



December 2012

CHF INVESTOR RELATIONS

CHF Spotlight eNewsletter

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Happy Holidays Everyone!



DEAR READER,



Cathy Hume
 CHF Chief Executive Officer

Thankfully 2012 is coming to an end. Market valuations have continued to decline so the bottom is very near. Included on page 4 is a summary of our market outlook for 2013.

This is our 75th issue of CHF Spotlight, and it has changed its package a lot over that time but not its substance. We've widened our distribution and added the blog sampling from Mark. I suspect our CHF Spotlight will continue to evolve while, at the core, still providing a platform to learn about a handful of our clients each month in a reader-friendly format.

Atlanta Gold Inc. (TSXV: ATG, OTCQX: ATLDF) is proving that Management can tackle almost any problem that comes in the way of the Atlanta Gold mine in Idaho with new technologies and unwavering determination.

Arian Silver Corporation (TSXV: AGO, AIM: AGO) is laying a solid foundation for the Company's future at the San José mine with the exclusive use of a new Mexican processing plant.

Cancana Resources Corp. (TSXV: CNY) is one of four publicly traded manganese focused companies on the TSX Venture. What makes them the most valuable is the Company's impressive large land position that hosts high-grade mineralization of 48-52% Mn.

From all of us at CHF, to all of you, have a safe, healthy, happy holiday season!!

Regards,

Cathy Hume, CEO
 E: cathy@chfir.com

December 10, 2012

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Twitter @CHF_IR has boosted search presence for CHF's clients where we have reached 465+ legitimate followers. We aim to bring our community closer together and attract new followers to CHF and the quality





emerging-to-mid-cap companies we are proud to represent.

One year ago, CHF soft-launched on Facebook, adding to CHF's social media channels. "Like" CHF.Investor.Relations on

Facebook to learn of, along with client news, articles regarding commodities, global finance, investing and economic behaviour, as well as relevant market and sector commentary.

December 2012

VOLUME 75

| Inside this Issue | Page |
|-------------------------------------------------------------------------------------------------------------------------------------------|------|
|  ATLANTA GOLD INC. Atlanta Gold Inc. | 2 |
|  ARIAN SILVER Arian Silver Corporation | 2 |
|  Cancana Resources Corp. | 3 |
| Mark Lackey: Wrapping Up 2012, Here Comes 2013 | 3 |
| Mark's Market Intel & | 4 |
|  CHF INVESTOR RELATIONS CHF Investor Relations | 4 |



GOLD STILL SHINES AT WEATHER BEATEN SITE

Combatting the troublesome hurdles to revive an old gold mine can resemble enduring annual hurricane season. For **Atlanta Gold Inc. (TSXV: ATG; OTCQX: ATLDF)**, it has more appropriately withstood devastation akin to a category 4. Long time shareholders will attest to the suffering of ATG's stock price. Let's survey what is firmly left standing for Atlanta Gold, at the Atlanta mine site in Elmore County, Idaho, because eventually with all storms, the sun comes out and an objective assessment is necessary.

Atlanta Gold Corporation, the 100% subsidiary of Atlanta Gold Inc., delineated a NI 43-101 compliant gold and silver resource as at January 31, 2012, amounting to more than one million equivalent gold ounces (785.0Moz Indicated and 397.3Moz Inferred, by P&E Mining Consultants Inc.) which is a significant threshold for a developing gold mine project. By proving up this resource, Management determined that 'back of the envelope calculations' foretell a positive production scenario. This has not changed.

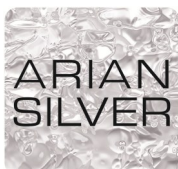
The Company set about an industrious 2012 work program to address the water treatment in a way that will also support a mine plan in the future. For years uncertainty surrounding the outcome of a water quality dispute in the Federal Court has crippled the Company's profile. Whilst Atlanta Gold was exonerated by the US authorities for causing the naturally occurring arsenic being discharged into Montezuma Creek, the Court ordered compliance with the permitted discharge limit for arsenic of 10 micrograms (10 µg) or parts per billion (ppb) per litre, equivalent to 99.9% arsenic-free). To tackle this issue, Atlanta Gold's Management devised a Supplemental Plan of Operations (SPOO) and Remedial Action Plan which was submitted to the US Forest Service and subsequently approved in the summer of this year. In October 2012, Atlanta Gold carried out upgrades to its Pilot Water Treatment Facility to meet the National Pollutant Discharge Elimination System (NPDES) Permit for the Atlanta site. A Passive Filtration System was added to Atlanta Gold's

Pilot Water Treatment Facility (PWTF) using low cost, energy efficient, proprietary technology that was installed and is subject to full testing. On November 28, 2012, Atlanta Gold announced the PWTF is now meeting the existing permit discharge requirements for arsenic and iron marking a significant breakthrough in water treatment not only for the Atlanta mine project but also for its applications to similar situations elsewhere.

Historic environmental issues are often daunting but Atlanta Gold has adapted to solve the problem. The water treatment case involves a US\$2 million fine, payment of which has been extended to April 30, 2013. While obviously not optimal, the defined and capped penalty, after it had been speculated to come in even higher, can easily be factored into the multi-million dollar Atlanta mine project.

Many thought there were too many problems to surmount at Atlanta but what those people did not understand is that every mine project involves problem-solving, and considering everything they have already accomplished the Atlanta Gold team should no longer be discounted.

For further information please contact CHF's Juliet Heading, T 416-868-1079 x239, juliet@chfir.com or visit www.atgoldinc.com.



CASH FLOW ASSURED BY NEW MILLING CONTRACT

Cash flow will resume for **Arian Silver Corporation (TSXV, AIM: AGQ)** following the signing of a definitive contract for exclusive use of a new Mexican 500tpd processing plant, as announced on November 27, 2012. This highly anticipated development was met favourably by investors.

The initial milling contract is for 90,000 tonnes of Run of Mine (ROM) ore from Arian's San José mine site, first sourced from surface stockpiles, and subsequently through continuing mining operations. Significantly improved recoveries of silver, as well as revenue from lead and zinc concentrates, which were not collected in previous trial mining, are anticipated.

The new processing plant arrangement will serve as a stepping-stone to the acquisition of a Company-owned customised facility in Zacatecas state.

The recent accomplishments at Arian in conjunction with stable economic fundamentals for silver bode well for the Company.

Furthermore, investment demand for silver remains strong as evidenced by sales of silver ETFs and purchases of coins and bullion. Worthy of note is the investment by the Sprott Physical Silver Trust which recently bought 7.5 million ounces of silver bullion. Higher industrial demand for silver is expected for solar panels, electronics, mobile telecom devices, medical applications, nanotechnology, water purification, and the list goes on.

In respect to silver supply, above-ground inventories have shrunk dramatically over the last 50 years leading to a current chronic supply-demand imbalance. Silver consumption by industrialization in China,

India and Brazil will all exert pressure on demand over the next five years or longer.

Taken together it becomes clear to see why a prediction that is gaining in popularity is that silver will outperform gold and other precious metals next year.

There can hardly be a better time to be a growing silver producer than nowadays. Still a young project by any standard, Arian Silver Corporation is progressively laying blocks (exploration, on-site laboratory, contract mining, toll milling, independent development plan) at the San José mine project to construct a solid foundation for the Company's future.

For further information please contact CHF's Juliet Heading, T 416-868-1079 x239, juliet@chfir.com or visit www.ariansilver.com.



HIGH-GRADE MANGANESE ON ITS WAY TO PRODUCTION

Cancana Resources Corp. (TSXV: CNY) is the pre-eminent Manganese focused company listed on the TSX Venture Exchange. With only four manganese companies listed on the TSXV, Cancana distinguishes itself by having a claim package of approximately 40,000 hectares, super high-grade mineralization between 48-52% and the ability to move into trial mining production in the short-term.

Manganese is a widely used metal with important industrial uses. It is essential in the manufacturing of steel, (1 tonne of steel requires approximately 10 kg of manganese). Manganese is also an essential ingredient in fertilizer and rechargeable batteries. Not only is manganese the 4th most used metal in the world but it is also the 4th most traded metal in the world. Manganese is essential for global industries and many believe the demand for the metal will only grow as countries continue to expand infrastructure.

Current estimates of world manganese reserves including low grade ore, reach several billion tons. But if only high grade ores (defined as having more than 44% Mn content) are considered then reserves are in

the range of 680 million tons of ore, essentially situated in the southern hemisphere, with Australia, Brazil, Gabon and South Africa supplying over 90% of the international market. Cancana is fortunate to have a very large underexplored land package with extremely high-grade manganese (48-52%). The project is located in the mining friendly state of Rondonia which is in the northwest part of Brazil.

The Company recently commissioned an initial NI 43-101 report in order to establish and validate an initial trial mining area. The research and exploration was only conducted on a very small parcel of land (2.97 ha). This resulted in an initial Inferred resource of 8,775 tonnes of manganese with an average grade of 54%. With such success on such a small parcel of land the Company is now completing phase two of the report by expanding out from this initial area.

Cancana is projecting that it will begin by

extracting 18,000 to 20,000 tonnes of direct shipping ore (DSO). At present market prices this will generate revenue in excess of \$5 million. Capital requirements for transitioning into production are well under \$2 million.

Brazil is a net importer of manganese therefore it is anticipated that the initial sales from Cancana will be consumed within Brazil. Cancana will initially focus on supplying the steel industry and will transition to the alternate markets as it gains maturity.

Cancana continues to seek an expansion to its mineral claim package within Brazil as well as considering other producing and near term producing projects in Brazil and worldwide.

As the Company commences initial stage production in 2013, it will be evident that Cancana will be able to establish itself as a company that can provide access to a lesser-known commodity that is pervasive and critical to everyday life.

For further information please contact CHF's Morgan Tyghe, T 416-868-1079 x290, morgan@chfir.com or visit www.cancanacorp.com.



MARK LACKEY: WRAPPING UP 2012, HERE COMES 2013

On Friday, December 7th 2012 the S&P TSX composite index was trading at 12,163.87 and the TSX

Venture at 1,183.00. If we go back to the middle of April 2011 the S&P TSX index stood at 13,944.79 and the TSX Venture was at a level of 2,295.00. At that point the equity markets began to decline as it became apparent that the European debt crisis, which had become an issue at the end of 2009, had yet to be resolved. In fact debt problems, especially in Greece and to a lesser extent in Portugal and Spain, were considerably worse than anticipated. At present the bailout packages promised to Greece now total US\$300 billion and are coming largely from German taxpayers. The Euro-Zone economies have collectively slipped into a modest recession as a result of the Euro debt crisis.

In the past few months Canadian equity markets have declined due to the impact on the American economy of the so called fiscal cliff that, if not resolved, could result in a minor US recession in 2013. The fiscal cliff, a term applied to impending tax increases and government spending cuts, would begin January 1st 2013 if an agreement is not

reached between the Republicans and the Democrats to extend the concessions set to expire. The tax increase would total US\$500 billion and the spending cuts would be approximately US\$110 billion. According to a survey of economists, the US economy would contract by 0.5% instead of growing by 2.5% if an agreement is not reached in time.

We are projecting a modest increase for both the S&P TSX composite and the TSX Venture in 2013. By the end of 2013 we are expecting the S&P TSX composite to trade at 13,300.00 or a gain of about 10% and the TSX Venture to trade at 1,360.00 or an increase of 15%. In this forecast we are projecting world economic growth of 3.5% in 2013, led by China, Brazil, India and Indonesia which are all in the top 15 economies in the world (as determined by total real GDP). China will be spending US\$170 billion in new infrastructure programs that will commence once new administration is in place in March 2013. The other three countries are increasing their infrastructure spending next year as well.

The rising infrastructure spending will help increase the demand for a number of commodities and as a result we see higher prices for copper, zinc, uranium, iron ore, nickel,

palladium, silver, gold, and met coal. The higher commodity prices is one of the major reasons we expect both Toronto equity markets to move higher.

In our outlook we are anticipating a resolution of the fiscal cliff in the USA, but in the first quarter of 2013, not by December 31st 2012. In addition, we are expecting that the Spanish banking system will receive around US\$50 billion in bailout funds from other European countries in 2013. We believe that this will help prevent the need to provide additional funds to bailout Spanish sovereign debt next year.

There are some significant risks to our forecast. For example, if the fiscal cliff issue is not solved in the next two months it will start to have a negative impact upon the USA and world economies and ultimately upon the equity markets as well. The other major risk is that the European debt problem gets worse. We will be watching the bond auctions in Europe especially the long-term bond sales in Italy, Spain and Portugal as a significant rate increase in the long bonds in those three countries could cause the European economy to record a much deeper recession than we are forecasting.

For further information please contact CHF's Mark Lackey, Executive Vice President, T 416-868-1079 x223, mark@chfir.com or visit www.chfir.com/blog.

CHF is a public company's outsourced, low-cost equivalent to an internal investor relations department. CHF serves an international portfolio of CNSX, TSX and Venture-listed companies and others seeking to list on North American Exchanges.

The depth of capital market experience at CHF is formidable dating back to the late 1970's. When all the years are combined the firm boasts more than one century of experience in the brokerage/trading/financial/resources/investment sectors on top of seven decades more in IR (and counting), which is unrivalled by any other IR firm in Canada.



Mark Lackey
Executive Vice President

MARK'S MARKET INTEL



CHF's Mark Lackey has some things to say about silver, spot trading up above US\$33.10/oz on December 10th, higher than Mark's original blog post on November 12, 2012

Silver prices have been on an upward movement since July 2012 when it was trading at US\$27.50/oz. Silver has been the best performing commodity since 2002 as the price has risen by 580% since 2002 while gold, in second place, is up by 430%. We believe that silver's strong performance is a result of rising demand from industrial uses and increased investment demand.

In 2013 we expect the price of silver to rise above US\$40.00/oz as silver demand continues to rise. New users of silver continue to take advantage of the metals unique characteristics related to its superior electrical conductivity which is giving it a growing industrial and electronic utility. In addition, silver's use is growing in the medical field. The investment demand for silver will also rise in 2013 as the US Federal Reserve will continue its policy of monetary easing which will hurt the value of the US dollar.

A (November) report from the Beijing Antaike Information Development Co. says Chinese demand for silver will increase by 10% next year following a 6% increase this year.

Companies we like in the sector include Argentium Resources Inc, Excellon Resources Inc., Great Panther Silver, and Scorpio Mining Corporation.

Our major silver client is Arian Silver Corporation (TSXV, AIM: AGO). Other clients with silver include: Alpha Gold Corporation (TSXV: ALO), Atlanta Gold Inc. (TSXV: ATG), Mistango River Resources (CNSX: MIS), Monument Mining Limited (TSXV: MMY), Murgor Resources Inc. (TSXV: MGR), Virgin Metals Inc. (TSXV: VGM) and Veris Gold Corp. (TSX: VG).



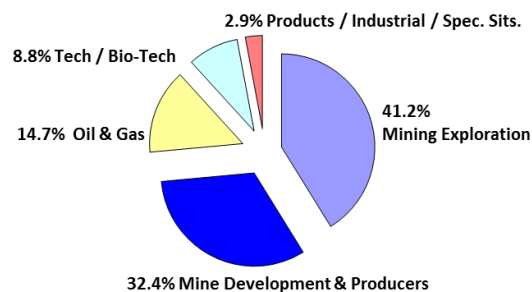
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In the interests of full disclosure, CHF calculates and records the aggregate gain/loss for a basket investment in our client companies.

If you had invested \$1,000 in each of CHF's clients on January 1st 2012, you'd be down 9.4% in eleven months to November 30th.

Keep in mind these companies are suited to the risk-tolerant investor with a longer term time horizon.

CLIENTS—DECEMBER 2012



OIL & GAS

| | |
|-----------------------------------|---------------------|
| Emerald Bay Energy Inc. | TSXV: EBY |
| Greenfields Petroleum Corporation | TSXV: GNF |
| Heritage Oil plc | TSX: HOC; LSE: HOIL |
| Primeline Energy Holdings Inc. | TSXV: PEH |
| RockBridge Resources Inc. | TSXV: RBE |

TECH / BIO-TECH

| | |
|-------------------------------------|-----------|
| Peak Positioning Technologies, Inc. | TSXV: PKK |
| VentriPoint Diagnostics Inc. | TSXV: VPT |
| Zecotek Photonics Inc. | TSXV: ZMS |

PRODUCTS/ INDUSTRIAL/ SPECIAL SITS.

| | |
|----------------|----------|
| Bri-Chem Corp. | TSX: BRY |
|----------------|----------|

MINING - Exploration

| | |
|-------------------------------|-------------------------|
| Alpha Gold Corp. | TSXV: ALO |
| Antioquia Gold Inc. | TSXV: AGD; OTCQX: AGDXF |
| Forum Uranium Corp. | TSXV: FDC |
| Golden Dory Resources Corp. | TSXV: GDR |
| Mindoro Resources Ltd. | TSXV: MIO; ASX: MDO |
| Mistango River Resources Inc. | CNSX: MIS; OTCBB: GLRAF |
| Murgor Resources Inc. | TSXV: MGR |
| Nuinsco Resources Limited | TSX: NWI |
| Portage Minerals Inc. | CNSX: RKK |
| Pure Nickel Inc. | TSX: NIC |
| Strathmore Uranium Corp. | TSX: STM |
| Telferscot Resources Inc. | CNSX: TFS |
| Virgin Metals Inc. | TSXV: VGM |
| Wildcat Exploration Ltd. | TSXV: WEL |

MINING - Developers & Producers

| | |
|----------------------------------|-----------------------------------|
| Arian Silver Corporation | TSXV, AIM AGO; FSE: I3A |
| Atlanta Gold Inc. | TSXV: ATG; OTCQX: ATLDF |
| Caledonia Mining Corporation | TSX: CAL; AIM: CMLC; OTCQX: CALVF |
| Cancana Resources Corp. | TSXV: CNY, |
| Century Iron Mines Corporation | TSX: FER |
| First Nickel Inc. | TSX: FNI |
| Glass Earth Gold Limited | TSXV, NZAX: GEL |
| Monument Mining Limited | TSXV: MMY; FSE: D7O1 |
| St. Augustine Gold & Copper Ltd. | TSX: SAU |
| Veris Gold Corp. | TSX: VG; FSE: NG6 |
| Victory Nickel Inc. | TSX: NI |

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