



## The Speculator

By David Haselhurst  
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**PORTFOLIO POINT: We double our holding in Trafford Resources ready for a free distribution to shareholders of stock in gold prospecting sensation Robust Resources.**

Last week we took profits on Robust Resources (ROL) as the stock soared on sensational drilling results from its gold project on Indonesia's Romang Island, 500 kilometres northwest of Darwin.

After switching part of the proceeds into Robust's erstwhile parent, Trafford Resources (TRF), directors of Trafford later announced a planned free distribution of Robust shares from its 20.62% holding in that company.

The announcement, made late on December 9, said registered shareholders in Trafford "on a date to be determined" will be entitled to a distribution of one Robust share for every 20 Trafford shares held.

By adding another 10,000 shares bought this week at 41¢ to the 10,000 Trafford shares bought last week at 33¢, we'll have a holding of 20,000 shares at an average cost of 37¢. Come the new year, we will be entitled to 1000 Robust shares in the planned free distribution, with a value yesterday of \$1170 at Robust's price of \$1.17.

Trafford acquired 7.2 million Robust shares at 20¢ each in October 2008, contributing \$1.44 million to enable Robust to begin exploring the highly prospective Romang Island gold, silver and base metals project. Trafford then contributed a further \$1.08 million in October 2009 through the exercise of 3.6 million Robust options.

Trafford presently owns 10.8 million Robust shares and will distribute up to a third of that holding (about 3.6 million shares) to its shareholders. Trafford will continue to hold 13.7% of Robust.

Although no date had been determined at the time of writing for the shares to trade "ex" entitlement, intending investors in Trafford should check with their broker to ensure they are buying "cum" the entitlement to the free Robust issue.

Trafford's managing director, geologist Ian Finch, who until recently was also chairman of Robust, said the distribution was to reward Trafford shareholders who maintained their confidence in the company during the market collapse of 14 months ago and to give them a direct return from Trafford's highly successful investment in Robust. Trafford will apply for a class ruling from the tax office on the tax consequences of the in specie distribution to its shareholders.

**The Speculator portfolio, as at December 15, 2009**

<b>Company</b>	<b>ASX</b>	<b>No of shares</b>	<b>Bought</b>	<b>Purchase price</b>	<b>Current price</b>	<b>Current value</b>
Quickstep Holdings	QHL	5,000	16/03/09	\$0.165	\$0.525	\$2,625
Cortona Resources	CRC	30,000	14/04/09	\$0.150	\$0.150	\$4,500
CRC options ex. 20¢ by 31/01/2012	CRCO	5,000	10/12/09	Free	\$0.000	\$0
A1 Minerals	AAM	43,077	12/05/09	\$0.135	\$0.360	\$15,508
Gage Roads Brewing	GRB	40,000	26/05/09	\$0.050	\$0.150	\$6,000
Image Resources	IMA	16,000	02/06/09	\$0.654 avge	\$0.760	\$12,160
Blue Energy	BUL	20,000	09/06/09	\$0.215 avge	\$0.225	\$4,500
Scotgold Resources	SGZ	40,000	22/06/09	\$0.11 avge	\$0.120	\$4,800
Emmerson Resources	ERM	20,000	04/08/09	\$0.190	\$0.240	\$4,800
Golden Gate Petroleum	GGP	53,330	25/08/09	\$0.042 avge	\$0.034	\$1,813
GGP options ex. 8¢ by 31/8/2012	GGPO	6,665	30/09/09	Free	\$0.014	\$93
Emu Nickel	EMU	30,000	08/09/09	\$0.145	\$0.200	\$6,000
Hill End Gold	HEG	20,000	15/09/09	\$0.230	\$0.225	\$4,500
Coppermoly	COY	40,000	22/09/09	\$0.065	\$0.125	\$5,000
Diatreme Resources	DRX	40,000	27/10/09	\$0.120	\$0.120	\$4,800
Viralytics	VLA	150,000	17/11/09	\$0.027	\$0.038	\$5,700
Trafford Resources	TRF	20,000	08/12/09	\$0.37 avge	\$0.420	\$8,400
OBJ Limited	OBJ	200,000	08/12/09	\$0.027	\$0.026	\$5,200
<b>Total value of portfolio</b>						<b>\$96,399</b>
Plus cash at bank						\$30,868
<b>Total</b>						<b>\$127,267</b>
Portfolio change since January 2, 2009 (started with \$40,000)						+218.17%
All Ordinaries change since January 2, 2009 (then 3655.7)						+28.23%