

September 28, 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

Daily Market Comment

Our daily technical look at the market, provided by Stephen Whiteside of theUpTrend.com, has been suspended until Stephen recovers from a temporary health problem. We wish Stephen a speedy recovery.

StockPotentials and Technicalities.

We are still open to suggestions from Subscribers for companies we could consider for coverage under our two specialized research report formats: **StockPotentials** and **Technicalities**.

StockPotentials reports are generally written on companies that have interesting prospects, good share price appreciation potential, but insufficient or nil research coverage.

Technicalities reports are written on large-cap companies with a technical perspective.

If you would like to make a suggestion, send an e-mail to: bweir@eresearch.ca.

Topic: Rating Agencies

The credit-rating agencies have had considerable press coverage lately. The Globe & Mail recently ran an extensive article on Walter Schroeder and DBRS. In the United States, a former employee at Moody's became a whistle-blower. The SEC has proposed rules that are designed to curtail conflicts of interest and provide more transparency requirements for credit-rating companies. The State of California issued subpoenas to Moody's, Standard & Poor's, and Fitch Ratings and launched an investigation into whether or not these companies violated state laws with the ratings that they provided on mortgage-backed securities.

The ratings of sophisticated investment products – the MBSs, the CDOs, etc., – has drawn the attention of the regulators. One thing for sure, significant change is coming to the credit-rating industry. This is not without justification. The Asian financial crisis of 1997-1998 revealed the inability of the agencies to anticipate crises. The Enron and Anderson bankruptcies showed that, after a lack of anticipation, the agencies jumped onto a moving bus, and their subsequent massive downgrades exacerbated an already-bad situation. And then came the sub-prime mess.

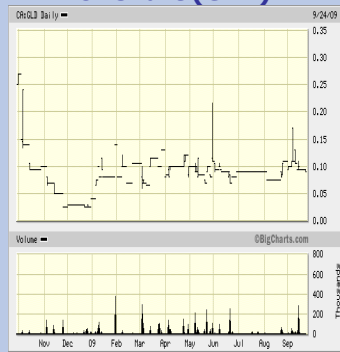
The credit-rating agencies used to generate their revenue from the sale of publications. But, over the years, this changed and, now, their remuneration comes primarily from the rating applicant. There is a call to disallow the credit-rating agencies from receiving fees from the companies that they rate and, thus, remove the perceived conflict of interest. We at eResearch are sensitive to this issue since our company was modeled on the credit-rating agencies and we receive almost all of our revenue from the companies for whom we provide research coverage. We believe that we are no more conflicted than the brokerage houses that receive fees for raising capital and then write (usually) research on the companies that paid them. With our professionalism, utmost integrity, and full disclosure, we believe that we and our colleagues in the issuer-sponsored equity research business make a valuable contribution to the investment community. Our growing subscriber base attests to that.

Bob Weir

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Quick Facts

12-Mo. Chart (GLD)



Source: www.bigcharts.com

Last Trade
(Sept. 24/09):
\$0.09

Current Bid-Ask:
\$0.09 - \$0.10

52-Week High-Low:
\$0.27 - \$0.025

Average Daily Volume:
50-day: 38,300
200-day: 57,400

Shares Outstanding:
32.4 million

Market Capitalization:
\$37.68 million

Book Value Per Share:
2007: \$0.33
2008: \$0.46
March/09: \$0.40

Year-End:
December 31

Symbol:
TSX-V: GLD

Stock-of-the-Week

Augen Gold Corp. (GLD: TSX-V)

Augen Gold Corp. is a Canadian junior exploration company that has 100% ownership of 24,355 hectares of mineral claims on the Swayze Greenstone Belt property in Ontario. The Company is focused on confirming and expanding a historic resource of the Jerome Mine that is part of this extensive land package.

The Company's near-term goals are to define more than 1 million ounces of gold and achieve this through an aggressive drilling program of the formerly-producing Jerome Mine and its immediate vicinity as well as regional exploration along the 24,355 hectares of claims.

To date, Augen Gold has drilled 10,449 meters at the Jerome Mine. Several historical estimates indicate greater than 115,000 ounces of gold at this site. Augen Gold has created a digital database of these records and constructed a digital 3-D model of the mineralization validating these results. Provisional estimates indicate that the gold resource could be considerably larger than historical estimates, maybe 5-6 time bigger.

A gravel road provides year round access to the Jerome Mine that can support transportation of resources by heavy vehicles. Other nearby infrastructure include highways, rail transportation, and an airstrip.

Going forward, the Company plans to evaluate its models, identify any gaps in its drill information, and plan the next phase of exploration. Augen Gold also plans to file a NI 43-101 Technical Report to support the resource estimate of the Jerome Mine if the current information is deemed adequate. The Company further is planning to commence a diamond drilling program and initiate a scoping study at the mine subject to the recommendations of an independent Qualifying Person (QP).

Augen Gold has the financial backing of Augen Capital Corp, a publicly traded merchant bank that specializes in the financing of early stage resource companies.

The management team of Augen Gold has considerable experience and a proven track record of exploration success. Past discoveries by management include Cigar Lake Uranium Mine, in northern Saskatchewan and Kiggavik, Nunavut.

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New eResearch Material Since September 21/09:

1. Initiating Reports

[Brookfield Renewable Power](#)
9/25/2009

[Augen Gold Corp.](#)
9/24/2009

[Teryl Resources Corp.](#)
9/20/2009

2. Update Reports and Bulletins

[BMO Financial Group](#)
9/25/2009

[Mosquito Consol. Gold Mines](#)
9/24/2009

[Consumers' Waterheater Inc. Fund](#)
9/22/2009

[A-Cap Resources](#)
9/21/2009

3. Analyst Articles

[StockResearchPortal Junior Mining Checklist](#)
09/25/2009

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

BriefCase

NewsBytes from September 21 – September 25, 2009

Additional information on the companies featured in NewsBytes may be found at www.sedar.com, and at www.eresearch.ca. For the latest eResearch publications, see sidebar opposite.

Consumers' Waterheater Income Fund (\$4.88 - September 21, 2009; CWL.UN-TSX) Consumers' Waterheater Income Fund announced that it was cutting in half distributions to unitholders as a result of higher attrition rates among its customers and an increase in interest expenses. The new distribution rate of 5.4 cents per unit per month (64.8 cents annualized) will take effect with the September payout, scheduled for October 30. (See eResearch's September 22, 2009 StockPotentials Perspective.)

Zenn Motor Company Inc. (\$5.59 - September 24, 2009; ZMC-TSX-V) Zenn Motor Company has published an update on its business strategy and focus. The Company reaffirmed that its primary market strategy for highway-capable transportation would be through broad distribution of its ZENNergy™ drive (an electric drivetrain solution), powered by EESstor and integrating third-party and proprietary technologies that are being developed by Zenn. The Company said that the previously announced cityZENN highway-capable electric vehicle would not be developed into a stand-alone commercially available offering.

Benton Resources Corp. (\$0.485 - September 24, 2009; BTC-TSX-V) Benton reported that drilling has begun on the Company's Saganaga gold project in Ontario (100%-owned), with drilling targeting the Powell gold zone, the newly discovered Megan zone, and the Starr zone. In addition, the diamond drill program is continuing at the Copper Hill Block A property in Ontario, which is optioned from Golden Harp Resources.

Augen Gold Corp. (\$0.09 - September 25, 2009; GLD-TSX-V) Augen Gold Corp. has entered into an option agreement to acquire from local prospectors a mineral property in the centre of the Company's 100%-owned southern Swayze property in Ontario. The Company already has 100% ownership of an extensive land package (45-kilometre property) on the Swayze Greenstone Belt. The new property is between nine and 13 kilometres east of the Jerome gold mine (the main focus of Augen Gold's land package) and is surrounded by Augen Gold's mining claims. The previous operator of the property (NameX Explorations Inc.) identified high-grade mineral occurrences. Three grab samples collected independently by Augen Gold confirmed the tenor of the occurrences found by NameX, yielding 0.10, 51.3 and 8.82 g/t gold; 561, 730 and 69.7 g/t silver; 0.16%, 8.1% and 0.07% lead; 3.82%, 3.16% and 0.46% copper; and 0.65%, 1.49% and 0.12% zinc.

Opportunity Knocks

Business Development personnel wanted.

We are interested in adding one or two additional business development people to our team. Anyone with a penchant for sales, please contact us.

If you are interested in becoming part of our sales team, I can be reached at bweir@eresearch.ca.

“Research is the
bedrock underpinning
all capital markets”

Monthly Top Ten

The top ten downloads from www.eresearch.ca since September 1, 2009:

1. Weekly Clarion
2. Semafo Inc., Initiating Report, September 9;
3. Oromin Explorations Inc., Initiating/Perspective, September 2/11
4. StockResearchPortal, Gold As An Investment, September 4
5. Consumers' Waterheater, StockPotentials, Sept. 2/22
6. Teryl Resources, Pinnacle Digest, September 20
7. Antioquia Gold Inc., Bulletin Sept. 3; Initiating Report, August 14
8. Mosquito Consolidated Gold Mines, Update, September 24
9. C-Com Satellite Systems Inc., StockPotentials, July 20
10. Stock Market Timing, UpTrend.com, September 21

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