

CUERVO RESOURCES INC.

Price (November 4, 2009) **\$0.28**
 52-Week High-Low **\$0.63 - \$0.15**
 Shares O/S **33.4 million**
 Market Cap **\$9.35 million**
 Year-End **March 31**
 Symbol **CNSX: FE**
 Website www.cuervoresources.com

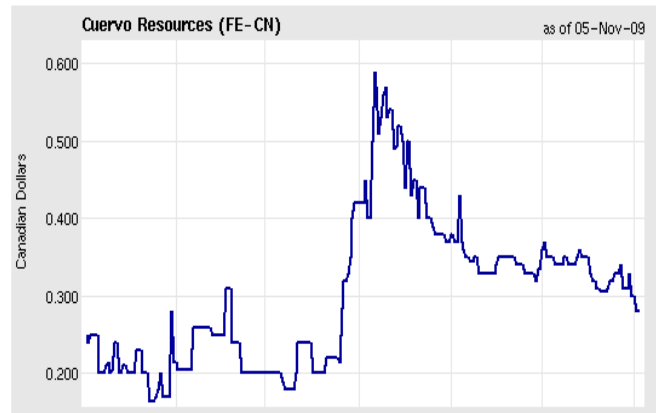
Financial Data

Selected Balance Sheet	At Jun 30/09	At Mar 31/09
Cash (& Equivalents)	\$1,414,099	\$962,670
Mineral Properties	\$465,571	\$465,571
Total Debt	\$0	\$0
Shareholders' Equity	\$2,884,927	\$2,398,180
Total Assets	\$2,930,811	\$2,496,320
Working Capital	\$2,257,413	\$1,766,495
Working Capital Ratio	50.20x	19.00x
Selected Income/Cash Flow	12 Mo. (Jun/09)	Year (Mar/09)
Revenues	\$0	\$0
Operating Income	(\$5,323,764)	(\$6,061,263)
Net Loss	(\$5,269,136)	(\$5,987,070)
Cash Flow (CF) From Operations	(\$4,341,989)	(\$5,193,837)
Key Ratios		
Monthly Operating Costs ("Burn")	(\$45,639)	(\$93,774)
Monthly Expl. and Dev. Expenses	(\$550,768)	(\$284,024)
Monthly Capex	(\$85,508)	(\$3,596)
Cash/Burn (months)	31	10
Cash/Burn + Exploration (months)	2	3
Cash/Burn + Expl + Capex (months)	2	3
Per Share Statistics		
Earnings (Loss) Per Share	(\$0.16)	(\$0.20)
Cash Per Share	\$0.04	\$0.06
Mineral Property Book Value PS	\$0.01	\$0.02
Shareholders' Equity Per Share	\$0.09	\$0.08
Multiples		
Price/Cash	7.09x	5.13x
Price/Shareholders' Equity	3.48x	3.78x

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Note: Report was prepared with public information only.



PROFILE

Cuervo Resources Inc. ("Cuervo" or the "Company") is a junior mining exploration company, headquartered in Toronto, Ontario and dedicated to the exploration for iron ore in Peru. Through a wholly-owned Peruvian subsidiary, Cuervo holds a 100% interest in over 25,000 ha of prospective mining concessions including its flagship Cerro Ccopane Iron Project south of Cuzco in southern Peru.

CORPORATE STRATEGY

Cuervo's strategy is to achieve growth by focusing on acquiring and advancing exploration properties for economic iron-ore resources in Peru. There are five iron-rich 'provinces' in Peru and the Company has properties in three of these geologically favourable areas.

The Company's objective is to continue to develop these properties while actively looking to secure a strategic joint-venture partner to provide funding that could take the highly prospective Cerro Ccopane property through development and into production.

The pending sale of Cardero Resource's Pampa de Pongo iron property in southern Peru to Chinese interests for \$100 million underscores the desire of steelmakers, particularly in India and China, to secure and control a supply of iron ore.

INVESTMENT CONSIDERATIONS

Strengths

- 100% ownership of an extensive land package (>25,000 ha.) located in three of the five known iron regions in Peru.
- NI 43-101 mineral resource estimate for Cerro Ccopane showing 56 million tonnes Measured and Indicated Resource, grading 46.7% Fe; and 51 million tonnes Inferred Resource, grading 43.7% Fe.
- The Company has a strong working capital ratio (19.0x) and is fully funded at present to meet its capital and operating requirements through to March 2010.

Challenges

- Though currently adequately financed, Cuervo is still a junior exploration company with no operating revenues and is ultimately dependent on its ability to continue to raise money, either through equity or by securing a senior joint-venture partner.
- While the properties are located in a country that is currently mining friendly, success is never guaranteed, regardless of potential since less than 1% of exploration companies make it into production.
- The Company's most prospective property is located at high altitude in difficult terrain which will make infrastructure construction commensurately more difficult and costly.

PROPERTY PORTFOLIO

Cuervo has acquired a 100% interest in the mineral rights to over 25,000 ha of mining concessions in Peru. Known mineralization on these properties is massive magnetite and some hematite.

Cerro Ccopane: This is the Company's self-described 'crown jewel' and it is the main focus of exploration by the Company. It is located 65 km straight-line south of Cuzco and 600 km straight-line southeast of Lima in the Ferrobamba-Ayavacas iron province. The terrain is mountainous with altitudes ranging from 3,200m up to 4,600m. The Company has a 100% interest in twenty-two contiguous mining concessions that cover 13,600 ha, with an additional 5,200 ha in the vicinity of Cerro Ccopane. On this property, five main geological and/or geophysical target areas are now known to be present. A total of 21,000 metres of diamond drilling has been completed to date on the 13,600 ha property in three distinct zones.

The bulk of this drilling (16,000 meters in 121 holes) has been done on the Orcopura zone and a NI 43-101 mineral resource estimate has been prepared showing 56 million tonnes Measured and Indicated Resource, grading 46.7% Fe (20% head iron cut-off) and 51 million tonnes Inferred Resource, grading 43.7% Fe (20% head iron cut-off. Limited drilling (46 holes total) on two other zones has encountered comparable results to those returned at Orcopura. To date, the process of property assessment has also been augmented through the commissioning of two transportation studies as well as mineral-processing studies.

Additional Properties:

The Company has acquired an additional 7,861 ha of wholly owned mining concessions covering prospective iron properties in six separate areas of northern and southern Peru.

In southern Peru, Cuervo holds the following: Arequipa, 1,000 ha. in 1 concession; Marcona, 700 ha. in two concessions; and Apurimac, 2,400 ha. in 4 concessions.

In northern Peru, the properties are as follows: Olmos, 300 ha. in 1 concession; Trujillo, 1,561 ha. in 8 concessions; Chimbote, 400 ha. in 2 concessions; and Aija, 1,500 ha. in 3 concessions. The northern properties are at relatively low altitudes in arid areas that can be worked year round and are also located close to the Pacific coast and the Pan American highway. There has been some small scale mining on parts of the concessions and the iron mineralization on these properties consists of massive magnetite, hematite or goethite. The Chimbote concessions are: (a) permitted for advanced exploration; (b) located approximately 40 km from the steel foundry of Siderperu located at Chimbote, Ancash; and (c) are considered to be the most advanced of the properties in northern Peru.

FINANCIAL

The Company estimates that it needs \$900,000 to finance its current exploration program and meet working capital and general overhead requirements. If the Company finds it requires additional financing to meet these requirements, it intends to seek additional equity financing in a timely manner.

The Company's abridged financial statements are set out in the following table:

Abridged Financial Statements

	Year Ending March 31	
	<u>2008</u>	<u>2009</u>
Statement of Income (Loss)		
Operating Income	-	-
Non-Operating Income	65,236	74,193
General & Administrative Expenses	(823,367)	(1,125,294)
Depreciation	(17,284)	(20,679)
Stock-based Compensation	(1,071,036)	(843,822)
Exploration expense	(2,226,365)	(3,408,288)
Other Income/(Expenses)	(473,967)	(663,180)
Net Income/(Loss)	(4,546,783)	(5,987,070)
Total Shares Outstanding	26,569,750	30,179,750
Weighted Average Shares O/S	22,280,111	29,583,832
Earnings (Loss) Per Share	(\$0.17)	(\$0.20)
Statement of Cash Flow		
Net Income (loss)	(4,546,783)	(5,987,070)
Add Non-Cash Items	1,088,320	864,501
Cash Flow from Operations	(3,458,463)	(5,122,569)
Capital Expenditures (Properties)	(309,625)	-
Other Investing Items	(147,475)	(43,152)
Free Cash Flow	(3,915,563)	(5,165,721)
Working Capital Changes	(483,996)	(71,268)
Equity Financing	5,793,780	3,355,505
Debt Financing	-	-
Change in Cash	1,394,221	(1,881,484)
Cash, Beginning of the Period	1,449,933	2,844,154
Cash, End of the Period	2,844,154	962,671
	<u>2008</u>	<u>2009</u>
Balance Sheet		
Cash	2,844,154	962,670
Other Current Assets	786,903	901,965
Mineral Properties	465,571	465,571
Other Assets	143,641	166,114
Total Assets	4,240,269	2,496,320
Current Liabilities	54,346	98,140
Other Liabilities	-	-
Long Term Debt Obligations	-	-
Total Liabilities	54,346	98,140
Shareholders' Equity	4,185,923	2,398,180
Total Liabilities & Equity	4,240,269	2,496,320
Book Value (S.E.) Per Share	(1.90)	(0.73)
Total Liabilities	4,240,267	2,496,319
Shareholders' Equity	4,185,923	2,398,180
Total Liabilities & Equity	8,426,190	4,894,499
Book Value (S.E.) Per Share	\$0.38	\$0.17

RECENT DEVELOPMENTS

In September, 2009, the Company announced that two transportation studies have demonstrated that there are no unique logistical challenges preventing the conceptual development of a mining project at Cerro Ccopane. In addition to rail transport, the construction of a slurry pipeline to tidewater would provide a potentially cost-effective alternative to bulk transport.

MANAGEMENT AND DIRECTORS

Brian Berner, Chairman of the Board, CEO
John Siriunas, Director, President, COO, Corporate Secretary
Daniel Hamilton, CFO
Gordon Watts, Director
Velasquez Spring, Director
Brian Cloney, Director

SHARE STRUCTURE

Common Shares	33,423,750
Options	3,270,000
Warrants	<u>3,920,000</u>
Fully Diluted	40,613,750

CORPORATE INFORMATION

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