

19 August 2009

Price: C\$0.05

Mining Sector

Soho Resources Corp (SOH.V)

Soho's series of aggressive drill programmes at Tahuehueto in northwestern Mexico have allowed the company to revise its NI 43-101-compliant mineral resource estimates for the polymetallic deposit, resulting in a substantial upgrade of the total resource. For the coming year, Soho will focus on completing a preliminary economic assessment of the project. Meanwhile, the company has just added a new silver project, Jocuixtita, in Mexico. Although developing Tahuehueto remains the company's priority, the Jocuixtita property will be the exploration focus this year as Soho continues to conserve its capital. Our revised model yields a valuation of C\$0.35 per share, compared with C\$0.27 as outlined in our update of July, 2008. The revised valuation, which is significantly higher than the current market price, is a reflection of our gathering confidence in the Tahuehueto project following the resource upgrade.

KEY POINTS

- Drilling leads to a substantially larger NI 43-101-compliant mineral resource**

Soho wrapped up an aggressive 2008 drill programme last fall, allowing the company to substantially revise its existing mineral resource estimate for Tahuehueto. The company now projects the project contains a total resource of some 12.2 million tonnes, containing 665,000 ounces of gold, 13.3 million ounces of silver, 70 million pounds of copper, 305 million pounds of lead and 569 million pounds of zinc. This translates to approximately 1.8 million equivalent ounces of gold compared with the earlier estimate of 725,000 equivalent ounces of gold contained within 6.4 million tonnes of rock, an increase of nearly 150 percent.

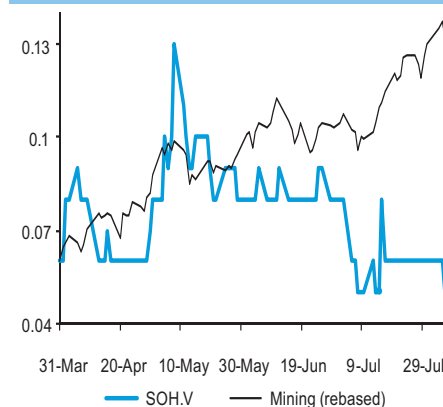
- Soho's revised resource estimate represents a substantial classification upgrade**

Last year's aggressive drilling programme has allowed Soho to substantially upgrade its previously inferred mineral resource. The latest estimate now classifies 26 percent of the resource as measured, and a further 34 per cent as indicated, leaving just 40 percent of the total resource in the inferred category. This significantly increases our confidence in the project.

- Gold remains near its record high**

The price of gold remains buoyant despite, or perhaps because of, the global recession. The metal briefly topped US\$1,000 per ounce early in 2008, then retreated below US\$700 per ounce in the autumn of 2008, at the height of

Price chart (C\$)



Current fair value of equity

Expected value C\$41.7m

Value per share C\$0.35

Derisked upside potential*

Our core scenario C\$0.85

Our optimistic scenario C\$1.22

Our pessimistic scenario C\$0.34

Maximum potential C\$1.98

*potential assuming projects reach permitting

Company details

Quote

Shares
 - TSX SOH.V
 - Frankfurt SQ8.F
 - Pinksheets SHRJF.PK

Hi-Lo last 12-mos. (C\$) 0.01 - 0.14

Shares issued (m) 131.1

Fully diluted (m) 159.6

Market Cap'n (C\$m) 7.4

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Fair value summary (US\$m)

	Scenario		
	Base	Pessimistic	Optimistic
Property portfolio			
- Tahuehueto	54.6	30.7	67.9
- Jacuixtita	1.5	1.5	1.5
Total	56.1	32.2	69.4
Less: overhead	5.7	5.7	5.7
Expected value of portfolio	50.4	26.6	63.7
Add: other investments	0.0	0.0	0.0
Add: starting cash + new funds	0.6	0.6	0.6
Total current value for firm	51.0	27.2	64.3
Less: bank & other debt	0.0	0.0	0.0
Total value to equity claims	51.0	27.2	64.3
Less: warrants and options	9.3	4.1	11.7
Ordinary equity holders	41.7	23.1	52.6
Value per share (US\$)	0.33	0.16	0.38
Value per share (C\$)	0.35	0.17	0.41

Expected fair value of Soho Resources

Scenario	Risked mineable resources (m tonnes)	Tahuehueto property value (US\$m)	SOH Valuation (US\$m)	Value per share (C\$)
Base case outlook	5.3	54.6	43.7	0.35
Value for scenarios of further exploration success				
Full proved up	8.2	69.8	52.6	0.42
Optimistic outlook	7.1	67.9	51.1	0.41
Pessimistic outlook	3.5	30.7	21.6	0.17

Value with no further exploration success

Current resource estimate	3.2	39.8	28.8	0.23
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Notes:

- 'fully proven up' scenario assumes that current mineable resource estimates are upgraded to 'Proven' status

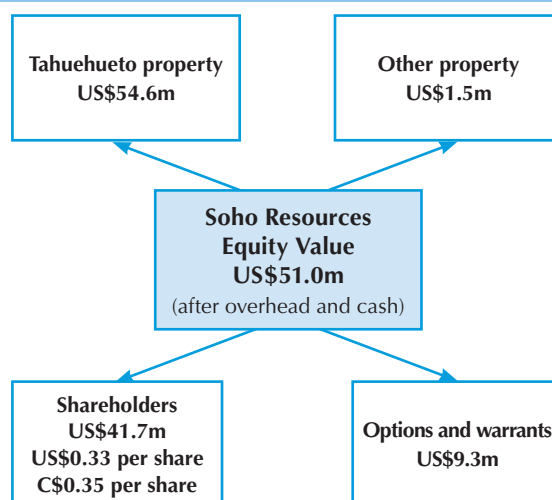
Sensitivity to market assumptions ...

Long run real gold price (US\$/oz)	500	525	550	575	600
Value (C\$/share)	0.29	0.32	0.35	0.37	0.40
Change in value (%)	-15%	-8%		+7%	+15%
Time for gold price to revert to mean (years)	6	7	8	9	10
Value (C\$/share)	0.30	0.32	0.35	0.37	0.39
Change in value (%)	-13%	-7%		+6%	+13%
Volatility of gold price (%)	20%	25%	30%	35%	40%
Value (C\$/share)	0.32	0.35	0.38	0.41	0.45
Change in value (%)	-6%		+8%	+18%	+30%
Interest rate (%)	+2.9%	+3.0%	+3.1%	+3.2%	+3.3%
Value (C\$/share)	0.36	0.35	0.35	0.34	0.33
Change in value (%)	+4%	+2%		-2%	-4%
Sovereign risk premium (years)	0.00%	1.00%	2.00%	3.00%	4.00%
Value (C\$/share)	0.35	0.29	0.24	0.19	0.15
Change in value (%)		-17%	-32%	-46%	-58%

Tahuehueto sensitivities to operating assumptions ...

Change in Gold & Silver recovery rate (%)	-10%	-5%	0%	5%	10%
Value (C\$/share)	0.26	0.30	0.35	0.39	0.44
Change in value (%)	-26%	-13%		+13%	+26%
Operating Costs (US\$ per milled tonne)	47.98	50.50	53.03	55.55	58.08
Value (C\$/share)	0.40	0.35	0.30	0.24	0.19
Change in value (%)	+15%		-15%	-30%	-44%
Increase in Capital Cost (%)	+0%	+10%	+20%	+30%	+40%
Value (C\$/share)	0.35	0.31	0.27	0.23	0.19
Change in value (%)		-12%	-23%	-35%	-46%

Components of Soho Resources' entity value



Tahuehueto valuation (US\$m)

Scenarios for exploration success	Base	Optimistic	Pessimistic
Net value of production	234.0	234.0	234.0
Expected mining success*	79%	89%	60%
Expected net value of production	183.7	207.3	141.5
Add: tax shield on depreciation charge	21.4	21.4	21.4
Less: development & operational capex	98.8	98.8	98.8
Value of mining operations	106.2	129.8	64.1
Probability of reaching mine development	57%	57%	57%
Expected value of deposit	60.1	73.4	36.2
Less:			
- expect pre-development costs**	1.2	1.2	1.2
- further exploration costs ***	4.3	4.3	4.3
Expected value of project	54.6	67.9	30.7
effective risk haircut	62%	53%	77%
Ownership	100%	100%	100%
Soho Resources' share	54.6	67.9	30.7

* portion of reserve/resource expected to be converted to a mineable resource, probability-weighted for our confidence they will be proven-up

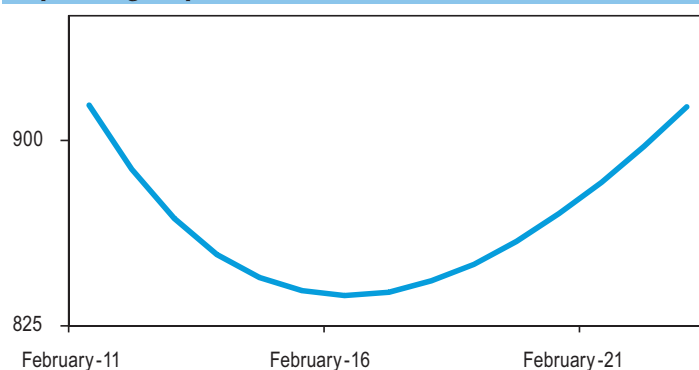
** shown as expected value of being incurred after allowing for likelihood of reaching each development stage

*** present value

Commodity assumptions

Gold prices are mean reverting	
Long run level	550 US\$/oz
Avg time to revert	8.0 years
Volatility	25%
Inflationary price growth	2.0%

Expected gold price (US\$/oz)



a market meltdown that savaged the resource sector. Since then, gold has stabilised at just over US\$900 per ounce. Silver and copper have performed less impressively than gold, although their prices remain above their long-term, inflation-adjusted averages, while lead and zinc prices are now near or below their long-term averages.

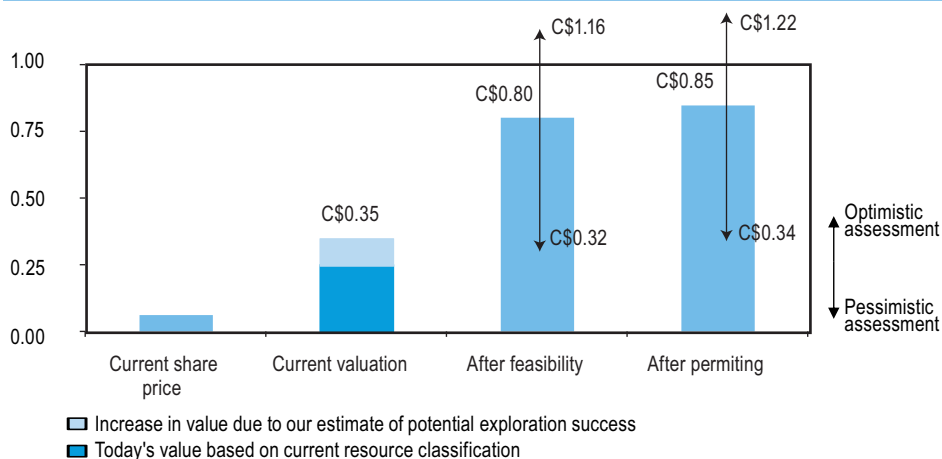
- **Soho has added a new polymetallic project in Mexico**

The recession has allowed Soho to acquire a promising new silver, gold and base metal project on favourable terms. The company must pay US\$1.0m over six years in cash and shares to acquire a 100-percent interest in 1,668 hectares of ground in Sinaloa, Mexico. The company subsequently staked a further 2,664 hectares. The combined 4,332-hectare Jocuixtita project will be Soho's exploration focus this year.

- **Confirmed valuation more robust on gathering confidence**

Our revised core model places a value of C\$0.35 per share on Soho Resources. This is an increase over our July 2008 estimate of C\$0.27 per share, and it represents a material premium to the recent share price. Our revised valuation is more robust given the gathering confidence provided by the new resource estimate. Our more optimistic assessment of C\$0.41 per share, based on higher probabilities, reflects the potential offered by further drilling and upgrades to the mineral resource.

What Soho could be worth - now and in the future



Source: Objective Capital

Fortunately, Soho Resources completed its aggressive 2008 drill programme at Tahuehueto just as the global recession was taking hold. As a result, the company was able to complete a revised NI 43-101-compliant mineral resource update through the winter and early spring. Further, the company now has sufficient data at Tahuehueto to proceed with a preliminary economic assessment, or scoping study, at a modest expenditure over the coming year.

The modest cash outlay at Tahuehueto will nevertheless significantly advance the project, allowing Soho to divert exploration cash to other projects. The company's key exploration project, which will benefit significantly from a limited budget, is the recently acquired Jocuixtita silver, gold and base metals property in Mexico.

Soho now has 1.8 million ounces of gold equivalent at Tahuehueto

Soho Resources had Scott E. Wilson Consulting Inc. update an earlier NI 43-101-compliant mineral resource calculation for Tahuehueto. The revised calculation, prepared in May 2009, covers mineralisation in six zones on the property, but primarily in three: El Creston, El Catorce and Cinco de Mayo.

The updated resource calculation includes 7.38 million tonnes of a measured and indicated resource, using a cut-off of 2.0 grams per tonne of gold equivalent for sulphide mineralisation and 3.0 grams of gold equivalent per tonne for oxide mineralisation. The resource averages 2.10 grams of gold and 35.0 grams of silver per tonne, with 0.28 percent copper, 1.06 percent lead and 2.01 percent zinc. A further inferred resource of some 4.87 million tonnes is also present at similar cut-offs, averaging 1.06 grams of gold and 31.8 grams of silver per tonne, with 0.23 percent copper, 1.23 percent lead and 2.26 percent zinc.

Soho's 2008 resource calculation, completed by Mine Development Associates (MDA), estimated an entirely inferred resource of 6.4 million tonnes using a 2.0-grams-per-tonne cut-off. That resource averaged 1.34 grams of gold and 31 grams of silver per tonne, with 0.24 percent copper, 0.78 percent lead and 1.43 percent zinc.

The revised mineral resource calculation shows gold is the primary value contributor, accounting for nearly 40 percent of the total gross rock value, followed by zinc, at just under 30 percent. Lead, silver and copper each account for approximately 10 percent of the gross rock value at Tahuehueto.

The most significant zone at Tahuehueto is El Creston, which hosts approximately 40 per cent of the total resource and has the highest grades. El Creston's gross rock value within the measured and indicated resource accounts for over 50 percent of the total gross rock value within the measured and indicated resource across the entire Tahuehueto property.

The El Catorce zone hosts approximately one-quarter of the total resource at Tahuehueto, with significantly lower grades of gold, silver and copper but higher values of lead and zinc than at El Creston. The Cinco de Mayo and El Perdido zones each account for approximately 15 percent of the total Tahuehueto resource. Cinco de Mayo has a lower gold grade than El Creston, but higher grades of silver, copper, lead and zinc.

The varying grades across the four main zones at Tahuehueto give Soho the opportunity to capitalise on changes in metals prices, allowing the company to maximise both its revenues and mineability of the deposits over time.

Tahuehueto now moves into assessment mode

With a significant measured and indicated mineral resource now defined, Soho will shortly commence a scoping study, or preliminary economic study of the Tahuehueto project. The company is currently engaged in metallurgical testing on the project and shortly after that work is complete, management intends to commence the study.

Based on the work previously completed, current estimates are that the preliminary economic study will take approximately six months to complete, and at an estimated cost of between C\$0.3m to C\$0.5m. Further exploration, mainly drilling, will be required at Tahuehueto prior to feasibility and a production decision, but that work is not urgent. With Soho continuing in a cash preservation mode, no immediate exploration is planned this year at Tahuehueto.

The Jocuixtita project now becomes an important second exploration play

Soho Resources has just acquired a new polymetallic property in Mexico, acquiring an option to earn a 100-percent interest in 1,668 hectares of ground in Sinaloa state. To earn its interest, Soho must pay two separate groups a total of US\$627,340 in cash and US\$372,660 worth of shares, for a total payment of US\$1.0-m spread over six years. In addition, Soho acquired a further 2,664 hectares of ground surrounding the concessions covered by the option agreements, bringing the entire Jocuixtita project to 4,332 hectares. The project lies in the mountainous terrain of east-central Sinaloa, approximately 125 kilometres south of Tahuehueto.

Based on due diligence sampling, Jocuixtita is primarily a silver prospect. Testing suggests the silver content has the potential to be significantly higher than at Tahuehueto. Lead and zinc content may be somewhat higher than at Tahuehueto, while the gold and copper content appears to be significantly lower. The property did see small-scale mining in the past, but it proved uneconomic because of the scope of the operation, which resulted in excessive operating costs.

Soho Resources plans to start exploration at Jocuixtita in January, following the rainy season. The programme will be modest, consisting of mapping, and other preliminaries leading to a quick drill programme. The company proposes to conduct an initial exploration programme of up to C\$0.5m on the project, which it thinks will allow it to raise funding to continue to explore the project building towards an initial NI 43-101-compliant mineral resource estimate over the subsequent months.

Soho is on track to achieve production within the next five years

The revised mineral resource estimate provides a more precise picture of the main zones making up the deposit at Tahuehueto, providing greater confidence in our hypothetical mine assumptions at Tahuehueto.

Our mine plan assumes all mining will be from underground. Soho still believes the El Creston deposit may contain potential for an open pit resource on a small scale that could augment underground production in the first years of a mine. Whilst that may still be theoretically possible, Soho cautions that the rugged topography of the project may negate that possibility however the final conclusion will have to await the engineering studies.

We continue to believe the company can lower its operating costs in the first three years of mining, perhaps taking advantage of the geometry of the El Creston deposit during the first three years. Alternately, management believes it can materially reduce operating costs in the first few years by dropping near-surface ore down shafts to production adits.

Based on current resources and anticipated additions over the next few years, we continue to hypothesise an optimum milling rate in the order of 1,500 to 2,000 tonnes per day. However, given the successes of recent drill programmes and the potential of several as yet untested mineralised structures, our tonnage estimates may prove conservative, and we continue to assume a 2,000-tonne-per-day rate for modelling purposes. As well, the multi-deposit nature of Tahuehueto will allow the company to capitalise on higher grades early on in any mine plan.

We have re-examined our valuation model, initially prepared in December 2007 and revised in May and July of 2008, following Soho's updated mineral resource calculation for the Tahuehueto project and the company's acquisition of the Jocuixtita property. Our current model reflects some significant changes in light of recent developments, changing metals prices and interest and currency exchange rates. Our revised model also includes minor changes to our hypothesised mining plan.

The net effect of all changes is a valuation raised to C\$0.35 per share from the July 2008 valuation of C\$0.27 per share, and one now held with greater confidence. The result is encouraging given today's febrile financial markets and the effects of the global recession.

An increased and substantially upgraded mineral resource is a positive development

Soho's updated mineral resource calculation at Tahuehueto provides a significant increase in the total resource and also includes a significant proportion of rock classified as measured and indicated. This allows us to increase our confidence that the mineralisation can be converted to a mining reserve with further drilling, which in turn exerts a powerful positive influence on our valuation.

We believe the more detailed resource estimates for the individual deposits at Tahuehueto show that Soho will be able to mine significantly higher grades during the early years, with lower grade material following in later years. This exerts a modest positive impact on our valuation.

Further, the expanded and upgraded mineral resource provides added support for our previously hypothesised mine plan, which incorporated a mining rate of 2,000 tonnes per day throughout its life, now projected at fourteen years, based on existing resources.

We continue to base our model on a lower cut-off of 3.0 grams of gold equivalent per tonne, which is higher than the cut-off adopted by the NI 43-101-compliant resource statement -- 2.0 grams of gold equivalent per tonne for the sulphide material and 3.0 grams of gold equivalent for the oxide material. Our higher cut-off raises the average grades somewhat, but decreases the amount of mineralisation available in our model. As we are using the same cut-off as earlier, there is no effect on our valuation.

Weaker silver and base metal prices exert negative influences on our valuation

Although gold remains at or slightly higher than levels noted in our 2008 valuations, the price of silver has declined by approximately 15 percent and copper by nearly 40 percent. Zinc and lead prices are also lower, by 10 percent and 5 percent respectively. These price changes exert a significant negative influence on our valuation, although the impact is lessened by our assumption that metals prices will revert toward their long-term, inflation-adjusted averages in the longer term.

Based on our assumption that Tahuehueto will not commence production until early 2013, the metals prices used by our model will have essentially reverted to their inflation-adjusted means. For gold, this implies an assumed average price of approximately US\$850 through the first several years of the mine's life. Our average modelled silver, copper, zinc and lead prices through this period are US\$11, US\$2.50, US\$1.10 and US\$0.70 respectively. These prices represent just modest decreases from our earlier model.

The U.S. dollar has strengthened slightly with respect to the Canadian dollar over the past year, which has a mild positive influence on our valuation.

United States interest rates have dropped significantly from July 2008, which exerts a mild positive influence on our revised valuation.

Our capital cost estimate declines, whilst our operating cost projection remains unchanged

Our revised valuation now projects capital costs for a Tahuehueto mine at US\$125m, a decrease from the US\$150m projected in our July 2008 estimate, but in line with our initiation estimate of US\$127m. Much of the increase projected a year ago was the result of concerns about inflationary cost increases that were plaguing the industry through the first half of 2008. As a result of the continuing recession, inflationary pressures in the mining sector are considerably reduced, as are prices for key commodities, labour and equipment. This has a positive impact on our valuation.

Our mining and milling operating cost estimate of US\$50.50 per tonne in current dollars is unchanged from our previous valuation and is in line with producing mines in the region.

A longer time to production has a negative impact on our valuation

Because of the slower pace of exploration imposed by cash constraints resulting from the credit crunch and global recession, we are delaying our projected start of production by 12 months, to early 2012. This has a negative influence on our modelled valuation.

Soho's expanded share count has a strong negative impact on our valuation

Soho aggressively drilled its Tahuehueto property during 2008 at considerable expense, forcing the company to replenish its treasury through equity sales at low share prices. The company currently has 131.1 million shares outstanding, an increase of over 25 per cent from our July 2008 valuation. This has a strong negative impact on our valuation.

Like most junior resource companies, Soho has repriced most of its existing options and warrants significantly lower, which has a mild negative impact on our valuation.

The net result of these changes is a core valuation of C\$0.35 per share

Our base-case core valuation for Soho Resources is raised to C\$0.35 per share from our July 2008 estimate of C\$0.27 per share and the C\$0.25 per share noted in our initiation note of December 2007.

Our more optimistic scenario, which assumes greater probabilities of exploration success, results in a current valuation of C\$0.41 per share.

Assuming Soho continues to experience success through feasibility and permitting, our model indicates base case and optimistic valuations of C\$0.85 and C\$1.22 respectively.

Riskied mineable resource assumptions

Reserves	Probability	Tonnes (m)
Proven	90%	0.0
Probable	50%	0.0
Total	0%	0.0

Resources	Conversion	Probability	Tonnes (m)
Measured	90%	90%	2.3
Indicated	80%	50%	2.7
Inferred	70%	10%	3.0
Hypothesised	70%	0%	4.0
Total	76%	31%	12.0

Mineable resource	Tonnes (m)
Mineable resource	9.1

Riskied mineable resource	Tonnes (m)
Current classification	3.2

Scenarios for exploration success

- base case	5.3
- optimistic case	7.1
- pessimistic case	3.5

Notes:

- mineable resource have been estimated as reserves plus the portion of resources that would be expected to convert to reserves considering deposit type and likely grade variability
- riskied mineable resource refers to the various classes of resource/reserve weighted by their assumed confidence level

Proforma Tahuehueto property profit and loss

Proforma P&L (US\$m)	Year ending February							
	'13	'14	'15	'16	'17	'18	'19	'20
Gross revenues	0.0	111.9	102.8	103.4	104.3	95.9	97.3	98.8
Operating costs	0.0	48.8	48.0	56.6	57.5	57.0	58.0	59.1
Operating profit	0.0	63.1	54.9	46.8	46.8	39.0	39.2	39.7
Depreciation	7.5	9.1	9.2	9.7	9.7	9.8	9.8	9.9
Administrative costs	0.0	1.2	1.2	1.6	1.6	1.6	1.7	1.7
EBIT	(7.5)	52.8	44.5	35.6	35.5	27.6	27.7	28.1

Assumptions

Capital costs (US\$m)	75.0	51.6	1.7	2.2	2.2	2.3	2.3	2.4
Tonnes ore mined (millions)	0.0	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Payable metal								
- Gold (000 oz)	0	46	42	42	42	38	38	38
- Silver (000 oz)	0	853	782	782	782	711	711	711
- Zinc (000 lb)	0	36,985	33,903	33,903	33,903	30,821	30,821	30,821
- Lead (000 lb)	0	21,795	19,979	19,979	19,979	18,163	18,163	18,163
- Copper (000 lb)	0	4,448	4,077	4,077	4,077	3,707	3,707	3,707

Source: Objective Capital

Future Opportunities

Soho has been focused entirely on the exploration and development of Tahuehueto for the past few years, but management has been committed to acquiring worthy new prospects under appropriate circumstances. One such opportunity arose recently, leading to the acquisition of the Jocuixtita silver, gold and base metals project on favourable terms. As a project with known mineralisation but as yet no stated resource, Jocuixtita presents a good opportunity for “blue-sky” potential. Tahuehueto does still offer considerable additional upside potential, beyond that which we have so far modeled, through expansion on explored zones both down dip and along strike as well as through exploration on as yet unexplored zones and structures known on the property.

Opportunity to expand mineral resource at Tahuehueto

Soho initially targeted the delineation of approximately ten million tonnes of ore at Tahuehueto, a total now exceeded. The bulk of this resource has been delineated in only three of the several mineralised zones on the property. There is some potential to expand the resource in these three areas with further drilling, and significant potential exists within the less-explored zones at Tahuehueto.

Opportunity to extend mine life

An increased resource beyond the currently defined deposits could significantly expand the potential life of a Tahuehueto mine beyond our current estimate of fourteen years. As well, a larger resource could generate a modest increase in the scale of a mine, which in turn would result in lower theoretical operating costs on a per-tonne basis, and therefore allow Soho to lower its cut-off thresholds for reserve and resource calculations. This could result in additional increases in available ore, further expanding the life of a mine.

Opportunity for improved grades

Recent assays suggest Soho may achieve modest grade improvements as it expands its mineral resource at Tahuehueto, through a greater understanding of the geology of the project. As well, Soho could improve on expected metal recoveries through modern metallurgical testing.

Opportunity to quickly develop a mineral resource at Jocuixtita

Soho plans a drill programme at Jocuixtita in January to develop an initial, NI 43-101-compliant mineral resource estimate. This would significantly advance the project. Future drilling would provide the opportunity to significantly expand the known mineralised zones, providing additional opportunities for exploitation.

FINANCIALS

Profit and loss					
Year ending February (C\$m)	2008E	2009E	2010E	2011E	2012E
Revenues	—	—	—	—	120.7
COGS	—	—	—	—	(53.9)
Gross profits	—	—	—	—	66.8
Administrative Costs	(1.2)	(1.3)	(1.3)	(1.3)	(1.4)
EBITDTA	(1.2)	(1.3)	(1.3)	(1.3)	65.5
Depreciation & amortisation	(0.1)	—	—	(8.1)	(9.9)
EBIT	(1.3)	(1.3)	(1.3)	(9.4)	55.6
Interest	0.1	0.2	(3.4)	(7.8)	(7.1)
EBT	(1.3)	(1.0)	(4.7)	(17.2)	48.5
Tax paid	—	0.4	1.6	5.9	(16.5)
Earnings	(1.3)	(0.7)	(3.1)	(11.4)	32.0
Dividends	—	—	—	—	—
Retained earnings	(1.3)	(0.7)	(3.1)	(11.4)	32.0

Cashflow statement					
Year ending February (C\$m)	2008E	2009E	2010E	2011E	2012E
EBIT	(1.3)	(1.3)	(1.3)	(9.4)	55.6
Depreciation	0.1	—	—	8.1	9.9
Stock-based Compensation	—	—	—	—	—
Gains & Writedowns	—	—	—	—	—
(Increase) decrease in receivables	1.0	—	—	—	(18.1)
(Increase) decrease in inventory	0.0	—	—	—	(6.5)
Increase (decrease) in payables	0.1	—	—	—	8.1
Net cash from Ops	(0.1)	(1.3)	(1.3)	(1.3)	49.0
Tax paid	—	0.4	1.6	5.9	(16.5)
Dividends	—	—	—	—	—
Net interest recieved (paid)	0.1	0.2	(3.4)	(7.8)	(7.1)
New equity	0.9	3.0	40.0	40.0	1.0
New (deposits) borrowings	—	—	90.0	20.0	(20.0)
Capital expenditure	—	—	—	(80.9)	(55.7)
Net cash from financing	1.0	3.6	128.2	(22.9)	(98.3)
Net increase (decrease) in cash	0.9	2.3	126.9	(24.2)	(49.4)

Balance sheet					
Year ending February (C\$m)	2008E	2009E	2010E	2011E	2012E
Fixed assets at NAV	19.5	19.5	19.5	92.3	138.2
Cash	0.6	3.0	129.9	105.7	56.3
Receivables	0.2	0.2	0.2	0.2	18.4
Inventory	0.0	0.0	0.0	0.0	6.5
Less Payables	(0.5)	(0.5)	(0.5)	(0.5)	(8.6)
Net current assets	0.5	2.8	129.7	105.5	72.6
Less loans	—	—	(90.0)	(110.0)	(90.0)
Capital employed	20.0	22.3	59.2	87.8	120.8
Represented by					
Shares in issue	36.9	39.9	79.9	119.9	120.9
Add retained profit					
Prior periods	(15.6)	(16.9)	(17.6)	(20.7)	(32.0)
This period	(1.3)	(0.7)	(3.1)	(11.4)	32.0
Shareholders' funds	20.0	22.3	59.2	87.9	120.8

Source: Objective Capital

We are pleased to bring you this report on **Soho Resources Corp.**



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As always, I welcome your comments and feedback on our research!

Gabriel Didham, CFA
Objective Capital

Will Purcell

Will has been involved in the resource sector for 30 years in a variety of roles. Since the late 1990s, he has been active in assessed mineral resource investment projects. Will has a B. Math degree from the University of Waterloo in Ontario.

About our relationship with Soho Resources Corp

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