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BAJA MINING CORP. (TSXV: BAJ): NEW RECOMMENDATION / DECEMBER 19, 2006

Home page of BAJ
Chart 3 year

BAJA MINING CORP.: RETURN ON CAD 10,000 INVESTMENT					
Purchase Date	No. of Shares	Purchase Price	Cost (CAD)	Price Today	Value Today
December 15, 2006	8'000	1.25	10'000.00		
Total	8'000	1.25	10'000.00	1.30	10'400.00
Profit					400.00
Profit (in %)					4%

SHARES OUTSTANDING / FULLY DILUTED	MARKET CAP
107 Million / 139 Million	CAD 97.3 Million
52 WEEK LOW / HIGH	AVERAGE TSXV
CAD 0.40 to 2.10	287,200 (200-day)
RECOMMENDATION	RISK RATING
BUY	HIGH

MEXICO'S LARGEST COPPER / COBALT DEPOSIT

Business Summary

Baja Mining Corp. owns a 100% interest in **El Boleo project, an advanced polymetallic (copper, cobalt, zinc, manganese) property located in Baja California Sur, Mexico**. Baja has assembled an exceptional management team who are working towards developing Mexico's largest copper-cobalt deposit.

HIGHLIGHTS

- Definitive Feasibility Study nearing completion
- Proven Metallurgy
- Large geological resource of **223.8 million tonnes Measured & Indicated** at 1.63% copper equivalent, and **310.3 million tonnes Inferred** at 1.47% copper equivalent
- Construction financing expected in 2007

- **Production expected in 2009**

Boleo Property

On April 20, 2004, Baja Mining Corp. concluded the reverse takeover ("RTO") of Mintec International Corporation, of Barbados, and **consequently its wholly owned Mexican subsidiary Minera y Metalugica del Boleo S.A. de C.V. ("MMB"). MMB holds a 100% interest in the Boleo Copper-Cobalt-Zinc deposit on the Baja Peninsula, Mexico.** Contemporaneous with the RTO we also concluded a $10 million equity placement.

The Boleo Property was an historic copper mine in Mexico – **producing approximately 19 million tonnes of copper ore at an average grade of approximately 4.3% copper** (of which the majority 13.2 million tonnes produced during the period 1886-1947 averaged 4.81% copper) during the period 1868 to 1972. Previous operators were unable to concentrate the minerals contained within the ore and accordingly the ore was direct smelted, accounting for the requirement for the high grade ore and resulting in material grading less than 3% copper either not being mined or backfilled in mined areas. **No attempt was made to recover the contained cobalt or zinc** (or other potential valuable constituents). **Since 1992 approximately US$25 million has been spent on the Boleo Property to assess reserves and to develop modern techniques for the processing of the ore to extract the contained copper-cobalt –zinc, culminating in the issuance of a pre-feasibility study by Batemen Engineering Pty Limited, of Perth, Western Australia, in February 2002 (the "Bateman Study").**

Management has retained **Batemen to complete a detailed scoping study to finalize the requirements for a Final Feasibility Study** and it is anticipated that Batemen will be retained to complete such study. Batemen's project manager has completed an initial site visit to the Boleo Property as well as conducting meetings with prospective local (Mexico City) consultants to assist in, among other things, environmental permitting. A decision will be made by management, in consultation with Batemen, in the next month on the location of the Pilot Plant.

In addition, to proceeding to commence the Final Feasibility Study, management have applied for the necessary permits to commence an exploratory drill program in a potentially new geological basin, the Montado Basin.

Economic studies to date by the Company have utilized long term metal prices of US$0.80 per pound for Copper, US$8.00 per pound for Cobalt, and US$0.45 per pound for zinc. While the Company will continue to use conservative pricing for the Final Feasibility Study, should metal prices remain at current levels it would obviously have a significant positive impact on project economics.

Location

Over the last twelve years, **in excess of CAD 53.0 million has been spent on exploration**, **pre-feasibility studies and the current DFS on the Boleo Project**. Baja has been actively proceeding to complete the DFS, under the direction of Bateman Engineering Inc. Canada ("Bateman"), with assistance primarily from Bateman's office in Brisbane, Australia.

The majority of test work for the DFS was completed in July 2006 however a follow-up mine site test (to determine best practice for roof bolt installation during mine development) was planned for September 2006 but was delayed until November 2006 (successfully completed November 16, 2006) as a result of delay in delivery of roof bolting equipment to site and as result of damage to roads leading to the test mine site and damage to the local community of Santa Rosalia as a result of torrential flooding associated with rainfall from a category 5 hurricane that affected the area in September 2006 and a less severe storm in October 2006.

The DFS was scheduled for completion in September 2006; however, delays associated with the mine site test and in obtaining drill rigs for the approximate 38,800 metre in-fill drill program is expected to delay completion of the resource model, resulting in a delay in completing the final mine design; which will have the effect of delaying delivery of the DFS until 2007. Management are progressing on construction financing efforts to limit the effect of the delay on the construction timetable.

The DFS is focused on the development of an underground mine, supplemented in some years with partial production from a series of open pits (during the first two years 80% of production is expected from open pits), at a currently estimated production rate (during the initial five years and anticipated to increase thereafter) of 2.6 million dry tonnes of run-of mine ore to produce up to 50,000 tonnes per year ("tpy") of copper cathode, 2,000 tpy of cobalt cathode (consideration is being given to reduce this to 1,850 tpy), up to 23,000 tpy of zinc sulphate, and possibly 50,000 to 65,000 tpy of manganese (as manganese carbonate).

The key components of the DFS include:

1. Solid-liquid separation testing utilizing high rate thickeners in a counter-current decantation circuit **(successfully completed)**

2. A two-phase pilot plant to demonstrate the viability of the process flowsheet for recovery of copper metal, cobalt metal and zinc sulphate **(successfully completed)**

3. A test mining program to demonstrate the viability of underground mining and confirm estimated mining costs and percentage extraction of resources **(successfully completed)**

4. Reserve Definition (In-fill drilling) to enhance the quality of the resources to be mined in the first 20 years of production to measured or indicated resources **(initial 20,000 meter program completed)**

Recent News: PHASE 2 TEST MINE DEMONSTRATES POTENTIAL FOR HIGH PRODUCTION UNDERGROUND MINE

Baja Mining Corp. provides final results from the second mine trial recently completed at its El Boleo copper/cobalt/ zinc/manganese deposit, Baja California Sur, Mexico.

OBJECTIVE

The primary purpose of the second mine trial was to document roof bolting production rates utilizing specialized roofbolting equipment in the Boleo clay and sandstone roof conditions. The initial mine trial was unable to take advantage of modern roofbolting technology. Additionally the production rate of the continuous miner was less than expected due to mechanical failure of its conveyor system. Consequently during the initial mine trial, roofbolting and excavation production rates did not meet expectations. This second mine trial was organized to provide a more accurate estimate of underground production rates for the Boleo property.

The second mine trial demonstrated that with appropriate roofbolting equipment, and the use of modern continuous mining machines, production rates should be achievable that can meet the initial designed plant process rate of 2.6 million dry tonnes of ore per year and, with a

proportional increase in equipment and staffing, meet the 3.1 million dry tonnes of plant feed currently scheduled for later years.

MINE TRIAL DESIGN

As part of the Definitive Feasibility Study on the Boleo project the Company tested mining methods and equipment both of which were designed to operate safely and productively in the Boleo underground mine conditions. The test mine, identified as the Texcoco test mine, was developed in manto 3 using designs specified by Australian Mine Design and Development Pty., Ltd. ("AMDAD"), of Sydney, NSW, Australia. AMDAD subsequently contracted with Agapito Associates, Incorporated ("AAI") of Golden CO, USA to supervise the tests. A representative of Micon International, Ltd., a leading mine engineering consulting firm, observed the bolting tests on behalf of prospective lenders.

MINE TRIAL ACTIVITIES

The rock in the immediate roof in the test mine varied and included clay mantos, breccias and sandstones. The span of the roof from the sidewall varied along the length of the access drift and crosscuts, but in most locations was less than 4.5 meters.

The initial mine trial conducted in late 2005 and early 2006 while achieving the majority of its objectives failed to achieve anticipated mining rates because of a mechanical failure of the conveyor system. In addition, difficulties were encountered in installing roofbolts for ground support that proved to be a limiting factor in achieving acceptable production rates. As a result, this second trial mine was conducted, after modifying and repairing the continuous miner conveyor system and locating a specialized dedicated roof bolting machine.

The mine trial roofbolting test work was comprised of measuring the roof drilling times using a Fletcher CHDDR roofbolter in conjunction with a variety of drilling steels, cutting tools and flushing medium (notably both air and water). The tests demonstrated that a scrolled, auger steel, without flushing medium, could drill a 1.8 metre long hole in under 1 minute and a complete roofbolt installation could be accomplished in approximately 3 minutes.

This roofbolt installation time is a 3 to 10-fold improvement of the times documented during the original mine trial and indicated that underground mining production rates required to provide the designed plant feed rates are achievable.

The Company’s mining personnel are now pursuing the mine trial results and recommendations made by AMDAD and AAI in designing the underground mine openings and selecting the equipment needed for successful high productivity and safe mining operations.

ENVIRONMENTAL APPROVAL RECEIVED FOR MINE DEVELOPMENT

The Mexican Federal Environmental Agency (Semarnat) has approved the environmental impact manifest (MIA) for Baja Mining Corp.'s El Boleo copper-cobalt-zinc-manganese project.

This approval allows the company to start construction and operation activities at the Boleo project and is the key step to obtaining other required permits.

Prior to the initiation of exploration or construction activities, all mining projects are required to apply for and obtain an environmental impact authorization and a land use permit from the Mexican federal environmental agency Semarnat. This requires the presentation of an environmental impact manifest and a technical study which deals with the impacts, environmental mitigation and habitat compensation to the satisfaction of the authorities having environmental jurisdiction. The company's environmental impact manifest (MIA) was filed with Semarnat on May 8, 2006, and final approval to the MIA was received from Semarnat on Dec. 7, 2006.

Manuel Moreno, the company's environmental liaison in Mexico City, commented that**: "This is a milestone day for the Boleo project with issuance of the main environmental permit for the project now behind us**. **The approval of the MIA proves that the project is environmentally feasible and clears the way for the approval of other related permits."**

Fundamental Considerations

Resource: 223.8 million metric tons Measured & Indicated (1.63% copper equivalent)
310.3 million metric tons Inferred (1.47% copper equivalent)

How much copper equivalent lbs does the resource contain? 18.098 billion! How much in USD are they worth at today's copper price? USD 54.3 billion!

How much is this per fully diluted share (139 million)? USD 390!

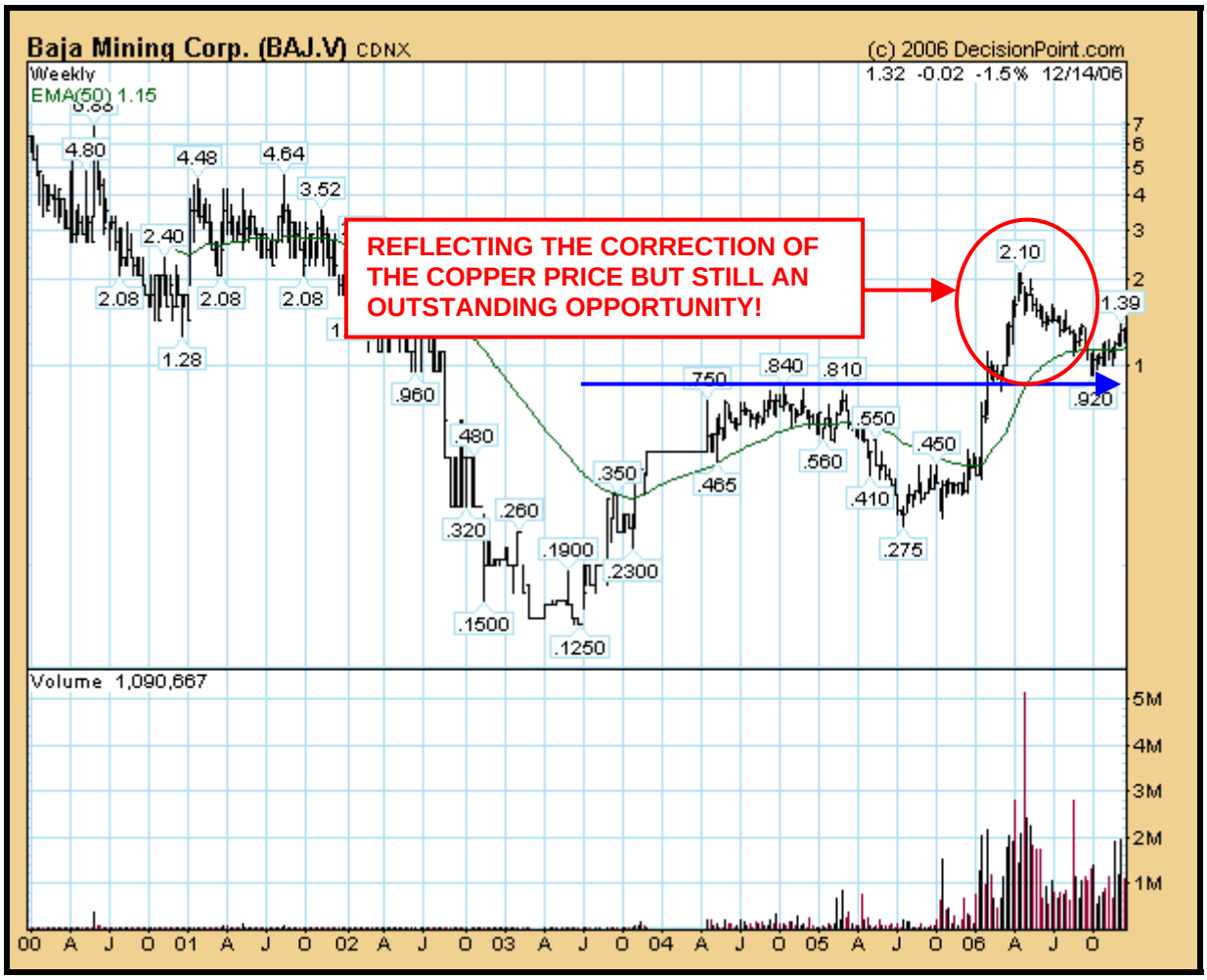
The deposit of Baja Mining does not contain any gold or silver. But how many ounces of gold or silver do you need so that they are worth USD 54.3 billion at today's prices?

88.4 million ounces of Gold or 4,225 million ounces of silver!

The Boleo Project is an advanced stage polymetallic (copper, cobalt, zinc, manganese) project located on tidewater on the east coast of the Baja Peninsula near Santa Rosalia, Baja Sur, Mexico.

Boleo is one of the largest copper deposits in development in North America and Baja commenced a Definitive Feasibility Study (DFS) on the property in 2004. The Company is nearing completion of the DFS and expects to progress to construction financing in 2007 with production scheduled to commence in 2009.

Technical Considerations



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