



Kibi Gold Belt Breakthrough: Ghana

- **New Planetary Prospect:** Immediate Buy
- Prospector Takes Up Where Goldenrae Left Off
- Alluvial Cash Flow Might Lighten Risk Load
- New Drill Program Results Imminent
- **Newmont**, Others Prowl For Five Million-Ounce Deposits
- **BioCryst** a 'supreme' hold
- **Endeavour Financial's** secret holdings
- Much more! (And Toronto this weekend ...)

Ticker Trax™: A Stockhouse Exclusive

Monday and Tuesday, September 21-22, 2009

By Thom Calandra -- TickerTrax.com

KIBI GOLD BELT, Ghana -- **Xtra Gold Resources Corp.** is Planetary Prospect No. 9 for subscribers. If you follow the **Ticker Trax** program, please examine this and future reports and consider shares of the XTGR ticker over-the-counter junior immediately at any price beneath \$1 U.S.

I am writing this in Ghana, after viewing Mark McGinnis and **James Longshore's** Nevada domiciled company -- its mining camp at Kwabeng and its 100 percent leased properties in the district. The two Canadians, the first a broker and the second a young and likeable strategic thinker, have since 2003 been building out the grass roots **Xtra Gold** ([OTO: XTGR](http://OTO:XTGR)), heir to a Ned Goodman alluvial wanna-be many years ago.



There is great risk, including, as trusted investment fund manager and geologist Dr. Paul Zweng tells me from Honolulu, the possibility its **Apapam**



and other **Xtra Gold** concessions are not the vast mineral structures Mr. Longshore, local prospector and Ashanti Belt extender **J.K.**

Mine, and the entire Xtra Gold team, believe them to be. Stanford University-trained and former Mongolia QGX CEO Dr. Zweng does not own the shares and

wants to see more drill hole data after already existing crates of soil samples, numerous trenches, IPs, excellent and efficient road building and an initial 18-hole diamond drill program (Zones 2 and 3) on this Apapam concession.

Keegan footnote, then: Xtra's goods

This is of critical note: I also visited another finely tuned prospector in the **Esaase District** to the southwest of the Kibi Gold Belt: **Keegan Resources** ([TSX: T.KGN](https://www.scribd.com/document/38414444/TSX-T-KGN)). That company, helmed by **Dr. Dan McCoy**, a master geologist with formidable Alaska pedigree and an easy grin, has the beginnings of an institutional following, particularly after a May financing for \$19 million Canadian. Dr. McCoy's team includes **Giovanni DiPresco**, an Italian mineralogist. Dr. DiPresco vetted soil samples and core at **Ventana's** property in Colombia. (*That's Dr. McCoy at Esaase with Signore Di Presco in the safari hat. All photos by Thom Calandra.*)

The **reason** for this parenthetical aside at the top of a screaming Ghana buy alert on Xtra Gold Resources? A **legal wrestling** over ownership of the Esaase concession in question might cloud Ghana's blue skies ... temporarily at any rate. Court actions are just this summer and autumn stirring up some Ghana gunk for Keegan, which is atypical of this solidly performing nation of non-smokers and few legal jokers.



A criminal complaint against a Ghanaian lawyer, along with civil suits and counter-suits, are proceeding as I write this in *the bush*. The company's execs, including Dan McCoy, tell me the whole matter is "frivolous." One hopes to high Ghana heaven it is. The dispute appears to involve whether two Ghanaian lawyers who sold the deed

of trust on the promising Esaase property to Keegan's representatives actually owned it.

Given the legal tussle has received little attention *outside* the 52-year-old nation of Ghana, but is on the lips of every miner I meet here in the country, I believe holders of four-month private placement Keegan shares at \$2.60 or so might be tempted to take cover. If that happens, the \$3.80 U.S. stock might soon swoon, making it an equally pivotal holding (with Xtra Gold) for those wanting a piece of Ghana gold and the benefit of Dr. McCoy's team in Ghana and in Canada.

I like the Esaase team Dan and his No. 2, Jim Slayton, have assembled on-site -- and the marketing and finance team in Canada, including Shawn Wallace. They appear solid with plenty of experience in launching a real gold miner in a friendly African nation. Still, I do **not** like the court actions going back and forth -- even though I also believe, as does the **Ghana Minerals Commission**, that ownership belongs to Keegan. The company needs to get some good in-country PR going to deal with this voo-doo and could use a lesson or two from Newmont Mining's Africa headquarters in Accra, which I visited.

To be entirely fair, I contacted one of my longtime mentors, and a believer in the Keegan story. **Brien Lundin**, whose **Gold Report** and [New Orleans Conference](#) have for more years than you can count on three sets of hands hacked their way through the bush of gold mining prospects, told me: "What gives me comfort -- enough to keep recommending the company highly -- is that the participants in the last big financing were aware of the potential issue and would have performed extensive due diligence before committing funds. Keegan's management tells me they flew lawyers in country and did exhaustive due diligence."



Brien Lundin, whom I consider one of three or four mentors on the writing side of the mining biz, continued: "Of course, you never know in this cases. But in most mining speculations, the overriding risk is not finding anything. Keegan no longer has this risk, and has found a world-class deposit that continues to grow. If the potential legal issue is the last risk they face, it would seem minor

in light of the potential rewards."

Back to Xtra Gold Resources. For new subscribers unfamiliar with **Ticker Trax**, please note I will not be purchasing shares of **Xtra Gold**

for at least three days. When I do, I will be purchasing at least 30,000 shares to start, and I hope I am paying *more* for the tightly held shares than you are. (*This report is based on [first hand knowledge and attributed sources](#) and is not intended as promotion of any type. Those of our potent subculture of **Ticker Trax** members who follow my program will own all 9 Planetary Prospects and track them through events and not speculation and one-week Internet hopskotch.*)

This alert includes on-spot photographs (**for example:** an Xtra Gold technician at one of several revealing exploratory trenches; Thom Calandra, in black [Silver Summit](#) antibacterial shirt, and young writer Victor Goncalves, in the thick of the Kibi Gold Belt) on the well paved road from Accra to the Kibi Gold Belt. In the near future, I will be providing more reports on Xtra Gold, and separately, gold and silver tours of **Great Basin Gold** in Nevada conducted two weeks ago (*positive*) and Great Panther neighbor **Endeavour Silver** in Mexico (*extremely positive*).

The Extra in Xtra Gold

Xtra Gold Resources will witness a sequence of events in coming weeks. High-grade ore pockets are under reverse circulation drill -- with results imminent from this, Xtra's second drill program at Apapam. The company's **James Longshore**, who as president controls, along with Mr. McGinnis, some 20 percent of the 34 million fully diluted shares, this week is meeting prospective alluvial miners to restart an operation at Kwabeng, which produced 16,000 ounces in the early 1990s.



On the hard rock side, VP of Exploration **Yves Clement** (*pictured in this report -- on site and in red vest*) is confident this summer's drill program has the potential to "step out" a resource already in the two million-plus ounce range. If what I am seeing holds up in results that I am told will be fully SEC and 43-101(b) compliant, you could be seeing reports of a Ghana Kibi Gold Belt resource that grades at two grams per tonne over several kilometers of luscious ground. In other words, a two million to three million ounce resource that Ghana miners such as **Newmont Mining**, Sam Jonah's once legendary and now ordinary AngloGold Ashanti (AU), Golden Star Resources, Goldfields of South Africa (Tarkwa) and others might want to tag as their own.

In the meantime, high-profile writers and analysts are scheduled to

tour Xtra's concession on the Kibi Gold Belt in coming days, weeks and months. With my own eyes, I have seen a flow of Swiss, German and Ghanaian operators who are looking for Ghana gold resources at higher and higher per-ounce prices. (Please see: [Ghana Exclusive on Stockhouse.](#))

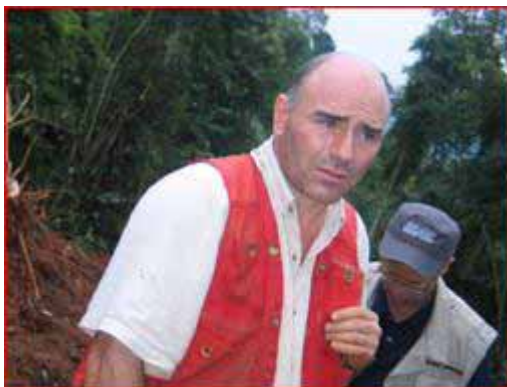
A Toronto listing also might come in 2010. If that happened, the Canada audience might give Xtra Gold as much respect as Mr. Longshore got when he played teen and university hockey in Ontario and the USA. The boy skates low to the ground and knows how to reach with a stick.

It has been a long time, about 19 years if I get this right, since Canadian banker **Ned Goodman** and a partner sank \$24 million into an alluvial scrape of property on this West Africa nation's **Kibi Gold Belt**. The money built a mill not far from the headwaters of the Birim River, one of Ghana's richest alluvial sources and just two or so hours from the capital of Accra.



The mill, after producing about 16,000 ounces from easily processed oxidized rock (*powdery with red laterite*), shut down like so many ventures as gold's 1990s price made the cost of milling even the "easy stuff" less than profitable.

The view of the **Kibi Gold Belt** (some 800 meters above sea level in gorgeous hills with no residents on Xtra's central prospects) through color-coded geologic lenses shows a **Birmian Greenstone Belt** at the eastern end of some of the world's most famous gold belts: Ashanti included.



When a Toronto broker, **Mark McGinnis**, identified the **Kibi Gold Belt** as a hard-rock hit, and this includes surrounding concessions at Ankaase and elsewhere, Xtra Gold had its property options and thus was conceived. My week and a day spent looking at the Xtra Gold

properties (and others) and interviewing mining officials, prospectors, geos, drillers, prospectors and engineers, leads me to believe the junior's 70-plus work force at the Kwabeng mining camp will "prove out" -- soon.

I know of no prospecting Africa gold junior (aside from **Keegan**, which can become a screaming buy at \$2.20 a share if legal matters unfairly work their *voo-doo*) that has all of the criteria for a 20-fold gain in value over the next two years. Xtra Gold, to be sure, will sell any concession that can show three million ounces at a grade of two grams per metric ton or better. The price per ounce (\$50? \$100? *More?*) depends on the quality of the ore, the ease of open-pitting and the good Ghana vibes from an industrious nation of 24 million. Plus, there is a remote chance that the gold rush going on in West Africa will stir the usually pleasant Ghanaians to reform their mining laws and raise the 3 percent NSR that is the typical royalty for government. (*Please see: [Ghana Exclusive on Stockhouse.](#)*)

What is more, the government, big companies such as **Newmont Mining** ([NYSE: NEM](#)) and many others are starting to become concerned about the increases in illegal (mostly alluvial) mining in the nation. Whilst there, I visited a bandito camp -- called *galamsay*; so yes, they are everywhere and amazingly efficient. Polite too, although who knows, that might be all the dope they smoke.

Bring it all on. Or as Mr. Longshore, who resembles a barrel-chested hockey stick with the face of actor **Owen Wilson**, is fond of saying, "It's a gong show, sure, but Accra was a huge gong show when I got here five or six years ago and now the American president stays at the new Holiday Inn." (*Nice place too – excellent veggie burgers and hummus dip. Gorgeous and new swimming pool, too. But we stayed at The African Regent. Almost half the price and almost as nice.*)

Blonde, with an impish laugh and an aura of what I might call *leprechaun rastaman* about him, 43-year-old James Longshore (*pictured in this report – the one with the never-ending Cheshire grin*) just might become the next **Robert M. Friedland**. They both attended the same liberal arts college in Maine, Bowdoin.



If he were to read this, Mr. Jimmy, as the locals shout at him whilst we are trekking through tropical hills or jogging across the area's lusty terrain, would strike it out of the text and lead us all to the next ridge with promises of a frig full of almost frozen Guinness and locally brewed Star when we finish.

I like Jimmy's *gong show*. A lot. I know some of the shareholders quite well. I love the share structure (34 million or so fully watered down and with a scant handful of major warrants down the road; plus, all employee options, what few there are, are priced at current levels).

Mr. Jimmy is a week or so away from almost 50 new drill holes on ground stepped out and away from the 2008 diamond drill program. To me, touring nearly every single one of these holes and trenches, the array and choices that aforementioned **Yves Clement**, VP exploration and something of a demon when it comes to locating the goods, and the **Boart Longyear** contractors now on site, have targeted what appear to be a deliberate attempt to extend what the Xtra team knows is at least two million ounces and growing.

Right now, I must resume the travel part of this gong show. A 70-cent stock on its way to \$4, then \$7, then \$10? Based on looming events, I believe this is possible within 18 months.

More – hopefully this week: Data, potential and already proven grades. Metallurgy. More photos and surprising and on-the-record insights from Ghana. Much more. This is all compelling. I also will be writing a free Stockhouse article with comments and views from others in the nation. ([Please See: Ghana Resource Rush – Thom Calandra at Stockhouse.](#))

Toronto: Saturday & Sunday

-- I will be speaking at the end of September -- this coming weekend -- at Joe Martin and Howard Fitch's **Cambridge House** resources show in Toronto. The topic is **Canadian Moly, Ghana Gold & H1N1 – Our Own District 9**. I also will hold a no-question-is-too-outrageous workshop session for **Ticker Trax** subscribers and those who are considering Ticker Trax. Please see: [Toronto in September](#). Or follow Cambridge House on **Twitter**. I have four spots at the show and a booth with Stockhouse. Swing by and definitely check out the workshop, where we will have some material for wealth seekers to peruse.



Name: Toronto Resource Investment Conference
Time: Saturday & Sunday September 26-27, 2009
Place: Metro Toronto Convention Centre, North Building 255 Front Street West

The [2009 Toronto Resource Investment Conference](#) has a fee of \$20 to attend but waives the fee if you use Promotion Code **CHT9**. I am so

looking forward to this show, even if the **Blue Jays** let me down this year! North American baseball ... can't live with it or without it.

Planetary Prospects

Nearly all of our (now 9) **Planetary Prospects** are in green. I own them all, except for **Xtra Gold Resources** at present. I expect to own them all until I see fundamental events that disprove my on-the-scene reporting -- and this includes **BioCryst Pharmaceuticals** ([NASDAQ: BCRX](#)), *surging* **Great Panther Resources** ([TSX: T.GPR](#)), moly wonder **Avanti Mining** ([TSX: V.AVT](#)), **Great Basin Gold** ([TSX: T.GBG](#)), **Endeavour Silver** ([TSX: T.EDR](#)) and the rest.

-- **Candente Resources** ([TSX: T. DNT](#)) is undergoing what looks like a transaction in Mexico that could be significant. I have queries into CEO Joanne Freeze and expect a major alteration in the company's Mexico gold and silver venture. I am as well a believer in the longstanding Peruvian copper discovery operation the company has built in the past decade. Ms. Freeze told me the negotiations in Mexico are continuing but declined to be more specific about El Oro or other developments. "This has been really hard on all of us here," she told me.

-- **Endeavour Financial** ([TSX: T.EDV](#)) appears to be on the cusp of some big financing news, and I have a query into Neil Woodyer's and Gordon Keep's company, a merchant bank and pseudo closed-end fund. Endeavour Financial appears to be quite interested in Colombia these days. A company

spokesperson told me Tuesday, "We could see a big jump in net asset value due to their holdings in NGD and PRE." (That would be New Gold Inc. and successful Colombia oil explorer **Pacific Rubiales Energy Corp.**)

Endeavour Financial trades much like a closed-end fund, at a discount or premium to the shares of other mining companies it keeps locked in an electronic vault on the corner of Alpha & Beta in Vancouver, Canada.



-- **Great Panther Resources** ([TSX: T.GPR](#)) is turning heads not just in Mexico but in Africa, where several market movers say they consider **Robert Archer's** company deeply discounted to NPVs of other small silver producers – even after its almost 60 percent gain in

several days a few weeks ago.

-- **Great Basin Gold's Ferdi Dippenaar** is pictured here at the Hollister Mine in Nevada. Our tour of the property two weeks ago, along with the Esmeralda Mill and surrounding property, convinces us that **Great Basin** (GBG) is trading at a 40 percent discount to its mid-sized looming gold producing peers only because it has one foot at a second mine in South Africa. Ferdi D. will be at the [New Orleans show](#) in October, as will I.

-- **Please note: BioCryst Pharma** is subject to meaningless reports everywhere. Now that BioCryst is receiving a contract extension from the Department of Health & Human Services, continued development and production of *peramivir for influenza* is assured. I continue to hold our 62,000 shares here at home and expect more developments that will add to stockpiling of the antiviral compound inside and outside of North America. I encourage subscribers to read the July issue of **The New England Journal of Medicine** for perspective on the history of H1N1 strains. Matt Krantz at **USA Today**, a former employer of mine, Tuesday had a nice and neat look at the situation for influenza companies. *Please see: [Article](#).*

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