

Mining Review Weekly Update 19th December 2021

City Investors Circle – Mining Review 19th Dec 2021

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Cabral Gold exploration at Cuiu Cuiu, Para State, Brazil.

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Gold just failed to hold \$1800 on Friday, but December is normally a poor month for the yellow metal, so if it can hold current levels until the New Year, it's reasonable to expect a rally above \$1800 then.

South America produced the big political news this week, with the government of Chabut, Argentina, finally approving mining in the area that includes **Pan American Silver's** Navidad (Christmas) mine.

This has been a long time coming and involved some last minute chicanery by the pro mining lobby to carry the vote, which was close. This has led to riots, see [HERE](#).

The other news was the temporary closure of Las Bambas copper mine in Peru, owned by Chinese company **MMG**, as protesters have blocked the road as a result of a dispute with the company. Las Bambas produces 2% of the world's copper, so is a significant supplier.



Las Bambas
Copper Mine,
Apurimac

Company news this week

Ascot Resources, Cabral Gold, Canuc Resources, Neometals, and Orla Mining all made significant announcements this week, as detailed below.

Apollo Consolidated bid farewell to the markets as it was absorbed into Ramelius Resources after the successful buyout. given that Ramelius are a profitable producing gold miner, one would expect they will be able to easily fund more exploration at lake Rebecca in the near term. Transporting concentrate to one of their five nearby mines in Western Australia must be an option, thus saving on capex.

Earlier this year we lost **Roxgold** as it was the subject of a successful bid by **Fortuna Silver**. I did not like the deal at the time, because Roxgold were doing everything right, in production, making a profit, and building a second mine from earnings. Fortuna have a mix of silver properties in Argentina, Peru, and Mexico.

My objection to the deal was that Fortuna had mines in Argentina and Peru, which are too high risk for me at the moment, and only one project in a tier 1 jurisdiction, Mexico. Ironically they have lost their licence in Mexico! As a result the price has halved in short order. I wonder how the remaining Roxgold shareholders are feeling now?

Stocks on our watchlist in the news last week

[Ascot Resources drills 36.2 g/t Gold Over 7.1 M at Sebakwe](#)

[Maple Gold Mines Closes C\\$7 million Bought Deal](#)

[Orla Mining Pours First Gold at Camino Rojo, Mexico](#)

[Colonial Coal shareholders re-elect six directors](#)

[Canuc Resources Issues San Javier Project Update](#)

[Cabral Gold Drills 70.8m @ 1.0 g/t Gold at MG Gold](#)

[Neometals signs agreement for ELi®Lithium Process](#)

Market Data

(All in US\$)

Precious metals

Gold	1799	1%
Silver	22.35	1%
Palladium	1718	-2%
Platinum	937	-1%
Rhodium	14000	0%

A steady week considering the implications of the FOMC meeting, rising interest rates quicker than anticipated, and tapering coming.

Platinum and palladium are suffering due to the low volumes of new cars being produced globally.

Base Metals

Copper	4.32	0%
Nickel	8.88	-2%
Zinc	1.54	1%
Tin	17.71	-3%

Tin and **nickel** both took slight knocks, after having strong rises during 2021. The temporary closure of the Las Bambas **copper** mine in Peru has not resulted in a rise in the price of the metal yet.

Energy Metals

Cobalt	31.42	0%
Manganese	3.23	0%
Lithium	33802	6%
Uranium	44.15	-4%

Uranium is slipping back slowly after the recent steep ascent after years in the doldrums. One of the reasons for the rise was companies like UEC, and the newly created Sprott Uranium Fund buying up spare supply and warehousing it.

Bulk commodities

Iron Ore	120.1	9%
Coking Coal	336	4%
Magnesium	6862	6%

With the power situation improving in China and the government allowing steel production to increase the **iron ore** and **coking coal** have surged again.

We have added **magnesium** to this category, due to it being involved in steel production. It is a critical metal and china supplies 87% of world volume. The price has been rising sharply, and is up over 150% in 2021.

Metal ETF's

GDX	31.13	2%
GDXJ	40.48	0%
Sil	36.05	1%
SILJ	12.14	1%
GOEX	28.43	-1%
GLD	167.8	1%
COPX	35.77	-3%

We have added the copper **COPX** **Global X Copper Miners ETF** to this category.

City Investors Circle – Mining Review 19th Dec 2021 is complete.

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Meetings are non deal, small group, highly focused and engaged, with a lively Q and A to follow the main presentation.

We create awareness, and maintain interest in presenting companies by disseminating their future news to our entire investor group via email, social media, and our Monthly Review newsletter.

If you wish to present to our select group of active mining investors, please email andrew@city-investors-circle.com

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Disclosure

At the time of writing the author holds shares in Ascot Resources, Colonial Coal, Maple Gold, and Orla Mining, bought in the market at the prevailing price on the days of purchase.

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