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FAR EAST CAPITAL
The Mining Investment Experts

Weekly Commentary

22 November 2025 *Chart comments **not updated*** Analyst : Warwick Grigor

Capital raisings for gold companies are still strong

The gold price has recently found a level of support in the US$4,000-$4,200/oz range. Having had the price correction we are starting to see North American markets acting with more confidence in gold equities. We also hear that the Canadian market is coming back to life. Australian brokers are making money hand over fist doing placements to US institutions.

Ausgold $80m Placement is a Case in Point

Last week Ausgold (AUC) announced an $80m, two tranche placement. The first $50m tranche is unconditional. The second tranche of $30m is conditional upon the gold price not falling more than 10%, amongst other conditions.

The noteworthy point was that most of this placement went to US institutions, and there was a relatively small discount of 3.2% on the 5 day VWAP. That suggest real appetite.

Ausgold's Katanning Gold Project in WA has been around for many years and for most of this time it has been relatively unloved. However, with the passage of time and the new gold price regime the economics look much more attractive. The feasibility study released mid-year shows an IRR of 53% and a short payback period of only 13 months i.e. very short. Capex is sizeable at $355m for a 3.6 Mtpa project but that is unlikely to be a problem, especially seeing as the above numbers were based on a gold price of only A$4,300/oz. Gold production would be 140,000 oz p.a. for the first four years of a 10 year mine life, from a Mineral Resource of 1.25 Moz at 1.11 gpt. Reserves are 85% Proven. The waste to ore ratio is 6.85:1. If Ausgold commits to the development by mid 2026, we could see gold production some time in 2028. Interestingly. the estimated capex is similar to the market capitalisation of $340m.

Australian gold equities are still cheap

We still believe that ASX-listed gold equities do not yet reflect the implied profitability that comes with these bullion prices. The rise has happened too quickly and with some level of disbelief, but the longer gold stays around these levels the more confidence will flow into share prices. There are just so many on the table that it takes a while to get around to reviewing them.

Lead times are longer in this cycle

As I scroll through the various companies with advanced gold projects in WA, I note that most of them are 2-3 years off first production. These are beyond the exploration phase and into various development studies ahead of a final investment decision. Time frames are probably twice as long as they would have been 20 years ago, courtesy of red, green and black tape. Anyone looking for a fast track to production and cash flow to take advantage of the booming gold price will need to be patient, but there is a handful of more early moving junior companies to consider who can use existing plants. The industry is going to be constrained by the availability of experienced construction and development personnel, amongst other skills.

121 Conference, London

The London 121 Cconference was held last week with 140 companies manning the booths. They are mostly Canadian companies but there was a fair smattering of Aussies there as well. We will start to cover them in this edition.

International Graphite (IG6): Price 6.7¢ Mkt Cap. 13.1¢

It is interesting how the ASX-listed graphite companies emerged on the back of the Syrah Resources (SYR) promotion over 10 years ago. That company was technically an operational failure and eventually a share market failure with the shares peaking at $5.27 in 2016, and now trading at 28¢. Nevertheless, dozens of companies have entered the space since then. I can't recall any of them being a commercial success. Most of them try to find some angle to set themselves aside from the rest of the pack and this usually has something to do with downstream processing, but success is still elusive.

International Graphite, based at Ravensthorpe and Collie in WA, has correctly decided to focus on the marketing of graphite ahead of drilling out a large resource. It has spent about $5m planning for a micronising and spheronising plant with another $10.5m needing to be spent. Fortunately it has been the beneficiary of $17m in government grants, with $10.5m still available.

Capital expenditure of $8m is required for two production lines producing 4,000 tpa of 45 μm and 20 μm product sizes. Starting with a resource grade of about 10%, it can increase the grade to 94-95% with flotation, and purify it to 99.95% with hydrochloric acid. That is sufficient to be called battery grade graphite. Ultimately it wants to ramp up production to 30,000 tpa, but there are many steps to climb first.

Whether or not IG6 will become a commercial success is too difficult to say. It seems to have good political connections that can give it a boost, but that alone is not enough. The share price has been in a long term downtrend since the IPO, so there is limited expectation built into it at these levels. We will keep a watching brief on the Company.

Noteworthy deal for Havilah

Havilah Resources (HAV) is an Adelaide-based exploration company that has been around for as long as I can remember. It has been running with large low grade copper gold projects in South Australia, west of Broken Hill in the Curnamona Province, for at least 20 years. I delved into the stock back then, looking for a corporate outcome, but nothing eventuated because the project "wasn't big enough". Yet, there has always been the potential for a 20 year project at Kalkaroo capable of producing 45,000 tpa of copper and 100,000 oz p.a. of gold. At long last the

Company has found a major development partner to step up to the plate.

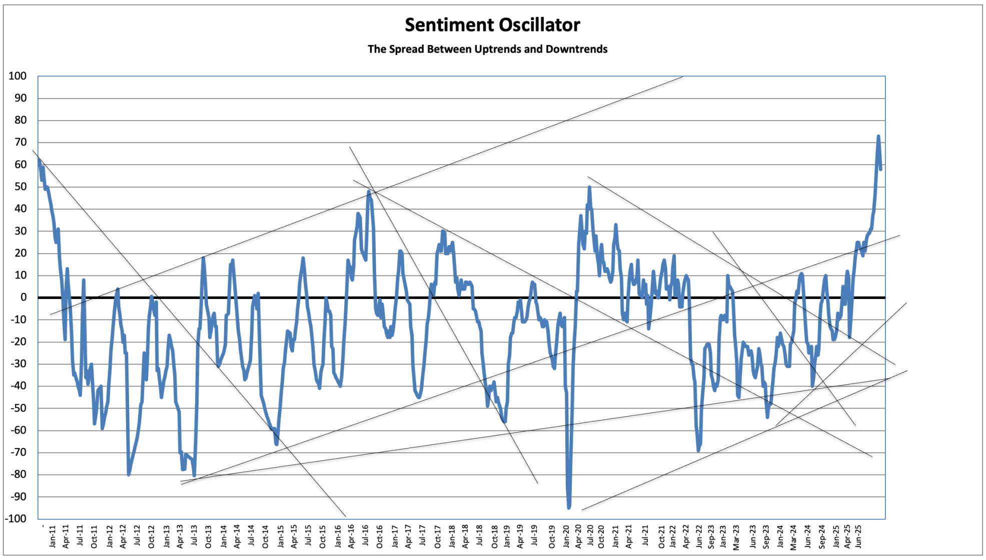
WA-based Sandfire Resources was birthed on the success of the Degrassa copper/gold project in WA. It expanded into overseas assets in the Kalahari Copper Belt, and now it has returned to Australia for its next possible development. It is committing $30m over the next two years, exploring ahead of the option to acquire an 80% interest for $210m in cash and shares. The first step is a pre-feasibility study.

The Bottom Line

The development of a mine at Kalkaroo is not guaranteed as there will be at least 2-3 years of studies to conduct as Sandfire digs deeper into what is involved, but it is a great step forward for Havilah shareholders after many years of waiting. Retaining a 20% stake in the project going forward is good, but the value of this equity is now up to Sandfire and whether it delivers on initial expectations. Objectively, Havilah shareholder can be optimistic with good cause.

This is the second significant copper deal announced by junior Australian copper companies this month. The first was that of Caravel's in WA. They offer inspiration to the rest of the Australian copper explorers

Perhaps the most important observation is that you need patience in mining. There are many merit worthy projects on the table all around the globe, but the key to getting on top of the list comes down to many factors. Size and grade, jurisdiction, and forecast copper prices are relevant but perhaps the most important aspect once these criteria have been met is the ability of the management to attract a partner and negotiate a deal (if you are a junior). You can't escape that personal effort and effective salesmanship.



Sentiment Oscillator: Sentiment continued to fall during the week as markets were moving back towards a more reasoned view. There were 72% (78%) of shares under coverage in uptrend, and only 14% (10%) 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		come back to support line	
Metals and Mining	XMM		new high, then a pullback	
Energy	XEJ		breached downtrend	
Stocks	**Code**		**Trend Comment (updated comments in bold)**	**Main Interest**

Aguia Resources	AGR		at lows	phosphate, gold
Alkane Resources	ALK		off its highs	gold
Alicanto Minerals	AQI		spiked higher	base metals, silver, gold
Alligator Energy	AGE		down	uranium
Almonty Industries	AII		surge to new high	tungsten
Alpha HPA	A4N		down	HPA
American Rare Earths	ARR		spiked higher then heavy slump	rare earths
Anax Metals	ANX		rising again	copper
Andean Silver	ASL		heavy correction	silver
Arafura Resources	ARU		heavy slump on $475m placement	rare earths
Ardea Resources	ARL		rising	nickel
Ark Mines	AHK		new high	rare earths
Astral Resources	AAR		new high	gold
Aureka	AKA		spiked higher	gold exploration
Auric Mining	AWJ		rising	gold
Aurora Energy Metals	1AE		spiked higher	uranium
Aurelia Metals	AMI		recovering	copper + base metals
Aurum Resources	AUE		testing 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		rising	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		strongly higher	breached down trend
Bellevue Gold	BGL		higher	gold
Besra Gold	BEZ		spiked higher	gold
Black Cat Syndicate	BC8		spiked higher	gold
Boab Metals	BML		spike then a placement	silver/lead
Brazilian Rare Earths	BRE		new high	rare earths
Brightstar Resources	BTR		consolidating	gold
Caravel Minerals	CVV		breached downtrend	copper
Carnaby Resources	CNB		rising	copper
Castile Resources	CST		pullback to support	gold/copper/cobalt
Catalyst Metals	CYL		pullback	gold
Cazaly Resources	CAZ		spiked higher	rare earths
Centaurus Metals	CTM		rising	nickel/cobalt/HPA
Challenger Gold	CEL		surge higher	gold
Cobalt Blue	COB		down heavily	cobalt
Cyprium Metals	CYM		higher	copper
Emerald Resources	EMR		back to highs	gold
Emmerson Resources	ERM		new high	gold

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EQ Resources	EQR		spiked higher	tungsten
Estrella Resources	ESR		down	manganese
Evolution Mining	EVN		new high	gold
Felix Gold	FXG		heavy slump	gold exploration, antimony
Finder Energy	FDR		spiked to new high	oil/gas
First Graphene	FGR		new high	graphene
Flagship Minerals	FLG		spiked higher	gold
Genesis Minerals	GMD		surge to new high	gold
Globe Metals and Mining	GBE		off its highs	niobium
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		rising	scandium
Heavy Minerals	HVY		new high	garnet
Hillgrove Resources	HGO		weaker	copper
Iltani Resources	ILT		off its highs	antimony
Iluka Resources	ILU		strongly higher	mineral sands
Investigator Resources	IVR		back to support line	silver
Jupiter Mines	JSM		improving	manganese
Kairos Minerals	KAI		rising	gold
Kaiser Reef	KAU		new high	gold
Kalamazoo Resources	KRZ		rising	gold
Kalina Power	KPO		good rise	carbon sequestration
Koba Resources	KOB		steep rise	uranium
Larvotto Resources	LRV		return to highs	gold, antimony
Lindian Resources	LIN		slump	rare earths + bauxite
Lotus Resources	LOT		rising again	uranium
Lynas Corp.	LYC		heavy slump	rare earths
Many Peaks	MPK		down	gold exploration
Marmota	MEU		higher	gold/uranium exploration
Matsa Resources	MAT		strongly higher	gold
Mayur Resources	MRL		sideways	renewables, cement
Meeka Gold	MEK		at highs	gold
MetalsX	MLX		new high	tin, nickel
Meteoric Resources	MEI		new high	rare earths
Metro Mining	MMI		rising again	bauxite
Midas Minerals	MM1		new high	lithium
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		spiked higher on gold acquisition	gold exploration
Paladin Energy	PDN		breached downtrend	uranium
Pantoro Gold	PNR		heavy correction	gold
Patriot Battery Metals	PMT		pullback	lithium
Peninsula Energy	PEN		steep rise	uranium
Perseus Mining	PRU		new high	gold
Prairie Lithium	PL9		new low	lithium
QMines	QML		rising	copper
Queensland Pacific Metals	QPM		rising	nickel/cobalt/HPA
Regis Resources	RRL		rising	gold
Renergen	RLT		pullback	gas, helium
Revolver Resources	RRR		rising	copper
Richmond Vanadium	RVT		down	vanadium
RIO	RIO		rising	diversified, iron ore
RTG Mining	RTG		improving	copper
Rumble Resources	RTR		rising	zinc exploration
S2 Resources	S2R		sideways	gold exploration
Santana Minerals	SMI		rising	gold
Santos	STO		slump	oil/gas
Sarytogan Graphite	SGA		sideways	graphite
Scorpion Minerals	SCN		spiked higher	gold exploration
Siren Gold	SNG		spiked higher	gold exploration
Southern Palladium	SPD		spiked higher	PGMs
Stanmore Coal	SMR		improving	coal
St George Mining	SGQ		rising again	rare earths, niobium
Stellar Resources	SRZ		strongly higher	tin
Sun Silver	SS1		higher	silver
Sunrise Metals	SRL		rising	scandium
Talga Resources	TLG		down	graphite
Tamboran Resources	TBN		rising	gas
Terra Uranium	T92		higher	uranium
Theta Gold Mines	TGM		rising again	gold
Toro Energy	TOE		spiked higher	uranium
Torque Metals	TOR		down	gold exploration + lithium
Toubani Resources	TRE		new high	gold
Trigg Minerals	TMG		spiked higher	antimony
Verity Resources	VRL		down	gold
Vertex Minerals	VTX		down	gold
Waratah Minerals	WTM		off its highs	gold exploration + gallium
Westgold Resources	WGX		new high	gold
West Wits Mining	WWI		rising	gold

Whitehaven Coal	WHC		breached uptrend	coal
White Cliff Minerals	WCN		down	copper exploration
WIN Metals	WIN		spiked higher	gold
Yandal Resources	YRL		new high	
Totals	72%	98	Uptrend	
	14%	19	Downtrend	
		136	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	**36**	**26.5%**	
Gold Exploration	**18**	**13.2%**	
Copper	**14**	**10.3%**	
Rare Earths	**12**	**8.8%**	
Uranium	**10**	**7.4%**	
Oil/Gas/Hydrogen	**7**	**5.1%**	
Iron Ore/Manganese	**4**	**2.9%**	
Lithium	**2**	**1.5%**	
Graphite/graphene	**3**	**2.2%**	
Nickel	**3**	**2.2%**	
Silver	**4**	**2.9%**	
HPA/Kaolin	**2**	**1.5%**	
Tungsten	**2**	**1.5%**	
Tin	**2**	**1.5%**	
Antimony	**3**	**2.2%**	
Coal	**2**	**1.5%**	
Niobium	**2**	**1.5%**	
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	**3**	**2.2%**	
Total	**136**		

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