

## Time to unite against anti-Semitism

Up until now I have refrained from expressing any commentary on the Gaza conflict. Some readers have questioned why I have been silent. My response has been that it is an emotionally charged foreign conflict that defies logic. There is no point in me commenting on something on which I have no expertise, just to add my voice to the turmoil. However, now it is time to air my thoughts on the bigger picture.

The conflict has ripped the band-aid off anti-Semitism. I would have thought that after the horrors of the Nazi concentration camps and the killing of six million Jews in World War Two were exposed, humanity would have rallied to make sure that anti-Semitism was a thing of the past. However, recent events have proved that to be a false hope. The evil has surged into prominence again. Disturbingly, it has been strongest amongst the younger generations who have the carriage of the future of mankind. The universities, once the institutions of progressive and creative thinking, have been shown to be cesspits of retrograde bigoted and intolerant attitudes. They have been failing society big time.

A few years back we saw the rise of the movement that led to the introduction of legislation that outlawed hate crimes. It became illegal to discriminate against all forms of minority groups based on race, religion and sexuality. That was supposed to indicate that society was becoming more tolerant of differences with the support of individuality in contrast to the homogenisation of society. It was all about respect for personal choices. As a libertarian at heart I saw this as progress, though I had doubts about whether it was appropriate or necessary to codify this in legislation.

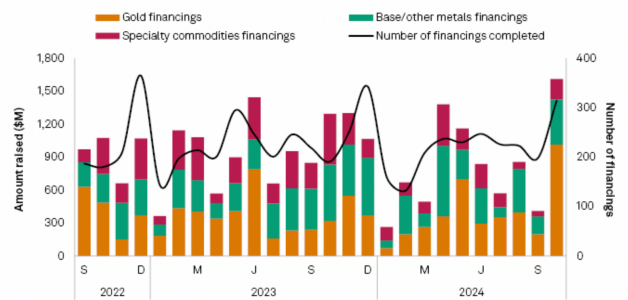
As it turns out, this was just window dressing by politicians. The government and the institutions charged with upholding the law have been asleep on the job with the blatant rise of anti-Semitism in Australia (and elsewhere). We have seen a proliferation of exactly the type of behaviour that these recent laws were designed to prevent. Worse, the offenders have been the elements of society that actually initiated and promoted the introduction of these laws. The hypocrisy of the woke, cancel culture exponents coming from university campuses has been exposed for what it is.

Australian leadership has been failing not only the Jewish community, but also the rest of the country that thought we were a democracy based on egalitarian principles. We are a country built on many immigrants who have come here to make a better life, not one that perpetuates hate from distant lands. I am appalled by what I see. The authorities are failing us with their inaction. So, it is up to us as individuals to stand up and to stamp out the anti-Semitism whenever we see it. We need a lasting cultural change from grass roots levels to stop this for once and for all. We need to bypass our gutless politicians.

### *Too much money is being thrown after the bad*

Have look at the chart below showing how the junior financings surged in October, just as the market started to show signs of a recovery. Sentiment has turned down since then under the weight of the raisings, but it is more sinister than that. It is the discount at which shares are being issued which is the real evil. Each time shares are issued at 20-40% discounts the general shareholder population is disrespected. Worse, it is screwed. Look at the comment on Lucapa below.

Junior, intermediate financings, September 2022–October 2024



As of Nov. 7, 2024.  
 Source: S&P Global Market Intelligence.  
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What happened to placements based on analysis and reasonable market pricing? What happened to responsible equity capital raisings with CEOs exercising skill and wisdom? When did placements become driven by extreme pricing alone? If that is the path of the future, then it will be the death of the equities market for junior mining stocks. For all the interference of the ASX in company decision making, it is failing to protect shareholder interests. All it does is add to the red tape and provide a false sense of security in equity markets. It is illusory and ineffective.

### *Lucapa torches shareholders, again*

We saw a disgraceful placement by Anteotech (ADO) a few months ago, being at 2.6¢ with attaching options, when the price was 4¢. While in the trading halt the price looked great for the placees, but the share price quickly collapsed when trading resumed. It is now selling at 1.9¢ and everyone is unhappy. It was a perfect example of how to destroy the market capitalisation of a company.

We have just seen another example of destruction of the market capitalisation in the placement by Lucapa last week. The shares went into a trading halt at 4¢ and the Company did a two tranche placement at 2¢, with unlisted options. That is a 50% discount to the pre-trading halt price. That is ridiculous and totally unacceptable. Why didn't the Company do it at 3¢? Did the Company have so little investment merit that the broker couldn't do it at 3¢? If so, then God help the Company.

When the trading halt was lifted on Thursday, the shares quickly traded down to 2.5¢. So much for getting the shares at a “discount”. When I rang to express my annoyance the Company said it didn’t have any choice. It had to raise the money or it was all over red rover.

So, whose head should we be kicking? The Company’s or the broker’s. Management has obviously been inept in waiting until the last minute to raise capital. Surely it must have seen months earlier that it was coming to a financial crisis point. It should have been taking action then when it had time to do an SPP or an entitlement issue. If the Company needed its shareholders to dig deeper then it would have found that many of them would have helped. Maybe some would have thought it was throwing good money after bad, but many would have put up more capital in a team effort.

The trouble with a placement is that it has to be done quickly. The broker has to raise the money in a 48 hour window. There is no opportunity to communicate with the general shareholder population, so they are cut out of the picture.

There is nothing wrong with doing a 50% discount if it is available to all shareholders. However, that is not what happens with a placement. It is all about efficiency of time. It usually goes to punters who focus on the pricing rather than the merits of the Company, so they are unlikely to hang around long.

The Lulo alluvial diamond mine in Angola has been one of the best alluvial mines in recent history. It has produced some fabulously large and valuable stones, with cumulative revenue exceeding \$500m. How is it that the company is facing a financial crisis now?

In a simple word it comes down to management. Not the management today, but the previous management that has done a runner, leaving the new management to sort out the mess.

When Lucapa was a single mine in Angola there was a reasonable degree of scepticism about dealing in that country. It was viewed as having high geopolitical risk. So, in his wisdom, the CEO thought that acquiring a diamond project in Lesotho was a way of balancing the risk. However, that involved the introduction of other risks - financing, development and commissioning risks. As it turned out he paid too much for the project and spent too much developing it. The net result is that he torched > U\$50m and eventually Lucapa had to “give” the mine away in order to stem the losses. That was his first and most seriously damaging mistake.

The next mistake was to buy the Merlin diamond project in Australia. In doing so his logic was seriously flawed. If a company is “tainted” with a high risk asset in Angola, that same company will never be able to change investor perspectives by adding a lower geopolitical risk asset in Australia. These assets have to be in separate vehicles that can appeal to different types of investors. Mixing and matching just doesn’t work. Risk preferring investors who bought Lucapa for the blue sky upside from the discovery of the source pipe will only see that the upside has been diluted. Management had an epic fail with Mothae in Lesotho. How do we know that Merlin isn’t going to be a failure as well?

I was once a strong supporter of Lucapa, but that was a mistake. It is time to weed the garden. Maybe this could be a turnaround story in the making, but I won’t be around to watch it.

*Disclosure: Interests associated with the author own shares Lucapa.*

### *Aldoro Resources - very early stage niobium*

On Friday, Aldoro’s (ARN) share price jumped by > 100% on an ASX release concerning its Kameelburg niobium project in Namibia. The share price movement is worth commenting on, but let’s tie it in with what the ASX release actually said. Let’s do a veracity test.

The headline said “262 Meters of Niobium Mineralisation Confirmed ... with Line 4”. The wording was such that it could lead to some confusion, but I believe that was the intention. Read it more closely and you will see that the assays come from surface sampling, not from drilling. We all know that surface sampling is very superficial. The data gathered is useful in helping decide whether or not there is initial merit, but only with a three dimensional view will you know if there is actually an orebody underneath. Here, Aldoro has commenced a diamond drill program to address this question.

The release achieved the objective of breathing some life into the share price, spectacularly so, but I do have some concerns about the creativity of the words that were designed to give the impression of more substance than is actually there, yet. One sentence said the work was “*paving the foundation for the next stage of resource drilling*”. Hang on, when is the term “resource drilling” appropriate? Maybe it is the next stage, but this is the first stage - the wildcat stage. The reality is that it is exploration drilling of a grass roots project. It is a long way from resources drilling.

### *The Bottom Line*

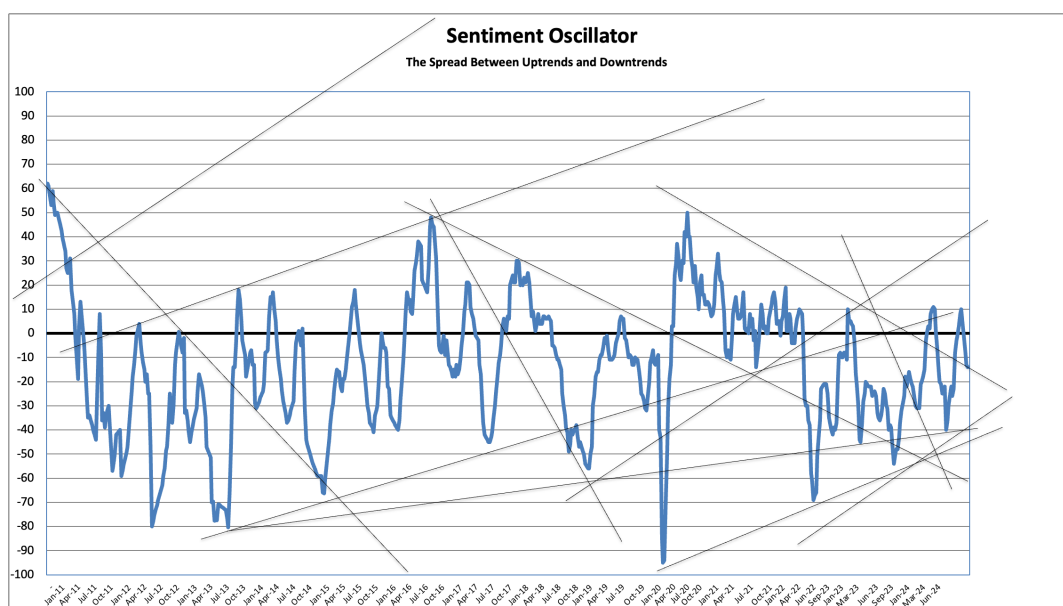
ARN is exploring a carbonatite so we shouldn’t be surprised to know that there is niobium mineralisation. The average grade of Nb<sub>2</sub>O<sub>5</sub> 0.52% is better than anomalous, but is too low grade in its entirety to be economically significant. The 262m of anomalism needs to be narrowed down to the higher grade parts, and these need to be shown to be more than just surface enrichment.

So trade to your hearts content and I hope you can make money, but don’t get too serious yet. This is an early stage grass roots exploration project that will require a considerable amount of funding from this point. Don’t be surprised to see a quick placement.

### *Lepidico Appoints Administrator*

Last week Lepidico Limited (LPD) went into voluntary administration. An ASX release reported the fact, saying that it was brought about due to “unsuccessful attempts to secure financing for the Karibib Lithium Project and mineral concentrator.” Unfortunately, given the state of the equity markets, we expect many more companies are facing the possibility of an administrator.

We have deleted Krakatoa and LCL from our chart coverage. They are going nowhere.



**Sentiment Oscillator:** Sentiment weakened slightly with 30% (31%) in uptrend and 44% (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	risen to new high	
Metals and Mining	XMM	down	
Energy	XEJ	still down	
Stocks	Code	Trend Comment (updated comments in bold)	Main Interest
Agua Resources	AGR	breached uptrend	phosphate, gold
Alkane Resources	ALK	forming a wedge	gold
Alicanto Minerals	AQI	strongly higher	base metals, silver, gold
Alligator Energy	AGE	on support line	uranium
Almonty Industries	All	rising	tungsten
Alpha HPA	A4N	rising again	HPA
Altech Chemical	ATC	breached support line	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	heavy pullback	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
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
Australian Gold and Copper	AGC	weaker	base metals, silver, gold
Australian Rare Earths	AR3	down	rare earths
Australian Strategic Materials	ASM	down	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	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	sideways	copper
Carnaby Resources	CNB	sideways	copper
Castile Resources	CST	gently higher	gold/copper/cobalt
Catalyst Metals	CYL	down	gold
Cazaly Resources	CAZ	sideways	rare earths
Celsius Resources	CLA	sideways	copper
Challenger Gold	CEL	breached uptrend	gold
Cobalt Blue	COB	at lows	cobalt
Critica. (was Venture)	CRI	gently lower	tin
Cyprium Metals	CYM	strong rally	copper
Emerald Resources	EMR	rising, new high	gold
Empire Energy	EEG	breached uptrend	gas
EQ Resources	EQR	testing uptrend	tungsten
Evolution Energy	EV1	back to lows	graphite
Evolution Mining	EVN	rising	gold
Felix Gold	FXG	breached downtrend	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	sideways	niobium
Gold 50	G50	rising again	gold exploration + gallium
Great Boulder Resources	GBR	new low	gold exploration
Group 6 Metals	G6M	suspended	tungsten
Hamelin Gold	HMG	back to lows	gold exploration
Hastings Technology Metals	HAS	breached downtrend	rare earths
Heavy Minerals	HVY	sideways	garnet

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Hillgrove Resources	HGO	testing downtrend	copper
Iltani Resources	ILT	down	antimony
Iluka Resources	ILU	breached uptrend	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	steep rise	gold, antimony
Lindian Resources	LIN	down	rare earths + bauxite
Li-S Energy	LIS	down again	Lithium sulphur battery technology
Lotus Resources	LOT	breached downtrend, rising gently	uranium
Lucapa Diamond	LOM	collapsing due to institution dumping shares	diamonds
Lunnon Metals	LM8	down	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	back to high	bauxite
Midas Minerals	MM1	pullback	lithium
Nagambie Resources	NAG	returning to downtrend	gold, antimony
Neometals	NMT	down	lithium
Newfield Resources	NWF	suspended	diamonds
Nexgen Energy	NXG	rising	uranium
Northern Star Res.	NST	rising again	gold
Nova Minerals	NVA	surged higher	gold exploration
Novo Resources	NVO	down	gold exploration
Pacific Gold	PGO	breached downtrend	gold exploration
Paladin Energy	PDN	crunched down	uranium
Pantoro	PNR	down	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
QMines	QML	down	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	down	gas, helium
Richmond Vanadium	RVT	sideways	vanadium
RIO	RIO	down	diversified, iron ore

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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		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		down	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	30%	39	Uptrend	
	44%	58	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.

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	18.9%	
Rare Earths	15	11.4%	
Gold Exploration	13	9.8%	
Copper	11	8.3%	
Uranium	9	6.8%	
Lithium	6	4.5%	
Oil/Gas/Hydrogen	7	5.3%	
Graphite/graphene	4	3.0%	
Iron Ore/Manganese	4	3.0%	
Nickel	3	2.3%	
HPA/Kaolin	3	2.3%	
Tungsten	3	2.3%	
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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