

Fundamental

Research Corp.

Investment Analysis for Intelligent Investors

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Bard Ventures Ltd (TSXV: CBS) – New Targets Identified, 10,000 Meter Drill Program Planned

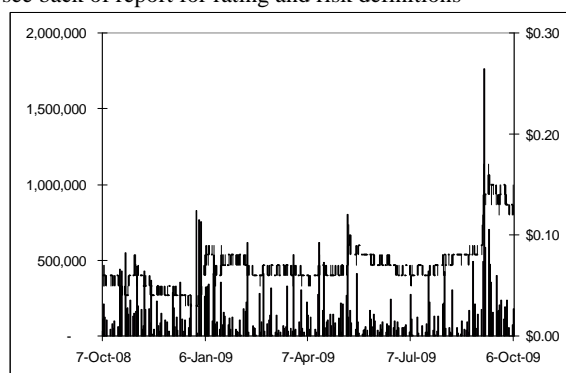
Sector/Industry: Junior Mining

www.bardventures.com

Market Data (as of October 9, 2009)

Current Price	C\$0.135
Fair Value	C\$0.35 (↑)
Rating*	BUY
Risk*	5 (Highly Spec)
52 Week Range	\$0.03 - \$0.17
Shares O/S	88.04 mm
Market Cap	\$11.89 mm
Current Yield	N/A
P/E (forward)	N/A
P/B	1.84
YoY Return	125.0%
YoY TSXV	25.5%

*see back of report for rating and risk definitions



Investment Highlights

- Geochemical, geophysical and prospecting exploration work at Lone Pine has identified a new target with significant upside potential.
- Measured and indicated NI 43-101 resources for the Lone Pine property stand at 110 million tonnes containing 201.7 million lbs of molybdenum grading 0.083% Mo
- On October 5, 2009, the company announced it has arranged a non-brokered private placement of up to \$1 million by issuing up to 4.17 million flow-through units, and up to 4.17 million units at a unit price of \$0.12.
- The financing will help fund further exploration on the Lone Pine property including a recently announced 10,000 meter diamond drill program.
- We have raised our valuation from \$0.30 to \$0.35 per share.

Key Financial Data (FYE September 30)

(C\$)	2006	2007	2008	2009 9mo
Cash, Cash Equivalents and Term Deposits	719,493	5,481,124	1,558,026	330,313
Working Capital	704,185	5,358,750	1,739,820	1,095,112
Mineral Assets	756,636	1,546,779	5,043,492	5,336,168
Total Assets	1,501,737	7,060,304	7,512,370	6,490,063
Net Income (Loss)	(703,426)	(660,222)	(1,100,580)	(746,481)
EPS	(0.02)	(0.01)	(0.01)	(0.01)

Bard Ventures Ltd. is a Vancouver based exploration company focusing on exploration and development in British Columbia. The company's flagship property is the Lone Pine Molybdenum project located in central B.C., Canada. Measured and indicated NI 43-101 resources at Lone Pine are 110 million tonnes containing 201.3 million lbs of Mo grading 0.083%.

Lone Pine**2009 Exploration**

Following up on the completion of the NI 43-101 resource estimate, a complete review of geophysical, mapping and prospecting data was undertaken and compared against the geological model derived from definition drilling and sampling at the Alaskite Zone. The subsequent summer exploration program has focused on a target situated at the eastern contact of a quartz feldspar porphyry located just east of the current resource estimate. Figure 1 depicts the company's new target area showing the proximal location to the current resource (labeled the Alaskite Zone).

In the image, pink areas denote the porphyry, while yellow denotes alaskite zones. Company geologists interpret the quartz feldspar porphyry to be a late intrusive. **The contact between the porphyry and alaskite is a favourable zone for finding high grade (< 0.1%) molybdenum mineralization.**

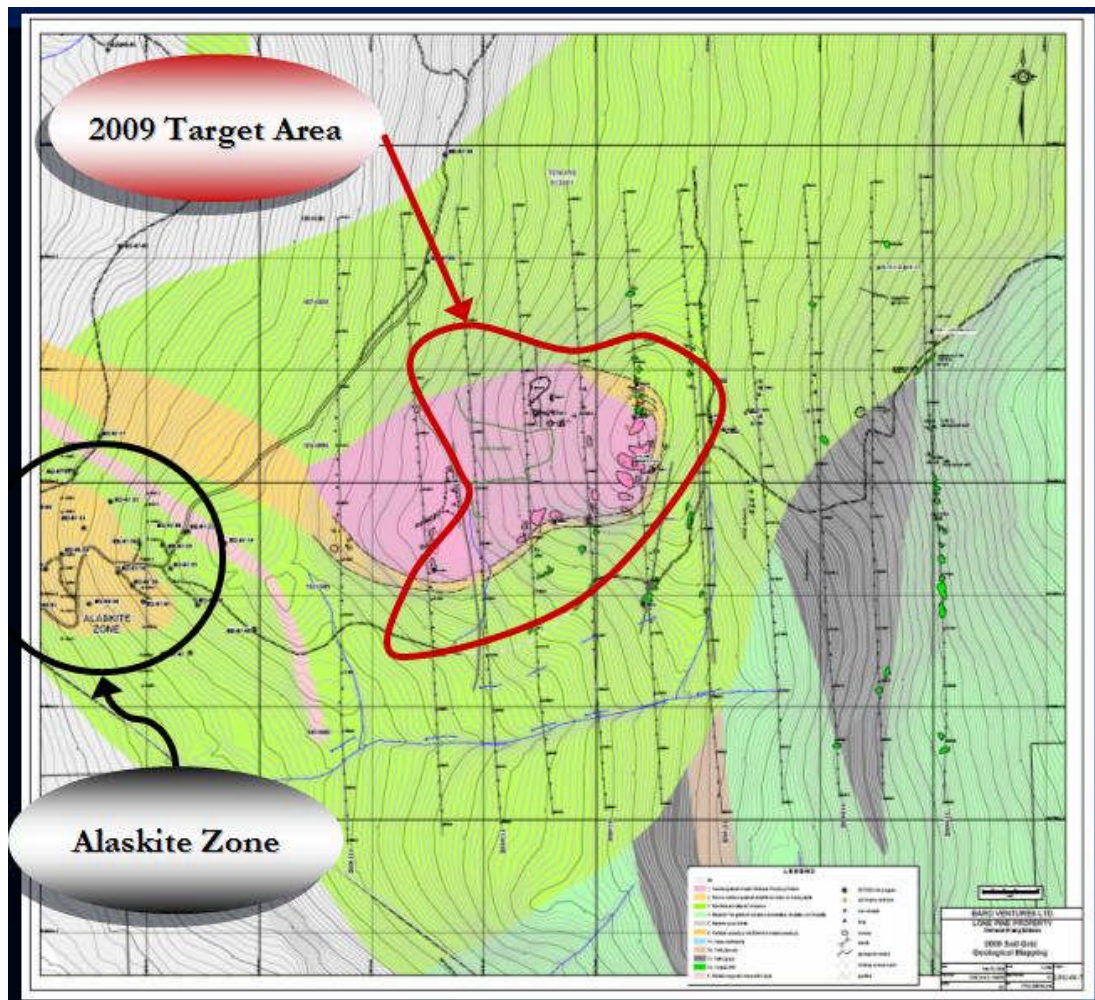


Figure 1: Local geology of the Lone Pine property. (Source: Bard Ventures Ltd.)

Thus far, exploration on the new target area has included:

- Geological mapping
- Soil geochemical surveys testing for molybdenum, silver and copper

- Prospecting
- 3-Dimensional IP and magnetic surveys

The soil sampling program (Figure 2) identified several areas of anomalous molybdenum that form a roughly arcuate shape overlying the aforementioned contact. Hotter colours in the image represent higher levels of molybdenum.

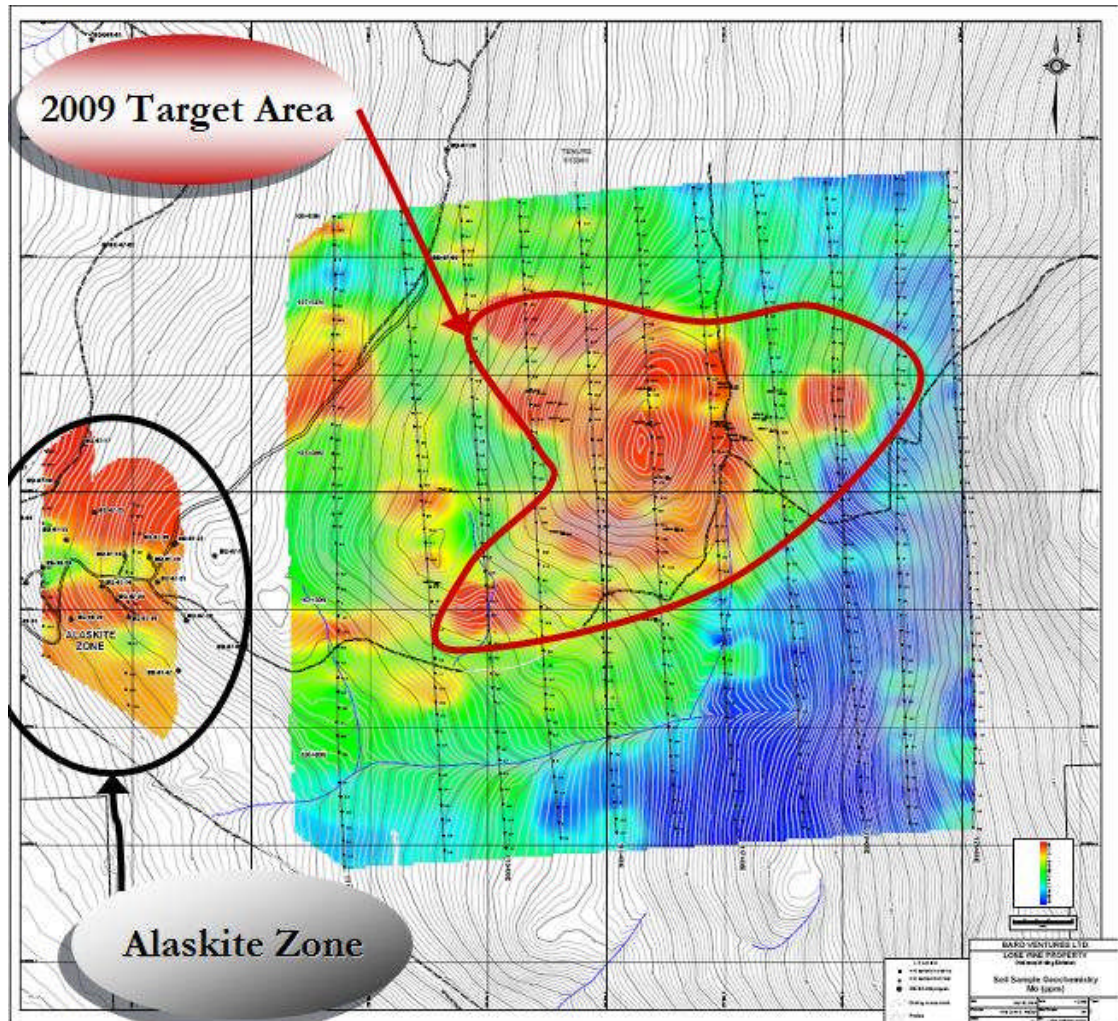


Figure 2: Soil Geochemistry of the Alaskite Zone and new target area on the Lone Pine property. (Source: Bard Ventures Ltd.)

In addition to the positive results received from the soil sampling program, the company identified visible molybdenum within historical pits and trenches in the target area.

We believe this new target area represents significant upside potential on the Lone Pine property. The geology is similar to that of the delineated Alaskite Zone where 201.7 million lbs of in-situ molybdenum has previously been delineated. While it would clearly be beneficial for the company to expand on this NI 43-101 resource, the identification of visible molybdenum in trenches and pits suggests the potential to

delineate a near surface deposit, the optimal outcome being sought. Management states the company is preparing to further explore this area with a 10,000 meter diamond drill program which is to commence prior to the end of October.

Grouse Mountain

The Grouse Mountain property, located immediately adjacent to the Lone Pine property, was also subject to an exploration program throughout the recent summer months. The program primarily involved geochemical and geological mapping/prospecting programs. An area of 1.5km x 2.0 km was covered by the soil geochemical program with samples being collected at 50m intervals along 8 lines at 200 meter spacing. Results are still pending.

Reorganization Plans

On October 9, 2009, the company announced its plans to reorganize the company's assets by transferring its Opikeigen (gold) property to a newly incorporated company named Beatrix Ventures Inc. Management believes this will enable Bard to focus on its core asset, the Lone Pine molybdenum project. CBS shareholders will receive one-tenth of a common share of Beatrix for each common share of CBS.

Completion of the transaction is subject to the approval of CBS' shareholders and the Supreme Court of British Columbia. CBS will seek shareholder approval in its Annual General and Special Meeting in the next few months. Following completion of the transaction, Beatrix intends to seek a listing on the Canadian National Stock Exchange.

Financials

At the end of June 2009, the company had \$0.33 million in cash and cash equivalents, and \$1.10 million in working capital. The company posted a net loss of \$0.75 million (EPS: -\$0.01) in the first nine months of FY2009. We estimate the company had a burn rate (spending on its operations and exploration) of \$0.14 million per month in the first nine months of FY2009, versus \$0.50 million per month in FY008 (12 month period). The table below shows a summary of the company's cash and liquidity position.

(C\$)	2006	2007	2008	2009 9mo
Working Capital	704,185	5,358,750	1,739,820	1,095,112
Current Ratio	19.57	39.25	3.54	49.67
LT Debts/ Assets	-	-	-	-
Burn Rate/Month (incl exploration costs)	(32,212)	(131,638)	(503,250)	(136,413)
Cash from financing activities	1,106,143	6,258,668	810,380	-

Subsequent Financings: On October 5, 2009, the company announced it has arranged a non-brokered private placement of up to \$1 million by issuing up to 4.17 million flow-through units at a unit price of \$0.12, and up to 4.17 million units at a unit price of \$0.12. Each flow-through unit, and regular unit, will consist of one flow-through common share and one transferable share purchase warrant (exercise price – \$0.20 to \$0.25; maturity period – 2 years), and one common share and one transferable share purchase warrant (exercise price – \$0.15; maturity period – 2 years), respectively.

CBS will be in a sound cash position once the proposed financing is completed.

Stock Options and Warrants: At the end of June 2009, the company had 13.16 million stock options and nil warrants outstanding. On October 9, 2009, the company announced it

had granted 4.1 million stock options (Exercise price - \$0.20 per share; Expiry date – October 2014) to insiders, consultants, and employees.

Valuation

Our revised DCF valuation increased from \$0.38 to \$0.58 per share primarily because we lowered our tax rate assumption from 35% to 28.5%. No other significant changes were made in our valuation model.

DCF Valuation	
Mineral Resources (in tonnes)	123,260,000
Grade (Mo)	0.083%
Recovery (Mo)	90%
Recovered Mo (lb)	204,118,809
Production	2012
Throughput (tpd)	25,000
Mine Life (years)	15
Operating costs (\$/lb)	\$6.00
Discount rate	11.63%
Capital Costs	\$270,000,000
Net Asset Value	\$54,750,548
Working Capital*	\$1,499,462
Fair Value	\$56,250,010
No. of Shares (diluted)*	96,373,516
Fair value per share (diluted)	\$0.58

* Accounts for the recently announced private placement

- *Resource estimate – Measured and Indicated + 50% of Inferred*

The sensitivity of our valuation to changes in long-term molybdenum price forecasts is shown below. We have maintained our long term outlook on molybdenum prices at US\$10/lbs. Molybdenum is currently trading at about US\$13.50/lbs, having increased from below US\$10/lbs to US\$17-18/lbs at one point during 2009.

Mo Price US\$/lb	VPS
\$4.00	(\$2.95)
\$6.00	(\$1.77)
\$8.00	(\$0.59)
\$10.00	\$0.58
\$12.00	\$1.76
\$14.00	\$2.94
\$16.00	\$4.11

Our comparables valuation dropped from \$0.10 to \$0.08 per share, as the average ratio of enterprise value to resource of its peers dropped from \$0.04/lb to \$0.03/lb.

	Company	Symbol	EV / Resource
1	Creston Moly Corp.	CMS	\$0.06
2	Bard Ventures Ltd.	CBS	\$0.05
3	Western Troy Capital Resources Inc.	WRY	\$0.03
4	International PBX Ventures Ltd.	PBX	\$0.01
5	Inca Pacific Resources Inc.	IPR	\$0.01
6	Torch River Resources Ltd.	TCR	\$0.01
			\$0.03
	Fair Value		\$0.08

* Resources = Measured and Indicated + 50% Inferred/Historic Resource Estimates

Conclusions & Rating

Based on our revised valuation models and review of the company's progress since our previous report, we maintain our BUY rating on the company, and raise our fair value estimate from \$0.30 to \$0.35 per share.

Risks

The following risks, though not exhaustive, may cause our estimates to differ from actual results:

- The success of drilling, expansion and determination of favorable resource estimates are important long-term success factors for the company.
- The value of the company depends heavily on commodity prices.
- Access to capital and share dilution.

We rate the company's shares a RISK of 5 (Highly Speculative).

Fundamental Research Corp. Equity Rating Scale:

Buy – Annual expected rate of return exceeds 12% or the expected return is commensurate with risk

Hold – Annual expected rate of return is between 5% and 12%

Sell – Annual expected rate of return is below 5% or the expected return is not commensurate with risk

Suspended or Rating N/A— Coverage and ratings suspended until more information can be obtained from the company regarding recent events.

Fundamental Research Corp. Risk Rating Scale:

1 (Low Risk) - The company operates in an industry where it has a strong position (for example a monopoly, high market share etc.) or operates in a regulated industry. The future outlook is stable or positive for the industry. The company generates positive free cash flow and has a history of profitability. The capital structure is conservative with little or no debt.

2 (Below Average Risk) - The company operates in an industry where the fundamentals and outlook are positive. The industry and company are relatively less sensitive to systematic risk than companies with a Risk Rating of 3. The company has a history of profitability and has demonstrated its ability to generate positive free cash flows (though current free cash flow may be negative due to capital investment). The company's capital structure is conservative with little to modest use of debt.

3 (Average Risk) - The company operates in an industry that has average sensitivity to systematic risk. The industry may be cyclical. Profits and cash flow are sensitive to economic factors although the company has demonstrated its ability to generate positive earnings and cash flow. Debt use is in line with industry averages, and coverage ratios are sufficient.

4 (Speculative) - The company has little or no history of generating earnings or cash flow. Debt use is higher. These companies may be in start-up mode or in a turnaround situation. These companies should be considered speculative.

5 (Highly Speculative) - The company has no history of generating earnings or cash flow. They may operate in a new industry with new, and unproven products. Products may be at the development stage, testing, or seeking regulatory approval. These companies may run into liquidity issues, and may rely on external funding. These stocks are considered highly speculative.

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