

Columbus Gold Corp

Posted on November 2, 2007

Ticker: CGT-V

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| Recent Price: | 1.15 cents |
| Shares Outstanding: | 21,410,347 |
| Fully Diluted: | 28,652,743 |
| Working Capital: | \$2.3 million |
| Fully diluted: | \$10.7 million |
| Ownership: | |
| Management: | Approx 26% |

Columbus Gold Corporation comes on the radar for two reasons and really, only two: The Cordex Group and Nevada. Yes, good management, share structure and all those other very important factors count as well, but in this case, something bigger has caught my eye.

History on the Cordex Team: If history is an indicator of the future, then Columbus Gold is on the right track to success. The Cordex Team has found 11 deposits (of which 10 were gold and 9 of those went into production) in Nevada in 35 years. That is about 1 economic deposit every 3.5 years. There is NO other group that can claim that. Next, they have the 3rd largest database in Nevada next to Newmont and Barrick Gold (has your jaw hit the floor yet). John Livermore, one of the two Cordex founding partners (along with Andy Wallace), is credited with finding the Carlin Mine (about 4 Million ounces) and this was before the Cordex Team was formed. Half of Cordex's discoveries were made under Mr. Wallace's management and Mr. Chapman, a key member to the Cordex team is credited with finding Newmont's Northumberland mine. Cordex's relationship with Columbus Gold is also exclusive. This is another appealing fact.

Why Nevada: The US is the worlds 4th largest gold producer, of which 83% comes from Nevada. As it is said, if you want to find a mine go look right beside one. In 2004, Nevada produced 7 million ounces of gold which accounted for about 9% of the world output. The Carlin trend has more than 100 million ounces of gold reserves and resources, and has already produced 50 million. It is also one of the most appealing jurisdictions in the world for mining. Before this pivotal discovery at the Carlin Mine, Nevada was known as a silver state.

Now that we have outlined the two main pillars of the company, we can talk about the method to their madness. Columbus Gold follows the joint venture model. This allows more projects to get advanced without spending huge amounts of money. They keep the projects they really like and want full interest in, and the rest of the projects get advanced with the interest of other companies in mind as well. They control 100% interest in all 28 of their projects of which the Bolo property will not get joint ventured out.

I will focus on the Bolo project in this particular piece. The Bolo has 2 main targets, target 1 is the main fault zone and target 2 is the east fault zone. There is historical drilling done on target 1 which has had some near or at surface intercepts ranging from 20 to 60 feet and gold values of 0.72 g/t to 2.06 g/t. This is with the deepest hole being 90 feet (30 meters). These results are historical and not 43-101 compliant. Columbus mapping and sampling extends the structure to 2700 meters, of which only 100 meters of it has been drilled. Columbus also surfaced sampled the 2700 meters with 270 surface samples and the highest value being 4.1g/t. Target 2 also has historic drilling that was done very shallow (could have used a hand auger). The mapping and sampling on this target extends the zone for 2100 meters. Columbus has done 170 surface samples of this area with a maximum value of 5.14 g/t.

The tentative plans for the Bolo project are about 13000 meters of drilling. There are 28 pads permitted which would allow them to do around 60 holes.

There is something to be said about the story of Columbus Gold Corp. Some people may criticize the management for not having more “exploration experts” on the management and board. I believe that the current structure is ideal due to the fact that they have exclusivity to the exploration experts. In this situation, it is much more prudent to fill management with the financial and institutional experts. Lastly, Mr. Prochnau, one of the directors, has found two economic mines in Nevada and is the qualified person under the 43-101.

There are just over 5 million warrants coming due in November so the share price I would expect to stay flat for the time being. But once the warrant expiry date comes we should see some more movement in the share price. The warrants are priced at \$1.25C

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