

August 30, 2010

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

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Topic: Uranium

We have stated many times in the Clarion that we are a long-term bull on uranium and uranium stocks. There was a recent flurry of price activity in uranium stocks in anticipation that the recovery in the price of uranium was finally at hand. This flurry ended abruptly last week as the price of U_3O_8 actually fell by US\$0.50/lb. Uranium stocks have been out of favour for so long that it will not take much to send them upwards. If the next price posting (expected shortly) is an uptick, uranium stocks could continue their advance. If the uptick is sizable, uranium stocks could soar.

The International Energy Agency has forecast that global electricity generated from nuclear power could triple over the next 40 years. This is going to require many more nuclear reactor plants to be built. Likewise, global decarbonization plans have led to many nuclear reactors that either have been commissioned to be built or are now actually being built in many countries of the world. Currently, there are some 500 nuclear reactors planned or proposed globally.

Another driving force in the uranium sector is the increasing role played by China. Its power consumption is increasing rapidly. Of the 50 or so nuclear reactors now under construction, China accounts for almost half of them. China has been involved in talks with France and Russia about co-operating in the building of fourth-generation nuclear reactors. Chinese companies also have been active: one signed an uranium trade agreement with a Uzbekistan company to further uranium resource development; another formalized an arrangement with Cameco to buy 23 million pounds of uranium concentrate over the next ten years; and a third purchased an Australian uranium exploration company.

Demand and supply, of any commodity or service, is the primary component that drives prices. For uranium, there is long-term increasing demand. On the other side, supply is limited and is not increasing in lock-step. From start to finish, because of considerable government hoops to jump through, it takes about ten years, plus or minus, to bring a strike through to production.

The world needs more uranium exploration, development and, ultimately, production to meet the increasing global demand. With no large short-term increases in supply, as demand picks up, there is no place for uranium prices to go from here but up. There is an old investment adage: "Buy 'em when no-one else wants 'em." This is so true for uranium stocks right now.

Bob Weir, CFA, Managing Director, Research Services

Quick Facts

One Year Chart (GLD)



Source: www.bigcharts.com

Price (Aug. 27/10):
\$0.17

52-Week High-Low:
\$0.26 - \$0.065

Average Daily Volume:
50-day: 84,200
200-day: 67,800

Shares Outstanding:
76.656 million

Market Capitalization:
\$13.0 million

Year-End:
December 31

Symbol: TSX-V: GLDH

Website:
www.augengold.ca

Stock-of-the-Week

Augen Gold Corp. (GLD: TSX-V)

Augen Gold Corp. is a Canadian junior exploration company with 100% ownership of 24,355 hectares of mineral claims on a property 45 km long and averaging 1-2 km wide in the Swayze Greenstone Belt property in north-central Ontario. The Company's focus is on confirming and expanding a historic resource at the Jerome mine that is part of this extensive land package. The Jerome mine, which was operated by Noranda Mines between 1940 and 1942, produced 56,000 ounces of gold and 15,600 ounces of silver. At a time when gold and silver prices were low, Noranda abandoned the property to focus on base metals.

Augen Gold's Swayze Greenstone Belt, Ontario is one of the most extensive in the region. The eastern end of the South Swayze property is adjacent to Trelawney Mining and Exploration Inc.'s impressive Chester gold discovery, which has garnered much investor interest. If the Trelawney strike, as believed, extends extensively onto Augen Gold's property, it could spark acquisition interest by Trelawney in the Company.

To date in 2010, Augen Gold has completed 23 drill holes at the Jerome mine site, for a total of over 3,000 metres of diamond drilling. This is in addition to the 10,449 metres of drilling in 21 holes completed in 2008.

With a \$2 million program scheduled for the balance of 2010, Augen Gold is ready to proceed with exploration drilling designed to reveal potential new targets. A platform for diamond drilling is currently in place over the largest anomaly. The program will be testing the potential over a 5-kilometre strike length that includes a target north of Trelawney's discovery.

An historical range for the Jerome gold mine was prepared in 1989, which included 523,900 tonnes at 6.86 g/t gold using a 3.94 g/t gold cut-off. Although this is indicative of the potential of the mineralized zones, because it is not NI 43-101 compliant, it cannot be relied upon. Further drilling is needed at the Jerome mine in order to define an NI 43-101 compliant resource, and a scoping study will be required to select appropriate cut-off grades.

Like all junior mining exploration companies, Augen gold's share performance will reflect its drilling success. Positive results over the next few months should spark continued interest in the Company's shares.

Additional information on Augen Gold Inc. is provided on our website: <http://www.eresearch.ca/profile.asp?companyID=534>.

**New eResearch
Material Since
August 16, 2010:**

1. Initiating Reports

[Minaean
International Corp.](#)
08/27/2010

[Reko International
Group Inc.](#)
08/26/2010

**2. Update Reports
and Bulletins**

[Augen Gold Inc.](#)
08/26/2010

[A-Cap Resources
Limited](#)
08/25/2010

[Warnex Inc.](#)
08/20/2010

[Golden Dory
Resources Corp.](#)
08/17/2010

3. Analyst Articles

[Stock Market
Timing](#)
08/24/2010

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

BriefCase

NewsBytes from August 16 – August 30, 2010

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.

Aptilon Corporation (\$0.28 - August 17, 2010; APZ-TSX-V) Aptilon has obtained a \$1,000,000 loan from FIER CPVC-Montreal LP. The 12% demand loan is secured by a lien on Aptilon's accounts receivable, inventory, and certain short-term assets.

Advanced Explorations Inc. (\$0.18 - August 23, 2010; AXI-TSX-V/AE6-Frankfurt) Advanced Explorations has published an update on the Company's recent field programs, the Alaska Iron Sands project, and the due diligence process of the China XinXing Pipes Group, which included a recent visit to the Roche Bay and Tuktu deposits in Nunavut, and meetings with government and the Inuit.

Cadillac Ventures Inc. (\$0.16 - August 24, 2010; CDC-TSX-V) (1) Drilling has commenced on Cadillac Ventures' Thierry Mine project at Pickle Lake, Ontario, for a minimum of 5,000 metres. The program will target three areas: (1) Drill testing the "tooth" area at depth (where deep holes encountered mineralization but where a wide gap was left between the holes); (2) step-out drilling to the eastern end of the known mineralization; and (3) a high mag/em anomaly to the southeast of Ponsford Lake.

(2) Cadillac recently completed a prospecting and exploration program, with assay results pending, on the Burnt Hill property, a 51%-owned tungsten tin project that comprises a land area of about 2,000 acres near Fredericton, New Brunswick.

Greenock Resources Inc. (\$0.07 - August 25, 2010; GKR-TSX-V) Positive discussion has been ongoing between Greenock's wholly-owned subsidiary PTM Minerals (Cayman) with its joint-venture partner Gécamines and the Ministry of Mines in the Democratic Republic of Congo, on the development of the Kakanda tailings and hardrock concessions in the DRC. Recent talks focused on defining the framework for an agreement for the development of the entire Kakanda project.

Duran Ventures Inc. (\$0.115 - August 26, 2010; DRV-TSX-V) Duran has mobilized a crew to the Ichuna project in the Department of Moquegua in southern Peru to conduct a detailed mapping and sampling program. An extensive geophysical survey by VDG del Peru S.A.C. has been initiated, including 28 line kilometres of induced polarization and 104 line kilometres of magnetic, spectrometry and differential GPS.

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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@ereseach.ca.

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Monthly Top Ten

(Includes reports and articles only)

The top ten downloads from www.ereseach.ca since August 2, 2010:

1. Burcon NutraScience Corporation, **StockPotentials**, July 29
2. InvestmentU, Analyst Article, Soaring Wheat Prices, August 12
3. Warnex Inc., **StockPotentials** Perspective, August 20
4. OB-Research, Gold Article, August 13
5. Potash Corp. of Saskatchewan, **Technicalities** Update, August 12
6. Sea Breeze Power Corp., Perspective, August 3
7. OB-Research, Jaguar Mining, August 16
8. Antioquia Gold Inc., Perspective, August 13
9. Aptilon Corporation, **StockPotentials**, August 10
10. Golden Dory Resources Corp., Perspective, August 17

Bi-Weekly Top Five

(Includes reports and articles only)

The top five downloads from www.ereseach.ca since August 16, 2010

1. Warnex Inc., **StockPotentials** Perspective, August 20
2. Golden Dory Resources Corp., Perspective, August 17
3. Augen Gold Corp., Perspective, August 26
4. TheMAC Resources Group Limited, August 13
5. A-Cap Resources Limited, Perspective, August 25