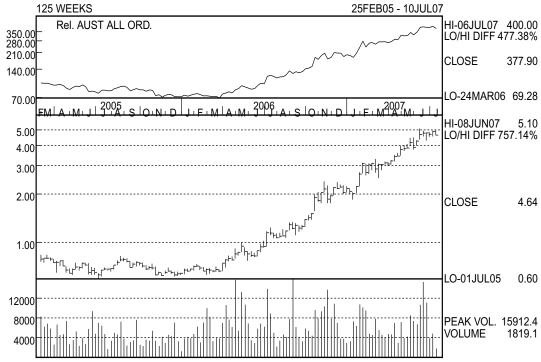


Royal Bank of Canada - Sydney Branch

Geoff Breen (Analyst)
(61) 2 9033-3022; geoff.breen@rbccm.com

David Haddad (Associate)
(61) 2 9033-3071; david.haddad@rbccm.com

FY Jun	2006A	2007E	2008E	2009E
EPS (Op) - FD	0.15	0.50	0.69	0.81
Prev.		0.56	0.85	0.91
P/E	28.7x	8.6x	6.2x	5.3x
CFPS - FD	0.28	0.66	0.87	0.99
Prev.		0.71	1.03	1.09
P/CFPS	15.4x	6.5x	4.9x	4.3x

EPS (Op) - FD	H1	H2
2006	0.05A	0.10A
2007	0.21A	0.29E
Prev.	0.24A	0.32E
2008	0.34E	0.35E
Prev.	0.44E	0.41E
2009	0.44E	0.37E
Prev.	0.50E	0.41E
CFPS - FD		
2006	0.12A	0.16A
2007	0.30A	0.36E
Prev.	0.32E	0.39E
2008	0.42E	0.45E
Prev.	0.53E	0.50E
2009	0.54E	0.45E
Prev.	0.59E	0.50E

June Year-end

All values in AUD unless otherwise noted.

PRICE TARGET REVISION | COMMENT

JULY 11, 2007

Mincor Resources NL (ASX: MCR)

Guidance of 16-17kt Nickel in FY08

Outperform
Above Average Risk

Price:	4.30	**Price Target:**	5.50 ↓ 6.00
		Implied All-In Return:	30.0%
Shares O/S (MM):	196.0	**Market Cap (MM):**	843
Dividend:	0.09	**Yield:**	2.1%
NAVPS:	2.95	**P/NAVPS:**	1.5x
BVPS:	0.36	**P/BVPS:**	11.9x
ROE:	41.0%	**Enterprise Val. ($MM):**	796.4
Float (MM):	196.0	**Avg. Daily Volume (MM):**	1.38
Debt to Cap:	0.3%		

Closing share price is of July 11, 2007.

Event

Mincor's 16-17kt FY08 nickel guidance has resulted in slight downgrades to our estimates and target.

Investment Opinion

- Mincor provided FY08 guidance of 16-17kt of nickel in concentrates for the first time and we have reduced our forecast by 1kt to 17.3kt. This lower production has reduced our FY08 earnings estimate by 19% and our target from A$6.00 to A$5.50.
- The Otter-Juan mine was purchased on 1 July 2007, and along with Carnilya Hill that contributes in 2H FY08, will be the main growth driver, with the company forecasting 28% production growth for FY2008. This should place the company within reach of its goal of 20ktpa in ore.
- We forecast production growth of 34% to 17.3kt in FY08 and earnings of A$136m (down 19% from A$166m), but as yet have not included McMahon or Durkin in our forecasts.
- We consider Mincor to be trading on undemanding P/E multiples of ~6x in FY08 & FY09, with a moderate dividend of ~4% ff, equating to a payout of only ~25%. We view growth to 20ktpa as looking more secure and with longer mine lives. Our target price of A$5.50 implies an all-in return of 30%.
- Since its peak in mid-May, the nickel price has retraced 40% to under US$15/lb, whereas ASX nickel shares have fallen on average 12%. Should nickel remain sub US$15/lb, we believe that there will be selling pressure on Mincor.

Valuation: Our price target of A$5.50 is reduced from A$6.00 and is based on an unchanged average of 7x P/E multiple and 6x P/CF multiple. We have, however, shifted from FY07 & FY08 to FY08 & FY09 years. We expect the re-rating of Mincor to continue once the current weakness in the nickel price abates. We rate the shares Outperform, Above Average risk.

Priced as of prior trading day's market close, EST (unless otherwise noted).

For Required Disclosures, please see Page 6.

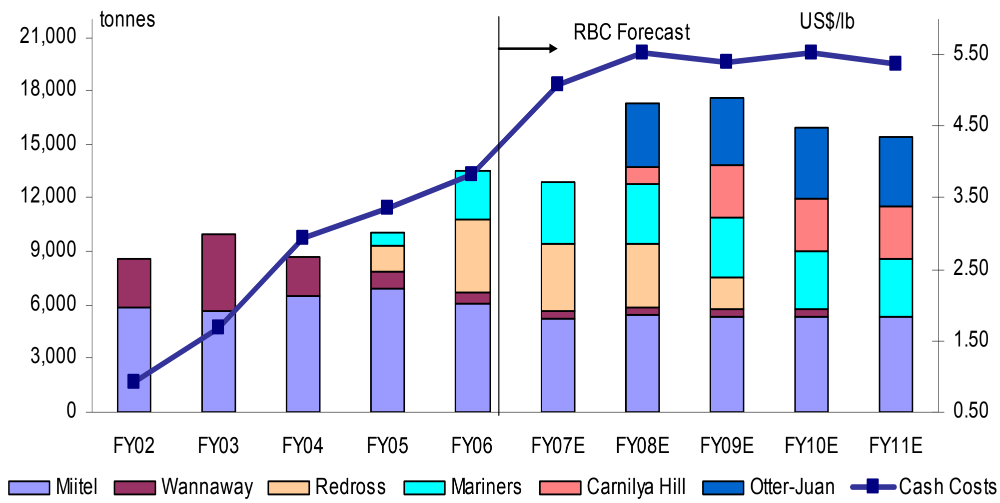
Guidance of 16-17kt Nickel in Conc in FY08

Mincor's released guidance for its total nickel in concentrate production for FY08 of 16kt-17kt. We had been forecasting in excess of 18kt and have slightly lowered our expectations to <18kt.

Key points from Mincor:

- targeting a 28% increase in production in FY08 to 16-17kt nickel in conc
- this target is ~19kt of nickel in ore and close to the company's strategy to achieve 20kt pa
- FY07 production was 12.9kt of nickel-in-concentrate (first time announced and compares to target of 12.5-13.5kt), compared to 13.5kt in FY06
- In FY07, 616,000 tonnes of ore was milled at 2.45% for 15.1kt of nickel in ore
- the newly-acquired Otter Juan mine is budgeted to contribute 4.0kt of nickel metal in ore in FY08
- Carnilya Hill (70%) is expected to make a strong contribution in the June HF 08 – development work underway in late July
- feasibility studies are underway on the McMahon and Durkin Deeps nickel projects and development decisions could be less than six months away, depending on drilling results

Exhibit 1: Mincor Nickel in Concentrate Production – RBC forecasts



Source: RBC Capital Markets, Company

Valuation:

We have reduced our price target to **A$5.50** (A$6.00) using an average P/E multiple for FY08 & FY09 of 7x and a P/CF multiple of 6x. These multiples are unchanged but we previously used FY07 and FY08 multiples. We see the company as delivering on its growth target of 20kt pa nickel in ore within 18 months with Carnilya Hill and the GMM assets. We maintain our Outperform, Above Average Risk rating.

RBC Earnings Revisions:

- There are no surprises in this release from Mincor, but we have reduced our production forecast for FY08 by 6% to 17.3kt from 18.3kt previously.
- We have also lowered our earnings forecast for FY07 on actual production as announced (little different from our forecast) and marked to market the nickel price in the year. We would emphasise that this profit forecast is subject to any revisions due to provisional pricing of outstanding sales tonnages at year-end.
- We have not included a contribution from the recently acquired McMahon & Durkin projects that could be brought into production within 12 months. Drilling success will decide whether production commences or not.
- Mincor's share price has outperformed most other nickel shares over the past few months and we believe the steady stream of positive news from Mincor is creating a re-rate of the company. We expect positive news flow throughout FY08 and Mincor's re-rating to resume once the present sell off in nickel shares is completed once (hopefully) nickel trades back > US$15/lb.

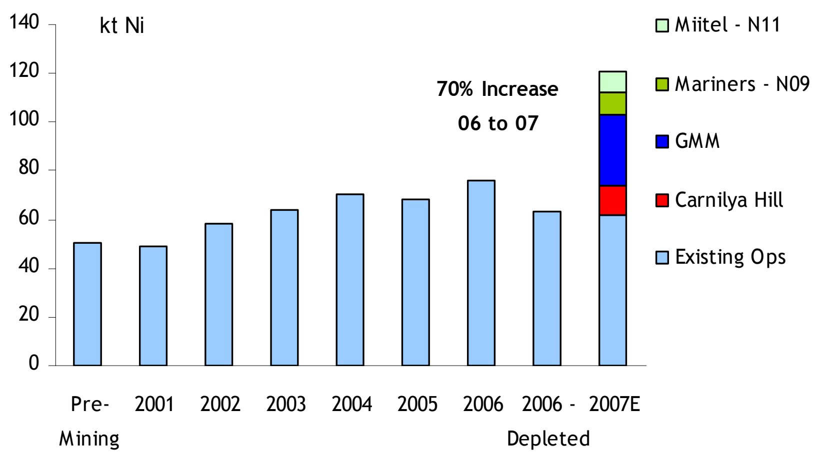
Exhibit 2: Mincor Earnings Revisions

Fiscal 2007		Revised	Previous	% Change
Normalised NPAT	A$m	97.9	108.8	(10%)
EPS	¢	50.1	55.6	(10%)
DPS	¢	12.0	12.0	0%
Gross Cashflow	A$m	129.8	140.7	(8%)
Cashflow/share	¢	65.9	71.4	(8%)
Nickel Production	kt	12.9	12.9	0%
Cash Costs	US$/lb	5.09	5.09	(0%)
Realised Nickel Price	US$/lb	14.25	14.86	(4%)
Fiscal 2008				
NPAT	A$m	135.6	166.4	(19%)
EPS	¢	68.8	84.5	(19%)
DPS	¢	18.0	18.0	0%
Gross Cashflow	A$m	171.9	203.2	(15%)
Cashflow/share	¢	87.3	103.2	(15%)
Nickel Production	kt	17.3	18.3	(6%)
Cash Costs	US$/lb	5.54	5.22	6%
Realised Nickel Price	US$/lb	14.08	14.38	(2%)
Fiscal 2009				
NPAT	A$m	159.5	179.5	(11%)
EPS	¢	81.0	91.1	(11%)
DPS	¢	20.0	20.0	0%
Gross Cashflow	A$m	194.9	214.9	(9%)
Cashflow/share	¢	98.9	109.1	(9%)
Nickel Production	kt	17.6	18.9	(7%)
Cash Costs	US$/lb	5.39	5.28	2%
Realised Nickel Price	US$/lb	14.15	14.16	(0%)
Valuation (A$/sh)		**2.60**	**2.95**	**(12%)**

Source: RBC Capital Markets, Company

One positive new flow item we are anticipating is the 70% increase in the resource base as at 30 June 2007. Much of this increase has been announced to the market already.

Exhibit 3: Mincor Resource Growth - 2001 to 2007E



Source: RBC Capital Markets, Company

Exhibit 4: Mincor Resources Forecast Financial & Operating Summary

Mincor Resources

ASX: MCR		Share Price: (A$)	4.30	Stock Rating:	Outperform	Price Target:	A$5.50
Issued Shares (m)	197.0	Mkt Cap: (A$MM)	847.0	Risk Qualifier:	Above Average	NAV:	A$2.60

Fiscal Year Ended June

ASSUMPTIONS		FY06A	FY07E	FY08E	FY09E	FY10E
Exchange Rate	A$/US$	0.75	0.79	0.82	0.77	0.76
Spot Nickel Price	US$/lb	7.05	17.24	16.35	14.33	12.50
Spot Nickel Price	A$/lb	9.44	21.82	19.90	18.61	16.54
Realised Nickel Price	**US$/lb**	**6.43**	**14.25**	**14.08**	**14.15**	**12.50**
Realised Nickel Price	A$/lb	8.84	18.09	17.17	18.38	16.54
Cobalt Price	US$/lb	14.91	23.39	21.50	17.50	12.50
Realised Cobalt Price	**US$/lb**	**14.91**	**23.39**	**21.50**	**17.50**	**12.50**
Realised Cobalt Price	A$/lb	19.94	29.64	26.18	22.69	16.54
Hedged % of Sales	%		36%	21%	15%	0%
Hedged Price	US$/lb		6.58	8.04	10.01	

RATIO ANALYSIS		FY06A	FY07E	FY08E	FY09E	FY10E
Shares outstanding	MM	195	196	197	197	197
Reported Net profit	**A$MM**	**29.3**	**98**	**136**	**159**	**112**
Significant Items	A$MM	5	0	0	0	0
Profit excl. one-offs	A$MM	24	98	136	159	112
EPS	A¢	15.0	50.1	68.8	81.0	57.0
P/E	**x**	**28.6x**	**8.6x**	**6.2x**	**5.3x**	**7.5x**
CFPS	A¢	27.8	65.9	87.3	98.9	74.3
P/CF	x	15.5x	6.5x	4.9x	4.3x	5.8x
Dividend per share	A¢	5.0	12.0	18.0	20.0	15.0
Dividend yield	**%**	**1.2%**	**2.8%**	**4.2%**	**4.7%**	**3.5%**
Franking Level	%	100%	100%	100%	100%	100%
Payout Ratio	%	33%	24%	26%	25%	26%
Effective Tax Rate	%	28%	31%	33%	33%	33%
Book value per share	A$	0.36	0.64	1.16	1.75	2.10
P/Book value	x	11.9x	6.7x	3.7x	2.5x	2.0x
R.O.E	%	41%	78%	59%	46%	26%
R.O.A	%	18%	35%	37%	34%	21%
EBITDA	A$MM	71	171	236	266	190
EBITDA per share	A$	0.36	0.87	1.20	1.35	0.96
EV/EBITDA	x	11.4	4.7	3.1	2.4	3.1
EV/EBIT	x	19.9	5.7	3.7	2.8	3.8

PROFIT & LOSS		FY06A	FY07E	FY08E	FY09E	FY10E
Revenue	A$MM	175	319	425	463	378
Operating costs	"	(96)	(123)	(167)	(174)	(165)
Mine Operating Profit	**"**	**79**	**196**	**258**	**289**	**213**
Exploration Expense	"	(5)	(10)	(12)	(12)	(12)
DD&A	"	(30)	(32)	(36)	(35)	(34)
Corporate & Other Costs	"	(4)	(15)	(10)	(10)	(11)
Operating Income (EBIT)	**A$MM**	**41**	**139**	**199**	**231**	**156**
Net Interest	"	(0.0)	2	3	7	12
Pre Tax Profit	"	41	141	202	238	167
Tax Expense	"	(11)	(43)	(67)	(79)	(55)
Net profit - as reported	**A$MM**	**29.3**	**98**	**136**	**159**	**112**
Significant Items after tax	"	5	0	0	0	0
Net Profit excl one-offs	**A$MM**	**24.4**	**98**	**136**	**159**	**112**
EPS	A¢	15.0	50.1	68.8	81.0	57.0
DPS	A¢	5.0	12.0	18.0	20.0	15.0

CASH FLOWS		FY06A	FY07E	FY08E	FY09E	FY10E
Operating Cash Flow	**A$MM**	**52**	**172**	**236**	**266**	**190**
Net Interest	"	0	2	3	7	12
Tax Paid	"	0	(22)	(67)	(79)	(55)
Retained Op. Cash Flow	**A$MM**	**52**	**152**	**172**	**195**	**146**
Exploration	"	(4)	(12)	(16)	(16)	(16)
Capital Expenditure	"	(28)	(46)	(58)	(48)	(35)
Loan Repayments	"	(1)	0	0	0	0
Funding Surplus/(Deficit)	**A$MM**	**19**	**95**	**98**	**131**	**96**
Dividends Paid	"	(8)	(18)	(28)	(39)	(39)
Borrowings	"	0	0	0	0	0
Equity Issues	"	0	1	0	0	0
Other	"	16	(68)	(10)	0	0
Total Funds Provided	**A$MM**	**8**	**(85)**	**(37)**	**(39)**	**(39)**
Net change in cash	**"**	**27**	**9**	**61**	**92**	**57**
Cash at start of year	"	18	45	55	115	207
Cash at end of year	**A$MM**	**45**	**55**	**115**	**207**	**263**
Net Op. CFPS	A$	0.27	0.88	1.20	1.35	0.96

BALANCE SHEET		FY06A	FY07E	FY08E	FY09E	FY10E
Cash & equivalents	A$MM	45	55	115	207	263
Other current assets	"	55	74	74	74	74
PP&E & Other Mining Assets	"	63	146	171	188	192
Other Non Current Assets	"	1	3	3	3	3
Total assets	**A$MM**	**165**	**277**	**363**	**472**	**533**
Total liabilities	"	94	152	134	126	119
Total Net Assets	**A$MM**	**71**	**126**	**229**	**345**	**414**
Total Debt	"	4	4	4	4	4
Net Debt (Cash)	A$MM	(41)	(51)	(111)	(203)	(259)
Gearing (net debt : nd+ equity)	%	-134%	-67%	-94%	-143%	-155%
Gearing (net debt:equity)	%	-57%	-40%	-48%	-59%	-61%

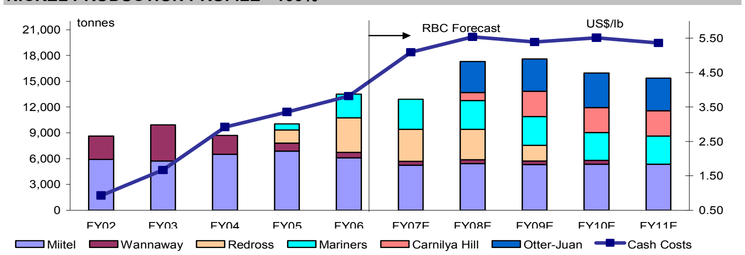
ATTRIBUTABLE MINE STATS		FY06A	FY07E	FY08E	FY09E	FY10E
Nickel Production (100% ownership)						
Miitel	tonnes	6,101	5,212	5,415	5,304	5,348
Wannaway	tonnes	641	466	436	436	436
Redross	tonnes	3,999	3,722	3,564	1,782	0
Mariners	tonnes	2,754	3,485	3,341	3,374	3,257
Carnilya Hill (70% interest)	tonnes			946	2,923	2,873
Otter-Juan	tonnes			3,578	3,780	4,032
TOTAL	**tonnes**	**13,496**	**12,884**	**17,278**	**17,600**	**15,947**
Cash Costs (including Credits):						
Miitel	A$/lb	4.26	6.46	6.87	7.28	7.37
Wannaway	A$/lb	6.83	10.23	9.91	10.25	10.49
Redross	A$/lb	4.68	5.24	5.74	5.91	0.00
Mariners	A$/lb	7.23	7.31	7.68	7.80	8.18
Carnilya Hill	A$/lb			5.33	5.78	5.88
Otter-Juan	A$/lb			6.72	6.97	7.20
Average Cash Costs	A$/lb	5.11	6.47	6.75	7.00	7.31
Average Cash Costs	**US$/lb**	**3.82**	**5.09**	**5.54**	**5.39**	**5.52**
Cash Margin	A$/lb	3.73	11.62	10.41	11.38	9.23
Cash Margin	US$/lb	2.79	9.13	8.54	8.76	6.97

Reserves & Resources - Contained Nickel	Reserves Ni	%Ni	Rscs Ni*	%Ni
Miitel	14.8	2.6	29.8	3.8
South Miitel	9.8	2.6	11.26	3.8
Wannaway	1.0	2.7	4.4	3.2
Redross	8.3	3.0	12.5	4.2
Mariners	10.9	2.7	15.7	4.5
Carnilya Hill	14.0	2.9	16.1	4.6
McMahon/Durkin	0.0	0.0	28.8	4.3
Reserves - Contained Nickel	**58.7**	**2.7**	**118.6**	**4.1**
Reserves - Contained Nickel	129		261	
Enterprise Value/tonne Reserve	14,278		7,068	
Enterprise Value/tonne Reserve	11,137		**5,513**	

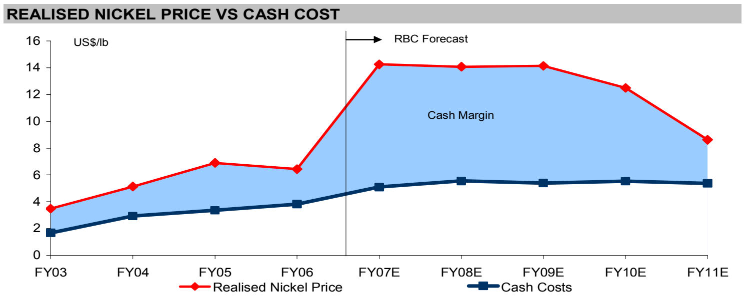
** Resources are inclusive of Reserves*

EARNINGS SENSITIVITY		FY07E	FY08E	FY07E	FY08E
Nickel Price US$/oz	+10%	3	12	4%	23%
	-10%	(3)	(11)	-4%	-21%
Exchange Rate	+10%	(5)	(10)	-8%	-20%
	-10%	6	13	10%	26%

NICKEL PRODUCTION PROFILE - 100%



REALISED NICKEL PRICE VS CASH COST



SHARE VALUATION				
Projects	**% Ownership**	**A$MM**	**A$/Shr**	**%**
Miitel	100%	133	0.68	33%
Wannaway	100%	7	0.04	2%
Redross	100%	52	0.26	13%
Mariners	100%	80	0.40	20%
Carnilya Hill	70%	45	0.23	11%
Otter Juan	100%	83	0.42	21%
Total Operating Assets		**400**	**2.03**	
Exploration & Other		110	0.56	
Debt		(4)	(0.02)	
Cash		55	0.28	
Corporate		(49)	(0.25)	
Net Asset Value - $A		**512**	**2.60**	166%

Source: Company Reports and RBC Capital Markets estimates

Valuation

We have reduce our price target to A$5.50 (A$6.00) using an average P/E multiple for FY08 & FY09 of 7x and a P/CF multiple of 6x. These multiples are unchanged but we previously used FY07 and FY08 multiples. The company should deliver on its growth target of 20kt pa nickel in ore within 18 months with Carnilya Hill and the GMM assets. We maintain our Outperform, Above Average Risk rating.

Price Target Impediment

Earnings are most sensitive to the nickel price and the A$/US$ exchange rate. Ore is processed through BHP's Kambalda concentrator under ~65% profit sharing agreement and so is not susceptible to operating plant failures. The main operational risk is mining but we do not believe head grade is high risk because of the district's long history of mining. However, a mine life based on reserves of only 4-5 years is a risk. Finally, a severe downturn in global economies, especially in China, would cause the nickel price to fall and hurt Mincor's earnings. Mines are moderate to high cost.

Company Description

Mincor is a relatively small Australian nickel sulphide producer with four modest-sized, underground mines and sizable acreage around the Widgiemooltha Dome, south of Kambalda, Western Australia. It is the largest supplier of nickel ore to BHP Nickel West's concentrator at Kambalda and has an off-take agreement with the company. Mincor owns the Miitel, Redross, Mariners and Wannaway mines. It is debt-free and at June 2006 had resources of 2Mt grading 3.8% for 75.8kt of contained nickel metal, and reserves of 1.7Mt grading 2.7% for 44.7kt nickel. The company has a substantial exploration programme. Mines were first purchased in 2001 for A$54m and production began in 2002. Beginning April 2006, Mincor earned 70% of Carnilya Hill, which is expected to be in production by year end 2007. It paid A$2m to farm into RAV 8 by spending A$5m over 3 years for 80%. In May 2006 it paid A$68.5m cash to private group GMM for the 3.6ktpa Otter-Juna mine and former mines McMahon & Durkin which have 29kt nickel resources .

Required Disclosures

Explanation of RBC Capital Markets Rating System

An analyst's 'sector' is the universe of companies for which the analyst provides research coverage. Accordingly, the rating assigned to a particular stock represents solely the analyst's view of how that stock will perform over the next 12 months relative to the analyst's sector.

Ratings

Top Pick (TP): Represents best in Outperform category; analyst's best ideas; expected to significantly outperform the sector over 12 months; provides best risk-reward ratio; approximately 10% of analyst's recommendations.

Outperform (O): Expected to materially outperform sector average over 12 months.

Sector Perform (SP): Returns expected to be in line with sector average over 12 months.

Underperform (U): Returns expected to be materially below sector average over 12 months.

Risk Qualifiers (any of the following criteria may be present):

Average Risk (Avg): Volatility and risk expected to be comparable to sector; average revenue and earnings predictability; no significant cash flow/financing concerns over coming 12-24 months; fairly liquid.

Above Average Risk (AA): Volatility and risk expected to be above sector; below average revenue and earnings predictability; may not be suitable for a significant class of individual equity investors; may have negative cash flow; low market cap or float.

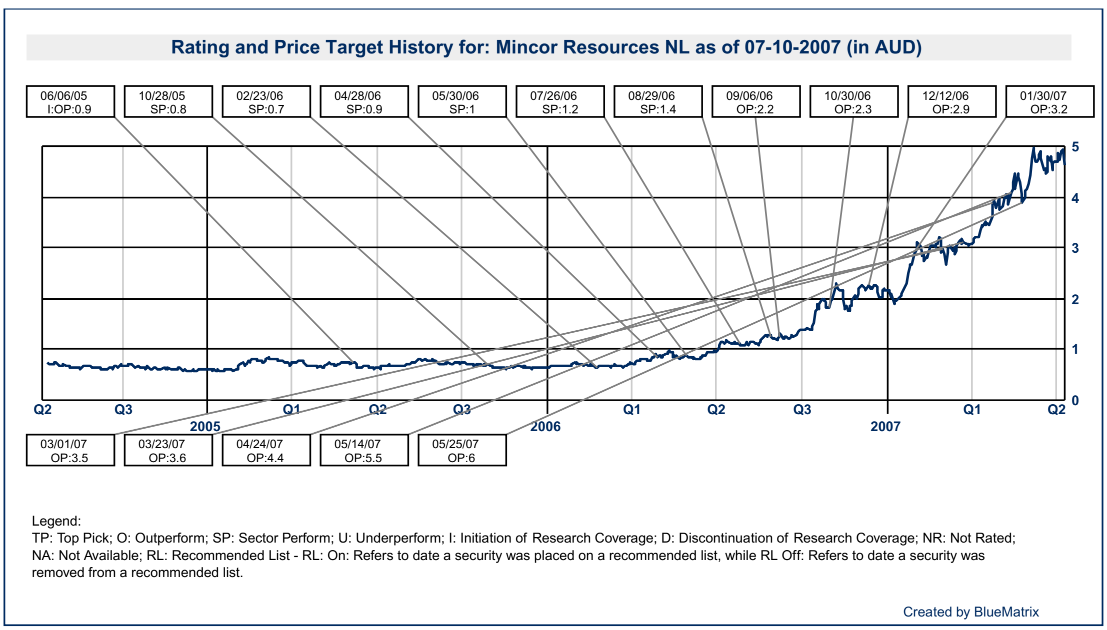
Speculative (Spec): Risk consistent with venture capital; low public float; potential balance sheet concerns; risk of being delisted.

Distribution of Ratings, Firmwide

For purposes of disclosing ratings distributions, regulatory rules require member firms to assign all rated stocks to one of three rating categories--Buy, Hold/Neutral, or Sell--regardless of a firm's own rating categories. Although RBC Capital Markets' stock ratings of Top Pick/Outperform, Sector Perform and Underperform most closely correspond to Buy, Hold/Neutral and Sell, respectively, the meanings are not the same because our ratings are determined on a relative basis (as described above).

Distribution of Ratings/IB Services
RBC Capital Markets

Rating	Count	Percent	Investment Banking Serv./Past 12 Mos. Count	Investment Banking Serv./Past 12 Mos. Percent
BUY[TP/O]	443	43.35	180	40.63
HOLD[SP]	490	47.95	153	31.22
SELL[U]	89	8.71	21	23.60



References to a Recommended List in the recommendation history chart may include one or more recommended lists or model portfolios maintained by a member company of RBC Capital Markets or one of its affiliates. RBC Dain Rauscher Inc. Recommended Lists include a former list called the Western Region Focus List (1), a former list called Model Utility Portfolio (2), and the Prime

Opportunity List (3) (formerly called the Private Client Selects), Private Client Prime Portfolio (4), a former list called Private Client Portfolio (5), the Prime Income List (6), the Guided Portfolio: Large Cap (7), and the Guided Portfolio: Dividend Growth (8). The abbreviation 'RL On' means the date a security was placed on a Recommended List. The abbreviation 'RL Off' means the date a security was removed from a Recommended List.

Analyst Certification

All of the views expressed in this report accurately reflect the personal views of the responsible analyst(s) about any and all of the subject securities or issuers. No part of the compensation of the responsible analyst(s) named herein is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the responsible analyst(s) in this report.

Dissemination of Research

RBC Capital Markets endeavours to make all reasonable efforts to provide research simultaneously to all eligible clients, having regard to local time zones in overseas jurisdictions. RBC Capital Markets' equity research is posted to our proprietary websites to ensure eligible clients receive coverage initiations and changes in rating, targets and opinions in a timely manner. Additional distribution may be done by the sales personnel via email, fax or regular mail. Clients may also receive our research via third party vendors. Please contact your investment advisor or institutional salesperson for more information regarding RBC Capital Markets research.

Conflicts Disclosures

RBC Capital Markets Policy for Managing Conflicts of Interest in Relation to Investment Research is available from us on request. To access our current policy, clients should refer to
http://www.rbccm.com/cm/file/0,,63022,00.pdf
or send a request to RBC CM Research Publishing, P.O. Box 50, 200 Bay Street, Royal Bank Plaza, 29th Floor, South Tower, Toronto, Ontario M5J 2W7. We reserve the right to amend or supplement this policy at any time.

Important Disclosures

The analyst(s) responsible for preparing this research report received compensation that is based upon various factors, including total revenues of the member companies of RBC Capital Markets and its affiliates, a portion of which are or have been generated by investment banking activities of the member companies of RBC Capital Markets and its affiliates.

An analyst involved in the preparation of this report has visited certain material operations of Mincor Resources NL.

Additional Disclosures

RBC Capital Markets is the business name used by certain subsidiaries of Royal Bank of Canada, including RBC Dominion Securities Inc., RBC Capital Markets Corporation, Royal Bank of Canada Europe Limited and Royal Bank of Canada - Sydney Branch. The information contained in this report has been compiled by RBC Capital Markets from sources believed to be reliable, but no representation or warranty, express or implied, is made by Royal Bank of Canada, RBC Capital Markets, its affiliates or any other person as to its accuracy, completeness or correctness. All opinions and estimates contained in this report constitute RBC Capital Markets' judgement as of the date of this report, are subject to change without notice and are provided in good faith but without legal responsibility. Nothing in this report constitutes legal, accounting or tax advice or individually tailored investment advice. This material is prepared for general circulation to clients and has been prepared without regard to the individual financial circumstances and objectives of persons who receive it. The investments or services contained in this report may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about the suitability of such investments or services. This report is not an offer to sell or a solicitation of an offer to buy any securities. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. RBC Capital Markets research analyst compensation is based in part on the overall profitability of RBC Capital Markets, which includes profits attributable to investment banking revenues. Every province in Canada, state in the U.S., and most countries throughout the world have their own laws regulating the types of securities and other investment products which may be offered to their residents, as well as the process for doing so. As a result, the securities discussed in this report may not be eligible for sale in some jurisdictions. This report is not, and under no circumstances should be construed as, a solicitation to act as securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on the business of a securities broker or dealer in that jurisdiction. To the full extent permitted by law neither RBC Capital Markets nor any of its affiliates, nor any other person, accepts any liability whatsoever for any direct or consequential loss arising from any use of this report or the information contained herein. No matter contained in this document may be reproduced or copied by any means without the prior consent of RBC Capital Markets.

Additional information is available on request.

To U.S. Residents:
This publication has been approved by RBC Capital Markets Corporation, which is a U.S. registered broker-dealer and which accepts responsibility for this report and its dissemination in the United States. Any U.S. recipient of this report that is not a registered broker-dealer or a bank acting in a broker or dealer capacity and that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, should contact and place orders with RBC Capital Markets Corporation.
To Canadian Residents:
This publication has been approved by RBC Dominion Securities Inc. Any Canadian recipient of this report that is not a Designated Institution in Ontario, an Accredited Investor in British Columbia or Alberta or a Sophisticated Purchaser in Quebec (or similar permitted purchaser in any other province) and that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report should contact and place orders with RBC Dominion Securities Inc., which, without in any way limiting the foregoing, accepts responsibility for this report and its dissemination in Canada.
To U.K. Residents:

This publication has been approved by Royal Bank of Canada Europe Limited ('RBCEL') which is authorized and regulated by Financial Services Authority ('FSA'), in connection with its distribution in the United Kingdom. This material is not for distribution in the United Kingdom to private customers, as defined under the rules of the FSA. RBCEL accepts responsibility for this report and its dissemination in the United Kingdom.

To Persons Receiving This Advice in Australia:

This material has been distributed in Australia by Royal Bank of Canada - Sydney Branch (ABN 86 076 940 880, AFSL No. 246521). This material has been prepared for general circulation and does not take into account the objectives, financial situation or needs of any recipient. Accordingly, any recipient should, before acting on this material, consider the appropriateness of this material having regard to their objectives, financial situation and needs. If this material relates to the acquisition or possible acquisition of a particular financial product, a recipient in Australia should obtain any relevant disclosure document prepared in respect of that product and consider that document before making any decision about whether to acquire the product.

To Hong Kong Residents:

This publication is distributed in Hong Kong by RBC Investment Services (Asia) Limited, a licensed corporation under the Securities and Futures Ordinance. This material has been prepared for general circulation and does not take into account the objectives, financial situation, or needs of any recipient. Hong Kong persons wishing to obtain further information on any of the securities mentioned in this publication should contact RBC Investment Services (Asia) Limited at 17/Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong (telephone number is 2848-1388).