

Stina Resources (TSX-V:SQA) Capitalizes on Energy Crisis with Unique Vanadium Property

By Dr. Allen Alper

Summary

Looking to take advantage of the looming energy crisis in the US, Stina Resources Ltd. picked up a unique vanadium property in Nevada. Its unique rock host makes production significantly cheaper than other stand alone vanadium projects. James Corrigan, President and CEO, expands on the uniqueness of the Nevada property and discusses Stina's two gold properties in the Yukon, both of which were discovered by the famous prospector, Shawn Ryan.

Stina Resources, based in British Columbia, is a resource exploration company with two gold properties in the Yukon and a vanadium property in Nevada. Incorporated in 1986, Stina is listed on the TSX Exchange (TSX-V:SQA).



James Corrigan, President and CEO, Stina Resources Ltd at the World Resources Investment Conference

According to James Corrigan, President and CEO, Stina Resources Ltd., the vanadium property, located in the Vanadium Belt in Nevada, is “the most unique vanadium rock host on the planet.”

Mr. Corrigan explains, “There’s two types of vanadium, according to scientists: vanadium pentoxide and ferrovanadium. Investors would consider it expensive vanadium and inexpensive vanadium.

As investors, that second type of vanadium is the most important.”

Expensive Vanadium is Expensive

Continuing, Mr. Corrigan explains, “Inexpensive vanadium comes from a byproduct of uranium production and as a byproduct of fossil fuel production. Expensive vanadium comes from stand alone vanadium projects that primarily produce vanadium. The difference is, the rock hosts on pure vanadium projects tend to be iron ore, magnetite or what we call titanomagnetite, which is in essence titanium in magnetite, and that’s where the vanadium is found.”

“Bottom line, these are expensive projects. They are expensive because you have to grind, you have to separate, and you have to crush the ore. That’s an extremely costly and cumbersome task.”

This is where Mr. Corrigan points out the uniqueness of Stina’s vanadium project: “What we found in the vanadium project in the Nevada belt was that it came in a limestone, rock shale, black shale, mud shale host, which literally crushes in your hand. You can turn it right into sand.”

“That’s the whole key to that project. The rock host is different. That allows us to process it at a cheaper rate, which allows us to bring that vanadium project to market in a responsible and

potentially profitable scenario. We come in at a similar cost structure as the inexpensive vanadium. That's what makes it so unique."

To find out how Stina initially chose to explore for vanadium and how they ultimately chose the Nevada property, we look to Mr. Corrigan's background.

Predominantly a sales background, Mr. Corrigan says he was "involved in a tremendous amount of sales over the years, research as well, but mostly sales. I've held a variety of different jobs in all levels of sales everywhere from retail all the way to investments and that type of thing."

About 8 years ago, Stina started looking for potential energy solutions to take advantage of the looming energy crisis in the US and looked to Mr. Corrigan and his research experience to help. "I was in research originally with Stina and some of the principals that I was involved with wanted me on that [energy solution] research," he says.

"After our research to find a niche in that segment of the market, we came up with the Vanadium Redox Battery (VRB)," says Mr. Corrigan. "In our humble estimation, it is probably the best energy storage device on the planet."

Clarifying, Mr. Corrigan says, "Enough sunlight hits our planet in one hour to supply the entire planet's energy resources for a full year. We could fuel the entire planet if we had a way to store it and that's where the Vanadium Redox Battery comes in."

Stina wanted to know how they could fit into that energy sector, so they settled on the raw material aspect, which led them to vanadium.

"A strategy that we developed in house led us to the Vanadium belts in Nevada," says Mr. Corrigan.

Nevada Vanadium Belt

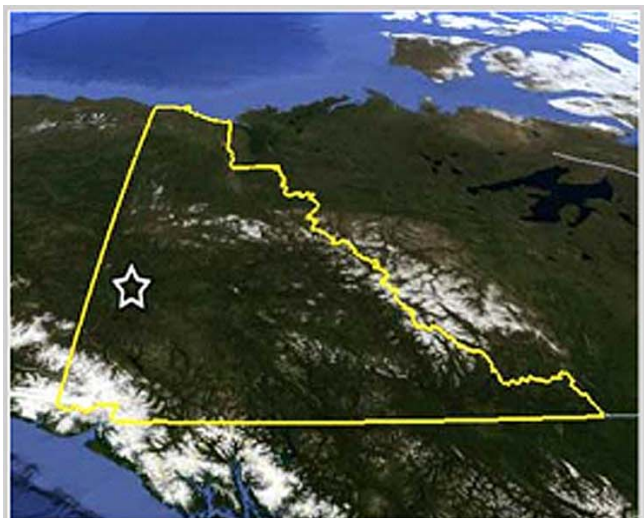
"When I started that research, I actually started researching just about every vanadium property or project that I could get my hands on. We quickly came to the realization that the vanadium belt in Nevada was the most unique, rare and overwhelmingly, potentially profitable vanadium property we could perceive," exclaims Mr. Corrigan.



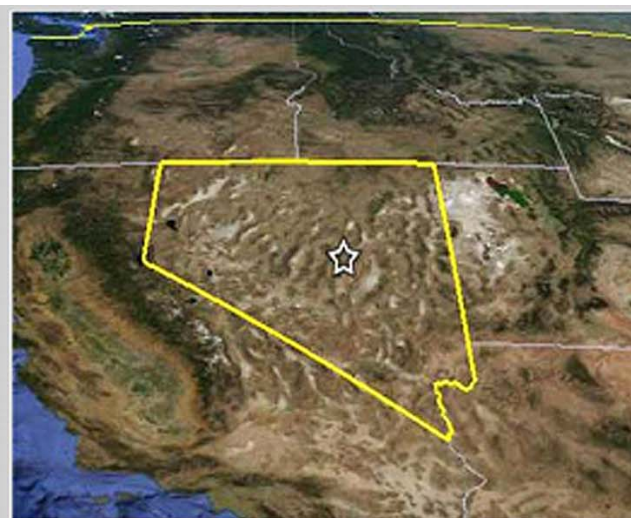
Continuing, he clarifies, "There are actually two properties down in that Nevada Vanadium belt, the Gibellini with American Vanadium and then the Bisoni McKay. We looked at both of those projects and settled on the Bisoni McKay based solely on the rock host on that property, the most unique vanadium rock host on the planet."

"I'm just a passionate guy about the market and I really believe in the Vanadium Redox Battery and the people behind Stina believed in me and took a chance on me," he provides.

That chance paid off as Mr. Corrigan worked behind the scenes for Stina for 8 years before eventually joining the board a year and a half ago and is now President.



KODIAK AND DIME PROPERTIES YUKON



BISONI MCKAY VANADIUM PROPERTY NEVADA

Yukon Gold

There's been a lot of talk about gold in the Yukon recently and Shawn Ryan is a name that has come up frequently.

Shawn Ryan, prospector and owner of Ryanwood Exploration, has had some major discoveries in the Yukon. The Kaminak and the Underworld-Kinross are two properties with which Mr. Ryan made some substantial waves in the financial community.

Stina benefited from Mr. Ryan's success when they took on two of his properties, the Kodiak property and the Dime property.

Mr. Corrigan elaborates, "The Kodiak property is actually a tie-on claim to the original Underworld-Kinross. We've got a really nice tie-on claim and we are slowly moving that along through soil samples, trenching and a small amount of drilling this season."

The Dime property is Stina's flagship property. "We have done the bulk of our work on that particular property which shows a soil system of around 4.5 kilometers by 1.5 kilometers, which is rather large by today's standards," says Mr. Corrigan.

With a high of 6 gram anomaly on soil sampling, Mr. Corrigan says the Dime property is showing very similar numbers to what was found on Kaminak and what was found on Underworld.

It's now a waiting game for investors as Stina works through the exploration process. Mr. Corrigan just wants investors to be patient. He explains, "The biggest problem we're having right now is just getting that project to move quick enough. We're about a year behind the Kaminak and Underworld projects and people want to see those results on our property."

"What they need to understand is it's a process of exploration and we need to follow that process. That starts with the soil samples; that goes to the trenching; minimal drilling, which is what we completed last year. Now we're going to move into phase 2, which is more soil sampling, extensive trenching program, and then we'll be moving into 15 to 20 holes of drilling this year."

With Mr. Corrigan's estimate of 150 juniors up in the Yukon right now, he provides an advantage Stina has over the others saying, "The work programs I speak of are fully funded. We have the money in the bank, a total of \$2.5 million right now, which easily handles the \$1.5 million exploration budget up there. All of our rigs are functioning."

Mr. Corrigan adds that Stina is moving both of their gold projects forward this year.



Strong Management Team

As Mr. Corrigan discusses his board, you can hear his enthusiasm and see that Stina has a strong, experienced board behind it.

Jim Wall, CEO and controller, has been with Stina since 1995. Mr. Corrigan informs us that Mr. Wall runs the day to day activities. "He's absolutely fantastic. He's been with Stina for about 15 or 16 years. He really knows the job. He comes with a whole host of skills beyond the general day to day bookkeeping."

When discussing Mr. Wall's contributions to the board, Mr. Corrigan takes the opportunity to discuss Stina's hiring philosophy: "One of the things we look at, in terms of the hiring process and keeping people, is that you can't just come to me with a resume. You have to have intangibles. There's got to be more to you than whether you can keep a balance sheet."

"I want to make sure that you have a whole host of talents because in public companies, we're always trying to save money and I feel that the staff involved should be able to do a variety of things in order to save the company and the shareholders' money. And Jim fits that mold very, very well."

Edward Gresko, Vice President of Finance, has been with Stina since 1993. A former stock broker, Mr. Gresko has contacts all over eastern Canada and the United States. "He's another one that comes with a whole host of abilities that we feel fit very nicely," exclaims Mr. Corrigan.

Al Doherty, VP Exploration and Director, is the owner of Aurum Geological Consultants Inc. and a practicing geologist, primarily in the Yukon Territory. Mr. Doherty has been with Stina since 1994. Mr. Corrigan clarifies, "Al has specialized in the Yukon for the last several years, but if you look at his resume you can tell that this is a guy that knows his stuff. He's been around the block and he knows exactly what he's doing, not just in the Yukon, but in all of our projects. We're really, really happy to have him with us."

Sidney Mann, Treasurer / Director, has been with Stina since 1994. A chartered accountant in England, Mr. Mann has over 25 years experience with public companies, both in North America and Europe. As chairman of the audit committee, Mr. Corrigan explains, “basically, Sidney’s the man with the whip and he cracks it when he thinks that we’re spending too much money. So you can imagine that happens pretty frequently. Sidney is certainly the man that keeps us on task and makes sure that we spend our money prudently and professionally.”

Market Outlook

With 25 million shares outstanding, Mr. Corrigan points out the low number of shares and the fact that it’s very tightly held. “We have good followers and good participants in our company who are significant shareholders; we can certainly move it forward quickly and get that stock price to jump rapidly.”

With highs last year in September/October of around 90 cents, the current share price of 40 cents and market cap of around \$10 to \$14 million, Stina is “tragically undervalued.” according to Mr. Corrigan.

To justify his claim Mr. Corrigan mentions, “We did do a financing towards the end of last year at 70 cents and 85 cent warrants which plays into the full dilution of the company.” With shares at 40 cents, he says, “anybody who can get a cut of it at this point, you’re just setting yourself up for an excellent opportunity this summer.

Continued Value for Shareholders

Mr. Corrigan is committed to success for the shareholders. He says his focus since joining the board and becoming president is providing shareholder value.

“A lot of people have a different take on what is shareholder value,” he explains, “but my personal opinion is we take undervalued assets, we do work on those assets and we up the value of those assets and retain those assets and put our company in a position to make money on those assets thus rewarding the shareholder.”

He continues, “We’re loyal to our shareholders. We respect our shareholders. We don’t do financings under a certain cost structure.”

“What we’re trying to fulfill this year is to be a club that people want to join. We don’t want people to just jump in because they think they can make a dime. We have a much bigger outlook. We want to see people make real good money.”

“We want to see our shareholders be successful so Stina is a success. And that success comes from the shareholders’ word of mouth.”

To bring in the inevitable sports analogy, Mr. Corrigan looks to the game of pool, “Stina has aligned our shots in front of the pockets. We’re now in a position where we need to take that cue ball and start sinking some balls.”

Mr. Corrigan’s enthusiasm shows as he finishes, “It’s exciting for investors right now. As I mentioned, we’re tragically undervalued and that’s just a fantastic opportunity for shareholders

or investors to pick up some undervalued stock; to get involved with people that want to drive the value on this.”

“We don’t want a pop gun promotion where we take it up 25 cents. We want this to be a steady riser. We want people to stay with us and stay involved and enjoy the price jumps and the loyalty the board of directors is giving them.”

Mr. Corrigan advises investors to look for a steady stream of news in the coming months.

“We actually had boots hit the ground last Wednesday, June 1, for our trenching and soil sample programs. We expect to see results from those programs in the next 2 to 3 weeks. We’ll be having a flyover on both our Kodiak and our Dime property. We’ll be getting results from those over the next few weeks. We have a drill program committed and deposit paid. That will take place the third week of July.”

“If we have drills going in the late stages of July that translates to drill results the end of August.”



For more information:

www.stinaresources.com

info@stinaresources.com

Tel 1.800.545.9940

Tel 604.244.0964

TSX.V-SQA