

Uranium newsletter

By Mahendra Sharma

Edition 11.2011

Oct 30, 2011

Dear Members,

Last month we mentioned great opportunities for buying uranium stocks. We gave two reasons for this; one was that we saw S&P moving higher, and two was positive news coming in from the uranium sector. Earlier this year we decided to stop writing uranium monthly letters from November onward, but that decision shall proceed no further and we will continue with the uranium letters.

After the March tsunami, many small companies have been taking over, targeting large producers as the valuations of these small companies eroded drastically. Here is last weeks' Bloomberg article which will tell us that only medium size quality companies are being targets of takeover bids from large ones.

<http://www.bloomberg.com/news/2011-10-25/uranium-deals-prove-most-lucrative-on-nuclear-demand-real-m-a.html>

Our main motto behind starting the uranium letter was just to diversify your small investments into an area in which everyone will feel too late to enter after a few years as these stocks will multiply in many folds and eventually the uranium sector will go into the bubble market. We already predicted that history will remember the uranium bubble as the "mother of all bubbles". This is what I am targeting in five years time. Keep investing money in uranium mining stocks on any weaknesses. My monthly newsletter will keep reminding you about this sector as I don't want you to miss one of the greatest investment opportunities of all time.

I would like you to read last months' uranium letter: Below is mentioned stocks moved up between 50 to 100 percent in the last one month.

October planetary movements:

I don't know what the future government policy will be but one thing I see very clearly is that Uranium stocks will bottom out and you won't see these prices again for the next twenty one years so like what I mentioned in 2001 about gold, silver, oil and other commodities, I am predicting the same for uranium markets. Mars is giving clear indications that Uranium prices as well as uranium mining stocks will bottom in the next thirty days and these prices won't come again.

November 11, 2011; when Saturn will be very close to changing a house (SATURN PLANET IS FOR LONGER TERM INDICATIONS) will give a new birth to uranium mining stocks so one can start accumulating these stocks in the month of October.

We all are aware about the current volatility in markets due to the situation in Europe, and the market sentiments are at the lowest level but this whole scenario will change soon.

Here is our planning:

Many investors must be holding some positions in uranium stocks, for them I recommend start adding small position in the next three stages.

From next week Tuesday (5 Oct) you can add 30 percent positions.

On 19 October after the Sun changes the house you should add 30 more percent.

On 31 October one fully invest in uranium stocks

Nobody gives any commitment or guarantee in financial markets but I can guarantee (because we trust astrology) that you will make 100 percent returns on your money within the next nine months.

Our stock list remains same but let me put it here again:

At this stage fundamentals are weaker for uranium stock

Technical indicators are also showing a negative trend

Sentiments are very low as no one wants to go near uranium stocks

Two factors we see which will change the future of uranium markets:

Astro indicators are ready to give most powerful reversal for uranium stocks, when planets changes position all positive news starts flowing. Once positive news starts coming, people will start getting in, in a small way. Technical's start looking better once prices move upwards and once prices start moving upwards sentiments automatically get positive.

As most of you are aware that we are predicting a historic bull market for stocks from end of this year. We kept predicting in our newsletter and flash news that until the end of September all major world markets would remain uncertain or negative, today is the 30th of September and markets are trading volatile and sentiments is very negative for markets but this will improve from next week. We still confirm that S&P will reach 1350 by end of year so this is a great time to accumulate positions.

Note – Don't expect markets to turn around immediately from 3 October, as planets take some time to give positive results like new born baby so as a few days or weeks pass, the market and uranium stocks will gain momentum.

URG: Current market price \$0.90

In the end of October Mars will be moving in the third house of URG Astro chart, which give will strength to this stock. One can start accumulating slowly and make sure your buying should be over by 30 October 2011 as after October you won't see the same prices again in the next twenty one years.

URZ: Current market price is \$1.37

Friday 30 September this stock closed at its lowest level of 2011 at \$1.37. They have already developed mines, once uranium prices stabilize and some positive news starts flowing in this stocks should be the first to run. We highly recommend accumulating this stock around the current level with the same strategy of completing buying by end of October.

DNN: Current market price is \$1.02

DNN also closed at a new low of 2011. DNN is a producer of uranium. This is a great company but the recent quarter they posted \$0.05 loss per share. Korea State Power Company has a large holding in DNN. This is our one of best pick from uranium mining sector.

UREE: Current market price is \$0.68

This is another favorite of our companies in uranium sector in small cap. The stock can easily move higher sharply by the end of the year. We strongly recommend adding this uranium stock in your portfolio.

UEC: Current price is \$2.73

Frontline Texas based uranium producer is well placed in the market. We are all aware that the demand of uranium is rising than the supply. Low uranium prices will force many new mining project to delayed as prices are not attractive so supply will remain tight. Developing countries are aggressive on nuclear energy and USA is going ahead with nuclear energy and encouraging uranium producers. We strongly recommend that each investor should have this stock in their portfolio.

NOVEMBER OUTLOOK FOR URANIUM STOCKS

Month of November planetary position for uranium sector –

The most positive point - Mars will be moving from the house of fire; this gives clear Astro-indications that the overall rising trends in uranium stocks will continue.

From the 1st of November to the 14th of November, the Sun will be giving slow results, so we may see some profit booking in these stocks, but from the 15th November Sun will rise in house of fire (uranium is part of fire elements) so once again like October, all major uranium stocks will move multi months high. Those who have missed buying opportunities on weaknesses in the month of October should start buying our favorite stocks without thinking twice.

In the month of October, the best performing sector was uranium and it will outperform all sectors and all financial instruments including gold, silver and S&P.

Here are a few more of our favorite stocks in uranium mining:

Kalahari Minerals (KMPLF) – 3.83

Paladin energy (PALAF) - last closing 1.68

Mawson Resources (MWSNF)- \$1.81

Important note – Please add or buy these companies around the 15th of November as most of the stocks in this sector have already moved at about 50%. We see the next two weeks that they will remain sideways or both side trading ranges.

ALTERNATIVE ENERGY

Most of are aware that our longer term view on the alternative energy sector is also very bullish, but at this stage I will advise you to go slow and acquire only quality companies or companies those are edging ahead in R&D and bringing out new products.

Fuel cells, batteries, solar and wind stocks were beaten down big during the last four months because of uncertainty in Europe. We are all aware that EU was the key supporter as well as the main financier of solar, wind and electric/hybrid car technology. The financial problem in Europe has put many new alternative energy projects on hold, as well as many countries which were supporting or promoting these areas suddenly pulled their hands back and stopped committing further financial aid. This was a huge setback for alternative energy.

Also housing problems, unemployment, and financial tightness pushed away USA's attention from the alternative energy area. We are all aware that alternative energy will only boom if the economic condition is healthy in the

world and people. Companies of the world are ready to spend extra cash in R&D in this sector.

Many will say, “Mahendra since when have you started following fundamentals?” My answer is, I am following fundamentals, but our call on alternative energy is longer term buys; it will take some years before alternative energy becomes a part of our daily life. Like when most cars will be hybrid or electric and each house will have solar panels.

In short, alternative energy has been trying to create a path at this stage and soon it's path will be solid, and that time will come between the years 2014 and 2015 when each and every investor, media and Government will talk about alternative energy.

Look at many companies from the alternative energy sector, beaten down huge. Many will ask questions like, “Why did this happen? Are these companies going to survive? And if they do, then will this be the best time to buy these stocks?”

Here are a few stocks that just collapsed when they were aiming for a big future.

HEV – Four years ago they had an understanding with Toyota and were doing business with Toyota, but I don't have the current information. Currently they are in legal battle, they have sued, wait for the outcome. Look at the stock prices, just collapsed from \$8.00 to \$0.10. If this company survives, then in five year's time, and your investments will give you ten times in return, it will at least reach back to one dollar.

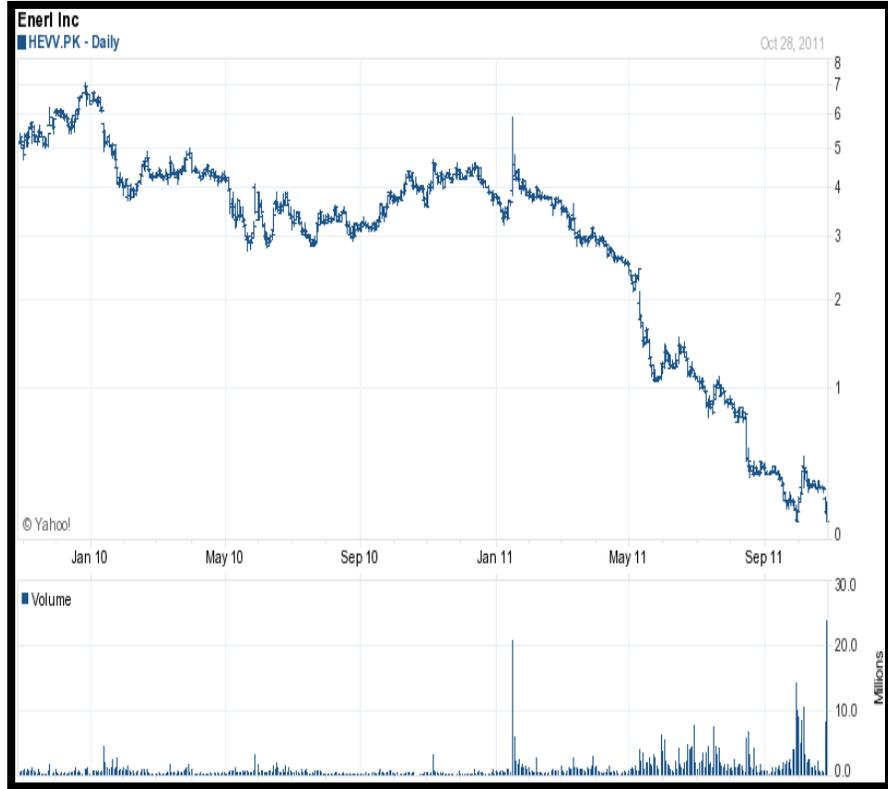
Through its parent company Ener1, EnerDel places particular importance on its strategic alliances, which enable the company and its subsidiaries to build upon existing technology and manufacturing platforms. Strategic allies in research, development and manufacturing include Argonne National Laboratory (ANL), ITOCHU Corporation, and Kyushu Electric Power (KEPCO).

EnerDel and ANL were recently awarded the R&D100 Award for excellence in technology and innovative design.

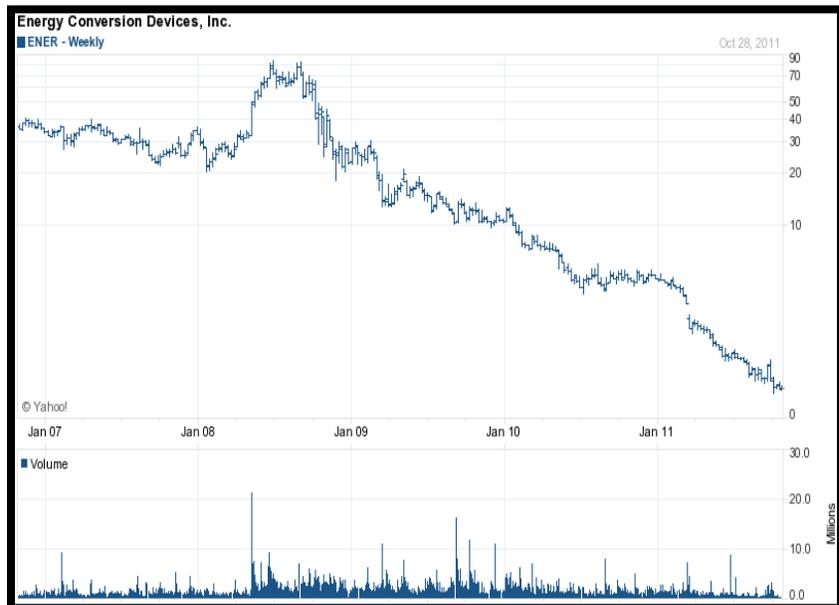
ITOCHU Corporation is a long-term strategic partner and seed investor in Ener1. In addition to being the

company's sales and marketing partner in Asia, ITOCHU is also the largest global reseller of manufacturing equipment for lithium-ion battery production, providing EnerDel with unique access to specialized equipment and material markets.

KEPCO, the fourth-largest publicly traded power and utility company in Japan, is working with EnerDel to create and manufacture rapid recharging systems for electric vehicles.



The second company is ENER. Same story as the previous company, they failed and investors lost huge money. ENER's Astro planetary movement will be supporting this stock from November onwards, so one can accumulate in small quantities. I highly recommend to take a small bet on these stocks,



nothing much lost, but if they turn around in the next three years, then I am sure your investment will at least grow in five folds.

Here is the company chart: After reaching \$85.00 in 2007-8, the stock came down to \$0.45. Worth taking some risk here.

Keep holding our favorite three stocks. These companies are very old and they may take new shapes from here onward. Previously, I had mentioned about these stocks in detail, so you can view the old letter to find the details. One can take small positions in these stocks at this stage.

FCEL – Fuel Cells, currently trading \$1.05

BLDP – Ballard power, currently trading around \$1.42

PLUG – Plug POWER INC, CURRENTLY TRADING AROUND \$2.30

Accumulate in small quantities, do your own research before you invest in these stocks as they hold high risks, but the rewards will be the same if they perform as we see.

Thanks & God Bless

Mahendra Sharma

Prediction date - 30 October 2011