

### ANGLO-CANADIAN MINING CORP.

(TSX-V: URA)

#### Recommendation

Speculative Buy

#### Risk

High

#### Price (June 28, 2012)

\$0.05

#### 52-Week Range

\$0.17 - \$0.04

#### Intrinsic Value/Target Price

\$0.21

#### Shares O/S

54.16 million

#### Market Cap

\$2.71 million

#### Average Daily Volume

50-day: 31,900

200-day: 46,400

#### Year-End

July 31

#### Book Value Per Share

Jan. 2012: \$0.07

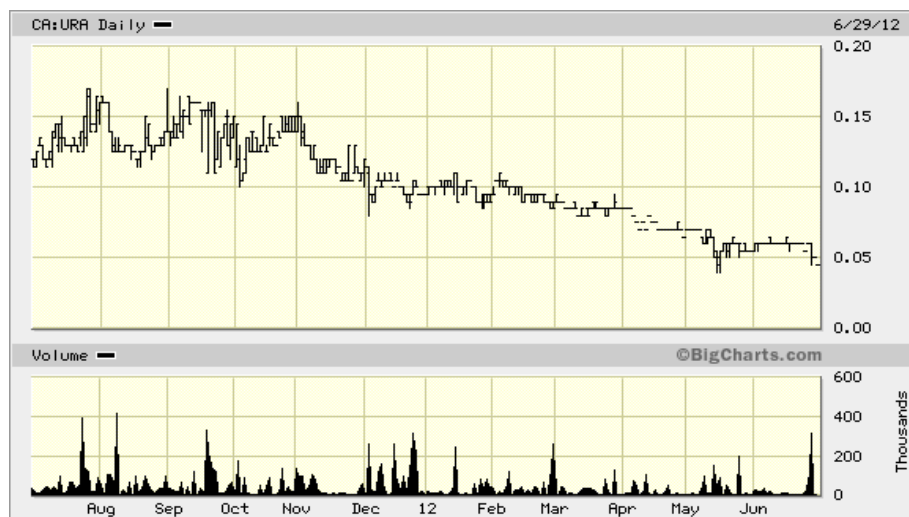
#### Cash Per Share

Jan. 2012: \$0.002

#### eResearch Analysts:

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#### UPFRONT

Anglo-Canadian's Princeton property is located next to Copper Mountain's Super Pit in southern British Columbia. Princeton could host a sizeable copper mineralization. Recent drilling results confirm this: 73% of the 22 holes drilled at Princeton brought significant copper grades over long intervals. Based on the results, we estimate the property's resource at around 500 Mlb of copper.

Moreover, the minerals found at Princeton provide higher grade copper concentrate as compared to minerals which Copper Mountain is, in particular, currently mining. Given the size and the quality of the mineralization at Princeton, we believe that Copper Mountain could be interested in acquiring Anglo-Canadian's property.

Anglo-Canadian should continue drilling Princeton this year and then obtain a NI 43-101 resource estimate. Economic studies should follow in 2013-2014. We expect that the Company will try to interest Copper Mountain in Princeton after that. Our estimate for Princeton's future target purchase price is \$31 million, or \$0.44 per share (\$0.31 per share present value).

#### RECOMMENDATION

We are maintaining our Speculative Buy rating. Our Intrinsic Value is \$0.21 per share, which we set as our revised Target Price. Our previous Target Price was \$0.40. The change is due mainly to current harsh stock and commodity market conditions. The shares should be considered only by risk-tolerant investors.

## PRINCETON PROPERTY

**Location.** Princeton is Anglo-Canadian's key property. It is located in south central British Columbia, 19 kilometres south of Princeton and 4 km south of Copper Mountain Mining Corporation's mine and mill. On Map 1 below, Anglo-Canadian's Princeton property is outlined in red and Copper Mountain's property in green.

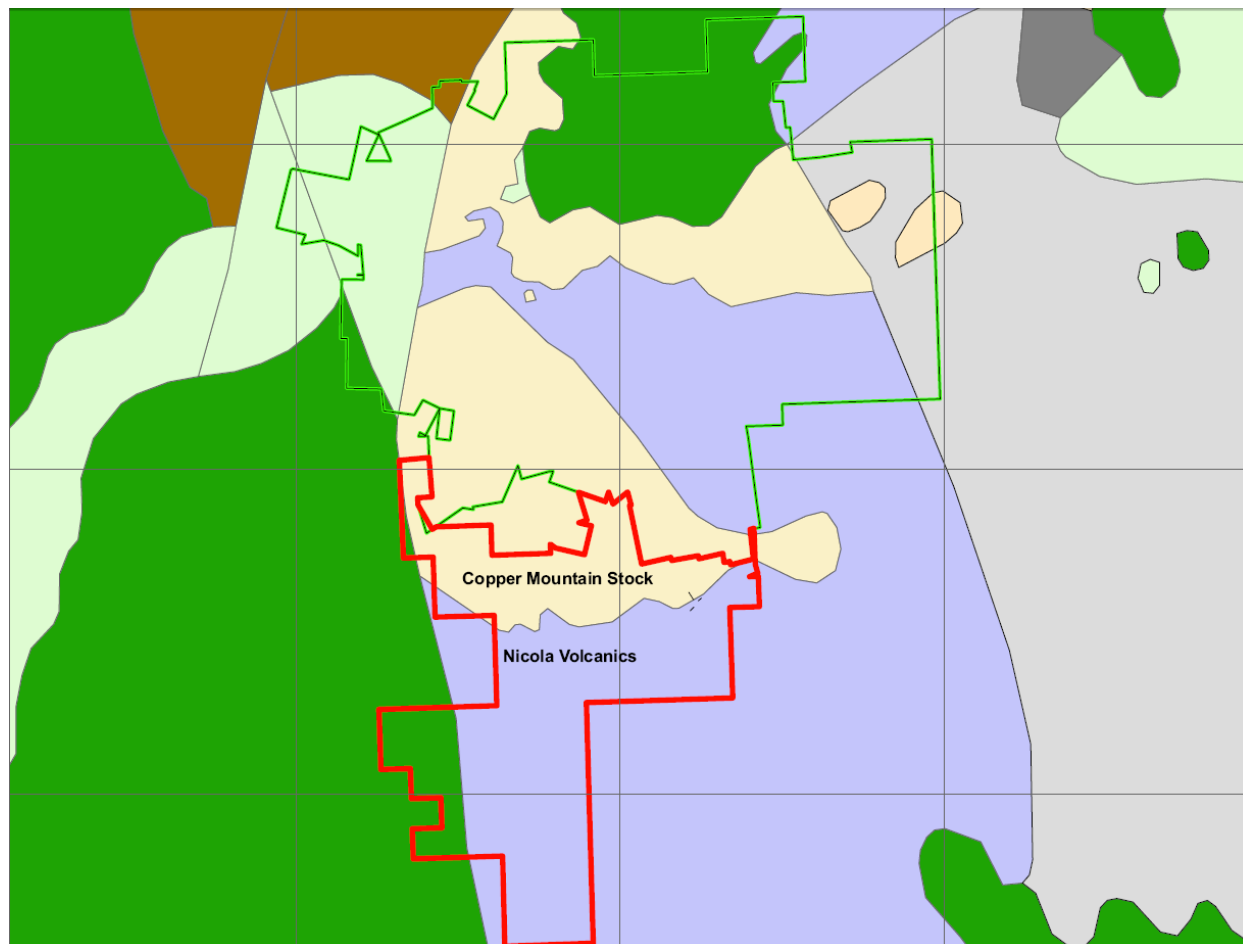
**COMMENT:** A key reason for our positive outlook for Anglo-Canadian is the proximity of its Princeton Property to the now-producing prolific Copper Mountain property with a resource of 5Bn lb of copper and a targeted annual production of 100M lb.

Copper Mountain, with Mitsubishi Materials Corporation as a 25% partner, began production in 2011, and produced 22M lb of copper, of which 5.8M lb was shipped to Mitsubishi's smelter in Japan. In Q1/2012, a further 15.7M lb was shipped.

**COMMENT:** The challenge for Anglo-Canadian is to prove up its copper resource by obtaining a NI 43-101 resource estimate (we assume it will eventually reach 500M lb). We anticipate that accomplishing these goals will take up to three years, and that Copper Mountain could become interested in acquiring Princeton after that.

**Infrastructure and Composition.** The property can be accessed by the paved road from Princeton leading to the Copper Mountain's mine and then a further four kilometres of well-maintained gravel forest access roads to the property. The property covers 2,413 ha in 27 claims. Anglo Canadian is the registered owner of these claims.

**Map 1: Princeton and Copper Mountain Properties**



Source: Company

## PROGRESS AT PRINCETON

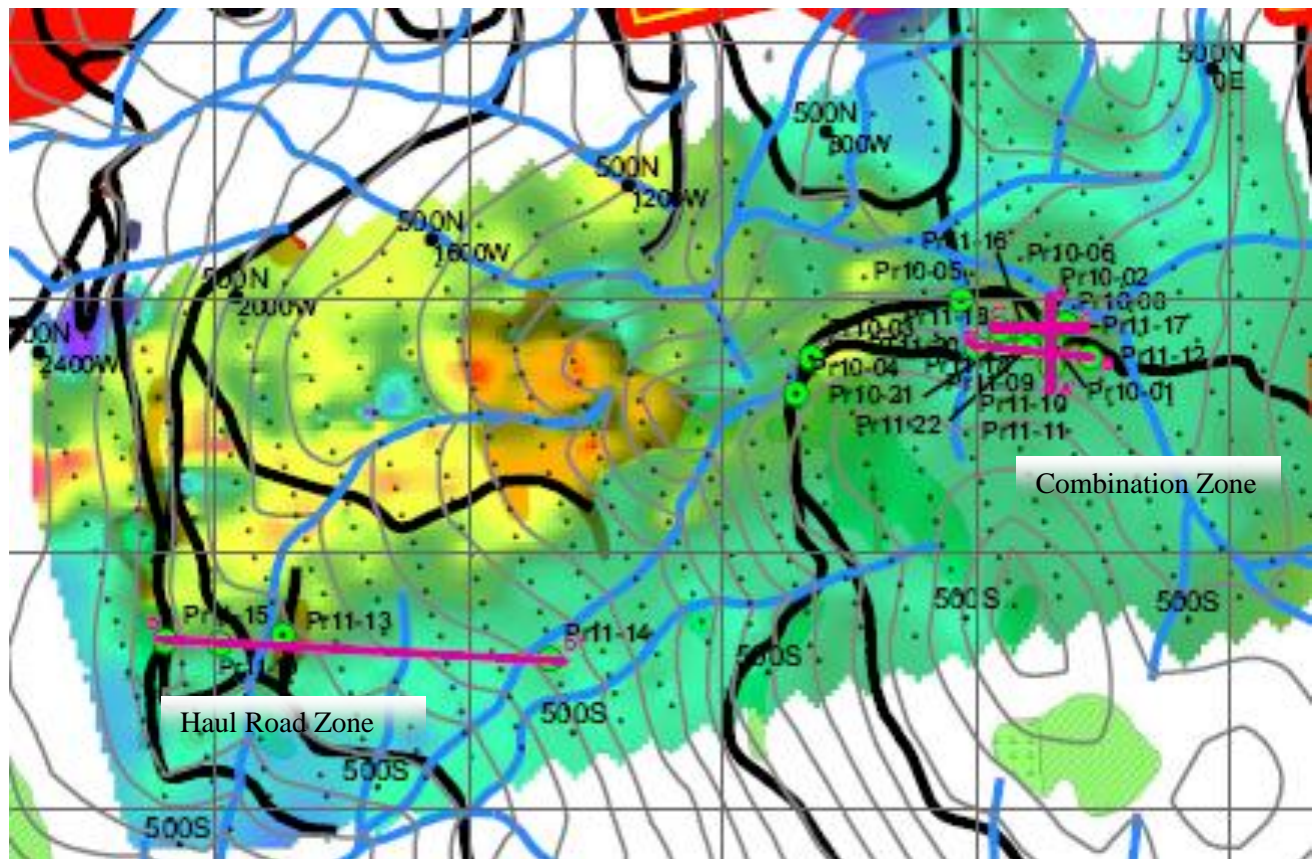
**Consistent copper mineralization found.** In November 2010 – November 2011, Anglo-Canadian drilled 22 holes on its Princeton property. The drilling covered two zones: 18 holes totaling 4,243m on the Combination Zone and four holes totaling 1,490m on the Haul Road Zone (see Map 2 below).

**COMMENT:** The drilling was quite successful: 16 of 22 holes (73%) intersected significant intervals of copper mineralization with higher than 0.1% Cu grades (see Appendix on pages 12-15) which is a cut-off grade at the neighboring Copper Mountain's operation. 15 of the 16 holes are located in the Combination zone.

Moreover, 13 of 18 angled holes (with inclinations varying from 45 degrees to 85 degrees) intersected multiple layers of copper mineralization grading more than 0.1% Cu. For this, refer to the Appendix and also the cross-section picture on the next page which depicts holes 11-21 and 11-22 (the holes are angled despite being shown as vertical). The fact that copper mineralization was at angles to the cores in those holes confirms Copper Mountain's indications that copper veins are largely vertical in the Nicola volcanics area. Nicola volcanics host Copper Mountain's Super Pit, which started producing in June 2011, as well as Anglo-Canadian's drilling area (see Map 4 on page 5).

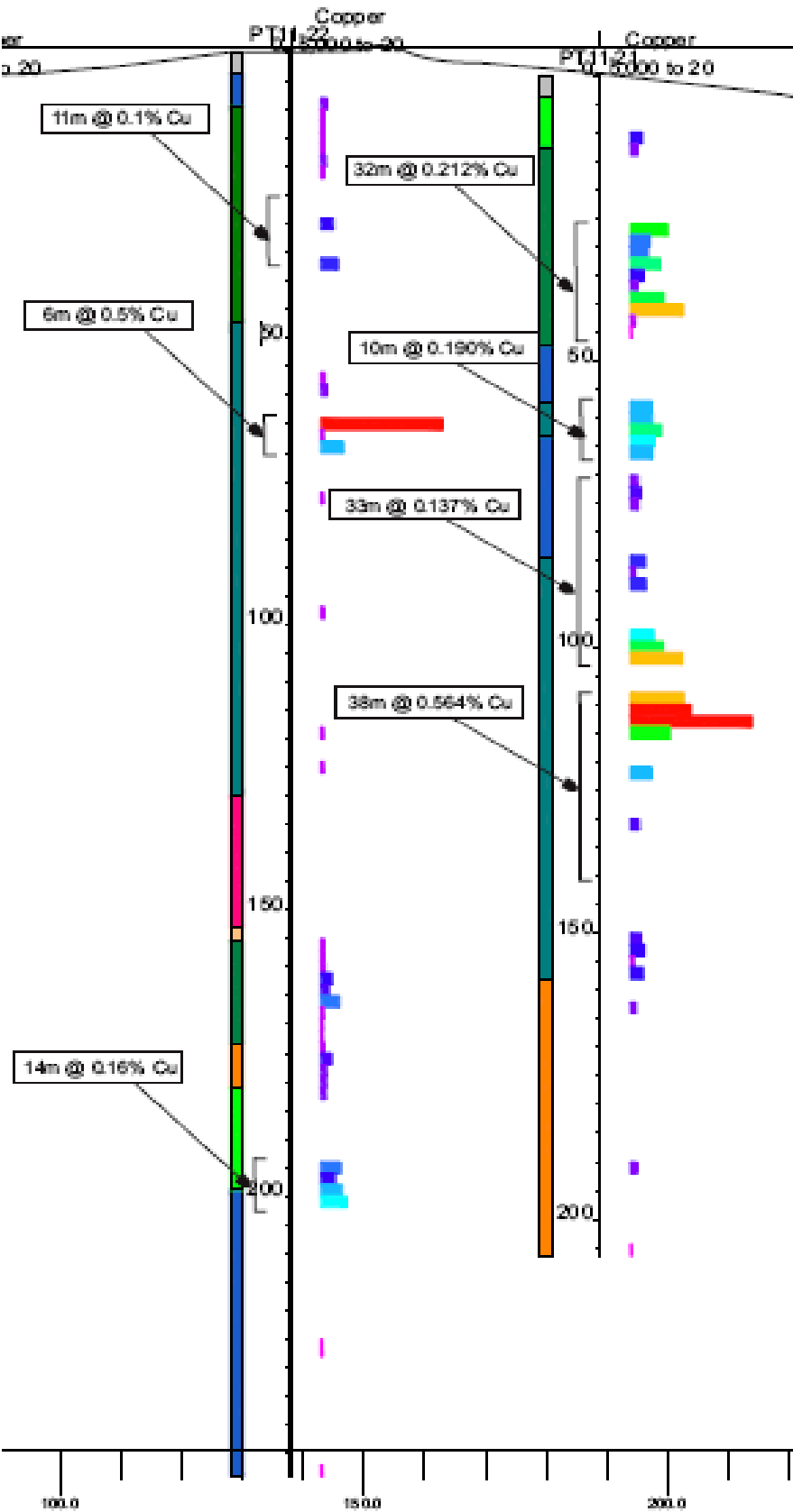
These two facts make us optimistic about the presence of a sizeable copper resource at Princeton. Given the drilling results to date, we believe that the Combination zone hosts up to 15Mt of mineralized material at around 0.25% Cu.

**Map 2: Drill Holes on the Princeton Property**



Source: Company

Map 3: Cross-Section of Drill Holes 11-21 and 11-22



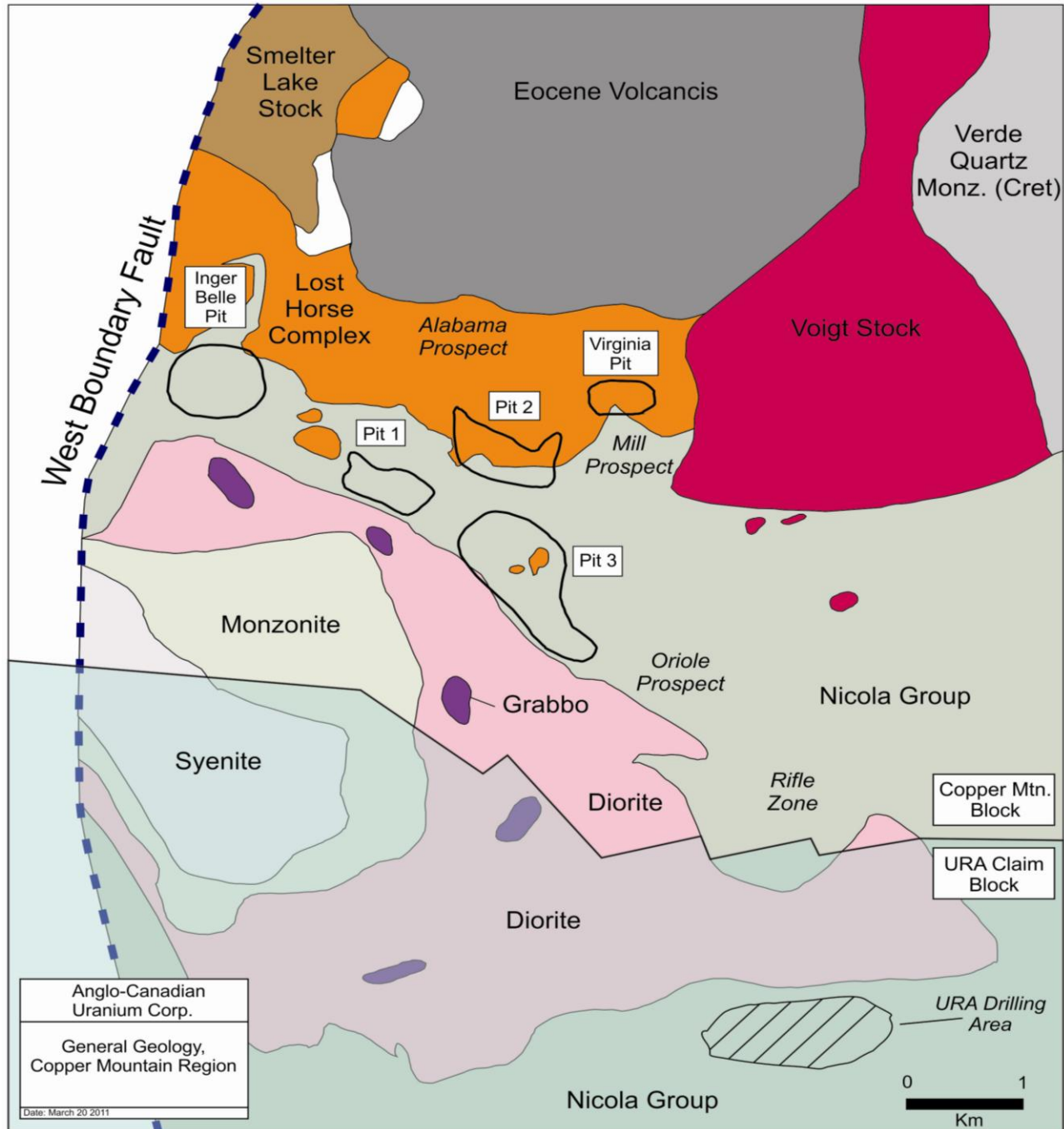
Source: Company



**Higher grade mineralization.** According to the drilling and geophysics results, Princeton hosts chalcocite and bornite mineralization. These minerals provide concentrate with up to 40% Cu grade. This compares favorably to up to 35% Cu grade obtained from chalcopyrite which, in particular, is mined by Copper Mountain on the neighboring project (the Super Pit which is shown as Pit 1, Pit 2, and Pit 3, see Map 4 below).

**COMMENT:** *We believe that Princeton's mineral composition will be of interest to Copper Mountain. Some form of joint business with Copper Mountain has long been Anglo-Canadian's objective.*

**Map 4: Composition of Princeton and Copper Mountain's Property**



Source: Company

## FURTHER PLANS AT PRINCETON

After the 2010-2011 drilling, Anglo-Canadian identified areas for further drilling with the ultimate goal being to obtain a NI 43-101 compliant estimate for the Princeton property. On the Combination Zone, the Company plans to further test the zone to the west of Hole 11-22 with three holes, and the zone south of Holes 11-20 and 11-22 with five holes. Further drilling on the Combination Zone will likely be based on the results of these eight holes.

On the Haul Road Zone, the Company plans to initially drill three holes around and east of Hole 11-13. Based on the results from these three holes, Anglo-Canadian will identify the location and extent of further drilling on the Zone.

The Company is also going to explore a 1km long target between the two zones which looks highly prospective for copper mineralization.

**COMMENT:** *Given that Anglo-Canadian has obtained a licence for 15,000m of drilling at Princeton, we believe that it intends to drill all three target zones (the Combination Zone, Haul Road Zone and the target between them). We expect that the Company will obtain a NI 43-101 resource estimate for one target first, most likely Combination Zone. This should take around 5,000m of drilling with a budget of around \$1 million. Depending on availability of financing, the estimate could be completed in late 2012 or in 2013.*

*The 1km long target between the two zones hosts a contact between intrusive and volcanic rocks and is believed to have the same kind of mineralization as the Combination Zone, which is consistent with the geophysics results. Based on the size of the target, we estimate that the target's resource is at least six times as big as the Combination Zone's. This brings the Princeton property's resource to around 90Mt @ 0.25% Cu, or up to 500 M lb of copper.*

**COMMENT:** *We believe that a copper mineralization of this size will be of interest to Copper Mountain. Copper Mountain has a 5 Bn lb copper resource (all categories), and we expect that this producing company will be interested in mining a 10% addition to its resource composed of chalcocite and bornite which provide a higher grade copper concentrate. We consider as a viable scenario the sale of Princeton to Copper Mountain some time in 2015, after Anglo-Canadian obtains a feasibility study for the project.*

## EXPLORATION OF OTHER PROPERTIES

**The Armenius property: exploration underway and should continue.** The Armenius property is adjacent to a placer operation in Eureka Creek that has been profitably mined for more than a decade. The Yukon Geological Survey has indicated that the gold at Eureka Creek comes from the Armenius property. A twelve-meter historic shaft that was sunk on the property demonstrated gold occurrences.

In 2010, Anglo-Canadian's airborne geophysical surveys at the Armenius gold property in the Yukon identified three significant magnetic anomalies. Surface exploration has also identified several large quartz breccia with localized quartz carbonate veining and limonitic staining. These features may manifest to an epithermal gold deposit. In the summer 2012, the Company plans to conduct a soil and trenching program to identify specific anomalous zones and drill targets. The property's accessibility is high: good quality placer roads extend to the property area while the property is crossed by an extensive network of trails that will facilitate exploration.

## VALUATION

We have used three valuation methodologies in determining the Company's Intrinsic Value:

1. the Per Attributable Resource valuation method;
2. the Mineral Property Ratio method; and
3. the Price-to-Book Ratio method.

### 1. Per Attributable Resource Method

On the assumption that Anglo-Canadian will sell its Princeton project to Copper Mountain in about three years time (see page 6), we have attempted to gauge the possible transaction's value based on the project's resource.

Our matrix below sets out the following:

- (1) A range of values for the price of copper, in the ground, from US\$0.035 per pound (1% of our long-term forecast copper price of \$3.50/lb) to US\$0.18 per pound (5% of our forecast price); and
- (2) A size of deposit ranging from 99 Mlb (20% of copper in the Princeton project) to 496 Mlb (100%).

We assume that the transaction, at the time, will be based on a resource size that is 60% of our resource estimate, which likely is its mineable portion.

For the in-ground price of copper, we have selected US\$0.11/pound (3% of our forecast long-term copper price).

Under these assumptions, the transaction value comes to \$31.3 million (see Table 1 below), or \$0.44 per share. Given that this is a future value, to arrive at a current intrinsic value, we have discounted it at a 12% discount rate which we consider fair for this kind of early stage project. The present value comes to \$0.31 per share.

**COMMENT:** *In the future, Copper Mountain may use higher price assumptions due to the Princeton project's close proximity to its Super Pit and a high quality of copper minerals at Princeton. However, at this time, we deem it fair to remain on the conservative side due to the early-stage nature of the project.*

**Table 1: Matrix of Values Per Attributable Resource Pound**

Per Attributable Copper					
Resource lb (in-the-ground)	\$0.04	\$0.07	\$0.11	\$0.14	\$0.18
% of forecast copper price (\$3.50/lb)	1%	2%	3%	4%	5%
Market Cap					
Using 99 M Resource lbs	\$3,472,245	\$6,944,490	\$10,416,735	\$13,888,980	\$17,361,225
Using 198 M Resource lbs	\$6,944,490	\$13,888,980	\$20,833,470	\$27,777,960	\$34,722,450
Using 298 M Resource lbs	\$10,416,735	\$20,833,470	\$31,250,205	\$41,666,940	\$52,083,675
Using 397 M Resource lbs	\$13,888,980	\$27,777,960	\$41,666,940	\$55,555,920	\$69,444,900
Using 496 M Resource lbs	\$17,361,225	\$34,722,450	\$52,083,675	\$69,444,900	\$86,806,125
Value Per Share (70.9M shares)					
Using 99 M Resource lbs	\$0.05	\$0.10	\$0.15	\$0.20	\$0.24
Using 198 M Resource lbs	\$0.10	\$0.20	\$0.29	\$0.39	\$0.49
Using 298 M Resource lbs	\$0.15	\$0.29	\$0.44	\$0.59	\$0.73
Using 397 M Resource lbs	\$0.20	\$0.39	\$0.59	\$0.78	\$0.98
Using 496 M Resource lbs	\$0.24	\$0.49	\$0.73	\$0.98	\$1.22

Source: eResearch

## 2. Mineral Property Ratio Method

Since the Company now concentrates on copper exploration, our selection of Anglo-Canadian's comparables include junior copper exploration companies.

We are using the same peer junior copper exploration companies in the Mineral Property Ratio valuation method as we are in the Price/Book method following.

In this approach:

- We estimate capital expenditures for Anglo-Canadian in the 2013 fiscal year (ending July 31, 2013) and adjust the value of the property accordingly;
- We also estimate the amount of new equity to be issued to finance the estimated capex in fiscal 2013 and make adjustments to these two items;
- If a company in the group has a substantial amount of cash, we assume it was raised primarily to finance exploration or drilling activities and, therefore, we add 80% of the cash to the property value.

**Table 2: Property Ratio Peer Comparison (C\$)**

	<b>Anglo-Canadian Uranium</b>	<b>Los Andes</b>	<b>PBX Ventures</b>	<b>Yellowhead Mining</b>	<b>Excelsior Mining</b>
	URA: TSX-V Jan-31-2012	LA: TSX-V Mar-31-2012	PBX: TSX-V Mar-31-2012	YMI: TSX-V Mar-31-2012	MIN: TSX-V Mar-31-2012
Corporate:					
Share Price	\$0.06	\$0.27	\$0.12	\$0.94	\$0.29
Shares O/S	54,164,111	149,932,599	138,298,315	53,276,460	49,490,845
Market Cap	\$3,249,847	\$40,481,802	\$15,904,306	\$50,079,872	\$14,104,891
Mineral Properties:					
Book Value (Cost)	\$4,560,367	\$66,699,298	\$24,598,857	\$8,339,833	\$3,654,030
Market Value	\$3,589,464	\$38,179,159	\$15,340,958	\$43,795,025	\$12,782,127
Difference	(\$970,903)	(\$28,520,139)	(\$9,257,899)	\$35,455,191	\$9,128,097
Property Ratio	0.79	0.57	0.62	5.25	3.50
Average Ratio (Peers)	2.49				
Adjusted Property Book Value (1)	\$4,560,367				
Adjusted Property Ratio	0.87				
Selected Ratio	2.49				
Common Equity (Per Statements)	\$3,968,165				
Adjusted Common Equity (Selected Ratio) (2)	\$4,465,829				
Equity Per Share (Per Statements)	\$0.07				
Adjusted Equity Per Share (Selected Ratio)	\$0.16				

Note (1): Mineral Properties are adjusted for estimated capex of \$600,000 in 2013 fiscal year.

Note (2): Equity is adjusted for \$950,000 expected to be issued in 2013 fiscal year.

Source: eResearch

We choose the current average Property Ratio for the peers as a target level for Anglo-Canadian. At the Property Ratio of 2.49x, Anglo-Canadian's intrinsic value is \$0.16 per share.



### 3. Price-to-Book Method

Table 3: P/Book Valuation

Company	Stock Symbol	Stock Price	Shares O/S (M)	Market Cap (M)	Book Value per Share	P/B Ratio
Anglo-Canadian	URA: TSX-V	\$0.06	70.9	\$4.3	\$0.07	0.82x
Yellowhead Mining	YMI: TSX-V	\$0.94	53.3	\$50.1	\$0.27	3.54x
Excelsior Mining	MIN: TSX-V	\$0.29	49.5	\$14.1	\$0.09	3.24x
PBX Ventures	PBX: TSX-V	\$0.12	138.3	\$15.9	\$0.17	0.66x
Los Andes	LA: TSX-V	\$0.27	149.9	\$40.5	\$0.46	0.59x
Peer Average					0.33	2.01x

Source: Company, eResearch

Currently, Anglo-Canadian trades in line with lower-end peers on a P/Book multiple. We expect that, if the Company succeeds in getting an initial NI 43-101 resource estimate for Princeton this year or in 2013, it will trade in line or higher than the current peer average on this multiple. At the average P/Book, Anglo-Canadian's intrinsic value is \$0.15 per share. See, also, the sensitivity table below.

Table 4: Scenarios for P/Book Multiple

MC/R Ratio (x)	BV per share	Potential MC (M)	Shares O/S (M)	Price/Share
0.82	0.07	\$4.3	70.9	\$0.06
2.01	0.07	\$10.4	70.9	\$0.15
3.54	0.07	\$18.4	70.9	\$0.26

Source: eResearch

### 4. Intrinsic Value Calculation

Our determination of the Intrinsic Value for Anglo-Canadian shares is by taking the average of the three valuation methods which equates to \$0.21 per share. This is down from our previous Target Price for the stock of \$0.40 per share mainly due to lower comparable valuations.

## RATING AND RISKS

We rate the stock a Speculative Buy. The Company's risks stem from:

- **Commodity Markets:** Anglo-Canadian's future cash flows depend on the trends in copper and other metal prices;
- **Early Business Stage:** The Company currently does not have NI 43-101 resource estimates for its properties. This exacerbates an inherent risk associated with the nature of the early-stage mining exploration business;
- **Financing Risk:** The ability to raise capital is a critical factor for the Company. To obtain a NI 43-101 resource estimate for Princeton, the Company needs to raise around \$1 million in 2012 - early 2013.

## FINANCIAL REVIEW AND OUTLOOK

**Fiscal Year End:** July 31

**Burn Rate:** The average monthly burn rate, which includes non-discretionary expenses, decreased from \$53,000 in FY2009 to around \$43,000 in both FY2010 and FY2011. We expect that, in FY2013, the monthly burn will go down to around \$40,000 due to the difficult market situation, which curtails certain spending plans.

**Capital Expenditures on Exploration Activities:** The Company's capex went up from \$200,000 in FY2010 to \$600,000 in FY2011. We expect that Anglo-Canadian will continue actively exploring its properties, particularly Princeton, and its capex will remain in the area of \$600,000 in FY2012-FY2013.

**Cash and Financing:** Active exploration at Princeton depleted Anglo-Canadian's cash reserves which amounted to around \$125,000 at January 31, 2012. We expect that, to cover further capex and operating burn, the Company will need to raise around \$1 million in FY2013.

**Warrants and Options:** We do not expect that Anglo-Canadian will obtain much financing from warrants/options exercise in FY2012. The only warrants which might be exercised in FY2013 expire in December 2012 (see the italicized entries in the table below). If the Company gets a favorable NI 43-101 resource estimate for Princeton this year, these options may get exercised.

**Table 5: Warrants and Options as at January 31, 2012**

### Warrants

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>	<u>Comment</u>	<u>Potential Equity</u>
1,213,888	\$0.20	October 19, 2012	Out-of-the-Money	\$242,778
1,789,184	\$0.17	<i>December 23, 2012</i>	<i>Out-of-the-Money</i>	<i>\$304,161</i>
1,055,665	\$0.17	<i>December 23, 2012</i>	<i>Out-of-the-Money</i>	<i>\$179,463</i>
1,250,000	\$0.45	December 31, 2012	Out-of-the-Money	\$562,500
150,000	\$0.40	December 31, 2012	Out-of-the-Money	\$60,000
300,000	\$0.40	January 12, 2013	Out-of-the-Money	\$120,000
36,000	\$0.35	January 12, 2013	Out-of-the-Money	\$12,600
783,367	\$0.30	December 30, 2013	Out-of-the-Money	\$235,010
6,578,104				\$1,716,512

### Options

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>	<u>Comment</u>	<u>Potential Equity</u>
75,000	\$0.28	September 24, 2012	Out-of-the-Money	\$21,000
195,000	\$0.20	September 17, 2013	Out-of-the-Money	\$39,000
700,000	\$0.15	May 4, 2015	Out-of-the-Money	\$105,000
650,000	\$0.15	May 5, 2016	Out-of-the-Money	\$97,500
500,000	\$0.15	August 29, 2016	Out-of-the-Money	\$75,000
2,120,000				<u>\$337,500</u>

**Current Price:** \$0.06

Source: Company, eResearch

**Selected Financial Statements:** Abridged financial statements are set out below, and include the Statement of Income (Loss), the Statement of Cash Flow, and the Balance Sheet.

Table 6: Selected Financial Information

	FY Ending July 31 <u>2010</u>	<u>2011</u>	12 months <u>Jan. 2012</u>	<u>FY2012E</u>	<u>FY2013E</u>
<b>Statement of Income/(Loss):</b>					
Revenue	0		0	0	0
General & administrative expense	(500,702)	(522,731)	(525,352)	(535,859)	(482,273)
Travel and promotion	(34,650)	(21,086)	(18,543)	(18,914)	(19,292)
Amortization	(1,919)	(5,195)	0	0	0
Stock-based compensation	(58,075)	(135,369)	(105,444)	(107,553)	(109,704)
Other	0		(751)	(766)	(781)
Loss before the following	(595,346)	(684,381)	(650,090)	(663,092)	(612,051)
Write-off of mineral property costs	(743,001)	(1,113,248)	(1,113,248)	0	0
Recovery of mineral property costs	0	3,325	9,618	0	0
Property evaluations	(18,389)	0	0	0	0
Other	(5,077)	(8,489)	(4,782)	(4,878)	(4,975)
Future income tax recovery	27,947	326,876	326,876		
<b>Net income/(Loss)</b>	<b>(1,333,866)</b>	<b>(1,475,917)</b>	<b>(1,431,626)</b>	<b>(667,969)</b>	<b>(617,026)</b>
Total Shares Outstanding (SO)	43,168,208	51,658,490	54,164,111	54,119,456	63,619,456
Weighted Average SO	41,371,774	48,132,354	53,365,798	54,128,387	61,719,456
Earnings (Loss) Per Share	\$ (0.03)	\$ (0.03)	\$ (0.03)	\$ (0.01)	\$ (0.01)
<b>Statement of Cash Flow:</b>					
Net income (Loss)	(1,333,866)	(1,475,917)	(1,431,626)	(667,969)	(617,026)
All non-cash Items	<u>777,844</u>	<u>936,092</u>	<u>896,130</u>	<u>113,197</u>	<u>115,460</u>
Cash flow from operations	(556,022)	(539,825)	(535,496)	(554,773)	(501,565)
Property capital expenditures	(231,688)	(577,121)	(1,039,271)	(626,737)	(600,000)
Other investing items	<u>139,196</u>	<u>9,868</u>	<u>36,736</u>	<u>61,933</u>	<u>36,179</u>
Free cash flow	(648,514)	(1,107,078)	(1,538,031)	(1,119,577)	(1,065,386)
Working capital changes	16,403	19,102	(3,043)	10,821	8,960
Cash flow before financing	(632,111)	(1,087,976)	(1,541,074)	(1,108,756)	(1,056,426)
Payment from related parties	21,665	61,559	96,559	98,490	100,460
Equity financing	243,340	1,447,601	273,527	848,880	950,000
<b>Change in cash</b>	<b>(367,106)</b>	<b>421,184</b>	<b>(1,170,988)</b>	<b>(161,386)</b>	<b>(5,966)</b>
Cash, Beginning of the Period	648,646	281,540	1,296,736	281,540	120,154
Cash, End of the Period	281,540	702,724	125,748	120,154	114,188
	<u>Jul. 31</u>	<u>Jul. 31</u>	<u>Jan. 31</u>	<u>Jul. 31</u>	<u>Jul. 31</u>
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2012E</u>	<u>2013E</u>
<b>Balance Sheet:</b>					
Cash	281,540	702,724	125,748	120,154	114,188
Other Current Assets	32,104	16,528	82,472	123,708	80,410
Mineral Properties	3,844,483	3,333,630	3,935,302	3,960,367	4,560,367
Other Assets	<u>84,139</u>	<u>74,288</u>	<u>77,228</u>	<u>115,842</u>	<u>71,822</u>
Total Assets	<u>4,242,266</u>	<u>4,127,170</u>	<u>4,220,750</u>	<u>4,320,071</u>	<u>4,826,787</u>
Current Liabilities	116,249	175,226	252,585	187,217	360,959
Total Liabilities	116,249	175,226	252,585	187,217	360,959
Shareholders' Equity	<u>4,126,017</u>	<u>3,951,944</u>	<u>3,968,165</u>	<u>4,132,855</u>	<u>4,465,829</u>
Total Liabilities & Equity	<u>4,242,266</u>	<u>4,127,170</u>	<u>4,220,750</u>	<u>4,320,071</u>	<u>4,826,787</u>
Book Value (S.E.) Per Share	\$0.10	\$0.08	\$0.07	\$0.08	\$0.07

Source: Company and eResearch

**APPENDIX: 2010-2011 DRILL DATABASE**

The table below presents selected intervals from the 2010-2011 Princeton property's drilling database. For presentation, we selected only intervals with 0.1%+ Cu grades. Out of 22 holes drilled, such intervals were found in 16 holes (below).

Drill hole	Depth1	Depth2	Cu grade
PT10-01	27.5	30	0.36%
PT10-01	30	32.5	0.82%
PT10-01	32.5	35	0.22%
PT10-01	40	42.5	0.32%
PT10-01	42.5	45	0.11%
PT10-01	45	47.5	0.32%
PT10-01	55	57.5	0.13%
PT10-02	37	39.5	0.10%
PT10-02	39.5	42	0.14%
PT10-02	42	44.5	0.16%
PT10-02	44.5	47	0.13%
PT10-02	49.5	52	0.27%
PT10-02	52	54.5	0.35%
PT10-02	54.5	57	0.35%
PT10-02	57	59.5	0.77%
PT10-02	64.5	67	0.32%
PT10-02	77	79.5	0.14%
PT10-02	82	84.5	0.22%
PT10-02	117	119.5	0.11%
PT10-03	158.5	161.2	0.13%
PT10-04	22.5	25	0.18%
PT10-04	57.5	60	0.10%
PT10-04	60	61.4	0.39%
PT10-05	100.5	102.7	0.24%
PT10-06,17	6	9	0.10%
PT10-06,17	106.5	109	0.44%
PT10-06,17	109	111.5	0.54%
PT10-06,17	111.5	113.8	0.36%
PT10-06,17	113.8	116.2	0.32%
PT10-06,17	116.2	119	0.31%
PT10-06,17	121.5	124	0.16%
PT10-06,17	125	125.25	0.13%
PT10-06,17	125.25	125.5	0.11%
PT10-06,17	125.5	125.75	0.26%
PT10-06,17	125.75	126	1.00%
PT10-06,17	126	126.25	0.35%

Drill hole	Depth1	Depth2	Cu grade
PT10-06,17	126.25	126.5	1.00%
PT10-06,17	126.5	126.75	1.00%
PT10-06,17	126.75	127	1.00%
PT10-06,17	247	250	0.93%
PT10-06,17	294	296	0.38%
PT10-06,17	296	298	0.21%
PT10-07	90	91.5	0.48%
PT10-08	13.5	15.2	0.21%
PT10-08	15.5	17.2	0.38%
PT10-08	17.2	19.7	0.31%
PT10-08	23	25.5	0.17%
PT10-08	37.5	40	0.14%
PT10-08	48.5	50	0.13%
PT10-08	82	83.4	0.38%
PT10-08	87	89.5	0.18%
PT10-08	89.5	92	0.23%
PT11-09	18.5	20	0.11%
PT11-10	92	94.5	0.14%
PT11-10	151	153.5	0.12%
PT11-10	173.5	176	0.12%
PT11-10	196	198.5	0.13%
PT11-15	93	95	0.17%
PT11-15	118	120	0.13%
PT11-15	120	122	0.24%
PT11-15	132	134	0.28%
PT11-15	134	136	0.15%
PT11-16	3.69	5	0.13%
PT11-16	5	7	0.28%
PT11-16	7	9	0.31%
PT11-16	9	11	0.27%
PT11-16	11	13	0.36%
PT11-16	13	15	0.41%
PT11-16	15	17	0.23%
PT11-16	17	19	0.21%
PT11-16	21	23	0.11%
PT11-16	23	25	0.12%
PT11-16	27	29	0.10%
PT11-16	55	57	0.47%
PT11-16	57	59	0.11%
PT11-16	231	233	0.54%
PT11-16	233	236	0.54%



Drill hole	Depth1	Depth2	Cu grade
PT11-16	236	237	0.91%
PT11-16	237	239	1.00%
PT11-16	239	241	0.43%
PT11-16	249	251	0.16%
PT11-18	3.28	5.1816	0.30%
PT11-18	5.1816	7	0.13%
PT11-18	7	9	0.20%
PT11-18	9	11	0.17%
PT11-18	11	13	0.26%
PT11-18	13	15	0.15%
PT11-18	15	17	0.24%
PT11-18	17	19	0.17%
PT11-18	19	21	0.11%
PT11-18	45.2	47	0.16%
PT11-18	47	49	0.17%
PT11-18	49	51	0.12%
PT11-18	70	72	0.11%
PT11-18	72	74	0.16%
PT11-18	74	76	0.21%
PT11-18	76	78	0.33%
PT11-18	78	80	0.21%
PT11-18	80	82	0.15%
PT11-18	82	84	0.27%
PT11-18	88	90	0.18%
PT11-18	98	100	0.31%
PT11-18	100	102	0.13%
PT11-18	134	136	0.14%
PT11-18	138	140	0.17%
PT11-18	140	142	0.12%
PT11-18	154	156	0.20%
PT11-18	158	160	0.11%
PT11-18	160	162	0.11%
PT11-18	162	164	0.10%
PT11-18	164	166	0.14%
PT11-18	166	168	0.18%
PT11-18	170	172	0.14%
PT11-18	172	174	0.13%
PT11-18	210	212	0.14%
PT11-18	218	220	0.12%
PT11-18	267	269	0.12%
PT11-18	269	271	0.12%

Drill hole	Depth1	Depth2	Cu grade
PT11-18	279	281	0.16%
PT11-18	281	283	0.11%
PT11-18	283	285	0.10%
PT11-18	313	315	0.24%
PT11-18	315	317	0.29%
PT11-18	317	319	0.34%
PT11-20	162	164	0.15%
PT11-21	26	28	0.30%
PT11-21	28	30	0.16%
PT11-21	30	32	0.14%
PT11-21	32	34	0.24%
PT11-21	34	36	0.10%
PT11-21	38	40	0.27%
PT11-21	40	42	0.43%
PT11-21	57	59	0.17%
PT11-21	59	61	0.17%
PT11-21	61	63	0.25%
PT11-21	63	65	0.19%
PT11-21	65	67	0.18%
PT11-21	84	86	0.12%
PT11-21	88	90	0.12%
PT11-21	97	99	0.19%
PT11-21	99	101	0.27%
PT11-21	101	103	0.43%
PT11-21	108	110	0.44%
PT11-21	110	112	0.50%
PT11-21	112	114	1.00%
PT11-21	114	116	0.32%
PT11-21	121	123	0.17%
PT11-21	152	154	0.11%
PT11-22	29	31	0.10%
PT11-22	36	38	0.13%
PT11-22	64	66	1.00%
PT11-22	68	70	0.18%
PT11-22	165	167	0.14%
PT11-22	194	196	0.16%
PT11-22	196	198	0.11%
PT11-22	198	200	0.17%
PT11-22	200	202	0.21%

Source: Company, eResearch

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The Research Analysts who were involved in the preparation of this Research Report hereby certify that:

- (1) the views and opinions expressed herein accurately reflect the Research Analysts' personal views concerning any and all securities and issuers that are either discussed or are the subject matter of this Research Report; and
- (2) The compensation received for the preparation of this report was not related, in any way, to the Research Analysts' views and opinions expressed herein.

### eResearch Analysts on this Report:

**Yuri Belinsky, B.A., M.A.:** Yuri Belinsky has extensive experience in equity research, with emphasis on mining and oil & gas companies. He had a successful track record in the capital markets in Ukraine, progressing from an analyst to the head of research for a team of 12 analysts. He also has experience as a portfolio manager. Mr. Belinsky has a B.A. in Economics and two MA degrees, in Public Administration and in Social Research and Evaluation.

**Bob Weir, B.Sc., B. Comm., CFA:** Bob Weir has 45 years of investment research and analytical experience in both the equity and fixed-income sectors, and in the commercial real estate industry. He joined eResearch in 2004 and has been its President, CEO, and Director of Research since May 2005. Prior to joining eResearch, Mr. Weir was at Dominion Bond Rating Service (DBRS), latterly as Executive Vice-President responsible for supervising the firm's 34 analysts and conducting the day-to-day management affairs of the company.

**Analyst Affirmation:** I, Yuri Belinsky, and I, Bob Weir, hereby state that, at the time of issuance of this research report, I do not own, directly or indirectly, any shares of Anglo-Canadian Mining Corp.

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