Siddharth Rajeev, B.Tech, MBA
Analyst

Colin M. Smith, B.Sc (Geology)
Research Associate-Mining and Energy

Kevin Liu, BBA, BSc
Research Associate

Investment Analysis for Intelligent Investors

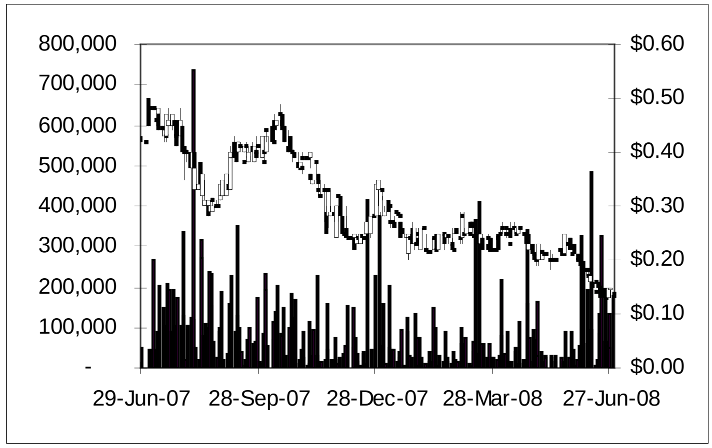
July 2, 2008

Garson Gold Corp. (GG: TSX-V) – New Resource Estimate for No. 3 Zone at New Britannia Mine

Sector/Industry: Junior Mining **www.garsongold.ca**

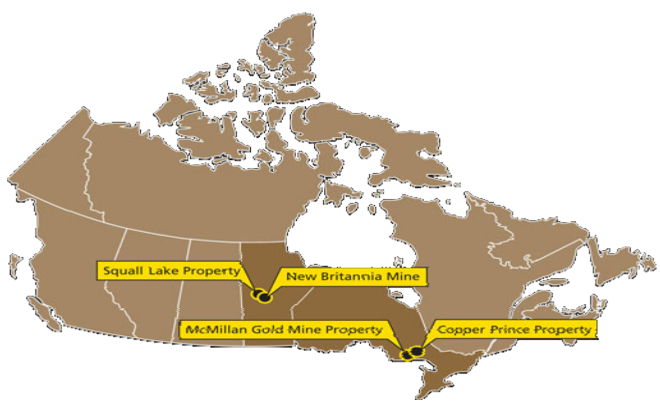
Market Data (as of July 2, 2008)

Current Price	C$0.125
Fair Value	**C$0.57 (↑)**
Rating*	**BUY**
Risk*	**5 (Highly Spec)**
52 Week Range	C$0.125 – C$0.500
Shares O/S	103,371,328
Market Cap	C$12.92 mm
Current Yield	N/A
P/E (forward)	N/A
P/B	0.55
YoY Return	N/A
YoY TSX-V	-18.9%



About Garson Gold Corp.

Garson Gold Corp.'s primary asset is a 100% interest in the New Britannia Gold Mine, located in northern Manitoba. Garson Gold Corp was formed recently from the amalgamation of Garson Resources Ltd. and Piper Capital Inc. The New Britannia Mine has produced over 1.43 million ounces of gold throughout its operating history. The advantages of this project are many: existing infrastructure, situated on the power grid, inexpensive hydro power, good location, historic production, exploration potential, and government/community support. The company is focused on resource delineation at the New Britannia Mine and surrounding properties.



Source: Garson Gold

New Resource Estimate for No. 3 Zone at New Britannia Mine Property

Garson Gold has established an updated estimate of gold resources at the Company's No. 3 Zone on the New Britannia Mine (NBM) property. This new National Instrument 43-101 compliant estimate includes resources in the Indicated category of 85,000 oz (394,000 tonnes @ 6.72 grams per tonne (g/t) gold) and a further 117,000 oz (575,000 tonnes @ 6.31 g/t gold) in the Inferred category.

In addition to the No. 3 Zone, the NBM property also hosts Measured and Indicated resources at the Main Mine of 364,000 ounces (2,211,000 tonnes @ 5.11 g/t), and 201,000 Inferred ounces contained at the Main mine and other satellite deposits on the property.

Significance

The previous resource estimate within this zone was approximately 50,000 ounces of gold in the Inferred category, comprising 220,000 tonnes at an average grade of 7.10 Au g/t (Micon International, October 2006). The revised resource estimate not only increases this figure drastically, but does so with better drill-hole control and a stronger dataset. Garson's current estimate for the No. 3 Zone at the New Britannia Mine Property is an Indicated Resource of 394,000 tonnes Au (85,000 ounces), and an Inferred Resource of 575,000 tonnes Au (117,000 ounces).

Compilation of historical exploration and geological data on the 3,900 hectare New Britannia Mine property has resulted in identification and prioritization of exploration target areas. A summer exploration program is currently underway that includes soil geochemical surveys, trenching and outcrop stripping, geological mapping, and prospecting.

Valuation

We have revised our valuation to incorporate the new resource estimate from the No. 3 Zone. Our revised valuation on the company (shown below) is now $0.57/share, compared to $0.47/share in our previous report. We have not made other major changes in our valuation models.

Valuation Summary		
	Revised	**Previous**
DCF Valuation	$0.76	$0.66
Real Options Valuation	$0.50	$0.35
Comparables Valuation	$0.45	$0.39
Average	**$0.57**	**$0.47**

The table below shows the sensitivity of our DCF valuation to changes in our long-term gold price assumptions and discount rate.

Sensitivity **Gold Prices (US$/oz)** **Discount Rate**	**$500**	**$600**	**$700**	**$800**	**$900**
8.00%	$0.65	$0.90	$1.15	$1.39	$1.64
10.00%	$0.59	$0.82	$1.04	$1.27	$1.49
11.49%	$0.55	$0.76	$0.97	$1.18	$1.39
15.00%	$0.47	$0.65	$0.83	$1.01	$1.19

Note that our revised valuation already accounts for the share dilution from the proposed $1.80 million financing announced by the company in June 2008.

Conclusions and Rating

Based on our valuation models and review of the company's progress since our previous report, we reiterate our BUY rating and increase our fair value estimate to $0.57 (from $0.47 per share). Our revised fair value represents an upside potential of 356% from current price levels.

We continue to rate the shares Risk 5: Highly Speculative.

Fundamental Research Corp. Equity Rating Scale:
Buy – Annual expected rate of return exceeds 12% or the expected return is commensurate with risk
Hold – Annual expected rate of return is between 5% and 12%
Sell – Annual expected rate of return is below 5% or the expected return is not commensurate with risk
Suspended or Rating N/A— Coverage and ratings suspended until more information can be obtained from the company regarding recent events.

Fundamental Research Corp. Risk Rating Scale:
1 (Low Risk) - The company operates in an industry where it has a strong position (for example a monopoly, high market share etc.) or operates in a regulated industry. The future outlook is stable or positive for the industry. The company generates positive free cash flow and has a history of profitability. The capital structure is conservative with little or no debt.

2 (Below Average Risk) - The company operates in an industry where the fundamentals and outlook are positive. The industry and company are relatively less sensitive to systematic risk than companies with a Risk Rating of 3. The company has a history of profitability and has demonstrated its ability to generate positive free cash flows (though current free cash flow may be negative due to capital investment). The company's capital structure is conservative with little to modest use of debt.

3 (Average Risk) - The company operates in an industry that has average sensitivity to systematic risk. The industry may be cyclical. Profits and cash flow are sensitive to economic factors although the company has demonstrated its ability to generate positive earnings and cash flow. Debt use is in line with industry averages, and coverage ratios are sufficient.

4 (Speculative) - The company has little or no history of generating earnings or cash flow. Debt use is higher. These companies may be in start-up mode or in a turnaround situation. These companies should be considered speculative.

5 (Highly Speculative) - The company has no history of generating earnings or cash flow. They may operate in a new industry with new, and unproven products. Products may be at the development stage, testing, or seeking regulatory approval. These companies may run into liquidity issues, and may rely on external funding. These stocks are considered highly speculative.

Disclaimers and Disclosure
The opinions expressed in this report are the true opinions of the analyst about this company and industry. Any "forward looking statements" are our best estimates and opinions based upon information that is publicly available and that we believe to be correct, but we have not independently verified with respect to truth or correctness. There is no guarantee that our forecasts will materialize. Actual results will likely vary. The analyst and Fundamental Research Corp. "FRC" does not own any shares of the subject company, does not make a market or offer shares for sale of the subject company, and does not have any investment banking business with the subject company. Fees of less than $30,000 have been paid by GG to FRC. The purpose of the fee is to subsidize the high costs of research and monitoring. FRC takes steps to ensure independence including setting fees in advance and utilizing analysts who must abide by CFA Institute Code of Ethics and Standards of Professional Conduct. Additionally, analysts may not trade in any security under coverage. Our full editorial control of all research, timing of release of the reports, and release of liability for negative reports are protected contractually. To further ensure independence, GG has agreed to a minimum coverage term including an initial report and three updates. Coverage cannot be unilaterally terminated. Distribution procedure: our reports are distributed first to our web-based subscribers on the date shown on this report then made available to delayed access users through various other channels for a limited time. The performance of FRC's research is ranked by Investars. Full rankings and are available at www.investars.com.

The distribution of FRC's ratings are as follows: BUY (82%), HOLD (6%), SELL (3%), SUSPEND (9%).
To subscribe for real-time access to research, visit http://www.researchfrc.com/subscription.htm for subscription options.

This report contains "forward looking" statements. Forward-looking statements regarding the Company and/or stock's performance inherently involve risks and uncertainties that could cause actual results to differ from such forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, continued acceptance of the Company's products/services in the marketplace; acceptance in the marketplace of the Company's new product lines/services; competitive factors; new product/service introductions by others; technological changes; dependence on suppliers; systematic market risks and other risks discussed in the Company's periodic report filings, including interim reports, annual reports, and annual information forms filed with the various securities regulators. By making these forward looking statements, Fundamental Research Corp. and the analyst/author of this report undertakes no obligation to update these statements for revisions or changes after the date of this report. A report initiating coverage will most often be updated quarterly while a report issuing a rating may have no further or less frequent updates because the subject company is likely to be in earlier stages where nothing material may occur quarter to quarter.
Fundamental Research Corp DOES NOT MAKE ANY WARRANTIES, EXPRESSED OR IMPLIED, AS TO RESULTS TO BE OBTAINED FROM USING THIS INFORMATION AND MAKES NO EXPRESS OR IMPLIED WARRANTIES OR FITNESS FOR A PARTICULAR USE. ANYONE USING THIS REPORT ASSUMES FULL RESPONSIBILITY FOR WHATEVER RESULTS THEY OBTAIN FROM WHATEVER USE THE INFORMATION WAS PUT TO. ALWAYS TALK TO YOUR FINANCIAL ADVISOR BEFORE YOU INVEST. WHETHER A STOCK SHOULD BE INCLUDED IN A PORTFOLIO DEPENDS ON ONE'S RISK TOLERANCE, OBJECTIVES, SITUATION, RETURN ON OTHER ASSETS, ETC. ONLY YOUR INVESTMENT ADVISOR WHO KNOWS YOUR UNIQUE CIRCUMSTANCES CAN MAKE A PROPER RECOMMENDATION AS TO THE MERIT OF ANY PARTICULAR SECURITY FOR INCLUSION IN YOUR PORTFOLIO. This REPORT is solely for informative purposes and is not a solicitation or an offer to buy or sell any security. It is not intended as being a complete description of the company, industry, securities or developments referred to in the material. Any forecasts contained in this report were independently prepared unless otherwise stated, and HAVE NOT BEEN endorsed by the Management of the company which is the subject of this report. Additional information is available upon request. THIS REPORT IS COPYRIGHT. YOU MAY NOT REDISTRIBUTE THIS REPORT WITHOUT OUR PERMISSION. Please give proper credit, including citing Fundamental Research Corp and/or the analyst, when quoting information from this report.

Fundamental Research Corp is registered with the British Columbia Securities Commission as a Securities Adviser which is not in any way an endorsement from the BCSC. The information contained in this report is intended to be viewed only in jurisdictions where it may be legally viewed and is not intended for use by any person or entity in any jurisdiction where such use would be contrary to local regulations or which would require any registration requirement within such jurisdiction.