

## Ending of the China lockdown is the new variable for 2023

The ending of the China lockdown is the most important new factor to consider right now. In theory it should mean greater demand for manufacturing inputs and commodities, and that should push commodity prices higher, to the benefit of our mining sector. Oil prices are expected to rise, but what will China's appetite do to the inflation figures around the world? The sudden ending of the lockdown introduces new uncertainties that will stimulate debate amongst speculators and traders.

Our stock market has been quiet on thin volumes in the first few days of 2023, but leaders such as BHP have surged to new highs as the big money investors are demonstrating optimism. Gold stocks were generally higher with the gold price, but elsewhere the market has been somewhat subdued.

The US markets were vacillating last week due to better than expected job market estimates initially causing concerns regarding the next move in interest rates, but the release of official numbers on Friday led to a strong close for the week with the Dow up 2.1%.

### *Lindian reports very impressive REE intercepts*

We have always said that Lindian's Kangankunde REE project in Malawi was one of the best in the world, based on historical work undertaken by BGRM and other competent parties. Well, we now have modern proof. The first two holes reported by LIN last week disclosed intercepts of 110m at 2.9% TREO, and 250m at 2.9% TREO. Both intercepts started at surface and terminated in mineralisation. The mineralisation obviously extends deeper. The NdPr component was an impressive 21%. There was no radiation recorded in either hole, which is very advantageous. Within the broader intercepts were good intervals up to 4-6% TREO. The grade is very high, considering that Hastings (HAS) has a reserve grade of only 0.95% TREO at its Yangibana Project under development in WA.

### *The Bottom Line*

The Lindian share price was a spectacular performer for quite a few months in 2022, but then it seemed to fall out of bed when traders started taking profits. A very poorly managed placement at 21¢, created even more selling in December. I'm told it was originally meant to be an \$8m raising, but pragmatism of the Company and the broker saw it blow out to \$16m. Those who bid high numbers in the expectation of being cutback were surprised to see that they got their full bid, effectively making them overweight in the stock. Not everyone likes to see the upsizing of placements by such a large proportion.

It seems like a number of placees were happy to sell the shares and keep the attaching three year options, exercisable at 30¢. This sort of behaviour is always negative for the share price, in the short term.

Having gotten through the pain of the share placement, and seeing the excellent intercepts starting to be reported, I'd like to think the share price will continue heading north again. A 48% improvement in the share price on the day of the announcement was a fair indicator of where it is going now.

*Disclosure: Interests associated with the author own shares in Lindian. Capital raising fees have been received.*

### *Meteoric's share price moves matching its name*

After many months of languishing below 1.5¢, Meteoric's price skyrocketed to 6¢ last week as the market digested the news of a rare earths deal in Brazil. The Company had all bases covered in the ASX release of 16/12/22, describing it as "world class", "Tier 1" and "ultra-high-grade". How could you wish for anything better?

Named the Caldeira Project, located in the Minas Gerais State of Brazil, it has been tested by 1,311 shallow auger drill holes to date. Grades ranged from 2,000 ppm to 10,000 ppm, occasionally spiking higher, over intervals mostly in the range of 10-15m, and all within 20m of the surface. The proportion of NdPr rare earth elements is at the higher end of the range, being 22%.

For those of you would like to compare it to projects that report in percentages of REE, rather than parts per million, 1% equates to 10,000 ppm. Lindian's project was consistently delivering 20,000 to 30,000 ppm, and spiking much higher. Hastings' reserve grade is 9,500 ppm. Though, it should be noted that hard rock carbonatite-style deposits need much higher grades than lower cost ionic clay deposits.

### *Deal terms - doing DD first*

Meteoric has paid US\$200,000 for an exclusivity period ending 6 April, to enable completion of due diligence, after which it can lock in the deal that will require staged cash payments of US\$20m and a 4.75% royalty. Enabling funds will come from the sale of the Jurueña Project.

### *Directors are looking after themselves,*

Directors (including consultants) are opportunistically taking advantage of the deal with a proposal to issue 100 million performance rights (equal to \$6m worth of stock at today's price, or 6.7% of the market capitalisation), upon the delineation of 100 Mt at not less than 2,500 ppm by July 2025. These are subject to shareholder approval.

### *The Bottom Line*

This is a great acquisition for MEI as it looks to be a project with good merit, though Brazil has always been a difficult hunting ground for Australian companies. It always seems

to have great geological merit but for some reason shareholders don't always get as much out of it as they initially expect. We look forward to the completion of the due diligence investigations and confirmation that the deal will proceed. Until then, there is still completion risk to contend with.

I must admit to finding the performance rights proposal to be over the top. Basically the directors have done their duty, for which they get paid, and now they have their snouts in the trough to get set at the bottom of the market. Effectively it amounts to a \$6m finders fee, payable upon confirmation that the resource is significant. Maybe it was only \$1.5m when the deal was announced, but once the information became public that price tag became dramatically more expensive for shareholders. Another point is that the bar has been set low with a grade of 2,500 ppm when the release of 20/12/22, talked about a composite grade in metallurgical test work of 4,917 ppm. Though, the 2,500 ppm grade is still high when compared to Ionic's (IXR) resource of 532 Mt at 640 ppm.

### *Director buying shares in Suvo is encouraging*

If a director is buying shares on market it is generally interpreted as a positive. If a director is buying then he must obviously be a true believer. Some people might interpret it to mean that the company is not sitting on any good news, otherwise the director wouldn't be allowed to buy. Therefore, the same sort of people might say there is no reason to hurry up and buy the shares now. That is just a little perverse.

Generally, it is fair to say that directors have a greater appreciation of the outlook for a company than the average investor in the market. Buying by a director should be interpreted as an expression of confidence over the next six months or more as it is an investment decision rather than a trading strategy.

One company that has seen director purchases on a number of occasions over the past month is Suvo Strategic Minerals (SUV), subsequent to a \$2m raising at 4¢ a share. We have purchased shares as well, believing that the Company has sound fundamental value at these levels. The critical inflection point that we are focusing on is the expected return to profitability in a few months time, when the design capacity of the Pittong kaolin processing plant is restored to nameplate capacity following a capital expenditure program that is nearing completion. See the link to our our detailed research note of 26/11/22. <http://www.fareastcapital.com.au/newsletter.asp?id=505>

*Disclosure: Interests associated with the author own shares and options in Suvo. Capital raising fees have been received.*

### *IPOs - problematic when it comes to pricing*

No matter how good a company looks on paper leading up to an IPO, the performance of the initial share price will be very much dependent upon a number of factors that are out of a company's control. Yes, a successful IPO invariably involves post-listing buying and strong news flow, but the sentiment of the general market can easily overpower all of the best intentions.

As an example, take a look at Richmond Vanadium (RVT), that commenced trading on 13 December last year. The IPO price was 40¢, but it quickly fell away in the market to hit a low of 20¢ last week. The Company raised \$25m.

I very rarely participate in IPOs with the primary reason being the lack of price discovery. A new company will usually take advice from its broker, but there is unavoidable conflicts of interest in doing so. The corporate arm of the broker wants the fee so it negotiates a valuation and a price at which it thinks it can get the deal away, but market conditions can change over the subsequent months, leading up to the prospectus opening. What might have been a good price initially can become overpriced very quickly.

I prefer to wait until a company is trading so that I can judge how much support there is, based on observation of what is happening in the market rather than rely on a broker's crystal ball. I may miss out on stagg opportunities if the IPO is highly successful, but missing out on an opportunity is less painful than taking loss.

Once a company lists and the share price comes down in the order of 50% in a short space of time, it means there is a high probability that there will be lot of selling in the recovery phase as the Company and the broker try and recapture the IPO price level. The share price could take many months to recover, if at all. Investors who have gone in for a short term trade find themselves with a long term investment.

### *What about the fundamentals?*

Recent share price performance aside, I am comfortable with my earlier view that Richmond is a very promising company with a much lower cost method of recovering vanadium than the traditional method companies use.

At some point the shares will be good buying. Perhaps, having fallen 50% in short order, that time is close. Just remember that this stock doesn't carry a high component of exploration blue sky. The funds from the IPO will be used to finance a BFS, which focuses on fundamentals rather than FOMO. See the previous detailed commentary in the following link. <http://www.fareastcapital.com.au/imagesDB/newsletter/WeeklyComm22October2022.pdf>

### *Hydrogen might not be the perfect solution*

I heard recently that WA is introducing hydrogen into the mix, with natural gas, in a field trial designed to reduce carbon emissions. The natural gas company, ATCO, will supply about 2,700 businesses and households in Perth with a blend of 98% gas and 2% hydrogen, with plans to increase the hydrogen content to 10%.

That reminded me of an article I saw that warns of the potential for nitrogen oxide (NO<sub>x</sub>) emissions that should be considered before proposal that boilers use a blend of hydrogen and natural gas are adopted. See this link for the Scottish experience.

<https://www.theguardian.com/environment/2022/sep/20/world-first-hydrogen-project-raises-questions-about-its-role-in-fuelling-future-homes>

Hydrogen promoters tell us that the only by-product of hydrogen combustion is water vapour, but they conveniently fail to mention that nitrogen oxides (NO<sub>x</sub>) can also be produced. High temperatures in the flame (and hydrogen burns at a higher temperature than natural gas) lead to the splitting of atmospheric N<sub>2</sub> and O<sub>2</sub> into atomic N

and O, which then go on to react and form NO. It has been stated that NO<sub>2</sub> itself causes a range of direct adverse health and environmental impacts with up to one million premature deaths being attributed to NO<sub>x</sub> in the tropospheric ozone layer. NO<sub>x</sub> is sufficiently problematic that the World Health Organisation has called for a 75% reduction in NO<sub>2</sub>. I intend to do a lot more reading on this subject to determine just how significant it is.

**Lucapa's diamonds feature in the top 10 in 2022**

It continues to confuse me as to why the market is not responding to confirmation of the discovery of the first source pipe at Lulo. Maybe the market wants to see the results of a larger sample size. Maybe it just a case of stale bulls selling into any buying.

So far all of the Lulo diamond production has been from the alluvials that have been shed by the primary pipes. The mind boggles at what the value of the original source pipe(s) could be. Maybe investors just doesn't understand diamonds.

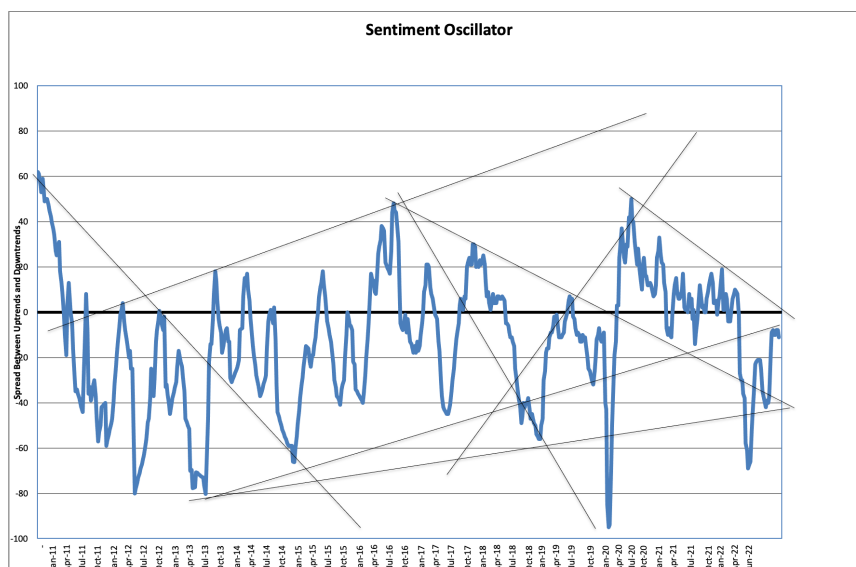
Click on the link below to see the best diamonds recovered in the sector in 2022. Lulo supplied four of these, which is a very impressive result.

<https://rapaport.com/news/the-biggest-diamonds-that-rocked-2022/>

*Disclosure: Interests associated with the author own shares and options in Lucapa. Capital raising fees have been received.*

We have reinstated Meteoric to the chart table, and added Richmond Vanadium and Sarytogan Graphite. Firefinch, Kingwest, Red River and St Barbara have been deleted.

*"Knowing the truth, seeing the truth and telling the truth, are all different experiences."  
McConaughy, M. "Greenlights", 2020. Headline Publishing*



**Sentiment Oscillator:** Sentiment hasn't changed much over the break. There were 30% (28%) of the charts in uptrend and 41% (38%) in downtrend on Friday's close.

**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  | weaker          |
| Metals and Mining      | XMM  | surged higher   |
| Energy                 | XEJ  | softer          |
| Information Technology | XIJ  | testing uptrend |

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| Stocks                                | Code | Trend Comment (updated comments in bold)   | Main Interest                          |
|---------------------------------------|------|--|--|
| 92 Energy                             | 92E  | down                                       | uranium                                |
| A-Cap Energy                          | ACB  | down                                       | uranium                                |
| ADX Energy                            | ADX  | sideways                                   | oil and gas                            |
| Alpha HPA                             | A4N  | off its highs                              | HPA                                    |
| Adriatic Resources                    | ADT  | new high                                   | zinc, polymetallic                     |
| Advance Metals (was Pacific American) | AVM  | down                                       | coal, gold exploration                 |
| Alkane Resources                      | ALK  | testing downtrend                          | gold                                   |
| Alicanto Minerals                     | AQI  | risen to resistance line                   | base metals, silver, gold              |
| Altech Chemical                       | ATC  | breached uptrend                           | HPA, anodes                            |
| Anteotech                             | ADO  | testing downtrend                          | silicon anodes, biotech                |
| Alto Metals                           | AME  | at resistance                              | gold exploration                       |
| American Rare Earths                  | ARR  | down                                       | rare earths                            |
| Antilles Gold                         | AAU  | testing downtrend                          | gold                                   |
| Arafura Resources                     | ARU  | good bounce                                | rare earths                            |
| Ardea Resources                       | ARL  | down                                       | nickel                                 |
| Aurelia Metals                        | AMI  | risen to resistance line                   | gold + base metals                     |
| Australian Rare Earths                | AR3  | breached steepest downtrend, then pullback | rare earths                            |
| Auteco Minerals                       | AUT  | testing ST uptrend                         | gold exploration                       |
| Arizona Lithium                       | AZL  | failed at resistance line                  | lithium                                |
| Azure Minerals                        | AZS  | down                                       | nickel exploration                     |
| BHP                                   | BHP  | new high                                   | diversified, iron ore                  |
| Barton Gold                           | BGD  | rising                                     | gold exploration                       |
| Beach Energy                          | BPT  | uptrend breached                           | oil and gas                            |
| Bellevue Gold                         | BGL  | new high                                   | gold exploration                       |
| Benz Mining                           | BNZ  | down                                       | gold                                   |
| Black Cat Syndicate                   | BC8  | rising                                     | gold                                   |
| Blue Star Helium                      | BNL  | sideways through downtrend                 | gas, helium                            |
| BMG Resources                         | BMG  | down                                       | gold exploration                       |
| Boab Metals                           | BML  | breached downtrend, then pullback          | silver/lead                            |
| Breaker Resources                     | BRB  | stronger                                   | gold exploration                       |
| Buru Energy                           | BRU  | strong rally                               | oil                                    |
| Calidus Resources                     | CAI  | new low                                    | gold                                   |
| Capricorn Metals                      | CMM  | new high                                   | gold                                   |
| Caravel Minerals                      | CVV  | at resistance                              | copper                                 |
| Castile Resources                     | CST  | still in downtrend                         | gold/copper/cobalt                     |
| Celsius Resources                     | CLA  | new uptrend                                | copper                                 |
| Chalice Mining                        | CHN  | down                                       | nickel, copper, PGMs, gold exploration |
| Chesser Resources                     | CHZ  | new low                                    | gold exploration                       |
| Cobalt Blue                           | COB  | breaching downtrend                        | cobalt                                 |
| Cyprium Metals                        | CYM  | testing steepest downtrend                 | copper                                 |
| Dateline                              | DTR  | at lows                                    | rare earths                            |
| De Grey                               | DEG  | new high                                   | gold                                   |
| E2 Metals                             | E2M  | breached new uptrend                       | gold exploration                       |

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|                                |     |   |                                     |                        |
|--------------------------------|-----|---|-------------------------------------|------------------------|
| Ecograp                        | EGR |    | falling again                       | graphite               |
| Element 25                     | E25 |    | new uptrend commenced               | manganese              |
| Emerald Resources              | EMR |    | trying to recapture uptrend         | gold                   |
| Empire Energy                  | EEG |    | testing steepest downtrend          | gas                    |
| Euro Manganese                 | EMN |    | down                                | manganese              |
| Evolution Mining               | EVN |    | strongly higher                     | gold                   |
| First Graphene                 | FGR |    | risen to final resistance line      | graphene               |
| Fortescue Metals               | FMG |    | <b>new high</b>                     | iron ore               |
| FYI Resources                  | FYI |    | sideways through downtrend          | HPA                    |
| Galena Mining                  | G1A |    | breaching final resistance          | lead                   |
| Galilee Energy                 | GLL |    | sideways                            | oil and gas, CBM       |
| Genesis Minerals               | GMD |    | rising                              | gold                   |
| Genmin                         | GEN |    | rising                              | iron ore               |
| Gold Road                      | GOR |    | strongly higher                     | gold                   |
| Great Boulder Resources        | GBR |    | softer                              | gold exploration       |
| Hastings Technology Metals     | HAS |    | improving                           | rare earths            |
| Hazer Group                    | HZR |    | testing downtrend                   | hydrogen               |
| Heavy Minerals                 | HVY |    | breached steepest downtrend         | garnet                 |
| Highfield Resources            | HFR |    | testing LT uptrend                  | potash                 |
| Hillgrove Resources            | HGO |   | rising                              | copper                 |
| Iluka Resources                | ILU |  | testing downtrend                   | mineral sands          |
| Image Resources                | IMA |  | testing resistance line             | mineral sands          |
| ioneer (was Global Geoscience) | INR |  | down                                | lithium                |
| Ionic Rare Earths              | IXR |  | breaching uptrend                   | rare earths            |
| Jervois Mining                 | JVR |  | new low                             | nickel/cobalt          |
| Kaiser Reef                    | KAU |  | sideways through downtrend          | gold                   |
| Kalina Power                   | KPO |  | at lows                             | power station additive |
| Kingston Resources             | KSN |  | breaching steepest downtrend        | gold                   |
| Krakatoa Resources             | KTA |  | down                                | rare earths            |
| Kingfisher Mining              | KFM |  | back to support line                | rare earths            |
| Lepidico                       | LPD |  | new low                             | lithium                |
| Lindian Resources              | LIN |  | spiked higher                       | bauxite                |
| Lion One Metals                | LLO |  | rising                              | gold                   |
| Los Cerros                     | LCL |  | breached downtrend                  | gold exploration       |
| Lotus Resources                | LOT |  | sideways through downtrend          | uranium                |
| Lucapa Diamond                 | LOM |  | down again                          | diamonds               |
| Lunnon Metals                  | LM8 |  | testing downtrend                   | nickel                 |
| Lynas Corp.                    | LYC |  | turned down at resistance line      | rare earths            |
| Magnetic Resources             | MAU |  | surge on REO news, then retracement | gold exploration       |
| Mako Gold                      | MKG |  | down                                | gold exploration       |
| Marmota                        | MEU |  | drifting lower                      | gold exploration       |
| Matador Mining                 | MZZ |  | breached new uptrend                | gold exploration       |
| Mayur Resources                | MRL |  | breached uptrend, heavy fall        | renewables, cement     |
| Meeka Gold                     | MEK |  | stronger                            | gold                   |

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|                           |     |                                       |   |                               |
|---------------------------|-----|---------------------------------------|---|-------------------------------|
| Megado Gold               | MEG | <span style="color: red;">■</span>    | new low                                   | rare earths, gold exploration |
| MetalsX                   | MLX | <span style="color: green;">■</span>  | spiked higher                             | tin, nickel                   |
| Meteoric Resources        | MEI | <span style="color: green;">■</span>  | spiked higher                             | rare earths                   |
| Metro Mining              | MMI | <span style="color: orange;">■</span> | testing downtrend                         | bauxite                       |
| Mincor Resources          | MCR | <span style="color: red;">■</span>    | down                                      | gold/nickel                   |
| Mithril Resources         | MTH | <span style="color: orange;">■</span> | sideways                                  | gold/silver                   |
| Musgrave Minerals         | MGV | <span style="color: red;">■</span>    | still falling, gently                     | gold exploration              |
| Nagambie Resources        | NAG | <span style="color: green;">■</span>  | sideways                                  | gold, antimony                |
| Neometals                 | NMT | <span style="color: red;">■</span>    | falling                                   | lithium                       |
| Northern Star Res.        | NST | <span style="color: green;">■</span>  | new high                                  | gold                          |
| Nova Minerals             | NVA | <span style="color: red;">■</span>    | slump on placement                        | gold exploration              |
| Orecorp                   | ORR | <span style="color: green;">■</span>  | surge higher                              | gold development              |
| Oz Minerals               | OZL | <span style="color: green;">■</span>  | new high on takeover bid                  | copper                        |
| Pacific Gold              | PGO | <span style="color: red;">■</span>    | bounced to meet resistance line           | gold exploration              |
| Pantoro                   | PNR | <span style="color: red;">■</span>    | new low                                   | gold                          |
| Panoramic Res             | PAN | <span style="color: red;">■</span>    | down                                      | nickel                        |
| Peak Resources            | PEK | <span style="color: green;">■</span>  | rising                                    | rare earths                   |
| Peninsula Energy          | PEN | <span style="color: red;">■</span>    | down                                      | uranium                       |
| Poseidon Nickel           | POS | <span style="color: red;">■</span>    | still down                                | nickel                        |
| Perseus Mining            | PRU | <span style="color: green;">■</span>  | new high                                  | gold                          |
| Provaris Energy           | PV1 | <span style="color: red;">■</span>    | back in downtrend                         | hydrogen                      |
| PVW Resources             | PVW | <span style="color: red;">■</span>    | down                                      | rare earths                   |
| QMiner                    | QML | <span style="color: green;">■</span>  | breached downtrend, then correction lower | copper                        |
| Queensland Pacific Metals | QPM | <span style="color: red;">■</span>    | slump. still in downtrend                 | nickel/cobalt/HPA             |
| Regis Resources           | RRL | <span style="color: green;">■</span>  | breached downtrend                        | gold                          |
| Regergen                  | RLT | <span style="color: red;">■</span>    | down                                      | gas, helium                   |
| Resource Mining Corp.     | RMI | <span style="color: red;">■</span>    | gently down                               | nickel exploration            |
| Richmond Vanadium         | RVT | <span style="color: red;">■</span>    | down after IPO                            | vanadium                      |
| RIO                       | RIO | <span style="color: green;">■</span>  | steeply higher                            | diversified, iron ore         |
| Rumble Resources          | RTR | <span style="color: red;">■</span>    | secondary downtrend                       | gold exploration              |
| S2 Resources              | S2R | <span style="color: orange;">■</span> | sideways                                  | gold exploration              |
| Sandfire Resources        | SFR | <span style="color: green;">■</span>  | strongly higher                           | copper                        |
| Santos                    | STO | <span style="color: orange;">■</span> | breached trend line support               | oil/gas                       |
| Sarama Resources          | SRR | <span style="color: red;">■</span>    | sideways through downtrend line           | gold exploration              |
| Sarytogan Graphite        | SGA | <span style="color: green;">■</span>  | uptrend                                   | graphite                      |
| Silex Systems             | SLX | <span style="color: green;">■</span>  | strongly higher                           | uranium enrichment technology |
| South Harz Potash         | SHP | <span style="color: red;">■</span>    | new low                                   | potash                        |
| Southern Cross Gold       | SXG | <span style="color: green;">■</span>  | strongly higher                           | gold exploration              |
| Stanmore Coal             | SMR | <span style="color: green;">■</span>  | surge higher                              | coal                          |
| Strandline Resources      | STA | <span style="color: red;">■</span>    | down                                      | mineral sands                 |
| Sunstone Metals           | STM | <span style="color: orange;">■</span> | slump                                     | exploration                   |
| Suvo Strategic Minerals   | SUV | <span style="color: red;">■</span>    | falling                                   | kaolin                        |
| Talga Resources           | TLG | <span style="color: green;">■</span>  | rising again                              | graphite                      |
| Tamboran Resources        | TBN | <span style="color: orange;">■</span> | breached downtrend                        | gas                           |

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|                        |     |                                       |                                       |                  |
|------------------------|-----|---------------------------------------|---------------------------------------|------------------|
| Technology Metals      | TMT | <span style="color: red;">■</span>    | down                                  | vanadium         |
| Theta Gold Mines       | TGM | <span style="color: red;">■</span>    | strong rise from lows - at resistance | gold             |
| Thor Mining            | THR | <span style="color: red;">■</span>    | down                                  | gold exploration |
| Tietto Minerals        | TIE | <span style="color: green;">■</span>  | new high                              | gold             |
| Vanadium Resources     | VR8 | <span style="color: red;">■</span>    | new low                               | vanadium         |
| Venture Minerals       | VMS | <span style="color: orange;">■</span> | testing ST uptrend                    | tin, tungsten    |
| West African Resources | WAF | <span style="color: orange;">■</span> | breached downtrend                    | gold             |
| Westgold Resources     | WGX | <span style="color: green;">■</span>  | stronger                              | gold             |
| West Wits Mining       | WWI | <span style="color: red;">■</span>    | new low                               | gold             |
| Whitehaven Coal        | WHC | <span style="color: red;">■</span>    | down                                  | coal             |
| Zenith Minerals        | ZNC | <span style="color: orange;">■</span> | breached steepest downtrend           | gold exploration |
| Totals                 | 30% | 43                                    | Uptrend                               |                  |
|                        | 41% | 58                                    | 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               | 30               | 21.3%     |
| Gold Exploration   | 22               | 15.6%     |
| Rare Earths        | 13               | 9.2%      |
| Oil/Gas            | 11               | 7.8%      |
| Nickel             | 8                | 5.7%      |
| Copper             | 8                | 5.7%      |
| Iron Ore/Manganese | 6                | 4.3%      |

|                   |     |      |  |
|-------------------|-----|------|--|
| Uranium           | 5   | 3.5% |  |
| Zinc/Lead         | 3   | 2.1% |  |
| Lithium           | 4   | 2.8% |  |
| Graphite/graphene | 4   | 2.8% |  |
| Coal              | 3   | 2.1% |  |
| Mineral Sands     | 3   | 2.1% |  |
| Potash/Phosphate  | 2   | 1.4% |  |
| Silver            | 2   | 1.4% |  |
| Bauxite           | 2   | 1.4% |  |
| Vanadium          | 3   | 2.1% |  |
| Cobalt            | 1   | 0.7% |  |
| Tin               | 2   | 1.4% |  |
| Diamonds          | 1   | 0.7% |  |
| Other             | 8   |      |  |
| Total             | 141 |      |  |

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