

**VMS Ventures Inc.<sup>1</sup> (VMS-V, C\$0.55)**

Speculative Buy Recommendation, Target Price of \$2.00

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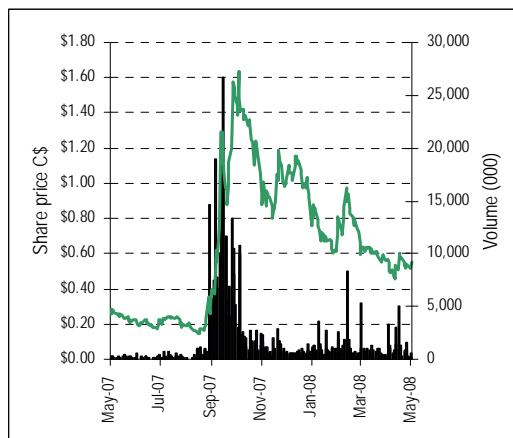
All Values in C\$ unless otherwise noted

Current Price	\$0.55
Target Price	\$2.00
Target Return	264%

Changes in target price or recommendation

	Old	New
Recommendation	Spec. Buy	N/A
Target Price	\$2.00	N/A

52-week Range	\$0.13 - \$1.76
Avg. Weekly Volume	8,692,476
S/O Basic (M)	106.7
S/O Fully Diluted (M)	124.3
Market Capitalization (M)	\$58.7
Est. Working Capital (M)	\$28.5
Enterprise Value (M)	\$30.2
Fiscal Year End	Aug. 31



VMS Ventures Inc. is a Canadian growth-oriented company, focused on the exploration and development of copper, nickel, and zinc properties in the Flin Flon - Snow Lake VMS Belt as well as the Lynn Lake Belt (third largest nickel producing region in Canada). The Company's exploration projects are located in Manitoba and are well-positioned with respect to existing mining infrastructure. [www.vmsventures.com](http://www.vmsventures.com)

**VMS Ends Phase 3 Drill Program at the Reed Lake Project with a Roar! Phase 4 Drill Program in Progress**

- **The final hole from the winter drill program at the Reed Lake Project delivers extremely encouraging results.** The assay results released from Hole 36 include: **81.07 m grading 3.54% Cu** (Au and Ag assays pending); **this massive intersection includes intervals of: 36.58 m grading 5.64% Cu and 18.99 m of 7.10% Cu.**
- **Phase 4 drill program in progress; results from two holes with Near Solid Sulphide (NSS) pending.** Hole 41 that is expected to contain 33.83 m of NSS has **extended the mineralization to depth of 360 m (100% more than the previous known mineralization).** Hole 39 (14.42 m of NSS) expands the mineralization 45 m to the west, extending the strike to **170 m.**
- **The Company is in the midst of an aggressive 2008 exploration program.** The Company currently has one drill rig that continues to test the "discovery zone" and a second rig to begin drilling the anomalies at the "tower zone" (1,000 m east). The Company is preparing an additional drill rig to be mobilized to step out and test targets to the east and to depth. The interpretation of the results of the first 36 holes released suggests: **1.** the Company has intersected only the margin of the potential mineralized system; and **2.** the system appears to be open to the west and at depth.
- **Speculative Buy recommendation with a \$2.00/share target price.** We arrive at our 12-month target price by blending the success-discounted gross metal value of both Snow Lake Project and Nickel portfolios (\$1.85/share) with the Net Asset Value (\$2.20/share).

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Risk Rating	Rating Description
Speculative	Materially exceeds sector average
Above Average	Exceeds sector average
Average	In-line sector average
Below average	Below sector average

Statistical Rating	Rating Description – Expected total return over the next 12 months	Rating Distribution
BUY	Exceeds sector average	100%
HOLD	In-line sector average	0%
SELL	Below sector average	0%
UNDER REVIEW		0%

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