

NEW RECOMMENDATION

I recently returned from Mexico where I visited the properties of Pediment Exploration, a junior exploration firm who is focused on developing several very exciting projects in gold, silver and copper. It was great to meet the very talented management team and consultants of Pediment at their various project sites with other noted analysts such as Bob Moriarty of 321 Gold and Luke Burgess from Gold World. Together we did an exciting 5 day whirlwind tour of the three top projects of Pediment Exploration.

PEDIMENT EXPLORATION LTD.

TSX-V: PEZ-V

OTCBB: PEZFF

FSE: P5E

Shares Outstanding: 23,919,052

Fully Diluted: 32,664,757

Phone: 604-682-4418

Email: investor@pedimentexploration.com

Website: www.pedimentexploration.com

The company has properties in three strategic regions in Northwestern Mexico that are known to host gold and gold-silver mineralization:

The Mulatos District, or Sierra Madre Occidental Gold-Silver Belt

The Mulatos gold district has seen recent discoveries by Grayd Resources, and hosts the producing Mulatos gold mine owned by Alamos Gold. Pediment's "La Juliana" property is located just 6 kilometers west of the Mulatos open-pit, heap leach gold mine, and was the first property we visited.

The La Juliana project covers over 700 hectares of land and is easily accessible by a road that Alamos Gold built and maintains. This road services the Mulatos Gold Mine which boasts a 36,368,000 ton ore resource with an average grade of 1.637 g/t gold.

In this photo, taken while we were on the La Juliana property, you can see the Mulatos Mine from a distance.

See maps on pages 7,8 and 9.





Based on past work that has been done on the project, significant gold mineralization was intersected with drilling. Some of the results from that drilling were as follows:

- 1.118 g/t over 13.50 meters
- 3.627 g/t over 3.00 meters
- 0.468 g/t over 45.72 meters
- 0.223 g/t over 22.86 meters
- 0.638 g/t over 12.19 meters

Some of these results are similar or better than the gold grades at the Mulatos Gold Mine. More importantly, the metallurgical problems that had to be overcome at Mulatos before commencing production do not exist on the ore that is being found at the Juliana Project. This would greatly simplify the methodology and costs of producing gold at La Juliana.



And don't think this deposit is too low grade. That simply is not the truth. With current gold prices, a low grade deposit can be very profitable, especially if it is simple and straight forward like the Juliana project. In my opinion, the La Juliana project will one day be a very profitable producing gold mine.

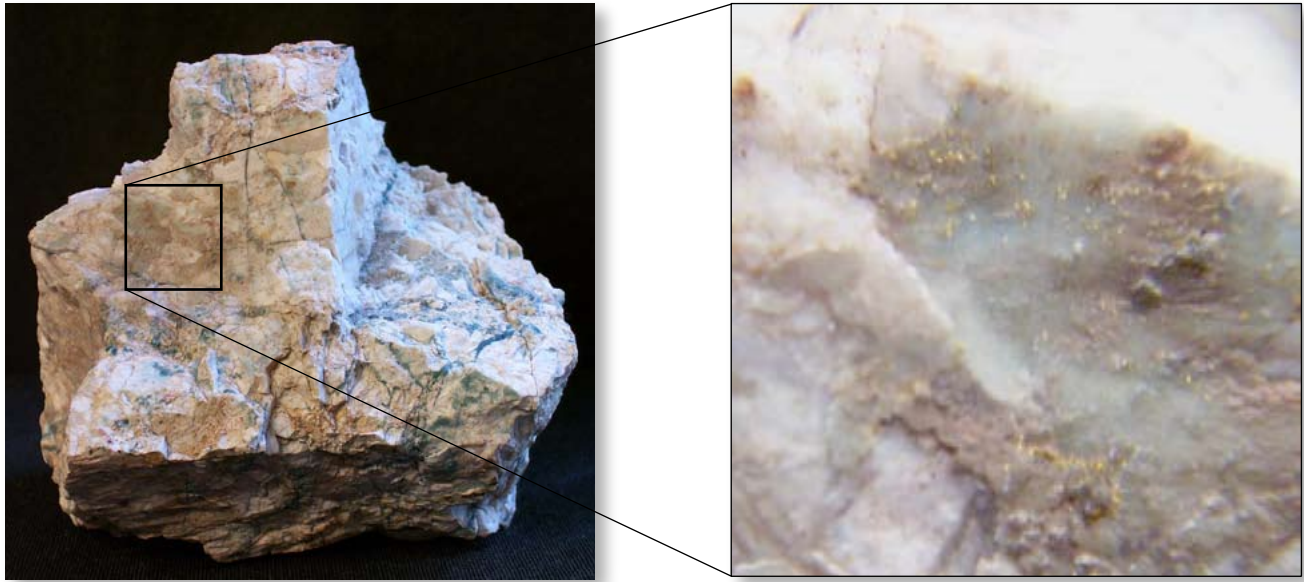
In addition, as you can see from the chart below, Alamos Gold delivered over 500% return on their stock price as the Mulatos Mine went into production. In my opinion, La Juliana could deliver similar results for Pediment Exploration if drilling continues to confirm what we already know is there. Since Alamos has spent the money to build the road and other infrastructure needed for a

producing mine, Pediment Exploration stands to greatly benefit as they prove up their resource. In other words, the startup costs for La Juliana to go into production, if that were to occur, would be significantly less than what it cost Alamos Gold to put the Mulatos mine into production.





The highlight of this visit was the visible gold we could see with both the naked eye and with a 10X eye loup. The pictures below say it all.



The Mojave-Sonora Megashear Gold-Silver Belt

This trend hosts the 5 million ounce Mesquite and La Herradura gold mines as well as numerous other gold deposits. Pediment has seven prospective gold projects within this trend with the most advanced project called the “**Daniel Gold Project**”. This was the second property we visited, and an area with which I am familiar as Capital Gold’s El Chanate project is nearby. As I was onsite at the Daniel Gold Project, it was like a deja vu experience to my visit at El Chanate just a year ago. Capital Gold is about to pour their first gold dore bars from that project and I believe the stock price will move much higher as they prove profitable production to the market.

The Daniel project for me is an exact look-a-like to El Chanate. Trenching results to date have revealed the same kind of mineralization that has now put El Chanate into production. Below are a few pictures from our visit to the Daniel site.

These lower grade gold projects that are found in this trend in Mexico have proven very profitable. Newmont’s La Herradura project which is not far from either the El Chanate or Daniel Projects, boasts one of their lowest cost gold mines in the world. La Herradura started as a 3.5 million ounce deposit and has since doubled in size with plenty of upside for more discovery.



The Daniel Project represents a very choice piece of real estate in this major gold trend in Mexico and could bring great value to Pediment shareholders if drilling could outline a large enough resource. To date, with known results from trenching, the odds are in favor that Pediment will prove to the market that this is the case.

These photos to the right and below show the trenching that has exposed gold mineralization.



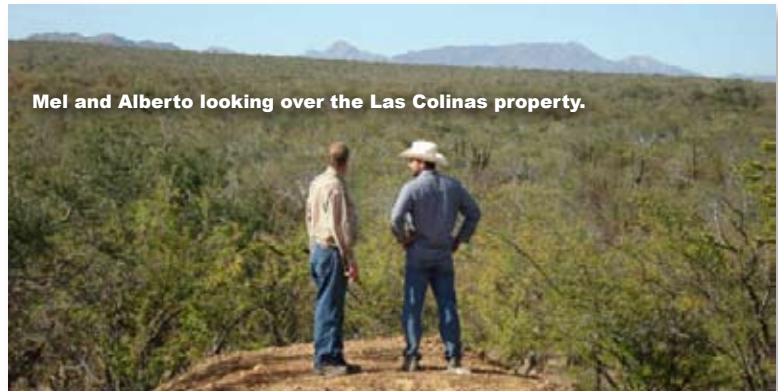
The photo below is of Newmont's La Herradura gold mine from the air.





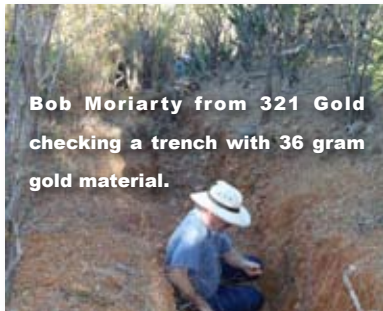
The San Antonio Gold District

In Baja California sur, the San Antonio district hosts a number of gold deposits totaling several million ounces of gold. Pediment's large concession the "Las Colinas" deposit is typified by the nearby 2.02 million ounce Paredonnes Amarillos gold deposit owned by Vista Gold.



Mel and Alberto looking over the Las Colinas property.

As excited as I was about the visit to the first two properties, this last site visit to Las Colinas was the best of all, and had me on the phone with my broker buying shares as I understood the scope of what I saw. In my opinion, based on the wealth of data that has been acquired by Pediment from current and past exploration on the project, **Las Colinas is not just a project, but potentially a new world class gold district in the making.** Echo Bay spent tens of millions of dollars exploring the area back in the 90's but let everything go due to the low gold prices.



Bob Moriarty from 321 Gold checking a trench with 36 gram gold material.

As is often the case in mining, the first company to make a discovery is not always the company that puts that discovery into production. Such was the case with Echo Bay in this area in the 90's. The current bull market we are in for precious metals looks to be with us for many years to come and should allow projects such as Las Colinas to have the time to fully develop. Shareholders of a company like Pediment Exploration, who bought in under a dollar, could be in for significant appreciation of their shares as this project continues to bring in successful drill results. I believe that when the market begins to understand what Pediment Exploration has at Las Colinas, our share price will quickly be at the multi-dollar level.

SUMMARY

I am recommending Pediment Exploration for immediate purchase under \$1.15 a share for no more than 5% of your mining stock portfolio. The current price as of this recommendation is C\$0.85.



Alfonso Soto, Gary Freeman and Greg McCoach



Pediment has not one but multiple properties that could become a producing gold mine. The Las Colinas Project is a very large land package and will attract the majors as the pieces of this puzzle come together. Drilling success on the current areas of focus for Pediment at Las Colinas should cause quite a stir since this would indicate that the company would have lots of other potential targets to drill and would increase the understanding that this could indeed be a new very large gold district.

Some of the employees and consultants that worked for Echo Bay at Las Colinas in the 90's are now working with or for Pediment. Having spent quite a bit of time with these individuals on the site visit I can tell you that they are very excited about what is happening. Further drill results are needed to confirm to the market what past drilling and geophysical data suggests is there.

As a newsletter writer of junior mining stocks for the past six years, the only other site visit that had me this excited was the Ying Project of Silvercorp. Ten months after recommending that stock for purchase at C\$1.75, shares of Silvercorp hit C\$20.00.

With what I saw at Las Colinas, La Juliana, and the Daniel Project, this is definitely a stock to have in your portfolio, and one that could deliver 10X or better.

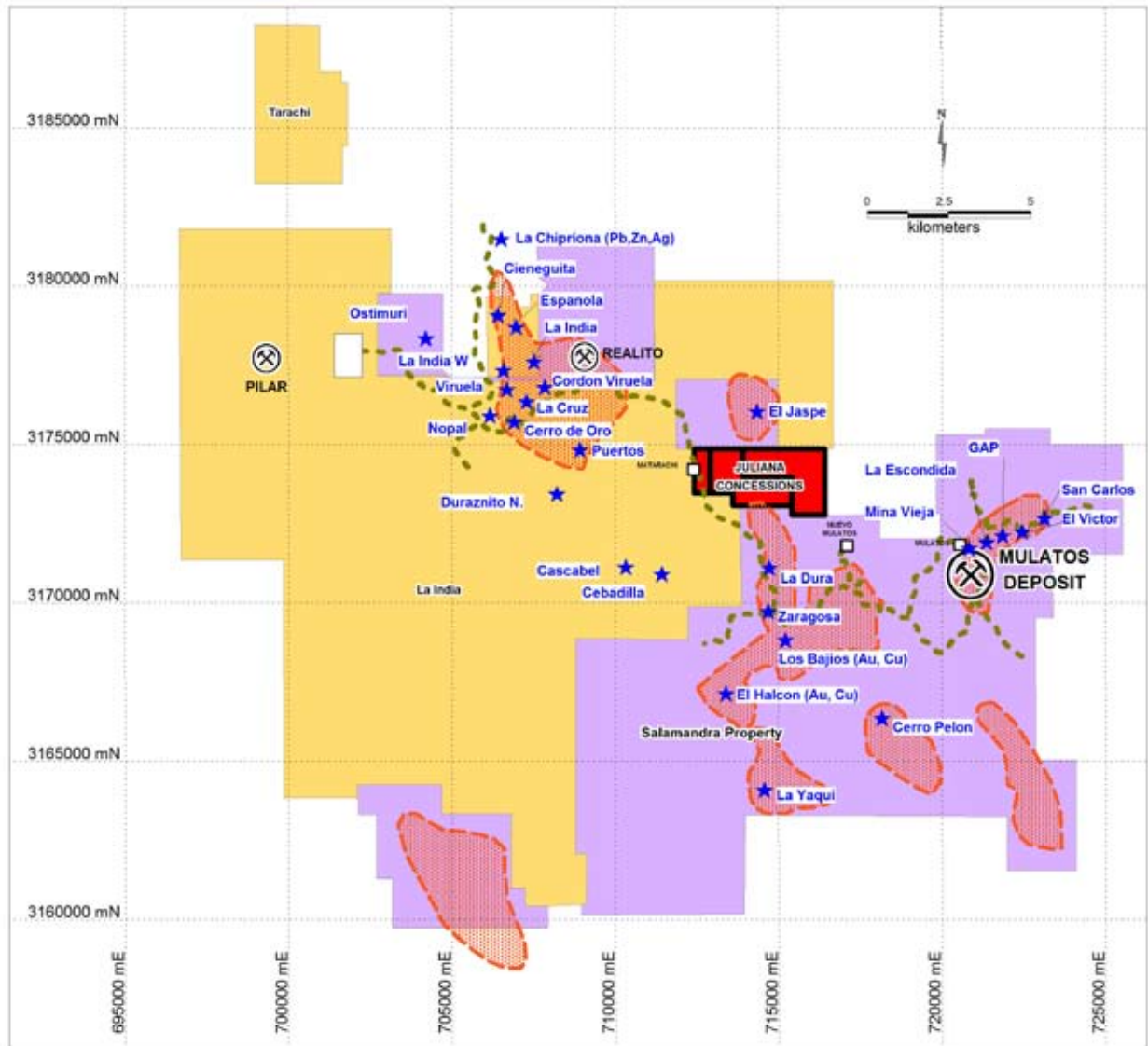
Greg McCoach
March 18, 2007






[PLEASE SEE THE MAPS
ON THE FOLLOWING
PAGES.](#)



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EXPLANATION	
	Pediment's 'La Juliana' Concessions
	Alamos Gold's Concessions
	Grayd Resources' Concessions
	Exploration targets
	Epithermal System

LA JULIANA PROJECT
 Location within the Mulatos Gold district

