

Trump has won & the gold price has fallen further. Expect increased volatility for a while

Before we get into consideration of the Trump victory, a quick comment on the gold price is necessary because that is front and centre for traders. Yes, gold has continued to fall notwithstanding all the positive narratives and long term appeal, but we have to factor in this short termism that is driving gold stocks lower across the board. They will continue to fall until the shock waves start to dissipate and then decision making will become more even handed. Maybe it has already stopped falling, but let's see what happens next week.

We have had a circuit breaker that has accelerated volatility in the gold market over the last week, but that isn't all bad. Volatility will be the key word everywhere for a while with the change of the US Presidency, but we should interchange that word for opportunity, for traders, though investors need to ride the waves. The gold price is still near historical highs, so while the profits of producers may moderate for a short while, it is still the best business to be in. The lower gold price will make almost no difference to high grade producers. Low and marginal grade producers stand to give up the most as they offer greater leverage.

Sifting through the commentary on Trump

Having digested the voluminous commentary going around on Trump's re-election and what it means - which has been a feeding frenzy for the media - it actually seems to be more than just Trump. He is in the right place at the right time. He won in spite of his antics, not because of them. There is a bigger picture in play. It is America saying "enough with the wokism". *Enough with excessive liberalism. Lets get back to basics.*"

Interestingly, to have won the way he did, Trump had to appeal to more than one or two ethnical and social groups. He appealed to fundamental economic and social concerns that permeate through all strata of society.

Just like we have seen the tables turn on globalism we are starting to see a pushback on liberalism and woke ideals that have been promoted by left wing universities and by the well-to-do, latte sipping generation. Hail economic rationalism for the first time in a long while.

There is a certainty that Trump will be excessively pragmatic and unpredictable. His rhetoric comes first and it will drive our expectations, but the correlation with his actions will be less than perfect. He wants certain outcomes but there will be an element of "try it and see" when it comes to the strategies. Trump wants to kill wokism dead. That is the social aspect of his policies that has received overwhelming support. That is what got him elected. However, he lacks a complete understanding of how economics works. He will make mistakes as he swings his club.

Anyone who understands basic economics knows that tariffs are inefficient and cost consumers big time because prices of protected goods will rise. They raise the cost of goods and cause inflation, and the redistribution of wealth from consumers to businesses. The flip side is that they favour national interests and can create, or at least save, domestic jobs and could revive economically and socially deteriorating regions. They will begin to reshape industry towards a pre-globalisation status. However, the irony of Trump's previous Presidency was that his policies actually worked against these regions that were full of Trump supporters.

There is an observation that the world has been choked by increasing red tape and bureaucracy over recent decades. Enormous inefficiencies have crept into industry and society with an effect similar to dieback in the jarrah forests of WA. The world is being strangled by the wastage and delays as procedure has become more important than the outcome or progress. As wokism is wound back there could be a parallel movement to make "compliance" a dirty word. This would be consistent with Trumpism. It could counterbalance the costs of tariffs and protectionism. We live in hope but there could be a problem. We have to teach the younger generations to think for themselves, to take initiatives, rather than just following the rules. Their mindsets need to change to become more creative and less compliant.

Gold's role

Gold actually becomes more important with the rise of nationalism. The higher state of international anxiety caused by increased isolationism will lead to higher gold prices. Those countries that were buying gold previously will continue to do so, potentially more aggressively. The US dollar has risen for the minute but it will come under pressure because of inflation. Normally that forces a central bank to raise interest rates and that protects a currency from falling, but that is politically difficult because using interest rates hurts everyone. What is the balance is the question here. What is the trade-off between inflation, interest rates and dollar values? Gold prefers lower interest rates but the correlation with rates has been reduced over the last year. The geopolitics of gold has become dominant. We are seeing an adjustment to gold prices today, largely because traders can see a buck in it, but the long term trend towards buying gold for security reasons is not going to disappear.

Basin Energy - great leverage to uranium

A couple of weeks ago we covered Terra Energy (T92), an Athabasca Basin uranium exploration play that has largely been ignored by the market. This week we cover another ASX-listed junior in the same boat.

Basin Energy (BSN) raised \$7m in an IPO in October 2022, led by Cumulus Wealth Management. It opened at 20¢ on day one, fell, then recovered, and more recently it has been crunched to a price of 3¢ and a market capitalisation of a tiny \$3.1m. Coincidentally, this is a good example of why I don't like IPOs. There is no price discovery before they start trading.

The CEO, Pete Moorehouse, is a uranium specialist with more than 20 years experience with names like Alligator Energy, Mega Uranium and Westmoreland featuring in his resumé. He is accompanied on the board by Blake Steele, the former CEO of Azarga uranium (acquired by EnCore Energy in 2022 for +\$200m), and former Director of International Exploration for Cameco Cory Belyk.

The share register is populated by investors that understand exploration, including John Forwood's Lowell Resource Funds Management and Tribeca, each with about 6% of the issued capital. The primary vendor holds another 15%.

An innovative exploration model for Athabasca

The Athabasca Basin has long been known for ultra-high grade uranium deposits. The traditional Canadian exploration model has been to target deposits at the unconformity, resulting in ever increasingly deeper targets. Basin's staff and consultants decided to utilise some lateral thinking that didn't rely on a sandstone unconformity as the primary target. The exploration concept was based on the question "Why can't there be a target nearer the surface in locations where the unconformity used to be?"

The model involves the identification of the structure and rheological contrast that can form a trap site for mineralisation, relying more on exploration tools such as gravity surveys rather than EM. This is more analogous to the targeting used for the Australian Alligator River deposits, where the uranium is sourced from the older basement rocks, mobilised through hot fluids and deposited in suitable trap sites. The traditional Canadian model, when exploring the Athabasca, has generally assumed that the uranium has been leached out of the sandstones to be deposited in the unconformity zones eg. Macarthur River.

This model was put to the test with the discovery of the basement-hosted Arrow uranium deposit that is located 200m below the unconformity. Owned by NexGen, Arrow has a Measured and Indicated Resource of 3.7 Mt at 3.1% U₃O₈ and a Proved and Probable Reserve of 4.5 Mt at 2.37% U₃O₈. In Australia, most of our companies talk about parts per million e.g. 500 ppm for the playa lake deposits in WA, and of 1,000 ppm for the ISL projects in South Australia. In Canada they talk percentages of uranium, which is equivalent to 23,700 ppm at Arrow. There is a massive difference in grade.

Exploration targets

Uranium mineralisation has been identified in Basin's areas under 2-20m of glacial cover at **Geike**. Structural features were mapped through airborne magnetics and traditional mapping where the rocks outcrop, and EM surveys were

used to help refine geological knowledge under the cover. Sixteen holes have been drilled by Basin to date, to a depth of up to 400m. Drilling has returned 0.5m at 0.27% U₃O₈ (2,700 ppm). Six of the holes showed anomalous uranium assays, and 10 with strong pathfinders. Drilling has identified the scale and style of structure and alteration typical of basement-hosted uranium mineralisation in the region. A follow up airborne gravity survey identified less dense areas of alteration caused by fluid flows in multiple anomalies coincident with N-S faults. These are being ranked for the next drilling program.

Another two projects, **North Millennium** and **Marshall**, show potential for the traditional unconformity style. Both are located near existing world class mines. Ground EM has identified graphitic conductors but these will need to be drill tested to vertical depths of up to 800m.

Lower grade uranium deposits in places like Australia and Namibia are not uncommon, but their exploitation is totally dependent upon getting a uranium price that makes them economic. The high-grade Athabasca deposits are like any other high grade mineral resource where grade is king. They will always be in the lowest production cost quartile but the flip side is that these projects always have much higher capital costs.

Diversifying into Scandinavia

On 31 October, Basin announced the acquisition of a portfolio of exploration tenements in Finland and Sweden that are prospective for uranium, niobium, copper, gold and rare earths. These areas haven't really been explored since the 1980s when technology and prices were different to today.

Virka, in Sweden, was previously explored by Aura Energy (AEE). The best drill assay was 9m at 1,089 ppm U₃O₈ from 24.5m, within 17m at 707 ppm. While there were smaller widths at good grade elsewhere, the other grades bulked out at mostly 200-400 ppm. Elsewhere at **Prästrun**, limited roc chip sampling confirmed anomalism with rock chip samples of 0.45% U₃O₈, 1.4% Nb, 0.75 Ta and 0.26% Zr. Håkantorps, an historic iron ore mining district, returned 1.59% U₃O₈ from a waste dump. These are interesting but early stage exploration projects.

Similarly, the Finish projects are early stage. **Temo**, located adjacent to Finland's largest open pit mine at Siilinjärvi, uranium has been found in association with phosphate.

The deal involves Basin issuing 18.5 mill. escrowed shares and 4.6 mill. options, subject to shareholder approval. Two milestone payments of \$1m each may be payable on delineation of 10 and 20 Mlbs of U₃O₈ grading better than 300 ppm.

The Bottom Line

Basin is a typical high-risk high-reward grass roots uranium play in the Athabasca. There are no guarantees but you have to be in it to win it. The share price will move up and down according to the level of enthusiasm around its prospects and immediate exploration activity with the general sentiment towards uranium playing a background role. The ground is good and the team is experienced. The rest is in the lap of the Gods but I would describe it as an interesting punt.

With only about \$2m in the bank Basin won't be embarking upon expensive, deep drilling until it raises more capital or

it finds a joint venture partner with deeper pockets. The acquisition of lower cost uranium exploration assets in Scandinavia is an effort to balance out the project risk and to enhance news flow but we shouldn't be expecting too much from them in the short term. Nevertheless, field work is underway.

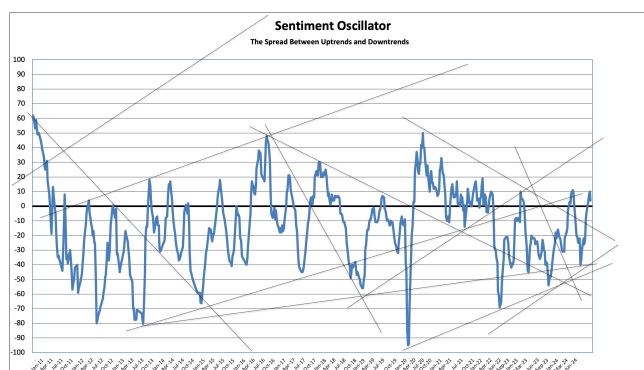
Movements in the Lithium Market

The heavy fall in the lithium price is starting to bite into production with the initial result being that carbonate and spodumene prices have been improving. Liontown is slowing the development of Kathleen Valley. Bald Hill is being placed on care and maintenance, making it the fifth project in Australia to experience cutbacks or closure this year. All of these could be brought back on stream if the

price is right, thereby tempering any sudden moves in the lithium price .

Sentiment Oscillator

The Sentiment Oscillator chart is the same as 9 November as I haven't been able to update the charts while travelling. Nevertheless, eyeball last weeks share price movements and you can be certain that sentiment deteriorated last week.



Sentiment Oscillator: Not updated.

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	testing ST downtrend	
Metals and Mining	XMM	pullback	
Energy	XEJ	strong rally	
Information Technology	XIJ	new high	
Stocks	Code	Trend Comment (updated comments in bold)	Main Interest
Aguia Resources	AGR	consolidating at highs	phosphate, gold
Alkane Resources	ALK	breached downtrend	gold
Alicanto Minerals	AQI	strongly higher	base metals, silver, gold
Alligator Energy	AGE	breached steepest downtrend	uranium

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Almonty Industries	All		rising	tungsten
Alpha HPA	A4N		rising again	HPA
Altech Chemical	ATC		rising	HPA, anodes
Alto Metals	AME		new high	gold
American Rare Earths	ARR		sideways breach of downtrend	rare earths
Anax Metals	ANX		new low after placement	copper
Andean Silver	ASL		new highs	silver
Anteotech	ADO		spike higher	silicon anodes, biotech
Arafura Resources	ARU		secondary downtrend in play	rare earths
Ardea Resources	ARL		down	nickel
Arizona Lithium	AZL		sideways through downtrend	lithium
Astral Resources	AAR		new high	gold
Auric Mining	AWJ		rising	gold
Averina	AEV		hugging downtrend line after initial breakout	phosphate
Aurora Energy Metals	1AE		back to lows	uranium
Aurelia Metals	AMI		rising	copper + base metals
Australian Gold and Copper	AGC		weaker	base metals, silver, gold
Australian Rare Earths	AR3		surge then heavy pullback	rare earths
Australian Strategic Materials	ASM		new uptrend breached	rare earths
BHP	BHP		secondary downtrend in play	diversified, iron ore
Barton Gold	BGD		gently higher	gold exploration
Beach Energy	BPT		new low	oil and gas
Bellevue Gold	BGL		recovering	gold
Besra Gold	BEZ		still down	gold
Black Cat Syndicate	BC8		slump on \$80m placement at 52c	gold
Boab Metals	BML		rising	silver/lead
Brazil Critical Minerals	BCM		new low - two tranche plus 1 for 3	rare earths
Brazilian Rare Earths	BRE		breached downtrend	rare earths
Brightstar Resources	BTR		higher	gold
Caravel Minerals	CVV		sideways	copper
Carnaby Resources	CNB		breached downtrend	copper
Castile Resources	CST		gently higher	gold/copper/cobalt
Catalyst Metals	CYL		surge to new high	gold
Cazaly Resources	CAZ		breached new downtrend	rare earths
Celsius Resources	CLA		sideways	copper
Challenger Gold	CEL		hugging uptrend line	gold
Cobalt Blue	COB		breached downtrend	cobalt
Critica. (was Venture)	CRI		sideways	tin
Cyprium Metals	CYM		down again	copper
Emerald Resources	EMR		rising, new high	gold
Empire Energy	EEG		breached uptrend	gas
EQ Resources	EQR		testing uptrend	tungsten
Evolution Energy	EV1		testing uptrend	graphite
Evolution Mining	EVN		rising	gold

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Felix Gold	FXG		breaching steps uptrend	gold exploration, antimony
First Graphene	FGR		down	graphene
Fortescue Metals	FMG		rally run out of steam	iron ore
Genesis Minerals	GMD		rising	gold
Globe Metals and Mining	GBE		down	niobium
Gold 50	G50		breached downtrend	gold exploration + gallium
Great Boulder Resources	GBR		new low	gold exploration
Group 6 Metals	G6M		suspended	tungsten
Hamelin Gold	HMG		breached downtrend	gold exploration
Hastings Technology Metals	HAS		back in downtrend	rare earths
Heavy Minerals	HVY		testing brief, sharp uptrend	garnet
Hillgrove Resources	HGO		testing downtrend	copper
Iltani Resources	ILT		pullback	antimony
Iluka Resources	ILU		breached uptrend	mineral sands
ioneer (was Global Geoscience)	INR		rising	lithium
Ionic Rare Earths	IXR		new low	rare earths
Jindalee Lithium	JLL		new low	lithium
Jupiter Mines	JSM		new low	manganese
Kaiser Reef	KAU		improving	gold
Kalina Power	KPO		breaching steep uptrend	carbon sequestration
Krakatoa Resources	KTA		back to lows	rare earths
Larvotto Resources	LRV		steep rise	gold, antimony
Lindian Resources	LIN		sideways at lows	rare earths + bauxite
Li-S Energy	LIS		spiked higher	Lithium sulphur battery technology
LCL Resources	LCL		sideways at the bottom	gold/nickel exploration
Lotus Resources	LOT		breached downtrend, rising gently	uranium
Lucapa Diamond	LOM		collapsing due to institution dumping shares	diamonds
Lunnon Metals	LM8		steep rise	nickel
Lynas Corp.	LYC		rising	rare earths
Marmota	MEU		testing downtrend	gold/uranium exploration
Mayur Resources	MRL		stronger	renewables, cement
Meeka Gold	MEK		uptrend	gold
MetalsX	MLX		rising	tin, nickel
Meteoric Resources	MEI		recovering	rare earths
Metro Mining	MMI		breached downtrend	bauxite
Midas Minerals	MM1		pullback	lithium
Nagambie Resources	NAG		returning to downtrend	gold, antimony
Neometals	NMT		breached uptrend	lithium
Newfield Resources	NWF		rallying	diamonds
Nexgen Energy	NXG		breached downtrend	uranium
Northern Star Res.	NST		rising again	gold
Nova Minerals	NVA		surged higher	gold exploration
Novo Resources	NVO		sideways through downtrend	gold exploration
Pacific Gold	PGO		breached downtrend	gold exploration

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Paladin Energy	PDN		crunched down	uranium
Pantoro	PNR		rising again	gold
Patriot Battery Metals	PMT		collapse to a new low	lithium
Peninsula Energy	PEN		new low	uranium
Perseus Mining	PRU		correcting lower	gold
Provaris Energy	PV1		new low	hydrogen
QMiners	QML		breached uptrend	copper
Queensland Pacific Metals	QPM		rising	nickel/cobalt/HPA
RareX	REE		sideways at the bottom of a downtrend	phosphate, rare earths
Regis Resources	RRL		new uptrend	gold
Regergen	RLT		surge on production news	gas, helium
Richmond Vanadium	RVT		sideways	vanadium
RIO	RIO		pullback	diversified, iron ore
RTG Mining	RTG		down	copper
Rumble Resources	RTR		slump on placement	zinc exploration
S2 Resources	S2R		down	gold exploration
Sandfire Resources	SFR		rising again - new high	copper
Santos	STO		down	oil/gas
Sarytogan Graphite	SGA		testing downtrend	graphite
Siren Gold	SNG		spike and fall on corporate bid	gold exploration
Southern Cross Gold	SXG		breaching uptrend	gold exploration
Southern Palladium	SPD		spiked higher	PGMs
Stanmore Coal	SMR		risen to meet resistance line	coal
St George Mining	SGQ		down	rare earths, niobium
Stellar Resources	SRZ		rising again	tin
Summit Resources	SUM		down	niobium, rare earths
Sun Silver	SS1		breached uptrend	silver
Suvo Strategic Minerals	SUV		sideways through uptrend	kaolin
Talga Resources	TLG		back to downtrend line	graphite
Tamboran Resources	TBN		down	gas
Terra Uranium	T92		down	uranium
Theta Gold Mines	TGM		rising again	gold
Toro Energy	TOE		breached downtrend	uranium
Torque Metals	TOR		back to lows	gold exploration + lithium
Vanadium Resources	VR8		back to lows	vanadium
Vintage Energy	VEN		new low	gas
Vertex Minerals	VTX		steeply higher	gold
Walkabout Resources	WKT		sideways	graphite
Warriedar Resources	WA8		down	gold exploration
West Cobar	WC1		new low	rare earth + lithium
Westgold Resources	WGX		spiked higher	gold
West Wits Mining	WWI		sideways	gold
Whitehaven Coal	WHC		strong rally	coal
Totals	36%	49	Uptrend	

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	32%	43	Downtrend	
		135	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	25	18.5%	
Rare Earths	16	11.9%	
Gold Exploration	14	10.4%	
Copper	11	8.1%	
Uranium	9	6.7%	
Lithium	6	4.4%	
Oil/Gas/Hydrogen	7	5.2%	
Graphite/graphene	5	3.7%	
Iron Ore/Manganese	4	3.0%	
Nickel	3	2.2%	
HPA/Kaolin	3	2.2%	
Tungsten	3	2.2%	
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	135		

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