

November 16, 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

On Thursday, October 29, 2009, Toronto's Globe & Mail newspaper included a "Report on Online Investing".

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On our own www.eresearch.ca website, our Research is FREE to anyone who subscribes. All you need is a name and an e-mail address.

Topic: Thin Ice

Last week I capitulated on my thinking that the market had to have a near-term correction after such a prolonged and convincing run-up since the March lows. While that correction will occur sometime, I continue to adhere to the disciplined investing guideline that "the trend is your friend". At the same time, I also look ahead and try to anticipate where that trend is going.

As we head towards the winter months, I am reminded of the dangers of walking or skating on "thin ice". The "danger" signs for the market are popping up, but the indexes continue to ignore and rise ever higher.

Last week, the Dow Jones Industrials furthered their advance, rising 2.5%. The S&P500 was up 2.3%, and the NASDAQ 2.6%. The S&P/TSX Composite Index has been lagging but it, too, rose last week, although only by 1.4%. The S&P/TSX is highly geared to the energy, mining, and financial stocks, and oil has plateaued, only gold has been on the up in the metals sector, and the financials have been marking time for a while.

The DJIA is following a perfect up-trend line, with three points: March, July and end of October. With higher "highs" and higher "lows", there are no danger signals there. The S&P500 and the NASDAQ are following pretty much the same pattern, although both are at a critical point, having just returned to their respective mid-October highs. They need to continue their advance or the danger signs will be pulled out. The S&P/TSX Composite Index is the most vulnerable. It is back to two previous highs made in mid-September and again in mid-October. Failure to follow through to new highs would represent a triple-top and set the red lights flashing.

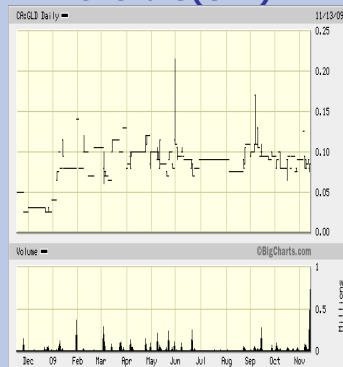
What all this means to me is that, normally, the S&P/TSX follows the trend of its American cousins. That trend is up. For the S&P/TSX to rise would mean the energy, mining, and financial sectors would have to lead the charge. If the S&P/TSX breaks down and falls victim to the triple-top, shares in these three sectors may be headed for a fall.

Bob Weir

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Quick Facts

12-Mo. Chart (GLD)



Source: www.bigcharts.com

Price
(Nov. 13/09):
\$0.085

52-Week High-Low:
\$0.215 - \$0.025

Average Daily Volume:
50-day: 62,600
200-day: 61,200

Shares Outstanding:
35.98 million

Market Capitalization:
\$3.06 million

Year-End:
December 31

Book Value Per Share:
2006: \$0.18
2007: \$0.30
2008: \$0.32
TTM (June): \$0.25

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 the Porcupine Mining Division, District of Sudbury, in Ontario. The Company is focused on confirming and expanding an historic resource at the Jerome Mine that is part of this extensive land package. Augen acquired its interest in the Jerome property in October 2006. The entire property stretches for almost 45 kilometres, and is up to 8 kilometres wide. Augen has staked some 180 contiguous claims along its length.

The area has had a storied history. Gold was discovered on the shores of Lake Opepeesway in 1937. Shortly after, the Mining Corporation of Canada built the Jerome Gold Mine to extract the precious minerals found in the area. The Jerome Mine closed in 1945 when the milling tower burned to the ground during a bush fire. The mine was not reopened due to the difficulty in obtaining financing during World War II. During its short two-year operating life, some 60,000 ounces of gold is estimated to have been extracted from Jerome Mine.

Various studies and reports put the estimated tonnage at 575,000 – 585,000, or about 115,000 – 120,000 ounces of gold. Augen's management believes there could be approximately one million ounces of gold to be mined on the property, which also contains silver.

The main focus of the current drilling program is on the southern Swayze property. The program will comprise line-cutting, and ground geophysical and geological surveys, allowing Augen to refine a planned drill program of over 3,000 metres that will test: (1) up to 10 gold occurrences that were identified in 2008; and (2) targets within the newly acquired Huffman property. The program is expected to be completed before the end of 2009.

To fund this drilling program and to satisfy its existing flow-through obligations, Augen Gold has entered into a non-revolving secured loan facility, whereby the Company may borrow from Augen Capital Corp. up to \$1,100,000. Augen Capital, the lender, beneficially owns, directly or indirectly, or exercises control or direction over about 32% of Augen Gold. The facility, because of this relationship, is considered to be a "related party transaction".

The ultimate goal is to prove up a resource of three million ounces of gold. If this is achieved, the Company will have a world-class deposit that likely would attract interest from the major gold producers.

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**New eResearch
Material Since
November 9/09:**

1. Initiating Reports

None

**2. Update Reports
and Bulletins**

**[Nebu Resources](#)
11/12/2009**

**[Augen Gold Corp.](#)
11/12/2009**

**[Antioquia Gold Inc.](#)
11/12/2009
11/11/2009**

**[Pulse Seismic Inc.](#)
11/10/2009**

**[Brookfield
Renewable Power
Fund](#)
11/09/2009**

3. Analyst Articles

**[Stock Market
Timing](#)
11/09/2009**

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

BriefCase

NewsBytes from November 9 – November 13, 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.

SEMAFO Inc. (\$3.89 - November 9, 2009; SMF-TSX) SEMAFO reported financial and operational results for the third quarter 2009 (ended September 30). Record net income of US\$13.4 million was reported for Q3/09, up 25% from the previous quarter and up 18% over the same period last year. Gold production for Q3/09 was 62,300 ounces, up 13% from Q3/08. For the first nine months of 2009, overall production was 184,500 ounces, an increase of 33% over the same period of 2008.

K-Bro Linen Income Fund (\$13.15 - November 9, 2009; KBL.UN-TSX) K-Bro announced financial results for Q3/09 ended September 30. Revenue for the three months was \$22.7 million compared to \$22.1 million for the same period of 2008, an increase of 2.7%. EBITDA was up 15% to \$4.1 million. Distributions for the quarter were \$0.275 per unit while distributable cash was \$0.54 per unit, for a payout ratio of 50.6%.

Rocmec Mining Inc. (\$0.095 - November 10, 2009; RMI-TSX-V) Rocmec announced that it had completed two holes of its 2009 diamond drill campaign that is in progress at the Rocmec 1 gold property (Rouyn-Noranda, Quebec). Both holes intercepted the Boucher structure at depths between 288 metres and 340 linear metres. Rocmec also announced the closing of a private placement of 1,658,000 flow-through shares (including 300,000 from insiders of the Company) at \$0.105 per share for a total of \$174,090.

Alexandria Minerals Corporation (\$0.085 - November 12, 2009; AZX-TSX-V) Alexandria Minerals is about to begin a 2,500-metre drill program on its past-producing Akasaba gold project in Val d'Or, Quebec, following encouraging results from mapping, sampling, and trenching. Trench results graded up to 7.62 g/t gold over 0.5 metres. This is the second drill program on the property. In other news, the Company filed its NI 43-101 resource report (*NI 43-101 Technical Report on the Orenada Property*) on SEDAR.

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.

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Monthly Top Ten

(Includes Company reports only)

The top ten downloads from www.eresearch.ca since October 16, 2009:

1. Alexandria Minerals Corporation, Initiating Report, June 26
2. C-COM Satellite Systems Inc. StockPotentials, July 20
3. Antioquia Gold Inc., Update, October 19
4. Antioquia Gold Inc., Update, October 27
5. Grandview Gold Inc. Initiating, October 17, 2007
6. Globex Mining Enterprises Inc., Update, October 28
7. Arsenal Energy Inc., Initiating, May 5, 2006
8. Royal Roads Corp., Perspective, October 28
9. Technicalities Review, November 6
10. Rocmec Mining Inc., Perspective, October 27

Bi-Weekly Top Five

(Excludes Clarion weekly newsletter)

The top five downloads from www.eresearch.ca since November 2, 2009:

1. Market Breadth (Stock Market Timing), November 3
2. Technicalities Review, November 6
3. Alexandria Minerals Corporation, Initiating, June 26
4. Brookfield Renewable Power Fund, Perspective, November 9
5. Nebu Resources Inc., Perspective, November 12

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