NI 43-101 report put the company’s measured and indicated resources at 1.1 million ounces, with another 1.4 million ounces in the inferred category. The new estimate combines underground channel samples taken by Dynasty with an exploration database compiled by Zaruma’s previous owners.

Historical records put past gold production within the project’s 103-square-kilometer concession at around five million ounces. The company’s geologists believe that further exploration could push its in situ resource well over that mark.

Scoping studies are currently in process for both Zaruma and Jerusalem (home to an additional 1.3 million ounces of in situ gold resources) and should provide some choice pieces of news flow in early 2006.

The market’s excitement about these projects and about the sec-

tor’s recent past of M&A activity has taken the company’s share price to record highs in recent weeks, but between its upcoming scoping studies and the blue sky of its other Ecuadorian projects, it could go much, much higher.

I don’t yet own Dynasty, but plan to begin accumulating it on price dips. I suggest that readers looking for what could be the “next Virginia” do the same.

### **Dynasty Metals & Mining Inc.**

Recent Share Price: .....C\$2.15  
Shares Outstanding: .22.1 million  
Market Cap: .....C\$41.7 million  
Shares Outstanding  
Fully Diluted: .....25.7 million  
Market Cap  
Fully Diluted: ...C\$51.6 million ▲

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