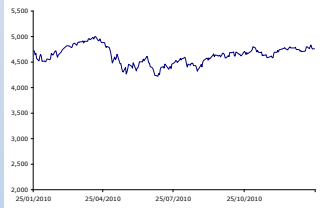
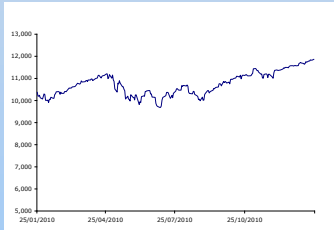


24th January 2011
Issue 78
12m XJO chart

12m Dow Jones chart

In this Week's Issue
Large Cap

 Wesfarmers Ltd (WES) –
 Accumulate

Price Target: \$34.56

Resources

 Venturex Resources (VXR) –
 Spec Buy

Price Target: \$0.20c

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The Weekly Outlook – 24th January 2011

This is the 8th week in a row that the Dow finished up which should make investors nervous of a potential pullback. Other global markets haven't been so lucky but then again they are experiencing their own problems. The US economy seems to be recovering nicely albeit slowly, and recent economic data supports that view. Will this rub off on other economies is another question as circumstances are quite different. Europe relies on its members to work in unison and if a cog is out of place such as Greece, Ireland or others then the machine doesn't function very well. Australia and Asia face the inevitable inflation and but more importantly for Australia is the Chinese reaction to its fight with inflation.

Last week saw the major miners deliver their quarterly production numbers and it wasn't surprising to see that BHP and RIO do well on the back of their magnificent iron ore operations. The outlook from both was again subdued and cautionary although optimistic. The consensus points to strong coal and iron ore price in the short term which would deliver more joy for the producers. Copper is the beacon which will point the way on the direction commodities head.

Gold has been sliding on the back of US economic recovery and US dollar strength, but I wouldn't abandon gold yet as we are not out of the economic quagmire and inflation could surprise, especially since we are seeing it in China, and could spread to the US its largest trading partner.

In our commodities watch space, despite good quarterly results from our big miners, the commodity stocks were weaker overall.

World Markets	24/01/2011	17/01/2011	Wkly Chg	Mthly Chg	Yearly Chg
ASX 200	4763	4763	-0.01%	-0.58%	-1.34%
Dow Jones	11872	11787	0.72%	2.47%	11.97%
Nasdaq	2690	2755	-2.39%	0.85%	17.38%
S&P 500	1283	1293	-0.76%	1.87%	12.77%
FTSE 100	5896	6002	-1.76%	-1.67%	8.77%
Shanghai Composite	2716	2707	0.33%	-1.58%	-13.83%
Nikkei 225	10275	10503	-2.17%	0.45%	-4.31%
Hang Seng	23877	24283	-1.67%	3.95%	12.17%
Currency					
AUD/USD	0.9895	0.9939	-0.44%	-0.80%	9.97%
Commodities					
Oil (bbl)	89.1	92.4	-3.58%	-2.02%	15.12%
Copper (\$/t)	9485	9591	-1.11%	0.21%	27.38%
Lead (\$/t)	2550	2652	-3.85%	0.59%	6.01%
Zinc (\$/t)	2427	2431	-0.16%	2.49%	-1.68%
Aluminium (\$/t)	2390	2453	-2.57%	-1.91%	6.03%
Nickel (\$/t)	25900	25465	1.71%	6.69%	36.42%
Tin (\$/t)	27695	26755	3.51%	1.82%	54.29%
Gold (\$/oz)	1341	1361	-1.43%	-5.13%	20.53%
Silver (\$/oz)	27.4	28.3	-3.15%	-10.67%	53.39%
Platinum (\$/oz)	1822	1816	0.35%	3.53%	12.65%
Wheat (\$/t)	8.245	7.733	6.63%	3.16%	65.73%

Source: Iress

Top ASX Dividend Stocks for Week Ending 24th January 2011

Aegis - Dividend Buy									
Code	Name	Reco.	Last Price \$	Forecast Yield %	EPS Growth %	High \$	Low \$	Forecast Franking %	
PBG	Pacific Brands	BUY	1.04	7.9	29.9	1.39	0.78	100	
QBE	QBE Insurance Group	BUY	17.88	7.3	-26.2	23.93	16.09	15	
NAB	National Australia Bank	BUY	24.33	6.7	13.7	29.03	22.23	100	
MGR	Mirvac Group	BUY	1.28	6.6	12.9	1.6	1.18	0	
WBC	Westpac Bank	BUY	22.55	6.5	9.5	28.43	20.56	100	
CUS	Customers	BUY	1.82	6.3	14.8	3.25	1.6	100	
ANZ	ANZ Bank	BUY	23.33	6	11.9	26.23	19.95	100	
AIZ	Air New Zealand	BUY	1.1	5.3	57.1	1.18	0.83	100	
CSV	CSG Limited	BUY	1.38	5.1	41.3	2.3	1.27	0	
Aegis - Dividend Add									
Code	Name	Reco.	Last Price \$	Forecast Yield %	EPS Growth %	High \$	Low \$	Forecast Franking %	
ACR	Acrux Limited	ACCUM	3.47	17.3	25.1	3.67	1.7	0	
SKI	Spark Infrastructure	ACCUM	1.19	10.3	10.5	1.36	1.03	0	
TLS	Telstra Corp	ACCUM	2.79	10	-9.9	3.47	2.55	100	
LEP	Ale Property	ACCUM	1.87	9.9	-20.4	2.36	1.8	0	
SPN	SP AusNet	ACCUM	0.88	9.1	1.2	0.98	0.76	39	
TTS	Tatts Group	ACCUM	2.51	9	8.2	2.6	2.19	100	
CQR	Charter Hall Retail	ACCUM	3.01	7.5	-17.4	3.25	2.35	0	
DWS	DWS Adv Bus Solutions	ACCUM	1.43	7	2.8	1.73	1.12	0	
CPA	Commonwealth Office	ACCUM	0.82	6.7	-6.8	1	0.82	0	
IOF	ING Office Fund	ACCUM	0.59	6.6	-7.1	0.64	0.53	0	
BEN	Bendigo and Adelaide Bank	ACCUM	9.8	6.4	15.7	10.48	7.72	100	
AHD	Amalgamated Holdings	ACCUM	5.96	6.4	-28.9	6.78	5.21	100	
COU	Count Financial Limited	ACCUM	1.28	6.3	4.3	1.46	1.06	100	
SGP	Stockland	ACCUM	3.64	6.3	53.3	4.23	3.5	0	
PFL	Patties Foods	ACCUM	1.32	6.1	8.9	1.4	0.96	100	
OKN	Oakton Limited	ACCUM	2.26	6	8.7	3.66	2.09	n/a	
BTT	BT Investment Mgt	ACCUM	2.82	6	2.4	3.17	2.18	100	
NZO	NZ Oil Gas	ACCUM	0.66	5.7	(>99)	1.28	0.61	100	
AEO	Austereo Group Ltd	ACCUM	1.9	5.7	12.1	1.95	1.49	100	
NVT	Navitas	ACCUM	3.71	5.7	9.6	5.56	3.37	100	
TRG	Treasury Group	ACCUM	4.92	5.7	1.8	6.3	4.3	100	
CBA	Commonwealth Bank	ACCUM	51.66	5.6	16.3	60	47.05	100	
APN	APN News Media	ACCUM	1.83	5.5	5.4	2.54	1.68	0	
BOQ	Bank of Queensland	ACCUM	9.92	5.3	-3.3	13.03	9.53	100	
WTF	Wotif.com	ACCUM	4.42	5.2	9.2	8.08	4.07	100	
LEI	Leighton Holdings	ACCUM	31.3	5.2	-17.3	39.92	27.61	100	
FGL	Foster's	ACCUM	5.5	5.2	9.2	6.44	5.11	100	
UGL	UGL Limited	ACCUM	14.45	5.1	17	15.53	12.55	100	
RFG	Retail Food Group	ACCUM	2.68	5	6.3	3	2.11	100	
CSR	CSR Limited	ACCUM	1.61	5	2.4	1.99	1.59	100	
SPT	Spotless Group	ACCUM	2.19	5	-2.1	3.23	1.93	60	

Source: Aegis

Sector Performance Week Ending 24th January 2011

S&P 200 Indices	24/01/2011	17/01/2011	Wkly Chg	Mthly Chg	Yearly Chg
S&P 200 Financials ex PT	5139	5059	1.59%	0.21%	-9.23%
S&P 200 Consumer Disc.	1536	1515	1.43%	1.86%	-5.13%
S&P 200 Financials	4425	4371	1.24%	0.28%	-8.38%
S&P 200 Healthcare	9081	8995	0.96%	0.82%	8.77%
S&P 200 Consumer Staples	7883	7853	0.38%	1.31%	3.50%
S&P 200 Utilities	4410	4408	0.04%	-0.74%	4.14%
S&P 200 Industrials	3776	3776	-0.01%	0.61%	-6.20%
S&P 200 Property Trusts	850	855	-0.61%	0.61%	-3.51%
S&P 200 Energy	16172	16288	-0.72%	-0.33%	5.06%
S&P 200 Materials	13782	14008	-1.61%	-3.16%	9.38%
S&P 200 Telecommunications	966	984	-1.88%	0.82%	-16.74%
S&P 200 Info Technology	632	660	-4.33%	-2.90%	-8.87%

All Ords 10 Best & Worst Performing Stocks for Week Ending 24th January 2011

10 Best Performing Stocks Weekly (%)			10 Worst Performing Stocks Weekly (%)		
Flinders Mines Ltd	FMS	25	Sundance Resources	SDL	-13.39
Kathmandu Hold Ltd	KMD	17.63	Gryphon Minerals Ltd	GRY	-12.47
PaperlinX Limited	PPX	14.77	Energy World Corpor.	EWC	-11.71
Valad Property Group	VPG	14.71	OceanaGold Corp.	OGC	-11.66
Ausenco Limited	AAX	10.09	Discovery Metals Ltd	DML	-10.28
Grange Resources.	GRR	8.28	Arafura Resource Ltd	ARU	-10.26
RHG Limited	RHG	7.77	NRW Holdings Limited	NWH	-9.84
Super Ret Rep Ltd	SUL	6.48	Catalpa Resources	CAH	-9.64
Pacific Brands	PBG	6.12	Independence Group	IGO	-9.17
Karoon Gas Australia	KAR	5.97	St Barbara Limited	SBM	-8.82

ASX200 Rolling Year Highs for Week Ending 24th January 2011

Name	Code	High (\$)	Date
Bradken Limited	BKN	946	17-Jan-11
Crane Group Limited	CRG	972	17-Jan-11
Tower Australia	TAL	392	17-Jan-11
Seven Group Holdings	SVW	931	17-Jan-11
Transpacific Indust.	TPI	150	17-Jan-11
Charter Hall Office	CQO	317	18-Jan-11
Atlas Iron Limited	AGO	342	19-Jan-11
Whitehaven Coal	WHC	735	19-Jan-11
Medusa Mining Ltd	MML	775	19-Jan-11
Paladin Energy Ltd	PDN	561	19-Jan-11
Fortescue Metals Grp	FMG	734	19-Jan-11
Incitec Pivot	IPL	441	19-Jan-11
WorleyParsons Ltd	WOR	2896	19-Jan-11
CSL Limited	CSL	3805	20-Jan-11
Gindalbie Metals Ltd	GBG	148.5	20-Jan-11
Mermaid Marine	MRM	320	20-Jan-11
Hastings Diversified	HDF	174	20-Jan-11
Fleetwood Corp	FWD	1378	20-Jan-11
Monadelphous Group	MND	1950	20-Jan-11
Envestra Limited	ENV	60	21-Jan-11
IOOF Holdings Ltd	IFL	796	21-Jan-11

ASX200 Rolling Year Lows for Week Ending 24th January 2011

Name	Code	Low (\$)	Date
Infigen Energy	IFN	48.5	18-Jan-11

State One Resource Watch Space for Week ending 21st January 2011

Security	Description	21/01/11	WRol	MRol	QRol	YRol	Security	Description	21/01/11	WRol	MRol	QRol	YRol
DIVERSIFIED MINERS							AL						
BHP	BHP Billiton	4471	-2.5	-1.6	8.5	4.8	AWC	Alumina Limited	242	-1.6	-5.8	21.0	40.3
RIO	Rio Tinto Limited	8438	-3.6	-2.7	3.2	11.7	BAU	Bauxite Resource	24.5	-2.0	-10.9	0.0	-73.9
OZL	OZ Minerals	167	-3.5	-2.9	7.1	44.6	ABZ	Aust Bauxite Ltd	62	-18.4	-11.4	31.9	77.1
IGO	Independence Grp	703	-9.2	-11.1	5.0	58.4				-7.3	-9.4	17.6	14.5
			-4.7	-4.6	5.9	29.9	TIN						
FE							MLX	Metals X Limited	30	-10.4	-15.5	3.4	172.7
FMG	Fortescue Metals Grp	649	-5.3	-3.9	5.2	30.1	VMS	Venture Minerals	48	-9.4	-4.0	-15.8	17.1
MGX	Mount Gibson Iron	214	-2.3	2.9	8.1	29.7	KAS	Kasbah Resc.	31.5	-7.4	-1.6	-4.5	320.0
MMX	Murchison Metals	136	-0.7	9.2	-20.0	-42.9				-9.1	-7.0	-5.6	169.9
AGO	Atlas Iron Limited	317	-3.6	8.6	22.9	48.1	MANGANESE						
GBG	Gindalbie Metals Ltd	138	0.4	3.8	34.6	26.6	OMH	OM Holdings Ltd	148.5	-3.6	6.1	-8.9	-22.7
SDL	Sundance Resources	48.5	-13.4	0.0	64.4	223.3	JMS	Jupiter Mines	71.5	-11.7	7.5	76.5	217.8
GIR	Giralia Resources NL	469	-3.9	12.2	69.3	196.7	SRR	Shaw River Resc.	20.5	-2.4	32.3	20.6	-21.2
RRS	Range Resources Ltd	14	3.7	33.3	59.1	72.4	MZM	Montezuma	69	5.3	-12.7	84.0	200.0
BRM	Brockman Resources	500	-5.7	0.6	25.9	81.2				-3.1	8.3	43.1	93.5
BCI	BC Iron Limited	328	4.1	27.1	54.0	163.5	GOLD						
IOH	Iron Ore Holdings	225	-1.7	9.2	36.4	-5.9	NCM	Newcrest Mining	3671	-4.1	-9.0	-8.1	7.6
GRR	Grange Resources.	85	8.3	24.1	28.8	123.7	DOM	Dominion Mining	309	-4.3	-6.4	-2.2	-10.2
CTM	Centaurus Metals Ltd	13.5	-12.9	8.0	35.0	101.5	AVO	Avoca Resources	306	-8.7	-9.2	-0.6	71.9
			-2.5	10.4	32.6	80.6	KCN	Kingsgate Consolid.	1000	-5.6	-8.1	-5.7	4.4
COPPER							SBMDA	St Barbara Limited	181	-8.8	-19.9	-24.6	7.7
OZL	OZ Minerals	167	-3.5	-2.9	7.1	44.6	CAH	Catalpa Resources	178	-9.6	-6.8	-12.3	24.2
ABY	Aditya Birla	129	-2.6	-0.4	2.8	3.6	AMX	Ampella Mining	300	2.4	-0.3	18.6	322.5
EQN	Equinox Minerals Ltd	571	-3.5	-2.6	-2.4	42.0	GRY	Gryphon Minerals	165	-12.5	4.8	24.5	243.8
CDU	Cudoco Limited	387	-7.0	-14.4	80.8	-14.0	IGR	Integra Mining Ltd.	58.5	-7.9	-15.8	11.4	129.4
SFR	Sandfire Resources	736	-5.5	-10.4	-4.2	98.6	IAU	Intrepid Mines	187	-6.5	-6.5	7.8	567.9
PNA	PanAust Limited	83.5	-5.1	0.0	10.6	46.5	ALD	Allied Gold Limited	60	-1.6	8.1	27.7	93.5
RXM	Rex Minerals Limited	297	8.4	4.6	12.9	77.1	RSG	Resolute Mining	144.5	-1.7	12.5	10.3	41.7
MNC	Metminco Limited	41.5	-3.5	20.3	53.7	144.1	RRL	Regis Resources	209	-5.0	-11.1	25.1	207.4
			-2.8	-0.7	20.2	55.3	MML	Medusa Mining Ltd	719	-4.4	11.3	32.7	130.6
NICKEL							CGX	Cga Mining Limited	269	-7.9	-15.4	-1.1	13.0
MRE	Minara Resources	94	-2.1	4.4	24.5	41.3	OGC	OceanaGold Corp.	288	-11.7	-24.4	-18.9	44.0
IGO	Independence Group	703	-9.2	-11.1	5.0	58.4				-6.1	-6.0	5.3	118.7
PAN	Panoramic Resources	237	-4.8	-8.8	-10.9	13.5	PLATINUM						
WSA	Western Areas NL	645	-3.6	7.5	4.5	32.2	AQP	Aquarius Platinum.	568	-2.1	6.0	-6.6	-19.5
MBN	Mirabela Nickel Ltd	229	-6.9	-3.4	40.9	-3.0	ZIM	Zimplats Holding	1535	1.0	4.1	31.8	22.8
MCR	Mincor Resources NL	185.5	-3.1	0.0	0.3	7.8	PLA	Platinum Australia	79	-1.3	21.5	24.8	-32.0
			-5.0	-1.9	10.7	25.0	SLV	Sylvania Resources	85	13.3	16.4	6.3	-11.5
ZINC-LEAD							NKP	Nkwe Platinum	43.5	45	0.0	0.0	-26.8
KZL	Kagara Ltd	79	-4.8	0.6	6.0	-27.2	MMW	Magma Metals Ltd.	55	-7.6	2.8	-8.3	-22.0
PEM	Perilya Limited	59.5	-0.8	4.4	10.2	-19.0				0.6	8.5	3.5	-14.3
TZN	Terramin Australia	44.5	-6.3	-10.1	-17.6	-47.3							
JML	Jabiru Metals Ltd	63	-7.4	2.4	12.5	41.6							
OVR	Overland Resources	28	21.7	47.4	9.8	233.3							
			0.5	8.9	4.2	36.3							

Security	Description	21/01/11	WRol	MRol	QRol	YRol
Coal						
MCC	MacArthur Coal	1320	-3.7	2.4	1.3	24.6
GCL	Gloucester Coal	1265	-3.2	11.9	24.0	61.0
RIV	Riversdale Mining	1631	-1.0	0.1	50.5	106.9
NHC	New Hope Corporation	491	-0.4	0.6	-0.8	11.6
CZA	Coal of Africa Ltd	160.5	-10.6	17.2	12.2	-26.4
WHC	Whitehaven Coal	700	2.0	0.6	12.0	42.6
AZT	Aston Res Ltd	855	1.9	8.6	37.9	
COK	Cockatoo Coal	50.5	-1.9	-4.7	-5.6	29.9
			-2.1	4.6	16.4	31.3
OIL & GAS						
WPL	Woodside Petroleum	4250	-2.1	-0.7	-3.8	-7.4
OSH	Oil Search Ltd	678	-1.5	-3.8	8.5	21.1
AWE	AWE Limited	176.5	2.0	-0.3	18.9	-39.6
BPT	Beach Energy Limited	82.5	-6.3	2.5	36.4	-11.3
ROC	ROC Oil Company	38.5	-2.5	-2.5	-10.5	-45.4
STO	Santos Ltd	1357	-1.5	-0.4	10.7	0.7
TAP	Tap Oil Limited	79.5	-0.6	-0.6	-4.8	-24.6
CVN	Carnarvon Petroleum	44	-4.3	-4.3	-10.2	-20.7
AUT	Aurora Oil & Gas	270	3.4	29.8	100.0	743.8
ORG	Origin Energy	1632	-0.9	-3.4	4.7	-2.2
			-1.4	1.6	15.0	61.4
U						
PDN	Paladin Energy Ltd	504	-6.8	1.4	26.3	27.0
ERA	Energy Resources	1207	0.2	1.0	-7.4	-43.3
EXT	Extract Resources	900	-3.7	2.3	25.0	12.4
AGS	Alliance Resources	45.5	-3.2	-3.2	13.8	-26.6
TOE	Toro Energy Limited	15	-3.2	-3.2	25.0	7.1
BMN	Bannerman Resources	81	5.2	44.6	100.0	14.1
EMA	Energy and Minerals	23	4.5	7.0	12.2	-4.2
MRU	Mantra Resources	791	0.9	0.8	56.6	62.8
			-0.8	6.3	31.4	6.2
PHOSPHATE & POTASH						
MAK	Minemakers Limited	48	1.1	24.7	28.0	-9.4
STB	South Boulder Mines	370	5.4	33.6	252.4	1221.4
POZ	Phosphate Aus Ltd	11	10.0	-4.3	-4.3	-59.3
MNB	Minbos Resources Ltd	43	-28.3	0.0	120.5	
			-3.0	13.5	99.1	288.2
MIN SAND						
ILU	Iluka Resources	879	0.3	0.7	29.3	160.8
IMA	Image Resources NL	52	12.0	16.8	40.7	-51.9
DRX	Diatreme Resources	11	37.5	39.2	27.9	-8.3
GUN	Gunson Resources	23	-8.0	-14.8	130.0	91.7
			10.5	10.5	57.0	48.1
LITHIUM						
GXY	Galaxy Resources	164	-5.7	21.5	11.6	20.1
ORE	Orocobre Limited	340	-15.0	17.2	37.7	91.3
RDR	Reed Resources Ltd	67	0.8	4.7	21.8	-20.2
			-6.7	14.5	23.7	30.4
RARE EARTHS						
ARU	Arafura Resource Ltd	140	-10.3	18.6	-19.5	65.7
LYC	Lynas Corporation	197	-3.0	23.9	11.9	223.0
GBE	Globe Metals & Mining	30.5	-10.3	8.9	-29.9	45.2
ALK	Alkane Resources Ltd	114	7.5	43.4	9.1	208.1
GGG	Greenland Min En Ltd	115	-10.2	21.7	27.1	69.1
PEK	Peak Resources	55	-13.4	0.0	5.8	214.3
NTU	Northern Uranium	57.5	8.5	59.7	42.0	247.3
			-4.4	25.2	6.6	153.2
WHEAT						
GNC	GrainCorp Limited	771	0.3	19.3	0.1	30.1
VTA	Viterra Inc	1114	7.6	20.0	15.4	1.4
			3.9	19.7	7.8	15.7

Spec Market Movers Week Ending 24th January 2011

Name	Code	Weekly % Change	Commentary
Materials			
Jaguar Minerals	JAG	92.31	
Genesis Minerals	GMD	85.71	Very high grade gold mineralisation at Dinamarquesa
Union Resources Ltd	UCL	77.78	
Shree Minerals Ltd	SHH	51.85	
Jameson Resources	JAL	50.00	
Liberty Resource Ltd	LBY	48.65	
Ausmon Resorces	AOA	46.43	Drilling Results of Premium Exploration Inc
RMG Limited	RMG	46.15	
Sultan Corporation	SSC	44.44	Peelwood Metallurgical Update
Mt Isa Metals	MET	44.33	MET - New Gold Discovery in Burkina Faso
Pelican Resources	PEL	-55.26	
Millepede Internat.	MPD	-33.33	
Argonaut Resources	ARE	-32.43	
Luiru Gold Limited	LGM	-30.56	LSA: Carlton Lock Up Agreement Expires
Minbos Resources Ltd	MNB	-28.33	Initial Drilling Results at Mongo Tando
Strzelecki Metals	STZ	-26.32	Soil Sample Results Reveal Cu-Ni-PGE Targets
Archer Exploration	AXE	-24.32	Gravity survey for hematite to commence
Mutiny Gold Limited	MYG	-21.21	Deflector Deposit Resource Upgrade
Synergy Metals Ltd	SML	-20.00	
Aust Bauxite Ltd	ABZ	-18.42	ABZ Drilling Update
Energy			
Marion Energy	MAE	45.45	
Oklo Resources Ltd	OKU	37.50	
Neon Energy Limited	NEN	34.38	
FAR Ltd	FAR	33.33	
Gas2Grid Limited	GGX	26.98	
Syngas Limited	SYS	23.81	Positive Biomass to Power Pre-feasibility Study Completed
Rocklands Rich. Ltd	RCI	23.33	
Universal Coal PLC	UNV	22.58	
Tangiers Petroleum	TPT	22.50	
Pancontinental Oil	PCL	22.45	
Kilgore Oil & Gas	KOG	-33.33	
Challenger Energy	CEL	-27.66	Drilling completed - intersecting over 2300ft of gas
Top End Uranium Ltd	TEU	-20.83	
Tango Petroleum Ltd	TNP	-20.69	Placement
Solimar Energy Ltd	SGY	-20.59	Initial Test Results at SELH
ADX Energy Ltd	ADX	-18.33	Kerkouane License - 3 More Years Granted
Lakes Oil NL	LKO	-16.67	
Triangle Energy Ltd	TEG	-16.67	
Jacka Resources Ltd	JKA	-16.67	MHR-1 Operations Update
Newera Resources Ltd	NRU	-15.65	

Weekly S&P/ASX200 Stock News**Minara Resources (MRE) - Minara Resources Provides December 2010 Quarterly Activities Report**

Minara Resources provided its December 2010 quarterly activities report, reporting that total production of 6,508t of packaged nickel and 448t of packaged cobalt was achieved at Murrin Murrin for the three months to 31 December 2010. The company's share is 60%. As anticipated, metal production was impacted by the three-week planned triennial statutory shutdown. The plant recommenced production without incident. Autoclave feed for the quarter was 623,920t of ore @ 1.29% Ni. Production guidance for the 2011 calendar year at Murrin Murrin is 33,000-37,000t of nickel.

Panoramic Resources (PAN) - Panoramic Resources Provides December 2010 Quarterly Activities Report

Panoramic Resources provided its December 2010 quarterly activities report, reporting at Savannah, production was 1,392t Ni, 796t Cu and 80t Co; concentrate shipments totalled 19,062t containing 1,435t Ni; and aggregate site costs were down 16% on the previous quarter, payable cash costs of US\$7.51/lb Ni. The Company reported at Lanfranchi, Ni in ore produced was up 16% on the previous quarter to 2,650t; payable cash costs of US\$6.02/lb Ni; and ruling by SAT in the Company's favour enabled the Company to build an on-site accommodation village. The Company also reported group production was 4,042t Ni, down marginally on the previous quarter.

Rio Tinto (RIO) - Rio Tinto Provides Fourth Quarter 2010 Operations Review

Rio Tinto provided its fourth quarter 2010 operations review, reporting Rio Tinto's global iron ore operations set a new quarterly production record at 65Mt (50Mt attributable) and a new annual record at 239Mt (185Mt attributable). Mined and refined copper were down 9% and 6% on the fourth quarter of 2009 and down 16% and 5% on full year 2009, in line with previous guidance. Bauxite production increased 9% year on year in line with higher demand. Alumina and aluminium production were broadly flat. Australian hard coking coal production was up 8% on the fourth quarter of 2009 and rose 20% on full year 2009, following increased investment at the Queensland operations. Australian thermal coal production was down 9% overall for the year, mainly due to wet weather in the Hunter Valley. The force majeure declaration at the four Queensland coal mines remains in place. All the Queensland coal mines are operational but are still constrained in some way by weather impacts, including the impact on third party infrastructure. Rio Tinto is currently unable to provide an estimate of the full impact of this adverse weather or the duration of the force majeure declaration.

BHP Billiton Limited (BHP) - BHP Billiton Provides Production Report for Half Year Ended 31 December 2010

BHP Billiton provided its production report for the half-year ended 31 December 2010, reporting that petroleum production of 80.34m BOE was in line with the December 2009 half-year as the successful ramp-up of Pyrenees (Australia) was offset by the deferral of production well drilling in the Gulf of Mexico and severe flooding in Pakistan. In addition, record iron ore production and shipments were achieved for both the half-year and quarter. WA iron ore shipments rose to an annualised rate of 148Mt per annum in the quarter (100% basis). Other quarterly production records were achieved at Hunter Valley Energy Coal (Australia) and the Alumar refinery (Brazil), while both Olympic Dam (Australia) and Antamina (Peru) reported record milling rates.

WESFARMERS LTD (WES)
\$33.50
Analyst: Peter Kopetz
ACCUMULATE
Intrinsic Valuation: \$34.20
Price Target: \$34.56*


Source: Aegis

Investment Data	
Share Price (\$)	33.50
Ord Shares (m)	1,157
Market Cap (\$m)	38,970
12m Low/High (\$)	26.76/34.83

Earnings	FY10	FY11	FY12
Rev. \$'m	50,836	51,678	55,100
NPAT \$m	1,565	2,250	2,670
EPS (c)	135.5	194.5	230.8
PER (x)	24.7	17.2	14.5
Div Yield	3.7%	4.6%	5.4%
ROE (%)	6.3	8.9	10.5

Source: Aegis

*consensus estimate

Wesfarmers (WES) is Australia's best known and most successful conglomerate. Activities span hardware/home improvement, supermarkets, discount department stores, coal mining, LPG manufacture and distribution, industrial and safety supplies, chemicals, fertilisers, general insurance and insurance broking. Business interests can be divided into two broad groups: Retail operations, and Industrial and other operations. (Aegis)

The 2008 acquisition of Coles Group effectively doubled the size of the group. WES is now one of Australia's largest retailers with annual sales from hardware/home improvement, supermarkets and discount department stores exceeding \$45bn. Over the past decade EPS CAGR has been 8.1% while DPS CAGR has been 6.3%. (Aegis)

Wesfarmers has been able to fund organic growth and selective acquisitions without issuing new capital by sound management of operating cash flow and selective divestments from the operational portfolio. However the sheer size of the Coles acquisition did require a substantial equity issue. (Aegis)

The acquisition of Coles has increased the percentage of more predictable revenue, cash flow and profits from home improvements and supermarkets to around 50% offsetting the more volatile operations such as coal. (Aegis)

While the supermarket sector is competitive the acquisition of Coles gave Wesfarmers an immediate 30-35% market share. This would be almost impossible to replicate from start-up and provides significant exposure to necessities retailing which tends to be insulated from contractions in economic activity. Through Bunnings, Wesfarmers has the largest market share in the strongly growing hardware/home improvement/DIY sector. K-mart and Target provide significant market shares in the discount department store sector. (Aegis)

Coles was badly managed and under invested for many years prior to acquisition and a significant change was required. A meaningful and sustainable business improvement will take time to restore significant value to the numerous brand names and franchises. A focus on retail basics is required including a complete overhaul of supply chain strategies, reinvigorating management - introducing responsibility and accountability, lifting staff morale, improving customer service and value and a significant upgrading of the IT platform from distribution centres to point-of-sale. This is a five year program. (Aegis)

Bull Points

- The turnaround of Coles supermarkets is gaining traction.
- Increasing and more predictable retail earnings are offsetting the more volatile contribution from resources (coal).
- The refinancing of the Coles-related bridging debt has been successful and the balance sheet restored.
- Bunnings continues to perform strongly and is leveraging an increasing market position.
- Management has an excellent acquisition record and while Coles is by far the biggest retailing experience at Bunnings provides comfort. (Aegis)

Bear Points

- Coles has been badly managed and significantly under invested for a decade. It will require significant additional capital and an enormous amount of management time to turn around.
- Paid a high price for Coles after taking an early position although no competitive bids emerged.
- The company is fortunate that coal prices have surged - FY09 - otherwise the timing of the Coles acquisition could have had serious consequences.
- Management is spread too thinly across the conglomerate. There has been a greater than normal loss of senior management over the past two years. (Aegis)

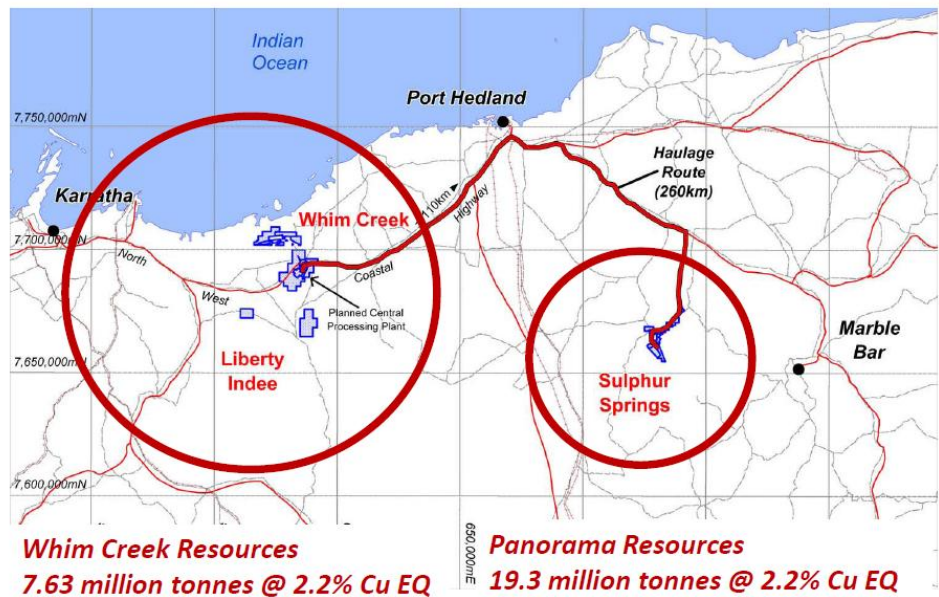
VENTUREX RESOURCES (VXR)
\$0.14c
Analyst: Peter Kopetz
SPEC BUY
Intrinsic Valuation: \$0.28c
Price Target: \$0.20c

Venturex Resources (VXR) is undergoing a transformation through the acquisition of Panorama Cu-Zn project which will complement current assets in the area. Panorama is the largest known VMS deposit in the Pilbara with mineral resources of 19.3Mt @ 2.2 Cu Eq, which with VXR's own Whim Creek project gives combined mineral resources of 27Mt @ 2.2% Cu Eq. Panorama has cost VXR \$26.2M plus off-take rights capped at 230T of zinc from Panorama at benchmark pricing. The acquisition will be funded via a institutional placement and an underwritten 2:5 rights issue at \$0.9c a share. Our modelled mining scenario places a value of ~\$0.28c per share post capital raising.

Whim Creek/Panorama, WA (100%)


Source: Aegis

- ▶ Panorama to Port Hedland - 162km by road
- ▶ Panorama to Whim Creek - 260 km by road



Source: VXR

- Panorama Cu-Zn project has a JORC mineral resource of 19.3Mt @ 1.2% Cu & 3.2% Zn. Previous studies demonstrated excellent metallurgy to produce high quality Cu & Zn concentrates.
- Whim Creek has a JORC mineral resource of 7.6Mt @ 1.2% Cu & 2.2% Zn. Combined VXR's JORC mineral resources stand at 27Mt @ 1.2% Cu & 2.9% Zn.

Location	JORC Classification	Tonnes	Cu %	Zn %	Pb %	Ag g/t	Au g/t	CuEq %
All Whim Creek/Salt Creek	Measured	1,274,000	1.5	1.7	0.8	41.0	0.30	2.6
	Indicated	5,989,000	1.1	2.4	0.7	23.6	0.20	2.2
	Inferred	367,000	1.7	1.1	0.2	14.3	0.30	2.3
Total		7,630,000	1.2	2.2	0.7	26.1	0.20	2.2

Panorama	Measured	4,500,000	1.6	3.2	0.2	17.0		2.6
	Indicated	10,500,000	1.2	3.5	0.2	17.0		2.3
	Inferred	4,300,000	0.6	2.2	0.2	13.0		1.3
Total		19,300,000	1.2	3.2	0.2	16.1		2.2

PROJECT	Measured	5,774,000	1.6	2.9	0.3	22.3	0.1	2.6
TOTAL	Indicated	16,489,000	1.2	3.1	0.4	19.4	0.1	2.3
	Inferred	4,667,000	0.7	2.1	0.2	13.1	0.0	1.4
Total		26,930,000	1.2	2.9	0.3	18.9	0.1	2.2

	Copper	Zinc	Lead	Silver	Gold	Cu Eq t
Total Contained Metals (tonnes/oz)	315,360	773,960	92,010	16,398,198	15,260	587,105

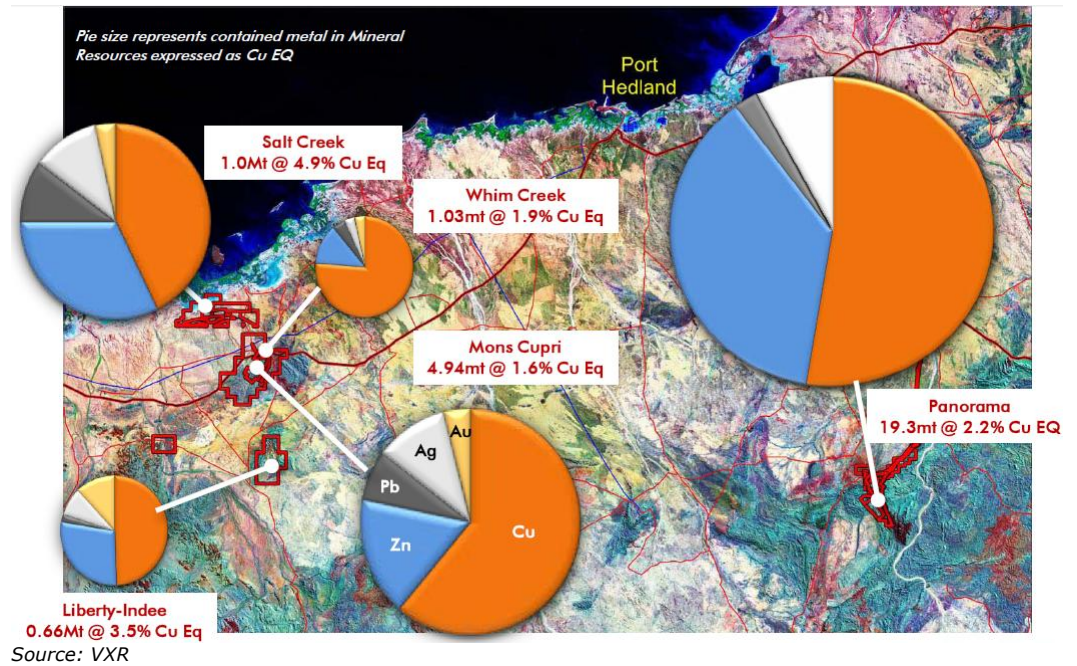
Source: VXR

Investment Data	
Share Price (\$)	0.14
Ord Shares (m)	678
Market Cap (\$m)	85.3
EV (\$m)	79.3
EV (\$m) (diluted)	97.5
Options (m)	61.5
(Net Debt) /Cash (\$m)	6.0
12m Low/High (\$)	0.06/0.15

Source: Aegis

- A mining scenario sees a combined 1Mtpa operation producing 16Kt of copper and 40Kt of zinc per year, which compares favourably to Jabiru Metals (JML) 9ktpa Cu & 25Ktpa Zn.
- C1 cash costs (Whim Creek) are forecast to sit around the US\$0.50c/lb (after credits) which is similar JML and puts in the lowest cash quartile. Mine life combined, on reserves alone is ~9 years and potential exists to extend that substantially as the area is clearly a VMS camp.
- Target production is slated for 2013, giving VXR 18-24 months before it joins the ranks of producers.

VMS Mineralogy



Assumptions

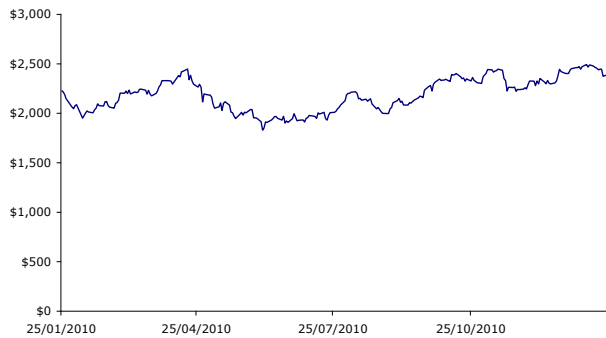
Mine Life	9 years
Resources	27Mt @ 2.2% Cu Eq for (>580Kt Cu Eq)
Mining Rate	1Mtpa
Production	16,000tpa Cu & 40,000tpa Zn + lead, silver, gold credits
Interest	100%
Cu Price	US\$3.63/lb
Zn Price	US\$0.91/lb
Costs	US\$100/t
Capex	US\$145M
Royalties	3% + 0.6% NSR
Tax	30%

<u>Discount Rate</u>	<u>NPV</u>	<u>NPV/Share</u>
0%	\$520,487,258.91	\$0.48
2%	\$462,650,311.58	\$0.43
4%	\$412,747,558.79	\$0.38
6%	\$369,504,536.12	\$0.34
8%	\$331,877,092.94	\$0.31
10%	\$299,005,680.85	\$0.28
12%	\$270,179,452.41	\$0.25
14%	\$244,807,918.03	\$0.23
20%	\$184,880,621.84	\$0.17
Cash	\$35,000,000	\$0.03

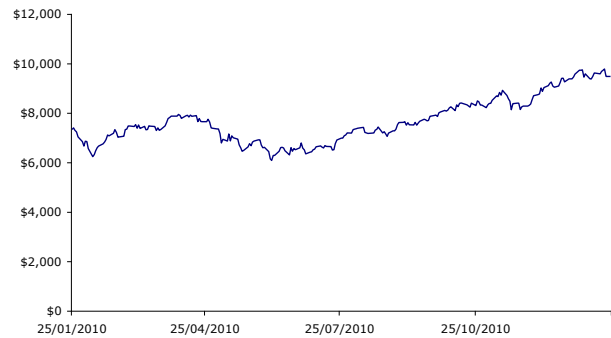
Source: State One

Commodity Charts (US\$) - 1 year

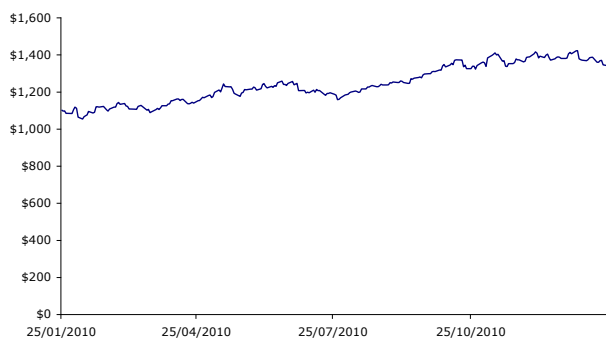
1 Year Aluminium



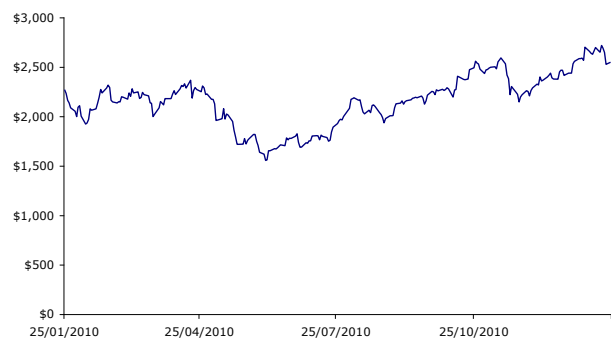
1 Year Copper



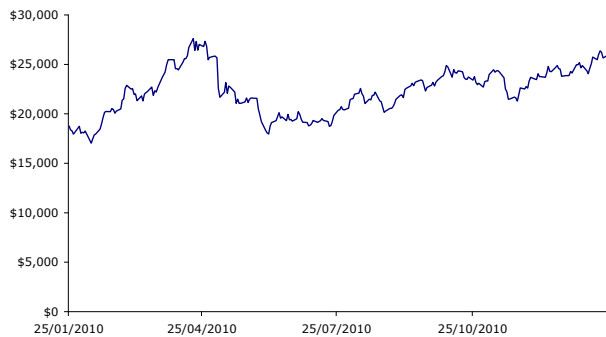
1 Year Gold



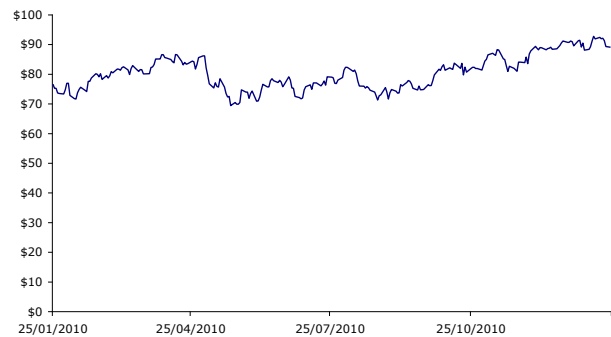
1 Year Lead



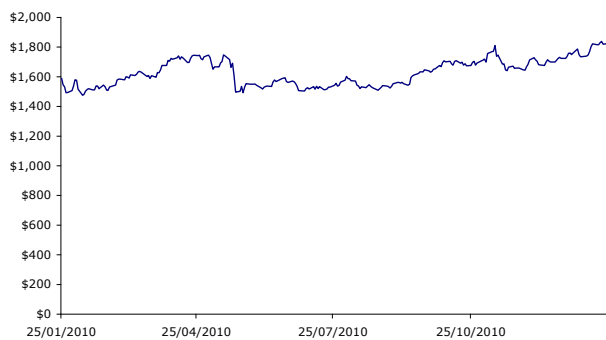
1 Year Nickel



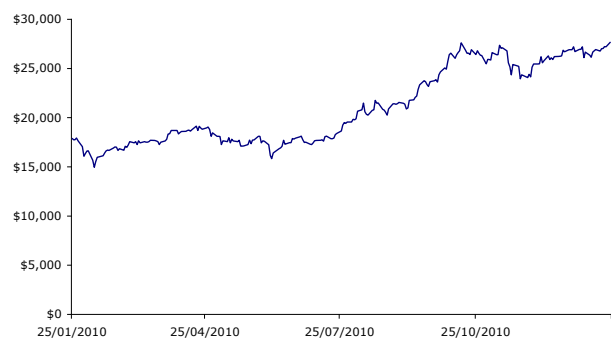
1 Year Oil



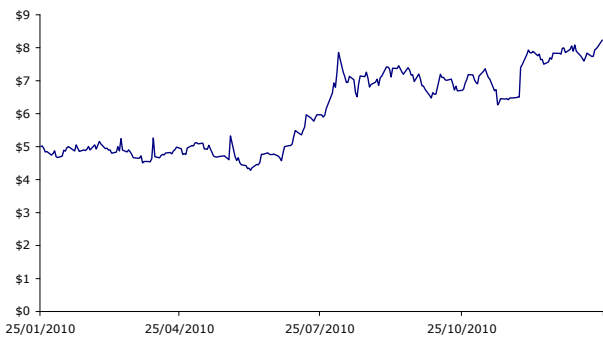
1 Year Platinum



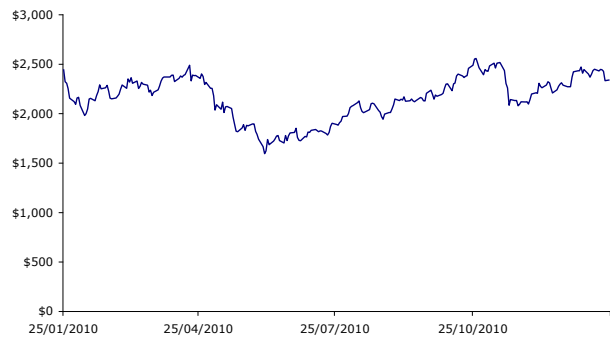
1 Year Tin



1 Year Wheat

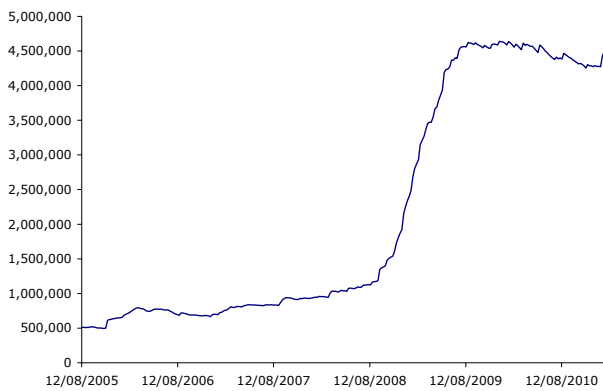


1 Year Zinc

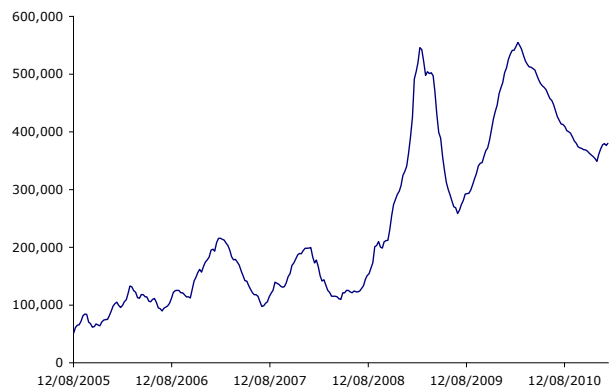


London Metals Exchange – Stockpiles (tonnes) – 5 years

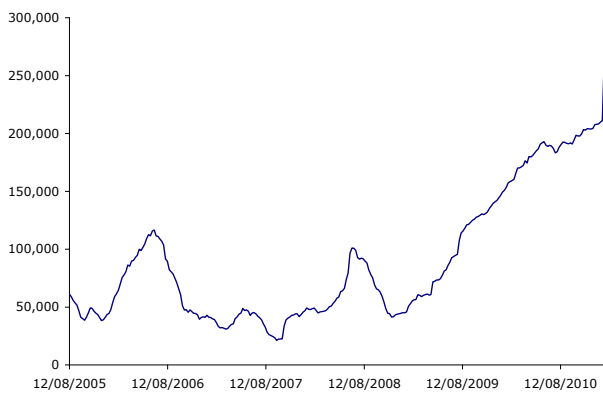
Aluminium LME Stockpiles - 5 Year



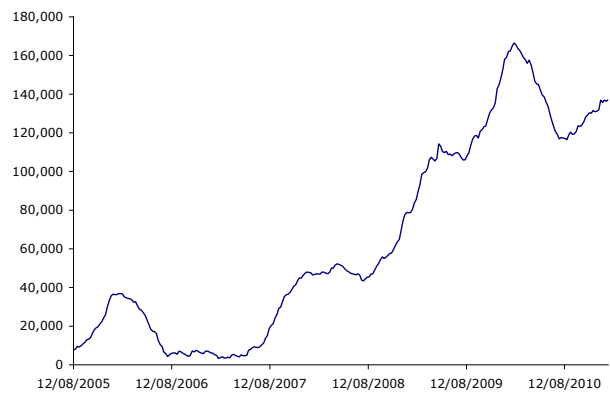
Copper LME Stockpiles - 5 Year



Lead LME Stockpiles - 5 Year



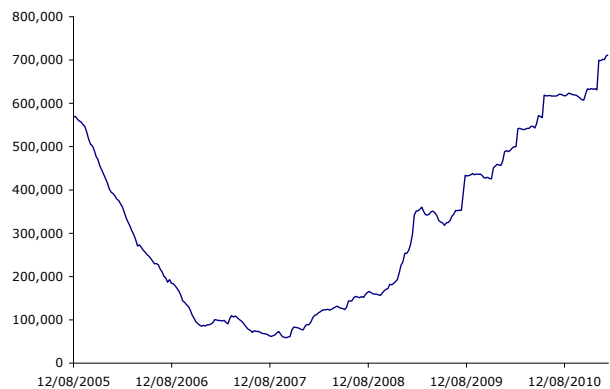
Nickel LME Stockpiles - 5 Year



Tin LME Stockpiles - 5 Year



Zinc LME Stockpiles - 5 Year



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