

Gold Exploration in Canada's Abitibi Greenstone Belt

Snapshot

April 23, 2009

Visible Gold Mines Inc. ("Visible Gold Mines" or "the Company") is a mining exploration company focused on gold mineral prospects in the Abitibi greenstone belt of Québec, Canada. A greenstone belt is a zone of **metamorphosed**[†] volcanic and **sedimentary** rock that can stretch several dozen to several thousand kilometers. The Abitibi greenstone belt is one of the world's richest mining areas, with past production thought to have exceeded 170 million **ounces (oz)** of gold as well as considerable quantities of copper, zinc, and silver, among other metals. Visible Gold Mines' flagship property is its wholly owned Stadacona East gold prospect, which may host roughly 98,000 oz of gold according to calculations based on historical exploration of the property. To further delineate the potential gold **mineralization** at Stadacona East, Visible Gold Mines completed an 11-hole, nearly 11,000-meter drill program in February 2009. One of the primary factors fueling the Company's decision to focus its resources on Stadacona East is the project's location. Not only does the Company benefit from Québec's stable mining laws, well-developed infrastructure, and friendly atmosphere toward mining, but the Stadacona East prospect is located near some of Canada's most significant mines. The property is approximately 1 km south of the historic Horne deposit and 50 km west of the LaRonde Mine, which is believed to be Canada's largest gold deposit. Moreover, areas of the Stadacona East prospect are part of the same **shear/fault** system as the **orebody** of the former Stadacona Gold Mine, which produced approximately 494,000 oz of gold while it was operational.

Recent Financial Data

Ticker (Exchange)	VGD (TSX.V)*
Recent Price (04/22/2009)	C\$0.13
52-week Range	C\$0.05 – C\$0.35
Shares Outstanding	25.4 million
Market Capitalization	C\$3.3 million
Average 3-month Volume	110,370
Insider Owners +5%	8%
Institutional Owners	25%
EPS (Qtr. ended 01/31/2009)	(C\$0.01)
Employees/Contractors	20-25 (peak season)



*Trade data presented in Canadian dollars (C\$).
 On 04/22/2009, C\$1 ≈ US\$0.80.

Key Points

- Visible Gold Mines estimates that Stadacona has likely only experienced seven cycles of exploration, which characterizes the property as a young mining camp. Following further geophysics work, the Company intends to begin another major drilling program at Stadacona East in 2Q and 3Q 2009.
- In the Fraser Institute's annual survey of more than 650 global mining and exploration executives, Québec was ranked as the best jurisdiction worldwide for mining investment due to its policies and mineral potential, among other criteria. The 2008/2009 survey marks the second consecutive year that Québec has been number one, and the province has been included in the top 10 since 2001.
- The global metals and mining industry was valued at nearly \$1.6 trillion in 2007 and is forecast to reach \$2.8 trillion by 2012. In addition, the price of gold increased from roughly \$280/oz in January 2000 to upward of \$950/oz in early 2009. In March 2009, analysts from Morgan Stanley (MS-NYSE) and J.P. Morgan (JPM-NYSE) predicted that gold prices could average \$1,000/oz during 2009.
- At April 21, 2009, the market value of gold and silver was up more than 15% over September 2005, while the S&P 500 was down 30% in the same time frame.
- Visible Gold Mines' management has extensive mining experience. President and chief executive officer (CEO), Mr. Martin Dallaire, comes from a family tradition of mining and possesses both the passion and expertise that may drive Visible Gold Mines to success. In addition, the Company's projects are led by a team of geologists with a proven mine-finding track record.
- As at January 31, 2009, Visible Gold Mines had cash and cash equivalents of over C\$1.68 million versus over C\$1.94 million at October 31, 2008. The Company believed that its cash position as of January 31, 2009, could sustain its activities for the ensuing 24 months.

[†]BOLD WORDS ARE REFERENCED IN THE GLOSSARY ON PAGES 46-48.

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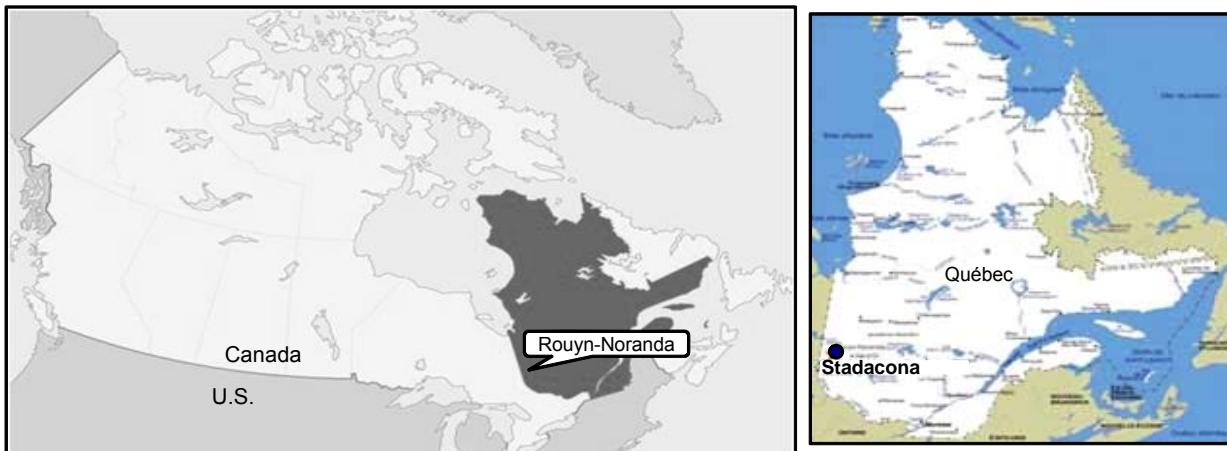
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Executive Overview

Presented in U.S. dollars, unless otherwise noted. On April 22, 2009, C\$1.00 ≈ US\$0.80 and US\$1.00 ≈ C\$1.24.

Visible Gold Mines Inc. (“Visible Gold Mines” or “the Company”) is a mining exploration company involved in the acquisition and exploration of properties with prospects for hosting gold mineral deposits. Figure 1 depicts Rouyn-Noranda, Québec, where Visible Gold Mines is headquartered and where its flagship property—Stadacona East—is located.

Figure 1
ROUYN-NORANDA, QUÉBEC, CANADA, AND THE STADACONA PROPERTY



Sources: *Visible Gold Mines Inc.* and *Wikimedia Commons*.

Stadacona East lies within Canada’s Abitibi greenstone belt. A greenstone belt is a zone of metamorphosed volcanic and sedimentary rock that can stretch several dozen to several thousand kilometers (km). Often, the metamorphic minerals contained in the rocks of these belts have a green hue, hence the term “greenstone” belt. The Abitibi greenstone belt is the largest contiguous greenstone belt in the **Canadian shield**. It is also one of the world’s richest mining areas (Source: *Understanding Mineral Deposits* 1999, p. 464). According to Visible Gold Mines’ **National Instrument (NI) 43-101**-compliant Technical Report for Stadacona East, past production in the Abitibi greenstone belt has exceeded 170 million ounces (oz) of gold, nine million tonnes of copper, 19 million tonnes of zinc, and 625 million oz of silver. The full Technical Report is available on the Company’s website at www.visiblegoldmines.com.

Mining and Exploration in Québec

Québec is one of the top 10 mineral producers in the world, as well as the second largest producer of gold and iron in Canada (Source: the Gouvernement du Québec 2009). In the Fraser Institute’s *Survey of Mining Companies 2008/2009* (www.fraserinstitute.org), Québec was ranked number one overall, indicating that respondents to the survey consider the province to be the best jurisdiction in the world for mining investment (out of a total of 71 possible international mining regions). Québec has been first in the survey for the past two years and has been in the top 10 since 2001, likely due to its attractive mining policies and perceived mineral potential.

From a purely mineral perspective, without taking into account policy, Québec was listed as the third most appealing jurisdiction worldwide, behind Russia and Papua New Guinea. When policy environment was included in combination with mineral potential, Québec was ranked second (behind Chile), indicating that respondents believe that the province has a favorable mineral potential as well as good policy that encourages further exploration. In turn, greater exploration may increase an area’s known mineral potential (Source: *Survey of Mining Companies 2008/2009*). At present, it is estimated that only a little over 40% of Québec’s mineral potential is now known (Source: the Gouvernement du Québec 2009).

A February 2009 report from PricewaterhouseCoopers LLP (“PwC”), *Junior Mine—Review of trends in the TSX-V mining industry*, affirmed that Canada continues to be one of the most popular headquarters globally for **junior** mining companies. This is largely due to ongoing incentives provided to mining and exploration enterprises in Canada, such as allowing a 100% deduction of eligible exploration expenses from federal taxes and flow-through financing, which allows tax deductions for exploration to be passed on to the investor. Québec also promotes the exploration and development of new mining, oil, and gas projects. To this extent, a mining heritage fund and Institut national des mines have been established, which Québec’s Minister of Natural Resources and Wildlife believes are concrete examples of the provincial government’s confidence in the future of the mineral industry (Source: Québec Exploration 2008, an annual conference sponsored by the Association de l’exploration minière du Québec [AEMQ]).

Stadacona East

Visible Gold Mines’ wholly owned Stadacona gold property comprises 83 mineral claims for a total of over 1,560 **hectares (ha)** in Québec’s Rouyn Township. The Company acquired its 100% interest in Stadacona pursuant to a July 2007 agreement under which the Company is subject to a 1.75% **net smelter return** royalty on future production at the property. If commercial production commences, the Company may buy back 1% of this royalty according to the terms outlined under Stadacona Purchase on page 14 of this Executive Informational Overview® (EIO®). Prior to Visible Gold Mines’ ownership, Stadacona East was operated as a 50/50 joint venture between Fieldex Exploration Inc. (FLX-TSX.V) and Cambior Inc. (now part of IAMGOLD Corp. [IAG-NYSE]) from 1990 until June 2006, at which time Fieldex reacquired 100% of the property before spinning off its gold assets to Visible Gold Mines in 2007.

Located Near Sizeable Mineral Deposits

One of the primary factors fueling Visible Gold Mines’ decision to focus its resources on Stadacona East is this project’s location. Not only does the Company benefit from Québec’s stable mining laws, well-developed infrastructure, and friendly atmosphere toward mining, but the Stadacona East prospect is located in close proximity to some of Canada’s most significant mines. Stadacona East is situated approximately 1 km south of the historic Horne deposit and 400 meters (m) to 500 m east of the former Stadacona Gold Mine. It is estimated that 59 million tonnes of ore were extracted from the Horne Mine over a 40-year period, which the Company believes graded 5.88 grams/tonne (g/t) of gold, 2.2% copper, and 13 g/t of silver.

The past-producing Stadacona Gold Mine shares a similar setting and style of mineralization to the gold mineralization that occurs in parts of the Company’s property. Specifically, the Stadacona deformation zone (SDZ), an economically significant structure hosting the gold mineralization of Visible Gold Mines’ Stadacona East zone, is considered to be part of the same shear/fault system as the orebody of the former Stadacona Gold Mine. While operating from the early 1930s to the 1950s, the Stadacona Gold Mine produced nearly 2.8 million tonnes of ore grading 5.49 g/t of gold for a total of approximately 494,000 oz of gold (Source: Alexis Minerals Corp. [AMC-TSX]).

In addition, the majority of economic gold deposits occur along or within a few kilometers of fault lines (Source: Visible Gold Mines’ NI 43-101 Technical Report for Stadacona East). The Company’s Stadacona East prospect lies 1.5 km to 2 km north of the Cadillac-Larder Lake fault and shares a similarity in **tectonic** setting and style of mineralization to many present-day mineral deposits along this fault. Stadacona East is also located approximately 50 km west of the LaRonde Mine, which is believed to be Canada’s largest gold deposit. The LaRonde Mine has produced more than three million ounces of gold since 1988 and still has proven and probable gold reserves of five million ounces (Source: Agnico-Eagle Mines Ltd. [AEM-NYSE]). The Company’s property is also less than 40 km west of IAMGOLD’s newly discovered Westwood deposit, which may produce an average of 187,000 oz of gold per year over a 15-year mine life anticipated to commence in early 2013. Figure 11 (page 21) in the Core Story and Figure 18 (page 44) in the Appendix mark many of the other producers, prospects, and gold deposits surrounding the Company’s property.

Preliminary Historical Estimates

Note: These historical estimates were prepared prior to the implementation of NI 43-101 standards and thus are not NI 43-101 compliant and should not be considered a resource or reserve using accepted mining definitions.

Before the Company's possession of Stadacona East, approximately 255 holes for a total of nearly 54,000 m had been drilled in the project area. These past exploration and drilling programs conducted by Fieldex and Cambior have provided Visible Gold Mines with valuable information about this property, such as maps, geological data, and historical reserve estimates. A historical estimate is any estimate of mineral resources or reserves that was prepared prior to February 1, 2001. Based on prior exploration, historical reserves at Stadacona East could equal 488,400 tonnes grading 6.3 g/t gold, potentially representing 98,940 oz of gold.

Visible Gold Mines believes that the preliminary historical estimates for Stadacona East suggest that the prospect has potential for expansion both to the east (along the **strike**) and to depth. Historically, exploration at Stadacona has been cyclical, diminishing during periods of economic and commodity downturn. As a result, Visible Gold Mines estimates that Stadacona has likely only experienced at most seven cycles of exploration, which characterizes the property as a very young mining camp.

Visible Gold Mines' Current Exploration Status at Stadacona East

In February 2009, the Company completed an 11-hole, nearly 11,000-meter drill program at Stadacona East. This program, which began in July 2008, had two primary objectives: (1) prove the depth of the gold mineralized zone; and (2) obtain information about the deepest areas, as these had never been explored. Analysis of the drill core obtained during this drilling was released in April 2009 and is summarized in Table 4 (page 24). Drilling confirmed the continuity of the gold mineralized zone in depth on the west part of the property and provided encouraging results on the east side of the property. In addition, the Company undertook a geophysical campaign on the east side of the property that identified 25 new anomalies.

Throughout the remainder of 2009, Visible Gold Mines intends to conduct additional drilling and geophysics campaigns. Specifically, a major drilling program is scheduled to begin in the second and third quarter 2009.

Gold Market

The global metals and mining industry—which consists of aluminum, iron, steel, precious metals and minerals, coal, and base metals—is forecast to reach \$2.8 trillion by 2012, which represents 75% growth from the industry's 2007 value of close to \$1.6 trillion (Source: Datamonitor plc's *Metals & Mining: Global Industry Guide* February 2009).

Within just the **Group of Eight (G8)** countries (Canada, the U.S., Germany, France, the UK, Italy, Russia, and Japan), Datamonitor values the metals and mining industry at \$846.4 billion by 2012. This is a compound annual increase of 8.2% from 2007, when this market was \$570.6 billion (Source: *Metals & Mining – Global Group of Eight (G8) Industry Guide* January 2009).

Further, gold prices have increased from approximately \$280/oz in January 2000 to upward of \$950/oz in early 2009. At the beginning of March 2009, analysts at Morgan Stanley predicted that gold prices could average \$1,000 during 2009, up from the \$900 forecasted a month earlier, as central banks were expected to continue increasing market liquidity (Source: MarketWatch, Inc. March 5, 2009). The key factors that have largely contributed to the rise in gold prices over the past several years have included the following: (1) a declining U.S. dollar; (2) lower real interest rates; (3) a continued demand for base metals fueled by Chinese industrialization and world gross domestic product (GDP) growth; and (4) higher inflation expectations (initially due to the rapid rise in oil prices) that continue to be fueled by concerns over the U.S. economic stimulus package enacted in February 2009.

A widespread perception that gold is the asset most likely to hold its value in the present economic climate is driving investors to this market (Source: Thomson Reuters Corp. [TRI-NYSE] February 20, 2009). As a result, by April 21, 2009, the gold and silver subcategory of the basic materials sector was up more than 15% over its levels in September 2005, whereas the S&P 500 was down 30% in the same time frame (as depicted in Figure 17 [page 31]).

Headquarters and Employees

Visible Gold Mines was incorporated in January 2007 as a wholly owned subsidiary of Fieldex Exploration Inc. Fieldex spun off its gold assets to Visible Gold Mines in July 2007, and the Company completed an initial public offering (IPO) for total proceeds of C\$5.46 million. It is now a public entity separate from Fieldex, and Fieldex is focusing on base metals prospects.

Visible Gold Mines is headquartered in Rouyn-Noranda, Québec. The Company employs/contracts 20 to 25 individuals during the peak season (May to December) and approximately 10 people during the winter (January to April). The Company's Common Shares trade on the Toronto Stock Exchange's Venture Exchange (TSX.V) under the symbol VGD and on the Frankfurt and Berlin Stock Exchanges in Europe under the symbol 3V4.

Growth Strategy

Visible Gold Mines' current strategy for growth entails two initiatives: (1) organic growth; and (2) growth through acquisitions.

Organic Growth

At present, Visible Gold Mines' primary strategy is to focus on its flagship property, Stadacona East. The Company intends to perform additional drilling and geophysics campaigns throughout 2009, with the intent of moving Stadacona into production as a gold mine during 2011 or 2012.

Growth Through Acquisitions

The combined effect of lowered commodity prices in the latter half of 2008, diminished funding from the debt and equity markets due to the present worldwide economic climate, and skittish investors contributed to a decline in total market capitalization of junior mining companies on the TSX.V to approximately \$7.9 billion as of November 30, 2008 (Source: PwC's *Junior Mine—Review of trends in the TSX-V mining industry* February 2009). As a result, PwC predicts that companies with funds available may be able to achieve acquisitions during 2009 at more favorable pricing. In 2008, Canada accounted for the largest share of mining mergers and acquisitions (M&A) activity worldwide with a total deal value of \$32.8 billion (Source: PwC's *Mining Deals: 2008 Annual Review*).

To this extent, in early March 2009, Visible Gold Mines entered into agreements with Amex Exploration Inc. (AMX-TSX.V), a Canadian exploration company, for the option to acquire 50% ownership in Amex Exploration's Cameron property as well as to invest in Amex by way of a private placement. Under the agreements, Visible Gold Mines completed a C\$250,000 investment in one million shares of Amex Exploration, representing the acquisition of 10% of Amex Exploration, and may acquire a 50% interest in the mining claims of the Cameron property according to the terms listed on page 27.

Going forward, the Company hopes to continue to profit from current market conditions by acquiring other gold mines and prospects within the Abitibi area. Visible Gold Mines expects to enter into various agreements specific to the mining industry, such as purchase or option agreements to acquire mining claims and joint venture agreements. In addition, the Company may also consider potential selective acquisition opportunities outside of Québec.

Company Leadership

Visible Gold Mines' management has extensive mining experience. President and chief executive officer (CEO), Mr. Martin Dallaire, comes from a family tradition of mining and possesses both the passion and expertise that may drive Visible Gold Mines to success. In addition, the Company's projects are led by a team of geologists with a proven mine-finding track record. The Board of Directors oversees the conduct of and supervises the Company's management. Table 1 summarizes the Company's key management and members of the Board of Directors, followed by detailed biographies.

Table 1
Visible Gold Mines Inc.
LEADERSHIP

Martin Dallaire, Eng.	President, Chief Executive Officer, and Director
Sylvain Champagne, B.B.A.	Chief Financial Officer and Director
Dr. Patrice Dionne	Director
Pierre Vézina, MBA, Executive MBA	Director
Laurent Hallé, P.Geo.	Senior Geologist, Exploration

Source: Visible Gold Mines Inc.

Martin Dallaire, Eng., President, Chief Executive Officer, and Director

Mr. Dallaire is also the president, CEO, and a director of Fieldex and X-Terra Resources Corporation (XT-TSX.V), a company engaged in the acquisition, exploration, and development of mineral properties in Canada. He obtained an engineering degree from the Université du Québec à Chicoutimi in 1992. Mr. Dallaire has more than 10 years of experience in the financial industry, with particular expertise in managing and financing junior mining companies. His experience includes strategic planning, corporate structuring and reorganization, sourcing and structuring public and private financings, due diligence reviews, and mergers and acquisitions. Mr. Dallaire has also been a member of the Surveillance Committee of the FÉRIQUE Funds since 2005. The Surveillance Committee's mission is to monitor the funds, their yields, their investment policies, and the managers. The multiplication of assets of its clients is also a constant concern for the Surveillance Committee. FÉRIQUE Fund assets under management represents over C\$1.3 billion and is considered by the industry as one of the top performing saving funds in Canada.

Sylvain Champagne, B.B.A., Chief Financial Officer and Director

Mr. Champagne holds a B.B.A. from the Université du Québec Abitibi-Temiskaming. He has been the CFO of Fieldex since August 2004 and a director since January 2002. Mr. Champagne is also the CFO and a director of X-Terra Resources Corp.

Dr. Patrice Dionne, Director

Dr. Patrice Dionne obtained a doctorate in dental surgery in 1973 from Université de Montréal. Retired since 2007, Dr. Dionne is a very active businessman in his community. He participates in many philanthropic activities. He followed courses on trade in securities of Canada and also in diamonds from the Gemological Institute of America. Dr. Dionne was appointed to the Board of Directors of Visible Gold Mines in February 2009.

Pierre Vézina, MBA, Executive MBA, Director

Mr. Vézina holds an MBA from the Université du Québec à Montréal and an executive MBA from the Université Paris-Dauphine, France. Since 1990, Mr. Vézina has been involved in sales and marketing. From 2003 to 2008, he was the director of sales and marketing of Gestion Sim Inc., a manufacturer located in Beaucheville, Québec. Since 2008, Mr. Vézina has been the president of Fini U.V. International Inc. in Frampton, Québec, which manufactures prefinished hardwood products for companies that operate in the wood flooring business. Fini U.V. has sales in all regions of Canada and the U.S. Mr. Vézina is responsible for Fini U.V.'s growth strategy and oversees the development of sales and new products. He has worked in the field of management and business development for more than 15 years. Mr. Vézina is a member of the Association de MBA du Québec.

Laurent Hallé, P.Geo., Senior Geologist, Exploration

Mr. Hallé is a professional geologist and a member of the Geological Association of Québec. He graduated in 1983 from the Université du Québec à Montréal, followed by two years of study at McGill University in economic geology. He also taught geology in the mine department at Rouyn-Noranda College for two years. For the past 23 years, he has worked as a consultant for several junior exploration companies in Québec, Ontario, and Mexico. He was working for the past five years as vice president, exploration primarily of Fieldex and Visible Gold Mines. Mr. Hallé's *modus operandi* is to increase shareholder value mainly by increasing resources. He is an acknowledged expert in the exploration of the Témiscamingue area and has had an integral part in numerous discoveries in this area. He has also served as a technical advisor to the Aurora exploration program.

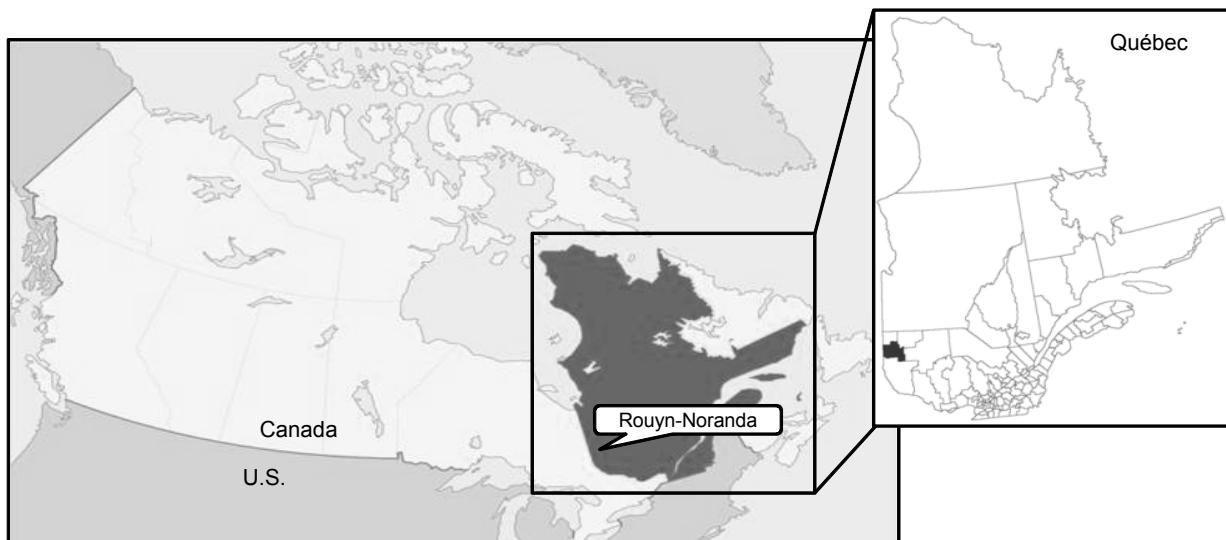
Core Story

Presented in U.S. dollars, unless otherwise noted. On April 22, 2009, C\$1.00 ≈ US\$0.80 and US\$1.00 ≈ C\$1.24.

Visible Gold Mines Inc. (“Visible Gold Mines” or “the Company”) is a mining exploration company focused on gold mineral prospects in the Abitibi greenstone belt of Québec, Canada. Visible Gold Mines believes that it currently hosts a resource base of approximately 100,000 ounces (oz) of gold, with the potential to expand in depth and to the east.

During 2008, a considerable portion of the Company’s C\$2.5 million exploration budget was earmarked for investment at Stadacona East, highlighting this project’s position as the flagship property. Stadacona East is fully detailed on pages 13-26. Visible Gold Mines’ additional properties—Rapides Elliot, potentially Cameron, Lac Simard, and Hazeur—are briefly overviewed on pages 26-28, but are not currently experiencing high levels of development, as the majority of the Company’s efforts and resources are aimed at moving Stadacona East into production. Figure 2 depicts Rouyn-Noranda, Québec, which is where the Company is headquartered and where Stadacona East is situated.

Figure 2
ROUYN-NORANDA, QUÉBEC, CANADA



Sources: Crystal Research Associates, LLC and Wikimedia Commons.

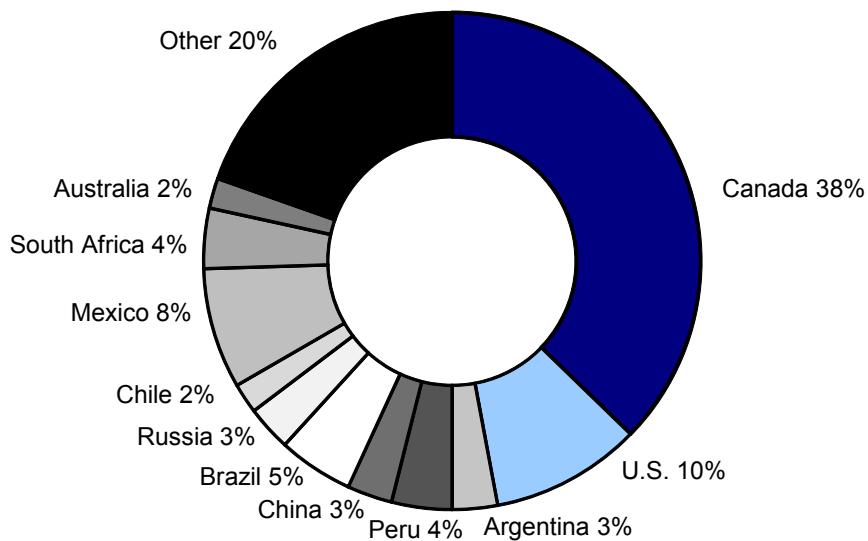
MINING AND EXPLORATION IN CANADA

Canada has 10 provinces and three territories. The country gained its independence in 1867 but still retains ties to the British crown. It is rich in natural resources and seeks to develop these while preserving a commitment to the environment. More than 90% of the substratum in Canada’s Québec province is composed of **Precambrian** rock, a geological formation known for deposits of gold, iron, copper, and nickel. As such, Québec is one of the top 10 mineral producers in the world, as well as the second largest producer of gold and iron, the second largest producer of metallic substances, and the second largest producer of industrial minerals and construction materials in Canada (Source: the Gouvernement du Québec 2009).

Visible Gold Mines believes that it is in a favorable location within Canada, since where its properties are located, there is infrastructure already in place encompassing electricity, roads, mills, and stable and clear mining laws. Mining exploration can be a high-risk industry, but the Company believes that operating in Québec’s Rouyn Township provides stability, which mitigates many of the risks common to mining and exploration enterprises in other parts of the world.

Likewise, PricewaterhouseCoopers LLP (“PwC”), in a February 2009 report reviewing the top 100 junior mining companies listed on the Toronto Stock Exchange’s Venture Exchange (TSX.V), affirmed that Canada continues to be one of the most popular headquarters globally for junior mining companies. This is largely due to ongoing incentives provided to mining and exploration enterprises in Canada, such as allowing a 100% deduction of eligible exploration expenses from federal taxes and flow-through financing, which allows tax deductions for exploration to be passed on to the investor. At present, Canada is the only nation offering flow-through financing (Source: PwC’s *Junior Mine—Review of trends in the TSX-V mining industry* February 2009). Moreover, encouraging exploration investment benefits shareholders as new properties are discovered and developed. Figure 3 depicts the major area of operations for the 100 companies analyzed in PwC’s *Junior Mine* report.

Figure 3
MAJOR AREAS OF OPERATION FOR THE 100 JUNIOR MINING COMPANIES ANALYZED



Source: PricewaterhouseCoopers LLP’s *Junior Mine—Review of trends in the TSX-V mining industry* (February 2009).

Québec, Canada—Ranked the Best Jurisdiction Worldwide for Mining Investment

Québec’s mining industry began to accelerate in the 1920s, and has maintained steady growth. Today, Québec is home to roughly 30 mines and 158 exploration firms that are focused on over 30 minerals. Yet, it is estimated that only a little more than 40% of Québec’s mineral potential is now known (Source: the Gouvernement du Québec 2009).

Since 1997, the Fraser Institute (an independent research and educational organization with offices in Calgary, Montréal, Toronto, and Vancouver, Canada, and Tampa, Florida) has conducted an annual survey of metal mining and exploration companies to assess how mineral endowments and public policy factors, such as taxation and regulation, affect exploration investment. The Institute’s *Survey of Mining Companies 2008/2009* represents the opinions of 658 executives and exploration managers in mining and mining consulting companies worldwide. Based on the executives’ responses, the survey ranked 71 international mining jurisdictions (representing every continent except Antarctica) in order of preferred locations for mining investment. Québec was ranked as the number one mining jurisdiction in the world for encouraging investment, in part due to its attractive mining policies. This is the second consecutive year that Québec was first in the survey. The province has placed in the top 10 since 2001.

Following Québec, the second-best jurisdiction was Wyoming, the third was Nevada, and fourth was Alberta (the second highest ranked Canadian province), with Newfoundland and Labrador rounding out the top five. In all, seven Canadian provinces were listed within the top 10 locations worldwide for mining investment—Québec (1st), Alberta (4th), Newfoundland and Labrador (5th), New Brunswick (6th), Manitoba (8th), Saskatchewan (9th), and Ontario (10th).

At seventh, Chile was the highest ranked Latin American nation; South Australia was the best Australian state at 16th; and Botswana was the highest ranked African nation at 18th. The bottom 10 scorers were Venezuela, Ecuador, Guatemala, Honduras, India, Bolivia, Zimbabwe, Kyrgyzstan, the Democratic Republic of the Congo, and Indonesia.

Table 2 overviews the categories where the Fraser Institute assessed survey responses in order to determine the rankings. Respondents graded each location on a scale of one to five for each of the categories listed in Table 2: (1) Encourages Investment; (2) Not a Deterrent to Investment; (3) Mild Deterrent; (4) Strong Deterrent; and (5) Would Not Pursue Investment Due to This Factor. The executives who participated in the survey represented companies with combined exploration spending of \$3.4 billion in 2008, up from \$3.02 billion in 2007. Thus, these entities represented approximately 24% of total global **nonferrous** exploration in 2008, which was valued at \$14.4 billion. In addition, over 38% of respondents reported that the greatest proportion of their company's budget was allocated to gold. The next closest metal was copper, which held the largest proportion of just over 19% of budgets.

Table 2

SURVEYED POLICY QUESTIONS USED TO DETERMINE THE RANKINGS OF THE 2008/2009 BEST JURISDICTIONS FOR MINING INVESTMENT

- Mineral potential, assuming current regulation/land use restrictions
- Policy/mineral potential, assuming no land use restrictions in place
- Uncertainty concerning the administration, interpretation, and enforcement of existing regulations
- Environmental regulations
- Regulatory duplication and inconsistencies, including federal/provincial, federal/state, and interdepartmental overlap
- Taxation regime, including personal, corporate, payroll, capital, and other taxes, and the complexity of tax compliance
- Uncertainty concerning native/aboriginal land claims
- Uncertainty over which areas will be protected as wilderness or parks
- Quality of infrastructure, including access to roads and power availability
- Socioeconomic agreements/community development conditions, including local purchasing, processing requirements, or supplying social infrastructure (such as schools or hospitals)
- Political stability
- Labor regulations/employment agreements
- Quality of geological database, including quality and scale of maps and ease of access to information
- Security situation, including physical security due to the threat of attack by terrorists, criminals, or guerrilla groups
- Availability of labor and skills
- Number of respondents indicating that a jurisdiction has the most/least favorable policies toward mining

Source: the Fraser Institute's Survey of Mining Companies 2008/2009.

With regard to evaluating mineral potential, the Fraser Institute asked executives to answer questions about whether a locale's mineral potential, under the current policy environment, encourages exploration. From a purely mineral perspective, without taking into account policy, Québec was listed as the third most appealing jurisdiction worldwide, behind Russia and Papua New Guinea. When policy environment was included in combination with mineral potential, Québec was ranked second (behind Chile), indicating that respondents believe the province has a favorable mineral potential and also good policy that encourages further exploration. In turn, greater exploration may increase an area's known mineral potential (Source: *Survey of Mining Companies 2008/2009*).

VISIBLE GOLD MINES' STADACONA EAST GOLD PROSPECT

As shown in Figure 4, Visible Gold Mines' wholly owned Stadacona gold property is located in Québec in the center of Rouyn Township. The northwest section of the property overlaps Rouyn-Noranda, a mining hub in the Rouyn Township. In the early 1900s, the Rouyn-Noranda region was virtually all wilderness until Edmund Horne, a prospector from Nova Scotia, discovered copper deposits in 1920. This discovery eventually became the well-known Horne copper and gold mine, one of Canada's greatest orebodies, and provided the foundation for the city of Rouyn-Noranda, which is now home to more than 41,000 people (Sources: the Canadian Mining Hall of Fame and the City of Rouyn-Noranda 2007). As of 1996, the Canadian census reported that approximately 10% of the population in this region was employed by the mining and quarries sector.

Figure 4
Visible Gold Mines Inc.
LOCATION OF THE STADACONA PROPERTY



Source: Visible Gold Mines Inc.

The Stadacona property comprises 83 mineral claims for a total of over 1,560 hectares (ha), following the Company's May 2008 acquisition of an additional 290 ha of land in the center of the Rouyn-Noranda Township, of which 163 ha were contiguous to Stadacona East. Visible Gold Mines is able to conduct work at Stadacona East year round. This land is accessible by several paved, all-weather roads, including the Trans-Canada Highway 117, which passes through the center of Stadacona East. In addition, the local infrastructure supports mining and smelting, as these are some of the dominant activities of the region. Rouyn-Noranda is home to a regional natural resources office and a university campus, among numerous federal and provincial government facilities, and the city maintains modern rail lines as well as access to gold mills for ore feeds (available within a trucking distance). Daily flights from Rouyn-Noranda to Montréal, Québec City, and other destinations are also available.

Stadacona Purchase

Visible Gold Mines acquired 100% interest in Stadacona East pursuant to its July 2007 agreement with Fieldex, whereby Fieldex spun off its gold assets to the Company in order to focus on base metals exploration. Under the agreement, the Company is subject to a 1.75% net smelter return royalty on future production at Stadacona East. If commercial production commences, Visible Gold Mines may buy back 1% of this royalty according to the following terms: (1) if the price of gold is less than US\$450 per oz, the Company must pay C\$500,000; (2) if the price of gold is between US\$450 and US\$600 per oz, Visible Gold Mines must pay C\$750,000; or (3) if the price of gold is above US\$600 per oz, the Company must pay C\$1 million.

Prior to its current ownership by Visible Gold Mines, Stadacona East was originally acquired by Fieldex Exploration Inc. in 1989. It was operated as a 50/50 joint venture between Fieldex and Cambior Inc. (now part of IAMGOLD Corp.) from 1990 until June 2006, at which time Fieldex reacquired 100% of the property before spinning off its gold assets to Visible Gold Mines in 2007.

Gold Production Near Stadacona East

Stadacona East is Visible Gold Mines' flagship property, where the Company maintains a high level of activity relative to its other properties. One of the primary factors fueling the decision to focus resources on Stadacona East is this project's location. The Company believes that there is no better place to find a gold mine than beside a gold mine, and Stadacona East is situated approximately 400 m to 500 m east of the former Stadacona Gold Mine and 1 km south of the historic Horne deposit. Additionally, the Company is approximately 50 km west of the LaRonde Mine, which is believed to be Canada's largest gold deposit, and less than 40 km west of the newly discovered Westwood deposit. Each of these is briefly overviewed below and on pages 15-16.

Past Production

- *The Horne Mine.* At just over a kilometer north of Stadacona, the past-producing Horne Mine was a prolific base and precious metal deposit. Beginning in 1928, at least 45 million tonnes of ore were extracted over 40 years at the Horne Mine (Source: the City of Rouyn-Noranda 2007). Some estimates place this figure at over 59 million tonnes, grading 5.88 grams/tonne (g/t) of gold, 2.2% copper, and 13 g/t of silver.
- *The Stadacona Gold Mine.* Located less than 500 m from the western limit of Visible Gold Mines' possession, the past-producing Stadacona Gold Mine shares a similar setting and style of mineralization to the gold mineralization that occurs in parts of the Company's property. The Stadacona deformation zone (SDZ), an economically significant structure hosting the gold mineralization of the Company's Stadacona East zone, is considered to be part of the same shear/fault system as the orebody of the Stadacona Gold Mine.

Gold was first discovered at the Stadacona Gold Mine in 1923. While operating from the early 1930s to the 1950s under the ownership of Stadacona Mines Ltd., the Stadacona Gold Mine produced nearly 2.8 million tonnes of ore grading 5.49 g/t of gold for a total of approximately 494,000 oz of gold (Source: Alexis Minerals Corp.). The Stadacona Gold Mine is currently owned by Alexis Minerals, which is profiled in the Competition section on page 34.

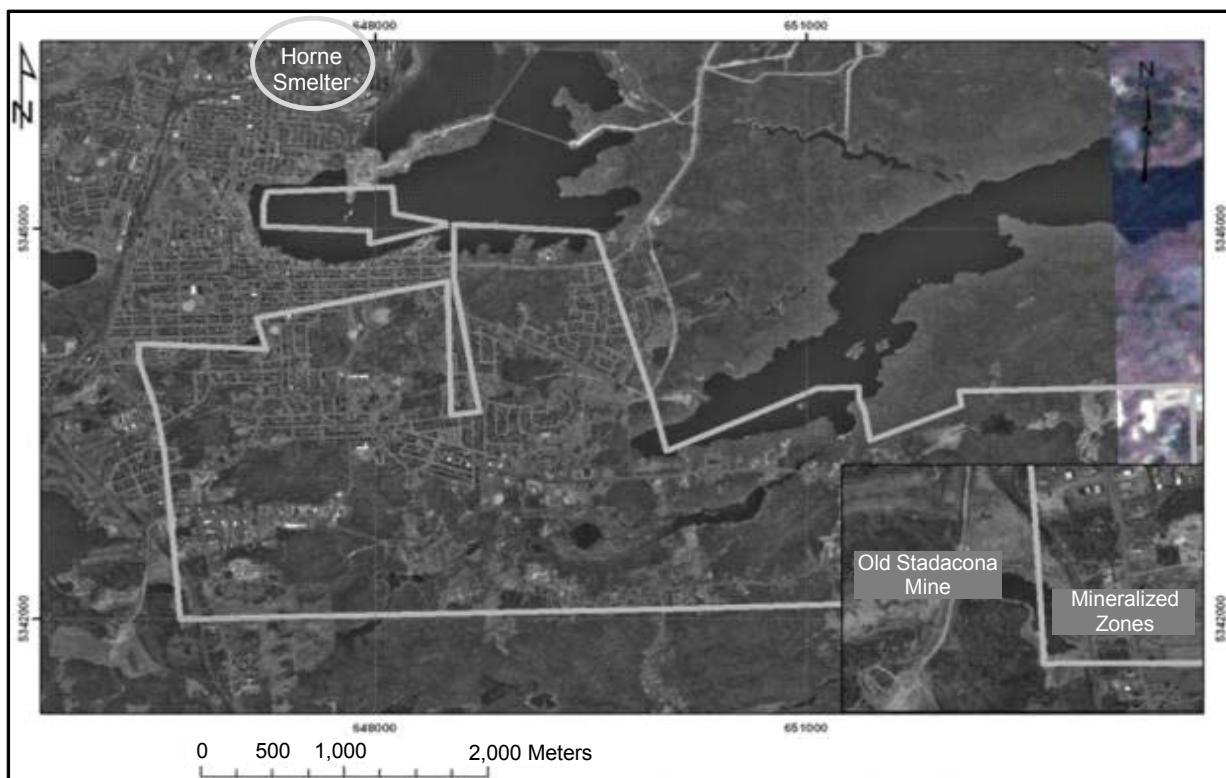
The Stadacona Gold Mine's workings and shaft provide underground access to the mineralization of the Stadacona East prospect as well as the Wright-Rouyn deposit owned by Yorbeau Resources Inc. (YRB.A-TSX), which is thought to contain 41,000 tonnes grading 8.9 g/t of gold. However, as this estimate was prepared prior to the implementation of NI 43-101 standards, it is not to be relied upon.

Alexis Minerals also owns the Lac Pelletier gold deposit (approximately 1.45 km west-southwest of Stadacona East), which has a possible historical reserve of 487,799 tonnes grading 7.84 g/t of gold. In February 2007, Alexis Minerals commissioned a Preliminary Assessment of its Lac Pelletier project. Using an average gold price of \$550/oz, the assessment found that Lac Pelletier could be expected to yield a pre-tax undiscounted net cash flow of C\$2.8 million over an operating mine life of

under three years. Net revenue for the project was forecast at over C\$58 million, with total operating costs of C\$46.5 million and total capital and development costs of approximately C\$9 million (Source: Golder Associates Ltd.'s *Report on Preliminary Assessment Review of the Scope and Potential of the Lac Pelletier Gold Project Rouyn-Noranda, Québec February 2007*). Visible Gold Mines believes that this data for Lac Pelletier, as an extension of the Stadacona project, could be similar to estimates for Stadacona in terms of costs and revenues.

Figure 5 shows an **orthophoto** of the Stadacona property. This Figure outlines the border of the property and highlights the proximity of the former Stadacona Gold Mine (the "Old Stadacona mine") to the mineralized zones of Stadacona East, which occur in the lower southwest corner of the property, and the closeness of the Stadacona property to the Horne smelter.

Figure 5
Visible Gold Mines Inc.
STADACONA PROPERTY ORTHOPHOTO



Source: Visible Gold Mines Inc.

Current and Future Production

It is important to note that the following two entities are not the only current gold mines and prospects in the gold-rich Abitibi region. Figure 11 (page 21) and Figure 18 (page 44) illustrate many of the other producers, prospects, and gold deposits surrounding Visible Gold Mines' property as well.

- ***The LaRonde Mine.*** The LaRonde Mine, found in the same geological environment as Stadacona East, is located in Québec's Abitibi region approximately 50 km east of Visible Gold Mines' property. It is underlain by rocks of the Blake River Group, which also occur throughout Stadacona East (as described on page 20). The LaRonde Mine is believed to be Canada's largest gold deposit (Source: Agnico-Eagle Mines Ltd.). Agnico-Eagle operates this mine, which has produced more than three million ounces of gold since 1988 and still has proven and probable gold reserves of five million ounces (34.9 million tonnes at 4.4 g/t).

During 2008, LaRonde produced 216,208 oz of gold at total cash costs of \$106/oz, which is among the lowest cash cost gold mines in the industry. Agnico-Eagle's low-cost production at LaRonde is largely a result of the byproduct revenue received by also mining additional metals, such as silver, copper, and zinc. In 2007, when byproduct metal prices were higher, the company had total cash costs per ounce of minus \$365 on gold production of 230,992 oz. In addition to LaRonde, Agnico-Eagle also owns the producing Goldex mine and the Lapa exploration project in Québec's Abitibi region. Greater details of Agnico-Eagle and these other properties are provided in the Competition section on page 33.

- *The Westwood Deposit.* In 2004, IAMGOLD discovered the new Westwood deposit two kilometers east of its Doyon Division's Doyon mine. Located in the Cadillac gold belt approximately 40 km east of Visible Gold Mines' Stadacona property, IAMGOLD's Doyon Division is home to two mines—the Doyon and Mouska—that produced 118,000 oz of gold in 2008 at a cash cost of \$548 per oz. The Doyon mine, which became operational in 1980, produced its five millionth ounce of gold in January 2006. In early 2009, IAMGOLD released results from a preliminary assessment study at Westwood that found that the deposit could have a projected mine life of 15 years, and based on current resources, produce approximately 187,000 oz of gold per year at an average cash cost of \$298 per oz. Commercial mining is anticipated to commence at the newly discovered Westwood deposit in early 2013.

The History of Exploration at Stadacona East

Since 1920, previous intermittent exploration has been undertaken at Stadacona East. Keymor Gold Mine sank three shafts at the property in the 1930s, two of which ("Keyroc" and "Fiske") noted gold mineralization in carbonatized and pyritized tuff with minor **quartz veins**. A tuff is a geological formation composed of compressed volcanic ash, and veins are zones of mineralized rock (in this case, quartz) that are separate from neighboring rock. Veins typically include mineral deposits that originated at the same source, are impressed with the same forms, and appear to have been created by the same processes. Veins vary in height, width, and mineral matter, and can be found underground, near the surface, or in **outcrops** above ground. As an example, Figure 6 illustrates above-ground vein systems found on two separate rock formations.

Figure 6
VEIN SYSTEMS ON ROCK FORMATIONS



Source: American Geophysical Union Veins Project Page <www.ged.rwth-aachen.de/Ww/projects/veins/veins.html>.

In the late 1970s, 93599 Canada Ltd. performed ground geophysical surveys, using magnetic, electromagnetic, and **induced polarization (IP)** techniques, and also drilled 17 holes for roughly 2,205 m. Geophysical surveys entail scientific methods of prospecting that measure the physical properties of rock formations. Whether performed on the ground or from the air, geophysical surveys aid the detection of underground mineralized bodies. These surveys investigate magnetism, specific gravity, electrical conductivity, and radioactivity, among other properties. IP geophysical surveys employ an electrical current to determine signs of mineralization. Results are called **anomalies**, which indicate a favorable section of land exuding mineral qualities. After detection of these anomalies, drilling or another type of physical investigation is often initiated to further characterize the target area.

Preliminary Historic Reserve Estimates

Note: These historical estimates were prepared prior to the implementation of National Instrument (NI) 43-101 standards and thus are not NI 43-101 compliant and should not be considered a resource or reserve using accepted mining definitions.

Exploration at Stadacona East was accelerated after the gold discovery at the aforementioned Stadacona Gold Mine. Part of this past exploration included the evaluation of possible historical reserves. A historical estimate is any estimate of mineral resources or reserves that was prepared prior to February 1, 2001. For the Stadacona East zone, historical reserves could equal 488,400 tonnes grading 6.3 g/t gold (undiluted) or 501,655 tonnes grading 5.4 g/t using a 20% dilution factor. The values were determined through exploration work conducted at the property in the 1980s and 1990s by Cambior and its predecessor, Ressources Minières Forbex Inc. (now Fieldex). Forbex conducted detailed IP surveys and a 19-hole **diamond drill** campaign (seven holes in the Stadacona East zone and 12 at IP targets elsewhere on the property). Diamond drilling entails the use of a diamond-studded drill bit to cut a circular, columnar section of rock from hundreds of meters below ground, called the drill core. Figure 7 illustrates a sample drill core.

Figure 7
A DIAMOND DRILL CORE



Sources: Klondike Star Mineral Corporation and Crystal Research Associates, LLC.

Forbex also **assayed** 91 **lithogeochemical** samples. In mining, an assay analyzes the types and proportions of metals in a sample. Assaying is often performed on behalf of the mining company by a certified commercial laboratory, which specializes in inorganic chemical analysis of geological materials for the worldwide mineral exploration and mining communities.

Likewise, Cambior prospected and sampled parts of the property, and drilled 94 holes for over 29,000 m—70% of which were targeted to extend and evaluate the potential of the Stadacona East gold mineralized zone. Cambior's work led to the compilation of 1:5,000-scale geological, geophysical, and geochemical data as well as three 1:1,000-scale drill section books.

Moreover, in addition to this evaluation, prior drilling had returned 5.2 g/t of gold content over 4.3 m (which is roughly 0.15 oz/t over 14 ft) with a depth of 1,028 m (~3,372 ft). Before the Company's possession of the property, approximately 255 holes for a total of nearly 54,000 m had been drilled in the project area. Many of these were drilled in the southwest part of the property to define the gold zone.

The drill core recovered from Cambior's exploration is stored in covered shacks at the Company's core shack site near Laverlochère, a town located roughly 125 km south of Rouyn-Noranda. The boxes, which are identifiable, are believed to contain virtually all of the core from Cambior's drill programs. It is plausible that Visible Gold Mines could resample the core and reliably integrate the assay results with the Company's own new exploration data to prepare an NI 43-101-compliant mineral resource estimate.

Table 3 highlights the drill holes, parameters, and representative mineralized intercepts used to calculate the historical possible reserve of 488,400 metric tons with 6.3 g/t of gold content, potentially representing 98,940 oz of gold before dilution. Visible Gold Mines believes that the preliminary historic reserve estimates for Stadacona East suggest that the prospect has potential for expansion both to the east (along the strike) and to depth. Historically, exploration at Stadacona has been cyclical, diminishing during periods of economic and commodity downturn. To this extent, Visible Gold Mines estimates that Stadacona has likely only experienced at most seven cycles of exploration, which characterizes the property as a very young mining camp.

Table 3
Visible Gold Mines Inc.
HISTORICAL ORE RESERVE ESTIMATES—STADACONA PROPERTY

Appendix 3. Historical Ore Reserve Estimates (Viens 1988) - Stadacona East Prospect.

DATE: 27/07/1988

Supervisor: F. Viens

Parameters		Summary		Contained Gold	
Density:	2.8	Proven	Nil	98,940 ounces	
Cut-off grade Minimum:	3	Probable	Nil		
Cut-off grade Maximum:	34	Possible	488 400 Tons @ 6.3 g/t		

LEVEL	SECTION	HOLE No	GRADE (g/t Au)	TRUE WIDTH (m)	AREA (m ²)	THICKNESS (m)	TONNAGE (mt)	CUT-OFF	CATEGORY	REMARKS
1300		19	6.4	3.6	870	3.6	8770	6.4	possible	Zone 1
1300		24	2.9	2.0	865	2.0	4844	2.9	possible	Zone 1
1300		21	8.0	2.5	970	2.5	6790	8.0	possible	Zone 1
1300		25	3.8	2.6	2045	2.6	14888	3.8	possible	Zone 1
1300		27	4.8	2.3	2945	2.3	18966	4.8	possible	Zone 1
1300		1	5.6	2.0	2075	2.0	11620	5.6	possible	Zone 1
1300		52	11.1	3.2	1965	3.2	17606	11.1	possible	Zone 1
1300		29	7.2	2.0	3050	2.0	17080	7.2	possible	Zone 1
1230	37W1	3.0	2.6	2920	2.6	21258	3.0	possible	Zone 1	
1230		91	7.3	2.4	3345	2.4	22478	7.3	possible	Zone 1
1230		59	2.3	5.1	2935	5.1	41912	2.3	possible	Zone 1
1230		43	6.0	2.0	2775	2.0	15540	6.0	possible	Zone 1
1100		55	14.4	3.2	4160	3.2	37274	12.5	possible	Zone 1
1100		79	14.0	2.4	2980	2.4	20026	14.0	possible	Zone 1
1100		57	8.2	3.2	2055	3.2	18413	8.0	possible	Zone 1
1100		33	5.7	3.0	3125	3.0	26250	5.7	possible	Zone 2
1100		31	4.9	2.1	2790	2.1	16405	4.9	possible	Zone 2
1100		56	6.2	4.3	8155	4.3	98186	6.2	possible	Zone 2
980	82W1	3.2	2.2	6350	2.2	39116	3.2	possible	Zone 2	
980		82	5.3	2.9	3810	2.9	30937	5.3	possible	Zone 2
TOTAL			6.5	2.8			488358	6.4		

Source: Visible Gold Mines Inc.'s NI 43-101 Technical Report for the Stadacona East Property.

Regional Geology Around Stadacona East

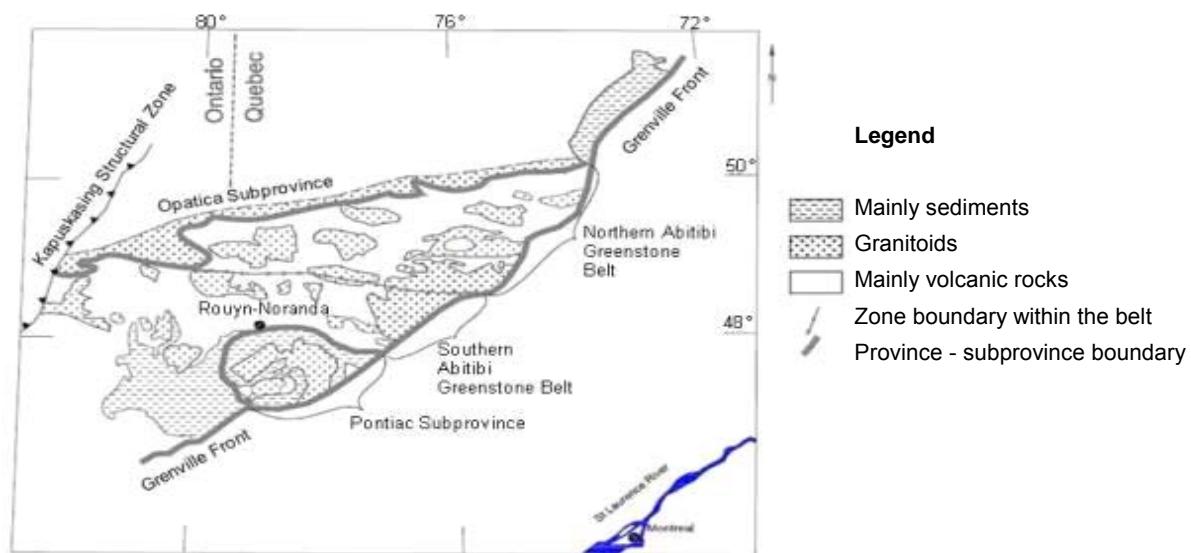
Stadacona East is located in the Abitibi greenstone belt. A greenstone belt is a zone of metamorphosed volcanic and sedimentary rock that can stretch several dozen to several thousand kilometers. Often, the metamorphic minerals contained in the rocks of these belts have a green hue, hence the term “greenstone” belt. These formations are usually found in continental shields, and the Abitibi greenstone belt is the largest contiguous greenstone belt within the Canadian shield (Source: *Understanding Mineral Deposits* 1999, p. 464). Figure 8 illustrates the Canadian shield, which occupies more than 40% of the land area of Canada. Within this shield, the Abitibi greenstone belt spans approximately 500 km across the Ontario-Québec border and is composed mainly of volcanic rock. Figure 9 depicts the latitudinal and longitudinal positioning of the Abitibi greenstone belt and highlights the location of Rouyn-Noranda within the belt.

Figure 8
CANADIAN SHIELD



Source: Wikimedia Commons.

Figure 9
Visible Gold Mines Inc.
ROUYN-NORANDA WITHIN THE ABITIBI GREENSTONE BELT



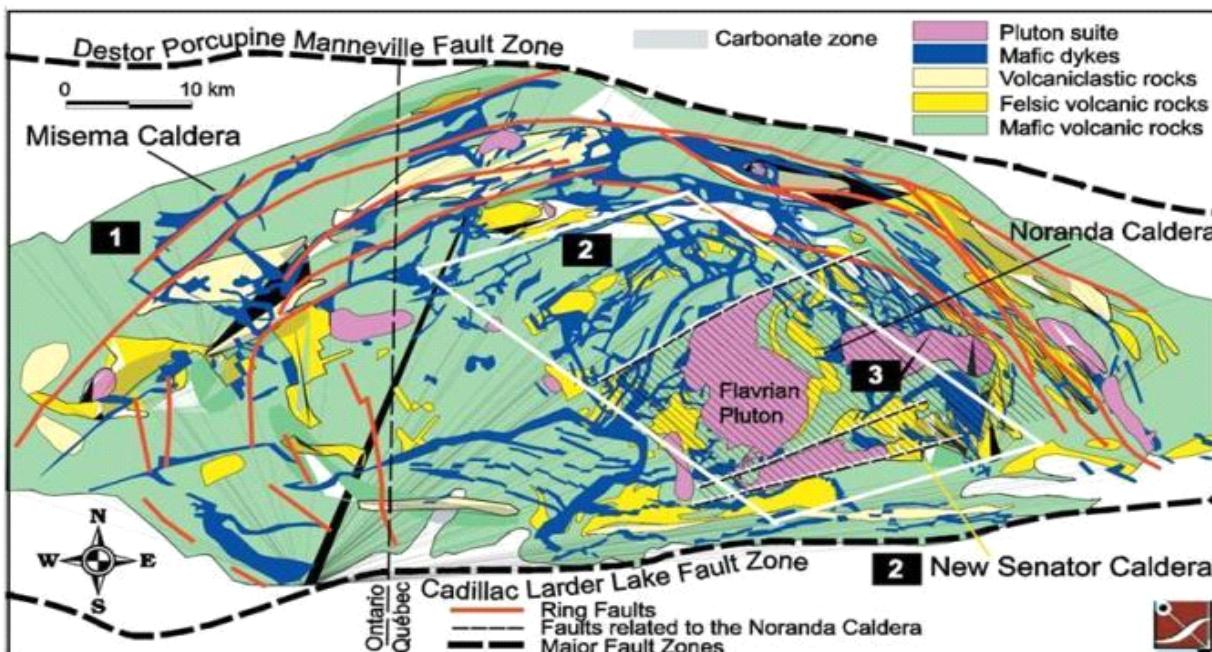
Source: Visible Gold Mines Inc.'s NI 43-101 Technical Report.

As one of the world’s richest mining areas, the Abitibi greenstone belt has produced gold, copper, zinc, silver, and iron ore over the past 100 years (Source: *Understanding Mineral Deposits*). According to the Company’s NI 43-101 Technical Report for Stadacona East, past production in the Abitibi greenstone belt has exceeded 170 million oz of gold, nine million tonnes of copper, 19 million tonnes of zinc, and 625 million oz of silver.

Blake River Group

Within the Abitibi greenstone belt is the Blake River Group, which is a 3,000 km² subaqueous **megacaldera** complex, or more commonly, a supervolcano. Rocks of the Blake River Group are found in the southern zone of the Abitibi greenstone belt, stretching 175 km westward from near Val d'Or to west of the Québec/Ontario border. Val d'Or is a city in Québec with a population of over 31,000. Its name is French for "Valley of Gold." With the advent of modern mapping techniques and other new geological approaches, the Blake River Group has received considerable attention in recent years that has led to a new wave of exploration (Source: *Ash Fall* October 4, 2006). As illustrated in Figure 10, the Blake River Group is bounded by two faults: the Porcupine-Destor fault to the north (also called the Destor Porcupine fault) and the Cadillac-Larder Lake fault to the south.

Figure 10
GENERAL GEOLOGY OF THE BLAKE RIVER GROUP



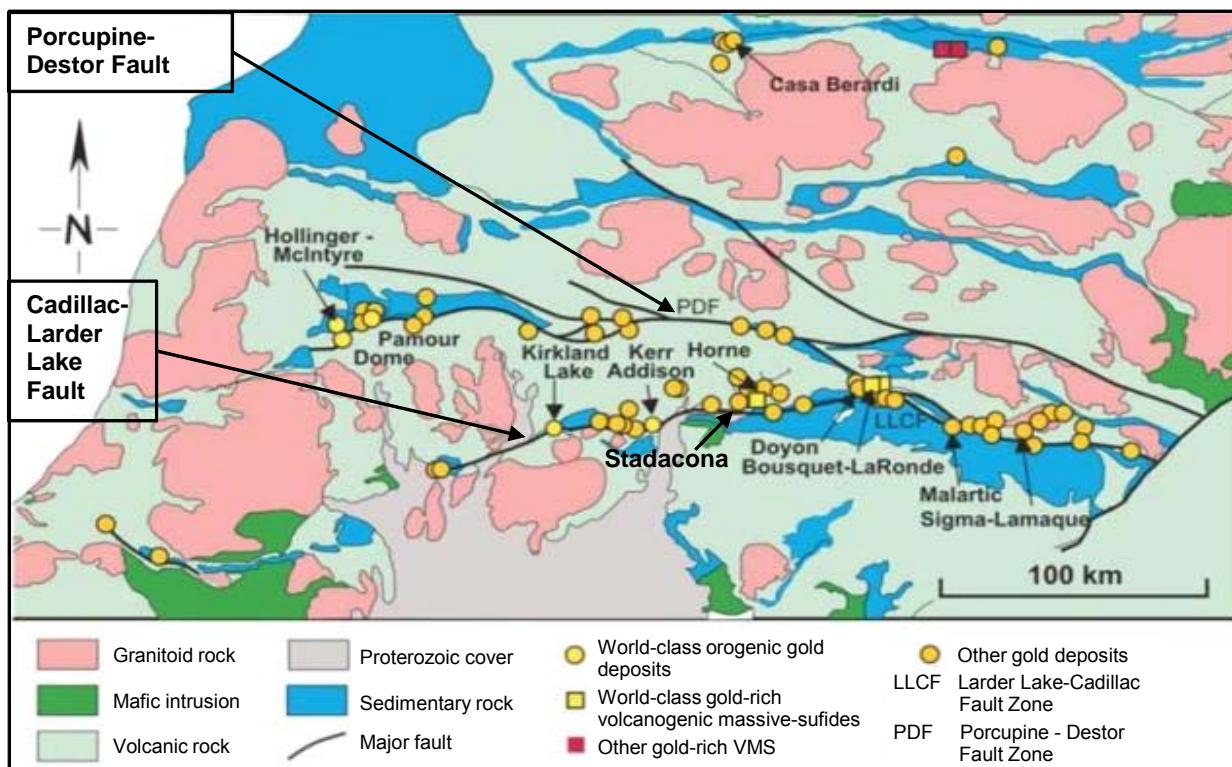
Source: *the Ash Fall* (No. 62) Newsletter of the Volcanology and Igneous Petrology Division, Geological Association of Canada 2006.

The Blake River Group's Noranda volcanic complex in Québec is host to 17 past-producing **volcanogenic massive sulfide (VMS)** deposits (Sources: *Mineralium Deposita* June 2003 and *Economic Geology* September 2008). VMS deposits are known to constitute some of the richest depositions of copper, lead, and zinc, and the historic Noranda deposits are included among the most famous in the world (Source: *Encyclopædia Britannica* 2009).

Moreover, according to the Company's NI 43-101 Technical Report, the majority of economic gold deposits occur along or within a few kilometers of fault lines. Figure 11 (page 21) illustrates this phenomenon, highlighting the numerous **lode** gold deposits that have been identified along either the Porcupine-Destor fault or the Cadillac-Larder Lake fault. Thus, Stadacona East, which is located approximately 1.5 km to 2 km north of the Cadillac-Larder Lake fault, shares a similarity in tectonic setting and style of mineralization to many of these deposits, such as the Malartic Mines (shown toward the bottom right side of Figure 11).

Figure 11

MAP SHOWING MAJOR LODE GOLD DEPOSITS ASSOCIATED WITH REGIONAL STRUCTURES OF THE ABITIBI GREENSTONE BELT



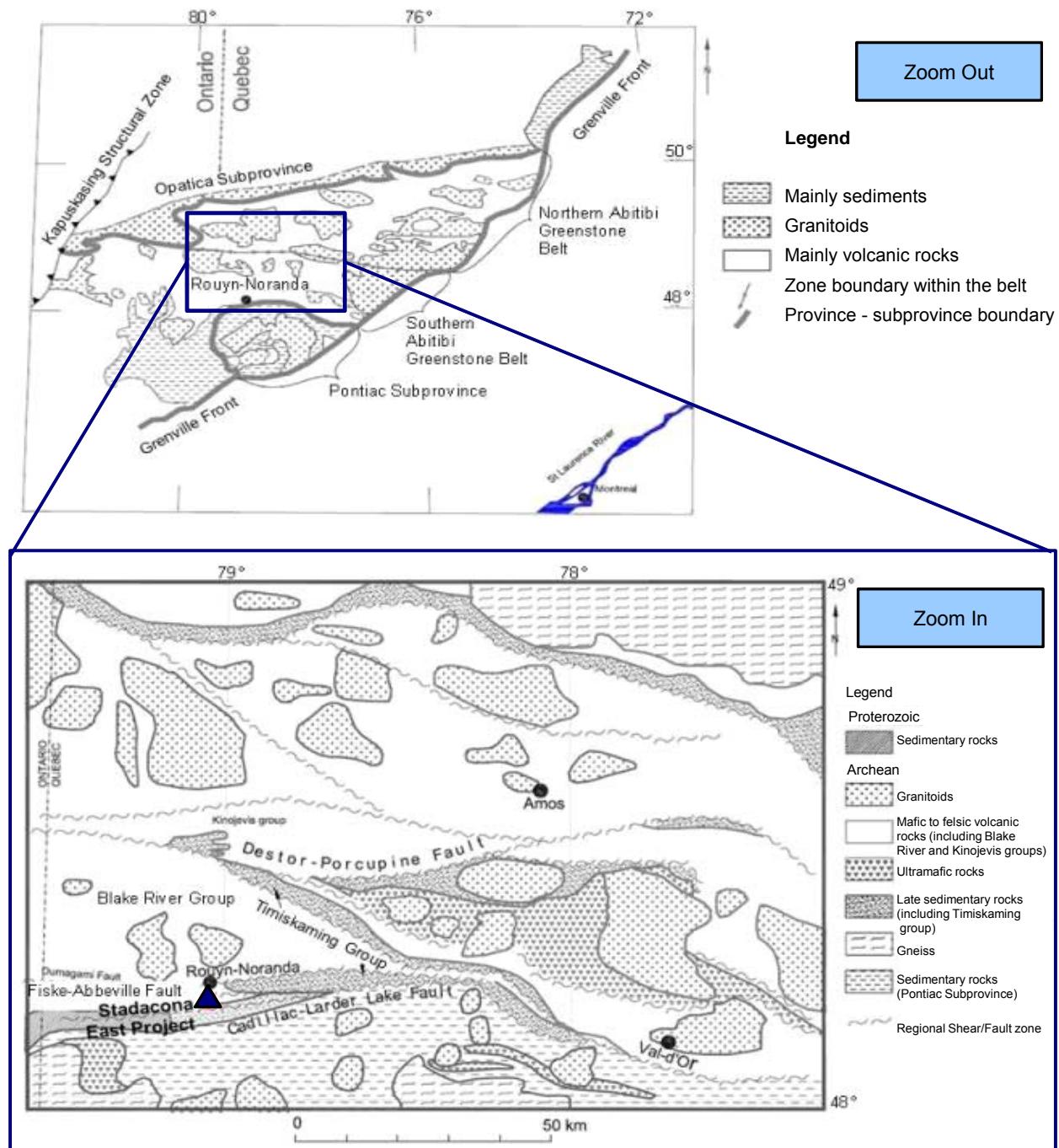
Source: Visible Gold Mines Inc.'s NI 43-101 Technical Report.

Local Geology at Stadacona East

Stadacona East is underlain by **mafic** to **felsic** metavolcanic rocks of the Blake River Group, which are illustrated in the bottom half of Figure 12 (page 22) by the solid white areas. Metavolcanic rocks, commonly found in greenstone belts, are a type of metamorphic rock that were first produced by a volcano and then buried underneath subsequent layers of rock. As also shown in the bottom of Figure 12, rocks of the Timiskaming Group lie on top of the older metavolcanic rocks of the Blake River Group in some places. The most significant mineralization within the Timiskaming Group is gold, and these rocks are known to host some of the largest **Archean** lode gold deposits in the world (Source: Visible Gold Mines' NI 43-101 Technical Report). Stadacona East is situated approximately 1.6 km north of the nearest Timiskaming Group rocks.

Gold mineralization at Stadacona East occurs within a series of northeast- and east-striking, metric-scale, shear and fault zones. In its NI 43-101 Technical Report, Visible Gold Mines reports that Stadacona contains two economically significant structures, both of which host gold mineralization: (1) the Stadacona deformation zone (SDZ); and (2) the Fiske-Abbeville fault (FAF). Each of these is briefly overviewed on page 23.

Figure 12
Visible Gold Mines Inc.
THE ABITIBI GREENSTONE BELT AND THE STADA CONA EAST PROJECT



Sources: Visible Gold Mines Inc.'s NI 43-101 Technical Report and Crystal Research Associates, LLC.

The Stadacona Deformation Zone (SDZ)

The northeast-striking SDZ is 1 km wide by 7 km long in the southwest part of the property. According to the Technical Report, the SDZ has been explored extensively and comprises the Stadacona East zone (the main gold mineralized body) as well as several associated zones, such as Zones 98, 104, and Red Gold. Greater information about these associated zones is provided on pages 25-26. The largest known gold mineralized area in the SDZ—the Stadacona East zone—is 3 m wide by 300 m long and up to 500 m deep. It has no surface exposure. Past drilling delineated economic-grade mineralization up to a depth of 350 m and sub-economic-grade mineralization up to a depth of 500 m.

Importantly, the SDZ's Stadacona East zone is located only a few hundred meters east of the Stadacona Gold Mine (detailed on pages 14-15). Both locales are situated on the same ore-bearing trend, which Visible Gold Mines believes may increase the probability that Stadacona East can be an economically viable deposit.

The Fiske-Abbeville Fault (FAF)

Cutting across the southern part of Stadacona, the east- to east-west-striking FAF is approximately 800 m in width and 2.5 km in length. Due to strike and proximity, the Company believes that the FAF is related to the regional structure of the Cadillac-Larder Lake fault, which forms the southern border of the Blake River Group. The FAF hosts gold mineralization in the south-central area of the property known as the Fiske-Keymor area.

Visible Gold Mines' Current Development at Stadacona East

Completion of an NI 43-101 Technical Report

In June 2007, Visible Gold Mines (then part of Fieldex) completed an NI 43-101-compliant Technical Report for the Stadacona East property that is available for viewing on the Company's website at www.visiblegoldmines.com. NI 43-101 is a policy developed by the Canadian Securities Administrators (CSA) and administered by the provincial securities commissions that governs the standards of disclosure for mineral projects. Under this policy, "Standards of Disclosure for Mineral Projects," all issuers (includes any entity that issues a security) must disclose scientific and technical information about their mineral projects to the public, and these must be confirmed by certain **Qualified Persons**, as defined by the CSA. A Technical Report must be filed for mineral projects on each material property.

Visible Gold Mines' NI 43-101 Qualified Persons, who prepared the Technical Report on Stadacona East, were Frederick W. Breaks, Ph.D., P.Geo., a consulting geologist from Sudbury, Ontario; and Ike A. Osmani, M.Sc., P.Geo., from Greenstone Consulting in Burnaby, British Columbia.

Completion of an 11,000-meter Drill Program and Geophysical Exploration

Visible Gold Mines began a drilling program at Stadacona East in July 2008. This exploration had two primary objectives: (1) prove the depth of the gold mineralized zone; and (2) obtain information about the deepest areas, as these had never been explored. Throughout the last quarter of 2008, the Company executed an extensive data compilation on this property, which was followed by the completion of the drill program in February 2009. Under this program, Visible Gold Mines dug 11 holes for a total of 10,931 m at Stadacona East. At the beginning of April 2009, Visible Gold Mines reported the results of this drill campaign, which confirmed the continuity of the gold mineralized zone in depth on the west part of the property and provided encouraging results on the east side of the property as well.

In addition, the Company undertook a geophysical campaign on the east side of the property that entailed 29.8 km of magnetic surveying and 23.6 km of IP surveying. This exploration identified 25 new anomalies. Visible Gold Mines estimates that a 2009 drilling campaign could be performed to further test eight of the most promising new targets. To view detailed maps of the Company's 2009 Exploration Program and Gold Zone Depth Extension, please access the Stadacona East section of Visible Gold Mines' website (www.visiblegoldmines.com).

Table 4 summarizes Visible Gold Mines' 2008 drilling results at Stadacona East, as reported in the Company's April 1, 2009, press release.

Table 4
Visible Gold Mines Inc.
2008 STADACONA EAST DRILLING RESULTS

Hole Number	Hole Location (UTM NAD 83)		Azimuth	Dip	Length (m)	From	To	Length (m)	Grade (g Au/T)
	EAST	NORTH							
FB-08-112	646673	5342624	150	65	1200	908,0	912,2	4,2	5,39
FB-08-112A	646673	5342624			90	cancelled	cancelled	cancelled	cancelled
FB-08-112B	646673	5342624	154	54	532	781,1	782,5	1,4	2,60
						779,6	783,6	4,0	1,20
						916,6	919,1	2,5	3,98
FB-08-112C	646673	5342624	145	65	477	904,8	906,3	1,5	0,94
FB-08-113	646756	5342581	150	70	1092	585,0	586,0	1,0	4,50
						959,2	960,3	1,1	2,20
						973,0	985,0	12,0	3,70
						988,0	989,0	1,0	3,10
						998,0	999,0	1,0	2,78
FB-08-113A	646756	5342581	160,2	62,3	640	585,0	586,5	1,5	1,78
						714,5	716,3	1,8	3,40
						720,8	722,3	1,5	2,87
						973,8	975,0	1,3	2,55
						977,5	979,0	1,5	2,43
						982,0	984,4	2,4	3,23
FB-08-114	646863	5342604	150	65	900	55,4	56,4	1,0	4,70
						659,1	660,8	1,7	6,28
						850,5	852,0	1,5	2,35
FB-08-115	646756	5342581	137	58	1100	748,8	751,7	2,9	3,50
						799,1	800,1	1,0	4,80
						914,4	915,4	1,0	1,85
FB-08-116	646870	5342950	135	60	1500	393,5	395,5	2,0	0,97
						532,9	533,9	1,0	1,00
						643,4	644,4	1,0	1,10
						1 098,8	1 101,4	2,6	2,03
						1 272,4	1 273,4	1,0	2,70
FB-08-117	646870	5342950	145	63	1512	483,4	484,4	1,0	1,00
						1 062,1	1 062,7	0,6	4,00
						1 122,0	1 123,0	1,0	0,60
FB-08-118	648003	5344054	145	60	1026	62,2	63,1	0,9	23,00
						607,8	608,5	0,7	7,70
						956,3	957,8	1,5	2,99
						979,1	981,8	2,7	1,83
FB-08-119	650196	5342455	340	61	862				trace

Source: Visible Gold Mines Inc.

Table 5 illustrates the exploration work that Visible Gold Mines expects to undertake during 2009 for three of its properties, although progress at Stadacona East is likely to be the most significant during the year. The Company intends to commence another major drill campaign at Stadacona East in the second and third quarter 2009.

Table 5
Visible Gold Mines Inc.
2009 WORK PROGRAM

Property	Operator	First Quarter			Second Quarter			Third Quarter			Fourth Quarter		
Stadacona	VGD*	D	G	C	C	D	D	G	G	D	D	D	D
Hazeur	VGD	—	—	—	—	—	—	—	—	—	—	—	—
Rapides Elliot	VGD	—	—	—	—	P	P	M	P	G	G	D	D

* Visible Gold Mines

Key

P: Prospecting	M: Mapping	G: Geophysics	D: Drilling	C: Compilation
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Source: Visible Gold Mines Inc.

The Company's drilling at Stadacona East has particular emphasis on the Cadillac fault. One of the primary objectives of recent drilling was to test the surface gold showing on the Cadillac fault. Thus far, Visible Gold Mines' technicians and senior team have noted several alterations in their exploration, which is believed to be an important indicator in the Company's favor.

Additional Zones of the Stadacona Property

When Cambior initiated development of the property in the 1980s, it identified several new zones of gold mineralization and confirmed the historical Stadacona East gold mineralized zone. Cambior classified these sectors as follows: (1) Stadacona East; (2) Zones 98 and 104; (3) Red Gold; (4) Fiske-Keymor; (5) Bypass; and (6) East. Aside from Stadacona East (which has been described in detail on the preceding pages), each of these zones is briefly outlined below. For greater details, please consult Visible Gold Mines' NI 43-101 Technical Report for Stadacona East.

- **Zones 98 and 104.** These areas were discovered by diamond drilling in 1989. Zone 98 is approximately 50 m to 60 m southeast of the Stadacona East zone. If it is projected to the southwest, Zone 98 may intersect Stadacona East, thus thickening the zone at the intersection. Previous drilling at Zone 98 averaged 1.4 g/t of gold over five meters. Located approximately 150 m north-northeast of Zone 98, Zone 104 appears to be a portion of Zone 98 that has been transported northward by a **sinistral fault**. Drilling at Zone 104 has intersected up to 5.35 g/t of gold over 2.65 m with 10% quartz carbonate and up to 5% **pyrite**.
- **Red Gold.** This zone is named after the Red Gold Mining Company, which discovered the area with diamond drilling in the 1930s. The best gold values reported in the 1930s at Red Gold ranged from 0.7 g/t to 2.7 g/t over 0.3 m to 2.4 m in one drill hole and 1.4 g/t over 10 m in another hole. Subsequently, Forbex conducted exploration to the northwest and southeast of the zone to intersect the IP anomalies associated with mineralization at Red Gold. From 1987 to 1998, Cambior also drilled at Red Gold and intersected significant mineralization in several holes, including 3.5 g/t of gold over one meter in one hole that could be related to the prior best values reported by the Red Gold Mining Co. It has been suggested that this zone could warrant further exploration due to its location at the intersection of a northeast-trending IP anomaly and a west-northwest-trending very low frequency (VLF) conductor. VLF methods of geophysics utilize VLF radio communication signals to determine electrical properties of near-surface soils and certain bedrock. The technique is useful for mapping steeply dipping structures, such as faults, fracture zones, and areas of mineralization.

- **Fiske-Keymor.** Gold-bearing quartz veins were discovered at Fiske-Keymor in 1930, and explored via two exploration shafts, the Fiske and the Keymor. Red Gold Mining, Forbex, and Cambior have all diamond drilled at this sector, with the best assays reported to be 2.8 g/t of gold over one meter and 1.6 g/t of gold over one meter. Available IP data from these earlier operators suggests that there are two sub-parallel, semi-continuous, east-west-trending IP anomalies, approximately 200 m apart, cutting across the southern part of Stadacona: (1) the first of which (the more northern anomaly) reflects the **sulfide** mineralization in the Fiske-Keymor zone; and (2) the second of which is believed to coincide with the northeast-trending Stadacona East prospect. The orientation of these anomalies could indicate that the mineralization in both Fiske-Keymor and Stadacona East manifested from the same gold mineralized event and then became physically separated by various tectonic processes.

Due to the mineralized structures and associated alteration types observed at Fiske-Keymor by the previous operators, Visible Gold Mines' NI 43-101 Technical Report on Stadacona East confirms the need for further testing of the zone using appropriate geological and geophysical methods to understand the full extent of the sector's gold-bearing system.

- **Bypass.** Situated in the southeastern section of Stadacona, the Bypass sector has been explored via road excavation as well as drill tested. Typical assay values at Bypass range from 71 parts per billion (ppb) of gold to 1,386 ppb, although one prior sample has yielded 3.1 g/t of gold over one meter. The best results from Forbex's drilling revealed 2.4 g/t of gold over 1.3 m. Cambior later drilled two holes at Bypass that did not yield mineralization.
- **East.** Also in the southeastern part of Stadacona, the East sector consists of an east-west-striking shear zone characterized by moderate to strong alteration, penetrative **schistosity**, and crushed rocks. Carbonate veins, 3% to 4% pyrite, and 8% to 10% **arsenopyrite** (the principal ore of arsenic), but no significant gold mineralization, have been reported at this shear zone.

ADDITIONAL PROPERTIES

Rapides Elliot

Visible Gold Mines acquired a 100% interest in Rapides Elliot pursuant to a January 2007 agreement. This property now comprises 33 mining claims totaling approximately 1,950 ha that are located within the Chaudière and Senezerques Townships in Québec. Exploration at Rapides Elliot began in July 2007, and the Company has already recovered 26 **till** samples at this property. In order to identify targets that could be favorable for gold discovery, the Company conducted prospecting and till sampling exploration work at Rapides Elliot parallel to the drilling program at Stadacona East (as detailed on pages 23-25).

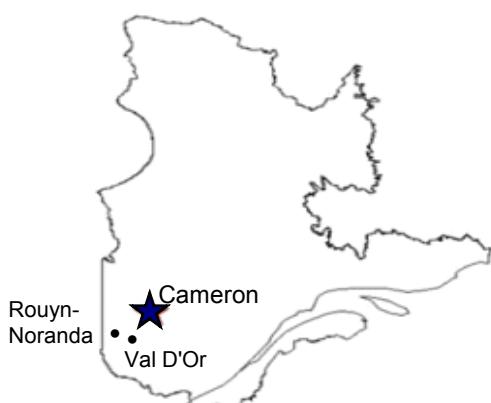
Rapides Elliot lies within a gold dispersion train defined by Aurizon Mines Ltd. (AZK-NYSE Amex), a gold producer currently exploring the early stage Kipawa gold-uranium project neighboring Rapides Elliot. Due to the proximity of Rapides Elliot to Aurizon's Kipawa project and the expertise that Aurizon possesses, Visible Gold Mines expects that its exploration program at Rapides Elliot can be conducted similarly to the exploration activities ongoing at Kipawa. As such, Visible Gold Mines' strategy for Rapides Elliot consists of following the lead of Aurizon. The Company believes that the most efficient approach at present is to let Aurizon invest in exploration at Kipawa and then to await Aurizon's results and evaluate them for success. For instance, if Aurizon has drilled in a particular trend and received positive results, Visible Gold Mines will likely mirror Aurizon's work and drill in that trend as well.

Aurizon has recently completed a four-hole, 681 m drill program at Kipawa to test a rare earth elements (REE) target located in the western part of the Kipawa southern claim block. The holes intersected a broad rare earth mineralized envelope within a minimum true thickness averaging 61 m to 104 m. As a result of the encouraging REE data, Aurizon is considering a follow-up exploration drilling program at Kipawa to test other REE showings along the same prospective trend as well as potentially a preliminary mineralogical study in 2009.

Amex Exploration Inc.'s Cameron Property

In March 2009, Visible Gold Mines entered into formal agreements with Amex Exploration Inc., a Canadian exploration company. Under the agreements, Visible Gold Mines has the option to acquire an interest in Amex Exploration's Cameron property (marked in Figure 13). In addition, Visible Gold Mines completed a C\$250,000 investment in one million shares of Amex at C\$0.25 per share, which represented the acquisition of 10% of Amex Exploration. Amex Exploration also intended to grant Visible Gold Mines Share Purchase Warrants for the right to purchase one million shares at C\$0.35 per share during the ensuing 12 months, which would be restricted from trading for four months and one day.

Figure 13
MAP OF THE CAMERON PROPERTY



Source: Amex Exploration Inc.

Figure 14
TRENCHING



Sources: Klondike Star Mineral Corporation and Crystal Research Associates, LLC.

The Cameron property comprises 13 contiguous claims in northwestern Québec. It covers 730.8 ha and is underlain by volcano-sedimentary rocks of the Abitibi subprovince. Cameron is located at the intersection of two major regional structures: (1) the Chieftain corridor of the Cameron Property Deformation Zone (associated with gold mineralization); and (2) the Wedding fault. Amex Exploration initially acquired this project because of its gold potential, as was identified through a previous owner's trenching. In mining, a trench is a long, narrow, excavated ditch dug for the purpose of prospecting (as illustrated in Figure 14). Trench sampling typically encompasses removing soil and overburden at regular intervals from the entire length of the trench to expose bedrock. Overburden is any material (loose or consolidated sands, gravels, etc.) that overlies a deposit of useful materials, such as gold, that lies on or near bedrock.

Samples from trenching by the previous operator at Cameron, SOQUEM Inc. (a wholly owned subsidiary of the Société Générale de Financement du Québec [SGF]), returned values ranging from 1 g/t to 7.3 g/t of gold. Cameron also hosts IP anomalies, one of which is associated with the gold-bearing trench.

Under the Option agreement, Visible Gold Mines can acquire a 50% interest in the mining claims of the Cameron property in exchange for the following:

- (1) an C\$85,000 payment following a two-year payment schedule, of which C\$10,000 must be paid at closing;
- (2) the issuance of 500,000 Common Shares in a two-year period, of which 100,000 Common Shares must be issued at closing; and
- (3) a commitment to incur cumulative expenditures of C\$500,000 at Cameron in a three-year period, of which C\$100,000 must be incurred during the first year of the Option agreement.

Lac Simard

In March 2008, Visible Gold Mines acquired 24 km² (40 mining claims) in Québec's Témiscamingue area, which is known for its REE and uranium showings. The Company's intention in acquiring this land was to capitalize on Fieldex's uranium discovery in this area by obtaining an advantageous land position. As such, Visible Gold Mines likely will not develop Lac Simard but rather could seek to sell this property. However, the Company may perform some prospecting for REE, uranium, and lithium during summer 2009 at Lac Simard.

Hazeur

Pursuant to a July 2007 agreement, the Company holds a 100% interest in the Hazeur property, which comprises 171 mining claims for 2,382 ha in the Chibougamau Township. While Visible Gold Mines has performed some exploration at Hazeur that returned surface gold, including prospecting, trench sampling, and an 11-hole, 2,597-m drill program, economical gold values have not been found in the core. Thus, the Company has no further exploration work currently scheduled for this property, especially as resources are presently being devoted to the more favorable Stadacona East project.

MARKET DYNAMICS

The mining and exploration industry is separated into two major classes of participants: junior companies (such as Visible Gold Mines) and senior companies. Typically, junior companies are those that are searching for new gold or other mineral deposits or are small miners with only one or two mines in operation. As of 2004, juniors had outnumbered senior mining companies by almost an 8:1 margin globally (Source: Financial Sense®).

During 2006 and 2007, many junior mining companies in Canada benefited from increasing metal prices as well as rising investor confidence (Source: PwC). For example, juniors on the Toronto Stock Exchange's Venture Exchange ([TSX.V] on which Visible Gold Mines listed in 2007), increased their combined total market capitalization to C\$27.6 billion in 2006, an 86% increase over 2005. By June 2007, the market capitalization of mining companies on the TSX.V was up to C\$40 billion. According to a PwC survey of juniors in September 2006, gold was a key contributor to growth. However, as with many other market sectors at present, the mining and exploration industry has also recently been subject to considerable fluctuations due to the depressed worldwide economic climate and accompanying credit crunch. In addition, gold prices, which had been trending upward, began to decline during 2008 (although the price of gold has since had a marked increase in 2009 to date, as shown in Figure 16 [page 30]). The combined effect of lowered commodity prices, diminished funding from the debt and equity markets, and skittish investors contributed to a decline in value in this sector on the TSX.V to roughly C\$7.9 billion as of November 30, 2008 (Source: PwC's *Junior Mine—Review of trends in the TSX-V mining industry* February 2009).

As a result, PwC predicts that companies with the funds available may be able to achieve acquisitions during 2009 at more favorable pricing. To this extent, while a decrease from 2007 numbers, Canada accounted for the largest share of mining mergers and acquisitions (M&A) activity worldwide in 2008 with a total deal value of \$32.8 billion (Source: PwC's *Mining Deals: 2008 Annual Review*). Moreover, despite the present market environment, executives in the global mining and exploration industry still believe that Canada is the ideal location for mining investment due to its federal, provincial, and local policies encouraging mineral exploration and development (Source: the Fraser Institute's *Survey of Mining Companies 2008/2009*). This is evidenced by the ranking of seven Canadian provinces in the top 10 jurisdictions worldwide for mining policy, with Québec in particular listed as the overall favorite (as detailed on pages 11-12).

In addition, among 45 established gold miners and development companies with global operations, expected annual gold production for 2008 was 33.34 million oz. Despite market volatility during 2008, this is only a small decrease from 2007 production, which was 34.64 million oz among these miners. Moreover, most companies surveyed reported no anticipated change to long-term production levels, and one-third of respondents indicated that their production would increase (Source: PwC's *2008 Global Gold Price Survey Results December 2008*).

As reported in the *Survey of Mining Companies 2008/2009*, some executives believe that a key to survival under current market conditions is whether or not the company in question capitalized on the past few years' boom by either accruing cash or finding a great project that may aid survival now. This paradigm may also benefit exploration companies in the long term, as the senior companies and government agencies lay off geologists in order to conserve cash. To this extent, Visible Gold Mines acquired 100% interest in its flagship project, Stadacona East, in July 2007, and is working now to be prepared for a turnaround in the industry. Additionally, in early March 2009, the Company entered into agreements to invest in 10% of Amex Exploration by way of a private placement (as described on page 27) as well as for the option to acquire 50% ownership in Amex Exploration's Cameron property.

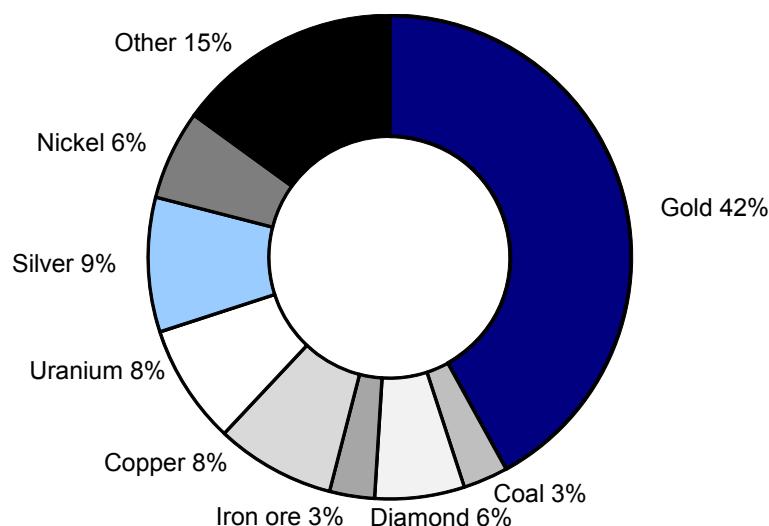
Forecasted Growth in the Global Metals and Mining Industry

The global metals and mining industry—which consists of aluminum, iron, steel, precious metals and minerals, coal, and base metals—is forecast to reach \$2.8 trillion by 2012, which represents more than 75% growth from the industry's 2007 value of \$1.59 trillion (Source: Datamonitor plc's *Metals & Mining: Global Industry Guide* February 2009). These global figures comprise the Americas, Asia-Pacific, and Europe. The precious metals and minerals market includes gold, silver, platinum, palladium, rhodium, and industrial and gem-quality diamonds, and the base metals market consists of lead, zinc, copper, nickel, and tin.

Within just the Group of Eight (G8) countries (Canada, the U.S., Germany, France, the UK, Italy, Russia, and Japan), Datamonitor values the metals and mining industry at \$846.4 billion by 2012. This is a compound annual increase of 8.2% from 2007, when this market was \$570.6 billion (Source: *Metals & Mining – Global Group of Eight (G8) Industry Guide* January 2009).

According to PwC's *Junior Mine—Review of trends in the TSX-V mining industry* and as illustrated in Figure 15, gold was the primary metal of interest for 42% of the top 100 mining and exploration companies on the TSX.V during 2008, up from 40% of companies in 2007. Gold holds this dominant position because its value has risen steadily over the past decade.

Figure 15
PRINCIPAL COMMODITY OF THE 100 COMPANIES ANALYZED, BASED ON MARKET CAPITALIZATION



Source: PricewaterhouseCoopers LLP's *Junior Mine—Review of trends in the TSX-V mining industry* (February 2009).

Gold Economics

As illustrated in Figure 16, gold prices increased from approximately \$280/oz in January 2000 to upward of \$950/oz in early 2009. Moreover, at the beginning of March 2009, analysts at Morgan Stanley predicted that gold prices could average \$1,000 during the year, up from the \$900 forecasted a month earlier, as central banks were expected to continue increasing market liquidity (Source: MarketWatch, Inc. March 5, 2009). Additionally, on March 24, 2009, J.P. Morgan analyst Steve Shepherd also predicted that gold prices could stay around \$1,000/oz for the next few years. He forecasted an average gold price of \$965/oz in 2009, \$1,016/oz in 2010, and \$1,057/oz during 2011.

Figure 16

PRICE OF GOLD IN U.S. DOLLARS (\$) PER OUNCE FROM JANUARY 2000 TO MARCH 2009



Source: Crystal Research Associates, LLC.

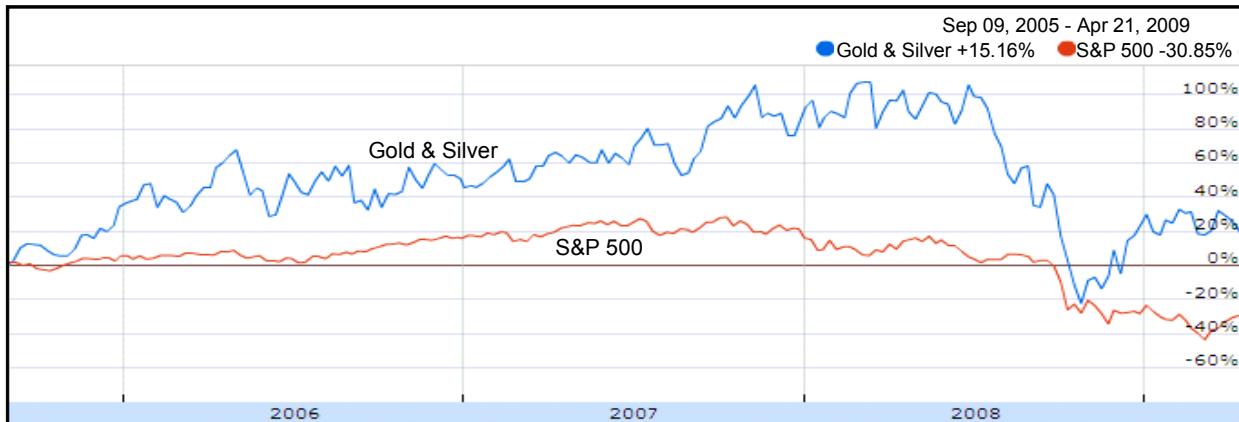
Gold's key price drivers over the past several years have included the following: (1) a declining U.S. dollar; (2) lower real interest rates; (3) a continued demand for base metals fueled by Chinese industrialization and world gross domestic product (GDP) growth; and (4) higher inflation expectations (initially due to the rapid rise in oil prices) that continue to be fueled by concerns over the U.S. economic stimulus package enacted in February 2009. A widespread perception that gold is the asset most likely to hold its value in the present economic climate is driving investors to this market (Source: Thomson Reuters Corp. February 20, 2009). As a result, increased investment demand is helping to offset losses from traditional jewelry markets in India, China, and the Middle East, exemplified by recent exchange-traded fund (ETF) buying. ETFs now own approximately 40 million ounces of gold, valued at roughly \$36 billion at end of March 2009 prices (Source: *Financial Post* March 24, 2009).

Figure 17 (page 31) depicts the gold and silver subcategory of the basic materials sector versus the S&P 500 over the past few years. At April 21, 2009, the market value of gold and silver was up more than 15% over September 2005, while the S&P 500 was down 30% in the same time frame.

As the price of gold rose over the past several years, interest in mineral exploration also increased. Regions with low political risk that are favorable to mining, such as many areas of Canada, especially benefited from the boosted exploration. Going forward, the increasing price of gold may continue to benefit the economics of gold mining operations, as a higher price per ounce can transform previously economically infeasible possessions into viable gold deposits.

Figure 17
GOLD AND SILVER VERSUS THE S&P 500

September 9, 2005 to April 21, 2009



Source: Google™ Finance (April 21, 2009).

Competition

Visible Gold Mines may encounter competition from other local exploration companies in Québec as well as from senior gold miners that may have greater resources than the Company. Québec is home to roughly 30 mines and 158 exploration firms (Source: the Gouvernement du Québec 2009). A list of several of the Company's potential competitors is provided in Table 6. It is important to note that this is not an exhaustive list of all of Visible Gold Mines' possible competition; however, it is believed to be representative of the other entities that could compete with the Company for mining possessions, funding, and skilled laborers. A summary of each company is provided following Table 6.

Table 6
Visible Gold Mines Inc.
POTENTIAL COMPETITION

Company	Symbol (Exchange)	Last Trade (04/21/2009)	52-week Range	Avg. Vol. (3 month)	Market Cap.
IAMGOLD Corporation	IAG (NYSE)	\$7.63	\$2.22 - \$9.00	3,611,730	\$2.5 B
	IMG (TSX)	C\$9.37	C\$2.93 - C\$11.38	3,867,440	C\$3.5 B
Agnico-Eagle Mines Limited	AEM (NYSE)	\$45.53	\$20.87 - \$80.79	5,228,770	\$7 B
	AEM (TSX)	C\$55.75	C\$26.60 - C\$80.74	1,251,030	C\$9 B
Aurizon Mines Ltd.	AZK (NYSE Amex)	\$4.03	\$1.05 - \$5.43	712,141	\$607 M
	ARZ (TSX)	C\$5.03	C\$1.21 - C\$6.24	1,058,030	C\$753 M
Alexis Minerals Corporation	AXSMF (OTC.PK)	\$0.38	\$0.32 - \$0.98	9,041	\$48 M
	AMC (TSX)	C\$0.47	C\$0.21 - C\$0.70	185,725	C\$61 M
Metanor Resources Inc.	MTO (TSX.V)	C\$0.50	C\$0.26 - C\$1.09	176,471	C\$40 M
Visible Gold Mines Inc.	VGD (TSX.V)	C\$0.12	C\$0.05 - C\$0.35	110,370	C\$3 M

Sources: *Yahoo! Finance and Crystal Research Associates, LLC.*

IAMGOLD Corporation

IAMGOLD is predominantly a gold miner with seven active mines and multiple exploration and development projects across Canada, South America, and Africa. IAMGOLD's annual gold production is approximately one million ounces, and the company aims to reach 1.8 million oz by 2012. Within Canada, IAMGOLD is focused in Québec. Its Doyon Division, with a total of roughly 2,870 ha, operates the Doyon and Mouska underground mines, which are located in the Cadillac gold belt approximately 40 km east of Visible Gold Mines' Stadacona property. In January 2006, the Doyon mine produced its five millionth ounce of gold. The Mouska mine is also known for its copper grades. Further, in 2004, IAMGOLD discovered a new deposit, the Westwood, two kilometers east of the Doyon mine by surface drilling. As a result, the company embarked on a \$25 million, five-year underground exploration program in order to identify new deposits at both the Doyon and Mouska properties. In early 2009, IAMGOLD released results from a preliminary assessment study at Westwood, which found that the deposit could have a projected mine life of 15 years, and based on current resources, produce approximately 187,000 oz of gold per year at an average cash cost of \$298 per oz. In 2008, the Doyon Division produced 118,000 oz at a cash cost of \$548/oz of gold. IAMGOLD estimates that output in 2009 could be 79,000 oz.

In terms of its exploration programs, IAMGOLD employs nearly 60 geoscientists and more than 250 employees dedicated to exploration. Since 2003, its exploration teams have discovered 5.5 million oz of gold. Across all of the company's properties globally, IAMGOLD's total proven and probable reserves were 9.6 million oz at December 31, 2008. Gold measured and **indicated resources** (including reserves) as at December 31, 2008, were 22.8 million oz. However, the main contributors to IAMGOLD's increases are its Rosebel Mine (Suriname, South America) and Quimsacocha project (Ecuador, South America).

The Québec operations experienced expected reserve decreases, as these operations are near the end of their mine lives and lack resource replacement. In February 2009, IAMGOLD announced the acquisition of Orezone Resources Inc., a gold exploration and development company in West Africa.

Agnico-Eagle Mines Limited

Agnico-Eagle is an international mining company primarily focused on gold. It has operating mines in Canada and Finland as well as advanced-stage exploration properties in Canada, Mexico, and the U.S. Since 1972, Agnico-Eagle has produced over four million ounces of gold with one of the lowest total cash costs in the North American gold mining industry. In 2008, the company had annual gold production of 276,762 oz at total cash costs of \$162/oz. In 2009, Agnico-Eagle expects production to rise more than 100% from the 2008 level. Agnico-Eagle's flagship property is the LaRonde Mine, located in Québec's Abitibi region approximately 50 km east of Visible Gold Mines' Stadacona East property. The LaRonde Mine is believed to be Canada's largest gold deposit. Since 1988, LaRonde has produced more than three million ounces of gold and still has proven and probable gold reserves of five million ounces (34.9 million tonnes at 4.4 g/t). Agnico-Eagle employs over 600 individuals to work at the LaRonde operations.

In addition to the LaRonde Mine, the company's Goldex mine (also in the Abitibi region, approximately 60 km east of LaRonde) began production in April 2008. Goldex has approximately 23.1 million tonnes of proven and probable reserves grading 2.2 g/t and holding more than 1.6 million oz of gold. Gold production is expected to average 175,000 oz per year over a nine-year mine life. Agnico-Eagle also operates the Kittila mine in Finland, where the climate, topography, and geology are similar to the Abitibi region. One of the company's exploration projects in Québec, the Lapa project, is expected to commence initial production in mid-2009. Lapa, located 11 km east of LaRonde in the Abitibi region, has 3.8 million tonnes of probable reserves grading 8.9 g/t and containing 1.1 million oz of gold. Via its existing portfolio of mines and projects, Agnico-Eagle's goal is to increase gold reserves to between 19 million and 20 million ounces by year-end 2009, and between 20 million and 21 million ounces by year-end 2010.

Aurizon Mines Ltd.

With the intent of becoming an intermediate gold producer, Aurizon is focused on developing its existing projects in the Abitibi region of northwestern Québec and increasing production through accretive transactions. Aurizon is currently exploring the early stage Kipawa gold-uranium project, which neighbors Visible Gold Mines' Rapides Elliot property (as described on page 26). In February 2009, the company reported results from its 2008 drilling program at Kipawa. This drill program totaled 681 m in four drill holes to test Kipawa's "Snake" rare earth elements (REE) target, located in the western part of the Kipawa southern claim block. The holes intersected a broad rare earth mineralized envelope within a minimum true thickness averaging 61 m to 104 m. As a result of the encouraging REE data, Aurizon is considering a follow-up exploration drilling program at Kipawa to test other REE showings along the same prospective trend. In 2009, a preliminary mineralogical study may also be initiated, as well as continued exploration at gold targets previously identified during 2008.

The company is also working at Casa Berardi and the Joanna Gold Project. Aurizon commenced commercial gold production in the second quarter 2007 at Casa Berardi, and expects to produce between 150,000 oz and 155,000 oz of gold in 2009. Gold production at Casa Berardi during 2008 was 158,830 oz from the processing of 654,397 tonnes of ore at an average grade of 8.2 g/t. The Joanna Gold Project is at an advanced exploration stage. It is located along the Cadillac Break, approximately 20 km east of Rouyn-Noranda. Aurizon plans to initially invest roughly \$1.5 million at Joanna to perform 10,000 m of drilling during 2009. Aurizon's combined property holdings total an excess of 300 mi² of prospective geology in Québec's Abitibi area.

Alexis Minerals Corporation

Alexis is a mineral exploration and development company focused on mine discovery in Val d'Or and Rouyn-Noranda, Québec. The company's primary operations and strategic investments are in Québec's Abitibi district. Alexis owns the past-producing Stadacona Gold Mine, and has several projects underway, including Lac Herbin in Val d'Or and Lac Pelletier in Rouyn-Noranda. Lac Herbin is a gold mine that achieved full production in the fourth quarter 2008. Production from this mine is expected to reach 40,000 oz annually in 2009. Alexis expects to produce between 75,000 to 85,000 oz of gold per year commencing in 2010. Mining operations at Lac Herbin are staffed by roughly 70 employees. The second most advanced initiative for Alexis is its Lac Pelletier Gold Project in Rouyn-Noranda. After having encountered delays due to construction and other problems, Alexis now anticipates completing a **prefeasibility study** for Lac Pelletier in April 2009.

Additionally, related to the company's exploration properties, Alexis has a 50% interest in properties covering approximately 786 km² of the Rouyn-Noranda mining district. These included the past-producing Horne, Quemont, Ansil, Corbet, Gallen, Waite, East Waite, Waite Amulet, and Newbec deposits as well as the West Ansil deposit and other showings and occurrences. Historical production in this area totaled 2.4 million tonnes of copper, 1.9 million tonnes of zinc, 19.5 million oz of gold, and 94.4 million oz of silver. In the Val d'Or camp, Alexis has 100% ownership in properties that it believes represents the largest land position in the region, covering more than 212 km². This property area hosts eight past-producing gold and base metal mines.

Metanor Resources Inc.

Incorporated in January 2003, Metanor is a junior mining exploration company with corporate and exploration offices located in Val d'Or, Québec. Metanor is currently processing mined ore from the Barry deposit (an open pit mine) for milling at Bachelor Lake, which is located near Val d'Or. Since March 2008, the company has produced more than 20,000 oz of gold through this operation. In April 2009, Metanor announced that a drilling campaign at the Barry deposit confirmed new extensions of the pit (approximately 50 m toward the west) and at shallow depth (still open at depth), enabling the company to link two of its pre-existing zones. Results from the company to date confirm the potential for significant additional resources in all of Barry's gold-bearing zones. The company is presently executing a strategy to consolidate gold resources in and around its Bachelor Lake mill. In particular, in 2009/2010, Metanor aims to exploit Bachelor Lake as well as its Hewfran mine (located approximately 400 m west of Bachelor Lake) to supplement the mill feed from Barry.

Metanor has several additional properties, including 14 contiguous unpatented mining claims at Dubuisson in Val d'Or, two mining leases at the Wahnapitei property located 25 km northeast of Sudbury, Ontario, a prospective gold property at Opinaca in northern Québec, and eight contiguous mining claims at the Vassan property in the Val d'Or mining camp. In March 2009, Metanor completed a private placement valued at roughly C\$12 million, which will likely be used to fund a program to rehabilitate and improve the surface infrastructure of Bachelor Lake. This initiative may permit access to underground resources of both Bachelor Lake and Hewfran.

Milestones

Recent Milestones

Since July 2007, Visible Gold Mines has achieved the following major milestones:

- was granted an option to acquire a 50% interest in Amex Exploration's Cameron property;
- completed an 11-hole, nearly 11,000 m drill program on the Stadacona East gold property;
- acquired 290 ha in the center of Rouyn Township, with 163 ha contiguous to the Stadacona East property; and
- completed an initial public offering (IPO) on the TSX.V for total proceeds of C\$5.46 million.

Potential Milestones

- Commencing a major drilling program at Stadacona East in the second and third quarter 2009
- Raising C\$20 million at C\$1.00 per share in order to allow the Company to accomplish the following:
 - put a Stadacona East gold mine into production and generate positive cash flow; and
 - profit from the current economic climate by acquiring existing gold mines currently held by junior entities in the Abitibi gold mining camp

Key Points to Consider

Presented in U.S. dollars, unless otherwise noted. On April 22, 2009, C\$1.00 ≈ US\$0.80 and US\$1.00 ≈ C\$1.24.

- Visible Gold Mines is exploring gold prospects in Québec, Canada. The Company's primary focus at present is its Stadacona East gold property, which is located on over 1,560 hectares (ha) of the Abitibi greenstone belt. The Abitibi greenstone belt is one of the world's richest mining areas, with past production thought to have exceeded 170 million ounces (oz) of gold as well as considerable quantities of copper, zinc, and silver, among other metals.
- Visible Gold Mines currently hosts a resource base of roughly 100,000 oz of gold with the potential to expand. At Stadacona East, historical reserves (based on exploration by previous operators) could equal 488,400 tonnes grading 6.3 g/t gold, potentially representing 98,940 oz of gold.
- Visible Gold Mines estimates that Stadacona has likely only experienced seven cycles of exploration, which characterizes the property as a young mining camp. In February 2009, the Company completed an 11-hole, nearly 11,000-meter drill program at Stadacona East that provided encouraging results. This program was designed to prove the depth of the gold mineralized zone and obtain information about the deepest areas, as these had never been explored.
 - Throughout the remainder of 2009, Visible Gold Mines intends to conduct additional drilling and geophysics campaigns at Stadacona East. The Company has scheduled another major drilling program at Stadacona East during the second and third quarter 2009.
- Stadacona East is located 1.5 kilometers (km) to 2 km north of the Cadillac-Larder Lake fault, and thus shares a similarity in tectonic setting and style of mineralization to many of the gold deposits found near the fault. For example, Stadacona East lies approximately 400 m to 500 m east of the former Stadacona Gold Mine and 1 km south of the historic Horne deposit. Additionally, the property is 50 km west of the LaRonde Mine, which is believed to be Canada's largest gold deposit.
- In the Fraser Institute's annual survey of more than 650 global mining and exploration executives, Québec was ranked as the best jurisdiction worldwide for mining investment due to its policies and mineral potential, among other criteria. The 2008/2009 survey marks the second consecutive year that Québec has been number one, and the province has been included in the top 10 since 2001.
- The global metals and mining industry is forecast to reach \$2.8 trillion by 2012, which represents 75% growth from the industry's 2007 value of nearly \$1.6 trillion (Source: Datamonitor plc's *Metals & Mining: Global Industry Guide* February 2009).
- A widespread perception that gold is the asset most likely to hold its value in the present economic climate is driving investors to this market. As a result, on April 21, 2009, the market value of gold and silver had increased more than 15% from September 2005 versus the S&P 500, which was down 30% in the same time frame. Longer-term gold prices have risen from approximately \$280/oz in January 2000 to upward of \$950/oz in early 2009, with analysts at Morgan Stanley and J.P. Morgan predicting that gold could average \$1,000/oz during 2009.
- Visible Gold Mines' management and team of geologists have extensive mining and mine-finding experience. President and chief executive officer (CEO), Mr. Martin Dallaire, comes from a family tradition of mining and possesses both the passion and expertise that may drive Visible Gold Mines to success.
- Visible Gold Mines also owns the Rapides Elliot, Lac Simard, and Hazeur properties, and, in March 2009, entered into formal agreements with Amex Exploration Inc. for the option to acquire an interest in the Cameron property. The Company also completed a C\$250,000 investment in one million shares of Amex Exploration, representing an acquisition of 10% of Amex Exploration.
- As at January 31, 2009, Visible Gold Mines had cash and cash equivalents of over C\$1.68 million versus over C\$1.94 million at October 31, 2008. The Company believed that its cash position as of January 31, 2009, could sustain its activities for the ensuing 24 months. Visible Gold Mines has 25.4 million shares outstanding.

Historical Financial Results

Tables 7, 8, and 9 provide a summary of Visible Gold Mines' key historical financial statements—its Earnings and Comprehensive Income, Balance Sheets, and Cash Flows. As a mining exploration company, Visible Gold Mines is entitled to tax credits in Canada, including a refundable mining rights tax credit on mining exploration charges incurred in Québec and a refundable tax credit on qualified exploration expenditures incurred.

Table 7
Visible Gold Mines Inc.
EARNINGS AND COMPREHENSIVE INCOME

RÉSULTATS ET RÉSULTATS ÉTENDUS		EARNINGS AND COMPREHENSIVE INCOME			
		Période de trois mois terminée le 31 janvier Three-month period ended January 31	Période de six mois terminée le 31 janvier Six-month period ended January 31	2009	2008
	(non vérifié)	C\$	C\$	C\$	C\$
DÉPENSES				(unaudited)	
Rémunération à base d'actions	—	222 780	80 625	222 780	Stock-based compensation
Relations avec les investisseurs	11 220	14 202	23 390	28 406	Investor relations
Honoraires professionnels	30 655	35 746	31 565	40 206	Professional fees
Honoraires des consultants	65 280	89 300	133 080	157 629	Consultant fees
Frais généraux d'administration	18 823	42 222	109 191	75 026	General administrative expenses
Inscription, registrariat et information aux actionnaires	8 862	16 704	11 208	25 198	Registration, listing fees, and shareholders' information
Impôts de la partie XII.6	14 910	—	14 910	—	Part XII.6 taxes
Amortissement des immobilisations	8 813	4 293	17 626	8 586	Amortization of fixed assets
	158 563	425 247	421 595	557 831	
REVENU D'INTÉRÊTS	(11 389)	(65 501)	(36 208)	(122 903)	INTEREST REVENUE
PERTE AVANT IMPÔTS	(147 174)	(359 746)	(385 387)	(434 928)	LOSS BEFORE INCOME TAXES
Impôts futurs	—	173 400	—	173 400	Future income taxes
PERTE NETTE ET RÉSULTATS ÉTENDUS	(147 174)	(186 346)	(385 387)	(261 528)	NET LOSS AND COMPREHENSIVE INCOME
PERTE NETTE PAR ACTION DE BASE ET DILUÉE	(0,01)	(0,01)	(0,02)	(0,01)	BASIC AND DILUTED NET LOSS PER SHARE
NOMBRE MOYEN PONDÉRÉ D'ACTIONS ORDINAIRES EN CIRCULATION	25,369,929	25,369,929	25,369,929	25,317,619	WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING

Source: Visible Gold Mines Inc.

Table 8
Visible Gold Mines Inc.
BALANCE SHEETS

BILAN	31 JANVIER JANUARY 31, 2009	31 JUILLET JULY 31, 2008	BALANCE SHEET
	(non vérifié) (unaudited)	(vérifié) (audited)	
	C\$	C\$	
ACTIF			ASSETS
Actif à court terme			Current assets
Encaisse	182 056	299 167	Cash
Dépôts à terme	1 500 000	1 800 569	Term deposits
Intérêts courus à recevoir	—	12 205	Accrued interest
Taxes à recevoir	140 789	74 830	Taxes receivable
Crédits d'impôts à recevoir	117 600	460 600	Tax credits receivable
Frais payés d'avance	3 020	6 290	Prepaid expenses
	1 943 465	2 653 661	
Immobilisations	56 796	74 422	Fixed assets
Dépôt à terme détenu pour frais d'exploration	—	1 699 431	Term deposit held for exploration expenses
Propriétés minières	442 774	438 640	Mining properties
Frais d'exploration reportés	2 988 570	994 704	Deferred exploration expenses
	5 431 605	5 860 858	
PASSIF			LIABILITIES
Passif à court terme			Current liabilities
Comptes fournisseurs et charges à payer	167 741	292 232	Accounts payable and accrued liabilities
Impôts futurs	468 355	468 355	Future income taxes
	636 096	760 587	
AVOIR DES ACTIONNAIRES			SHAREHOLDERS' EQUITY
Capital-actions	6 643 975	6 643 975	Capital stock
Surplus d'apport	662 127	581 502	Contributed surplus
Déficit	(2 510 593)	(2 125 206)	Deficit
	4 795 509	5 100 271	
	5 431 605	5 860 858	

Source: Visible Gold Mines Inc.

Table 9
Visible Gold Mines Inc.
CASH FLOWS

FLUX DE TRÉSORERIE	CASH FLOWS			
	Période de trois mois terminée le 31 janvier		Période de six mois terminée le 31 janvier	
	Three-month period ended January 31	Six-month period ended January 31	2009	2008
(non vérifié)				(unaudited)
ACTIVITÉS D'EXPLOITATION				
Perte nette	(147 174)	(186 346)	(385 387)	(261 528)
Éléments hors caisse:				Net loss
Rémunération à base d'actions	—	222 780	80 625	222 780
Amortissement des immobilisations corporelles	8 813	4 293	17 626	8 586
Impôts futurs	—	(173 400)	—	(173 400)
Variations d'éléments du fonds de roulement	175 893	311 096	168 025	111 679
Flux de trésorerie liés aux activités d'exploitation	37 532	178 423	(119 111)	(91 883)
				Cash flows from operating activities
ACTIVITÉS D'INVESTISSEMENT				
Immobilisations	—	—	—	(13 932)
Propriétés minières	(2 575)	(2 394)	(4 134)	(2 394)
Frais d'exploration reportés	(986 578)	(589 942)	(1 993 866)	(681 014)
Dépôt à terme détenu pour frais d'exploration	692 143	589 942	1 699 431	681 014
Flux de trésorerie liés aux activités d'investissement	(297 010)	(2 394)	(298 569)	(16 326)
				Cash flows used by investing activities
ACTIVITÉS DE FINANCEMENT				
Émissions d'actions	—	—	—	550 000
Frais d'émission d'actions	—	(2 638)	—	(21 681)
Flux de trésorerie liés aux activités de financement	—	(2 638)	—	528 319
				Cash flows from financing activities
AUGMENTATION (DIMINUTION) DE LA TRÉSORERIE ET ÉQUIVALENTS DE TRÉSORERIE				
	(259 478)	173 391	(417 680)	420 110
TRÉSORERIE ET ÉQUIVALENTS DE TRÉSORERIE, AU DÉBUT	1 941 534	2 717 118	2 099 736	2 470 399
TRÉSORERIE ET ÉQUIVALENTS DE TRÉSORERIE, À LA FIN	1 682 056	2 890 509	1 682 056	2 890 509
				CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD
				CASH/CASH EQUIVALENTS, END OF PERIOD
TRÉSORERIE ET ÉQUIVALENTS DE TRÉSORERIE				
Encaisse	182 056	537 145		Cash
Dépôt à terme	1 500 000	2 353 364		Term deposit
	1 682 056	2 890 509		

Source: Visible Gold Mines Inc.

Risks

Some information in this report relates to future events or future business and financial performance. Such statements can be only predictions and the actual events or results may differ from those discussed due to, among other things, the risks described in Visible Gold Mines' Annual Reports, press releases, and other forms filed from time to time. The content of this report with respect to Visible Gold Mines has been compiled primarily from information available to the public and released by the Company through news releases and System for Electronic Document Analysis and Retrieval (SEDAR) filings. Visible Gold Mines is solely responsible for the accuracy of that information. Information about other companies has been prepared from publicly available documents and has not been independently verified by the Company. For more complete information about Visible Gold Mines, refer to the Company's website at www.visiblegoldmines.com.

One should carefully consider the risks and information about Visible Gold Mines' business described below. One should not interpret the order in which these considerations are presented as an indication of their relative importance. The risks and uncertainties described below are not the only ones the Company faces. Additional risks and uncertainties not presently known or those it currently considers immaterial may also have an adverse effect on its business. If any of the matters discussed in the accompanying risk factors were to occur, Visible Gold Mines' business, financial condition, results of operations, cash flows, or prospects could be materially adversely affected.

Financial Risks

The Company's main financial risk exposure and its financial risk management policies are summarized below.

- *Interest Rate Risk.* Term deposit is at a fixed rate. Accordingly, there is limited exposure to interest rate risk. The other financial assets and liabilities of the Company are not thought to represent interest risk because they are concluded without interest. Visible Gold Mines does not use financial derivatives to decrease its exposure to interest risk.
- *Liquidity Risk.* Liquidity risk management seeks to maintain a sufficient amount of cash and ensure that the Company has financing sources, e.g., private placements, for a sufficient amount. Visible Gold Mines establishes budget and cash estimates that aim to ensure that the Company has the necessary funds to fulfill its obligations. Obtaining additional funds makes it possible for the Company to continue its operations and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.
- *Credit Risk.* Visible Gold Mines is subject to concentration of credit risk through the term deposit it held because this financial instrument is held by a single Canadian financial institution.

Exploration

Exploration and mining involve a high degree of risk. Few exploration properties end up going into production. Other risks related to exploration and mining activities include unusual or unforeseen formations, fire, power failures, labor disputes, flooding, explosions, cave-ins, landslides, and shortages of adequate or appropriate manpower, machinery, or equipment.

The development of a resource property is subject to many factors, including the cost of mining, variations in the quality of the material mined, fluctuations in the commodity and currency markets, the cost of processing equipment, and others, such as aboriginal claims and government regulations that include regulations regarding royalties, authorized production, import and export of natural resources, and environmental protection. Depending on the price of the natural resources produced, the Company may decide not to undertake or continue commercial production. There can be no assurance that the expenses incurred by the Company to explore its properties will result in the discovery of a commercial quantity of ore. Most exploration projects do not result in the discovery of commercially viable mineral deposits.

Environmental and Other Regulations

Current and future environmental laws, regulations, and measures could entail unforeseeable additional costs, capital expenditures, restrictions, or delays in the Company's activities. Environmental regulations and standards are subject to constant revision and could be substantially tightened, which could have a serious impact on the Company and its ability to develop its properties economically. Before it commences mining a property, Visible Gold Mines must obtain environmental permits and the approval of the regulatory authorities. There is no assurance that these permits and approvals will be obtained, or that they will be obtained in a timely manner. The cost of complying with government regulations may also impact the viability of an operation or altogether prevent the economic development of a property.

Financing and Development

Development of the Company's properties therefore depends on its ability to raise the additional funds required. There can be no assurance that Visible Gold Mines will succeed in obtaining the funding required. The Company also has limited experience in developing resource properties, and its ability to do so depends on the use of appropriately skilled personnel or the signature of agreements with other large resource companies that can provide the required expertise.

Commodity Prices

The factors that influence the market value of gold and any other mineral discovered are outside the Company's control. The impact of these factors cannot be accurately predicted. Resource prices can fluctuate widely and have done so in recent years.

Risks Not Covered by Insurance

Visible Gold Mines may become subject to claims arising from cave-ins, pollution, or other risks against which it cannot insure itself or chooses not to insure itself due to the high cost of premiums or other reasons. Payment of such claims would decrease and could eliminate the funds available for exploration and mining activities.

Recent Events

Presented in U.S. dollars, unless otherwise noted. On April 22, 2009, C\$1.00 ≈ US\$0.80 and US\$1.00 ≈ C\$1.24.

04/01/2009—Visible Gold Mines Inc. announced the results from its 2008 drilling program on the Stadacona gold project. Detailed results are presented on pages 23-25.

03/04/2009—Announced that the Company entered into formal agreements with Amex Exploration Inc., whereby Visible Gold Mines was granted an option to acquire an interest in the Cameron property (the Option Agreement) and Visible Gold Mines completed an investment in Amex Exploration.

02/17/2009—Completed an 11,000 meter (m) drill program on its Stadacona East gold property. Drill core was being split, logged, and sent to the laboratory for analysis. Assay results were expected in the coming weeks.

09/02/2008—Announced that its Board of Directors granted an aggregate of 625,000 Stock Options to four directors and one consultant. The exercise price of the Options, which have a term of five years, is C\$0.20. The Options were granted pursuant to Visible Gold Mines' Stock Option plan.

07/17/2008—Announced that it commenced diamond drilling on the Stadacona East gold property.

05/22/2008—Announced that the Company acquired 290 hectares (ha) of land in the center of Rouyn Township in northwestern Québec, with 163 ha contiguous to the 100% owned Stadacona East property. No royalty is payable to the vendor.

The Company also provided an update on its Hazeur gold property. Despite the gold found at surface, no economical gold values were returned in the core. Thus, no further exploration work was planned at Hazeur.

02/14/2008—Announced that it intersected visible gold at surface at Hazeur.

11/23/2007—Announced that Visible Gold Mines was launching a diamond drill program at Hazeur.

09/18/2007—Announced the commencement of a Phase II gold exploration program at Hazeur.

08/31/2007—Announced that the directors' and officers' Stock Options referred to in the Company's 08/24/2007 announcement were re-priced at C\$0.40. The Options expire on the earlier of August 24, 2012, or the 30th day after each optionee ceases to be a director or officer of Visible Gold Mines for any reason other than death, disability, or cause.

08/24/2007—Announced that the Board of Directors granted an aggregate of 1,185,000 Options to four directors, one consultant, and one employee. The Options were exercisable at C\$0.30 per share for a term of five years.

08/08/2007—Announced that the Company completed a private placement by issuing an aggregate of 1,375,000 units to two Québec-based institutional investors at a price of C\$0.40 per unit, for gross proceeds to Visible Gold Mines of C\$550,000. Following the closing of the private placement, there were 25,369,929 Common Shares of Visible Gold Mines issued and outstanding.

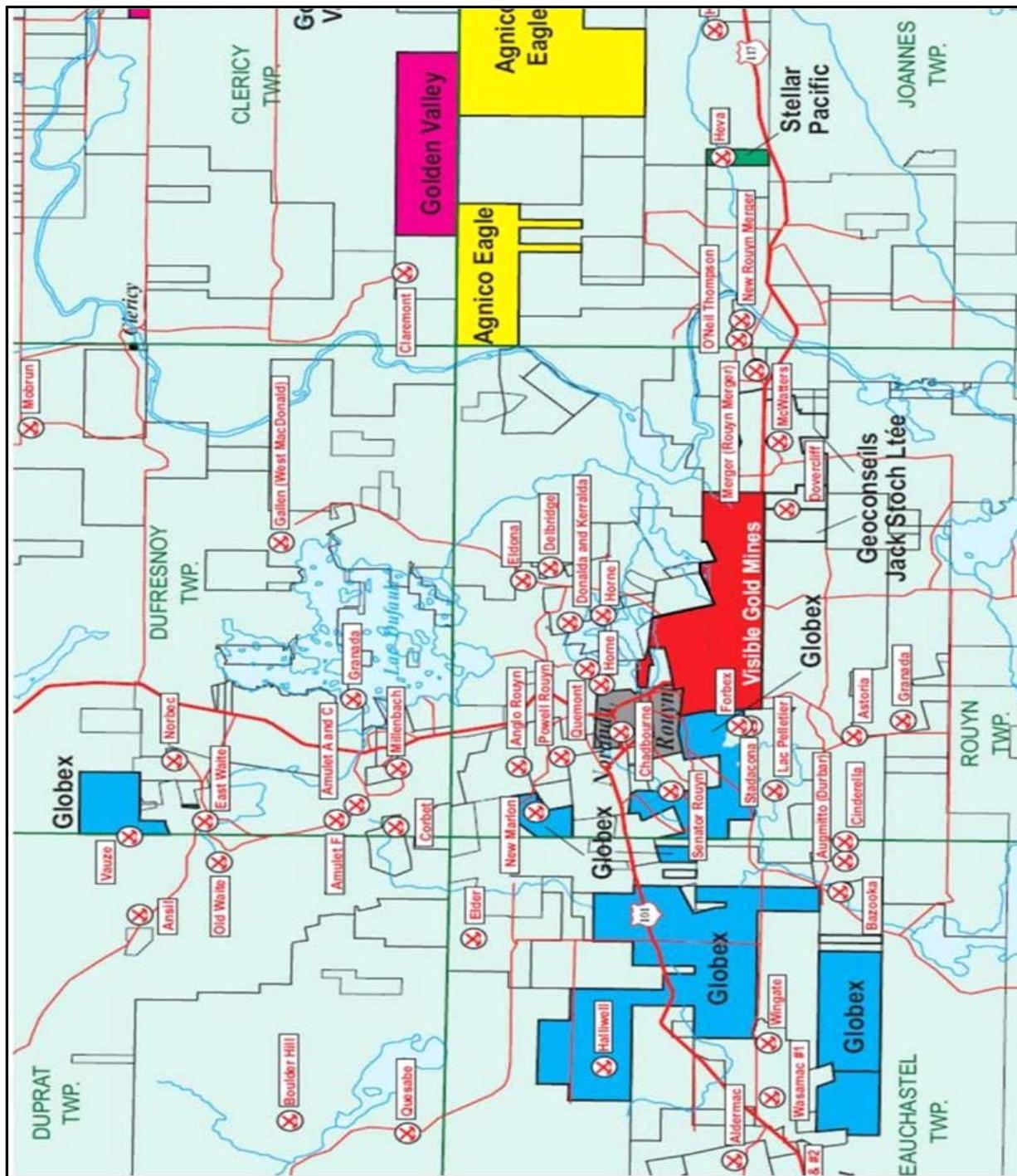
07/31/2007—Announced that Pinetree Capital Ltd. (PNP-TSX), a Canadian investment company, acquired ownership of 1,350,000 Common Shares and 675,000 Common Share Purchase Warrants of Visible Gold Mines in the Company's initial public offering (IPO) on the Toronto Stock Exchange's Venture Exchange (TSX.V). Each Warrant entitled the holder thereof to acquire one additional Common Share until July 17, 2009, at a price of C\$0.60. In the event that the Warrants are fully exercised, these holdings represent approximately 8.2% of the total issued and outstanding Common Shares of Visible Gold Mines as of July 17, 2007, calculated on a partially diluted basis assuming the exercise of the Warrants only. As a result of this transaction, Pinetree and its joint actors held, as at July 17, 2007, an aggregate of 2,920,000 Common Shares of the Company and rights to acquire an aggregate of 1,125,000 Common Shares of Visible Gold Mines upon exercise of convertible securities, including the Warrants.

07/27/2007—Announced that Visible Gold Mines completed its IPO by issuing 5,460 units at a price of C\$1,000 per unit for total proceeds of C\$5.46 million. Visible Gold Mines' Common Shares commenced trading on the TSX.V under the symbol VGD. The Common Share Purchase Warrants comprised in the units also commenced trading on the TSX.V under the symbol VGD.WT.

Appendix

Figure 18 highlights Visible Gold Mines' flagship exploration property in the Rouyn-Noranda area, delineating Stadacona's boundaries and marking the surrounding past and present mines and prospects.

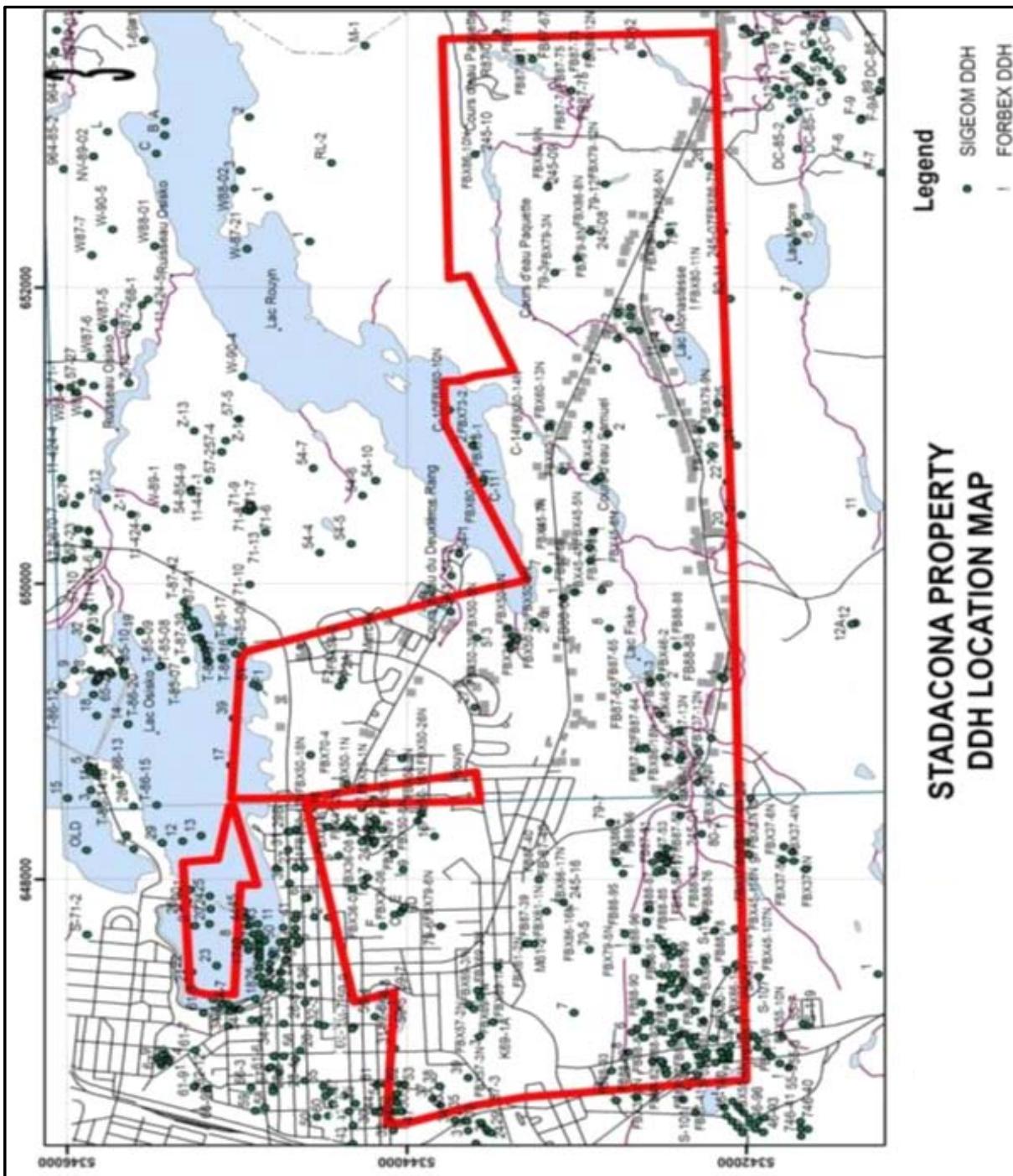
Figure 18
Visible Gold Mines Inc.
STADACONA PROPERTY BOUNDARIES AND LOCATION



Source: Visible Gold Mines Inc.

Prior to Visible Gold Mines' acquisition of the Stadacona East property, various operators drilled approximately 255 holes that totaled nearly 54,000 m at Stadacona. Figure 19, prepared in 1987 by Ressources Minières Forbex Inc. (now Fieldex Exploration Inc.), marks many of these diamond drill holes (DDH).

Figure 19
Visible Gold Mines Inc.
PREVIOUS DRILL HOLES AT THE STADACONA PROPERTY



Glossary

Anomalies—Geological features that are distinguished by geological, geophysical, or geochemical means and are different from the general surroundings and may be of potential economic value.

Archean—Of or relating to the oldest known rocks, those of the Precambrian Eon, that are predominantly igneous in composition.

Arsenopyrite—Prismatic and metallic silver-white to steel gray, arsenopyrite is the most common arsenic mineral and the principal ore of arsenic. It occurs in many sulfide ore deposits, particularly those containing lead, silver, and gold.

Assayed (Assay)—To analyze the proportions of metals in a rock; to test an ore or mineral for composition, purity, weight, or other properties of commercial interest.

Canadian Shield—A large plateau that occupies more than 40% of the land area of Canada. It extends from the Great Lakes northward to the Arctic Ocean. Also called the Laurentian Plateau.

Diamond Drill—A drilling machine with a rotating, hollow, diamond-studded bit that cuts a circular channel around a core, which can be recovered to provide a more or less continuous and complete columnar sample of the rock penetrated. This is a common method of prospecting for mineral deposits that utilizes various mechanisms motivated by internal-combustion, hydraulic, compressed-air, or electric motors to rotate the drill bits.

Fault—A break in a rock mass along which movement has occurred.

Felsic—Igneous rocks that contain an abundance of feldspar and silica. They are usually light colored.

Group of Eight (G8)—The world's eight largest industrial market economies: the U.S., Japan, Germany, France, Britain, Italy, Canada, and Russia. The G8 is also referred to as the Group of Seven and Russia.

Hectare (ha)—Metric unit of area equal to 10,000 m² or 2.471 acres.

Indicated Resources—Resources where size and grade have been estimated from sampling at places spaced closely enough that the continuity can be reasonably assumed.

Induced Polarization (IP)—A method of ground geophysical surveying employing an electrical current to determine indications of mineralization.

Junior—A Canadian term that usually refers to a mineral exploration company searching for new gold or other mineral deposits or a small miner with one or two mines in operation.

Lithogeochemical—A geochemical survey that involves the sampling of rocks.

Lode—An underground deposit of valuable ore occurring within definite boundaries.

Mafic—A term used in reference to magmas or igneous rocks that are relatively poor in silica and rich in iron and magnesium. These rocks are usually dark colored.

Megacaldera—A term often used for caldera supervolcanoes, such as the Blake River Megacaldera Complex in the Abitibi greenstone belt of Ontario and Québec, Canada. A caldera is a large crater caused by the violent explosion of a volcano that collapses into a depression.

Metamorphosed—Changed in form or nature. A metamorphic rock is created by heat and pressure such that the minerals, fabric, and color are changed but not the composition.

Mineralization—A natural aggregate of one or more metallic minerals. This term usually refers to ore minerals but may often refer to other metallic minerals, such as pyrite. Mineralization is also the concentration of metals and their chemical compounds within a body of rock.

National Instrument (NI) 43-101—A rule developed by the Canadian Securities Administrators (CSA) and administered by the provincial securities commissions that governs how issuers disclose scientific and technical information about their mineral projects to the public. It covers oral statements as well as written documents and websites. It requires that all disclosure be based on advice by a *Qualified Person* (see glossary entry below) and in some circumstances that the person be independent of the issuer and the property. NI 43-101, together with its Companion Policy 43-101CP and Form 43-101F1 Technical Report, can be downloaded from the Canadian Council of Professional Geoscientists at <http://www.ccpq.ca/guidelines/index.html>.

Net Smelter Return—An interest in a mining property held by the vendor on the net revenues generated from the sale of metal produced by the mine.

Nonferrous—A metal that does not contain iron.

Orebody—A well-defined mass of ore-bearing rock. Ore is the naturally occurring material from which a mineral or minerals of economic value can be extracted profitably or to satisfy social or political objectives. The term is generally but not always used to refer to metalliferous material, and is often modified by the names of the valuable constituent.

Orthophoto—Similar to an aerial photograph, but using a uniform-scale image. Due to its uniform scale, it is possible to measure directly on an orthophoto like other maps. An orthophoto may serve as a base map onto which other map information may be overlain.

Ounces (oz)—Gold and silver are weighed using Troy ounces. One troy ounce is 31.1 grams. In this weight, the pound is divided into 12 ounces; the ounce into 20 pennyweights; and the pennyweight into 24 grains. As such, the troy ounce contains 480 grains, and the troy pound contains 5,760 grains.

Outcrops—Bedrock that is not covered with soil or overburden. It does not necessarily imply the visible presentation of the mineral on the surface of the earth, but includes those deposits that are so near to the surface as to be found easily by digging.

Precambrian—The eon following the Hadean time and preceding the Phanerozoic eon from about 3,800 million years ago until 544 million years ago.

Prefeasibility Study—A comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method (in the case of underground mining) or the pit configuration (in the case of an open pit) has been established and an effective method of mineral processing has been determined. The study includes a financial analysis based on reasonable assumptions of technical, engineering, legal, operating, economic, social, and environmental factors, and the evaluation of other relevant factors that are sufficient for a *Qualified Person*, acting reasonably, to determine if all or part of the mineral resource may be classified as a mineral reserve.

Pyrite—A common mineral composed of iron disulfide with a pale brass-yellow color used as an iron ore and in the production of sulfur dioxide for sulfuric acid. Also called fool's gold and iron pyrite.

Qualified Persons—Individuals who meet the following criteria (as defined by NI 43-101): (1) an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation, mineral project assessment, or any combination of these; (2) has experience relevant to the subject matter of the mineral project and the Technical Report; and (3) is a member in good standing of a professional association.

Quartz—The most common rock-forming mineral. It is made up of silicon dioxide. Quartz crystals may be glassy or opaque (milky quartz) and exist in a variety of colors, including white, rose, smoky gray, and purple. Quartz is a common host rock for gold mineralization. As opposed to placer mining (which carries minerals in alluvial deposits), quartz mining entails a mining claim where the deposits of ore are found in veins or fissures in the rocks forming the earth's crust. It is so named because quartz is the chief accessory mineral.

Schistosity—The splitting into layers of certain rocks in response to deformation stresses. Schist is any metamorphic rock that can be split into thin layers.

Sedimentary—A rock that is formed by the deposition of sediments, such as limestone, sandstone, siltstone, and conglomerate.

Shear—A deformation resulting from stresses that cause or tend to cause contiguous parts of a body to slide relatively to each other in a direction parallel to their plane of contact. It is the mode of failure of a body or mass whereby the portion of the mass on one side of a plane or surface slides past the portion on the opposite side.

Sinistral Fault—A fault where the displacement is such that the side opposite the observer appears displaced to the left.

Strike—The course or bearing of the outcrop of an inclined bed, vein, or fault plane on a level surface. The strike of a bed is the direction of a straight line that connects two points of equal elevation on the bed.

Sulfide—A mineral containing negative sulfur ions bonded to one or more positive metallic ions.

Tectonic—Pertaining to the rock structures and external forms resulting from the deformation of the Earth's crust.

Till—Dominantly unsorted and un-stratified drift that is generally unconsolidated and deposited directly by and underneath a glacier without subsequent reworking by meltwater, and consisting of a heterogeneous mixture of clay, silt, sand, gravel, and boulders ranging widely in size and shape.

Tonne—A metric ton equal to 1,000 kilograms or 2,204.62 pounds.

Veins—Zones or belts of mineralized rock lying within boundaries that are clearly separate from neighboring rock. The vein includes all deposits of mineral matter found through a mineralized zone or belt coming from the same source, impressed with the same forms, and appearing to have been created by the same processes.

Volcanogenic Massive Sulfide (VMS)—Sulfides of metals deposited by volcanoes.

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Crystal Research

a s s o c i a t e s

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