Zacks Small-Cap Research

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Colt Resources, Inc. (V.GTP – TSX-V)

V.GTP: Third quarter filing due next week. Awaiting details on Middle-East initiatives.

Current Recommendation	**Outperform**
Prior Recommendation	N/A
Date of Last Change	06/05/2012
Current Price (11/20/13)	$0.31
Six- Month Target Price	**$1.55**

OUTLOOK

Colt Resources is a junior gold exploration company with two advanced stage projects in Portugal: the Boa Fé gold project and the Tabuaço tungsten project. A Preliminary Economic Assessment (PEA) was completed on Tabuaço in September while announcements concerning a Middle East initiative were made in October and November. The company continues to be successful in obtaining capital to finance the exploration and development of its gold and tungsten projects. Production is on track to commence at the Boa Fé gold project in 2015. We reiterate our Outperform rating on Colt Resources.

SUMMARY DATA

52-Week High	**$0.56**
52-Week Low	**$0.17**
One-Year Return (%)	**-22.50**
Beta	**2.65**
Average Daily Volume (shrs.)	**107,055**
Shares Outstanding (million)	**159.1**
Market Capitalization ($ mil.)	**$49.3**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**35.0**
Insider Ownership (%)	**6.4**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2012 Estimate	**N/M**
P/E using 2013 Estimate	**N/M**
Zacks Rank	**3**

Risk Level	**Above Average**
Type of Stock	**Small - Value**
Industry	**Mining - Gold**
Zacks Rank in Industry	**16 of 38**

ZACKS ESTIMATES

Revenue
(in thousands of $CDN)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2011	0.0 A	0.0 A	0.0 A	0.0 A	0.0 A
2012	0.0 A	0.0 A	0.0 A	0.0 A	0.0 A
2013	0.0 A	0.0 A	0.0 E	0.0 E	0.0 E
2014	0.0 E	0.0 E	0.0 E	0.0 E	0.0 E

Earnings per Share
(EPS is operating earnings before non-recurring items)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2011	-$0.05 A	-$0.03 A	-$0.02 A	-$0.03 A	-$0.13 A
2012	-$0.01 A	-$0.02 A	-$0.02 A	-$0.02 A	-$0.08 A
2013	-$0.01 A	-$0.01 A	-$0.02 E	-$0.01 E	-$0.06 E
2014	-$0.01 E	-$0.02 E	-$0.02 E	-$0.02 E	-$0.07 E

Zacks Projected EPS Growth Rate - Next 5 Years % **N/A**

Results originally reported under March FY; results re-arranged as Dec. year.

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KEY POINTS

- Colt Resources is a Canadian junior gold exploration company with numerous mineral exploration properties in Portugal.
- The **Boa Fé gold project** in southern Portugal and the **Tabuaço tungsten project** in north-central Portugal are each at an **advanced stage** with management planning to advance both towards production.
- A Preliminary Economic Assessment (PEA) was filed on Boa Fé in May. The Boa Fé gold project is being fast-tracked with production expected within two years with revenue being generated in 2015.
- The PEA on the Tabuaço tungsten project was filed in early October.
- Under CEO **Nikolas Perrault**, CFA, the company has been aggressive in advancing the Boa Fé gold and Tabuaço tungsten projects as well as acquiring exploration concessions and exploratory mining licenses in Portugal. A **Middle East initiative** has been announced; we await further details.
- The 100% controlled Boa Fé (47 km^2) project is surrounded by the 100% controlled **Montemor exploration concession** (728 km^2), which is known to host the extension of the mineralized shear zone found within Boa Fé. The latest NI 43-101-compliant mineral resource estimate (March 2013) included an inferred gold resource at the **Monfurado deposit** located in the Montemor concession**.**
- In September 2012, Colt Resources entered into a **joint venture** with Contécnica to further develop the Penedono gold project (now the **Santo António gold project**). Contécnica can earn a 51% stake in the project by investing at least €2.0 million in the project over three years. The Experimental Mining License (EML) contains the currently-closed Santo António underground gold mine. There are 13 individual mineralized quartz veins in the San Antonio area, along with other vein systems of gold mineralization.
- The Tabuaço tungsten project is being fast-tracked with production expected in 2017. Management is seeking a partner for the **development of Tabuaço**, which we would expect to be structured in a manner similar to the **Santo António** joint venture with the partner providing capital and further developing the project in order to earn a substantial stake in the project. In this manner, Colt Resources would be able to focus its capital resources on the development of the Boa Fé gold project in southern Portugal.
- In February 2013, Colt Resources was granted exploration licenses for the Portuguese gold concessions of **Borba** and **Cercal**. The company is structuring a joint venture with Star Mining to develop Borba with minimal developmental costs being incurred by Colt. Also, the company has applied for a 100% interest in the **Adorigo** gold property located in north central Portugal.
- Colt Resources has been **very successful in obtaining capital** through equity offerings and the exercise of warrants and options.
- Colt Resources is expected to file third quarter results next week.
- Consult our Initiation Report dated July 20, 2012 for full background information of the company and the history of its projects.
- We reiterate our Outperform rating. Our price target is $1.55.

RECENT NEWS

Middle East Initiatives

On October 28, 2013, Colt Resources announced that the company is in the process of establishing new subsidiaries in Dubai and in the Greater Middle East for the purpose of securing advanced-stage mining projects in the area. Shahal Khan and Haji Malik Shah became Strategic Advisors to the company and Nader Uskowi has been appointed Senior Political Advisor. The new members of the Colt team are experts and influential men in the region, especially Afghanistan, Iran and Pakistan. For reasons of confidentiality, the management of Colt Resources has not yet divulged the location(s) of the target projects.

Boa Fé Gold Project

During the second quarter of 2013, Colt Resources proceeded with the legal approval process of attaining a full mining application. The Environmental Impact Assessment (EIA) was presented at a public hearing and additional documents were prepared for the local environmental agency (APA) and the governments, namely the Declaration of Municipal Interest (DIM), Relevant Public Interest (RIP) and Project of National Interest (PIN), the last of which was approved in June.

At the proposed mine site, surface and groundwater water was sampled. In addition, detailed geologic mapping of the Braços-Covas, Caras-Ligeiro and Braços-Covas areas was conducted and some work was done on the proposed pit design

Tabuaço Tungsten Project

On September 4, 2013, Colt Resources announced that the Preliminary Economic Assessment (PEA) had been completed on the company's Tabuaço tungsten project. The PEA estimates that a capital investment of $86.7 million will be required to develop and recover 1.24 million MTU WO3. Based upon WO3 pricing of $400 per MTU, the project can generate revenues of $496 million and $196 million in net operating profits. Over the 12 year life of mine, the project's post-tax IRR is estimated to be 30.7%.

Having been granted a Trial Mining License (aka Experimental Mining License) earlier this year, management plans to conduct a pilot mill test on approximately 20 metric tons of scheelite ore from the São Pedro das Águias deposit to verify the preferred processing option laid out in the PEA, which involves ore sorting and an acid tungsten recovery process. The company will develop an adit to the ore body to acquire the bulk sample. During the second quarter of 2013, a rock characteristic study was conducted around the area of the proposed shaft and trial mine gallery. Inquiries are being made to select the contractor to build these underground structures. Also, the metallurgical test work will be used to optimize the process flow sheets for the design of the final processing plant and to substantiate the estimated 90.25% recovery rate.

Management expects incremental exploration and drilling results to upgrade the inferred resources to the indicated category, along with potentially identifying additional resources. A feasibility study and an updated NI 43-101 compliant resource estimate are targeted for completion during the fourth quarter of 2014. The company expects to receive full mine permitting in 2015, complete mine construction in 2016 and achieve initial production in 2017.

Second quarter results

On August 28, 2013, Colt Resources reported financial results for the second quarter ending June 30, 2013. For the quarter, the company reported a loss for the quarter of $2,008,404 ($0.01 per diluted share) versus a loss of $2,200,850 ($0.02) in the comparable-quarter last year. Administrative expenses decreased 7.5% from $1.79 million to $1.66 million, primarily due to a 28.6% decline in Investor relations and marketing expenses. During the first six month of 2013, the company received net proceeds of $1,061,667 from the issuance of shares, which was used to fund exploration efforts and working capital needs. As a result, the total weighted average number of common shares outstanding increased 22.6% to 138,576,471. As of June 30, 2013, the company had $1.53 million of cash & equivalents.

Financing

Colt Resources completed non-brokered private placements to a Canadian-based institutional investor and a high net worth investor in Portugal on January 7th and February 6th providing **net proceeds of $1,061,667**.

During the second half of 2013, Colt Resources completed a **$5,000,000 private placement** on July 24th with Hong Kong-based Worldlink Resources Ltd. The placement of 14,285,715 Units was priced at

C$0.35 per Unit with each Unit comprised of one GTP common share and one-fourth of a warrant. Each whole warrant is exercisable in a common share at C$0.45 for a potential total of an additional 3,571,428 shares during the ensuing 60 months. Following the private placement, Worldlink will hold approximately 10% of the issued and outstanding common shares of Colt Resources. Worldlink was granted a right of first refusal to maintain a proportionate interest in the company in any subsequent equity financings.

On October 16th, Colt Resources announced the completion of a private placement with a leading industry player of 6,250,000 common shares at US$0.40 per share (which was about 30% above the stock's price at the time) providing **net proceeds of $2,500,000**. In accordance with Canadian securities laws concerning non-brokered private placements, the issued shares are subject to a four-month holding period.

On November 4th, Colt Resources announced the completion of an initial closing of the private placement offering previously announced on July 4th. This first **closing of ten Units that total $2,500,000** of 5-year 10% Secured Senior Notes and warrants with the right to purchase 5,555,555 common shares at $0.45 per share, of which Colt Resources' COB, Richard Quesnel subscribed for eight Units (or $2.0 million in 10% Secured Senior Notes and warrants with the right to purchase 4,444,444 shares) in a related party transaction. The proceeds will be used primarily for the completion of a bankable feasibility study on the Boa Fé gold project. The private placement offering may total up to $15,000,000 of 5-year 10% Secured Senior Notes with warrants attached, and there may be multiple closings. The offering is being managed by TerraNova Capital Partners, Inc., for which a finder's fee and warrants are received.

2013 Progress Report

Boa Fé gold project (EML) – Thus far in 2013, an updated NI 43-101-compliant mineral resource estimate for Boa Fé and Monfurado was completed during the first quarter of 2013, and a Preliminary Economic Assessment (PEA) was filed in the second quarter. Management continues to fast track the property towards production. The company is expected to complete detailed engineering work and further metallurgical test-work for Boa Fé in preparation for full feasibility study due out in the second quarter of 2014.

Management anticipates the completion of an updated NI 43-101-compliant mineral resource estimate for Boa Fé and Monfurado during the first quarter of 2014. Given the scope and timetable of the company's work towards advancing the project, Colt Resources should have completed sufficient work for the Portuguese mining and environmental authorities to grant a definitive mining license for the Boa Fé gold project in 2014. Management intends to continue to rapidly advance the Boa Fé project and **achieve gold production in 2015**.

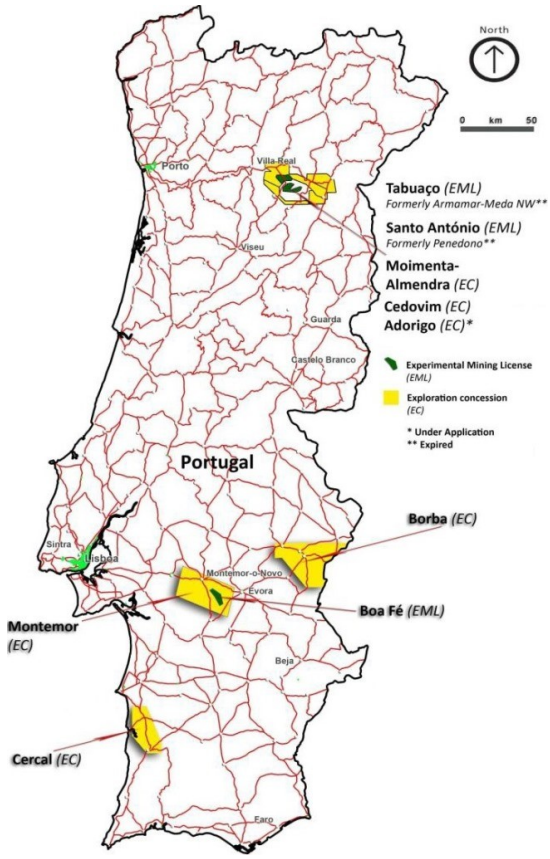
Tabuaço tungsten project (EML) – Management is also fast tracking the development of the Tabuaço tungsten project. Having been granted a Trial Mining License (aka Experimental Mining License) in February, the PEA was completed in early September. Management plans to conduct a pilot mill test on approximately 20 metric tons of scheelite ore from the São Pedro das Águias deposit. A feasibility study and an updated NI 43-101compliant resource estimate are targeted for completion during the fourth quarter. Management expects to receive full mine permitting in 2015. Mine construction is expected to begin in 2017 with initial production being achieved in 2017.

Santo António (EML) – Management expects its partner, Consultoria Tecnica Ltda (Contécnica), to begin exploratory work on the Santo António this year. Contécnica is obligated to further develop this gold project by investing at least €2.0 million over three years in order to earn a 51% stake in the concession. By retaining a 49% stake, Colt Resources maintains upside exposure while reducing financial risk. Incremental information concerning the Santo António gold deposits should be forthcoming when the company files third quarter results.

Borba (EC) – In February, Colt Resources announced the signing of a Memorandum of Understanding (MOU) with Star Mining Limited which outlines the key terms for a formal definitive agreement. According to the MOU's anticipated course of action, Colt Resources and Star Mining plan on jointly exploring the Borba exploration concession (EC). Star Mining can earn a 25% interest in Borba upon expending at least $350,000 in the completion of a work program over a period of 12 months. Thereafter, Star Mining can earn an incremental 35% interest by completing another work program with expenditures of at least $750,000 over an additional 24 months. Another 20% interest can be attained by expending $1,000,000 towards technical, commercial and environmental programs required for completing a NI 43-101-compliant resource estimate. Then Star Mining will have the right to purchase full ownership of the Borba exploration license for $5.0 million within 18 months or $10.0 million during the subsequent 42 months.

OVERVIEW

Based in Montreal, Quebec, Colt Resources, Inc. (GTP.V: TSXV; COLTF: OTC Markets) is a junior gold exploration company with **two advanced stage projects** (one gold and the other tungsten) located in the Portugal. These two projects (the **Boa Fé gold project** within the Montemor concession and the **Tabuaço tungsten project** in the Armamar-Meda concession) are very promising. In November 2011, an experimental mining license and an exploration concession were granted for Boa Fé and Montemor, respectively, and a NI 43-101 compliant resource estimate was filed in August 2012 and updated in March 2013. **A Preliminary Economic Assessment (PEA) on the Boa Fé gold project was filed in early May**. At Tabuaço, an initial NI 43-101 compliant resource estimate was filed in December 2011 and updated in October 2012. **A Preliminary Economic Assessment (PEA) on the Tabuaço project was filed in early October 2013**. Updated resource estimates are expected to further define and expand the economic deposits at Boa Fé and Tabuaço.



We believe the deposits at Chaminé, Casas Novas and São Pedro das Águias are readily recoverable. Management's internal goal is to initiate production Chaminé in 2015 and at São Pedro das Águias in 2017. **Chaminé** is well-suited for an open pit mining project under the experimental mining license, which allows for an open pit with a maximum surface area of 5 hectares. Infill and confirmatory drilling continues. At **Tabuaço**, drilling continues in order to better delineate and upgrade the resource estimate, and expand the scope of the deposit to the north. An internal preliminary conceptual mine plan has been completed, and the company was granted an experimental mining license (EML) in February 2013. A PEA was completed in early September 2013. Work is progressing on conducting a pilot mill test on approximately 20 metric tons of scheelite ore from the São Pedro das Águias deposit. Management expects to develop the project with a partner in order to bring the mine to production within four years.

Located in north-central Portugal, the 35 km2 **Santo António** gold experimental mining license area contains an underground gold mine that produced approximately 10,500 ounces of gold between 1954

and 1957. The Santo António EML contains a number of significant vein systems of gold mineralization, of which one system in the San Antonio area consists of 13 individual mineralized quartz veins. This parallel series of steeply dipping, northeast-trending, gold-bearing quartz veins are within a 1.2 km by 0.8 km area about three kilometers northwest of the town of Penedono. In September 2012, Colt Resources entered into a joint venture with Contécnica to further develop Santo António. Contécnica will be able to earn a 51% stake in the concession after investing at least €2.0 million in the project over three years. The capital commitment from Contécnica enables Colt to focus its capital resources on Boa Fé and Tabuaço while retaining a 49% stake in the Santo António gold project

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Nikolas Perrault, CFA, was appointed CEO in December 2008. While at Colt Resources, Mr. Perrault has a track record of opportunistically pursuing acquisitions of concessions in Portugal, most recently the Boa Fé gold project. Under his tenure during 2011, the Montemor and Cedovim concessions were acquired as well as the Boa Fé experimental mining license. Prior to Mr. Perrault's arrival, the Penedono concession had been the company's primary focus. **Mr. Perrault is fast-tracking the development of the Boa Fé and Tabuaço projects.**

Management believes that neither a recession in Portugal nor the country's need for financial assistance from the European Union is detrimental to the company's progress. On the contrary, there is a national need for investment into industry, including the mining sector, in order to stimulate Portugal's economy.

The company has been very successful in obtaining capital through equity offerings and the exercise of warrants. During 2012, the company received net proceeds of $16,582,296 from the issuance of shares and the exercise of options. The proceeds funded the aggressive drilling programs at Boa Fé and Tabuaço. In early 2013, non-brokered private placements provided net proceeds of $1,061,667 followed by a $5 million private placement with Worldlink Resources in July. A private placement of up to $15 million 5-year 10% Secured Senior Notes (with warrants attached) has had its first closing of $2.5 million Secured Senior Notes and warrants in November 2013.

[1] National Instrument 43-101 is a mineral resource classification methodology that Canadian securities regulatory authorities required to report publicly disclosed information related to mineral properties by companies listed on stock exchanges within Canada. The terms "measured", "indicated" and "inferred" mineral resources are terms specifically defined pursuant to NI 43-101 compliant rules and guidelines. The U.S. Securities and Exchange Commission does not recognize these terms, which are not equivalent to the standards of "proven" and "probable" reserves set forth in SEC Industry Guide 7.

BOA FÉ & MONTEMOR (PORTUGAL) – GOLD

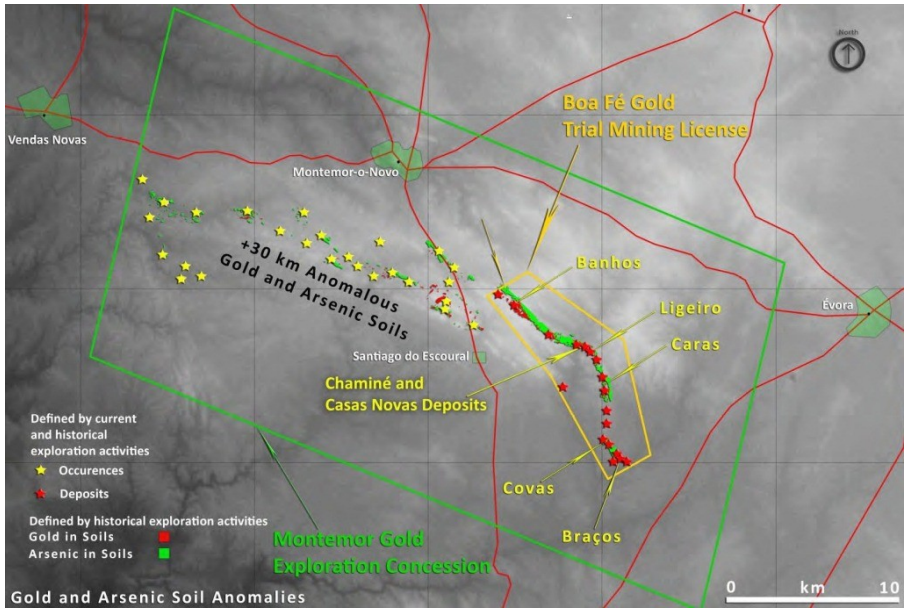
The **Montemor Regional concession** is Colt's most important gold concession in Portugal. Located in the Alentejo Region in southern Portugal, approximately 100 kilometers east of Lisbon, the Montemor Regional concession encompasses **728.22 square kilometers** (km^2). Colt Resources entered into an agreement with privately-owned Australian Iron Ore PLC to acquire 100% ownership of Montemor in July 2010. Upon being granted an **exploration license** for the Montemor Regional concession by the Direcção-Geral de Energia e Geologia (DGEG) on November 2, 2011, Colt Resources attained 100% ownership of the Regional concession from Australian Iron Ore for total payments of €185,000 and 3 million restricted shares[2].

Within the Montemor Regional concession, the **Boa Fé project** is an **advanced exploration stage of development project**, which management believes has the potential for near term production. Encompassing **46.78 km^2**, the Boa Fé gold project is operating under an **experimental mining license** granted by the DGEG on November 2, 2011 for a period of three years plus a six month extension. The license permits limited mining operations to a disturbance area of 5,000 hectares (or 50,000 m^2) while performing feasibility studies.

Portugal



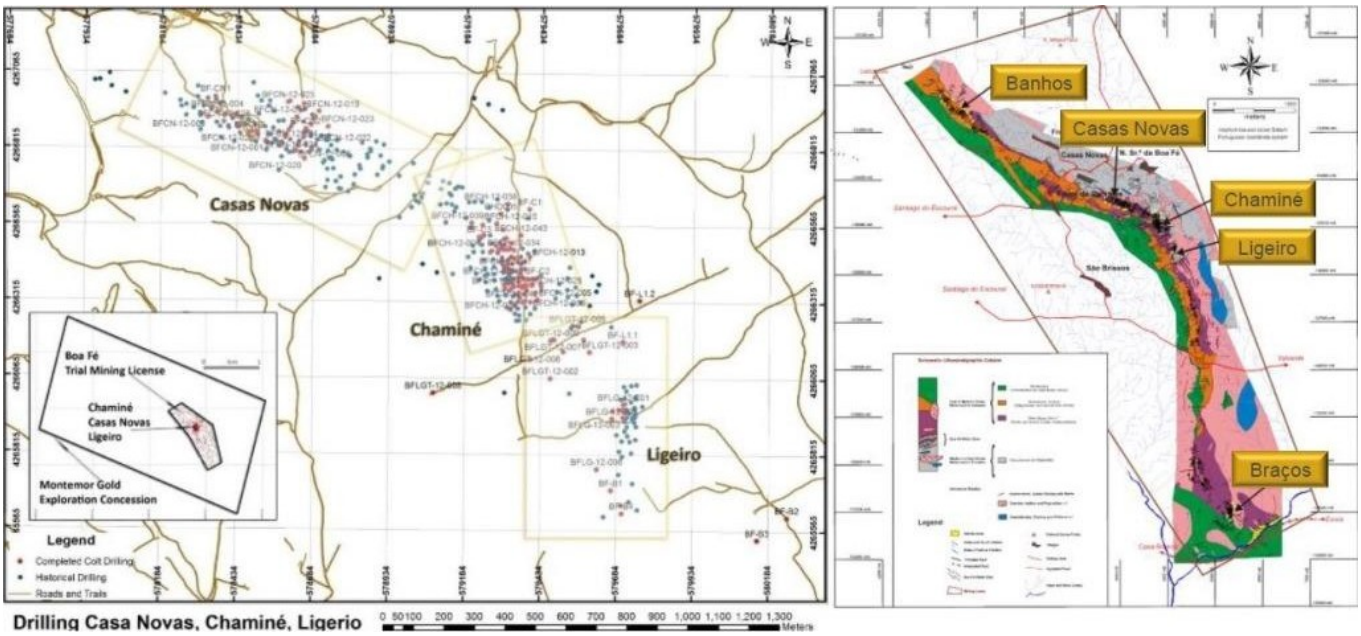
Montemor and Boa Fé



Expected Development

Chaminé is well-suited for an open pit mining project. In preparation for applying for a full mining permit, **conceptual mine development plans** for the deposits at Chaminé, Casas Novas and Ligeiro have been completed. Also, the Geomega consulting group as prepared the **Environmental Impact Assessment** (EIA). **Metallurgical test work** undertaken by AMMTEC Ltd. in 2008 indicates that gold is readily recoverable through a series of conventional gravity concentration, sulphide flotation, ultra-fine grinding and cyanidation processes. Overall gold recovery from composite samples taken the Chaminé and Casas Novas composite ranged from 91.8% to 94.0%. During 2012 and 2013, additional test work using alternative non-cyanide leaching mediums was conducted by Drinkard Metalox. Ammonium thiosulphate achieved similar recoveries to cyanide while Group VII halogen-based agents (fluoride, chloride, bromide and iodide) attained very high recoveries around 98%.

[2] The €185,000 was paid in two installments: €60,000 on September 14, 2010 and €125,000 on November 2, 2011. The 3 million shares were issued on November 2, 2011 and placed in escrow, to be released in 500,000 share increments every four months over a 24 month period.



Drilling Casa Novas, Chaminé, Ligerio

Preliminary Economic Assessment for Boa Fé and Montemor Projects

On May 7, 2013, Colt Resources filed the Preliminary Economic Assessment (PEA) for the Boa Fé and Montemor gold projects in Portugal. Prepared by SRK Consulting, the PEA presented four processing options for the open pit mining of six separate deposits (Chaminé, Casas Novas, Banhos, Braços, Ligeiro and Monfurado).

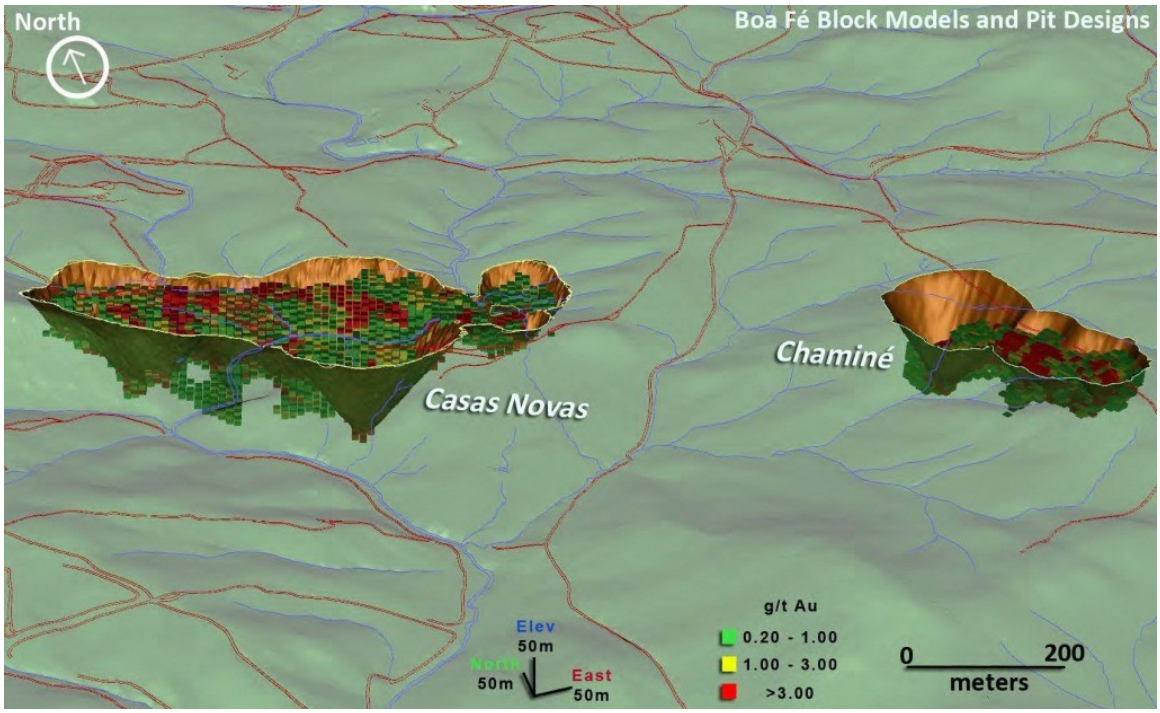
Option	Mining Scenario	Processing Location	Processing Scenario	Projected Capital Costs (US$mm)	Projected Operating Costs (US$/oz)	Ore Processed (koz Au)	Ore Recovered (koz Au)	Projected IRR [1]	Process Risk	Environ-mental Risk
A	Open Pit	Off-Site	Gravity Flotation; Cyanidation	$119.3	$724	306	262	15.6%	Low	High
B	Open Pit	On-Site	Gravity Flotation; Cyanidation	$123.2	$674	341	291	21.4%	Low	High
C	Open Pit	On-Site	Heap Leach	$91.5	$683	341	249	32.7%	Low	Low
D	Open Pit	On-Site	Halogen Process	$123.8	$666	356	339	30.2%	Medium	Low

Management believes that Options C and D are the more favorable approaches with preference for Option D. With the lowest capital cost and the second highest return, Option C utilizes the proven methodology of heap leaching. However, Option D offers the highest recovery rate and the highest IRR (39.6%), but the environmental-friendly Halogen extraction process entails incremental execution risk since the technology requires external expertise to implement. In addition to processing methods, the PEA delves into specific details of the mining methods including pit slope stability analysis.

The PEA study assumes a 1.30 USD/EUR exchange rate and gold price of $1,425 per troy ounce. SRK included Inferred mineral resources in the production schedules, but cautions that the Inferred resources are geologically speculative at this point. Through further exploration, management expects to upgrade the Inferred resources to the Indicated category before the completion of the feasibility study, which is scheduled for completion during the second quarter of 2014. Thereafter, management expects receive the Full Mine Permit. During the fourth quarter of 2014, mine construction should commence after the appropriate detailed engineering plans are formulated and the necessary infrastructure material is procured. Gold production is scheduled to begin during 2015.

Project Options – Financial Models Comparison (Life of Mine)

Economic Model Summary	Units	Option C	Option D
Production			
Rock Mined	(kt)	20,028	24,425
Ore Processed	(kt)	4,624	5,045
	(koz Au)	341	356
Recovered Metal	(koz Au)	249	339
Financial			
Metal Price	(USD/oz Au)	1,425	1,425
Revenue	(USDm)	355	482
Operating Expenditure	(USDm)	(156)	(206)
Operating Profit	(USDm)	185	257
Net Profit	(USDm)	159	220
Capital Expenditure	(USDm)	(92)	(124)
Cashflow	(USDm)	68	97
Pre-Tax Reporting			
NPV @ 5%	(USDm)	65.5	92.8
NPV @ 15%	(USDm)	31.8	43.9
IRR	(%)	42.9	39.6
Post-Tax Reporting			
NPV @ 5%	(USDm)	45.5	64.3
NPV @ 15%	(USDm)	19.2	25.8
IRR	(%)	32.7	30.2
Cash Cost			
Cash Cost	(USD/t_{ore})	36.82	44.68
	(USD/oz)	683	666



Resources

A NI 43-101-compliant estimate for the Chaminé and Casas Novas deposits was published in July 2012 followed by an updated resource estimate in March 2013. Both were prepared by SRK Consulting. The Indicated resource estimate represents **340,310 ounces** of *in situ* gold (91,700 ounces at Chaminé, 146,100 ounces at Casas Novas and 95,800 ounces at Banhos) while **84,200 ounces** Au are categorized as Inferred (23,700 oz. at Casas Novas and 23,300 ounces at Braços).

Resource Statement for the Boa Fé Gold Project

Deposit Area	Resource Category	Quantity	Average Grade	Contained Metal
		Tonnes	Au (g/t)	Au Oz
Banhos	Indicated	2,200,000	1.35	95,800
Braços		-	-	-
Chaminé		1,390,000	2.05	91,700
Casas Novas		2,330,000	1.95	146,100
Ligeiro		148,000	1.42	6,730
Monfurado		-	-	-
	Total Indicated	**6,070,000**	**1.74**	**340,310**
Banhos	Inferred	172,000	1.97	10,900
Braços		380,000	1.91	23,300
Chaminé		5,000	4.67	730
Casas Novas		480,000	1.54	23,700
Ligeiro		-	-	-
Monfurado		520,000	1.53	25,600
	Total Inferred	**1,554,000**	**1.69**	**84,200**

TABUAÇO (PORTUGAL) – TUNGSTEN

Located in north-central Portugal, the **Tabuaço tungsten project** encompasses an area of **45.128 square kilometers**. Colt Resources owns a 100% beneficial interest in the Tabuaço experimental mining license (EML), which was awarded in February 2013 and was preceded by an exploration concession (Armamar-Meda) having been granted in December 2007. The EML was awarded for a period of four years plus a six month extension. Situated in the District of Viseu, Tabuaço is 93 kilometers east of city of Porto and 300 kilometers northeast of Lisbon (approximately a five hour drive by car from the capital).

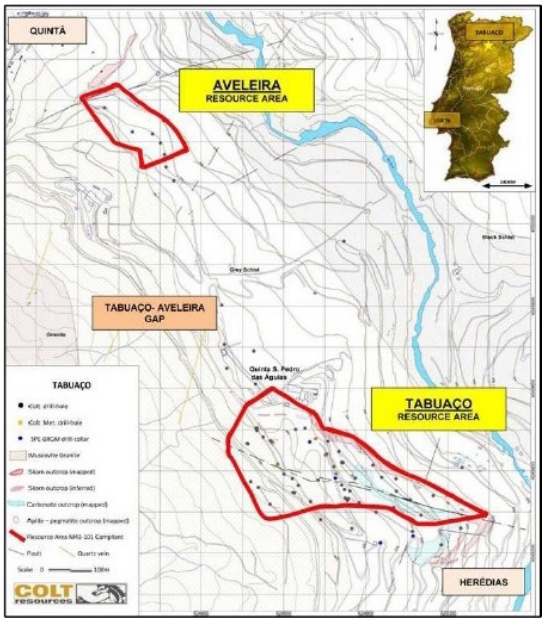
The geological model being used to help determine the geometry and placement of scheelite deposits at Tabuaço is the **contact metamorphosed tungsten skarn model**. Classified as an intermediate intrusion-type model, the scheelite deposit is associated with the contact zone of an igneous intrusive, usually granite, and a favorable carbonate host rock. A mineralized skarn horizon is formed in close proximity to the boundary with the intrusive, which typically provided the heat source that drove the hydrothermal activity that altered and introduced the tungsten mineralization into the host rocks. The high-grade tungsten deposits appear in the form of **scheelite** ($CaWO_4$).

The Tabuaço project contains a gently-dipping scheelite (tungsten) deposit in the **São Pedro das Águias** occurrence, which is situated 2.7 kilometers south-southeast of the village of Távora along the Távora River. Elevations range from 175 meters above sea level along the Távora River to almost 1,000 meters at the hilltop areas. A portion of the deposit underlies a port wine vineyard on the western terraced slope of the Távora River valley. In August 2011, Colt Resources acquired 140 hectares of surface rights, which includes a vineyard and operational winery producing Senhora do Convento port and red table wines, along with a former Cistercian monastery.[3] By securing the land over the majority of the deposit area, the company has unencumbered access to the most of the project area during the aggressive drilling program that was begun in April 2011. In addition, the land is suitable for the entrance to the planned underground mine.

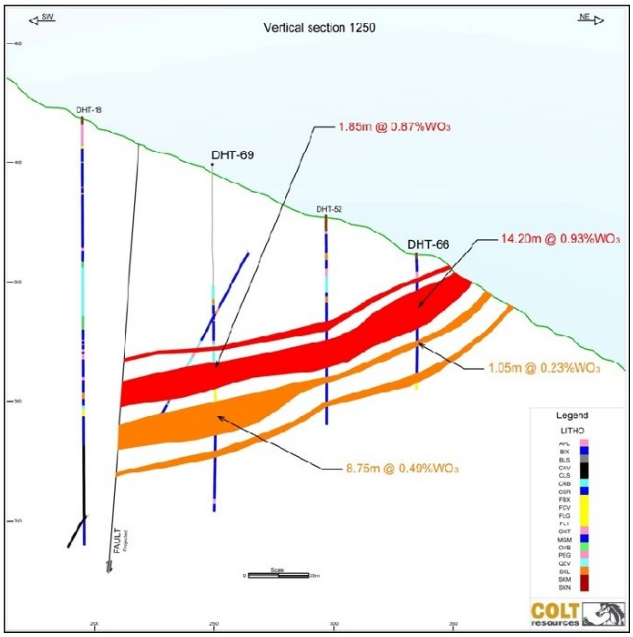
[3] The real estate includes a port wine vineyard that generates revenues for Colt Resources.

Tungsten mineralization also occurs in several other areas: **Quinta das Herédias, Quintã, Quinta do Paço** and **Quinta da Aveleira** (NW and SE).

Tabuaço



Cross Section of São Pedro das Águias



Resource

An updated NI 43-101 technical report was announced on October 3, 2012. Completed by SRK Exploration, the mineral resource estimate is based on a tungsten scheelite skarn model in proximity to a granite intrusion. Based on 64 diamond drill holes, in October 2012, SRK completed an NI43-101 compliant report that estimated an indicated resource of 1,495,000 tons averaging 0.55% WO_3 and an inferred resource of 1,230,000 tons averaging 0.59% WO_3 (0.30% WO_3 cutoff). The **updated resource estimate** increased the **indicated mineral resource** by 85% from 440,000 to **815,000 MTU WO_3**. The **inferred resource** is estimated to contain **720,000 MTU WO_3**. The resource estimate addresses the **São Pedro das Águias** deposit, but other occurrences are being investigated; specifically, **Quinta das Herédias, Quintã, Quinta do Paço** and **Quinta da Aveleira**.

São Pedro das Águias Tabuaço (Armamar)	Tonnage (tonnes 000)	Grade (WO_3 %)	Contained Metal (WO_3 tonnes)	Contained Metal (WO_3 pounds)	Contained Metal (MTU WO_3)
Indicated	1,495	0.55	8,150	18,000,000	815,000
Inferred	1,230	0.59	7,200	16,000,000	720,000

The results of the exploration indicate that the **São Pedro das Águias zone contains important tungsten mineralized skarns** that are proximal to a granite intrusion. At least two distinct, sub-parallel carbonate skarn horizons have been discerned that are separated by schists.

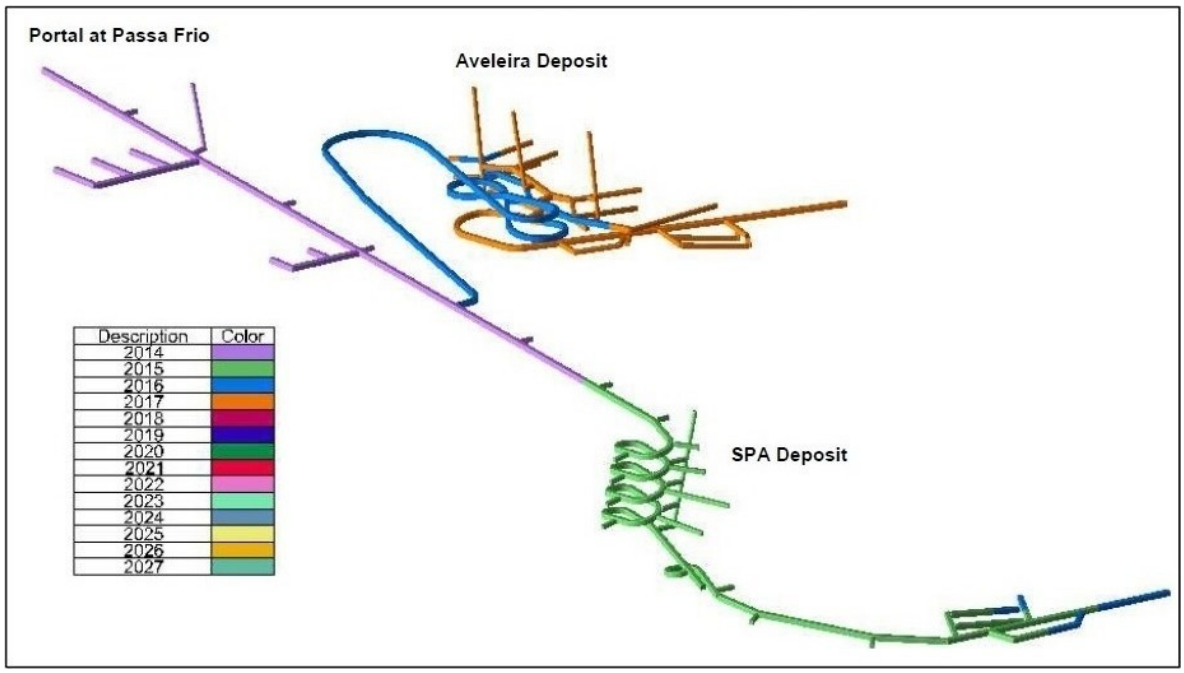
Expected Development

Management is fast tracking the development of the Tabuaço tungsten project. The application for an Experimental Mining License was submitted to the DGEG in August 2012, and final approval for a Trial Mining License (aka Experimental Mining License) was received in February 2013. Work on a preliminary economic assessment (PEA) is in progress, and management anticipates the PEA to be completed

during the third quarter. Thereafter, management plans to conduct a pilot mill test on approximately 20 metric tons of scheelite ore. The company is well prepared since an internal preliminary conceptual mine plan was completed in 2011, which calls for an underground mine to exploit the São Pedro das Águias zone with a mine portal on land already owned by Colt Resources.

In March 2013, Colt Resources entered into a binding letter of intent (LOI) to purchase roughly 247 acres (equivalent to 1.0 km2 aka 100 hectares), on which the company plans to construct the necessary surface mining infrastructure for the Tabuaço tungsten project. The parcel of property, known as the Passa Frio farm, would serve as the site for the processing plant (including jaw crushers, mill and concentrator), warehouses, dams and tailings impoundment facility needed to bring the mine into production. The property is situated in a secluded area within three kilometers from the proposed entrance of the mine. Passa Frio is distant from residential areas and is already zoned to permit the construction of the off-site processing infrastructure. The site was surveyed to verify legal title and tested through an initial geotechnical drilling campaign which targeted the sites of the major infrastructure facilities, namely the tailings, water dam and pit locations. At a cost of €100,000, the three-year option grants Colt Resources the right to purchase the Passa Frio farm for €350,000.

Isometric View of Underground Mine Plan for the Tabuaço Tungsten Project (SRK)



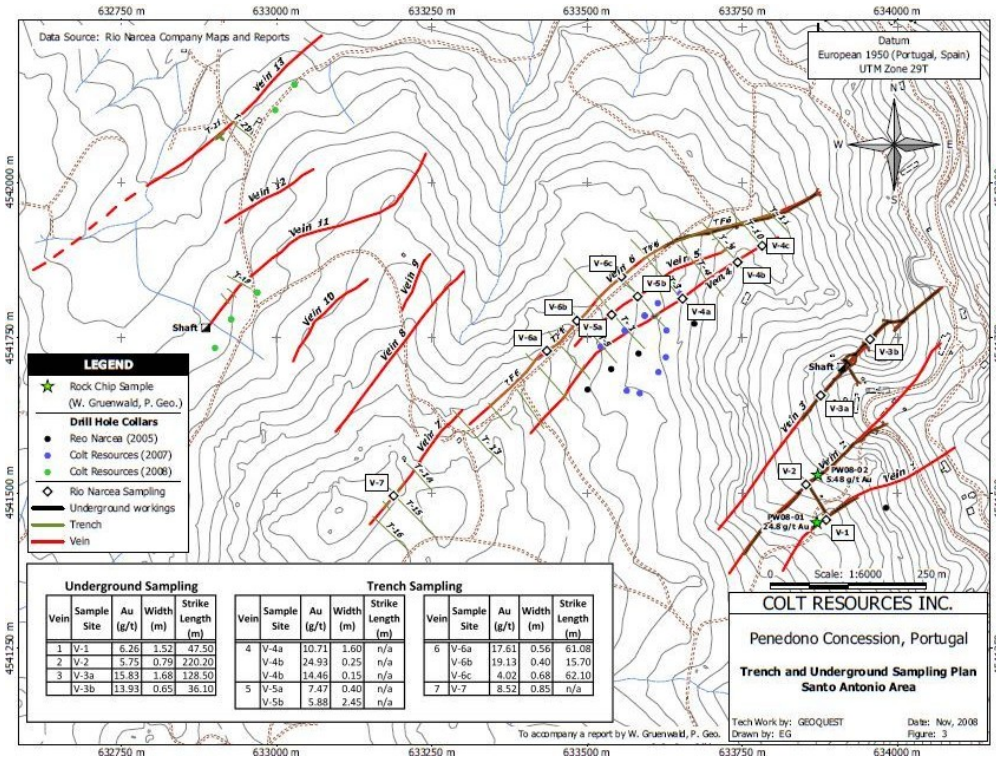
Colt Resources has completed a metallurgical work program comprised of testing the recovery of an acceptable grade of concentrate through gravity and/or flotation recovery techniques. Utilizing mineralized ore from split drill cores from the São Pedro das Águias deposit, the program is now focused on flotation concentration only, since gravity recovery seems to be only somewhat effective. Colt Resources is also examining an option of further processing the flotation concentrates into either ammonium paratungstate or tungsten oxide.

Management continues to seek a partner to bring a mine at Tabuaço to production in 2017. We would expect that the development of Tabuaço would be structured in a manner similar to the Penedono joint venture with the partner providing capital and further developing the project in order to earn a substantial stake in the concession. In this manner, Colt Resources would be able to focus its capital resources on the development of the Boa Fé gold project in southern Portugal. Management plans on beginning construction of the mine at Tabuaço in 2015/2016.

SANTO ANTÓNIO (PORTUGAL) - GOLD

Located in north-central Portugal, the **Santo António gold project** is being developed in a **35.34 square kilometer** EML. The area was mined by the Romans over 2,000 years ago and also contains the now-closed Santo António underground gold mine, which was active during the 1950's. Colt Resources obtained the exclusive right to prospect and explore the property for base and precious metals through an agreement with Rio Narcea in May 2007. Since the 1970's, , the Santo António area has been explored by several mining companies, including the S.P.E.[4]- BRGM[5] consortium, the Sociedade Mineira de Moimento- Greystar Resources Ltd. JV and Rio Narcea Gold Mines S.A.

The Santo António EML contains a number of significant vein systems of high-grade gold mineralization. Located about three kilometers northwest of the town of Penedono, the Santo António area historically has produced approximately 12,000 ounces Au in modern times. **Thirteen individual mineralized quartz veins have been identified.** From the east of the cluster to the west, the Santo António veins have been numbered from Vein 1 to Vein 13. The strike lengths in the table above are approximate, and in some cases (Veins 7 - 13) are based solely on surface indications. Some of the veins are smaller in width and discontinuous in grade (Veins 4 - 13).



Vein	Sample Site	Au (g/t)	Width (m)	Strike Length (m)
1	V-1	6.26	1.52	47.50
2	V-2	5.75	0.79	220.20
3	V-3a	15.83	1.68	128.50
	V-3b	13.93	0.65	36.10

Vein	Sample Site	Au (g/t)	Width (m)	Strike Length (m)
4	V-4a	10.71	1.60	n/a
	V-4b	24.93	0.25	n/a
	V-4b	14.46	0.15	n/a
5	V-5a	7.47	0.40	n/a
	V-5b	5.88	2.45	n/a

Vein	Sample Site	Au (g/t)	Width (m)	Strike Length (m)
6	V-6a	17.61	0.56	61.08
	V-6b	19.13	0.40	15.70
	V-6c	4.02	0.68	62.10
7	V-7	8.52	0.85	n/a

Currently, Colt Resources holds 99% of the project and Contécnica has earned 1%.

[4] S.P.E. or Sociedade Portuguesa de Empreendimentos SA is a Portuguese company now 81.1% owned by Portuguese government.
[5] BRGM or Bureau de Recherche Géologiques et Minières is the French national institute for research related to the management of natural resources.

VALUATION

Managements of mineral production and exploration companies create value through evaluating, acquiring, exploring and/or developing mining properties. In the case of Colt Resources, management's strategy is to increase shareholder value by fast-pacing the development of the **Boa Fé gold project** in southern Portugal and the **Tabuaço tungsten project** in north-central Portugal, along with other properties in Portugal. As an exploration company**,** we believe it would be inappropriate to value Colt Resources on an earnings, cash flow or book value basis, which would not adequately capture the value of the company's resource base. Though book value can often represent the value of a junior exploration company, the company has advanced to a milestone point in the exploration phase that the resources have been estimated to a degree of certainty the we are comfortable in utilizing a resource-based valuation model.

Our calculation of **share value of attributable reserves and resources** is based on the ascertained value of each property plus balance sheet adjustments for working capital, PPE (property, plant and equipment) and marketable securities. The **value of each individual property** is determined by **adjusting the value of current resources for the expected recovery rate, mining/processing costs** and **royalties**, if any**.** The reserves/resources are assigned a **confidence factor** that attempts to take into account the risks of each project, such as the locality of the deposits, the assurance level of the reserves/resources, various technical mining/production risks, etc. The current price of gold and tungsten are utilized. The reserve/resource valuation methodology involves the following assumptions:

1) For the Chaminé, Casas Novas, Ligeiro, Braços, Banhos and Monfurado deposits at Boa Fé and Montemor, an 89% confidence factor is applied to the in-situ gold resources categorized as both Indicated and Inferred based on estimates of Option D in the PEA. The NI 43-101-compliant resource estimate confirmed historical drilling results, which gives us a high level of confidence of the resources.
2) The estimated production life of the mines at Boa Fé and Montemor is seven years as outlined in Option D of the PEA.
3) At the São Pedro das Águias zone at the Tabuaço project, an 85% confidence factor is applied to NI 43-101-compliant measured & indicated resource and 70% confidence factor for the inferred resource.
4) Portugal's net smelter return (NSR) for gold at Boa Fé is 4% and 2% for tungsten at Tabuaço. The net tax rate is estimated to be 27.5%.
5) Concessions that do not have a resource definition (specifically Montemor, Santo António, etc.) have not been assigned a value.

Based on our calculation of share value of attributable resources (see table below), **our target for Colt Resources is $1.55.**

Since our last report, the following **important developments** affected our valuation model:
1) The PEA on the Tabuaço project prompted an increase in the expected recovery rate raising the price target by $0.11.
2) The decline in the price of gold reduced the target by $0.21
3) The decline in the price of tungsten decreased the target by $0.19.
4) The issuance of additional equity reduced the price target by $0.07
5) The decline in working capital decreased the target by $0.05.

The valuation model is quite conservative in that it includes the development costs of two mining operations (gold at Boa Fé and tungsten at Tabuaço). In general, these costs are not usually incorporated into resource-based models. Removing the development costs would produce a $2.64 per share value of attributable resources.

Colt Resources Inc.

PORTUGUESE Projects	Metal	Measured & Indicated Resource (oz)	Grade (g/t)	Inferred Resource (oz)	Recovery Rate	Average Production Cash Costs (per oz)	Current Price	Royalties & Net Smelter Return (NSR)	% Ownership	Net Value to GTP	Net Present Value to GTP
Boa Fé - Gold											
Chaminé	Au	91,700	2.05	730	90%	675	1,243	4.0%	100%	40,315,322	36,926,474
Casas Novas	Au	146,100	1.95	23,700	90%	675	1,243	4.0%	100%	74,061,902	66,867,917
Braços	Au		1.91	23,300	90%	675	1,243	4.0%	100%	10,162,793	9,175,633
Banhos	Au	95,800	1.35	10,900	90%	675	1,243	4.0%	100%	46,539,488	42,018,886
Ligeiro	Au	6,730	1.42		90%	675	1,243	4.0%	100%	2,935,433	2,650,301
Monfurado	Au		1.53	25,600	90%	675	1,243	4.0%	100%	11,165,988	10,081,382
Tabuaço - Tungsten		**(MTU)**	**(% WO_3)**	**(MTU)**		**(per MTU)**					
San Pedro das Águias	WO3	440,000	0.58	360,000	86%	52	380	2.0%	100%	199,961,395	147,692,347
Quinta das Herédias	WO3	N/A									
Quintã	WO3	N/A									
Quintã do Paço	WO3	N/A									
Quintã da Aveleira	WO3	375,000	0.52	360,000	86%	52	380	2.0%	100%	168,717,427	146,091,633
DEVELOPMENT COSTS											
Boa Fé										(123,800,000)	(97,670,419)
Tabuaço										(86,700,000)	(76,388,953)
TAXES											
Taxes										(94,423,931)	(43,365,093)
BALANCE SHEET ADJUSTMENTS											
Working capital										1,195,710	1,195,710
Loans payable										0	0
							Net Assets & Resources			250,131,528	245,275,817
							Shares Outstanding			159,000,000	159,000,000
								Discounted Asset Value			**1.54**

In August 2007, Japanese trading company Sojitz Corp. (2768: TSE) acquired Primary Metals Inc. (PMI: TSX V), the operator of the Panasqueira underground tungsten mine in Portugal. The purchase price was $51.4 million or 8.02 times book value. The mine produced 99,095 metric tonne units (MTUs) of tungsten in its 2007 fiscal year ended March and produced approximately 110,000 MTUs in 2011. Just before its acquisition, Primary Metals received an updated reserve/resource estimate. Proven and probable reserves were estimated to be 590,000 MTUs (2,430,000 tonnes grading at 0.243% WO_3) indicated resources were 748,000 MTUs (2,700,000 tonnes at a grade of 0.277% WO_3), and the inferred resource was estimated at 405,000 MTUs (1,810,000 tonnes grading at 0.224% WO_3). Taking various factors into account, specifically that Primary Metals was operating an active underground tungsten mine with a processing plant and had been granted exploration concessions at Argimela (tin) and Quinta/Banjas (gold) and that in the month prior to the acquisition, tungsten had been trading in a range between $240 and $270 per MTU, **we estimate that the São Pedro das Águias zone deposit alone would be worth approximately $0.35 per Colt share to a strategic buyer today.**

BALANCE SHEET

Colt Resources Inc.							
Consolidated Balance Sheets							
(in $ Canadian)	FY 2008	FY 2009	FY 2010	FY 2011	2011	2012	2Q 2013
For the years ending March 31 or Dec 31	3/31/2008	3/31/2009	3/31/2010	3/31/2011	12/31/2011	12/31/2012	6/30/2013
ASSETS							
Cash and cash equivalents	625,911	19,818	484,445	1,236,079	3,885,777	6,473,498	1,527,241
Marketable securities	-	-	-	-	3,003,868	-	-
Commodity Taxes and other receivables	45,116	43,846	21,429	146,895	401,279	1,519,580	634,396
Taxes receivable	1,967	22,611	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Inventories	-	-	-	-	3,710,550	3,071,227	2,793,937
Prepaid expenses	12,936	7,886	40,098	127,149	316,298	455,184	526,835
Due from related party	4,138	-	-	-	-	-	-
Current Assets	**690,068**	**94,161**	**545,972**	**1,510,123**	**11,317,772**	**11,519,489**	**5,482,409**
Property, plant and equipment	**14,023**	**11,464**	**6,144**	**190,003**	**1,636,569**	**1,535,079**	**1,466,344**
Biological assets	-	-	-	-	**1,466,579**	**1,467,690**	**1,549,182**
Exploration and evaluation assets	**1,267,706**	**1,932,549**	**2,867,390**	**4,765,569**	**15,456,652**	**24,664,728**	**27,345,864**
Goodwill	-	-	-	-	**733,007**	**728,453**	**760,738**
Performance Bonds	**113,707**	**133,600**	**123,300**	**124,038**	**229,587**	**603,428**	**624,994**
Intangible assets	-	-	-	-	**36,285**	**1,246**	**0**
Total Assets	**2,085,504**	**2,171,774**	**3,542,806**	**6,589,733**	**30,876,451**	**40,520,113**	**37,229,531**
LIABILITIES							
Accounts payable & accrued liabilities	103,654	227,577	414,622	797,594	830,247	4,651,272	2,927,147
Due related parties	11,074	130,543	49,670	83,012	63,273	48,325	-
Loans payable	-	-	-	-	1,262,068	1,278,962	1,359,552
Current Liabilities	**114,728**	**358,120**	**464,292**	**880,606**	**2,155,588**	**5,978,559**	**4,286,699**
Deferred taxes	-	-	-	-	733,007	445,405	505,826
Loans payable	-	-	-	-	1,262,068	-	-
Convertible preferred shares	-	-	-	-	2,690,174	2,793,904	2,976,921
Convertible debenture	692,440	287,917	271,038	-	-	-	-
Long-term liabilities	**692,440**	**287,917**	**271,038**	**0**	**4,685,249**	**3,239,309**	**3,482,747**
Share capital stock	1,573,182	3,358,545	5,596,992	12,263,860	35,222,854	48,353,634	52,160,474
Subscription receipts	-	-	-	-	-	2,700,000	-
Warrants	-	-	-	-	-	195,928	54,986
Additional paid-in capital	393,183	434,421	824,596	2,631,351	3,886,136	4,522,206	4,617,975
Equity portion of convertible pfd shares	-	-	-	-	700,628	700,628	700,628
Equity portion of convertible debenture	807,860	214,097	128,458	-	-	-	-
Unrealized gain on financial assets AFS	-	-	-	-	-	-	-
Acc. other comprehensive income (loss)	-	-	-	-	(718,476)	(677,721)	249,187
Retained earnings (deficit)	(1,495,889)	(2,481,326)	(3,742,570)	(9,186,084)	(15,055,528)	(24,492,430)	(28,323,165)
SHAREHOLDERS' EQUITY	**1,278,336**	**1,525,737**	**2,807,476**	**5,709,127**	**24,035,614**	**31,302,245**	**29,460,085**
Total Liabilities and Equity	**2,085,504**	**2,171,774**	**3,542,806**	**6,589,733**	**30,876,451**	**40,520,113**	**37,229,531**
Common shares outstanding	10,028,056	17,799,096	32,109,336	55,198,419	98,452,604	129,571,430	138,576,471

PROJECTED INCOME STATEMENT

Colt Resources Inc.							
Consolidated Statements of Operations and Retained Earnings					(9 months)		
(in $ Canadian)	FY 2008	FY 2009	FY 2010	FY 2011	2011	2012	2013 E
For the years ending March 31	3/31/2008	3/31/2009	3/31/2010	3/31/2011	12/31/2011	12/31/2012	12/31/2013
Revenue:	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses:							
Administrative expenses	666,407	699,258	992,546	3,637,378	4,889,750	7,637,472	6,926,928
Stock-based compensation	495,939	248,423	246,963	1,265,942	1,254,785	80,482	500,000
Amortization expense	2,337	4,250	940	16,210	145,524	277,200	241,836
Other expense (winery income)	0	0	0	0	(159,064)	0	(54,388)
Operating expenses	**1,164,683**	**951,931**	**1,240,449**	**4,919,530**	**6,130,995**	**7,995,154**	**7,614,376**
Loss from operations	**(1,164,683)**	**(951,931)**	**(1,240,449)**	**(4,919,530)**	**(6,130,995)**	**(7,995,154)**	**(7,614,376)**
Interest income	29,678	5,666	622	0	42,243	52,178	45,000
Interest (expense)	-	-	-	-	(79,514)	(272,291)	(200,199)
Write-off of mineral property interest	-	(90,000)	-	-	-	(1,396,134)	0
Loss on disposal of equipment	-	-	(9,652)	-	-	(10,632)	6,608
Derivatives gain (loss)	-	-	-	-	-	-	0
Foreign exchange gain (loss)	9,802	3,013	(8,425)	(74,811)	243,831	50,231	(128,133)
Total other income (expense)	**39,480**	**(81,321)**	**(17,455)**	**(74,811)**	**206,560**	**(1,576,648)**	**(276,724)**
Loss before income taxes	**(1,125,203)**	**(1,033,252)**	**(1,257,904)**	**(4,994,341)**	**(5,924,435)**	**(9,571,802)**	**(7,891,100)**
Current income tax (recovery)	-	-	-	-	-	-	17,955
Deferred income tax (recovery)	(29,450)	(47,815)	3,340	0	(11,814)	(134,900)	(44,525)
Net Gain (Loss)	**(1,095,753)**	**(985,437)**	**(1,261,244)**	**(4,994,341)**	**(5,912,621)**	**(9,436,902)**	**(7,864,530)**
Other comprehensive loss							
Unrealized gain on available for sale marketable securities	-	-	-	-	6,746	(6,746)	0
Foreign exchange gain (loss) on translation of foreign operations	0	0	0	0	(725,040)	47,501	926,908
Total comprehensive loss	**(1,095,753)**	**(985,437)**	**(1,261,244)**	**(4,994,341)**	**(6,630,915)**	**(9,396,147)**	**(6,937,622)**
Net income per common share (diluted) - continuing ops. (diluted) - continuing ops.	**(0.16)**	**(0.07)**	**(0.05)**	**(0.11)**	**(0.07)**	**(0.08)**	**(0.06)**
Weighted average common shares outstanding - diluted	6,833,463	14,866,814	23,717,819	46,205,934	86,749,732	121,383,520	142,446,650

Colt Resources Inc.											
Consolidated Statements of Operations and Retained Earnings											
(in $ Canadian)	(9 months)	2012	2012	2012	2012		2013	2013	2013	2013	
	Year	JFM	AMJ	JAS	OND	Year	JFM	AMJ	JAS	OND	Year
For the years ending March 31	FY 2012	1Q	2Q	3Q	4Q	2012	1Q	2Q	3Q E	4Q E	2013
Revenue:	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses:											
Administrative expenses	4,889,750	1,354,456	1,790,873	1,821,640	2,757,586	**7,637,472**	1,770,562	1,656,366	1,700,000	1,800,000	6,926,928
Stock-based compensation	**1,254,785**	-	-	80,482	-	**80,482**	-	-	500,000	-	500,000
Depreciation & amortization expense	**145,524**	97,065	88,731	98,630	(7,226)	**277,200**	63,030	58,806	60,000	60,000	241,836
Other expense (winery income)	**(159,064)**	(74,143)	149,513	62,765	(138,135)	**0**	(67,792)	93,404	45,000	(125,000)	(54,388)
Operating expenses	**6,130,995**	**1,377,378**	**2,029,117**	**2,063,517**	**2,612,225**	**7,995,154**	**1,765,800**	**1,808,576**	**2,305,000**	**1,735,000**	**7,614,376**
Loss from operations	**(6,130,995)**	**(1,377,378)**	**(2,029,117)**	**(2,063,517)**	**(2,612,225)**	**(7,995,154)**	**(1,765,800)**	**(1,808,576)**	**(2,305,000)**	**(1,735,000)**	**(7,614,376)**
Interest income	**42,243**	8,860	3,839	30,080	9,399	**52,178**	16,554	1,241	2,500	3,000	45,000
Interest (expense)	**(79,514)**	(54,300)	(54,009)	(91,789)	(72,193)	**(272,291)**	(59,323)	(42,876)	(53,000)	(45,000)	(200,199)
Write-off of mineral property interest	**0**	0	0	(671,615)	(724,519)	**(1,396,134)**	0	0	0	0	0
Gain (loss) on disposal of equipment	**0**	0	0	0	(10,632)	**(10,632)**	6,594	14	0	0	6,608
Derivatives gain (loss)	-	-	(29,500)	-	-	-	-	-	-	-	0
Foreign exchange gain (loss)	**243,831**	27,115	(76,692)	(154,648)	254,456	**50,231**	13,718	(141,851)	0	0	(128,133)
Total other income (expense)	**206,560**	**(18,325)**	**(156,362)**	**(887,972)**	**(543,489)**	**(1,576,648)**	**(22,457)**	**(183,472)**	**(50,500)**	**(42,000)**	**(276,724)**
Loss before income taxes	**(5,924,435)**	**(1,395,703)**	**(2,185,479)**	**(2,951,489)**	**(3,155,714)**	**(9,571,802)**	**(1,788,257)**	**(1,992,048)**	**(2,355,500)**	**(1,777,000)**	**(7,891,100)**
Current income tax (recovery)	-	-	-	-	-	-	-	9,955	8,000	0	17,955
Deferred income tax (recovery)	**(11,814)**	0	15,372	(236)	(150,036)	**(134,900)**	34,074	6,401	5,000	(90,000)	(44,525)
Net Gain (Loss)	**(5,912,621)**	**(1,395,703)**	**(2,200,850)**	**(2,951,253)**	**(3,005,678)**	**(9,436,902)**	**(1,822,331)**	**(2,008,404)**	**(2,368,500)**	**(1,687,000)**	**(7,864,530)**
Other comprehensive loss											
Unrealized gain (loss) on available for sale mkt	6,746	4,501	8,148	0	(19,395)	**(6,746)**	0	0	0	0	0
Forex gain (loss) on translation of fgn ops.	(725,040)	62,817	(129,020)	(160,347)	274,051	**47,501**	(121,065)	1,047,973	0	0	926,908
Total comprehensive loss	**(6,630,915)**	**(1,328,385)**	**(2,321,722)**	**(3,111,600)**	**(2,751,022)**	**(9,396,147)**	**(1,943,396)**	**(960,431)**	**(2,368,500)**	**(1,687,000)**	**(6,937,622)**
Net income per common share (diluted) - continuing ops.	**(0.07)**	**(0.01)**	**(0.02)**	**(0.02)**	**(0.02)**	**(0.08)**	**(0.01)**	**(0.01)**	**(0.02)**	**(0.01)**	**(0.06)**
Wgtd avg. com. shares out.- diluted	86,749,732	104,075,137	113,059,900	136,499,000	136,499,000	121,383,520	136,950,043	138,576,471	144,005,043	150,255,043	142,446,650

HISTORICAL ZACKS RECOMMENDATIONS



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