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FAR EAST CAPITAL
The Mining Investment Experts

Weekly Commentary

4 September 2021 *On Friday's Close* Analyst : Warwick Grigor

West Wits releases positive DFS

Markets were generally well behaved last week, ending on a positive note with the gold price edging higher. Rare earth stocks continued to attract attention while uranium equites saw another wave of buying as the uranium price hit a five year high of US$35/lb. The iron ore price slide continued.

West Wits: a positive DFS, but there is more to it

West Wits released a strongly positive DFS last Thursday, packed with a great amount of detail. While one should never be flippant or skip over the fine detail, it does take some time to digest and interpret - more time than the average punter is prepared to commit. So, our take on it from an analyst's point of view is as follows.

The most important points to consider are;

- the Qala Shallows support a 17 year mine life
- the peak funding requirement is US$50m, with substantial capex savings due to toll treating of ore
- funding to come from a mixture of debt and equity
- 53,000 oz pa. steady state Stage 1 production rate, but this increases to 80,000 oz p.a.
- development is to commence this month with first gold in 15 months, but cash flow can come as early as February 2022, through accessing remnant ore positions that weren't taken into account in the DFS mine plan
- these released numbers only relate to Stage 1 of a five stage program, representing only 40% of the expanded program. There is much more to come.
- steady state AISC of US$1,027/oz, including expected toll treatment charges

There are all sorts of rules about what you can say and when you can say it, as dictated by the ASX and JORC, but when the information is filtered by the regulators you can often miss the point. What you see in a single ASX release needs to be placed in context. What we have with WWI is a company that has 67% of a well-defined gold resource that exceeds 3.5 Moz, most being above a depth of 400m, with the balance of an old historic JORC resource (circa 2000) of over an additional 7 Moz still there at depth.

The Company has successfully navigated through a long-winded exercise of securing Mining Rights over a four year journey, turning a potential into a tangible asset with substantial value. It can now start to monetise this asset, being in the envious position of being able to avail itself of four or five hungry gold treatment plants that need mill feed. This minimises capital expenditure for the company and accelerates the time frame to positive cash flow.

The big picture is a trade sale

We have always been of the view that the ultimate prize for WWI shareholders is a buy-out of the project by one of the neighbouring mills. What may start out as a toll treating arrangement will end up in the company owning the mill wanting to secure 100% of the cash flow.

It would be a mistake for WWI to hang out the "for sale" sign today and wait for a suitor. We have seen this scenario elsewhere in the world on many occasions, but it invariably results in the owner of the resource being hung out to dry. Shareholders get tired of waiting. WWI's preferred strategy is to get on with the development of the assets now and start earning returns for shareholders. Making progress along this route will only enhance the value and result in a better takeout price.

So, try not to get confused by the detail and the depth of the release. Focus on the big picture because that is where the potential lies.

Disclosure: Interests associated with the author own shares and in West Wits. FEC has received capital raising fees.

PAK pegs prospective gold ground in Idaho

While Pacific American (PAK) has a substantial coking coal resource of 303 Mt in British Columbia, it doesn't seem to be what the market wants right now. So, PAK is opening up initiatives on the gold front in order generate more speculative flavour. The first one was a drill-ready project east of Kalgoorlie. However, that doesn't seem to have provided much joy to date with no exciting assays having being reported.

PAK's next foray into gold is in northern Idaho, USA, where claims have been staked following several months of assessing opportunities. You may recall the note on Revival Gold last week, covering a company with a 3 Moz ounce gold project in eastern Idaho. Revival emphasised how Idaho was a very good jurisdiction with a State-wide resource inventory of 26 Moz of gold.

The geology of PAK's claims is known to host high grade gold mineralisation at a project called Anderson Creek, based on historical records. Very little, if any, modern exploration has been undertaken. It is a grass roots exploration project that needs work on it, but there is no reason to feel anything but optimistic about what may be there. We watch with interest to see what other projects are added to the portfolio as a critical mass is being accumulated.

PAK continues to be priced at "shell value", with no credit being given to the coal project that could be worth tens of millions of dollar at the right stage of the cycle. The acquisition of the gold ground adds some timely flavour.

Disclosure: Interests associated with the author own shares and in Pacific American. FEC has received capital raising fees.

Notes from Conference & Presentations

Last week we saw a smattering of companies in the Mines & Money Online Conference that included Australian, Canadian and London listed companies. We have provided some vital statics on these along with a very brief comment. We will cover more companies in subsequent Weeklies. In many cases I have earmarked these for further research and perhaps a detailed commentary, depending upon what I learn. I've also added brief comments on some other companies that presented to me during the week.

Ausgold Limited *(ASX.AUC)*

Price: $0.04 **Mkt Cap:** $63m. **Cash**: $7.4m* M&M Conference

Mkt Cap/Oz Resources: A$43/oz * at 30/6/21

Ausgold has been around for a long time with its Katanning Gold Project in the wheatbelt of WA, SE of Perth. While there is plenty of gold along 17 km of continuous strike, and there have been some small oxide open pits developed since the late 1990s, Ausgold has never really gotten past first base on the path to development. At its peak the market capitalisation was over $300m, quite a few years ago. It is now a more modest $63m.

The first thing to note is that the geology is different to most of the eastern gold-field deposits with which we are very familiar. It is a very old deposit that was fed from a major thrust fault, but there has been a metamorphic phase post mineralisation that has complicated the setting. What you have now is an environment with granites to the west. Moving to the east you have a package of mafic/ultramafic volcanic rocks and finally, further east again, you run into sediments. It has all been cooked up in the metamorphic stage resulting in a challenging environment for the standard geologist.

Recognising that the key to understanding the geology and mineralisation required a better appreciation of the high grade shoots, the Company employed Matthew Greentree, a specialist structural geologist, in 2013. He assumed the position of MD in mid 2017. It has taken a while but he is now at the point that he believes he has a handle on what controls the mineralisation, recognising the important alteration zones. Use of EM survey data is giving better predictability of where the drilling should be focused. The 40-60m wide high grade shoots are showing good strike continuity as evidence by close spaced drilling.

At the moment the recently revised JORC resource is up to 38.2 Mt at 1.25 gpt for 1.54 Moz, mostly in the Central Zone. Adjacent to this is the Southern Zone, which the Company believes could lead to a double of the total resource. There is a 60,000m drilling program underway now (40,000m RC, 20,000m aircore) with most of this being extensional drilling; the balance is infill drilling. There is also a 1,200m diamond drilling program that will provide core for metallurgical test work and geotechnical studies to be incorporated in a PFS study to be undertaken.

The corporate objective is to progress the project to the point of justifying 100,000 oz p.a. of production, but there is more work to do.

Comment: Katanning is probably a good example of a mine that will be made through perseverance as opposed to being an easy, serendipitous discovery, but there is nothing wrong with progressing carefully. Certaintly, that is better than racing ahead with gusto, going into production half-cocked. We don't want another Gascoyne debacle. Confidence levels, and the share price, will move according to increasing confidence levels as the various pre-production studies are undertaken and further drill results are received, gold price willing.

Blue Ocean Equites released a research note back in May, recommending the stock as a buy with a target of 12¢, thinking that the resource could grow to 2-3 Moz. It saw that the increase in the M+I resource by 73% to 1 Moz at 1.26 gpt was a key inflection point.

Caprice Resources *(ASX.CRS)*

Price: $0.20 **Mkt Cap:** $13.7m. **Cash**: $3.3m M&M Conference

Mkt Cap/Oz Resources: n/a

Caprice is a junior WA-based exploration company that IPO'd two and a half years ago. It has two 100% owned exploration projects; Murchison and Northampton. Mick Caruso, the vendor of the projects, is the large shareholder with about 17.5% of the issued capital.

Murchison is based on the **Island Gold Project,** 23 km S of Cue**.** This has been privately owned for 25 years by Mick Caruso, with only limited exploration being undertaken. It is located within 50 km of two operating gold mills. Gold mineralisation is associated with banded iron formation rocks (BIF) and cross cutting structures. New Orient and Baxters are prospects that have returned some good drill results in the past, including 11m at 14.9 gpt from 77m, 15m at 10.5 gpt from 75m, 10m at 11 gpt rom 67m and 24 gpt at 6.8 gpt from 24m from The New Orient. Baxters has delivered gold assays over a 200m strike, including 7m at 5.6 gpt and 11m at 3.1 gpt. Thus there is good encouragement to look more closely. Right now, there are two RC rigs drill testing the prospects, having drilled 46 holes out of a 77 holes program.

About 75% of the licence is covered by Lake Austin, a typical dry WA lake that has never been explored. Caprice is waiting on the results of a gravity survey at present with a view to progressing to an aircore drilling program. It will be interesting to see what results can be achieved from this very early stage prospect.

Northampton is something more out of left field in farming country to the NNE of Perth. This is more of a base metals target with historical drill results of 5m at 16.7% Pb and 0.3% Cu, within a broader intercept of 17m 8.26% Pb and 0.3% Cu. This is a poly metallic system rather than VMS. Caprice is still acquiring ground in the area so it is not talking about this project too much yet.

Caprice recently appointed Andrew Muir to the position of MD. He is a geologist who was previously MD of NTM Gold, until that company was taken over by Dacian Gold. Andrew has been involved in capital markets with Argonaut Capital and as an analyst with JP Morgan, Hartleys and PCF Capital.

Comment: With a market capitalisation of only $13.7m, Caprice is an inexpensive exploration company with projects of merit. The current RC drill program on The Island should be followed closely to see if it delivers tangible results that could point to something bigger. It should be viewed as a high risk/high reward exploration play.

Titan Minerals *(ASX.TTM)*

Price: $0.115 **Mkt Cap:** $133m. **Cash**: $2m M&M Conference

Mkt Cap/Oz Resources: A$66/oz (on 2 Moz estimate)

It has been a bit over a year since we first covered Titan. At the time it had recently acquired a package of very promising ground in Ecuador. There was a non-JORC resource of over 2 Moz at 4.5 gpt, from interests associated with Rob Washer, a prospector-type person from Southern Cross in WA who was affectionally known as "the hairdresser" in the 1980s.

In terms of share price performance, Titan has been one of the most consistent performing gold stocks on the ASX … going sideways … which I suppose is better than falling, like most others.

When the acquisition was made Titan's management realised that there was a task ahead of it in cleaning up the corporate structure and rationalising the assets over in Ecuador, but it seems as if it was a more complicated exercise than initially thought. News flow has mostly related to progress on this restructuring front rather than attention grabbing exploration results.

That is changing now. The June quarterly report referred to a 32 drill hole program underway. Right now there are six drill rigs on site at Dynasty, the lead project. Assays for the first 25 holes should be reported any day now.

Titan is focusing on a 9 km long corridor of highly prospective ground that has demonstrated good grades with a small mine recently achieving significant over-call of grade for the previous owners. The Company needs to go back through the historical data, as best it can, to build up a better understanding of the geological model. At this point it comes across as multiple vein-hosted gold, typically 1.5-3.5m wide within lower grade halos of 7-8m around them. Maybe these are epithermal veins driven by deeper porphyry style event. Further work will tell.

Comment: Management capability was one of the features that attracted me to the Company in 2020, in addition to the very prospective geology that has already demonstrated substantial ounces. That management depth has recently been improved with the appointment of Peter Cook “Cookie” as Chairman, one of the most respected operators in the WA gold business over many years. The share price has already ticked up a little in recognition of what he brings to the board.

The results of the recent drilling could provide further impetus to the share price, leading to the release of a JORC status resource in October. We expect a modest reduction in the numbers compared to the non-JORC resource mentioned above, but it could still be a meaty 1.5-2.0 Moz at 4-4.5 gpt. Ultimately we should be expecting that there will be at least 3 Moz. Having completed the restructuring, Titan can now get down to the real business of drilling and proving up the value of the project.

Graphene Manufacturing Group (GMG.V)

Price: C$2.45 **Mkt Cap:** C$169m. **Cash**:C$13m. Online Webcast

GMG is a Brisbane-based company that listed on the TSX-V in April, 2021. While it is a small-scale graphene producer (very small) its real promotion revolves around claims to a revolutionary aluminium/graphene hybrid supercapacity battery that has energy density measures of 150-160 Wh/kg. It claims that these have 3x the energy density of Li-ion batteries and they can charge at a 70x faster rate. However, the published energy density levels of competing batteries technologies listed below, suggest otherwise. The GMG battery may be as good as, but not necessarily better than versions of lithium ion batteries.

- lead/acid 30-50 Wh/kg
- nickel-cadmium 45-80 Wh/kg
- nickel-metal hydride 60-120 Wh/kg
- lithium-iron phosphate 90-160 Wh/kg
- lithium-cobalt oxide 150-200 Wh/kg
- lithium-nickel-manganese cobalt oxide 150-220 Wh/kg

In the presentation the CEO says that graphene can conduct electricity one million times faster that copper. (I thought the figure was 100-200x faster). He frequently referred to aluminium as being of an advantage because of the relative security of supply, unlike the lithium supply chain which is controlled by “*China and Chile*”.

At this point of development, in collaboration with the University of Queensland, GMG hopes to have produced its first coin battery within six months. The pouch battery could be made in 18 months. These batteries are being designed as direct substitutes for Li-ion batteries currently in use, being of the same size and shape. The manufacturing just involves “*changing the chemistry and materials*”. The cathodes will be made from graphene. Simple, aye. He even said that these new batteries will be able to replace lead-acid batteries. Solid state batteries aren’t of any bother to GMG’s developments as he believes these are at least 5-10 years away, and in any event, they won’t offer a cost advantage.

One interesting point made was that the aluminium/graphene batteries will have a life of 2,000 cycles, which is well in excess of the 800 cycles that are needed to be declared commercial. However, I suspect this is promotion rather than factual, and should be taken with caution at this juncture. We haven’t seen any performance graphs to prove the point.

GMG describes its graphene manufacturing process as low cost, simple and proprietary with little or no impurities. However, the company has not released any independent third party verification test work to confirm the quality.

The process involves taking natural gas and turning it into hydrogen and graphene. Bingo! However, you should note that there are a number of companies around the world with this type of technology. The most obvious one is Hazer Group (HAZ), which has spent more that six years developing its process. It is currently building a pilot plant at a cost of about $22m, in WA, while it scales up to get a better handle on the viability and the economics.

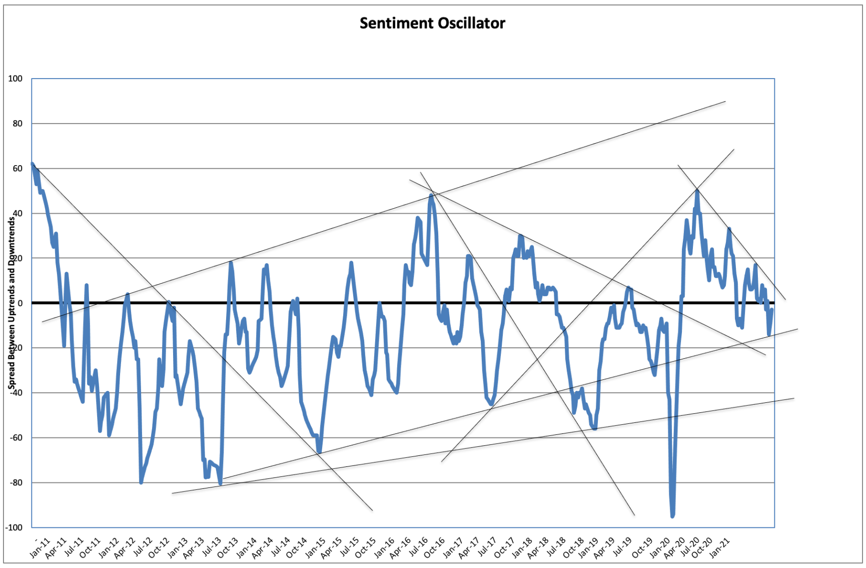
Comment: If all that is being promoted is delivered, then this is a great company in the making. However, one must be careful not to put the cart before the horse. Much of what is being promoted is aspiration rather than factual. We understand that they have constraints on the graphene production capacity at present, so this issue will need to be addressed before commercial scales can be seriously considered.

If GMG can deliver something dramatically better than Li-ion batteries, then perhaps we should be selling our lithium stocks and switching into graphene because that is where the tightness in supply will become critical. *Stop Press:* GMG just announced a C$11.25m raising C$2.05 per unit, comprising one share and half a warrant with a strike price of C$2.60. Additionally, a private placement raised $0.9m at C$2.14 a share.

What happens when we can travel again?

A reader has kindly pointed out to me some statistics that could explain why the mining market has just seen one of the best bull runs ever. In 2019, Australians spent $41 billion on overseas travel, of which some was business, but the bulk was tourist. In 2020, that fell to a little over $1m. Net of domestic tourism, which has also been savagely disrupted, that means there was almost $40bn of disposable play money looking for a home last year. Much of this could have ended up in the mining equities.

So, what will happen when international travel reopens, which according to Joyce of Qantas is somewhere between Dec 2021 and April 2022? Will the traders pull the money out of the market to finance their next holiday? If so, is it something that happens in a big wave or is it going to be a continual drain for many months? We need to keep this in mind.



Sentiment Oscillator: Sentiment improved further over the week. There were 30% (28%) of the charts in uptrend and 33% (37%) in downtrend on Friday's close. The bouncing is extending.

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		another new high	
Metals and Mining	XMM		collapse	
Energy	XEJ		breached downtrend, but then softer	
Stocks	**Code**		**Trend Comment (updated comments in bold)**	**Main Interest**
Alpha HPA	A4N		testing ST downtrend	HPA
Adriatic Resources	ADT		on trend line	zinc, polymetalic
Alkane Resources	ALK		testing uptrend	gold
Alicanto Minerals	AQI		pullback on good drill result	base metals, silver, gold
Altech Chemical	ATC		breached downtrend	HPA, anodes
Alto Metals	AME		sideways	gold exploration
American Rare Earths (was BPL)	ARR		rising	rare earths
Antilles Gold	AAU		testing downtrend	gold
Arafura Resources	ARU		rising	rare earths
Ardea Resources	ARL		sideways through support line	nickel
Aurelia Metals	AMI		still in downtrend	gold + base metals
Australian Potash	APC		down	potash
Australian Rare Earths	AR3		rising	rare earths
Auteco Minerals	AUT		breached downtrend	gold exploration
Azure Minerals	AZS		surge higher on drill results	nickel exploration
BHP	BHP		collapse on oil deal, iron ore prices	diversified, iron ore

Base Resources	BSE	sideways	mineral sands
Beach Energy	BPT	down, near lows	oil and gas
Bellevue Gold	BGL	breached downtrend	gold exploration
Blue Star Helium	BNL	breached downtrend	gas, helium
BMG Resources	BMG	pullback following placement	gold exploration
Boab Metals	BML	in a secondary downtrend	silver/lead
Breaker Resources	BRB	down	gold exploration
Buru Energy	BRU	breached downtrend	oil
Calidus Resources	CAI	rising again	gold
Capricorn Metals	CMM	surge to new high	gold
Caravel Minerals	CVV	testing downtrend	copper
Celsius Resources	CLA	down	copper
Chalice Mining	CHN	down	nicklel, copper, PGMs, gold exploration
Chase Mining	CML	down	nickel/copper/PGE
Chesser Resources	CHZ	breached downtrend	gold exploration
Cobalt Blue	COB	downtrend	cobalt
Cyprium Metals	CYM	continuing down	copper
Danakali	DNK	long term downtrend	potash
De Grey	DEG	testing downtrend	gold
E2 Metals	E2M	softer	gold exploration
Ecograf (was Kibaran)	EGR	surge higher	graphite
Element 25	E25	testing downtrend	manganese
Emerald Resources	EMR	down	gold
Euro Manganese	EMN	testing uptrend	manganese
Evolution Mining	EVN	down	gold
Firefinch	FFX	strongly higher	gold
First Graphene	FGR	back to support line	graphene
Fortescue Metals	FMG	heavy fall	iron ore
Galena Mining	G1A	breached downtrend	lead
Galilee Energy	GLL	down	oil and gas, CBM
Genesis Minerals	GMD	testing downtrend	gold
Genmin	GEN	testing downtrend	iron ore
Gold Road	GOR	weaker	gold
Hastings Technology Metals	HAS	testing downtrend	rare earths
Hazer Group	HZR	testing downtrend	hydrogen
Highfield Resources	HFR	down	potash
Hillgrove Resources	HGO	on support line	copper
Iluka Resources	ILU	new high	mineral sands
Image Resources	IMA	sideways	mineral sands
Independence Group	IGO	new high	gold
ioneer (was Global Geoscience)	INR	rising	lithium
Ionic Rare Earths (Oro Verde)	IXR	recovering long term uptrend	rare earths
Jervois Mining	JVR	breaching uptrend	nickel/cobalt
Jindalee Resources	JRL	surged higher	lithium

Kairos Minerals	KAI		down	gold exploration
Kingston Resources	KSN		down	gold
Kingwest Resources	KWR		new low	gold
Latitude Consolidated	LCD		breached uptrend	gold
Legend Mining	LEG		turned down at resistance line	nickel exploration
Lepidico	LPD		new uptrend	lithium
Lindian Resources	LIN		sideways through uptrend line	bauxite
Lithium Australia	LIT		rallying	lithium
Los Cerros	LCL		sideways through support line	gold exploration
Lotus Resources	LOT		rising	uranium
Lucapa Diamond	LOM		rising from lows	diamonds
Lynas Corp.	LYC		heavy fall	rare earths
Magnetic Resources	MAU		slump out of uptrend	gold exploration
Mako Gold	MKG		down again	gold exploration
Manhattan Corp	MHC		sideways	gold exploration
Marmota	MEU		sideways	gold exploration
Marvel Gold	MVL		rising again	gold exploration
Matador Mining	MZZ		down	gold exploration
MetalTech	MTC		testing uptrend	gold
Meteoric Resources	MEI		down heavily	gold exploration
MetalsX	MLX		rallying	tin, nickel
Metro Mining	MMI		sideways at lows	bauxite
Mincor Resources	MCR		new high	gold/nickel
Musgrave Minerals	MGV		down	gold exploration
Neometals	NMT		new high	lithium
Northern Minerals	NTU		breached ST uptrend	REE
Northern Star Res.	NST		down	gold
Oceana Gold	OGC		down	gold
Oklo Resources	OKU		testing downtrend	gold expl.
Orecorp	ORR		heavy correction after placement	gold development
Orocobre	ORE		new high	lithium
Oz Minerals	OZL		testing downtrend	copper
Pacific American	PAK		down	coking coal
Pantoro	PNR		breached support line	gold
Panoramic Res	PAN		in a wedge	nickel
Peak Minerals	PUA		new low	copper exploration
Peak Resources	PEK		down	rare earths
Peel Mining	PEX		down	copper
Peninsula Energy	PEN		surge to new high	uranium
Poseidon Nickel	POS		breached downtrend	nickel
Perseus Mining	PRU		rising	gold
Pilbara Minerals	PLS		new high	lithium
Polarex	PXX		spike higher	polymetallic exploration
Queensland Pacific Metals	QPM		new high	nickel/cobalt/HPA

Red River Resources	RVR		down	zinc
Regis Resources	RRL		new low on large financing	gold
Renergen	RLT		rising	gas, helium
RIO	RIO		collapse through support line	diversified, iron ore
Rumble Resources	RTR		down	gold exploration
Salt Lake Potash	SO4		voluntary suspension	potash
St Barbara	SBM		testing downtrend	gold
Sandfire Resources	SFR		back in downtrend	copper
Santos	STO		breached uptrend	oil/gas
Saturn Metals	STN		breached short term uptrend	gold exploration
Sheffield Resources	SFX		breached uptrend	mineral sands
St George Mining	SGQ		risen to resistance line	nickel
Silex Systems	SLX		surge out of downtrend	uranium enrichment technology
Silver Mines	SVL		down	silver
Sipa Resources	SRI		testing downtrend	general exploration - Ni,Cu, Co, Au
South Harz Potash	SHP		down	potash
Stanmore Coal	SMR		breached steepest downtrend	coal
Strandline Resources	STA		pullback	mineral sands
Sunstone Metals	STM		rising	exploration
Talga Resources	TLG		testing downtrend	graphite
Technology Metals	TMT		rising	vanadium
Tesoro Resources	TSO		new low	gold exploration
Theta Gold Mines	TGM		testing downtrend	gold
Thor Mining	THR		turning down	gold exploration
Tietto Minerals	TIE		improving	gold
Titan Minerals	TTM		sideways	gold
Venturex	VXR		heavy fall	zinc
Vimy Resources	VMY		secondary downtrend	uranium
West African Resources	WAF		struggling at resistance line	gold
Westgold Resources	WGX		turned down at resistance line	gold
West Wits Mining	WWI		down	gold
Western Areas	WSA		surge higher	nickel
Whitehaven Coal	WHC		surge to new high	coal
Wiluna Mining	WMC		testing downtrend	gold
Yandal Resources	YRL		wedge forming	gold exploration
Zenith Minerals	ZNC		placement and downtrend	gold exploration
Zinc Mines of Ireland	ZMI		softening	zinc
Totals	30%	43	Uptrend	
	33%	47	Downtrend	
		141	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	**29**	**20.6%**	
Gold Exploration	**25**	**17.7%**	
Nickel	**13**	**9.2%**	
Copper	**10**	**7.1%**	
Lithium	**7**	**5.0%**	
Rare Earths	**8**	**5.7%**	
Oil/Gas	**6**	**4.3%**	
Iron Ore/Manganese	**6**	**4.3%**	
Zinc/Lead	**5**	**3.5%**	
Mineral Sands	**5**	**3.5%**	
Potash/Phosphate	**5**	**3.5%**	
Uranium	**4**	**2.8%**	
Graphite/graphene	**4**	**2.8%**	
Coal	**3**	**2.1%**	
Bauxite	**2**	**1.4%**	
Silver	**2**	**1.4%**	
Cobalt	**1**	**0.7%**	
Tin	**1**	**0.7%**	
Diamonds	**1**	**0.7%**	
Other	**4**		
Total	**141**		

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