

Nova Minerals has been performing strongly on Alaskan gold exploration projects

It has been the slowest start to a new calendar year that I can remember. People are just not engaging. Having said that, last Wednesday saw some very buoyant trading with the Dow up 1.65%, NASDAQ up 2.45% and the S&P up 1.83%. Gold pulled its weight also, punching above US\$2,700/oz US\$2,700 again. Any company coming into gold production now, for the first time, is really hitting the sweet spot!

Normally, the bears tend to go away for longer breaks as they seek relief from the previous year's pain, and the optimists have more room to influence share prices in the short term.

Of the stocks I monitor closely, one of the few outstanding performers has been First Graphene (FGR). Its share price has been the beneficiary of strong buying on the Frankfurt Stock Exchange, taking the share price from below 3¢ to beyond 6¢. Maybe the penny is dropping that this is truly a world leading company, albeit in the specialty field of graphene. *Disclosure: The author is a director of FGR.*

Nova continuing to surge on antimony/gold

Coincidentally, there are two Alaskan gold stocks that have been good performers over the last couple of weeks. Felix Gold (FXG) has risen from 7.1¢ in early December, to hit 15¢ last week. Nova Minerals (NVA) has run from around 20¢ to peak at 44.5¢ over a similar period. Both companies take inspiration from the nearby high-tonnage low-grade Fort Knox gold mine that has recently been processing ore at 0.3 gpt, and making good money. Both companies have antimony in their portfolios. Felix has an historical antimony mine that it would like to restart, while Nova has an array of very high-grade sampling assays but no previous mining. We have covered Felix previously. Now let's look at Nova.

The regional view, and leverage to gold prices

The project is in an area favourable to intrusive-related gold deposits, where Nova has already defined two resources. More recently, antimony coincident with gold has been discovered at several of their early-stage prospects. Whereas 10 years ago the antimony (stibnite) would have been metallurgically and economically problematic, the rise in antimony prices over that period now makes it a valuable co-product ... if development timelines happen to coincide with commodity price cycles.

Whereas Australian investors haven't fully embraced Alaskan gold in the past, recognition of the very high leverage to the rising gold price offered by 0.3 gpt type orebodies needs to be acknowledged, and perhaps acted upon. In addition, Nova is exploring initial smaller-scale, higher-grade (4-7 gpt) startup options to reduce capital expenditures and help fund the larger project.

Three components to the Nova story

Nova's main project is Estelle, with about a dozen prospects but with three key components i) the RPM Starter Mine, ii) a stand-alone antimony-gold project at Stibium and iii) the larger scale Korbel Project.

Broader scale geology

If you wade through the Nova presentation released in December, you would be forgiven for eyes glazing over. There is just so much information presented, much of it technical, that it is too hard to make sense of. Hence, my attempt to simplify for its readers.

All of the mineralisation of interest is found in intrusive rocks - plutonic and granodiorite rocks if you like. These intrusive rocks have punched up from below into sedimentary hornfels rocks. The sediments are essentially barren when it comes to economic mineralisation but the contact between the intrusives and the hornfels has provided favourable depositional environments. The further away from the contact, towards central parts of the pluton, the more likely that the overall grade is going to be rather low, but high-grade veins are still common.

The location of **RPM** near the contact has facilitated the introduction of quartz stockwork veins systems ranging from hairline size up to a couple of metres in width. The higher grades are concentrated around these, within a much larger tonnage of 0.6-1.0 gpt material. Actual grade is dependent upon the density of veins.

After having drilled more than 66 diamond drill holes and 21 RC holes, Nova is looking at a smaller, high-grade starter pit that could contain around 150,000 oz of recoverable gold. The Measured Resource, using a 2 gpt cut-off, is 180,000 oz at 4.1 gpt. The Measured and Indicated figure is 340,000 oz at 2.3 gpt. The dimensions of the pit are roughly 330m NW-SE and 200m SW-NE, with a waste to ore ratio of 3:1, to a 120m depth. It should be noted that no decision on development has been considered yet. There is potential for many more millions of tonnes of mineralisation when you include the low grade rock around the starter pit.

Metallurgical processes are yet to be determined though both CIL and heap leaching recovery methods will be tested. It is possible that modern ore sorting technology will enable an upgrading before the cyanide is applied.

The **Korbel Project**, with a JORC compliant resource of 6.6 Moz at 0.3 gpt, is an example of orebodies distal from the hornfels contact zone i.e. consistently large and low grade, with a waste to ore ratio of less than 1:1. Nearly adjacent to the Korbel Main deposit lies the Cathedral Deposit with an inferred gold resource of 2.0 Moz at 0.3 gpt. Something of this size and grade requires economies of

scale to justify development, so there is good incentive to keep working to figure out how big the deposit is.

The Bottom Line

At recent share prices the market capitalisation of Nova is around \$100m. The Quarterly and 5B released last week shows a cash balance of A\$4m but a subsequent sale of shares in Snow Lake for \$10.85m has boosted available cash levels to A\$16m. Nebari Gold Fund 1 has converted its outstanding balance of notes, being US\$5.4m. to ordinary shares.

Nova is highly levered to the gold price owing to the low-grade nature of most of its resources. That means it can be a great trade for the gold bulls. If the gold price goes to US\$3,500/oz in 2025, as Wall Street is tipping, it could start to get really interesting.

There is significant upside potential from continuing exploration efforts with most of the Company projects demonstrating physical dimensions large enough to host a Fort Knox type orebody. The high-grade starter pit could be useful, but the punters are in it for the big picture. Developing mines is never easy, but hey, don't let me discourage anyone. At least these projects appear to be in a favourable position with regards to permitting, being on State land in a friendly jurisdiction.

Like most gold projects there will always be some more exciting hits, such as;

- 400m at 3.5 gpt including 132m at 10.1 gpt,
- 258m at 5.1 gpt including 117m at 11.1 gpt, and
- 260m at 3.6 gpt including 87m at 10.1 gpt

recorded by Nova, but you must remember to put these into the context of the complete population if you want a balanced view.

The antimony is a useful conversation point just now as it is regarded as a seriously critical metal. The world is chasing antimony from safe jurisdictions and the market is showing a willingness to support antimony players. Gold and antimony; two of the mining sector hot spots right now.

NB: The shares are also listed on NASDAQ. Last week the Company released a promotional interview with the US-based CEO, Chris Gerteisen on You Tube. Click on the link below.



Bonanza titanium grades for Marmota

Marmota (MEU) started out as a SA uranium play but shimmied into gold after Fukushima. It engaged in some fencing deals with Barton Gold, then the improved interest in uranium generally worked well for the company. However, most recently it has sidestepped the Barton battle with a move into the titanium space. You don't normally here companies talking of "bonanza grade" with respect to titanium, but you are hearing it now in the Marmota releases.

Named Muckanippie, the prospect has returned intervals exceeding 10% TiO₂. Concentrates percentages have measured up to 27% TiO₂ from 4m composites. MEU is about to sink another 89 holes to better evaluate the opportunity. The mineralisation is located in a paleochannel of which Marmota hold 28 km of strike length. It is interpreted to be up to 5 km in width. Petratherm is also active on this front with its own leases nearby.

There is no doubt that the discovery is of significant interest, if you want titanium. A discovery usually brings short term enthusiasm but titanium is a long term game. Make the most of the spurt in interest and profit as best you can during the discovery phase, but remember, a junior company will always need an association with an industrial giant to get a project like this off the ground.

5EA has gone from bad to worse

When I previously commented on 5EA (nee American Boron) in mid 2023, it stood as an unmitigated disaster for shareholders with the shares price having fallen from \$3.73 to 50¢. My conclusion was that the price should have never risen to the earlier historic highs. It was an industrial mineral stock that didn't warrant the heavy speculation that had been promoted.

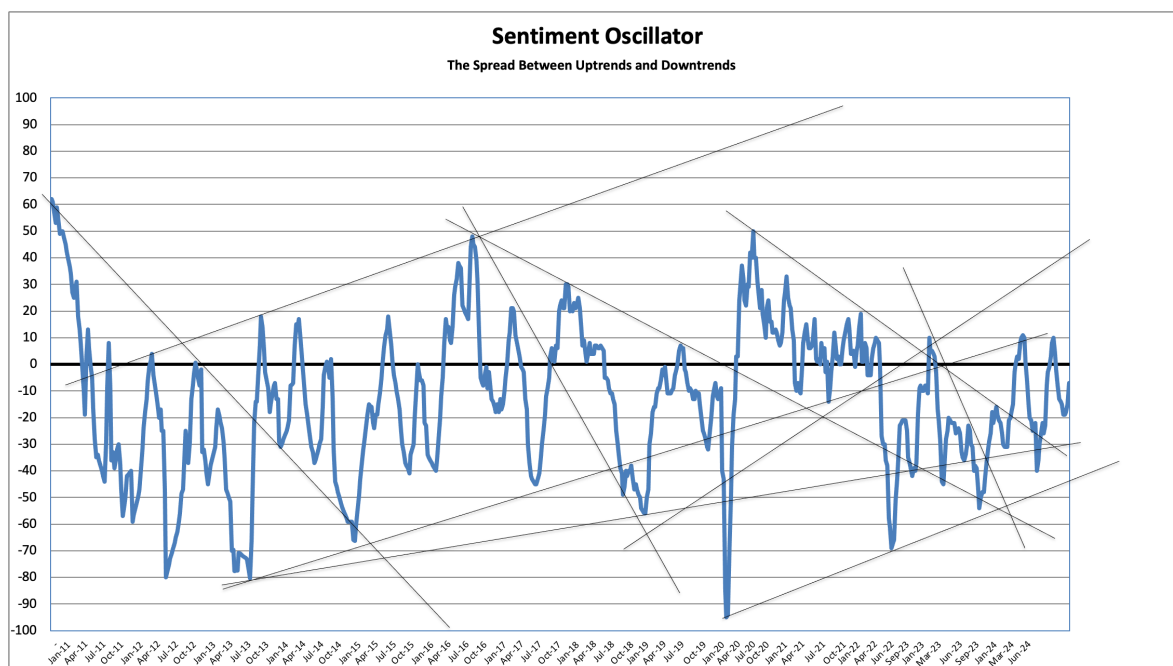
The NASDAQ listing was supposed to open the door to extensive buying by US investors but the opposite happened. The narrative fell apart quickly when the NASDAQ listing proved to be a liquidity event for a mass exit.

Things were bad then, but they have only gotten worse. The shares recently hit 6¢. Rather than the new management getting the company out of a hole, it kept digging. The Form 10-K lodged with the US Securities and Exchange Commission last September said it all; "*There is substantial doubt regarding our ability to continue as a going concern*".

The inevitable happened with a restructuring proposal that will see debt holders owning 80% of the Company. Prior to this being completed the market capitalisation was \$27m with the shares at 8¢. Shareholders ... thanks for coming.

Why bother mentioning this? I suppose it is interesting to see how wrong the market can get stocks. Go back and see who was pushing it hard a few years ago. Who was making the money while the management was pumping the narrative of "*becoming a vertically integrated global leader and supplier of boron specialty and advanced materials, capabilities*"?

The Company had net losses of US\$19m in FY 2021 and US\$66m in FY 2022. In 2022, the share based compensation payment to employees totalled US\$37.7m. Those shares wouldn't be worth much now.



Sentiment Oscillator: Sentiment improved, 33% (28%) in uptrend and 40% (43%) 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	testing downtrend	
Metals and Mining	XMM	down	
Energy	XEJ	still down	
Stocks	Code	Trend Comment (updated comments in bold)	Main Interest
Agua Resources	AGR	back to long term support line	phosphate, gold
Alkane Resources	ALK	forming a wedge	gold
Alicanto Minerals	AQI	strongly higher	base metals, silver, gold
Alligator Energy	AGE	breached uptrend	uranium
Almonty Industries	All	rising	tungsten
Alpha HPA	A4N	rising again	HPA
Altech Chemical	ATC	breached support line	HPA, anodes
American Rare Earths	ARR	sideways breach of downtrend	rare earths
Anax Metals	ANX	new low after placement	copper
Andean Silver	ASL	back to support line	silver
Anteotech	ADO	back to low	silicon anodes, biotech
Arafura Resources	ARU	secondary downtrend in play	rare earths
Ardea Resources	ARL	down	nickel
Arizona Lithium	AZL	new low	lithium

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Astral Resources	AAR	on support line	gold
Aureka	AKA	rising after name change from Navarre	gold exploration
Auric Mining	AWJ	breached uptrend	gold
Averina	AEV	hugging downtrend line after initial breakout	phosphate
Aurora Energy Metals	1AE	surge on asset sale	uranium
Aurelia Metals	AMI	rising	copper + base metals
Aurum Resources	AUE	falling	gold
Australian Gold and Copper	AGC	weaker	base metals, silver, gold
Australian Rare Earths	AR3	sideways at lows	rare earths
Australian Strategic Materials	ASM	testing downtrend	rare earths
BHP	BHP	secondary downtrend in play	diversified, iron ore
Ballymore Resources	BMR	sideways	gold exploration
Barton Gold	BGD	gently higher	gold exploration
Beach Energy	BPT	rising	oil and gas
Bellevue Gold	BGL	down	gold
Besra Gold	BEZ	still down	gold
Black Cat Syndicate	BC8	new high	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	back to downtrend	rare earths
Brightstar Resources	BTR	less steep uptrend	gold
Caravel Minerals	CVV	improving	copper
Carnaby Resources	CNB	down	copper
Castile Resources	CST	gently higher	gold/copper/cobalt
Catalyst Metals	CYL	rising again	gold
Cazaly Resources	CAZ	sideways	rare earths
Celsius Resources	CLA	sideways	copper
Challenger Gold	CEL	struggling to hold downtrend breach	gold
Cobalt Blue	COB	at lows	cobalt
Critica. (was Venture)	CRI	testing downtrend	tin
Cyprium Metals	CYM	strong rally	copper
Emerald Resources	EMR	breached uptrend	gold
Empire Energy	EEG	breached uptrend	gas
EQ Resources	EQR	testing uptrend	tungsten
Evolution Mining	EVN	rising	gold
Felix Gold	FXG	spiked higher	gold exploration, antimony
First Graphene	FGR	steep rise	graphene
Fortescue Metals	FMG	rally run out of steam	iron ore
Genesis Minerals	GMD	rising	gold
Globe Metals and Mining	GBE	sideways	niobium
Gold 50	G50	testing uptrend	gold exploration + gallium
Great Boulder Resources	GBR	new low	gold exploration
Hamelin Gold	HMG	back to lows	gold exploration
Hastings Technology Metals	HAS	rising	rare earths

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Heavy Minerals	HVY		rising	garnet
Hillgrove Resources	HGO		testing downtrend	copper
Iltani Resources	ILT		testing downtrend	antimony
Iluka Resources	ILU		testing downtrend	mineral sands
ioneer (was Global Geoscience)	INR		breached uptrend	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
Larvotto Resources	LRV		new high	gold, antimony
Lindian Resources	LIN		down	rare earths + bauxite
Li-S Energy	LIS		testing downtrend	Lithium sulphur battery technology
Lotus Resources	LOT		continuing down	uranium
Lucapa Diamond	LOM		collapsed on placement	diamonds
Lunnon Metals	LM8		down	nickel
Lynas Corp.	LYC		down	rare earths
Marmota	MEU		spiked higher on titanium discovery	gold/uranium exploration
Mayur Resources	MRL		stronger	renewables, cement
Meeka Gold	MEK		uptrend	gold
MetalsX	MLX		rising	tin, nickel
Meteoritic Resources	MEI		down	rare earths
Metro Mining	MMI		back to high	bauxite
Midas Minerals	MM1		pullback	lithium
Nagambie Resources	NAG		weaker	gold, antimony
Neometals	NMT		down	lithium
Newfield Resources	NWF		suspended	diamonds
Nexgen Energy	NXG		breached uptrend	uranium
Northern Star Res.	NST		falling back to support line	gold
Nova Minerals	NVA		surged higher	gold exploration
Novo Resources	NVO		down	gold exploration
Pacific Gold	PGO		new low	gold exploration
Paladin Energy	PDN		testing steep downtrend	uranium
Pantoro	PNR		down	gold
Patriot Battery Metals	PMT		collapse to a new low	lithium
Peninsula Energy	PEN		rising	uranium
Perseus Mining	PRU		correcting lower	gold
Provaris Energy	PV1		new low	hydrogen
QMines	QML		testing downtrend	copper
Queensland Pacific Metals	QPM		rising	nickel/cobalt/HPA
RareX	REE		sideways at the bottom of a downtrend	phosphate, rare earths
Regis Resources	RRL		breaching uptrend	gold
Regergen	RLT		collapse to new low	gas, helium
Richmond Vanadium	RVT		down	vanadium

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RIO	RIO		down	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
Santana Minerals	SMI		falling	gold
Santos	STO		down	oil/gas
Sarytogan Graphite	SGA		still down	graphite
Siren Gold	SNG		spike and fall on corporate bid	gold exploration
Southern Cross Gold	SXG		new high - consolidating with Mawson	gold exploration
Southern Palladium	SPD		pullback	PGMs
Stanmore Coal	SMR		rising	coal
St George Mining	SGQ		suspended	rare earths, niobium
Stellar Resources	SRZ		sideways	tin
Summit Resources	SUM		down	niobium, rare earths
Sun Silver	SS1		breached downtrend	silver
Suvo Strategic Minerals	SUV		down	kaolin
Talga Resources	TLG		back to downtrend line	graphite
Tamboran Resources	TBN		spike out of downtrend	gas
Terra Uranium	T92		down	uranium
Theta Gold Mines	TGM		rising again	gold
Toro Energy	TOE		down	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		steeply higher	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		sideways	gold
Whitehaven Coal	WHC		strong rally	coal
Totals	33%	43	Uptrend	
	40%	53	Downtrend	
		132	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.

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Weightings of Sectors Represented in the Company Charts			
Sector	No. of Companies	Weighting	
Gold	26	19.7%	
Rare Earths	14	10.6%	
Gold Exploration	15	11.4%	
Copper	11	8.3%	
Uranium	9	6.8%	
Lithium	6	4.5%	
Oil/Gas/Hydrogen	7	5.3%	
Graphite/graphene	3	2.3%	
Iron Ore/Manganese	4	3.0%	
Nickel	3	2.3%	
HPA/Kaolin	3	2.3%	
Tungsten	2	1.5%	
Tin	3	2.3%	
Silver	3	2.3%	
Antimony	4	3.0%	
Potash/Phosphate	2	1.5%	
Coal	2	1.5%	
Diamonds	2	1.5%	
Niobium	1	0.8%	
Vanadium	2	40.0%	
Zinc/Lead	1	0.8%	
PGMs	1	0.8%	
Mineral Sands	1	0.8%	
Bauxite	1	0.8%	
Cobalt	1	0.8%	
Other	5	3.8%	
Total	132		

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