

## The Stonecap Claim Stake

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This week we are introducing five new companies to our Claim Stake that are focused on developing precious metal, base metal and uranium projects.

By virtue of the limited availability of information with which to judge future resource potential, Claim Stake research due diligence is limited and in some cases may preclude site visits and direct management interviews. Additionally, while inclusion in Claim Stake reflects our belief that the subject companies have meaningful potential, we do not attempt any fundamental valuations, targets or recommendations on these companies, as these research elements are reserved for companies for which we provide full research coverage.

- **Kivalliq Energy Corp. (KIV-V)** – Kivalliq Energy is developing its 100%-owned Lac Cinqante uranium project located in Nunavut.
- **Marathon Gold Corp. (MOZ-T)** – Marathon Gold is an advanced-stage exploration company focused on developing its flagship Valentine Lake Project located in Newfoundland.
- **Paramount Gold and Silver Corp. (PZG-AMEX)** – Paramount Gold and Silver (“Paramount”) is an exploration and development company with advanced-stage precious metals projects in northern Mexico (San Miguel) and Nevada (Sleeper).
- **Source Exploration Corp. (SOP-V)** – Source Exploration is a gold and silver exploration company operating in Mexico and with a focus on its 100%-owned Las Minas Copper-Gold project in the Las Minas-Tatatila district in the State of Veracruz.
- **Yellowhead Mining Inc. (YMI-V)** – Yellowhead Mining is an exploration and development company currently focused on its 100%-owned Harper Creek Cu-Au-Ag project, located approximately 150km from Kamloops in south-central British Columbia.

*Please see disclosures at the end of this document.*

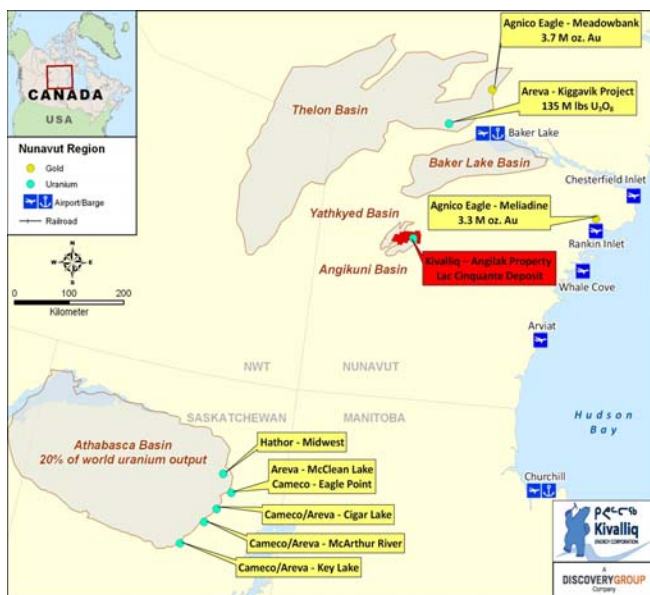
**Kivalliq Energy Corporation (KIV-V, \$0.66)**

**Building Critical Mass**

**Christos Doulis, CFA**  
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416-342-9992

Kivalliq Energy Corporation TSXV: KIV	\$0.66
<b>Market Data</b>	
52-Week Trading Range	\$0.17 - \$0.83
Shares Outstanding, Basic (mm)	97.5
Shares Outstanding, FD (mm)	109.8
Market Capitalization (mm)	\$64.3
<b>Balance Sheet</b>	
Cash	\$2.6
Debt	\$0.0
Net debt (US\$ mm)	(\$2.6)
Enterprise value (US\$ mm)	\$61.7
<b>Reserves &amp; Resources</b>	
	lbs U3O8
Reserves (m lbs)	0
Total Resources (m lbs) (non NI 43-101 compliant)	11.6

Source: Stonecap Securities Inc., Capital IQ, company reports



Source: Company reports

**Profile**

Kivalliq Energy is developing its 100%-owned Lac Cinquante uranium project located in Nunavut.

**Properties**

- **Angilak Project / Lac Cinquante Deposit.** The Angilak Project consists of 225,000 acres and hosts the Lac Cinquante uranium deposit. Lac Cinquante was drilled during the 1980s and a non NI 43-101 compliant resource of 11.6 million lbs of uranium at a grade of 1.1% U3O8 was calculated. An additional 8.8 million pounds of uranium (at a grade of ~1%) was considered “possible” from a report issued in January 1986. The deposit is open at depth and along trend and has never been drill tested below 256 meters. Kivalliq acquired the property in 2008 and has since invested approximately \$11.9 million conducting systematic exploration which has included ground and airborne geophysics, geological mapping /sampling and drilling.
- The Angilak Project also hosts over 150 other high-grade uranium surface showings near the Lac Cinquante deposit that share many of the same geological attributes, suggesting the potential for the discovery of look-alike deposits on the property.

**Recent Events**

- December 20 – closed \$5m private placement at \$0.70/share. Lumina Capital Limited Partnership was the principal buyer.
- December 16 – reported assays from 290 grab samples collected, 17% of which returned values in excess of 1% U3O8. In addition, several samples returned high grade values in silver, molybdenum, copper and gold.

**Potential Catalysts/Milestones**

- Q1 2011 – Announcement of 2011 Exploration Program
- Q1 2011 – Delivery of an NI 43-101 compliant mineral resource for the Lac Cinquante Deposit: Main Zone
- Q2 2011 –Commencement of drilling and exploration season

Please see disclosures at the end of this document.

**Marathon Gold Corp. (MOZ-T, \$1.68)**

**Aggressively Upgrading/Expanding Resources**

**Ovais Habib**

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Marathon Gold Corp.  
TSX:MOZ \$1.68

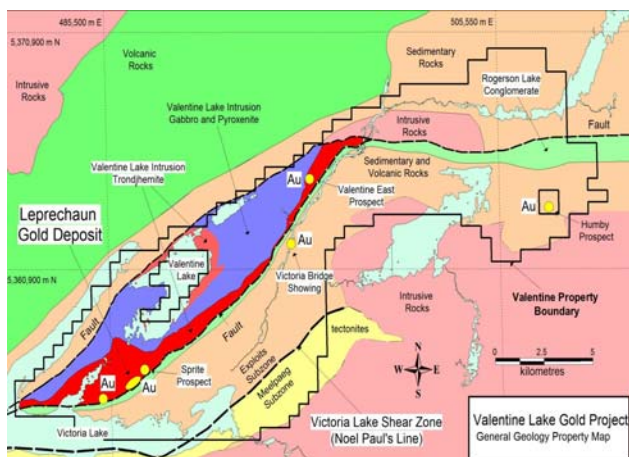
**Market Data**  
52-Week Trading Range \$1.38 - \$2.07  
Shares Outstanding, Basic (mm) 20.4  
Shares Outstanding, FD (mm) 20.4  
Market Capitalization (mm) \$34.3

**Balance Sheet**  
Cash \$9.4  
Debt \$0.0  
Net debt (US\$ mm) (\$9.4)  
Enterprise value (US\$ mm) \$21.2

**Reserves & Resources** **Au Moz**  
Reserves 0.00  
Total Resources 0.36

**Company's Production Forecasts** **Au koz**  
2011E na  
2012E na

Source: Stonecap Securities Inc., Capital IQ, company reports



Source: Company reports

**Profile**

Marathon Gold is an advanced-stage exploration company focused on developing its flagship Valentine Lake Project located in Newfoundland.

**Properties**

**Valentine Lake:** The company is the operator of the Valentine Lake Gold Project (central Newfoundland), which is 50% joint venture with Mountain Lake Resources.

- Leprechaun Gold Deposit: The company released a
- NI 43-101 resource estimate (0.50 g/t cut-off) of 277 Koz Au @ ~2.62 g/t in the measured & indicated category and 285 Koz Au @ ~2.00 g/t in the inferred category.
- The current strike length of the deposit is ~750 m (open down-dip and along strike to the southwest and northeast) with potential to increase by an additional 800 m (Sprite Zone).
- ~74% of the M+I ounces are within 150 m of surface. IP survey conducted over the Leprechaun and Sprite zones indicate that mineralization extends to ~400 m at depth.
- The company has initiated a 25,000 m (2 drill rigs) drill campaign to test the: 1) northeast arm of the Leprechaun Deposit; 2) Sprite Prospect (contiguous to Leprechaun); 3) Valentine East Gold Zone (~13 km from Leprechaun).

**Golden Chest Mine:** The company holds 50% interest in the past producing fully-permitted mine (high-grade veins which averaged ~17 g/t Au) with open pit and underground potential, located in Idaho's prolific Coeur d'Alene district.

- Recent mining by JV partner has produced 8,500 t of ore with an avg. grade of 6.90 g/t (avg. recovery of ~94%).
- Underground reserve: 242,000 t @ 5.10 g/t Au.
- Open-pit resource: @ 2.8 Mt @ 1.37 g/t Au.

**Potential Catalysts/Milestones**

**Leprechaun Gold Deposit:** 1) results from 25,000 m drill program; 2) resource update expected in Q4-2011; 3) Preliminary Economic Assessment expected by Q1-2012.

**Golden Chest:** 1) results from 10,000 m drill program; 2) resource update expected in Q4-2011.

Please see disclosures at the end of this document.

**Paramount Gold and Silver Corp. (PZG-AMEX, \$3.15)**

**Treasure of the Sierra Madre and the Sierra Nevada**

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AMEX:PZG \$3.15

**Market Data**

52-Week Trading Range	\$1.15-\$4.29
Shares Outstanding, Basic (mm)	133.6
Shares Outstanding, FD (mm)	145.8
Market Capitalization (mm)	\$420.8

**Balance Sheet**

Cash	\$18.8
Debt	\$0.0
Net debt (US\$ mm)	(\$18.8)
Enterprise value (US\$ mm)	\$402.0

**Reserves & Resources**

	Au Eq
Reserves (Moz)	0.0
Total Resources (Moz)	4.7

**Company's Production Forecasts**

2010E	0
2011E	0

Source: Stonecap Securities Inc., Capital IQ, company reports



Source: Company reports

**Profile**

Paramount Gold and Silver (“Paramount”) is an exploration and development company with advanced stage precious metals projects in northern Mexico (San Miguel) and Nevada (Sleeper).

**Properties**

- **San Miguel:** Paramount holds a 100% interest in the San Miguel project which covers ~180,000 ha in the Palmarejo District of northern Mexico. The project currently hosts an NI 43-101 compliant resource of 125 Moz Ag Eq (2.5 Moz Au Eq) and the resource base increased over 240% since 2007.
- **Sleeper Gold Mine:** Paramount holds a 100% interest in this past producing gold mine located in Nevada which was operated as an open pit mine by AMAX Gold from 1986 until 1996, producing 1.66 million oz of gold, and 2.3 million oz of silver. Sleeper currently hosts an in-ground NI 43-101 compliant resource of 1.32Moz Au Eq. There is also an NI 43-101 compliant resource of 0.77 Moz Au Eq contained within the heap leach pad stockpile and the mill tailings.
- Three additional grassroots projects (Spring Valley, Mill Creek and Reese River).

**Recent Events**

- Jan 11, 2011 – Expansion of San Francisco portion of San Miguel property with a total of 70 holes drilled, all of which have intersected Au or Ag mineralization.
- Jan 4, 2011 – Appointment Mr. Glen Van Treek as Vice President of Exploration. Mr. Van Treek has over 20 years of experience managing projects on a global basis.

**Outlook**

- Resource update for San Miguel project targeted for Q1 2011.
- First assays from ongoing exploration program at Sleeper Project expected Q1 2011.
- Drill program to expand Don Ese zone to begin in February.

Please see disclosures at the end of this document.

**Source Exploration Corp. (SOP-V, \$0.48)**

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**Sourcing High-Grade from Veracruz**

Source Exploration Corporation  
TSXV:SOP \$0.48

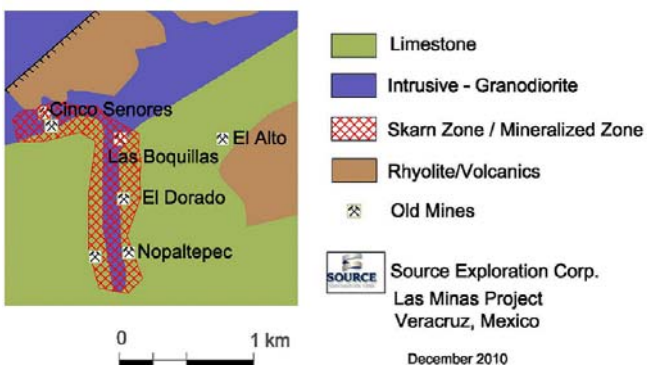
Market Data	
52-Week Trading Range	\$0.10 - \$0.69
Shares Outstanding, Basic (mm)	45.6
Shares Outstanding, FD (mm)	60.4
Market Capitalization (mm)	\$21.9

Balance Sheet	
Cash	\$5.4
Debt	\$0.0
Net debt (US\$ mm)	(\$5.4)
Enterprise value (US\$ mm)	\$16.5

Reserves & Resources	Au Moz	Ag Moz	Cu Mlb
Reserves	-	-	-
Total Resources	-	-	-

Company's Production Forecasts	Au koz	Ag Moz	Cu Mlb
2011E	-	-	-
2011E	-	-	-

Source: Stonecap Securities Inc., Capital IQ, company reports



Source: Company reports

**Profile**

Source Exploration is a gold and silver exploration company operating in Mexico and with a focus on its 100%-owned Las Minas Copper-Gold project in the Las Minas-Tatatila district in the State of Veracruz.

**Properties**

**Las Minas Gold – Copper Project:** The Las Minas-Tatatila area is a historic mining district located approximately 270km east of Mexico City. The property consists of five mining concessions covering 1,271 ha.

- Over twenty mines were active in the area between 1870 and 1910. Mine adits were excavated on Cu-Au skarn and reportedly produced high-grade Cu-Au-Ag direct shipping ore.
- The main mineralized zones are located along a limestone-granodiorite contact and include Cinco Senores, Las Boquillas, El Dorado and Nopaltepec.
- Skarn has been identified over a 2 km strike length and has been observed up to 30 m thick. The company is targeting bulk tonnage gold-copper skarn as well as high-grade veins.
- Initial work is expected to be focused on the 1 km long trend between the Nopaltepec and Las Boquillas zones.
- Geologists are mapping and sampling various workings in the area.

**Recent Events**

January 12 – reported assay results of numerous chip samples from one adit at the Las Boquillas zone. Sampling confirmed the presence of gold, silver and copper in skarn. Thirty one samples (43% of the total) graded greater than 1.0 gpt gold and the highest values were 20.5 gpt Au, 40.4 gpt Ag and 2.08% Cu. Ewan Downie was also appointed as Chairman of the Board.

**Potential Catalysts/Milestones**

Assay results expected from 2,500-3,000 m drill program anticipated to begin in early February

Please see disclosures at the end of this document.

**Yellowhead Mining Inc. (YMI-V, \$1.25)**

**A large greenfield Cu-Au-Ag project in British Columbia**

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Yellowhead Mining Inc. TSXV:YMI	\$1.25
<b>Market Data</b>	
52-Week Trading Range	\$0.87-\$1.30
Shares Outstanding, Basic (mm)	35.1
Shares Outstanding, FD (mm)	41.9
Market Capitalization (mm)	43.9
<b>Balance Sheet</b>	
Cash	\$5.0
Debt	\$0.0
Net debt (US\$ mm)	(\$5.0)
Enterprise value (US\$ mm)	\$38.9
<b>Reserves &amp; Resources</b>	
Reserves (Mlb)	-
Total Resources (Mlb)	4,470
<b>Company's Production Forecasts</b>	
2010E	na
2011E	na

Source: Stonecap Securities Inc., Capital IQ, company reports

**Profile**

Yellowhead Mining is an exploration and development company currently focused on its 100%-owned Harper Creek Cu-Au-Ag project, located approximately 150km from Kamloops in south-central British Columbia.

**Properties**

- **Harper Creek:** Yellowhead acquired the project claims in 2005 and had drilled 26,636m in 75 holes (plus 29,701m of historical drilling), conducted metallurgical tests, environment assessment, and internal scoping studies between 2006 and 2010. As of August 2010, based on a cut-off grade of 0.2% Cu, the property had a NI 43-101 Indicated resource of 569 million tonnes, grading 0.32% Cu; and Inferred resource of 62.7 million tonnes grading 0.33% Cu, containing a combined resource of 4.5 billion lb of copper. Gold and silver resource is yet to be quantified. The project is expected to produce an average of 135M lbs of copper per year over its mine life of >20 years and is close to existing infrastructures. Construction is expected to commence in mid 2012 with commissioning anticipated in H2/14.

**Recent Events**

- January 11, 2011 – company released results of the second drill hole (HC 10-77), which included 69.9m of 0.45% Cu.
- December 14, 2010 – company released results of the first drill hole (HC 10-76) of its current 4,000m 8-hole drill program. Results included 27.2 m of 0.49% Cu.
- November 17, 2010 – Yellowhead commenced trading on the TSX Venture under the symbol “YMI”.

**Potential Catalysts/Milestones**

- The 4,000m 8-hole drill program is expected to be completed by end of January 2011. Yellowhead intends to continue with an expanded drilling program into the spring for the expansion of mineralized zones outside the published resource as well as upgrading existing Indicated resource to the Measured category.
- The NI 43-101-compliant preliminary economic assessment, which will outline a 70,000 tpd throughput scenario, is expected to be completed in Q1/11.



Source: Company reports

Please see disclosures at the end of this document.

**Figure 1: Stonecap Claim Stake Company Comps**

Name	Ticker	Share Price (C\$)	Basic Shares O/S (MM)	Market Cap. (\$ MM)	Cash & Eq. (\$ MM)	Debt (\$ MM)	Net Debt (\$ MM)	EV (US\$ MM)
<b>Gold Exploration</b>								
Paramount Gold and Silver Corp.	AMEX:PZG	\$3.15	133.6	420.8	\$18.80	\$0.00	(\$18.80)	\$402.04
Trelawney Mining and Exploration Inc.	TSXV:TRR	\$3.24	119.5	387.2	\$8.50	\$0.00	(\$8.50)	\$378.68
Gold Canyon Resources Inc.	TSXV:GCU	\$1.85	89.3	165.2	\$8.50	\$0.00	(\$8.50)	\$156.71
Pelangio Exploration Inc.	TSXV:PX	\$0.76	121.8	92.6	\$5.30	\$0.00	(\$5.30)	\$87.29
Edgewater Exploration Ltd.	TSXV:EDW	\$1.05	49.8	52.3	\$16.00	\$0.00	(\$16.00)	\$36.26
Marathon Gold Corp.	TSX:MOZ	\$1.68	20.4	34.3	\$9.40	\$0.00	(\$9.40)	\$24.85
Source Exploration Corporation	TSXV:SOP	\$0.48	45.6	21.9	\$5.40	\$0.00	(\$5.40)	\$16.48
<b>Silver Producers</b>								
Great Panther Silver Ltd.	TSX:GPR	\$2.04	118.0	240.7	\$9.36	\$0.16	(\$9.21)	\$231.48
Revelt Minerals Inc.	TSX:RVM	\$3.90	33.2	129.4	\$6.70	\$3.10	(\$3.60)	\$125.79
<b>Copper Exploration</b>								
AQM Copper Inc.	TSXV:AQM	\$0.93	105.0	97.6	\$20.00	\$0.00	(\$20.00)	\$77.61
Yellowhead Mining Inc.	TSXV:YMI	\$1.25	35.1	43.9	\$5.00	\$0.00	(\$5.00)	\$38.88
<b>Nickel Exploration</b>								
First Point Minerals Corp.	TSXV:FPX	\$0.87	84.3	73.3	\$6.82	\$0.73	(\$6.09)	\$67.23
<b>Iron Ore Exploration</b>								
Champion Minerals Inc.	TSX:CHM	\$2.65	64.9	172.1	\$12.50	\$0.00	(\$12.50)	\$159.59
<b>Uranium Exploration</b>								
Strateco Resources Inc.	TSX:RSC	\$0.92	139.8	128.7	\$1.95	\$5.27	\$3.32	\$131.98
Kivalliq Energy Corp.	TSXV:KIV	\$0.66	97.5	64.3	\$2.60	\$0.00	(\$2.60)	\$61.74
<b>Rare Earth Element Exploration</b>								
Hudson Resources Inc.	TSXV:HUD	\$1.71	60.8	104.0	\$5.00	\$0.00	(\$5.00)	\$99.03
<b>Lithium Exploration</b>								
Canada Lithium Corp.	TSX:CLQ	\$1.53	168.1	257.1	\$10.00	\$0.00	(\$10.00)	\$247.14
Name	Ticker	Reserves	EV/Reserve (\$)	Resource	EV /Resource (\$)	2011E Production		
		Au (Moz)		Au Eq (Moz)		Au (Moz)		
Paramount Gold and Silver Corp.	TSX:PZG	0.00	\$0.0	4.7	\$85.5	0.00		
Trelawney Mining and Exp.	TSXV:TRR	0.00	na	0.0	na	0.03		
Gold Canyon Resources Inc.	TSXV:GCU	0.00	na	0.2	na	0.00		
Pelangio Exploration Inc.	TSXV:PX	0.00	na	0.0	na	0.00		
Edgewater Exploration Ltd.	TSXV:EDW	0.00	na	1.2	\$46.8	0.00		
Marathon Gold Corp	TSX:MOZ	0.00	na	0.4	\$69.0	0.00		
Source Exploration Corp	TSXV:SOP	0.00	na	0.0	na	0.00		
		Ag Eq (Moz)		Ag Eq (Moz)		(Ag Eq Moz)		
Great Panther Silver Ltd.	TSX:GPR	4.30	\$54	18.4	\$12.6	3.00		
Revelt Minerals Inc.	TSX:RVM	28.42	\$4.43	596.2	\$0.21	3.13		
		Cu (Mlb)		Contained Cu Eq(Blb)				
AQM Copper Inc.	TSXV:AQM	0.00	na	3.5	\$0.022	0.00		
Yellowhead Mining Inc.	TSXV:YMI	0.00	na	4.5	\$0.009	0.00		
		Ni (Mlb)		Ni (Mlb)				
First Point Minerals Corp.	TSXV:FPX	0.00	na	0.0	na	0.00		
		Fe (Mt)		Fe				
Champion Minerals Inc.	TSX:CHM	0.00	na	603Mt at 29%	\$0.5	0.00		
		U3O8 (Mlb)		U3O8 (Mlb)				
Strateco Resources Inc.	TSX:RSC	0.00	na	20.2	\$6.5	0.00		
Kivalliq Energy Corp.	TSXV:KIV	0.00	na	11.6	\$5.3	0.00		
		TREO		TREO				
Hudson Resources Inc.	TSXV:HUD	0.00	na	0.0	na	0.00		
		Li2O		Li2O				
Canada Lithium Corp.	TSX:CLQ	15.5 Mt at 1.05%		47 Mt at 1.19% (M&I)	na	0.00		

T - Ag Eq values from company reports, 2 - TCu = total copper, from company reports

Source: Capital IQ and Company reports

**Stonecap Claim Stake Summaries**

AQM Copper AQM-V	AQM is an exploration and development company focused on base and precious metal deposits in South America. The company has a world-class management team consisting of Bruce Turner, CEO, formerly President of BHP Billiton's (BHP-NYSE) Escondida Mine and Juan Villarzu, Executive Chairman, formerly President & CEO of Codelco and Ministry Secretary General to the Presidency of Chile.
Canada Lithium Corp. CLO-T	Canada Lithium Corp is in the midst of a definitive feasibility study (FS) by engineering firm BBA Inc. of Montreal on its Quebec Lithium Project near Val d'Or, the geographical heart of the Quebec mining industry.
Champion Minerals Inc. CHM-T	Champion Minerals is an iron ore exploration and development company with properties located in the Labrador Trough.
Edgewater Exploration Ltd. EDW-V	Edgewater Exploration Ltd. is a mineral exploration company which is developing the Enchi Gold Project in Ghana and the Corcoesto Gold Project in NW Spain.
First Point Minerals FPX-V	First Point Minerals is an exploration company focused on the discovery of nickel-iron alloy (awaruite) in serpentinized ultramafic rocks, a new style of nickel mineralization the company views as a viable alternative to the more common nickel sulphides and laterite deposits. First Point holds six nickel-iron alloy properties in Canada and the US, as well as several gold and silver properties in Mexico and Central America.
Gold Canyon Resources Inc. GCU-V	Gold Canyon Resources Inc. engages in the acquisition, exploration and development of mineral properties in Canada and the US. It primarily explores for gold, silver, gallium and rare earth elements. The company's flagship project is its wholly owned Springpole Gold Project located in northwestern Ontario.
Great Panther Silver Ltd. GPR-T	Great Panther Silver Limited is a primary silver producer with two 100% owned operating mines in Mexico.
Hudson Resources Inc. HUD-V	Hudson Resources engages in the acquisition, exploration, and development of REE properties in West Greenland. Hudson is focused on two advanced projects, the Sarfartoq Carbonatite Project, which hosts rare earth elements and specialty metals niobium and tantalum and the Garnet Lake Diamond Project.
Kivalliq Energy Corporation KIV-V	Kivalliq Energy is developing its 100% owned Lac Cinquante uranium project located in Nunavut.
Marathon Gold Corp. MOZ-T	Marathon Gold is an advanced stage exploration company focused on developing its flagship Valentine Lake Project located in Newfoundland.
Paramount Gold and Silver Corp. PZG-AMEX	Paramount Gold and Silver ("Paramount") is an exploration and development company with advanced stage precious metals projects in northern Mexico (San Miguel) and Nevada (Sleeper).
Pelangio Exploration Inc. PX-V	Pelangio is a junior gold exploration company that acquires and explores camp-sized land packages in world-class gold belts. The company's flagship properties, Obuasi and Manfo, are located on the prolific Ashanti and Sefwi greenstone belts in Ghana.
Revelt Minerals Ltd. RVM-T	Revelt Minerals owns and operates the Ag-Cu Troy Mine and the Ag-Cu Rock Creek development project, both located in Montana. Major shareholders are Silver Wheaton (16%) and Trafigura (11%).
Source Exploration Corp. SOP-V	Source Exploration is a gold and silver exploration company operating in Mexico and with a focus on its 100% owned Las Minas Copper-Gold project in the Las Minas-Tatatila district in the State of Veracruz.

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Strateco Resources Inc. RSC-T	Strateco Resources Inc. is a uranium development company focused on the high grade Matoush project located ~300 km northeast of Chibougamau in Quebec.
Trelawney Mining and Exploration Inc. TRR-V	Trelawney Mining and Exploration is currently developing the Chester Project on highway 144 approximately 135 km south of Timmins. Trelawney is planning to start production from its Chester 1 gold mine in Q4 2010 while continuing to develop the Cote Lake exploration project.
Yellowhead Mining Inc. YMI	Yellowhead Mining is an exploration and development company currently focused on its 100% owned Harper Creek Cu-Au-Ag project, located approximately 150km from Kamloops in south-central British Columbia.

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Company Name	Disclosures
Alderon Resources Corp.	7
Gold Canyon Resources	1
Great Panther Silver Ltd.	3
Revett Minerals Inc.	3
Strateco Resources Inc.	3,7
Trelawney Mining and Exploration	1,3,9

**Disclosure List**

1. Within the last 12 months, Stonecap or its affiliates have provided investment banking and/or related services for the subject issuer.
2. Within the last 12 months, a director, officer, or analyst with Stonecap has provided services for remuneration, other than investment advisory or trading services, to the subject issuer.
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7. The research analyst(s) has viewed the material operations of the subject issuer. All expenses (transportation, lodging, meals, etc.) for the analyst's site visit have been paid for by the issuer.
8. The research analyst(s) has viewed the material operations of the subject issuer. All expenses (transportation, lodging, meals, etc.) for the analyst's site visit have been paid for by Stonecap Securities Inc.
9. The research analyst(s) has viewed the material operations of the subject issuer. Expenses (transportation, lodging, meals, etc.) for the analyst's site visit have been paid for by both the subject issuer and Stonecap Securities Inc.

**Investment Rating Guidelines**

Outperform: The stock's risk adjusted total return is expected to materially outperform sector peer returns over the next 12 months.

Sector Perform: The stock's risk adjusted total return is expected to approximate sector peer returns over the next 12 months.

Underperform: The stock's risk adjusted total return is expected to materially underperform sector peer returns over the next 12 months.

Under Review: The stock rating is under review, pending evaluation of material new information.

**Risk Qualifier Guidelines**

Average: Operational and financial risks are assessed as being in line with sector peer levels.

Above Average: Operational and financial risks are assessed as being significantly above sector peer levels.

Speculative: Operational and financial risks are assessed as being exceptionally high, low predictability of financial results.

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