

RESOURCE OPPORTUNITIES

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Marifil Mines (MFM-TSXV)

The following is extracted from the October 2006-1 Issue

Marifil has at least 20 high potential exploration projects in Argentina. The company's management and geological team has years of experience in that country, and has been able to assemble an impressive portfolio of projects which have had a considerable amount of previous work.

Argentina has enormous mineral potential. The country was first explored by modern techniques in the mid-1990s, resulting in some big discoveries. Marifil's team began accumulating properties several years ago, before exploration activity began to pick up.

Work is presently underway on several of the company's projects, with joint venture partners providing a great deal of the funding. The projects encompass gold, silver, copper, zinc, molybdenum and nickel.

Mid-tier producer IAMGold (IMG-T) is exploring Marifil's Los Menucos property, where targets include both high-grade gold-silver veins and disseminated, bulk tonnage gold-silver targets. Apex Silver is evaluating high-grade gold-silver-base metal veins on the Ferrocarrillera project.

Marifil is working on its San Roque gold-silver project. Earlier work by a major mining company was focused on finding a large, bulk mineable deposit. Marifil has re-evaluated the previous results and sees the potential for high-grade gold-silver vein deposits.

Several major mining companies are presently evaluating Marifil properties with the objective of taking a joint venture interest. At the top of the list are a couple of nickel-copper-cobalt-platinum projects. The company holds a dominant property position covering a large layered

ultramafic complex. The Las Aguilas Mine, on the Marifil property, has an historically-estimated occurrence of 2.2 million tonnes grading 0.52% nickel, 0.5% copper, 0.037% cobalt and 0.4 grams per tonne platinum plus palladium. The cumulative value of that suite of metals represents an enticing exploration target. Little has been done in the area for years and the extensive property position held by Marifil has attracted considerable interest.

Marifil follows the joint venture business model, whereby the company locks up a property position, assembles and re-interprets the previous results, conducts confirmatory work and then seeks a joint venture partner to fund the ongoing work. That process requires some investor patience, as it takes time for a property to evolve through to a stage where another company undertakes a drill program that might lead to a big discovery. Shareholders have the advantage of exposure to numerous high potential exploration projects without the company having to continue to seek investor funding.

I particularly like the quality and the breadth of Marifil's property portfolio. The company has a strong geological team that continues to be successful at sourcing projects and attracting partners.

I expect to see the company appreciate in value as its various projects advance through the exploration process and as more investors discover the company, which is so far largely unknown.

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