

Stock Pick of the week #26, February 18, 2010 AD

This week's pick is Virginia Mines. It trades on the TSX as VGQ and is available as a pink stock with the symbol VGMNF.

Virginia Mines owns 20 properties in Northern Quebec where they are drilling for gold. A few years ago they sold a gold property to Gold-Corp and they are receiving royalties amounting to 100,000.00 a month from that sale.

Cash on hand is about \$43,000,000.00 with no debt.

Management is experienced in the gold mining business and Quebec is one of the best places on the globe for mining.

The stock price closed at 5.45 on February 18th.



Featured is the daily bar chart for VGQ.TO. Price has recovered nicely since having been beaten down during the credit crisis in 2008. The trend is up and the supporting indicators are at support (green lines). The 50DMA is in positive alignment to the 200D (green oval) and both are rising.

Here is a review of Picks #1 - #25:

#1 CPQ.V (CPQRF) at 2.01; Bought 08/13/09 sold 11/19/09 at 3.45, profit = 110%

#2 CGC.TO (CGLD.BB), Bought 08/20/09 at 0.60; sold 11/4/09 at 0.94, profit = 36%

#3 SVM.TO (SVM) Bought 08/27/09 at 3.74, sold 10/20/09 at 5.98, profit = 60%.
#4 SCP.TO (SCPZF) at 3.10; Bought 09/03/09, sold 02/02/10 at 4.48, profit 1.38 = 44%.
#5 FCG, bought 09/10/09 at 14.88; sold 10/20/09 at 18.69, profit = 25%.
#6 MAG.TO (MVG) bought 09/17/09 at 5.55, sold 12/02/09 at 7.48, profit = 35%
#7 ARZ.TO (AZK) at 4.60, last traded at 4.22.
#8 IPT.V (ISVLF), at 0.88, last traded at 1.14.
#9 RUN.V (RFXRF) at 0.22, last traded at 0.14.
#10 KCL.TO (KCLOF) at 2.74, last traded at 3.15.
#11 GPD.TO (GPRXF) at 0.59, last traded at 0.56.
#12 GBG.TO (GBG) at 1.71, last traded at 1.75.
#13 PGF/UN.TO (PGH) at 10.26, last traded at 11.11.
#14 CHE/UN.TO (CGIFF) bought 11/12/09 at 9.12, sold 01/11/10 at 12.48; Pr = 36%
#15 GAS.TO (CYMF) at 4.97, last traded at 5.01.
#16 GOZ.V (GREXF) at 0.50c, last traded at 0.56.
#17 AOG/UN.TO (BAOGF) at 4.60, last traded at 4.84.
#18 GDXJ at 26.14; last traded at 25.03.
#19 SBT/UN.TO (SVRZF) at 12.92; last traded at 11.55.
#20 MAG.TO (MVG), at 6.58, last traded at 6.04.
#21 SVM.TO (SVM), at 7.09; last traded at 6.80
(SVM paid a monthly dividend Jan 21 of 2c/share).
#22 R.V (RTRAF) at 1.51; last traded at 1.73
#23 CGC.TO (CGC) at 3.20, last traded at 3.70
#24 SGR.V (SGRCF) at 3.27, last traded at 3.75
#25 RES.V at 3.45, (RRLMF), last traded at 3.60

7 Picks have been sold at profits ranging between 25% and 110%, all within 5 months of purchase. 11 picks are trading above the introductory price and 7 are available at or below the starting price. There are some truly great bargains among these 7, due to the fact that gold and silver have corrected substantially since they were picked. The success ratio is 18 to 7, (despite the recent correction in gold and silver).

Subscribers are notified as soon as we take a profit.

We encourage investors not to 'chase' these picks, but to try to buy them at or below the price at which they were introduced. The goal is to buy low and sell high! As long as a 'pick' remains as part of this list, it is an indication that we still like it, even if it slips below the price at which the stock was first listed.

Whenever you buy a stock at its pink listing (the five letter symbols), always be 'price-specific' with your order to avoid ending up with a 'bad fill'.

To be notified when we take profits, all you need to do is become a subscriber. (The cost is less than \$1 per week). For details click on 'how to subscribe.'

DISCLAIMER:

Please do your own due diligence. Investing involves taking risks. I am NOT responsible for your trading decisions.

Happy trading!
Peter Degraaf
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