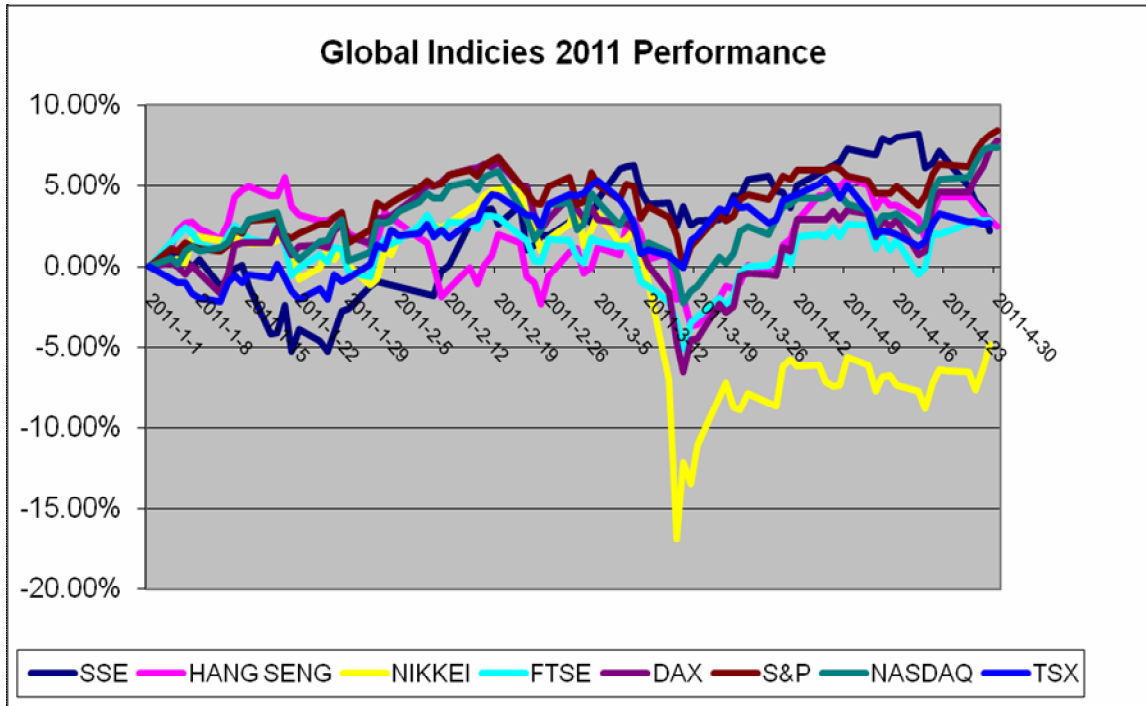


GDB May 2011 Newsletter

Monthly Market Summary:

2011 April Market Activity		
SSE COMPOSITE	2,887.04	-45.44 (-1.55%)
HANG SENG	23,720.81	+56.33 (+0.24%)
NIKKEI 225	9,849.74	+92.46 (+0.95%)
FTSE 100	6,069.90	+161.10(+2.73%)
DAX	7,514.46	+427.90(+6.04%)
DOW	12,810.54	+489.52 (+3.97%)
S&P 500	1,363.61	+34.13 (+2.57%)
NASDAQ COMPOSITE	2,873.54	+76.87 (+2.75%)
TSX COMPOSITE	13,894.40	-223.81 (-1.59%)
TSX VENTURE	2,252.14	-42.29 (-1.84%)



Investment Themes:

1. On March 14, China National People's Congress approved the twelfth five-year plan. The official target for annual GDP growth calls for a slower 7% growth per annum in the next five years.

Highlights of the plan that is of special interests include:

Focus on clean energy:

Increase the use of non-fossil fuel alternatives including nuclear, hydro, wind, and solar energy, and improving the energy efficiency from traditional energy sources such as coal.

GDB expects the alternative energy sector, especially solar stocks which are predominantly China based, to outperform given this announcement. We expect the Chinese government to commit significant subsidies to expand solar power production domestically, and at the same time, Chinese solar companies will be favored over foreign firms on large Sino-domestic solar projects.

Slow down in property development, but offset by increase in low-income housing:

Domestic property development firms that have seen exponential growth in the last few years will undergo a more normalized growth. The slow down will be most notable in eastern first tier cities, but continued growth in inland second or third tier cities will cushion the slowdown.

Inland growth and government directed investments in low-income housing will continue to fuel robust raw material purchases such as iron-ore, copper, cement and other building materials. GDB has the most bullish outlook for copper as the metal's global supply will see further decline in 2011 and in the foreseeable future.

Balancing economic inequality to circumvent social instability:

China is drawing the blueprints for a social welfare system to reduce economic disparity between the wealthy and the poor which includes general pension and affordable healthcare systems.

To web this massive social safety net for its mass population, one of the options available to the state is through wealth transfer by taxing the wealthy segment.

GDB continues to encourage its ultra HNW Chinese clients to consider wealth re-allocation overseas as a diversification/risk management measure.

2. Japan experienced its worst disaster since WWII in March 2011. Japan's industrial, infrastructure, utilities and energy sectors are suffering temporary paralysis as a result of the earthquake, tsunami, and nuclear plant melt-down.

Japan commands a major presence in the supply chain of the global electronic industry:

- Ø 50% of the supply of semiconductor silicon substrate
- Ø 21% of front-end CMOS semiconductor supply
- Ø 16% of back-end semiconductor supply
- Ø 35% of total LCD glass production
- Ø 56% of total MLCSS production
- Ø 85% of BT resin production

Here is another more detailed chart showing Japan's role in the global supply chain:

Japanese companies' global market shares (FY08 base)

	Category	Global market share	Global market scale (¥tn)	Sales by Japanese companies (¥tn)
Final Product	Automobiles	32%	168.8	54.0
	Electronic equipment	22%	113.6	25.0
	Computers and data terminals	16%	45.0	7.2
	LCD TVs	44%	6.8	3.0
	OSCs	75%	2.4	1.8
	Game software	87%	0.8	0.7
	MFPs/MFCs	69%	1.1	0.7
	Car navigation systems	74%	0.6	0.5
	DVD players/records	41%	0.8	0.3
Component	Electronic components	43%	21.9	9.4
	Semiconductors	22%	29.1	6.4
	Display devices	25%	11.6	2.9
	Wire harnesses	58%	3.8	2.2
	HDDs	34%	3.5	1.2
	Small motors for automobiles	47%	1.9	0.9
	Silicon wafers	72%	1.2	0.9
	Multilayer PCBs	32%	2.3	0.7
	MLCCs	78%	0.8	0.6
	Aluminium capacitors	89%	0.7	0.6
	Polarizers	64%	0.7	0.5
	Automobile CVTs	92%	0.4	0.4
	Protective polarizer film for LCDs	100%	0.3	0.3
	Silicon-based solar cells	27%	1.0	0.3
	Semiconductor lithography equipment	43%	0.6	0.3
	Mobile-phone camera modules	36%	0.6	0.2
	Li-ion batteries for mobile phones	46%	0.3	0.2
	Electrode materials for Li-ion batteries	78%	0.2	0.1
Memory testers	83%	0.1	0.1	

Source: METI "White Paper on Manufacturing Industries (Monodzukuri) 2010", Credit Suisse

Korean, Taiwanese, and Chinese electronic component makers that can act as alternative supply sources will stand to gain from filling this void. GDB expects short-term bullishness for non-Japan component makers as major electronics manufactures scramble to source supplies from elsewhere.

3. The nuclear sector including uranium miners have been heavily punished after the Fukushima nuclear disaster in Japan. Governments around the world including US, Germany, and China have expressed caution and are stepping up efforts to assess the safety of their own respective nuclear energy programs.

GDB believes the huge pull-back in uranium and nuclear energy equities is an overreaction caused by short-term sentiments and is near-sighted.

As of the end of March 2011, there are 439 reactors operable around the world. The following is a list of countries that rely on nuclear as their main source of power. These seven countries make

up three quarter of the world's nuclear power generation and uranium consumption. Countries such as France, Korea and Japan have over a quarter of their total energy production derived from nuclear. Their significant reliance on nuclear power limits the probability that these countries will change course drastically just because of the isolated incident at Fukushima.

	% of total energy production	Power generation (Billion KWh)	Uranium required in 2011 (tones)
France	75.2%	391.7	9,221
Korea	34.8%	141.1	3,586
Japan	28.9%	263.1	8,195
US	20.2%	798.7	19,427
Germany	26.1%	127.7	3,453
UK	17.9%	62.9	2,235
Russia	17.8%	152.8	3,757
Total		1,938	29,874
% of global total		72.3%	75.7%
World		2,560	68,971

*World Nuclear Association

China, Russia, and India are also currently building or in the process of building newer generation of nuclear reactors to meet their power demands. In China, there are 27 reactors under construction, 50 planned; in Russia, 10 are in construction, 14 are planned; and in India, 5 are in construction, and 18 are planned. The newer generations of nuclear reactors today use technologies that are much safer than the older reactors used at Fukushima (40 years old). Modern reactors have much more sophisticated containment measures in the case of a reactor melt-down. We do not expect governments in China, Russia, and India to scrap the plants already under construction due to the investments already committed; however, plans for new reactor approvals may be delayed due to the political sensitivity around nuclear power.

Over the medium to longer-term GDB expects a rebound in the uranium sector. For long-term investors and Chinese firms that engage in nuclear power production, the current situation presents an opportunistic opening to secure future productions of uranium at deeply discounted valuations.

The following table compares the stock price of selective uranium stocks prior to the Japanese earthquake and at March month end:

	March 11, 2011	March 31, 2011	Change
Uranium Participation Corporation (U.TO)	C\$8.35	C\$6.56	-21.4%
Cameco Corporation (CCO.TO)	C\$36.32	C\$29.16	-19.7%
Uranium One, Inc. (UUU.TO)	C\$5.96	C\$3.80	-36.2%
Denison Mines Corporation (DML.TO)	C\$3.19	C\$2.31	-27.6%
Uranium Energy Corp. (UEC.TO)	\$4.85	\$3.99	-17.7%
First Uranium Corporation (FIU.TO)	C\$0.96	C\$0.86	-10.4%

Investment Opportunities:

1. Sino-GDB Offshore Fund

Off-shore fund managed by GDB Capital. Investment using hedging strategies and derivatives of public traded equities. Also private equity investments with a focus on mid-market growth companies, distressed assets, M&A, and buyout opportunities. Industry focus targeted at metals and mining, oil and gas, clean energy, fertilizer and agricultural chemicals, real estate, and technology. Fund targets gross pre-tax IRR of 20% per annum, minimum investment US\$500,000.

2. West Coast Placer – Gold, Silver, Rare Earth

Two precious metal & rare earth projects in Quesnel, BC, Canada. Estimated gold reserve of 3,000,000 oz at grade of 3.7 oz/ton, and silver grade at 80.0 oz/ton, along with other rare earth deposits. The Company is seeking to raise CDN \$1,050,000 through an offering of 20% of its common shares (CND \$42,000 per share) to begin production at the first property in summer of 2011. The median 2011 production net profit is projected to be CDN \$16,809,000.

3. Clear Hill – Iron Ore

The Clear Hills properties consist of ten Metallic and Industrial Mineral permits and four Mineral Leases comprising 76,652 hectares. The Clear Hills property encompasses three main project areas, Rambling Creek, Whitemud Creek and Worsley.

Estimate on Rambling Creek portion of the Clear Hills iron deposit contained 139,777,000 tons grading 33.04% Fe classified as Indicated Mineral Resources and 62,824,000 tons grading 33.70% Fe classified as Inferred Mineral resources.

It is noted that the Rambling Creek Iron deposit is associated with appreciable concentration of vanadium pentoxide (0.21%). Early work indicates that the vanadium may be recoverable during the DRI process.

4. Tampoon Resources Inc – Oil

\$50,000,000 private placement. Proceeds used for oil and gas exploration in Western Canadian Basin Oil Property Acquisition and Farm-in opportunity. Currently producing ~300bbls/d with

significant reserve/deliverability (Est. 600bbls/d flush; 200bbls/d aver prod); 600,000 barrels 38-42 API/well.)

5. Open Range – Oil

\$10,000,000 private placement of preferred shares and common shares. \$5,000,000 preferred shares Series B – 8% Cumulative Dividend, Voting, Redeemable December 31, 2012 priced at \$1.00 per share. \$5,000,000 Common Share priced at \$1.50 per share. Proceeds used to increase land ownership from 11,000 acres to 70,000 net acres. Projected production is estimated at 2,000 BOPD for 2011. Properties located in North Dakota where large US oil companies such as Hess, and Occidental Petroleum have both recently acquired a number of smaller firms.