# Neometals performs strongly as quality mining stocks move up

**Neometals {ASX: NMT}** is an example of a quality mining stock, on the cusp of production, and its share price is performing very strongly versus its peers.

Investors are cautiously returning to the sector, but are being selective about the stocks they are prepared to invest in.

**Mining investors are returning. but are being selective.**

If proof were needed that mining investors are returning to the market, then the recent strong advance in the TSX Venture Exchange, heavily laden with junior miners, is the leading indicator.

Some stocks are moving up, but many are still stuck in the doldrums, with few friends and even fewer buyers. These are generally the early stage greenfield explorers of some moose pasture up in the Yukon, where drilling only takes place a few months a year due to the incredibly inclement weather that prevails there.

A huge divide has opened up between the mining companies producing or financed to production, and the explorers, who will return for fundraising after fundraising, diluting their

shareholders in the process, whilst management continue to reward themselves handsomely in the form of salaries and options. That game seems to be done,  for now at least.

An example of a quality management team and project is **Neometals {ASX: NMT}**, whose shareprice has risen from 30c to 45c recently, as their project moves into production. and they conclude deals that are putting significant cash deposits into their bank account.

Other companies we are watching that have moved up strongly recently include **Condor Gold {AIM: CNR},** and **Barkerville Gold {TSX.V: BGM}.** Mexican silver exploration company **Kootenay Silver {TSX.V: KTN}** has also doubled since January, after concluding a couple of very nice deals that ensure the future of the company.

The common denominator is that these companies have solid projects and good management teams, and the market recognises this, and their share prices are rising accordingly.

So selective investment is the new norm for now, find a company that is either producing or very close to production and financed into production, and the market will respond. The alternative is to be continually diluted whilst management continue to draw their salaries and little or no money goes into the ground where it may create shareholder value!