

April 14, 2008

A clarion is a medieval trumpet that had clear, shrill tones. Trumpets were often used to get people's attention when making announcements. We are also using "clarion" in the context of making announcements, as well as being thought-provoking when sharing our information and opinions with those people who are interested in new investment ideas.

for your Information

eResearch is pleased to announce that it now offers to its clients corporate communications services and investor relations services, which will be provided by Mr. Brian Hemming. Mr. Hemming has more than 30 years' experience in this field. After starting with Hill and Knowlton in Australia in 1976, he headed up Hill & Knowlton's Canadian operations from 1984 until its merger with a public affairs group in 1989.

After co-founding Fundamental Communications in 1996, Mr. Hemming went on to set up Hemming Associates in 1999.

eResearch will benefit from Brian's experience in providing specialized counseling in all aspects of investor relations, including continuous disclosure, special situations such as takeovers and restructurings, and initial public offering road shows.

Call us now to discover what we can do for you.

Topic: Mining Bric-a-Brac

With the commodity boom that has occurred over the past 3-4 years, there has been a tremendous demand for geologists.

Every province in Canada has registration requirements for geoscientists. As such, there is the need for these geoscientists, or P.Geos, to maintain and update their body of knowledge.

One way to do that is to read, regularly, journal papers. Other methods of staying current is to attend conferences, take courses, participate on professionally-organized field trips, etc.

But the P.Geos are too busy writing technical reports, scoping studies, and feasibilities, etc. However, the chickens may come home to roost at the time of the annual audit. Those whose credentials are found to be lacking may face discipline, including the possibility of being stripped of accreditation. The integrity of the profession must be maintained.

On another front in the mining sector, PricewaterhouseCoopers reported recently that the number of mining transactions that occurred globally increased 69% in 2007. The dollar value reached US\$159 billion, an 18% increase over the previous year.

Canadian companies figured prominently in the activity. They were targeted 32% of the time, think Alcan, LionOre, Aur Resources, and Meridian Gold. Canadian companies were also amongst the major acquirers, with TeckCominco, Yamana Gold, and UraniumOne leading the way.

There were more deals done last year, but at lower values. PwC reports that more than 90% of those deals were transacted at less than US\$250 million.

The credit crunch will certainly impact 2008 M&A activity. Still, industry consolidation will likely continue as innovative thinkers will always find a way.

Bob Weir

Bob Weir, B.Sc., B.Comm.,
CFA Director of Research

Quick Facts



**Closing Price
(April 11/08):**
\$0.43

52-Week High-Low:
\$1.32 - \$0.06

Target Price:
1-Year: \$1.35
3-Year: \$3.50

Average Daily Volume:
20-day: 637,400
150-day: 5,495,700

Fiscal Year-End:
December 31

Symbol:
TSX-V: BMK

Stock of the Week

MacDonald Mines Exploration Ltd. (TSX-V: BMK)

MacDonald Mines Exploration Ltd. has been featured as our Stock-of-the-Week previously, and here it is again. On Friday, the Company's shares shot up 10% on good volume of almost 1.8 million shares. The stock had been due for a turn-around. After hitting a high of \$1.32 back last November, the stock has declined pretty much ever since (as have those of so many junior mining companies over the past six months), except for one brief rally around the end of December.

The Company is active in the so-called "Ring of Fire" area of the James Bay Lowlands of northern Ontario. We speculate that Friday's share price improvement resulted either from the view that the stock was over-sold, and/or that good results can be expected to be announced from the current drilling being carried out on its Big Mac property.

The Big Mac drill program involves a total of 2,500 metres. It is being conducted, through an option agreement, by WSR Gold Inc. WSR can obtain a 75% interest in the property by: (a) spending \$2.5 million over 2 years; (b) allotting 5 million WSR shares to MacDonald; (c) allotting 1 million WSR warrants to MacDonald; and (d) paying MacDonald \$100,000 cash. The Big Mac property is in the vicinity of the now well-known prolific nickel-copper discovery by Noront Resources Inc.

MacDonald Mines is an exploration company that is focusing its activities on the Ring of Fire area. It has a sizable land position there with 271 claim blocks totaling over 63,700 hectares. It owns 100% of its McNugget property.

Key investors in MacDonald include Robert McEwen (US Gold Corporation /Goldcorp Inc.), Pierre Lassonde (Franco-Nevada), Sheldon Inwentash (Pinetree Capital) and Randall Oliphant (Western Goldfields)

For further information on MacDonald, see our Initiating Report of February 22nd.

[Stock of the Week Video Link](#)



New Research Material
for the week ending
April 11, 2008:

1. Initiating Reports

None

2. Update
Reports/Analyst
Commentaries/
Bulletins

[Sego Resources](#)

04/10/08

[Pacific Comox](#)

04/07/08

3. Analyst Articles

None

Performance

A. 6 Month

The following comments were made on March 31, 2008: eResearch published four Initiating Reports, and four Update Reports in October 2007. The performance of both the TSX and the TSX Venture Exchange has not been good over the last six months, with the TSX down 7% and the TSX Venture down 18%. None of our October Recommendations reached our twelve-month Target Price during this six-month period. **Siriois Resources** was the best performer, reaching 67% of its objective, but its share price gain was only 17%. **Andean American Mining**, after it resumed trading after a two-month halt, achieved 51% of our Target Price, but rose only 28%. Generally, it has been tough sledding for the resource stocks, particularly the junior mining companies. However, some of the companies listed in the table below are not from the resource sector. Their respective performance was equally unexciting. **Gatorz Inc.** and **Victhom Human Bionics** were each up a third but only got to 40%-45% of our respective Target Prices. **Cannasat Therapeutics** is a thinly-traded stock. **Bio-Extraction** doubled in February going from \$0.25 to \$0.50 on good volume, but the stock has come off this past month. **EXMIN Resources** has been disappointing.

Company	Symbol	Report Type	Report Date	Report Price	Target Price	<Last 6 Months> High	<Last 6 Months> Low	% Gain to High	% of Target
Siriois Resources	SOI-V	U	2-Oct-07	\$0.24	\$0.30	\$0.28	\$0.16	17%	67%
Andean American Mining	AAG-V	U	31-Oct-07	\$0.71	\$1.10	\$0.91	\$0.50	28%	51%
Gatorz Inc.	GTZ.S-V	I	4-Oct-07	\$0.25	\$0.43	\$0.33	\$0.10	32%	44%
Victhom Human Bionics	VHB-X	I	19-Oct-07	\$0.165	\$0.30	\$0.22	\$0.105	33%	41%
Grandview Gold	GVX-X	I	17-Oct-07	\$0.76	\$1.35	\$0.98	\$0.36	29%	37%
Cannasat Therapeutics	CTH-V	U	3-Oct-07	\$0.20	\$0.35	\$0.24	\$0.155	20%	27%
Bio-Extraction Inc.	BXI-V	I	17-Oct-07	\$0.43	\$0.75	\$0.50	\$0.21	16%	22%
EXMIN Resources	EXM-V	U	17-Oct-07	\$0.40	\$0.90	\$0.48	\$0.235	20%	16%

I = Initiating Report; U = Update Report; C = Comment; X = TSX; V = TSX Venture

Note 1: Andean American Mining Target Price reduced from \$1.30 to \$1.10 with this report.

B. 12 Month

The following comments were made on March 31, 2008: There were only three companies for which we issued reports in March 2007. **Midlands Minerals** rose the most, being up 43% to its high over the past year. It almost reached our twelve-month Target Price of \$0.45. We are still bullish on the Company's prospects. During PDAC, we had an opportunity to video interview Kim Harris, Midlands' CEO. You can view the video on our website. **Candorado Operating Company** has been struggling over the past six months, like so

Video Library

[Starfield Resources](#)
 04/07/08

[IRI Separation Technologies](#)
 (03/31/08)

[Maple Leaf Reforestation](#)
 (03/24/08)

[Anglo Canadian Uranium Corp.](#)
 (03/17/08)

[Zaruma Resources](#)
 (03/17/08)

[Midlands Minerals](#)
 (03/17/08)

[Monument Mining](#)
 (03/07/2008)

[Integrated Asset Management Corp.](#)
 (03/07/2008)
 (02/19/2008)

many junior mining companies. We will be having a fresh look at the Company when we do our Update Report shortly. **Metco Resources** has several joint venture projects with Breakwater Resources. Breakwater saw the inherent value in Metco that the market obviously did not and, accordingly, made an offer that Metco's Board of Directors endorsed. Metco shareholders are scheduled to vote on the offer on April 11, 2008. Metco management has recommended acceptance.

Company	Symbol	Report Type	Report Date	Report Price	Target Price	Last 12 Months High - Low	% Gain to High	% of Target
Midlands Minerals	MEX-V	I	5-Mar-07	\$0.30	\$0.45	\$0.43 \$0.215	43%	87%
Candorado Operating	CDO-V	I	30-Mar-07	\$0.40	\$0.55	\$0.46 \$0.105	15%	40%
Metco Resources	MKO-V	I	15-Mar-07	\$0.125	\$0.25	\$0.165 \$0.045	32%	32%

I = Initiating Report

Note 1: Midlands' Target Price raised to \$0.50 in September Update Report; maintained in Bulletin in Jan/2008.

Note 2: Candorado Target Price maintained in January 2008 Bulletin.

Note 3: Metco agreed to a take-over offer from Breakwater in early January 2008.

Monthly Top Twenty

The top twenty downloads from www.eresearch.ca for March 2008:

1. The Clarion (413)
2. Zaruma Resources (160)
3. Hi Ho Silver Resources (116)
4. Minera Andes Inc. (101)
5. Maple Leaf Reforestation (98)
6. Corporate Brochure (76)
7. Augen Capital Corp. (65)
8. Richview Resources (52)
9. Zaruma Resources (51)
10. Integrated Asset Mgmt (49)
11. Article: Tomorrow (47)
12. 4-Week Performance (45)
13. Bank of Montreal (44)
14. Arsenal Energy Corp.(41)
15. Yukon-Nevada Gold Corp. (40)
16. FinMetal Mining (39)
17. Starfield Resources (37)
18. Monument Mining (32)
19. Yukon-Nevada Gold Corp (31)
20. Strata Oil & Gas(30)