

May 5, 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

During April, there were 4,089 visits to the eResearch website, of which 2,648 were absolute unique visitors. This resulted in 14,254 page-views, an average of 3.5 page-views per visit.

72% of the visitors accessed our website from Internet Explorer, with 22% coming from Firefox.

33% of the visitors came directly to our website, while 23% came via Google. A further 10% were referred by an investor relations firm with which we have no dealings: (interesting!), and 8% came from our Distribution Partner in Germany: Financial.de.

Once on our website, 43% of visitors "bounced" around, looking at more than one report or item. In accessing our website, 45% came directly to the Home Page, 53% came via a company or video link, and 2% from accessing the Daily Market Comment technical opinion.

Monday is the biggest "hit" day, which corresponds with the issuance of the Clarion, which is our most viewed item. See the Monthly Top Twenty on Page 4.

Topic: Dichotomy

Over the past 12 months, the prices of various commodities have moved in different directions. To wit, although we have witnessed the continuation of the commodities boom over the past year, an investor had to be in the right commodity(s) in order to have profited.

Here are the winners (in descending order):

Commodity	May/2007	May/2008	% Gain
Wheat	\$5.98	\$20.41	241%
Coal	\$45	\$105	133%
Flaxseed	\$330.00	\$630.00	91%
Oil	\$64.66	\$115.74	79%
Soybeans	\$291.29	\$462.79	59%
Canola	\$397.00	\$598.80	51%
Platinum	\$1288.00	\$1855.00	44%
Natural Gas	\$7.87	\$10.37	32%
Corn	\$169.28	\$221.84	31%
Lead	\$0.93	\$1.17	26%
Gold	\$680.80	\$856.65	26%
Silver	\$13.45	\$16.40	22%
Copper	\$3.33	\$3.88	17%
Pulp	\$810	\$880	9%
Molybdenum	\$31.75	\$32.75	3%

Losers include:

Commodity	May/2007	May/2008	% Loss
Nickel	\$24.51	\$12.81	-48%
Uranium	\$113.00	\$65.00	-42%
Zinc	\$1.69	\$0.99	-41%
Aluminum	\$130.00	\$130.00	0%

Bob Weir

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

Quick Facts



**Closing Price
(May 2/08):**

\$1.10

52-Week High-Low:

\$1.55 - \$0.80

Target Price:

1-Year: \$2.15

Average Daily Volume:

50-day: 370,700

Fiscal Year-End:

December 31

Symbol:

TSX: HEG

Stock of the Week

Homeland Energy Group Ltd. (TSX: HEG)

What propitious timing for the formation of a new mining entity focused on the exploration for and development of coal properties! With construction of new coal-fired power generation plants in both developed and under-developed countries, demand for coal is extremely high. As a result, coal prices are at historic highs, and they are going higher.

Homeland Energy Group is a new mining entity, being the result of a reverse take-over of a capital pool company. The RTO closed on February 29, 2008 and the Company's shares commenced trading on the TSX on March 5, 2008.

The Company owns interests in three advanced development/pre-development stage coal projects in South Africa and a number of earlier-stage exploration properties. In addition, management has been negotiating to acquire interests in additional properties in South Africa and neighboring Swaziland and Botswana.

Homeland Energy is planning to become a mid-tier coal producer, producing both thermal and metallurgical coal. The Company is focused on generating and managing significant early-stage coal resource identification and development opportunities. Homeland Energy's operating strategy is to move its lead development properties into production as soon as possible and use the resulting cash flow to fund further coal exploration and development in southern Africa.

Homeland also holds a strategic 39% equity stake in Homeland Uranium Inc., which owns 18 uranium exploration properties - 10 located in Utah and Colorado, and 8 exploration permits located in Niger, West Africa.

[Stock of the Week Video Link](#)



New Research Material
for the week ending May
2, 2008:

1. Initiating Reports

None

2. Update
Reports/Analyst
Commentaries/
Bulletins

[MacDonald Mines
Exploration Ltd](#)

05/02/08

[Volta Resources Inc](#)

05/02/08

[Royal Roads Corp](#)

04/21/08

[Yukon-Nevada Gold
Corp](#)

05/02/08

[Asia New Resources
Corp](#)

04/29/08

[Yukon-Nevada Gold
Corp](#)

04/28/08

3. Analyst Articles

None

Performance

A. 6 Month

The following comments were made on May 5, 2008: There was only one Initiating Report published November 2007, but nine Update Reports. Of the total, seven were companies from the financial sector, and the other three were from mining. The big winner was **Wescan Goldfields**, which rose 74% during the six months and was a penny shy of our Target Price. The rest of the companies all rose between 3% and 15%, with only **IGM Financial** not making any headway at all. Reflecting the well-documented difficulties in the financial sector, we lowered our 12-month Target Prices, some substantially, on four of the stocks (see Notes). For comparison purposes, over the past six months, the Financial Services index has declined 8.1%, but the Materials Index is up 6.7%. However, this latter index does not contain junior mining companies. While gold, silver, copper, and platinum have been rising, uranium, zinc, lead, and aluminum have been falling. The performance of the TSX has been fairly good over the last six months, down only 0.6% as a result of the strong energy sector (including oil), but the TSX Venture Exchange has fallen 21%.

Company	Symbol	Report Type	Report Date	Report Price	Target Price	<Last 6 Months> High	<Last 6 Months> Low	% Gain to High	% of Target
Wescan Goldfields Inc.	WGF-V	I	5-Nov-07	\$0.34	\$0.60	\$0.59	\$0.15	74%	96%
BMO Financial Corp.	BMO-T	U	29-Nov-07	\$57.95	\$70.00	\$63.45	\$38.00	9%	46%
Great-West Lifeco	GWO-T	U	5-Nov-07	\$34.25	\$41.50	\$37.00	\$27.46	8%	38%
Power Financial	PWF-T	U	15-Nov-07	\$39.75	\$48.50	\$42.69	\$30.74	7%	34%
Manulife Financial	MFC-T	U	9-Nov-07	\$41.60	\$46.00	\$42.92	\$33.77	3%	30%
GC-Global Capital Corp.	GDE.A-I	U	21-Nov-07	\$1.01	\$1.65	\$1.15	\$0.80	14%	22%
Inca Pacific Resources	IPR-V	U	9-Nov-07	\$2.10	\$3.40	\$2.35	\$1.35	12%	19%
Sego Resources	SGZ-V	U	20-Nov-07	\$0.26	\$0.55	\$0.30	\$0.15	15%	14%
Integrated Asset Mgm't	IAM-T	U	21-Nov-07	\$1.52	\$3.00	\$1.69	\$1.10	11%	11%
IGM Financial	IGM-T	U	5-Nov-07	\$53.95	\$63.00	\$54.10	\$40.11	0%	2%

I = Initiating Report; U = Update Report; T = TSX; V = TSX Venture

Note 1: Wescan Target Price confirmed in two subsequent reports.
 Note 2: Great-West Life Target Price reduced to \$40.00 in February.
 Note 3: IGM Financial Target Price reduced to \$58.00 in February.
 Note 4: Power Financial Target Price reduced to \$46.00 in March.
 Note 5: BMO Financial Target Price reduced to \$55.00 in March.

Video Library

[Zaruma Resources](#)

(04/21/08)

[MacDonald Mines Exploration Ltd](#)

04/14/08

[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)

B. 12 Month

The following comments were made on May 5, 2008: There were only two companies for which we issued reports in April 2007. Both performed exceptionally. **Bellhaven Copper & Gold** rose 147% to its high over the past year, and well exceeded our initial Target Price, which we raised. The stock subsequently got within 59% of our increased price objective. **HiHo Silver Resources** reached our \$2.00 Target Price, then immediately backed off. It rose 46% in all.

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; V = TSX Venture

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 2: 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 April 2008:

1. The Clarion (393)
2. Corporate Brochure (129)
3. Bellhaven Gold/Copper (67)
4. Yukon-Nevada Gold Corp. (56)
5. Volta Resources (51)
6. Arsenal Energy Corp. (50)
7. Homeland Energy Group (49)
8. Grandview Gold (48)
9. Article: Starbucks (47)
10. 4-Week Performance (46)
11. Article: Bumpy Roads (41)
12. Pacific Comox Resources (39)
13. Distribution Platform (38)
14. Sego Resources Inc. (37)
15. MacDonald Mines (37)
16. Radisson Resources (37)
17. Article: Get Off The Pot (36)
18. Andean American Mining (36)
19. Integrated Asset Mgm't (34)
20. HiHo Silver Resources (34)

May Brainteaser

I can be cracked, I can be made. I can be told, I can be played. What am I? Reply to bweir@eresearch.ca

Only two respondents to the April Brainteaser, and both were correct. C'mon, people, I was expecting a better response than that.