



Union Securites Ltd. Chappy's Picks

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With the breakout in gold and silver this past week we thought we would take a look at some predominant silver companies we found interesting including First Majestic Resource Corp. (TSX.V: FR). Speculative.



First Majestic Resource Corp. (FR-TSXV) is building a mid tier Silver producing company with an acquisition plan in Mexico. FR owns La Parilla Silver Mine outside Durango where production of over one million ounces of silver is expected in the first year. FR recently purchased the Dios Padre Silver Mine which is estimated to have approximately 57 million ounces of silver. Their most recent acquisition was the Candamena Mining District with an estimated resource of a million ounces of gold and 20 million ounces of silver. FR had their first big run up in late 2003 mini boom. That petered out in early 2004 and FR formed a very nice bowl pattern. The handle of the cup and handle formation formed over the past several weeks and we have now broken out with an increase in volume. Targets are \$3.20/\$3.40. Obviously trouble under \$1.80.

Note: Charts created using Omega TradeStation or SuperCharts. Chart data supplied by Dial Data.

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