



# MINER OF THE WEEK



## Millrock Resources, Inc. (TSX MRO)

*Trader Tracks first learned about this company and their projects on Jay Taylor's March 29, 2011, Tuesday, Radio Show. We are intrigued as the shares have a good start, the company has excellent managers, and we like the property locations. Their business plan is the Project Generator Model where the company obtains select properties and proves-them-up for subsequent sale or, joint venture-merger with larger mining operators. Millrock has some excellent senior companies working on their projects, which proves the validity and potential success of their business.*

**“Millrock Resources Inc. is an Alaska-based TSX Venture Exchange listed company focused on generating metallic mineral projects for joint venture exploration and development in Alaska and Arizona.”**

“Capitalizing on its Project Generator Model, Millrock has tremendous potential to create substantial shareholder value through the discovery of world-class deposits. Alaska is a mining frontier. The state showcases several mines and deposits of global significance yet remains largely unexplored. In Arizona, Millrock targets covered deposits in the heart of the porphyry copper mining camps for the discovery and development of the next generation of mines there.”

**“Millrock seeks to create value for its shareholders by making discoveries of giant ore bodies that it will sell to major mining corporations.”**



**Business Model:** Project Generator–Joint Venture Model: -Excellent leverage for shareholders. -Early-stage exploration discovery specialists. -Focus on copper porphyries and pluton-related gold deposits. -Concentration on Alaska and Arizona. -Millrock seeks to create value for its shareholders by making discoveries of giant ore bodies that it will sell to major mining corporations. -Cash flow positive, sustainable exploration company. -Millrock intends to emulate the success of one of the greatest Project Generator companies of all time - Altius Minerals, Current Joint Venture Partners (February 2011) -Eight working partners secured to finance exploration. -Vale, Teck, Kinross, Inmet, Altius, Ryan Gold (formerly Valdez Gold), Brixton, and Crescent. -Partnerships combine (for) a total of \$46 million dollars in earn-in exploration financing.

**We like Arizona and Alaska for mining. Alaska, of course is legendary for its resources and Arizona has been a high production location for many years. They are mining friendly and some of the old mines previously closed on low ore prices are being refurbished and re-opened. Further, with new sophisticated geology and engineering, spots passed over long ago are showing new promise.**

## Millrock Resources, Inc. continued

**Types of Projects:** -Alaska - Nine gold, copper-gold projects. -Arizona: Four copper-gold projects. -Focus on porphyry deposits.

**Leverage and Reducing Risk:** -By using multiple projects Millrock increases chance(s) of making metallic mineral deposit discoveries. By accessing funds from other companies, Millrock reduces risk to its shareholders of an exploration failure, and avoids dilution of shareholder's interest. Most of Millrock's exploration funding comes from other companies (not our shareholders). Millrock's exploration expenditure for 2011 will be \$14.3 million but the Company's share will be only \$1.5 million (including funds from strategic partner Altius). -Edited from company website

**Please Note The Size And Quality Of These Companies Working With Millrock. Here Are The 2011 Millrock Resources Projected Exploration Expenditures.**

Vale (\$1.5M), Ryan Gold (\$600K), Kinross (\$2.1M), Inmet (\$1.6M,) Teck (\$3.5M), Brixton (\$1.5M), Crescent (\$2.0M), Millrock (\$600K) , Altius (\$900K)

"Primarily, Millrock targets early-stage exploration of copper-gold porphyries and pluton-related gold deposits, with efforts focused strictly on the Alaska and Arizona, both mineral-rich frontiers with vast exploration potential and also stable, mining-friendly jurisdictions."

*"Millrock seeks to create value for its shareholders by making discoveries of giant ore bodies that it will sell to major mining corporations."*

"As grassroots, early-stage explorers, Millrock is working in the highest-risk sub-sector of the exploration business. The Company has adopted a business model that minimizes this financial risk and maximizes the chance of discovering an ore body."



MRO's chart has completed a bearish parabolic top on normal trading cycles. We are seeing firm support at C\$.70 with even stronger support at C\$.60. Note the price gap in an up-move last September. This gap was later filled in October and recent lows between \$.65 and C\$.70 match the trading action from last October. With a new technical price floor at \$.70-C\$.75, we were able to technically project the price through the end of the second quarter of 2011 to June 31, 2011.

## Expanded Weekly Chart Pattern Shows Complete Five Wave Sell Retracement.

Next, we are supported near C\$.75 for the forthcoming rallies.



## Trader Tracks Summary And Forecast.

The following summary and price forecasts for the shares are minimum prices we expect for Millrock Resources, Inc. for 2011. While the broader markets, after June, 2011, are worrisome in general, new data received this week persuades us that gold and silver will continue to rally through this year even if the mainstream shares sell heavily this fall.

The share price has found hard support at C\$.75. The following technical price support and resistance levels were produced from that base number: C\$.93; C\$1.04; C\$1.13; and C\$1.21. **We recommend buying the shares at the market with a current price of C\$.72 Friday morning. A new shares rally in most all markets could take this one to C\$1.00 by the end of next month or, June.**

**These are the minimum performance numbers we are predicting for the company. There are many variables that can accelerate the price such as:**

- New and faster inflation
- A geopolitical event relative to the energy markets
- A news discovery for one of the companies' ventures
- Unusual increases in gold and silver prodded upward for a variety of reasons
- Higher volatility in markets
- Credit failures in the USA, Europe or Asia

## One Decade Of Prices. Weekly MRO Price Consolidation Is Now Completed.

*Our next gold and silver rally cycles are underway with April gold futures bottoming at \$1,412, with a last price on Thursday morning of \$1,438.30. That price is resistance, but we expect the cash and the futures prices of gold to seek \$1,448.50 next. MRO should rally and follow.*



**Three Year CA: MRO chart finishes Cup And Handle Bull pattern. Should rally next.**



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