

# **Buchans River Ltd. BUY-TSX-V**

Trading Symbol: BUY - TSX-VE  
Shares Outstanding: 17,108,990

Press Release No.05-07  
April 18, 2007

---

## **BUCHANS RIVER ANNOUNCES BOUGHT DEAL \$3.5 MILLION PRIVATE PLACEMENT WITH NORTHERN SECURITIES INC.**

THIS NEWS RELEASE IS NOT FOR DISSEMINATION IN THE UNITED STATES OR TO ANY UNITED STATES NEWS SERVICE

**Buchans River Ltd. (BUY-TSX-V)** ("Buchans River") is pleased to announce that it has entered into an agreement ("Agreement") with Northern Securities Inc. ("Northern") in which Northern has agreed to act as lead underwriter on behalf of a syndicate of underwriters including Bieber Securities Inc., on a bought deal basis, subject to certain conditions, in a private placement of up to \$2,000,000 of units ("Units") and up to \$1,500,000 of flow-through shares at a price of \$0.40 per Unit and \$0.50 per flow-through share. The proposed offering is expected to generate gross proceeds of \$3,500,000 to Buchans River, not including the proceeds that may be raised as a result of the exercise of the Over-Allotment Option described below. Each unit is comprised of one Buchans River share and one-half of one Buchans River share purchase warrant. One whole Warrant will entitle the holder to subscribe for one Common Share at \$0.54 at any time until the date that is 20 months from closing.

The net proceeds of the Flow-Through Shares shall be used for mineral exploration expenses and the proceeds of the Units shall be used for mineral exploration expenses and general corporate purposes.

The Agreement and the Offering are subject to receipt of all necessary approvals, including regulatory and stock exchange approvals. The closing is expected to occur on or about May 4<sup>th</sup>, 2007 ("Closing").

Buchans River has agreed to pay the Underwriters a commission equal to 7% of the aggregate gross proceeds of the Offering, including the Over-Allotment described below, and to grant the Underwriters brokers' warrants to acquire shares ("Brokers' Share Warrants") representing 7% of the number of Units and flow-through shares sold issued under the Offering, including the Over-Allotment described below. One Brokers' Share Warrant will entitle the holder to acquire one share ("Brokers' Share") for \$0.40 at any time until the date that is 18 months from Closing.

Buchans River has also granted the Underwriters an over-allotment option ("Over-Allotment Option") to purchase up to an aggregate of \$400,000 of Units or Flow-Through Shares at a price equal to the Unit Issue Price and the Flow-Through Share Issue Price, respectively. If not exercised at or prior to Closing, the Over-Allotment Option shall expire.

All of the securities issued in connection with the Offering will be subject to a four month hold period from the date of issue.

### **About Buchans River**

Buchans River is a resource company based in Halifax, Nova Scotia, Canada and is focused on exploring and developing base metal properties in the famous Buchans mining camp in central Newfoundland, Canada. Buchans River is 52% controlled by Royal Roads Corp. (RRO - TSX-V) ("Royal Roads") who currently own 8,890,953 shares. Royal Roads is a Halifax-based resource company also developing base metal properties in Newfoundland. Together, Royal Roads and Buchans River control a total of 30,200 hectares within central Newfoundland's Victoria Lake and Buchans mining camps, including the historic

Buchans mine (owned by Buchans River) and the Daniels deposit (owned by Royal Roads). Buchans River also controls several exploration properties outside of the Buchans camp, including several under joint venture to Prominex Resource Corp. (TSX-V: PXR) and Playfair Mining Ltd. (TSX-V: PLY), which are also expected to be actively explored in 2007.

### **Forward Looking Statements**

Certain information regarding Buchans River contained herein may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although Buchans River believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Buchans River cautions that actual performance will be affected by a number of factors, many of which are beyond the Buchans River's control, and that future events and results may vary substantially from what the Company currently foresees. Buchans River's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Warren G. MacLeod, President & CEO

or David Felderhof, Vice President

(902) 444-3637

Halifax, Nova Scotia

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*