



Monday, April 21, 2008

## MONDAY'S MOVERS

# Solar Stock Dims a Bit

**TIMMINCO** (ticker: TIM.Canada) lost 2.6% in midday trading Monday, after a *Barron's* article argued the stock is far ahead of reality and vulnerable if solar silicon technology disappoints.

In "[Solar Sell](#)<sup>1</sup>," *Barron's* Senior Editor Bill Alpert wrote that the justification for Timminco's share appreciation is supposed to be its invention of a low-cost way to purify the silicon needed for the booming solar-cell market, but that the breakthrough hasn't been evidenced in financial results.

The Toronto company's sales fell from C\$190 million in 2005 to C\$166 million in 2007, while operating losses grew from C\$8 million in 2005 to C\$16 million in 2007.

Timminco has a process to improve silicon purity from the 98.5% metallurgical grade to the 99.999% solar grade, meaning it could upgrade stuff it had been selling for 83 cents a kilo into purer stuff that sold for over \$35 a kilogram.

But solar cells don't need that much purity, and companies have tried to use metallurgical processes to make solar-cell silicon -- some have spent hundreds of millions of dollars to start processing plants.

Timminco still has a lot to prove