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COMPANY PROFILE

Entourage Mining Limited (www.entouragemining.com) (Entourage or the "Company") is a Canadian junior mining company engaged in the exploration and development of gold, diamond and uranium prospects. Its current property portfolio consists of a very prospective diamond concession situated in the heart of the Forté a la Corne (FALC) in Saskatchewan, two Uranium prospects (Saskatchewan and Quebec) and one advanced gold/silver prospect (Nevada). Entourage assets are in highly prolific regions known for rich mineral resources. The Company is a Canadian issuer listed on the OTC Bulletin Board and is trading under the symbol ETGMF.

The current focus of Entourage is on its Doran uranium prospect in Quebec, which has yielded promising drill results during most recent drill programs. The Company however is keen to develop its other assets and has formed working relationships with other companies operating in their respective regions to advance exploration programs.

Entourage can be viewed as an investment that provides exposure to rising gold, uranium and diamond prices. Aided by the global economic growth together with the rising demand from China, both gold and uranium prices have been on the rise over the last few years and have made new highs. In addition to the rising demand, low inventory levels, limited mining/production capacity, strengthening currencies of mining countries, high energy prices etc, have also provided impetus to commodity prices. In the case of uranium, much of the price increase can be attributable to the growing popularity of nuclear energy due to increased costs associated with power generation using traditional fossil fuels. Continued price strength makes Entourage metal prospects more valuable.

REGIONS

Entourage prospects are located in mining friendly territories, surrounded by highways and other necessary infrastructure making operations cost effective. Nevada and Quebec were ranked as the second and the fifth most attractive mining destinations in the world respectively during the 2005 Fraser Institute survey. These high rankings were

Entourage Mining Limited**OTC BB: ETGMF**

CURRENT PRICE: \$0.275

52-WEEK RANGE: \$0.10 - \$0.70

AVERAGE DAILY VOLUME (90-DAY): 79,205

FLOAT: 12.0 million

OUTSTANDING SHARES: 75.2 million

MARKET CAPITALIZATION: \$20.7 million

CONTINUING COVERAGE: SPECULATIVE BUY

awarded both due to their rich mineral reserves, attractive geology and mining friendly policies. Both Nevada and Quebec scored well on the Mineral Potential Index and the Policy Potential Index. Entourage operations in high mineral potential territories with mining friendly environments, which provide the ability to move forward with little bureaucratic hindrances, decrease its risk profile considerably. The Fraser Institute is an independent public policy organization based in Canada.

Successful mining history supported by geological characteristics of both Nevada and Quebec provides a glimpse of true potential Entourage offers to investors. Nevada is one of three premier gold-producing regions in the world, and currently produces approximately 8 million ounces of gold annually. It has produced over 100 million ounces in the last twenty years. The state ranks as the largest gold producing area in the US (76%) and the third largest in the world (11%) behind South Africa and Australia. All major mining companies such as Newmont Mining, Barrick Gold, and Anglo Gold have a considerable presence in Nevada with several producing mines.

Mining potential is equally promising in Quebec as well. Quebec is characterized by its rich mineral resources and there are many well-known mining companies such as BHP Billiton, Falconbridge and Noranda, with a considerable presence in the province. Some of its mineral deposits, such as Horne, Gaspé Copper, LaRonde mines (base metals), and the Doyon and Sigma-Lamaque mines (gold) are considered world-class. More interesting however are the incentives offered by the Quebec government for exploration companies. Owing to tax incentives and other concessions together with its rich mineral reserves, Quebec has the lowest net cost of exploration in Canada. Entourage's Doran Uranium Property (uranium prospect) is in Quebec.

While Quebec is an attractive proposition for mining in general, Saskatchewan is better known for its uranium reserves. The Athabasca Basin that straddles the Alberta-Saskatchewan border is considered to host one of the richest uranium deposits in the world. According to Saskatchewan Industry and Resources, there were 442 new claims staked and 38 new permits taken in 2004. There are now over 4 million hectares of ground in the Athabasca Basin under

disposition for uranium exploration. At present, there are more than 30 companies exploring for uranium in the Basin. Uranium output from the Athabasca Basin is expected to increase as Cigar Lake Deposit (Cameco (50.025%), COGEMA Resources Inc. (37.1%), Idemitsu Uranium (7.875%), TEPCO Resources (5.0%)) is scheduled for production in 2007. In addition to its Doran property, Entourage has uranium interests situated on the Eastern boundary of the Athabasca Basin within 20 miles of four known uranium deposits.

Canada is the world's largest uranium producer accounting for approximately 30% of the world output, followed by Australia, Kazakhstan, Russia, Namibia, Niger etc. Much of the Canadian uranium production comes from Saskatchewan. The Saskatchewan government actively encourages and supports uranium mining in the Province, provided it is environmentally acceptable. Uranium industry has a considerable economic significance and the government support for uranium mining is expected to continue.

Entourage expects to continue the development of its existing assets. Further exploration and development by the Company is expected to improve its risk return profile subject to successful drill results. Company valuations would be a function of the results of its drill program and the commodity price cycle.

PROJECTS

Black Warrior Property (Esmeralda County, Nevada) – Gold/Silver Prospect

The Black Warrior Property is an advanced gold/silver project situated in one of Nevada's premier mining districts. In its NI 43-101 report by James A. Turner, P. Geo, a Qualified Person as that term is defined in National Instrument 43-101, the prospect has been identified as a low sulfidation, vein hosted system with potential for discovery of bulk tonnage Au-Ag, Cu-Pb-Zn mineralization, high-grade Au-Ag veins and deep sediment-hosted gold mineralization. The property forms a contiguous block of 70 unpatented and 2 patented gold/silver claims totaling 571 hectares. A network of roads and highways and other infrastructure surrounds the area.

Entourage does not consider Black Warrior property as a priority at this stage. The Company seeks to develop its flagship project, Doran property and much of the resources are diverted for its development pursuits.

Doran Property (Quebec, Canada) – Uranium Prospect

Entourage has entered into an option agreement to acquire a 100% undivided beneficial right, title and interest of 44 mineral claims known as the Doran Uranium Deposit. The property is located southeast of Quebec approximately 85 kilometres east of Havre St. Pierre in the Baie Johan Beetz area of Costebelle

Township. The property is underlain by four major rock types; augen gneiss, granite gneiss, permatitic granite and gabbro. The claims encompass approximately 24.73 sq. km. During previous work on the Doran East Centre target, three holes were drilled 14 feet apart with cores returning values of 6.4, 6.4 and 9.2 lbs/ton U₃O₈. The area has developed infrastructure facilities with access roads, water etc.

Analysis of samples from drill results are currently underway in an accredited laboratory using induced coupled plasma and mass spectrometry methods. Samples have yielded determinations ranging from 1.4 ppm to greater than 2000 ppm (including one sample that assayed 3300 ppm or 3.3 kilograms per metric ton); the latter samples will be re-analyzed by an alternative laboratory method in order to obtain more precise uranium values.

Hatchet Lake Property (Athabasca Basin, Saskatchewan) – Uranium Prospect

Entourage has entered into an option agreement with United Carina Resources Corp., to earn a 50% interest in 4 claim blocks consisting of 16,951 hectares of prospective uranium properties located in the Hatchet Lake area of the eastern Athabasca Basin in Saskatchewan. The properties are contiguous and have been subject to previous exploration for uranium, with one surface showing yielded assays ranging from 0.3% to 1.4% U₃O₈. The Property is located approximately 30 km north of major uranium production centers near the Rabbit Lake and McLean Lake mills and their associated high-grade uranium deposits.

Drill results in all designated prospective areas of the property have been encouraging. Sandstone boulders found at one sample site have outstanding visual alteration features including gray pyritic sandstone, silicified sandstone and a boulder with secondary "hydrothermal" hematite. Boulders showed anomalous geochemistry, with boron values up to 26 ppm (median 6 ppm), uranium values up to 0.67 ppm (median 0.21 ppm), lead values up to 0.96 ppm (median 0.53 ppm) and arsenic values up to 0.5 ppm (median 0.2 ppm). Boulder sampling in the area along the eastern edge of the Athabasca sandstone, yielded Geo-chemical values are up to 0.31 ppm uranium (median 0.21 ppm), up to 31 ppm boron (median 6 ppm). The boulder sampling in Le Drew area also confirmed the presence of anomalous uranium values up to 0.89 ppm (median 0.21 ppm) and anomalous lead up to 1.17 ppm (median 0.53 ppm).

Smeaton/Forte a la Corne (Saskatchewan, Canada) Green Lake Diamond Property

Smeaton/Forte a la Corne property is a diamond prospect located in the Fort a la Corne area of Saskatchewan that hosts one of the most extensive kimberlite fields in the world. The field consists of 72 volcanoclastic-dominated "crater-facies", Cretaceous

kimberlites, of varying size, complexity, and diamond content. Since their initial discovery in 1988, over 75% of the kimberlites have proven to be diamondiferous and approximately 50% have returned macrodiamonds (Source: Saskatchewan Geological Survey).

Compared to Ekati and Diavik mines, the development of Fort a la Corne is likely to be less challenging. Unlike Ekati, Diavik and other projects in the Northwest Territories and Nunavut, Fort a la Corne is in Saskatchewan and is not only accessible all year round, but infrastructure is available and costs are considerably lower. There are several world-renown mining companies such as De beers, Cameco, UEM and Shore Gold operating in the region.

RECENT DEVELOPMENTS

Doran Uranium Prospect

Much of the recent focus has been on the Company's flagship project, the Doran Property. During our previous update we highlighted the completion of the NI 43-101 Report for this property. While primary uranium minerals are yet to be identified, the report confirmed the scintillometer detection of large contrasts in the strength of the radiometric characteristics of the formations. The first phase of its drill program on the **M Zone** (main zone), confirmed a uranium mineralization zone from 60 down to 65 meters along the holes, resulting in grade values higher than 0.5 Lb/ton in seven drill holes and one 15 meter intersection grading 0.40 Lb/t U₃O₈.

Entourage has continued its exploration work at Doran and in August 2006 announced chemical analysis results of its rock sampling program. A total of twelve anomalies (N, X, L, Y, R, H, K, I, G, E, A, S) were tested. Chemical analysis only records up to 2000ppm (parts per million) and sample N-4 reached this upper limit. **Anomaly N** returned values between 1.77 lb/ton U₃O₈ across 3 meter and over 4.7 lb/ton U₃O₈ across 1.5 meter. Another sample returned over 3 lb/ton U₃O₈ over 1.5 meters. During a subsequent test, Sample "N-4" assayed at 0.76% U₃O₈ (15.1 lb/short ton) and is the highest grade received to date from the Doran. Of six samples tested from **Anomaly X**, one sample returned above 2 lb/ton U₃O₈, one sample over 1 lb/ton U₃O₈, three samples over 0.5 lb/ton U₃O₈ and 1 sample less than 0.5 lb/ton U₃O₈. Sample widths varied between 1 and 5 meters. **Anomaly L** meanwhile returned six samples of values over 1 lb/t U₃O₈, 7 samples with values between 0.5 lb/ton U₃O₈ and 1 lb/ton U₃O₈ and 5 samples with values less than 0.5 lb/ton U₃O₈. Sample widths varied between 1 and 12 meters. The anomaly is characterized by a north-south trending radioactive pegmatitic ridge approximately 200 meters long by 80 meters wide. Anomalies A, E, G, H, K R and Y also have returned elevated values of U₃O₈.

From a total of 63 rock saw samples tested, four samples returned values over 2 lb/ton U₃O₈, 13 returned values of more than 1 lb/ton U₃O₈, 15 returned values greater than 0.5 lb/ton U₃O₈ and 12 above 0.25 lb/ton U₃O₈. A detailed interpretation of the results is underway and a drilling program is being designed to test anomalies N, X and L before the end of the season. Given the high number of anomalies and drill targets, Entourage is planning to confine its drill programs only to N, X and L and drill the remaining anomalies early next season (February 2007).

The Company has been approached by several public companies as well as private investors to joint venture the Doran uranium prospect. At this time, the Company has not made any decision in a possible joint venture. The Company management is of the view that there is a large tonnage low-medium grade uranium deposit that will require much drilling, especially in the north, to delineate the size of tonnage. At present, the "N", "L" and "X" anomalies are the highest priorities. Doran has the markings of a major uranium discovery at surface that is near government roads and infrastructure.

Hatchet Lake Uranium Prospect

The Hatchet Lake property is currently 100% owned by United Carina Resources Corp (United Carina) and consists of four claim blocks, totaling 41,864 acres. Entourage is earning a 50% interest in the property. United Carina has commenced a 10-drill hole program on the Hatchet Lake Uranium Prospect. The Hatchet Lake property is in the Athabasca Basin just 18 miles away from Rabbit Lake, McLean Lake, Collins Bay and their associated high-grade unconformity uranium deposits. Previous work on the claims has yielded surface showings of 0.3% to 1.4% U₃O₈. United Carina is expected to be the operator of this prospect.

During United Carina's recent exploration drilling program, four holes were completed to depths of 78-102.7 meters to drill test two separate geophysical conductors. The Company has abandoned one hole at a depth of 31.1 meters on another conductor. In addition, two-hole fences (C-01 and C-02 and C-03 and C-04) were drilled on two weak conductors southwest of Turkey Lake on the Hatchet Lake Project. These holes intersected Athabasca sandstone underlain by faulted basement rocks. The slightly elevated values obtained for uranium, lead and yttrium are considered to be favorable indicators of a mineralizing system similar to that at the major deposits in the region.

In addition, 17 drill core chips were analyzed by shortwave infrared reflectance spectroscopy to determine the dominant clay mineralogy. The clay alteration assemblages in the basement rocks were found to be consistent with alteration phases recognized at uranium deposits/mines in the area. The Hatchet Lake Project area has been upgraded

and the remainder of the drill targets will be tested as soon as conditions permit. Because of the weather delays, the property payment schedule regarding payments from Entourage to Star Uranium, have been pushed back 12 months.

Smeaton Diamond Prospect

Progress continues at Entourage's Smeaton/Forte a la Corne diamond prospect as well. The operator has intersected kimberlite or a closely related kimberlitic rock type on the first target during the drilling program. The drill hole has intersected kimberlitic rocks from the base of Cretaceous strata at 160 m and continued in re-sedimented and pyroclastic kimberlitic strata with three minor mudstone breaks to 333.9 m. A half-split of the entire kimberlitic interval weighing in total 307.3 kg was analyzed for micro-diamonds at the Saskatchewan Research Council (SRC) in Saskatoon, using the caustic fusion process with a bottom screen size of 0.106 mm. No micro- or macro-diamonds were recovered.

Two pieces of core totaling 30 cm in length were provided to the Company, and examined by independent consultant Harrison Cookenboo, Ph.D., P.Geo, a Qualified Person. Based on his preliminary petrographic examination, Dr Cookenboo has acknowledged that both pieces of core are in most respects closely similar to macrocrystic serpentine calcite kimberlite. He has further suggested that the examined samples to be best referred to as kimberlite or a closely related "kimberlitic rock type with the potential for carrying diamonds". Detailed evaluation of indicator mineral chemistry, micro-diamond content, and geochemistry are being undertaken to better define the diamond potential of the kimberlitic rocks.

The Company has identified 19 other anomalies in the area and is evaluating these targets for drill testing. The first of these additional targets, Anomaly D-WJ-7, has been drilled and has intersected kimberlitic material and further evaluation of this and the other targets is underway.

Concluding Remarks over the Drill Program

Newly recognized radioactive zones, encouraging sampling results and the identification of multiple uranium targets with values up to the detection limit of 4.7 lb/ton U_3O_8 (0.235% U_3O_8) make the Doran property to be the priority development target. While further results would be necessary to determine the ability of Doran to host an economic mine, the promising nature of initial drill results indicate a higher probability of success.

Given Entourage's corporate strategy, which entails exploration and development to prove-up the reserve potential of its assets to be sold to a larger company for further development, results of its drill program play an important role. Further positive results, which could enable the company to elevate its resources to a higher category, particularly at its Doran property,

could provide considerable impetus to the share price. It would also help Entourage secure a premium for its assets at the time of sale thus rewarding its investors through capital gains. The Company may however retain a minority stake in a producing mine, subsequent to the asset sale.

Valuations Remain Low

Promising drill results so far do not appear to be reflected in Entourage stock price. Given the performance of its peers in the same area, and in the same business, we believe that Entourage stock has potential for further price appreciation. We compared Entourage valuations with those of other companies in its project areas with similar operations and exposure to same metals. Geological characteristics of the properties of the selected peers are also comparable.

Compared to the valuation of Nova Uranium Corporation (VSE: NUC), traded in Vancouver, which also has a Uranium exploration project in Quebec, Entourage is trading at considerably low valuations. NUC has the exposure to the same commodities and is in relatively close proximity to Entourage assets. The geological characteristics of NUC assets have several similarities with those of Entourage assets. Aided by promising drill results and the confirmation of Uranium at its Mont Laurier property in southern Quebec, NUC stock took off in December 2005 gaining over 140% in just one month. Meanwhile, the market is yet to respond to the drill results of Entourage's Doran property.

MARKET

Uranium Outlook (Current Price - \$55.75/lb)

Uranium is a slightly radioactive metal that occurs throughout the earth's crust. There are many locations in different parts of the world, where it occurs in economically-recoverable concentrations. When mined, it yields a mixed uranium oxide product, (U_3O_8). The most substantial use for uranium is as fuel in nuclear reactors, mostly for electricity generation. There are some 440 nuclear power reactors operating in 31 countries that generate 16% of the world's electricity. It is especially suitable for large-scale, base-load electricity demand.

Uranium prices have been on the rise since 2000, as its use for power generation gained ground. Current uranium mine production supplies only half of the power utilities requirements, with the remainder being supplemented by stockpiled uranium held by utilities and ex-military material. The latter two supplementary sources are expected to play an increasingly subdued role and the rising power demand is expected to be satisfied through more mine production.

Worsening geopolitics continue to threaten world energy supplies leading to high prices, thus emphasizing the need for domestically produced, non-petroleum based electricity. The need to dramatically reduce greenhouse gas emissions is also gaining

more eloquence in many forms such as the Kyoto Protocol. Developments such as power crisis in California and the Kyoto protocol have prompted the Bush administration to actively support new reactor construction and development in the U.S. They all drive the demand for uranium.

We expect uranium prices to remain strong, due to depleting uranium inventories, reconsideration of nuclear energy by developed nations and the rising energy demand from developing nations. Many developed countries (European in particular) are now actively reconsidering the nuclear option. Reasons include the difficulty of meeting Kyoto targets without a nuclear option and the significantly increased costs associated with producing electricity using traditional fossil fuels. Nuclear power development has gathered pace in Asia as well. The development of new simplified reactor designs and the improvement in efficiencies of currently operating reactors have dramatically improved the economics of nuclear power, thus making it an even more economic option leading to a further increase in uranium demand.

RISK FACTORS

Reserve Potential and Mining Success: Entourage fortunes hinge on its ability to successfully develop its properties to producing mines. Should its properties prove to have little potential to host economical mines due to poor reserve grades, lower than expected reserves, high costs etc, the company valuation would fall considerably.

Cost Escalations: At this stage, it is difficult to estimate capital expenditure and subsequent operating expenses. Mining costs have been rising over the last few years due to high energy costs, high labor costs, strengthening resource currencies etc. Cost escalations leading to cash flow difficulties and lower profitability may affect the viability of Entourage ventures.

Technological Problems: Initial teething problems with the implementation of new technology could also affect Entourage margins. While these may indeed be short-lived, it may affect the initial profitability as well as the cash flow.

Market Risk: Commodity prices are volatile and Entourage valuations may be affected due to gold and uranium price fluctuations. A steep price decline could affect the carrying value of Entourage assets, its borrowing capacity, etc.

Stock Market Risk: Typical to any micro-cap stock, Entourage price could show high volatility both due to changing commodity prices as well as based on drill results. There could also be earnings dilution as the Company is expected to raise new equity to finance its exploration programs.

Environmental Regulations: Increasing concerns with regard to environmental impact of mining has caused many state and provincial governments to introduce

environmental legislations. While Entourage has taken measures to satisfy these requirements, there is always the risk of environmental issues related to future exploration, development and eventual production activities.

STRATEGY

Entourage strategy is to develop its properties through a carefully planned drill program using modern technology, with projects prioritized according to the capital requirement and mining potential. In addition to developing its assets, Entourage may consider further acquisitions in strategically important areas, which would compliment its existing prospect portfolio. The Company expects to develop its properties to drill-ready stage and either partner with or sell en bloc to a larger mining group for subsequent commercial production. Entourage may however retain a smaller equity stake in the producing mine following the sale of its properties. While its focus is the exploration and delineation of mineral deposits and potential mines, Entourage is open to own and operate less resource demanding producing mines.

Entourage potential to develop its assets through further Exploration and Development (E&D) remains promising, given its resources-rich operating areas. Continued E&D is expected to help company ascertain and prove the existence of reserves with the ability to host an economic mine. Subsequent attraction of a larger mining company to develop the assets leading to production is unlikely to be challenging given the existence of such companies in the neighborhood with producing mines.

Such strategies are not uncommon in the mining industry. Currently, large companies are more focused on production rather than exploration. More common is the acquisition of companies or their prospects with proven reserves with the ability to host economic mines. Rewards to the junior mining company and as a result to the investor usually are the capital gains rather than a stream of dividend income.

MANAGEMENT

Dr. Paul Shatzko, Director and Chairman, is a retired radiologist and self employed businessman. He is the founder and former Chairman of Mountain Province Diamonds a New York (NYSE: MDM) and Toronto listed (TSX: MPV.T), mining company. He is a director of several public companies and a director of Entourage Mining since July 31, 2004.

Gregory Kennedy, Director, President and Chief Executive Officer, has been with Entourage since 2001 and was the Vice President of Operations before he was appointed as the President in 2004. From November 1998 to December 2000, Mr. Kennedy was the Marketing Director of Titan Trading Analytics Inc., a publicly traded purveyor of computer software designed for the securities and investment community. Prior to that he was a stockbroker at

McDermid, St. Lawrence Securities, which now is Raymond James Canada. He has been involved in the formation of several venture exchange listed companies and has extensive experience in business development, marketing and financial services.

Michael Hart, Director and Corporate Secretary, brings in several years of financial markets experience to Entourage. After working in the automotive industry as a business and sales manager during 1990-1995, Mr. Hart joined an investment-banking group that was responsible for taking projects from start up to the public markets and has had experience with public companies in the oil and gas industry. Currently, Mr. Hart is the President of Hart-Byrne Enterprises Ltd. a private British Columbia company and is a member of the Board of Directors of AMG Oil Ltd. and Durum Consolidated Energy.

Corey Klassen, Director, has an economics background and for the past 10 years has been focusing on Business Development and Management for major Canadian Financial Institutions and Mortgage Brokering firms. He is an active member of the Mortgage Brokers Association of British Columbia (MBABC), The Alberta Mortgage Brokers Association (AMBA), and The Canadian Institute of Mortgage Brokers and Lenders (CIMBL).

Craig Doctor, Corporate Communications Consultant, and owner of Doc's Consulting Ltd., has over twenty years experience consulting to junior capital companies in the mining industry. Doc's Consulting handles all of the communications needs of Entourage.

FINANCIALS AND OUTLOOK

Entourage is yet to commence its commercial operations and consequently is yet to report revenue. This is a common phenomenon amongst exploration companies such as Entourage. Important factors to evaluate for exploration companies are the burn rate, capital structure (existence of debt), and contingent liabilities. *Entourage is incorporated in Canada and indicative of its foreign issuer status, the company files 20-F and 6-K statements with the Securities and Exchange Commission (SEC). Its financial statements are in Canadian dollars.*

The latest financial statements reflect Entourage's exploration endeavors. During the three-month and six-month periods ended June 30, 2006, total exploration expenses increased from C\$32,925 to C\$332,549 and from C\$207,778 to C\$664,848, respectively. Apart from the exploration expenditure, which are indeed what companies such as Entourage is supposed to incur, all other expenses with the exception of stock based consulting compensation remained relatively flat during the two periods under review. Loss per share was C\$0.01 and C\$0.04 respectively.

The Company expenses all costs related to the acquisition, maintenance and exploration (which rights have been secured) to all unproven mineral properties. Once the extent of reserves is determined, (proven and probable) together with a feasibility study for the underlying property, subsequent exploration and development costs of the property will be capitalized. To date, the Company has not established the commercial feasibility of its exploration prospects and all costs have been expensed. Consequently, Entourage does not have any long term assets in its balance sheet representing mineral properties. Due to this conservative accounting policy, Entourage appears to have a low asset base, leading to misinterpretation of its true value. Its total assets as of June 30, 2006 were C\$44,969.

Its policy of expensing acquisition and development costs has caused high accumulated losses leading to negative equity. It should be noted however that Entourage negative equity is a result of its conservative accounting policy, and not an indication of poor operations.

Entourage is predominantly equity financed. Much of its current liabilities are loans payable to directors for consulting fees, etc. Minimum use of interest bearing debt is evident from its considerably low interest expenses. During the six-month period ended June 30, 2006 interest charges have been just C\$404. Interest charges during the quarter ended June 30, 2006 have been merely C\$140, and are not expected to be overly arduous in the third quarter as well.

Even though the Company has no debt, its cash position is low due to the ongoing drill program. As of June 30, 2005, Entourage cash balance was C\$8,013. The management is currently in the process of raising new equity in order to continue its exploration and development endeavors. Promising drill results at Doran has made capital raising less challenging for the Company.

During 2005, Entourage had entered into three new mineral property agreements. These agreements cover the acquisition of interests in the Doran property and the Hatchet Lake Property and the grant of right to two unrelated parties to acquire a total of a 10% interest each in the Company's Nevada gold project. Payments involved in all three agreements are on staggered basis and cause little burden. It should also be noted that they are rights rather than obligations.

The Company is expected to seek further equity funding in order to finance its ongoing explorations. During 2005 financial year, Entourage burn rate has been approximately C\$15,000. The burn rate during the first six months of 2006 has been just about C\$30,000 per month, and is well below the industry peers. The Company has no environmental or other contingent liabilities at this stage.

We are continuing Entourage coverage. Its properties are flanked by producing mines, thus offering confidence with regard to reserve potential. Investment rewards however would heavily depend on its drill results. A confirmation of reserve potential backed by adequate geological data and results would

prove to be an important factor, as is the key for any exploration company.

Sam Kiri, CFA

Alan Stone, Managing Director

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ENTOURAGE MINING LTD ORD
as of 9-Oct-2006



OTC BB: ETGMF

After reaching its all time high US\$0.70 in October 2005, the stock price corrected sharply to reach a new support level at US\$0.20. The stock bounced back from this level buoyed by encouraging drill results, but have weakened since then and is still trading below its 200 day MA. Backed by improving fundamentals on the back of drill results, the stock at current levels appears to provide an excellent speculative buying opportunity.

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