

September 20, 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

For those of our readers who enjoy our newsletters, articles, and research reports, we would love to hear from you.

Also, if you like what you read, we would appreciate it if you would pass on the availability of our service to your friends.

On our [www.eresearch.ca](http://www.eresearch.ca) website, our Research is FREE to anyone who subscribes. All that is needed is a name and an e-mail address.

Also, **Opportunity Knocks:** In our Capital Raise Division and in our Business Development Group. See Page 4.

## Topic: Silver Threads Among The Gold

Our Topic last week was entitled "Silver Lining" and, even after expropriating the Stock-of-the-Week page to satisfy its length, we still were not able to include all of the information on the price of silver that we wanted to. So, we are continuing the discussion in the same "vein".

This week we present two charts. The first shows the trend in the prices of silver and gold since they were correlated to 1.00x at the bottom of the market decline in March 2009. For the most part, silver has performed better than gold. The latest correlated index numbers are 1.56 for silver and 1.36 for gold.



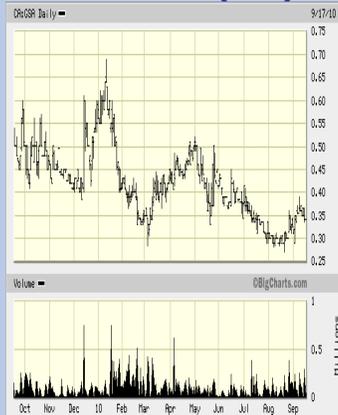
The second chart shows the absolute correlation of the prices of silver and gold, that is, the ratio of the actual price of gold divided by the actual price of silver. As at September 17, 2010, the ratio is 61.46x. The historical average ratio is approximately 60.00x, so it seems that the price of silver relative to the price of gold currently is not out-of-balance.



**Bob Weir,** CFA, Managing Director, Research Services

## Quick Facts

### One Year Chart (GSA)



Source: [www.bigcharts.com](http://www.bigcharts.com)

**Price (Sep. 17/10):**

**\$0.34**

**52-Week High-Low:**

**\$0.69 - \$0.27**

**Average Daily Volume:**

**50-day: 98,300**

**200-day: 114,500**

**Shares Outstanding:**

**68.74 million**

**Market Capitalization:**

**\$23.37 million**

**Year-End:**

**April 30**

**Symbol: TSX-V: GSA**

**Website:**

[www.groundstarresources.com](http://www.groundstarresources.com)

## Stock-of-the-Week

### Groundstar Resources Limited (GSA: TSX-V)

Groundstar Resources Limited is a Calgary-based junior oil and gas company actively pursuing international exploration and production opportunities.

The Company currently has interests in several prospective oil and gas properties in the Middle East (Iraq), North Africa (Egypt), and South America (Guyana).

Groundstar acquires prospective oil and gas properties that major oil companies, in the course of exploring large tracts of international acreage, frequently choose to ignore or abandon due to the small size of discoveries or special infrastructure requirements. By employing careful due diligence, planning and local intelligence, Groundstar believes it can acquire and transform such prospects into economical and profitable developments. Preference is given to acquiring properties with low- to medium-risk drilling prospects with near-term "on-stream" characteristics to generate cash flow. Funding to cover exploration and drilling costs is arranged through farm-in arrangements with other oil & gas exploration companies which sometimes act as operators.

Groundstar's three key projects include: (1) the Qara Dagh-1 well in the Kurdistan region of Iraq (6% interest); (2) the West Kom Ombo Block in Upper Egypt (70% interest); and (3) the Apoteri K2 well in Guyana (10% interest).

All three of Groundstar's exploration interests are focused on high-impact light oil potential. The Qara Dagh Block in Kurdistan, with a total of seven prospective formations, is estimated to contain 450 million barrels of ultimately recoverable oil. The West Kom Ombo Block could hold an estimated 570 million barrels of recoverable reserves. The Company's Takutu exploration block in Guyana has been estimated to hold a gross mean recoverable reserve of 127 million barrels.

The current exploratory drilling on these blocks in which Groundstar holds an interest are all located in direct proximity to earlier discovery wells, thus enhancing the probability of success.

Additional information on Groundstar Resources Limited is provided on our website:

<http://www.eresearch.ca/profile.asp?companyID=565>

**New eResearch  
Material Since  
September 13, 2010:**

**1. Initiating Reports**

[Stellar  
Biotechnologies  
Inc.](#)  
**09/13/2010**

**2. Update Reports  
and Bulletins**

[SLAM Exploration](#)  
**09/16/2010**

[Cardia Bioplastics](#)  
**09/16/2010**

[Groundstar  
Resources](#)  
**09/14/2010**

[Augen Gold Corp.](#)  
**09/14/2010**

**3. Analyst Articles**

[Stock Market  
Timing](#)  
**09/14/2010**

[Business Insider  
Market Zooming](#)  
**09/14/2010**

In addition to these reports and articles, our full complement of research is available at [www.eresearch.ca](http://www.eresearch.ca)

**BriefCase**

**NewsBytes from September 13 – September 17, 2010**

Additional information on the companies featured in NewsBytes may be found at [www.sedar.com](http://www.sedar.com), and at [www.eresearch.ca](http://www.eresearch.ca).

For the latest eResearch publications, see sidebar opposite.

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**Integrated Asset Management Corp. (\$0.55 - September 14, 2010; IAM-TSX) ....** IAM and its private corporate debt group, Integrated Private Debt Corp. (IPD), have closed a \$90 million senior term loan to Enwave Energy Corporation. The loan is structured in two tranches, with a 35-year \$85 million tranche, and a 10-year \$5 million tranche. The 35-year term tranche was provided by Sun Life Financial, under a continuing relationship with IPD.

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**Duran Ventures Inc. (\$0.115 - September 14, 2010; DRV-TSX-V) ....** Duran Ventures has initiated exploration activity at the Corongo project in Ancash, Peru. The project is about 400 kilometres north of Lima, and 5-10 kilometres northwest of Duran's flagship Aguila porphyry copper-molybdenum project.

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**Advanced Explorations Inc. (\$0.225 - September 14, 2010; AXI-TSX-V/AE6-Frankfurt) ....** Advanced Explorations announced encouraging iron results on two of its recent property acquisitions. Banded iron formation (BIF), exposed about 25 kilometres southwest of the Roche Bay C-Zone (Nunavut), returned a spot analysis of 61.3% Fe<sub>2</sub>O<sub>3</sub> (42.9% Fe), with no significant deleterious elements present. On claims 40 kilometres to the west of Tuktu, spot sampling of a massive magnetite-rich zone averaged 52.6% Fe<sub>2</sub>O<sub>3</sub> (36.8% Fe). The Company has now delineated BIF extending over 100 kilometres of strike on the eastern coast of the Melville peninsula in Nunavut.

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**Aberdeen International Inc. (\$0.46 - September 15, 2010; AAB-TSX) ....** Aberdeen has announced financial results for the second fiscal quarter of 2011, ended July 31, 2010. At that date, shareholders' equity (or net asset value) was \$98.0 million, or \$1.12 per share. This was a reduction of \$5.0 million from \$104 million at the end of the first fiscal quarter of 2011, as a result of the difficult market conditions for small-cap stocks. Small caps comprise much of Aberdeen International's portfolio. Since the end of the quarter, however, many of the Company's largest holdings have rebounded.

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**Cadillac Ventures Inc. (\$0.21 - September 16, 2010; CDC-TSX) ....** Cadillac Ventures has published results from its recently completed prospecting and exploration program at the Burnt Hill property near Boisetown, New Brunswick. The 51%-owned tungsten and tin project consists of 661 claims under one claim group over 10,576 hectares. Results of the 40 samples at the Tin Hill area (proximal to the historic Burnt Hill mine) are tabled in the Company's September 16, 2010 news release, along with results from the McLean Brook and 2 ½ Mile Brook showings. Cadillac Ventures will undertake a modest program in the fall of 2010 to determine the extent of surface mineralization and the relationship between McLean Brook and Burnt Hill, if any.

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## Opportunity Knocks

### 1. Capital-Raise Executive

Do you know the Street? We require an executive to assist us in raising capital for our Covered Companies. We have the product; we just need to place it.

### 2. Business Development

We are interested in adding one or two additional business development people to our team. Anyone with a penchant for sales, please consider us.

### 3. Contact

If you are interested in becoming part of our team, in either our Capital Services Division, or as part of our Business Development Group, please contact Bob Weir at: [bweir@eresearch.ca](mailto:bweir@eresearch.ca).

"Research is the  
bedrock underpinning  
all capital markets"

## Monthly Top Ten

(Includes reports and articles only)

The top ten downloads from [www.eresearch.ca](http://www.eresearch.ca) since August 23, 2010:

1. Business Insider, Market Is Zooming, September 14
2. Stroud Resources Ltd., Update Report, August 31
3. Warnex Inc., **StockPotentials** Perspective, August 2
4. OneMove Technologies Inc., **StockPotentials**, September 2
5. SLAM Exploration Ltd., Perspective, September 16
6. Clearford Industries Inc., **StockPotentials**, September 10
7. Money Morning, Invest In Canada, September 10
8. Botswana Metals Limited, Perspective, September 3
9. Augen Gold Corp., Perspective, August 26
10. Minaean International Corp., **StockPotentials**, August 27

## Bi-Weekly Top Five

(Includes reports and articles only)

The top five downloads from [www.eresearch.ca](http://www.eresearch.ca) since September 6, 2010

1. SLAM Exploration Ltd., Perspective, September 16
2. Clearford Industries Inc., **StockPotentials**, September 10
3. Stroud Resources Ltd., Update Report, August 31
4. Groundstar Resources Limited, Perspective, September 14
5. Nortec Minerals Corp., Perspective, September 9