

JAY'S WATCH LIST



April 26, 2010

"In Our Sights"

Jay Taylor is one of the most respected, independent analysts in the North American mining and energy sectors. His Watchlist, www.jayswatchlist.com, identifies publicly-traded, resource and technology companies believed to represent the potential for significant share appreciation. Comments and questions can be forwarded to "jays.watchlist@gmail.com"

[Listen](#) to Jay Taylor interview our family of companies.

March 16th show featured [Midlands Minerals Corporation](#)

March 23rd show featured [Acro Energy Technologies Corp.](#)

and

[Ashburton Ventures Incorporated](#)

March 30th show featured [TNR Gold Corp.](#)

April 13th show featured [Sphere Resources Inc.](#) and [Klondex Mines Ltd.](#)

Public Appearances by Jay Taylor:

[New York Hard Assets Investment Conf.](#)

May 10-11, 2010
New York, New York

[World Resource Investment Conference](#)

June 6-7, 2010
Vancouver, BC Canada

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Special Feature:



Acro Energy Technologies Corp. TSX: ART

Interview with **Harry Flaming**, Chief Executive Officer, Director of Acro Energy Technologies Corp. on Jay Taylor's Radio Show, **"Turning Hard Times Into Good Times"**.

The original radio interview with Harry Flaming (HF), Chief Executive Officer and Director of Acro Energy Technologies Corp. took place Tuesday, March 23, 2010. Host: Jay Taylor (JT) and can be found at www.jayswatchlist.com. Excerpts from the interview are below.

(JT) I'm your host Jay Taylor and I am really happy to be with Harry Flaming, CEO of Acro Energy. This is a company equipping homes, primarily California, with solar energy. Of course that is all the rage these days, a real green movement, people wanting to harness the energy from the sun and other natural sources of energy. Acro Energy is actually a company that I did slip into my newsletter back in, basically, I think it was back in 2009, towards the end of the year. We've done pretty well with that. It's up about 59% since then, so it is something that our subscribers have done fairly well with but we wanna see where we're going from here.

Harry Flaming is a founder of Acro Energy Technologies Corp. which is headquartered in Huston, Texas. Flaming recognized the opportunity to streamline and consolidate solar system integrators, initially in residential markets in the United States. Acro commenced trading on Toronto Stock Exchange on February 24th of 2009 and it trades under the symbol of ART. Welcome Harry to *Turning Hard Times into Good Times*.

(JT) All right, so you did show a bit of a loss last year. What where you in terms of cash flow? Were you cash flow positive, at least last year?

(HF) No, no. In the first year we were really on limited funding of about 3 million dollars. We acquired three companies, northern California, the Bay area, and southern California in the LA area, so we really just utilized our funds to acquire and integrate these three companies.

(JT) Ok, what sort of revenues do you expect? I mean you had some time on your belt so far this year. How have the sales been going recently? We hear about struggling home owners and California being in such dire straights as a state, you know, are people being able to finance these solar units now?

(HF) Yeah, and if you look at, these aren't tree huggers. Just like we are in solar business, so is the home owner and they only put these systems on when it makes sense financially. And what really has turned the corner for most home owners, the ones that they don't have cash, we now have a partner that offers a 100% financing. So we can literally walk into the house and say to the home owners 'tomorrow you can start savings between 15 and 20% on your electric bill. You don't have to put a dime down and in 18 years you will own the system'. So if you think about that type of metric, it is really hard to walk out of that house without the sale. Why would someone not buy it? And really it's a bright down of about 16%. We will take that deal and they do the lease. The other 40%, they have cash and they want to get all the savings right away.

(JT) Ok, so if somebody can then it takes, you know has the ability to finance it themselves and they can get a lot bigger break on their energy bills?

(HF) Yes, and with the rebate you can look at a 4 to 6 years payback on the system that's warranty for 25 years and certainly last a lot longer than that. And, they certainly work longer than that. There are still working in space from the 60s on satellites right now. So, there is a slight degradation as you move throughout the years. Maybe it is running at 90% capacity instead of a 100 today but there are no moving parts, so there is not a lot to break down.

(JT) Well, what you're doing now, you guys actually go in and build these units in the houses?

(HF) Right. We install them. We design them and install them.

(JT) Ok, isn't it pretty competitive market place for what you do?

(HF) Yes, in California, which has probably 80% of the US markets, there are 750 installers. And during months of December, January, February we were about either number 3, 4, 5 each month, as far as sales of these systems, so we moved up that ladder very, very quickly.

(JT) What is the market, what is the size of the market in California now, for what you are doing?

(HF) In residential it's...the numbers for '09 were slightly higher than '08, despite the meltdown however it was around 800 million is for residential market and they are forecasting to be almost double in 2010. That's just California. The US market will exceed the billion dollars easily in 2010.

(JT) Ok, will this technology work in mid-western state like Ohio?

(HF) Yes, that's a great question because there is a tremendous amount of activity in the north east. And you know, they have long, hard winters up there. But the reason is these systems will work on cloudy days. They just don't work as well. In winter you just got to wipe the snow off, just get a squeegee wipe the snow off. Yeah, they work anywhere. They are more effective, obviously, in the sunshine states but here is the difference. You can go to the state city like Chicago that might have 1,600 hours of sunlight, usable sunlight per year. Then come down to Huston where we have 2,000 hours, then parts of Arizona, could be up to 2,200 hours but you can see, they all on in the same range, so it is viable everywhere, it's just, it comes down to the economics.

(JT) So you might get payback more quickly in Arizona?

(HF) That's exactly the answer. Right now we are in the process of getting our contractors license in Arizona and the issue is, do we open organically or do we acquire a small company there. Then, we're also in negotiations with several companies on the east coast. So there is a lot of good markets. I think Arizona is number two to California, then Colorado has a good market and there are some good pockets in New Jersey, Pennsylvania and New York that are very interesting to us.

(JT) Wow, that's terrific. Where can people find out more about your company? What's your website?

(HF) The website is www.acroenergy.com and it actually has a slide show under investor relations that give our forecast for 2010 and 2011. Our pro forma for 2010 shows that we go from 8-9 million last year to 24 million and part of the reason for that is we bought these companies at different times of the year. For example, one we closed at the end of the year, so there is almost no revenues there. And if you look at the first quarter, traditionally, at the first quarter you will do around 15% of your annual sales. So, based what we are seeing here, the 24 million pro forma is dead on.

(JT) Bottom line profits?

(HF) I think on 24 million we expect to do between 3 and 4 million EBITDA and 2011, you know, and these are based on organic growth. When we have acquisitions, for example, one company we are talking to, it has 30 million of revenues. It completely changes the nature but we did not build those in there.

(JT) Ok, so what about 2011 for your EBITDA?

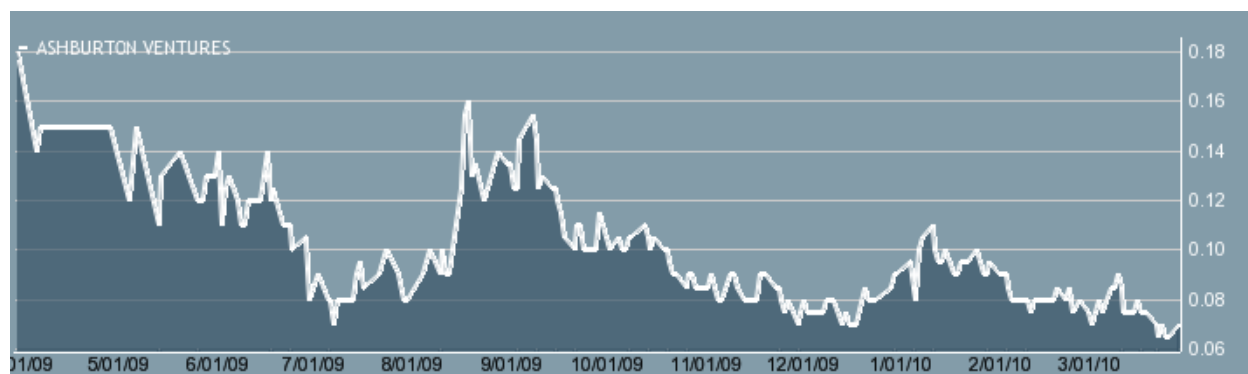
(HF) 2011 we are expecting that we can take the organic growth from 24 million up to 35 to 40 million with an 8 million dollar EBITDA bottom line.

(JT) Well, that's fascinating and fantastic. Harry, thank you very much for your insights and for your sharing your company story with our listeners. We are out of time. We will have you back again some time in the not too distant future to talk about your company's progress.

(HF) We appreciate it Jay, thank you very much.

Ashburton Ventures Inc.

"Interesting Properties at a Bargain Basement Price"



Source: w3.nbdb.ca

Business: Gold exploration in the Yukon and Ontario, Canada as well as Nevada.

| | |
|-----------------------------|--|
| Traded on TSX: | ABR |
| Shares outstanding: | 32.84M |
| Share price Apr 15th, 2010: | CDN\$0.065 |
| Market capitalization: | CDN\$2,130,000 |
| Telephone number: | 604-683-3995 |
| Web site: | www.ashburtonventures.com |

Ashburton Ventures Inc. (ABR) is a junior exploration company headquartered in Vancouver, British Columbia. It trades on the Toronto Stock Exchange under the symbol "ABR." ABR is engaged in the exploration of various minerals over a half-dozen properties, its lead project being the Yukon River gold property in the White River district of Canada's Yukon Territory.

Projects

White Gold Project - River AU Prospect, Yukon

This property is comprised of a group of 21 quartz claims located in the White Gold District of the Yukon. There have been encouraging things coming out of this area recently. The property is actually immediately north of Underworld Resources' site which identified an over 1M ounce 43-101 gold discovery.

On January 7, 2010, ABR announced the results from the second phase of its sampling program this past summer 09 on their 100% owned River Au prospect. A second phase of soil sampling at the River Au prospect by the Aurora crew tripled the sampling density to 50-meter centers on lines spaced 100 meters apart in the areas of the earlier anomalies. The in-fill sampling detected several new anomalies ranging up to 95 and 150 ppb Au and expanded the anomalous area to the north and south. A trend of gold anomalies ranging from 25 to 150 ppb Au has now been detected on most of ten parallel lines across some 1,100 meters of northerly slope. Individual lines have gold anomalies across as much as 150 meters of sampling, suggesting that multiple structures may be responsible for the soil anomalies.

Work on the Ashburton ground is being directed by David Hedderly-Smith, Ph.D.; P.G. Dr. Hedderly-Smith has done work in similarly aged rocks in east central Alaska, 100 kilometres to the northwest, off and on since the 1970s, and is a Qualified Person as defined by National Instrument 43-101. ABR has ABR plans to use this analysis to direct further investigation in the coming months using a combination of trenching and drilling.

There are a number of advantages to the trenching method ABR will be using to refine their exploration. The trenching method has been proven effective in this area by Underworld and ABR plans to take a similar track, but with a more aggressive pace. It is also a relatively inexpensive program to run with their summer 2010 program anticipated to cost only \$0.4 – \$0.5 million according to David Hedderly-Smith in his recent interview with Jay.

OG Property (Qualifying Transaction)

In September, 2009, ABR pulled out of its option with Full Metal Minerals to acquire 60% of the OG property located in the Yukon. In consideration of the monies owed to Full Metal Minerals for the work program conducted on the OG property, ABR issued to Full Metal Minerals 3,000,000 shares plus paid \$100,000. As a result of this announcement as at January 31, 2010, ABR provided for an impairment charge of \$1,279,274 relating to the OG property.

Chukuni Property, Ontario

On March 23, 2009, ABR and Solitaire Minerals Corp (“Solitaire”) (SLT-TSX:V) entered into an option agreement where ABR could obtain a 60% interest in the Chukuni Property in the Red Lake Mining District of Ontario. Ashburton identified five potential drill targets based on coincident chargeability/resistivity anomalies identified from an induced polarization survey of the property. The potential targets include chargeable/resistive zones in the interpreted fold nose of the Howey Diorite, the Diorite/Mafic Volcanic contact plus sulphide bearing zones within the Mafic Volcanic unit to the north of the Howey Intrusive. ABR is pushing ahead with a 1,000 meter drill program on its Chukuni Property situated in the Red Lake Gold Camp, Ontario. Drilling began on February 23, 2010. Ashburton Ventures has an option agreement with Solitaire Minerals to acquire a 60-per-cent interest in the Chukuni Property.

Bullion Hills Gold Property, Alaska

ABR acquired an option to earn a 100% interest in the Bullion Hills gold property in the Tintina Gold Belt of Alaska in June, 2009. Under the terms of the option, Ashburton will make cumulative cash payments totalling \$255,000 USD and issue 220,000 common shares. Phase one drilling of approximately 620 meters (2000 feet) of HQ core started soon after. Drill targets were selected based on historic surface sampling geochemical results. The primary target was designed to test the “Two Bit Granitic Pluton” which is exposed on the property. Chip sampling across 11 meters (36 feet) of exposed bedrock returned 1.05 grams per ton Au, including three (3) meters of 2.54 grams per ton Au. Coarse visible gold could be panned from pulverized quartz veinlets within the granite intrusion and from coarse residual soil (grus) lying directly on top of the intrusion. The secondary targets are high-grade quartz veins and stock works within the metasediments. Surface samples of float and rubble have returned gold values up to 29 grams per ton. This program was under the supervision of ABR’s director and qualified person as defined by National Instrument 43-101, Marvin Mitchell, P. Eng. Drilling tested a granitic pluton exposed on the property, and adjacent metasediments. Eight holes totalling 440 meters were drilled to a maximum length of 90 meters (300 feet), and assayed for Au at roughly 1.5-meter intervals. Values up to 0.60 g/t Au were obtained in the pluton with similar values obtained in the metasediments, with the largest interval being 2.2 g/t Au over meters.

Churchill and Pershing Counties, Nevada

In August, 2009, Ashburton acquired a 100% interest in 37 mineral claims (“HY” Claims) with known occurrences of lithium bearing springs and clays in Churchill and Pershing Counties,

Nevada. Under the terms of the agreement, ABR will make cash payments totalling \$100,000, issue 500,000 common shares of Ashburton plus grant a 1% NSR. A finder's fee of 112,500 shares will be paid upon successful transfer of title of the HY Claims. ABR's initial ground program on the "HY" claims indicated that the sampling on the claim block confirmed the lithium anomalies initially detected in the reconnaissance surveys. Four soil auger samples were from areas where anomalous Li was reported from the 1970s sampling program. Lithium contents of these samples range from 320 to 590 ppm Li.

Bonanza, Barkerville

This past October, Ashburton announced an agreement to acquire 5 mining claims comprising over 2100 hectares adjacent to the International Wayside Gold Mines Ltd. property which was the site of the discovery hole announced on October 7, 2009 by International Wayside Gold Mines Ltd.

The terms of the agreement are a cash payment of \$20,000 upon signing, the issuance of 750,000 shares of Ashburton upon TSX Venture Exchange approval plus a 2% NSR of which 1% can be purchased for \$1 million. ABR has also committed to spend \$25,000 on exploration prior to July 1, 2010. The claims are located to the north of, and adjacent to, the property in the Bonanza Ledge Zone owned by International Wayside Gold Mines Ltd., near the historic town of Barkerville, British Columbia, on Barkerville Mountain.

Deep Creek, Nevada

On December 23, 2009, the Company acquired the Deep Creek Property in northern Nevada. The Deep Creek claims are located approximately 112 kilometers north of Elko, Nevada, and 56 kilometers northeast of the Newmont-owned Midas mine, in the Independence segment of the prolific Carlin gold trend. To earn 100% of Deep Creek, Ashburton will make cash payments totaling \$155,000 USD, issue 500,000 common shares, and spend \$135,000 USD over the 4 year term. A 2.5% NSR applies with 1.5% purchasable by the Company for \$2,000,000 USD. On January 25, 2010, ABR announced work had commenced on the Deep Creek Property. A more extensive geochemical sampling program began immediately, with up to 1,200 meters (4,000 feet) of drilling to be implemented in 2Q 2010. Drill hole selection will incorporate the new geochemical data, as well as confirm assay results of historical (non-NI 43-101 compliant) drilling. In particular, drilling across the range front structure, where most of the known mineralization occurs, will take precedence.

Teels Marsh, Nevada

In early November 2009, ABR got involved with the "Teels" Lithium prospect located at Teels Marsh, Mineral County, Nevada, approximately 54 miles northwest of Clayton Valley. The prospect comprises 123 Placer claims (2,460 acres – 3.8 square miles) which cover approximately the west 2/3 of the Teels Marsh, a closed, desert basin.

In January, 2010, the results from an initial ground program were encouraging. The samples were collected from springs near the edge of the playa and are interpreted to reflect Li input into the playa from the hills to the northwest. The hills are largely underlain by Tertiary volcanic rocks and Cretaceous granodiorite, either of which could be source rocks for lithium-bearing brines at depth in the playa.

ABR has since entered into an option agreement to allow First Lithium Resources Inc. to earn an 80% interest in the Teels Lithium prospect. In order to maintain the option in good standing and to earn an 80% interest in the property, First Lithium Resources will make a mixture of cash

payments totaling \$75,000 and issuing a total of 1,250,000 common shares, as well as incur exploration expenditures of \$450,000 all spread over the 3 years following the deal.

Financing

ABR looks on track for their exploration efforts in the coming months after just announcing the closing of a non-brokered private placement that saw them issue 9,646,667 shares at a price of \$0.06 per share for gross proceeds of \$578,800 with matching warrants/share giving the right to buy an additional share at \$0.10 in the next two years.

Derivatives

One of the great stories in the news recently concerned Encana (TSX:ECA). Encana is a significantly large company. It is a well established landmark in the Canadian market and known for its skilled management. So, where there are lessons to be learned from the majors, let's learn them.

On April 21st, Encana reported that it had been successful in shielding its bottom line from the impact of low commodity prices through hedging contracts that allowed it to forward sell its production throughout the year. This single action played a huge role in the three-fold growth in Q1 profit booking almost \$912 million in unrealized gains.

How could that apply to a junior company?

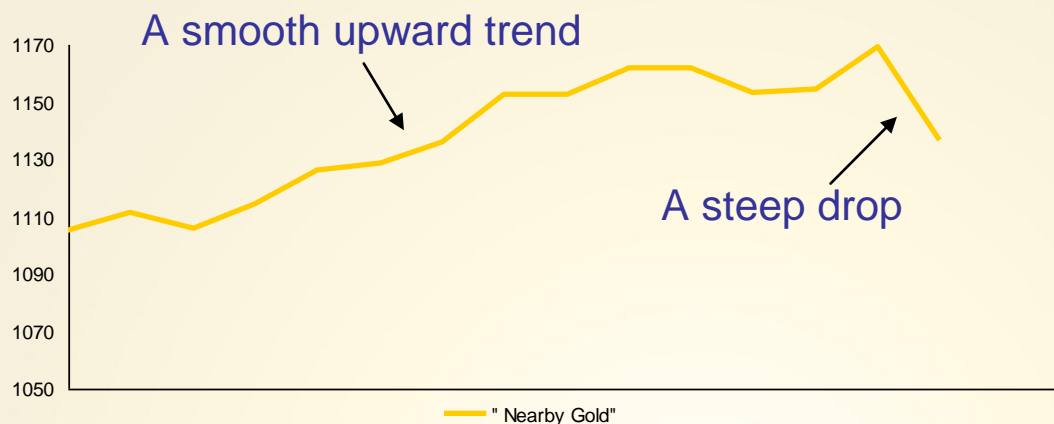
Hedging assumes the asset is owned. In this case, Encana offered the market an opportunity to buy product at an agreed upon price in the future. In doing so, Encana could lock in its profit at a fixed price even though the spot price of the production continued to decline. Juniors without production could have duplicated this strategy using the same techniques. Owning the underlying asset is not a barrier to this type of market trading.

Derivatives are not assets. They are trading positions. As such, they can be customized to suit any market and they can be combined strategically to take advantage of portfolio volatility. While juniors understand their market and production pricing, not all juniors have the expertise or interest in managing this side of the business. Enter partners like the ones we have with Barret Capital Management.

Derivative investing is not for everyone. It does carry risk and requires due diligence from the investor. Before incorporating derivatives in your investment strategies, carefully discuss their application and associated risks with your financial advisor.

In the past week we have seen a steep drop in Gold prices. Though, gold is still an upward channel, the market is volatile...

Is this drop a correction or a new trend?

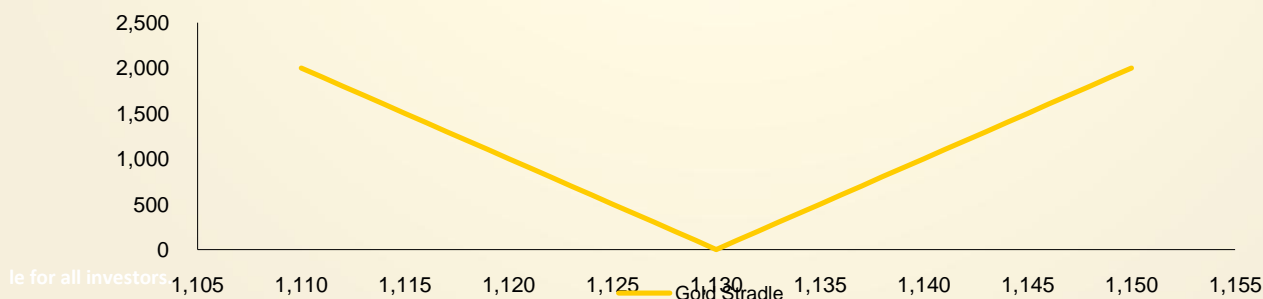


Nearby Gold Futures March 2010 - April 2010, Source: DTN

An effective method to trade this sort of market volatility is by purchasing a **Straddle**.

A Straddle enables the investor to profit from both upward and downward price movements.

Purchasing a straddle involves the purchasing of both a **call option** and a **put option** with the same strike price. The chart shows the Profit and loss scenario for an investor who purchased a **Gold Straddle** at \$1,130/ounce.



Commodities



Company Activities:



North American Gem Inc.

TSX: NAG

North American Gem acquired a fully operational surface coal mine with both minable Blue Gem and Jellico coal seams (North American Gem #2 Mine) located in Knox County, Kentucky. NAG has also reached an agreement to enter into a partnership with Kentucky Mine Partners for the mining of NAG's #2 Mine and any newly permitted mines in the state of Kentucky.

The company also has finalized the acquisition of an additional 650 acre multi-seam coal lease in Knox County, Kentucky which will be known as the Gilliam Hill Lease. This lease is immediately adjacent to the North American Gem #2 Mine and also contains the readily marketable Blue Gem coal throughout the entire lease area with an average seam thickness of 2 feet. In addition to the Blue Gem seam, the Jellico and Dean seams have been confirmed on the lease as well.

NAG has made plans to begin drilling on the newly acquired lease in the next 90 days and will verify the seam thickness and quality of the coal in all 3 known seams.

Production continues at North American Gem #1 Mine with shipments of coal being sent to market daily. At the current rate of production NAG is currently on pace to produce and sell approximately 8,000 tons of coal per month with the ability to further increase production.



Midlands Minerals Corp.

TSX: MEX

Midlands Minerals' President and CEO, Kim Harris was [featured](#) on CEO Clips, a series of 2-minute profiles on Canadian companies on the Biography Channel.

The company has retained the services of Geotech Airborne Limited S.A. to conduct a VTEM Airborne Survey over Sian and Praso on the Ashanti Gold Belt, and on the Company's Kaniago project on the Asankrangwa Gold Belt.

In addition, Midlands appointed Dr. Derek McBride, P.Eng., a highly seasoned professional with a history of gold discovery, to the position of Vice President, Exploration. Derek is a Professional Engineer whose international experience covers all facets of mineral exploration and is a Qualified Person within the meaning of National Instrument 43-101.



Ashburton Ventures Inc.
TSX: ABR.V

Ashburton has expanded its Deep Creek property southward and has received positive results for its first phase of geologic mapping and sampling at the property, which encompasses 324 hectares (800 acres) located approximately 112 kilometers north of Elko, Nevada and 56 kilometers northeast of the Newmont-owned Midas mine in the Independence segment of the prolific Carlin gold trend.

In addition, the Company announced the closing of its private placement; the Company issued 9,646,667 units at a price of \$0.06 per Unit for gross proceeds of \$578,800. Each Unit is comprised of one common share of the Company and one common share purchase warrant. Warrant will entitle the holder to purchase one Share of the Company for a period of two years from the date of issuance at a price of \$0.10 per Share.



Klondex Mines Ltd.
TSX: KDX.TO

KDX was featured on Greg McCoach's March 2010 newsletter. He added this company to his "top 10" list. Revenue from the bulk sampling program did it for him. [Click Here](#) to see the full article.



TNR Gold Corp.
TSX: TNR

TNR Gold Corp. has entered into a letter agreement with Cricket Capital Corp. on the Company's 100% owned Forgan Lake property located 125km northeast of Thunder Bay, Ontario

In addition, the Company has commenced drilling at the Mariana Lithium brine project in Argentina, and it has increased its land position in Nevada to 5,285 hectares through staking and has commenced a geophysical program on its Mud Lake project, Nye County, Nevada.

The Company proposed to waive the production of a feasibility study and exercise its right to acquire 25% of the northern half of the properties for Minera Andes' Los Azules Project in Argentina.

TNR established June 8, 2010 as a date of the meeting date for shareholder approval of the previously announced spin-out of TNR's lithium and rare metals assets into its wholly-owned subsidiary, International Lithium Corp. TNR shareholders of record on the date of the spinout, planned for late June or early July, will receive one share and one fully tradable warrant of Int'l Lithium Corp. for every 4 shares of TNR.



Antioquia Gold Inc.
TSX: AGD

Antioquia has begun a 10,000 meter Phase 2 drill program at its Cisneros Project in the Department of Antioquia, Colombia.

A second drill is planned to begin the first week of May 2010. Antioquia plans to complete a total of 10,000 meters of core drilling.

In addition, the Company has granted options to acquire a total of 200,000 common shares of AGD to certain Employees in Colombia and a full-time Consultant, at an exercise price of \$0.34 per share, vesting immediately and expiring if unexercised on April 12, 2013, in accordance with the existing stock option plan.



Yale Resources Ltd.
TSX: YLL

Yale announced the acquisition of a 100% interest in the 1,630 hectare (or 16.3 square kilometre) Los Amoles Property, located approximately 150 kilometres northeast of the Hermosillo, Sonora State, Mexico. The property is approximately 10 kilometres northeast of the La Caridad Mine, operated by Grupo Mexico, which is one of the largest mining and processing complexes in Mexico.

The initial field program -- consisting of only 25 samples -- concentrated within the Mina Rosales area, which measures approximately 3.0 kilometres by 1.1 kilometres and contains greater than 30 historic workings. Yale personnel sampled mineralized dumps from 16 workings within an area measuring 1.0 by 2.5 kilometres.

Many of Sonora's most significant porphyry deposits are located within 70 km of the Los Amoles property. Yale's interpretation is that the Rosales area represents silver-lead +/- gold, +/- copper/zinc veins that are distal to a porphyry system.



Geo Minerals Ltd.
TSX: GM

GEO arranged a non-brokered private placement of up to ten million units at a price of \$0.10 cents per unit for gross proceeds of up to \$700,000. The proceeds from the private placement will be used to advance the Company's Silver Bell West and Copper Springs properties as well as for general working capital.

The Silver Bell West property is located in the historic Silver Bell District, which has produced more than 176 Mt at an average grade of 0.63% copper from skarn, secondary enrichment blankets, and oxide copper deposits associated with a Laramide porphyry copper system, and had 1990 reserves of 185 Mt at 0.61% copper.

Coral Gold Resources Ltd.
TSX: CLH.V



Coral Gold has closed the first tranche of a non-brokered private placement with gross proceeds of \$2,884,815.90 from the sale of 5,245,120 units at a price of \$0.55 per unit. Each Unit is comprised of one common share and one non-transferrable share purchase warrant. Each Warrant entitles the holder to purchase one additional common share at a price of \$0.75 with a term of two years until April 1, 2012. The common shares issued, and any common shares issued pursuant to the exercise of Warrant prior to August 2, 2010 will be restricted from trading until August 2, 2010.

Sphere Resources Inc.
TSX: SPH-H.V.



Sphere has entered into an option agreement with Duncan Park Holdings Corporation with respect to 13 unpatented mining claims covering 34 units in the Dome, Byshe and Hyeson Townships in Ontario's Red Lake Gold District.

In addition, The Company has appointed Christopher Tucker to fill the vacancy created by Mr. Jacobs' resignation. Mr. Tucker brings a wealth of experience to the Board in the areas of finance and international business development. Follow this in an interview with Jay, from 13 April.

First Lithium Resources Inc.
TSX: MCI



First Lithium has filed a work permit application for a proposed seven hole drill program on the Company's 256 ha Godslith claim in north-east Manitoba.

The Godslith pegmatite has a non-NI43-101 compliant historical resource of "4.8 million tons of 1.27% Li₂O over 36.2 feet using a cut-off grade of 0.70% Li₂O". Probable resources have been estimated to be "4.6 million tons grading 1.14% Li₂O". The deposit is open at depth along the entirety of its more than 2300 m strike length.

The diamond drill program has been designed to assess the extent of the lithium-bearing pegmatite dyke at depth and for the potential for associated rare and precious metal mineralization.



High River Gold Mines Ltd.
TSX: HRG

HRG's 2009 audited financial results (linked below) show cash flow from operations of \$125M. This is comprised of approx. \$29M in cash flow for Q1, \$22M for Q2, \$33M for Q3 and \$41M for Q4. HRG had EPS of almost \$.05 in Q4. The company ended the year with 81.2M in cash and equivalents - almost matching its \$84M of debt. In addition, HRG's third party investments currently stand at \$65.5M. At the current market cap of \$631M, HRG is trading at 3.9 times annualized Q4 cash flow. The Olma Investment report shows a new target price of \$2.53/share – an upside potential of 224%. Nicolai Zelensky, CEO of the gold division, recently stated in a Bloomberg article that Severstal Gold is worth a similar value to OAO Polymetal. Polymetal's market cap is \$4.2B. Since HRG makes up 57% of total Severstal Gold production, this could suggest that HRG's value is \$2.4B or \$2.99/share.

Investors are waiting to see if Severstal will buy back Troika's 150M shares. Severstal had leaked to the media that they may buy back these shares at double the investment price or \$.76. If Severstal Gold does intend to do an IPO, it makes sense for them to move to 70% ownership of HRG by buying these shares back. However, as we have not had any updates, perhaps Troika has decided to hold long term due to HRG's financial success. Either way, investors are eagerly waiting for a statement on this topic as the uncertainty of the potential transfer price could be holding the share price down.

Once investors see a strong signal that HRG and Severstal management will promote this story, there should be strong demand for the shares with few sellers. This statement below extracted from the HRG 2009 MD&A is management's most positive statement yet:

Outlook

At the end of the year, the restructuring is mostly complete. The Company has cash in the bank and debt has been reduced to manageable levels, resulting in a stronger balance sheet. After making some necessary and sometimes painful adjustments, management believe that the restructuring was a success and that High River is positioned to benefit in 2010."

Good news soon?

1. Q1 results should be reported on May 15th with significant cash flow and a net profit.
2. News on the production tests for the Royal Gold loan

should be out soon. If HRG passes the tests, then the third party investments of \$65.5M are released as collateral.

3. The Bissa feasibility study (Burkina Faso) is due prior to June 30th - with multi million ounce potential.



Paramount Gold and Silver Corporation
TSX: PZG

Paramount Gold-Resource definition drilling is progressing successfully on a bulk-mineable gold target discovered by Paramount last December in the south San Francisco area of the San Miguel Project. A second bulk-mineable target has also been discovered in the north San Francisco area, generating some unusually high assay results.

"In Our Sights" is a twice-monthly summary of company and project updates. For further details, write-ups, and audio/video interviews relating to these companies by Jay Taylor Media, visit our website: www.jayswatchlist.com.

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