

Tariff Shenanigans are Undermining the Market

US markets have just registered a technical correction that can be entirely attributed to Trump. It is a long time since we have seen such a negative impact on the markets on the changing of the US Presidency, if ever. So much for Trump being good for business! We have to ask how long these shenanigans will last until he wakes up to himself.

The tariffs have been receiving much of the attention last week but these can be quickly reversed, or increased, at the stroke of the pen. It is quite likely that the next President will back track on all of these measures, but that is not scheduled for another four years. We have to put up with them until then, or until a policy change.

What is far more significant and will be much longer lasting is the embracing of Putin and the abandonment of Europe. It is often said that trust takes many years to build but it can be destroyed almost overnight by one foolish act.

It is incredible that one man can create so much destruction of trust in such a short space of time. The damage to America's reputation is the most significant event of the 21st century so far. We can only speculate as to what the short and long term repercussions will be, but they will certainly be life changing for many countries and their peoples ... especially if it results in a contagion of conflict around the world. One positive that might come out of it is stronger political leadership rather than the pansy fractionated style that has flourished around the globe under the banner of political correctness.

Physical Gold is the Safest Store of Value

Markets have been falling and money is being taken off the table, but where should we be putting it? I can't think of anything better than gold right now. Physical gold is the most conservative way to play gold but that presents all sort of practical storage problems, especially if you have lots of it. However, more convenient gold instruments such as derivatives and shares will provide avenues to make money so there should be lots of excitement in these.

The merits of cryptocurrencies will be tested because anything that relies on computers will be vulnerable to interruptions like never before, if conflict extends around the globe. Everything is so interconnected on the internet. All around the world, everyone will be impacted by the disruption that could happen. We have had WW1 and WW2. The next time around it likely that will be the WWW War that affects everyone rather than war in the fields and on the seas alone. If it starts, there is no way of telling where it will take us. It sounds dramatic but it isn't impossible.

Back in the 1970s and 1980s, when the departure from the gold standard saw gold hit US\$800/oz, the gold bugs were out in force. That is happening again now. Only last week someone mentioned the Aden Sisters for the first time in decades. These sisters were strong advocates of charting in forecasting the gold price in the 1980s. We are again

seeing the Elliot Wave analysts proffering their views on the gold price with predictions of US\$3,800/oz in 2026. Really, it is anyone's guess at the moment, but it will be higher.

Hydrogen Failure was Entirely Predictable

If power from hydrogen was so simple and so economic, why hasn't it been exploited before? Well, we now have proof that hydrogen is not the panacea that a certain billionaire was promoting. Fools like Albanese got sucked in by the sales pitch, allocating our taxpayers money in an exercise that was always going to be wasteful. Some stock market punters also took the bait but that is consistent with the stock market being a casino with share prices only having a limited correlation with reality.

While we are on the topic of wasting taxpayers money, Snowy Hydro 2.0 is actually much worse than the press has been reporting. The latest official estimate is \$12bn, but my spies in Cooma tell me the real figure is going to be \$20-30bn. There are many "off contract" payments being made that escape the normal reporting standards. It is just as well that Malcolm Turnbull was only a short lived Prime Minister so that he didn't have the chance to deliver more disasters for taxpayers to fund.

Uranium Stocks Still Being Slugged

Amidst the selldown of US markets and the concerns about the trade war being stoked by Trump, the performance of our leading uranium companies has been pronounced. Nexgen Energy's price was crushed down to \$7.20 after having been as high as \$13.50 late last year. Paladin was down to \$6.00 after being \$13.00 in a similar time frame. Peninsula is down from \$1.60 to 68¢. We have not noticed anything in particular that should have caused such collapses, though Peninsula has had some operational issue to contend with.

Whilst we are talking about collapses in leading stocks, Patriot Battery Minerals deserves a mention owing to its fall from \$2.00 to 26¢ over the past 20 months. In its heyday it was presented as an exceptional lithium stock but what does the future hold now? Apparently being top of the class with respect to resource quality doesn't count for much when a sector is totally out of favour. You could say the same about Lincian Resources and Meteoric Resources when looking at the rare earths sector.

Gold Stocks Can Go Down

With so many gold stocks listed on the ASX, there will always be some that buck the trend and go down even while the gold price moves higher. A perfect example in this market is Besra Gold (BSR). That has fallen from a high of 17¢ to only 2.6¢ last week and a market capitalisation of only \$10m. This is notwithstanding a M & I Resource of 870,000 oz at 1.5 gpt and another 90,000 oz at 1.6 gpt Inferred. Add to this an Exploration Target of 2-3.2 Moz at

1.8-2.5 gpt and the pricing of the shares appears even more anomalous.

A quick look will tell us that there has been extraordinary things going on in the background on the corporate level. I'll do some more sniffing around and try and get to the bottom of it. It looks like it will be an interesting case study of how not to do things.

Dart Mining - a tiddler having a go

I sat through a presentation from Dart Mining (DTM) last week and thought it worthwhile to share my thoughts. I'm not about to say it is a screaming buy right now but it is worthwhile pointing out this company as an example of juniors that are doing it tough at present. Its market capitalisation is in the order of \$3m but this number will increase when shares are issued for the recent \$3m placement at 0.5¢ a share.

Dart has been around for quite a while with its most historically notable project being Unicorn, a large copper/moly porphyry exploration project up near Khancoban in the Victorian Alps, with a resource of 203 Mt of M/I/I at 0.06% MoEq. It also holds a number of other exploration projects in northern Victoria in the vicinity of the Fosterville Gold Mine. The geology is good, but Victoria continues to be the most difficult Australian jurisdiction in which to operate.

More recently Dart has been chasing gold at the Triumph Project in Queensland, a much easier jurisdiction. Last week it reported significant mineralisation in its first two diamond drill holes across multiple veins. Assays are pending.

Triumph is an intrusive related gold system that has so far demonstrated a modest Mineral Resource Estimate of 2.16 Mt at 2.17 gpt for 150,000 oz of gold in 4-5 discrete structures. The gold is open pittable with 43% of the ounces being in the top 50m and 77% in the top 100m, but it would have high waste to ore ratios. In theory this could be economic but the nearest plant is at Cracow, 250 km distant. So quite correctly, Dart refers to this as an exploration project.

A quick look at Figure 5 in the ASX release of 4 March shows that the orebodies are narrow and steeply dipping, but in discussion, the geologist says the real interest lies 200m deep and below. Drilling so far has only tested the limited finger-like structures that have found their way to the

surface. It is possible that there could be something substantial at depth, but it needs to be drill tested.

Dart has also ventured into antimony and gold in Queensland with a farm-in deal on Coonambula where some very good grades have been returned. Terms involve \$200,000 cash and 4,000m of drilling to achieve a JORC resource, for 51% ownership. This works out to be around \$1m. Dart intends to gently advance this project as it focuses on Triumph.

The Bottom Line

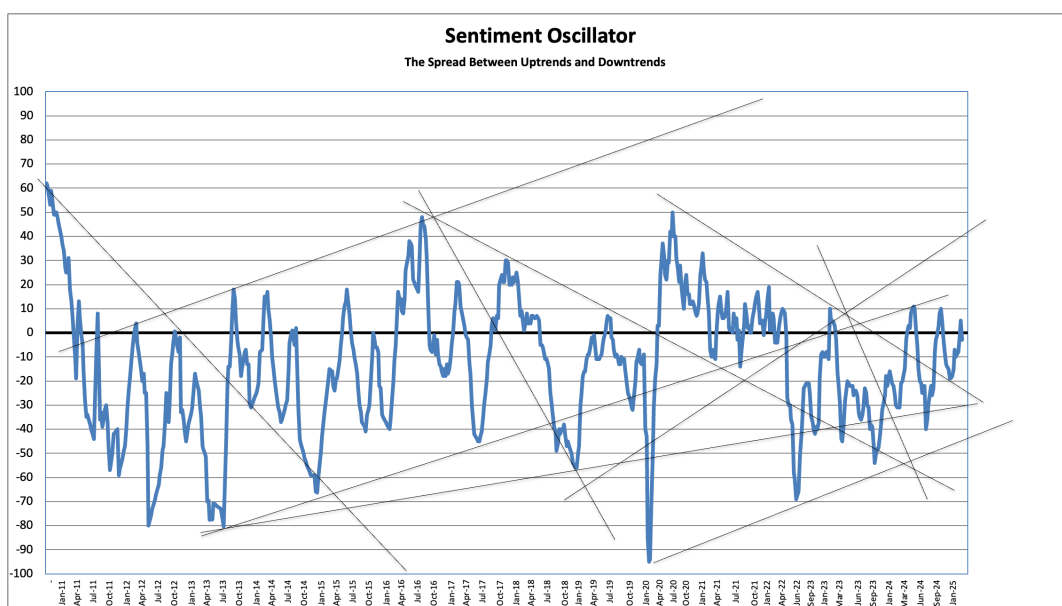
Dart is inexpensive. The projects have reasonable merit with speculative upside but at the moment the market is pricing these at a fraction of what you would expect in a healthy market.

The \$3m cash from the placement will need to be spent wisely if it is going to build from these levels and avoid having to go to the market again too soon. That last placement was done at a painful discount of around 25% and to rub salt into the wound, the broker imposed both a 1 for 2 attaching option, as well as taking 100 million broker options for itself. As I have said before, this sort of pricing is very counter-productive. The only winners are the brokers.

With the share price down at 0.4¢ (below the 0.5¢ issue price) it is trapped in the world of day traders who will buy at 0.4¢ and immediately put them back in the screen at 0.5¢, aiming for a 25% gain. These traders will place a ceiling on the price such that good news plays into their hands alone. Serious, wealth seeking investors will stay away.

The only resolution of this problem is a consolidation of shares on a basis of at least 10-20:1. Knowing that a consolidation is a probability will mean that many punters won't go near the stock until it happens. The Company has to take the medicine sooner rather than later, otherwise any good news will be wasted.

Dart has some good exploration projects but at this stage of the cycle the value is heavily discounted in the market place. Dart is not Robinson Crusoe in this regard. However, good drill results could turn things around.



Sentiment Oscillator: Sentiment was steady over the week. There were 39% (41%) in uptrend and 43% (44%) in downtrend.

Detailed Chart Comments

NB. Only the bold comments have been updated. Comments in grey type are from previous weeks and will be less relevant. Please note that this list is a cross section of the market. It IS NOT a list of recommendations.

Indices	Code	Trend Comment	
All Ordinaries	XAO	correction turned into downtrend	
Metals and Mining	XMM	weaker	
Energy	XEJ	down further	
Stocks	Code	Trend Comment (updated comments in bold)	Main Interest
Agua Resources	AGR	strong recovery	phosphate, gold
Alkane Resources	ALK	forming a wedge	gold
Alicanto Minerals	AQI	pullback	base metals, silver, gold
Alligator Energy	AGE	breached uptrend	uranium
Almonty Industries	All	surge to new high	tungsten
Alpha HPA	A4N	down	HPA
American Rare Earths	ARR	rising gently	rare earths
Anax Metals	ANX	new low after placement	copper
Andean Silver	ASL	testing uptrend	silver
Anteotech	ADO	back to low	silicon anodes, biotech
Arafura Resources	ARU	secondary downtrend in play	rare earths
Ardea Resources	ARL	new uptrend	nickel
Arizona Lithium	AZL	new low	lithium
Astral Resources	AAR	sideways below resistance line	gold

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Aureka	AKA		rising after name change from Navarre	gold exploration
Auric Mining	AWJ		down	gold
Averina	AEV		hugging downtrend line after initial breakout	phosphate
Aurora Energy Metals	1AE		down	uranium
Aurelia Metals	AMI		rising	copper + base metals
Aurum Resources	AUE		rising	gold
Australian Gold and Copper	AGC		weaker	base metals, silver, gold
Australian Rare Earths	AR3		down again	rare earths
Australian Strategic Materials	ASM		testing downtrend	rare earths
BHP	BHP		secondary downtrend in play	diversified, iron ore
Ballymore Resources	BMR		back to lows	gold exploration
Barton Gold	BGD		gently higher	gold exploration
Beach Energy	BPT		rising	oil and gas
Bellevue Gold	BGL		testing downtrend	gold
Besra Gold	BEZ		still down	gold
Black Cat Syndicate	BC8		new high	gold
Boab Metals	BML		breached support line	silver/lead
Brazil Critical Minerals	BCM		new low - two tranche plus 1 for 3	rare earths
Brazilian Rare Earths	BRE		back to downtrend	rare earths
Brightstar Resources	BTR		less steep uptrend	gold
Caravel Minerals	CVV		improving	copper
Carnaby Resources	CNB		breaching downtrend	copper
Castile Resources	CST		down	gold/copper/cobalt
Catalyst Metals	CYL		surge higher	gold
Cazaly Resources	CAZ		new low	rare earths
Celsius Resources	CLA		at lows	copper
Centaurus Metals	CTM		rising	nickel/cobalt/HPA
Challenger Gold	CEL		rising	gold
Cobalt Blue	COB		testing downtrend	cobalt
Critica. (was Venture)	CRI		rising	tin
Cyprium Metals	CYM		continuing down	copper
Delta Lithium	DLI		down	gold/lithium
Emerald Resources	EMR		back to highs	gold
Empire Energy	EEG		breached uptrend	gas
Emmerson Resources	ERM		uptrend	
EQ Resources	EQR		rising	tungsten
Evolution Mining	EVN		rising	gold
Felix Gold	FXG		spiked higher	gold exploration, antimony
First Graphene	FGR		steep rise	graphene
Fortescue Metals	FMG		down	iron ore
Genesis Minerals	GMD		rising	gold
Globe Metals and Mining	GBE		sideways	niobium
Gold 50	G50		breached uptrend	gold exploration + gallium
Golden Horse	GHM		rising	gold exploration

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Great Boulder Resources	GBR		steeply higher	gold exploration
Hamelin Gold	HMG		testing downtrend	gold exploration
Hastings Technology Metals	HAS		breaching recent uptrend	rare earths
Heavy Minerals	HVY		new high	garnet
Hillgrove Resources	HGO		new low	copper
Iltani Resources	ILT		rising again	antimony
Iluka Resources	ILU		new low	mineral sands
ioneer (was Global Geoscience)	INR		breached downtrend	lithium
Jindalee Lithium	JLL		at lows	lithium
Jupiter Mines	JSM		improving	manganese
Kaiser Reef	KAU		improving	gold
Kalina Power	KPO		down	carbon sequestration
Larvotto Resources	LRV		new high	gold, antimony
Lindian Resources	LIN		down	rare earths + bauxite
Li-S Energy	LIS		new low	Lithium sulphur battery technology
Lotus Resources	LOT		continuing down	uranium
Lucapa Diamond	LOM		collapsed on placement	diamonds
Lynas Corp.	LYC		down	rare earths
Many Peaks	MPK		rising	gold exploration
Marmota	MEU		spiked higher on titanium discovery	gold/uranium exploration
Matsa Resources	MAT		strongly higher	gold
Mayur Resources	MRL		rising again	renewables, cement
Meeka Gold	MEK		uptrend	gold
MetalsX	MLX		rising	tin, nickel
Meteoric Resources	MEI		new low	rare earths
Metro Mining	MMI		off its highs	bauxite
Midas Minerals	MM1		spiked higher, then pullback	lithium
Nagambie Resources	NAG		weaker	gold, antimony
Native Mineral Resources	NMR		steeply higher	gold
Neometals	NMT		down	lithium
New Murchison	NMG		sideways	gold
Newfield Resources	NWF		suspended	diamonds
Nexgen Energy	NXG		down	uranium
Northern Star Res.	NST		rallying	gold
Nova Minerals	NVA		down	gold exploration
Novo Resources	NVO		testing downtrend	gold exploration
Pacific Gold	PGO		new low	gold exploration
Paladin Energy	PDN		collapse	uranium
Pantoro	PNR		new uptrend	gold
Patriot Battery Metals	PMT		pullback after strong rally	lithium
Peninsula Energy	PEN		down	uranium
Perseus Mining	PRU		correcting lower	gold
QMines	QML		back to lows	copper
Queensland Pacific Metals	QPM		down	nickel/cobalt/HPA

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Regis Resources	RRL		new high	gold
Regergen	RLT		surged higher	gas, helium
Richmond Vanadium	RVT		down	vanadium
RIO	RIO		down	diversified, iron ore
RTG Mining	RTG		strong recovery	copper
Rumble Resources	RTR		testing uptrend	zinc exploration
S2 Resources	S2R		down	gold exploration
Sandfire Resources	SFR		off its highs	copper
Santana Minerals	SMI		rising	gold
Santos	STO		breaching downtrend	oil/gas
Sarytogan Graphite	SGA		still down	graphite
Siren Gold	SNG		rising	gold exploration
Southern Palladium	SPD		pullback	PGMs
Stanmore Coal	SMR		down	coal
St George Mining	SGQ		collapse to new low	rare earths, niobium
Stellar Resources	SRZ		gently lower	tin
Summit Resources	SUM		down	niobium, rare earths
Sun Silver	SS1		down	silver
Suvo Strategic Minerals	SUV		down	kaolin
Talga Resources	TLG		rallying, about to meet resistance line	graphite
Tamboran Resources	TBN		breached uptrend	gas
Terra Uranium	T92		rallying	uranium
Theta Gold Mines	TGM		rising again	gold
Toro Energy	TOE		steep rise	uranium
Torque Metals	TOR		back to lows	gold exploration + lithium
Vanadium Resources	VR8		back to lows	vanadium
Vintage Energy	VEN		sideways	gas
Vertex Minerals	VTX		testing uptrend	gold
Warriedar Resources	WA8		testing downtrend	gold exploration
West Cobar	WC1		new low	rare earth + lithium
Westgold Resources	WGX		spiked higher	gold
West Wits Mining	WWI		rising	gold
Whitehaven Coal	WHC		down	coal
Totals	39%	52	Uptrend	
	43%	57	Downtrend	
		134	Total	

Guides to Chart Interpretations

- Charts usually go pass from one trend (up or down) into the other via a period of indecision and uncertainty during which the trend can either recover or change. This period is signified by the orange colour. The orange represent both the greatest risk and greatest reward possibilities.
- Once a chart is in confirmed up or downtrends it is not uncommon for 10-20% of that trend to have already transpired.
- There are trends within trends. The focus of this chart review is the immediate trend that affects the sentiment i.e. it can be a downtrend within a long-term uptrend.
- Not every chart warrants a new comment every week. The new comments are in bold type. Grey type comments may be dated.
- Individual charts provide a single view. It is valuable to look at charts of other companies in similar commodities, and the overall sentiment is also very valuable. Not many stocks can swim against the tide.

- We periodically add or delete charts, some times for obscure reasons. If a chart consistent gives poor signals or is very erratic, we may delete it. Sometimes we add a chart because we want to see what all the fuss is about. We do have a preference for charting stocks that we cover in our research as well.
- Errors and omissions may occur from time to time, especially in fast moving markets.

Amber Lights in Tables: Just a reminder if when the amber light is used in the table – it is when the charts are ambiguous or when there is a change of trend taking place. If a chart is breaching a downtrend it can either be a positive sign or a trap. Only once it has done more work can it be confirmed as a new uptrend. Maybe it is a new uptrend (or conversely a new downtrend); the risk takers can decide to jump on board early (or sell). They will maximise their profits (or minimise their losses if indeed it is the start of the new uptrend (downtrend). More risk-averse investors should wait a little longer, being prepared to give up some of the gains in return for greater certainty.

Weightings of Sectors Represented in the Company Charts			
Sector	No. of Companies	Weighting	
Gold	31	23.1%	
Gold Exploration	16	11.9%	
Rare Earths	12	9.0%	
Copper	11	8.2%	
Uranium	9	6.7%	
Lithium	6	4.5%	
Oil/Gas/Hydrogen	6	4.5%	
Graphite/graphene	3	2.2%	
Iron Ore/Manganese	4	3.0%	
Nickel	3	2.2%	
HPA/Kaolin	2	1.5%	
Tungsten	2	1.5%	
Tin	3	2.2%	
Silver	3	2.2%	
Antimony	4	3.0%	
Potash/Phosphate	2	1.5%	
Coal	2	1.5%	
Diamonds	2	1.5%	
Niobium	1	0.7%	
Vanadium	2	40.0%	
Zinc/Lead	1	0.7%	
PGMs	1	0.7%	
Mineral Sands	1	0.7%	
Bauxite	1	0.7%	
Cobalt	1	0.7%	
Other	5	3.7%	
Total	134		

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