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## Tyhee Development Corp.

This short overview report was done as a favour to the passionate group of shareholders who are invested in Tyhee Development Corp. as one of the few analysts whom cover this company regularly.

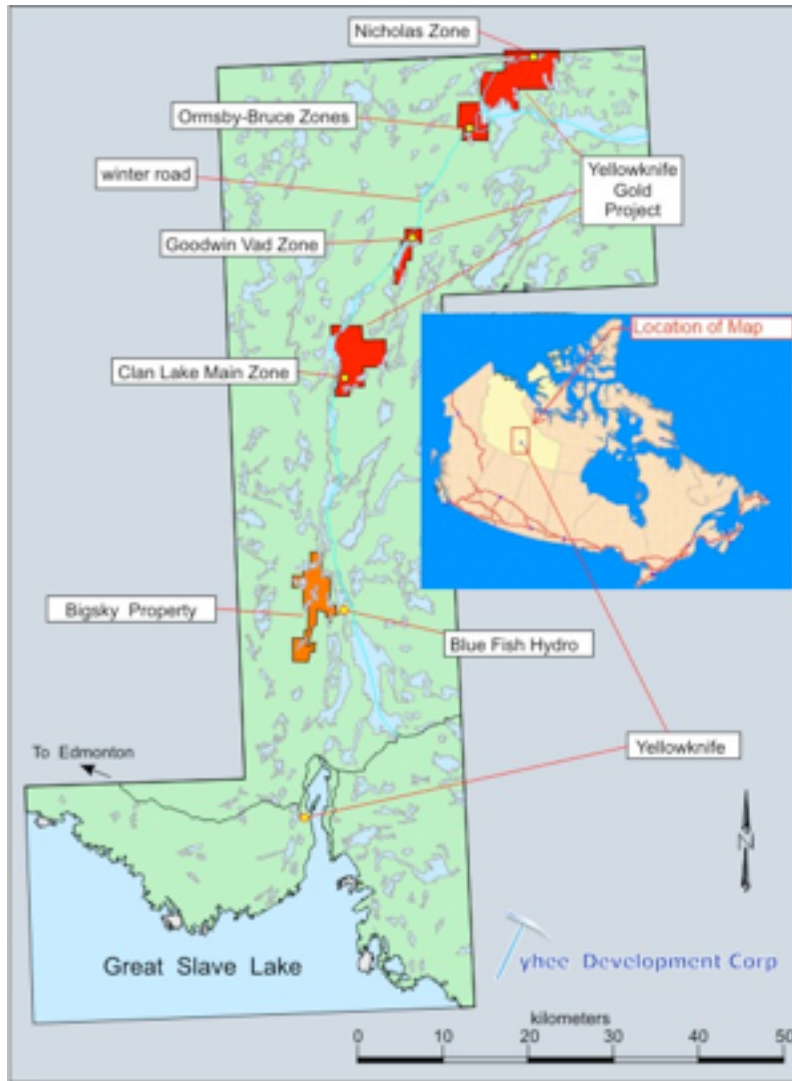
The shareholders are in fact so passionate about this great company that they've activated a website where discussion takes place regularly about the company and it's progress moving forward, as well as relevant economic news and views.

Tyhee is traded on the TSX Venture (TDC) in Canada. They enjoy an average volume of 208,700 shares per day, although that only represents about C\$46,000 per day.

Tyhee also trades thinly on the US Pink Sheets where they average about 64,000 shares per day.

The management team is very experienced having some 206 years of experience between the top 7 managers. The experience ranges from drilling, to law, to exploration and development. The team is a complete package and that's why they are in the enviable position they are in today.

Their Yellowknife properties include Ormsby, Nicholas Lake, Bruce Zone, Goodwin Lake, Clan Lake and the Bigsky Property which is located adjacent to the previously gold producing Giant Yellowknife Mine, which produced 8 million oz at roughly 1/2 oz per tonne.



There are several gold bearing zones located within the many claims which have yet to be fully explored. However, high grade of nearly 1 oz per tonne gold was produced in the mid-1900's when over 1 million oz gold was produced. This was from the Ormsby and Bruce Lake areas where mineralization continues below the past producing areas.

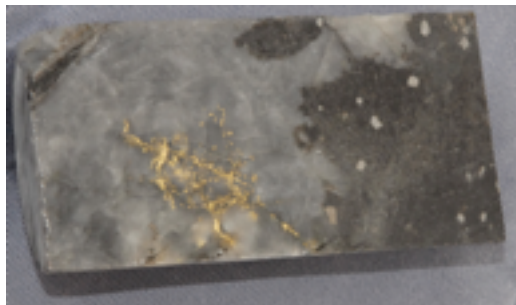
As the saying goes; if you want to find gold, go to an old gold mine!

The area has a long history of mining and despite the cold, it is highly amenable to and very mining friendly. Ice roads are built in winter in order to re-stock camp and potentially to transport ore. Logistically there are no surprises or nothing new to worry about in this climate.

It's been done before.

Recent exploration and development has focused on the southern portion of the Clan Lake property which is located 33 km south of the Ormsby Zone and 50km North of the city of Yellowknife. The mineralization there is primarily constrained to a 6.5 km long, 900m wide north-northeast striking trend.

Exploration work is ongoing at about 1,000m per week with two drills turning. The story is still developing with one drill focusing on the main zone and another trying to fill a gap in the resource in the North end of the Main zone. I expect grades to be similar to the already defined main zone, but I will reserve comment for now while awaiting results which are imminent.



Already Tyhee has a near 2+million oz gold resource which puts the company squarely in the crosshairs of a major producer.

In fact a recent NI 43-101 compliant report was issued whereby measured and indicated resources already totalled 1.95 million oz gold grading 3.47 g/t and that doesn't included the 269,000 oz gold of inferred resources.

Recent geotechnical work was also done on the mineralization at the Ormsby zone which is very similar to the Clan Lake zone, meaning recoveries should be very similar. The Ormsby zone saw recoveries of gold between 90% and 97% using crushing and grinding, followed by gravity, flotation and cyanidation.

Looking into a few numbers, the company has 256 million shares outstanding, fully diluted giving them, a tiny market cap of only C\$56 million which equates to about \$28 per ounces of gold in the ground.

Recent exploration success has seen Tyhee discover gold for \$5 per oz in the ground. Exploration success like that is nearly non-existent in the business today. And even if the company continues to discover gold for \$5/oz and is valued in the market at \$28/oz then this company still represents great value.

If the upcoming pre-feasibility study is returned positive then it's very likely the preliminary assessments numbers (Fall 2008) will hold true. Those numbers represent a 32.7% pre-tax internal rate of return at \$1,000 oz gold which is spectacular.

If you've been reading my work for the past few years or even months then you know how bullish I remain on the gold price. I believe that gold will

be multiples of today's price, which is already higher than \$1,000, and the rate of return then, will be unheard of.

I don't believe costs will escalate in an offsetting manner against the increasing gold price leaving Tyhee shareholders, or an acquiring company, to reap incredible profits.

Tyhee has produced some short, enlightening videos of their resource blocks which are a must see before any consideration is given to investing in the company.

-  [Goodwin VAD Zone](#)
-  [Clan Lake](#)
-  [Bruce Zone](#)
-  [Ormsby Zone](#)
-  [Nicholas Lake](#)

All in all, this company has all the elements I like to see.

- A very strong and experienced management team
- Insiders hold a healthy chunk of the company
- The mining jurisdiction is politically safe and consistent
- The property is in an historic mining area which remains friendly
- A near 2 million oz gold resources is already delineated
- Metallurgically, the rock is relatively simple.
- Strong, long-term institutional holders
- Educated, passionate long-term shareholders
- Plenty of exploration upside
- Low exploration costs and risks
- Simple logistics
- Very undervalued in the marketplace

The only problem with Tyhee is the small daily volume of shares traded. It will be fine for small investors, but if too many pile in at once the shares will

jump much higher at an unsustainable rate. I recommend doing your own due diligence in this stock.

During your due diligence process if the shares happen to rise, sit back and wait. They will likely come back lower before the pre-feasibility study is released in late June 2010. Once that is released the shares should move sharply higher and form a new base at a much higher level. If you have an itchy trigger finger, don't worry the bull market will bail you out!

If you are looking to acquire a large chunk of the company then call them up, or wait. There is bound to be a need for a cash infusion in the future of which you may be able to acquire shares and warrants at a discount.

What is most exciting is still to come for Tyhee. A pre-feasibility study is expected to be completed and released by the end of June 2010 and if all the blocks fall in to place, and they should, Tyhee should have a robust report which should see the shares move up to at least the C\$0.60 area.



Fibonacci levels on the left chart show the congestion of recent months which has constrained the stock price. The right chart shows the ten year monthly chart which has significant resistance levels at \$0.30, which has been the level tested as of late, \$0.60, \$0.80 and \$1.

Using this simple technical analysis I could see the stock moving up to the \$0.80 or even \$1.00 for a short period after the report is released in June,

then moving back lower and using the \$0.60 as support for as long as need be.

I've talked with some Tyhee shareholders in the past and they've scoffed at that \$0.60 number, but I've learnt that in this business you have to expect the unexpected and keep your expectations low, at least in the short term.

With such a small dollar amount traded daily it's an easy target for the corrupt bunch who short these types of stocks illegally and make a killing, while disheartening long-term shareholders temporarily. At the same time if you know and understand these shenanigans, you can use them to your advantage.

Neither Precious Metal Stock Review, nor myself, Warren Bevan were paid or received any compensation in any way shape or form to issue this report for the [Tyhee Development Corporation's investor webpage](#) which is hosted by real investors in the company.

In my free, nearly weekly newsletter, reports or articles I include many links and charts which cannot always be viewed through sites which publish my work. If you are having difficulties viewing them please sign up in the left margin for free at <http://www.preciousmetalstockreview.com/> or send an email to [warren@preciousmetalstockreview.com](mailto:warren@preciousmetalstockreview.com) with "subscribe" as the subject and receive the newsletter directly in your inbox, links and all. If you would like to subscribe and see what my portfolio consists of please see [here](#).

Warren Bevan

\*Full disclosure, I do hold a position in Tyhee for the long term.

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