

NEBU RESOURCES INC.

TSX-V: NBU

Closing Price (December 31): \$0.415

52-Week Range: \$0.60-\$0.02

Shares Outstanding: 50.7 million

Market Cap: \$21.0 million

Recommendation: Speculative Buy (No Change)

12-Month Target Price: \$0.65 (No Change)

\$655,000 FINANCING COMPLETED

Non-Brokered Financing

Nebu Resources Inc. announced on December 31, 2009 the completion of a non-brokered financing of 2,183,333 units (gross proceeds \$655,000). A unit comprised one flow-through common share at \$0.30 and one warrant entitling the holder to acquire an additional share at \$0.50 for 24 months from the closing date. The Company had earlier announced that the financing would be mainly subscribed by two new directors (see below) and officers of the Company.

Proceeds of the financing will be used to continue exploration projects at West Timmins and for the Burntbush project (all in Ontario, Canada).

The Company also announced that it is issuing a total of 750,000 options to purchase shares at \$0.33 per share to the new directors for a term of five years, and 200,000 options to a consultant of the Company at \$0.40 per share for a term of two years.

New Directors

Nebu announced that Duane Parnham and Jacob Willoughby are joining the Company's Board of Directors. Mr. Parnham is President, CEO and a Director of Forsys Metals Corp., and Chairman of Universal Power Corp. Mr. Willoughby, formerly a partner and analyst at Paradigm Capital, is an independent business consultant to resource companies.

Directors Carl Bruner and Roger Peacock, who have been with Nebu since its inception, will be stepping down from the Board.

For further details, see Nebu's December 29, 2009 and December 31, 2009 news releases, available on SEDAR at www.sedar.com.



COMMENT: (1) At August 31, 2009, the Company had \$179,564 in cash. Based on the Company's operating and capital spending to date and factoring in the current financing of \$655,000 and the \$1.5 million equity financing completed in September 2009, Nebu has sufficient cash resources to complete its planned capital expenditures. (2) The 2,183,333 shares to be issued represent 4.5% dilution to current shareholders.

COMMENT: The addition of Mr. Parnham and Mr. Willoughby bring significant experience in the areas of project development, corporate development and regulatory compliance. The new directors' mining company execs and fund manager contacts will ensure continued exposure of the Company's exploration properties in Ontario.

Note on the Timmins West Properties: The Timmins West properties have great potential for a large find. The Timmins Gold Camp has produced 70 million ounces of gold since 1909. Historically high-grade discoveries have occurred along or in close proximity to major fault systems. Tens of kilometres of these major fault systems run through the Timmins District. Nebu's Timmins West properties lie on or in close proximity to the Porcupine Destor Fault, which hosts Lake Shore Gold's West Timmins Gold Deposit.

THE COMPANY

Nebu is a junior resource company focused on gold exploration in Ontario. The Company's properties lie in three distinct areas: West Timmins, Burntbush, and Quest Lake. The Timmins West properties have great potential for a large find. They lie on, or in close proximity to, the Porcupine Destor Fault, host of Lake Shore Gold's 812,000-ounce West Timmins gold deposit and its Thunder Creek high-grade discovery. For more on Nebu, see eResearch's December 21, 2009 *Initiating Report*, available at www.eresearch.ca.

RECOMMENDATION

We recommend the shares of Nebu Resources as a Speculative Buy for long-term risk-tolerant investors. Our 12-month Target remains \$0.65 per share.

RATINGS HISTORY

Date	Report Type	Recommendation	Stock Price	Target Price
Dec. 21, 2009	Initiating	Speculative Buy	\$0.32	\$0.65
January 4, 2010	Perspective	No Change	\$0.415	No Change

High-low since initiating: \$0.44-\$0.30.

eResearch Analysts:

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NOTE: eResearch reports on Nebu Resources Inc. and other companies are available FREE on our website at www.eresearch.ca

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To have eResearch conduct research on the Company on an Annual Continual Basis, Nebu Resources Inc. paid eResearch a fee of \$5,000 + GST, plus gave eResearch 50,000 options to purchase common shares of Nebu at \$0.20 per share until September 2011.

To ensure complete independence and editorial control over its research, eResearch follows certain business practices and compliance procedures. Fees from Covered Companies are due and payable prior to the commencement of research.

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