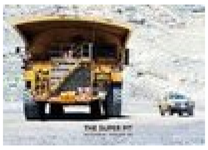
Mining news – Sunday Roundup



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Precious metals trod water, with gold and silver slightly down, and platinum up a tad.

Colonial Coal (TSX.V: CAD) has virtually doubled in a week as coking coal prices rose, as industrial demand increased, on the back of anticipated stimulus programs in the industrialised countries, especially China.

London saw the first virtual mining conference as the 121 Mining Forum went online for the first time. I have to admit I enjoyed it more than I thought I would, as I prefer the engagement of a live show. Having said that, 121 worked very well, all my meetings were on time and focused. The software worked well, the picture and sound were clear.

The show had less companies than usual, obviously some prefer in the flesh meetings. Of those that did participate, I was disappointed that the great majority were explorers rather than developers or producers.

Given the rising gold price I am personally only investing in producing gold miners, or projects financed to production, to utilise the leverage that producers are currently enjoying.

So my choice was somewhat limited, but those that I did meet, virtually, were all good quality. My favourite company was Fiore Gold (TSX.V: F) , but others that I also liked, in no order of preference were, Apollo Consolidated (ASX: AOP), 03 Mining (TSX: 0lll), Galiano Gold TSX: GAU), Calidus Resources (ASX: CAI), Japan Gold (tSX.V: JG), and Roxgold (TSX: ROXG).

I did invest in **Fiore Gold** after meeting them, and am currently looking at others from the list above, with a view to investing in some of them, for the longer term.

I liked **Japan Gold**, because they have around 28 projects in a JV with Barrick, and two in a JV with Newmont, in the new exploration frontier of Japan! These two majors must seen something in the projects to bother being involved.

The problem with a show like 121 is that the good companies attract buying during the show, and then their share price runs up, often before you meet them. The issue is do you chase the price, or wait a week or two to see if the price retraces, and buy on the dip?

Colonial Coal (TSX.V: CAD) were the show favourite as their share price virtually doubled in a week on high volume. Clearly they connected with some institutions that saw the undervaluation in their share price versus the assets in the ground.

I like to buy with conviction, but in the crazy world we find ourselves I am considering buying small stakes in more companies and then monitoring and culling the worst performers and putting that money into those that perform the best.