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Chart comments updated on Friday's close

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Brilliant rare earth intercepts from Power Minerals in Brazil

The market has been very disappointing over the past six weeks. Despite breaking the six-month downtrend at the end of July, it has been unable to maintain any momentum, and that has led to malaise. Share prices are drifting lower.

It is interesting how many of our resource company share prices are performing similarly to the gold price chart. A short-term, secondary downtrend is in play.

Most people see the gold price as having the potential to rise strongly again, at some point, given the chaos in the world. Until then, the price will continue to fluctuate in the US\$4,000-US\$4,500/oz range. The implication for company share prices is that they will be subdued in the absence of an alternative thematic. It will remain as a buyers' market until one comes along. Company-specific news flow and corporate activity will be the key motivator.

Grigor Sentiment Oscillator

Charts in Uptrend: 28% (31%)

Charts in Downtrend: 42% (38%)

Sentiment continued to fall over the week.

You can buy more than just gold price exposure.

You can buy gold producers to get exposure to the gold price movements, but there is a smarter way to get leverage; that is by buying companies with strong exploration merit. That will give you leverage to the gold price but with a bonus on top - the icing on the cake. Buy quality exploration, and there is the turbo charge as more ounces are found through exploration success. Turning exploration acreage into resources and then reserves will give share price extra performance that exceeds a simple commodity price play.

Power Minerals Delivers Some of the Best Rare Earth Intercepts You Will Ever See.

Last Monday, Power Minerals (PNN) released some of the best TREO intercepts imaginable from its Morro do Ferro Project in Brazil. Hole 056 intersected thick high-grade mineralisation from surface to 119m at 4.94% TREO with 0.89% MREO. This included 10m at 12.3% TREO with 1.88% MREO.

These intercepts fit in well with the Exploration Target of 9.2-10.7 Mt at 7.8 to 9.2% TREO. These grades compare favourably with those of Brazilian Rare Earth's (BRE) resource of 3.5 Mt at 11% TREO.

TREO and MREO explained

TREO is Total Rare Earths. MREO is Magnetic Rare Earths, the component that can contain > 95% of the economic value of a deposit. Most companies like to report a TREO grade and say what the NdPr and TbDy

component is, e.g. around 20% of the TREO figure. Here the proportion is so high that it can be expressed as a percentage rather than as a proportion. It actually looks like it is twice the MREO percentage as Lindian's Kangankunde Project in Malawi, previously my favourite rare earths company.

Current drilling program near completion

PNN is drilling 20 holes in this first program, starting in the centre of the mineralisation and stepping out in a 50m x 25m pattern from there. The drilling is 90% complete, but assays have been very slow in returning from the labs with results from only five holes received so far. All of them look impressive, so there is no criticism about selective reporting.

Metallurgy studies available by end of 2026

As we know, metallurgy is very important for rare earth companies. Preliminary studies are underway now and are expected to be finalised by the end of the year. The Company thinks this is going to have metallurgy more like Mountain Pass, which is a carbonatite, than Mt Weld, which is processing monazite mineralisation. That potentially makes the process less difficult by recovering a concentrate first, then applying hydrochloric acid with no requirement for high temperatures in the process.

The Bottom Line

It should be no surprise to you that I own PNN. After all, the grades surpass those at Kangankunde, Lindian's rare earth project in Malawi. Power is my favourite rare earth stock right now, but I don't believe the market has embraced the upside yet.

The market capitalisation is around \$65m, only 10% of the price that Lynas has agreed to pay in the takeover of Brazil-based Meteoric Resources. It is also much lower than that of Brazilian Rare Earths, which is \$968m in size for a comparable type of resource. I can't see PNN staying around these prices for too long.

However, I was disappointed to see the shares trade down to 12.5¢ recently. This has been explained to me as a large shareholder, Summit Nanotech, dumping shares (probably because it needed the cash). The flip side is that it offered an opportunity to pick up some more shares at a cheaper price.

Disclosure: Interests associated with the author own shares in Power Minerals.

South America is Swinging to the Right

Investment sentiment in Colombia looks much better with the election of Abelardo de la Espriella to the Presidency, who is pro-mining development. This is part of the swing to the right across South America.

The next country to hold a run-off presidential election is Brazil, on the 25th of October. The polls are very close, but Flávio Bolsonaro is thought to have a good chance of defeating the aged President Luiz Inácio Lula da Silva, who turns 81 years old this month. Should Bolsonaro win, the investment sentiment should receive a boost. That would be good news for all of the Australian juniors that have moved into the country, such as Aguia Resources, Power Minerals, and others.

Compliance is strangling us, for no good reason

As I observe the mess that Australia has become, I sometimes muse that I was born and grew up in the best of times. We had greater freedoms in society, and we had no compliance to micro-manage our lives. We also had the best music, but that was yesterday.

Last week, The Australian ran a story that said compliance was costing us \$60bn a year, an increase of 50% over the last decade. Based on the CPA report, it said *"The extra time and money spent on paperwork, paperwork, and advice, rather than running businesses, is estimated to wipe 2% points of growth off the economy"*.

I describe those people working in compliance as disguised unemployment. Their productivity is impossible to judge. They do not contribute anything but frustration for everyone in business, big and small.

People have been bemoaning the decline in productivity in recent years. The first reaction of businessmen is *"Hey, we are not working any less, so why is it getting harder"*? The real reason is the spiderweb of compliance that is strangling businesses. It gets worse every year as there is a boom in the growth of compliance companies. When you complain about some inane demand, the operative just responds *"it's the law"* rather than giving a sound reason for their interference and oversight.

Legislators and regulators consistently fail to acknowledge that you can't legislate to make people honest. All the rules

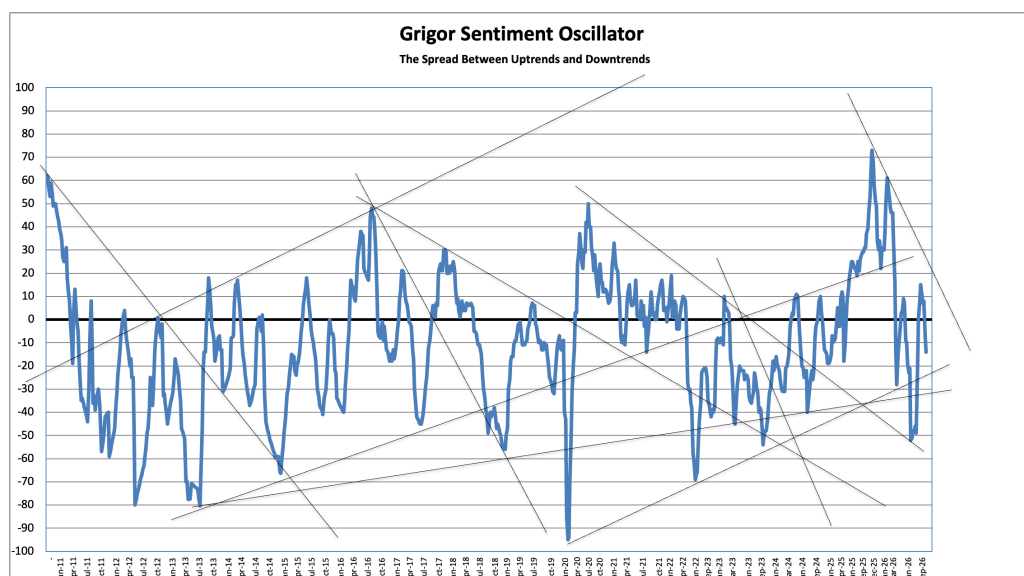
and regulations actually hurt those who are already honest. Those parties who are being naughty and misbehaving will not change their behaviour just because a law is passed that tells them what they already know. They will either ignore the new rules or work out a way to get around them. That is their nature. Honesty is based on culture, not on regulation. It is time to wake up to reality.

The overwhelming majority of people do the right thing, but they are the ones who have to bear the burden and the cost of increasingly invasive compliance regulation designed to catch out the bad guys. Regulation that drags everyone down is bad regulation. It changes the focus from punishing bad guys by starting with the assumption that everyone is bad until they prove otherwise. Guilty until proven otherwise. That is not a just legal system. It is time to push back.

Take the anti-laundering laws. I have been banking with St George for 45 years. Now it *"wants to get to know their customer"* because there is a new law that says I have to prove I'm not a money launderer. I would have thought that would have been obvious by quickly scanning my account transactions. The bank has all the necessary information on file, so why do I have to go through meetings and voluminous paperwork to prove that I'm not a baddy? If I don't co-operate, the bank threatens to block my accounts. That is wrong. That is government-backed blackmail and to what end? The banks themselves have numerous examples of facilitating blackmail for criminals. Why focus on the little guys who are clearly innocent?

It gets worse. Any organisation that is handling money on behalf of clients is caught up in the compliance web, be they real estate agents, lawyers, stockbrokers, and many other businesses. It is a real drag on productivity but without any meaningful gain. Why does every organisation have to take us through repetitive processes? Why can't there be a certification standard from the banks which all the other businesses can rely upon?

So why do we put up with such dictatorial behaviour from public servants and their pawns? This is not how a democracy should work.



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Grigor Sentiment Oscillator: Malaise has taken the Sentiment Oscillator down again. It may bottom out and reverse before the end of October. There were 28% (31%) of shares under coverage in uptrend, and 42% (38%) 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		down	
Metals and Mining	XMM		down	
Energy	XEJ		breaching uptrend	
Stocks	Code		Trend Comment (updated comments in bold)	Main Interest
Agua Resources	AGR		at lows	phosphate, gold
Akora	AKO		sideways	iron ore
Alkane Resources	ALK		bounced off support line	gold
Alligator Energy	AGE		down	uranium
Alpha HPA	A4N		testing downtrend again	HPA
American Rare Earths	ARR		sideways	rare earths
American Tungsten & Antimony	AT4		back to downtrend line	antimon
Anax Metals	ANX		testing uptrend	copper
Andean Silver	ASL		down	silver
AnteoTech	ADO		down	batteries
Arafura Resources	ARU		new low	rare earths
Ardea Resources	ARL		secondary downtrend	nickel
Ark Mines	AHK		in secondary downtrend	rare earths
Astral Resources	AAR		surge higher	gold
Aureka	AKA		rising	gold exploration
Auric Mining	AWJ		in secondary downtrend	gold
Aurora Energy Metals	1AE		testing downtrend	uranium
Aurum Resources	AUE		surge out of steepest downtrend	gold exploration
Australian Gold and Copper	AGC		testing uptrend	base metals, silver, gold
Australian Rare Earths	AR3		breached downtrend	rare earths
BCI Minerals	BCI		rising	salt
BHP	BHP		down	diversified, iron ore
Ballard Mining	BM1		on support line	lithium
Ballymore Resources	BMR		breached downtrend	gold exploration
Barton Gold	BGD		secondary downtrend	gold exploration
BCI Minerals	BCI		improving	salt
Beach Energy	BPT		sideways	oil and gas
Beetaloo Energy	BTL		breaching downtrend	gas
Bellevue Gold	BGL		secondary downtrend	gold
Black Cat Syndicate	BC8		secondary downtrend, steep fall	gold
Boa Resources	BOA		new high	copper

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Boab Metals	BML		rising again	silver/lead
Brazilian Rare Earths	BRE		down	rare earths
Brightstar Resources	BTR		good rise	gold
Broken Hill Gold (ex Pac Gold)	BH6		at highs pre placement	gold
Broken Hill Mines	BHM		secondary downtrend	base metals
Canadian Phosphate	CP8		rising	phosphate
Caravel Minerals	CVV		returned to downtrend	copper
Carnaby Resources	CNB		spike out of downtrend on takeover	copper
Castile Resources	CST		improving	gold/copper/cobalt
Catalyst Metals	CYL		breached uptrend	gold
Cazaly Resources	CAZ		breached downtrend	rare earths
Centaurus Metals	CTM		secondary downtrend	nickel/cobalt/HPA
Challenger Gold	CEL		down	gold
CNG Resources	CGR		heavy pullback	gold exploration
CuFe	CUF		testing downtrend	bismuth, Cu, Au
Cyprium Metals	CYM		rising	copper
Energy Transition Metals	ETM		breached downtrend	rare earths
EQ Resources	EQR		new high	tungsten
Estrella Resources	ESR		secondary downtrend	manganese
Evolution Mining	EVN		secondary downtrend	gold
Felix Gold	FXG		new low	gold exploration, antimony
Finder Energy	FDR		down	oil/gas
First Graphene	FGR		sideways	graphene
Flagship Minerals	FLG		new uptrend started	gold
Gateway Mining	GML		steep rise	gold exploration + gallium
GBM Resources	GBM		testing uptrend	gold
Genesis Minerals	GMD		steep rise	gold
Globe Metals and Mining	GBE		back in downtrend	niobium
Gold 50	G50		still down	gold exploration + gallium
Golden Horse	GHM		testing downtrend	gold exploration
Great Boulder Resources	GBR		still in downtrend	gold exploration
Green360 Tech	GT3		down	kaolin
Hamelin Gold	HMG		breached uptrend	gold exploration
Hawk Resources	HWK		down	scandium
Heavy Minerals	HVY		down	garnet
Horizon Gold	HRN		uptrend	gold
Iltani Resources	ILT		down	antimony
Iluka Resources	ILU		back to lows	mineral sands
Investigator Resources	IVR		testing downtrend	silver
Kantra Copper	KAN		rising	copper
Jupiter Mines	JMS		sideways	manganese
Kaiser Reef	KAU		rising	gold
Kingfisher Minerals	KFM		testing downtrend	copper expl.

Kalamazoo Resources	KRZ		breached downtrend	gold
Kalina Power	KPO		on support line	data centre power
Koba Resources	KOB		down	uranium
Larvotto Resources	LRV		down	gold, antimony
Litchfield Minerals	LMS		testing steepest downtrend	copper exploration
Lindian Resources	LIN		down	rare earths + bauxite
Lode Resources	LDR		back to lows	antimony, silver
Lynas Rare Earths .	LYC		steep rise	rare earths
Mammoth	M79		still down	gold exploration
Manuka Resources	MKR		slump on placement	silver
Many Peaks	MPK		stronger	gold exploration
Marmota	MEU		down	gold/uranium exploration
Maronan Metals	MMA		rising	silver/lead
Matsa Resources	MAT		suspended	gold
Meeka Gold	MEK		down	gold
MetalsX	MLX		strongly higher	tin, nickel
Meteoric Resources	MEI		rising again	rare earths
Midas Minerals	MM1		breached downtrend	lithium
Mithril Silver & Gold	MTH		testing downtrend	silver, gold
Native Mineral Resources	NMR		testing downtrend	gold
New Murchison	NMG		rising	gold
Nexgen Energy	NXG		still down	uranium
Novo Resources	NVO		testing downtrend	gold exploration
Omega Oil	OMA		rising again	oil
Pacific Lime & Cement	PLA		testing uptrend	renewables, cement
Paladin Energy	PDN		down heavily	uranium
Pantoro Gold	PNR		steep rise	gold
Patriot Battery Metals	PMT		new low	lithium
Peninsula Energy	PEN		collapse	uranium
Perseus Mining	PRU		rising again	gold
Phosco	PHO		sideways	phosphate
Pilbara Minerals	PGL		rising gently	gold
PolarX	PXX			gold exploration, base metals
Power Minerals	PNN		slump	rare earths
QMines	QML		improving	copper
Regis Resources	RRL		steep rise	gold
Revolver Resources	RRR		at lows	copper
Richmond Vanadium	RVT		secondary downtrend	vanadium
RIO	RIO		down	diversified, iron ore
Rox Resources	RXL		new high	gold
RTG Mining	RTG		new high	copper
Rumble Resources	RTR		rising	zinc, gold, tungsten exploration
Santana Minerals	SMI		testing downtrend	gold
Santos	STO		at highs	oil/gas

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Sarytogan Graphite	SGA		sideways	graphite
Scorpion Minerals	SCN		down	gold exploration
Sinclair Gold (was AQI)	SGC		secondary downtrend	gold exploration
Siren Gold	SNG		down	gold exploration
Skylark Minerals	SKM		down	gold exploration
Somerset Minerals	SMM		sideways	copper exploration
Southern Palladium	SPD		secondary downtrend	PGMs
Stanmore Coal	SMR		back to support line	coal
St George Mining	SGQ		down	rare earths, niobium
Stellar Resources	SRZ		improving	tin
Sun Silver	SS1		breached downtrend	silver
Sunrise Energy Metals	SRL		uptrend	scandium
Tamboran Resources	TBN		spike higher	gas
Theta Gold	TGM		breaching support line	gold
Tivan	TVN		resuming downtrend	fluorite
Torque Metals	TOR		at lows	gold exploration + lithium
Toubani Resources	TRE		breaching downtrend	gold
Unity Mining	UM1		testing uptrend	gold exploration
Verity Resources	VRL		down	gold
Vertex Minerals	VTX		secondary downtrend	gold
Waratah Minerals	WTM		rising	gold exploration
Westgold Resources	WGX		secondary downtrend	gold
West Wits Mining	WWI		testing downtrend	gold
Whitehaven Coal	WHC		pullback	coal
White Cliff Minerals	WCN		rising	copper exploration
WIN Metals	WIN		hitting resistance line	gold
Yandal Resources	YRL		back to lows	gold exploration
Totals	28%	41	Uptrend	
	42%	61	Downtrend	
		145		

Guides to Chart Interpretations

- Charts usually go 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 represents 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, sometimes for obscure reasons. If a chart consistently 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 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 (or 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	35	24.1%	
Gold Exploration	24	16.6%	
Copper	13	9.0%	
Rare Earths	12	8.3%	
Uranium	6	4.1%	
Oil/Gas/Hydrogen	6	4.1%	
Silver	8	5.5%	
Iron Ore/Manganese	5	3.4%	
Antimony	4	2.8%	
Lithium	3	2.1%	
Graphite/graphene	2	1.4%	
HPA/Kaolin	2	1.4%	
Nickel	2	1.4%	
Scandium	2	1.4%	
Tungsten	1	0.7%	
Tin	2	1.4%	
Coal	2	1.4%	
Bismuth	1	0.7%	
Niobium	1	0.7%	
Potash/Phosphate	3	2.1%	
Base metals	1	0.7%	
Vanadium	1	0.7%	
PGMs	1	0.7%	
Mineral Sands	1	0.7%	
Other	7	4.8%	
Total	145		

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