

BEACON ROCK RESEARCH

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RESEARCH UPDATE

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Disclosures 1,2,3,4

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Etruscan Resources Inc. (TSX: EET, C\$3.15)

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Etruscan Resources to Complete Feasibility Study on its Agbaou Project

Etruscan Resources Inc. (TSX: EET) is scheduled to complete a Feasibility Study on its Agbaou gold property in Côte d'Ivoire in April of 2008. Advancement of Agbaou through feasibility to a construction decision is important to our initial investment thesis (in addition to production at Youga in Burkina Faso, and exploration results in West Mali). Agbaou should be the third successful gold mine advanced and constructed by Etruscan.

Etruscan is wrapping up its in-fill and depth extension drilling of the Agbaou Main, Agbaou South, and Agbaou West deposits. Management is targeting Agbaou to be a larger and higher grade mine than its Youga project now scheduled for its first gold pour in December, 2007. Youga has a reserve of 580,000 ounces of gold averaging about 2.7 g/t and a 6.6 year mine life. It would appear that Etruscan is well along in the process to complete the study as scheduled, anticipating production at Agbaou in 2009.

Management anticipates potential capital costs of about \$75 million. The capital costs being higher than at Youga is likely due to a larger project and inflation. Costs could be more expensive due to a more competitive labor market in Côte d'Ivoire, but the project should enjoy better infrastructure at Agbaou compared to its Youga project in Burkina Faso or the Samira project in Niger.

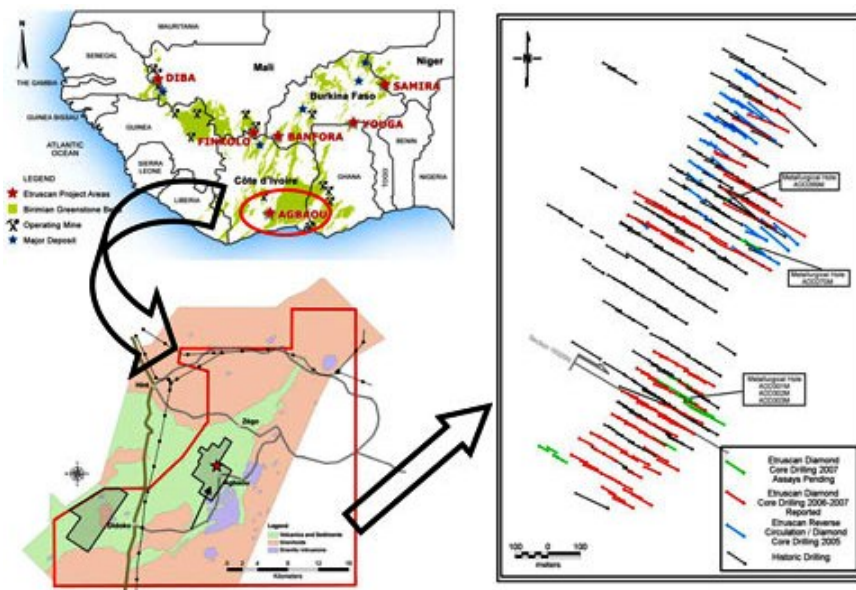


Figure 1 – Location of Agbaou Permit, Agbaou Deposit and Drill Area

Source: Etruscan

We believe that a pattern is emerging that may not be fully recognized or understood by investors. Etruscan intends to dominate highly prospective gold belts with the largest land package in West Africa (over 10,000 km²). Rather than dilute shareholder's positions in order to establish multimillion ounce gold deposits, justifying huge amounts of capital, their model is to prudently build relatively modest production facilities on less than million ounce gold deposits with strong expansion potential. Like Youga (Fig. 2), Agbou has numerous satellite deposits or mineralized zones which could provide steady feed to the mill and significantly extend mine life beyond that otherwise limited to the existing identified resource (Fig. 3). In addition, both projects have a large number of highly prospective targets closely located on large land packages. The Agbaou permit covers 939 km² with a 40 km strike length.

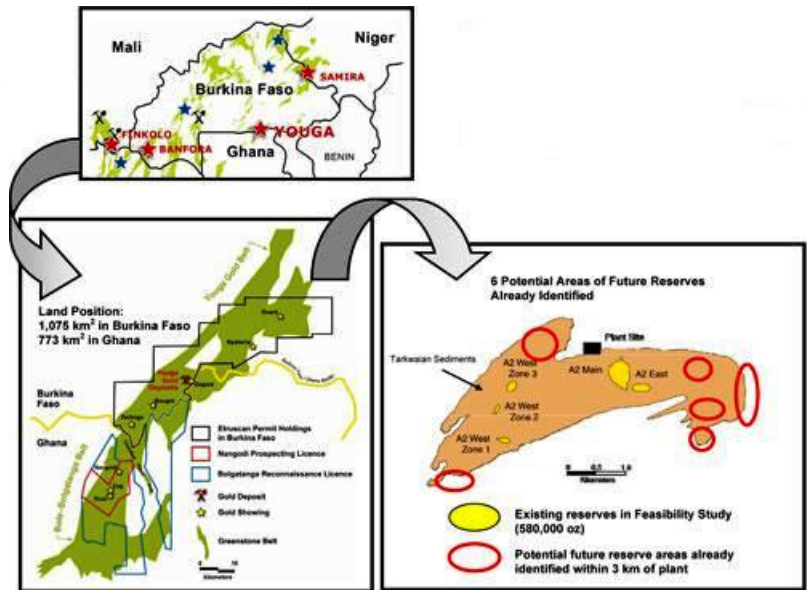


Figure 2 – Youga Gold Project Burkina Faso

Source: Etruscan

With production from Youga, and possibly Agbaou by 2009, Etruscan should have excellent potential and financial flexibility to advance its numerous other projects. Investors should be receiving an exploration update on West Mali and other projects in the months ahead. We anticipate that when investors make the connection of cash flow with a plethora of prospective targets, a larger investment opportunity should come into focus. We retain our Strong Buy rating for Etruscan and price target of C\$8.00 per share.

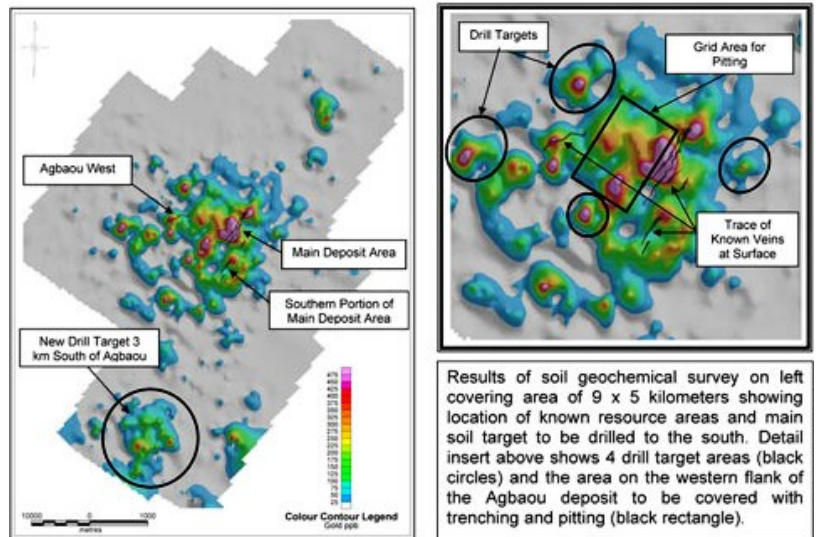
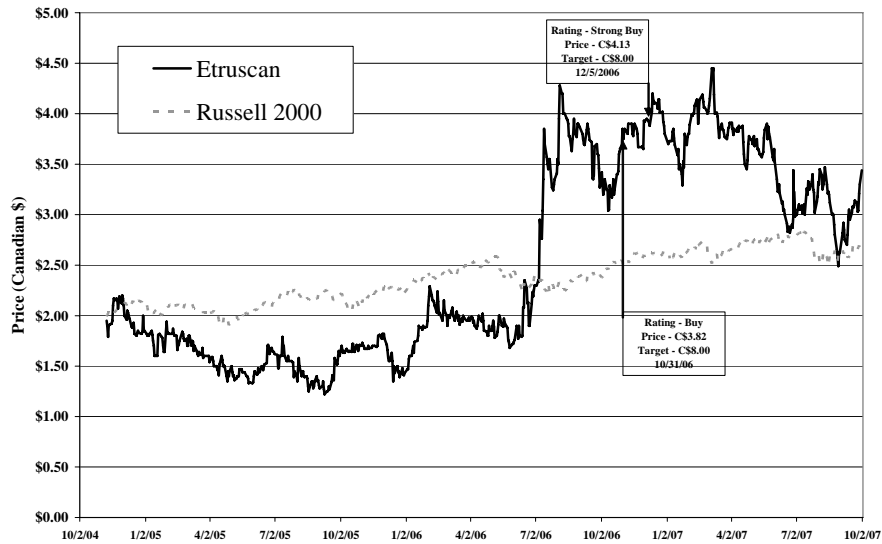


Figure 3 – Agbaou Project, Soil Geochemical Survey Results

Source: Etruscan

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