

First Graphene joins the world-leading graphene team at the University of Manchester

FGR joins the world's leading graphene team

During the week FGR announced that it has accepted an invitation to become a Tier 1 member of the new Graphene Engineering & Innovation Centre (GEIC) at the University of Manchester. The significance of this news should not be underestimated for the following reasons;

- Manchester is the “home of graphene”, where graphene was first made and it is the hub of the best graphene brains in the world
- To be invited to join the Centre is a recognition that FGR is the world leader in the manufacturing of graphene using its electrochemical exfoliation production method
- FGR, through the GEIC facility, will have access to not only the best graphene brains, but also to a full complement of the most advanced, specialised scientific equipment that would usually be out of range of most smaller companies
- The emphasis on commercialisation through integration with industry is the most aggressive push by any institution to accelerate the use of graphene in manufacturing. Access to UK and European manufacturing centres dramatically expands the opportunities for FGR
- Use of laboratory and office facilities being established at GEIC provide FGR with a hub in the UK at a fraction of the cost of what would normally be expected. It also makes FGR eligible for attractive UK government rebates on expenditure

This is a great step forward for FGR, consolidating its market leadership and giving it access to other GEIC Advisory Panel members that include Airbus, Akzonobel, BAE Systems, BP, GKN Aerospace, Johnson & Johnson, Jaguar Land Rover, Siemens, Tata Steel and Thales.

Interestingly, there is a UK-listed graphene company named Versarien PLC that also joined GEIC. Since announcing it last week, its market capitalisation has risen about 19% to reach A\$326m following the announcement. Maybe UK investors understand graphene better than Australians. (There must be a message here).

Just to make sure it is well-funded for the new initiative, FGR placed \$2m worth of shares at 18¢ on Friday to a Sydney-based family office.

Disclosure: Interests associated with the author own shares in First Graphene and have received capital raising fees. The author is a non-executive chairman for First Graphene.

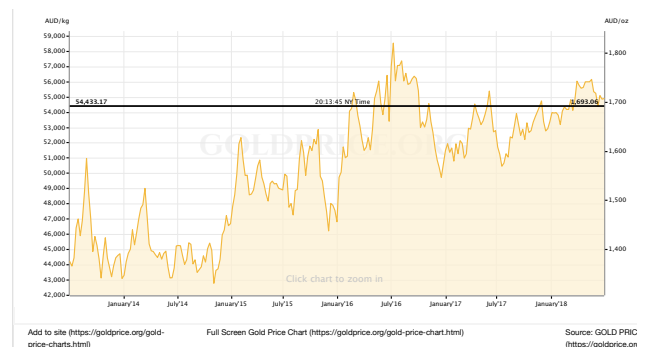
Gold has yielded for the time being

After trying to break the US\$1,350/oz barrier a number of times it seems as if the bulls have gone into hibernation. Friday's closing price of US\$1,252/oz is getting precariously close to long term chart support at US\$1,240/oz. The sabre rattling occurring with the trade war is not hurting the US\$, which keeps rising ... and so the gold price keeps falling. While investors in the US are pulling money out of gold EFTs, the Aussie dollar gold price is still strong, as shown in the second chart below. That explains why the ASX listed gold producers are holding up quite well.

GOLD PRICE



Source: Bloomberg, Murenbeeld & Co.

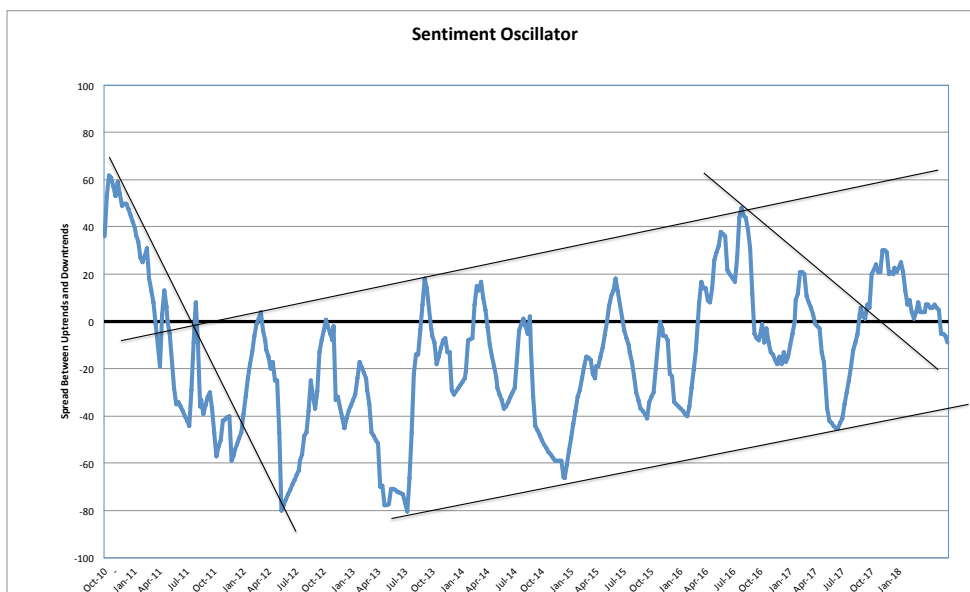


89 carat yellow diamond recovered by LOM

Lucapa has done well to recover an 89 carat yellow diamond from the Mothae mine in Lesotho as it samples the SE zone ahead of commissioning the new treatment plant. This follows on from the recent recovery of a 25 carat yellow diamond.

It should be noted that Mothae is only about 5 km from the fabulously rich Letseng mine, famous for its large stones. So, expect more impressive diamonds from Mothae. LOM continues to be dirt cheap at these prices with significant upside to come from the Mothae mine when it is fully commissioned in the coming months.

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Sentiment Indicator: Sentiment weakened again during the week; 34% (35%) of the charts were in uptrend and 43% (41%) in downtrend on Friday's close. The Oscillator chart shows that market sentiment contuse to fall. Whether it get much worse before it gets better remains to be seen. It is too simplistic to say it has to fall to the trend line before we have a turnaround.

Detailed Chart Comments

NB. Only the bold comments have been updated. Comments in grey type are from previous weeks and will be less relevant.

Indices	Code	Trend Comment	
All Ordinaries	XAO	at highs	
Metals and Mining	XMM	continuing with uptrend	
Energy	XEJ	near highs	
Stocks	Code	Trend Comment (updated comments in bold)	Main Interest
Adriatic Resources	ADT	steep rise	zinc
Aeon Metals	AML	correcting below resistance line	copper + cobalt
Alacer Gold	AQG	back to recent highs	gold – production
Alkane Resources	ALK	breached long term support line	gold, zirconia
Acacia Resources	AJC	Sideways at the bottom	coal
Alchemy Resources	ALY	base forming	nickel, cobalt
Alicanto Minerals	AQI	down	gold exploration
Allegiance Coal	AHQ	near support line	coal
Alliance Resources	AGS	continuing down	gold exploration
Altech Chemicals	ATC	holding on support line	industrial minerals - synthetic sapphire
Anova Metals	AWV	new low on poor production report	gold
Antipa Minerals	AZY	new low	gold

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Apollo Consolidated	AOP	slump	gold exploration
Archer Exploration	AXE	breach of support	magnesite, graphite
Argent Minerals	ARD	sideways within downtrend	polymetallic
Aurelia Metals	AMI	new high	gold + base metals
AusTin	ANW	down	tin, cobalt
Australian Bauxite	ABX	but a new low	bauxite
Australian Potash	APC	new low	potash
Australian Mines	AUZ	down	cobalt/nickel
Australian Vanadium	AVL	at resistance line	vanadium
Azure Minerals	AZS	new low	silver
Bounty Coal	B2Y	recent listing	coal
BHP	BHP	re-approaching recent high	diversified
Base Resources	BSE	sideways through downtrend	mineral sands
Bathurst Resources	BRL	sideways	coal
Battery Minerals	BAT	collapse to new low	graphite
BBX Minerals	BBX	down	gold
Beach Energy	BPT	near highs	oil and gas
Beadell Resources	BDR	another new low	gold
Berkeley Energia	BKY	down	uranium
Berkut Minerals	BMT	new low	cobalt
Blackham Resources	BLK	sideways	gold
Blackstone Minerals	BSX	new low	gold, cobalt
Broken Hill Prospect.	BPL	down	minerals sands, cobalt
Buru Energy	BRU	new high	oil
Cardinal Resources	CDV	testing uptrend, down	gold exploration
Cassini Resources	CZI	sideways	nickel/Cu expl.
Celsius Resources	CLA	off high after placement	copper/cobalt
Chalice Gold	CHN	heading lower	gold
Cobalt Blue	COB	breaching steep uptrend	cobalt
Comet Resources	CRL	new low	graphite/graphene
Crusader Resources	CAS	new low	gold/iron ore
Dacian Gold	DCN	breached uptrend	gold exploration
Danakali	DNK	testing downtrend	potash
Doray Minerals	DRM	resumed uptrend	gold
Draig Resources	DRG	down	gold
Eden Innovations	EDE	down	carbon nanotubes in concrete
Egan Street Resources	EGA	sideways	gold
Emerald Resource	EMR	testing downtrend	gold
Evolution Mining	EVN	new high	gold
Excelsior Gold	EXG	down	gold
FAR	FAR	uptrend emerging	oil/gas
First Cobalt	FCC	new low	cobalt
First Graphene	FGR	holding uptrend	graphite
Frontier Diamonds	FDX	new low	diamonds
Fortescue Metals	FMG	rallied out of steepest, but still in LT downtrend	iron ore
Galaxy Resources	GXY	rising again	lithium
Galilee Energy	GLL	retaining uptrend	oil and gas, CBM
Gascoyne Resources	GCY	holding longer term uptrend	gold
Global Geoscience	GSC	new high	lithium
Gold Road	GOR	new high	gold exploration
Golden Rim	GMR	new low	gold exploration
Graphex Mining	GPX	breaching downtrend	graphite
Heron Resources	HRR	downtrend persisting	zinc
Highfield Resources	HFR	down again	potash

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Highlands Pacific	HIG		testing recent uptrend	copper, nickel
Hillgrove Resources	HGO		sideways	copper
Iluka Resources	ILU		on support line	mineral sands
Image Resources	IMA		resumed LT uptrend	mineral sands
Independence Group	IGO		rising, but with a pullback	gold, nickel
Jervois Mining	JVR		strong bounce	nickel/cobalt
Karoo Gas	KAR		new low	gas
Kasbah Resources	KAS		sideways	tin
Kibaran Resources	KNL		slump	graphite
Kin Mining	KIN		down heavily	gold
Legend Mining	LEG		strongly higher	exploration
Lepidico	LPD		down	lithium
Lithium Australia	LIT		breached uptrend	lithium
Lucapa Diamond	LOM		breached downtrend	diamonds
Macphersons Res.	MRP		Spike though downtrend, then pullback	silver
Marmota	MEU		sideways	gold exploration
MetalsX	MLX		slump through support	tin, nickel
Metro Mining	MMI		downtrend	bauxite
Mincor Resources	MCR		uptrend	nickel
Mineral Deposits	MDL		strongly higher on takeover approach	mineral sands
Myanmar Minerals	MYL		downtrend breached	zinc
MZI Resources	MZI		new low	mineral sands
Neometals	NMT		down	lithium
Northern Cobalt	N27		down again	cobalt
Northern Minerals	NTU		rallied back to resistance line	REE
Northern Star Res.	NST		off its high	gold
NTM Gold	NTM		continuing downtrend	gold
Oceana Gold	OGC		breached downtrend	gold
Oklo Resources	OKU		down	gold expl.
Orecorp	ORR		holding support	gold development
Orinoco Gold	OGX		down	gold development
Orocobre	ORE		secondary downtrend	lithium
Oz Minerals	OZL		continuing in uptrend	copper
Pacific American Coal	PAK		falling back to support line	coal, graphene
Pantoro	PNR		pullback	gold
Panoramic Res	PAN		new high	nickel
Peel Mining	PEX		downtrend confirmed	copper
Peninsula Energy	PEN		sideways through downtrend	uranium
Perseus Mining	PRU		breached downtrend	gold
Pilbara Minerals	PLS		rallying	lithium/tantalum
PNX Metals	PNX		lower	gold, silver, zinc
Polarex	PXX		down	polymetallic
Prodigy Gold	PRX		resting on support line	gold
Red5	RED		down	gold
Red River Resources	RVR		fallen to support line	zinc
Regis Resources	RRL		new high	gold
Resolute Mining	RSG		sfr	gold
RIO	RIO		back to highs	diversified
Salt Lake Potash	SO4		breached downtrend	potash
Saracen Minerals	SAR		new high	gold
St Barbara	SBM		strong	gold
Sandfire Resources	SFR		new high	copper
Santana Minerals	SMI		new low	silver
Santos	STO		off its high	oil/gas

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Sheffield Resources	SFX		rising again	mineral sands
Sino Gas & Energy	SEH		confirming uptrend	gas
Sipa Resources	SRI		sideways	general exploration - Ni,Cu, Co, Au
Stanmore Coal	SMR		new high	coal
Sundance Energy	SEA		testing uptrend	oil/gas
Syrah Resources	SYR		back to downtrend	graphite
Talga Resources	TLG		softer	graphene
Tanami Gold	TAM		sideways	gold
Tiger Realm	TIG		back to lows	coal
Triton Minerals	TON		down	graphite
Troy Resources	TRY		uptrend breached	gold
Tyranna Resources	TYX		back to lows	gold exploration
Vango Mining	VAN		surge to new high	gold
Vector Resources	VEC		new low	gold
Vimy Resources	VMY		down	uranium
Volt Resources	VRC		down	graphite
West African Resources	WAF		breached downtrend	gold
Westwits	WWI		down	gold exploration/development
Western Areas	WSA		rising again	nickel
White Rock Minerals	WRM		new low	silver
Whitehaven Coal	WHC		new high	coal
WPG Resources	WPG		down again	gold
Wolf Minerals	WLF		sideways at lows	tungsten
Totals	34%	48	Uptrend	
	43%	61	Downtrend	
		142	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	33	23.2%	
Gold Exploration	15	10.6%	
Coal	10	7.0%	
Copper	9	6.3%	

Weightings of Sectors Represented in the Company Charts			
Graphite	9	6.3%	
Oil/Gas	8	5.6%	
Mineral Sands	7	4.9%	
Cobalt	7	4.9%	
Lithium	7	4.9%	
Zinc	6	4.2%	
Silver	5	3.5%	
Nickel	5	3.5%	
Potash/Phosphate	4	2.8%	
Uranium	3	2.1%	
Bauxite	2	1.4%	
Tin	3	2.1%	
Diamonds	3	2.1%	
Iron Ore	1	0.7%	
Other	5		
Total	142		

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