

Recommendation

n.a.

Target Price

n.a.

Risk

n.a.

Avg. Daily Trading Vol.

236,407

Quick Facts

Recent Price	\$1.22
Symbol	WNP:TSX-V
Shares O/S	23.4
52 Wk. Range	\$1.79-\$0.15
Fiscal Year End	Dec 31

	EPS	CFPS
2003a	n.a.	n.a.
2004e	n.a.	n.a.
2005e	n.a.	n.a.

Western Prospector Group Ltd.

WNP:TSX-V



Data Source: BigCharts.com

INFORMATION FACT SHEET

This Information Fact Sheet is a preliminary assessment of Western Prospector Group Ltd. It is not a detailed analysis of the Company, and contains no Recommendation, Earnings Estimate, Target Price or Risk Assessment. eResearch is in the process of completing a full-scale analysis of the Company, and a comprehensive report will be available shortly.

Western Prospector Group Ltd., whose shares trade on the TSX Venture Exchange under the symbol WNP. Western Prospector Group Ltd. has been a publicly traded company since 2002, that acquires and explores mining properties with demonstrated potential. Ongoing exploration of selected properties is funded through joint ventures or negotiated buy-out agreements with third party companies. Western Prospector's assets include a portfolio of mineral properties with potential to produce (i) gold and uranium in Mongolia, (ii) copper, nickel, platinum, and palladium in Ontario, and (iii) gold in the Yukon.

Western Prospector's investments in these properties come at an opportune time as gold and commodity prices are soaring. At the same time, the Company is subject to certain risks, such as volatile commodity markets, a rising Canadian dollar, and international competition.

At the present time, Western Prospector is considered to be an early-stage exploration company, as it has not established reserves on any of its properties, has not derived any revenue, and has reported losses since inception. At June 30, 2004, the Company had cash and short-term investments of \$1.2 million and no debt. In October 2004, Western Prospector received \$5.75 million from a private placement bringing its working capital to approximately \$6.4 million, with 23.4 million shares issued. Proceeds will be directed to the exploration of the Saddle Hills Uranium Project (see overleaf) and to working capital.

A. MONGOLIA

The Company holds licences in three areas in Mongolia - the Saddle Hills Basin, Yalbag, and Hulgar. The Company's potential for success in Mongolia is enhanced by recent changes in Mongolia's laws and trade status. In 1997 the Mongolian parliament adopted the new Minerals Laws of Mongolia to ensure that investments in the country's mining sector would be internationally competitive. In the same year, Mongolia became a member of the World Trade Organization. Mining has become Mongolia's largest single industry accounting for 50% of industrial output and more than 40% of its export earnings.

Several Canadian mining companies have been active in Mongolia recently. In 2000, Ivanhoe Resources optioned the Oyu Tolgoi Project from BHP and identified one of the largest copper gold deposits in the world. Current estimates are 4.3 million tonnes of copper and 9.2 million ounces of gold. Centerra Gold, a Canadian company launched by Cameco, Canada's uranium giant, has a 95% equity interest in Mongolia's largest hard rock mine, the Boroo, which began commercial production last March and is expected to produce 220,000 ounces of gold in 2004. Centerra also owns 100% of the Gatsuert gold deposit and is expected to produce 220,000 ounces of gold in 2004. Many other Canadian companies have acquired interests in Mongolia and are actively involved in exploration such as Entrée Gold, QGX, International Uranium Corporation, Planet Exploration and UGL Enterprises.

In March 2004, Western Prospector mandated Ulaan Baatar-based Brant Resources to conduct a country-wide exploration program in Mongolia, known as the OEX Program, and to identify acquisition properties. Brant Resources was chosen because its CEO, Kenneth B. de Graaf, has had a successful ten-year mining exploration history in Mongolia and is credited with the discovery of the Gatsuert gold deposit now owned by Centerra Gold. Ken De Graaf is now Western Prospector's Vice President of Operations in Mongolia and a Director of the Company.

Under the OEX program, which will run until October 2005, Western Prospector committed to pay Brant \$5000 U.S. plus 200,000 common shares for each property identified to a maximum of US\$40,000 and 1 million common shares. In consideration for up to US\$10 million in exploration expenditures that may be incurred by Western Prospector on the properties acquired under the OEX program, Western Prospector may issue up to 6.0 million shares to Brant in four annual tranches of 1.5 million each.

1. Uranium: Saddle Hills Basin Project

- Located in the eastern margin of the Saddle Hills uranium basin, five contiguous exploration licences cover an area of approximately 600 square kilometers which is accessible by road;
- Licenced area includes the Gurvanbulag uranium deposits, located in the western portion, which were partially developed by the Russians with a reported resource of 41.7 million lbs U308 (not NI 43-101 compliant- Western Prospector is currently working on NI 43-101 report);
- Feasibility study completed in 1987 by the Russians is being studied by Western Prospector Group;
- High geological prospective for near-surface uranium deposit discovery;
- A 5000 kilometer radiometrics program has just been completed with results pending; and
- Exploration expenditures for 2005 will range between \$2.5 to \$3.0 million.

2. Gold: Yalbag Project

- Located in north central Mongolia approximately 70 kilometers northeast of Centerra's Gold's Gatsuert gold deposit;
- Accessible by road;
- Region is well known for its large-scale gold alluvial placer mining operations and is reported to have produced over 80% of Mongolia's total past gold production; and
- This 4,200 hectare property covers a portion of geological fault, where the rocks host extensive rich, placer gold deposits and bedrock gold mineralization.

3. Molybdenum/Copper: Hulgar Property

- Three contiguous licences totaling 37,500 hectares in southeastern Mongolia;
- Ivanhoe Mines is exploring its large Oyu Tolgoi deposit in the same geological belt which extends from northeast Mongolia to the southeast - this belt is characterized by porphyry-style molybdenum copper mineralization; and
- Access to transportation and power -- crossed by a state road and a power line.

B. ONTARIO

Copper, Nickel, Platinum: Lakemount Property

- Joint venture with mining partner Platinum Group Metals of an area 4 by 6 kilometers located 10 kilometers east of Wawa Ontario along Highway 10;
- Highway and the logging roads provide easy access to known mineralized zones;
- Third phase of drilling is indicating higher grades of nickel, copper, platinum and palladium zones with 3 to 5 metre thicknesses -- drill intercepts reported Hole 20 with 1.0% nickel, 0.38% copper, 0.59 g/t PGE's over 5 metres; and Hole 18 with 0.76% nickel, 0.50% copper and 0.88 g/t PGEs over 7.0 metres;
- Next phase requires updating geological and grade models and completing a preliminary resource assessment;
- Roscoe Postle Associates of Toronto has been retained to complete a resource estimate; and
- Western Prospector will retain an initial 49% interest in the Lakemount property upon Platinum Group Metals completing a \$2.5 million exploration program and paying Western Prospector \$50,000 and 150,000 shares.

C. YUKON PROPERTIES

1. Gold: Indian River Project

- Property is comprised of 795 claim units which cover 21 kilometers of the Indian River Drainage system;
- Located in the Klondike goldfields 30 km. south of Dawson City, a famous gold rush area in the late 1800s;
- Joint venture partner, Boulder Resources, has an option to spend \$5.0 million, and pay \$300,000 and issue 1.0 million units to Western Prospector to earn a 70% interest in the project;
- Earlier this year the Yukon Department of Energy, Mines and Resources granted Boulder a Class 3 land use permit enabling Boulder to launch a high grade gold exploration program;
- High grade gold results from an independent sampling program conducted by the Yukon Geological Survey have been released and can be viewed on the Yukon government web site;
- Three gold bearing gravel terraces approximately 14 kilometers in size were drilled by Western Prospector in 2003 and then backhoe trenched by Boulder in May and June of this year. Based on this exploration work, Boulder reported in July 2004 that it had discovered "strong gold values";
- Sampling is now being conducted by a rotasonic drilling program that will provide a complete sample of the paleochannel alluvial deposits; and
- Upon Boulder making the next \$5 million expenditure at Indian River, Boulder will earn a 70% joint venture interest with Western Prospector retaining 30%.

2. Emeralds: Toto Emerald Project

- Located in the Finlayson Lake District of the Yukon, the Toto claim was staked by Western Prospector in 2004;
- Although limited geological mapping has been undertaken in the Toto area, the claims appear to be underlain by intrusive rocks that may potentially host pegmatite bearing emeralds;
- The Toto project also lies within the North River corridor that hosts the True North Gems emerald discovery and the Pacific Ridge/Cabot Fyre Lake VMS deposit and defined emerald targets.
- The geologic setting of Western Prospector's Toto property is similar to that of True North Gems.

eResearch Recommendation System

- Buy:** Expected total return within the next 12 months is at least 20%
- Speculative Buy:** Expected total return within the next 12 months is at least 40%. Risk is High (see below)
- Hold:** Expected total return within the next 12 months is between 20% and the T-Bill rate
- Sell:** Expected total return within the next 12 months is less than the T-Bill rate

eResearch Risk Rating System

A company may have some but not necessarily all of the following characteristics of a specific risk rating to qualify for that rating:

- High Risk:** Financial - Little or no revenue and earnings, limited financial history, weak balance sheet, negative free cash flows, poor working capital solvency, no dividends.
- Operational - Weak competitive market position, high cost structure, industry consolidating, business model/technology unproven or out-of-date.
- Medium Risk:** Financial - Several years of revenue and positive earnings, balance sheet in line with industry average, positive free cash flow, adequate working capital solvency, may or may not pay a dividend.
- Operational - Competitive market position and cost structure, industry stable, business model/technology is well established and consistent with current state of industry
- Low Risk:** Financial - Strong revenue growth and earnings over several years, stronger than average balance sheet, strong positive free cash flows, above average working capital solvency, company may pay (and stock may yield) substantial dividends or company may actively buy back stock.
- Operational - Dominant player in its market, below average cost structure, company may be a consolidator, company may have a leading market/technology position.

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