



# MINER OF THE WEEK



## **Aurcana Corporation Advances On Several Fronts.**

*Trader Tracks has had Aurcana on our recommended list for many months. We last entered the shares in our letter 1-26-11 at a daily price of C\$.66 and this morning of March 1, 2011, the quote is \$C.95. Not only does the stock move nicely for traders, but the values continue to rise for those that buy and hold.*

### **The Company Has A Project In Texas, USA And Another In Mexico.**

**With silver being our preferred faster trade and investment, Aurcana goes to the preferred list.**

**"Aurcana Corporation is a Canadian junior mining company listed on the TSX Venture Exchange, symbol AUN (TSX.V - AUN). The company owns 92% of the La Negra mine and 100% of the Shafter silver mine."**

***"The completed development of the company's two current projects has the potential to quadruple currently established silver production to over six million ounces silver equivalent per year."***

### **Aurcana Is No Longer A Junior Miner. This Is A Large Business With Major Expansion.**

**"The recently expanded 1,500 tons per day La Negra silver-copper-lead-zinc mine is located in Queretaro State, Mexico. Annualized production starting in 2010 is forecast at 1,200,000 ounces silver, 5 million pounds copper and 5 million lbs of zinc."**

**"The Shafter silver mine, located in Presidio County, S.W. Texas, has a NI 43-101 silver resource of 24.6 million ounces Measured and Indicated (2,900,000 tons @ 8.48 opt), 22.8 million ounces Inferred (2,167,000 @ 10.52 opt) and a pre-feasibility completed. Production for years one and two is forecast at 3.8 and 4.0 million ounces silver recovered. Construction is expected to take 18 to 24 months, subject to securing financing and permitting."**

**"VANCOUVER, BRITISH COLUMBIA - (Marketwire - Jan. 21, 2011) -Aurcana Corporation (TSX VENTURE:AUN) ("Aurcana" or the "Company") is pleased to announce that work has commenced on the 100 percent owned Shafter Silver Mine, located in Presidio County, southwest Texas. The site access road has been upgraded, geotechnical and survey work is underway, and plant site and portal earthworks are on track to be completed by April. The portal cut for the decline will be blasted and excavated in February. The first set of new and rebuilt underground mining equipment has been purchased and is scheduled to be on site for mining to commence on the decline in early March."**

**"Key senior management personnel have been hired and are on site. All construction permits are in place. All long lead items such as the 14 ft ball mill and tailings filter presses have been secured and are scheduled to be refurbished. A 5-year off-take contract has been signed with the regional power supply company to upgrade the electrical substation which will provide power for the operation of the mine and mill."**

**"The Shafter Silver Mine is scheduled to start silver production in mid-2012 which is estimated to produce 3.8 million ounces per year at a mining production rate of 1,500 tons per day of ore grading 8 ounces silver per ton. Shafter has a NI 43-101 compliant resource of 24.6 million ounces Measured and Indicated (2,900,000 tons @ 8.48 opt), 22.8 million ounces Inferred (2,167,000 @ 10.52 opt) (using a 4.0 opt cut off). Construction is scheduled to take 18 months."**

### **Aurcana Corporation Closes CDN \$60 Million Equity Financing 12-8-2010.**

**Aurcana Corporation ("Aurcana" or the "Company") is pleased to announce that it has closed its previously announced fully subscribed Equity Offering (the "Offering"). The Company has issued 193,548,387 units (the "Units") at a purchase price of \$0.31 per Unit for gross proceeds of **CDN \$60,000,000.****

**Weekly Chart Shows A Perfect Big Bull Cup And Handle Pattern.**

*Note the handle (far right) is complete and our forecast breakout has begun (upper right corner). Technically, the wider the cup formation over many months, the larger the price breakout when the handle is complete. Our Trader Tracks forecast high for silver in 2011 is \$51.00. This company has the right properties, financing, and management to fully participate in the hot silver markets.*



Weekly CA: AUN chart (below) shows a former high in 1988 near C\$7.00. The median is C\$3.50-\$4.00 shown in 1997. You would be amazed how new prices will go right back to very old prices on the technicals. With new management and company expansion, the old technicals, we forecast, will be broken on the upside.



## High Producing Mexican La Negra Mine Is Going Back Into Production.

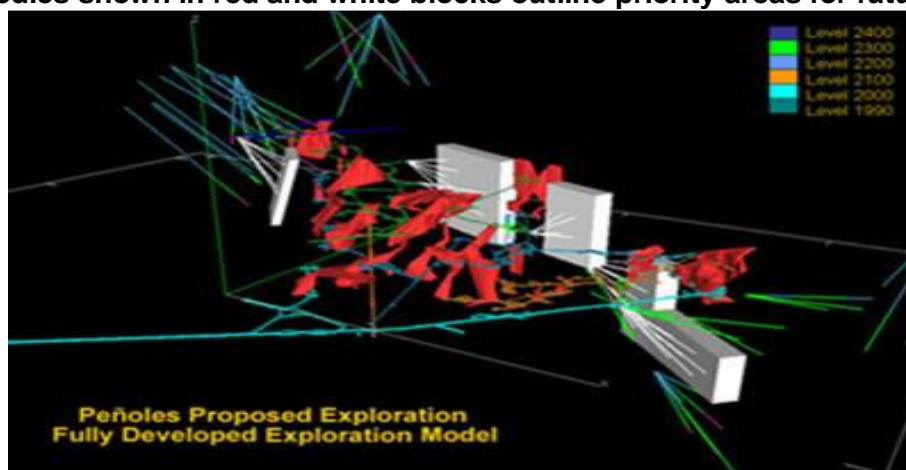
*“The La Negra mine was discovered and developed by Industriales Peñoles S.A. de C.V. The mine commenced production in 1970 and produced until the mine was put on care and maintenance in 2000.”*

**Historical production** as reported by Peñoles was approximately 6.6 million tons of ore with metal production as follows: 36 million oz. of Silver; 323 million pds of Zinc, 70 million Pds of Copper; 161 million pds of lead.

**Historical Reserves:** In addition to the 6.6 million tons of ore mined by Peñoles, the historical reserves are 1.22 million tons grading: 1,000 tpd mill with a -3 stage crushing plant; -8' x 10' ball mill; and upgrades being done to increase capacity from 800 tpd to 1,000 tpd. The mill produces zinc, copper and lead concentrates.

**23 known ore bodies:** are all accessible by existing workings. Large ore bodies are amenable to low cost long hole, open stope, mining methods. All reserves are above the 2,000 level main haulage way and ore exploration potential is very good in many zones open at depth. Infrastructure is in place with power provided by existing power lines. The mine offers company owned housing and water is available. All permits and agreements are in place and the company has very good local support for the project.

**La Negra Mine Exploration Potential Shows Planned Versus Known Ore Bodies.**  
Known ore bodies shown in red and white blocks outline priority areas for future exploration.



I am not a geologist but it is obvious why the white blocks are indicated targets for future expansion being strategically located.

### Trader Tracks Summary Recommendations.

The measured and indicated resources are immense. This is a silver company and silver is THE hot product in our view. This property has capabilities for further expansion. The shares outstanding are 127,674,160. The market cap is 121m. The 52 week high at C\$.94 was broken this week. The 50-day average price is C\$0.702 and the 200-day average price is C\$.4318. Trading volume is 935,577 on the 50-day average and 674,039 on the 200-day volume. **With the company's new and positive changes, the next price average is coming out of a higher base at C\$.70 raised from the last fall price of C\$.40-C\$.50 trading range. Our 2011 share price forecast, support and resistance levels are: C\$.87; C\$.97; C\$1.05; and C\$1.14. These are minimum goals for the share prices. As the physical silver price rises toward our objective of US \$51.00 this year, these prices for Aurcana must be revised higher. At this date, those are technical minimums.** Based upon our analysis of the company and the gold and silver markets in general, Aurcana is a hold if you own it per our recommendations. If you don't own it, we recommend buying it now at the market.

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