

Silver, and a Timely Copper Discovery for Litchfield in the NT

The pre-Christmas slowdown is upon us with volumes thinning and news flow slowing. It has been a great year for the mining sector with sentiment hitting a 15 year high in October. It was quite ridiculous actually, with the surge in rare earth stocks being something unpredictable on any fundamental view. Yet, it happened. Since then the sentiment has fallen a long way as punters are left wondering when the afterparty starts. Will there be a pre-Christmas rally? Maybe. The next few weeks will be interesting.

The fact that brokers are still busy raising capital is a testament to the underlying enthusiasm for mining stocks. There is nothing to suggest this won't carry over to the New Year.

The Trump administration is the most pro-mining US Government for many years. The unwinding of strategic stockpiles that has been going on for decades is being reversed. The US feels vulnerable to the long-term strategy of controlling specialty and critical metals and is moving to do something about it.

American money flowing into the mining sector will be a major theme next year that will underpin markets. Copper now sees blue skies ahead. The gold sector will continue to bask in the new regime of high profitability but the critical metals will provide the volatility and the trading opportunities.

The Chatter is all About Silver Now

Gold has been great but now it is all about switching to focus more on silver. Gold will continue to perform as evidenced by the surge in price last week, but silver is playing catch up, and some.

China is to implement silver export restrictions in January to preserve its inventory. This will affect approximately 60-70% of silver supply that has historically flowed from Chinese mining operations and doré imports to Western markets. The departure from the free market pricing method whereby China's exports were suppressing the price, is significant. Now, the direct intervention by the world's second largest silver producer signals a new era for the silver price. Silver bulls are rubbing their hands with glee.

Once again we see China intervening in the pricing of a strategic metal; critical here because of silver's application in solar cells and semiconductor manufacturing. At the moment this is leading to expectations of a much higher silver price but what will be the longer term impact? Will China crush the silver price at some point because it can, like we have seen with other metals that it controls?

How Australians can play the silver price, on the ASX

The ASX has never had a sizeable silver sector and where companies have flown the banner, domestically, the economics have usually looked rather skinny. Investigator

Resources (IVR) offers good leverage as it has a lower grade, whereas a company like West Coast Silver (WCE) has an exceptionally high grade for Australia.

So, you really have to go to the Americas, as quite a few Australian companies have done. The obvious candidates are Andean Silver (ASL), Mithrill Silver and Gold (MTH) and Sun Silver (SS1). All have done well in share price terms.

A new player is Black Bear Minerals (BKB), chaired by veteran promoter Matthew Hayes. It started trading on the ASX on 20 November. The shares have already risen from 47¢ to hit 74¢ in the space of a few weeks, giving it a capitalisation of \$101m (not sure if there are any escrowed shares not included this number). Its key project is the Shafter Silver Project in Texas, covering mineralisation that has been mined as far back as 1883, with 35 Moz having been produced. There is now a 17.6 Moz foreign Mineral Reserve Estimate. An 11 hole drill program has commenced to test for extensions outside of this.

Litchfield is Opening up a Cu/Zn Discovery

We have been following with interest the Litchfield Minerals (LMS) drilling results at its Onnagalabi copper exploration in the NT for a couple of months. The latest results from Phase Two included 148m of mineralisation from 17m downhole.

Back on 13 October Litchfield announced a discovery hole that took the share price from 20¢ to 83¢ in short order. Hole 10 delivered 104m at 1.3% CuEq from surface using pXRF analysis, including 21m at 2.26% CuEq. Four days later it reported disseminated and semi-massive to massive sulphides sporadically intersected between 180m and 291m when Hole 11 tested a VT2 conductor. Litchfield then slapped out a \$6m placement at 60¢ a share to take advantage of the euphoria at the time.

The good results kept coming with Hole 14 hitting 148m of continuous mineralisation from a depth of 17m. Assays for Hole 10 subsequently returned 91m of copper-zinc mineralisation grading 0.9% Cu and 1.3% Zn across four intercepts.

Skarn/carbonate replacement system

The exploration project is off to a flying start. So far it has been determined that this looks like a skarn/carbonate replacement system. While it is sedimentary in nature, the mineralisation could have come from distal leakage from a much larger intrusive hydrothermal system. The mineralised system plunges 15° to the NE and it is extensively folded, thereby adding structural complexity. The host rock is a metamorphosed carbonate that has turned into a marble, but there is a later stage event that has led to some magnetite alteration of amphibolite.

The discussion moved to consider whether there were Tennant Creek type elements here when it was noted that Hole 2 recorded 15m at 0.45 gpt Au and 0.17% Bi (but

there was no suggestion of an IOCG style) There was even some PGE anomalism recorded. So, as with all early exploration projects, there is much interpretation needed.

There appears to be only a shallow oxidised zone, generally 6-10m which at surface, and 17m at the deepest. This is better for metallurgical reasons.

The latest results and what will happen in 2026

Last week LMS reported 149m of continuous mineralisation including 90m at 0.6% Cu and 1.8% Zn in Hole 14, which was a 170m step-out from Hole 10 (90m at 0.9% Cu and 1.3% Zn). Thus the 1.5 km outcrop on Main Zone is giving further encouragement. There are another three holes in the labs with results expected in four weeks.

The New Year will see two important holes drilled in January to, as the company says, “unlock the intrusive engine”. One will target the Main Zone at a depth of 300m and the other will test the Bomb-Diggity prospect at a depth of 750m. Other drilling will continue throughout 2026

The Bottom Line

It is a common theme that when exploration stocks make a “discovery hole” we see the share price jump by hundreds of percent. The company then does a placement to take advantage of the situation. That placement usually caps the price and the shares start to drift lower while shareholders have to wait for more good news to arrest the slide. The best positioned traders will be those who sell into the initial strength and then look for a re-entry point for the subsequent bounce. That bounce may or may not come, depending on subsequent drill results.

This is the exact same scenario we are looking at with Litchfield. It is a legitimate Cu/Zn discovery but we can only speculate how large it will be. It is a developing story that could offer trading opportunities while the company unlocks the potential. Courtesy of the placement in October, Litchfield has a current cash balance of \$6.5m, so near term funding is not an issue.

Looking at Potential Movers in Bismuth and Scandium

We have covered both of these commodities in recent weeks. The most notable feature of these is the very thin physical volumes that are traded in the metals. Neither of them can sustain a profitable mining operation on their own. They will always be valuable co-products. Bismuth is more associated with copper deposits, so with the strength of the copper price it becomes more relevant. Scandium has more of an association with laterite nickel deposits. The nickel outlook is more problematic because of low cost production out of Indonesia, in particular.

We mentioned Hawk Resources as a speculative scandium play based on high grades from near surface sampling and because of the larger shareholders who are known for getting behind stocks that run. However, no-one has pressed the starting gun yet. The shares have been drifting lower.

Conversely, the Friedland-backed Sunrise Energy (SRL) has been surging higher. It is the sector leader and the inspiration, but Friedland stocks are somewhat enigmatic. They can be ice-breakers that can lead the way for more speculative wannabe stocks. Will the punters get behind Hawk? The first test is drilling over the next month or two. If

Hawk delivers on the grade, this may be another tick in the box.

Bismuth is more strategically relevant due to the military applications and more aggressive moves by China to control supply. This is the first time we have seen bismuth, once a nuisance by-product, take the spotlight. We have covered both Castile Resources and CuFe (CUF), suggesting that they both have a good story to tell. Castile has been more of a long term player whereas CuFE is a new kid on the block.

The CUF story is still getting out there so there is a greater propensity to attract new players to the game. It is interesting that Tony Sage controlled vehicles have been buying on market, aggressively. The flip side is that the sellers have been willing to supply stock, with the share price drifting lower over the week notwithstanding the buying. When does that selling slow sufficiently to allow the price to start rising?

Both of these specialist commodities promise to be interesting in 2026. They are for speculators only as the share price movements are unpredictable but at the same time they are almost assured. We will keep our finger on the pulse.

Agua's Sale of Atocha Silver Exploration Project

During the week Agua announced the sale of its Atocha silver exploration project in Colombia for C\$1m, conditional upon completion of due diligence by 31 January. Why would anyone sell a silver project now, just when silver is looking hot?

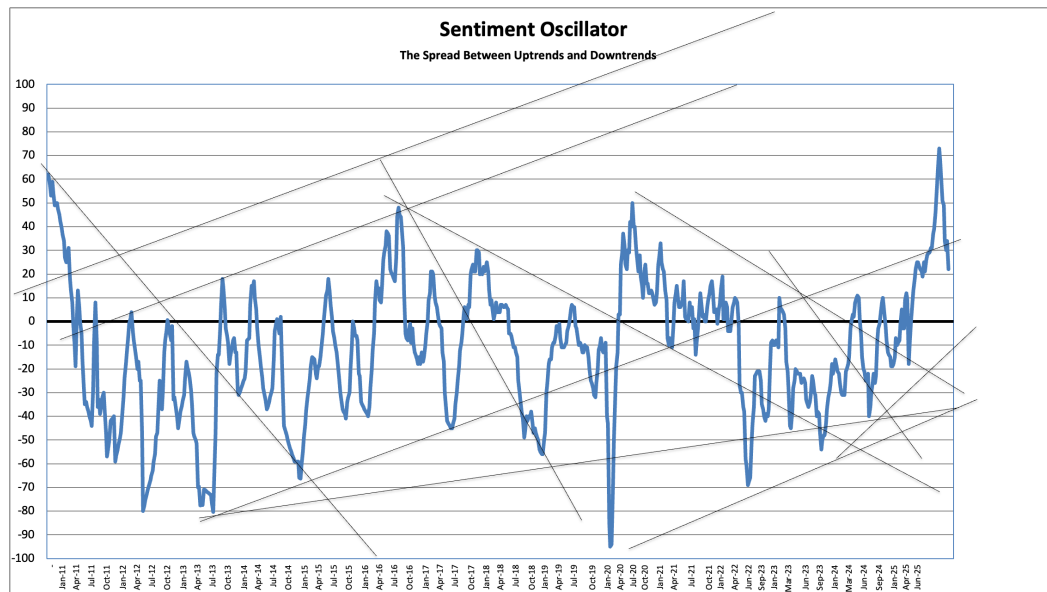
As the ASX release said, it was a non-core asset. On its own it is useful, but combined with other silver projects it becomes more valuable. In reality, Agua has its hands full with the high-grade Santa Barbara Gold Project and the soon to be commissioned Tres Estradas Phosphate Mine. It would be foolish to be distracted by yet another operation just now.

That said, Atocha is strategically located in an historical silver field. To the north, Outcrop Silver, capitalised at about C\$150m, has announced a silver resource. It has drilled, successfully, right up to Atocha's northern boundary. It has done the same to the south. Atocha is smack bang in the middle of the trend and this makes it is potentially strategically important to Outcrop. Despite discussion over many months, Agua did not arrive at terms with Outcrop that would provide meaningful upfront cash and exposure to the advancement of Atocha.

The deal announced last week gives C\$1m cash to Agua in January, upon closure. The buyer is a consortium of investors in Canada who are known as successful corporate operators. They intend to gather a number of silver projects for a new vehicle. Agua retains a 25% interest in the proceeds of the sale of Atocha into the new vehicle. That means it retains a 25% equity in the upside. We don't know the details yet but depending upon many factors it could be worth quite an amount. Certainly it will be worth more than just sitting as a non-core asset in the portfolio of Agua.

Disclosure: Interests associated with the author own shares and options in Agua and the author is Chairman.

We have added Mithrill Silver and Gold (MTH) to the chart coverage. Next week we will have a look at Marmota's gold discovery announced this week, and Lode Minerals, an interesting antimony stock in Tasmania.



Sentiment Oscillator: Sentiment fell during the week. There were 51% (56%) of shares under coverage in uptrend, and 29% (22%) 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		breached downtrend	
Metals and Mining	XMM		rising	
Energy	XEJ		breached downtrend	
Stocks	Code		Trend Comment (updated comments in bold)	Main Interest
Agua Resources	AGR		rallying from lows	phosphate, gold
Alkane Resources	ALK		rising again	gold
Alicanto Minerals	AQI		spiked higher	base metals, silver, gold
Alligator Energy	AGE		downtrend	uranium
Almonty Industries	ALI		surge to new high	tungsten
Alpha HPA	A4N		down	HPA
American Rare Earths	ARR		testing support line	rare earths
Anax Metals	ANX		sideways through uptrend	copper
Andean Silver	ASL		new high	silver
Aratura Resources	ARU		breaching uptrend	rare earths

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Ardea Resources	ARL		correcting lower	nickel
Ark Mines	AHK		new high	rare earths
Astral Resources	AAR		new high	gold
Aureka	AKA		spiked higher	gold exploration
Auric Mining	AWJ		testing uptrend	gold
Aurora Energy Metals	1AE		testing uptrend	uranium
Aurelia Metals	AMI		recovering	copper + base metals
Aurum Resources	AUE		trying to recover uptrend	gold
Australian Gold and Copper	AGC		rising	base metals, silver, gold
Australian Rare Earths	AR3		heavy slump	rare earths
Australian Strategic Materials	ASM		heavy correction	rare earths
BHP	BHP		rallying strongly	diversified, iron ore
Ballard Mining	BM1		rising	gold
Ballymore Resources	BMR		rising	gold exploration
Barton Gold	BGD		rising again	gold exploration
Beach Energy	BPT		at resistance line	oil and gas
Beetaloo Energy	BTL		breached uptrend	breached down trend
Bellevue Gold	BGL		higher	gold
Besra Gold	BEZ		down heavily	gold
Black Cat Syndicate	BC8		recovering	gold
Boab Metals	BML		spike then a placement	silver/lead
Brazilian Rare Earths	BRE		down	rare earths
Brightstar Resources	BTR		consolidating	gold
Caravel Minerals	CVV		rising	copper
Carnaby Resources	CNB		rising	copper
Castile Resources	CST		testing support line	gold/copper/cobalt
Catalyst Metals	CYL		breached uptrend	gold
Cazaly Resources	CAZ		breached uptrend	rare earths
Centaurus Metals	CTM		rising	nickel/cobalt/HPA
Challenger Gold	CEL		on support line	gold
Cobalt Blue	COB		down	cobalt
CuFe	CUF		correcting lower	bismuth
Cyprium Metals	CYM		higher	copper
Emerald Resources	EMR		back to highs	gold
Emmerson Resources	ERM		new high	gold
EQ Resources	EQR		rising	tungsten
Estrella Resources	ESR		down	manganese
Evolution Mining	EVN		new high	gold
Felix Gold	FXG		heavy slump	gold exploration, antimony
Finder Energy	FDR		correcting lower	oil/gas
First Graphene	FGR		breached uptrend	graphene
Flagship Minerals	FLG		sideways through uptrend line	gold
Genesis Minerals	GMD		surge to new high	gold
Globe Metals and Mining	GBE		correcting lower	niobium

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Gold 50	G50		surge higher	gold exploration + gallium
Golden Horse	GHM		rising	gold exploration
Great Boulder Resources	GBR		steeply higher	gold exploration
Green360 Tech	GT3		rallying	kaolin
Hamelin Gold	HMG		down	gold exploration
Hawk Resources	HWK		down	scandium
Heavy Minerals	HVY		testing uptrend	garnet
Hillgrove Resources	HGO		weaker	copper
Iltani Resources	ILT		testing downtrend	antimony
Iluka Resources	ILU		correcting lower	mineral sands
Investigator Resources	IVR		near its highs	silver
Jupiter Mines	JSM		improving	manganese
Kairos Minerals	KAI		rising	gold
Kaiser Reef	KAU		corrected lower	gold
Kalamazoo Resources	KRZ		rising	gold
Kalina Power	KPO		good rise	carbon sequestration
Koba Resources	KOB		slumped heavily	uranium
Larvotto Resources	LRV		return to highs	gold, antimony
Lindian Resources	LIN		rising	rare earths + bauxite
Lotus Resources	LOT		longer term downtrend	uranium
Lynas Corp.	LYC		down	rare earths
Many Peaks	MPK		breaching downtrend	gold exploration
Marmota	MEU		spiked on good drilling gold	gold/uranium exploration
Matsa Resources	MAT		rising	gold
Meeka Gold	MEK		at highs	gold
MetalsX	MLX		new high	tin, nickel
Meteoric Resources	MEI		heading lower	rare earths
Metro Mining	MMI		rising again	bauxite
Midas Minerals	MM1		testing uptrend	lithium
Mithril Silver & Gold	MTH		down	silver, gold
Native Mineral Resources	NMR		down	gold
New Murchison	NMG		rising	gold
New World Resources	NWC		rising	copper
Nexgen Energy	NXG		rising again	uranium
Northern Star Res.	NST		rising again	gold
Nova Minerals	NVA		heavy fall	gold exploration
Novo Resources	NVO		spike higher	gold exploration
Omega Oil	OMA		rising	oil
Pacific Gold	PGO		down	gold exploration
Pacific Lime & Cement	PLA		rising.gently	renewables, cement
Paladin Energy	PDN		rising again	uranium
Pantoro Gold	PNR		heavy correction	gold
Patriot Battery Metals	PMT		rising	lithium
Peninsula Energy	PEN		breached downtrend	uranium

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Perseus Mining	PRU		new high	gold
Prairie Lithium	PL9		new low	lithium
QMiner	QML		sideways	copper
Queensland Pacific Metals	QPM		sideways	nickel/cobalt/HPA
Regis Resources	RRL		rising	gold
Renegen	RLT		heavy pullback	gas, helium
Revolver Resources	RRR		breached uptrend	copper
Richmond Vanadium	RVT		down	vanadium
RIO	RIO		rising	diversified, iron ore
Rox Resources	RXL		testing downtrend	gold
RTG Mining	RTG		improving	copper
Rumble Resources	RTR		sideways	zinc exploration
S2 Resources	S2R		down	gold exploration
Santana Minerals	SMI		rising	gold
Santos	STO		slump	oil/gas
Sarytogan Graphite	SGA		breached uptrend	graphite
Scorpion Minerals	SCN		correcting lower	gold exploration
Siren Gold	SNG		testing uptrend - legal proceedings	gold exploration
Southern Palladium	SPD		new high	PGMs
Stanmore Coal	SMR		improving	coal
St George Mining	SGQ		correcting lower	rare earths, niobium
Stellar Resources	SRZ		corrected to trend line	tin
Sun Silver	SS1		higher	silver
Sunrise Metals	SRL		rising	scandium
Talga Resources	TLG		down	graphite
Tamboran Resources	TBN		rising	gas
Terra Uranium	T92		correcting lower	uranium
Toro Energy	TOE		spiked higher	uranium
Torque Metals	TOR		down	gold exploration + lithium
Toubani Resources	TRE		breached short term downtrend	gold
Trigg Minerals	TMG		down	antimony
Verity Resources	VRL		down	gold
Vertex Minerals	VTX		down	gold
Waratah Minerals	WTM		down	gold exploration + gallium
Westgold Resources	WGX		new high	gold
West Wits Mining	WWI		rising	gold
Whitehaven Coal	WHC		rising again	coal
White Cliff Minerals	WCN		down	copper exploration
WIN Metals	WIN		down	gold
Yandal Resources	YRL		down	
Totals	51%	71	Uptrend	
	29%	40	Downtrend	
		140	Total	

Guides to Chart Interpretations

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- 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.
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Weightings of Sectors Represented in the Company Charts

Sector	No. of Companies	Weighting	
Gold	38	27.1%	
Gold Exploration	19	13.6%	
Copper	14	10.0%	
Rare Earths	12	8.6%	
Uranium	9	6.4%	
Oil/Gas/Hydrogen	7	5.0%	
Silver	5	3.6%	
Iron Ore/Manganese	4	2.9%	
Lithium	2	1.4%	
Graphite/graphene	3	2.1%	
Nickel	3	2.1%	
HPA/Kaolin	2	1.4%	
Tungsten	2	1.4%	
Tin	2	1.4%	
Antimony	3	2.1%	
Coal	2	1.4%	
Niobium	2	1.4%	
Potash/Phosphate	1	0.7%	
Vanadium	1	0.7%	
Zinc/Lead	1	0.7%	
PGMs	1	0.7%	
Mineral Sands	1	0.7%	
Bauxite	1	0.7%	
Cobalt	1	0.7%	

Other	4	2.9%	
Total	140		

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