

It is still all about gold

A year ago the outlook for uranium was bullish but now the price has fallen out of bed to hit US\$67/lb. What a contrast to the performance of gold over the course of a year!

Uranium and nuclear power first

I previously suggested that there were some fun and games whereby the uranium ETFs got set in stocks and then pumped the spot price, leaving Johnny Public as the sucker. I still believe that is what happened then, and will happen again, but for the moment there is a new narrative. The news of the allegedly lower cost, more efficient Chinese AI chip has had an immediate effect on uranium share prices as people took the view that the demand for nuclear power would be reduced as result. Maybe it will, maybe it won't. Whatever, the reaction has coincided with weaker uranium prices.

If you read the presentation released by Uranium Royalty Corp (**UROY:NASDAQ**, **URC:TSX**) you will see a very positive outlook for nuclear power. There are 440 nuclear reactors operating worldwide with 65 new reactors connected over the last 10 years. There are 65 more under construction now. The number of operating reactors is expected to almost double in the foreseeable future.

You have to ask the question; if the rest of the world is embracing nuclear power, why is Australia so out of step? Why is Albanese and Bowen pushing out false narratives? Why did they get the CSIRO to release a horribly flawed economic study that had the conclusion written before it actually did the work, thereby doing serious credibility damage to the organisation? The answer is simple. The Greens don't want nuclear power and Albanese relies on the support of the Greens if he is going to have any chance of staying in power. Stupidity rules!

There is only one thing to say about gold

Gold is going up. No-one should be surprised that gold surged through US\$2,880/oz during the week given the maxim that the trend is your friend. The junior mining sector has been offered the greatest lifeline for decades when you consider how many companies have projects, even small projects now have viable development options. Gold projects are much simpler to finance than any other commodity as gold is literally money in the ground.

Many of the gold resources that companies have been sitting upon are found on granted mining licences, so the path to development will be usefully shorter. Of course, companies will need access to treatment facilities if they are going to fast track the path to positive cash flow, but the higher price gold regime will be around long enough to allow time to construct new facilities. There will still be compliance based obstacles to overcome and you will need to consider each opportunity on its merits, but we can afford to be optimistic. You need to get set in the true investment mode, as opposed to short term trading, if you

are going to participate to the maximum in this gold bull market.

INDABA Comments

INDABA is the premier mining conference in Africa, taking place each year in February. The 121 Conference runs for a couple of days in the same week, offering some respite for Europeans keen to escape their winter. I have written a few quick notes on a few of the companies that I sat down with, below.

The most impressive - Goliath and Spartan

Spartan Resources (SPR) (nee Gascoyne) has been one of the most impressive turnaround stories in the gold sector. From a point where the failed Dalgaranga gold project almost destroyed the company, the discovery of high-grade orebodies at depth has opened up a wonderful new future such that the market capitalisation is now \$1.9bn! Look at the ounces per vertical metre parameter in the presentation.

Goliath Resources (TSX.V:GOT) is a TSX-listed stock, so not readily available to ASX investors, but it is worth mentioning due to the potential upside on a discovery that is looking like it could be as good as Pogo, a fabulously rich gold mine in Alaska that is now owned by Northern Star (NST). The Goliath share price has just spiked from C\$1.00 to hit C\$2.36, so the market is already awake to it. An intersection of 39m at 34.5 gpt AuEq will do that. The Company is expecting to receive a number of additional drill holes assays prior to the PDAC conference in a few weeks time. How good can it be? Try 5-10 Moz upside.

Two South African stocks to come into their own

There are quite a few medium to large projects that have been negotiating with financiers over the last 12 months. Two of these that come to mind are **Theta Gold** (TGM) and **West Wits Mining** (WWI), companies that presented at 121. They are looking at 100,000 oz and 70,000 oz p.a. mines respectively, in the first instance, in South Africa. The amount of time the due diligence and the finance negotiations has taken is nothing short of dysfunctional, but these delays have actually worked in the favour of these companies. The value of the gold is going up all the time. The economics of the projects are getting better and better, though the doctrine of conservatism card that banks like to play always means they greatly discount the gold price used in the studies. Spreadsheet analysis is a poor substitute for reality but that is all the banks have to go on. If you as an investor are prepared to do the work, you will see the real earnings potential. Once these mines get into production and start to benefit from spot gold prices, they will be in the money big time as their AISC is in the range of US\$1,000-\$1,100/oz.

Tanzanian Graphite is still on the agenda

Syrax Resources (SYR) was a dud (and that is being polite). We have seen one Tanzanian graphite company crash and burn, but the failure of Walkabout (WKT) has not perturbed others. The new management at **Evolution Energy** (EV1) is under no illusions that raising \$120m to develop its Chilalo Project in Tanzania is a challenge, but it is methodically walking along the path. The low market capitalisation of \$6m is the obvious disconnect but the company prefers to point to the association with BTR, the largest anode manufacturer in the world. In August 2023, EV1 announced a binding off-take agreement and an MOU for downstream collaboration with BTR. BTR also took a placement of 9.9% for \$3.6m, but this has since been diluted a little. BTR’s existing relationships with leading global battery manufacturers will see it become the marketing agent for the sale of anode materials produced by the downstream collaboration entity. Right now, today, there is no enthusiasm in the EV1 share price. Does that mean there is only upside from here?

Titanium Story Gathering Momentum in SA

First we had Petratherm coming up with good titanium grades in South Australia. Next we had Marmota’s share price running on positive sampling on ground next to Petratherm, followed by a placement to boost the kitty. Now, Narryer Metals (NYM) is joining the rush with strong assays from drilling.

Geologically that is all good. Shareholders will be happy that there is movement in the share prices and the ability of

the companies to raise money in these difficult times is certainly welcome, but what next? Do the companies spend the money being raised on drilling out a geological structure and progress to scoping and PFS studies, to prove that what they have is interesting, or do they do what they can to extend the market interest as long as possible before having to address the real commercial issue: can they make money out of it ... in my lifetime? Can they finance it and can they sell the product?

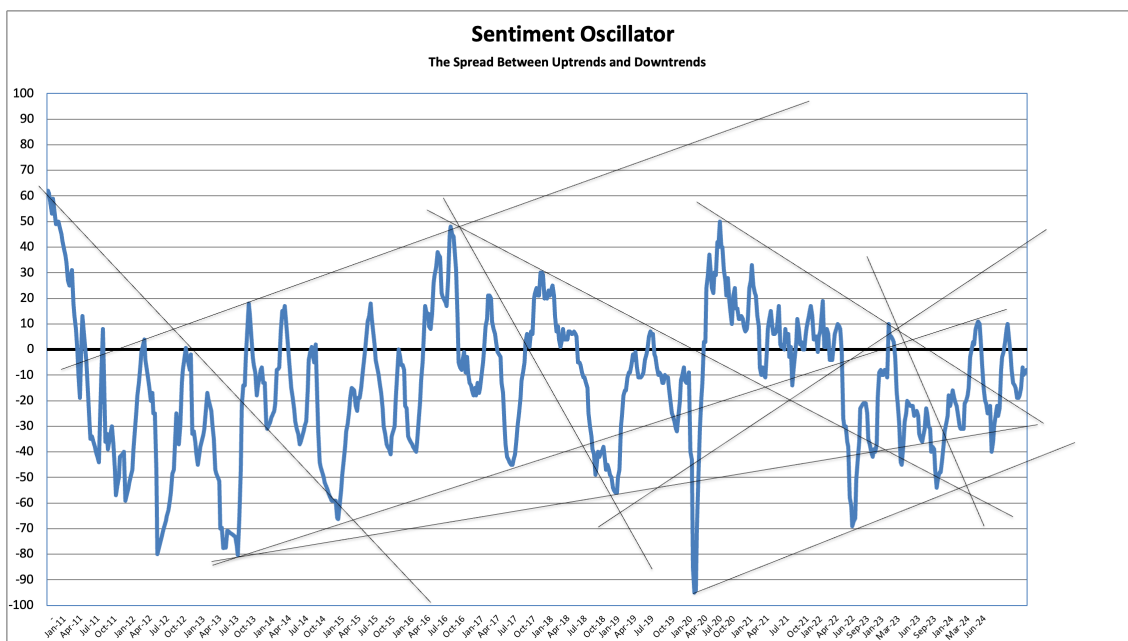
At the bottom end of the resources market it is all about “what if” scenarios and trying to generate FOMO, by hook or by crook. If one stock performs well on a new play it tends to rub off on others and bingo, the game is on. All that matters is that the shares are going up.

However, it is only a matter of time before reality bites and the music stops. How many titanium projects can you name that made it to the producer status, and if they did, how long did it take? Need I say any more?

Disclosure: Interests associated with the author own shares in West Wits. The author is a director and has received capital raising fees. .

Quote of the Week

In response to Trump taking charge; “*the yoke of the woke is broke.*”



Sentiment Oscillator: No real change in sentiment over the week. There were 34% (33%) in uptrend and 42% (42%) 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	new high	
Metals and Mining	XMM	rallying	
Energy	XEJ	still down	
Stocks	Code	Trend Comment (updated comments in bold)	Main Interest
Aguia Resources	AGR	strong recovery	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	surge to new high	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	new uptrend	nickel
Arizona Lithium	AZL	new low	lithium
Astral Resources	AAR	sideways below resistance 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	breathed uptrend	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	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 highs	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

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Caravel Minerals	CVV		improving	copper
Carnaby Resources	CNB		down	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
Challenger Gold	CEL		breached downtrend	gold
Cobalt Blue	COB		at lows	cobalt
Critica. (was Venture)	CRI		rising	tin
Cyprium Metals	CYM		strong rally	copper
Emerald Resources	EMR		back to highs	gold
Empire Energy	EEG		breached uptrend	gas
Emmerson Resources	ERM		uptrend	
EQ Resources	EQR		collapse to new low	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		breaching recent uptrend	rare earths
Heavy Minerals	HVY		rising	garnet
Hillgrove Resources	HGO		new low	copper
Iltani Resources	ILT		testing downtrend	antimony
Iluka Resources	ILU		new low	mineral sands
ioneer (was Global Geoscience)	INR		breached downtrend	lithium
Ionic Rare Earths	IXR		sideways at lows	rare earths
Jindalee Lithium	JLL		at lows	lithium
Jupiter Mines	JSM		sideways at lows	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		fallen to support line	renewables, cement
Meeka Gold	MEK		uptrend	gold

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MetalsX	MLX		rising	tin, nickel
Meteoric Resources	MEI		down	rare earths
Metro Mining	MMI		back to high	bauxite
Midas Minerals	MM1		spiked higher	lithium
Nagambie Resources	NAG		weaker	gold, antimony
Neometals	NMT		down	lithium
Newfield Resources	NWF		suspended	diamonds
Nexgen Energy	NXG		down	uranium
Northern Star Res.	NST		rallying	gold
Nova Minerals	NVA		surged higher	gold exploration
Novo Resources	NVO		down	gold exploration
Pacific Gold	PGO		new low	gold exploration
Paladin Energy	PDN		rallying, about to meet resistance line	uranium
Pantoro	PNR		new uptrend	gold
Patriot Battery Metals	PMT		pullback after strong rally	lithium
Peninsula Energy	PEN		breached uptrend	uranium
Perseus Mining	PRU		correcting lower	gold
Provaris Energy	PV1		new low	hydrogen
QMiners	QML		back to lows	copper
Queensland Pacific Metals	QPM		rising	nickel/cobalt/HPA
RareX	REE		at lows	phosphate, rare earths
Regis Resources	RRL		new high	gold
Regergen	RLT		bounce from lows	gas, helium
Richmond Vanadium	RVT		down	vanadium
RIO	RIO		testing downtrend	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		off its highs	copper
Santana Minerals	SMI		testing downtrend	gold
Santos	STO		breaching downtrend	oil/gas
Sarytogan Graphite	SGA		still down	graphite
Siren Gold	SNG		back to lows	gold exploration
Southern Palladium	SPD		pullback	PGMs
Stanmore Coal	SMR		down	coal
St George Mining	SGQ		breached downtrend	rare earths, niobium
Stellar Resources	SRZ		gently lower	tin
Summit Resources	SUM		down	niobium, rare earths
Sun Silver	SS1		testing downtrend	silver
Suvo Strategic Minerals	SUV		down	kaolin
Talga Resources	TLG		rallying, about to meet resistance line	graphite
Tamboran Resources	TBN		rising	gas
Terra Uranium	T92		rallying	uranium
Theta Gold Mines	TGM		rising again	gold

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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	■	down	coal
Totals	34%	45	Uptrend	
	42%	56	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	27	20.5%	
Rare Earths	14	10.6%	
Gold Exploration	14	10.6%	
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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