Zacks Small-Cap Research

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Dejour Energy, Inc. (DEJ-AMEX)

DEJ: Zacks Co. Report – OUTPERFORM

South Rangely well successfully flow tested. First four wells to be drilled at Dejour's Kokopelli field.

Current Recommendation	**Outperform**
Prior Recommendation	Neutral
Date of Last Change	09/05/2010
Current Price (01/05/12)	$0.48
Six- Month Target Price	**$1.00**

OUTLOOK

Our rating on Dejour's stock remains Outperform based upon increasing production levels at Woodrush, including a third well coming on-line. Also, Dejour has received approval from the BLM to drill its first four wells into the liquid rich gas Kokopelli field acreage (Gibson Gulch) in Colorado; production is expected to begin in the second half of 2012. Going forward, management hopes to drill 16 wells annually in the Kokopelli field. In addition, the first test well at South Rangely has been successfully drilled, cased, fracture stimulated and flow tested. Our price target is $1.00 based on NAV analysis.

SUMMARY DATA

52-Week High	**$0.56**
52-Week Low	**$0.22**
One-Year Return (%)	**42.73**
Beta	**2.05**
Average Daily Volume (shrs.)	**2,038,433**
Shares Outstanding (million)	**121**
Market Capitalization ($ mil.)	**$58**
Short Interest Ratio (days)	**0.69**
Institutional Ownership (%)	**N/A**
Insider Ownership (%)	**23**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**5.9**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2012 Estimate	**N/M**
P/E using 2013 Estimate	**48.0**
Zacks Rank	**3**

Risk Level	**Above Average**
Type of Stock	**Small - Value**
Industry	**Oil – C$ E&P**
Zacks Rank in Industry	**8 of 16**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2010	1.31 A	2.77 A	2.54 A	1.54 A	8.15 A
2011	1.36 A	1.46 A	2.34 A	2.69 E	7.70 E
2012	3.13 E	3.46 E	3.90 E	4.42 E	14.92 E
2013					25.28 E

Earnings per Share
(EPS is operating earnings before non recurring items)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2010	-$0.03 A	-$0.01 A	-$0.01 A	-$0.01 A	-$0.05 A
2011	-$0.02 A	-$0.00 A	-$0.00 A	-$0.00 E	-$0.03 E
2012	-$0.00 E	-$0.00 E	-$0.00 E	-$0.00 E	-$0.01 E
2013					$0.01 E

Zacks Projected EPS Growth Rate - Next 5 Years % **N/M**

Quarterly revenues and EPS do not equal annual figures due to rounding.

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KEY POINTS

- The rating on Dejour's stock remains Outperform due to strong confidence in higher production levels from the oil and gas project at Woodrush. Our price target of $1.00 is derived from the company's net asset value of $1.02 (see Valuation section).
- Management continues to develop its prime properties: **Woodrush** in British Columbia's Peace River Arch and **Gibson Gulch** (now referred to as Dejour's **Kokopelli field development**) in Colorado's Piceance Basin.
  - At **Woodrush**, the company has successfully drilled eight producing wells (two oil and six gas). **A third oil production well is in the process of coming online.**
  - At **Gibson Gulch** (Kokopelli field), **eight wells are expected to be fracture stimulated and completed by the end of the second quarter of 2012** with production expected to commence during the third quarter.
- Significant fundamental events can considerably increase the company's valuation parameter in a step-fashion. One such event would be the Dejour's achievement of positive profitability, in which case the stock could experience rapid price appreciation.
- Management has a strong track record of developing oil and gas properties. CEO Robert Hodgkinson has twice founded oil and gas companies that mounted successful, large-scale drilling programs. The companies were subsequently acquired by medium-capitalization exploration companies.

OVERVIEW

Based in Vancouver, British Columbia, Dejour Energy (DEJ) is a Canadian independent oil and natural gas company and holds interests in **122,000 net acres** of oil and gas leases in North America. Net Proved and Probable Producing Reserves were 436 thousand barrels of oil (MBO) and 108 million of cubic feet (MMCF) of natural gas, totaling 570 thousand barrels of oil equivalent (MBOE) [1]. All Proved Producing Reserves (346 MBOE) are in the Canadian **Woodrush** area of the Peace River Arch, which has eight producing wells (six gas and two oil) and two water injection wells. A third oil production well is expected to come on-line in 2012. Acreage holdings consist of 13,000 net acres in northeastern British Columbia and northwestern Alberta, and 109,000 net acres (all undeveloped, but production is expected to commence in 2012) in Colorado and Utah in the Piceance, Uinta and Paradox Basins. Net Proved and Probable Undeveloped Reserves at **Gibson Gulch in the Kokopelli field** are 1.05 million barrels of oil (MMBO) and 147 billion cubic feet (BCF) of natural gas[2]. The company is the operator of its developed acreage. During 2009 Dejour sold its shares in Titan Uranium Inc., but still maintains a 10% carried interest and 1% Net Smelter Return on approximately 966,969 acres in Saskatchewan, Canada.

PROJECT UPDATES

Woodrush

Dejour Energy continues to further develop and enhance production from the Woodrush property in northeastern British Columbia. In the first quarter of 2011, a waterflood project was successfully implemented on the Halfway E oil pool located at Woodrush allowing production to be managed by a Voidage Replacement Scheme instead of by the Daily Oil Allowable method. By May, the oil pool began

[1] As estimated by the independent petroleum engineering consultant firm GLJ Petroleum Consultants as of June 30, 2011, page 36.
[2] As estimated by the independent petroleum engineering consultant firm Gustavson Associates LLC as of January 1, 2011.

to respond to the water injection, and the oil production rate began to increase. **In the third quarter, oil production reached 30.1 MBO,** almost surpassing the peak level of unrestricted production of the second quarter of 2010 (31.8 MBO). In the meantime, oil production troughed at 12.3 MBO in the first quarter of 2011 due to well allowables restrictions imposed by the British Columbia Oil and Gas Commission. Woodrush oil production is expected to continue to increase during the next twelve months. However, during the second quarter, natural gas production was negatively impacted by the shutdown of the McMahon gas processing plant for seven weeks and a 12 day pipeline shutdown on the Peace River due to flooding. **In November, Dejour Energy drilled a third well into the Halfway oil pool.** Eight feet of porous oil bearing sands were encountered, which was slightly less than expectations. Management expects net production from the new well to reach at least 200 barrels of oil per day during the first quarter of 2012. We expect net production from the Woodrush property to reach 800 BOE/D by the end of 2012.

Piceance Basin (Kokopelli Field – Gibson Gulch)

Management is focused on developing **Gibson Gulch,** Dejour's Kokopelli field development project located over the Williams Fork structure, a liquid rich gas area in the Piceance Basin. After filing a Master Development Plan with the Bureau of Land Management, drilling permits were received in the fourth quarter for four initial wells on leased Federal lands. Construction commenced on the first of two drilling pads. Having chosen eight PUD (Proved UnDeveloped reserves) sites in close proximity to proven wells drilled by Barrett Corp. (BBG) or Williams Companies (WMB), the first eight wells should be drilled during the first quarter this year, after which all eight wells will be fracture stimulated and completed in the following quarter. **Production from Dejour's Kokopelli field development project is expected to commence during the third quarter of 2012**. Management plans on drilling 16 wells annually, with the drilling program becoming self-funding in 2014. Williams Companies is extending a pipeline from its Grand Valley gathering system to the Kokopelli Field, where Dejour's wells will be located, providing an efficient method to transport Dejour's natural gas into a large-scale, high-volume distribution system.

South Rangely

Dejour Energy has successfully drilled, cased, fracture stimulated and flow tested its first natural gas well at South Rangely in Colorado. In June 2011, Dejour's vertical 3,863 foot well at South Rangely encountered approximately 90 feet of hydrocarbon bearing siltstone in the Lower Mancos "C" sands. Fracture stimulation and flow testing was delayed due to repositioning of the contracted fracture crews out-of-state. However, subsequently in December, the well was fracture stimulated and flow tested. On January 5, 2012, Dejour announced the results of the flow test: 315 MCF per day for more than 10 days with zero decline in production or pressure, confirming the presence of commercial quantities of trapped hydrocarbons. Now the company will test for an oil leg that is typically found down dip from similar gas accumulations in the Mancos "C" area. The action plan is expected to be announced during the second quarter of 2012. In addition, given the positive results so far, Dejour will also most likely follow-on with a horizontal well program.

Management's Goals for 2012

Grow Net Production organically to more than 2,000 BOE/D:

Woodrush (Woodrush field, British Columbia) – targeting 1,000 BOE/day net production
Gibson Gulch (Kokopelli field, Colorado) - targeting 8 MMCF/day net production

RECENT FINANCIAL NEWS

Third Quarter Report

On November 14, 2010, Dejour reported results for the **third quarter of 2011** ending September 30, 2011. For the quarter, the company reported a net loss of CAD $346,000 or $0.003 per diluted share, above our estimate of a loss of $0.01. Revenues net of royalties increased 7.3% year-over-year to $2.33 million primarily due to higher oil prices that lead to a 27.8% increase in oil price realization. Net production declined to 47.3 MBOE (514 BOE/D) or 15.7% versus the comparable quarter last year due to the very difficult comparison to the unrestricted production in the third quarter of 2010. Sequentially, average production increased 80.7% from 26.7 MBOE (284 BOE/D) in the second quarter of 2011. However, due to the increase of oil prices, operating netback increased to $1.669 million from $1.628 million in the comparable year-ago quarter and operating cash flow was $682,000.

Financing

In September 2011, Dejour obtained a $7 million line of credit from a Canadian bank. With an interest rate of Prime + 1% (currently 4%), the funds enabled the company to **refinance its $4.1 million bridge loan and save between $600,000 and $750,000 per year in financing costs**. **Without equity dilution**, management was able to fund capital expenditures at Woodrush and U.S. properties for remainder of 2011 with cash flow from operations and the line of credit.

WOODRUSH PROPERTY (British Columbia) in the Peace River Arch

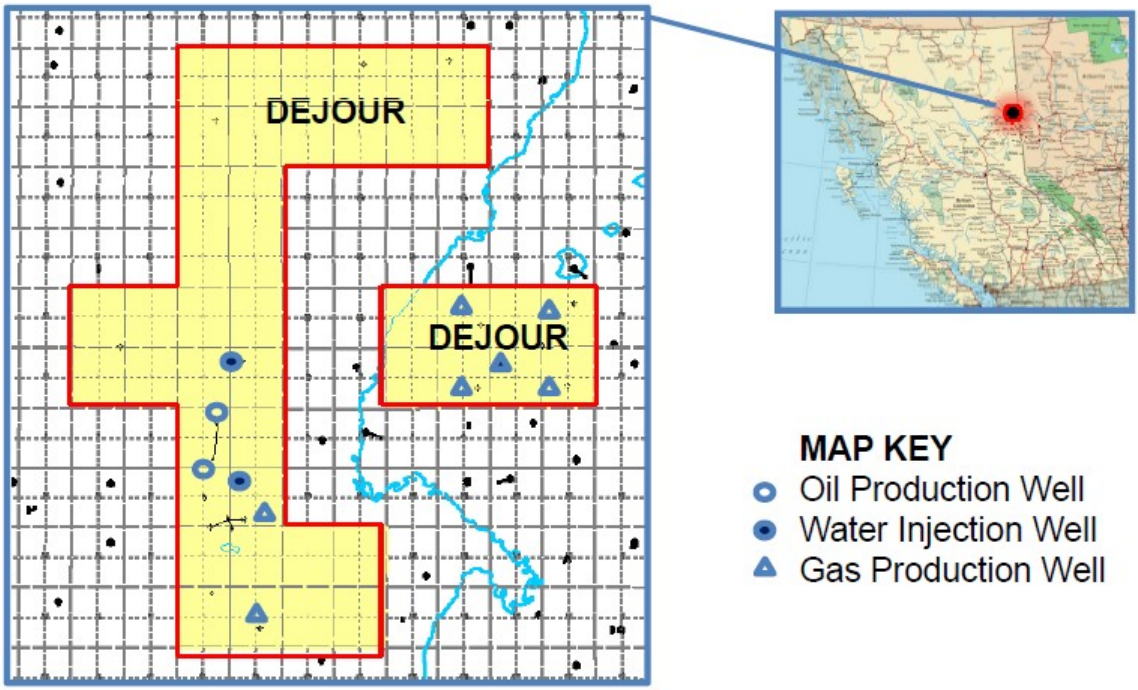
Dejour Energy operates exploration and production projects in 17,300 acres (approximately 13,000 net acres to Dejour) in the Peace River Arch located in northeastern British Columbia and northwestern Alberta. Dejour owns and has a 75% working interest in the **Woodrush** area of 6,000 gross acres (or 4,500 net acres), which is the source of the company's entire current production. The area is known as the Woodrush Halfway E Pool and located 110 kilometers north of Fort. St. John, British Columbia. Dejour's production is derived from eight wells (two oil and six gas). With a third oil well having been drilled during the fourth quarter of 2011, average daily gross production is expected to ramp up to 800 barrels of oil equivalent per day (BOE/D) sometime in 2012[3]. Four gas wells are producing from Notekwin formation (Dejour's parcel in the upper right near CNRL – see map below), and two oil wells and two gas wells are producing from Halfway reservoir (Dejour's parcel in the lower left adjacent to ADURO). These two oil wells are in close proximity (500 meters) to each other, and the third well just drilled lies between them.

In 2010, Dejour successfully drilled three wells, of which two (one oil well and one gas well) came on line in May, both of which were able to enjoy unlimited production for 90 days before being restricted with well allowables imposed by the British Columbia Oil and Gas Commission (OGC). For the first 90 days, production from the wells was unlimited, and then regulations required that the production be lowered to an allowable level commensurate with maintaining the pressure level in the reservoir until a mechanism, such as the implementation of a water flood, was put into place to maintain the reservoir's pressure and conserve the oil resource. During the fall drilling season of 2010, Dejour successfully drilled another oil well at the southeast edge of the Halfway reservoir, which ultimately was converted to a water injection well.

In December 2010, Dejour received approval from the British Columbia Oil and Gas Commission (OGC) for the implementation of a waterflood program at Woodrush. The project was completed in the first week of March 2011. The implementation of a waterflood program provides for sustained oil production at

[3] Average well production was 640 BOE/D in 2010.

Woodrush for at least five to six years, allowing Dejour to fund further development of oil production with operating cash flow and enhancing the company's ability to access more attractive longer-term funding from conventional banking facilities. In November 2011, Dejour drilled another well, which is expected to increase Dejour's net production by at least 200 barrels of oil per day during the first quarter of 2012. Unrestricted gross production capacity from the Halfway pool at Woodrush is expected to increase with production ultimately peaking at 1,270 BOE/D (net 950 BOE/D to Dejour) consisting of 800 BOP/D (oil) and 2.8 MMcf/D (gas).



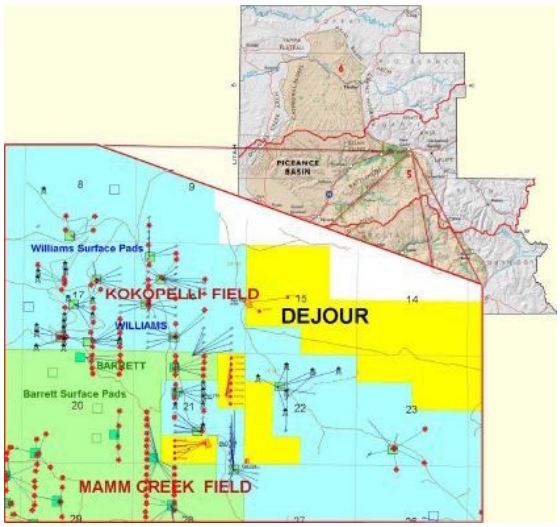
Courtesy of Dejour Energy

Ultimately, management expects to have a total of more than 15 producing wells, plus injectors, operating at Woodrush. In addition, multiple oil pools have been detected by the 3-D seismic survey, and in due course, many will be developed. On the cost-side, considerable transportation cost improvement is possible when a seven-mile pipeline is constructed. Currently, oil is trucked over seven miles from the well heads to the nearest pipeline.

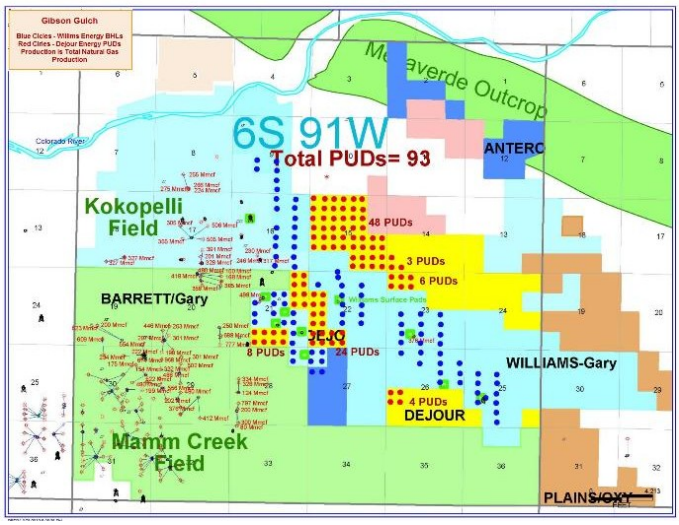
GIBSON GULCH PROPERTY (Colorado) in the Piceance Basin

Dejour Energy has a 72% working interest of 2,200 gross acres (or 1,585 net acres) in the Gibson Gulch area of the Williams Fork sandstone formation located in the Piceance Basin of Colorado. The acreage is immediately adjacent to the producing properties in the Kokopelli Field, owned by Williams Companies (WMB: NYSE) and Bill Barrett Corporation (BBG: NYSE). The Gibson Gulch acreage is one of the company's leading prospects due to its proximity to the producing properties (some within one mile). Dejour's management plans to ultimately drill 220 wells (158 wells net to Dejour) in Gibson Gulch, based on spacing of 10 acres, beginning with 93 wells into 93 PUDs (Proven Undeveloped Reserves) on 600 of the 2,200 gross acres. The first four wells should be drilled in the first quarter of this year. Williams Companies is extending a pipeline from its Grand Valley gathering system to the Kokopelli field, where Dejour's wells will be located, providing an efficient method to transport Dejour's natural gas into a large-scale, high-volume nodal distribution system. After financing the initial wells over the next couple years with non-equity funding, management expects that the remaining wells of the drilling program will become self-funding in three years.

There are two structures within Gibson Gulch from which to extract gas: the 7,000 feet deep **Williams Fork** structure and the 13,000 feet deep **Niobrara** formation. The Williams Fork structure in the Piceance Basin is a liquid rich gas area and amongst the lowest quartile of supply cost natural gas basins in North America[4] leading to upper quartile after-tax typical well returns[5]. Barrett's average well depth at Gibson Gulch is 7,400 feet and spacing is only 10 acres. Well life is estimated to be 30 years. Barrett's management cites the Gibson Gulch area as a "lower risk development asset[6]."



Dejour's Kokopelli Field



Dejour's Planned PUDs

In March, Bill Barrett Corp. increased 2011 natural gas production estimates, primarily due to an accelerated drilling program at Gibson Gulch. Dejour's property is contiguous to the northeast of Barrett's 17,615 acre property. Barrett cited the faster drilling times and higher liquids content as economic motivators.

Dejour filed a Master Development Plan with the Bureau of Land Management (BLM) for up to 68 wells from four new well pads on its Gibson Gulch properties in Colorado. The acreage is in close proximity to the producing properties in the Kokopelli Field owned by Bill Barrett Corporation. Interestingly, Bill Barrett filed its second Master Development Plan (Gibson Gulch II) in July 2011 for sites immediately adjacent to Dejour's proposed well sites. The similarity and close propinquity of the Master Development Plans bodes well for both projects.

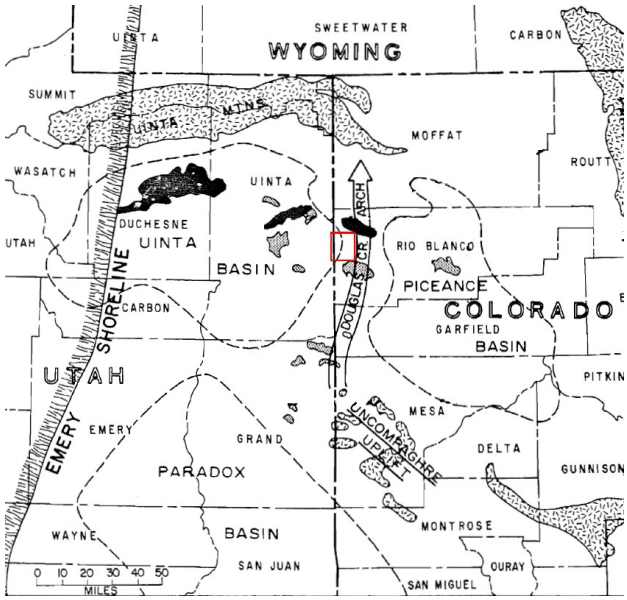
Also, Dejour has exposure to a deep high-pressure gas opportunity in the Niobrara formation at Gibson Gulch. Management estimates the Niobrara gas reserves to be 215 billion cubic feet (BCF). Though the development of this unconventional resource opportunity is several years in the future, another company has drilled five wells into the formation, and land prices are rising in the area.

SOUTH RANGELY PROPERTY (Colorado)

Dejour Energy has a 70% working interest of approximately 7,000 gross acres (or 5,000 net acres) in South Rangely area on the western flank of the Douglas Creek Arch, which is directly south of the Rangely Oil field that has been operated by Chevron since the 1960's. The Dejour's acreage is adjacent and approximately six miles northeast from an oil producing property operated by a private operator, RW Bayless.

[4] Based on a study conducted by FirstEnergy Capital Corp. and MGM Energy Corp. in April 2010.
[5] Based on information delivered by Williams Companies at the Jefferies Global Energy Conference in December 2010.
[6] Bill Barrett Corporation press release (March 25, 2011): Bill Barrett Corporation Announces Increased Production Guidance.

Dejour conducted exploratory evaluation drilling at South Rangely, financed by the stock and warrant offering in January 2011. Having conducted two deep seismic soundings, a vertical well at South Rangely was drilled to test both the upper and lower Niobrara sections of the Mancos Shale, which consists largely of offshore marine shale with a middle sandy interval. The shale deposited by the western Cretaceous Seaway, a quiet inland sea that crossed the North American continent throughout the Cretaceous era, 145 to 65 million years ago. Considerable geological research has been conducted concerning the Mancos Shale and the hydrocarbon deposits that exist within it.



Mancos and Douglas Arch

VALUATION

The valuation process for small and mid-cap E&P oil & gas companies is based upon Net Asset Value (NAV), which involves evaluating a company's assets and reserves, and then determining an appropriate discount at which the stock should trade. The NAV calculation entails applying several subjective inputs, such as land valuation (cost or market), a predicted oil price, oil versus gas mix, predicted gas price, drilling costs deep offshore wells versus, drilling success rate, mix of development and exploratory wells, etc. The discount attempts to quantify many factors, including but not limited to the average length of time that will be required to put the reserve additions on the company's books, R/P (reserves to annual production ratio), the company's PUD (Proved Undeveloped reserve) to 2P reserve ratio, and the stock's liquidity.

Dejour's NAV is estimated to be $124 million ($1.02 per share[7]). The $124 million is attained by adding the company's assets of $20 million of land (at cost), $108 million[8] of PV-10 Proved Reserves and net cash of $0.5 million and then deducting $4.3 million in debt (listed as a current liability on the company's balance sheet)[9]. Therefore, **our target price is $1.00 per share.**

We are cognizant that there are nuances concerning the quality of reserves that are not captured in our valuation model. One such feature is that by treating PDs and PUDs similarly, our model does not capture some of the inherent risks of PUDs. Since uncertainties exist about the ultimate conversion of PUDs to PDs, there is an inherent discount valuation related to PUDs that must be considered.

[7] 110,180,545 shares outstanding on December 31, 2010 plus the 11,010,000 shares issued in February 2011.
[8] Based on $25 million at Woodrush (AJM reserve study effective June 30, 2011) and $83 million in the U.S. (reserve study - December 2010).
[9] Balance sheet items valued as of September 30, 2011.

In the case of Dejour, the majority of proven reserves are undeveloped ($83 million of the $108 million). However, these PUDs are within or adjacent to a known producing gas field. In addition, Williams Companies is extending a pipeline from its Grand Valley gathering system to the Kokopelli Field, where Dejour's PUDs are located. This both reduces most of the uncertainties related to the PUDs and also provides an efficient method to transport Dejour's natural gas into a large-scale, high-volume distribution system.

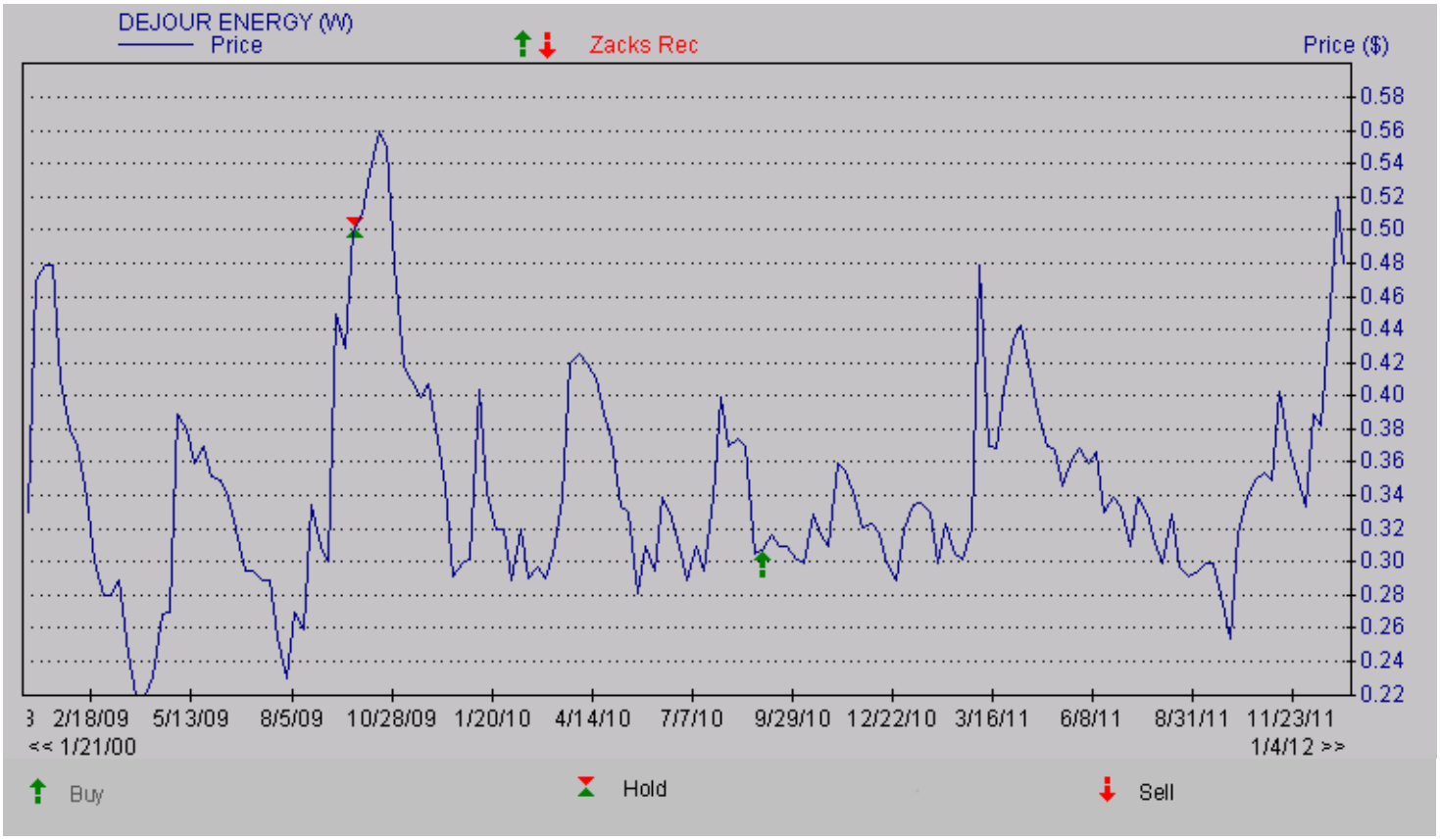
As gas wells begin to produce, the natural gas reserves associated with the wells become proved developed producing reserves (PDs or PDPs) instead of proven undeveloped reserves (PUDs). **We expect a positive valuation increment** in the marketplace **as PUDs at Gibson Gulch become PDs.** When the uncertainties associated with PUDs abate, the discount to NAV that pertains to the PUDs at Gibson Gulch should be reduced or entirely eliminated. As the PUDs become producing wells in the first quarter of 2012, the marketplace may not only eliminate the discount to NAV of the producing wells, but also reduce or eliminate the discount related to a portion or all of the 220 PUDs located at Gibson Gulch. As the certainty of the value of the PUDs increases, we expect the valuation of Dejour's stock to migrate towards Net Asset Value.

PROJECTED INCOME STATEMENT

Dejour Energy Inc. Earnings Model

FISCAL YRS ENDING 12/31	Q1	Q2	Q3	Q4	2010	Q1	Q2	Q3	Q4 E	2011 E	Q1 E	Q2 E	Q3 E	Q4 E	2012 E	2013 E
PRODUCTION VOLUMES (net)																
Natural gas (MMCF)	96.6	136.5	167.3	148.5	**548.9**	146.7	55.9	103.0	125.0	**430.6**	130.0	134.5	159.0	184.0	**625.0**	**956.8**
Crude oil (MBO)	11.8	31.8	28.2	13.7	**85.5**	12.3	16.9	30.1	33.6	**92.8**	38.0	42.0	46.0	49.1	**175.1**	**255.5**
Natural gas liquids (BBLS)	0.6						0.5									
Total (MMCFE)	100.3	136.5	167.3	148.5	**1,061.9**	146.7	58.9	103.0	125.0	**987.5**	130.0	134.5	159.0	184.0	**1,675.8**	**2,490.0**
Total (MBOE)	28.5	54.5	56.1	38.4	**177.0**	36.7	26.7	47.3	54.4	**164.6**	59.7	64.4	72.5	79.8	**279.3**	**415.0**
OIL PRICE REALIZATIONS / GAS HUB PRICES																
Natural gas (CAD/MCF)	5.04	4.29	3.81	3.73	**16.87**	3.89	3.91	3.66	3.35	**3.70**	3.50	3.50	3.50	3.50	**3.50**	**4.00**
Oil (CAD/BBL)	71.60	65.79	66.77	71.17	**275.33**	82.51	94.83	85.37	88.50	**87.80**	93.00	94.00	98.00	105.00	**97.50**	**110.00**
Natural gas liquids (CAD/BBL)	23.58															
INCOME STATEMENT (CAD 000 except EPS)																
Natural gas revenues	487	586	638	554	**2,264**	571	218	377	425	**1,591**	425	425	425	425	**1,700**	**3,827**
Crude oil revenues	846	2,089	1,885	975	**5,795**	1,013	1,598	2,570	2,974	**8,154**	3,534	3,948	4,508	5,160	**17,150**	**28,108**
Natural gas liquids revenues	15		11		**26**											
Total oil and gas revenues	1,347	2,676	2,534	1,529	**8,085**	1,583	1,816	2,946	3,399	**9,745**	3,959	4,373	4,933	5,585	**18,850**	**31,935**
Royalties	221	551	362	178	**1,311**	237	348	614	709	**2,046**	825	912	1,029	1,164	**3,930**	**6,659**
Total oil and gas revenues (net)	1,127	2,125	2,173	1,351	**6,774**	1,347	1,468	2,333	2,690	**7,698**	3,134	3,461	3,904	4,420	**14,920**	**25,277**
Other operating revenues	9	93	10	7	**68**	8	(12)	9	0	**5**	0	0	0	0	**0**	**0**
TOTAL REVENUES	**1,135**	**2,218**	**2,183**	**1,358**	**6,841**	**1,355**	**1,456**	**2,341**	**2,690**	**7,703**	**3,134**	**3,461**	**3,904**	**4,420**	**14,920**	**25,277**
Operating expenses																
Operating and transportation	845	660	543	559	**2,605**	507	471	664	768	**2,411**	803	887	1,001	1,133	**3,823**	**6,477**
General and administrative	987	769	670	997	**3,423**	960	990	718	750	**3,418**	750	750	750	750	**3,000**	**4,000**
Amortization, depletion & acc.	1,109	1,351	1,393	1,357	**5,250**	718	498	1,417	1,511	**4,144**	1,616	1,806	2,062	2,360	**7,844**	**12,856**
Change in fair value of warranty liability	499	-	-	-	-	874	(795)	(543)	0	**0**	0	0	0	0	**0**	**0**
Stock based compensation	237	150	150	156	**621**	189	211	150	190	**740**	190	190	190	190	**760**	**800**
Total operating expenses	**3,677**	**2,930**	**2,756**	**3,069**	**11,899**	**3,247**	**1,375**	**2,407**	**3,220**	**10,713**	**3,359**	**3,633**	**4,002**	**4,433**	**15,427**	**24,133**
OPERATING INCOME	**(2,541)**	**(713)**	**(574)**	**(1,711)**	**(5,057)**	**(1,892)**	**81**	**(66)**	**(530)**	**(3,009)**	**(226)**	**(171)**	**(98)**	**(12)**	**(508)**	**1,144**
Interest expense	(256)	(275)	309	(239)	**(458)**	(243)	(283)	(270)	(50)	**(846)**	(50)	(50)	(50)	(50)	**(200)**	**(250)**
Interest income	0	8	9	11	**37**	-	-	-	-	**0**	-	-	-	-	**0**	**0**
Gain (loss) on investments	(42)	-	-	-	**0**	(47)	-	-	-	**(47)**	-	-	-	-	**0**	**0**
Equity income (loss)	-	-	-	-	**0**	-	-	-	-	**0**	-	-	-	-	**0**	**0**
Other income	-	-	-	-	**0**	-	9	-	-	**9**	-	-	-	-	**0**	**0**
Impairments	-	-	(10)	-	**(10)**	-	-	-	-	**0**	-	-	-	-	**0**	**0**
Foreign exchange gain (loss)	(16)	13	(9)	(16)	**(28)**	(84)	4	(11)	0	**(91)**	0	0	0	0	**0**	**0**
Pretax income	(2,855)	(968)	(275)	(1,955)	**(5,517)**	(2,266)	(189)	(347)	(580)	**(3,985)**	(276)	(221)	(148)	(62)	**(708)**	**894**
Inc. tax recovery (expense)	271	0	464	504	**968**	187	0	0	0	**0**	0	0	0	0	**0**	**0**
REPORTED NET INCOME	**(2,584)**	**(968)**	**189**	**(1,451)**	**(4,549)**	**(2,079)**	**(189)**	**(347)**	**(580)**	**(3,985)**	**(276)**	**(221)**	**(148)**	**(62)**	**(708)**	**894**
Foreign currency translation adjustment	(430)					(287)	(66)	991	0	**0**	0	0	0	0	**0**	**0**
Comprehensive Income (loss)	(3,014)	(968)	189	(1,451)	**(4,549)**	(2,366)	(255)	644	(580)	**(3,985)**	(276)	(221)	(148)	(62)	**(708)**	**894**
Weighted Avg. Shares Out.	97,727	98,698	99,198	100,698	**99,789**	116,652	118,000	121,391	124,200	**120,061**	127,200	130,200	133,200	136,200	**131,700**	**140,000**
EPS before NRI	(0.03)	(0.01)	0.00	(0.01)	**(0.05)**	(0.02)	(0.00)	(0.00)	(0.00)	**(0.03)**	(0.00)	(0.00)	(0.00)	(0.00)	**(0.01)**	**0.01**
REPORTED NET INCOME	(0.03)	(0.01)	0.00	(0.01)	**(0.05)**	(0.02)	(0.00)	(0.00)	(0.00)	**(0.03)**	(0.00)	(0.00)	(0.00)	(0.00)	**(0.01)**	**0.01**

HISTORICAL ZACKS RECOMMENDATIONS



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