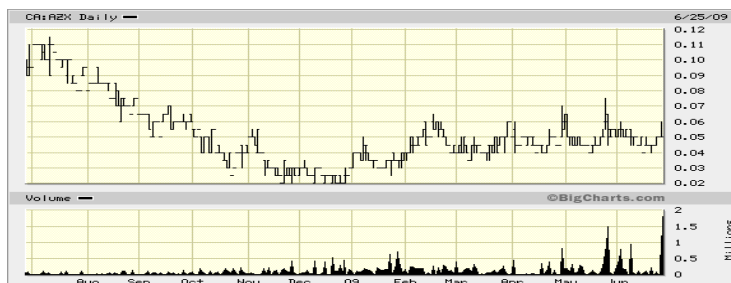


### ALEXANDRIA MINERALS CORPORATION

Price (June 26, 2009)	\$0.05
52-Week High-Low	\$0.115-\$0.02
Shares O/S	76.6 million
Market Cap	\$3.83 million
50-day Average Volume	250,800
200-day Average Volume	161,800
Year-End	April 30
Symbol	TSX-V: AZX
Website	www.azx.ca



Source: [www.bigcharts.com](http://www.bigcharts.com)

#### Financial Data

##### Selected Income/Cash Flow

(C\$ millions)	Year end Apr. 30 2008	12 months Jan. 31 2009
Revenues	-	-
EBITDA	(\$1.3)	(\$1.1)
Net Income	(\$1.2)	(\$0.6)
Cash Flow (CF) From Operations	(\$1.2)	(\$1.1)

##### Selected Balance Sheet (C\$ millions)

Cash & ST Investments	\$2.3	\$2.9
Shareholders' Equity	\$10.2	\$10.7
Total Assets	\$11.6	\$12.3

##### Key Ratios

Monthly Cash Burn (\$)	\$102,156	\$83,755
Monthly Capital Expenditures (\$)	\$296,054	\$199,180
Cash Opex (mnths)	22.4	34.9
Cash Opex + Total Capex (mnths)	5.8	10.3

##### Per Share (PS)

Earnings (Loss) PS	(\$0.02)	(\$0.01)
Cash PS	\$0.04	\$0.04
Mineral Property Book Value PS	\$0.11	\$0.11
Cash and Mineral Property SP	\$0.14	\$0.15
Equity Book Value PS	\$0.16	\$0.14

##### Multiples

Price/Cash (times)	2.73x	1.70x
Price/Property Book Value (times)	0.94x	0.57x
Price/Cash & Properties (times)	0.70x	0.43x
Price/Book Equity (times)	0.61x	0.46x

(See our ratio analysis on page 3)

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Note: This report was prepared with public information only.

#### THE COMPANY

Alexandria Minerals Corporation ("Alexandria" or the "Company") owns a portfolio of high-potential properties located in the Abitibi Greenstone Belt (Ontario and Quebec). This belt has produced more than 200 million ounces of gold since the 1900s. Alexandria owns 25 properties in 5 areas. Its holdings include: the Cadillac Break Property Group, Simcoe East, Quevillon, Matechewan, Gwillim, and Joannes properties. Management has extensive experience in mining exploration and development. The Company's liquidity is sufficient to finance its 2009 drill program and keep its properties in good standing over the next 2 years.

#### INVESTMENT CONSIDERATIONS

##### Strengths

- The potential for an upgrade in the value of the property portfolio is significant. The Company: (a) expects to obtain an NI 43-101 resource estimate on Cadillac Break in 18 months; and (b) has more than quadrupled the size of the gold zones at the historic Orenada and Sleepy deposits;
- Solid liquidity with over \$2.0 million in cash, \$0.6 million mining refunds to come from the Quebec government; and \$1.6 million due in 2 years under an option agreement; and
- Eric Owens and Eddy Canova are co-founders of Alexandria, each with considerable experience and with significant accomplishments in the mining exploration and development business (see Management, overleaf).

##### Challenges

- Significant capital expenditures are required for the exploration program on the Cadillac Break Property. The 2008 NI 43-101 report recommended an exploration program of \$7.5 million; and
- All of Alexandria's properties are in early stages of exploration, and none of them, as yet, have obtained a NI 43-101 resource estimate.

## PROPERTY HIGHLIGHTS

Alexandria's core properties are as follows:

**(1) The Cadillac Break Property Group:** 15% owned by the Company, is located along a 300 km gold-bearing fault zone (in the Val d'Or region, Quebec), which has produced more than 100 million oz of gold. The Group consists of the following properties:

- a. **Orenada Property (29 claims, 426 ha):** The property hosts two main gold zones with extensive drilling activities carried out from the 1930s to 1980s. The 1990 Aur Resource study indicates that Zone 4 hosts a resource of 2.18 million tonnes, grading 0.046 oz g/t. Alexandria has increased the size by 4 times since acquisition and expects to have a NI 43-101 resource estimate by the end of summer 2009.
- b. **Sleepy Property (8 claims, 312 ha):** The Company has quadrupled the size of the main gold zone. Positive drill results have been achieved such as 3.35 g/t Au over 8.95m and 3.55 g/t over 6.35m. Gold mineralization occurs toward the southern margin of the east-west trending sill. A NI 43-101 resource estimate is expected by the end of summer 2009.
- c. **Akasaba Property (26 claims, 487 ha):** The project hosts the historic Akasaba Mine, which produced 262,500 tonnes grading 5.14 g/t gold in the 1960s. Results from early 2009 drilling include 4.22 g/t Au over 10.53m, including 24.50 g/t Au over 1.3m. Recent out-step drilling revealed high gold, silver, and copper contents about 600m from the Akasba Mine.
- d. **Oramaque Property (26 claims, 393 ha):** Situated adjacent to the Orenada. Significant gold mineralization was identified in the past. Drill activities since 2007 have yielded positive results for further exploration.
- e. **Other Properties:** Include Airport Property (39 claims, 601 ha); Robert and Orenada Extension Properties (49 claims, 760 ha); Mid Canada Property (1 claim, 74 ha); Ducros Property (37 claims, 587 ha); Sabourin Creek Property (98 claims, 1627 ha); Orcour Property (50 claims, 787 ha); Lourmet Property (9 claims, 144 ha); Bloc Sud West Property (30 claims, 480 ha); Deckeyser (11 claims, 176 ha); New Claims (58 claims, 1855 ha); Bloc Sud Trivio Properties (28 claims, 1012 ha); and Trivio Properties (49 claims, 1177 ha).

**(2) Simcoe East Property (Val d'Or region, Quebec):** Located close to the past-producing Simcoe Mine, which produced 800,000 oz of gold at a grade of 9.22 g/t from 1929 to 1949. Significant work has been done on the property including: a geophysical survey, a magnetic survey, an IP, and a seismic survey. Historical drill activity indicates significant potential for high-grade gold. Drilling has started on high potential targets.

**(3) Gwillim Property:** Located in the Chibougamau district, adjacent to the Gwillim Mine which produced 35,000 oz of gold in the 1970s. A surface prospecting and mapping program was completed in 2006.

**(4) Quevillon Property:** Situated about 120 km northeast of Val d'Or. The region hosts several gold deposits. The nearby Comtois property, owned by Maudore Minerals Ltd., is estimated to contain 250,000 oz of gold in a similar geophysical environment. A magnetic and IP survey and surface geological mapping were done on the property.

**(5) Matachewan Property:** Situated about 3 km east of two past-producing gold mines – Matachewan Consolidated and Young Davidson Mines. It is about 60 km southwest of the prolific Kirkland Lake camp. The Company has 40 claims, 2368 ha on the Matachewan property, and 9 claims, 1328 ha under an option agreement. It has already completed a 12-hole drill program.

**(6) Joannes Property:** Situated about 20 km east of Noranda and straddles 6 km of the Cadillac Break. The Company has optioned the southern half of its Joannes property to Aurizon Mines Ltd. which has its own measured and indicated resource of 630,000 oz Au and which is developing its open pit Joanna deposit about 100m west.

## CORPORATE STRATEGY

- A cautiously aggressive exploration program is planned over the next 12 months, to be managed in such a way that it can cope with the current difficult economic conditions.
- Management has adopted a flexible approach to: (a) enlarge known deposits; and (b) discover new deposits.
- Gather sufficient additional data to bring the Cadillac Break to a NI 43-101 compliance a resource estimate over the next 18 months.
- Continue to evaluate potential acquisition targets as new growth opportunities.

## MANAGEMENT

The Company is led by a strong management team. In our view, experienced and knowledgeable management is a key factor when assessing a company for investment.

- **Eric Owens** (President) co-founded Alexandria. He has 23 years of experience in mineral exploration. Mr. Owens is a professional geologist and was previously with Newmont Mining, BHP Minerals, Phelps Dodge, and Echo Bay. Accomplishments include: Initial discovery holes at Intrepid Minerals' El Zapote silver deposit (El Salvador); definition drilling of the American Girl and Madre gold mines (California) and Brookbank gold project (Ontario); and a number of discoveries of precious metals in North and Central America.
- **Eddy Canova** (Executive VP) is also a co-founder who has over 27 years of experience in mineral exploration in Canada, South America, and Africa. He advanced many projects and discoveries such as the Macleod Lake copper-molybdenum-silver-gold deposit in Quebec. He also managed production activities as an Exploration Manager and Mine Manager for Bolivar Goldfields in Venezuela.

Selected Financials (CAD\$)	Year end	12 months
	Apr. 30 2008	Jan. 31 2009
Revenues	-	-
Operating Expenses (cash burn)	1,225,868	1,005,056
Exploration Expense	102,379	110,888
<b>Adjusted EBITDA</b>	<b>(1,328,247)</b>	<b>(1,115,944)</b>
Depreciation & Amortization	6,249	5,885
All non-cash expenses	169,340	38,251
Stock-based Compensation	(560,507)	(76,587)
<b>Net Income/(Loss)</b>	<b>(1,184,640)</b>	<b>(561,859)</b>

Total Shares Outstanding	62,449,871	76,551,668
Weighted Avg. Shares O/S	49,059,104	67,963,270
Earnings (Loss) Per Share	(0.02)	(0.01)

<b>Cash Flow From Operations</b>	(1,185,253)	(1,104,039)
Capital Expenditures	(3,450,263)	(2,279,266)
Acquisitions/Equipments	(185,439)	46,289
<b>Free Cash Flow</b>	<b>(4,520,955)</b>	<b>(865,402)</b>
Working Capital Changes	(1,777,645)	(22,145)
Equity Financing	7,931,323	1,705,900
<b>Change in Cash</b>	<b>1,090,518</b>	<b>679,431</b>

Cash, Beginning of the Period	199,686	462,579
Cash, End of the Period	1,290,204	1,142,010

Balance Sheet: (CAD\$)	As at	As at
	Apr. 30 2008	Jan. 31 2009
Cash	1,290,204	1,142,010
Short-term Investments	1,000,000	1,783,538
Other Current Assets	2,642,828	630,546
Mineral Properties	6,672,176	8,757,192
PP&E	22,624	14,663
<b>Total Assets</b>	<b>11,627,832</b>	<b>12,327,949</b>
Payables	743,864	401,425
Future Income Tax	723,535	1,181,996
Shareholders' Equity	10,160,433	10,744,528
<b>Total Liabilities &amp; Equity</b>	<b>11,627,832</b>	<b>12,327,949</b>

Book Value (S.E.) Per Share	0.16	0.14
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Source: The Company and eResearch

## RATIO ANALYSIS

The Company's property and financial fundamentals are strong, showing good upward potential. Currently, Alexandria's stock is trading at:

- 25% above its cash per share value of \$0.04;
- 55% below its mineral property per share value of \$0.11;
- 67% below its cash and property value of \$0.15; and
- 64% below its book equity per share value of \$0.14.

## FINANCIAL REVIEW

- *Cash burn:* The cash burn rate averaged over \$83,000 a month for the 12 months ended January 31, 2009. Even at this monthly rate, which ignores the flexibility that management has to reduce operating expenses, were to be maintained, the Company could cover its operating expenses for the next 30 months.
- *Capital expenditures:* Over \$3.4 million was spent in F2008 and \$2.2 million in the 12 months ended January 31, 2009. We expect that the 2009 exploration program will likely be more cautious (rather than aggressive), given the difficult economic conditions.
- *Liquidity:* The Company is in a solid liquidity position. It had about \$2.0 million in cash and short-term investment at the end of May 2009. It also expects to receive about \$0.6 million from the Quebec government. In addition, the Company expects to receive \$1.6 million under the option agreement.

## FINANCING

Alexandria's record of raising funds is as follows:

- To date, all of its financings have been through equity issuances. A total of over \$14 million in cash has been raised since 2006.
- In July 2008, the Company raised \$1.75 million in equity issuances. The success of this financing demonstrates management's ability to raise capital even in difficult credit markets.
- However, future financing remains a challenge for the Company, as the capital market continues to remain tight and commodity prices are still in recovery mode. We expect the Company to continue to finance its future exploration programs and potential acquisitions, if opportunities arise, through equity issuances.

## UPSIDE POTENTIAL

Looking ahead, there could be a positive impact on Alexandria's stock price should the Company be able to:

- Maintain solid liquidity over the next 12 months;
- Successfully obtain a NI 43-101 compliant technical report on its sizable Cadillac Break gold deposit.

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**Analyst Certification**

The Research Analyst who was involved in the preparation of this Research Report hereby certifies that:

- (1) the views and opinions expressed herein accurately reflect the Research Analyst's personal views concerning any and all securities and issuers that are either discussed or are the subject matter of this Research Report; and
- (2) the compensation received for the preparation of this report was not related, in any way, to the Research Analyst's views and opinions expressed herein.

**eResearch analysts on this report:**

**Eric Eng, BA (Acct., Econ.), MBA** - Eric Eng worked at DBRS as a Analyst/Vice President for 10 years. He obtained a BA in Accounting and Economics and a MBA in Finance at the University of Toronto. He joined eResearch in January 2008.

**Bob Weir, B. Comm, B.Sc., CFA.** Bob Weir has 42 years of investment research and analytical experience in both the equity and fixed-income sectors, and in the commercial real estate industry. He was at Dominion Bond Rating Service (DBRS) from 1994 to 2001, latterly as Executive Vice-President responsible for conducting the day-to-day management affairs of the company. He joined eResearch in 2004.

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Alexandria Minerals Corporation paid eResearch a fee of \$4,000+GST to conduct research on the Company on an Annual Continual Basis.

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