

# Growth Stocks Weekly

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**Performance:** 1996 116.9%; 1997 28.1%; 1998 36.4%; 1999 39.4%; 2000 180.9%; 2001 -50.5%; 2002 18.7%; 2003 28.8%; 2004 166.7%; 2005 28.2%; 2006 153.3%; 2007 8.8%; 2008 -25.2%

## Junior Gold and Natural Resource Sector Report May 10, 2008

### Bell Copper Corporation (BCU-TSX Venture) "Value through Production and Discovery"



- **La Balsa offers +35 million lbs/yr Cu & robust cash flow near-term**
- **Massive Granduc Mine acceleration projected to add +100 million lbs/yr Cu**
- **Exploration portfolio offers exposure to several world-class porphyries**
  - **One of the top copper-porphyry technical teams on the planet**
  - **All assets in mining friendly jurisdictions**

Bell Copper commences trading on the TSX Venture Exchange under the symbol "BCU" this week. Bell is a pure-play copper developer and explorer with significant near-term production and cash flow targeted to commence H2 2009. Bell's two initial development projects have the unique advantage of having all significant necessary infrastructure in place, often the biggest obstacle to new project development. This advantage is further magnified as other project's CAPEX requirements escalate.

### **Strategic benchmarks:**

- *La Balsa: NI43-101, infrastructure ready, easy access, low cost labor, low strip, high recovery;*
- *Final feasibility & debt/equity finance for La Balsa's high-cash-flow mine start-up in progress;*
- *La Balsa production forecast at +35M lbs/cu/yr generates +\$92.5 million/yr FCF at \$3.50 spot Cu;*
- *La Balsa cash flow forecasted to fully fund the Granduc Mine through final feasibility by 2011;*
- *Granduc's low CAPEX and operating cost competitive advantage for accelerated development;*
- *Granduc's development of initial +20M/m/t @ +1.80% copper thru debt and La Balsa CF;*
- *Granduc's forecast production of +100 million lbs/cu year to generate +\$250 million FCF annually;*
- *Current market cap of only \$57 million offers significant potential for share appreciation;*
- *Projected market cap assuming 5x multiple on projected initial cash flow is \$6.25/share;*
- *Bell Copper is well-positioned as a compelling takeover candidate;*
- *Recent takeouts being priced at ~7x cash flow.*

Bell Copper offers significant leverage to the price of copper; a metal we believe is destined for further price increases this cycle as the developing world's infrastructure build-out continues through 2012 and beyond.

Bell Copper has one of the top copper-porphyry technical teams on the planet, with a strategic vision focused on achieving significant and increasing cash flow in order to self-fund new asset discoveries and development with minimal dilution.

The recent merger brings together an exceptional portfolio of properties located in mining-friendly, stable jurisdictions, and combines two advanced development projects, one discovery project, and six large porphyry-type exploration projects. Several of the exploration projects are already advanced to the point of potentially becoming discovery projects in the short term.

Management owns 26% of Bell Copper shares. Institutional interests, including Macquarie Bank, Endeavour Capital and RAB Capital, own 16% of the company.

### **Near Term Production**

#### ***La Balsa, Mexico***

Production is targeted to commence H2 2009 from Bell's 100%-owned La Balsa Project in Mexico. With \$15 million spent to date, La Balsa currently contains ~200 million pounds of copper (NI 43-101 Measured & Indicated Resource).

Significant expansion of La Balsa's initial resource is likely. The company has released high grade drilling results from a number of other deposits on the property, separate from the current resource area. There are several near surface deposits currently under exploration, and there is strong evidence that suggests a large untested underlying copper porphyry system. Drilling is also planned for the porphyry target in 2008. A definitive feasibility is expected this year, followed by permitting and construction.

Project capital expenditure is a low \$45-50 million. An SX-EW plant has already been purchased. Bell is expected to utilize a combination debt-equity financing arrangement to complete development. Macquarie Bank, Endeavour Capital and RAB Capital are Bell's primary institutional investors, specifically attracted by the La Balsa project's economics and considerable expansion potential.

La Balsa will be a low cost, high cash-flow mine, developed with a three-phase growth strategy that exploits the oxide and sulfide first, with overlapping production for maybe 3-plus years, and then the potential porphyry

copper. The project benefits from having all infrastructure in place, easy accessibility, low cost labor, a low stripping ratio and high recoveries.

Phase 1 initiates soluble (SX-EW) copper production of +15 million pounds of copper per year at a projected production cost under \$1.00/lb. The SX-EW plant has been purchased. Initial operating cash flow is projected at ~ \$37.5 million annually at \$3.50/lb/cu.

Phase 2 commences once SX-EW is operational, and forecasts sulphide copper production of +20 million pounds of copper per year at a projected production cost under \$1.00/lb. This adds additional operating cash flow of \$50 million annually at \$3.50/lb copper.

Mine life based on the current NI 43-101 Measured & Indicated Resource is expected to be four years with Phase 1 and 2 combined, but that scenario does not include several recently drilled new zones and the potential underlying porphyry. Phase 3 would see the start of porphyry production, once adequate delineation drilling and a positive feasibility is completed.

Together, the first three years of production at La Balsa would generate +\$180 million of FCF to Bell Copper after debt repayment, providing sufficient cash to self-fund the Granduc Mine's development.

### ***Granduc Mine, British Columbia***

Bell's 100%-owned Granduc Mine is a significant past producer of copper, gold and silver located northwest of Stewart, British Columbia. Published ore reserves for Granduc estimated more than 43 million m/t grading 1.73% copper with minor values in gold and silver. It produced +420 million pounds of copper and 4 million ounces of silver (plus some gold) between 1971-1984 at a resource grade of 1.83% and a rated capacity of 2,000 metric tonnes (m/t) per day. Conceptual deposit sizes for new drill targets are 50 to 150 million tonnes at grades between 1.5% and 3.0% copper, with significant iron ore, silver and gold.

The Granduc Mine was a major force in Canadian mining and was a notable contributor to the provincial and federal economies, as well as a substantial employer of labour. Newmont invested \$55 million (1969 dollars) to develop the Granduc Mine. An 18.4km tunnel was driven from the minesite through Granduc Mountain to the concentrator facilities at Tide Lake in the Bowser River Valley. An all-weather road was constructed from Tide Lake to the coast at Stewart at which deep sea port facilities were established. The driving of the haulage tunnel is one of the major engineering feats in the history of mining.

In 1984, historically low copper prices forced closure of the mine, prior to extraction of all mineral resources. There remained an estimated 9.9 million m/t of +1.85% Copper Historic Resource (containing some 404 million pounds of copper, non NI43-101 compliant).

Since its purchase in 2004 Bell spent \$5 million on mine exploration, drilling and development at the Granduc. This work extended the strike length from 750m to a potential +4km, which remains open to extension in north, south and down-dip directions. In-fill drilling needs to be completed in accordance with NI 43-101 standards to brring the inferred mineralized extensions into the resource calculations.

Bell increased its land holdings in the area 6-fold through staking and a joint venture after an extensive airborne geophysics program over the project and surrounding areas was completed in 2005. Significant high grade intersections of up to 3.92% Cu, including 25.5 ft of 2.57% Cu, 24.9 ft of 2.21% Cu and 26.7 ft of 2.13% Cu subsequently confirmed management's reinterpretation of the area's geology.

The Phase I and Phase II drilling results confirm the extension of consistent thickness and grade an additional +770 metres (2,500 feet) along strike and +200 metres (650 feet) down dip from the historic limits of Granduc's mineralized zone. Drill intersections show an overall pattern of increasing copper grade, thickness, and by-product metal grades in the down dip and southwest directions, and remain open to further extension.

Bell intends to fast track the reopening of the Granduc Mine to generate significant FCF. Bell's initial goal is to move to a NI 43-101 resource of +20 million m/t @ +1.80% Cu. The 2008 season work program includes a tunnel rehab and further delineation drilling.

Tests have shown that Bell can take advantage of the ore's high iron content to use first-stage magnetic separation to extract the copper, silver and gold right at the minesite, at the pre-transportation stage. The tunnel would see a continuous conveyer or slurry system built, versus the old haul-train system, allowing much higher output than conventional methods. The increased capacity will allow the drawing rock from multiple work areas at

the same time. This allows the operation to scale up to a targeted production rate of 9,000 metric tonnes per day, producing +100 million pounds of copper per year.

The Granduc's unique advantage lies in the low CAPEX and operating costs. The cost of transportation is always the biggest hurdle for remote projects. There is already an all-weather haul road, worth over \$100 million in today's dollars, provincially maintained and recently upgraded. It slopes downward 40km to Stewart, the most northerly ice-free port in the Americas, and the closest port in Canada to Asia, greatly reducing fuel costs for transport. The slope would also benefit using a continuous slurry pipe, eliminating fuel transportation costs entirely. Both the town of Stewart and the port have idle capacity and are looking for new business.

The Granduc has recently been geologically reinterpreted as hosting one of the world's largest Besschi-style massive sulphide (VMS) deposits. There are strong geological similarities with nearby Windy Craggy, the world's largest known Besschi deposit, with almost 300 million tonnes of 1.4% Cu, 0.3% Zn, 4 g/t Ag and 0.2 g/t Au, plus about 0.09% Co.

The Granduc has a significant competitive advantage in a rising cost environment. The project has infrastructure in place, and copper prices are projected to remain high for several years to come. La Balsa's cash flow is projected to provide Bell with sufficient financial strength to develop the Granduc on its own, with a typical debt finance facility, subject to the final feasibility.

A 9,000 tonne per day operation at the Granduc would produce over 110 million pounds of copper per year. With an average grade of 1.8% copper, \$3.50/lb copper, and a cash cost of \$1.00/lb, operating cash flow of \$275 million per year is generated for Bell, with a mine life that would be measured in decades. Assuming rapid payback of an estimated \$100 million project debt, the Granduc would generate \$250 million in annual FCF.

Another scenario may see Bell sell-off a percentage of the project to cover the CAPEX, or to generate a significant one-time payment. This may be the preferred route in the event that copper trades below \$2.00/lb, thereby affecting La Balsa's FCF forecast. One thing we can all agree on in this environment; if La Balsa is able to produce at anywhere near current copper prices, the Granduc Mine can remain a 100% Bell Copper project.

### ***Production Summary***

So, we're projecting FCF of \$180 million from La Balsa over three years, and another \$250 million annually from the Granduc, steady state. Copper producers and near producers are currently seeing take-over offers at around 7-times cash flow. Bell is currently valued at about \$57 million with about 72 million shares out (99 million fully diluted). With only Granduc's \$250 million annual FCF and using 200 million shares out, that's \$1.25 FCF per share, which projects out to a share target price of \$6.25, assuming \$3.50/lb copper.

Consider that some of the world's top prognosticators and global strategists are forecasting \$6/lb to +\$8/lb copper prices this cycle. We are ignoring La Balsa's likely multiple-zone expansion and its porphyry potential. This scenario also ignores the Sombrero Butte discovery in the Copper Creek District. There is already 1 billion pounds of copper drilled out at the next-door Red Hawk property (most of which was delineated by Bell's own Dr. Tim Marsh), which we believe could be jointly developed, and even precede the Granduc Mine as a producer.

## ***Early Stage Discovery***

### ***Sombrero Butte, Arizona***

Bell purchased, optioned and staked 650 acres in the Copper Creek District, Pinal County, representing the first consolidation of this group of disputed claims since they were mined in 1920. The formerly competing claim groups divided a cluster of at least 20 copper-bearing breccia pipes, which are now held entirely by Bell.

- Target: 10 to 20 million tonnes of 1.5-2.5% breccia copper ore (+800 million pounds) with + 300 million tonnes 1% Cu-Mo ore in underlying porphyry (+6 billion pounds)
- 2006-2007 drilling identified high grade copper in multiple breccias including 22m of 4.74%, 66m of 1.45%, 14m of 2.9%
- Phase I 34-hole drilling intercepted consistent high-grade 2% to +5% copper along with porphyry intrusions.
- Phase II 12-hole drilling added significant high-grade copper at shallow depth in breccias, with at least 20 breccias identified on the property. Drilling indicates two breccias merge to form a single mineralized body 80m to 100m in diameter. Grades range from 72m of 0.88%, 26m of 2.03% to 6m of 2.47%.
- A 700m step out suggests the potential underlying porphyry target could be larger than first anticipated.
- Bell plans to initiate Phase III drilling at Sombrero Butte as soon as logistics permit.

## ***Blue Sky Exploration***

Bell Copper's primary exploration focus is centered in the southwestern U.S., one of the world's premier Cu-Mo regions. New discoveries are likely to continue to take place in the coming years following the discovery of Rio Tinto's Resolution deposit (1.5 billions tonnes of ~1.5% Cu equivalent) in the mid-1990s. Bell is well positioned to take a leading role in making new discoveries in the region. Bell has also developed expertise and strong mining connections within Chile, and recently acquired a 70% interest in a property along the northern projection of the West Fissure Zone, noted for its world-class porphyry copper deposits.

Bell's VP of Exploration Dr. Tim Marsh was the Chief Geologist of Resolution Copper Company where he played a principal role in the planning and initiation work of the multi-year, deep exploration drilling at the Resolution project. He was also responsible for resource delineation at Copper Creek, and specializes in the science and chemistry of exploration and structure of world-class porphyry copper deposits at depth.

In April 2007 Bell entered into a strategic alliance agreement with Bronco Creek Exploration, a private Arizona company consisting of a geologic team of several Ph.D.-level specialists known for their significant work and experience on truncated, buried copper porphyry-style deposits, alkalic-Au deposits, and IOCG's. Its principals have authored review papers on major types of mineral deposits and have worked in various facets of exploration, mine-site geology and project management. They are known internationally for their research contributions and industry experience. The purpose of this alliance is to jointly explore and develop multiple projects in the southwestern U.S. owned or introduced by Bronco.

### ***Kabba Project, NW Arizona***

Bell controls a 100% interest over 4,200 acres on the highly productive Copper Creek-Resolution-Bagdad porphyry trend. Along this mineralized trend Phelps Dodge is expanding its 200 million pounds of annual copper production capacity from the Bagdad mine, Mercator Minerals is reopening the Mineral Park mine, and Rio Tinto has over 1.5 billion tons of copper ore averaging over 1.5% copper at Resolution. The discovery of the giant Resolution orebody highlights that undiscovered porphyry copper deposits still exist in Arizona.

- Target: large, buried offset top of a known porphyry copper system;
- Phase I drilling suggests a major Cu-Mo porphyry system lies under shallow cover on its land holdings;
- Next Phase: Phase II drilling (summer 2008) will test suspected underlying porphyry and potential economic mineralization.

The Kabba project is positioned close to infrastructure necessary for large-scale mining operations. Two miles to the east of the project site is the major high voltage power line running between the hydroelectric generating station at Hoover Dam and the city of Phoenix. The world's only copper concentrate leaching facility will soon be constructed 73 miles to the southeast of Kabba at Phelps Dodge's Bagdad mine. The Phoenix metropolitan area continues to provide support for the large Arizona copper mining industry, and Kabba will benefit from its proximity.

### ***Gryphon Summit Project, NE Nevada***

The Gryphon Summit project is located in the Sulphur Springs Range of Eureka County, and consists of more than 900 unpatented mining claims. Certain geological aspects of the project indicate parallels with other giant porphyry Cu-Au-Mo systems, including Bingham Canyon in Utah, Resolution Cu in Arizona, and Grasberg in Irian Jaya.

Over \$2.4 million has been spent at Gryphon Summit developing high quality geophysical and geochemical datasets, including airborne magnetics, gravity, IP, and AMT data. These data support interpretation that the Gryphon Summit property is highly prospective for both porphyry-related copper deposits and Carlin-type gold deposits.

- Target: Giant Cu/Mo porphyry system and Carlin-type Au project;
- Oxidized high sulfide veins with mineralogic and chemical similarities to the fissure veins of the Bingham district outline a footprint comparable to that of the Bingham district;
- Other aspects of the geochemistry and alteration strongly suggest the presence of Carlin style Au mineralization analogous to the Post and Rain Au deposits.

The Phase I drill program has been completed, with assays pending. Phase II of exploration will be a multi-hole program of deep diamond drilling. No prior drill test of the probable porphyry style mineralization has been previously conducted, and the most attractive, but deep, Carlin style mineralization targets have also not yet been tested. The drilling program will include deepening existing holes as well as drilling new holes. Permits have already been secured from the BLM for more than 16 drill sites. A continuing program of more detailed geologic, geochemical and geophysical studies will accompany and complement these efforts.

### ***Superior West Project, NW Arizona***

The Superior West project targets extensions of the high grade Magma Vein system in the Pioneer mining district of Pinal County. It adds 4,340 acres and further depth to Bell's presence in the southwestern U.S., and is one of four Bronco Creek initiatives which also include Mesa Well, Red Hills and Silver Bell West.

The Pioneer district hosts at least three significant ore bodies: Resolution porphyry copper (1.5Bt @ 1.5 % Cu); Magma mine (25 Mt @ 5% Cu, with Au and Ag); and the Superior East porphyry copper (910 Mt @ 0.5% Cu). Surrounding districts include the Mineral Creek district (Ray deposit) and multiple deposits in the Globe-Miami district, approximately 10 miles to the east.

The Superior West project comprises two target types, both with significant copper potential. The first is the faulted, down dropped western extension of the high-grade Magma vein system. The second is the suspected deep-seated, porphyry copper-related source for the Magma vein mineralization. A porphyry copper-related source, while probably lower grade in nature would likely represent a large tonnage deposit. Both target types can potentially be tested in a single drill program.

Bell is currently refining a geological model based upon new subsurface information for Phase I drilling. Next Phase will see a drill program likely during 2<sup>nd</sup> half 2008.

### ***Silver Bell West Project, Arizona***

The Silver Bell project targets porphyry copper and related copper skarn targets. It consists of 4,200 acres adjacent to the operating Silver Bell Mine. It is located approximately 30 miles northwest of Tucson, Arizona in the Silver Bell mining district.

The Silver Bell district has been in continuous production since the discovery of silver and copper ores in 1865, with modern, large scale copper production from skarn, secondary enrichment blankets and porphyry ores beginning in the 1950's. Total copper production in the district was greater than 84 Mt at a grade of 0.76% Cu. Bell's land position comprises three separate areas of known and suspected porphyry and skarn mineralization in an under-explored portion of the district.

Targets include 3 separate areas of known and suspected porphyry and skarn styles of mineralization in an under-explored portion of the district. Next Phase consists of a 6-8 hole drill program in 2<sup>nd</sup> half 2008.

### ***Apacheta, Chile***

Bell has the right to earn a 70% interest in the Apacheta property, located in northernmost Chile. The property is located along the northern projection of the West Fissure Zone, and hosts a large, untested aeromagnetic anomaly. The West Fissure Zone is a structural break in northern Chile noted for the location of world-class porphyry copper deposits such as Collahuasi, Escondida, and Chuquibambilla. The aeromagnetic anomaly indicates a magnetic low, and may represent magnetite-destructive hydrothermal alteration related to a buried porphyry copper system.

The aeromagnetic anomaly at Apacheta covers a surface area greater than 4 square kilometers with its source believed to be buried under more than 300 meters of post-mineral volcanic rocks, which had initially deterred meaningful exploration by previous operators. In 2003, a major mining company drilled four holes around the anomaly at Apacheta. Each of the holes was drilled to a depth of 304 meters, and each failed to penetrate below the post-mineral cover. The recent discovery of exposures in the nearby canyon walls suggest that the post mineral cover is approximately 400 meters thick.

The first phase of Bell's work program is to drill at minimum two deep holes to test the porphyry concept. If evidence of either alteration or mineralization consistent with a porphyry system is found, additional holes would be bored to determine the property's economic potential. Phase I drilling is expected to begin in the 2<sup>nd</sup> half of 2008.

## **The People**

The Company's management, technical and geological team comprises a seasoned mix of public company and mining exploration executives familiar with finding, developing and managing projects and public resource companies.

### **Management and Technical Team:**

	<b>Position</b>	<b>Education</b>	<b>Previous/Current</b>	<b>Experience</b>
W. Glen Zinn	CEO	B.Sc.	VP Corp Development (Hecla)	35 years
Dr. Timothy Marsh	VP Exploration	Ph.D., P.Eng.	Chief Geo - Resolution (RTZ)	25 years
Brian Leeners	CFO	B.Comm., LL.B.	Nexvu Capital, Snr. Partner	16 years
Samuel Fernández	Manager	Eng/Ing	GM - Volcan (Mittal)	20 years
Brian Jones	Geologist	B.Sc.,M.Sc.	Kennecott/BHP	25 years
Geyza I. Lorinczi	Mgr Expl (Cda)	B.Sc., C.P.G.	Chief Geo - Questa (Molycorp)	35 years
Amy B. Eichenlaub	Proj Geologist	B.Sc.,M.Sc.	PD/Asarco/RTZ	10 years
Rex L. Evatt	Consult. Geo.	M.Sc.	PD/Kennecott	20 years
Jeff Abbott	Consult. Geo.	Ph.D.	VP Exploration (Homestake)	25 years
Eric P. Jensen	Consult. Geo.	Ph.D.	VP Ops (Bronco Creek)	15 years
David Alan Johnson	Consult. Geo.	Ph.D.	President (Bronco Creek)	20 years

#### **W.Glen Zinn, B.Sc.**

Position: **President & C.E.O., Director**

Glen Zinn is a senior mining executive with 35 years in senior management, corporate development, strategic planning and exploration and development in the natural resource industry. Formerly VP Corporate Development and Exploration of Hecla Mining Company, Mr. Zinn has a proven track record in financing, operating and managing exploration companies and companies that are in production. Having graduated from the Michigan College of Mining Technology with a degree in geological engineering and having completed executive management programs in corporate finance, corporate development and strategic planning at MIT and Stanford University Graduate School, Mr. Zinn brings a unique set of skills to Bell Copper.

#### **Timothy Marsh Ph.D., P.Eng.**

Position: **Vice President of Exploration**

Dr. Marsh brings 25 years of exceptional industry experience to the Company. Dr. Marsh left his position as Chief Geologist of Resolution Copper Company (a Rio Tinto Company) where he played a principal role in the planning and initiation of a multi-year, deep exploration drilling project on the large, high grade, Resolution porphyry copper deposit in Arizona. Dr. Marsh worked for Kennecott Minerals Company on the Cortez Joint Venture in Nevada, where recent and past production comprises more than 30 million ounces of gold. He was also with AMT International where he was the Manager of Exploration and Geology and was responsible for resource discovery at Copper Creek, Arizona. Dr. Marsh's degrees include a B.Sc. in Geological Engineering from Colorado School of Mines, and a Doctorate of Philosophy in "Ore Deposits and Exploration" from Stanford University. Dr. Marsh is also a registered Professional Engineer in the State of Arizona.

#### **Brian Leeners, B.Comm., LL.B.**

Position: **C.F.O., Director**

Brian Leeners received both his B.Comm. degree and LL.B. degree from the University of British Columbia in 1992. Mr. Leeners has worked with multiple venture companies developing corporate strategic planning and implementation. Mr. Leeners is a Director or Advisor to several public and private corporations and organizations, and is a senior partner with Nexvu Capital. Nexvu is a boutique venture capital & merchant banking firm focused on the development, management and finance of emerging private and public companies engaged in the natural resource and technology sectors.

#### **Brian Jones, B.Sc., M.Sc.**

Position: **Consulting Geologist**

Brian Jones has in excess of 25 years of experience in field studies and project evaluation throughout North America as well as internationally. Highlights include the design and execution of Alta Gold's North American exploration program, which resulted in the discovery of over 1,000,000 auditable oz. of gold and the development of 3 new gold mines. Mr. Jones consults to many high profile mining companies with a focus on evaluating and

advising on exploration programs. Some of these include: Kennecott, Hecla Mining and BHP-Utah International. Mr. Jones has a M.Sc. from the University of Alaska as well as a B.Sc. from Stanford.

**Geyza I. Lorinczi, B.Sc., C.P.G.**

Position: **Manager Exploration (Canada)**

Geyza Lorinczi brings 35 years of world-wide experience in mineral exploration, mine rehabilitation, mine development, feasibility studies and large-scale mine production to Bell Copper. In the past 30 years, he has lived and worked in numerous countries as an employee of Union Oil Company and Molycorp, Inc., fulfilling various functions in team-efforts to convert mineral prospects to producing mines. In his most recent position with Molycorp Inc, Mr. Lorinczi was Chief Geologist and Environmental Manager at the Questa Molybdenum Mine in New Mexico. Most of Mr. Lorinczi's experience is in felsic and ultramafic-related volcanogenic massive sulfides, epithermal gold deposits, stockwork-type molybdenum and porphyry copper-molybdenum deposits. Mr. Lorinczi received his B.Sc. in Geology from the University of British Columbia in 1970. He is member of numerous professional organizations and a Certified Professional Geologist.

**Amy B. Eichenlaub, B.Sc., M.Sc.**

Position: **Project Geologist**

Amy B. Eichenlaub has been retained by Bell Copper to manage the exploration drilling program at the company's Sombrero Butte Project in southern Arizona. Amy brings over 10 years of diverse geological experience consulting to major mining companies including Phelps Dodge, Rio Tinto and Asarco on major porphyry copper systems at Sierrita, Resolution, and Ray, Arizona. Previous assignments have included management of developmental drilling on behalf of Phelps Dodge as well as the management of an exploration program for Rio Tinto. Ms. Eichenlaub received her Bachelor of Science degree from Juniata College as well as her Masters Degree in the Lowell Program in Economic Geology at the University of Arizona.

**Eric P. Jensen Ph.D.**

Position: **Consulting Geologist (Bronco Alliance)**

Eric Jensen is a Senior Geologist and VP of Operations for Bronco Creek Exploration (a Bell Alliance Partner) where he is responsible for target generation and focusing broad-based mineral exploration programs in North America. He received a B.A. From Carleton College in 1993 and earned his Ph.D. from the University of Arizona, Dept. of Geosciences in 2003. Dr. Jensen's experience spans 13 years during which he has consulted to major mining companies including AngloGold, Phelps Dodge and Newmont in the areas of exploration, interpretation and evaluation. This industry experience includes positions as mine geologist, mine-site exploration geologist, and in grass roots exploration as well as extensive experience in planning and implementation of regional-scale sampling programs and geologic evaluations of properties and prospective terranes.

**David Alan Johnson Ph.D.**

Position: **Consulting Geologist (Bronco Alliance)**

David Johnson is a Senior Geologist and the President of Bronco Creek Exploration (a Bell Alliance Partner). His responsibilities at Bronco Creek Exploration include business development, land acquisition, target development, day to day business affairs as well as playing a significant role in the "SW North American Porphyry Copper Exploration Program", a key component of the Bell/Bronco Alliance. Since 1992 Dr. Johnson has been a consultant in regards to exploration for both base and precious metals where responsibilities included data compilation and synthesis, conceptual and field-based target generation, and property evaluation for a number of companies including BHP, Western Mining Co., Mount Isa Mines and Phelps Dodge. Mr Johnson graduated from Colorado College with a B.A., Major in Geology in 1988 and later earned his Ph.D. from the University of Arizona.

***The Bronco Alliance***

Bronco's strength is the quality of their geologic team that consists of several Ph.D. level geologists. Their skill sets combine high-level industry and academic experience with decades of practical field expertise. Bronco's current portfolio of projects includes 12 mineral properties located primarily in the south-western U.S. and they continue to actively identify and acquire additional targets that fall within their exploration model.

The core of Bronco's team consists of Dr. David A. Johnson and Dr. Eric P. Jensen, who received their Ph.D.'s in economic geology from the University of Arizona. Dr. Johnson is best known for his work on iron-oxide-copper-gold systems (IOCG's) and porphyry-style deposits. Dr. Jensen's experience includes significant work on alkalic-Au deposits, porphyry-style deposits, and IOCG's. Both Drs. Johnson and Jensen have authored review papers on major types of mineral deposits and have worked in various facets of exploration and mine-site geology including project management positions.

Bronco's activities are overseen by a Board of Directors which, in addition to Drs. Johnson and Jensen, include Mark D. Barton, Eric Seedorff, and David M. Cole. Drs. Barton and Seedorff are professors of economic geology at the University of Arizona and are known internationally for their research contributions and industry experience. David Cole is CEO of Eurasian Minerals and has two decades of industry experience, including management and senior geologic positions. Bronco also employs the services of several field geologists with varying degrees of expertise, all with education and work experience in the south-western U.S.

### ***Non-executive Board Members:***

#### **Gordon Fretwell, B.Comm., LL.B., Director**

Mr. Fretwell has been a practicing solicitor since 1979 specializing in resource and securities law. Director or Officer of various publicly traded companies.

#### **Dr Geoff Snow, Ph.D., Director**

Dr. Snow's mining career has spanned almost 50 years including ten years as President of Noranda Exploration Inc. (USA). During his tenure at Noranda Exploration, Dr. Snow's work resulted in the discovery of nine deposits.

#### **Chad Boyko, LL.B., B.A., Director**

Mr Boyko has been the Director, Governance & Compliance SaskCentral, in Saskatchewan since 2001.

#### **William S. Harper, MBA, CA, Director**

Mr. Harper has 25 years experience in corporate finance and administration with public companies in both Canada and the U.S., primarily in mining industry and high technology.

#### **Fred Mueller, B.Sc., M.Geo, Director**

Mr. Mueller is a successful entrepreneur who manages his family business in the oil and gas industry.

### ***Outlook for Copper***

Copper, otherwise known as “the metal with a Ph.D. in economics,” is setting new record highs. Well-respected BCA Research recently argued that commodities are “on an eventual path toward a mania-like overshoot.” With oil holding above \$100, the U.S. dollar headed for more pain, and commodities bouncing back smartly from their recent tumble, conviction and excitement levels will soon be stronger than ever. What we've seen so far is just a warm-up.

When most folks think of a big commodity bull run, their minds turn to the 1970's. They remember OPEC, long gas lines, high silver prices, and the Hunt brothers' spectacular rise and fall. All told, the 1970's commodity bull market was about 9 years in duration.

However, if you research the commodity price charts going back to the 1700's, you would soon see that nine years is an historically short time frame for a commodity bull. The majority of cycles over the last 200 years have been longer. Looking back at soybean prices, corn, cotton, gold, silver, base metals and so on, the historic evidence suggests that 18 to 23 years is a much better benchmark for how long a commodity bull can last.

The current trend is still young. We are barely 8 years into a potential twenty-year-plus cycle. Furthermore, we've got explosive demand growth in the developing world -- newly minted consumers clamoring for all the comforts the West takes for granted.

The key fact to remember is this: we have one billion people consuming two thirds of the world's available natural resources. Another 5.6 billion people get by on the other third. It's that 5.6 billion that want more of the essentials.

Emerging economies like China, Russia and India are increasingly flexing their economic muscle. These giant countries are playing the game with 10 times as many people as the U.S. They are plowing trillions of dollars into new roads, bridges, water-treatment plants, nuclear energy, electrical capacity, ports, airports, and gleaming new office towers, and will continue to do so for at least the next decade or two.

These countries wish to ensure their economic wellbeing and avoid social unrest, and are playing “catch up” to the U.S. and Europe. Fast-growing, emerging market countries need infrastructure to accommodate their citizen's aspirations. What the “West” achieved during the post-world-war boom and even during the industrial revolution is being massively over-shadowed by their build out of infrastructure.

It will take massive natural resource commitments to build out the necessary transportation links, power plants, buildings, ports, and so on. The challenge is easy to see: demand is huge and resources are increasingly limited. That's what makes a bull market.

China alone is expected to spend \$1 trillion on infrastructure this year. A team of Morgan Stanley analysts expects China to spend about \$350 billion just on new electricity capacity by 2010. And all this requires tons and tons of copper...

An average U.S. home contains 400 pounds of copper. A new automobile contains around 50 pounds of copper (the "green" Toyota Prius uses five times more copper than a gasoline powered car). A Boeing 747 jet contains 9,000 pounds of copper. A big General Electric locomotive contains around 16,000 pounds of copper.

China is the largest consumer of copper in the world. It used about 9 billion pounds of it in 2007... a 9% increase from the year before.

Of course, there will be booms and busts as China and its neighbors grow ...and commodity prices will react accordingly ...but thanks to the communications and internet boom, billions and billions of people can now see the Western way of life... and they want it. They want to drive cars, watch television, and just generally use as much electricity as they please. The potential demand here is extraordinary. That means owning copper producers for the long term.

## **Conclusion**

With substantial near and intermediate term cash flow and a large-project profile, Bell Copper will become increasingly attractive to intermediate and large cap mining companies seeking replacement resources in an increasingly resource-hungry world. Bell Copper offers significant leverage to the price of copper, a metal that we believe is destined for further price increases this cycle as the developing world's infrastructure build-out continues well into the next decade.

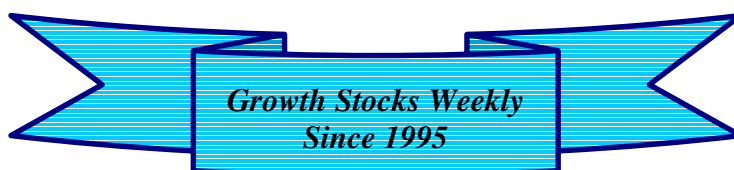
Bell Copper has one of the top copper-porphyry technical teams on the planet, with a strategic vision focused on achieving significant and increasing cash flow to fund new asset discoveries and development, with minimal dilution. One of the most difficult tasks within the mining industry is attracting and keeping experienced and qualified people. It is a testament to Bell's position and respect within the junior mining sector that it has been able to attract and build its senior technical and geologic team at a time of both talent and prospective project shortages.

Bell Copper has an exceptional portfolio of properties located in mining-friendly, stable jurisdictions. With two advanced development projects, one discovery project, and six large porphyry-type exploration projects, several of which have increasing potential to become discovery projects in their own right, Bell should attract increasing institutional, retail and industry attention. It is only a matter of time before the company becomes an attractive acquisition target. Bell is the GSW Model Portfolio's largest dollar-value holding for capital appreciation.

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Current Price: C\$0.74  
52 Week Range: C\$0.60 - C\$1.58  
Shares O/S: 72.04 million basic  
Options O/S: 9.48 million  
Warrants O/S: 17.11 million  
Shares O/S: 98.63 million fully diluted  
Market Cap: C\$53.3 million  
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