

## A couple of gold exploration stocks that went for a run

The interest rate optimists took a hit last week with the Governor of the Reserve Bank electing to hold interest rates for the time being. The market fell as a result. It is arguable as to what the correlation between interest rates and the mining sector share prices really is, but it cannot just be a coincidence that the market turned down when interest rates started to rise, coinciding with the burst of inflation a few years back. Certainly, a fall in interest rates cannot be bad for the market. We will have to wait a little longer for any benefit.

Since my statement in May that we were in the early stages of the next bull market we have seen a softer trend. That would have been predictable if you focused on the Sentiment Oscillator where the resistance line was being nudged.

### *G50 Corp - Golconda Property Drilling Looks Good*

After going off at a tangent with exotic materials like gallium, Gold 50 has come back to the main stream as evidenced by an ASX release on Thursday. It reported 47m at 2 gpt and 40.2 gpt silver from an RC drilling program at its Golconda Project in Arizona. G50 called it a new discovery but that begs the question. How do you define a "discovery"? Many companies use that word to try and generate excitement, but in my view it is more relevant to say that this is an area of known gold occurrences and that this is the next step in opening it up further. As with many past producing areas there is more potential to be assessed. Here, the last gold production was back in 1917.

### *Placing the results in perspective*

G50 has had this project in its portfolio for 4-5 years. In fact, it had sufficient merit to justify holding the stock back then. There is more merit now. It is good to see G50 starting to test the depth extensions. The current program calls for 26 holes. The first 14 have now been reported.

Earlier drilling had been designed to test for broad, shallow low grade mineralisation. This time around it is testing the primary zone that generally starts at 50-60m depths along a structure that extends for 20 km. G50 is assessing 700m of strike that runs through its claims (similar size to Yandal - see below). Optimism of depth potential is afforded by noting that the old timers actually got down to a 400m depth, and to do so would have meant that they were getting a good grade.

The current drilling is testing swarm vein mineralisation that can be up to 100m in width. The geologists say that the epithermal vein component has been eroded and the target is now a big mesothermal unit that may be related to a deeper, undiscovered porphyry unit. A heat source such as this would fit the geological model.

This is greenfields exploration but in a known gold bearing system, along with other metals. You should view this first program of 26 holes as a starter, designed to give a deeper three dimensional view. Typically you will be getting plenty

of low grade gold but you need to pick out the best intercepts and ask what they mean.

The best hole, GRC22, hit 47 m at 2 gpt gold and 40.2 gpt silver from a depth of 190m. That included 16.8m at 5.19 gpt gold and 100 gpt silver from 198m. This would be close to true width. GRC17, drilled 700m to the SE along strike, hit 97.5m at 0.27 gpt gold and 4.8 gpt silver from 149.4m. Admittedly this was largely down dip, but the Company explained that this was in order to get a better view of continuity. Access to optimum drill pads locations had some influence as well.

It is still early days but we could speculate on some of the key parameters. Assume a 25m true width to a depth of 250m (starting at the base of oxidation). Take a specific gravity of 2.6 and that would provide a tonnage of 11 Mt along a 700m strike. If the grade was 1.5 gpt that would give you 500,000 oz. The historical workings down to 400m, at better grades, could lead to a multiple of this number.

### *The Bottom Line*

G50 is capitalised at \$33m after doubling on the news flow. Its current cash balance is around \$2m. It has a potentially exciting gold project, as shown by the release. If you are optimistic, and the next lot of holes add to the story, it will increasingly be the focus of speculators. It is certainly one to be watching.

### *Yandal Goes for a Run on Interpretation*

Another grass roots junior explorer that went for a run last week was Yandal Resources (YRL). I covered this a few months ago suggesting it looked interesting and it had some very good Melbourne-based supporters, but up until Thursday it was in a downtrend. One positive announcement was all it took to get the price to jump about 100% on the day.

Go back to the announcement on 21st May, that provided Siona diamond drill results. The best three results were disappointing with 16.3m at 0.5 gpt and 29.1m at 0.4 gpt from 322m and 282m respectively, plus 6.4m at 1.5 gpt from 103m. Sure, there was a little bit of gold but nothing interesting ... unless you took the results as being part of the continuing education on the area. The share price drifted lower on this news.

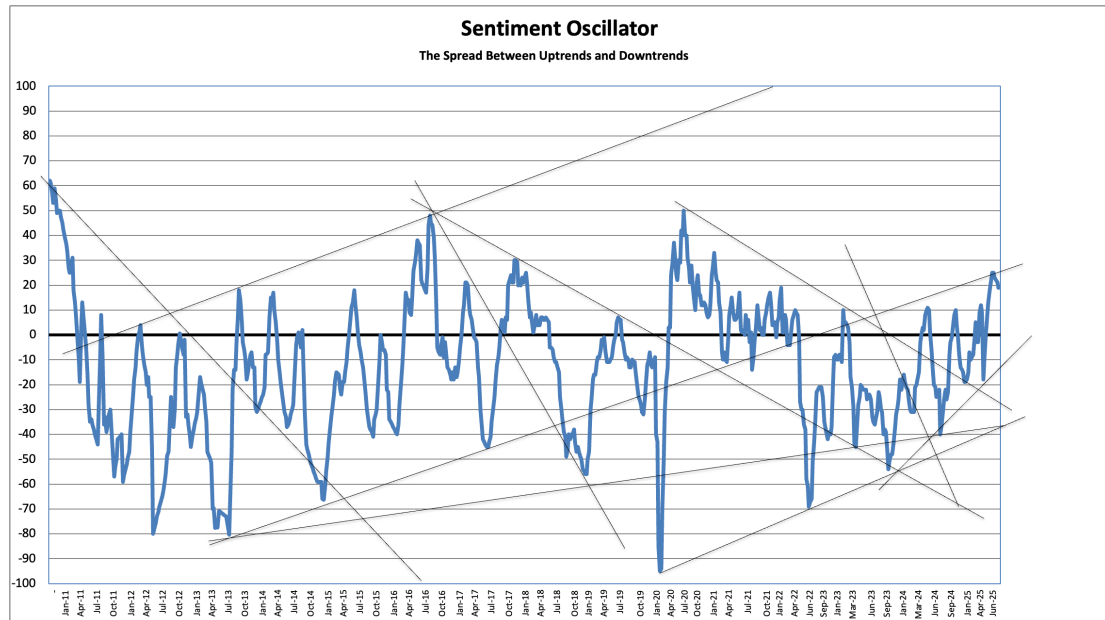
Now have a look at the release from 10 July. These were air core holes that showed some modest gold intercepts but the shares ran hard, up from 8.9¢ to hit 21.5¢ in two days. How come? Is it what the release said, or what it didn't say?

The heading and the narrative emphasised the 800m long strike potential of gold mineralisation. The Company seems to be hanging its hat on the dimension rather than the grades at this point. Sure, it is a good size system, but in

order to justify the enthusiasm it needs to come up with better intercepts and true widths.

Yandal reported the first 16 holes in a program of 125. As it said, this will take weeks and months to complete. At least there was a \$7m cash balance at 31/3/25, with which to fund the work.

This is grass roots exploration that has gotten some punters excited. We will continue to monitor it to see if can justify the \$55m market capitalisation.



**Sentiment Oscillator:** Sentiment has slipped a little further. There were 46% (47%) in uptrend and 27% (26%) in downtrend at the close of the week.

## 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	at new highs	
Metals and Mining	XMM	strong rally	
Energy	XEJ	surge out of downtrend	
Stocks	Code	Trend Comment (updated comments in bold)	Main Interest
Agua Resources	AGR	breached support line	phosphate, gold
Alkane Resources	ALK	correcting lower	gold
Alicanto Minerals	AQI	back to support line	base metals, silver, gold
Alligator Energy	AGE	down after placement	uranium
Almonty Industries	AIL	surge to new high	tungsten
Alpha HPA	A4N	breached downtrend	HPA
American Rare Earths	ARR	drifting	rare earths
Anax Metals	ANX	new low after placement	copper

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Andean Silver	ASL		rising again	silver
Arafura Resources	ARU		rising	rare earths
Ardea Resources	ARL		breached uptrend	nickel
Arizona Lithium	AZL		new low	lithium
Astral Resources	AAR		back to support line	gold
Aureka	AKA		still in downtrend	gold exploration
Auric Mining	AWJ		down	gold
Aurora Energy Metals	1AE		heading down again	uranium
Aurelia Metals	AMI		collapse on guidance announcement	copper + base metals
Aurum Resources	AUE		rising	gold
Australian Gold and Copper	AGC		testing downtrend	base metals, silver, gold
Australian Rare Earths	AR3		at lows	rare earths
Australian Strategic Materials	ASM		spike then SPP and placement	rare earths
BHP	BHP		strong rally	diversified, iron ore
Ballymore Resources	BMR		rising	gold exploration
Barton Gold	BGD		rising	gold exploration
Beach Energy	BPT		down	oil and gas
Beetaloo Energy	BTL		testing downtrend	breached down trend
Bellevue Gold	BGL		sideways	gold
Besra Gold	BEZ		spike through downtrend	gold
Black Cat Syndicate	BC8		down	gold
Boab Metals	BML		spike then a placement	silver/lead
Brazil Critical Minerals	BCM		new low - two tranche plus 1 for 3	rare earths
Brazilian Rare Earths	BRE		spiked higher	rare earths
Brightstar Resources	BTR		ST down	gold
Caravel Minerals	CVV		down	copper
Carnaby Resources	CNB		new uptrend	copper
Castile Resources	CST		testing downtrend	gold/copper/cobalt
Catalyst Metals	CYL		surge higher	gold
Cazaly Resources	CAZ		spiked higher	rare earths
Celsius Resources	CLA		at lows	copper
Centaurus Metals	CTM		testing downtrend	nickel/cobalt/HPA
Challenger Gold	CEL		surge higher	gold
Cobalt Blue	COB		breached uptrend	cobalt
Cyprium Metals	CYM		rising	copper
Delta Lithium	DLI		sideways	gold/lithium
Emerald Resources	EMR		back to highs	gold
Emmerson Resources	ERM		sideways	gold
EQ Resources	EQR		burst out of downtrend, then pullback	tungsten
Estrella Resources	ESR		pullback	manganese
Evolution Mining	EVN		rising	gold
Felix Gold	FXG		pullback	gold exploration, antimony
First Graphene	FGR		down	graphene
Fortescue Metals	FMG		breached ST uptrend	iron ore

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Genesis Minerals	GMD		rising	gold
Globe Metals and Mining	GBE		down	niobium
Gold 50	G50		spike higher on discovery	gold exploration + gallium
Golden Horse	GHM		down	gold exploration
Great Boulder Resources	GBR		steeply higher	gold exploration
Green360 Tech (was Suvo)	GT3		steeply higher	kaolin
Hamelin Gold	HMG		rising	gold exploration
Heavy Minerals	HVY		new high	garnet
Hillgrove Resources	HGO		testing uptrend	copper
Iltani Resources	ILT		down	antimony
Iluka Resources	ILU		strong bounce	mineral sands
Jupiter Mines	JSM		improving	manganese
Kaiser Reef	KAU		improving	gold
Kalina Power	KPO		sideways	carbon sequestration
Koba Resources	KOB		down	uranium
Larvotto Resources	LRV		testing uptrend	gold, antimony
Lindian Resources	LIN		breached uptrend	rare earths + bauxite
Lotus Resources	LOT		rising again	uranium
Lynas Corp.	LYC		rising again	rare earths
Many Peaks	MPK		rising	gold exploration
Marmota	MEU		spiked higher on titanium discovery	gold/uranium exploration
Matsa Resources	MAT		strongly higher	gold
Mayur Resources	MRL		down	renewables, cement
Meeka Gold	MEK		uptrend	gold
MetalsX	MLX		back to support line	tin, nickel
Meteoric Resources	MEI		breached downtrend	rare earths
Metro Mining	MMI		on its support line	bauxite
Midas Minerals	MM1		new high	lithium
Native Mineral Resources	NMR		steeply higher	gold
New Murchison	NMG		rising	gold
New World Resources	NWC		rising	copper
Nexgen Energy	NXG		rising	uranium
Northern Star Res.	NST		fallen to support line	gold
Nova Minerals	NVA		sideways	gold exploration
Novo Resources	NVO		sideways	gold exploration
Pacific Gold	PGO		breached downtrend	gold exploration
Paladin Energy	PDN		breached downtrend	uranium
Pantoro	PNR		reconstruction 17 into 1	gold
Patriot Battery Metals	PMT		pullback after strong rally	lithium
Peninsula Energy	PEN		suspended	uranium
Perseus Mining	PRU		correcting lower	gold
QMiners	QML		still down	copper
Queensland Pacific Metals	QPM		turning down again	nickel/cobalt/HPA
Regis Resources	RRL		new high	gold

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Renegen	RLT		surged higher	gas, helium
Richmond Vanadium	RVT		down	vanadium
RIO	RIO		down	diversified, iron ore
RTG Mining	RTG		breached uptrend	copper
Rumble Resources	RTR		testing uptrend	zinc exploration
S2 Resources	S2R		down	gold exploration
Santana Minerals	SMI		sideways	gold
Santos	STO		spike higher on takeover approach	oil/gas
Sarytogan Graphite	SGA		rising	graphite
Scorpion Minerals	SCN		testing downtrend	gold exploration
Siren Gold	SNG		rising	gold exploration
Southern Palladium	SPD		spike then a placement	PGMs
Stanmore Coal	SMR		sideways	coal
St George Mining	SGQ		rising again	rare earths, niobium
Stellar Resources	SRZ		testing downtrend	tin
Sun Silver	SS1		higher	silver
Talga Resources	TLG		down	graphite
Tamboran Resources	TBN		testing downtrend	gas
Terra Uranium	T92		testing downtrend	uranium
Theta Gold Mines	TGM		rising again	gold
Toro Energy	TOE		breaching downtrend	uranium
Torque Metals	TOR		breached downtrend	gold exploration + lithium
Trigg Minerals	TMG		surged higher	antimony
Verity Resources	VRL		falling	gold
Vintage Energy	VEN		sideways	gas
Vertex Minerals	VTX		breached downtrend	gold
Warriedar Resources	WA8		stronger	gold exploration
Westgold Resources	WGX		spiked higher	gold
West Wits Mining	WWI		rising	gold
Whitehaven Coal	WHC		down	coal
White Cliff Minerals	WCN		breached uptrend	copper exploration
WIN Metals	WIN		breached uptrend	gold
Yandal Resources	YRL		burst out of downtrend	
Totals	46%	59	Uptrend	
	27%	35	Downtrend	
		129	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	32	24.8%	
Gold Exploration	18	14.0%	
Copper	13	10.1%	
Rare Earths	10	7.8%	
Uranium	10	7.8%	
Oil/Gas/Hydrogen	6	4.7%	
Iron Ore/Manganese	5	3.9%	
Lithium	3	2.3%	
Graphite/graphene	3	2.3%	
Nickel	3	2.3%	
Silver	3	2.3%	
HPA/Kaolin	2	1.6%	
Tungsten	2	1.6%	
Tin	2	1.6%	
Antimony	3	2.3%	
Coal	2	1.6%	
Niobium	2	1.6%	
Potash/Phosphate	1	0.8%	
Vanadium	1	0.8%	
Zinc/Lead	1	0.8%	
PGMs	1	0.8%	
Mineral Sands	1	0.8%	

Bauxite	1	0.8%	
Cobalt	1	0.8%	
Other	3	2.3%	
Total	129		

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