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NICKEL AND COPPER --- EVALUATION AND COMPARISON OF DULUTH COMPLEX NICKEL, COPPER, COBALT, PLATINUM GROUP AND GOLD

Four publicly traded nonferrous companies active in northeastern Minnesota control the four largest deposits.

We have initiated coverage with Overweight investment ratings for Duluth Metals (DM.TO \$3.04) with a price target of \$10 per share and Polymet (PLM \$4.02) with a price target of \$6 per share.

While the stock market values these companies and deposits at \$1 billion, we value them at \$4 billion @ \$1.00 per pound contained nickel, \$0.10 per pound of copper (Peru Copper June 11, 2007 takeover by Aluminum Company of China) and no value for the other four minerals. We provide "Price and Resource Size Upside" values at \$9 billion applying \$1.75 per pound of nickel and \$0.175 per copper pound.

For simplicity we have ignored another ten mineralizations in the Duluth Complex west of the Midcontinent Rift that have not been measured. Two shafts went down 1,000 and 1,700 feet two generations ago that were capped 25 years ago, and the known resources have been estimated mostly from surface without the underground work so successful for CVRD Inco, Xstrata or FNX Mining. The Duluth mineralogy and geochemistry is identical to Sudbury, Ontario. It is possible that less than half of the ultimate values have been discovered to date from surface.

TeckCominco, Duluth Metals, Polymet and Franconia Minerals control 3.1 billion metric tonnes that contain 9.5 billion pounds of ni, 33.7 billion pounds of cu, 0.74 billion pounds of cobalt and over 24 mm oz of platinum, palladium or gold.

This gross in situ amount represents over 2 years of world nickel or cobalt use, about one year of world demand for copper and maybe one-half year use of the precious metals. The Duluth Complex appears is the world's third largest nickel and one of the larger known occurrences of the other minerals.

Assuming only 75% of each deposit is "mineable" and netting recovery losses, we estimate that the four companies hold 5 billion pounds of payable nickel, 23.1 billion pounds of copper, 0.22 billion pounds of cobalt, 3 mm oz of platinum, 9 mm oz of palladium and 1 mm oz of payable gold.

The stock market has ignored these values to date owing to environmental permitting risk, some lower grades, capital development cost and uncertain startup date visibility. The Duluth Complex may prove more exciting or productive than Congo, Zambia or New Caledonia.

We believe the deposits of TeckCominco and Duluth Metals are most valuable, and that the smaller though still very large deposits of Polymet and Franconia Minerals are a bit more uncertain owing to the environmental demands on Polymet to control acid rock drainage from its pyrrhotite sulphides or Franconia's 60% reliance on the Spruce Road open pit zone that lies very near to the Boundary Waters Wilderness.

DULUTH COMPLEX APPEARS WORTH \$4 TO \$9 BILLION

Our simple evaluation of the four publicly traded companies suggests a district valuation of \$4 billion valuing nickel at \$1.00 and copper at \$0.10 per recoverable pound and deducting needed development investment. The value increases to \$9 billion if the recoverable resource values increase to \$1.75 and \$0.175 per pound, respectively..

We set a price target of \$10 per share or almost a quadruple for Duluth Metals based on such parameters without paying any premium for continuing exploration. We estimated its "East Zone" contains 150 mmt of resources similar to the "West Zone."

We set a price target of \$6 for Polymet, which is three years ahead of the other companies. It possesses a 100,000 ton per day mill, an almost completed environmental impact statement and a much lower capital requirement. It is at least three years ahead of the others.

Insufficient data is available to evaluate Franconia Minerals.

TeckCominco's largest Mesaba deposit enjoyed little work in the past several years. TeckCominco appeared demoralized when Polymet outbid it to win the former Erie Mining mill and infrastructure from Cleveland-Cliffs, which now owns 7% of Polymet.

EARLIER STUDY IN 2002 BY MINNESOTA GEOLOGICAL SURVEY AND UNIV. OF MINNESOTA ESTIMATED A LARGER REGIONAL RESOURCE THAN OUR ESTIMATE

In 2002 the Minnesota Geological Survey and University of Minnesota (Miller, et al. republished by Duluth Metals) estimated a 4.4 billion metric tonne resource among the 13 known deposits averaging 0.66% copper and 0.20% nickel using a cut-off grade of 0.50% copper-equivalent.

This study five years ago did not have the benefit of much recent drilling on the properties of Duluth Metals, Franconia Mineral, or Polymet. Its definition of "resources" did not conform either to US SEC or Canadian NI43-101 standards.

It did evaluate some of the ten deposits outside of the control of the four public companies currently active in the Duluth Complex and discussed in this report. Its analysis suggests that up to 2 billion tonnes of material may exist outside of the control of the four companies with 3.1 billion tonnes of resources discussed in our report.

TABLE 1: SURFACE EXPLORATION "INITIAL STAGE" DEFINES DULUTH COMPLEX AS #3 NICKEL WORLDWIDE

	Resource mmt	ni % mm lbs	cu % mm lbs	co % mm lbs	pt g/t 000 oz	pd g/t 000 oz	au g/t 000 oz
Duluth Metals							
West Zone (Nakomis) Measured and Ind.	346.8	0.204	0.617	0.011	0.138	0.31	0.076
West Zone (Nakomis) Inferred	108.0	0.18	0.645	0.009	0.187	0.413	0.098
East Zone (< 10 holes) our estimate	<u>150.0</u>	<u>0.19</u>	<u>0.62</u>	<u>0.01</u>	<u>0.1</u>	<u>0.2</u>	<u>0.1</u>
In Situ Metal	604.8	2,616.6	8,303.4	138.6	2,670.6	5,855.7	1,670.1
Mineability %		75%	75%	75%	75%	75%	75%
Recovery Rate %		72%	95%	40%	84%	85%	61%
PAYABLE METAL		1,409.04	5,909.93	41.58	1,680.45	3,750.57	767.84
Franconia Minerals							
Birch Lake Inferred Resource	100.4	0.19	0.59	0.01	0.32	0.65	0.14
Maturi Inferred Resource	83.1	0.26	0.7	0.02	0.1	0.26	0.05
Spruce Road almost inferred	<u>236.0</u>	<u>0.15</u>	<u>0.5</u>	<u>0.01</u>	<u>0</u>	<u>0</u>	<u>0</u>
In Situ Metal	419.5	1,677.3	5,189.8	110.8	1,300.3	2,793.1	585.6
Mineability %		75%	75%	75%	75%	75%	75%
Recovery Rate %		70%	90%	40%	70%	70%	40%
PAYABLE METAL		880.59	3,503.12	33.24	682.64	1,466.39	175.67
TeckCominco Mesaba(aka Babbitt)							
Open Pit	861	0.11	0.43	<u>0.01</u>	<u>0</u>	<u>0</u>	<u>0</u>
Underground inferred	400	0.19	0.82	<u>0.02</u>	<u>0</u>	<u>0</u>	<u>0</u>
In Situ Metal		3,763.5	15,393.3	366.2	-	-	-
Mineability %		75%	75%	75%	75%	75%	75%
Recovery Rate %		70%	90%	40%	70%	70%	40%
PAYABLE METAL		1,975.84	10,390.49	109.86	-	-	-
Polymet							
Proven and probable	249.2	0.08	0.28	0.008	0.07	0.237	0.03
Measured and Indicated	329.5	0.077	0.26	0.007	0.07	0.232	0.03
Inferred	228.3	0.079	0.275	0.006	0.08	0.265	0.04
In Situ Metal		1,396.4	4,810.8	125.0	1,889.7	6,301.9	851.8
Mineability %		75%	75%	75%	75%	75%	75%
Recovery Rate %		70%	92%	41%	73%	75%	67%
PAYABLE METAL		733.10	3,330.25	38.15	1,030.34	3,554.27	428.03
		ni mm lbs	cu mm lbs	co mm lbs	pt 000 oz	pd 000 oz	au 000 oz
Four majors In Situ Total (ex-10 smaller)	3,092	9,454	33,697	741	5,860	14,951	3,107
Four Majors Payable Metal Total		4,999	23,134	223	3,393	8,771	1,372

Source: Company Reports; John Tumazos Very Independent Research, LLC Estimates. Underlined italics denote that our estimate has been made prior to a company's measurement of its own mineral. TeckCominco and Franconia Minerals' Spruce Road have minor precious metals that neither have calculated nor measured. This is not a "true global resource" as about 10 known deposits exist outside of the control of these four major public companies.

Table 2: Duluth District Valuation Comparisons Base Case

	Duluth Metals	Franconia Minerals	Polymet	TeckCominco
Ni Value @ \$1.00 per payable lb	1,409	881	733	1,976
Cu Value @ \$0.10 per payable lb	591	350	333	1,039
Add Net Cash	22	20	35	-
Deduct Capital Spending	(616)	(616)	(400)	(1,000)
Deduct Environmental Risk		(739)		
Spruce Road Open Pit				
Subtotal Deposit Value	1,406	(104)	701	2,015
Stock Price	2.75	2	4	
Shares Outstanding F.D.	95.6	66.4	158.8	
Market Capitalization	262.9	132.8	635.2	NM
Mkt Cap Divided by Duluth Complex assets	19%	-128%	91%	NM

Table 3: Duluth District Valuation Comparisons PRICE AND RESOURCE SIZE UPSIDE Case

Ni Value @ \$1.75 per payable lb	2,466	1,541	1,283	3,458
Cu Value @ \$0.175 per payable lb	1,034	613	583	1,818
Add Net Cash	22	20	35	-
Deduct Capital Spending	(616)	(616)	(400)	(1,000)
Deduct Environmental Risk		(1,292)		
Spruce Road Open Pit				
Subtotal Deposit Value	2,906	266	1,501	4,276
Stock Price	2.75	2	4	
Shares Outstanding F.D.	95.6	66.4	158.8	
Market Capitalization	262.9	132.8	635.2	NM
Mkt Cap Divided by Duluth Complex assets	9%	50%	42%	NM

Source: John Tumazos Very Independent Research, LLC Estimates

GREAT SIMILARITY TO SUDBURY, ONTARIO SULPHIDE MINERALS AND GEOCHEMISTRY, THOUGH NO “METEORITIC THEORY” OF GENESIS HERE

We are attracted to the similar mineralogy of ores in northeastern Minnesota to Sudbury, Ontario, which we visited on June 22nd and Sept. 6th this year. The Duluth deposits enjoy identical copper, nickel, cobalt, platinum, palladium and gold combinations to Sudbury.

Yes the grades have been lower in Minnesota, but little exploration has been done to depth where Sudbury often offers bonanza grades. The Minnesota ores contain no silver, and some of the deposits such as Spruce Road or TeckCominco’s Mesaba have no precious metals at all. Few massive sulphides with total values over 1%-2% nonferrous have been found in Minnesota.

The geochemistry of the Minnesota ores are similar magmatic sulphides as Sudbury. We are optimistic that the recent resumption of exploration and infusion of modern techniques after a long hiatus could prove successful.

THEORIES OF GENESIS

The Duluth Complex deposits stem from the massive MidContinent Rift fault. Roughly 1.1 billion years ago the earth tried to split or rupture, and magmas traveled upwards via the fault. The MidContinent Rift lies under water near the north shore of Lake Superior.

The actions were so violent that the magmatic flow moved northwestward over 100 miles. The magma reacted with adjoining sediment hosted rocks. Something caused the particular economic minerals to concentrate on the contact to the west with certain taconite iron ores.

There is no evidence of meteoritic activity in the Duluth Complex as often Sudbury geologists theorize created the Sudbury massive sulphide flows.

The Duluth Complex gives rise to the possibility that some similar rupture in the earth's crust created both the Duluth Complex and Sudbury systems.

COMPARISON OF PUBLIC DATA OF FOUR PUBLIC COMPANIES TO SEVERAL MAJOR NICKEL EXPANSIONS AROUND THE WORLD

A quick comparison of large projects suggests that Sudbury, Ontario, Norilsk in northwest Russia's Kola peninsula east of Finland and Xstrata's 49%-owned Koniambo deposit shared with the New Caledonia government appear larger than the Duluth Complex based on current known data.

It is important to stress that we define the "Duluth Complex" as the public disclosures of TeckCominco, Duluth Metals, Polymet and Franconia Minerals. Their data is based on 1960s and 1970s drilling and surface holes drilled in the past several years. The Minnesota Geological Survey and Univ. of Minnesota joint 2002 study suggests another 1.5 to 2.0 billion tonnes exist outside of the disclosure of these four public companies probably in the ten other deposits outside of the control of the four public companies.

In other words, future exploration may demonstrate the Duluth Complex is 2 to 4 times larger than we have quantified in Table 1, and it may turn out to be larger in size. We could be selling it short as the fourth largest nickel district in the world of any sort or third largest sulphide, but we do not want to get carried away.

Table 4: CONTAINED NI BEFORE RECOVERY LOSS

	ni bil pounds reserve and resource	
Duluth Complex, MN	9.454	TCK, PLM, DM, FRV
Kabanga 100%, Tanzania	2.738	ABX-Xstrata
Goro, New Caledonia	3.915	CVRD
Koniambo, New Caledonia	14.191	Xstrata
Ravensthorpe, W. Australia	2.105	BHP
Vermelho, Brazil	4.375	CVRD
Onca Puma, Brazil	1.857	CVRD

Source:: Company reports

TWO SHAFTS SUNK TWO GENERATIONS AGO AND “CAPPED” OVER 25 YEARS AGO

Inco, Amax Inc., U.S. Steel and Cleveland-Cliffs conducted much exploration in the region between one-quarter and one-half century ago. Amax Inc. defined the largest TeckCominco Mesaba property. U.S. Steel defined the Polymet Northmet deposit. Inco defined the Maturi deposit of Franconia Minerals that follows onto Duluth Metals property. The entire district has seen just over 2,000 holes drilled/

Amax Inc. sunk a 1,700 foot shaft on the TeckCominco Mesaba deposit, which flooded and was capped around 1980. Inco sunk a 1,000 foot shaft on the Maturi deposit now owned by Franconia Minerals, and filled the shaft in and capped it also around 1980.

The state of Minnesota requires that one-fourth of all drill cores be deposited in the state core shed (maybe world's largest) in Hibbing, MN. This provides a data repository.

Today, platinum and palladium have become valuable and technology to identify, measure and recover them improved. Second, hydroleach autoclave technology can recover these deposits very cheaply. Third, major advances in open pit mining enable the low grade ores to be extracted more cheaply. Finally, high metals prices encourage development although Polymet expects fine returns at \$1.25 copper and \$5.60 nickel.

LACK OF UNDERGROUND EXPLORATION SO PRODUCTIVE IN RECENT YEARS IN SUDBURY, ONTARIO

No underground exploration has been done in over 25 years in this district. In Sudbury, Ontario much of the greatest success has been underground exploration. Much occurs “by accident” as shafts and tunnels and infrastructure needed for production of already known zones inadvertently encounters new zones never anticipated.

Once underground, geologists may “see” geology. High grade “stringers” may be encountered. Drill platforms several thousand feet underground are more cost effective in locating deposits unable to be tested from surface.

We do not believe that 1960s and 1970s work updated with recent surface exploration has found even one-half of the ultimate size of the Duluth Complex nickel-copper ores.

TEN PODS NOT FULLY EVALUATED OUTSIDE OF CONTROL OF FOUR PUBLICLY TRADED COMPANIES, AND MORE LAND AVAILABLE

Numerous small deposits exist near the rift zone that none of the four companies own that have not been well-evaluated. These are opportunities to improve the existing knowledge.

WE POSTPONE EVALUATING FRANCONIA MINERALS (FRV.TO \$2.00) UNTIL MORE INFORMATION BECOMES AVAILABLE

Franconia Minerals possesses three deposits at the northern end of the Duluth Complex mineral belt. Birch Lake and Maturi are “inferred resources,” while the initial resource for Spruce Road has not been published just yet. Each of the other three companies have more “infill” documentation to permit proven and probable reserves in the case of Polymet and measured and indicated resources in the cases of each of the other three companies.

The capital costs of developing two or three deposits that lie several miles apart are larger than one single zone which each of the other three companies enjoy. It is possible Franconia has the smallest volume of nickel or copper minerals, based on data known today, and the higher capital cost per dollar of future revenue.

We believe Franconia Minerals would be more valuable if merged with Duluth Metals, whose Nakomis West and East deposits adjoin Franconia’s Maturi zone, as such might save \$100-\$200 mm in capital investment in mill, autoclave, tailings and infrastructure more cheaply built once on a larger scale. We do not believe a merger would reduce shaft investment as the mineral discoveries appear so massive that multiple shafts will be desirable to produce more. It would also reduce the environmental “footprint” in bypassing duplication. Safety would improve with less facilities and duplicate shafts into the shared deposit as multiple egress benefits the miners if accidents occur.

The majority of Franconia Minerals’ resource tonnage lies in the northernmost deposit, Spruce Road, whose open pit resource virtually touches the Boundary Waters Wilderness Area, which is sensitive. Franconia Minerals may tread lightly here, and not propose its development first (as the open pit access might encourage) or never propose it depending on public opinion. Franconia Minerals may choose to evaluate the Spruce Road zone as an underground only alternative as more information becomes available.

We were greatly impressed with the CEO Brian Gavin, the co-founder Ernie Lehmann and the environmental manager at Franconia Minerals. Please do not interpret our hesitation concerning Franconia Minerals in a negative way. We have not written this company off, but rather need more information than the current inferred resources to justify the over \$0.6 billion capital investment that it estimates it needs.

It is plausible that subsequent drilling provides the documentation and information to increase the contained mineralization values to levels that would justify its economics more clearly, justify underground development of Spruce Road to simplify permitting or otherwise enhance it.■

PRICE TARGET AND INVESTMENT POSITION

We rate the copper and nickel industries Favorable in part due to demand growth globally. More important, we do not have confidence that many large existing mines worldwide in both metals can continue output over the next decade. We pity mine managers responsible for output.

We rate FNX Mining, Polymet, Duluth Metals, Freeport-McMoRan Copper and Gold, Antofagasta and Rio Tinto each Overweight. Exploration and development opportunities of each individual company are added attractions. Our investment rating to Neutral Weight reflects concerns due to (1) cost inflation in South African mines because of an appreciating South African Rand and (2) operational problems, such as the January 24th pit slope failure at Geita in Tanzania and the TauTona seismic shift, that may further reduce production and/or raise costs. We are maintaining our price target at \$50 as it is possible that pit slope failure and seismic events are one-time events and do not recur. However, AngloGold enjoys a higher P/E than Barrick Gold or Goldcorp, and earnings need to exceed \$3.00 per share to drive the shares above \$50.

RISKS

Metals prices, environmental permits, operating or capital cost increases, and various cyclical dynamics are ever present risks.

Lower ore grades, Minnesota environmental politics and the long time until revenue commences are particular risks of the Duluth Complex companies. Any business without revenue is super-sensitive to any “bump in the road” since developmental companies “burn cash” and have less margin for error.

CHANGE IN THIS RESEARCH OPERATION

This report reflects research coverage by JTVIR, LLC. In no way shape or form should it be misconstrued as involving Prudential Equities Group (PEG), which shut down on June 6, 2007 as noted. The continuation of that same quarterly or full year earnings estimate for 2007 as JTVIR, LLC should not be construed or mistaken to involve PEG, which shut down on June 6, 2007. Certain data, such as the logic of the earnings model, are similar owing to the same primary author, but this coverage initiation herein involves a different entity and no employment or affiliation with the former Prudential Equity Group, LLC.

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JTVIR is not a broker-dealer, and conducts no trades. Its primary business is to provide “unbundled” metals and paper industry securities and market research to institutions or corporations in a zero commission, electronic execution, electronic dissemination, unbundled format for a specified annual fee structure.

Our investment rating system for securities recommendations is Overweight, Neutral Weight or Underweight. Overweight or Underweight recommendations are estimated to vary from the relative performance of the S&P 500 by more than 10% annually, and the intended time horizon is up to 24 months. Our securities research is intended for

institutional investors that might buy up to 10% of a given company, and as such focuses more towards longer-term dynamics impacting the net present value of future cash flows rather than “day trading” sorts of near-term issues.

Except for 32,400 shares of Polymet Mining that John Tumazos bought between April 18 and 23, 2007 (outside counsel advised ownership more than 30 days prior to publishing or contemplating was the definition of a long-term holding and not “front-running”), neither JTVIR, its members or its employees own or have a financial interest in any securities discussed in this report. Our policy is full disclosure.

Our policy permits personal trading in the metals or paper industries, though no positions were taken in companies within regular research coverage after July 2001 after joining Prudential Financial and until after one month of completed New Jersey registration of JTVIR. Our policy is that any personal trading must be consistent with our recommendation, made two business days or more AFTER a recommendation or change in recommendation and held for a minimum of 30 days or one month. We believe it is virtuous for a securities analyst to “put his or her money where his mouth is” to invest consistent with the recommendation to clients after such recommendation has been made, and we disagree with some restrictions made upon broker-dealer employees after 2000 era scandals.

Our policy permits up to three directorships and up to five consulting projects, advisory assignments or financial advice to corporations that might supplement, backcheck or substitute for certain services of a large investment banking firm. For example, we would accept an engagement to evaluate investment banking advice on behalf of a manufacturing company concerned whether advice is sincere or intended to maximize fees. Currently no such relationships exist.

Our policy is full disclosure of any advisory relationship or conflict going back three years. None currently exist.

Numerous prior investment banking relationships existed prior to three years history to the pre-1997 time frame under the employment of Donaldson, Lufkin and Jenrette or Oppenheimer & Co., Inc. Some of these we can recollect included 14 different gold mine valuations or sales for Barrick Gold, LAC Minerals (later acquired by Barrick), Addington Resources (gold assets in Montana acquired by Canyon Resources), Westworld Industries (Bolivian assets acquired by Battle Mountain Gold later acquired by Newmont Mining), Coeur d’Alene Mines, Crown Resources (acquired by Kinross Gold), Freeport-McMoRan Gold (acquired by Minorco later AngloGold later Queenstake Resources), FMC Gold (later renamed Meridian Gold) and others. Sole managed initial public offerings included Reliance Steel & Aluminum and Huntco. Lead-managed initial public offerings included American Steel & Wire (later acquired by Birmingham Steel) and lead-managed underwritings included Quanex. Co-managed underwritings included the IPO of Century Aluminum and offerings for AK Steel, Kaiser Aluminum, Agnico-Eagle Mines, Cameco and others. Asset sales or purchase advisories, fairness opinion or trusteeships were done for Thypin Steel (sold to Ryerson Tull), Cyclops Corp. (sold to

Armco later sold to AK Steel), Allegheny Corp., Bethlehem Steel, the U.S. Dept. of Justice pursuant to the June 1984 merger of LTV and Republic Steel to sell the Gadsden, AL integrated flat-rolled mill, Cobre Copper, and others. Typically more than five investment banking assignments were evaluated, partly executed or “due diligenced” for any completed transaction. Some examples we can recall for which a prospectus was either drafted or partly drafted indicating much work included stock underwritings not completed for Wheeling-Pittsburgh Steel, Steel Dynamics, Atlas Corp., Webco, Sharon Steel, IPSCO, Co-Steel Inc., and others.

ANALYST UNIVERSE COVERAGE:

John C. Tumazos, CFA: Rio Tinto, Louisiana-Pacific, Nucor Corp., Newmont Mining, U.S. Steel, International Paper, BHP Billiton, MeadWestvaco Corp., Antofagasta PLC, Allegheny Technologies, Alcoa Inc., Inco Limited, Bowater, Inc., Temple-Inland, Barrick Gold, Abitibi-Consolidated, Weyerhaeuser Co., Alcan Inc., Smurfit-Stone Container, Plum Creek Timber, Worthington Industries, Goldcorp Inc., AngloGold Ashanti, Freeport McMoRan Copper & Gold, Novelis Inc., FNX Mining.

Dynatec is a company not continued in the research coverage of JTVIR, LLC that was previously included in the prior June 6, 2007 Prudential Equities Group universe owing to a pending takeover by Sherritt International. Alcan, which Rio Tinto soon will acquire, also will be discontinued from coverage.

Subsequently, since September 2007 JTVIR, LLC has initiated coverage of new companies not previously covered in the former universe. These new companies include General Moly, Inc., Duluth Metals, Polymet Mining and Century Aluminum.

In accordance with applicable rules and regulations, we note above parenthetically that our stock ratings of “Overweight,” “Neutral Weight,” and “Underweight” most closely correspond with the more traditional ratings of “Buy,” “Hold,” and “Sell,” respectively; however, please note that their meanings are not the same. (See the definitions above.) We believe that an investor’s decision to buy or sell a security should always take into account, among other things, that the investor’s particular investment objectives and experience, risk tolerance, and financial circumstances. Rather than being based on an expected deviation from a given benchmark (as buy, hold and sell recommendations often are), our stock ratings are determined on a relative basis (see the foregoing definitions).

There is no intention to “balance” the number of Overweight or Underweight ratings, as instances of broad over- or under-performance among basic industrials may occur. JTVIR makes each investment judgment in a “bottoms up” manner based on the assets of each individual company.

Price Target – Methods/Risks

The methods used to determine the price target generally are based on future earning estimates, product performance expectations, cash flow methodology, historical and/or relative valuation multiples. The risks associated with achieving the price target generally include customer spending, industry competition and overall market conditions.

Additional risk factors as they pertain to the analyst's specific investment thesis can be found within the report.

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