

Untapped Wealth
June Edition

Untapped Wealth

52wk range: 1.15 – 4.52
Volume – 2.23 Million
Market Cap – 476.68 million
P/E – NA
EPS – (-0.26)
Shares Outstanding - 132,077,034 Common shares

Profiting On Silver's Correction

At the end of April just 2 short months ago, we saw a major correction on the silver markets. The once unstoppable silver had finally met its match and speculation combined with new fees took the white metal from its near \$50 price tag and dropped it down to earth, where it lay banging between \$33 and \$35 per share.

At that point, I felt it was a very lucrative price and that members of Untapped Wealth should get in and get in quick. It's for that reason I recommended the following two companies.

Let's get right into it.

Have a great month.

Tim Fields

Snapshot

Paramount Gold and Silver Corp (**AMEX:PZG: \$3.37***) is a US based exploration stage mining company. It is one of the precious metals Exploration Company with gold and silver properties located in Mexico. Headquartered in Nevada, the company has a field office in Temoris, Chihuahua Mexico. Through its wholly owned Mexican subsidiary, Paramount Gold de Mexico S.A. de C.V., the Company owns a 100% interest in the San Miguel property. The San Miguel Project is located in southwestern Chihuahua in Northern Mexico. The project is about 20 kilometers north of the town of Temoris, adjacent to the village of Guazapares. It is in the Guazapares mining district, which is part of the Sierra Madre Occidental gold-silver belt. The San Miguel project consists of 17 smaller concessions clustered near Guazapares, Chihuahua with a total area of 427.17 hectares, plus the much larger Andrea, Gissel and Isabel concessions. The Company also own Guazapares concession, which consists of 1980 hectares.

Price Chart - PARAMOUNT GOLD AND SILVER CORP

Paramount Gold and Silver Corp.

■ PZG

Jun 24, 2011



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Jan 11

Feb 11

Mar 11

Apr 11

May 11

Jun 11

■ Volume



Millions

Jan 2011 – Jun 2011

Key Highlights

Extension of bulk-mineable San Francisco deposit and discovered a new, closely-spaced swarm of higher grade gold-silver veins

Drilling continues to enlarge the San Francisco area, one of the larger mineralized zones at San Miguel, which has been extended approximately 200 meters along strike. Only five holes were permitted and drilled to date on the promising Don Ese Sur target located 3.5 km south of last year's Don Ese high grade vein discovery. One of these holes generated two significant intercepts, with grades up to 78 g/t of silver, while the other four returned no significant values. However, Don Ese Sur remains an important target with more than 1.6 km of strike length left to explore and 15 more holes planned once permits are obtained. One of four initial holes drilled on the new La Verde and El Ojito targets produced an intercept with good grade while the other three had no significant intervals.

Acquisition of X-Cal Resources – Paramount completed 100% acquisition of issued and outstanding shares of common stock of X-Cal Resources in August 2010. The principal asset of X-Cal is the Sleeper Gold Mine located in Humboldt County, Nevada. X-Cal presently holds interests in four gold prospects; the Sleeper Gold Property, located in Humboldt County, Nevada, the Mill Creek Property and the Reese River Property both located in Lander County, Nevada, and WR Claims in the Spring Valley Area located in Pershing County, Nevada, United States.

Industry Snapshot

The mining sector is one of the main pillars of the global economy for it acts as the initial supplier to a wide range of industries. In addition, the sector also provides financial investors with attractive investment Opportunities since its products are traded commodities. Many of the most significant mines are in the hands of very large, often publicly listed corporations with strong government connections.

Mining companies across the globe witnessed moderate growth in 2010, and the forecast for 2011 is strong as global demand for base and precious metals continues to climb. Prices for these commodities are expected to rise with the demand increase. Despite these improvements, mining companies continue to face some major challenges for sustainable growth. A rise in demand, from the developing world in particular, has made performance improvement and cost savings key challenges within the industry. The rise of resource nationalism is of major concern to global mining companies. Miners are facing a political landscape that has become more intertwined with operations, resulting in a direct hit to bottom lines. Mining companies are also contending with a shortage of skilled workers, particularly in developing markets. Improving safety and reducing the environmental impact will be ongoing goals for the mining

industry. "Low-carbon" production of minerals will become increasingly important in the years to come.

Financial Highlights

Paramount has not generated revenues so far from its operations. Revenues of the company are in the form of interest income on the cash holdings generated from the sale of our securities. Interest income for the year ended June 30, 2010 were USD 35,853 as compared to USD 249,082 for the year ended June 30, 2009. Interest income plummeted by 86% from the prior year due to lower interest rates offered for short-term investments. Operating expenses rose by USD 2.76 million to USD 10,248,026 as compared to 7,490,261 for the year ended 2009. The increase in operating expenses was mainly because of significant rise in exploration activity, which included planning, target development, drilling and testing at our San Miguel project in Mexico. Exploration costs for the year ended June 2010 stood at USD 6,043,791 as against USD 2,372,621 in the previous year. Net Loss for the year ended June 2010 was USD 5,351,958 as compared to a Net Loss of USD 7,241,179 in the previous year. Total assets of the company stood at USD 46,328,181 as on June 30, 2010 as against USD 27,457,795 as on June 30, 2009, an increase of approximately 169% due to significant financings and mineral property purchases.

Risk factors

If the company's exploration costs are higher than anticipated, then Paramount's profitability will be adversely affected.

Investing in mining companies is very risky. Prospective investors should be aware that if the company is not successful in its endeavors, the entire investment in the Company could become worthless.

The company has not generated any revenues from operations. It has a history of losses and losses are likely to continue in the future.

Neither the Company nor any independent geologist has confirmed commercially mineable ore deposits. In order to carry out additional exploration programs of any potential ore body and to place it into commercial production, the company will require substantial additional funding.

If the company is unable to obtain all required governmental permits, the operations could be negatively impacted.

Investment rationale

Paramount has established itself as a successful exploration company. It focused its efforts near or contiguous with properties at different stages of exploration and development, with common geological structures and in areas with significant historical production. Paramount has no resource properties in production and, consequently, has no current operating income or cash flow from its mineral property exploration and development operations at this time. The Company expects to continue to record losses until an economic resource is identified, developed and brought into profitable commercial operation on one or more of the Company's properties. Paramount has continued existence is dependent upon the

discovery of economically recoverable reserves, the achievement of profitable operations, and the ability of the Company to raise additional financing, if necessary.

Great Panther Silver Limited

52wk range: 0.67 -4.90

Volume – 889,510.00

Market Cap – 399.21 Million

P/E – 22.37

EPS – 0.14

Shares Outstanding - 119,913,766 common shares

Snapshot

Headquartered in Vancouver, Canada, Great Panther Silver GPL: \$3.01*) Limited is a silver mining and exploration company. The company is one of the fastest growing primary silver producers in Mexico with strong leverage to future rises in the price of silver. Great Panther primarily produces silver. It also produces gold, lead, and zinc properties. The company formerly known as Great Panther Resources Limited changed its name to Great Panther Silver Limited in January 2010. The Company owns two primary mining properties: (1) Topia Mine and (2) Guanajuato Mine. The Company's current activities are focused on the mining of precious and base metals from its wholly owned properties in Mexico. The company is listed on the Toronto Stock Exchange ("TSX"), trading under the symbol "GPR" and on the New York Stock Exchange ("NYSE") Amex, trading under the symbol "GPL."

Price Chart – Great Panther Silver Limited

Great Panther Silver Limited Or

■ GPL

Jun 27, 2011



Jan 2011 – Jun 2011

Key Highlights

3-Year Organic growth strategy- Great Panther has come up with a 3-year organic growth strategy which includes - Increase production at both mines to a combined 3.8 million silver equivalent ounces by 2012. Lower of operating costs to approx. USUSD5.00/Ag oz (net of by-products) through increased throughput and operating efficiencies. Delineate and maintain a 10-year mine life for both operations at the new production rate. Realize opportunities for further production increases beyond 2012 through new development and greater efficiencies

Great Panther Silver to be a part of Russell Global Index

Global Panther is set to join the Russell Global Index when Russell Investments reconstitutes its

comprehensive set of global equity indexes. Membership in these indexes is a testament to the continued growth of Great Panther Silver, both at the company mines and in the markets, and will help raise Great Panther's profile with institutional investors

Industry Snapshot

The mining sector is one of the main pillars of the global economy for it acts as the initial supplier to a wide range of industries. In addition, the sector also provides financial investors with attractive investment Opportunities since its products are traded commodities. Many of the most significant mines are in the hands of very large, often publicly listed corporations with strong government connections.

Mining companies across the globe witnessed moderate growth in 2010, and the forecast for 2011 is strong as global demand for base and precious metals continues to climb. Prices for these commodities are expected to rise with the demand increase. Despite these improvements, mining companies continue to face some major challenges for sustainable growth. A rise in demand, from the developing world in particular, has made performance improvement and cost savings key challenges within the industry. The rise of resource nationalism is of major concern to global mining companies. Miners are facing a political landscape that has become more intertwined with operations, resulting in a direct hit to bottom lines. Mining companies are also contending with a shortage of skilled workers, particularly in developing markets. Improving safety and reducing the environmental impact will be ongoing goals for the mining industry. "Low-carbon" production of minerals will become increasingly important in the years to come.

Mining Industry in Mexico

The mining industry in Mexico is controlled by the Secretaria de Economia – Dirección General de Minas which is located and administered from Mexico City. Mining concessions in Mexico may only be obtained by Mexican nationals or Mexican companies incorporated under Mexican laws. The construction of processing plants requires further governmental approval. There are no limitations on the total amount of surface covered by mining concessions or on the amount of land held by an individual or company. Excessive accumulation of land is regulated indirectly through the duties levied on the property and the production requirements. Mexican mining law does not require royalties to the Government, except for the discovery premium related to National Mineral Reserves, Concessions in Marine Zones and Allotments to the Council of Mineral Resources.

Financial Highlights

Revenue of the company rose by 33% (USD 10.5 million) for the year ended December 2010 to USD 42.2 million as compared to 2009. This increase is primarily a result of higher metal prices and, to a lesser extent, increased production. Cost of sales increased to USD 21.2 million for the year ended December 2010 as against USD 16.8 million for the year ended December 2009. Increase in cost of sales is primarily due to higher tonnes mined and milled, increased mine development as well as general inflation, including increased power charges. Mineral property exploration expenditures of USD7.1 million in 2010 were higher than the Company's anticipated spending of USD6.3 million. General and administrative expenses were USD 5.9 million for the year, ended December 31, 2010 as compared to USD 5.8 million for the same period in 2009. Net income for the year ended December 31, 2010 was USD5.0 million compared to a net loss of USD0.9 million for the same period in 2009. The increase in 2010 net income of USD5.8 million

was mainly due to rise in earnings from mining operations, decrease in stock-based compensation expense and the non-cash reversal of future income tax provision. The increase in net income is partially offset by the rise in mineral property exploration expenditure. For the year ended December 31, 2010, the Company had a net cash outflow from investing activities for the development of mineral properties and purchase of capital assets of USD8.0 million compared to USD1.8 million in 2009.

Risk factors

- Global Panther's reserve and resource estimates is based on interpretation and assumptions and may yield less mineral production under actual conditions than is currently estimated.
- As the company has projects located in Mexico where mining and exploration activities may be affected in varying degrees by political and government regulations, which could have a negative impact on our ability to continue our operations.
- As the market price of precious metals and other minerals is volatile and cannot be controlled. Drop in price of precious metals and other minerals will significantly affect the economic prospects of the projects
- Fluctuation in foreign currency exchange rates may affect the company's results adversely.
- Great Panther is subject to environmental protection legislation with which it must comply or suffer sanctions from regulatory authorities.

Investment rationale

Over the past three years, Great Panther has even grown its top line at a brisk rate of 40% annually. The company has continued to achieve record revenue, earnings from mining operations. Outlook of the company looks promising with Great Panther's three-year strategy to accelerate company's future growth and expansion. The company is on an investment spree and cash flow generated is invested in operations for exploration and capital expenditures to increase resources and production. The stock recent inclusion in the Russell's stock index is positive, as institutional investors have to pile in so they can track the index and end up bidding up the price.

*Indicates initial recommended price