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April 20, 2007



CORRIDOR RESOURCES (T-CDH) \$10.65 +0.96
PACIFIC ENERGY RESOURCES (T-PFE) \$2.23 +0.23
RALLY ENERGY (T-RAL) \$6.54 +0.13

We've been following *Corridor Resources* for much of the last two years and it has been one of the success stories of the oil and gas market and what's most noticeable is despite what's happened to most natural gas stocks.....they've been in the TANK.....this gassy because of it's discoveries in New Brunswick continues to flirt with new highs!

The run up over the last few days can be attributed to presentations that the company had made in New York City and remember New York City just isn't that far away from New Brunswick, so it might be almost considered a local story!

Andy Gustajtis is the oil and gas guy who has persuaded us over time to get involved in this story and we are quite thankful for that!

However, he's in a bit of dilemma because some of his picks over the last while have done so well.....because of the big move in *Rally Energy*, *Kodiak Oil & Gas* and a few others, he's had to readjust his top three picks.

New to the number one pick is *Pacific Energy*, led by Darren Katic which is in the process of taking over some huge offshore Platforms with big reserves in California and some time this summer they'll find out if their play in Wyoming is even a fraction as good as *Ultra Petroleum's* success has been there. For *Pacific Energy* he gives us a target (one year out) of somewhere between \$5.00 and \$8.00.

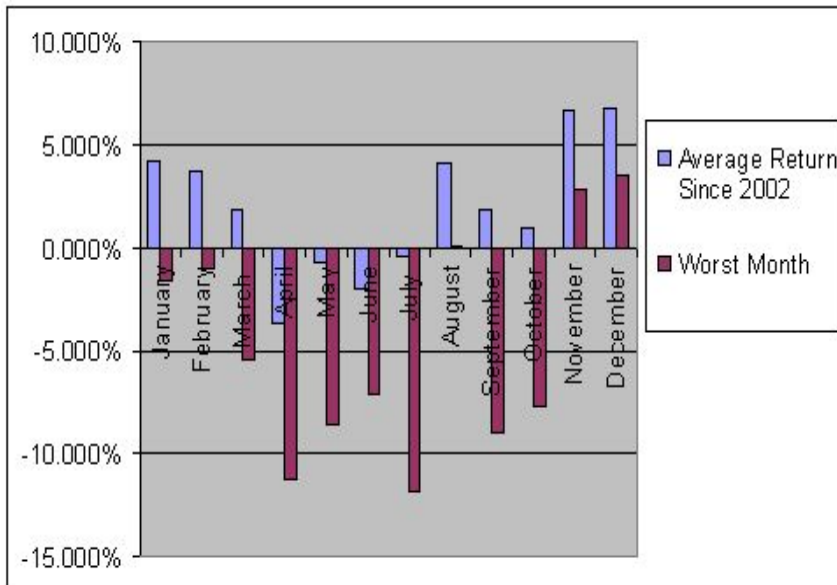
As a second pick he sticks with *Corridor Resources*, but cautions us because they don't know if the Frederick Shale will see commercial production and we don't know if the Dawson Settlement is even there. He suggests a year from today the stock could be anywhere between \$8.00 and \$25.00.....

His third pick, he gives us a target of \$10.00 and because the company is currently doing a financing and is in registration.....we can't quote him on anything, but if you do a little "Inspector Cleaseau" work, I'm sure you'll figure out what we are talking about.....

*****We're off to New Brunswick next week for a gathering of CDH follower's on Monday—then off to California to see what this Pacific Energy is all about.....

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VENTURE EXCHANGE 3361.41 +64.79

“Sell in May and go away”.....it’s a long standing saying attributed to the resource stocks and the Venture Exchange Index in general. Why it happens and why it has happened in the past is open to debate, but it seems to be one constant you can count on in the markets. The chart does show you, though, that while it says “sell in May and go away” it could be any month when this correction starts and it could be anywhere from a modest 13% correction to a gut turning 30%!

It’s a good time to make sure that the margin is low, you’ve taken some profits and culled some that maybe you’re losing faith in! Why might the resource sector correct-given huge commodity prices right across the board? Well, there are always several reasons including the ones that you would have never thought of, but the Chinese have been leading this and their market is now considered “way” over priced. A hick-up in the

Chinese market could really create problems here. Even something like an increase in interest rates could give us a dose of reality. There are also so many stocks now listed in the Venture Exchange, it could simply stop going up from its own weight of the number of stocks outstanding. Three years ago, there used to be handful of uranium stocks, now some people suggests that there are as many as 600 and you now the odds of how many of them ever having something of commercial production.....

Disclosures: Canaccord has recently participated in a financing for Corridor Resources and Pacific Energy Resources.

DEB'S DITTY:

A man suspected his wife of seeing another man, So he hired the famous Chinese detective, Chen Lee, to watch and report any activities while he was gone. A few days later, he received this report:

MOST HONOLABLE SIR:

YOU LEAVE HOUSE I WATCH HOUSE HE COME TO HOUSE. I WATCH HE AND SHE LEAVE HOUSE. I FOLLOW. HE AND SHE GO IN HOTEL. I CLIMB TREE. I LOOK IN WINDOW.

HE KISS SHE. SHE KISS HE. HE STRIP SHE. SHE STRIP HE.

HE PLAY WITH SHE. SHE PLAY WITH HE.

I PLAY WITH ME. I FALL OUT OF TREE. I NO SEE.

NO FEE.

CHEN LEE.

SOLLEE

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