

International Royalty: Glitter Here

"International Royalty Corporation (IRC 4.71 Toronto) has participated in the resource rally this year and the recent pullback, up 25% year-to-date. The company has received its first check on its major royalty, on Inco's new Voisey's Bay nickel project; though this represents a royalty on only a partial quarter's production. Going forward this could generate a minimum C\$20 million a year in cash flow to International Royalty. With less than 60 million shares out, that represents a very solid base of revenue. In addition, the company is moving forward on new royalty acquisitions, with the purchase of a royalty on properties in Western Australia, including producing, developmental and active exploration projects, by four Australian companies. The transaction provides International Royalty Corporation with a foothold in Australia and the possibility of additional transactions down the line. So, though it has been a little slower than some hoped, these two developments show clearly that the plan is unfolding and we continue to like International Royalty Corporation giving relatively low-risk exposure to gold and other resources."