



# Precious Metals Review

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**Vol 6, Issue 24 Gold Exploration & Development Co. Metanor - Pouring Gold & Growing (9.24g/t over 33m)**

## Well Over 25,000 oz Gold Poured To Date - Cash Flowing, Growing, and Executing on Plan

*"Metanor Resources Inc. (TSX-V: MTO) (US Listing: MEAOF) (Frankfurt: M3R) is experiencing significant upside revaluation and on a technical breakout as the company is on schedule and under budget to bring high grade underground ore online. Additionally MTO.V plans to increase capacity up to 1200TPD in the Fall of 2009 -- to date MTO has poured over 25,000oz of gold from its Barry open pit mine and is currently at capacity of 800 TPD with recoveries of ~95%. Fundamentally MTO appears exceptionally undervalued -- has no long term debt, is domiciled in a stable jurisdiction, has a growing resource base, and is currently trading at a mere fraction of its 100% owned ~\$140M infrastructure value..."*

Source: Market Equities Research

### Greg Thompson

Precious Metals Review

### Special Situation Advisory

Shares of Metanor Resources Inc. are now experiencing a technical breakout pattern (see 2 year chart to the right). The investment community is now increasingly recognizing Metanor as an emerging gold producer that has managed to create an exceptional vehicle for investors seeking exposure to the sector. Precious Metals Review has confirmed that at the resource conference last week in Toronto several representatives from large investment firms were seen and overheard expressing interest in how they could 'get involved' with Metanor and the reply was that Metanor was well capitalized, Metanor was executing to plan, and the only way to participate was to purchase on the open market. Highlights and preconditions identified on page one of the recent Northern Securities Analyst report ([available here](#)) that places an 'initial near term' valuation target for shares of Metanor Resources Inc. at \$1 per share are all being satisfied and surpassed. A \$3 per share valuation was placed on Metanor by Howlett Research upon execution of plans. Fundamentally Metanor Resources Inc. appears exceptionally undervalued and the stock of MTO.V is poised for significant upside revaluation as the Company executes on its plan to build ounces in the ground at multiple locations near their mill and is on target to go underground at Bachelor Lake by July 2010 - positioning MTO.V as a very profitable gold producer at 1200TPD production with high grade ore.

**Metanor Resources Inc. (TSX-V: MTO)** is pouring gold at its 100% owned 1,200 (upgradeable capacity)

TPD mill in mining friendly Quebec. Production in 2010 should conservatively come in a 50k+oz and move to generating ~70K ounces/yr when Bachelor Lake underground comes online by mid 2010. Ore extract is currently coming from their 100% open pit operation on their Barry gold deposit (located approximately 65 km southeast of the mill). MTO.V has had very good intercepts of late at the Barry deposit (See Sept. 24, 2009 release '[METANOR DRILLS 9.24 g/t Au over 33m at BARRY](#)'), these results affirm the long term viability of the deposit -- a NI 43-101 resource estimate has been commissioned for Barry and is expected to be released by Q4 2009. Metanor's Nelligan property, located on land contiguous to their mill, is also the subject of recent successful drilling efforts.



### Valuation Analysis/Commentary:

*"The current market cap of MTO.V is less than ~65% the replacement value (~CDN\$140M) of their infrastructure alone, ignoring the 1M+ oz gold resource, with ever expanding & further significant exploration potential, with substantial revenue projections. MTO.V has ~1,000,000 oz of Gold (NI-43-101 measured and indicated) available from their three properties. The ongoing exploration drill program at their ever expanding Barry deposit is just one of many venues to expand the resource base and is exceeding expectations. Their forward projected EPS will likely be very significant as a debt free unhedged gold producer and the current market cap relative to expected revenues is disproportionate; with less than 106M shares outstanding and trading under CDN\$0.90/share, the market cap of MTO.V relative to its resource base/production expansion plans and future revenues make MTO.V among one of the most attractive vehicles for gold investors..."*

[Click here](#) for expanded content on Metanor Resources.

**NY Spot Close Oct. 2, 2009; Gold: \$1003.20 Silver: \$16.18**