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### **West Hawk Development Corp. (TSX.V: WHD) – Suspending Ratings**

**Sector/Industry: Junior Mining / Energy**

**[www.westhawkdevelopment.com](http://www.westhawkdevelopment.com)**

In light of recent developments pertaining to the cease trade order placed on the company by the British Columbia Securities Commission on April 8, 2009, we are suspending coverage of West Hawk Development Corp. The cease trade order relates to the company's failure to file its interim financial statements and Management's Discussion and Analysis for the financial period ended January 31, 2009.

In addition, the company's stock has been halted by the TSX Venture Exchange since November 5, 2008. Our previous ratings and fair value opinion are no longer valid.

It is also important to note that effective April 8, 2009, Mr. John T. Owen resigned as Chief Financial Officer of the company.

**Fundamental Research Corp. Equity Rating Scale:**

**Buy** – Annual expected rate of return exceeds 12% or the expected return is commensurate with risk

**Hold** – Annual expected rate of return is between 5% and 12%

**Sell** – Annual expected rate of return is below 5% or the expected return is not commensurate with risk

**Suspended or Rating N/A**— Coverage and ratings suspended until more information can be obtained from the company regarding recent events.

**Fundamental Research Corp. Risk Rating Scale:**

**1 (Low Risk)** - The company operates in an industry where it has a strong position (for example a monopoly, high market share etc.) or operates in a regulated industry. The future outlook is stable or positive for the industry. The company generates positive free cash flow and has a history of profitability. The capital structure is conservative with little or no debt.

**2 (Below Average Risk)** - The company operates in an industry where the fundamentals and outlook are positive. The industry and company are relatively less sensitive to systematic risk than companies with a Risk Rating of 3. The company has a history of profitability and has demonstrated its ability to generate positive free cash flows (though current free cash flow may be negative due to capital investment). The company's capital structure is conservative with little to modest use of debt.

**3 (Average Risk)** - The company operates in an industry that has average sensitivity to systematic risk. The industry may be cyclical. Profits and cash flow are sensitive to economic factors although the company has demonstrated its ability to generate positive earnings and cash flow. Debt use is in line with industry averages, and coverage ratios are sufficient.

**4 (Speculative)** - The company has little or no history of generating earnings or cash flow. Debt use is higher. These companies may be in start-up mode or in a turnaround situation. These companies should be considered speculative.

**5 (Highly Speculative)** - The company has no history of generating earnings or cash flow. They may operate in a new industry with new, and unproven products. Products may be at the development stage, testing, or seeking regulatory approval. These companies may run into liquidity issues, and may rely on external funding. These stocks are considered highly speculative.

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The distribution of FRC's ratings are as follows: BUY (71%), HOLD (9%), SELL (3%), SUSPEND (17%).

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