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SOURCE: MineCore International, Inc.



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[Grass Roots Research \(GRR\) \(\[www.grass-roots-distribution.com\]\(http://www.grass-roots-distribution.com\)\) Initiates Coverage of MineCore International, Inc.](#)

SAN FRANCISCO, CA--(Marketwire - May 5, 2009) - Grass Roots Research (www.grass-roots-distribution.com) announced today that it has initiated research coverage on MineCore International, Inc. ("MineCore" or "Company") (PINKSHEETS: [MCIO](#)). MineCore is an exploration company, as defined under SEC Industry Guide 7, with exploration properties in Venezuela, Canada, and Madagascar.

Grass Roots Research's report stated that "MineCore intends to explore and exploit the mining of sapphire in Madagascar, which has significant sapphire probable reserves and an investor-friendly regulatory framework. Sapphire is the second most sought after gemstone in the world, next to diamonds. In addition to being a precious gemstone, the physical and chemical properties of sapphire enable a variety of industrial applications, enhancing its demand as a non-gemstone. MineCore has developed a process of economically mining sapphires at the lowest possible cost in the industry. The Company plans to harvest sapphire byproducts using its proprietary technology that provides a significant competitive advantage. The Company intends to cater to the technology sector demand for pure sapphire crystal. We believe there is a large market opportunity for industrial application of sapphire.

"MineCore intends to become vertically integrated providing products ranging from precious raw gemstones to cut and polished gemstones. We expect significant growth potential from its mining operations in

Madagascar. Revenues are expected to grow from \$276 million for Fiscal Year End (FYE) March 31, 2011 to more than \$1.26 billion by FYE 2014, providing the Company raises \$56 million of funding. We project short term price target of \$0.80, intermediate price target of \$1.28 and long term price target of \$2.20. Our long term projections assumes the Company raises \$56 million of capital. We believe MineCore is a compelling opportunity for risk averse investors."

MineCore recently executed a Letter of Intent with several MineCore shareholders allowing MineCore to recoup \$1,062,013 for assets previously written off by the Company, subject to the completion of and closing of a Definitive Agreement. The recoupment will have a direct impact on the bottom line for the Company of \$1,062,013.

The report continues, "Our Base Case forecasts for 5 year sales and earnings growth on expected stand-alone revenues of \$276 million for FYE 2011 and more than \$1.2 billion for 2014. These projections are based on funding requirements of \$56 million by the end of 2009. The Company is also expected to manage operations efficiently and command a near-term gross margin of approximately 50%.

"Our long term target price based on our 5 year discounted cash flow valuation is \$2.20, reflecting forward P/E multiples of 6.8x and 4.4x our estimated FYE 2011 EPS and FYE 2012 EPS, respectively. Our short-term price target of \$0.80 and intermediate term price target of \$1.28 is based on Price/Capital employed. Based on NAV, we value the stock at \$2.19 per share, reflecting forward P/E multiples of 6.7x and 4.4x our estimated FYE 2011 EPS and FYE 2012 EPS, respectively. We believe all of our three price targets are conservative because MCIO has traded as high as \$4.00 per share. As a practical matter, if MCIO receives between \$50 - \$100 million of funding, the stock could trade at its previous high, or higher. The stock is currently trading at \$0.23.

"According to the estimates by Hammond Group, industrial sapphire applications are expected to grow at a CAGR of 21% - 24%. The sapphire substrate market is estimated to grow at a CAGR of 21%. The nitride LED market is expected to grow 15% through 2012 while the solar cell market is projected to grow to \$300 million by 2017. The increasing retail prices for sapphire indicate a strong demand for the gemstone product.

"MineCore has an experienced management team lead by Jerry G. Mikolajczyk, Chairman and COO. He has over 35 years of experience with large international mining companies, exploration and construction companies and has over 11 years of experience in Madagascar. We remain confident of the management's ability to deliver given its highly seasoned team."

About Grass Roots Research (www.grass-roots-distribution.com):

GRR has raised the art of fundamental securities research by forecasting and valuing all of its companies in three cases over a 5 year time period. GRR's independent third party stock research business selectively initiates Independent Research Analyst Coverage for overlooked public corporations. GRR identifies and initiates non-traditional company research. GRR selects micro cap stocks and small cap stocks with management teams focused on shareholder value, sustainable competitive advantage, and companies that demonstrate market leadership in their respective disciplines. GRR distributes in-depth stock market research reports that highlight the company's market opportunity, technology, management, competition and other key differentiators that may affect their short and long term valuation.

About MineCore

MineCore is an exploration company, as defined under SEC Industry Guide 7. The Company's mission is to successfully identify, acquire and develop mineral properties with a program to commence mining operations and develop solid growth with profitable operations. MineCore is planning to bring its sapphire properties in Madagascar into production in 2010 upon successful financing to sustain operations and administration costs.

This Press Release contains forward-looking information within the meaning of section 27A of the Securities Act of 1933 and section 21E of the Securities Exchange Act of 1934 and is subject to the Safe Harbor created by those sections. This material contains statements about expected future events and/or financial results that are forward-looking in nature and subject to risks and uncertainties. For those statements, we claim the protection of the safe harbor for forward-looking statements provisions contained in the Private Securities Litigation Reform Act of 1995 and any amendments thereto. Such forward-looking statements by definition involve risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. In particular, there is no assurance that reserves, production, pricing levels or other factors pertaining to the mining and manufacturing operations will be sustained at the expected rates or levels over time. Discussions of factors, which may affect future results, are contained in our recent filings. Under no circumstances does this Press Release constitute an offer to sell or a solicitation of an offer to buy the securities of the company described in this Press Release in which such offer, solicitation or sale of securities would be unlawful prior to registration, qualification or filing under the securities laws of any jurisdiction.

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