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Vol 7, Issue 4 Project Generator is Under the Radar & Undervalued – Cornerstone CGP.V May 9/07

## Cornerstone Capital Resources (CGP.V) has remarkably “feral” potential for high grade gold discoveries in Ecuador

*“Now is a good time to consider a long position in Cornerstone Capital Resources as plans ([see May 7, 2007 release](#)) to drill 26,000 meters on 5 projects in Canada and Ecuador, 88% through JV partners, was recently announced. Cornerstone is unmatched in the level of JV funded expenditures and possesses a large quality portfolio of assets with numerous JV arrangements. Additional JV arrangements can be anticipated as their “excellence in exploration” technical team continues to provide highly prospective properties. Cornerstone offers concessions that exhibit such high potential that CGP.V’s market cap appears to be unreasonably undervalued, relative to it’s holdings of such magnitude; Cornerstone has less than 51M shares outstanding and trades at a current share price of less than CDN\$0.70.”*

James O’Rourke  
Mining MarketWatch Journal

### Mineral Exploration Excellence

**Cornerstone Capital Resources Inc.** is an established and well financed mining exploration company which currently trades on the TSX Venture Exchange under the symbol [CGP](#), Cornerstone also has a U.S. (CTNXF) and Frankfurt listing (GWN). Cornerstone employs a joint venture business model for the development of their properties at little or no cost to themselves, avoiding dilution and maximizing shareholder value. This business model is predicated on its technical leadership generating high quality exploration projects which have the potential to yield outstanding returns to the company.

Cornerstone not only has Ecuador gold concessions that on its own justify a market cap several times its current, it also has uranium and other metal projects of significance in Atlantic Canada. However in the opinion of Mining MarketWatch Journal it is the Ecuador Shyri project that holds the best near term prospect for new developments from exploration. Cornerstone currently has about 750 Sq Km in concessions in Ecuador with 12 individual projects, 2 of which are currently joint-ventured.

The objective of the Shyri exploration effort is to target areas with multi-million ounce gold potential. CGP.V

has proposed a 7 million dollar program including 15,000 meters of drilling for which they have tentative approval at this point from their JV partner. Cornerstone, and their joint venture partner, are going forward in a big way on the Shyri project and the anticipation at this point is that, of the 15,000 meter drill program, approximately 8,000 meters will be focused on one prospect called the Gama, which is on the NW quadrant of the property. Work to date on these concessions indicates potential for intermediate and high sulphidation precious metal deposits in several target areas as well as potential for porphyry-style mineralization. The Shyri concessions straddle the Ganarin Belt and are immediately adjacent to IAMGold Corporation’s Quimsacocha high sulphidation gold project. The Ganarin Belt is a 50 km long feature with several volcanic centres, related intrusives and numerous epithermal gold-silver prospects. IAMGold’s Quimsacocha is the most advanced project in the Ganarin Belt. IAMGOLD first announced significant drill intersections at Quimsacocha in December 2004 and in September 2006 they reported an indicated resource of 3.4 million ounces of gold in the deposit. On Cornerstone’s Gama project a big alteration footprint has been identified and it is being prepared for drilling; the geophysics, prospecting, sampling, mapping, and necessary groundwork are near completion and they are now building the drill model/program. Not only do they have an alteration system similar to Quimsacocha but one discrete anomaly is about 4 km long by about 1 km wide and it has very distinct and significantly elevated geochemical pathfinder elements including elevated gold and silver.



**Valuation Alert:** The large quality portfolio of assets and joint venture arrangements CGP possesses appears to be disproportionately undervalued relative to its market cap. A number of catalysts are in play in 2007 to move it higher.

See Expanded Copy: [miningmarketwatch.net/cgp.htm](http://miningmarketwatch.net/cgp.htm)

**NY Spot Close May 8, 2007; Gold: \$684.40, Silver: \$13.46**