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FAR EAST CAPITAL
The Mining Investment Experts

Weekly Commentary

22 November 2025 *Chart comments updated on Friday's close* Analyst : Warwick Grigor

Rox Resources looks to be a promising gold producer

Sentiment Oscillator proves its worth

The benefit of the Sentiment Oscillator, on page three of the Weekly, has been highlighted again when it identified the market as being the most overheated we have seen in 15 years. That was the point to have been exiting the market, regardless of what you held.

This tool allows you to step back from the euphoria at the time and place the market in perspective. Those who did use the Oscillator and began selling into a hot market will be smiling now. You seldom get the chance to totally exit, but at least you can reduce positions near the peak.

They say that no-one rings a bell at the top. Well, the Sentiment Oscillator goes close.

Rox Resources looking promising

Perhaps the most interesting gold companies I saw at the 121 Conference was Rox Resources (RXL), capitalised at $368m with a share price of 39¢. It recently completed a DFS for its Youanmi Gold Project in WA. On the back of this study, it then raised $200m in a two tranche placement at 35¢ a share, using Canaccord, Euroz Hartley and Petra Capital. Only the first tranche is included in the market capitalisation mentioned above. The $134m second tranche is due for settlement in mid December.

Mineable resource numbers - 900,000 oz

The Youanmi location in WA has been known for high gold grades going back to the 1990s, with the small but high grade Penny West deposit being most notable from those times. Now there is a Probable Ore Reserve estimate of 4.4 Mt at 4.8 gpt for 674,000 oz. The mine plan aims to extract 5.7 Mt at 4.9 gpt for the recovery of 900,000 oz.

Sizeable capex estimate - $383m

At $383m, the pre-production capex is not insubstantial for a gold mine with a mine life of only seven years. Nevertheless, the payback period of 1.9 years is still under the 2 year figure that I use as a key indicator. Another $171m has been allocated to the sustaining capital line. The plant size will nominally be 1 Mpta but will start at 0.9 Mtpa.

Overall economics look good

When you look at the unleveraged post tax Project NPV of $965m and relate this back to the market capitalisation, there is plenty of room for upside in the share price (based on A$5,200/oz). The AISC of A$1,978/oz is less than one third of the current spot price. This equates to A$284 per tonne mined and processed, including royalties and sustaining capital.

Mining ahead of plant commissioning

As usual for underground mines the mining is starting now, well ahead of plant construction. We have seen a number of examples where underground mines have gotten in to scheduling problems when it comes to balancing development and stoping ores. Addressing this, Rox is thinking ahead with a plan to build a stockpile of 190,000 tonnes pre-processing commencing. At only 3.3 gpt, this is obviously diluted by lower grade development ore. It won't achieve steady state mine production for another two years.

Plant construction is expected to commence in Q1 2026, enabling first gold production in mid 2027.

Underground mining is always more complicated

At a risk of becoming too technical, it is important to understand the underground mining methods to be used. Rox will employ two varieties of the long hole open stoping technique; pillars for support above depths of 600m, and a modified Avoca (backfilling) method below 600m. A dilution factor of 10% was applied to all development drives at zero grade. A 95% recovery factor was applied to stopes. Level spacing will be at 20m intervals. The orebodies generally dip at 75 degrees on the Portland and Main locations, but the dip falls away to 55 degrees north of the United North Fault, necessitating a reduced level spacing of 15m. No remnant mining areas have been considered. Minimum mining widths will be 2m.

Apologies for going into so much technical detail but underground mining is more complicated than open pits. As much as you can plan ahead, it is only when you start operating that you start to properly understand the orebody. Providing the above information gives you a better appreciation of what is involved. You can go through the ASX release of 13 November for more technical details.

Rox will use Byrnecut Mining as the contractor for the first four years, being one of the most qualified mining contractors in the business.

Semi-refractory ore - more complicated

Youanmi will need a more specialised treatment plant as 92% of the gold is in sulphides. The arsenopyrite ore will need to be ground to a 12 micron size before being oxidised using the Albion Process, the technology developed by MIM and now owned by Glencore. There are not many plants using this process but I did see one in the Dominican Republic a few years back. I believe there is one working successfully in Armenia. Nevertheless, there is some level of technological risk that needs to be appreciated. It might not be a walk in the park. To date, Rox has successfully completed a 40 week test program on a 1.4 tonne sample. So far so good, but on a small scale. Processing costs are invariably higher with this type of recovery circuit. Here, Rox is looking at A$85.00 per tonne.

Financing

Now that the $200m in equity is spoken for, Rox is moving towards financial closure on a debt facility that it expects to close in January.

The Bottom Line

At the start I described Rox as "interesting". Maybe I could have also said challenging. Nevertheless, Rox is an example of a company well poised to benefit from the new gold price regime, but there is still plenty of work ahead of it to deliver on the business model. There is nothing to say that it won't be successful.

You would not call Youanmi exceptional in terms of size, nor would you say that it is a prospective notably low cost producer, but it it is still looking like it will be a good quality company with a sound resource base that could grow at depth.

The two main risk areas to bear in mind are the development of the underground mine and getting the mix of development and stoping ore correct, and the operation of the Albion Process. Both fall into the general category I often refer to as the commissioning risk. It will take a period of optimisation once the key is turned on.

Aguia Poised to Profit from Brazil's Surging Demand for Fertilisers

In the first instance Aguia comes across as a mining company, but it is much more than that. It is the gateway to profits from the surging demand for fertilisers in one of the largest agricultural producing countries in the world.

When Aguia starts producing in March/April next year, it will be the first step along a growth curve that will see progressive expansion that could lead to cash profits approaching $100m within a few years.

The food thematic will continue to be highlighted as the world population grows. Food is essentially recession proof. Whatever happens in the world economically, people will need to eat. Aguia is positioned to benefit from this thematic.

Specifically, in Brazil there is strong reliance on imported fertilisers. Now there is a government supported drive to boost domestic production.

Brazilian soils are known for their high acidity. This makes the soil in southern Brazil particularly suited to Aguia's organic rock phosphate but at the moment, Rio Grand de Sol it is reliant on imported synthetic phosphates. This material releases its fertilising content quickly but it reacts adversely with iron and aluminium. It is sufficiently problematic that countries like Uruguay are moving to ban the use of synthetic phosphates. Uruguay is a potential market for Aguia.

In contrast, the rock phosphate releases much more slowly and it reacts better in the soils. It is the preferred additive but at the moment, there is no reliable supplier. That is where Aguia fits in.

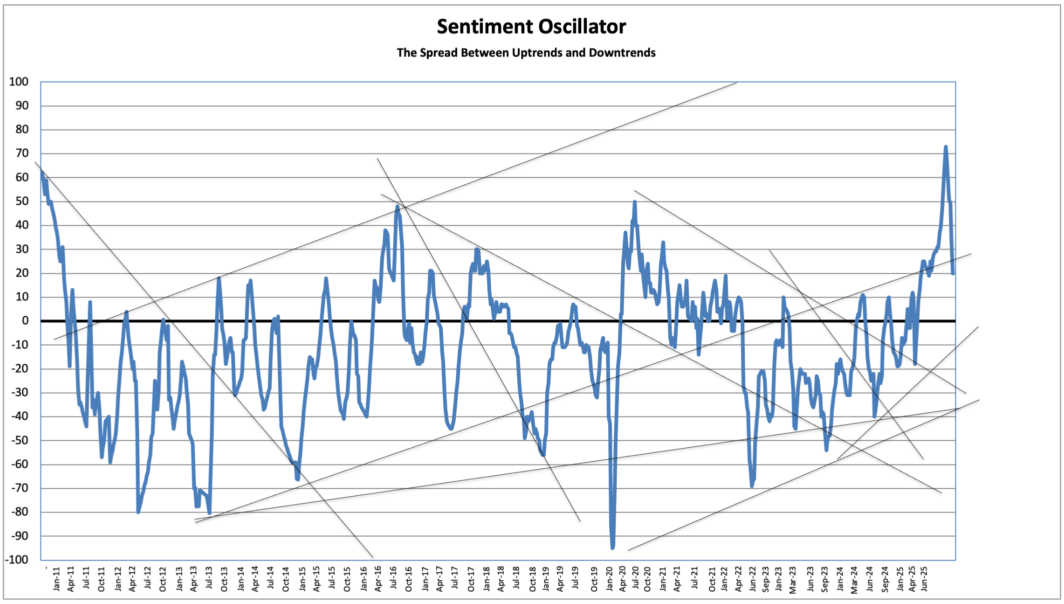
In his recent presentation the CEO, Tim Hosking, described the growth path over the next few years. It starts with the DB plant at 160,000 tpa. Once the sales book has been filled and demand is evident, this plant will double its capacity with a second rotary kiln. At current phosphate prices that suggests a cash operating margin in excess of A$40m p.a. would be possible. The next step would be to construct and commission a stand-alone facility at the Tres Estradas site with a similar capacity. There is also the possibility of using a toll treatment plant near Cacapava, to process material from orebodies near that locality. Longer term the options to mine and process primary ore will be considered.

The process of free dig mining and simple processing without the use of chemicals has been described as one of the most technically simple projects possible. Starting with very low capex due to the lease agreement on an existing facility, the company will quickly become a cash flow powerhouse with multi-decade phosphate producing facilities.

You may opine that the gold project has underperformed, and it has, but that is work in progress. It was always going to be speculative and technically challenging. The Company is still reconfiguring that operation seeking to capture its benefits, but in the meantime and into the future, the phosphate is going to be the most reliable source of cash flow and profits. At the current share price you are looking at potential cash flow multiple of less than 2x, commencing in the first half of 2026. That represents very good value.

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

We have added Rox Resources and Somerset Minerals to our chart coverage.



Sentiment Oscillator: It is two weeks since the chart was last published. Why a dramatic reversal over the two week. It was a blow-out market and we coming back down to earth. There were 56% of shares under coverage in uptrend, and 26% 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		rising	
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		back to support line	rare earths
Anax Metals	ANX		sideways through uptrend	copper
Andean Silver	ASL		heavy correction	silver
Arafura Resources	ARU		back to support line	rare earths
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		breached uptrend	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		breached uptrend	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		0n support line	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		holding trend line	cobalt
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		spiked to new high	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
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	new high	garnet
Hillgrove Resources	HGO	weaker	copper
Iltani Resources	ILT	correcting lower	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	new high	gold
Kalamazoo Resources	KRZ	rising	gold
Kalina Power	KPO	good rise	carbon sequestration
Koba Resources	KOB	off its highs	uranium
Larvotto Resources	LRV	return to highs	gold, antimony
Lindian Resources	LIN	rising	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	rising	gold
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	testing uptrend	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
Pacific Lime & Cement	PLA	rising.gently	renewables, cement
Paladin Energy	PDN	correcting lower	uranium
Pantoro Gold	PNR	heavy correction	gold
Patriot Battery Metals	PMT	rising	lithium
Peninsula Energy	PEN	down	uranium
Perseus Mining	PRU	new high	gold
Prairie Lithium	PL9	new low	lithium
QMines	QML	sideways	copper
Queensland Pacific Metals	QPM	rising	nickel/cobalt/HPA
Regis Resources	RRL	rising	gold

Renergen	RLT		heavy pullback	gas, helium
Revolver Resources	RRR		breached uptrend	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		correcting lower	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		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
Theta Gold Mines	TGM		corrected lower	gold
Toro Energy	TOE		spiked higher	uranium
Torque Metals	TOR		down	gold exploration + lithium
Toubani Resources	TRE		breached short term downtrend	gold
Trigg Minerals	TMG		correcting lower	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		correcting lower	gold
Yandal Resources	YRL		down	
Totals	56%	77	Uptrend	
	26%	36	Downtrend	
		138	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	37	26.8%	
Gold Exploration	19	13.8%	
Copper	14	10.1%	
Rare Earths	12	8.7%	
Uranium	10	7.2%	
Oil/Gas/Hydrogen	7	5.1%	
Iron Ore/Manganese	4	2.9%	
Lithium	2	1.4%	
Graphite/graphene	3	2.2%	
Nickel	3	2.2%	
Silver	4	2.9%	
HPA/Kaolin	2	1.4%	
Tungsten	2	1.4%	
Tin	2	1.4%	
Antimony	3	2.2%	
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	3	2.2%	
Total	138		

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