

Daily Report – October 26, 2006

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- Metal prices – Base Metals and Precious Metals are Up. Zinc all time high.
- NovaGold Resources (NG) - Final Feasibility Study Completed at NovaGold's Galore Creek Project
- Metal Prices to Continue Upward
- Top Picks: Zinc - BWR, CGK, BN Copper/Zinc – EZM,HBM Copper – CCU Nickel – MUM, NWI,LBE PGMs – MAR

Metal	Prices - Daily Change			Inventory (Tonnes)			Change Since Dec 31/05	
	25-Oct-06	24-Oct-06	Change	25-Oct-06	24-Oct-06	Change	Price	Inventory
Aluminum /lb	\$1.232	\$1.217	\$0.015	685,550	687,950	(2,400)	\$0.20	40,700
Copper /lb	\$3.393	\$3.382	\$0.011	124,275	120,825	3,450	\$1.31	34,700
Lead /lb	\$0.721	\$0.694	\$0.027	45,325	46,125	(800)	\$0.22	1,700
Nickel /lb	\$15.084	\$15.427	(\$0.342)	5,748	5,238	510	\$9.02	(29,994)
Zinc /lb	\$1.814	\$1.777	\$0.038	115,650	117,375	(1,725)	\$0.95	(278,475)
Gold /oz	\$581.600	\$575.600	\$6.000				\$68.60	
Silver /oz	\$11.750	\$11.570	\$0.180				\$2.92	
Platinum /oz	\$1,063.000	\$1,053.000	\$10.000				\$99.00	
Palladium /oz	\$317.000	\$318.000	(\$1.000)				\$64.00	

- In overnight trading metal prices (Kitco) were trading up compared to Wednesday's morning LME rings. The three month price on a per pound basis - copper was \$3.42, zinc was \$1.88, nickel was \$15.09 and aluminum was \$1.27. Gold was trading at \$588 per ounce, silver was trading at \$12.00 per ounce and platinum was trading \$1080 per ounce.
- Yesterday zinc traded at an all time high of \$1.89 per pound, LME zinc likely to set new highs in short term, driven by fund-buying on attractive fundamentals. The fundamentals are still tight and funds will continue to buy zinc, so the price is still bullish. This morning another decrease in zinc stocks of 1,750 tonnes and nickel stocks increased 1,086 tonnes.
- Precious metals posted modest gains on Wednesday, once again recovering from early weakness as crude oil prices rallied sharply higher late in the day.
- Yesterday the US Federal Reserve decided that interest rates were kept constant for the third successive time at 5.25% with the economy believed to be showing modest growth and inflation still being under control.

Shares

Advances			Shares			Declines			Shares			Volume			Shares			
Sym.	\$/Share	Delta	000	Since Dec3105	Sym.	\$/Share	Delta	000	Since Dec3105	Sym.	000	Delta	\$/Share	Delta	000	Delta	\$/Share	Delta
BAJ	\$1.13	\$0.12	12%	93	140%	FT	\$2.65	(\$0.21)	-7%	29	-10%	SXR	4709	4%	\$11.60	\$0.10		
IVN	\$11.05	\$0.90	9%	6,010	32%	PJO	\$6.90	(\$0.37)	-5%	121	27%	PDN	20473	4%	\$5.06	\$0.21		
WLF	\$1.67	\$0.12	8%	121	-55%	AXU	\$11.91	(\$0.57)	-5%	100	454%	FCC	1916	4%	\$5.23	\$0.06		
GLG	\$46.45	\$3.32	8%	3,821	45%	GBU	\$5.02	(\$0.23)	-4%	2,458	77%	BLE	1624	3%	\$6.45	\$0.15		
BWR	\$1.40	\$0.10	8%	8,534	106%	U	\$11.07	(\$0.42)	-4%	1,216	69%	LIM	5561	3%	\$9.15	\$0.38		

- Mining shares traded flat on Wednesday. All sectors except diamonds were up.

Company

Company	Symb	Mkt Price	Volume	52wk L	52wk H	Cap Mills
NovaGold Resources Inc.	NG	\$ 17.80	191,148	\$ 9.01	\$ 20.19	\$ 1,628

NovaGold Resources (NG) - Final Feasibility Study Completed at NovaGold's Galore Creek Project

- NovaGold announced results from the Galore Creek Feasibility study.
 - Proven and Probable Reserves estimated at 540.7 tonnes containing 6.6 billion pounds of copper, 5.3 million ounces of gold and 92.6 million ounces of silver
 - Average annual production of 432 million pounds of copper, 341,000 ounces of gold and 4 million ounces of silver Total cash costs of US\$0.38/lb of copper, net of precious metals credits or, in terms of gold, negative US\$889/oz of gold, net of copper and silver credits Average annual after-tax net cash flows of US\$414 million
 - Average life of mine production estimated at 23.7 million tonnes-per-year for 22 years, with estimated average annual production of 262 million pounds of copper, 165,000 ounces of gold and 2.7 million ounces of silver at total cash costs of US\$0.62/lb of copper, net of precious metals credits or, in terms of gold, negative US\$874/oz of gold net of copper and silver credits
 - Base case after-tax net present value at discount rates of 0% and 5% estimated at US\$1,736 million and US\$599 million, respectively, with a payback of capital costs in 4 years. Base case prices of US\$1.50/lb of copper, US\$525/oz of gold and US\$8/oz of silver and a .81 US to Canadian exchange rate.
 - Total capital costs for the base case are estimated at US\$1.8 billion (C\$2.23 billion). Galore Creek project capital estimates include Phase 1 infrastructure associated with providing road and power access to the Galore Creek Valley and Phase 2 construction of the mine facilities. The Phase 1 access infrastructure elements include a mine access road, a power transmission line and an access tunnel, and represent approximately 20% of the overall capital costs for the