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FAR EAST CAPITAL
The Mining Investment Experts

Weekly Commentary

1 August 2026 *Chart comments updated on Friday's close* Analyst : Warwick Grigor

Dragging along the bottom

Investors have been asking why their favourite stocks are doing so poorly when only six months ago they were all the rage. They ask me what has gone wrong, as I perform the role of a grief counsellor (it gets a bit monotonous). The only real answer I can give is "it's a bear market". It is no one's fault but at the same time it is everyone's fault. No matter how good the individual merits of a particular stock may be, it is almost impossible to escape the claws of the bear. So, we all have to suck it in for the time being.

Sentiment Oscillator	
Charts in Uptrend:	14% (15%)
Charts in Downtrend:	63% (61%)

Kaiser Reef is Increasing Maldon Activity

A year ago at Diggers and Dealers, the former CEO of Kaiser Reef (KAU), Jonathan Downes, was emphatically excited to tell of the exploration upside at Maldon, in Central Victoria. It sounded good, but I was more influenced by the struggle at the A1 Gold Mine in Victoria.

The share price has tracked the gold price since then, rising from 18¢ to peak at 39¢ last February, before coming back 18¢ in the last few weeks. Does that make it a buy now? Brad Valiukas, the new MD of Kaiser Reef dropped around to see me last week.

The A1 Underground Gold Mine was placed on care and maintenance last September, a sensible move given that Kaiser had lost $20-25m over the past few years. It was always a struggle, notwithstanding the alluring history of high-grades over the decades, in stop-and-start small-scale mining episodes. When the current management realised that gold grades were petering out at depth, it was a no-brainer to shut it down. That left the Company with the Henty Gold Mine in Tasmania and the Maldon Gold Project in Victoria.

The Henty Gold Mine, Tasmania (100%)

The Henty Gold Mine is a deep, mature underground gold mine that was originally discovered and developed by Renison in the 1990s. It was purchased by Unity Mining in 2009, and passed to Catalyst Metals in 2016 when that company took over Unity. Kaiser bought it in May 2025, for $31.6m in cash and shares, giving Catalyst a 19.9% stake in Kaiser.

Grades of around 9 gpt enabled gold production of 100-150,000 oz p.a. in the early years. When Unity/Catalyst acquired it, production rates fell to 30-40,000 oz p.a. on grades of 5-6 gpt. Gold production has been around 26,000 oz pa under Kaiser's stewardship. The remaining resource is about 438,000 oz at 3.3 gpt. Cash costs are expected to be about A$4,000/oz, suggesting a cash operating margin of A$1,700/oz or $42m p.a. at recent gold prices. The 300,000 tpa processing plant has a 5-6 year production base on known resources, but exploration may lengthen the expected life. If you assume there is a 6 year life at 26,000 oz p.a., that implies a gross cash margin of A$265m over the remaining life.

The Maldon Gold Mine, Victoria (100%)

Maldon comprises a 200,000 tpa CIL treatment plant and an 187,000 oz Inferred gold resource in 1.3 Mt at 4.4 gpt. However, that plant is only processing 120-140,000 tpa at the moment. The plan is to process 566,000 tonnes at 0.48 pt for 8,600 oz over the next three years, operating five days per week. It may make money for the Company, but it is not going to excite anyone. The real story lies in the exploration upside.

Kaiser is refurbishing the 5m x 5m decline (it doesn't need a "tunnel") and getting set to commence drilling from an underground position in September. Together with an above-ground rig, a $10m budget is approved to drill 2,000m per month in 2026/27.

Mineralisation can range from the narrow 0.5m width, up to 8-10m wide. Historically, there were 1.75 Moz mined at an average grade of 28 gpt. However, the Company is cautiously expecting average head grades of 7 gpt from multiple shear zones dipping at 80°, in stopes averaging 4m in width, using long-hole open stoping. Maybe there will be zones at higher grades.

A reasonable target production rate of 300,000 tpa is suggested, based on current capacity with small upgrades to the plant. The metallurgy is straightforward with fine-grained gold associated with quartz and minor sulphides, not being refractory but requiring a fine 105 μm grind size.

The Eagle Hawk line of workings extends for a 4.4km strike length, to a maximum depth of 600m in places. There is plenty of exploration potential to be assessed over the coming year. Surface exploration has commenced, underground exploration is due to start shortly, and exploration development could commence as early as Q1 in 2027, leading to stoping 12 months later.

The Bottom Line

The Henty Mine offers a base on which to advance the Company, currently capitalised in the market at $113m. Kaiser is reasonably placed at these levels, on Henty alone. If it is managed well and more gold is found, the story could improve, but my comments were that the Company needs a game changer to motivate buyers of the stock. It needs more than incremental improvement in Henty.

That brings Maldon into play as perhaps the most significant project going forward. Currently, there is a modest 200,000 tpa CIL plant that will need to be expanded, but having this sets the Company aside in an advantageous position to convert any gold discoveries into a positive cash flow sooner than what could be achieved in many other Victorian gold positions.

Keep an eye out for drilling results over the next six months as an indicator of whether or not the new management's strategy is working. The shares are not expensive today, but we need to see motivational news flow. It is not a stock for wild punters, being more suited to rational investors with some optimistic views.

Kingfisher Advancing Copper Blow at Broken Hill

We last covered Kingfisher (KFM) in March, describing it as a modestly priced junior with what looks like a set on becoming a copper producer at Broken Hill, NSW. The journey to that status will be significantly easier due to the Processing and Operating Co-operation Agreement with Broken Hill Mines (BHM), a 25% owner of the most advanced deposit at Copper Blow. We caught up with CEO Chris Bittar during the week to get an update.

Copper Blow was previously drilled with about 70 holes along a 600m strike length point, disclosing a useful copper orebody. This could be selectively mined at grades of 3-4% Cu on mining of 4m widths, or more likely, at 1% Cu on widths up to 40m. It depends on the depths. Exploration upside is offered by a 4km long magnetic anomaly and depth extensions.

KFM has done enough in-fill drilling to confirm the historical data and is now moving to conduct extensional drilling in September, with a 3-4,000m drilling along strike and to depths up to 350m, in the central zone. High-grade intercepts were reported a couple of weeks ago that included 26m at 2.57% and 0.75 gpt Au with an interval of 13m at 4.07% Cu included, from 73m depth. Normal grade and width variations were reported, with a positive flavour.

Metallurgical test work is about to commence to see whether the oxide and transitional ore can be conveniently mixed with primary ore. Anything above 80% recovery in these closer to surface horizons would be regarded as positive, though rougher flotation tests have given recoveries as high as 90%. KFM's ore needs to fit in with BHM's plant configuration.

The current cash balance of $2.3m is thought to be sufficient to get to the Mineral Resource Estimate and the granting of a Mining Right by the end of 2027.

The Bottom Line

The share price has been steady since March at around 7.5-8¢, managing to avoid the junior market downturn. That is a good sign. News flow has been positive though share market liquidity has been limited, suggesting not much interest. However, that also means that the share price can be positively responsive to good news.

Nothing is guaranteed, but with further positive news we would expect the share price will move higher on increasing confidence levels for this junior copper play, and a general return of investors to the smaller end. At the very least, the downside is negligible. The shares are selling at option value. The availability of the Broken Hill processing plant is a big positive. A possible scenario is that Broken Hill will eventually take Kingfisher over.

ETM Was a Rare Earth Specialist in Greenland

I have known of Greenland Minerals (GTM) for a long time, as the owner of the very large Kvanefjeld rare earth project, dating back to 2007. Over the years the Company has seen the involvement of a number of colourful investors and promoters but it was always a bit too exotic for me; the location and the management. The resource was always impressive, but it was difficult to know who and what to believe, so it stayed in the "too hard basket".

That seems to have been the best place for it, as it has always had trouble gaining traction with local regulators, in part due to the uranium contained in the huge resource, but also because of resistance from environmentalists and locals. It could be one of those projects that are around for decades without any progress, notwithstanding the geological merit.

Bad news in June might spell the end …

Now named Energy Transition Minerals (ETM), the company recently saw its share price tank in June when the Greenland Government declined the request to extend its exploration licence, first applied for in September 2025. ETM is obviously disappointed and has embarked on an appeal process that has given a deadline for a submission by 26 October 2026. What happens thereafter is anyone's guess, but for the time being, the news has had the effect of halving the share price.

… Penouta is a more commercial project

The Penouta tin-tantalum-niobium project in Galicia, Spain, is undoubtedly the company's main asset now. This was purchased from the administrator of Strategic Minerals Spain S.L. That company redeveloped the Penouta project after acquiring it in 2011, progressing to the production of tin and tantalum with approximately $47m having been spent. However, the mine became subject to legal and environmental disputes that led to the suspension of operations in 2024. Strategic was highly geared at the time and unable to continue, so it went broke notwithstanding the underlying fundamentals of the operation. The sunk capital at that point was about A$50m. Penouta was acquired from the Administrator by ETM in September 2025, at the knock-down price of A$8.6m. The 2012 JORC resource is 108 Mt at grades of 437 ppm tin, 80 ppm Ta_2O_3, and 91 ppm NB_2O_5.

Favourable economics

I haven't got space this week to go into too much detail, so treat this as an interesting introduction, and I will follow it up later.

Everything points to this being a potentially profitable project for ETM, based on the short time that Strategic was operating. The > 1.5 Mpta plant earned US$12m revenue from sale of 603 tonnes of tin and tantalum concentrate in 2023, when the prices of these commodities were approximately 50% lower than today. The niobium in the tantalite concentrate was not a benefit at the time, except for some minor offsets. That would be different today. Recovery rates were only 50-60% then, but test work has shown that recoveries could actually be increased to 65-75% today. The higher commodity prices and the better recovery rates could make Penouta very profitable.

The Bottom Line

As disappointing as the rare earth news has been, it is largely irrelevant to ETM due to the potentially profitable Penouta tin, tantalum, and niobium project. All of these are considered critical metals today. I don't think the market is pricing Penouta into the share price at the moment.

The shares have fallen from 20¢ at the start of the year. A combination of the bear market and the news from Greenland has seen the price fall to a low of 3.5¢ in July, giving a market capitalisation of $110m today. The placement of $24.7m at 13¢ a share in January leaves the Company with a $41m cash balance now, which should be more than enough to restart the project. There are still a number of tasks to be completed over the next six months before the project can be restarted, but that is not too long to wait compared with so many other projects being promoted in the market. Normally, I am cautious of mining projects in Europe, but this seems as if it should be easier to re-permit.

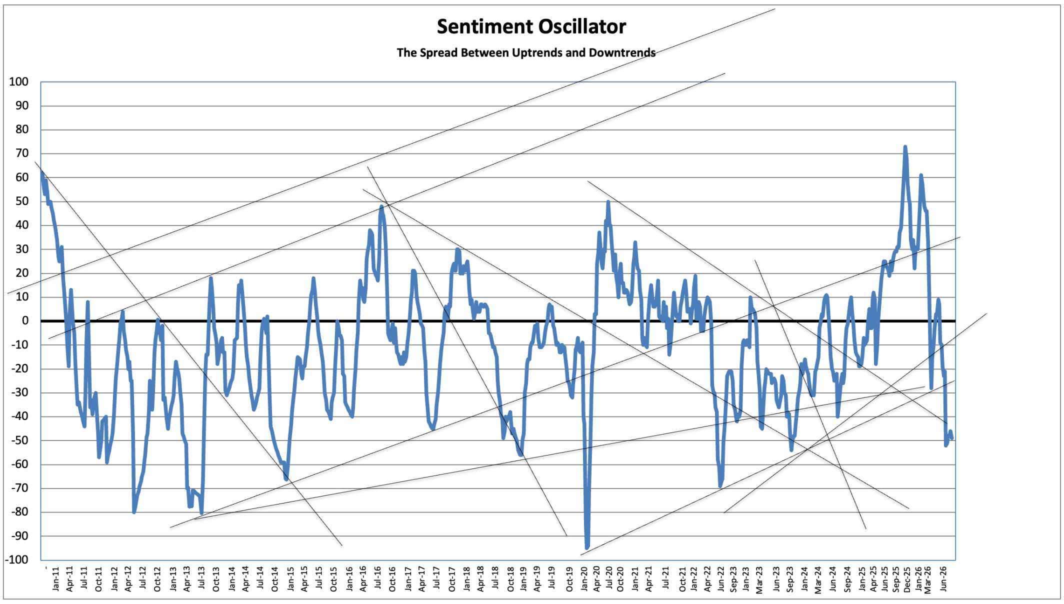
Evolution Mining Bid for Carnaby

On Monday, Evolution Mining bid for Carnaby Resources in what seems like a good deal, being 60% higher than Carnaby's previous closing price. The attraction is the Greater Dutches Copper Project, which is expected to produce 10,000 tpa of copper.

Torque Metals has lost its gloss.

Back in March, the Torque share price spiked to a high of 56¢ on the appointment of a new management team that had an excellent track record with Spartan Resources. Last week, the shares hit a low of 18¢, being a 67% fall from the earlier high. As optimistic as the market was in expecting a great new future, the reality is that even the best management can't stand up to a bear market. Maybe the future still looks good but time will tell.

We have deleted Besra Gold and Lotus Resources, and added BCI Minerals (BCI), Broken Hill Mines (BHM) and Energy Transition Minerals (ETM) to the chart coverage.



Sentiment Oscillator: Sentiment continued bounced around the bottom last week. There were 14% (15%) of shares under coverage in uptrend, and 63% (61%) 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 uptrend forming	
Metals and Mining	XMM		testing downtrend	
Energy	XEJ		breached downtrend	
Stocks	**Code**		**Trend Comment (updated comments in bold)**	**Main Interest**
Aguia Resources	AGR		down after placement	phosphate, gold
Akora	AKO		testing downtrend	iron ore
Alkane Resources	ALK		on support line	gold

Alligator Energy	AGE		new uptrend forming	uranium
Alpha HPA	A4N		falling	HPA
American Rare Earths	ARR		sideways	rare earths
American Tungsten & Antimony	AT4		breached downtrend	antimon
Anax Metals	ANX		down	copper
Andean Silver	ASL		sideways through downtrend	silver
AnteoTech	ADO		down	batteries
Arafura Resources	ARU		new low	rare earths
Ardea Resources	ARL		down	nickel
Ark Mines	AHK		new low	rare earths
Astral Resources	AAR			gold
Aureka	AKA		breached the downtrend	gold exploration
Auric Mining	AWJ		down	gold
Aurora Energy Metals	1AE			uranium
Aurelia Metals	AMI			copper + base metals
Aurum Resources	AUE		new low	gold exploration
Australian Gold and Copper	AGC		testing downtrend	base metals, silver, gold
Australian Rare Earths	AR3		down	rare earths
Australian Strategic Materials	ASM		new low	rare earths
BCI Minerals	BCI		sideways	salt
BHP	BHP		consolidating	diversified, iron ore
Ballard Mining	BM1		new low	lithium
Ballymore Resources	BMR		breached downtrend	gold exploration
Barton Gold	BGD		new low	gold exploration
Beach Energy	BPT			oil and gas
Beetaloo Energy	BTL		new low	gas
Bellevue Gold	BGL		at lows	gold
Black Cat Syndicate	BC8			gold
Boa Resources	BOA		bounced on support line	copper
Boab Metals	BML		breached downtrend	silver/lead
Brazilian Rare Earths	BRE		at lows	rare earths
Brightstar Resources	BTR		at lows	gold
Broken Hill Mines	BHM		breaching downtrend	base metals
Canadian Phosphate	CP8		down	phosphate
Caravel Minerals	CVV		down	copper
Carnaby Resources	CNB		spike out of downtrend on takeover	copper
Castile Resources	CST		down	gold/copper/cobalt
Catalyst Metals	CYL		down	gold
Cazaly Resources	CAZ		down	rare earths
Centaurus Metals	CTM		down	nickel/cobalt/HPA
Challenger Gold	CEL			gold
CNG Resources	CGR		consolidating after rise	gold exploration
Cobalt Blue	COB			cobalt
CuFe	CUF		on support line	bismuth, Cu, Au

Cyprium Metals	CYM			copper
Energy Transition Metals	ETM		down	rare earths
EQ Resources	EQR		sideways	tungsten
Estrella Resources	ESR		sideways	manganese
Evolution Mining	EVN			gold
Felix Gold	FXG		at lows	gold exploration, antimony
Finder Energy	FDR			oil/gas
First Graphene	FGR			graphene
Flagship Minerals	FLG		down	gold
Gateway Mining	GML		down	gold exploration + gallium
GBM Resources	GBM		down	gold
Genesis Minerals	GMD		sideways	gold
Globe Metals and Mining	GBE			niobium
Gold 50	G50		testing downtrend	gold exploration + gallium
Golden Horse	GHM		down	gold exploration
Great Boulder Resources	GBR		new low	gold exploration
Green360 Tech	GT3		down	kaolin
Hamelin Gold	HMG		rising	gold exploration
Hawk Resources	HWK		down	scandium
Heavy Minerals	HVY		down	garnet
Hillgrove Resources	HGO		rising	copper
Iltani Resources	ILT		down	antimony
Iluka Resources	ILU		down	mineral sands
Investigator Resources	IVR		down	silver
Jupiter Mines	JMS		sideways	manganese
Kaiser Reef	KAU		at lows	gold
Kingfisher Minerals	KFM		sideways through downtrend	copper expl.
Kalamazoo Resources	KRZ		down	gold
Kalina Power	KPO		rising	data centre power
Koba Resources	KOB		breached downtrend	uranium
Larvotto Resources	LRV		correcting lower	gold, antimony
Litchfield Minerals	LMS		new low	copper exploration
Lindian Resources	LIN		weaker	rare earths + bauxite
Lode Resources	LDR		down	antimony, silver
Lynas Corp.	LYC		new low	rare earths
Mammoth	M79			gold exploration
Many Peaks	MPK			gold exploration
Marmota	MEU		down	gold/uranium exploration
Matsa Resources	MAT		new low	gold
Meeka Gold	MEK		at lows	gold
MetalsX	MLX		rising	tin, nickel
Meteoric Resources	MEI		rising again	rare earths
Midas Minerals	MM1		down	lithium
Mithril Silver & Gold	MTH		new low	silver, gold

Native Mineral Resources	NMR		improving	gold
New Murchison	NMG		sideways	gold
Nexgen Energy	NXG		at lows	uranium
Novo Resources	NVO		down	gold exploration
Omega Oil	OMA		breached uptrend	oil
Pacific Gold	PGO		at highs pre placement	gold exploration
Pacific Lime & Cement	PLA		rising	renewables, cement
Paladin Energy	PDN		at lows	uranium
Pantoro Gold	PNR		at lows	gold
Patriot Battery Metals	PMT		at lows	lithium
Peninsula Energy	PEN		collapse	uranium
Perseus Mining	PRU		sideways	gold
Phosco	PHO		sideways	phosphate
Pilbara Minerals	PGL		down	gold
PolarX	PXX			gold exploration, base metals
Power Minerals	PNN		down	rare earths
QMines	QML		sideways	copper
Regis Resources	RRL			gold
Revolver Resources	RRR		at lows	copper
Richmond Vanadium	RVT		down	vanadium
RIO	RIO		breached downtrend	diversified, iron ore
Rox Resources	RXL		down	gold
RTG Mining	RTG			copper
Rumble Resources	RTR			zinc, gold, tungsten exploration
Santana Minerals	SMI		down	gold
Santos	STO		at highs	oil/gas
Sarytogan Graphite	SGA			graphite
Scorpion Minerals	SCN		down	gold exploration
Sinclair Gold (was AQI)	SGC			gold exploration
Siren Gold	SNG		down	gold exploration
Skylark Minerals	SKM		down	gold exploration
Somerset Minerals	SMM		down	copper exploration
Southern Palladium	SPD		improving	PGMs
Stanmore Coal	SMR		down	coal
St George Mining	SGQ		down	rare earths, niobium
Stellar Resources	SRZ			tin
Sun Silver	SS1		down	silver
Sunrise Metals	SRL		down	scandium
Tamboran Resources	TBN		sideways	gas
Theta Gold	TGM		on support line	gold
Tivan	TVN		resuming downtrend	fluorite
Torque Metals	TOR		new low	gold exploration + lithium
Toubani Resources	TRE		new low	gold
Verity Resources	VRL		down	gold

Vertex Minerals	VTX		down	gold
Waratah Minerals	WTM		down	gold exploration
Westgold Resources	WGX		sideways through downtrend	gold
West Wits Mining	WWI		down	gold
Whitehaven Coal	WHC		down	coal
White Cliff Minerals	WCN		sideways	copper exploration
WIN Metals	WIN		down	gold
Yandal Resources	YRL		down	gold exploration
Totals	14%	20	Uptrend	
	63%	90	Downtrend	
		143		

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	**33**	**23.1%**	
Gold Exploration	**24**	**16.8%**	
Copper	**14**	**9.8%**	
Rare Earths	**13**	**9.1%**	
Uranium	**6**	**4.2%**	
Oil/Gas/Hydrogen	**6**	**4.2%**	
Silver	**6**	**4.2%**	
Iron Ore/Manganese	**5**	**3.5%**	
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%**	
Cobalt	**1**	**0.7%**	
Other	**6**	**4.2%**	
Total	**143**		

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