



**Welcome to The The Savvy Investor,**

Each month The Savvy Investor analysts study, research, and examine hundreds of stocks, in an effort to pinpoint the one with the most promise.

This month's pick:	<b>General Metals Corp.</b>
Quick Chart:	<a href="#">GNLM.OB</a>
Recent Price:	\$.04  +14.28% (1 month)
Industry:	Gold Ore Mining



**Corporate Snapshot**

General Metals Corporation engages in the acquisition, mining and exploration of gold silver and other precious metal properties. The company consists of its acquisition, General Gold Corp. and its primary asset, The Independence Mine. The company controls 100% of this gold and silver mine, which sits as an island in Newmont Mining Corporation's Phoenix Mine in Battle Mountain, Nevada. The independence property consists of 14 whole and fractional unpatented lode mining claims, which cover approx. 240 acres. General Metals in headquartered in Reno, Nevada.



**TOP Breaking News**

Market News: Rates and Oil to Write Script for Stocks  
 Table: Lo 61 Partly Cloudy Honolulu: Sat Hi 90 Lo 78 Showers Sun



The price of gold is up more than 5% in the last month, and gold mining stocks are up even higher. MSN Money's Jim Jubak says investors worried about rising risk in the debt market have caused the price to climb. [Video..»](#)



"We remain positive on gold, based on a combination of gold market fundamentals -- primarily due to a much improved buying from the physical market and the material chance of lower net central bank sales -- and expectations of a weaker USD (dollar)," ... [More..»](#)



A deluge of paper money will float the price of gold this year and spike it even higher down the road, Goldcorp chairman Ian Telfer says... [More..»](#)



**Financial Analysis**

Source Capital Group 12 month target price \$.70 - [View](#)

Shallow Targets : 235,000 oz. of gold, 2.5 million oz. of silver (\$152 Million of gold, \$27.5 Million of silver) Deep Target: 1.4 - 2 million ounces of gold (\$1.4 Billion) [View Report](#)

Newmont Gold ([NYSE: NEM](#)) is currently spending in excess of \$3 billion dollars to develop the adjacent Phoenix Mine into the largest operating gold mine in the US.



**Analyst Conclusion**

This property has been the site of mining activities since the late 1920's. Past mining operations have extracted 65,000 tons of high grade gold and silver ores from the property. Today's technology makes possible the recovery of reserves previously unreachable and today's prices make possible the recovery of reserves previously uneconomical. For example: there are over 60,000 tons of old mill tailings that still contain gold in amounts that were previously unrecoverable. By today's standards it can be reprocessed and yield 60,000 ounces of gold. As gold continues its march upward, the profit potential and investor interest in companies like GNLM will increase exponentially. Take the the Alberta oil sands project, 5 years ago with oil at \$20 it was uninteresting, but now at \$60-\$80 it is a mega-billion dollar business. General Metals is in the same special situation.

Editing Chairman