

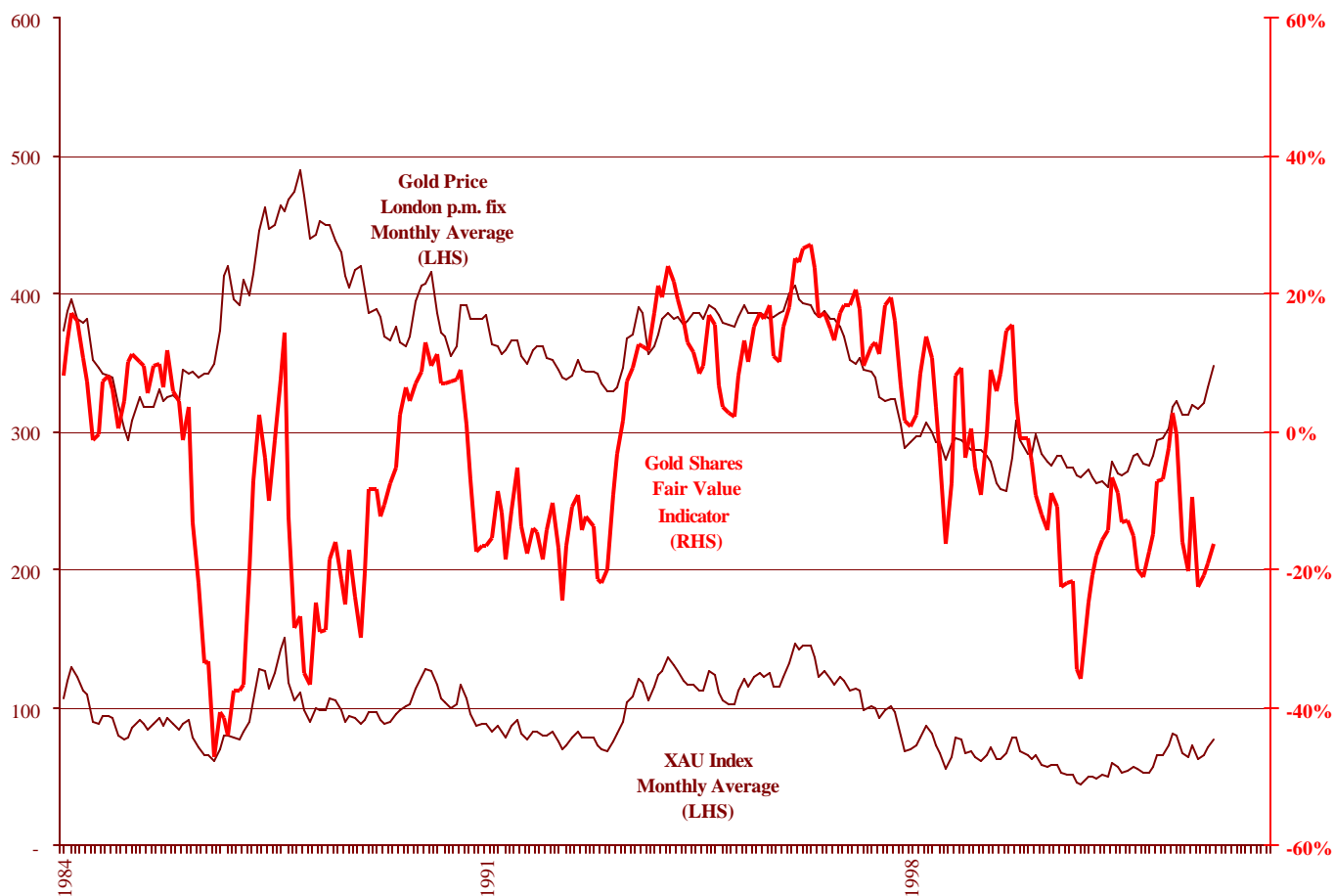
PROTEUS CAPITAL GOLD STOCK FAIR VALUE INDICATOR

In view of the renewed interest in gold and gold stocks, Proteus Capital has updated its Gold Stock Fair Value (FV) Indicator. The Indicator is based on a proprietary formula reflecting the relationship between gold stocks and the bullion price.

The Chart shows the monthly average gold price and value of the XAU gold and silver stock index. The red line is Proteus Capital's plotted on the right hand scale. The FVI is based on the relationship between gold stocks and the bullion price.

It should be noted that during the late 1980s and into the early 1990s, gold shares were undervalued relative to bullion but didn't rally – instead, the under valuation was eroded by the decline in the price of the metal. At other times, especially when the gold price has been either stable or rising, if the FV Indicator is below 0% it indicates a rise in gold stocks.

Based on closing prices on January 15, 2003, the FV Indicator points to a 20% rise in the gold stocks if they were to return to fair value against gold at \$350 per ounce.



Contact: Douglas Newby

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