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**ROMIOS GOLD RESOURCES INC. (TSXV:RG): FOLLOW-UP NO. 3 / OCTOBER 12, 2011**

[Home page](#)

[Chart 3 years](#)

| <b>ROMIOS GOLD RESOURCES INC: RETURN ON CAD 10,000 INVESTMENT</b> |                      |                       |                   |                    |                    |
|---|----------------------|-----------------------|-------------------|--------------------|--------------------|
| <b>Purchase Date</b>  | <b>No. of Shares</b> | <b>Purchase Price</b> | <b>Cost (CAD)</b> | <b>Price Today</b> | <b>Value Today</b> |
| December 14, 2003   | 30'000               | 0.34                  | 10'200.00         |                    |                    |
| <b>Total</b>  | <b>30'000</b>        | <b>0.34</b>           | <b>10'200.00</b>  | <b>0.32</b>        | <b>9'600</b>       |
| <b>Loss</b>   |                      |                       |                   |                    | <b>600</b>         |
| <b>Loss (in %)</b>  |                      |                       |                   |                    | <b>5.9%</b>        |



|                                     |                    |
|-------------------------------------|--------------------|
| <b>SHARES ISSUE / FULLY DILUTED</b> | <b>MARKET CAP</b>  |
| 149 million / 164 million           | CAD 47.3 M         |
| <b>52 WEEK LOW / HIGH</b>           | <b>CVE</b>         |
| CAD 0.115 to 0.65                   | 473'000 (200-day)  |
| <b>RECOMMENDATION</b>               | <b>RISK RATING</b> |
| <b>BUY</b>                          | <b>HIGH</b>        |

## **ENORMOUS EXPLORATION POTENTIAL IN THE GOLDEN TRIANGLE OF BRITISH COLUMBIA**

### **Business Summary**

Romios Gold Resources Inc. is a Canadian exploration company focused on the acquisition and exploration of precious and base metal prospects.

The company's business plan is to create shareholder value and reduce exploration risk by acquiring projects with a high discovery potential or a known resource with significant expansion potential and located in major mining districts. The execution of this plan has led to the systematic acquisition of several strategically located gold- copper properties between Nova Gold/Teck Cominco's and Barrick Gold's properties in the prolific **Galore Creek area**.

Romios has just announced (Sept. 27) that it will acquire a 100% interest in Newmont Lake (up from 75%). The Newmont Lake property has an NI 43-101 Inferred resource of 200,000 ounces of gold at 4.3 g/t ton, 6,790,000 lbs of copper at 0.22% and 291,000 ozs. of silver at 6.4 g/t. In 2008, the company carried out an aggressive \$4.3 million exploration program at its Newmont Lake and Trek properties and also added 7,289 hectares to its extensive land position in the Galore Creek area. The drilling program at the Trek property led to the discovery of high grade gold- copper breccias and wider zones of porphyry style mineralization.

The company also holds gold exploration properties in Ontario and Nevada and a molybdenum property in Quebec.

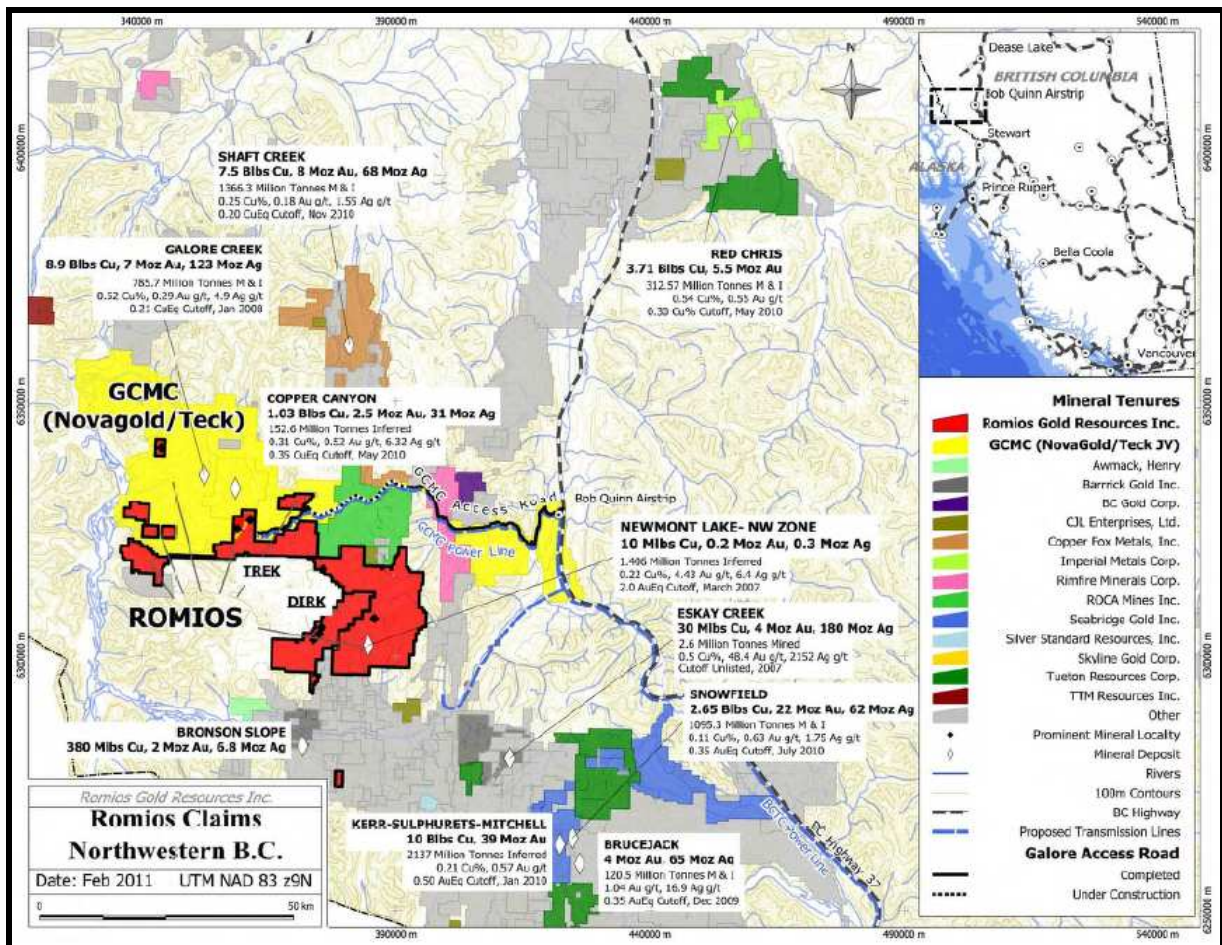
### Galore Creek

**Northwestern British Columbia hosts two of Canada's most significant mineral deposits: Barrick Gold's Eskay Creek Mine and NovaGold/Teck Resources' massive copper-gold-silver Galore Creek Project.**

Since late 2004, Romios Gold Resources Inc. has systematically acquired an extensive land position between NovaGold/Teck Resources' and Barrick Gold's properties.

Regional geologic maps published by the BC Ministry of Energy & Mines and property-wide exploration suggests the underlying rocks and mineralization to many of Romios' mineral tenures may be closely related the porphyry copper-gold-silver deposits at NovaGold/Teck Resources' Galore Creek Project. Romios' mineral tenures contain many exposures of surface mineralization; continued exploration and development of the mineral potential on these lands has led to the discovery of several mineralized zones and a substantial rise in asset value.

Romios' project in the Galore Creek Area consists of 9 properties including options for a total of 25,826 hectares. Their most advanced properties include Trek, Dirk, Newmont Lake, JW and Royce/Porc properties.



## Future Galore Creek Area Work Programs

- Drilling Trek Property: Continued North Zone expansion and initiate drilling on the Tangle Zone
- Further Exploration, Sampling, and Drilling at the Dirk property. Scoping study for development of the NI 43-101 Inferred Resource of the Northwest Zone, Newmont Lake

## Newmont Lake:

- **6,200 hectares. with porphyry copper-gold mineralization**
- **National Instrument 43-101 inferred resource for Northwest Zone calculated to be: - 1.406 million tonnes at a grade of 4.43 g/t Au, 0.22% Cu and 6.4 g/t Ag (filed on SEDAR as of May 16, 2007)**
- **Scoping study planned for in situ resources of 200,000 oz. Au, 6.79 million lbs. Cu and 291,000 oz. Ag.**

## Dirk Property (100% Owned):

- **9,874 hectares (24,400 acres) with porphyry copper-gold mineralization**
- **BC Geological Survey confirmed that the geology is similar to Galore Creek (Press Release March 3, 2011)**
- **Three mineralized zones (Dirk, Telena and Ridge) were sampled revealing significant copper, gold and silver mineralization**
- **Dirk Zone: 3.0 metre chip assaying 6.21 % Cu, 0.577 g/t Au, and 44.1 g/t Ag**
- **Telena Zone: 3.0 meter chip assaying 1.23% Cu, 1.00 g/t Au, and 12.88 g/t Ag**
- **Ridge Zone: Grab samples included 3.49% Cu and 0.28 g/t Au; 2.47% Cu and 0.19 g/t Au; 1.83% Cu and 0.38 g/t Au; and 1.83 % Cu and 0.49 g/t Au**

## Galore Creek Project Prefeasibility Study Announced by Novagold

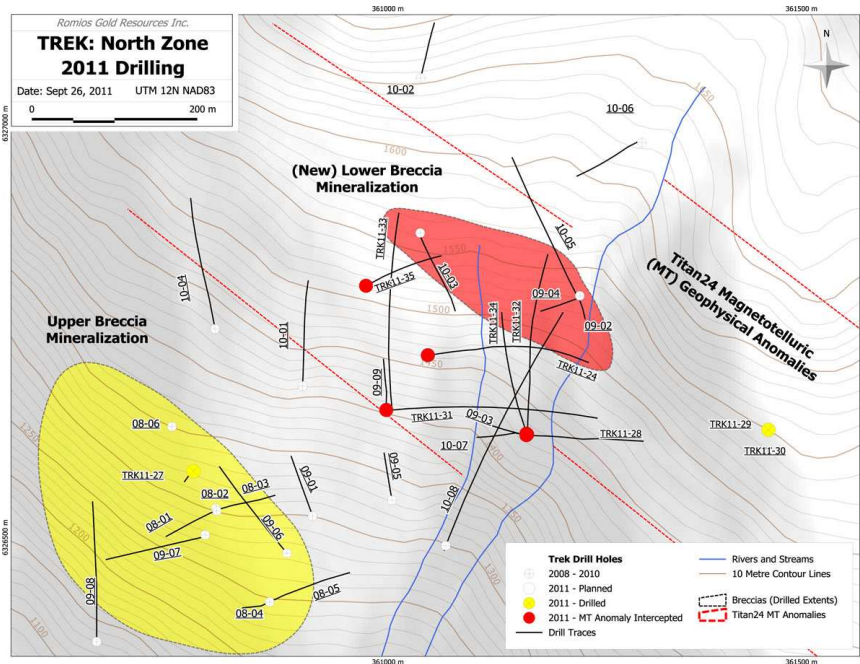
In July 2011 NovaGold made its prefeasibility study public. The PFS plan provides for a mining and operating facility with a nominal 95,000 tonne-per-day capacity. Proven and probable mineral reserves total 528 million tonnes grading 0.6% copper, 0.32 grams per tonne gold and 6.02 grams per tonne silver.

In addition, the NovaGold press release stated that the partners (NovaGold and Teck) have determined to move forward with an enhanced project plan which is required for permitting and support for a feasibility decision.

This development is of particular interest to Romios since the company's Trek property is located adjacent to both the Galore Creek project mine site and the proposed mill site. **Currently, Romios' Trek property is the focus of a major exploration program with three diamond drills presently in operation (see recently published drill results).**

## Recent News: New drill results from Trek's North Zone

Romios announced assay results from the initial portion of the **2011** drill program on the Trek Property in northwestern British Columbia. The property is located 12 km southeast of the Galore Creek copper-gold-silver porphyry deposit and adjacent to the Galore Creek Mining Corporation's proposed mill and tailings facilities. A new mineralized area has been discovered below the North Zone. Results from drill hole TRK11-32, the first of the three drill holes (TRK11-24, TRK11-32 and TRK11-33) that have encountered the breccias to date, intersected a 22.1 metre (72.5 feet) zone that assayed **1.25% Cu, 22.43 g/t Ag and 0.05 g/t Au**. Within this intersection, a 6.25 metre (20.51 feet) section assayed 2.01% Cu, 39.46 g/t Ag and 0.06 g/t Au.



## Fundamental Considerations

### Galore Creek

Galore Creek is one of the world's largest undeveloped copper-gold-silver deposits, owned equally by NovaGold and Teck Resources and managed by the Galore Creek Mining Corporation ("GCMC").

On July 27, 2011, NovaGold Announced Prefeasibility Study Results for Galore Creek Project:

"The Prefeasibility Study ("PFS") confirms the technical and economic viability of the project and shows a significant increase in scale and redesign of the project from previous configurations. The PFS plan provides for a mining and operating facility with a nominal 95,000 tonne-per-day capacity. Proven and probable mineral reserves total 528 million tonnes grading 0.6% copper, 0.32 grams per tonne gold and 6.02 grams per tonne silver. The Project is forecast to produce 6.2 billion pounds of copper, 4.0 million ounces of gold and 65.8 million ounces of silver over an approximate 18-year mine life."

IF NOVAGOLD OWNS ONE OF THE WORLD'S LARGEST UNDEVELOPED COPPER-GOLD-SILVER DEPOSITS AT GALORE CREEK (>40 MILLION OUNCES OF GOLD EQUIVALENT), THEN ROMIOS GOLD IS WELL PLACED TO FOLLOW SUIT.

ROMIOS IS PRESENTLY AGGRESIVELY DRILLING ITS TREK PROPERTY, WHICH JUST HAPPENS TO BE UP THE HILL FROM THE PROPOSED GALORE MILL SITE. ADDITIONAL RECENT DRILL RESULTS SHOW POSITIVE FIGURES AND ARE VERY ENCOURAGING.

ROMIOS' SHARE PRICE HAS BEEN UNDER PRESSURE LATELY.AND CURRENTLY DOES NOT REFLECT THE COMPANIE'S POTENTIAL. IT'S MARKET CAPITALIZATION CURRENTLY STANDS AT ONLY CAD 46 MILLION.

THE COMPANY HAS ABOUT \$5 MIO CASH ON ITS BALANCE SHEET AND A RELIABLE MANAGEMENT TEAM.

## Copper: continues to be in a deficit

Global copper supply-demand situation remains in a deficit, therefore giving copper price solid support in the mid-term. The continuing strong demand out of the developing countries (especially China and India) makes copper an interesting «secular» investment. In 2010, China alone imported 38% of the world's refined copper. Similarly, copper imports of other developing countries are rising as a result of urbanization and infrastructure investments.

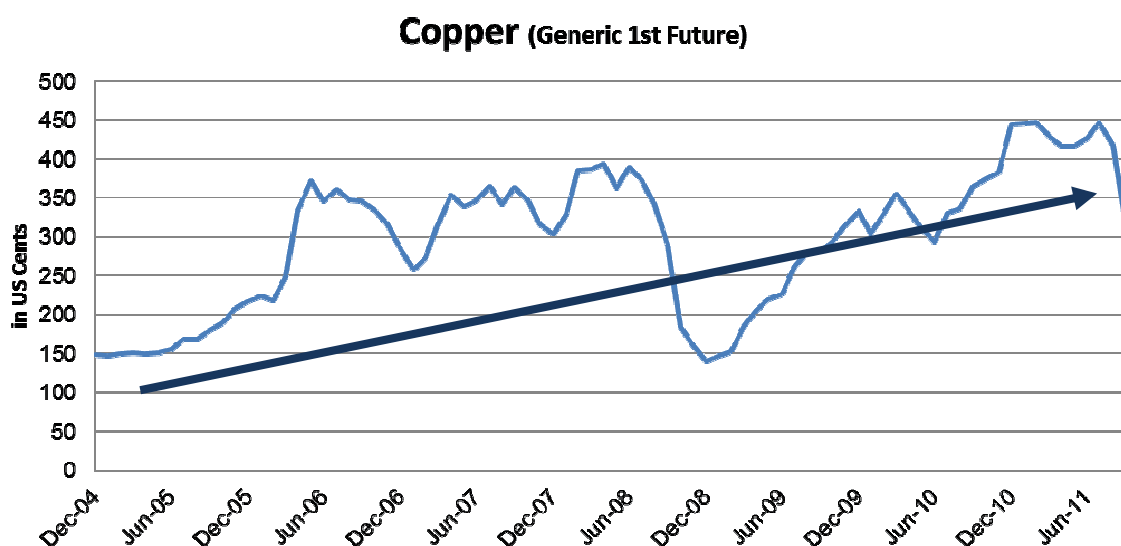
Demand and supply situation of copper (see table)

Source: Barclays Capital

| Kt                            | 2005   | 2006   | 2007   | 2008   | 2009   | 2010   | 2011   | 2012   | 2013   |
|-------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Chile                         | 2,824  | 2,811  | 2,936  | 3,058  | 3,272  | 3,230  | 3,302  | 3,401  | 3,336  |
| China                         | 2,600  | 3,003  | 3,499  | 3,791  | 4,121  | 4,629  | 5,079  | 5,587  | 6,034  |
| USA                           | 1,255  | 1,250  | 1,311  | 1,282  | 1,161  | 1,144  | 1,184  | 1,267  | 1,305  |
| ROW                           | 9,893  | 10,230 | 10,198 | 10,101 | 9,702  | 10,275 | 10,565 | 11,146 | 11,871 |
| Global total                  | 16,573 | 17,295 | 17,944 | 18,231 | 18,256 | 19,277 | 20,129 | 21,400 | 22,545 |
| Disruption allowance          | 0%     | 0%     | 0%     | 0%     | 0%     | 1%     | 3%     | 3%     | 3%     |
| Production forecast           | 16,573 | 17,288 | 17,944 | 18,231 | 18,256 | 19,126 | 19,525 | 20,758 | 21,869 |
| Y/Y Change                    | 4.1%   | 4.3%   | 3.6%   | 1.6%   | 0.1%   | 4.8%   | 2.1%   | 6.3%   | 5.3%   |
| N. America                    | 2,274  | 2,762  | 2,683  | 2,542  | 2,048  | 2,139  | 2,187  | 2,220  | 2,164  |
| Europe                        | 3,472  | 4,598  | 4,472  | 4,213  | 3,489  | 3,780  | 3,834  | 3,777  | 3,645  |
| China                         | 3,652  | 4,057  | 4,783  | 5,141  | 6,663  | 7,514  | 8,058  | 8,622  | 9,225  |
| Japan                         | 1,223  | 1,282  | 1,252  | 1,184  | 876    | 1,028  | 1,059  | 1,059  | 1,038  |
| ROW                           | 6,299  | 4,788  | 4,923  | 4,965  | 4,724  | 5,073  | 5,210  | 5,366  | 5,500  |
| Demand forecast               | 16,920 | 17,442 | 18,114 | 18,044 | 17,800 | 19,533 | 20,348 | 21,043 | 21,572 |
| Y/Y Change (%)                | -0.6%  | 3.1%   | 3.6%   | -0.4%  | -1.4%  | 9.7%   | 4.2%   | 3.4%   | 2.5%   |
| Global Balance                | -347   | -154   | -170   | 187    | 456    | -407   | -822   | -285   | 297    |
| Total Reported Stocks         | 851    | 1,132  | 1,002  | 1,151  | 1,335  | 1,269  | 447    | 162    | 459    |
| Stock/consumption ratio (wks) | 2.8    | 3.6    | 2.9    | 3.6    | 3.7    | 3.5    | 1.2    | 0.4    | 1.1    |
| LME cash (\$/t)               | 3680   | 6718   | 7129   | 6961   | 5148   | 7533   | 9550   | 12000  | 11200  |
| LME cash (c/lb)               | 167    | 305    | 323    | 316    | 234    | 342    | 433    | 544    | 508    |

Source: ICSG, Barclays Capital

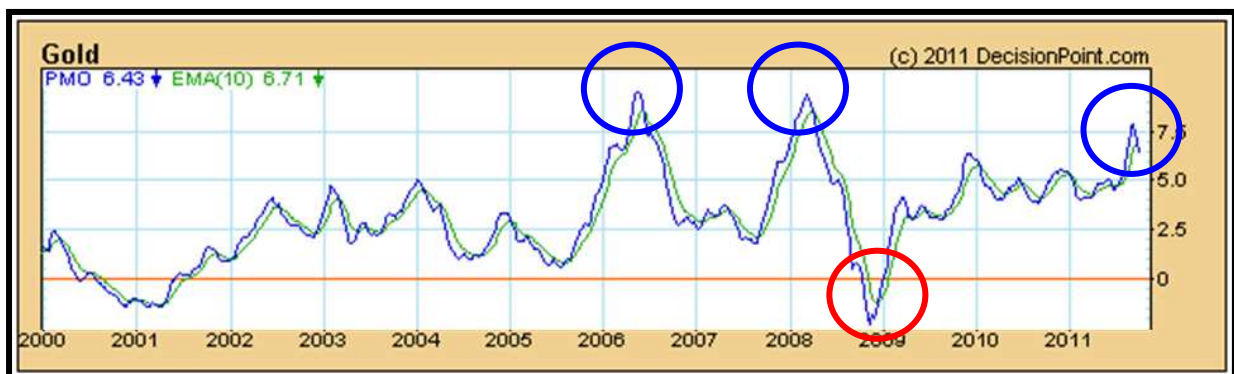
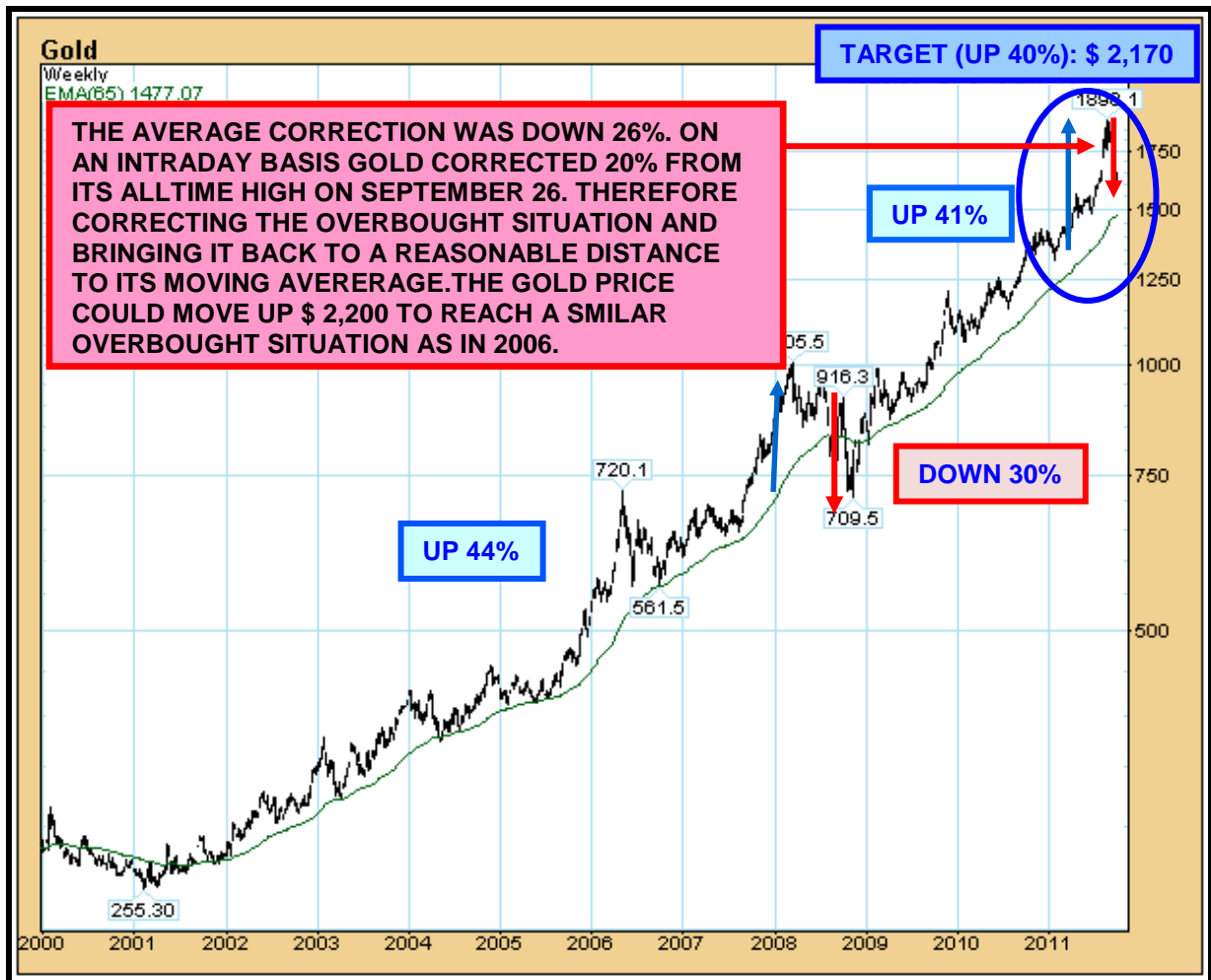
## Copper price development since 2004:



Source: Bloomberg

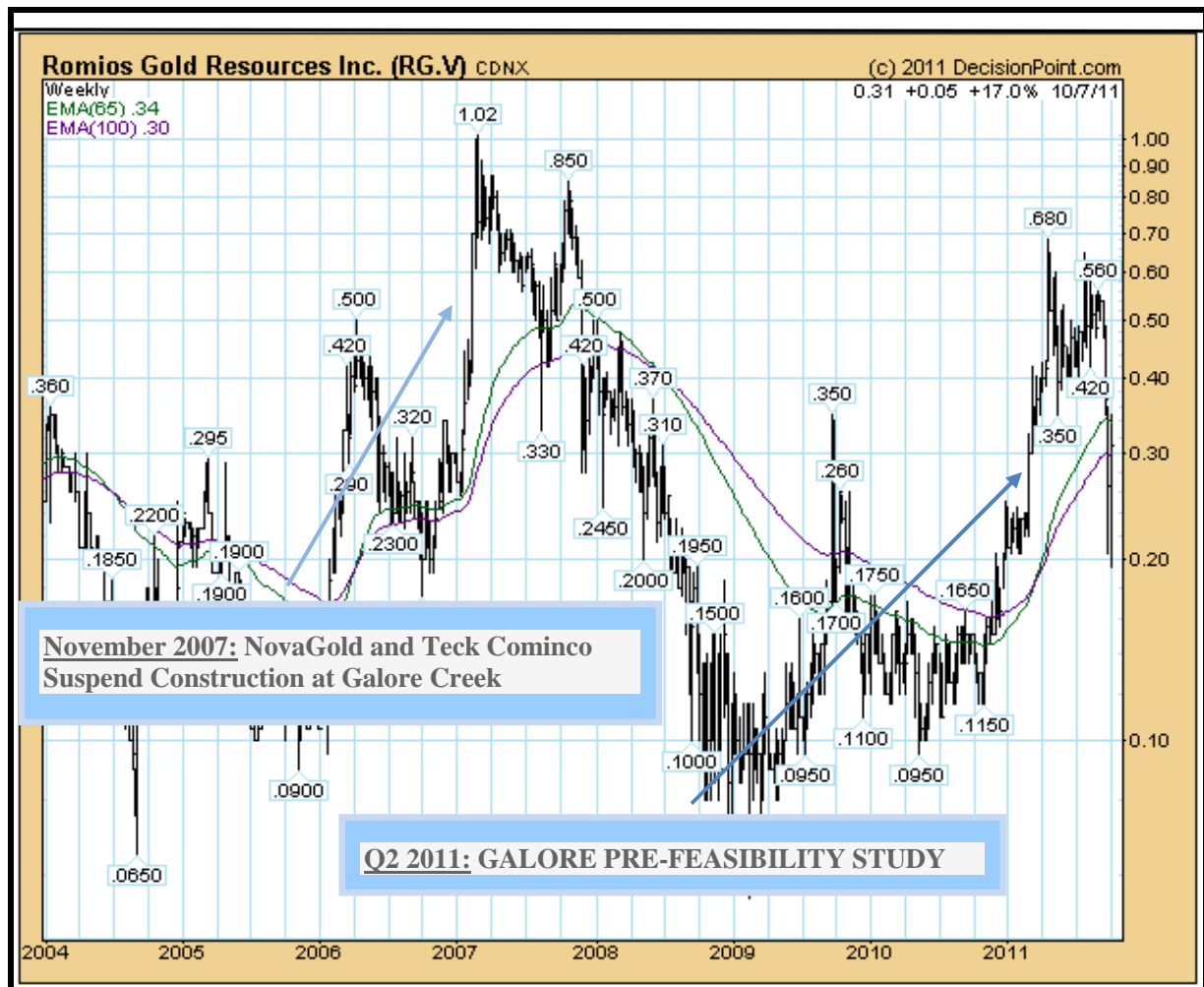
# Technical Considerations

Gold: continuation of secular bull-market



## Romios Gold Resources: recent market correction overdone!

The recent price correction in Romios was excessive, thus breaking through the important moving averages. First market participants have reacted and scooped up some stocks during the last three days of trading. We still see a lot of upside potential and are expecting new highs in the coming months.



Peter Zihlmann



**P. ZIHMANN INVESTMENT • MANAGEMENT AG**

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## OUR PRECIOUS METAL FUNDS

WE OFFER THREE FUNDS WHICH ALL INVEST IN JUNIOR PRECIOUS METAL MINING COMPANIES. THEY OFFER HOWEVER DIFFERENT RISK PROFILES TO SUIT INDIVIDUAL APPETITES FOR CAPITAL GAINS:



### THE SIERRA MADRE GOLD & SILVER VENTURE CAPITAL FUND

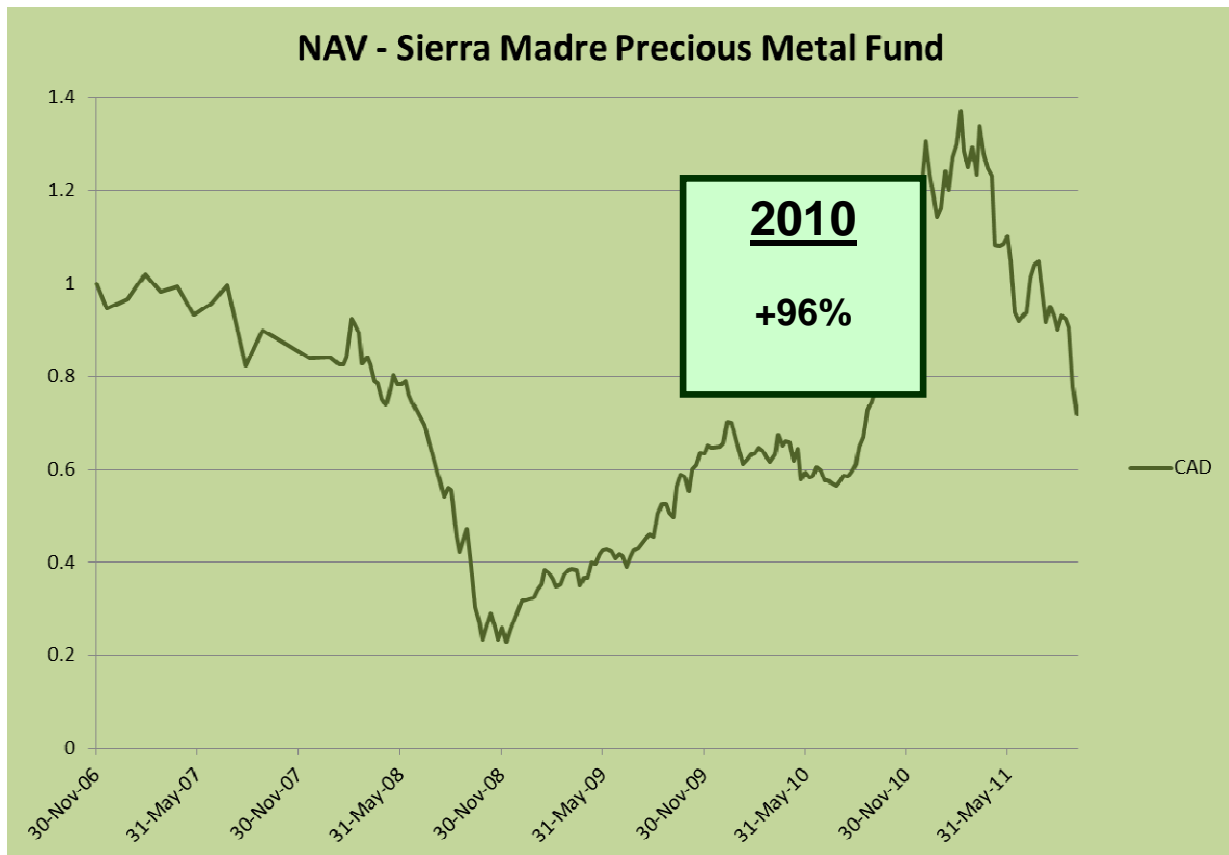
It is a Professional Investor Fund targeting experienced investors, licensed by the Malta Financial Service Authority.

It is a venture capital fund, investing in Latin America. There are no limitations as to the amount that can be invested in one company, giving the investor the chance to benefit fully from the capital appreciation potential of a company.

On the other side, there is also a bigger risk when an investment should not perform as expected.

How to invest:

<http://www.timeless-funds.com/en/timeless-precious-metal-how-invest>





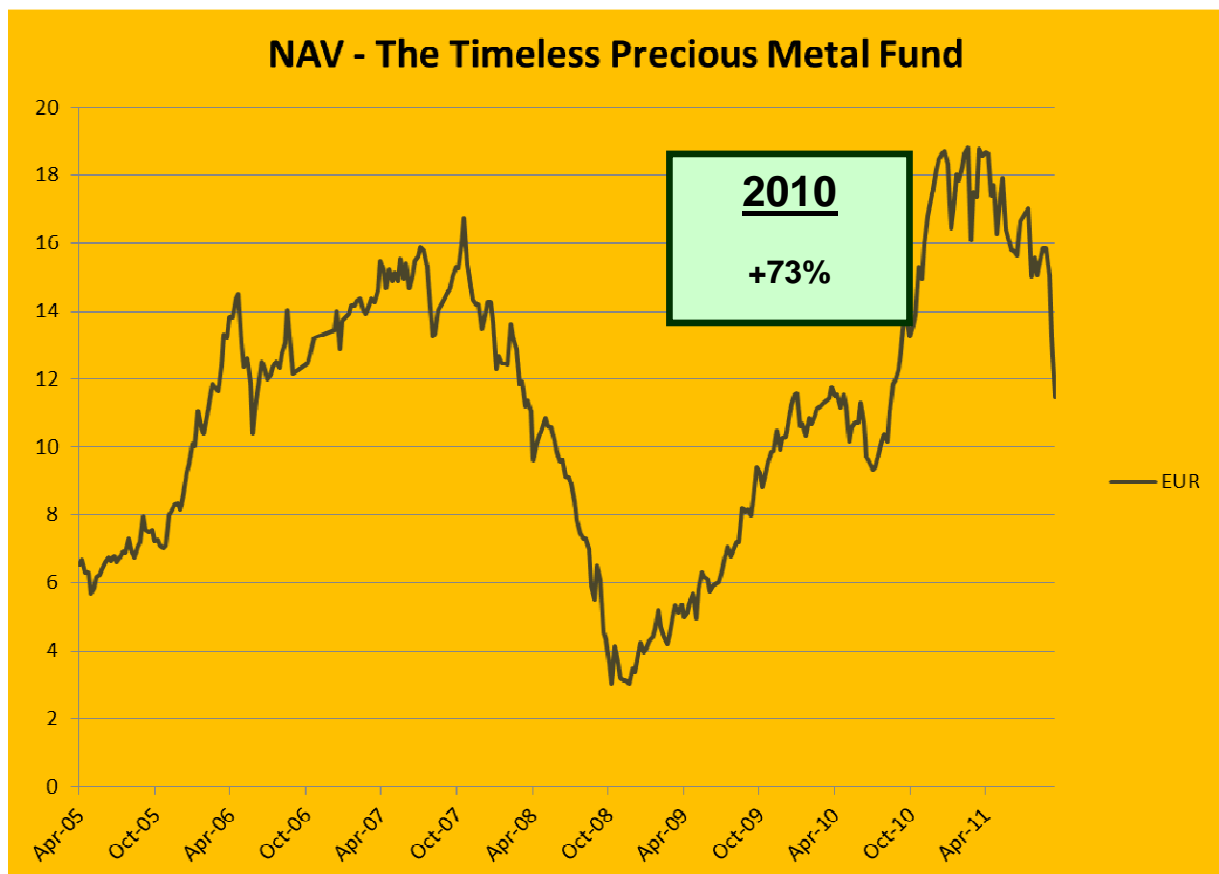
### THE TIMELESS PRECIOUS METAL FUND

It is a Retail Collective Investment Scheme (SICAV), licensed by the Malta Financial Service Authority.

It invests in junior precious metal mining companies world-wide.

The fund cannot invest more than 10% in one company which limits the participation in the capital appreciation potential.

On the other side, there is less risk should an investment not perform as expected.



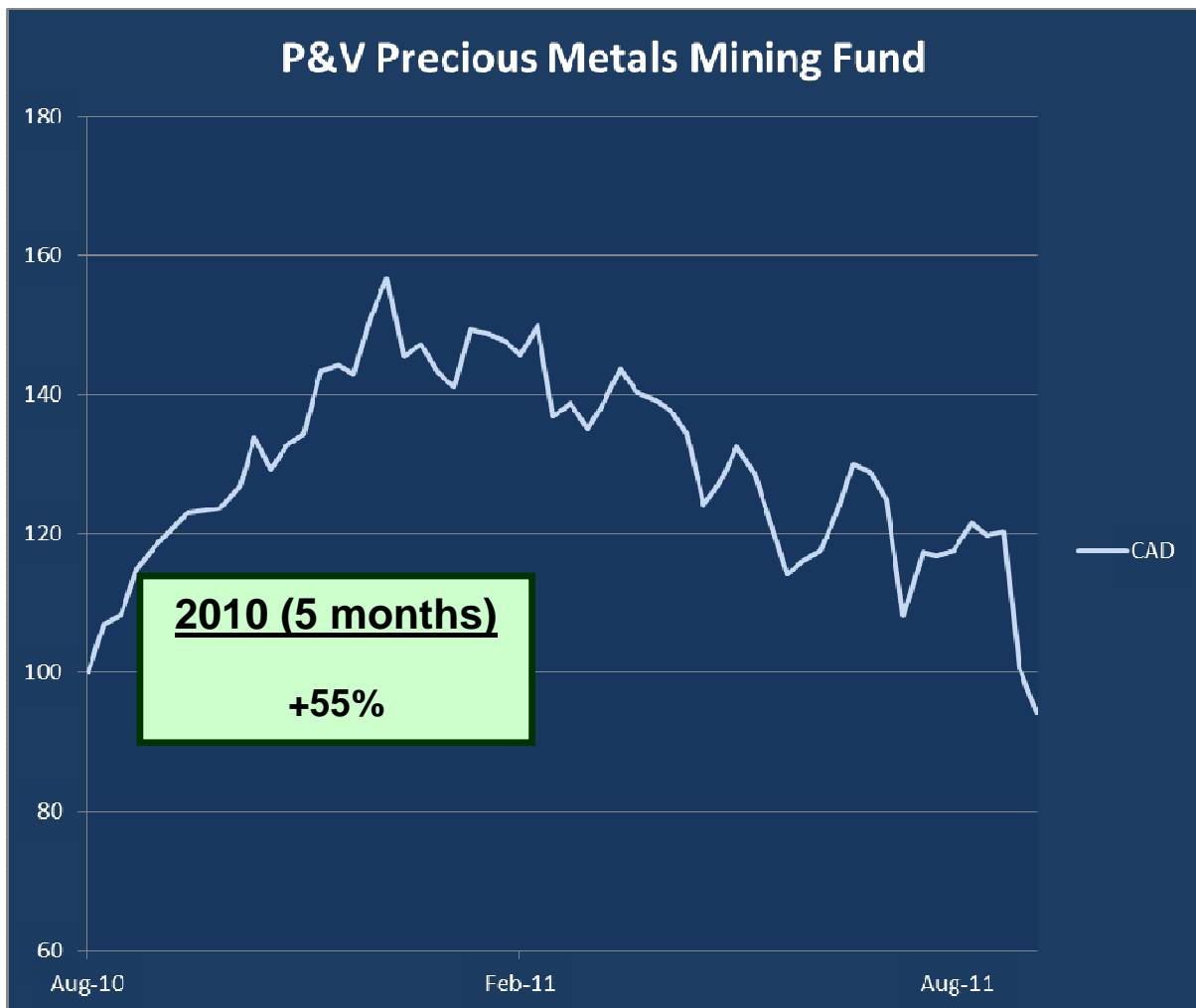
**P&V PRECIOUS METAL MINING FUND**

**It is a UCIT III fund conform with EU-law.**

**It also invests in junior precious metal mining companies world-wide.**

**The fund is more restrictive than the two previous ones as investments which exceed 5% cannot collectively be more than 40% of total assets. Not more than 10% can be invested in one company.**

**The fund offers less capital appreciation potential than the first two but is also exposed to less risk.**



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**Disclosure:**

**The author has not been paid to write this article, nor has he received any other inducement to do so.**

**Disclaimer:**

The author's objective in writing this article is to invoke an interest on the part of potential investors in this stock to the point where they are encouraged to conduct their own further diligent research. Neither the information nor the opinions expressed should be construed as a solicitation to buy or sell this stock.

**Investors are recommended to obtain the advice of a qualified investment advisor before entering into any transactions in the stock - or to use their own brains.**

**In our opinion, the best approach is to buy a diversified portfolio of stocks as represented in THE TIMELESS PRECIOUS METAL FUND or THE SIERRA MADRE GOLD & SILVER VENTURE CAPITAL FUND instead of shares of only a small number of companies.**

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