

April 13, 2009

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 has been approved by the Ontario Securities Commission as a Limited Market Dealer.

eResearch is registered with the OSC as a Securities Adviser and as a Limited Market Dealer. The business activities and operations associated with eResearch's registration as a Securities Adviser are carried out solely by its Research Services division, which provides research and analysis to the investment community. The business activities and operations associated with eResearch's registration as a Limited Market Dealer are carried out solely by its Capital Services division, which engages only in capital market services with Corporate Issuers and Accredited Investors.

eResearch does not manage money or trade with the general public which, combined with the full disclosure of all fee arrangements, the strict application of its Best Practices Guidelines, and the creation of an effective "Chinese Wall" between the Research Services and the Capital Services divisions, eliminates potential conflicts of interest.

Topic: Demise of the Dollar?

It has been building for a while, but it reached international prominence just before the G-20 meeting in London at the beginning of April. First, Chinese Premier Wen Jiabao voiced concern about his country's U.S. Treasuries holdings. Then the governor of the People's Bank of China, Zhou Xiaochuan, raised the prospect of reforming the international monetary system. At the same time, Russia called for an overhaul of the world's current currency system. After the G-20 meeting, Russia went one step further and proposed that the IMF or the G-20 study the creation of a new reserve currency to be issued by international financial institutions. India and Brazil have both held talks with China and Russia, so the BRIC nations are acting in concert.

International concern is centred on the trillions of dollars being pumped into the U.S. economy and the likely effect of this action leading to run-away inflation and a sharp decline in the value of the U.S. dollar.

If the U.S. dollar is abandoned as the world's reserve currency, what will take its place? Would it be a basket of currencies, akin to the IMF's Special Drawing Rights ("SDRs")? Currently the SDR consists of the U.S. dollar, the yen, the pound, and the euro. Individually, none of the world's other significant currencies, whether it be the euro, the pound sterling, the yen, the yuan, the ruble, the (Indian) rupee, or the (Brazilian) real is as strong as the U.S. dollar (at least at the present time). So, does adding a basket of weaker currencies to the dollar as the world's monetary back-stop solve the problem?

While the U.S. dollar may come under pressure in the near term because of the government's decision to flood its market with money, it is likely that central banks of many other countries will also have to resort to the use of the financial printing presses to shore up and stimulate their economies. On a global basis, the U.S. economy is less reliant on exports than either Europe or Asia. Once the U.S. housing market stabilizes and the banking system starts credit flowing more freely, the U.S. economy should start growing once again.

The U.S. led the world into the global recession, and it will likely be the first country to emerge. If so, calls for the demise of the U.S. dollar seem premature.

Bob Weir

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Managing Director, Research Services

Quick Facts



**Closing Price
 (April 10/09):
 \$0.51**

**52-Week High-Low:
 \$2.37 - \$0.285**

**Average Daily Volume:
 20-day: 85,800
 150-day: 138,000**

**Shares Outstanding:
 96.04 million**

**Market Capitalization:
 \$48.98 million**

**Book Value Per Share:
 FY2006: \$0.17
 FY2007: \$0.39
 FY2008: \$0.53
 FY2009: \$0.40 (Feb 28)**

**Fiscal Year-End:
 May 31**

**Symbol:
 TSX: PTQ**

Stock-of-the-Week

Petaquilla Minerals Ltd. (PTQ: TSX-V)

Petaquilla Minerals Ltd. is an emerging gold producer focused on its 100%-owned Molejon Gold deposit in Panama. With the initial gold pour occurring on April 7 inst, the Company is on track to have its processing facility reach its full-rated capacity of 2,200 tonnes per day sometime in June 2009. The plant utilizes three ball mills and a carbon-in-pulp processing facility.

The Company has completed the bulk of the preparatory work necessary to bring the mine into full production, including: (1) having electrical and mechanical equipment on site; (2) finishing an emergency tailings pond; (3) completing road access to the starter pit; (4) constructing a bridge from the mine to the plant; (5) having metallurgy lab equipment on site; and (6) receiving an approved environmental impact study.

Petaquilla Minerals also continues to evaluate other gold development projects and/or related production possibilities through (1) either internal development of its mineral assets or (2) by growth through acquisition or merger of assets with companies having either production or advanced development-stage gold and/or copper projects.

At the end of March, the Company closed its Convertible Senior Secured Notes financing, issuing 40,000 Notes and raising gross proceeds of US\$40 million. Each Note in the principal amount of US\$1,000 is convertible into common shares at C\$2.25 per share. The Notes mature two years from date of issuance at 110% of the principal amount of such Notes. These Notes will be senior to all other indebtedness of the Company and will rank pari passu with the previously issued senior secured notes. The net proceeds will be used for the continued commissioning of the Molejon Gold Plant and for working capital.

In our last Bulletin on Petaquilla Minerals, we withdrew our one-year Target Price in concert with our decision not to provide stock price targets until the extreme volatility of the stock markets towards the junior mining companies ended and stock prices better reflected the underlying intrinsic values.

As has been well documented, investors continue their love affair with gold and gold stocks. Petaquilla Minerals, we believe, has until now been overlooked in the market. Here is a gold company just now bringing its gold mine into production. In our opinion, it will not be long before investors recognize this and the Company's potential. When they do, the shares should receive positive impetus.

We maintain our "Speculative Buy" Recommendation on the stock.

**New eResearch
Material Since
April 1, 2009:**

1. Initiating Reports

[Wavefront Technology Solutions Inc.](#)
04/01/2009

[Seacliff Construction Corp.](#)
04/01/2009

**2. Update
Reports/Analyst
Commentaries/
Bulletins**

[Sage Gold Inc.](#)
04/01/2009

[Adex Mining Inc.](#)
04/07/2009

3. Analyst Articles

[Gold and Capitalism](#)
04/08/2009

[Inflation Is Coming](#)
04/05/2009

In addition to these reports and articles, our full complement of research is available at www.eresearch.ca

BriefCase

NewsBytes from April 6 – 10, 2009

Complete coverage on these companies is available at www.eresearch.ca. For the latest eResearch publications, see sidebar opposite.

Homeland Energy Group Ltd. (\$0.22 - April 8, 2009; HEG-TSX) Homeland Energy has provided an update on its Kendall colliery operations and Eloff mineral project in South Africa, as well as an outlook on the South African operations and the Company's strategy. Kendall began production in July 2008 and is expected to reach full operation by mid-2009. A pre-feasibility study of Eloff is being finalized. For further details, see Homeland's April 8, 2009 news release on SEDAR at www.sedar.com.

Hi Ho Silver Resources Inc. (\$0.09 - April 8, 2009; HHS-CNSX) Hi Ho Silver Resources has signed an agreement with Synergy Management Group Ltd. of Nanaimo, British Columbia to assist in future financings and ongoing corporate development, specifically targeting Asian funding. Synergy's primary function will be to secure investment and joint-venture opportunities for Hi Ho Silver through Synergy's network of high-wealth individuals in Asia as well as investment houses and funding organizations in China.

Petaquilla Minerals Ltd. (\$0.50 - April 9, 2009; PTQ-TSX) Petaquilla Minerals has provided an update on the commissioning of the Company's wholly-owned Molejon gold mine in Panama. The Company had previously announced that it had begun pit-site preparation and testing of production equipment in late January. Subsequent testing of gold room recovery processes resulted in a first gold pour on April 7. The processing facility is expected to reach its full rated capacity of 2,200 tonnes per day in June. See Petaquilla Minerals' April 9, 2009 news release at www.sedar.com.

MacDonald Mines Exploration Ltd. (\$0.055 - April 9, 2009; BMK-TSX-V) MacDonald Mines has signed an amended letter of agreement with the Canadian Corporation "210829 Ontario Limited" (the Optioner) to acquire a 100% undivided right, title and interest in the Nielsen-Chisholm property (nickel, PGM and base metals) in the LaRonge district of Saskatchewan, a land package similar to MacDonald's land holdings in the James Bay Lowlands in Ontario. MacDonald had originally entered into a letter of agreement with the Optioner to acquire 75% of the property. To acquire the 100% undivided right, title and interest in and to the property, the terms of the amendment agreement call for MacDonald Mines to make the following payments to the Optioner: \$25,000 cash, 1,250,000 common shares and 150,000 purchase share warrants exercisable at \$0.40 per share for a period of 24 months from the date of issuance. Further details are contained in MacDonald Mines' April 9, 2009 news release (www.sedar.com).

Opportunity Knocks

These are challenging times, and we at eResearch are not immune to what is happening all around us. But, we are adapting to this difficult operating environment. In this respect, we need more business development personnel. Anyone with a penchant for sales, please contact us.

Also, having recently become a Limited Market Dealer, our Capital Services division requires someone with financing experience to lead our efforts.

If you are interested in either of the above, I can be reached at bweir@eresearch.ca.

"Research is the bedrock underpinning all capital markets"

eResearch's Newest Partners

1. StockResearchPortal ("SRP").

SRP has an impressive investor-information website with an extensive library of data, including linked or referenced economic reports, in-depth industry research, and an impressive collection of company research. SRP is focused solely on the mining and oil & gas sectors. It has an extensive information databank on most of the 1,500-1,600 mining companies, oil & gas production and services companies, and oil & gas income trusts that are quoted on the TSX or TSX Venture exchanges. The SRP website can be accessed at www.stockresearchportal.com.

eResearch Corporation is pleased to provide our Subscribers with the bi-weekly **StockResearchPortal** Newsletter. It features independent and objective experts in gold, silver, base metals, uranium, geology, oil & gas valuation, and equity valuation who each have agreed to write an article sequentially each quarter.

2. Objective Capital Research Limited

Objective Capital of London and New York is a dedicated corporate research firm providing institutional-quality research on under-followed small- and mid-cap companies. It focuses on providing widely-distributed, high-quality corporate research coverage of public and private companies, both listed and pre-listed. It is retained by a company to ensure its shareholders, as well as the wider investment community, are provided with an objective view of the company's progress.

eResearch and Objective Capital, two leading providers of issuer-sponsored research, have agreed to collaborate in increasing the awareness of the advantages to small- and mid-cap companies of receiving fair and impartial research coverage.

Monthly Top Ten

The top ten downloads from www.eresearch.ca for April, 2009:

1. Weekly Clarion
2. Four-Week Performance
3. Sage Gold Inc., Bulletin, April 1
4. Wavefront Technology Solutions Inc., *StockPotentials*, April 1
5. StockResearchPortal, Inaugural Newsletter, April 6
6. StockResearchPortal, Gold & Capitalism Newsletter, April 8
7. Seacliff Construction Corp. *StockPotentials*, April 1
8. Adex Mining Inc., Bulletin, April 7
9. Pinnacle Digest, Inflation Is Coming, April 6
10. Anglo-Canadian Uranium Corp. Update Report, March 30

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