



# Market Trend News

REPORTING ON THE MARKETS SINCE 1993

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## U.S. approves bitcoin ETFs

Bitcoin broke \$49K last week as several new Bitcoin ETFs were approved and began trading. It was a bit of buy on rumor and sell the news as Bitcoin closed the week down, closing at \$41,715.

There was a post published on the SEC's X account announcing the approval of the ETFs and it turns out it was a hacker posting the news early. [ [Wired: Lawmakers Are Out for Blood After a Hack of the SEC's X Account Causes Bitcoin Chaos](#) ] [ [The Motley Fool: Bitcoin ETFs Are Here. Which One Should You Buy, If Any of Them?](#) ]

Where does Bitcoin go from here? Will it challenge all time highs or will we see a pull back to \$32K-\$35K?

Have a Great Week!



# INFO

INTERESTING INTERVIEWS & ARTICLES



Chat With Traders  
The Sweet Balance Between Risk and Reward · Tom Basso

**SWEET BALANCE**  
RISK REWARD  
TOM BASSO

Spott Money  
Eric Spott on Gold Price in 2024 - Yearly Wrap Up Report

New Records for Gold in 2024?

Korelin Economics Report  
Robert Sinn – Talking Gold, Silver, PM Stocks, Copper, and Copper Stocks With Goldfinger

**GOLDFINGER CAPITAL** **KER**  
KORELIN ECONOMICS REPORT  
TECHNICAL OUTLOOK AND FUNDAMENTALS FOR GOLD, SILVER, PM MINERS, COPPER, AND COPPER STOCKS  
INTERVIEWING ROBERT SINN

Kitco News  
Spot Bitcoin ETFs Approved, What's Next — Vijay Boyapati

Kitco News

## THE BEST AND WORST PERFORMING SECTORS IN 2023

### U.S. STOCK MARKET WINNERS AND LOSERS OF 2023



In 2023, the U.S. stock market saw surprisingly strong returns, even as interest rates climbed higher. The S&P 500 rose over 24% amid exuberance around AI and big tech.

#### WINNERS



1 TECHNOLOGY

Tech stocks soared amid investor enthusiasm for AI. Nvidia posted a record \$18.1B



2 COMMUNICATION SERVICES

Meta was the second-best performing stock in the S&P 500. In its "year of efficiency" the company



3 TRAVEL SERVICES

The consumer discretionary sector had one of its best years on record. Royal Caribbean was



4 ASSET MANAGEMENT

The world's largest alternative asset manager, Blackstone, saw returns of over 83%.



5 INDUSTRIAL SUBSECTORS

General Electric shares skyrocketed in 2023 as demand for jet engines increased. Industrial distribution

BY: DOROTHY NEUFELD

READ FULL STORY

## VISUALIZED: THE TOP S&P 500 STOCKS OVER 20 YEARS

### TOTAL RETURN (%)



BY: MARCUS LU

READ FULL STORY

## CHARTED: CHINESE FDI INFLOWS HIT MULTI-YEAR LOWS

### THE DECLINE OF Foreign Direct Investment IN CHINA IN 2023

Foreign Direct Investment (FDI) is rapidly exiting China as tensions with the U.S. and slowing domestic growth weigh on investor optimism.

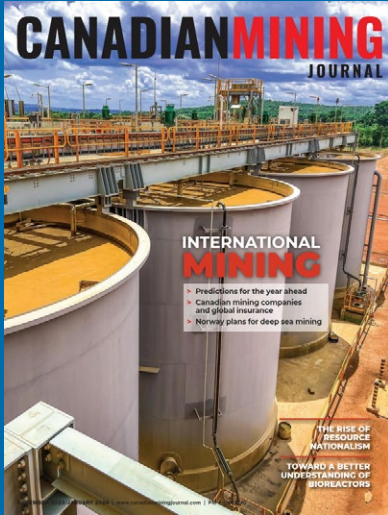


BY: PALLAVI RAO

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INFO

INTERESTING INTERVIEWS & ARTICLES



# Sprott

January 11th, 2024

**Gold Mining Stocks, A Clear and Compelling Investment Case**

**John Hathaway, CFA**

Managing Partner, Sprott Inc.;  
Senior Portfolio Manager,  
Sprott Asset Management USA

The **MicDropMarkets** Podcast

Up today we have legendary Hedge Fund manager Bill Fleckenstein. Bill called the dotcom bubble in the 1990s and the 2008 collapse.

## WHERE ARE THE WORLD'S LARGEST SOLAR POWER PLANTS?

# 15 LARGEST SOLAR POWER PLANTS

### HOW TO READ



BY: PRANAV GAVALI

READ FULL STORY

## WILL DIRECT LITHIUM EXTRACTION DISRUPT THE \$90B LITHIUM MARKET?

# DIRECT LITHIUM EXTRACTION DISRUPTING THE \$90 BILLION LITHIUM MARKET

By 2030, the widespread adoption of EVs is expected to reduce daily oil consumption by **five million barrels**.

This will lead to a significant increase in the value and demand

**21.1%**  
Compound Annual Growth Rate

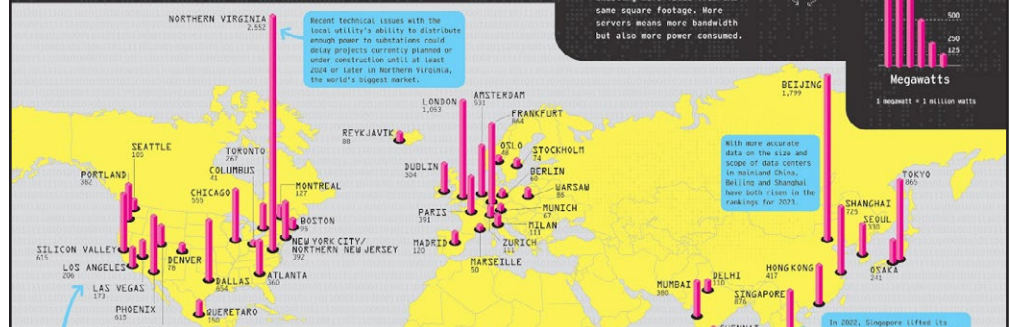
BY: ALAN KENNEDY

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## RANKED: TOP 50 DATA CENTER MARKETS BY POWER CONSUMPTION

# TOP 50 BIGGEST DATA CENTER MARKETS BY ELECTRICITY CONSUMPTION in MEGAWATTS

1,800+ data centers surveyed from 63 markets



BY: JULIE R. PEASLEY

READ FULL STORY



**Energy from Experience**

Argentina Lithium & Energy is focused on acquiring high-quality lithium projects in Argentina and advancing them towards production to meet the growing global demand from the battery sector. The Company's management group has a long history of success in the resource sector of Argentina with a strong track record of government & community relations.

**SHARE STRUCTURE**

As of December 31, 2023

Issued	131,158,649
Warrants	70,742,737
Options	11,341,000
Fully Diluted	213,242,386

**PARTNERED FOR GROWTH**



For additional details see the original news release dated September 27, 2023

**Invested: US\$90M in ARS\$eq**

**Ownership in LIT: 19.9%** (in Argentina subsidiary with exchange right to LIT shares provided)

**Offtake Guarantee: Up to 15,000tpa over 7 years, extendable**

**MANAGEMENT**

**MR. NIKOLAOS CACOS, M.I.M.**  
President and CEO, Director

**MILES RIDEOUT**  
Vice President Exploration

**CONNIE NORMAN**  
Corporate Secretary

**DARREN C. URQUHART, CPA, CA**  
Chief Financial Officer

**DIRECTORS**

**JOSEPH GROSSO**  
Chairman of the Board and Director

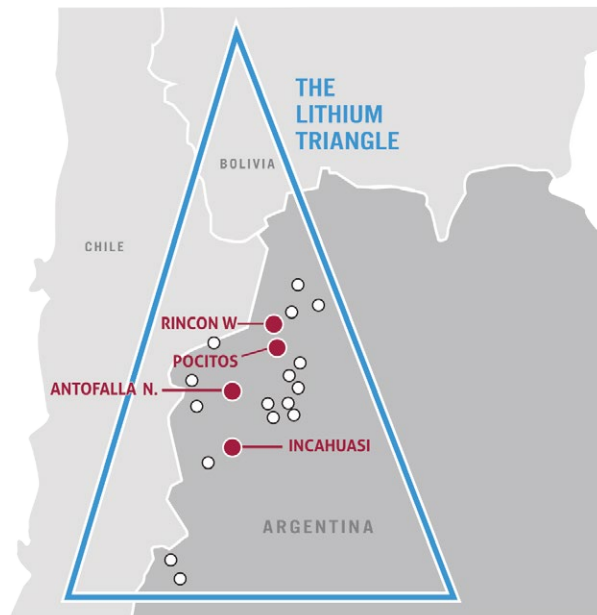
**MR. NIKOLAOS CACOS, M.I.M.**  
Director

**JOHN GAMMON, PH.D.,**  
Director

**MARTIN BURIAN, ICD.D, CPA**  
Director

**DAVID A. TERRY, PH.D., P.GEO**  
Director

**KEY PROJECT HIGHLIGHTS**



- Claims covering +67,000 hectares on 4 salars in the Lithium Triangle.
- Projects strategically located in pro-mining provinces Salta and Catamarca with year-round access & near key infrastructure.
- Aggressive exploration programs including advancing toward first resource estimate at Rincon W.
- Recently completed first drill program at Rincon W returning moderate to high grades of lithium over long intervals, including:
  - 287 to 402 mg/L Li over 258m starting at 83m depth (2 intervals not sampled, 42m & 33m)



## PROJECTS



Four under-explored projects in the heart of the Lithium Triangle in Argentina.

### RINCON WEST

- >5,000ha (~50% wholly-owned and 50% under option)
- Adjacent to Rio Tinto Ltd. and Argosy Minerals lithium development projects\*
- Excellent infrastructure including international highway, electric power corridor
- 1st drill program completed; results include:
  - 287 to 402 mg/L Li in 258m interval (RW-DDH-009) (2 intervals not sampled, 42m & 33m) and
  - 329 to 393mg/L Li in 153m interval (RW-DDH-006) and
  - 334 to 382 mg/L Li in 132m interval (RW-DDH-004) and
  - 337 to 367 mg/L Li in 123m interval (RW-DDH-002) (40m not sampled)
- 2<sup>nd</sup> drill program underway + permitting for pump tests

### POCITOS

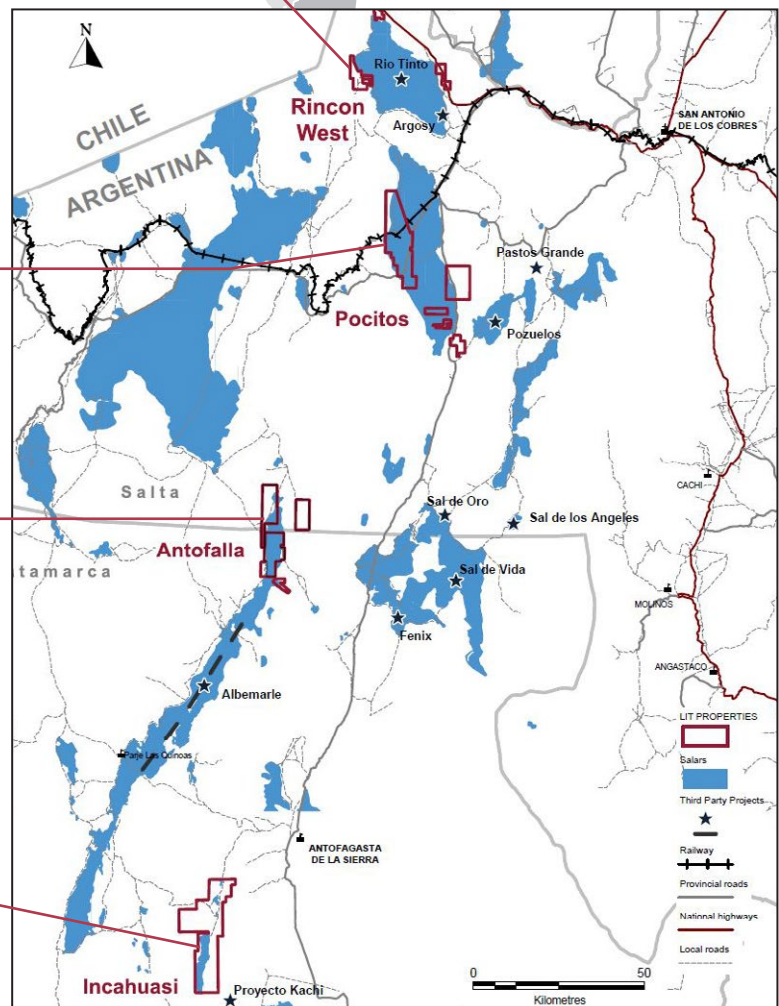
- >26,000 ha (~50% wholly-owned and 50% under option)
- Excellent infrastructure: International railway to Pacific ports crosses the property; Provincial highway and major gas pipeline nearby
- New 170 line-km TEM survey underway

### ANTOFALLA NORTH

- >10,000ha (Including wholly-owned & under option)
- Major lithium producer Albemarle has large holdings starting 500m to the south\*
- Geophysical survey identified high-conductivity targets in upper 100 metres, additional targets at depth
- 110 line-km TEM survey planned to delineate brine targets, with drilling planned to follow in early 2024 (pending permitting)

### INCAHUASI

- 100% interest in over 25,000 hectares
- Located north of Lake Resources' Kachi Project\*
- Maximum values 409 mg/L lithium and 1.56% potassium recovered in near-surface sampling (to 8m depth)
- 4 drill-holes confirmed lithium-bearing brines (average to date 109 mg/L Li, 6718 mg/L K)



**DISCLAIMER:** This brochure contains forward-looking statements, including but not limited to comments regarding predictions and projections. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. This fact sheet has been reviewed and approved by David Terry, Ph.D., P.Ge., a Director of the company and a Qualified Person as defined by NI 43-101. \*Proximity to other mining projects in the area does not provide any assurances with respect to the prospects at the Company's projects.

# SECRETS OF THE GREATEST HEDGE FUND OF ALL TIME

BY: STEVE BURNS  
DECEMBER 3, 2023

[NEWTRADERU.COM](http://NEWTRADERU.COM)

Author Gregory Zuckerman wrote a great book about Jim Simon and Renaissance Technologies titled [The Man Who Solved the Market: How Jim Simons Launched the Quant Revolution](#). Zuckerman also gave a [great interview](#) about what he learned. In this article, we will dive into the secrets he uncovered.

[Jim Simons'](#) Renaissance Technologies is considered the most significant hedge fund ever built, amassing [over \\$100 billion in earnings](#) for its employees and early shareholders since its 1988 inception. While the figures themselves may be astonishing, how Simons and his cohorts achieved such incredible dominance is perhaps more unbelievable.

This hedge fund empire did not rely on insider access, aggressive leverage, political connections, or business cycle expertise. Its approach went against established methods – leaning instead on pattern recognition, big data, and speed measured in milliseconds.

Renaissance became an apex predator on Wall Street by aggressively expanding the boundaries of what was previously believed achievable. They maintained disciplined adherence to statistically proven signals while exercising occasional, yet pivotal, gut feel during periods of irrational extremes.

Instead of traditional financial analysts focused on quarterly earnings calls or monitoring business inventory channels, they invested aggressively in securing unconventional intellectual talent, including award-winning mathematicians, physicists, and data analysts. They charged astonishing management fees reflecting audacious confidence in their systems' accuracy, then poured all proceeds back into sharpening their revenue-generating algorithms.

## Taking A Quant Approach When No One Else Would

In the go-go 1980s, while celebrity investors like [George Soros](#) and Peter Lynch were using traditional stock-picking methods to generate market-crushing returns, Jim Simons was taking a radically different approach with his firm, Renaissance Technologies.

Simons employed complex mathematical and statistical models to identify [profitable trades](#) algorithmically rather than relying on human intuition, business fundamentals, or macroeconomic trends. This heavy quantitative approach set Renaissance Technologies apart, as other prominent investment firms remained focused on traditional research and analysis. Many on Wall Street scoffed at Simon's conviction in math and computation in the early days, with the consensus believing this type of trading could never scale.



## Scaling To Equities And Fixing The Bug That Unlocked Returns

Renaissance in the 1980s focused primarily on currencies, commodities, and bonds – amassing solid but not spectacular gains mainly owing to capacity constraints in trading less liquid assets. In the mid-1990s, founder [Jim Simons](#) pushed his team to expand to equities to allow substantially more scalability than just focusing on commodities and currencies.

However, they struggled to translate their quantitative methods to the stock market. The breakthrough came in 1996 when researcher Nick Patterson made a critical discovery – he identified and fixed a subtle bug that dramatically improved their equity [trading algorithms](#) almost overnight. Renaissance saw returns skyrocket with this fix in place.

Their hot streak in stocks provided a launchpad to scale from under \$1 billion in assets in 1996 to over \$40 billion by 2000 – a meteoric rise following Simons' ambitions.

## Founder Jim Simons Had Raw Ambition To Dominate

Unlike other [hedge fund managers](#) content with steady gains, Jim Simons was unusually ambitious to build more than just a successful company – he wanted to construct an iconic firm with unlimited capacity.

At several junctures in Renaissance's journey when employees felt comfortable with billions under management, Simons saw no reason to slow down expansion – he envisioned an empire and pushed towards this goal tirelessly. His raw ambition led directly to the immense fees charged by Renaissance – 5% of all assets under management and 44% of all gains annually.

Simons knew Renaissance's array of talent, data, and technology was sufficient to generate outsized returns on colossal sums...and these fees enabled hiring renowned scientists and mathematicians along with near unlimited budgets for computers and research.

### **Hiring Mathematicians And Scientists – Not Stock Pickers**

Instead of employing Wall Street equity analysts or MBAs like traditional asset managers, Renaissance filled its ranks with unconventional hires – award-winning mathematicians, physicists, and cryptographers. Simons built a dream team of technical wizardry to create predictive signals from vast data.

Brilliant minds like Elwyn Berlekamp, Henry Laufer, and Jim Ax could pursue creative strategies based on computational signals rather than business fundamentals. This iconoclastic team dynamic was a departure from rigid Wall Street hierarchies – integral to Renaissance avoiding groupthink and finding unique efficiencies through relentless [data mining](#).

### **Managing Large Egos And Aligning A Shared Mission**

However, this all-star crew of technical talent also brought supersized egos that were tough for even seasoned managers to wrangle at times. Simons displayed prowess, smoothing the rifts and conflicts inherent when managing brilliant but demanding personalities.

His leadership kept Renaissance's work environment relatively harmonious despite its fair share of fireworks. Simons focused his talent on pursuing excellence through a shared quantitative mission rather than micromanaging specific methods – allowing organic innovation paired with accountability toward results.

### **Giving The Models Free Rein With Occasional Intuition**

Renaissance's breadth of intellectual horsepower also allowed its quantitative model's significant discretion to operate based purely on data-driven signals and algorithms without overrides. Their techno-centric approach minimized human intervention decade after decade.

But founder Jim Simons occasionally applied manual judgment during extreme market turbulence when conditions fell outside norms. Relying predominantly on systematic strategies while retaining flexibility for intuitive nudges at pivotal moments generated phenomenal performance.

### **Charging Outsized Fees Fueled Significant Reinvestment**

The exorbitant fees captured by Renaissance may appear gratuitous but were far from greed for greed's sake. The costs of pioneering highly complex quantitative trading systems required serious infrastructure – from mainframe hardware to PhDs well-versed in stochastic calculus.

These expenses could only be funded through above-average fees supporting lavish budgets for talent and technology, averaging over \$100 million annually.

With a willingness to compensate its guardians extravagantly, the Renaissance built computational power and intelligent human capital, reinforcing dominance. The eye-watering returns generated more than offset these hefty fees – leaving clients, founders, and employees alike extraordinarily wealthy.

### **Key Takeaways**

- Employing quantitative strategies when conventional wisdom focused on fundamental stock picking provided a critical edge
- Scaling systems and processes to new assets like equities unlocked exponential growth.
- Ambitious vision from leadership to dominate fueled relentless innovation
- Building a talent base of creative scientists and mathematicians over typical Wall Street Insiders
- Blending autonomy for data models with occasional gut-driven manual overrides
- Reinvesting heavily in talent and technology generated a self-perpetuating flywheel

### **Conclusion**












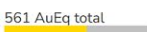


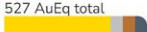












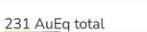
Renaissance Technologies established a new paradigm for capital management by taking an unconventional approach. They ventured beyond qualitative guesswork around fundamentals into quantitative modeling and computational accuracy based on statistical arbitrage. With a restless ambition unsatisfied by early profits, Renaissance scaled its trading formulas across asset classes, breaking free of capacity constraints.

Its team of math Olympians and encrypted codebreakers forged new methods the industry had never contemplated. Through managing clashes of creative talents united behind a joint technology-driven mission, Renaissance continuously upgraded its money-printing framework guarded by barrier-to-entry complexity and magnified by substantial fees funding more brainpower. The principles powering this money machine appear elementary in hindsight – let devices and their programmers do what they alone uniquely can.

- Steve Burns




























# DRILL RESULTS COURTESY OF JUNIOR MINING HUB

## Top Gold Drilling Highlights

News	Date	Company	Project	Au (g/t)	From (m)	Interval (m)	Grade x Width	Market Cap	Location
	1/11/2024	Great Pacific Gold Corp. 1.00  0.03 (3.09%)	Lauriston Gold	106	95	8	848 Au total 	\$85.04M	
	12/19/2023	Great Pacific Gold Corp. 1.00  0.03 (3.09%)	Lauriston Gold	166.35	95	5	832 Au total 	\$85.04M	
	1/3/2024	Snowline Gold Corp. 5.97  0.26 (4.55%)	Rogue	2.15	3.2	308.8	664 Au total 	\$864.20M	Yukon, Canada
	1/10/2024	Prime Mining Corp. 1.89  0.11 (6.18%)	Los Reyes	17.95*	155.35	31.25	561 AuEq total 	\$270.96M	Sinaloa, Mexico
	1/9/2024	Collective Mining Ltd. 4.15  0.13 (3.23%)	Guayabales	1*	223.6	527.4	527 AuEq total 	\$251.68M	Colombia
	1/11/2024	Thesis Gold Inc. 0.52 0.00 (0.00%)	Lawyers	2.49*	378	128	319 AuEq total 	\$90.51M	British Columbia, Canada
	12/18/2023	Aton Resources Inc. 0.21 0.00 (0.00%)	Abu Marawat Concession	50.07	75	6	300 Au total 	\$16.54M	Red Sea, Egypt
	1/12/2024	Founders Metals Inc. 1.58  0.08 (5.33%)	Antino	24.61	182	10	246 Au total 	\$85.99M	Suriname
	12/21/2023	Founders Metals Inc. 1.58  0.08 (5.33%)	Antino	16.26	52.7	14.5	236 Au total 	\$85.99M	Suriname
	12/27/2023	Collective Mining Ltd. 4.15  0.13 (3.23%)	Guayabales	0.76*	4.4	304.6	231 AuEq total 	\$251.68M	Colombia

## Top Li2O Drilling Highlights

Use Control + To Zoom

News	Date	Company	Project	Li2O (%)	From (m)	Interval (m)	Grade x Width	Market Cap	Location
	1/9/2024	Azimet Exploration Inc. 0.81 0.00 (0.00%)	Galinee	2.48	139.5	72.7	180 Li2O total 	\$69.02M	Quebec, Canada
	1/8/2024	Atlas Lithium Corporation 27.31  0.20 (0.74%)	Neves	1.44	59	47	68 Li2O total 	\$293.02M	Minas Gerais, Brazil
	12/19/2023	Li-FT Power Ltd. 6.10  0.25 (4.27%)	Yellowknife Lithium	1.70	77	28	48 Li2O total 	\$240.50M	Northwest Territories, Canada
	12/19/2023	Brunswick Exploration Inc. 0.77 0.00 (0.00%)	Mirage	2.92	68.1	14	41 Li2O total 	\$149.44M	Quebec, Canada
	1/3/2024	Li-FT Power Ltd. 6.10  0.25 (4.27%)	Yellowknife Lithium	1.56	164	26	41 Li2O total 	\$240.50M	Northwest Territories, Canada
	1/9/2024	Li-FT Power Ltd. 6.10  0.25 (4.27%)	Yellowknife Lithium	1.50	226	23	35 Li2O total 	\$240.50M	Northwest Territories, Canada
	1/11/2024	United Lithium Corp. 0.45  -0.02 (-4.26%)	Bergby	1.05	75.95	32.75	34 Li2O total 	\$18.48M	Sweden
	12/27/2023	Li-FT Power Ltd. 6.10  0.25 (4.27%)	Yellowknife Lithium	0.99	253	28	28 Li2O total 	\$240.50M	Northwest Territories, Canada
	1/9/2024	Lithium Ionic Corp. 1.34  0.09 (7.20%)	Salinas	1.59	42.16	15	24 Li2O total 	\$185.17M	Minas Gerais, Brazil
	1/11/2024	Consolidated Lithium Metals Inc. 0.03 0.00 (0.00%)	Vallee JV	1.04	55.12	6.46	6.7 Li2O total 	\$9.85M	



## Top Copper Drilling Highlights

News	Date	Company	Project	Cu (%)	From (m)	Interval (m)	Grade x Width	Market Cap	Location
	1/4/2024	DLP Resources Inc. 0.38 <span style="color:red">▼</span> -0.02 (-5.00%)	Aurora	0.82*	208	773.2	634 CuEq total 	\$39.71M	Cusco, Peru
	1/8/2024	NGEx Minerals Ltd. 8.33 <span style="color:green">▲</span> 0.03 (0.36%)	Lunahuasi	4.01*	144	128.3	514 CuEq total 	\$1.55B	
	1/8/2024	American Eagle Gold Corp. 0.33 <span style="color:red">▼</span> -0.025 (-7.04%)	NAK	0.61*	44	771	471 CuEq total 	\$35.17M	British Columbia, Canada
	1/10/2024	American Pacific Mining Corp. 0.34 <span style="color:green">▲</span> 0.015 (4.62%)	Palmer	8.22*	169.6	43.8	360 CuEq total 	\$66.84M	Alaska, USA
	1/8/2024	Ivanhoe Electric Inc. 12.00 <span style="color:green">▲</span> 0.13 (1.10%)	Santa Cruz	0.81	564	327.08	265 Cu total 	\$1.25B	Arizona, United States
	1/9/2024	Pacific Ridge Exploration Ltd. 0.17 0.00 (0.00%)	Kliyul	0.43*	87.2	455.8	196 CuEq total 	\$21.88M	British Columbia, Canada
	1/10/2024	Arizona Sonoran Copper Company Inc. 1.51 <span style="color:red">▼</span> -0.01 (-0.66%)	Cactus	1.34	399.9	127	170 Cu total 	\$164.63M	Arizona, United States
	1/3/2024	Benton Resources Inc. 0.165 <span style="color:red">▼</span> -0.005 (-2.94%)	Great Burnt	5.51	303.08	25.42	140 Cu total 	\$27.31M	Newfoundland and Labrador, Canada
	1/2/2024	Hercules Silver Corp. 0.74 <span style="color:green">▲</span> 0.02 (2.78%)	Hercules	0.32	276.3	437.5	140 Cu total 	\$168.64M	NULL
	1/12/2024	Vulcan Minerals Inc. 0.125 <span style="color:red">▼</span> -0.005 (-3.85%)	Colchester	1.51	48.5	13.5	20 Cu total 	\$16.10M	Newfoundland and Labrador, Canada

## Top Silver Drilling Highlights

Use Control + To Zoom

News	Date	Company	Project	Ag (g/t)	From (m)	Interval (m)	Grade x Width	Market Cap	Location
	1/4/2024	Silver Storm Mining Ltd. 0.12 0.00 (0.00%)	La Parrilla	1810*	56	14.62	26462 AgEq total 	\$47.66M	Durango, Mexico
	12/18/2023	Elores Resources Ltd. 1.87 <span style="color:green">▲</span> 0.02 (1.08%)	Iska Iska	339.82*	87.44	62.84	21354 AgEq total 	\$143.72M	Bolivia
	1/11/2024	Elores Resources Ltd. 1.87 <span style="color:green">▲</span> 0.02 (1.08%)	Iska Iska	139.94*	137.75	136.11	19047 AgEq total 	\$143.72M	Bolivia
	1/9/2024	Hycroft Mining Holding Corporation 2.39 <span style="color:red">▼</span> -0.01 (-0.42%)	Hycroft	869.90	323.64	20.18	17555 Ag total 	\$48.31M	Nevada, USA
	1/10/2024	Metallic Minerals Corp. 0.345 <span style="color:green">▲</span> 0.01 (2.99%)	Keno Silver	256.82*	239.95	46.05	11827 AgEq total 	\$57.52M	Yukon, Canada
	1/11/2024	Kuya Silver Corporation 0.235 <span style="color:green">▲</span> 0.01 (4.44%)	Silver Kings	208*	253	7	1456 AgEq total 	\$17.89M	Ontario, Canada

Equivalency values are provided by news release and are not verified by Junior Mining Hub. Drilling results are not true width, but core length. "From" is represented by the top of interval, or vertical depth reported in the news release. Please click the news release link to confirm values (these are not guaranteed) and gain additional context. Junior Mining Hub does not provide investment advice or instructions, products or services. It is essential that you should not rely solely on the information contained on the platform, including information shared by other users of the platform and services. Click here to see our complete [Terms of Use](#) and [Privacy Policy](#) Agreements.



“All those commodities are going to have to rise in value as we are in short supply and we are printing too much money.”

- Peter Schiff

**Metals/Crypto Prices**

CEO.CA	Price	1 Week	YTD
Gold	\$2,027.50	-1.07%	-2.05%
Silver	\$23.05	-0.84%	-6.13%
Copper	\$3.78	-2.22%	-4.27%
CAD/USD	\$0.75	-0.16%	-1.33%
Bitcoin	\$46,155.97	7.90%	5.99%
Ethereum	\$2,485.61	11.91%	5.65%

\*Metal and cryptocurrency data as of 4:00pm ET yesterday.

**In Today's Briefing**

**Gold**

Gold is holding its station above the 50-period SMA, awaiting the next catalyst.



Those with a bullish tilt toward the metal want to see a successful test of solid resistance at \$2100. Bears want a proper probe back below solid support at \$2000. Tomorrow's (Jan. 11) CPI for the month of December might offer that catalyst, one way or the other. December's producer price index is due to drop on Friday (Jan. 12).

Expectations are for a muted set of CPI numbers, which would further bolster speculation that the Fed will cut rates as early as March. That would be precious-metal-positive. If there's an upside surprise in these digits, there could be selling pressure.

## A Few Mining-related Headlines

### Shuttered Mines and Stalled Deals

Dramatic price declines in the battery metal space are hitting companies hard. Projects are being sidelined, deals are falling apart, and funds are scarce - [Battery Metal Price Plunge Is Closing Mines and Stalling Deals](#).

Lithium is off by more than 80% from the nose bleed levels witnessed in late 2022. Nickel is off 45%, and cobalt is off >65% from its 2022 peak. According to mining investment bankers and industry execs, this downward spiral is giving several carmakers cold feet, causing some to walk away from negotiations.

The casualty / wounded list is not insignificant. It continues to grow: [Chemaf Resources](#) recently put itself on the auction block after falling cobalt prices derailed its push along the development curve in the Congo. [Horizonte Minerals](#), unable to source funds to complete construction of its nickel project in Brazil, scaled back activity after announcing an emergency \$20 million raise late last year. [Panoramic Resources](#) suspended operations at its flagship nickel mine after entering voluntary administration late last year when it failed to woo a deep-pocketed buyer (or partner).

In response to an 85% drop in spodumene concentrate prices over the past year, [Core Lithium](#), calling itself 'Australia's Newest Lithium Producer,' is conducting a strategic review of its business activities and has halted operations at its Finniss project near Darwin with immediate effect - [Core Lithium suspends mining at Finniss as lithium prices plummet](#).

Core's CEO Gareth Manderson: "The team has moved at pace to ensure Core's value is preserved in these tough market conditions. While suspending mining operations is a difficult decision, processing of ore stockpiles will continue to generate revenue and we will focus on managing our cash reserves prudently. We are working to put the business in the best position possible to recommence mining and proceed with BP33 when market conditions improve."

In a world hellbent on electrifying and decarbonizing everything that moves, the carnage piling up in the sector is bound to trigger some extreme volatility on the supply side of the equation.

With share prices taking a major hit across the board, M&A in the sector is likely to continue, especially among the small's and mid's.

### Breaking Ground After Almost Three Decades of Setbacks and Scandals

Mining behemoth Rio Tinto has finally tabled a schedule to build its massive [Simandou](#) iron ore project in the West African coastal nation of Guinea - [Simandou build expected to start in 2024 after almost 30 years of setbacks](#).

Hailed the world's largest and highest grade iron ore resource, Simandou will add around 5% to global seaborne supply once online. The project is a partnership between Rio Tinto, the Guinean government, and at least seven other companies, including five from China. The buildout cost of this gargantuan project is estimated to run \$11.6 billion.



Hollywood is likely working on a script for this one. Since exploration licenses were granted back in 1997, the country has experienced two coups d'état, seen four heads of state, and undergone three presidential elections.

The protracted battle for Simandou's staggering subsurface mineral wealth has many chapters. The following is a chronology outlining the history of the deposit ([as per a Reuters piece](#)).

**1997** - Rio Tinto granted first exploration licence to develop blocks 1,2,3, and 4 in the Simandou mountains, a 110-kilometre-long range, 550 kilometres south of Guinea's capital Conakry.

**2006** - BSGR granted exploration permits in blocks adjoining Rio concessions.

**2008** - President Lansana Conté strips Rio of rights to half the project (1 and 2) in a presidential decree claiming Rio was acting too slow in the project's development. He later awards them to BSGR. Rio Tinto questions the legality of the actions.

**2010** - BSGR signs a framework agreement to sell 51% of its Guinean assets to Brazil's Vale for \$2.5 billion.

**2012** - Vale says it is putting its Simandou project on hold, blaming falling iron ore prices. In the same month, the Guinean mining committee writes to BSGR detailing bribery allegations.

**2013** - U.S. grand jury opens investigation into potential breaches of the Foreign Corrupt Practices Act relating to BSGR practices in Guinea. The probe concludes with Frédéric Cilins, a French businessman, pleading guilty to one count of obstructing a criminal investigation. He was sentenced to 24 months in jail in July 2014. He served 12 months. BSGR has stated repeatedly that it had nothing to do with Cilins and his "alleged actions".

**2014** - Guinean government announces the stripping of BSGR's mining rights after a government inquiry concludes it won them through bribery.

- Rio Tinto files a U.S. lawsuit against Vale, Beny Steinmetz and BSGR accusing them of conspiring to misappropriate its mining rights in the Simandou region.
- The United States District Court of the Southern District of New York later dismisses the complaint on the grounds Rio had waited too long to file it.

**April 2017** - BSGR files a lawsuit in the U.S District Court in the Southern District of New York accusing financier George Soros of manipulating the government of Guinea and elected officials to strip BSGR of mining contacts.

**March 2018** - BSGR announces it has voluntarily entered administration to protect its assets because of the legal action it faces.

**February 2019** - BSGR says it will walk away from the Simandou project as part of a settlement with the Guinean government, in which both parties agreed to drop outstanding legal actions.

**January 2022** - A Swiss criminal court found Israeli businessman Beny Steinmetz guilty of corruption and sentenced him to five years in jail over a mining deal his company secured for the Simandou project.

**April 2023** - [Swiss court upholds corruption ruling against mining magnate Steinmetz](#).

Simandou's development, which includes the construction of a 552-kilometer railway, will factor in two deposits. Rio plans to build one in partnership with a consortium led by China-controlled Chinalco. A second mine will be built by another Chinese company in collaboration with a consortium led by the Singapore-based Winning International Group.

First production from the two blocks co-owned by Rio Tinto is expected to ramp up over 30 months from 2025 to an annualized capacity of 60 million tonnes per year.



Characterized as the most complex buildout in the company's history, Rio's copper head, Bold Baatar, stated, "There" is nothing else out there of this scale and size."

## The Brouhaha Over Cobre Panama Goes Into Extra Innings

We closed last week's Briefing with reports that mining behemoth Barrick had approached some of First Quantum's largest investors late last year (Barrick has demonstrated considerable success operating in high-risk jurisdictions—Tanzania, Papua New Guinea, Zambia, Pakistan... just to name a few). It wasn't immediately clear if Barrick made First Quantum an offer, and there's no guarantee it will - [Barrick sounds out First Quantum holders on possible bid](#).

First Quantum has lost more than half its market value since the protests ramped up against the Canadian miner's [Cobre Panama](#) operation last year. Some analysts expect the mine will restart operations once May's presidential elections are in the rearview mirror. Others say "no f\*cking way" as nationalistic sentiment continues to escalate - [First Quantum's closed Panama copper mine targeted in fresh protest](#).

Saul Mendez, head of the Suntracs union: "*The economic powers-that-be have already chosen their candidates, and the mining company First Quantum is betting on the fact that one of those candidates will let them stay in the country. What they aren't betting on is that the people are willing to hit the streets again, and as many times as necessary, so that Panama doesn't allow metal mining.*"

Both First Quantum and a separate union of mine workers have called on authorities to protect its (remaining) workers and installations at the mine site. Meanwhile, in an attempt to bolster its balance sheet, the company is exploring the possibility of monetizing one of its African assets - [First Quantum in talks with Jiangxi Copper on sale of stake in Zambian mines-source](#).

According to a source who declined to be named as they were not authorized to talk to media... *In Zambia, First Quantum wholly owns the Sentinel mine and 80% of the Kansanshi mine, with the rest owned by the Zambian government. Jiangxi, First Quantum's top shareholder, could end up buying one of the two mines or a stake in one of them. The Chinese want the Zambian mines ... so the company (First Quantum) could sell one of the Zambian mines,*" the source said (Jiangxi now owns an 18.2% stake in First Quantum).

With Cobre Panama accounting for roughly 40% of the company's revenue, there may be an urgency behind this monetization effort. Debt rating agency Fitch has warned that if Cobre Panama's closure were permanent, First Quantum's net debt leverage ratio in 2024 would increase to >5 times earnings before interest, tax, depreciation, and amortization, which could result in a covenant breach (net debt leverage ratio is a measure used to assess a company's borrowing capacity).

"*If unresolved, the covenant breach may trigger an event of default across all its debt instruments,*" the rating firm said.

## Despite the New Mining Law, Miners Engage Chile

While many market observers expected Chile's nationalistic leanings would stifle foreign participation, there's still an appetite for the nation's subsurface riches (asteroid mining is still a ways off) - [Barrick, Antofagasta to spend \\$95m exploring for copper in Chile](#).

Through their newly formed [Minera El Encierro](#), Barrick and Chilean miner Antofagasta have partnered up to probe highly prospective areas in the Alto del Carmen region of the country's northern Atacama region for copper and other shiny stuff.

With copper-gold-molybdenum type porphyry mineralization in their crosshairs, an aggressive \$95M exploration campaign involving the construction of 60 drilling platforms spread out across 35 concessions (9,400 hectares) will be carried out over five years. Each campaign will run for roughly 10 months.

Considered one of the few high-grade porphyry-type mineralization occurrences in the El Indio-Pascua belt, the exploration upside is deemed high with only 15% of the property drilled to date. Antofagasta is the majority shareholder in the project and will serve as operator.



It's no secret that the mining colossus is looking to bulk up its copper project pipeline. It wants to double Cu production to one billion pounds by 2031.

### **Chile's Lithium too**

Companies in the battery metal arena looking to secure additional resources are also vying for a piece of prospective Chilean real estate - [Top lithium miners eye partnership with Chile's government](#).

Some of the Li Big's—Tianqi Lithium, LG Energy Solution, and Eramet SA—along with Tesla, have met with government representatives in the past two months to explore potential partnerships.

As I'm sure you already know, under President Gabriel Boric's ambitious plan, any company wishing to explore for or mine lithium in the mineral-rich nation must partner with the government, where the state would hold a controlling stake.



### **Some Nice Cu Hits**

Jeff Currie, who spearheads commodity research at Goldman Sachs Group, stated the following concerning copper and other raw goods: *"The set up for all of these markets is better than it was last year, and if central banks proceed with interest rate cuts, you're teeing yourself up for a fantastic 2024. This is just classic 'own commodities.'"*

### **American Eagle (AE.V)**

American Eagle dropped a nice hole the other day from their flagship [NAK Project](#) in the Babine copper-gold porphyry district of British Columbia - [American Eagle Intersects 302 Metres of 1.09% Copper Equivalent within 606 Metres of 0.74% Copper Equivalent](#).

The values highlighted in the text of the above headline—Hole NAK23-17 (302 meters of 1.09% CuEq within 606 meters of 0.74% CuEq)—were a big stepout. It was collared >250 meters from Hole NAK23-11, which tagged 473 meters of 0.62% CuEq from the surface.

Though the stock could not hold onto the loftiest gains of the reporting-day session, it was able to grind out a substantially superior trading range...

CEO Anthony Moreau: “The more we drill, the better NAK gets, as shown by the bold, westerly step out with NAK23-17. This risk paid off, revealing what may be a high-grade mineralized belt that remains open to the north and the south, and proving that the high-grade mineralization encountered previously in NAK23-11 is extensive in both the vertical and east-west dimensions. 2022’s drill program demonstrated that NAK is a copper and gold porphyry system with a very large near-surface footprint that extends to depth. Since then, we have identified increasingly high-grade zones throughout 2023. Intersecting 302 metres of 1.09% Copper Equivalent grade in our final 2023 drill hole suggests that our evolving understanding of NAK’s geology has been efficient and successful.

We look forward to our 2024 drill campaign, and to continue making discoveries that deliver value to American Eagle shareholders and our partners in exploration in the Babine Lake region.”



### NGEx Minerals (NGEX.V)

NGEx dropped an impressive set of high-grade values from its **Lunahuasi Project** located in the Vicuña District in San Juan Province, Argentina - **NGEX DRILLS 62 METRES AT 6.98% COPPER EQUIVALENT AND 63 METRES AT 5.84% COPPER EQUIVALENT AT LUNAHUASI.**

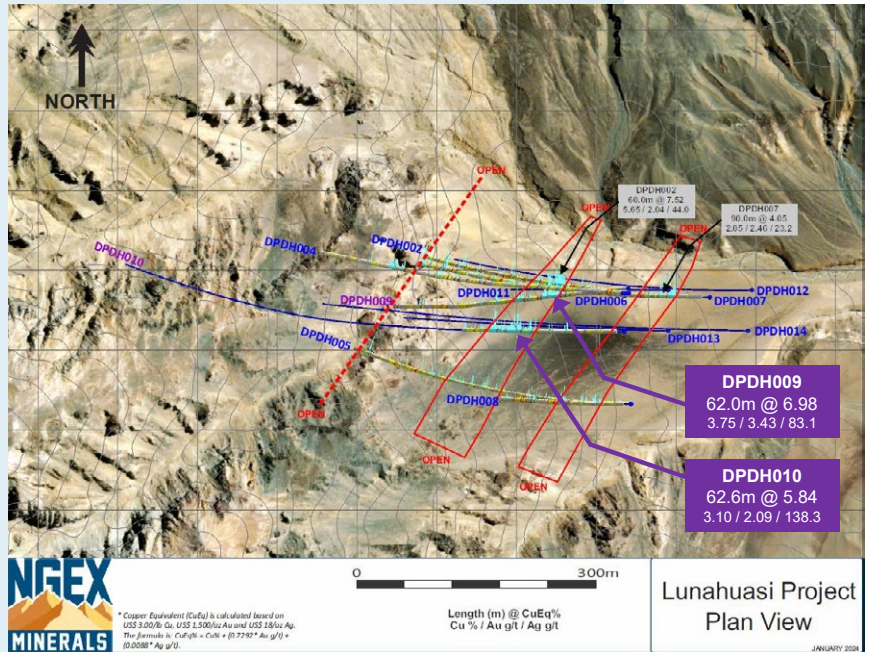
Highlights from this round of assays:

Drillhole DPDH009 intersected 62.0 meters at 6.98% CuEq from 144.0 meters, including:

- 26.1m at 13.36% CuEq from 168.9m
- 4.5m at 18.37% CuEq from 171.8m
- 6.5m at 26.00% CuEq from 188.5m

Drillhole DPDH010 intersected 62.6 meters at 5.84% CuEq from 226.0 meters, including:

- 9.4m at 12.10% CuEq from 232.0m
- 4.2m at 19.70% CuEq from 282.2m



The news was well received. The stock is currently chipping away at new (all-time) high ground...



## Hits of the Week

The spot price of uranium continues to rise, boosted by pledges to triple nuclear power by mid-century, supply hiccups from producers such as Cameco (TSX: CCO; NYSE: CCJ) and the looming threat of a ban on Russian exports to the West - [Uranium hits new post-Fukushima high](#)

The decision was taken despite mounting concern from scientists, politicians and environmental groups about the potential damage deep sea mining could inflict on marine life. "It's a huge step in the wrong direction," Frode Pley, head of Greenpeace Norway, told CNN - [Norway parliament approves highly controversial deep sea mining](#)

The Board of Directors of Endeavour Mining plc (LSE:EDV, TSX:EDV, OTCQX:EDVMF) ("Endeavour", the "Group" or the "Company") today announces the termination of the President and Chief Executive Officer, Sébastien de Montessus, for serious misconduct with immediate effect. This follows an investigation by the Board into an irregular payment instruction issued by him in relation to an asset disposal undertaken by the Company - [Endeavour Announces CEO Termination](#)

Deep in the Amazon rainforest, Brazil is fighting destructive wildcat gold mining as it spreads from Indigenous lands into government-protected conservation areas - [Brazil cracks down as wildcat miners in the Amazon shift their operations](#)

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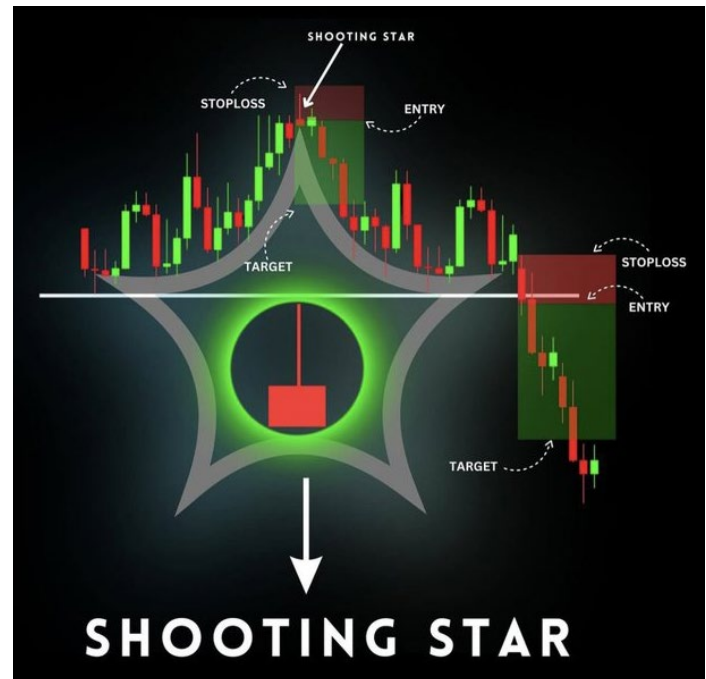


# HOW TO SPOT AN UPTREND

**HIGHER HIGHS**  
EACH HIGH WILL BE HIGHER THAN THE ONE BEFORE IT

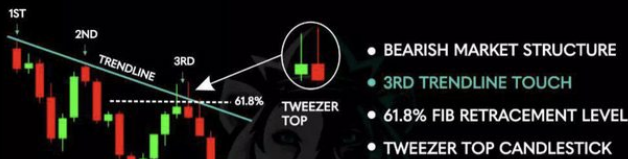


**HIGHER LOWS**  
EACH HIGH WILL BE HIGHER THAN THE ONE BEFORE IT



## SHOOTING STAR

# TRENDLINE CONFLUENCE IN LOWER TIME FRAMES



- BEARISH MARKET STRUCTURE
- 3RD TRENDLINE TOUCH
- 61.8% FIB RETRACEMENT LEVEL
- TWEezer TOP CANDLESTICK



- BULLISH MARKET STRUCTURE
- 3RD TRENDLINE TOUCH
- RESISTANCE BECOMES SUPPORT
- HAMMER CANDLESTICK

**“You have to keep learning if you want to become a great investor. When the world changes, you must change.”**

- Charlie Munger

# BEST TIME FRAME FOR TRADING

TYPE	ANALYSIS	ENTRY
SCALPING	5-15 MIN	1-3 MIN
INTRADAY	5-15 MIN 1H, 1D	5 MIN
SWING	1H, 4H, 1D	1H
POSITIONAL	1W, 1M	1D

# EPSTEIN RESEARCH: CEO INTERVIEW COLONIAL COAL - WILL 2024 BE THE YEAR?



The title of this article/interview refers to the fact that **Colonial Coal** (TSX-v: **CAD**) (OTC: **CCARF**) has been trying to sell two premium hard coking coal ("PHCC") projects in western Canada since late-2019..

CEO **David Austin** can't comment on the names of prospective bidders, pricing, or the timing of transactions. However, in my view, conditions are in place for something to happen in 1H 2024.

Shareholders hope that assets can be sold for **US\$1.50-\$2.50**/resource tonne, but the market is valuing each tonne at **~\$0.39/t**. Personally, I think the range is more like **\$1.25-\$2.0/t**, implying a share price of **~C\$5.87-\$9.30**, vs. the current price of **C\$1.90**. Management has NOT issued guidance on this topic.

When talking about coking coal, one needs to carefully consider China & India. Combined, those countries host 35% of the world's eight billion people. Notice the glaring difference between India's per capita steel consumption at **81 kg** vs. the average of Japan, Korea & China at **692 kg**!

According to a recent **AME Metallurgical Coal Strategic Market Study**, India's demand for imported coking coal in 2050 could more than triple to 291M tonnes. {see chart below}. The **Indian Steel Association** expects coking coal imports to rise to 120M tonnes in 2030, a CAGR of ~7%.

Most of that increase must come from the **seaborne coking coal market**, of which Australia is the largest exporter. The U.S. at ~47M tonnes/yr. is second, but not all of it is PHCC. Third is Canada at ~30M tonnes/yr. (mostly from **Teck Resources**).

A constraint on growth of exports from Australia is Queensland's changed coal royalty regime. The new top rate is **40%**! for coal priced above \$300/t. Major producers **BHP** & **Glencore** are thinking twice about expansion plans.

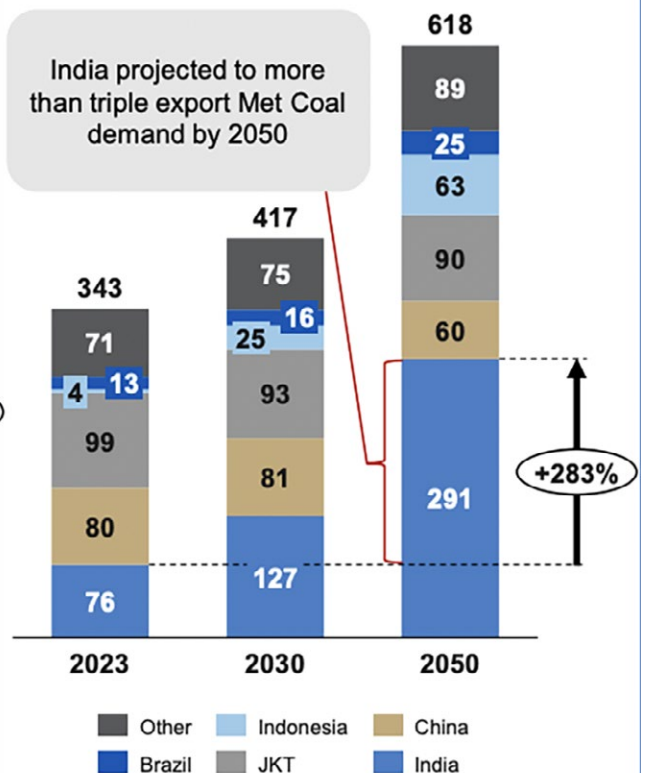
Some note the decline in steel production from blast furnaces (the main consumers of coking coal) in favor of "greener" alternatives like electric arc furnaces. However, the following chart from **Wood Mackenzie** shows that blast furnaces will remain dominant in Asia.

## Apparent steel use per capita 2018 to 2022

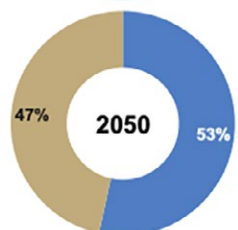
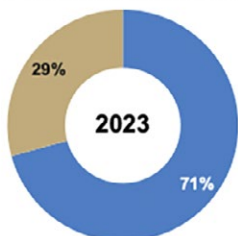
kilograms, finished steel products

	2018	2019	2020	2021	2022
China	590.0	641.3	707.6	669.0	645.8
India	70.7	74.2	64.0	75.5	81.1
Japan	518.1	502.5	420.3	460.7	443.6
South Korea	1 039.3	1 027.5	948.9	1 081.2	988.0

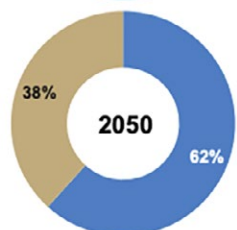
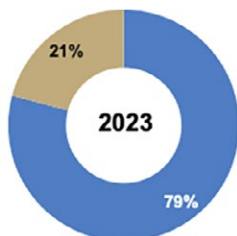
## Global Export Met Coal Demand (Mt)



### Total Global Crude Steel Production Method



### Total Asia Crude Steel Production Method



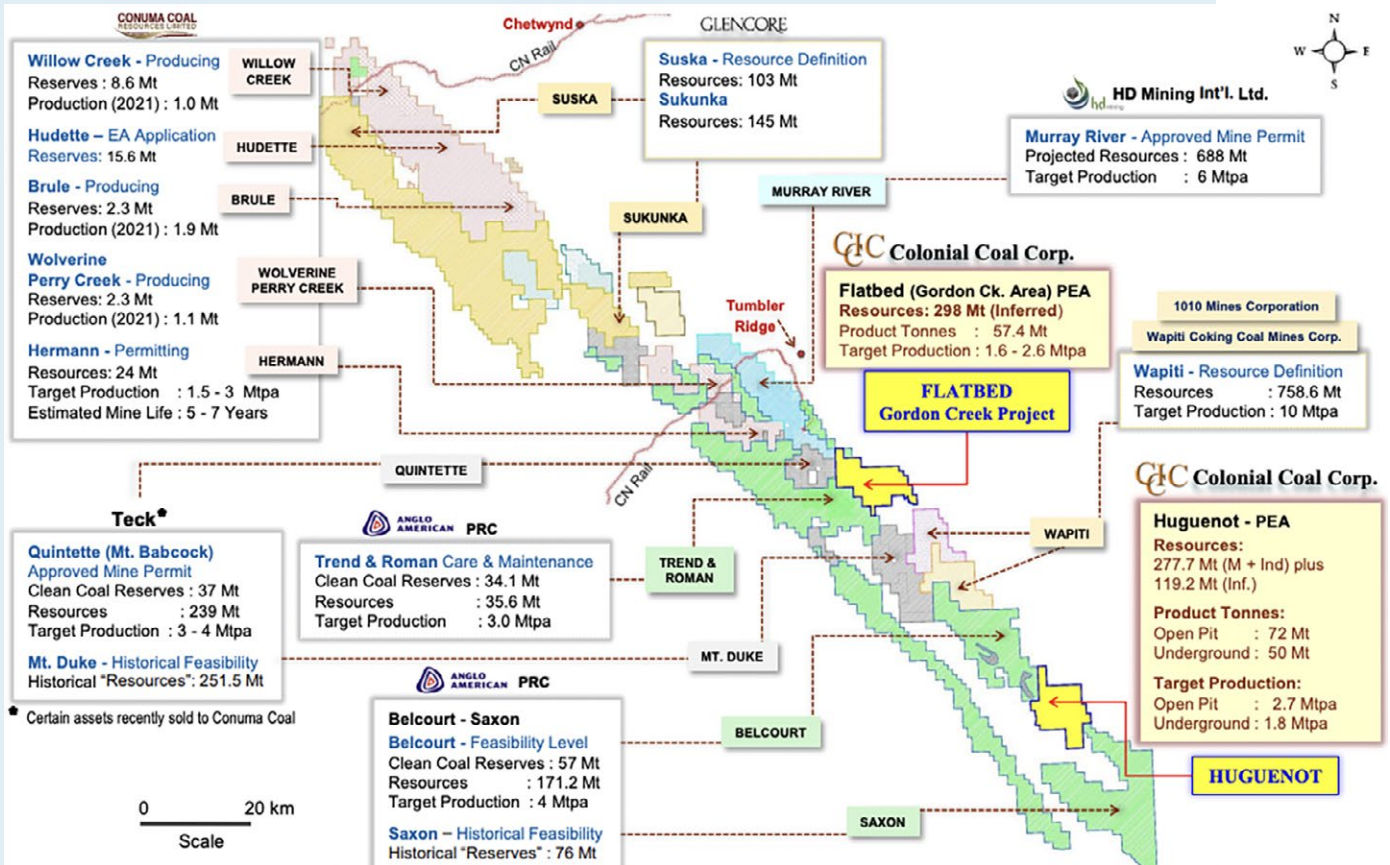
BOF  
EAF / Other

It seems only western Canada can deliver secure, high-quality PHCC that could grow meaningfully with the addition of Colonial's projects, (and others in the region). Readers are reminded that the Company has **695M tonnes** of resources, (not reserves), **94%** of which are **PHCC**.

India virtually guarantees robust demand for **PHCC in the seaborne market**, but that doesn't mean an Indian group has to be the buyer of Colonial's assets. In addition to Chinese & Indian entities, CEO Austin's team is talking with prospective bidders from Canada, the U.S., Japan, Korea & Australia.

A few months ago, Teck & Colonial were speaking at a conference. The Teck representative said to the audience, "if you need coking coal in the near-term, call us, but if you need it for the longer-term, call Colonial Coal." I think that statement speaks volumes...

**David, thank you for your time. Can you please explain why this sales process is so complex?**



Sure, COVID-19 greatly impeded our efforts through October, 2022. This international process is complex as some groups have ties to other entities or subsidiaries that need to be kept in the loop. Some are connected to their respective governments, who need to be kept in the loop.

Some are impacted by geopolitical events. If a key exec. leaves, or a group merges or splits apart, that sets things back. Some groups are looking at acquiring other coking coal, iron ore & steel assets, or looking to be acquired themselves.

Each group must coordinate with, **1) domestic & international lawyers, 2) financial/tax/M&A advisors, 3) various consultants, and 4) their own and/or Canadian government agencies/officials.**

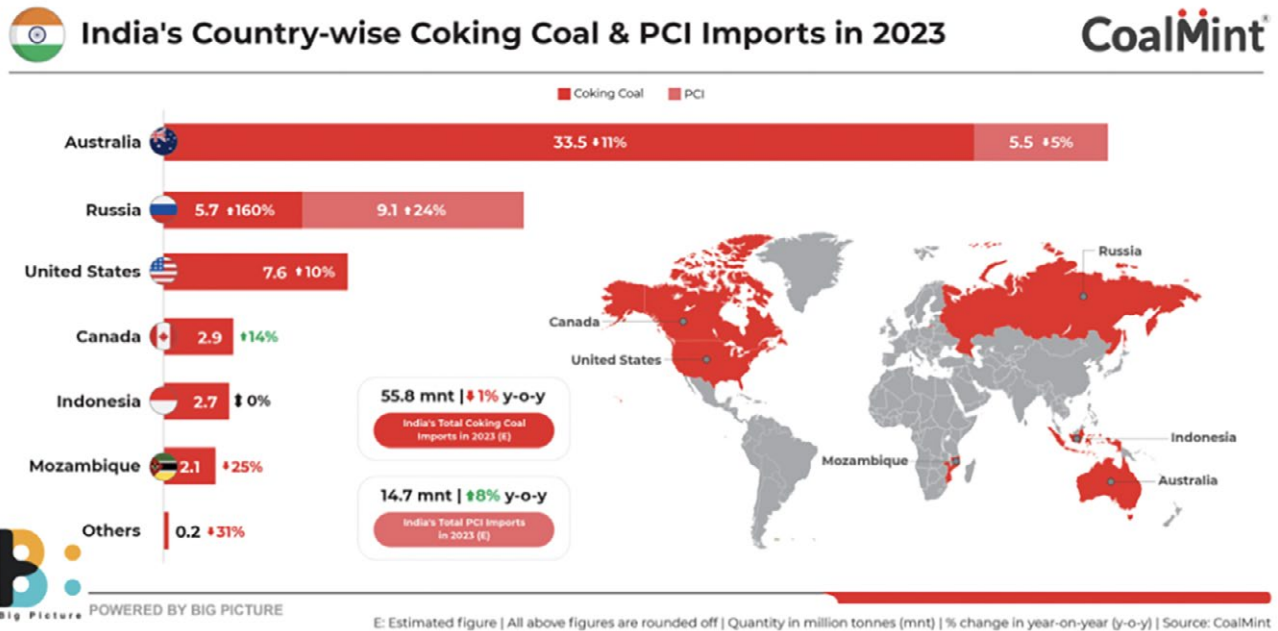
Reports, studies, legal & financial due diligence are done and shared. Some groups request follow up reports, or legal/financial analysis.

Travel, often requiring visas & other accommodations, must be planned subject to; weather, holidays, government agency schedules, geopolitical hiccups, and the availability of key lawyers, execs & advisors.

We recognize shareholders want to see an end to this lengthy process. Our team + trusted advisors & bankers have expertise in the coking coal & mining businesses, including **permitting mines in B.C.** We have considerable experience with Chinese, Indian, Korean & Japanese conglomerates.

Our team has developed, permitted, funded, built and sold two significant coking coal assets in western Canada. Your readers should take a few moments to review the bios of our team. {see bios above}. Post the Glencore/Teck news, interest in our assets has never been higher.

<b>David Austin</b> <i>Chairman, President &amp; CEO</i>	<ul style="list-style-type: none"> <li>Co-founder of Colonial Coal Corp., Western Coal Corp. (WCC), and Northern Energy &amp; Mining Inc. (NEMI)</li> <li>One of the three founders credited for the success on the production of WCC projects (WCC was sold CAD\$3.3 billion to Walter Energy in 2010)</li> <li>Credited for the success on the exploration/development and sale of NEMI to Anglo (for +CAD\$400mm)</li> </ul>
<b>Ke Feng (Andrea) Yuan</b> <i>CFO</i>	<ul style="list-style-type: none"> <li>Chartered Professional Accountant (CPA) and Certified General Accountant (CGA) Canada since 2005</li> <li>Certified Public Accountant (New Hampshire, USA) since 2007</li> <li>Bachelor of Economics – Shanghai University of Finance &amp; Economics</li> <li>Over 10 years experience as CFO of junior public companies listed on the TSX-V, CSE, and with OTC companies</li> </ul>
<b>John Perry</b> <i>COO &amp; Director</i>	<ul style="list-style-type: none"> <li>45 years as a professional geologist in exploration and development of coal &amp; mineral projects (domestic and int'l.)</li> <li>Occupied senior corporate &amp; exploration management roles for many coal projects in northeast British Columbia</li> <li>Former Director of Exploration - Belcourt Saxon Coal Limited Partnership 2005-2008</li> <li>Former Manager of Exploration - Northern Energy and Mining Inc. (NEMI) 2004-2005</li> </ul>
<b>Partha S. Bhattacharyya</b> <i>Director</i>	<ul style="list-style-type: none"> <li>Director - Deepak Fertilizers and Petrochem. Corp. Ltd. &amp; Haldia Petrochem. Ltd. 2016-Present</li> <li>Former Chairman &amp; Managing Director - Coal India Limited 2006-2011</li> <li>Former Chairman &amp; Managing Director - Bharat Coking Coal Ltd. (BCCL) 2003-2006</li> <li>Fellow - the Institute of Cost and Works Accountants of India &amp; of the World Academy of Productivity Science</li> </ul>
<b>Ian Downie</b> <i>Director</i>	<ul style="list-style-type: none"> <li>Professional negotiator with an established mediation and dispute resolution consulting company</li> <li>Former Director of Terminal Operations - BC Ferry Corporation 1999-2007</li> <li>Former Director - Cranbrook Credit Union &amp; the Credit Union Deposit Insurance Corp.</li> <li>Former Commissioner – the Financial Institution Commission</li> </ul>
<b>Tony Hammond</b> <i>Director</i>	<ul style="list-style-type: none"> <li>Over 40 years of experience as Mining Engineer (including 18 years with Anglo American Corp.)</li> <li>Former Director - Northern Energy &amp; Mining Inc. (NEMI) 1996-2008</li> <li>Founder, Chairman &amp; Managing Director - Great Orme Mines &amp; the Ancient Mining Research Foundation</li> <li>Chief Consulting Mining Engineer - Robertson Research International 1981-1984</li> </ul>
<b>Greg Waller</b> <i>Director</i>	<ul style="list-style-type: none"> <li>Retired in 2017 as Senior Vice President Investor Relations &amp; Strategic Analysis - Teck Resources (the world's second largest, &amp; North America's largest, steelmaking coal producer)</li> <li>Extensive knowledge of various commodity markets, industry participants and significant global mining assets</li> <li>Involved with major strategic decisions as leading spokesperson &amp; member of the Teck's senior management team</li> </ul>



### Why is Colonial's higher priced premium hard coking coal ("PHCC") superior to lower priced, lower-quality coals?

PHCC offers substantial benefits in terms of efficiency, quality, environmental impact & operational stability. It produces coke that has higher strength so it can withstand higher furnace pressure, leading to higher steel output.

PHCC has higher energy efficiency, resulting in lower greenhouse gas & dust emissions, and has less ash & sulfur. Fewer impurities lead to cleaner steel with better mechanical properties.

PHCC can be blended with lower quality coals to achieve desired coke properties, enhancing operating flexibility & sustainability.

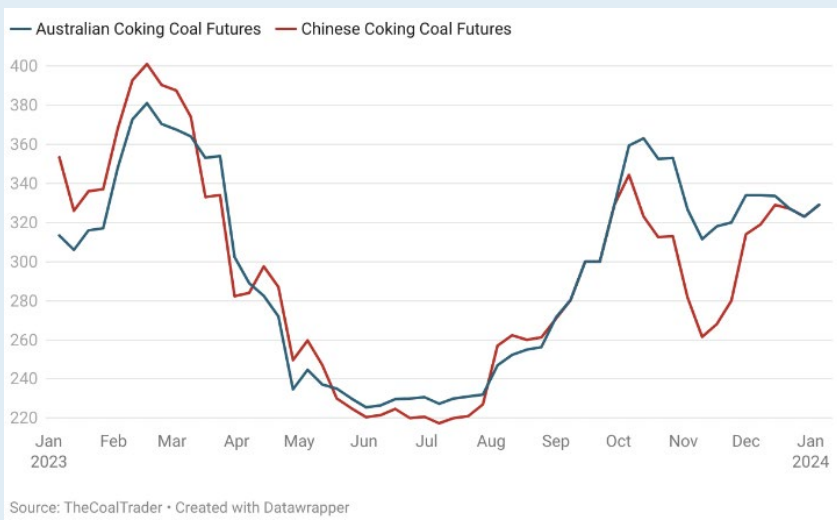
Blending utilizes a range of coals, improving overall efficiency & blast furnace economics. We believe our PHCC would sell at Australia's **Peak Downs Index** price (minus US\$5-\$15/t). {Info on **Colonial's** two [PHCC projects](#)}

- Since 2010 Western Canada has seen significant M&A activity in the metallurgical coal market.

Buyer	Target	Value
Walter Energy	Western Coal	CAD\$3.3 B
Anglo American	Residual interest in Peace River Coal	+CAD\$400 M
Glencore <sup>1</sup>	First Coal and Lossan	US\$193 M
Winsway / Marubeni	Grande Cache Coal	CAD\$1.0 B
Glencore <sup>1</sup>	Talisman's Sukunka Project	US\$500 M
JX Nippon	25% of Glencore's <sup>1</sup> BC coal assets	US\$435 M
Conuma	Walter Energy's wholly-owned BC assets	n/a
SonicField (CST Coal)	Winsway / Marubeni	US\$475 M
Hancock Prospecting	Riversdale Resources	AUS\$737 M
Bathurst <sup>2</sup>	50% of Jameson's Crown Mtn. Project	CAD\$122 M

**Your team says the market outlook for PHCC, especially in the seaborne market, is strong. Please explain.**

Peter, you mentioned China & India in your opening remarks, add *Indonesia, Malaysia, Thailand, the Philippines & Vietnam* to the list! Even after over a year of a weak Chinese economy, the PHCC price from Australia and in China is above **US\$320/t**. Monthly future prices through 12/31/26 avg. **~\$260/t**. [\[source\]](#)



Asian steelmakers have most existing & planned blast furnaces near ocean ports, making them highly reliant on the *seaborne market*. India has no choice but to continue importing PHCC from Australia & Canada, but Australia's PHCC growth faces serious challenges.

Locking in long-term supply of PHCC at an all-in production cost under **US\$150/t**, vs. paying an unpredictable **\$200-\$400/t**, (*with occasional spikes above \$500/t*), is important to the groups we're speaking with.

Canada's *Peace River Coalfield* & Australia's *Bowen Basin* are among the best coking coal basins on earth. As the market for coking coal eventually flatlines or declines, lower quality coking coals will be retired first.

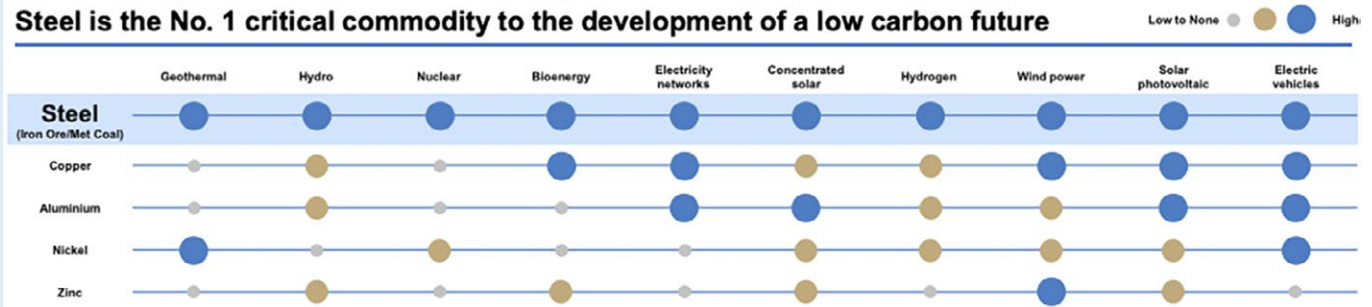
Major ports in China, Korea, HK, India & Japan – that’s where the blast furnaces are!



Logistically challenged, smaller, higher-cost operations will disappear before large-scale, efficient Peace River supply is impacted.

**At what point does the Board announce an auction with a minimum bid of US\$ X/tonne?**

The problem with that, and our bankers agree, is putting a gun to the heads of prospective bidders via an arbitrary deadline is unwise. Even if a single bidder were to walk, that would hurt the prospects for obtaining maximizing value.



There are many ways to structure a deal [cash and/or stock in the acquirer, contingent and/or milestone payments, earn-outs, etc.], which make an auction process difficult. I can assure your readers that our board is discussing various scenarios with multiple parties on a regular basis.

Our fiduciary responsibility is to maximize value received, not just to liquidate the assets.

**Note:** Each additional **US\$0.25/t** is over a dollar per share, [**C\$1.16**].

**Can you speculate as to why there have been no reasonable bids yet?**

No one wants to be first to show their cards. If a bidder were to submit a low-ball offer, it might not like the appearance of having to pay well above its opening bid. Or, they may fear looking foolish by increasing their bid, but still losing the auction.

**Company Overview**

- Invest in two of the largest deposits of premium quality hard coking coal in western Canada
  - The only Canadian listed, publicly-traded, pure-play metallurgical coal company in western Canada: 100% interest in 2 resource-stage coal projects (Huguenot & Flatbed) in the Peace River Coalfield of northeastern British Columbia
  - Surface and underground mineable resources totalling approximately 277.7 Mt of Measured & Indicated plus 119.2 Mt of Inferred resources at Huguenot
  - Underground mineable resources totaling approximately 298 Mt Inferred at the Gordon Creek Project on the Flatbed property
- Highly experienced management team with a proven track record in the Peace River Coalfield
  - Highly capable management team with significant experience advancing other development projects to production in the region
  - David Austin (President, CEO & Chairman) co-founded and built Western Coal Corp., sold to Walter Energy in 2010 for CAD\$3.3 billion, and is credited for the exploration, development and sale of Northern Energy & Mining Inc. (NEMI) to Anglo for + CAD\$400 million

Bidders might feel the longer the process continues, the lower the valuation will be [*we obviously disagree!*]. Bidders may think they can benefit from observing Colonial's reaction to initial bids. Colonial has ~\$3M in cash, enough to operate well into 2025.

### **Please remind readers what might happen if/when a reasonable bid comes in?**

For our previous companies *Western Coal & NEMI*, both of which sold over a decade ago at strong valuations, those stocks were halted. We expect to halt Colonial's trading as well, hopefully for just a few days, but that will be up to the exchange.

#### **Unparalleled Investment Opportunity**

- **Well-positioned to support projected global steel growth**
  - Global demand for coking coal continues to increase. Port and end-user coal inventories remain close to historically low levels, supporting the outlook for steelmaking coal demand.
  - Sourcing additional high-quality coking coal from northeast British Columbia provides opportunities for diversification of existing supply and transportation options.
  - Coal from CCIC's projects into the East-Asian market has cost and logistic advantages
- **Gain exposure to one of the most active coal belts in a mining-friendly jurisdiction with excellent infrastructure in place**
  - Recent M&A and JV activity by Walter Energy, Anglo American (PRC), Glencore (via Xstrata), JX Nippon, Conuma in northeast BC, and Bathurst in southeast BC
  - Capacity expanded at western Canadian coal ports
- **Strategically located, 100% owned metallurgical coal properties adjacent to other major projects provide logical buyer and partnership opportunities**
  - Huguenot is located between Anglo's Belcourt and Saxon projects
  - Flatbed borders Anglo's Trend mine (currently under care and maintenance) and the proposed Window o/p mine (initially Teck, now Conuma) and lies close to Conuma's proposed Hermann o/p mine and HD Mining's advanced Murray River u/g project.

In the view of the exchange, an "orderly market" must be reestablished for the stock to resume trading. Our clear preference is to sell both projects at once. We are very busy and remain confident that years of hard work will be rewarded.

**Thank you David. Hopefully 2024 will be the year! I greatly appreciate the tireless efforts being made by you and your expert team.**

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**At the time this article was originally posted, Peter Epstein owned shares in Colonial Coal, and the Company was an advertiser on [ER].**

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\* The Editor of Market Trend News owns a share position in Colonial Coal.

**Market Trend  
News Inc.**

#6, 3908 - 97 Street  
Edmonton, AB  
T6E 6N2

Web: [MarketTrendNews.com](http://MarketTrendNews.com)

Advertising: [Kelvin@MarketTrendNews.com](mailto:Kelvin@MarketTrendNews.com)

The Editor: [Editor@MarketTrendNews.com](mailto:Editor@MarketTrendNews.com)

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**G**lossary

**Diamond Hands**

Slang term for an investor who is ready to hold a position for the end goal, despite the potential risk, headwinds and losses.

**Doji Candle**

Doji Candles look like a cross because the financial instrument's open and close for the time period are close to equal.

**Fibonacci Retracement (Fib)**

These are levels in the chart where support and resistance are likely to occur. The levels are 23.6%, 38.2%, 61.8%, and 78.6%. 50% is often added but is not an official level. The levels are calculated from two points chosen by the user, usually an extreme low and an extreme high.

**FLEM & DHEM**

Fixed Loop Electromagnetic and Down Hole Electromagnetic Surveys

**FOMC**

The Federal Open Market Committee consists of 12 members and is the U.S. Fed's monetary policy making body. It is responsible for formulation of a policy designed to promote stable prices and economic growth.

**FOMO**

Fear Of Missing Out

**Naked Shorting**

It is the illegal practice of shorting stock that is not borrowed.

**Nonfarm Payrolls**

Is an official statistic released by the U.S. department of labor, usually on the first Friday of the month. It is a measure of the number of workers in the U.S. excluding farm workers and those employed in private households or non-profit organisations.

**Shorting**

Borrowing stock, selling it in the market to hopefully buy it back at a lower price, making profit from the difference in price, and then returning the borrowed stock.

**Short Squeeze**

When a company's stock starts to quickly rise because people shorting the stock are trying to cover their losing positions to prevent further loss.

**YOLO**

You Only Live Once