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# Daily Report – Mar 17, 2006

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Metal	Prices - Daily Change			Inventory (Tonnes)			Change Since Dec 31/05	
	16-Mar-06	15-Mar-06	Change	16-Mar-06	15-Mar-06	Change	Price	Inventory
Aluminum /lb	\$1.095	\$1.108	(\$0.013)	788,200	789,500	(1,300)	\$0.06	143,350
Copper /lb	\$2.263	\$2.273	(\$0.010)	133,250	134,725	(1,475)	\$0.18	43,675
Lead /lb	\$0.518	\$0.538	(\$0.019)	86,125	84,850	1,275	\$0.02	42,500
Nickel /lb	\$6.690	\$6.681	\$0.009	33,816	34,152	(336)	\$0.62	(1,926)
Zinc /lb	\$1.058	\$1.054	\$0.004	308,875	311,550	(2,675)	\$0.19	(85,250)
Gold /oz	\$553.250	\$556.500	(\$3.250)				\$40.25	
Silver /oz	\$10.275	\$10.250	\$0.025				\$1.45	
Platinum /oz	\$1,020.000	\$1,030.000	(\$10.000)				\$56.00	
Palladium /oz	\$312.000	\$316.000	(\$4.000)				\$59.00	

- In over night trading base metal prices were up compared to Thursday morning rings. Copper was trading at \$2.32 per pound, nickel was trading at \$6.70 per pound and zinc was trading at \$1.11 per pound.
- Concern over protests at Freeport McMoRan's Grasberg mine in Indonesia shored up some support for copper, while a weaker dollar and firmer gold price encouraged support from traders and speculators
- Zinc price are trading at record highs. The price increases are supported by increasingly tight zinc metal inventories and mine supply concerns. At the current rate of drawdown of zinc on the LME, zinc metal inventories will be exhausted by November, 2006. In addition there is concern that Xstrata's McArthur River mine will not get a permit to operate as an open pit. The mine produces 170,000 tonnes of zinc in concentrate and 40,000 of lead in concentrates.

## Stocks

Advances				Declines				Volume								
Sym.	\$/Share	Delta	Shares 000	Since Dec3105	Sym.	\$/Share	Delta	Shares 000	Since Dec3105	Sym.	000	Delta	\$/Share	Delta		
FCC	\$3.01	\$0.22	8%	1,912	20%	PDL	\$11.91	(\$0.73)	-6%	45	21%	WDA	3651	5%	\$2.69	\$0.01
SKR	\$7.70	\$0.50	7%	665	161%	GCE	\$2.74	(\$0.16)	-6%	592	-17%	FCC	1912	4%	\$3.01	\$0.22
CRU	\$1.92	\$0.11	6%	33	16%	SWC	\$2.85	(\$0.15)	-5%	206	ERR	SKR	665	3%	\$7.70	\$0.50
FR	\$4.21	\$0.24	6%	116	67%	OSK	\$3.35	(\$0.15)	-4%	58	116%	ELD	6653	2%	\$4.81	(\$0.17)
EMC	\$5.60	\$0.30	6%	357	63%	CTQ	\$4.60	(\$0.20)	-4%	218	11%	WTC	726	1%	\$23.21	(\$0.19)

- Mining shares were down in Thursday's trading. All mining sectors were down except for diamonds, zinc and nickel.

## Companies

Pine Valley Mining Corporation	Symb	Mkt Price	Volume	52wk L	52wk H	Cap Mills
75732878 Shares	PVM	\$ 1.70	59,900	\$ 1.67	\$ 5.45	\$ 129

### Pine Valley Mining Corporation (PVM) – Update to Sales Forecast

- Pine Valley has concluded its pricing and volume negotiations with its Asian customer base for the fiscal year ending March 31, 2007. Accordingly, the Company currently has commitments from customers for 848,000 metric tonnes of its PCI and coking coal products at an average sales price of US\$80.55 per tonne. The majority of this coal is PCI.
- Pine Valley is targeting total sales of between 1.0 to 1.4 million tonnes in the year ending March 2007.
- The Company previously announced projected sales for the quarter ending March 31, 2006 of approximately 210,000 tonnes of its PCI coal product. The Company is now forecasting sales of approximately 158,000 tonnes as a shipment for 48,000 tonnes originally anticipated for March 2006 has been rescheduled for early April 2006 due to vessel delays.
- For the first quarter of the 2007 fiscal year, Pine Valley currently has indications for sales of approximately 300,000 tonnes of both PCI and coking coal product. Most of these anticipated sales represent carryover tonnage from the prior fiscal year.

## Analysis

- The International Copper Study Group (ICSG) released their statistics on 2005 copper production and consumption. The data suggests that the market was in balance in 2005 despite a reported stock change of minus 40,000 tonnes.
- The ICSG estimates show that copper consumption in the Western World declined 5% and in the former Eastern Block increased 8%. Overall World copper consumption was down 1.5%.