

THE National Investor



SPRING, 2023

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SPECIAL ISSUE

THE NEW FAANGS: *THE* INVESTMENT THEME FOR THE NEXT DECADE (AND BEYOND?)



A large number of factors are coalescing to bring us a secular bull market in most real assets...

Stagflation ... New currency and commodity conflicts ... War ...

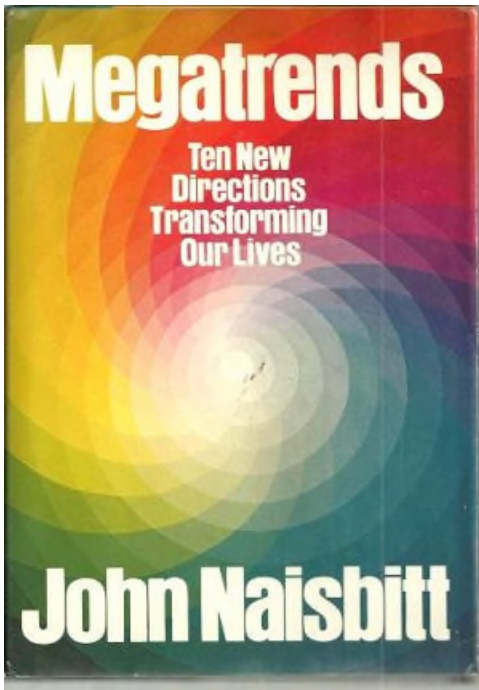
The renewed rise of the BRICs ... Waning U.S. global hegemony ...

Chronic shortages ... Underinvestment ... *Disastrous policy choices* ...

An ever-growing *world's* need for resources, energy, etc. ... and MORE.

ALL THIS leads us as investors to "The New FAANGs" ... *read on!*

INTRODUCTION



Four decades ago, business author and futurist John Naisbitt released his seminal book Megatrends. It was an essentially positive work, given Naisbitt’s predictions and hopes for what the Information Age would do to benefit mankind. Some of what he wrote of indeed came true. Some did not.

One of the 10 key things Naisbitt predicted—a move away from centralization and toward decentralization—is one of the things seemingly ready *now* to come to fruition; *but not in the way the author saw*. Naisbitt hoped that the Information Age and a more humanistic (in a good way), self-reliant and altruistic spirit would join mankind in a healthier, more noble existence; and one less dependent on centralized power/political bodies. That didn’t happen; and even where the proliferation of information has better enlightened those willing to listen, governments and their fellow travelers have often violently pushed back, trying to keep their grips on our lives.

A megatrend of *today* that we must contend with goes well beyond Naisbitt’s prediction: **an entire world order as we have known it for all of our lives is unraveling.** Scarcely any of us alive today has ever known a world that did *not* have at its most influential center the economy, currency, military power and other policies of The United States of America. The U.S. dollar has been the world's reserve currency now for the better part of a century; certainly since the end of the Second World War. And the majority of the time, whatever America demanded of other nations, *it got*. Some of this has been beneficial to America's citizens and others. But much of it has not; and that has brought us today to a place where the U.S.-centric global order is being rebelled against not only by real and imagined foes, but these days by decades-long *friends* as well.

This megatrend has not come about overnight; though just lately the “pushback” against American hegemony is accelerating, as can be witnessed by such things as Saudi Arabia wanting to join a BRICS expansion and threaten the “petro dollar,” to South America broadly looking to shake off U.S. influence. We can throw in as well the New Cold War (which threatens to turn “hot”) with Russia...and one with China brewing as well. Nor will the further fall/decline of America’s direct and indirect rule of most of the planet take place overnight either; this is going to be an evolving process.

But it is a process that is irreversible. And as citizens, consumers *and investors* it is changing the way we **MUST** approach our lives and decision-making.

The second big megatrend I have been flapping my gums about for quite a while now is what I have called



“The Great Stagflation.” Here, there are some of us who *do* remember a time where living costs rose at the pace they have in the last couple years; that, of course, was back in the mid-1970’s through early 1980’s. We have had such debilitating increases in producer and consumer inflation again: but unlike the world we had in the early 1980’s where a variety of factors came together to dampen those living cost rises, **today’s world is different in this respect too.**

“This is the biggest upheaval for commodity markets since 1973. But the comparison ends there.”

Jeff Currie
Global Investment
Research



First, global debt levels are FAR beyond those experienced some 40-plus years ago; and it’s not just the U.S. where this is an issue, but *everywhere*. Going forward, central banks will be biased (the present exercise in “fighting inflation” notwithstanding; *it will be “transitory” itself in the end*) in favor of endless money printing. That, in turn—together, especially, with the move to a multi-polar world—will keep price levels rising significantly more than we got used to from the early 1980’s onward.

That will be most true when it comes to real assets. Indeed, Goldman Sachs’ chief commodities strategist Jeff Currie was prescient

before most understood what was unfolding a good year and a half ago. He said then—and *maintains today*, as does Yours truly for even more reasons—that the moves in prices for many commodities we have seen goes beyond the “money printing” dynamic. Wherever you look, in fact, the story for all manner of commodities and things from the earth or under/in it that we need is the same: Underdevelopment, policy hindrances to development, underinvestment, worsening supply shortages and more.

Further complicating this mix—and especially threatening the costs of so many things for us here in the U.S.—is that, save for fossil fuels, we don’t control our own supplies or destiny of most of the things we need going forward. In a world that is going to be highly competitive—to the possible point of conflict of one kind or another—over battery metals. . .oil. . .uranium. . .strategic metals *and their refining into finished products*. . .and even things such as helium (one of my especially “cool” stories these days). . .America will have to pay up for a LOT that we can’t *or won’t* produce here.

In the recent past—pretty much summing up all the above considerations of these two modern megatrends and related factors—analysts at Bank of America/Merrill Lynch coined the term **“The New FAANGs”** to represent an overarching investment theme, approach *and world* ahead. Investors, of course, for some years now got used to the “old” FAANG stocks: Facebook, Apple, Amazon, Netflix and Google. Individually, these behemoths were asset classes unto themselves. Together, they were the entirety of many investors’ portfolios. And it all worked nicely for a while.

But as a group, these modern “Nifty Five” stocks *more than doubled* the

THE new
Investment
theme for
the coming
years...

“The New FAANGs” (or “FAANG 2.0”-- credit, among others, to Merrill Lynch)

Fuels

Aerospace/Defense

Agriculture

Nuclear/Renewables

Gold and other Metals/Minerals

S&P 500's decline in 2022. Each is still a great company, to be sure (too great in Google's case, it seems: the Biden Administration is now wanting to break up the company a la the old "Ma Bell" years back.) Aside from that, though, they are yesterday's news: and as I regularly quip, *they are little better than glorified utilities today*. Their heydays are behind them.

In a world whose appetite for energy of *all* kinds is growing every year. . .where there are more mouths to feed. . .and where governments (unfortunately) are looking ever more to technology in their warfare and the like. . .The New FAANGs are where it's at. **And looking at this purely from a dispassionate investment point of view in this context, if you are reading these words you are already ahead of the great majority of investors out there.** Many new fortunes are going to be made on The New FAANGs theme; indeed, I liken our present time to The Industrial Revolution of over a century ago and even the dawn of that Information Age a few decades or so back.

There will be some good, positive ways in which many of these themes make investors money in the years ahead. *Some of the potential stories make me shudder a bit, I must also point out.*



Over the 18 months or so—in addition to copious content here at *The National Investor* in one way or another—I have gone into great detail on these two megatrends; and especially how they relate to our New FAANGs theme, elsewhere. At left are but a few examples; **and many such presentations and related**

content are on my web site as well as my You Tube channel. If you have not done so, avail yourself of them; there's a LOT more that will augment what you read here (and more still to come!)

Shortly, I will go over each of these five New FAANGs areas one by one; focusing on their broad stories and a few key details alike. Separately, as I will discuss along the way, I have broken out *two* of these themes to their own Special Issues: **precious metals** (published late last year) and **a Uranium/nuclear energy-focused one** (which will shortly follow this one.) Here again, now and later, all of these will be available through our web site.

The way in which our energy economy (and those of other nations) is going to be transformed in the years to come is head-spinning. ***But along with peril, rising costs and conflicts also comes some possibility of a better, cleaner and more efficient life for all of us who inhabit this planet.*** If all of us are better informed and our REAL knowledge enhanced so that we push for the right kinds of policies, society and all of our lives will benefit. As investors, we will benefit regardless if we are in the right places. With me, I trust you want *both* of these outcomes!

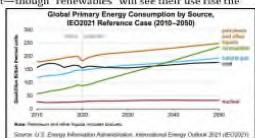
FUEL: AND “THE REVENGE OF OLD ENERGY”



Seldom have so many societal, economic and investment themes *seemed* to have come together as those where the catch-all term “The Green Economy” is concerned. Even Donald Trump was moving some of these initiatives along before he reluctantly packed his bags and left 1600 Pennsylvania Ave. Now, to the relief (or angst, depending on your persuasion) of about half the country, Joe Biden is in charge to *really* put the “green” accelerator to the floor.

Not long in office, though, and the new administration is *maybe* figuring out that merely getting rid of The Donald was not in and of itself *effective* policy. Where energy itself is specifically concerned, a “slow motion train wreck” has been underway of late. On the broader subject of building The Green Economy of the Future, things have not started out well, either, given—among other factors—that the president’s own party is at odds with itself over some key priorities.

What continues amid all this is a growing and advancing global population’s demand for energy which will continue to rise as far as the eye can see; and from whatever source(s). The U.S. Energy Information Administration has projected that—though “renewables” will see their use rise the most—demand for every other form of energy will either stay fairly static or rise also; even coal! (See <https://www.naturalgasintel.com/world-energy-demand-including-oil-and-gas-rising-to-2050-eia-says/>.)



Supplying all this energy safely, reliably and with less of a harmful footprint where the environment is concerned is a task both exciting...and daunting. When you consider the

Even back in the latter part of 2021, I was writing and speaking of a “New Energy Crisis.” In a Special Report back then (cover at left) **I went into a lot of detail on all things energy.** That information is a part of the foundation for the New FAANGs, the majority of whose components are involved in one manner or another in meeting the globe’s various energy needs. **If you have not seen this before, write me for a FREE copy of the main text of that issue.**

In “The Green Issue (And More!)” I spent one section discussing how “Old Energy”—i.e. so-called fossil fuels of coal, oil and natural gas—would be getting some “revenge.” The issue as we all should recognize (and as I wrote back then) is that the U.S. especially and the world generally has fallen *far* short of the kind of planning that would lead to an easier and sensible transition somewhat to a “greener” energy mix.

We learned in spades in 2022 how true that all was.

Even before the proxy war with Russia got underway early last year as that country invaded Ukraine, the Biden Administration set the stage for the first phase of our new energy crisis. Of course—as gasoline and diesel prices soared to new records last summer and natural gas at one point to its highest in over a decade—the president harangued energy companies for their “greed,” their obscene profits and their lack of patriotism. More recently in his State of the Union address, Biden once more chided energy companies for *not* producing more and instead using a lot of their money simply to buy back shares and increase dividends to their owners.

But all this is just as Biden and his allies had planned; they simply don't want to take responsibility for the results. Candidate Biden overtly ran on, in part, a promise to drive the fossil fuel industry into extinction. He chose former Federal Reserve Chairwoman Janet Yellen to be Treasury Secretary chiefly due to her own game plan and promise to use the financial system as a weapon against “Old energy”: discouraging new investment in such companies, marginalizing and financially penalizing entities that *did* invest in them, etc. (I wrote a separate piece just on this a while back discussing Yellen’s agenda and more, still archived on our site at <https://www.nationalinvestor.com/biden-and-yellen-at-cross-purposes-on-energy-or-are-they/>.)



"We can't wait to give you our NEW Green economy! We just need to finish wrecking the old one first..."

Using the proxy war with Russia (and laughable canard of the “Putin Price Hike”; Vladimir Putin—whatever else he may be—is neither the American President dictating a disastrous, independence-killing

energy policy nor the Fed Chairman most responsible for the inflating prices of *everything*) as his usual excuse, Joe Biden has done terrible harm to our energy independence. He has run down the level of oil in our nation's Strategic Petroleum Reserve to its lowest in a few decades. And where the U.S. was really in the cat bird seat—with basically *too much* natural gas, rendering Americans' electricity and heating/cooling bills among the lowest in the world—*that has been squandered too*, given we must now bail out Europe's lack of sufficient cheap gas.

Lately, we have seen welcome reprieves from soaring prices for oil and natural gas both. Further, new fears of a coming recession have exacerbated the energy price correction: *good for now, though we just learned in oil's case that OPEC+ intends to firm up the price*. Given that—and rebounding demand, set to lead to a new record in 2023—the best we're going to see of correcting oil/gasoline/diesel prices is now likely over.

“The Revenge of the Old (Energy) Economy”

A New Energy Crisis

Deliberate on the part of Treasury Sec. Yellen *especially*.

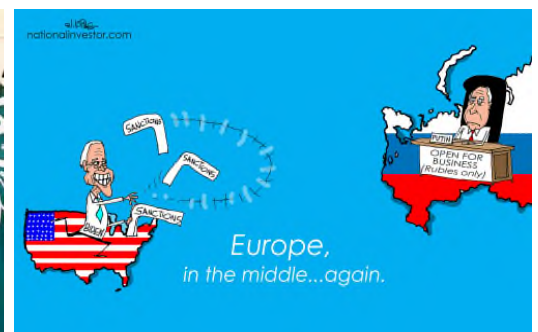
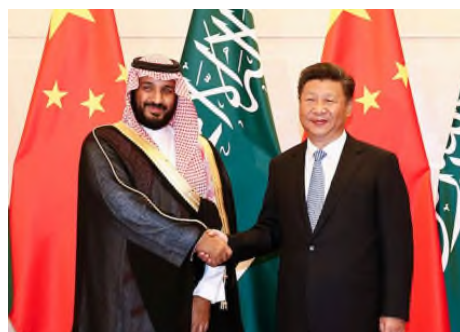
“Dangerously bullish” set-up

New methane rules will make things FAR worse for oil/gas prices

Coal use SOARING also once more.

Most of the same policies that led to last summer's price spikes are still in place. Indeed, some have become worse; most notably, new E.P.A. rules on methane emissions now in effect which most energy analysts warn will keep a lid on any further rebounds in U.S. energy production.

So *long* before we have sufficient added nuclear energy capacity and other “green” grid power...and *longer* before we have sufficient take-up of electric vehicles, hydrogen-powered ones (more realistic, some day, for larger vehicles, perhaps) and mass transit...**we face the virtual guarantee going forward that demand will continue to outstrip constrained, insufficient and policy-hobbled supplies.** As I report regularly and will continue to, barring a *major* economic debacle globally, we'll likely see triple-digit oil return later in 2023 as well as a rebounding natural gas price.



Further exacerbating things is that *insane* U.S. (primarily) and E.U. (mostly as America's ill-fated vassals, *still* occupied even after WW2) foreign policy has put the Saudi-dominated O.P.E.C. cartel and Russia back in power in determining oil supplies and prices to a fair extent. **Events of the last year or so have dramatically accelerated what was already a detectable move away from globalization and toward a new, multi-polar world where those with resources will call more of the shots.** Saudi Arabia has never been more scornful of the U.S., among other things publicly humiliating Biden last year

in its refusal to bow to America’s whims. And it now—as you may already have heard—is poised to cut its more than half century-old shackles to both the U.S. and the U.S. dollar. In that regard, the Saudis are reportedly desirous of joining the BRICs bloc of nations operating outside of U.S. hegemony. *And in yet another example of their distancing themselves from America, the Saudis are making peace now with both Iran and Syria.*

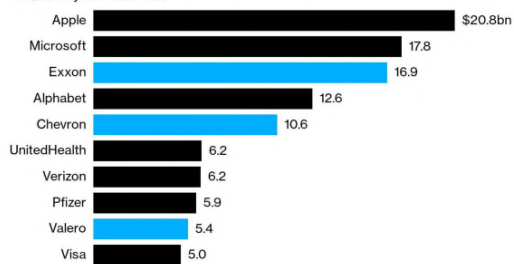
Likewise, the sanctions against Russia have proven to be laughable. That country’s President Vladimir Putin in a speech last fall channeled the late American economist Milton Friedman, quipping “If you want to create a shortage of tomatoes, just pass a law that retailers cannot sell tomatoes for more than 2¢/lb. Instantly you will have a tomato shortage. It is the same with oil or gas.” As things have turned out, Russia has plenty of customers—India and China especially—for its oil: paid for *without* dollars in increasing cases these days AND at prices above the equally laughable U.S.-demanded “price cap.”

These and other foreign policy idiocies, keep in mind, exacerbate our energy mess we have even without them. One of the best short, sweet and blunt assessments of things is an excellent five and a half minute video by Prager U.; see <https://www.youtube.com/watch?v=wDOI-uLvTnY>.

Fossil Fuel Revival

Energy companies are now among the S&P 500's top cash machines

■ Quarterly free cash flow



Source: Bloomberg data
 Note: Excludes financials because of vast and volatile cash inflows. Data correct as of last published quarter.

Bloomberg

Thanks to all these events, energy companies *generally* handily beat the overall market in 2022. Most of the action was reserved, though, for the larger cap stocks, pipelines and the like; there remains a Yellen and green lobby-inspired “stigma” that discourages many from looking down the food chain. But it’s my firm view that the months and, likely, years ahead will see a renewed respect for the kinds of companies which—as the Prager video starkly shows—will continue supplying the great majority of our overall energy needs for *decades* still to come.

In *The National Investor*, we did quite well over the last year-plus on high-yield energy companies as well as occasional trading in a couple of my favorite energy-focused ETFs. Going forward, I’ll be looking anew at smaller, more growth-oriented opportunities with solid stories, such as one you’ll see profiled farther along. *Indeed, as this issue is being completed, I’ve thrice in recent days augmented our “long” energy holdings.*

Incredibly, what years back was obviously premature talk on the “peak oil” front is re-emerging: see <https://www.cnbc.com/2023/03/09/us-wont-reach-new-record-oil-production-ever-again-pioneer-ceo.html> and <https://oilprice.com/Energy/Crude-Oil/The-Shale-Boom-Is-Over.html>. *At the least*, to have new supplies of crude oil and natural gas alike come to market in sufficient quantities, prices must rise.

Paraphrasing my friend Phil Flynn’s remarks amid the recent oil correction, it was momentarily hard to fight the bearishness in oil (to sign up for his FREE excellent daily blog on oil/natural gas markets and sundry “macro” topics visit <https://blog.pricegroup.com/category/phil-flynn-energy/>.) **Yet a host of fundamental reasons suggest to me that the recent rally is the real thing:**

* Mobility indicators show increasing road and air travel. Traffic levels in China’s major cities particularly have normalized, auguring a sustainable rebound in that country’s economy, etc. after the draconian, self-inflicted recession of the last couple years.

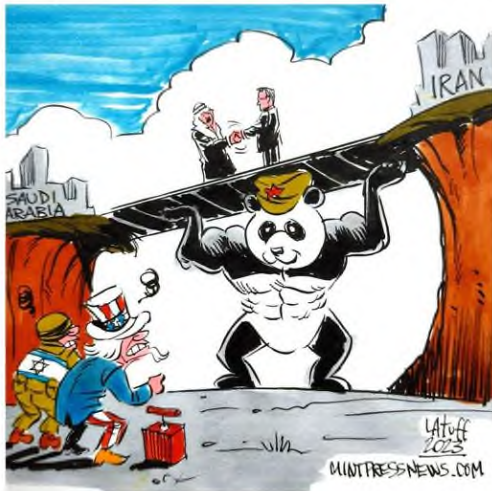
* Jet fuel demand has especially been strong, boosted by rising air travel as business normalizes post-COVID and many a delayed vacation is now being taken.

* U.S. gasoline demand is edging up anew a mere two months out from the start of the official Memorial Day kickoff of the summer driving season.

* U.S. exports are picking up again for all manner of energy and refined products; see https://www.upi.com/Top_News/US/2023/03/20/exports-refined-petroleum-products-russia-diesel/2261679324437/.

* What little recovery there has been of late in Venezuela's oil industry has bogged down anew over governmental ineptitude; see <https://www.reuters.com/business/energy/venezuelas-commercial-oil-exports-nearly-halted-reviews-expand-2023-03-23/>.

* At the same time that exports of energy from the U.S. are surging, overall oil production remains nearly a million barrels/day below the all-time peak. Sales by The Biden Administration from the Strategic Petroleum Reserve are nearing an end. *The recent price weakness has prompted both oil and primary natural gas producers to curtail production.*



* O.P.E.C.+ production growth will remain similarly constrained, if also non-existent. This is due to Russian sanctions continuing as well as a corollary hampering of new development/production activity.

* After a sharp decline over many months, tanker rates are reversing and headed back up.

* Finally, on the “global realignment” front, sanctions by the U.S. against Iran will continue indefinitely as that country gets chummier with Russia, China and, now, a recalcitrant (as far as “American interests” go) Saudi Arabia. Ultimately, Iran will—as Russia—find ways to sell oil to its capability/desires no matter what Biden and his handlers want; but for now, this is also somewhat of a damper on total global supply.

AEROSPACE, DEFENSE, ETC.

Over the course of my adult life I have become as anti-war (and anti-*War Party*, which means most of the Republicans and Democrats in Washington and those who control them) as the most dedicated “leftist” peacenik. I trust *no* government’s (especially our own here in the U.S.) justifications to wage or pay for (actually, *increase existing debts*) foreign incursions or most ANYTHING but the defense of our own four walls.

A colleague and I recently were chatting about this and bemoaning the fact that whether he and I like it or not, there is NO sign anywhere that military spending is going to go *down* in the world. Even before Sleepy Joe got us embroiled in the proxy war with Russia (and likely one with China before he’s through, as that is what the Deep State wants) the previous president blew a great opportunity to defuse

all this. Having first promised to put N.A.T.O. into history's ash heap where it belongs, President Trump instead oversaw record military spending the world over; and did basically nothing to prevent the deeper messes his successor now is getting us into, even if he was wise in some respects to make sure these things didn't occur on *his own* watch.

Aerospace/ Defense



I have a moral bias against investing in any company or theme involved in waging aggressive war against any party not a direct threat to America. None the less, one of the present megatrends here is that America is in a very vulnerable position in not being able to source all the materials we need to defend our “homeland.” This goes as well to our infrastructure: power, financial, transportation and more, *vulnerabilities suddenly in our headlines today.*

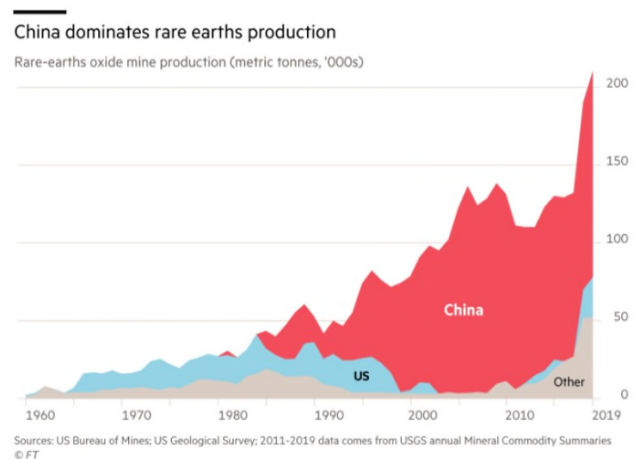
We are disproportionately dependent still on Russia and its allies for **uranium** (especially enriched uranium needed to run nuclear reactors at power plants.) Russia has cut off key *gases* it once exported to the U.S., including **helium** needed for medical devices, guidance systems in rockets, and more.

The universe of materials known as **rare earth elements** are actually not all that rare in nature. What is rare, however, are the places that process these substances into all manner of consumer, tech and defense-oriented products. China has long pretty much had the market cornered here; *just one of many ways in which a country we are sleepwalking into a greater conflict with sells us the things we need to defend ourselves with.*

The U.S. Geological Survey recently wrote on this subject, in part, as follows:

"Rare-earth elements (REE) are necessary components of more than 200 products across a wide range of applications, especially high-tech consumer products, such as cellular telephones, computer hard drives, electric and hybrid vehicles, and flat-screen monitors and televisions. **Significant defense applications** include electronic displays, guidance systems, lasers, and radar and sonar systems. Although the amount of REE used in a product may not be a significant part of that product by weight, value, or volume, the REE can be necessary for the device to function. For example, magnets made of REE often represent only a small fraction of the total weight, but without them, the spindle motors and voice coils of desktops and laptops would not be possible." (*Emphasis added.*)

As this is being released, rumors are that **China is considering ending the export of REE magnets and related technology**; see <https://japannews.yomiuri.co.jp/world/asia-pacific/20230405-101753/>. This comes as the New Cold War and what I have also dubbed somewhat of a “World War 3”



already underway when it comes to currencies, commodities (and our New FAANGs themes) and shifting global influences/alliances heats up ever more. This is but one of the acute ways in which the U.S. of A. has limited ability to supply its own such needs right now and could quickly be brought to its knees. It's, of course, a story I will continue to report on; *and likewise, one which will guide some of our investment decision-making.*

For a good, overall read on all things rare earths and with links to several related resources, check out <https://www.americangeosciences.org/critical-issues/faq/what-are-rare-earth-elements-and-why-are-they-important>.

Our current holdings include

- Drones/technology (sans China)
- Titanium
- Rare earths/supply chain/processing
- Helium
- And MORE

Our focus is essentially on strategic materials and the like that would make us less dependent on other nations to *defend* ourselves. And again, our view goes beyond this—and will more so in the days ahead—on what will shore up our physical, energy and other infrastructures as well. *A lot of that latter I wrote of in some detail in my Fall, 2021 Special Report referenced above.*

To some extent here (and as I will discuss further along as well) we can “follow the money” too **as the government—and major companies that use some of these critical substances—belatedly take at least a few of these vulnerabilities seriously.** We have companies already among our recommendations which, directly, indirectly or prospectively, have received or likely will be receiving money via the Defense Production Act and otherwise.

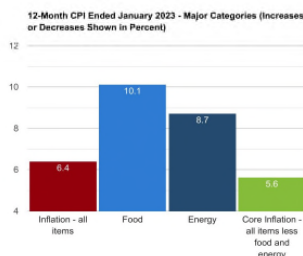
AGRICULTURE

As is the case with the world's energy needs, that for food is not exactly declining, given the world's population growth. But just as with energy, misguided policies, poor planning (and the ruinous, effective enslavement *still* of many developing nations by international lending institutions) and ignorant, woke ideology have made the emerging global food crisis worse than it should be too.



Food Inflation in the United States (1968-2023)

The average price of food in the United States increased 10.1% in the 12 months ended January after posting an annual increase of 10.4% in December, according to the latest inflation data published Feb. 14, 2023, by the U.S. Labor Department's Bureau of Labor Statistics (BLS). As recently as August, the food inflation rate at 11.4% was the highest since May 1979.



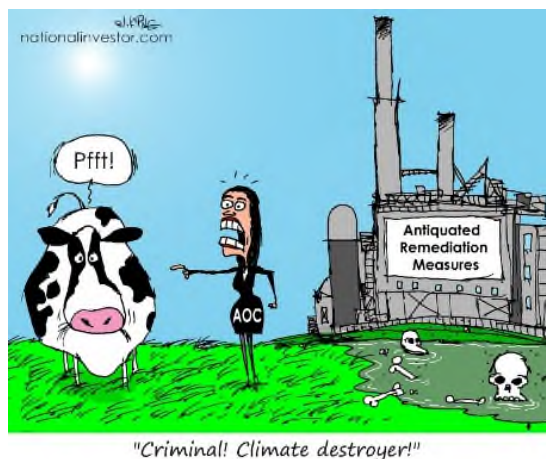
Though there has been the earlier-referenced relief the last few months from previously sky-high natural gas prices, that did not come before a new wave of bankruptcies of farmers; especially in Europe. **Fertilizer costs** soared to record highs especially there, given that natural gas is a major input cost. Other factors contributed as well to those who grow nations' food

coming under ever more stress.

As Fed Chairman Powell held forth recently in explaining why the central bank still has a job to do in “fighting inflation” (a problem chiefly of its own making as I have explained elsewhere many times) among the most recalcitrant sectors has been food. Recently, as you see in the nearby graphic, food inflation was rising at its fastest pace since 1979, as higher cost inputs all along the food chain combined.

Making matters worse in some places (and again, as with energy), part of the issue of high prices is pressure on supplies/shortages. Among the more incredible examples of governments “solving” climate issues, for example, the Netherlands has infamously of late actually pushed to drive some farmers out of business. This, ostensibly, means less nitrogen runoff/pollution (see <https://www.bbc.com/news/world-europe-62335287> for one representative story on this.) Elsewhere too (including in the U.S., where there is a growing but *so far* less severe threat to the U.S. meat industry) there is pressure to ostensibly reduce climate/environmental dangers by reducing already-strained and ever more expensive *food*.

Just as I am finishing this issue here in the U.S., **there is somewhat of a back door threat to U.S. farmers**; see <https://trendingpoliticsnews.com/breaking-half-of-states-in-u-s-sue-biden-over-new-rule-targeting-farmers-mace/>.) Many states in the past (I remember my native New York’s heavy hand in years past to “protect wetlands” and the like) have driven farmers out of business by taking some of their land away from them or limiting its use. This new federal effort is disconcerting (though here—unlike as in Europe and elsewhere, where smaller/family farms are still somewhat strong—it will more serve to strengthen favored giant agribusiness even as smaller concerns are added to past casualties.)



Elsewhere, **extreme weather changes** in recent years have led to soaring prices and sometimes disastrous food shortages; most recently (see <https://www.reuters.com/world/americas/argentinias-drought-hit-fields-billion-dollar-losses-farmers-going-under-2023-02-16/>) usually prolific Argentina is suffering its worst drought in 60 years.



With my belief that both the energy and food crises are only in their beginning stages, I am expecting to see more even of what we did to some extent here in the U.S. when COVID policy-created supply chain disruptions of the last few years occasionally led to shortages of various things. **Independent even of that factor, though, the strain on farms/farmers and government policy will keep upward pressure on costs and downward pressure on supplies.** We are fortunate in the U.S. that these headaches are less bad than most anywhere else; but who would have thought last year that Europe’s “leader” and strongest economy, Germany, would be forced to ration flour,

pasta and other foodstuffs?

These and myriad other challenges are in front of mankind to feed the world. In other contexts I have discussed one of the other rolling rebellions against U.S. economic hegemony: the *continued* refusal of much of Europe to accept many genetically-modified U.S. food imports. And though he recently postponed next year's deadline (it is now 2025) Mexican President Lopez-Obrador still insists he wants to end imports of corn (most of it for feed) from the U.S. that has been genetically modified/engineered. *This will remain a bone of contention and could lead to a formal trade dispute; Mexico is U.S. corn growers' biggest export market.*

Given the dynamics and cost pressures in agriculture, investing in "conventional" companies of most types is unlikely to prove very rewarding. Our focus is chiefly on value-added and even disruptive companies whose unique technologies, science and more will be able to give us more and better food for less; *and in ways that are environmentally friendly.* Among our recommendations presently are a couple particularly unique stories whose respective technologies meet our criteria as "disruptors"; *one even was just glommed on to by Walmart as that company endeavors to bolster its own environmental/healthier food bona fides.*

NUCLEAR ENERGY / CARBON REDUCTION

When even the most notable climate scold on Planet Earth these days—Sweden's Great Thunberg—has something *good* to say about **nuclear power** (for one report, check out <https://www.sbs.com.au/news/article/why-greta-thunberg-is-backing-nuclear-over-coal-amid-a-growing-energy-crisis/hmsnbdpup>) you know this sector's nascent comeback is for real!

This came, of course, as Germany proved in spades yet again how shallow "woke" platitudes are no substitute for effective energy policy. That country has become as bad a climate criminal as China lately; recently reopening coal production and ripping wide swaths of earth *from a whole town* to come up with coal, thanks to 1. Its idiocy in being a U.S. lap dog in America's proxy war against Russia, and thus losing its source of plentiful, cheap natural gas and 2. Former Chancellor Merkel's idiotic anti-nuclear energy moves.

An epiphany hit the assembled starry-eyed nitwits at the latest COP27 meeting in the Middle East; one which—we all must hope and pray—was the turning point to a more sane and workable energy strategy going forward (well, Germany aside, anyhow). And that was the recognition that *actual* science...*actual* engineering and physics...*realistic* time tables...and a *workable* transition will be needed to move the world to a more carbon-free, green and energy efficient future. **Part and parcel of that was COP27's acknowledgement that both nuclear energy and natural gas will remain—indeed, *must* remain—a part of the mix.**

In relative terms, the *broad* re-embracing of nuclear energy is, to date, the best, most encouraging and most realistic part of "greening" the world's energy industries and economies. Unlike wind and solar power which are fickle and not always reliable (ask the people, alternately, in Texas and California, among others) nuclear power is the only emissions-free power source that can provide reliable 24/7 output.

And so powerful is this individual story, that I will be dedicating a separate, more focused Special Report solely on nuclear energy to come on the heels of this one. In that report, too, will be profiled several of my existing recommendations in this space. A few of my picks have already benefitted, as the U.S. government belatedly put the pieces in place of a reconstituted, independent U.S. nuclear energy sector.

Another theme I will be discussing as well in the months and, likely, years ahead is **the broader issue of carbon reduction** and the nascent industries and companies involved in everything from **gadgets and technology to make us all more efficient, to new financial sectors that are focused on carbon credits and the like.** We've made a few early forays into these themes with some of our recommendations; more will surely come as the players/best stories get sorted out.

Uranium | US government proposes \$4.3bn domestic purchase program

The US Department of Energy (DOE) has indicated it is seeking US\$4.3bn in funding to purchase domestically produced uranium in the form of both low-enriched uranium (LEU) and high-assay low-enriched uranium (HALEU). This proposal is pending approval by Congress. If approved and implemented, the DOE would contract the uranium domestically and then resell it to US nuclear market participants. Reportedly, LEU procurement (100mtba with deliveries starting in 2026) would support nuclear power industry needs, while HALEU would be dedicated for the US Advanced Reactor Demonstration Program, research reactors and medical isotope production.

This statement comes after Energy Secretary Jennifer Granholm testified to the US Senate Energy and Natural Resources Committee in early May that a "broad uranium strategy" for the US is currently in development. She also confirmed that the DOE will be making uranium purchases for the proposed reserve during 2022.

Our take: This announcement comes after an extended period of industry engagement and while it has stopped short of Russian sanctions (it is the clearest signal to date that the US is seeking to accelerate its migration away from reliance on Russian supply (23% market share of enriched uranium)). This positioning will clearly not be missed by utilities and is highly supportive of our view that demand for western-origin pounds of increasing, creating an even more pronounced supply deficit in the West than in the aggregated global market (see research).

Additionally, we see it as a positive for Western conversion and enrichment demand. As such we continue to anticipate a shift from underfeeding to overfeeding by enrichers, which would in turn create secondary demand for U₃O₈ and Lu₂O₃. By way of example, we estimate that a rise from 0.18% tails to 0.26% tails by Western enrichers could increase Western uranium demand by up to 15%.

Support for uranium is growing in the US: Today's announcement builds on a number of important initiatives that have been proposed by various levels of the US government in support of the restart of the US uranium and nuclear industries:

- In April 2022, US senators introduced the "National Opportunity to Restore Uranium Supply Services In America" (NO RUSSIA) Act of 2022, intended to authorise the DOE to establish the reserve.
- The Biden-Harris Administration introduced the Infrastructure Investment and Jobs Act (also called the Bipartisan Infrastructure Bill) in November 2021. As part of Biden's Build Back Better agenda, the US Department of Energy is set to receive US \$62bn in support of a "more equitable clean energy future". This includes: 1) The **Civil Nuclear Credit Program (CNC)**, a US\$6bn strategic investment intended to help preserve the existing reactor fleet in the US. The newly confirmed first cycle of awards under the CNC will support reactors that have already announced plans to cease operations; and 2) The **Advanced Reactor Development Program (ARDP)**, a US \$2.5bn program aimed at supporting 10 advanced reactor designs to help mature and demonstrate their technologies.

GOLD AND OTHER METALS/MINERALS

THE National Investor

Fall, 2022 You can get information anywhere. Here, you get KNOWLEDGE Special Issue!

THIS IS NOT YOUR FATHER'S GOLD MARKET!



A typical "gold bug" initiation

Gold (and silver)-related investments have long been as mysterious as they have been often wildly profitable. The trick is understanding how each is priced in markets today.

Twice now in the last two years, the gold price has surged to new nominal highs of over \$2,000/ounce. Yet as this is written, it has fallen back substantially despite 40-year high inflation rates.

Worse still, investors who have bet too heavily on shares of precious metals-related equities have REALLY had their heads handed to them in the recent past!

Yet there's good—and potentially HUGELY PROFITABLE—news. As you will read, the same factors which caused the gold price to TRIPLE in under three years in the wake of the 2008 Financial Crisis are coming together (Silver rose five-fold back then, also!) These and other factors will lead to the NEXT wave of huge profits for wise investors armed with the right knowledge.

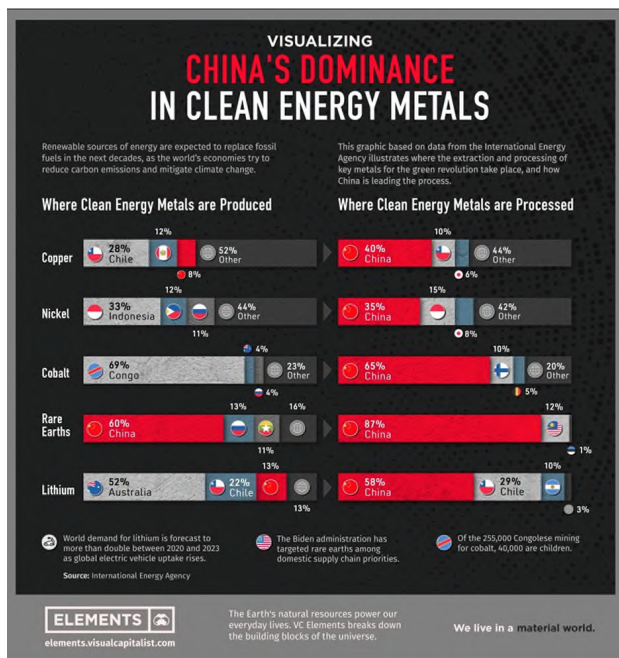
As with the Special Report on uranium to come right after this one, I *already*, last fall, authored the one you see at left, specifically, on **gold (primarily) and silver**. Among the many things I pointed out in this comprehensive issue (**again, if you have not seen/received this previously, email me for your FREE copy**) are the reasons why gold, "The un-Currency," is being gobbled up at decades-high rates by central banks and people buying coins and bars alike.

The odd demand factor *out* presently is **investment demand**, which slumped considerably in 2022. But in "This is NOT Your Father's Gold Market!" I explain the factors likely to coalesce—likely within months, not years—that will bring this demand back again in much the same way, potentially, that we saw when gold *tripled* in under three years in the wake of the 2008 Global Financial Crisis. Indeed, we've seen an early taste of this, as the gold price has just been challenging its all-time high of \$2,075/ounce.

Even with that, though, the universe of gold-oriented equities remains somewhat of a wasteland, the average company not beginning to reflect the better fortunes of the yellow metal itself. In the case of a lot of exploration -oriented juniors (and not just gold/silver-related ones, but metals more broadly!) the situation would make you think that gold

is more like at all-time lows rather than highs. That situation will change: and wise investors are building positions in such companies *now*.

In recent interviews, I have reiterated **the three things that caused gold to triple in under three years following the 2008 collapse**. I have also discussed that in the regular issues of *The National Investor*. It remains my opinion that we need to at least see that all three are on the immediate horizon before we will have a sustainable next leg higher for gold; *stay tuned!*

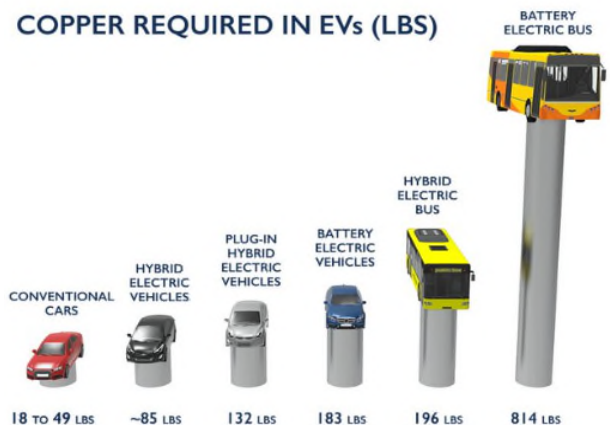


Elsewhere—and excluding uranium and its unique story—we have all manner of industrial, infrastructure-related and, now, **clean energy-related metals and minerals**. Already and as I said earlier, the story with all of these to varying degrees is one of many years' worth of underinvestment, underdevelopment, policy hindrances and the rest. Even if you gave virtually no allowance for the newest uses for key metals such as copper, nickel and rare-earths especially, the entire world is facing shortages especially as developing nations move into the modern age.

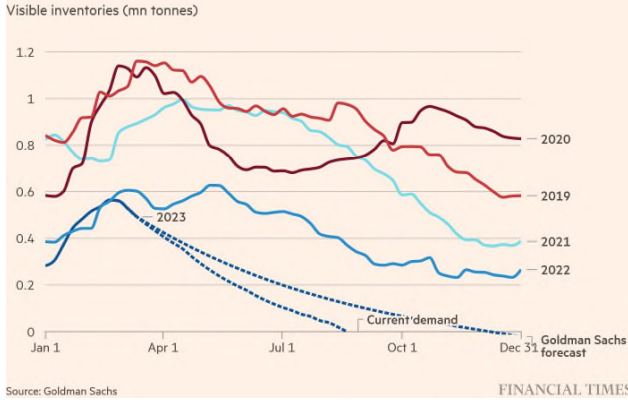
But now as we add so-called “green energy,” the promised/planned electric vehicle rollouts and the rest all these various shortages of future supply become *far more acute*. As Yours truly and others have been chronicling for quite a while now, the present trajectory of things hardly begins to acknowledge the *truly*

massive amounts of all these metals such as in the nearby chart that are going to be needed. And not only is America woefully behind in either developing or contracting for supplies of all of these things but now—as stated above—we have the added headache of long-time supplier China going its own way; see also for this a great new piece by my colleague Rick Mills at <https://aheadoftheherd.com/critical-minerals-take-center-stage-in-us-china-rivalry-richard-mills/>

Let's consider first for a moment here the need for *major new supplies of copper*: not just, as stated above, for all manner of infrastructure and communications building/rebuilding but especially the amounts needed—**FAR** beyond those for today's I.C.E. cars and trucks—for the autos of tomorrow. As Mills also recently wrote in his ever *very* thorough style, the world is astonishingly behind in bringing needed copper resources and reserves to production and needs the equivalent of *eight* “copies” of the world-class Escondida Copper Mine in Chile by 2030. See <https://aheadoftheherd.com/8-escondidas-needed-over-the-next-eight-years/>.



Global copper stockpiles will deplete by August if the present trend continues



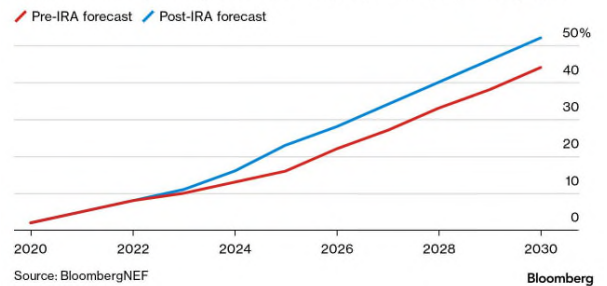
As you might have guessed, nothing approaching that magnitude will be ready by then. Indeed, *present stockpiles* of this most key of all of the industrial, infrastructure and green energy-related metals are running perilously low. Trifigura, the Singapore-based metals trading house, warns that 2023 will bring record copper prices as a result; see <https://www.ft.com/content/c3da84fd-efe2-4487-acb-511a8104ee3e>.

Wherever you look in the world, it's much the same story in the copper development and mining industry: lower incremental grades are being recovered from largely aging old legacy mines. It's more expensive to mine a pound of copper today, too, with higher costs of *all* kinds. Here in America again, new resources are NOT being exploited, but in a number of cases bottled up or delayed. Add it all up and a bad situation is worse: and the price of copper will likely be re-rated much higher to unlock what near-term development projects are ready to make a dent in the structural supply deficit.

Another major ingredient needed for this pined-for big E.V. rollout particularly is **lithium**. Here too—speaking of 2030—global lithium giant Albemarle is forecasting an **800,000 ton deficit in the lithium market by then**, despite also acknowledging that production is slated to rise by a respectable 40% in 2023 from last year. And that deficit projected was before the new Biden E.P.A. rules in just recent days, which are (if taken at face value) going to further increase the percentage of new vehicles which *must* be electric.

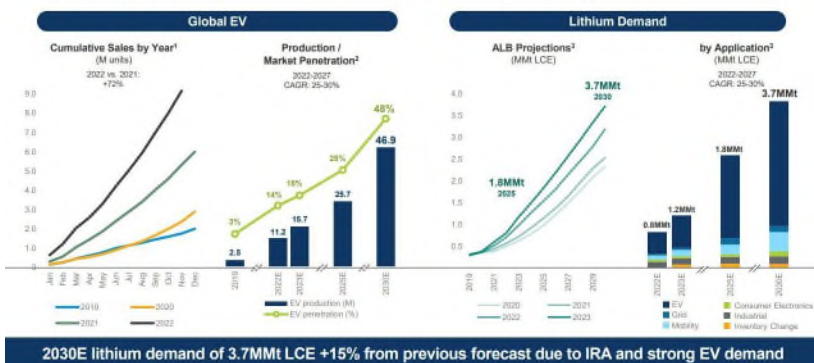
Electric Vehicle Adoption Is Set to Grow

Share of total US passenger vehicle sales is expected to top 50% by 2030



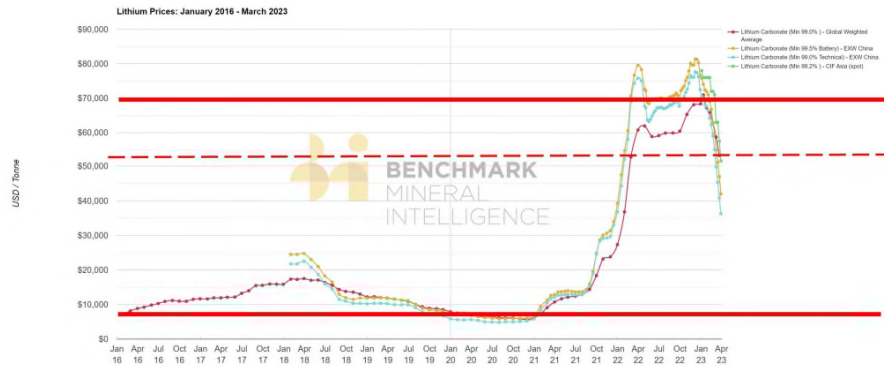
But so far—starting from such a terrible deficit due to horrid (even *criminally negligent*, I.M.O.) planning and the rest—this year's increase in lithium product production will be a pimple on a flea compared to what is needed. And this is a big reason why the lithium price has been soaring for a while (and why many lithium-related stocks have been huge winners, *as two 10-baggers already of ours among the companies profiled shortly*) and why E.V.'s will remain costlier than they arguably *should* be, if sufficient supplies of lithium, nickel, cobalt and all the rest were allowed to be developed.

Increasing Our Lithium Market Demand Outlook: 5x Growth by 2030



carbonate and spodumene concentrates) are appropriate. And that is a matter which has engendered some recent confusion, especially as the formerly white-hot bullish move for the battery “white metal” has seen a sharp price correction; *or so it seems to the uninformed.*

As with a number of commodities where “spot prices” can vary widely from what is actually paid by end users to a producer/wholesaler (the “contracted price” in this case) that lithium’s spot price (at right, *China-centric* price metrics for lithium carbonate) has corrected sharply *doesn’t* tell the real story. *Several things* need to be understood, especially given some recent (I.M.O.) poorly- or ill-informed “reports” attempting to actually paint a bearish picture for lithium:



1. When you average them out, prices are still *triple* what they were at lithium’s *peak* in early 2018, the last time a sharp run reversed for a bit and caused some hand-wringing bears to say it was all a flash in the pan.

2. The *contracted price* has actually stayed fairly constant; recently, according to Benchmark Mineral Intelligence, at a *global* weighted average lithium carbonate price of around \$55/kg.

3. That “**global**” description is the **KEY** here, unless you live in, operate and buy an E.V. in **China**. Outside that country (and bear in mind the sharp price correction there is due to *China-centric* supply and demand factors, primarily) battery-grade lithium is in scarcer supply and has NOT been subject to such price corrections. *Nor is it likely to be.* That some ignorant sorts have incorrectly represented the dynamics (again, especially in America and, frankly, all of North America and Europe to boot) of China’s spot market and caused some recent selling/shorting of lithium equities is a GIFT to those with cooler heads!

Much as with many governments’ (the U.S. and E.U. have been by far the worst) shooting themselves in the foot in their *mismanaging* of the desired decline in the use of fossil fuels, **they have been every bit as disastrous in often times overtly hindering the development of the supply chains**



needed to build their precious E.V.’s, et al. This is why in the U.S. particularly, we are going to be paying dearly in the years ahead for ALL of these things. The worst example of this where the Biden Administration is concerned has been in the *continued* bottling up of a lot of copper, nickel, cobalt, lithium and MUCH more we have available within our own four walls. The worst of the worst of all that has been Biden—after campaigning in Northeast Minnesota and lauding the two world-class

battery metal development-ready projects there—as president has killed one (now in court) and thrown up yet more roadblocks in front of the other. ***In these two huge projects—PolyMet’s North Met and Antofagasta’s Twin Metals, both in the storied Iron Range area of Minnesota’s Arrowhead—rest over 90% of America’s development-ready nickel reserves and nearly 90% of cobalt reserves on top of copper, PGM’s and more.***

Yet astonishingly and hypocritically, Biden’s team recently inked a deal with the Democratic Republic of Congo for (primarily) cobalt: *cobalt produced by child slave labor working in conditions outlawed in the U.S. long ago.*

This is the most extreme example of Biden and his team acting as if the U.S. will continue ‘til Kingdom Come to command anything it wants, anywhere it exists. ***But it won’t be thus any longer.*** Sure, we will be able to get *some* imports from *some* countries of metals and critical materials (most notably Canada, though they have LOTS of other customers as well.) But especially when you consider the ascendance of the rebellion against the U.S.-centric world order generally...the growing BRICs bloc specifically...and the already-existing tendency of friend and foe alike these days to NOT automatically bow to America’s demands (the Saudis being perhaps the most dramatic recent example) we are in a *very* precarious place.

Again, I’ll refer you to Rick Mills’ equally comprehensive and sobering recent piece on this “friend shoring” trend: at <https://aheadoftheherd.com/friend-shoring-threatens-western-metal-supplies/>.

A MAJOR FISCAL/POLICY TAIL WIND IS LIKELY AHEAD



At the end of February, I was honored to be asked to deliver the opening/keynote address to the big Mines and Money Conference down I-95 in Miami. In attendance were several hundred people from many countries, representing policy makers, miners, end users, N.G.O. representatives and others.

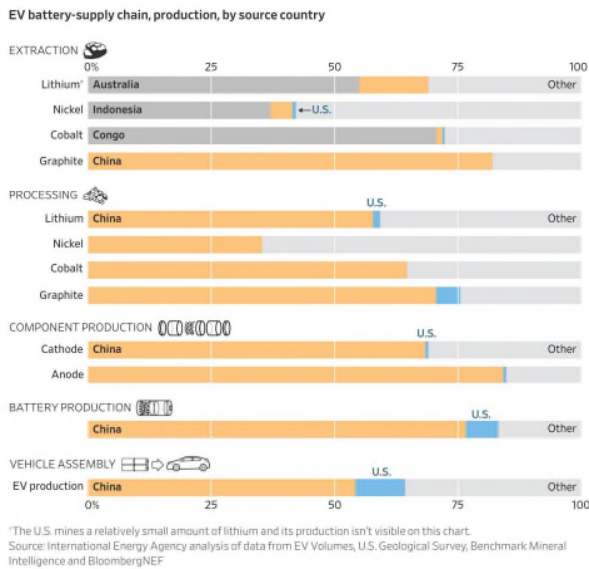
There were two competing senses there, similar to what I have seen in similar contexts:

1. *Excitement* at what the world’s growing need for energy, battery metals and the like will eventually do for early investors’ portfolios and many companies’ fortunes and

2. *Concern*—if not *dread*, especially for us in America—given that there is no way whatsoever that we are going to move toward the greener and lower-emissions world and enjoy much of that success without MUCH more pain *first*. That is courtesy, of course, of much of what I have penned above: that poor (or really, virtually *no*) planning, self-destructive policy choices and economics which have NOT favored the extractive industries and their corollaries to date *have us in that place where we don’t have sufficient straw with which to build bricks.*

American leaders' taking all the preceding (and related) sufficiently seriously is *still* not happening quickly enough. That means America risks MAJOR shortages and a MAJOR hit to our economy and security over the next few years as *we* are the ones squeezed, unable to get necessary supplies of all manner of metals and materials. We've seen just a foretaste of this over the last year or so: and if, as seems inevitable, we get into that far greater strategic and commodities-oriented conflict with China on top of that with Russia, it will *really* be "game on." *And we'll be on the outside looking in.*

Before I get into a number of my specific New FAANGs-related recommendations, though, a few more quick *and more positive* thoughts as to how—though, sadly, a LOT of pain is going to be endured *first* thanks to past/present abysmal "leadership"—we might see improvements to this presently bleak picture down the road:

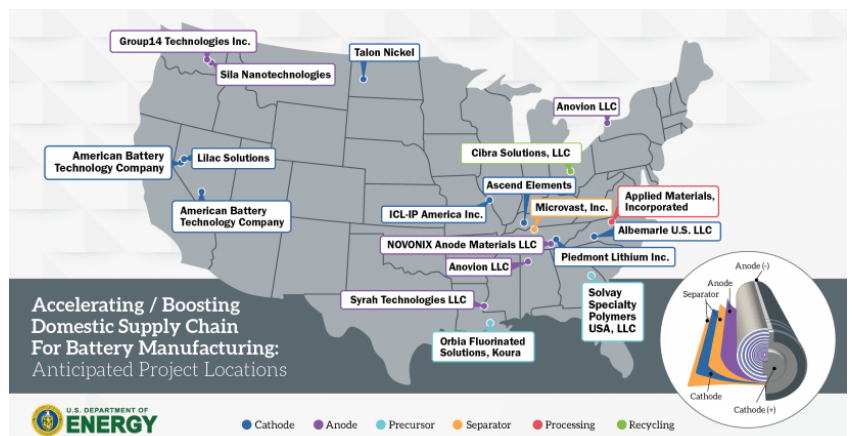


*** A greater recognition of the problems and HUGE job at hand is finally evident** – At least some on Capitol Hill, as well as a growing number of O.E.M.'s and others, are starting to realize the daunting task in front of them. There will be NO energy transition generally, and no viable and affordable E.V. industry particularly, without a *significant* increase in mining. You'll see at <https://source.benchmarkminerals.com/article/more-than-300-new-mines-required-to-meet-battery-demand-by-2035> the number of new mines needed to meet this challenge.

Though measures related to this have failed a couple times (though ostensibly supported by the president) 2023 will see a new push to streamline the multi-layered permitting process that has so delayed the rollout in the U.S. of a number of new, development-ready battery metals projects. Especially with the Republicans now in charge of the House of Representatives, reforming the permitting process will have a better chance.

*** The big legacy auto makers are ponying up more money to force a quicker build of a U.S. supply chain.** Recently, as you no doubt heard, General Motors committed \$650 million to Lithium Americas to accelerate the development of that company's Thacker Pass Project in Nevada (even though that project faces ongoing environmentalist opposition.) This is G.M.'s first, high profile move to support a U.S.-centric E.V. supply chain. Ford is also investing billions in battery and E.V. plants in the U.S. and is rumored to be angling for a major battery metals source.

Helping "fuel" all of this move, too, is that at least some companies are being moved along thanks to both the so-called Inflation Reduction Act, and the above-referenced Defense Production Act, etc. as you see in the nearby graphic from the



Department of Energy. And though I loathe our war-happy “leadership” in Washington, it is, at least, a *good* aspect of all this that some of the belated action starting to happen is indeed based on our national security/energy vulnerability: see <https://www.thedefensepost.com/2022/12/06/mineral-access-national-security/>.

*** New companies will thrive that can manage the environmental challenges of increased extraction** – See <https://thehill.com/opinion/energy-environment/3608576-well-need-hundreds-of-new-critical-metals-mines-to-decarbonize/> for some realistic takes on the “tradeoff” between mining the massive amounts of lithium, say, we need and the environmental challenges and scars that will be part of



the price we pay. Those opposed to most *any* extractive activity whatsoever (who seemingly believe E.V.’s are produced by some magical extrusion machine and then powered by fairy dust and unicorn excrement) like to point to pictures such as that at left: of Albemarle’s big Silver Peak Lithium Mine in Nevada. To be sure, such a project as this has a *huge* footprint.

But among the emerging stories as the world deals with a need for *more* extractive activity is that there is now technology to better mitigate issues where water especially is concerned (I am about to look more deeply into a couple specific companies on this.) Where mining generally is concerned, you should already know about **BacTech Environmental (CSE-BAC; OTCQB-BCCEF)**. That company—profiled most recently in my “Story Stocks” Special Report released in December (and *once more*, let me know if you never saw *that one* and I’ll send you a copy)—is able to extract gold and other valuable metals from arsenic and heavy sulphide materials, recovering valuable metals and cleaning up old and new mine wastes, etc. in the process.

*** Fiscal measures to come should be more constructive** – Among the *many* idiocies and destructive policies that were birthed by government’s response to COVID, many trillions of dollars in new debt was added to America’s balance sheet with pretty much NOTHING to show for it. Much, as you know, was money thrown at this “problem”—exacerbated, I.M.O., by the outsized reaction to that virus and all—simply to “pay” people, businesses, etc. to do *nothing*. So no support was given to actual economic growth, job-creating ideas and all to allow this nation to service what is now a FAR greater debt burden (and one with much higher interest costs now, too.)

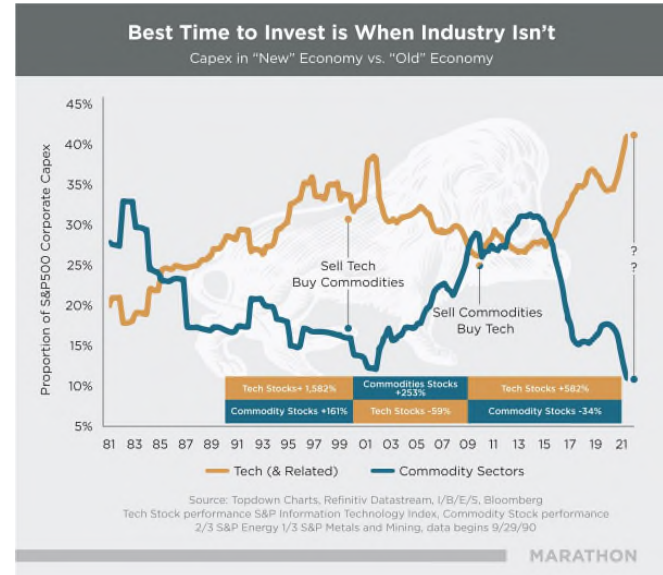
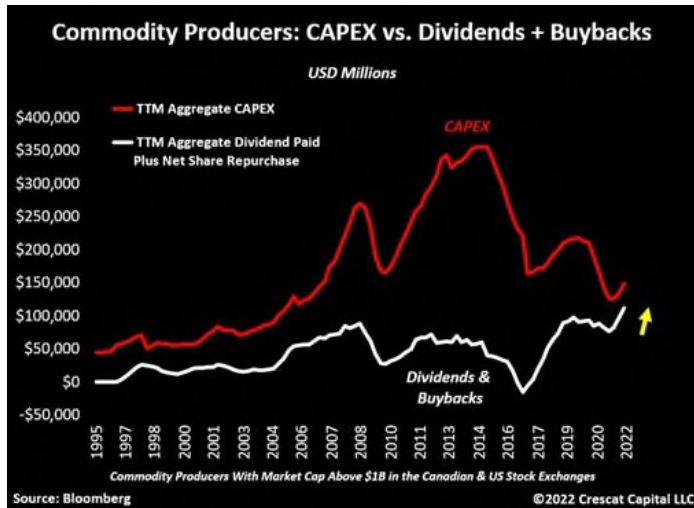
It is politically untenable today for future fiscal *or even monetary* measures that would only—as in the past—“bail out Wall Street” or otherwise serve to just inflate/reinflate asset prices. **Coming down the road when, inevitably, the economic, financial and political realities call for government to goose the economy in a big way once more, there is the hopeful chance that some might actually do some economic and societal good.** Among the many proposals that you can learn about is at <https://www.nibcoalition.com/>.

An Infrastructure Bank (which most countries already have; the U.S. does *not*) and similar *targeted* fiscal measures aimed at fostering



the energy transition, domestic supply chains, etc. would create needed, higher-paying jobs, and at least produce some *economic* benefit. **What has started so far via D.O.E. funding, the D.P.A. and the I.R.A. are *nothing* compared to the sum total of what is eventually needed.** But they are a start, I suppose.

You'll be hearing more about things like this in the months and years ahead; and as alluded to earlier, we will be "following the money" to come up with specific investment ideas for our Members.



*** As an investor, YOU have the opportunity to get in ahead of the BIG crowd to come** – Similarly to the state of affairs where the fossil fuel industry is concerned, extractive industries otherwise—especially in the U.S.—have been laggards. As with so many other things, America has for many years kept domestic economic activity limited in favor of cheaper imports; this has been the case with all manner of natural resources, too. *That is ending.*

Over time, the investment themes and sectors in these pages will be ever more embraced by an investing public *still* oblivious to most of them. But in the years ahead, some folks will suddenly learn that their nephew or niece, say, just accepted a job with *a mining engineering company* that will pay for his/her college education in exchange for joining them. News will come closer to home of giga factories...a new E.V. plant...a rare earths processor...a new state-of-the-art SMR-fired nuclear power



plant...and more, together with new, good-paying American jobs. Ultimately, as will be the case more so soon even with oil and gas, miners will have incentives once more to actually put bigger dollars *into projects* and future development rather than—as has been the case until now—having every conceivable *disincentive* thrown at them.

That will eventually bring a bigger and much broader wave—no, a stampede—into these themes and the sectors/best companies making things happen. The impact of all this will be akin to an elephant diving into a kiddie-sized wading pool. Then, it won't be your cab or Uber driver talking about the fast riches he's making in meme stocks or cryptos. It will be uranium. Lithium. Copper. Energy services. And the rest.

**The Energy Transition is Here.
Is Your Portfolio Ready?**



Energy Transition ETFs

SETM | LITP | URNM | URNJ | COPJ

And that’s when you’ll know the big money has already been made; *but we are likely several years from that point.*

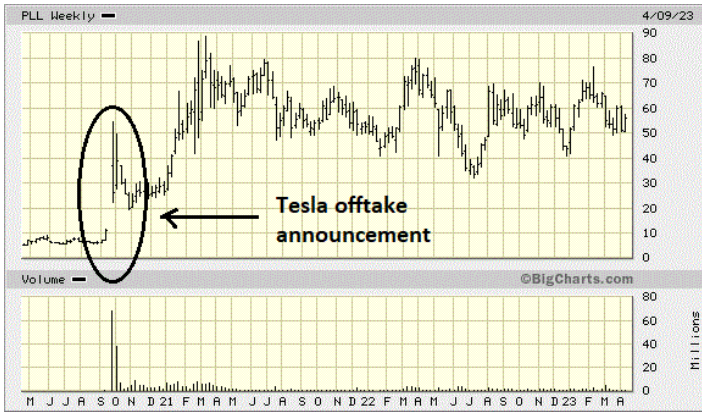
As I described in relation to gold-related stocks in “This is NOT Your Father’s Gold Market!”, the path of least resistance for many investors will be to buy exchange-traded funds (ETF) and similar offerings covering the universe of battery metals and such. Many sector ones already exist; others will be born in the coming months/years as these themes catch on more. Indeed, resource heavyweight Sprott is one that just announced yet another: its Energy Transition Materials ETF; see <https://www.sprottets.com/setm-sprott-energy-transition-materials-etf/>.

But as I *also* expressed in my gold-centric issue—and while we will also buy/trade in some ETFs covering parts of The New FAANGs at times, to be sure—the **most successful investors in The New FAANGs will be those who do their homework (or have Yours truly do some for them!) on the individual stories that could be the greatest standouts and money-makers.**

Following in the pages ahead are some of those already on my list:

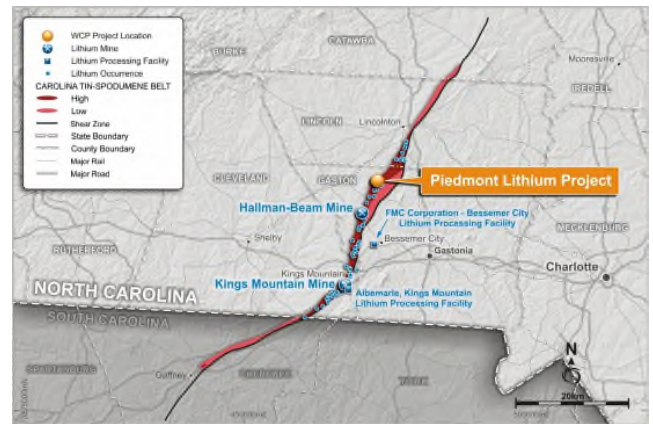
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PIEDMONT LITHIUM (NASDAQ-PLL) - BRINGING LITHIUM PRODUCTION "BACK HOME"--AND NOW A GLOBAL POWER AS WELL



Piedmont Lithium became one of my more recent 10-bagger recommendations back in the Fall of 2020, following its groundbreaking offtake deal announced with E.V. giant Tesla, Inc. for spodumene concentrate from this emerging *global* lithium powerhouse. That said concentrate will start being shipped *within weeks* of this report from part Piedmont-owned NAL in Quebec tells but a part of the story of **a company that has grown in size and scope immensely since my initial recommendation.**

Back when I first became aware of the company, I learned—among other things—that **this area of southern North Carolina you see in the nearby chart has a major mining and scientific history.** Even I—as much as I have followed extractive industries over the years, among others—didn’t realize the extent to which this area has *for decades* been a significant mining center for lithium (and some other industrial metals) as well as *a key technology and research center* globally for the industry. For those who did not know or have forgotten, industry giant Albemarle (NYSE-ALB) has its global headquarters in Charlotte; its North American-specific HQ is to the West in Kings Mountain, site of one of the legacy mines in the area. Albemarle continues to process imported lithium from South America at a plant there; *but not long ago made known that it plans to resurrect its own Kings Mountain Mine as well.*



But well before that, Piedmont co-founder Anastasios (“Taso” Arima), C.E.O. Keith Phillips (who came on back in mid-2017) and their team saw what was coming for the rebirth of American lithium.



With the company’s Principal Geologist Lamont Leatherman, the company put together a substantial land package—some outright purchases where appropriate; more so lease and mineral rights—*by knocking on one door at a time.*

I got a first-hand look at things initially back in the fall of 2019. Leatherman (behind me in the nearby photo, wearing a cap) and Executive V.P./Chief Operating Officer Patrick Brindle (right) spent some time together (just a few weeks prior, I’d visited with both Leatherman

and C.E.O. Phillips in New Orleans) where we discussed pretty much every aspect of the company’s game plan to build a fully-integrated site: eventually from mining to the production of a battery-grade lithium hydroxide (and with marketable by-products of mica and gypsum as well; other minerals that this renowned Carolina Tin-Spodumene Belt is endowed with. Piedmont is looking to obtain its remaining necessary permits and approvals in 2023, commence construction in 2024, and begin production of spodumene concentrate and lithium hydroxide in 2026.

Piedmont—plodding along at \$6/share or so that following summer and after my recommendation of the company to our Members—burst into the big time in September of 2020 when it announced its offtake agreement with Tesla. Together with the rapid push to an “E.V. Future” and the rest, this caused investors who had slept through this brewing story initially to take notice of a project which—once fully operational—will consist of a proposed mine, spodumene concentrator, and local lithium hydroxide conversion plant, forecasted to produce 30,000 metric tons of lithium hydroxide per year when fully operational.

After the initial big surge and pull back on the Tesla news, PLL shares since have moved within a broad range between, roughly, \$50 - \$80 since. But as I alluded to at the beginning of this note on a *still*-unappreciated (and CHEAP in comparison to main its peers) company, **Piedmont has over this time gone from a “local” story of bringing lithium mining and processing back to the U.S. to a global one**

CAPITALIZING ON MEGA-TRENDS

Piedmont is Well-Positioned to Capitalize on Development of U.S. EV Supply Chain

DECARBONIZATION

- The world economy is electrifying
- Global trend to decarbonize
- EV sales ahead of most prior estimates
- EVs need batteries...batteries need lithium
- Albemarle forecasting 5x lithium demand growth from 2022 to 2030¹

4 1. Albemarle forecast from January 23, 2023 strategic update
2. Based on current US capacity of 100 tonnes per year (tpa) and announced gigafactory demand of 720k tpa

ONSHORING

- Trade wars and supply chain disruptions
- China produces > 80% of LiOH
- US government focused on building domestic EV supply chain
- >\$65bb committed to U.S. battery capacity
- Late-2020s US demand -40x current capacity²

PROJECTS



QUEBEC (~35% ECONOMIC INTEREST ¹)													
SYQ	<table border="1"> <tr><td>Project</td><td>Aurifer + NAL</td></tr> <tr><td>Location</td><td>Abitibi Region, Quebec, Canada</td></tr> <tr><td>Project Stage</td><td>Pre-Feasibility</td></tr> <tr><td>Mineral Resources</td><td>119.1Mt @ 1.05% Li₂O²</td></tr> <tr><td>Production</td><td>168,000tpy SCB³</td></tr> <tr><td>Economics</td><td>\$57mm NPV; \$80mm capex⁴</td></tr> </table>	Project	Aurifer + NAL	Location	Abitibi Region, Quebec, Canada	Project Stage	Pre-Feasibility	Mineral Resources	119.1Mt @ 1.05% Li ₂ O ²	Production	168,000tpy SCB ³	Economics	\$57mm NPV; \$80mm capex ⁴
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GHANA (EARN-IN OF 50% PROJECT INTEREST ⁵)													
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1. Piedmont owns a 25% interest in Sayona Quebec and a 10.9% stake in Sayona Mining, resulting in an effective economic interest of ~35%.
2. Refer to Sayona Mining ASX announcement dated March 1, 2022 for JORC Code compliant data.
3. Refer to Sayona Mining ASX announcement dated May 23, 2022 for results of NAL Pre-Feasibility Study.
4. Piedmont owns a 25% interest in Aurifer and Aurifer's share of the project portfolio and owns 44% of Aurifer Lithium.
5. Refer to Atlantic Lithium AM announcement dated February 1, 2022 for JORC Code compliant data.
6. Refer to Atlantic Lithium AM announcement dated September 22, 2022 for results of the Feasibility Study.
7. Refer to Piedmont Lithium press release dated September 1, 2022 for site selection and March 9, 2022 for Preliminary Economic Assessment.
8. Refer to the result of Piedmont Lithium Bankable Feasibility Study announcement dated December 14, 2021. Economics for Carolina Lithium are indicative Company estimates disclosed in the PEA dated March 9, 2022 and are not independently verified by the NYS Qualified Person.
9. Refer to Piedmont Lithium press release dated September 1, 2022 for site selection and March 9, 2022 for Preliminary Economic Assessment.

where Carolina Lithium is but one of four current/looming stories! The three aside from Carolina are:

1. North American Lithium in Quebec – Piedmont has a 35% economic interest (Australia’s Sayona Mining the remainder) in a massive project bought out of receivership back in 2016 after its former owner, Nemaska Lithium, was in retrospect *too early* to this game. **Today, it is on the verge of becoming North**

America’s newest major producer. Just in 2023, a succession of testing—including the production of a spodumene concentrate—has culminated in the March 30 announcement (see <https://piedmontlithium.com/sayona-mining-and-piedmont-lithium-announce-successful-restart-of-north-american-lithium/>) that **the first commercial shipments will start in Q3.**

In addition to its equity interest in the project, **Piedmont also holds an offtake agreement separately to be NAL’s first major customer**, allowing it to purchase the greater of 113,000 metric tons,

or 50% of production of spodumene concentrate, per year from the projects in Quebec. *And it is this spodumene concentrate that Piedmont will start to deliver to Tesla in Q3, at last selling into the offtake agreement with that company.*

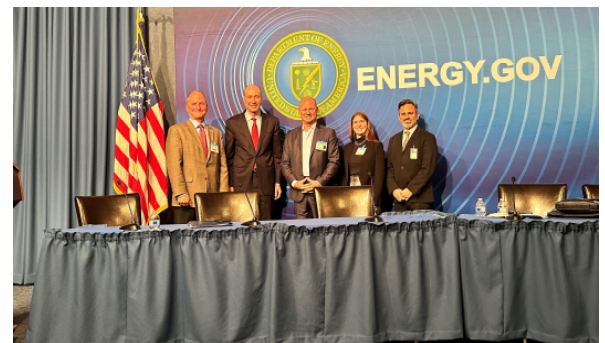
For more on the history of NAL, also known as the Authier Project, check out Sayona's detailed profile at <https://sayonamining.com.au/projects/authier-project/>

2. The Ewoyaa Lithium Project in Ghana – Here too, Piedmont decided to invest in a major stake in one of the African continent's most stable countries, Ghana, along the Cape Coast Region of the country. PLL bought an initial stake in this project owned by Atlantic Lithium and has the ability to earn up to a 50% interest. Presently, it's forecasted that Ewoyaa will be licensed and permitted this year, with construction following soon thereafter. If all goes to plan, spodumene production from this project could commence by the end of 2024.

Ewoyaa material is characterized as an especially "high grade, coarse-grained spodumene." It's KEY here, by the way, to understand that all three of Piedmont's advanced exploration/development projects have lithium so hosted: *spodumene in such quality is generally THE best material in the world to get the highest-quality lithium from and to recover it with relatively less of an environmental footprint, as I have discussed with Phillips in past interviews.*

For more on Ewoyaa, read <https://piedmontlithium.com/projects/ghana-project/>

3. Tennessee Lithium in Etowah, Tennessee – A few more folks started to take belated notice of Piedmont back in October when the Department of Energy announced a \$141.7 million grant to go toward development here; see <https://piedmontlithium.com/piedmont-lithium-selected-for-141-7-million-grant-by-united-states-department-of-energy-for-tennessee-lithium-project/>. Piedmont and C.E.O. Phillips (center at right) have become marquee stories for the D.O.E. as it has lionized the early projects (see also the chart earlier on p. 18) to receive loans or grants pursuant to legislation on the I.R.A. and also (specifically in this case) the Bipartisan Infrastructure Law.



Once constructed, Tennessee Lithium is slated to add to Piedmont's overall world-leading production of battery-grade lithium. Specifically, lithium hydroxide will be produced here; and at a planned 30,000 metric tons/year, it will double the amount of lithium currently being produced in the U.S. *And as with NAL, Piedmont also has an offtake agreement as a customer to go with its investment in Atlantic Lithium's Ewoyaa: spodumene concentrates from there will be shipped to Tennessee and converted into lithium hydroxide. Construction may begin as early as late this year, with first production in 2025.*

And adding an exclamation point back in February to Piedmont's ascendance as one of *the* global lithium powerhouses was the announcement of **a second offtake agreement: this one with LG Chem, Ltd.**, whereby that

Korea-based giant contracted to buy 50,000 metric tons per year of SC6 (spodumene concentrate) and also invest \$75 million into PLL shares; see <https://piedmontlithium.com/piedmont-lithium-and-lg-chem-sign-equity-investment-and-binding-offtake-agreement/>

As Phillips commented in an interview following this deal's announcement (see <https://finance.yahoo.com/video/piedmont-lithium-ceo-biggest-issue-212134736.html>), "We're very excited. LG Chem, as you may know, they're the biggest battery producer outside of China. They're making massive investments in the US in battery capacity and cathode capacity. So to have them become one of our biggest shareholders, *investing in our business and partner with us as our biggest customer for the time being* is really exciting. They're great..." (*Emphasis added.*)

COMMERCIAL ARRANGEMENTS

Piedmont will Sell Spodumene Concentrate Until Conversion Plants are Operational

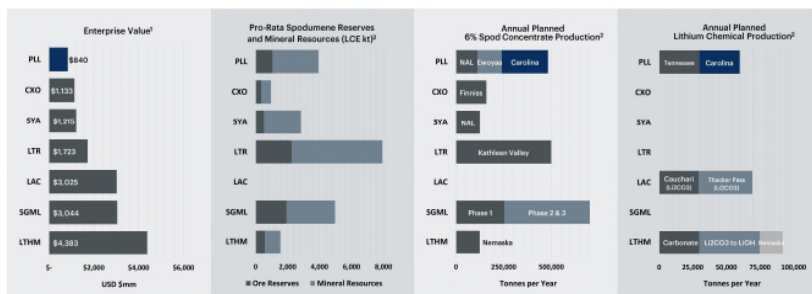
PIEDMONT AS CUSTOMER		PIEDMONT AS SUPPLIER	
 	113,000TPY SC – LOM <ul style="list-style-type: none"> > 113,000tpy or 50% of production Market price subject to floor & ceiling Floor \$500/t; ceiling \$900/t SC6 Life of mine Evaluating options for conversion in Quebec 	 	200,000t SC – 4 YEARS <ul style="list-style-type: none"> 50,000tpy commencing H2 2023 Priced with reference to Fairmarket contract SC6 pricing To be supplied via SYQ offtake
	-127,500TPY SC – LOM <ul style="list-style-type: none"> 50% of Ghanaian production Market pricing Life of mine Primary feedstock for Tennessee 		125,000t SC – 3 YEARS <ul style="list-style-type: none"> First shipment planned for late-2023 Price based on formula-based mechanism linked to LCOH market price To be supplied via SYQ offtake

I couldn't be happier to have watched *another old goalie* like Phillips as he has built such a world-class company as this. Financially, Piedmont is in strong shape *already* as the coming revenues from NAL set to get meaningfully underway in Q3 suggest it will *really* be moving into the big leagues cash-wise shortly.

The company ended 2022 with just under \$100 million in cash and with about

PEER BENCHMARKING

PLL Offers Scale, Diversification and Downstream Integration, With Near-term Production at NAL



\$200 million in equity interests in others. *Add to that the near \$75 million from LG Chem's investment back in February.* As I have continually reminded our Members, the recent trading range for the company's shares represent a gift, as *still* the broad markets have yet to figure out that Piedmont deserves a much better valuation and to be mentioned in the same sentences as the Albemarle and Livent of the industry. **The investment bank Macquarie's analysts get it, at least: they just reported a target price recently of \$123.00/share.**

Phillips ran through an updated presentation and news recently; and with some Q&A also, this is a great summation of pretty much everything; watch <https://www.youtube.com/watch?v=Suzs14G4R08&t=3s>.

Going forward—in addition to Yours truly, of course—you can keep up with things at <https://piedmontlithium.com/> or on Twitter at @PiedmontLithium.



IPERIONX, LTD. (NASDAQ-IPX) -- "JOCKEY" ARIMA'S LATEST HORSE IS STILL LARGELY UNKNOWN

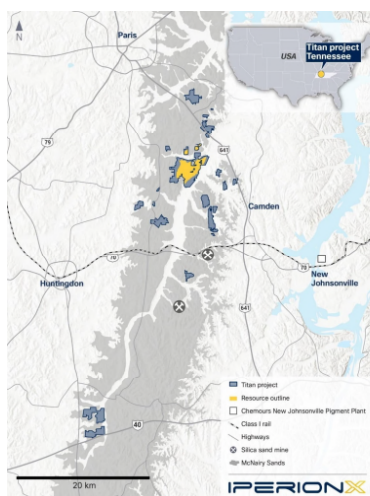


Having been a key company-builder who has already given us the above-mentioned 10-bagger on Piedmont, that company's founder Taso Arima is well into his next project: **building a disruptive titanium and rare earths-focused juggernaut at IperionX.**

One of my favorite themes over time in looking for early stories for our Members has been **finding the right "jockey" to bet on.** Many times it is management that makes or breaks a company: and with his track record, Arima has distinguished himself as the kind of guy you bet on given the chance!

So I didn't have to be asked twice to stop on my way north a few springs ago when Arima (black jacket in the above photo at left, rear, when he, I and his local team went to dinner one evening) learned I would be passing close enough by to make a small detour to his newest major project. **And that is the progressing Titan Project in Tennessee.** In pretty much the same way as Arima, his chief geologist Lamont Leatherman and others did in piecing together Piedmont's claims/mineral rights, they likewise in this area of Northwest Tennessee went door to door, parcel by parcel, to put together—in this case—a **large (some 11,000 acres), heavy mineral sands project containing (primarily) monazite, titanium and zircon.**

Early on, the overall rare earths endowment here at Titan was getting the attention. Getting *my* attention about the same time that Arima asked me to visit was news his company put out with **Energy Fuels (NYSEArca-UUUU)**, another recommendation of mine you'll shortly be reading about anew in the uranium-centric Special Issue following this one. Energy Fuels' White Mesa Mill in Utah is the only processing facility in America taking rare earth element-containing monazite and other substances and not only separating/recovering the REE's, *but providing America's only advanced/finished REE products in a sector dominated by China.*



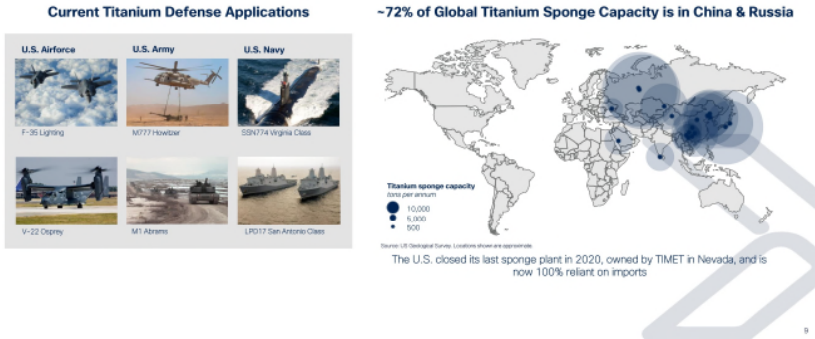
Based on the results of our Scoping Study, the Titan Project is a potential multi-decade source of U.S. titanium, with significant rare earth co-product

- The largest JORC and SK-1300 compliant resource of titanium and monazite/xenotime rare earth minerals in North America
- Projected 25-year initial operational life covers only a small portion of existing landholdings
- Potential for additional resource discovery and conversion within land controlled by IperionX
- Initial scoping study (technoeconomic assessment) outlined a ~\$700 million NPV¹ with potential for \$117 million per annum EBITDA¹
- Titan potentially provides for not only the critical titanium mineral needs of North America but could potentially provide for a large portion of the heavy and light rare earth mineral needs

¹ June 2022 Scoping Study projections are based on Q1-2022 price projections and cost estimates in U.S. Dollars. Evaluations were carried out on a 100% equity basis using an 8% discount rate. For further information, see Scoping Study press release dated June 30, 2022.

Energy Fuels stands at the ready to ultimately process materials from Titan and recover/advance the REE's in them. The two companies have already laid the groundwork for this collaboration. Permitting at Titan is underway, and the company hopes (given that the State of Tennessee—the chief regulatory entity IperionX must pass muster with—has proven to be very supportive of the project, jobs, etc.) development of Titan won't be far off now.

While also potentially re-shoring titanium in the U.S., addressing a major national security risk



While the rare earths presence and all at Titan got most of the early attention from those few investors wise to what was taking shape, **it's the titanium there—and the fact that IperionX has the means to take this titanium (and more) and turn markets for steel and aluminum upside down along with titanium—that is today's news.**

As with so many critical metals and materials, titanium is another that America is particularly dependent on

others for. The U.S. is the second-largest global importer of titanium feedstocks of *any* country, in fact. *Recently, a staggering 95% of our needs for titanium have been met by imports.*

There are two *chief* uses for titanium. First, the right kind of “powder”, which IperionX has in its heavy mineral sands at Titan, can be used to make a titanium dioxide (TiO2) pigment for the coatings and plastics sector. Second—and more so—titanium metal is used in the defense, aerospace and medical sectors. **The federal government has previously put titanium on the critical metals list, underscoring that we need to get serious about “homegrown” supplies.**

In some contexts as well, where it is desired due to its properties of having the highest strength-to-metal weight, titanium is also used in the manufacture of different kinds of consumer products; even jewelry.

Last August in the *Wall Street Journal*, Jon Sindreu (see <https://www.wsj.com/articles/the-west-must-wean-itself-off-russian-titanium-11659699321>) took a deep dive into the perilous vulnerability of our dependence on China and especially Russia for finished titanium products. Slowly (*too slowly* still, to be sure) America is waking up to the multi-faceted need (military, industrial, strategic) to rebuild our own supply chains for titanium as well.

Titanium has superior properties, enabling superior products...

 Highest strength-to-weight metal	 Reduced carbon emissions in transportation sector
 Lightweight metal – 45% lighter than steel	 Improved energy efficiency of products
 Superior corrosion resistance	 Long lasting products

It would be impressive enough—and a compelling investment thesis—to consider IperionX based solely on its core, initial asset/story in Titan. This resource—on a rapid growth trajectory into the *several billions* of tons—is but 20 miles or so from Chemours’ New Johnsonville pigment plant, one of the largest pigment plants globally *and* within a low-cost barge, truck or rail-served distance to all other major U.S. titanium pigment and metal plants. Titanium powders can be sold there and elsewhere. Monazite/REE materials can be shipped to Energy Fuels. And I can tell you having visited some of the ground Titan has that it’s quite evident that this *massive* area of what is called the McNairy Sands (the primary lower formation of this materials; “offshoots” of it are *at surface* in some areas) is a gift that will potentially keep giving for a *very* long time. As Arima commented a while back after one report on Titan’s exploration success, “...it is quickly becoming apparent that the Titan Project is one of the best

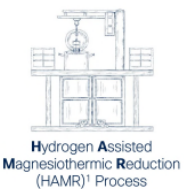
undeveloped critical minerals projects globally. No other development has the Titan Project’s compelling combination of scale, grade, high value critical mineral products, low-cost inputs, world class infrastructure and location.”

But fasten your seat belts as I explain the BIG titanium technology story that at least a few are waking up to.

IperionX has obtained the exclusive license to develop titanium metal powders using the breakthrough HAMR technology invented by Dr. Zhigang Zak Fang and his team at the University of Utah. This process has been developed with funding from the United States Department of Energy’s (DOE) Advanced Research Programs Agency – Energy (ARPA-E) program. **It is a game-changer in the titanium industry; and IperionX’s potential here dwarfs even what the Titan Project is slated to provide the company—and the U.S. economy—down the road.**

Our Technology can create the “Bessemer Moment” for titanium, potentially enabling its mass production and deployment

Titanium



Dr. Fang’s HAMR Process - 2016:
Introducing hydrogen into the Titanium-Oxygen solid solution destabilizes Ti-O bonds, allowing for the low-cost production of titanium

Willy Shih, renowned American economist and the Robert and Jane Cizik Professor of Management Practice in Business Administration at Harvard Business School, recently covered our technology in an article for Forbes? [\(link\)](#)

1. Dr. Fang's HAMR Process - 2016: <https://www.iperionx.com/our-operations/metals2/>
2. Willy Shih's article for Forbes: <https://www.forbes.com/sites/willyshih/2022/07/10/manufacturing-process-innovations-a-bessemer-moment-for-titanium/?sh=691e8e0c1b45>

At <https://iperionx.com/our-operations/metals2/> you will find the company’s page which describes the way in which the HAMR technology (which stands for Hydrogen Assisted Metallothermic Reduction) process is an energy efficient thermochemical process that can produce either Commercially Pure (CP) or alloyed titanium powders at low cost and with low emissions. Essentially, it breaks the chain between titanium and oxygen in most titanium products, **leaving you with a**

“space age” titanium powder, if you will: all the properties of titanium with only a portion of the weight. This, as the company suggests, is the “Bessemer Moment” for *this* metal, akin to when Henry Bessemer, in the mid-1800’s came up with the process to convert iron ore into steel.

A great read and history on all this—with the appropriate nod to IperionX and Arima—is at <https://www.forbes.com/sites/willyshih/2022/07/10/manufacturing-process-innovations-a-bessemer-moment-for-titanium/?sh=691e8e0c1b45>. There, *Forbes’* Willy Shih gave a lot of great history and commentary on all this.

Things have been progressing rapidly in the recent past as IperionX aims to become *the* major player in a breakout in the titanium industry in the U.S. Early last fall, Arima met with Virginia Governor Glenn Youngkin and their respective business and company delegations as they lauded the company’s plans to build a titanium demonstration facility at a 50,000-square-foot “shell building” in Halifax County’s Southern Virginia Technology Park; see https://www.yourgv.com/business/local_business/update-108-jobs-on-way-as-titanium-demonstration-facility-iperionx-comes-to-halifax-county/article_7f879c56-3e79-11ed-911f-fba9811155ec.html . What’s more, Youngkin (above left, with Arima) shared with the crowd gathered that IperionX has plans to expand the shell building to twice its size.



Indeed, as the company's Chief Commercial Officer Dominic Allen shared when we visited recently, IperionX is hopeful that production of titanium powder will be underway at the Virginia plant by year-end. And that (first phase) will take titanium powder production from the current level of around two tons/year at the Utah facility *to 125 tons/year*.

With this powder, all manner of products where this uber-strong and lightweight titanium will be a value-add are fair game. Just in November, Swiss luxury watch maker Officine Panerai ("Panerai"), a division of Compagnie Financière Richemont SA, placed its first order for titanium watch cases; see <https://app.sharelinktechnologies.com/announcement/asx/d1165f2c2fbf36c5cd579b7ee1da29af>. As, I suspect, will be the case with many manufacturers, that company is able to laud how *its* titanium comes 1. From largely recycled materials (indeed, *it floors me* that IperionX can now take advantage of previously-discarded scrap due to its breakthrough technology; scrap nobody else wants or can economically use) and 2. Further, via a low-energy and environmentally benign process.



Getting into defense/national security applications, it was announced on January 18 (<https://app.sharelinktechnologies.com/announcement/asx/75bf55c27a177de1eaec6979e8a0d98e>) that **IperionX had triumphed in a competition put on by the Air Force Research Laboratory Grand Challenge and hosted by the National Security Innovation Network**. As the company said, "...Winning the prestigious AFRL Grand Challenge validates the commercial and technical superiority of IperionX's

patented technologies to produce circular, low-carbon and lower-cost titanium metal powders." And on this news' release, it appeared more certain than ever—at least to Yours truly—that IperionX's proverbial train is *really* leaving the station.

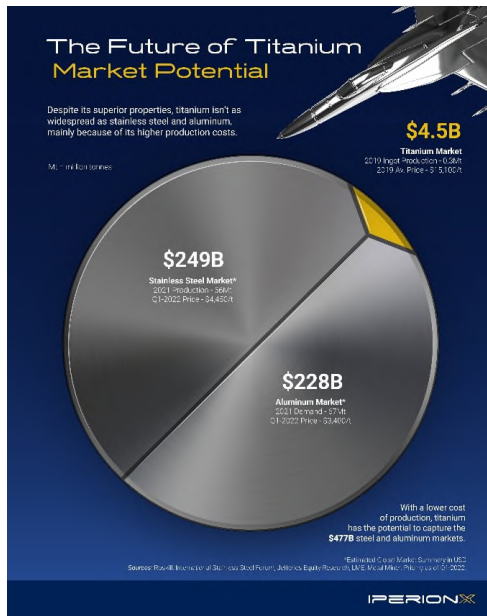
That was underscored on February 6, when IperionX announced that it is teaming up with Iowa-based Carver Pump Co. **to produce titanium parts for the U.S. Navy**; see <https://app.sharelinktechnologies.com/announcement/asx/ea70065b0a223d28f6a734a9d9b1ffd1>.

That *additional* military, industrial, consumer products, automotive and other manner of business will soon be coming IperionX's way is in no doubt. Indeed, just days ago they announced with award-winning bicycle manufacturer Canyon Bicycles GmbH (see <https://app.sharelinktechnologies.com/announcement/asx/0a0db55e4366bbcdca8f6bd4991e2b0a2>) a deal whereby IperionX will provide, "...a more sustainable titanium supply chain for the bicycle industry through the production of bicycle components using IperionX's 100% recycled and low-carbon titanium." And, of course, Canyon is delighted to add *such sourcing*; as its C.O.O. Alison Jones said: "We're delighted to have formed this working relationship with IperionX. Connecting IperionX to our product development and ESG teams is allowing us to identify bicycle components that



can be produced using their low-cost, low-carbon, fully recycled titanium powders. This is a real breakthrough technology for us and we look forward to deploying this innovative technology in the production of more sustainable titanium for use in Canyon bicycles.”

And *this* news came but a couple weeks after IperionX inked a **Memorandum of Understanding with 3-D printing technology leader SLM Solutions Group, A.G.** SLM—with worldwide customers for its 3-D printing applications—is thus first in line to ask for “dibs” on coming spherical titanium powders from IperionX’s Virginia facility.



If there is but **ONE** broad takeaway here as to the investment proposition for IperionX beyond *all* the preceding, **it is the graphic at left.** Thanks to the company’s disruptive technology and the production of a better titanium powder product in the end that *only it* can do, IperionX has the potential to dramatically increase the share of titanium products used in all manner of settings. *If it takes even a small portion of markets away from steel and aluminum, the results for the company and investors would be mind-numbing.* And that makes the current market cap of around \$100 million all that more of an enigma; *and a Piedmont-like breakthrough opportunity for those smart enough to embrace it.*

C.E.O. Arima *just*, as I am releasing this, recorded a webinar interview where he went through the company’s presentation and answered some questions; see

<https://www.youtube.com/watch?v=A704lKBeds8>.

Be sure to follow IperionX and its progress: at <https://iperionx.com/> and on Twitter, @iperionx.

RECHARGE RESOURCES (CSE-RR; OTC-RECHF)— BREAKTHROUGH TECHNOLOGY COULD HELP MAKE THIS ANOTHER LITHIUM WINNER!

Next, to another lithium story, in Recharge—and a decidedly *more speculative* one so far—that is intriguing to me due to the next generation recovery technology that *could* be at issue here.

In South America—home to the majority of known *brine-hosted* lithium resources in the world—the move has been advancing to figure out *how to recover this anchor battery metal with as small an environmental impact and visible, physical footprint as possible.* As I wrote earlier in distinguishing the hard rock-hosted lithium at Piedmont’s three projects, one reason there has been pushback in some places is because of the huge footprint *some* lithium mining leaves; in the views of many, second only to mountain top removal of coal in the past in Appalachia when you look at massive strip-mining sorts of operations.

That “how” is an integral part of the Recharge story.

POCITOS 1 - THE SALAR DE POCITOS, ARGENTINA

Lithium

The Pocitos 1 Project is located approximately 10km from the township of Pocitos which has electricity, natural gas and telephone/internet services. The Pocitos 1 exploration licence is approximately 800 hectares and is part of the Salar de Pocitos, and is road accessible. In 2018, \$15 million USD was spent on exploration and development. The expenditures included a successful drill program completing two 400 metre holes, surface sampling, trenching, and a TEM geophysics survey. A 2022 drill program focused on resource definition has been planned with preparations underway.

Currently under 100% option to Recharge. Announced March 23rd, 2022



The flagship project for Recharge is the Pocitos I 800-hectare lithium brine project located in the Salar de Pocitos, in the lithium-rich Puna region of northwestern Argentina. On the surface, this relatively small piece of what is indeed one of the planet's biggest sources of lithium brines (accounting for *half of global production* of such lithium) led to a "ho-hum" and, frankly, underwhelming initial response from me. But then I decided to roll up my sleeves and get past my first

impression; and I'm glad I did...and have become a shareholder in Recharge Resources myself. (NOTE: While some information on the company has not yet been updated, Recharge just announced—see <https://recharge-resources.com/news/recharge-resources-exercises-option-to-acquire-pocitos-1-lithium-brine-project-and-receives-1-716-million-through-warrant-exercises/>—it recently made its final payment and now has a 100% interest in Pocitos I, not just an option.)

Further—since I first learned about the company, recommended it and became a shareholder myself—Recharge added to its holdings by entering a new option on adjoining ground. As you will read at <https://recharge-resources.com/news/recharge-resources-executes-option-to-acquire-100-interest-in-the-contiguous-pocitos-2-lithium-brine-project-after-the-successful-2022-drilling-at-pocitos-1-increasing-the-size-of-the-project-and-poten/>, Pocitos 2 adds 532 contiguous hectares to Recharge's holdings. While some still scoff a bit at the size of even this enhanced land package, there are a couple factors that pushed me over the edge that I want to share with you.

First, the nature of the salar (salt flat) and its location have uniquely combined to give Recharge one of the most interesting lithium brine projects of anything I have heard about to date. Among other detailed sources, the company's own web site has a great overview; see <https://recharge-resources.com/projects/pocitos-1-salta-argentina/>. I'd also urge you to take a mere 10



minutes and listen to an interview of Recharge's Principal Geologist Phil Thomas (left, with drill core following some field work) done by my friend and colleague Gerardo Del Real recently; it's at <https://www.youtube.com/watch?v=CI-QLCLnFS8>.

In a fascinating and eye-opening discussion Thomas—referring back to one of the initial "flow tests" of a well drilled into Pocitos I in 2018—gushed that the flow

EKOSOLVE™ LITHIUM EXTRACTION

LICENCE TO DEVELOP UP TO 20,000 TONNE LITHIUM PLANT (ARGENTINA)

RECHARGE RESOURCES AND EKOSOLVE TECHNOLOGY

- Recharge Resources is committed to the process of timely, competitive cost, environmentally sensitive extraction practices. Utilizing Ekosolve™ Technology, this revolutionary process based on well known solvent exchange principles reduces capital and operations costs and accelerates project start up, avoiding 12-18 months of pond construction and evaporation. Recharge has a Argentina wide licence for the utilization of Ekosolve™ technology which is currently contemplated for the company's Pocitos 1 Project.
- With high recoveries of lithium from brines, this process produces battery grade lithium carbonate. Ekosolve™ circumvents problems of brine contaminants being expensive and difficult to remove, particularly magnesium. Ekosolve™ involves four simple stages over three hours to produce lithium chloride which when sodium carbonate is added produces battery grade lithium carbonate.

Licence agreement announced on September 27th, 2022.



BENEFITS OF EKOSOLVE SOLVENT EXCHANGE CONCENTRATION PROCESS FROM PUMPED BRINES

- No ponds required – saving \$100m in capex
- Three hour residence time – 8 cycles every 24 hours – 99.5% purity Li₂CO₃
- High Battery grade lithium produced – no further processing needed
- 95% recovery of Solvent Extraction chemicals – reduction in opex
- Process patented by University of Melbourne and Ekos Research – low patent cost as a percentage of revenue
- Fast construction time – modular construction – small footprint
- Minimal water use – brines sent back to salar with lithium extracted, no pollution
- Multi Phase Plant contemplated for the Pocitos 1 Project with the goal of producing 20,000 tonnes annually.

rates were “unbelievable...I’ve never seen anything like it.” As he describes, the combination of 1. Surrounding mountainous/volcanic formations “forcing their water to the underground area holding Pocitos lithium brines and 2. Those brines being *confined* more deeply than others in South America typically **serve to have these under substantial pressure**. Indeed, as you can see in a couple videos on the company page linked just above, lithium-containing salt water comes to and above the surface with *tremendous* force! And, as the company has stated, the lithium content...good, amenable chemistry...and this strong flow rate have it optimistic that—following added drilling and testing now in process—they will soon be able to report an NI 43-101 compliant lithium resource.

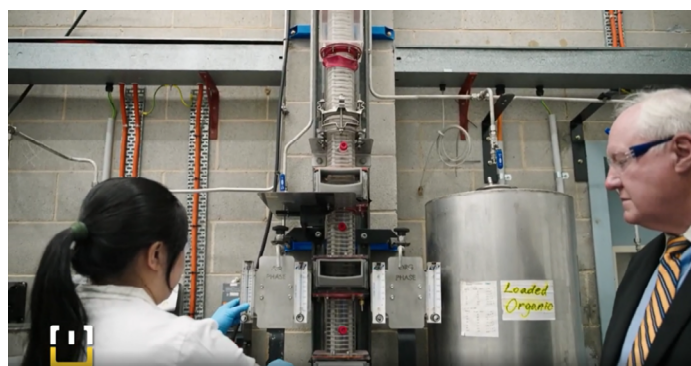
As big a piece of the puzzle as the resource itself, though, is the goal of *how* lithium will be extracted. **Notable here is the world-renowned lithium expert Thomas and what he brings to the table**. Already with a 20+ year history which includes lithium recovery generally and in this Argentinian salar (salt basin) specifically, Thomas is C.E.O. of Australia-based Ekosolve (see <http://ekosolve.com.au/index.html>) **whose recovery process for lithium in such settings is akin to I.S.U. recovery of uranium**. This technology is a game-changer; and while other companies will be benefitting from it, Thomas’ stepping up on Recharge’s project in a high-profile way augurs well for the company.

This D.L.E. (Direct Lithium Extraction) technology is especially amenable to the kind of material/setting at Pocitos. **By appearances, Thomas may well be poised to use the unique attributes of Recharge and the Pocitos salar/resource as a poster child of sorts** as he seeks to further commercialize Ekosolve’s process (see <https://www.youtube.com/watch?v=7rwqE14tP1s> for a great video intro he narrates on Ekosolve) and get his company more on the map globally in the D.L.E. space specifically, and lithium industry even more so.

As announced March 7 (see <https://recharge-resources.com/news/recharge-resources-lithium-brine-samples-to-be-processed-using-ekosolve-dle-extraction-as-pre-engineering-step-for-full-scale-plant-to-produce-lithium-chloride-at-the-pocitos-1-2-lithium-bri/>)

this Ekosolve process will be used to extract

lithium from brine samples in the ongoing exploration/drilling and engineering work, ahead of, it’s hoped, a full-blown production plant. And on top of that, March 14 brought the news that Thomas (pictured nearby in his Melbourne, Australia lab) is overseeing the conversion already of Pocitos lithium chloride to battery grade lithium carbonate; see <https://recharge-resources.com/news/recharge-resources-upgrading-lithium-brines-from-pocitos-lithium-project-to-battery-grade-lithium-carbonate/>.)



Keep in mind that with this kind of process, the bar is lowered a lot in comparison to start-up costs associated with most other kinds of lithium mining presently existing; so it’s no wonder that RR shares have been outperformers in comparison to most of their peers in the recent past!

Elsewhere, Recharge Resources owns other assets where other battery metals are concerned as well, though Pocitos is by far and away the “core” story. Among them:

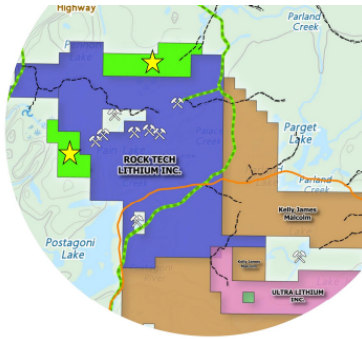
GEORGIA LAKE, ONTARIO

Lithium

RockTech Lithium (RCK - CSE) Georgia Lake Property is located approximately 160 km northeast of Thunder Bay within the Thunder Bay Mining Division and is host to a number of spodumene-bearing pegmatites.

Lithium mineralization was discovered in 1955 and subsequently explored by several historic owners. RockTech acquired the licenses since 2009 and carried out several drill campaigns until 2017. Based on a total of 351 drill holes with a combined length of 47,384 m an NI43-101 compliant resource estimate of 6.58 million tonnes in the measured and indicated category and 6.72 million tonnes in the inferred category was published in August 2018.

RECHARGE RESOURCES 



* The Georgia Lake North & West lithium project in the Thunder Bay, Ontario, Canada region and

* The Brussels Creek copper-gold-palladium project in British Columbia, Canada.

At Georgia Lake, the company recently completed a high-resolution heliborne magnetic survey. Data compilation from the survey is a key part of the basis for an aggressive spring 2023 field program, which will be commencing shortly after winter gives way more fully to spring.

At Brussels Creek, Recharge previously announced a fully-funded Q1 2023 drill program slated for 900 meters across 3 drill holes to test the potential for copper-gold mineralization similar to what's present at the adjacent New Afton mine owned by New Gold Inc. (NYSE-Amer: NGD)(TSX: NGD). The company just reported that the first of the holes is completed.

In the days ahead, I'll be providing more color on all of this; for the present, I urge you to spend some time at <https://recharge-resources.com/>, and to sign up for the company's own news. On Twitter, follow Recharge at @RechargeRes.

BRUSSELS CREEK, BRITISH COLUMBIA

GOLD COPPER PALLADIUM

The Brussels Creek Project is an exploration stage project located in the Kamloops Mining District, British Columbia, Canada, about 24 km west of Kamloops, BC. Mineral tenure consists of 66 cells, covering approximately 13.5 km².

In March 2020, a helicopter-borne magnetometer survey was completed. This was followed in September 2020 with a LIDAR and Orthophotography survey.

A fully financed phase 1 drill program consisting of five high priority targets was designed based on the results of the previously announced Induced Polarization (IP) survey which was utilized at the neighbouring New Afton mine owned by New Gold Inc. (NGD - TSX)



U.S. GOLD CORP. (NASDAQ:USAU): A SOLID COPPER/GOLD PROJECT "MADE IN AMERICA"

Combining robust economics with district-scale exploration, in mining friendly U.S. jurisdictions

Largely at the urging of a long-time colleague in the resources space (but also as I have continued to keep an eye on U.S. Gold for some time) I visited at that late February Mines and Money confab with company President/C.E.O. George Bee and Chairman Luke Norman to get more completely up to speed. Among other things, I am very much convinced that a new burst of energy from this "repurposed" management team is bringing others back on board, too,



Near Term Production Potential

- Advanced Exploration and Development property
- Mining friendly location in the Silver Crown Mining District of SE WY, on State and private land
- SK-1300 Technical Report and Pre-Feasibility Study (PFS) prepared by Gustavson Associates shows the following reserves:
 - 1.01mm Proven and Probable oz Au and 248mm lbs Cu
 - \$323 million Pre-Tax Net Present Value (NPV 5%) at \$1625/oz Au, \$3.25/lb Cu, \$18/oz Ag
 - 39.4% Pre-Tax Annual Internal Rate of Return (IRR)
- CK Gold Project remains open in multiple directions
- Advancing to final engineering
- Permit submitted - Production decision pending



Nevada

District-Scale Exploration

- Keystone located on the Cortez Gold Trend, one of the world's most prospective mineral trends - 10 miles south of Barrick's Cortez Hills Mine Complex
- 5 years of district exploration and permitting efforts have advanced Keystone to specific drill targets
- Maggie Creek located on the Carlin Trend, one of the world's most prospective mineral trends
- Approximately 1 mile NE of NV Gold Mines Gold Quarry Mine



Idaho

District-Scale Exploration

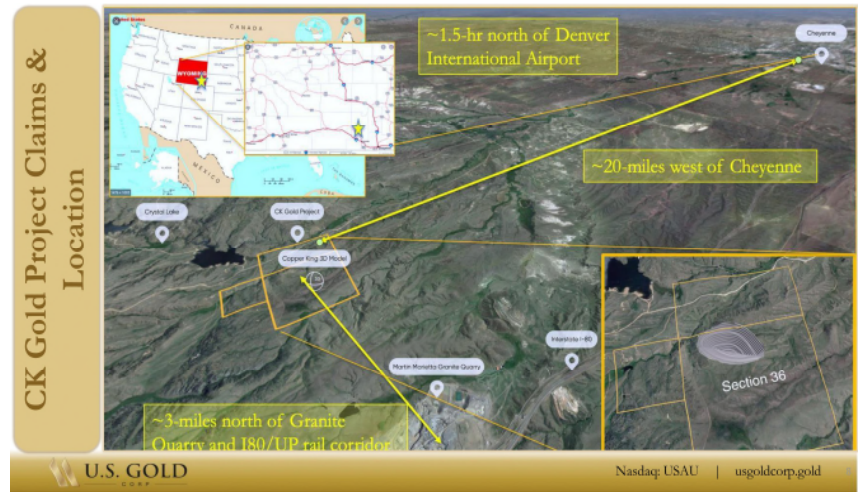
- Challis Gold Project is located approximately 75 kilometers southwest of Salmon, Idaho, within the tertiary Challis volcanic field.
- Significant potential upside exploration potential
- Low sulfidation, gold/silver epithermal vein and stockwork deposit
- Historical (not-current) report estimated approximately 313,825 ounces of gold at a grade of 1.22 grams / ton gold



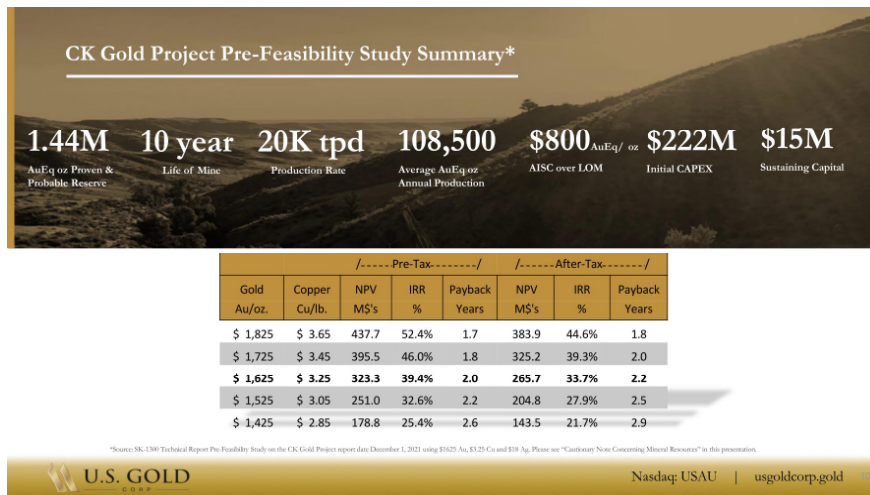
Nasdaq: USAU | usgoldcorp.gold

with what I have always thought was a compelling and *solid* fundamental story: chiefly with the development-stage CK copper/gold Project in Wyoming, but also via two attractive exploration projects as well; most notably Keystone in Nevada.

While the Biden Administration—as discussed earlier—has not exactly been the best friend of our domestic mining industry, **U.S. Gold is in a good place; literally and figuratively.** The CK Gold Project—100%-owned by U.S. Gold and comprising about two square miles—is located in the Silver Crown mining district of southeast Wyoming, about 20 miles west of Cheyenne, on the southeastern margin of the Laramie Range.



CK is a development stage, large-tonnage, gold-copper deposit with high-grade mineralization exposed at the surface surrounded by a large, low-grade zone *with potential for expanding resources*. As you see in the nearby chart, a Prefeasibility Study done in the recent past suggested that **a bit over one million ounces of gold and 248 million pounds of copper would be the target over an initial (?) 10-year mine life**. Notably, these are *proven and probable reserves* of gold and copper; as you can read in an overall project summary at <https://www.usgoldcorp.gold/properties/ck-gold-project/overview>, a bit more than double those figures are contained in the Measured and Indicated resource categories.



Late last month, USAU announced (see <https://ir.usgoldcorp.gold/press-releases/detail/175/u-s-gold-corp-anticipates-copper-and-gold-sulfide>) that its metallurgical test work on the copper/gold ores at CK can be turned into an attractive concentrate, to be shipped off site to a larger commercial smelter. This is important and adds to CK's economic attractiveness in that it means less of a capital cost for itself to get started. *Further*—as was noted in that news—this means that "...very few chemicals (would be) utilized at site. Additionally, there will be no emissions at the site associated with smelting and refining."

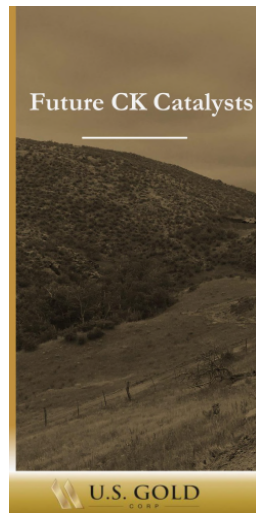
All this adds to the attractiveness of CK in this area of Wyoming that is already generally resource industry friendly. Noteworthy, too, is that pretty much all the governmental bodies that U.S. Gold must work with in permitting are state and local ones; a better situation, all else being equal, than needing to work with the layers of *federal* regulatory bodies.

One of the attractions *to me* of CK—and a reason why this project is at the top of my list of U.S.-domiciled projects I think will be coming into production sooner rather than later—is that the economic attractiveness and potential have, I.M.O., been substantially *understated*.

Consider:

1. As already mentioned, the PFS was done based only on Proven and Probable Reserves. The likelihood is that—especially if gold and copper prices are higher in future years—M&I ores will be added to the mix, leading to more production than is presently contemplated.

2. Also conservative are the numbers based on *much lower* prices for gold and copper than presently exist. **Considering that USAU's present market cap (as of mid-April) is but \$40 million or so (folks, a paltry share count of under ten million, even after a recent \$5 million capital raise) this all means that it's being valued at 10%, give or take, of the N.P.V. (Net Present Value) of CK!** And again, *that's* based on one of the more conservative and low-balled PFS's you'll ever see in this industry.



Permitting

Submitted the CK Gold Project Mine Plan Permit Application in Q3, 2022
Submitted the CK Gold Project Industrial Siting Permit Application Q1, 2023

Advanced Engineering

Final engineering and studies to move CK to permit approval and construction

Aggregate Market Study

Thought to provide significant upside potential to CK project NPV. Undergoing further study

Attractive Future Potential Financing Options

Exploring State of WY debt funding along with attractive potential vendor financing options

Pit Lake Water Storage Optimization

Continue with hydrology, water monitoring and technical studies to assess viability of future pit lake

Construction and Production

Building mill, advancing towards potential commercial production

Nasdaq: USAU | usgoldcorp.gold

Permitting and Social Outreach

- Mine Operating Permit Application – Submitted 9/22
 - 2-years of work
 - Several \$million
- Agency - Wyoming Dept. Environmental Quality
 - Completeness review concluded
 - Public notices
 - Technical review stage
 - 12-18-months
- Outside Water Users Agreement
 - Cheyenne City Council approved
 - Water purchase agreement approved (City)



- Industrial Siting Permit
 - Notice of Open House
 - Public meeting
 - Submitted permit application February 2023
 - May 10 2023 application hearing
- No Federal involvement
 - Non-jurisdictional per U.S. Army Corp. of Engineers
- Continuous Social Outreach
 - Over 92 separate meetings
 - Over 225 individuals from the Governor to various agencies and interested parties
 - 3 sit-down dinners with local land-owners – project description/plans
- Wyoming State Parks (Curt Gowdy State Park)
 - Presentation to legislative committee October 2022



U.S. GOLD

Nasdaq: USAU | usgoldcorp.gold

3. As you will read on the above-linked project page, exploration upside remains as well.

4. Last but not least (for now) a close look is being given at **getting even more out of CK in the form of aggregate sales**. If it works out (this study remains a work in progress) it might also be economical to sell crushed waste rock to state/local bodies and contractors. *All told, it's easy to see why one analyst who follows the company just came out with a \$15/share price target.*

Looking ahead, U.S. Gold will actively be managing the permitting process and taking steps toward commercial production. In my view, I think that—if successfully checked off ahead of project financing and development—each of the remaining permitting milestones, as they are announced, will compel more analysts and investors to take this extremely undervalued and underappreciated asset more seriously; *just as I was recently compelled to do anew.*

Several years back when I first learned of U.S. Gold and its assets, believe it or not, the big story to

me was *not* CK; **but instead, the Keystone Project in Nevada.** It is a consolidated (*by* U.S. Gold, which pieced together disparate smaller interests) 20 square mile land package to the south of Nevada Gold Mines' Cortez Complex.

As one who has followed a variety of successes and failures alike on the exploration front in Nevada, the thesis behind Keystone has always intrigued me. In this uber-rich area of the major gold (and silver) trends you see depicted

in the nearby graphic, there are certain kinds of geological formations explorers look for; most of all the kinds of ones that have been found to host the biggest (multi, multi-million ounce and rich to boot gold deposits) resources. Most of the major ones have been *far* deeper than what is typically found and mined in the state. *Indeed, the biggest number of mines in Nevada mine gold from shallower, lower grade projects.*



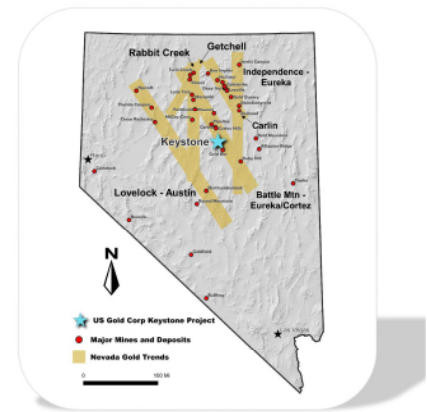
Near term, of course, U.S. Gold needs to chiefly run with the “bird in the hand,” shepherding CK through the remaining permitting process and toward hoped-for development and production. With Keystone (and with its Challis Gold Project in Idaho, an epithermal gold/silver system with a small *existing* resource ; see <https://www.usgoldcorp.gold/properties/challis-gold/overview>) *some* work will be done this year. **But especially for Keystone, the company is keeping its options open.** In a note to me just ahead of publication, President/C.E.O. Bee suggested that U.S. Gold itself could do all the Keystone exploration, at least for a while, if a healthier gold market, success at CK and a warming up of what is still a punk investment environment in the space (as I mentioned earlier about the gold space) allows for raising sufficient budgets at good terms.

Time will tell. It *may* turn out that a favorable deal would materialize allowing U.S. Gold to somehow vend the project to a bigger player and keep a stake; in this case, of course, avoiding most/any need to finance the kind of exploration that might be needed itself. Whatever the outcome, Bee is adamant in not wanting to bring about “...undue dilution to our current shareholder base.” Fortunately, as far as I have gleaned, the company has the ability to wait a while and is not under pressure to *have* to do a deal with Keystone now.

Nevada Project Location

Nevada – established gold mining jurisdiction

- Produced ~4.47 M oz of gold produced in 2021 - approx. **78% of U.S. gold production**¹
- The **6th largest** gold producing “country” in the world, if Nevada were a country
- Historically, Nevada has produced > 225M oz of gold
- “Elephant country”: numerous > 20M oz gold deposits
- Pro-mining environment, **geopolitical stability**, major infrastructure



But in the limited exploration work to date by various operators at Keystone (including some by U.S. Gold itself most recently, as you can read at <https://www.usgoldcorp.gold/properties/keystone/overview>) **it’s been found that the “usual suspects” among the most desired kind of host formations come much nearer to the surface.** Make no mistake: a lot of work and drilling need to be done if a meaningful resource is to be discovered. But the potential is mouth-watering.

However it all shakes out, U.S. Gold represents a more solid *and uber-cheap* than usual (even in the dour market environment in the recent past for such resource juniors lately!) bet on **both a development-stage economically sound gold/copper asset in a Tier One jurisdiction and significant exploration upside potential as well.**

To learn more, visit <https://www.usgoldcorp.gold/>; and follow the company on Twitter, via @usgoldcorp.

RENFORTH RESOURCES (CSE-RFR; OTCQB-RFHRF); AN OUTSIZED RISK-REWARD PROPOSITION!

Those of you more experienced than the average investor with Junior resource exploration will recognize in Renforth one of the more compelling risk-reward propositions out there. Make no mistake: this speculative-rated company (which I recently recommended to our Members after having followed it for a *very* long time) is all of that. Much will have to go right.



Though—as I have written for some time now—resource juniors especially have enjoyed scant investor attention for a while despite relatively *much* stronger prices for the commodities in question, we’ve seen the worst of that environment, I.M.O. As so many of the issues I wrote of above—nationalization efforts elsewhere, a coming supply crisis for copper, shortages of *everything*, etc.—become more acute, a scramble will intensify to discover, develop and secure all these needed metals/minerals in safe, first-world jurisdictions. **Where that is concerned, you can do**

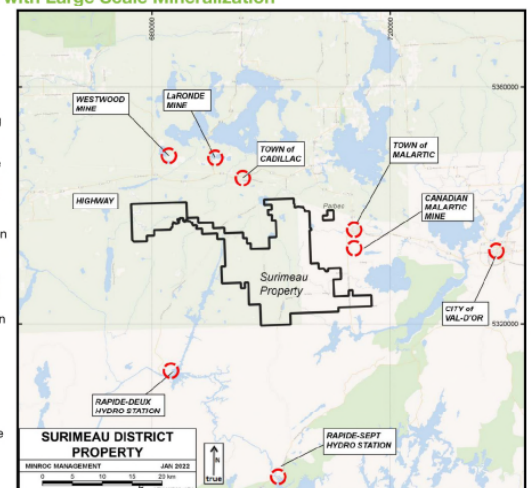
little better than Canada’s Abitibi-Greenstone Belt area and Quebec specifically.

One of the oldest and most successful mining camps *in the world*, the Abitibi Region is now set to go into overdrive as Canada’s national government and especially the provinces of Ontario and Quebec make a bid to become a global hub for battery metals. Quebec especially has released a multi-part game plan on this (see <https://www.quebec.ca/en/agriculture-environment-and-natural-resources/mining/critical-and-strategic-minerals>) which will rely heavily on the province’s vast mineral endowment.

Renforth’s two pit main assets are **Parbec** (a small gold play contiguous to

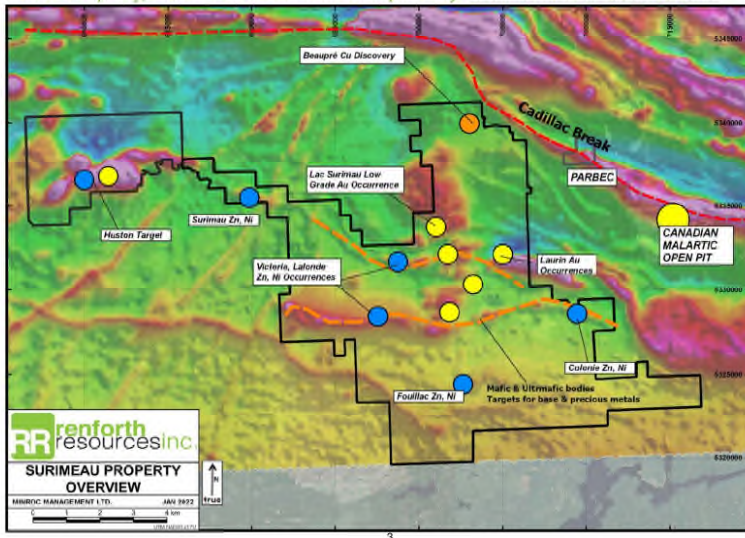
Fantastic Logistics NW Quebec Proven Mineralization with First Mover Advantage Secure Low Cost Setting with Large Scale Mineralization

- Large land position in the under explored Pontiac geological province, south of the Cadillac Break, first mover tied up all historic base metal showings
- Beside Canada’s largest open pit gold mine in a mature mining camp. A 4km long open pit next door sets a good precedent for Surimeau’s surface mineralization.
- Quebec is a secure, friendly, Top 10 in the world mining jurisdiction
- Road Access via local and national roads reduces carbon footprint
- Hydro Electric Power Lines on property, green and cheap electricity, reduces carbon footprint
- Largest Property Holder in the Cadillac Pontiac Lithium Battery Camp with **proven surface polymetallic battery mineralization**
- >4000 claims staked in 6 months within the camp, around Surimeau, for exploration
- Canada’s only copper/nickel smelter 1 hour away, Glencore’s Horne Smelter
- Excellent First Nation relationship
- Entire property uninhabited
- Potential Scale (~29km mineralized strike and growing) of surface mineralization delivers large scale open pit potential, offering low cost of production in the future



Canadian Malartic, Canada’s largest open pit gold mine) and **Surimeau, which in the recent past has emerged as the primary focus of the company** as exploration work has suggested at least two *massively* mineralized zones (one about 20 km in length and the other near 10 km) containing base and battery metals as well as precious metals. As you see outlined in the above graphic, Surimeau (just off the south edge of the Cadillac-Larder Lake Fault in the Abitibi) could hardly be in a better “zip code.” Numerous past and present producers abound (primarily, but not exclusively, gold) yet vast areas remain unexploited as well.

Quebec’s Newest Battery Metals Discovery
 Surface Nickel, Cobalt, PGEs, Copper and Zinc, lithium targets
 330 km² Property, Nickel Focussed with Multiple Polymetallic Mineral Occurrences



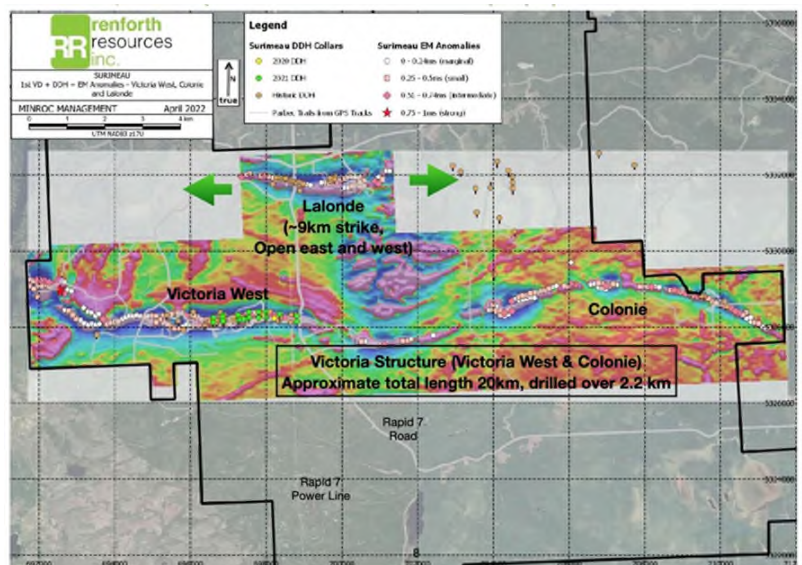
With Surimeau as its key focus, Renforth is looking to put the pieces together to reveal one or more targets as the province’s potential *future* producers.

Surimeau hosts a variety of targets that are prospective for precious metals (gold and silver) on the one hand and battery/industrial metals on the other. **Both an opportunity(ies) and challenges are present geologically:** one description puts it that “the property occurs within a unique geological setting where two types of mineralization, formed from different geological processes, are ‘mashed together’ in one distinct orebody. It is best described as an ultramafic nickel sulfide, juxtaposed with a

copper-zinc volcanogenic massive sulfide (VMS).” And yet being in such close proximity to the Cadillac Break—one of the more prominent regional faults—there is the presence of gold as well.

Surimeau is described by C.E.O. Nicole Brewster as *primarily* “a large scale, low grade nickel sulphide polymetallic” potential resource. A short time ago at the Vancouver Resource Investment Conference (see <https://www.youtube.com/watch?v=2kxAY8kVY0c>) she gave a particularly engaging overview of this property, together with how and why she put it all together “in one package” with the vision that—*if further drilling confirms what has already been seen via geophysics, trenching and some early drilling—this property could host one or more easily accessible/mineable and relatively lower cost open pits for battery metals production.*

Recent drilling has, for now, focused on the area you see isolated at right: from Victoria West headed eastward to Colonie, and the Lalonde target parallel and to the north. That area was drilled back in



December; and the company announced in February (at <https://renforthresources.com/positive-drill-results-advance-renforths-surimeau-nickel-polymetallic-battery-metals-property-in-quebec/>) some results that warrant further work (the best of the bunch reported being **0.21% nickel and 159 ppm cobalt over 26+ meters** and **1.87% zinc over 8.8 meters**. Also, notably, gold was encountered for the first time at Victoria.

Said Brewster, “Our successful December drill program *effectively confirmed two mineralized systems* on this property. Surimeau is still relatively underexplored, both within the 29 km of surface battery metals mineralization, and outside of those two systems where we have a copper discovery in the NE part of the property, pegmatites in the southern part of the property, and the presence of lithium, to date in the (Pontiac Group) sediments, with a big question mark as to what that could mean,” (*Emphasis added, the “why” of which I’ll explain in a minute.*)

On April 5 (see <https://renforthresources.com/renforth-intersects-visible-net-textured-sulphides-at-surimeau/>) the company gave some preliminary color on holes drilled in March on the western end of Victoria (assays are likely some weeks out.) As characterized, what was encountered in all



six holes drilled was “net textured sulphides” *which, it is believed, point to the company getting closer to a VMS-style system* (with, it’s of course, hoped, higher grades) containing copper, nickel and more (the physical appearance of this is represented in the nearby photo.)

Above, I commented on both the opportunities and challenges of Surimeau. It is one thing to find tantalizing mineralization all over the place, *as has been done* (and as you’ll see in the video of Surimeau on the front page of Renforth’s web site, much of this is exposed at surface.) In this sense, Brewster no doubt feels like the proverbial kid in a candy store. ***Yet what is critical here is for assays sooner rather than later to add to the better numbers from some of December’s holes, to get more sophisticated mining-oriented investors and perhaps one or more would-be partners to support Brewster’s efforts toward more substantial discoveries.***

With a market cap recently of a paltry C\$10 million or so (US \$7.3 million) the potential upside here is if coming assays reveal more substantial mineralization *with higher grades*. As she has done from time to time over the last few years to keep moving forward (and on a shoestring, at that) Brewster will have the need shortly to raise additional funds in order to keep drills turning and other work going on. **I have little concern over her ability to do that;** not only is this massive, well-located project worthy of more attention, but she has

Investment Rationale

Shareholders will participate in the establishment of Quebec’s newest nickel deposit, sustainable and located to support North America’s EV industry

- **Timing** - the development of the Surimeau battery metals asset is occurring at the beginning of a period of significant and sustained demand for battery metals within North America, a market with ESG value requirements.
- **Prior Management Success** - RFR’s management previously developed and sold an asset to fund the Surimeau acquisition and discovery
- **Superior Logistical Advantage** - Quebec boasts the cheapest electricity in Canada, 98% renewable. Surimeau has those power lines crossing the property, with road access and nearby cross country rail lines as well. In a mature mining camp in a very secure jurisdiction, political and local support of mining and all the personnel and services required to build and run a mine
- **Surface mineralization** - amenable to a future open pit operation, the lowest cost and quickest way to commence mining. With numerous areas of mineralization on the property a “hub and spoke” processing model could be built and last for some time.
- **Data is currently limited - growth potential** max. depth drilled is ~150m within the stripped area, with the grade increasing with depth. The mineralization is open below this point.
- **Secure junior company** In addition to a track record of ability to finance with supportive shareholders Renforth has the ability to self fund the future drilling required to create an initial resource at Surimeau through the sale of gold assets and investments onhand.

For additional information please visit www.renforthresources.com
Call Nicole Brewster, President and CEO, (416)818-1393 or nicole@renforthresources.com



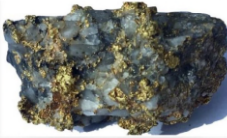
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demonstrated that she is loathe to waste money (neither she nor the company's C.F.O. take a salary; they are paid in equity.) What will make things a LOT easier, though, and lead to relatively less future dilution is if bigger numbers prompt a re-rating of these low-priced shares and make the terms of additional raises better for *existing* shareholders.

Backed by GOLD

Renforth's development of Quebec's newest battery metals district is supported by a gold deposit which will be monetized

- Renforth wholly owns the **Parbec Gold deposit** in NW Quebec
- In a similar geological setting to, and on strike to, the **Canadian Malartic Mine**, Canada's largest open pit gold mine, which is depleting ounces
- 15,000m of new drilling, and 13,000m of historic data available for new Mineral Resource Estimate
- Parbec is a surface open pit gold deposit which has been extended deeper under the pits in recent drilling, open to depth and on the remainder of on-property strike
- Parbec is geologically and mineralogically simple, easily mined
- Limited grind and cyanide leach testing indicated recovered grades better than assayed grades, there is a known nugget effect with free gold in the mineralized system
- The property is in good standing for a significant period of time



- Renforth wholly owns the Nixon-Bartleman Property west of Timmins, Ontario
- Nuggetty gold in quartz veining sampled over 500m in strike on surface, with a second mineralized horizon, located on mining patents, surrounded by staked claims



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While no decisions had been made on this when I visited with Brewster at some length at Mines and Money back in late February, there may be a couple “in house” means to finance further work on Surimeau as well. **One way would be to monetize Parbec somehow.** This still-small *but already economically attractive* prospective open pit alongside Malartic could be somehow vended or J.V.'d, providing some kind of a cash infusion.

Elsewhere—as a result of a transaction with that company

several years ago, in vending *to it* ground that Renforth had done some work on—**Renforth owns 12 million shares of Radisson Mining Resources, Inc. (TSXV-RDS)**. To date it has chosen to keep them for investment purposes (Radisson is chiefly focused on expanding its resources in/around the old O'Brien Mine Complex in the Abitibi) but that could change.

Looking ahead, Renforth is planning on **fleshing out a bit more the character of lithium-bearing material** this summer, as well as—dependent on the coming assays—**further defining the next drill targets.**

While there are many (*too many*, as I have often complained) fledgling microcap resource exploration plays out there, **Renforth's characteristics mitigate somewhat the normal risks associated with them:** among them a very low cash burn, the size and scope of the main (Surimeau) project, location, the variety of targets and all the rest. AND thanks to the dynamic of the evolving “World War 3” as I have called it over commodities and the *timeliness* of such stories, **the risks evident with Renforth are made palatable by all the advantages and possibilities, in my view.** And it was those latter considerations particularly that moved me to add the company recently after—as said above—I had followed it but put off doing so for so long prior.

Keep up with Renforth at <https://renforthresources.com/>. There you will find on the home page that great, narrated overview of Surimeau, et al by Brewster. On Twitter, follow them via @RenforthRes.

Also, I'd encourage you to read a very thorough report on Renforth put out not long ago by *Zacks Small Cap Research*: at https://renforthresources.com/wp-content/uploads/2023/02/Zacks_SCR_Research_01242023_RFHRF_Ralston.pdf.

ENTERPRISE GROUP (TSX-E; OTCQB-ETOLF) – A LEANER COMPANY TO BENEFIT FROM CANADA’S ENERGY RESURGENCE...AND LNG EXPORTS



ENTERPRISE
GROUP, INC.

For the better part of a decade—until the last 12-18 months—the Canadian oil and gas sector had been in the dumps. Much more so than was the case (a less bad one during that time for the most part) here in the U.S.—where a strong domestic energy industry enjoyed policy support especially during the Trump Administration—lots of companies were unable to survive.

For St. Albert, Alberta-based Enterprise—a company I have known and followed *for well over a decade*—it was a tough road. Along the way this consolidator of equipment and entire businesses servicing the construction and energy industries had to do some serious consolidation *of itself* to weather the multi-year energy bear market. **It has successfully done so.** And now a leaner, retooled and refocused Enterprise Group is enjoying a *dramatic* comeback.

One of the many things I have admired especially about Senior V.P. and Director Des O’Kell is that he never overstates the company’s fundamentals. During the lean years when he and I would chat from time to time, he NEVER sugar coated the more subdued environment the company was struggling to navigate. *That’s the kind of straightforward management you look for in any company: small or large.* These days, it’s quite the contrast to hear his renewed exuberance, as Enterprise is now growing anew, logging bottom-line earnings and salivating over perhaps the *next* decade of MUCH better fortunes.

Just a few weeks prior to this release, O’Kell summed up the company and its *accelerating* rebound in an interview with *Investing News Network*; <https://www.youtube.com/watch?v=BNGhr94imB8&t=18s> is where you’ll find it. **It’s a great overview; but still hardly does justice to the story I’ll add more color to below.**

“What you’re seeing with our financial results is a trajectory—every quarter—of revenue increases, and we’ve been able to expand our margins as well.

When you come out of a seven year downturn, what that downturn did to us is it allowed us to refine the business,” O’Kell said at one point. *That’s an understatement.* During this time Enterprise battened down the hatches and downsized where needed...notably added a major component to its arsenal...**and set itself up now to benefit as its customers are back in growth and capital spending mode.**

Enterprise Group Corporate Presentation | Q1 2023

Investment Highlights



Industry Growth Cycle

Enterprise Group growth fundamentals are highly correlated to the health of the Canadian energy industry, which shows signs of a multi-year bull market after years of underinvestment.



Low Emission Solutions

Enterprise Group has continued investments into replacing diesel with natural gas-powered equipment to assist Tier 1 E&P clients in meeting environmental objectives, with -27% lower emissions.



Healthy Balance Sheet

With access to available credit and substantial equipment capacity, Enterprise is positioned with the resources to pursue organic growth and M&A opportunities.



Prudent Capital Allocation

Management holds approximately 40% of all shares outstanding and has a successful history of prudently allocating capital between M&A, share buybacks, and organic investment into its businesses.

Financial Snapshot

Founded

2004

Common Shares Outstanding

51.0 million

Market Capitalization

C\$21.3 million

Enterprise Value (Jan 11, 2023)

C\$34.2 million

Equipment Asset Value

C\$40.8 million



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Robust Operating Portfolio

Through its M&A strategy, Enterprise Group (“Enterprise” or the “Company”) has aggregated a portfolio of resilient companies that provide specialized equipment and services in the build out of infrastructure for energy, pipeline, and construction industries in Canada.

Key players among Enterprise’s customers are in the graphic at left. With the global dynamics and long-term supply challenges discussed earlier in this issue for oil and gas—and given the broader, specific upswing for Canada’s energy producers, anchored by one big LNG export project—Enterprise’s reconstituted portfolio of services is in higher demand than ever.

That’s been especially the case with subsidiary Arctic Therm (which you can learn more of at <https://enterprisegrp.ca/artic-therm/>, including a couple neat videos). Servicing as it does E&P companies in oil and gas

in remote and COLD locations for a big chunk of the year, Arctic Therm’s equipment to “warm up” others’ equipment, work sites, pipelines and more is a necessity. Back in January (for the news on this, see <https://enterprisegrp.ca/2023/01/25/enterprise-group-subsiary-awarded-project-to-support-coastal-gas-link-construction/>) this company was awarded a high-profile contract “...to assist in the protective coating application process of a significant section of the Coastal Gas Link Pipeline connecting N.E. British Columbia to the LNG Canada facility in Kitimat, BC.”

Arctic Therm’s equipment, as O’Kell described when we visited on this news, is needed to raise the temperature of the pipes that gas will flow through from inland to Kitimat (an aerial view of this soon-to-be-LNG export port is at right). *The engineering- and environmentally-mandated coatings cannot be applied in a setting where the air temperature is often well below freezing.*



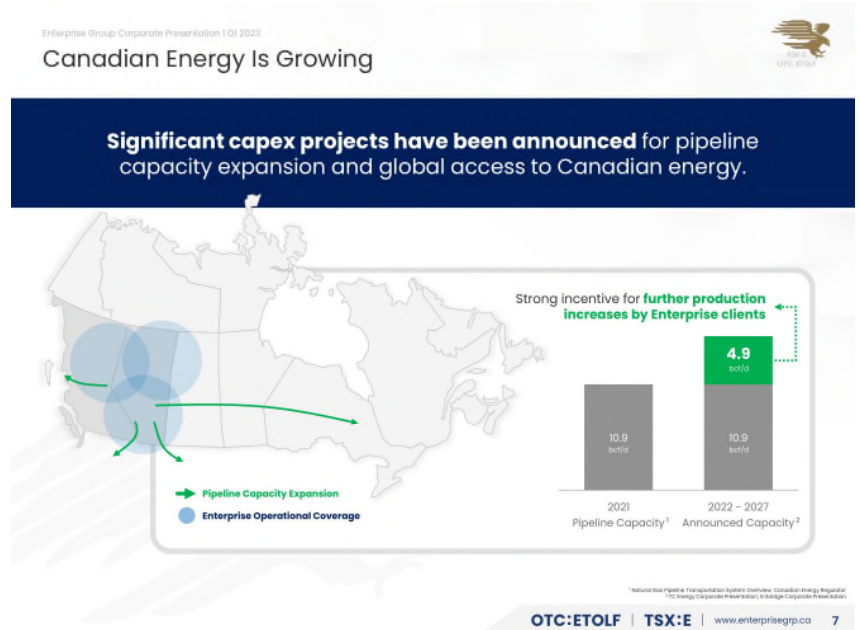
Indigenous Band Agreements Across the Coastal GasLink Pipeline Route



The \$40 billion biggest-ever energy project in Canada’s history is heading to the finish line; and Enterprise is getting a couple other bites at the apple with its support services here, too. Hobbled along the way by political and policy missteps, the recent past has been “all systems go;” especially with all the various agreements in place with pretty much every indigenous group along the route of the pipeline. As you can read at <https://www.lngcanada.ca/news/lng-canada-countrys-40-billion-second-chance-at-becoming-a-global-lng-leader-takes-shape/>, the project as of late 2022 was deemed “70% complete” and set to begin first shipments by some time in 2025.

Even apart from LNG Canada and the pipeline project to feed it, though, Canadian energy is enjoying a major resurgence. Capital spending has risen modestly once more over the last couple years and is predicted to be *double* its present rate by about 2030. That has recently allowed Enterprise to raise its prices anew for its various offerings; and as O’Kell recently said, “When you get better activity levels and have a chance to increase some pricing on our equipment rentals, all of a sudden it starts to really collect on the bottom line.”

That, too, is an understatement, as I’ll shortly close discussing.

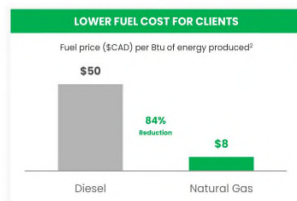
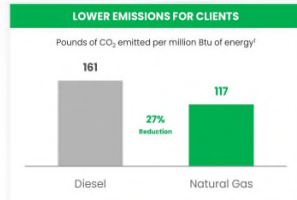


Enterprise Group Corporate Presentation | Q1 2023

Lowering Energy Emissions of Canadian Producers



Evolution Power Projects offers natural gas-powered systems and micro-grid technology, allowing customers to eliminate diesel entirely.



1. How much carbon dioxide is produced when different fuels are burned? American Geoscience Institute. 2. Independent Statistics and Analysis. U.S. Energy Information Administration.

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The newest and most interesting of Enterprise’s “parts” is **Evolution Power Projects**. Kicked off exactly a year ago as of this writing (see <https://enterprisegrp.ca/2022/04/20/enterprise-group-announces-launch-of-subsi-dary-evolution-power-projects/> for the original news announcement and https://www.youtube.com/watch?v=GKh_DVLb6o for the company’s introductory webinar on this dynamic new subsidiary) **Evolution is out to help energy and other remote industries, work sites and whatnot break free of diesel fuel.**

As O’Kell described in the above-linked *INN* interview, such remote work sites can go through several thousand liters of diesel fuel daily to do everything from run equipment, lights, heat remote bunk houses and offices, etc. But retooling everything to run on cleaner natural gas saves a ton of money, carbon emissions, noise *and stink*. Specifically, as he adds, Enterprise’s Tier one clients are constrained and incentivized alike by the Canadian government to demonstrate that they are reducing emissions. This offering is a big reason for Enterprise’s increasing trajectory of revenue and earnings gains, pretty much quarter to quarter now for the last year or so.

Most recently—in its March 20 announcement of Q4 and full-year 2022 results, which can be viewed at <https://enterprisegrp.ca/2023/03/20/enterprise-group-announces-results-for-fourth->

[quarter-and-full-year-2022/](#) --Enterprise reported a slate of results which on every financial metric down to even net earnings *blew away* the prior quarter/year results.

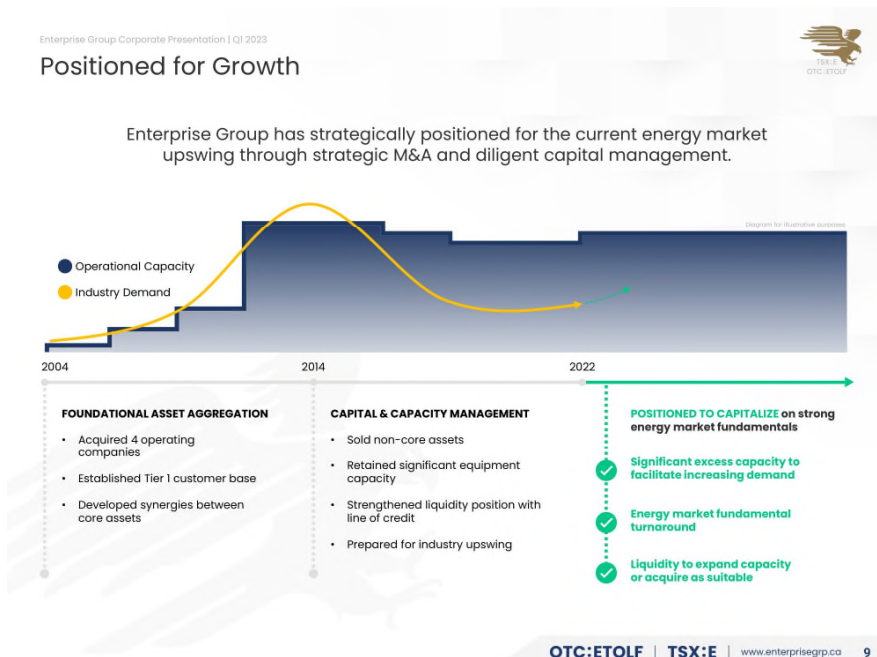
Further, Enterprise's continued repurchase of its shares, with the great performance, **had its book value recently at C68 cents/share**; two-thirds *above* its still-depressed market price at last look. How much longer this ridiculous situation lasts, I cannot say; but another quarter or two of progress such as we've seen, I must believe, will at last cause the market to take greater notice *soon*.

The company and its management sure notice; and that is yet another piece of one of the most fundamentally solid stories you can find among any energy-centric company. Along with the company itself continually redeeming and canceling shares, **management keeps buying**; and the management team led by President/C.E.O. Len Jaroszuk now is up to a 40% ownership of the outstanding shares.

This all ratifies O'Kell's growing exuberance and Jaroszuk's recent confident Letter to Shareholders alike. At <https://enterprisegrp.ca/2023/03/09/enterprise-group-inc-announces-letter-to-shareholders-from-president-ceo-leonard-d-jaroszuk/> you can peruse the latter; and then ask yourself how it can be that E's shares continue to sell for (by my estimation) *a third* of what they should be. (Indeed, Fundamental Research Corp., in its updated report on the company after its 2022 numbers came



out and looking ahead to another strong year, has a "fair value" price of C\$1.02.)

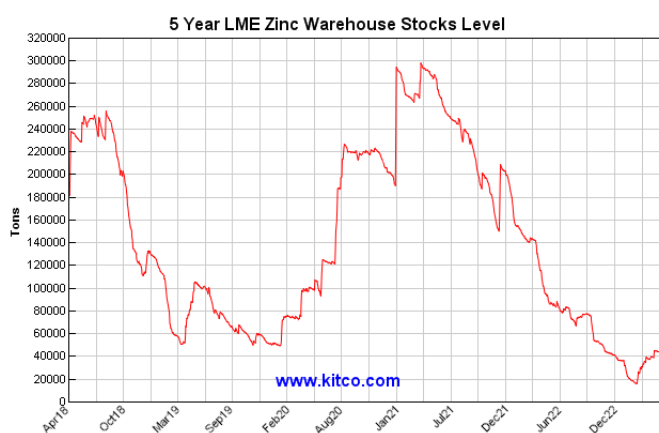


and all the fundamentals I've described have us all set as investors for a BIG winner.

Make sure to follow Enterprise on Twitter at @EnterpriseGrp; learn *much* more as well via its website at <https://enterprisegrp.ca/>.

Anchored by the continuing work being done on the LNG Canada and now, via Evolution, being an integral part of Canadian companies' moves toward meeting emissions and ESG mandates, Enterprise is being rewarded now for its ability to stay in existence during the dark, lean years of Canada's energy bear market. The company is a poster child, I must say as well, for my M.O. in selecting *and sticking with* companies: in the end, this combination of stellar management with a LOT of skin in the

FIREWEED METALS (TSXV-FWZ; OTCQB-FWEDF) – A WORLD-LEADING ZINC RESOURCE...AND MORE



When the former Fireweed Zinc—a member of The Discovery Group of companies, which has had several high-profile BIG winners over the years and whose founder John Robins is Fireweed’s Executive Chairman—first hit my Member recommendations, it was chiefly on the strength of *that* metal. As I’ll detail in a bit, for a few years now **it’s already been known that Fireweed is sitting atop one of the largest new zinc discoveries on the planet.**

This is yet another key metal used for a host of industrial, construction and other purposes which is

these days in perilously short supply. As you can read at <https://aheadoftheherd.com/zinc-the-essential-element-in-increasingly-short-supply-richard-mills/> (yet another deep, scholarly dive by *Ahead of the Herd’s* Rick Mills) zinc is the fourth most common metal in the world behind iron, copper and aluminum. **Yet a lot of it is needed in the myriad applications you can read of;** and there isn’t enough in the development pipeline to meet the globe’s plans for infrastructure building/rebuilding and LOTS MORE.

MARKET NUMBERS



While the “old” Fireweed garnered my attention and recommendation for this and other reasons (its first key project in extreme eastern Yukon territory in Canada was almost entirely zinc-focused) today’s Fireweed *Metals* (as you can see in the newest version of its introductory company video at <https://www.youtube.com/watch?v=adezyHoDF2c>) is **now a broader critical metals explorer/developer on a few different fronts in this up-and-coming (and uber-mining friendly) region;** most notably adding another critical metal—tungsten—to the equation.

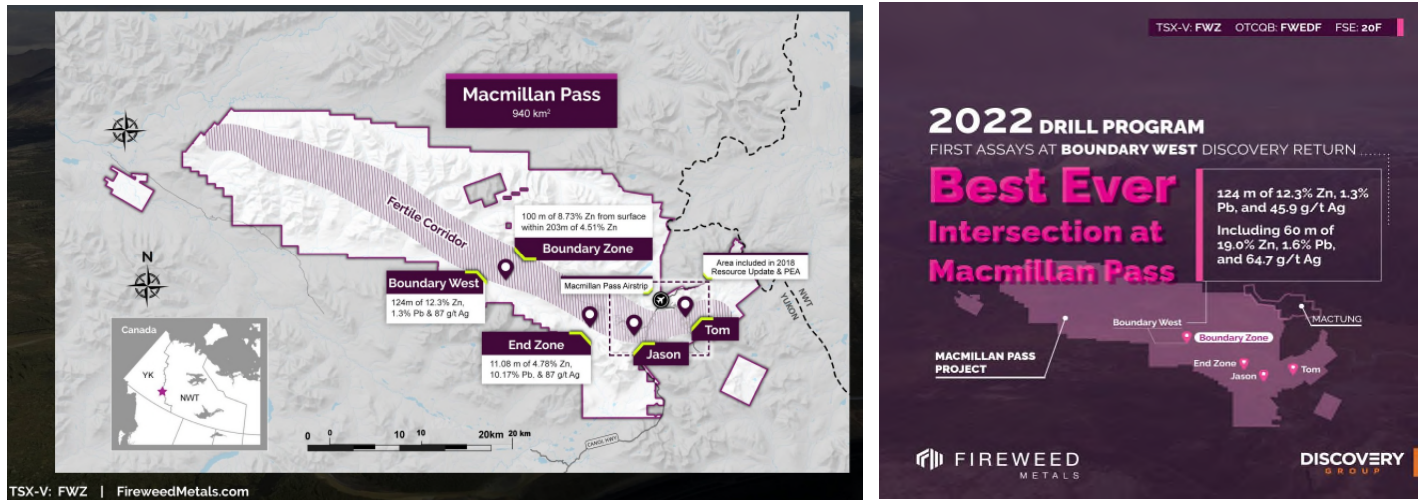
Regional Location & Infrastructure



Last year did more, too, than to bring a new, world-class tungsten target into the Fireweed Metals fold. As C.E.O. Brandon Macdonald reported (see <https://fireweedmetals.com/news/fireweed-provides-year-end-review-of-2022-accomplishments/>) in his year-end report back on December 30, the company raised C\$49 million during the year; in part, in welcoming the Lundin Family as its largest (a 17.85% stake) shareholder. Other major shareholders

include Teck, Ibaera Capital and the Childress family. *Management and “close associates” of Fireweed own roughly one-third of the shares.*

Last year also brought a *major* breakout for the flagship MacMillan Pass project. Following the largest drill program in the company’s history thus far (one which will be *exceeded in 2023*, by the way) it was more apparent than ever that several areas of the broad mineralized corridor you see in the graphic below may end up holding THE most substantial new zinc discovery in the world when all is said and done.



Time and again over the last several months, new assay results have been *mind-numbing*; such as the one you see depicted just above. Those of you who are Members with access to *all* my recommendations know that there is *but one* other company within our purview that has drilled an ore body with such gaudy assay results over many tens of meters at a time, or more (that one a copper-zinc one.) At Boundary—and at more than one of the drilling areas—big numbers have kept coming...and coming.

On March 2, for but one of several recent examples, assay results from the Boundary Zone were especially startling in the even greater widths of very high grade mineralization:

1. Hole NB22-023 intersected **298 m** of 4.5% zinc, 1.4% lead, and 30.9 g/t silver including a new zone of stratiform mineralization grading 24.5% zinc, 15.1% lead, and 323.2 g/t silver over 9.6 m.
2. Hole NB22-022 intersected **226.8 m** of 5.7% zinc, 0.6% lead, and 21.6 g/t silver including an intersection within the new stratiform zone of 9.3 m grading 16.6% zinc, 4.4% lead, and 143.1 g/t silver.
3. Hole NB22-017 intersected **60.5 m** of 12.0% zinc and 21.9 g/t silver starting within 20 m from surface, including 6.2 m of 40.1% zinc, and 84.2 g/t silver.
4. Hole NB22-012 intersected **174.7 m** of 3.0% zinc, and 7.9 g/t silver, including 32.2 m of 6.4% zinc, and 11.2 g/t silver. (**Emphasis added.**)

Said Macdonald, “The 2022 Boundary Zone drill results are nothing short of spectacular. Earlier in the season at Boundary West we drilled the best hole in 72 years of exploration anywhere at the Macmillan Pass project. The current results are not far behind and include extremely high-grade

intersections within a new stratiform zone that we have now intersected in just a few holes at Boundary Main. With our biggest ever drill program planned for 2023, we see great potential for Boundary Zone.”

The icing on the cake came with the last 2022 holes reported on the Tom deposit; as you’ll see (all these recent news releases can be read at <https://fireweedmetals.com/news/>) while the widths are somewhat less—albeit still impressive—the grades of zinc, lead and silver are even more gaudy.

2018 Resource Update & PEA

Resource Estimate						Preliminary Economic Assessment		
	Mt	Zn	Pb	Ag	ZnEq			
Indicated	11.2	6.59%	2.48%	21.33 g/t	9.61%	24%	C\$448M	C\$404M
Inferred	39.5	5.84%	3.14%	38.15 g/t	10%	After-tax IRR	After-tax NPV8	Initial CAPEX
	Zinc		Lead		Silver	18 yrs	32.7 MT	*Using US\$1.21/lb Zn, \$0.98/lb Pb, \$16.80/oz Ag
Indicated	0.74 Mt (1.6 Blbs)		0.28 Mt (0.62 Blbs)		7.7 MOz	Mine life	Life of Mine Tonnage	
Inferred	2.23 Mt (4.91 Blbs)		1.22 Mt (2.67 Blbs)		48.4 MOz			

The January 2018 Mineral Resource Estimate puts Macmillan Pass among the world’s most significant Zinc resources, however, both resource and PEA are stale and do not include:

- Additional drilling at Tom & Jason Zones will both expand resource and improve grades in some zones
- Boundary Zone has no resource yet, and massive size potential
- Additional engineering to improve pits, metallurgy, and optimize mine plan
- \$71M in government funding commitment to access roads, included as project CAPEX in 2018 PEA, now offset

Updated resource statement and new studies will reflect these improvements, and add to an already world-class resource and robust mine plan

TSX-V: FWZ | FireweedMetals.com

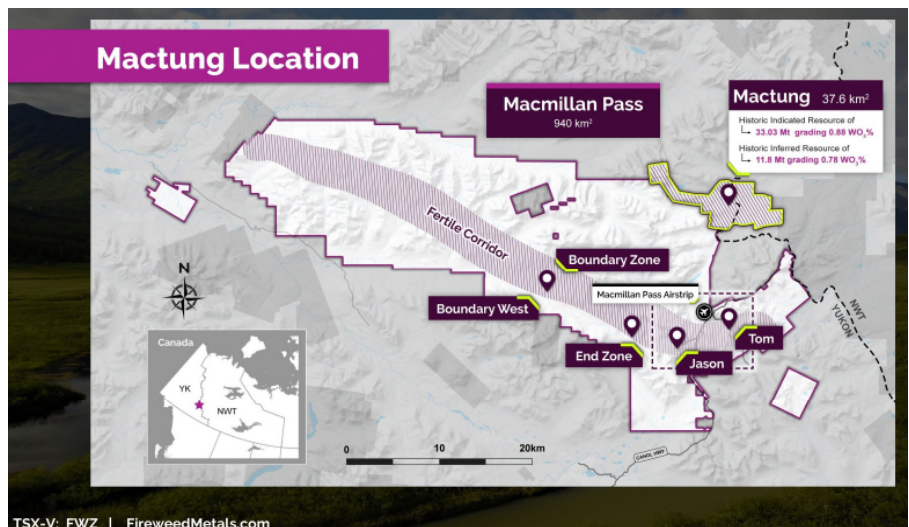
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When I most recently got some opportunity to visit with Macdonald at Mines and Money in Miami, he suggested that a major wake-up call to those who have not been paying attention may arrive later in 2023; perhaps soon after mid-year. Fireweed has already made known that it plans to update what is now a very “stale” 2018 resource estimate and P.E.A. (Preliminary Economic Assessment) you see at left.

With all the drilling success since the 2018 report and the many eye-popping assays since, no doubt numbers will see a *substantial* jump. If my own updated count is correct, now it’s *eight* (Macdonald told me seven in late February before the last batches of assays) of the 10 best all-time holes that have been logged since the 2018 reports. Up in the air when we spoke, though, was whether Macdonald will *also* update the P.E.A. this year, or wait until at least next year to incorporate most/all of what will be coming in 2023.

When we visited, Macdonald also impressed upon me just how much Fireweed has the potential to transition into a multi-asset company. **The recently-acquired Mactung Project—straddling the Yukon/Northwest Territories border, along Boundary’s northeast edge—brings into Fireweed as mentioned above the critical metal tungsten.**

Mactung contains historic resources that make it one of the largest and highest-grade undeveloped resources in the world of the tungsten, **and one of the rare large tungsten resources outside of China.** A lot of the characteristics of this project, which Fireweed just closed the purchase on from the Government of the Northwest Territories, is at <https://fireweedmetals.com/news/fireweed-zinc-acquires-mactung-tungsten-project/>. Near term, Fireweed plans to begin the work to ward a modern, NI 43-101-compliant resource estimate; this will



TSX-V: FWZ | FireweedMetals.com

Why Tungsten?

1

CRITICAL METAL

Tungsten is a critical metal as now listed by Canada, the USA, and the EU, with extreme physical characteristics necessary for many industries

2

CHINA MARKET DOMINATION

China controls both the resource and production side of the Tungsten market, creating risks to the west in an uncertain future

3

CHANGING WORLD

Recent world events have changed western government views on critical metals, creating an opportunity to create a reliable western source of Tungsten

TSX-V: FWZ | FireweedMetals.com



come via “Due diligence and validation work on historic data as well as relogging and sampling of historic drill core...” *Macdonald mentioned that—while 85% of the historic resource is tungsten—the rest is made up of interesting amounts of gold and copper as well.*

Lastly, the expanded Fireweed Metals has also acquired 100% of the Gayna River Project some 180 kilometers north of Macmillan Pass *but sporting many similar characteristics.* Zinc, lead

and silver have previously been outlined here in a historic resource; as well, gallium and germanium are present. The most new work will be required here; it started in a smaller way last year with soil, rock sampling and a LiDAR topographic survey, among other exploration work. All this will help lead to new drill targets.

I have quipped before that if the Macmillan Pass project *alone* were located in a Quebec or a Nevada, Fireweed’s market cap may well already be approaching a “B” handle. That its market cap at last look was in the neighborhood of C\$115 million, or about US\$85 million, is astounding; and quite likely a GIFT to those wise enough to seize it.

Earlier this year, Macdonald took us through the overall story in a great presentation for the Vancouver Resource Investment Conference; it’s at <https://www.youtube.com/watch?v=oizR0YzZlyA>. Also keep up with Fireweed at <https://fireweedmetals.com/>; and @FireweedMetals on Twitter.

VISION LITHIUM (TSXV-VLI; OTCQB-ABEPF): ANOTHER SUCCESSFUL “JOCKEY’S” NEWER ENDEAVOR



My friend Victor Cantore (at left in the nearby photo) as President, C.E.O. and Director of Amex Exploration (TSXV-AMX; OTCQX-AMXEF) has aggressively been drilling out a major gold resource in Quebec, with a copper-rich VMS discovery added recently. Aside from the accolades he received last year for *that*, he also was involved in the initial discovery of the 27+ million ton Whabouchi lithium deposit (reportedly the second-richest hard rock-hosted lithium deposit in the world) in Quebec’s James Bay region.

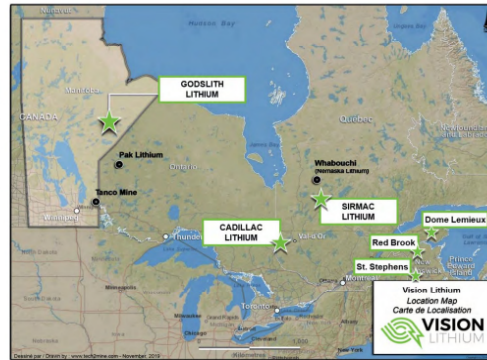
So as I expressed with IperionX earlier and its “jockey” Arima, when Cantore wanted to fill me in at a conference a while back on what he’s up to with Vision Lithium, I was of course all ears! Especially with the appearance of this being a ground floor opportunity that is not on most investors’ radar screens—even with the attention the lithium space has received—I knew it was wise to spend whatever time necessary getting up to speed with Cantore (in Vision’s case he serves as Executive Chairman; Yves Rougerie, a very successful geologist with his own impressive track record, is President/C.E.O.—see

<https://visionlithium.com/management/>.)

VISION LITHIUM
MINING PROPERTIES

Properties	Commodity	Ownership	Area (ha)
Godslith	Lithium	100%	9,550*
Cadillac	Lithium	100%	19,070
Sirmac	Lithium	100%	7,750
Dome Lemieux	Copper	100%	12,714
Red Brook Benjamin	Copper, Zinc, Silver	100%	5,817
St. Stephens	Nickel, Copper, Cobalt	50%	4,298

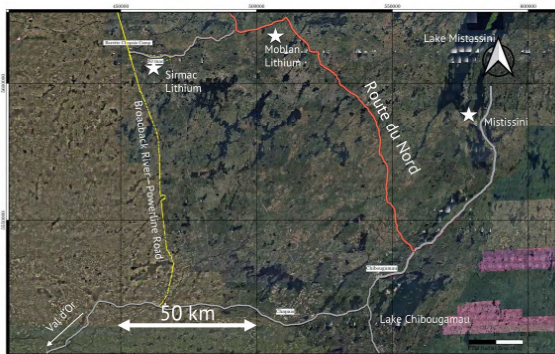
*Application for Mineral Exploration License pending



base metals ones as well.

It is Vision’s flagship Sirmac Project, though, which is getting all the early attention from those precious few who are turned on to this story so far. More than the rest, it epitomizes management’s knowledge of certain areas and ability to get their hands on choice (and in this case, *incredible*) assets. A 7,750 hectare property located south of Whabouchi and in a prolific area of the province (Sayona’s Moblan Project is just a bit to the east), **Sirmac’s Dike # 5—in part due to some past drilling and trenching work done by the former Nemaska Lithium—has already been exposed as a high grade and largely at-surface (as you can see in the graphic below right) lithium resource.** (NOTE: This nearest-term target for bulk sampling and development is but one of several on the overall Sirmac property.)

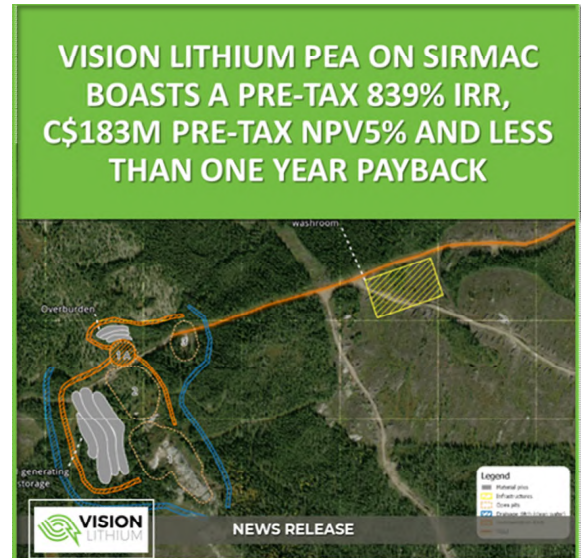
VISION LITHIUM
SIRMAC – Regional Location



VISION LITHIUM
SIRMAC – Dike #5



When I spoke with Cantore in New Orleans last fall, he intimated that Vision's near-term goal was to take the readily-available resource at Sirmac's Dike 5 and monetize it sooner rather than later, while the North American market especially for all manner of concentrates and battery-grade lithium continues to heat up (as opposed to the misleading headlines focus on China-based lithium, as I explained earlier on.) And sure enough, Vision was out in late February (see <https://visionlithium.com/vision-lithium-files-preliminary-economic-assessment-technical-report-for-the-sirmac-lithium-project/>) with a P.E.A. (Preliminary Economic Assessment) on this first development target of Sirmac, *frankly suggesting that if all continues going to plan Dike #5 will be a veritable cash register for Vision.*



Essentially, over a planned four years, removing the existing resource and shipping it to a larger processor (while nothing has been officially announced as to the *who* here yet, there are a couple high-profile “suspects” that would want this *easy* material to process/sell) could bring into Vision some C\$250 million in revenues during that time. ***Consider all this in the context of Vision’s market cap recently being in the neighborhood of C\$25 million (US\$ 18.5 million) and what cash flow of this nature could soon do for the company’s valuation!*** With Vision’s other shareholders, Yours truly is breathlessly awaiting the next steps toward, it’s expected, a bulk sample for final testing this summer and then a processing partner.

A good narrative on the P.E.A. was offered on a webinar Rougerie gave when it came out; I suggest you watch it at <https://www.youtube.com/watch?v=Be7t3Ip2fV8>.

Ultimately, these resource/company builders will have an incredible opportunity to leverage cash from Sirmac into perhaps *much more*. For—as mentioned above—Cantore and Rougerie have assembled an assortment of exploration projects; let’s take a quick look at the other two lithium-oriented ones:



CADILLAC LITHIUM PROJECT



TSXV: VLI
OTCQB: ABEFP
FSE: 1AJ2

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visionlithium.com

PROJECT HIGHLIGHTS

- Multiple untested swarms of dikes
- 4 known mineralized dikes spaced 100m apart
- Channel sample and drill program completed
- Used LiDAR to identify over 500 potential pegmatite targets and sampled during the summer program; results are pending

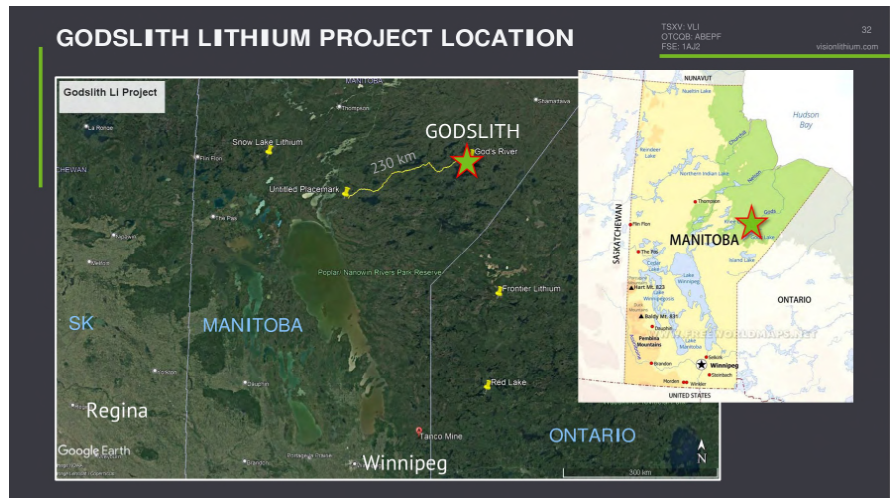
See Vision Lithium Inc., Press Release (December 1, 2021) for further information on the nature and context of the results.

The Cadillac Lithium Project is (similar to Renforth’s nascent lithium story) smack in the middle of the Abitibi *Gold Belt*. As at Sirmac, there are swarms of dikes, some of which are exposed at surface and carry large spodumene crystals. Unlike at Sirmac, however, there has been relatively less drilling over time, though Vision did announces some results last April, as you can read at <https://visionlithium.com/vision-lithium-reports-drill-results-from->

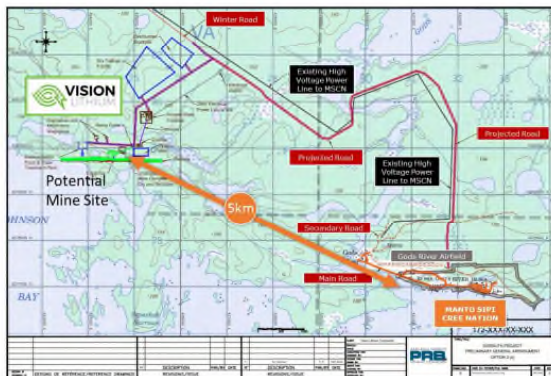
[its-cadillac-lithium-property-intersects-up-to-3-14-li2o/](https://www.visionlithium.com/newsroom/godslith-lithium-property-intersects-up-to-3-14-li2o/). At least for the 2023 season, it appears as though Cadillac will be put off to the side, though, with the focus on both Sirmac and another of the company's lithium-oriented projects.

That one is Godslith, located in eastern Manitoba. This is a ripe area for exploration, as this part of a province that is attempting to catch up with others that have been better known at exploiting resources seeks to establish its own wares more notably. Consider also that Godslith is to the immediate north of Frontier Lithium, which I'll shortly be closing this issue with.

Vision announced its purchase of Godslith back in March, 2021; see <https://visionlithium.com/vision-lithium-completes-acquisition-of-godslith-lithium-property/>. It is considerably more advanced than is Cadillac; and has a historical (*not* NI 43-101 compliant) resource of a bit under 10 million tons grading well above 1%. As you see below, **Godslith is now second in priority to the company after Sirmac**; negotiations and permitting efforts are underway ahead of a hoped-for drilling program before 2023 is over.



GODSLITH – EXCELLENT INFRASTRUCTURE



Said Rougerie as the Godslith acquisition was announced, “We are keen to commence work on the Property and to bring the historical lithium resource into current NI 43-101 standards. After careful review and modelling of the historical exploration data, I am confident that we can expand on the work done to date and identify additional lithium mineralization on the Property, making for a sizeable and important North American lithium project.” *And at first glance, this 5,560 hectare property near Gods River looks to have the ingredients; among them, great infrastructure.*

I cannot stress enough this “jockey” theme I have been discussing. Just as the old adage is that the best place to find gold, for example, is in an established gold camp/in the shadow of a mine’s head frame so, too, are tomorrow’s resource stories more likely than in the average case to be uncovered by



VISION LITHIUM 2023 EXPLORATION PROGRAMS

2023 EXPLORATION PROGRAMS



Sirmac Project:

- PEA supports DSO 50,000T bulk sample strategy
- Work with customers to qualify product
- DDH of other priority targets on property
- Initiate field work for permitting for mining lease

Godslith Project:

- Negotiate exploration agreement and submit permit
- Prep work ahead of a 10,000+ m first phase DDH program in H2/2023

those who have successfully found projects before. **That is the story here; together, of course, with the prospect that if the final pieces fall into place for Sirmac specifically, we should all be ringing the cash register big-time.**

I want to at least mention again in closing, too, that—though none of them are near-term priorities, though that could change in an environment where cash is rolling in from Sirmac—you should spend some time at Vision’s web site checking out their other exploration projects:

* <https://visionlithium.com/new-brunswick-properties/> -- High grade zinc, with copper and gold, just west of New Brunswick’s Bathurst VMS District.

* <https://visionlithium.com/domelemieux/> -- A primary copper play in Quebec and

* <https://visionlithium.com/ststephens/> -- In extreme southern New Brunswick, not far from the U.S. border with Maine, a potential high grade nickel/copper project.

Next time I speak with Cantore or Rougerie I’ll be attempting to flesh out their potential pecking order a bit further.

Make sure to keep up with Vision Lithium yourself also; at <https://visionlithium.com/> as well as on Twitter at @visionlithium1.

USHA RESOURCES (TSXV-USHA; OTCQB-USHAF)— ANOTHER PREMIER COMPANY-BUILDING STORY, ANCHORED BY ITS UNIQUE NEVADA PROJECT

Company Strengths

Fully Funded, Tight Capital Structure
~46 million shares outstanding, 70%+ of which are held by insiders, management, and strategic shareholders.
~\$3.4M in working capital.

Early mover opportunity
USHA trades at a ~\$15M market cap when peers trade at 3X+ prior to the 2,700 metre drilling program permitted at the Jackpot Lake lithium brine project.

Exceptional Assets
Jackpot is a lithium-brine project that appears analogous to Clayton Valley that is being drilled with the goal of defining a 43 101 resource with as few as 2 drill holes.
White Willow is a hard-rock lithium project that appears analogous to the Seymour Lake Deposit with over 75 white-pegmatites in a confirmed LCT-system.
Lost Basin is a low-grade bulk tonnage gold project that includes over 80 historical drill holes with shallow intervals of 0.7 and 1.7 g/t over 26 metres.

Value Creation
The Company's Nicobat Nickel project is being spun-out into a subsidiary, Formation Metals Inc., whereby USHA will deliver shareholders a 20% "share dividend" through the issuance of 1 share of FM received for every 5 shares of USHA owned on April 12th 2023.

TSXV: USHA | OTCQB: USHAF | FSE: JOE

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At my first glance at Usha a while back it did not initially strike me as anything special, somewhat jaded as I am regarding the seeming plethora of little micro-cap companies out there all claiming to have a piece of Nevada's seeming lithium riches. *But after a couple colleagues independently of one another told me NOT to sleepwalk past this one*, I finally did recently spend a fair bit of time with Usha's C.E.O. Deepak Varshney.

Varshney leads a team (see <https://usharesources.com/corporate/management-team/>) with some 150 years’ worth of combined capital markets and resource discovery experience. Here too, we have a company with one marquee lithium asset; and a very unique one at that. It’s Jackpot Lake in Nevada. Elsewhere, other exploration projects coming into 2023 included a **primary nickel one in Ontario that is in the process of being spun out as a dividend to Usha shareholders via a newly-**

formed company as well as a copper/gold project in Arizona. 2023 has added to this mix a promise made a while back by Varshney: **two hard rock-oriented Canadian lithium projects.**

Usha's Jackpot Lake Lithium Project is in Nevada's Dry Lake Basin. It very much *is* unique among the many Nevada-centric exploration stories out there *in that it's in very much its own world.*

The nearly 9,000 acre property held by Usha comprises pretty much the entirety of this basin; but that Usha has the market cornered here is just one thing.

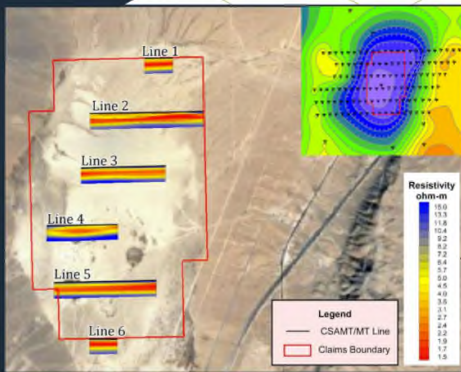
Another—and key, among other things, when it comes to permitting—is that **Jackpot Lake's confined lithium-bearing brines, water et al have been found to be isolated from any other local or regional ground water resources.**

Varshney recently offered a video update on Jackpot Lake drilling/engineering activities; it's at <https://www.youtube.com/watch?v=lr17u6bHE7g>. More color still was offered as recently as April 12

(see <https://usharesources.com/usha-resources-reports-highest-lithium-grades-to-date-in-second-core-hole-of-drill-program-at-the-jackpot-lake-lithium-brine-project/>), with the company reporting grades WAY in excess of what is profitably being mined in other such settings, *together with ongoing encouraging news on the favorable characteristics of this essentially closed basin.*

Jackpot Lake – Summary

- Surrounding mountain formations are known to contain clay-rich altered volcanic units with reported samples as high as 3,761 ppm Li
- Gravitational surveying (top right) has identified a closed basin, critical for ensuring lithium-rich brines remain within the basin without dilution from external water sources
- CSMAT surveying has confirmed the present of highly enriched brines within the basin that are largely continuous across the Company's claims (<5 ohm-m resistivities are shown in red and yellow)
- 129 core samples by the USGS with an average Li value of 175 ppm and a sampled high of 550 ppm



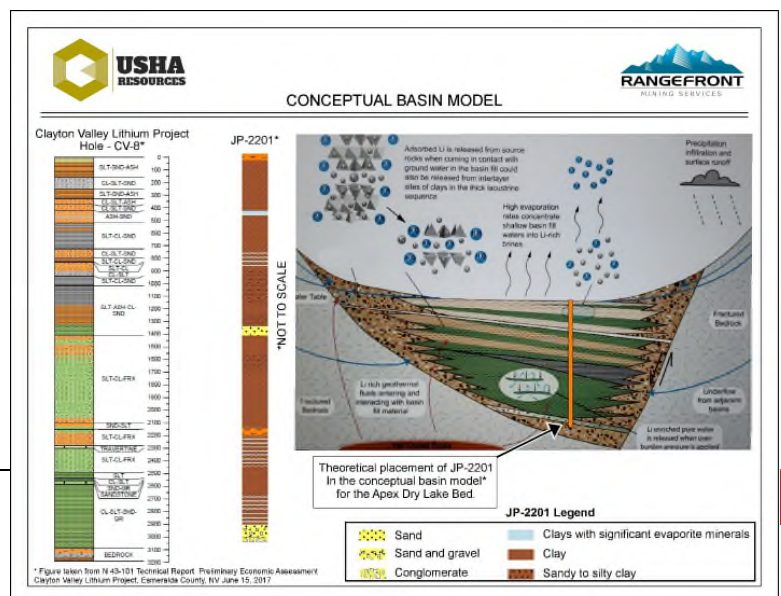
Once additional work is finished, and bolstered by the highest-ever reported recent grades, permitting work will be finalized ahead of an initial resource estimate hoped for by mid-year. I'm especially interested to follow the progress toward *what may well be akin to fishing in a bathtub.* As you see in the model at right (and can glean more color on at Usha's website) this essentially closed system of about a 10,000 acre, 600+ meter deep basin may not only host very high and easily

The National Investor – SPRING, 2023

Jackpot Lake – Overview

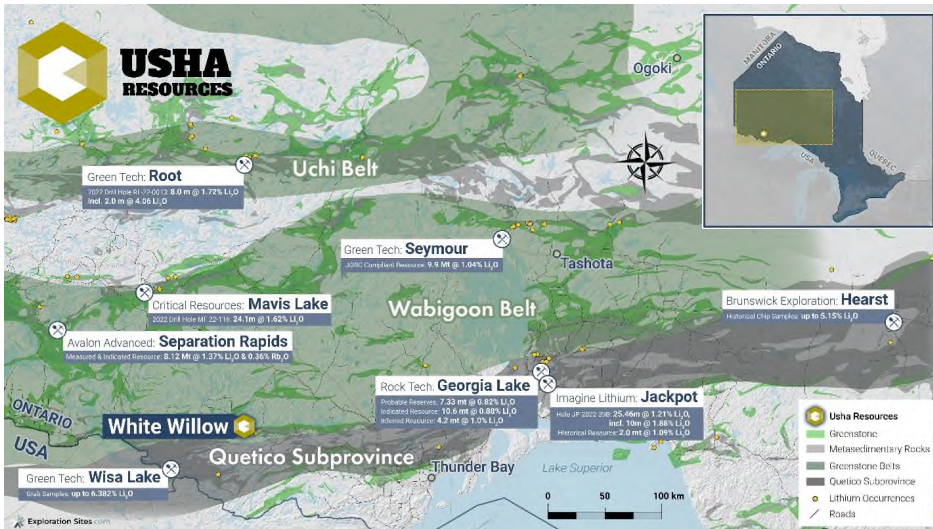
- Located 35 km northeast of Las Vegas, Nevada with excellent access to infrastructure. Highway 15 is located adjacent to the east; solar plants are located adjacent to the north and south.
- Project comprises 8,714 acres (~35.2 km²), Usha owns all strategic land within the Dry Lake Basin.
- Maiden drill program underway with the goal of defining a 43-101 resource with as few as 2 drill holes.
- Drilling to-date provides support for a similar geologic setting to that of Clayton Valley, hosting Albemarle's Silver Peak Nevada Lithium Mine, the only producing lithium mine in North America. The present average grade for Albemarle's project is approximately 121 ppm; historic sampling by the USGS at the project found the average grade to be 175 ppm which has been exceeded in the holes advanced to-date.

TSX.V: USHA | OTCQB: USHAF | FSE: JJO



recoverable lithium grades but—as said above—is *very much in its own set-apart world*.

Looking to the future and as it builds a broader lithium portfolio, Usha has followed through on Varshney's prior promises in this regard and acquired now **two separate hard rock lithium plays**; potentially the first in a series of “many,” he told me.



<https://www.accesswire.com/746123/Usha-Resources-Enters-Hard-Rock-Lithium-Space-with-Acquisition-of-Significant-Ontario-Land-Package-with-Highly-Evolved-LCT-Pegmatites> will provide you with a *very* detailed news release from March 28 on Usha's negotiated option to ultimately buy a 100% interest in the **White Willow Lithium-Tantalum Property**, located in the Thunder Bay Mining Division

near Atikokan, Ontario. White Willow, the company says, “...presents a unique and timely opportunity to capitalize on the rapidly growing lithium metal and green energy markets in Canada. Spanning 15,510 hectares, the property is situated 170 kilometres west of Thunder Bay in proximity to other lithium projects in the region...showcasing the region's rich lithium potential...”

As you read the description of the rock (as with so many such properties, outcropping potential “pay” is common) it's interesting to see the presence of *notable amounts of lithium and tantalite alike*.

Just days later—on April 4—Usha announced a second acquisition of **the Nym Project in Ontario**; see <https://usharesources.com/usha-resources-acquires-second-ontario-lithium-project-with-119-reported-prospective-lct-pegmatites/>. A similar exploration story in many respects, Usha says that Nym will be “amalgamated” with White Willow; *and that if all goes according to present plan, a drill program could commence before year-end*.

An article summing up both of these recent deals and more (and quoting Yours truly along the way!) is at

<https://www.streetwisereports.com/article/2023/04/10/canadian-miner-eyes-acquisition-of-two-lithium-rich-properties-in-ontario.html>.

Moving on—and as alluded to earlier—early and present shareholders in Usha are already

The National Investor – SPRING, 2023

Nicobat – Spinout Summary

Nicobat is a nickel-copper-cobalt project in northwest Ontario, Canada.

The project will be spun-out into a separate public vehicle, Formation Metals Inc., with shareholders of USHA receiving a 20% “dividend” on a 5 to 1 basis in Formation Metals Inc. following regulatory approval. Shareholders have until March 24th 2023 to purchase stock eligible distribution.

Modern exploration includes over 4,000 metres of drilling that has identified high-grade nickel including 64 metres of 1.05% Ni from surface and 10 metres of 1.92% Ni from 54 to 64 metres depth.

Historic work includes over 15,000 metres of drilling and metallurgical studies on numerous bulk samples between 1952 and 1972.

- ▶ Stratmat Ltd. reported a non-compliant historic resource of 6.35 million short tons
- ▶ Chibtoen Copper Corporation reported a non-compliant historic resource of 5.3 million short tons grading 0.24% Ni, including a mineral zone with 225,000 short tons grading 0.87% Ni.

TSX.V: USHA | OTCQB: USHAF | FSE: J00

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realizing some fruits of Varshney and Company's *company-building*. **USHA owners will imminently receive a "dividend" in the form of shares of spinout Formation Metals, Inc.** All the details are at <https://usharesources.com/usha-resources-provides-reminder-of-the-april-21-2023-ex-distribution-date-and-due-bills-trading-for-the-spin-out-of-formation-metals-inc/>.

As Varshney told me a while back, the game plan with this battery metals (chiefly nickel-copper) property in Ontario's Rainy River District will be to set it up as the flagship asset of Formation. *He will be the initial C.E.O. of the company.* He told me not to be surprised if another asset is added to the company. Ultimately, all of this and picking up exploration work on Nicobat will be effected by a strategic financing where investors will have an early chance at shares pre-I.P.O., with a public financing/listing to follow.

Check out <https://usharesources.com/projects/nicobat/> for more on this promising project.

Lastly, Usha owns a block of mining claims in Mojave County, Arizona, the **Lost Basin Property** (<https://usharesources.com/project/s/lost-basin/>) in an area of sporadic gold (primarily) mining over the years, with some copper as well. *As you'll read, the intriguing thing here is that gold recovered in years past from early placer mining may have originated in the area of these claims.*

Lost Basin – Overview

Lost Basin is a gold-copper project comprised of 133 mining claims in Mojave County in Arizona, USA.

- ▶ Located in a top-class mining friendly jurisdiction with straight-forward legislation
- ▶ Able to operate year-round, good road access
- ▶ Limited shallow drilling indicates significant zones of potentially economic bulk gold mineralization with "blue sky" potential
- ▶ High-grade widespread gold grades at surface support economic mining potential
- ▶ Exploration will focus on areas with little or no recorded drilling

TSX.V: USHA | OTCQB: USHF | FSE: J00

A short time back, as indicated at the above link and via the graphic below, Usha completed a Phase 1 program of largely greenfield work: soil sampling, technical mapping, magnetics and examining old geological work. Next (though I have *not* got from Varshney yet how this plays in with *all* the above priorities) it appears as if there is enough for a maiden drill program here. *That, of course, is something I'll keep our Members up to date on in the time ahead.*

All told, we have in Usha another premier company-building story by people whose track records show that they know how. Near-term, of course, pretty much all eyes are on the continuing work at Jackpot Lake, together with waiting for the initial resource estimate and other exploration news conducive to the idea of developing this unique lithium asset.

The company just, as I am releasing this, provided an overall progress report; I encourage you to read it *thoroughly* at <https://usharesources.com/usha->

The National Investor – SPRING, 2023

Lost Basin – Recent Results and Next Steps

2021 - 2022

Usha completed an initial Phase 1 program that consisted of:

- ▶ An airborne geophysics survey consisting of high-resolution airborne magnetics and time-domain electromagnetic data collection over 194-line kilometres.
- ▶ A mineral alteration mapping survey completed using PhotoSat's high-resolution DigitalGlobe WorldView-3 imaging satellite.
- ▶ A detailed review of historical geological work and GIS digitization and orientation of historic data.
- ▶ Geologic mapping, soil, and rock sampling. In total, 250 rock samples and 48 soil samples were collected and submitted for analyses.

2023

The sampling program identified:

- ▶ Chip sampling from Mallory's Trench returned assays up to 2.6 g/t Au over 2 m.
- ▶ 4 chip samples from the Copper Blowout assayed above 1% Cu and as high as 1.53% Cu over 2 m.
- ▶ Grab samples from the Ideas Lode West assayed as high as 45.4 g/t Au.
- ▶ Highly anomalous gold values with 5 samples with gold values between 0.1 g/t and 0.49 g/t and 7 samples with gold values between 0.5 and 11.134 g/t.

A program of core drilling, soil sampling, trenching, geologic mapping, and rock sampling focusing on the Copper Blowout – Red Basin area is planned for the next phase of the Lost Basin Project.

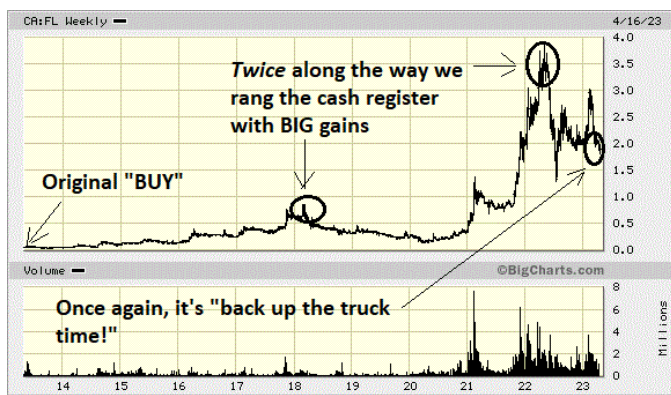
TSX.V: USHA | OTCQB: USHF | FSE: J00

[resources-provides-shareholder-update-on-near-term-growth-catalysts/](#). Also, be sure to watch <https://www.youtube.com/watch?v=lrl7u6bHE7g>, a recent summation of things (mostly lithium-centric) by Varshney.

With a *tiny* market cap of C\$14 million at last look (or about US\$10.4 million) the risk-reward here is *extremely* compelling. Consider, too, that as of now only 46 million shares were outstanding, with about 70% of them held by management, insiders and strategic shareholders.

Keep up with USHA at <https://usharesources.com/>, or on Twitter via @UshaResources.

FRONTIER LITHIUM (TSXV-FL; OTCQX-LITOF) CANADA'S LOOMING PREMIER LITHIUM STORY



I want to close out this biggest-ever Special Report of *The National Investor* (the *fourth* time in the last 18 months I've been able to say that!) with **the biggest winner to date of *this* bunch.**

And let me say at the outset: notwithstanding all the other compelling stories in this issue—*all of which you should take very seriously*—Frontier stands as good a chance as any company I know of moving the decimal place to the right from its recent levels.

And that is after twice locking up monster gains already.

Frontier Lithium, as our long-time and very happy Members know, has been **one of the best examples of everything coming together on a story:** a great asset, frugal and determined management, hard work, the “macro” story coming around to the company's, *and more.*

Yours truly first met Trevor Walker, Frontier's C.E.O. (his Dad Rick, a mainstay in Canada's mining and construction industries, is the company's Chairman) about a dozen years back when the company then known as Houston Lake Mining—with a market cap of *pennies*—was a regular at our boutique Chicagoland area investment conference. *Some early attendees even took part in some of Walker's early private placements; and ended up extraordinarily happy.*

As things turned out, the Walkers decided to pivot; and change their lives and fortunes. As he recounted when we sat down for a lengthy history of the company last year (the recording can be viewed at https://www.youtube.com/watch?v=aSD32_K8QME) the younger Walker especially was interested in checking out what he's long quipped was a vast area of “moose pasture” up in the northwest corner of Ontario. Among other attributes this remote area had numerous





places where a chalky-white substance covered the ground; a lithium-bearing mass which, over the last decade now, has been methodically explored and built into one of the premier new lithium projects/resources *in the world* (for a company “quickie” tutorial on what has been dubbed “Electric Avenue” due to the long stretch of this highly mineralized corridor, watch <https://www.frontierlithium.com/resource-assets.>)

Early on, a resource started to be drilled at the PAK (for Pakeagama Lake) as the company would occasionally raise small amounts of money to move slowly but surely forward. **Next the Spark Deposit started receiving more attention** as Frontier upped the ante of exploration; always, as I regularly pointed out, with a lot of exploration and resource building being accomplished with much less money than you typically see exploration companies go through.

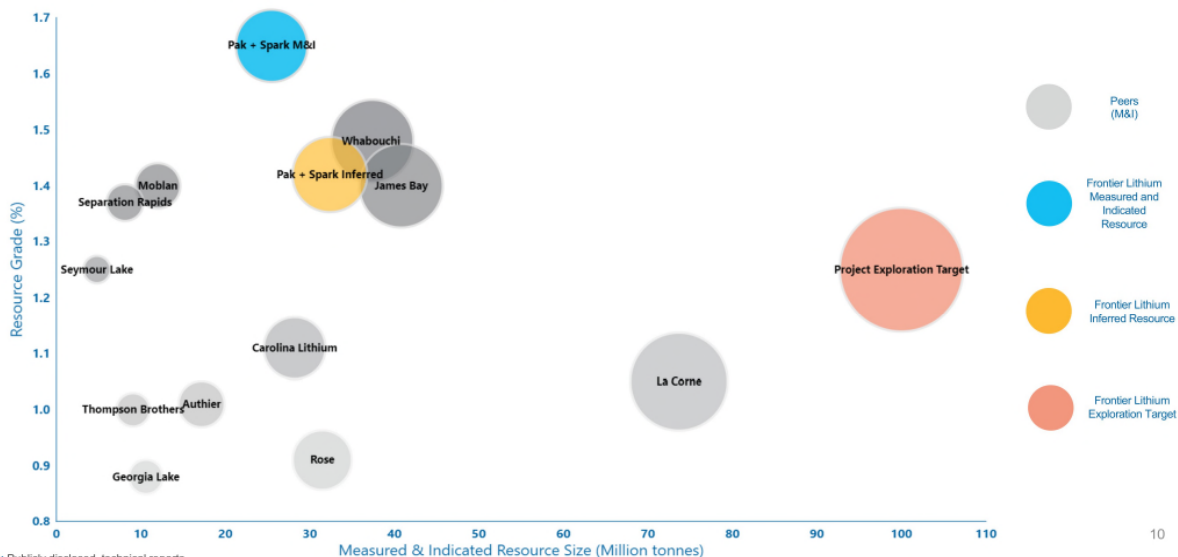
Underscoring just how vast the overall “Electric Avenue” may one day prove to be, Frontier put out news the end of February (at <https://mailchi.mp/frontierlithium/sprkmre23>) which was **the latest upgrade to a Spark part of the company’s overall lithium resource that is now supplanting PAK in both size and grade.**

Said the company’s V.P. of Exploration Garth Drever, “We are very pleased to announce a substantive increase of the size of the Spark deposit following over 16,000m of drilling and channeling completed in 2022. Particularly encouraging is the increased lithium grade from 1.40 to 1.52% Li₂O of the indicated category of the Mineral Resource Estimate. Overall, this equates to a 27% increase in the size of the combined lithium pegmatites at the PAK Lithium Project. *The grade increase together with the previously released results further support the ensuing PFS.*” (Emphasis added.)

North American Hardrock Spodumene Deposits

Plot Showing Grade Li₂O and Resource (Mt)

* Bubble diameter represents contained Lithium Carbonate Equivalent (tonnes)



Source: Publicly disclosed technical reports

As you see in the nearby table, the combination of the high-grade PAK and now Spark *Measured and Indicated Resources* now has these at the top of the list of major projects for grade. The present Inferred Resources aren't too shabby either; in the coming months I expect Frontier will continue to upgrade those via infill drilling (numbers of which recently have continued to show the kind of grades in the existing resource categories and—*especially unique*—uniformly over 200+ meters or more at a time!)

As Drever intimated, a **Prefeasibility Study for an initial development step is expected not many weeks hence.** Conservative as always, Frontier is working on showing a solidly economic initial development phase that will be added to incrementally in coming years as warranted.

What's more, such is the grade and high purity of the spodumene-hosted lithium of Electric Avenue that's been encountered that **this lithium is amenable to not just battery metals markets (indeed, the company has already run some initial successful tests of making a lithium hydroxide product) but also to specialty/technical markets.** Most investors *still* are oblivious to this where Frontier is concerned; that being that its potential customers/offtake partners go beyond O.E.M.'s in batteries and such, and to specialty makers of glass, ceramics, and other products apart from the kind of lithium compounds used in batteries.

Frontier Highlights

-  **Tier 1 quality spodumene lithium resource globally**
 - 26 mt (M&I) of 1.6% Li₂O
 - 32.5 mt (Inferred) 1.4% Li₂O
-  **Targeting to be Top 3 in contained lithium size in North America**
 - 27,000 hectares land package
 - Significant exploration upside
-  **\$1B USD NPV utilizing two of four total discoveries**
-  **High purity hard rock spodumene for long range EV's**
-  **Proximate to USA & EU Markets with low-cost, sustainable operations**
-  **Ontario rich in Mining/Processing/Manufacturing with low sovereign risk**



Key Applications of Selected Products

Key Products	Key Applications				
Lithium Carbonate					
Lithium Hydroxide					
Lithium Metal					
Organo-lithium					
Special Metals					

Indeed, the *more key* distinction here is that the uncharacteristically very low iron content in Electric Avenue's spodumenes makes Frontier's lithium relatively and potentially more valuable than others'. Compensating for a high iron content elsewhere drives up the cost of processing; and often makes such lithium ore incompatible to use for anything but batteries. But in Frontier's case, its technically high grade of lithium from the start renders this material usable for many of the applications you see at left.

And while it is indeed the case that more lithium is finally going to make it to market in the years to come (though *still* not at a sufficient pace right now) to meet the battery/E.V. demand, *that of a technical grade as possessed by Frontier is much harder to come by globally.*



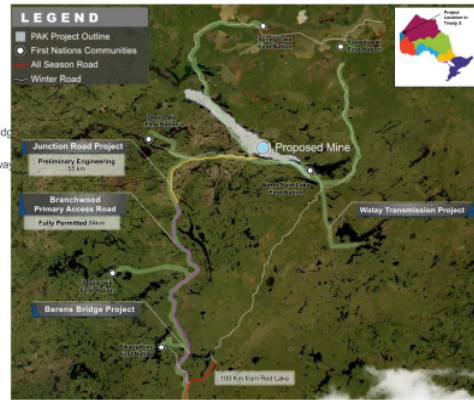
The Province of Ontario knows what a gem it has within its borders as Frontier; and as it announced early last year its own Critical Minerals and related initiatives, Frontier got one of the earliest grants to go toward costs for its own development *and the regional infrastructure that will be needed for mining to ultimately commence*. Initially, the money went toward that successful Lithium hydroxide test plant/effort to concentrate mined lithium on site. Said Greg Rickford, Minister of Energy, Northern Development and Mines for Ontario, when he announced this, “We are investing in innovative mining and refining technology developed right here in northern Ontario. Our government’s investment in Frontier

Infrastructure

Partnered First Nation Communities seeking infrastructure upgrades.

ROAD: Under Scoping Study

- Power-line will reduce winter road usage
- Government funded engineering study is underway for “Berens River bridge and Roads” project to improve and extend the winter road season
- Internal scoping study assessing optimal all-season road access underway



Lithium strengthens the development of our Critical Minerals Strategy and our position to become the supplier, producer and manufacturer of choice for certain critical minerals. There’s a growing global market for reliable, responsibly sourced critical minerals, and we want Ontario to be the first jurisdiction on everybody’s mind.”

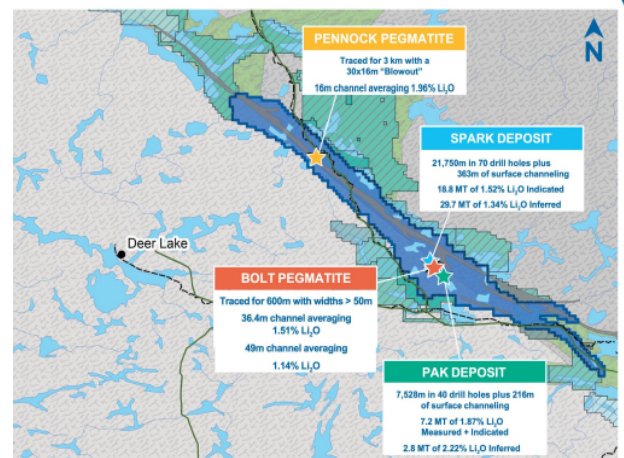
Beyond this—as is the case these days with numerous of the more remote areas of Canada—both the

provincial and federal governments are looking at capitalizing better on their mineral endowments. At Frontier’s PAK complex, road and power infrastructure alike is in varying stages of planning and even some deployment now. In addition, as is incumbent on all such companies, positively including First Nations communities in the mix is a piece of the overall move toward development and mining as well.

On a potential path to having THE biggest such resource on Planet Earth, as you see in the orange “Potential Exploration Target” circle in the earlier graphic, the company has mind-blowing exploration potential all along Electric Avenue. Near-term (of course, as it is between Spark and PAK) **the company plans to start drill testing the Bolt discovery in greater earnest**; check out <https://mailchi.mp/frontierlithium/23explobl> for that mid-March announcement. In addition—as indicated earlier—both Spark and PAK are likely to see further upgrades (to Measured and Indicated) of existing resources, and both still have room to grow as well.

It is simply a matter of time before Frontier announces one (or more) deals such as Piedmont’s with Tesla, or the more recent investment by General Motors in Nevada’s Thacker Pass development-stage project. Even for those of you who have not followed this space as closely as some, you are still possibly familiar with Tesla’s Elon Musk’s quip a while back (paraphrased) that if you want to mint money, get into lithium refining. *This company is going to be one of the next in line.*

While some wonder why a deal hasn’t already been done by Frontier, consider the GOOD reason this is so. That management and insiders control the amount of Frontier they do has already resulted in



fending off low-ball “offers” for investment and such. And as long and well as I have known Walker, he is in NO hurry; but will continue building this MONSTER story until someone is *forced* to pay up or lose any access to such a premier deposit. *And bear in mind, too, his potential markets, which go beyond those of the average lithium player.*

In closing, I want to refer back to and explain the chart of Frontier’s share price I opened with. Up to early 2018, the growing exploration success the company was enjoying caused the share price to go up about eight-fold from when we first got involved. But at the beginning of that year, a bearish lithium piece put out by a big investment bank (that too many players were getting into a space where demand wasn’t coming along fast enough just yet) caused the whole lithium sector to implode for a while.

Frontier Lithium Opportunity Highlights

Compelling Lithium Market Backdrop	<ul style="list-style-type: none"> Race is on from auto OEMs and battery manufacturers to secure supply of raw materials required to meet EV production growth plans. Unprecedented level of competition for offtake for high quality projects.
Exceptional Spodumene Resource	<ul style="list-style-type: none"> One of the largest and highest grade spodumene resources located in North America. Tier 1 spodumene resource: large tonnage, high grades, low strip, and low impurities.
Vertically Integrated Lithium Chemicals Producer	<ul style="list-style-type: none"> Key differentiating factor will be manufacturing battery-grade lithium hydroxide. Assembled highly experienced team to build and operate chemical plant.
Strategically Located in Ontario	<ul style="list-style-type: none"> Well-established mining-friendly jurisdiction with supportive government, access to infrastructure and local skilled workforce. Ideally situated to feed local supply chains to support multi-billion-dollar investments in EV battery manufacturing in Ontario and Quebec.
Significant Mine Life Upside Potential	<ul style="list-style-type: none"> Mine life of ~25 years based on two deposits that remain open to depth and along strike. Two pegmatites remain on the property to be further investigated. 27,000h land package remains largely unexplored.
Highly Experienced Management Team	<ul style="list-style-type: none"> Led by a strong management team and directors who have a track record of making discoveries, building projects and operating mines. Management and directors own ~17% of equity, creating alignment with investors.

We took some money off the table back at that high...reloaded as the shares went all the way back down to C20 cents or so each from a high above C80 cents...and then went on an even bigger ride through last spring. Again, I thought that it was wise for top-heavy investors to trade out of some.

But now, a similar (if less bad) correction has hit lithium equities. As I explained earlier

in this Special Report, though, the *excuses* being given—at least for companies with resources outside of China—don’t hold water. Thus, it is my view that Frontier (and the others discussed herein, of course) have recently been sold off for no good fundamental reasons; **and especially with the prospect of more company-making news ahead for Frontier in the form of major investors and/or offtake partners, I think the best money to be made here is still ahead.**

Just as I am sending this issue out, C.E.O. Walker sat down for an interview with *Crux Investor* to wrap everything up to date; see <https://www.youtube.com/watch?v=F0d27g3uwUc&t=88s>

And going forward, be sure to follow Frontier at <https://www.frontierlithium.com/> as well as on Twitter via @FrontierLithium.

IN CONCLUSION –



Chris Temple – Publisher

For all the fads, trading strategies, liquidity-fueled stupidity and more of recent years, there has *still* never been a more successful strategy to build long-term wealth than to buy good *companies* in their earliest days.

Though our world today is more volatile with all the various moving parts we must navigate, it remains that astute, timely investing in the best sectors/companies today will do what such investing has done over the generations: be the difference between successful and unsuccessful investors. I hope I have furthered that cause *for you*.

With this epochal New FAANGs content *and all these companies*, I have only scratched the surface and given an overview of what, in each case on the latter, is a deeper and compelling story. **Check them out more completely; and keep up with me, as I will on occasion pass on fresh news, interviews, etc.** on them all, in addition to talking about all the underlying themes as they evolve.

Ben Graham: "The individual investor should act consistently as an investor and not as a speculator." *You are an investor, not someone who can predict the future.* Base your decisions on real facts and analysis rather than risky, speculative forecasts.

Peter Lynch: "Know what you own and know why you own it." —Do your homework before making a decision. Once you've made a decision, make sure to re-evaluate your portfolio on a timely basis.

"Kick the tires" of these companies (as I do.) Visit their sites. Follow them on social media. Get on their email lists so that, when news comes out, you'll KNOW IT.

And make sure if you are not already you are on MY various lists, etc. as well. Not only via email, but via all the below.

Don't forget that those of you so inclined can follow my thoughts, focus, occasional news on covered companies AND MORE pretty much *daily* !!!

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