

Benjamin Cox, Oreninc MD
Premier Presentation



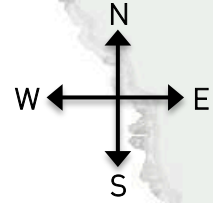
Gold vs. Gold Equities

Why I now like gold equities, even though I don't love gold...



Benjamin Cox | Managing Director | 360.262.6969 | bjc@oreninc.com

Who is Benjamin Cox?



Aston Bay



Somerset
Island

Baffin Bay

Greenland

Diverse background in mining & finance:

- D.E. Shaw: Hedge fund
- Linux Fund: Open-source technology



Roche Bay
Hall Beach

Baffin
Island

Davis
Strait

Nunavut, Canada

Foxe
Basin



CEO, Director

Copper and zinc

Near surface, +1% average intersections



Founder, MD

Equity finance data and research
Sector, broker analysis

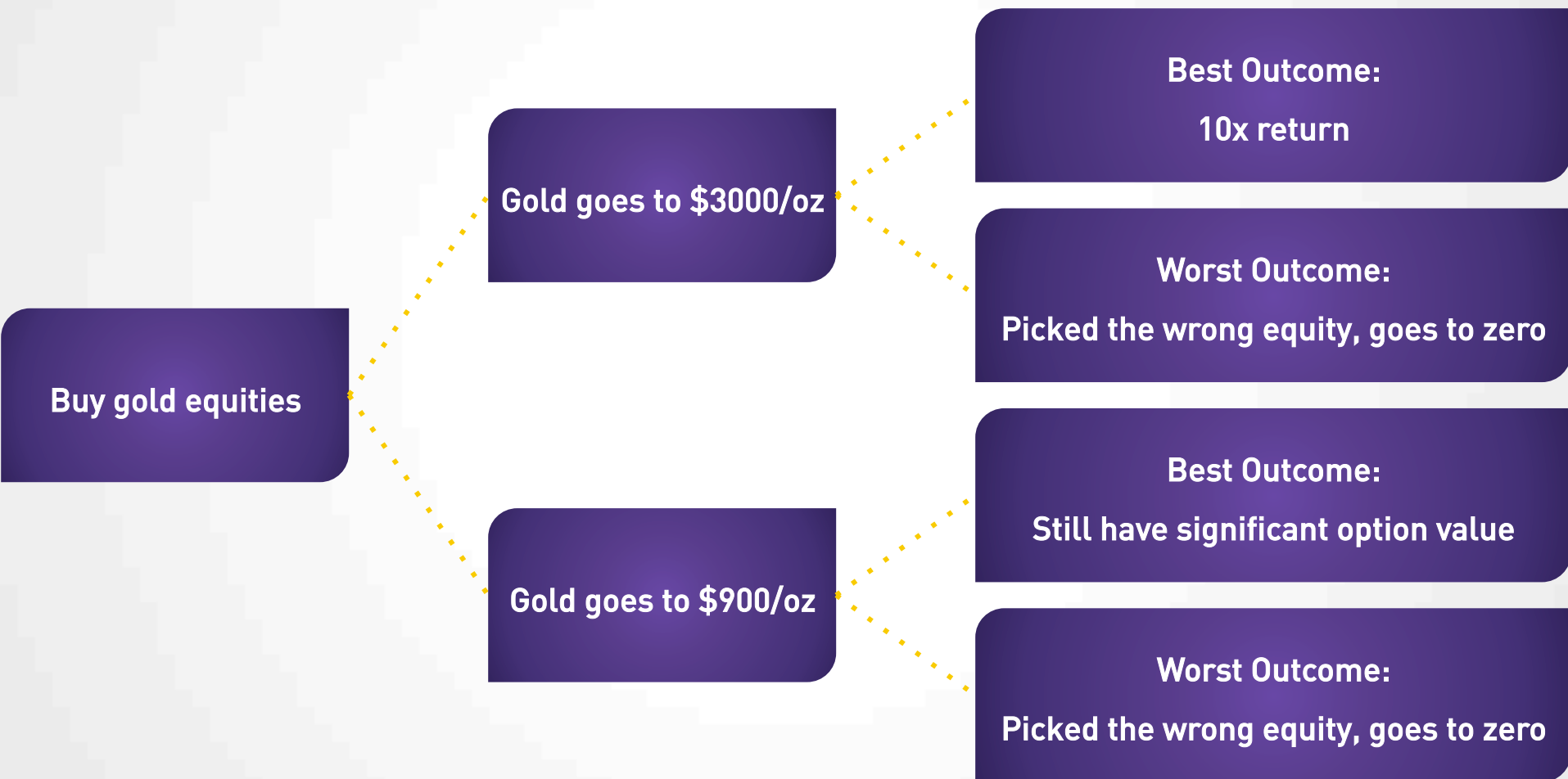


CEO, Director

Iron ore

Multiple JV partners

What are the real options?



What is the gold price going to do?

- 1 If it goes up, everyone parties.
- 2 If it goes down, everyone panics.
- 3 How do you position yourself so that you can survive either case?

Case against mined gold & producing assets

- 1 Buy quality juniors, where the gold is safer *in the ground*.
- 2 Even if it won't be mined quickly, the long-term theory on gold means that if you like gold, you like the long-term investment model.

You have to pay rent to own gold in the ground...

- 1 Buy the shares.
- 2 Expect 10% dilution per year just to stand still.
- 3 Expect 20-30% dilution per year to do exploration and progress the projects.
 - If exploration goes well, valuations will grow.

Understand that the gold may never be mined

- 1 How important is that?
- 2 In the instance where gold is devalued by an economic recovery, you have limited downside.
- 3 If the price of gold spikes, you have a leveraged bet on the price of gold.

Leverage option on gold

- 1 \$4/oz valuation in the ground = \$1,400/oz on the street.
- 2 If the price of gold goes to \$3,000/oz, then your \$4/oz in the ground is going to go up in value 20x.

So, what's the play?

- 1 If you spend \$4/oz now, plan on spending an additional \$0.40/oz to keep the position intact.
- 2 Get leverage to the metal; if there is a recovery in gold, the juniors are going to be a wild ride.

If the price of gold goes up...

- 1 You are getting a leveraged rocket ride.

And if it goes down...

- 2 You lose a fraction of what you would have lost if you had purchased physical gold.

The Takeaway

- 1 Buy gold juniors when they are cheap.
- 2 If you think gold is undervalued, the market is not rationally pricing equity risk.

Who is Oreninc?

Oreninc is a boutique merchant bank that provides research for companies, institutions, and investors in the junior commodities space. Since May 2010, we've worked to create greater transparency in an opaque financing market.

With over 1,400 companies continually financing throughout the year, it's nearly impossible for investors to see every deal, let alone the terms of each deal. Oreninc built the Oreninc Deal Log (ODL) to increase the visibility of transactions and to show financing activity in a digestible format. We are continually working to improve the financing market by providing clear, accurate, and concise data.

Oreninc uses a data-driven methodology that allows us to examine financings from a quantitative standpoint. Our fundamental research serves as a platform for consulting companies on capital raises and providing strategic management services. Oreninc has structured, restructured, advised, and formed several resource companies since its establishment.



Oreninc
RESEARCH

TARGETED DATA
THAT INCREASES TRANSPARENCY
IN AN OPAQUE MARKET



General Disclaimer

This report is Copyright 2014 Oren Inc., which reserves all rights in and to this report. This report MAY NOT BE REPRODUCED IN ANY FORM, AND IS FOR THE USE OF THE INTENDED RECIPIENT ONLY.

Oren Inc. ("Oreninc") is a research service providing customized reports for client companies and brokers in the mining and commodities sectors, as well as producing the ODL, a digest, updated daily, of financings in the mining and commodities space. **This disclaimer statement is an integral part of our service, this report and the accompanying presentation.** Oreninc is not an investment bank and does not currently have any investment banking relationships with any of the subject companies or brokers of its reports, nor does Oreninc make a market, or act as principal in any securities. Oreninc is not an investment broker-dealer, does not offer securities for purchase or sale, and is not licensed or qualified to provide investment advice. Oreninc reports do not constitute a solicitation or recommendation to buy or sell any securities whatsoever.

Conflicts statement: Oreninc and its principal have a financial interest in Aston Bay Holdings Ltd. (TSX-V: BAY), which was not included in this report but which is an early-stage exploration and development company with copper and zinc projects in Nunavut, Canada.

All research reports and presentations issued and made by Oreninc are based on public information derived solely from publicly available sources such as, but not limited to, public company filings, company news releases, and financial data. We have not verified the accuracy of such public information, nor do we have any obligation or duty to update or correct any public information for any errors, misstatements, or material changes to such public information. You are strongly encouraged to verify all claims through your own thorough and independent research or due diligence. Oreninc research reports containing any valuations or fee targets and/or recommendations are believed but not guaranteed to have bases which may be substantiated as reasonable and adequate.

Oreninc research reports are intended for informational purposes only, and are intended to inform the reader only. This **Oreninc research report represents solely the Oreninc Analyst's opinions regarding subject matter at the time of production of the report.** The Oreninc Analyst bases his or her opinions exclusively on public information available at the time of production of the report. The Oreninc Analyst has not received any material non-public information regarding the subject companies or brokers. All estimates, opinions, and/or recommendations expressed in this report are subject to change without notice, and Oreninc is under no requirement to, and shall not, update the opinions and recommendations expressed herein in light of any subsequent events. The price targets presented in Oreninc reports are based explicitly on a significant number of our own estimates and assumptions, based solely on previously disclosed public information, and there can be no assurance that our price targets will be met, or whether the assumptions/estimates regarding the client company's actual financing outcomes will materialize. We may not publish any of our bases for such estimates and assumptions.

You should understand that there is no guarantee that past performance by any companies will be indicative of future results by the same or different companies. Neither Oreninc nor any of its analysts, directors, or employees shall be liable to you, or anyone else, for any loss or damages resulting from the use of its research reports, opinions, and/or recommendations caused in whole or in part by negligence or contingencies beyond its control in procuring, compiling, interpreting, or reporting its research contents. Oreninc disclaims any and all liability as to the completeness or accuracy of the information contained in, and any omissions of material facts in, its reports.

Companies should not rely solely on the recommendations and opinions contained therein. Any recommendation should not be taken as a substitute for the exercise of independent judgment and due diligence of the merits and risks of financings.

Oreninc was not compensated by any bank, investment bank, broker, or other third party individual or entity for the production of this report. Oreninc has in place several business practices to ensure complete and objective editorial control over its research, including, but not limited to, the following: 1) No part of Oreninc research analysts' compensation is related to the level of investment banking fees, stock price, or trading commission revenue generated by any of Oreninc's clients; 2) Fees for research services are due and payable regardless of the opinion of the research; 3) Oreninc research analysts are not permitted to directly or indirectly promise any client company that they will generate a favorable research report or any specific price target; 4) Oreninc research analysts pledge that their reports accurately reflect their personal views about the subject securities and that none of their compensation was, is, or will be directly or indirectly related to the specific recommendations contained in their research reports; 5) Oreninc research analysts are not permitted to accept any additional compensation or fees from client companies beyond what has already been paid to Oreninc for research services.

Oreninc and its directors, employees, and analysts may from time to time purchase or sell securities in the open markets. However, once a research relationship has been initiated between Oreninc and the client, and unless a position in the client's securities was established by the Analyst or any member of his household prior to the initiation of the research relationship, Oreninc research analysts and their households are prohibited from executing trades in the securities of such client companies. Analysts personally holding a position in the client's securities, or whose family members hold such a position, are prohibited from contributing to any research report developed for the client.

FORWARD-LOOKING STATEMENTS (SAFE HARBOR STATEMENT): The information set forth in Oreninc Research reports may contain "forward-looking statements" subject to certain risks and uncertainties that could cause actual future results, performance or achievements to differ materially from any historical results. Statements in reports which are not purely historical in nature, including statements regarding beliefs, plans, expectations or intentions regarding the future, are forward-looking. Statements that are not historical facts, including statements that are preceded by, followed by, or that include such words as "estimate," "anticipate," "believe," "plan", "intend", "expect", "may" or "should" or similar statements, are forward-looking statements. Risks and uncertainties include, but are not limited to, the risks associated with the impact of general economic conditions, competitive companies, market acceptance, and the availability of high quality, qualified personnel and management. Other risks include but are not limited to factors affecting access to capital to meet all of the client company's financial requirements, and the company's ability to control costs. There can be no assurance that client company's efforts will succeed and ultimately achieve sustained commercial success. These forward-looking statements are made as of the date of the report, and Oreninc does not assume any obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. There can be no assurance that beliefs, plans, expectations or intentions of persons producing data upon which Oreninc analysts rely in this report will prove to be accurate.