

MINING IN EUROPE

key metals such as moly, tungsten and vanadium as well as the more exotic rare earth elements and metals

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February 2010



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MINING AND EXPLORATION IN EUROPE AND THE EURO FACING SOME NAUGHTY COUNTRIES

THE EURO MAY HAVE SOME STORMY WEATHER BUT WILL REMAIN BETTER THAN THE DOLLAR

After a history where the price of gold was always tied exclusively to the US dollar, things have been changing lately. In the comments, we were used to see the fluctuations of the gold price explained by the changing value of the dollar. But in the last few weeks, it was often the value of the Euro that was given as the reason for the change in the gold price. That is not only new but in my opinion also a sign that the Euro is no longer taken for granted and considered to be one of the leading currencies. The only thing that is a bit sad is that it was the bad news about the Euro induced this change of attitude.



It is important that I pay attention to the Euro in this issue as all the non-European companies that participate in the mining and exploration of natural resources somewhere in Europe are confronted with a different currency than they are used of. So in this issue, full attention on the position of the Euro and the role it is playing in the evaluation of gold and other metals.

The first thing that comes to mind nowadays when we talk about the Euro is the disturbing news that we were faced with about the financial and economical troubles in Greece and to a lesser extent, Portugal and Spain. What happened in Greece was the first real dent in the unified economic strength of Europe and a surprise to almost everybody. It will be good test case to see how the European Council and Parliament will cope with this situation where it has become obvious that Greece fooled its fellow partners by hiding and holding back the information on their real situation. Well, it is clear that if Greece did expect that it would be bailed out by the rest of Europe with financial injections, they are wrong. They will have to solve their problems mainly on their own.

► EDITORIAL COMMENT

The result of this, however, is that for a while, the European community will have to carry a member along that will not be contributing to the strength of the EC as a whole. And we all know that a chain is as strong as the weakest part of the chain.....

Another negative consequence of the situation is that the Euro now has become the subject of the attention of the international speculators for whom the Euro was hardly worthwhile to play around with. A number of large hedge funds have openly said that they will follow any fluctuations of the Euro with great interest. Reflective of this is that the number of contracts at the Chicago Mercantile Exchange, awaiting a further decrease in value of the Euro, have increased to 60,000, the largest number since the European currency was introduced a little over 10 years ago.

With the enormous sums of capital that these big players have in their portfolio they are a distinct factor in the future of the Euro and in fact any other currency. The great hedgings possibilities of the Forex markets make it possible for them to really operate in a big way. And let's be clear and realistic about it, these big money guys could hardly care less whether their financial operations are in the interest of Europe and the respective countries to find a real solution. On the contrary, the larger the commotion in the political scene, the larger the potential for making their speculative gains..... In this respect, I only mention that is has come forward that some infamous big banks like good old Goldman Sachs have helped the Greek government to hide the enormous deficits in their current accounts by covering them up with instruments like Credit Default Swaps. The banks must have made a fortune on them. Who said that the international banks have learned from their precarious experiences of only a while ago?

In the meantime, Greek prime minister Papandreou has made a brief series of blitz visits to the leaders of Germany and France but despite all the understanding, he did not return to Greece with money or even a solution for their debt of €300 billion of which €53 billion has to be refinanced this year. Greece has announced a series of cost cuts up to a total of €4.8 billion but the serious strikes that have followed and will follow, do not promise a lot of good. It will be a difficult job but it has to be done.

The latest information is that the European Commission seems to work on a plan to create a European Monetary Fund that could support member states that have come in dark waters. The Fund should act as an ultimate resort in times and cases of serious trouble with the powers of control and sanctions, just like the IMF is functioning. It remains to be seen if an EMF will find sufficient support from the members.

The message that these recent developments are bringing to the international mining and exploration companies with activities in Europe, is that Europe is not completely without problems. Fortunately, many of these companies are already used of this kind of political and financial difficulties from their own home countries and other countries where they operate.



It is good to see that also European companies are finding their way to MINING IN EUROPE. This time, I have the pleasure to introduce one of them as **NEW SUPPORTING COMPANY**. Although it is not a real European company yet. It is in the process of changing its identity from a Canadian to a Luxemburg company as management deemed that to be more in the interests of the shareholders and the company. **NORTHLAND RESOURCES S.A. (TSX-NAU, OSLO-NAUR, FFT-NBS)** has been developing iron ore projects in northern **SWEDEN** and **FINLAND**. At its most advanced project, Northland aims to begin the production of high-grade, high-quality iron concentrates by 2012. A completed Preliminary Economic Assessmentt learns that Northland Resources has "a financially very rewarding project with robust operating margins and a high rate of return". A full Feasibility Study is now being completed and the company is progressing rapidly on all necessary fields. **I will follow their developments and progress very closely and welcome Northland as a new Supporting Company.**



In the **FEATURED ARTICLE**, you will find "**GOLD AND EURO: A NEW TANGO FOR 2010**" in which Chartered Economist, market analyst and financial writer **Dian L. Chu** elaborates on the kind of 'new' relationship between gold and the euro, which I also signaled in my Editorial. She takes quite a look into the future and she has some interesting points. Worthwhile reading!



The **HIGHLIGHTED CORPORATE NEWS** reports news from the **SUPPORTING COMPANIES** and some other companies that have something remarkable to say. As you will see, and also will find in the **NEWS** section, there is a lot going on in **MINING IN EUROPE**.



Finally, I apologize for the late publishing of this issue, due to some technical reasons as a result of moving premises and locations. A world-famous Dutch football player once said "Every disadvantage has its advantage". In this case, the advantage is that you will get two issues of **MINING IN EUROPE** this month!

Henk J. Krasenberg

NEW SUPPORTING COMPANY



NORTHLAND



share prices Feb 26: TSX-NAU: C\$1.90 – OSLO BØRS-NAUR: KR9.90 – FFT-NBS: €1.24
shares outstanding 110.6 million – fully diluted 117.4 million

KAUNISVAARA PROJECT ADVANCING RAPIDLY IRON ORE DEVELOPMENT IN NORTHERN SWEDEN



Although the shares of Northland Resources will continue to be listed at the TSX (plus in Oslo and Frankfurt), the company just recently has made the transition from a Canadian company to a true European company, based in Luxemburg. Management deemed this change to be in the best interests of the company and its shareholders. This European identity fits the company well

as its exploration and development activities have been and will be focussed on **SWEDEN** and **FINLAND**. Another sign of a more European character was the recent appointment of **Mr. Anders Hvide** as **Executive Chairman**, not so surprisingly because he was the man who brought **the principal project of the company, the Kaunisvaara Iron Ore Project**, to the development stage it is in today.

Since a decision was taken in December 2008 to investigate the feasibility of developing **three of the company's iron ore deposits as feed for one centralized processing facility in Kaunisvaara, Sweden**, Northland is progressing fastly. A **Preliminary Economic Assessment study was completed in September 2009** and the findings were received so positively that Executive Chairman Anders Hvide came to the statement *"The PEA demonstrates that the Kaunisvaara Project stands to be a financially rewarding project with robust operating margins and high rates of return"* to which now former President and CEO Buck Morrow added *"The findings of the PEA put Northland firmly on the way to becoming a substantial iron ore producer in Europe"*.

THE COMPANY

Northland Resources has been active on its iron, copper and gold properties in **SWEDEN** and **FINLAND** for quite a few years. Originally, the company was completing scoping studies on 3 of its most promising projects, the **Tapuli**, the **Stora Sahavaara**, and the **Hannukainen** separately but with the metal markets changing in 2008, management decided to change course and give priority to the plan to achieve the most effective way to production at the **Kaunisvaara Iron Concentrate Project in SWEDEN**, fed by ore to be mined from the **Tapuli**, the **Stora Sahavaara**. and the nearby **Pellivuoma** deposits (see The Project).

As becoming a true iron concentrate producer will be the main focus of the company, the improvement of the iron ore markets have prompted management to also give a renewed priority to the **Hannukainen/Kuervitikko** iron-copper-gold projects in **FINLAND**. With these two projects, Northland has placed itself in the forefront of development to a sizeable iron concentrate producer which, compared with other international producers, will have **distinct advances to cater to the European markets** because of its high-grade and high-quality concentrates, its closer proximity and lower transportation costs. ▶

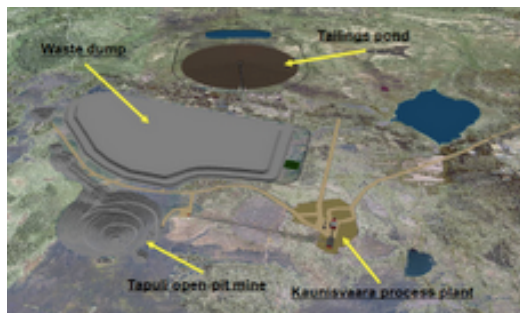


NEW SUPPORTING COMPANY

NORTHLAND

► THE PROJECT

The Kaunisvaara production facility will be constructed to handle **2 Mt of iron ore per year starting in 2012**, subject to permitting and financing, on feed from the Tapuli deposit, gradually **to be expanded to 5 Mt by 2014** with the ore from the Sahavaara and the Pellivuoma. The PSE estimates the **CAPEX to be US\$417 million** initially, with a total **CAPEX for the 5 Mt capacity estimated at US\$617 million**. Payback should be possible in year 6.



Based on the present NI43-101 compliant resource estimate, the PSE calculates a **mine life of 24 years**. The production facility is **favourably located to the Finnish port of Kemi**, whereto the ore will be transported by rail. Northland should be able to deliver the concentrate FOB at the Kemi port at a **total average OPEX per tonne of US\$34.04 for the first 10 years**.

Currently, the company is in the process of **completing its Feasibility Study in Q2 of 2010**. It would be very possible that the Feasibility Study will show a lower CAPEX than the PEA because of a few factors like competitive bidding among vendors vs. list prices, the possibility to share the rail link costs from Kaunisvaara to Finnish rail with other users would make a difference of about US\$50 million, and the choice to use contract mining and/or leasing of all rolling stock. **Upon completion of the full Feasibility Study, site construction is scheduled to commence for Q3 of this year.**

OTHER FACTORS

A few other factors are important to mention as they could deliver upside potential to the economics of the whole project: **1.** Northland has already a **MoU in place with Gulf Industrial Investment Company** from the Kingdom of Bahrain to supply GICC with DR grade pellet feed. Should this eventually result in a true off-take agreement, it would put Northland in the position to a certain extent of self-financing the Kaunisvaara project; **2.** another MoU is signed with the Port of Kemi to make sufficient land available for port requirements; **3.** a LOI is signed with Havator Group and Europort Holding to develop the Kemi port facility; **4.** the total costs for investment and port handling are considered OPEX in the PEA; **5.** Northland's concentrate will be low in contaminants and suitable for DR grade or blast furnace pellets production; **6.** Northland's concentrate will reduce pelletisers' production cost.

Iron Resources to support long mine-life

Original Feasibility Study (2009)	100%	100%
Revised	28.8%	27.6%
Revised	18.8%	18.1%
Total (Revised & Indicated)	47.6%	45.7%
Revised	18.8%	18.1%
Revised	18.8%	18.1%
Total (Revised & Indicated)	37.6%	36.2%
Full Feasibility Study (2010) (to be published)	100%	100%
Revised	28.8%	27.6%
Revised	18.8%	18.1%
Total (Revised & Indicated)	47.6%	45.7%
Revised	18.8%	18.1%
Revised	18.8%	18.1%
Total (Revised & Indicated)	37.6%	36.2%

250 Mt in M&A to support concentrate production from Kaunisvaara

NORTHLAND: A GOOD EXAMPLE OF WHAT MINING IN EUROPE HAS TO OFFER

I remember Northland Resources as a company that we didn't hear much about. Yes, it was exploring for base metals in the far and freezy north of SWEDEN and FINLAND. And they were always present at international mining conferences.



But from talking to the then President Buck Morrow, I didn't get much wiser. He was more a man of doing his work than talking about and giving strong statements. And doing their work, they have done. They certainly succeeded in coming close to reaching the objective they always had: to become a solid and substantial producer of high-grade and high-quality iron ore in the European market place.

Sweden and Finland have a long history of metals and minerals and Northland is about to add an interesting and successful chapter to that history. Looking at the Preliminary Economic

Assessment, Northland is on its way to a successful and profitable future as a producer and thus, becoming an attractive investment vehicle for international investors. They already have an impressive backing from investors in the northern regions and in North America. With the outlook for iron ore continuing to be strong (still China!) and more good news coming from Kaunisvaara project during the next few months and years, I am sure that also European institutions and private investors will come to recognize what Northland is doing and where it is going. I am pleased that Northland has decided to become a **SUPPORTING COMPANY** which will give me the opportunity to report all the good developments of the company to you.



www.northlandresourcesinc.com

Because of the late date of publishing, due to technical reasons, the mentioned share price is not up-to-date; the latest price on March 10 at the TSX was C\$2.36 and at the Oslo Børs KR13.85.

Also read the latest news on page 7 in which NORTHLAND reports on progress of financing the project.

HIGHLIGHTED CORPORATE NEWS



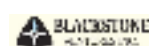
Belvedere Resources

TSXV-BEL: price Feb 26 – C\$0.185



Belvedere Resources is a Canadian resource company with its focus on FINLAND where it has a considerable portfolio of advanced gold properties and plans to use the extensive mining experience developed in the company to rapidly progress these towards production.

*After extended negotiations, Belvedere has purchased, through its wholly owned subsidiary Belvedere Mining Oy, the **Hitura Nickel Mine** and associated claims and the **Kopsa gold property** in **FINLAND** from the administrators of the Finn Nickel Bankruptcy estate for €1 and the forgiveness of any remaining claims on the Finn Nickel estate by Belvedere. CEO David Pym states "....We believe this is an excellent result for all parties, the purchase of the remaining assets in the bankruptcy estate allows the bankruptcy action to be wound up and the creditors to be repaid. Management will now be evaluating a number of business plans for the site, which could include restarting the nickel mine and/or processing nearby gold ores through the mill facilities...." The Hitura Nickel mine and associated mill has been on care and maintenance since December 2008. Belvedere has completed a due diligence on the assets and is pleased to note that the underground workings and the mill remain in good condition. **For full information on the company and its projects: www.belvedere-resources.com.*



Blackstone Ventures Inc.

TSXV-BLV: price Feb 26 – C\$0.12



Blackstone Ventures is a Canadian based mineral exploration company focused on base metals in NORWAY and SWEDEN with a land package that includes several small scale nickel mines which never have been explored with modern geophysical methods or deep drilling and several high-quality copper-zinc-lead and copper-gold targets.

* Blackstone Ventures Inc. announces that a diamond drill rig has now been mobilized to its 100% owned **Uma VMS project** in northern **SWEDEN** and will begin drilling immediately. This first phase drill program at Uma South (southern portion of the 235,000ha property) will consist of approximately 12 – 20 holes. Drilling will begin in the Uma South area to test new EM conductors recently outlined in a 750 line-km airborne time domain EM survey as reported in October 20, 2009. A total of 12 discrete anomalies, some with coincident surface sulphide showings, have been initially identified from the dataset. Drilling will include testing below very shallow 1950's drill holes completed by Boliden which includes high-grade intersections up to 10.1% Cu, 21.7% Zn, 8.2% Pb and 12 gpt Au over 0.82m. **For full information on the company and its projects: www.blv.ca.*



Botnia Exploration Holding AB

AT-BOTX: price Feb 26 – SKR0.11



Botnia Exploration is a Swedish exploration company focused on precious and base metals in SWEDEN and the Nordic countries, aiming at the early phases of development of ore deposits, with a portfolio of some twenty highly interesting and carefully selected projects.

* Botnia Exploration has finalized a Letter of Intent with Hansa Resources Ltd. which contains the principal terms for the sale of Hansa's wholly owned subsidiary Hans A Resources AB. Hans A is the holder of a number of mineral licenses primarily located in the Vasterbotten area of **SWEDEN**, along the famous "Gold Line". Hansa will receive 7,000,000 SEK or approximately C\$1,000,000, payable in three instalments over thirty months, and approximately 237,000,000 shares of Botnia. On closing, Hansa will become the largest shareholder of Botnia owning approximately 38% of the issued and outstanding shares of Botnia. **For full information on the company and its projects: www.botniaexploration.com.*



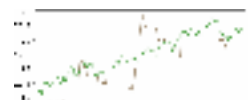
Connemara Mining

AIM-CON: price Feb 26 – 17.00p



Connemara Mining Company plc was established in 2006 by veterans of the Irish zinc industry to exploit zinc opportunities in Ireland and currently holds the following 38 prospecting licences in respect of properties.

* Connemara Mining reported additional results from the ongoing drilling program at **Stonepark base metals project** near Limerick, **IRELAND**. Teck Resources Limited is the operator and has a 75% interest in the property. Hole 32 intersected 7.80 m grading 5.18% zinc, 2.68% lead from 207.60 m, including 1.35 m grading 10.40% zinc, 2.16% lead from 214.05 m and 7.20 m grading 13.07% zinc, 2.23% lead from 216.05 m. The zone is still open in a number of directions. Drilling to-date has defined what appears to be a stratiform zone of continuous zinc-lead mineralisation at the shallower, up-dip end of a much larger mineralising system on the Stonepark Project. **For full information on the company and its projects: www.connemaramc.com.*



EurOmax Resources Limited

TSXV-EOX: price Feb 26 – C\$0.23



EurOmax Resources is a Canadian company with precious and base metal projects in BULGARIA, MACEDONIA and SERBIA with the objective to achieve early gold production and exploration for world class metal deposits. Teck Cominco Ltd and Freeport-McMoRan are major shareholders.

* EurOmax Resources has appointed Christopher A. Serin P. Eng. as Interim Chief Executive Officer to replace John C. Menzies, EurOmax's former Chief Executive Officer. Effective immediately, Mr. Serin, in addition to his current responsibilities as Chief Financial Officer will assume all the duties and responsibilities as Chief Executive Office on an interim basis until a new Chief Executive Office is found. The Board of Directors has formed a committee of its independent directors to search for a new Chief Executive Officer. **For full information on the company and its projects: www.euromaxresources.com.*



HIGHLIGHTED CORPORATE NEWS



Iberian Minerals Corp.

TSXV-IZN: price Feb 26 – C\$0.49



Iberian Minerals is a Canadian listed global base metals company with interests in Peru and SPAIN where the Aguas Tenidas Mine in the Andalucia region operates a 1.7 million tonnes per year underground mine and concentrator that produces copper, zinc and copper-lead concentrates also containing gold and silver.

* Iberian Minerals reported that the Junta de Andalucia has issued the environmental authorization which will permit the use of six new reagents for the operation of the new modular Cu/Pb flotation separation circuit at the **Aguas Tenidas Mine**. The six permitted flotation reagents are zinc cyanide, sodium dichromate, activated carbon, cellulose, sodium hypophosphate, and sodium bisulphite. With this authorization the Aguas Tenidas Mine is able to proceed with ordering zinc cyanide and the other reagents to be delivered to the site by mid-February.

* Iberian Minerals released operating results for 2009 and mine updates, 2010 capex and exploration budgets, together with an update on hedging positions and guidance for 2010. All the relevant information on the Condestable Mine in Peru and the Aguas Tenidas Mine in **SPAIN** are posted at the company website. **For full information on the company and its projects: www.iberianminerals.com.*

MAWSON

Mawson Resources Limited

TSXV-MAW: price Feb 26 – C\$0.315



SUPPORTING COMPANY



Mawson Resources aims to become one of the major contenders to supply the resources for the energy of the future, nuclear power. With an excellent base of uranium properties in SWEDEN and FINLAND, the company has every chance to become a success story. One first NI43-101 compliant resource in place, an ambitious winter exploration program in process and another NI43-101 compliant resource estimate underway can bring Mawson quite well forward over the next few months.

* Mawson has signed an Option Agreement to explore the **Orrbäcken nickel project**, which won the annual Swedish "Mineral Hunt" Competition for 2009. Subsequent to this Option Agreement, Mawson has entered a Joint Venture Agreement with **Independence Group**, a nickel mining and exploration company listed on the Australian Stock Exchange, that provides IGO with the right to explore and advance the project. *"Mawson continues to review global multi-commodity exploration opportunities, while in parallel pursuing its European uranium strategy. In this case, Mawson has chosen to partner with Independence Group, a technically strong and nickel-focused mining company who will rapidly advance the Orrbäcken project."* said Mr. Hudson. The Swedish National Mineraljakten (or "Mineral Hunt") has been contested since 1967 and gives members of the public the opportunity to submit mineralized rock samples with the Swedish Geological Survey (SGU) for assessment. The SGU allocates points based on the grade, context and significance of the rocks submitted and selects an annual winner. **The winning project from 2009 was the Orrbäcken nickel project**, discovered by father and son team Kurt and Kristoffer Löfroth. Orrbäcken is located 10km south of the town of Skellefteå in northern **SWEDEN** and is comprised of 3 exploration permits totaling 461ha held by Mawson. **Orrbäcken is a new nickel discovery** which shows promising chemistry, scale and position in relation to gravity and magnetic datasets. The discovery consists of approximately 80 gabbroic boulders that form a 1.5km long boulder train, 25 of which are mineralized and interpreted to be close to source. Four boulder samples were taken by the Swedish Geological Survey from the Orrbäcken discovery. **Nickel** ranged from 1.9% to 0.6% and averaged 1.0%, **cobalt** ranged from 0.21% to 0.05% and averaged 0.1% and **copper** ranged from 0.7% to 0.1% and averaged 0.3%. The boulder train is associated with a magnetic feature that is of a similar scale to mafic intrusives that host economic deposits elsewhere. IGO plans to fly airborne magnetics over the coming months with field work scheduled for June 2010. With encouraging results, airborne and ground electromagnetic surveys are planned with follow-up diamond drilling during winter 2010/2011. The Joint Venture Agreement with IGO provides IGO the **right to earn a 70% interest in Mawson's interest in the Orrbäcken project by funding expenditures of AUS\$2 million over 5 years.** ***For full information on the company and its projects: www.mawsonresources.com.*



Northern Lion Gold Corp.

TSXV-NL: price Feb 26 – C\$0.105



Northern Lion is a Canadian mineral exploration company. Its current project portfolio includes the Moura lead-zinc-silver project in south-east PORTUGAL, a copper-gold project in the Republic of CYPRUS and several exploration licenses in the historic Bergslagen mining district in southern SWEDEN. It furthermore holds royalty interests in FINLAND, resulting from the sale of the projects that it held in the past.

* In **CYPRUS**, Northern Lion has now been granted title to eleven exploration permits, and has an additional nine permits in the application stage, covering a total of approximately 75km². All of the permit areas cover the contact between the Upper and Lower Pillow Lavas or between the Lower Pillows and the Basal Group. These are the most productive geological environments for Cyprus style VHMS deposits. The permit areas were selected based on the presence of ancient workings, slag piles and/or the presence of anomalous geochemical signatures. Phase I exploration on the Cyprus permits will commence at the beginning of February, and will include mapping, soil and rock geochemical sampling, IP and magnetic surveys along with reconnaissance rotary drill testing of any anomalies generated. **For full information on the company and its projects: www.northernliongold.com.*



Northland Resources S.A.

TSX-NAU: price Feb 26 – C\$1.90



SUPPORTING COMPANY



Northland Resources is a Luxemburg based company dedicated to become an emerging producer of high-grade and high-quality iron concentrates from the centralized production facility to be constructed at the Kaunisvaara Iron Concentrate Project in northern SWEDEN, the most advanced of its projects where it is currently preparing a Feasibility Study. A Preliminary Assessment completed last year said the project is feasible and financially rewarding. Also the

HIGHLIGHTED CORPORATE NEWS

Hannukainen Iron Project in northern FINLAND is an advanced exploration project with an established deposit. After the recovery of the iron ore market last year, the Hannukainen has become a priority project again.

* Northland Resources has appointed and retained leading global mining finance and investment banks - Société Générale, UniCredit Bank AG and WestLB AG as exclusive Mandated Lead Arrangers in the **proposed project financing of the Kaunisvaara Iron Concentrate Project**. The Facility will be subject to each Mandated Lead Arranger securing its internal credit approvals, due diligence and related documentation. Anders Hvide, Executive Chairman of Northland commented, *"Our Board of Directors and Management are pleased to welcome these world class financial institutions to the team developing Kaunisvaara. This is a significant step on the path toward financing and building the mines and delivering on our commitment to build shareholder value in a sustainable fashion."* *"The banks view Kaunisvaara as an attractive mining project in a low risk operating environment, given the robust project economics, existing infrastructure, low political risk and strong community support"*, added Karl-Axel Waplan, President and CEO. ****For full information on the company and its projects:** www.northlandresourcesinc.com



Stratex International Plc
AIM-STI: price Feb 26 – 3.50p



Stratex International is focusing on gold and high-value base metals. Together with Turkish partner NTF it is progressing the Inlice and Altintepe oxide gold resources in TURKEY with a view to mid-term production. Stratex is also exploring and drilling its latest oxide-gold discoveries - Öksüt financed by option/JV partner Centerra Gold, and Hasancelebi financed by Teck Resources. With a strong cash position, Stratex is considering a range of other options both within and outside Turkey. As part of this initiative, the company has recently expanded into Ethiopia, a country that it believes has considerable potential for the discovery of gold and base metal deposits.

* Stratex announced the formal signing of a Definitive Agreement with private Turkish company NTF Insaat Ticaret Ltd Sti following the initial MOU in June 2009. This agreement sets out the terms under which Stratex will work with NTF to develop the **Inlice and Altintepe gold projects**. The agreement with NTF provides for the establishment of a joint venture company, NS Madencilik, in which NTF can earn a 55% interest by funding pre-feasibility and feasibility studies. Upon closure, NTF will immediately pay Stratex \$1 million; thereafter, will finance \$2 million prior to a decision to move to production. Stratex's Executive Chairman David J. Hall said *"This is a significant advancement in the development of Stratex and takes us one step further to becoming a gold production company, allowing us to unlock the considerable value in our exploration portfolio.....We will also continue to develop the rest of our Turkish exploration portfolio with our partners Teck Resources and Centerra Gold."*

* Stratex released a preliminary in-house resource at its Öksüt project, a high-sulphidation gold discovery in the Central Anatolia region. The resource estimate for the first zone to be drilled within the project, the Ortacam Zone, totalled 147,814 ounces of oxide gold at a cut-off grade of 0.2g/t for all categories. ****For full information on the company and its projects:** www.stratexplc.com



Tournigan Energy Ltd.
TSXV-TVC: price Feb 26 – C\$0.25



SUPPORTING COMPANY

Tournigan is a Canadian resource company that has been exploring for uranium and other minerals in SLOVAKIA for over six years. It holds 100% interest in six uranium licences in the Slovak Carpathian uranium belt. The company's flagship is the high-grade Kuriskova property with a NI 43-101 compliant resource of 14.7 million pounds U₃O₈ indicated contained in 1.2 million tonnes at 0.558% U₃O₈ and 17.9 million pounds U₃O₈ inferred contained in 3.8 million tonnes at 0.215% U₃O₈.

* Tournigan Energy announced the **results of two additional exploration holes** drilled in what appears to be a new zone of mineralization, known as Zone 45, at the Kuriskova uranium deposit in Slovakia. Highlights of the two holes are: • LE-K-40 : 3.10 m @ 0.564% eU₃O₈, including 1.20 m @ 1.033% e U₃O₈ • LE-K-41: 2.90 m @ 0.933% e U₃O₈, including 1.80 m @ 1.406% e U₃O₈. The new zone of mineralization extends to the northwest from the Kuriskova Main Zone. It is adjacent to, but at shallower depth and stratigraphically above the Kuriskova Main Zone and remains open along strike and depth. The mineralization type, grade and thickness are similar to the Main Zone.

* Tournigan Energy announced that the company and Ortac Resources have executed a share purchase agreement which supersedes the option agreement of June 2009 pursuant to which Ortac was **acquiring in stages all of the participation interests of Kremnica Gold s.r.o and Kremnica Gold Mining s.r.o. the holder of the Kremnica gold deposit located in Slovakia.**

****For full information on the company and its projects:** www.tournigan.com



MINING AND EXPLORATION COMPANIES THAT WISH TO HAVE COVERAGE OF THEIR NEWS RELEASES IN THIS SECTION ON A CONTINUED BASIS, ARE INVITED TO CONTACT US AT

miningineurope@gmail.com

Euro Mine Expo

INTERNATIONAL
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SKELLEFTEÅ, SWEDEN
JUNE 8-10, 2010

SKELLEFTEÅ
SWEDEN

ORGANIZERS:

NOLIA

GEORANGE

FEATURED ARTICLE

GOLD AND EURO: A NEW TANGO FOR 2010

by
Dian L. Chu



The U.S. dollar rose, commodity prices dropped and stocks fell after the Federal Reserve unexpectedly lifted an emergency lending rate for the first time since the financial crisis.

The dollar hit an eight-month high against a currency basket, while gold prices rose as investors bought the metal to hedge against paper currencies and debt default risks in Europe. Gold futures ended on Friday with a weekly gain of 3.1% at \$1,122.10 an ounce.

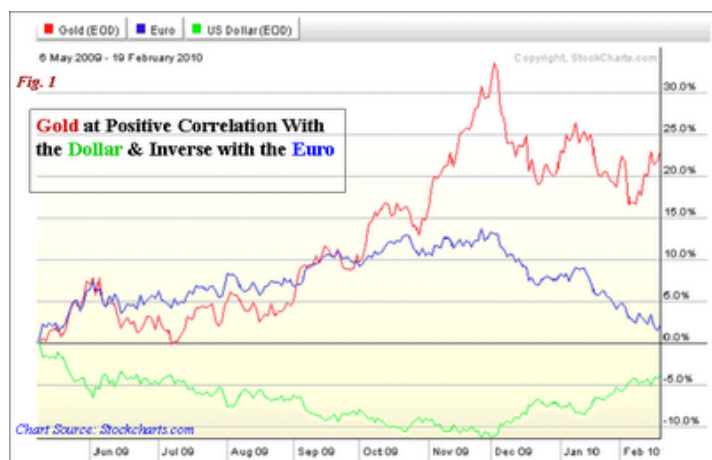
Gold's Retreat

Gold had rallied to a record of \$1,218.30 an ounce on Dec. 3, 2009, as near-zero U.S. interest rates and government spending weighed on the dollar and countries including India and China boosted gold reserves.

However, bullion in the spot market has declined more than 6% since December, as the U.S. dollar benefited from the unfolding debt crisis in Dubai, Greece and the rest of southern Europe.

New Inverse Tango with Euro

Since gold is primarily a hedge against the dollar and inflation, it typically has the strongest inverse correlation with the US dollar. In the last month, however, the trend has broken with gold trending inversely with the euro and positively with the dollar (*Fig. 1*). The euro has now taken center stage in dictating the price of gold as it pertains to the fiscal health of Greece and other eurozone countries.



Fears over the outlook for the euro have been driving investors out that currency, and lifted both bullion and the dollar as alternative assets. The euro has declined, particularly against the dollar and gold, almost 5% against the dollar, and gold in euro terms is up 4.2%, so far in 2010.

Mariachi - PIIGS & The Fed

The new trend between the euro, dollar and gold is expected to continue amid fiscal challenges in the UK and Eurozone, PIIGS (Portugal, Iceland, Italy, Greece and Spain) in particular. Uncertainty over the details of any financial rescue package for Greece will likely keep the mood in the markets nervous, and the currency markets volatile in the near term.

In addition, the Fed's discount rate hike signals that other central banks will likely follow suit in exiting from stimulus

measures, while the eurozone, UK and Japan will likely lag behind. This view has partly triggered selling of the euro against the dollar, and some other currencies to seek a positive yield and perceived safety.

These two factors will likely continue to be the major forces driving the euro's direction for the rest of Q1, and may spill over into Q2 depending upon solutions to the European Union's debt problems and dearth of future growth opportunities.

Technicals - Short-term Mixed

Technically speaking, the short term indicators of gold are mixed and still trending bearish as gold prices remains in the lower part of its recent trading range.

Technical analysts have widely diverging views as well. For instance, Chartered Market projects gold to reach about \$1,400 within 12 months as long as the \$1,000 level holds; whereas Barclays Capital considers a "fair value" for gold around the \$700 to \$800 an ounce level.

Meanwhile, Nouriel Roubini, economics professor at the Stern School of Business, New York University, says that there is a bubble in commodities, and that the price of gold should be no higher than \$1,000 an ounce given the current market conditions.

FEATURED ARTICLE

GOLD AND EURO: A NEW TANGO FOR 2010



Technical levels of significance would be a breakout above the **\$1150** level, which would be bullish; and breakout below the **\$1050** level of support, which would be bearish for the commodity. (Fig. 2)

Vulnerable to Rapid Unwind

According to the Commodity Futures Trading Commission (CFTC), NYMEX gold futures open interest increased 3.2% in January. Commercial traders increased their long positions, while holding net short positions. Non-commercial speculators held net long positions but increased their short positions. Overall, about 54% of the participants held net long positions in January. (Fig. 3)

Gold has attractions for those managers of private institutional funds. Many investors from George Soros to John Paulson have been buying gold as lower interest rates and continued money-printing could devalue the U.S. dollar in the long term.

Billionaire fund manager George Soros, for instance, told the financial elite at Davos that gold represented the "ultimate asset bubble"; however, data from SEC filing showed his fund more than doubled the stake in the SPDR Gold Trust (GLD) three months earlier. In fact, the gold trust is now his fund's biggest investment, valued at \$663 million.

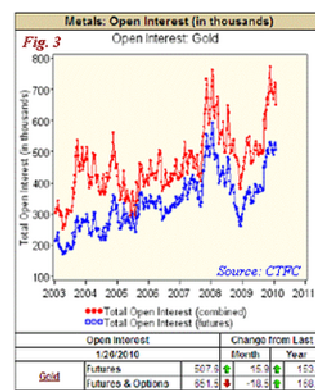
The large number of long speculators playing in the Gold market could leave the market vulnerable to a rapid unwinding when sentiment changes – the *crowded trade* scenario. One can only speculate that Mr. Soros could be seeking to *exploit this market vulnerability* with his seemingly uncharacteristic and contradictory actions.

Other Market Factors

Furthermore, the gold price direction also hinges on several events about to unfold within the next few months:

- 1) Greece's borrowing needs are covered only until mid-March, and is set to launch a new bond offering of \$7 billion in coming days – Eurozone/euro could stand or fall on the success or failure of this bond sale.
- 2) European finance ministers gave Greece a one-month reprieve to show its deficit reduction plan was being rolled out effectively.
- 3) Dubai World will present a proposal to creditors in March to restructure about \$22 billion of debt.
- 4) The IMF's phased open-market sales of the remaining 191.3 tons of gold it planned to sell last year as there are no more official buyers – Bearish for gold, unless another central bank steps up.
- 5) The Federal Reserve will end a \$1.25 trillion program of mortgage-debt purchases in March – Gold-bearish as it reduces liquidity.

As ever gold thrives on financial, economic and monetary uncertainty, there is certainly plenty of that in the world today. Sovereign risk will likely remain the main theme for 2010, and possibly 2011. This all sets the stage for the next five years of monetary and fiscal policy decisions around the globe which will ultimately define the future for this precious metal from an investment standpoint.



Dian L. Chu

Economic Forecasts & Opinions

Dian L. Chu, M.B.A., C.P.M. and Chartered Economist, is a market analyst and financial writer regularly contributing to Seeking Alpha, Zero Hedge, and other major investment websites.

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MINING INVESTMENT EVENTS IN EUROPE


March 18, 2010
Rare Earths, Specialty & Minor Metals Summit
 London, UK
www.objectivecapitalconferences.com

April 18, 2010
World Mining Investment Congress
 London, UK
www.terrapinn.com/2010/mining/


June 8-10, 2010
Euro Mine Expo
 Skelleftea, Sweden
www.eurominexpo.com


opportunities to obtain specific information, meet the experts and managements and expand your networking

NEWS ON MINING AND EXPLORATION IN EUROPE

 ****In TURKEY**, the **Koza Gold** raised a total of 662.4 million lira, equal to \$436 million from selling 30% of its outstanding shares to the public. The 1.8 billion shares were sold at 36.80 lira each, of which 40% to international investors, 47% to domestic institutional and private investors and the remaining 13% to the firm's owners, mining company Koza Madencilik (IS-KOZAA) and printer Ipek Matbaacilik (IS-IPMAT). As a result of the IPO valuation, Koza Gold, which operates a gold mine in the Aegean region and another one in the Black Sea region, has now a market value of 2.2 billion lira. The IPO was the largest Turkish IPO since Turk Telekom's public offering in May 2008.

****KEFI Minerals and Centerra Gold** announced the finalization of a Joint Venture agreement, where Centerra may earn a 51% interest in the Bakir Tepe project in southwestern Turkey.

 ****HUNGARY** urges a Europe-wide **ban on cyanide mining technologies**, according to Andor Nagy, the head of parliament's environmental committee told a conference. He said Hungary had just put a law in force in December 2009 banning cyanide-based extraction technology and the ban should be widened across Europe. The conference marked the 10th anniversary of a contamination from a cyanide spill on the river Tisza from Baia Mare, Romania, which caused devastating damage to the river's wildlife. Nagy said Hungary's EU presidency in the first half of 2011 would give a good opportunity to promote such issues, especially if water becomes one of the priorities of the presidency. Adopting an EU directive on cross-border water pollution would be one of the objectives to work for, he said.


 ****In SPAIN**, **Berkeley Resources** announced further results from the confirmatory diamond drilling program on the **Salamanca Uranium Project**. Highlights includes hole ASD-001 intersecting 3.2 m at 5,904 ppm eU3O8 from 3.1 m and hole ASD-002 intersecting 47.5 m at 2,120 ppm eU3O8.


 ****In central western FINLAND**, **Tasman Metals** announced staking of the historic **Korsnas rare earth element (REE) – lead (Pb) mine**, located 350 km north of Helsinki in central western Finland. The company has acquired a 100% interest in the former mine by staking the Korsnas 1-4 claim applications that total 268 hectares, and 6,652 hectares of surrounding claim reservations.

****Nortec Minerals** announced the excellent results from rock chip samples taken from the Seinäjoki gold project in **FINLAND**. Higher grade gold mineralisation was encountered in two lines of rock chip samples taken from outcropping bedrock on the Sikakangas prospect. A 0.5 m chip line returned 69.8 g/t gold hosted in quartz veins within altered metavolcanic rocks (mica gneiss). A second sample taken 25 m to the south, returned 21.1 g/t gold also hosted in quartz veins within altered mica gneiss.

 ****In the RUSSIAN FEDERATION**, **Ovoca Gold** has entered into a conditional acquisition **agreement to acquire** a 100 per cent interest in a portfolio of gold exploration projects in the Magadan region.

****European Nickel and Rusina Mining** announced that they have signed a Merger Implementation Agreement whereby European Nickel proposes to acquire the entire issued share capital of Rusina by way of a Scheme of Arrangement.

 ****In SCOTLAND**, **Scotgold Resources** announced the results of recent drilling within the Inferred resource block which confirms main vein continuity. Highlights include 9.84 g/t gold, 41.6 g/t silver over 2.05m in hole 09-01 and 7.84 g/t gold, 12.2 g/t silver over 3.60m within hole EA 02.

 ****In northern PORTUGAL**, **Colt Resources** announced very **encouraging results** from hole DHT-02, the second hole of its ongoing drill program on its 100% owned Tabuaço tungsten project. The hole intersected 0.93% tungsten oxide over 13.60 m from 90.3 m.



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