

## STARFIELD RESOURCES INC.

(\$0.89; SRU:TSX )

**Recommendation:** Speculative Buy (No Change)

**Target Price:** 1-Year: \$2:10 (No Change)

3-Year: \$4.90 (No Change)

### RECENT DEVELOPMENT: PRIVATE PLACEMENT

Starfield Resources Inc. announced on May 6, 2008 that it had closed a private placement offering of common shares for gross proceeds of \$20 million. The Company issued 15,000,000 flow-through common shares at \$1.00 per flow-through share and 5,555,556 common shares at a price of \$0.90 per offered share.

The Company will use the proceeds from the offering for general exploration expenditures on the Ferguson Lake property (see below) and for general working capital purposes.

### SCOPING STUDY FILED WITH SEDAR

Starfield announced on May 1, 2008 that the complete preliminary assessment (Scoping Study) report on its Ferguson Lake project in Nunavut Territory, Canada has been filed with SEDAR ([www.sedar.com](http://www.sedar.com)) and is also available on the Company's website at [www.starfieldres.com](http://www.starfieldres.com). A summary had been published in March 2008.

The Scoping Study was the subject of an eResearch Analyst Commentary, published on March 24, 2008, at which time we established a 3-year Target Price for the stock of \$4.90 per share.

### PHASE 1 OF PGE EXPLORATION UNDERWAY

Starfield has also announced that Phase 1 of its 2008 PGE (platinum-palladium-rhodium) exploration program is underway. The first assay results are expected in late July. The Company also plans to conduct a grassroots surface exploration program that will examine the kimberlite and gold potential of its active claims around the Ferguson Lake project.

**COMMENT:** *Given the large size of the Ferguson Lake property, Starfield has the potential for exploration upside across various mineral groups including base metals, PGE group metals, diamonds and gold. Given the cyclical mineral markets, this degree of diversification is viewed favourably. eResearch expects any significant discoveries would be developed by third parties, with the proceeds of divestitures being allocated towards the development of the core copper-nickel-cobalt-PGE project.*

### THE COMPANY

Starfield Resources Inc. is a mineral exploration company focused on its 100%-owned Ferguson Lake copper-nickel-cobalt-PGE property in Nunavut. Starfield and its consultants have developed a novel, environmentally friendly and energy-efficient hydro-metallurgical extraction process that improves the recovery of ores.

*Continued ...*

## RECOMMENDATION

We are confirming our Speculative Buy Recommendation along with our Target Prices of \$2.10 (1-Year) and \$4.90 (3-Year).

## RATINGS HISTORY

<b>Date</b>	<b>Report Type</b>	<b>Recommendation</b>	<b>Stock Price</b>	<b>Target Price</b>
Feb. 26, 2008	Initiating	Speculative Buy	\$0.95	1-Year: \$2.10
Mar. 24, 2008	Commentary	No Change	\$0.92	1-Year: \$2.10 (No Change); 3-Year: \$4.90 (New)
May 6, 2008	Bulletin	No Change	\$0.89	No Change

**High-Low Since Initiating:** \$0.99-\$0.70.

**NOTE:** eResearch reports on Starfield Resources Inc. and other companies are available FREE on our website at [www.eresearch.ca](http://www.eresearch.ca).

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