

# Market Analysis

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## Inside Market Analysis

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Founder: James R Cornell (B.Com.)

## Summary and Recommended Investment Strategy.

There is still a speculative bubble and high valuations in large US technology stocks. Nevertheless, several Australian technology shares trade at low valuations, as do most commodity shares. So we see risks in some sectors, but also attractive opportunities in others.

## Investment Outlook.

The US stockmarket rose to new highs earlier this month, accompanied - and perhaps driven - by exceptionally large levels of Call option buying. When investors buy call options, the dealer writing that option will often *hedge* the position by purchasing the underlying stock. Note 1

It was later revealed that Japanese based **SoftBank** had bought US\$4 billion worth of call options over US\$30 billion worth of US technology stocks.

Even more significantly, US retail investors have collectively bought almost US\$40 billion of similar call options over the last month (over about US\$300 billion worth of stock).

By way of perspective, the amount invested per month by retail investors in call options has historically ranged from about US\$1 billion up to around US\$7 billion.

A popular investment strategy in recent years has been to “buy on the dip” . . . and as the Federal Reserve lowers interest rates and/or pumps extra liquidity into the market whenever it dips . . . this has been a winning strategy for 10-20 years . . . leading to the widely held belief that “stocks never go down”.

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Note 1: We don't want to get into a complicated discussion here, but an option dealer will hedge his *delta exposure*. Option delta ranges from 0 (for very out of the money options) up towards 1 (as the stock price approaches or exceeds the call option strike price).

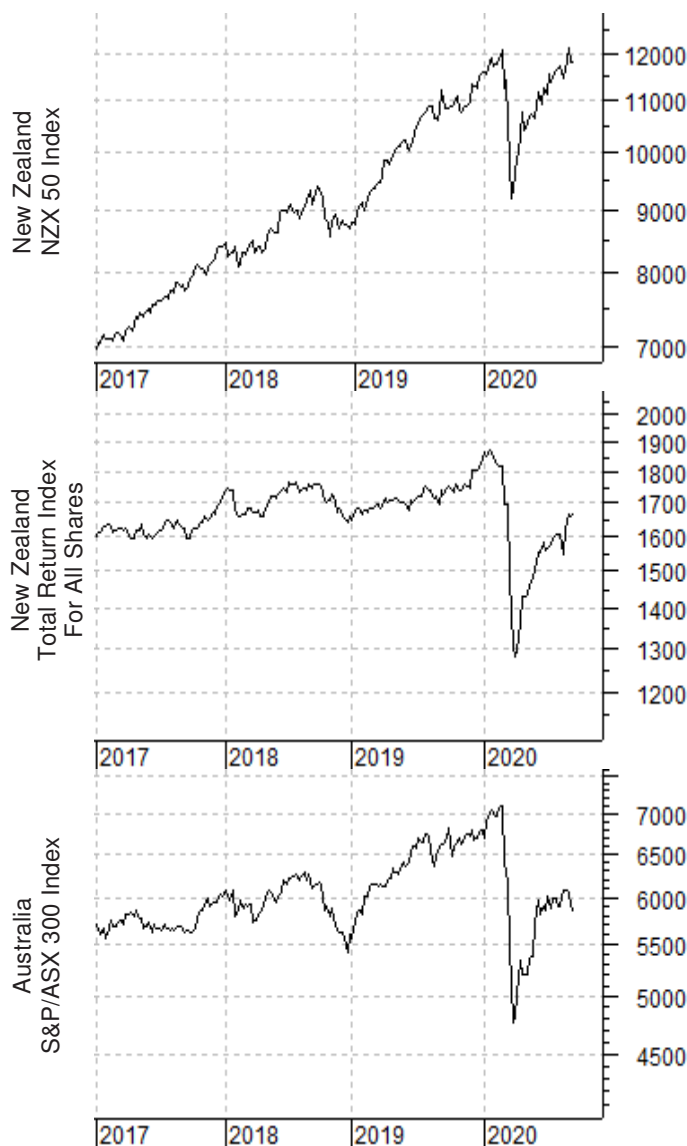
An out of the money Apple Inc call option may initially have a delta of 0.2. When the dealer sells 1 option (for 100 shares) he would hedge the exposure by buying 20 shares (i.e. 100 shares covered by the option times the delta of 0.2). If the Apple stock price *rises* the option delta will *increase* . . . and the dealer will need to *buy* more Apple stock (pushing the price even *higher*). If the option delta increases to 0.5 then the dealer would have purchased more Apple stock and be holding 50 Apple shares (i.e. 100 shares covered by the option contract times the delta of 0.5).

If Apple's stock price *falls* the option delta will *decrease* . . . and the dealer will *sell* Apple stock (pushing the price even *lower*).

This is “delta hedging” and *increases market volatility* as dealers need to *buy on a rising market* and *sell on a falling market*.

### Stockmarket Forecasts

	One-Month	One-Year
Australia:	44% (Neutral)	71% (Bullish)
New Zealand:	71% (Bullish)	89% (Bullish)



# Recommended Investments

**Cavalier Corporation** has contracted the sale (for \$24 million) and leaseback of an Auckland property, subject to approval by shareholders at a Special (online) Meeting on 17 September. The proceeds will be used to help fund its transformation project.

## Cavalier Corporation



## Colonial Motor Company

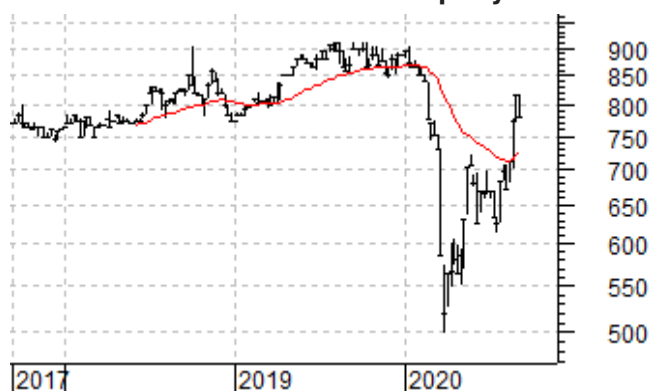
Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$754.9m	\$909.0m	-17.0%
Net Profit	\$17.3m	\$22.1m	-21.1%
Net Cash Surplus	\$64.2m	\$36.6m	+68.7%
Earnings per share	53.1c	67.5c	-21.1%
Dividends per share	32.0c	45.0c	-28.9%

As previously reported, revenues fell 37% in March, 87% in April and 27% in May, but profitability recovered in May and June.

The interim dividend was cancelled but the company is paying a final dividend of 32.0 cents. The strong net operating cash surplus largely reflects the \$29.0 million drop in inventories to \$139.3 million.

## Colonial Motor Company



## South Port NZ

Year to 30/6/2020

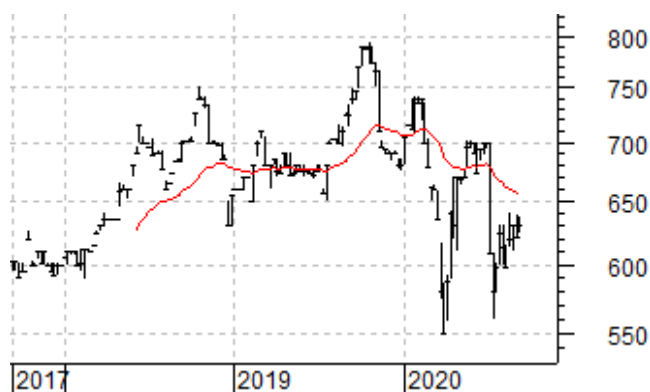
	Latest	Previous	Change
Revenues	\$44.6m	\$44.0m	+1.4%
Net Profit	\$9.4m	\$9.8m	-3.6%
Net Cash Surplus	\$12.6m	\$13.5m	-7.0%
Earnings per share	35.9c	37.4c	-3.6%
Dividends per share	26.0c	26.0c	-

South Port NZ - which consistently under-forecasts its next year's profit - states that "based on presently

known factors, South Port is expecting" June 2021 "earnings to be down about 2%" and dividends will likely be maintained at 26.0 cents per share.

The port company is considering "deepening the entrance channel by removing some higher areas that currently limit channel width and depth". This would improve safety margins for ships and allow vessels to take additional cargo.

## South Port NZ



## Steel & Tube Holdings

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$417.9m	\$498.1m	-16.1%
Net Profit	<\$13.9m>	\$10.4m	-
Net Cash Surplus	\$39.6m	\$21.3m	+85.9%
Earnings per share	Nil	6.3c	-100.0%
Dividends per share	Nil	5.0c	-100.0%

## Steel & Tube Holdings



## Australian Shares

(This section is in Australian currency, unless stated.)

## Acrux Ltd

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$1.253m	\$0.631m	+98.6%
Net Profit	<\$9.4m>	<\$8.3m>	-
Net Cash Surplus	<\$8.5m>	<\$9.9m>	-
Earnings per share	Nil	Nil	-
Dividends per share	Nil	Nil	-

Cash in the bank at 30 June 2020 was \$9.2 million (5.5 cents per share). The company hopes two products

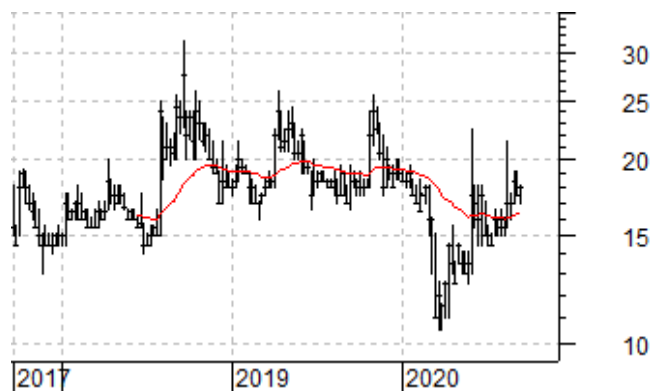
will finally be approved by the **US Food & Drug Administration (FDA)** in the new financial year, with three new products submitted for review. Approvals would lead to profit share and/or milestone payments from product sales . . . and Acrux Ltd now aims to become cashflow positive in the financial year to June 2022.

Acrux Ltd has entered a contract with **Harris Pharmaceutical Inc** who will manufacture, market and distribute Acrux's generic version of *EMLA Cream* (i.e. lidocaine 2.5% and prilocaine 2.5%), subject to this generic product being approved by the FDA. Acrux and Harris will share the profits from product sales (although the potential market is relatively small).

Should Acrux Ltd ever become profitable, it is a *Pooled Development Fund* and will be subject to income tax at just 15%. For Australian resident shareholders,

unfranked dividends are exempt from income tax and any capital gains from Acrux Ltd shares are also exempt from capital gains taxes.

### Acrux Ltd



(Continued on Page 4)

## Portfolio of Recommended Investments

CURRENT ADVICE	Company	Code	Initial Recommendation - Date - Price	Performance Forecast	Issued Shares (mil.)	Vola- tility Ratio	Price/ Sales Ratio	Price/ Earnings Ratio	Gross Dividend Yield	Recent Share Price	Cash Dividends Rec'd	Total Return %
<u>NZ Shares</u>												
BUY	CDL Investments Ltd	CDI	12/01/99 25.0	D	278.8	1.4	2.43	7	6.1	80	43.3	+393%
HOLD	Cavalier Corporation	CAV	05/12/95 156*	B	68.7	1.8	0.18	13	Nil	36	282.0	+104%
HOLD	Colonial Motor Company	CMO	10/11/92 128*	A	32.7	0.4	0.34	15	5.7	781	657.8	+1024%
HOLD+	South Port New Zealand	SPN	13/02/96 120	D	26.2	0.4	3.71	18	5.7	630	336.3	+705%
HOLD	Steel & Tube Holdings	STU	08/08/00 139*	E	166.0	1.4	0.24	NE	Nil	61	351.1	+196%
<u>Australian Shares (Aust cents)</u>												
HOLD	Acrux Limited	ACR	12/05/14 99.0	D	168.6	2.4	24.22	NE	Nil	18.0	14.0	-68%
BUY	Ardea Resources	ARL	13/01/20 54.5	A	117.3	1.9	NA	NE	Nil	49	Nil	-11%
HOLD	AJ Lucas Group	AJL	13/05/03 107*	D	1196.3	6.9	0.23	NE	Nil	2.8	36.4	-63%
HOLD	ALS Limited	ALQ	12/10/99 72.3*	A	482.4	0.5	2.31	54	2.0	876	364.5	+1615%
HOLD	Atlas Pearls & Perfume	ATP	14/05/96 73.0	C	424.8	14.0	0.24	NE	Nil	0.9	17.5	-75%
HOLD+	Big River Gold	BRV	10/08/20 3.8	C	1317.2	4.5	NA	NE	Nil	5.9	Nil	+55%
HOLD+	Brickworks Ltd	BKW	12/11/12 1115	A	149.9	0.4	2.92	11	3.2	1789	320.5	+89%
HOLD+	CardieX Ltd	CDX	11/11/13 15.0	B	695.5	4.8	10.50	NE	Nil	5.9	Nil	-61%
HOLD	CPT Global Ltd	CGO	10/03/08 88.0	C	38.3	2.2	0.35	10	5.4	23	21.3	-50%
BUY	Cynata Thera.	CYP	13/03/17 50.0	D	117.1	1.2	22.77	NE	Nil	88	Nil	+75%
HOLD+	Elixir Energy	EXR	07/12/19 4.2	B	688.0	3.0	NA	NE	Nil	14.0	Nil	+233%
HOLD	FBR Limited	FBR	07/07/17 13.5	B	1798.0	4.8	NA	NE	Nil	5.9	Nil	-56%
HOLD-	Fiducian Group	FID	11/02/08 260	A	31.4	0.7	3.24	17	4.1	564	151.1	+175%
HOLD+	Finbar Group Ltd	FRI	12/04/10 106	D	272.1	1.2	1.11	16	9.5	63	78.5	+33%
BUY	Greenland Minerals	GCG	11/11/19 11.0	B	1191.0	2.0	NA	NE	Nil	27	Nil	+145%
HOLD	Ignite Ltd	IGN	08/04/03 82.2*	C	89.6	8.2	0.01	NE	Nil	2.1	70.5	-12%
HOLD+	Iluka Resources Ltd	ILU	12/10/04 471	A	422.8	0.5	3.40	15	1.4	960	314.0	+170%
HOLD-	Integrated Research	IRI	14/01/08 40.0	B	171.9	0.5	6.14	28	2.1	360	70.5	+976%
HOLD	McMillan Shakespeare	MMS	07/11/16 1041	A	77.4	0.6	1.34	12	4.0	851	247.0	+5%
HOLD	Michael Hill Int'l Ltd	MHJ	11/06/91 4.4*	C	387.8	1.8	0.32	51	3.8	40	72.3	+2436%
BUY	Mt Gibson Iron	MGX	10/11/14 44.0	D	1157.7	1.6	2.96	12	5.5	73	12.0	+93%
HOLD	Nova Eye Medical	EYE	14/03/06 49.0	E	143.6	1.9	3.54	NE	Nil	32	42.5	+51%
HOLD	Opthea Limited	OPT	10/02/04 188	C	269.2	0.8	NA	NE	Nil	276	65.0	+81%
HOLD+	OZ Minerals	OZL	14/03/16 522	A	324.2	0.4	4.21	28	1.6	1439	71.0	+189%
BUY	Prophecy International	PRO	08/09/08 26.0	C	64.0	1.5	3.24	NE	Nil	54	24.5	+202%
BUY	Reckon Limited <sup>1</sup>	RKN	08/08/16 141	B	113.3	1.1	1.23	11	6.1	82	16.0	+1%
HOLD	SIV Capital Ltd	SIV	13/11/17 740	C	39.3	2.0	0.87	8	Nil	32	40.0	-90%
HOLD+	St Barbara	SBM	12/08/19 396	A	703.1	0.6	2.74	21	2.5	322	12.0	-16%
BUY	Venturex Resources	VXR	10/08/20 6.8	C	279.9	3.9	NA	NE	Nil	7.9	Nil	+16%
HOLD	Village Roadshow	VRL	10/08/09 71.1*	D	195.2	0.8	0.86	NE	Nil	210	289.3	+602%
HOLD	Woodside Petroleum	WPL	08/04/19 3410	B	954.4	0.5	2.46	11	7.1	1813	172.6	-42%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +252.7%. This is equal to an average annual rate of +22.7%, based upon the length of time each position has been held.

The average annual rate of gain of ALL recommendations (both the 36 current and 174 closed out) is +27.9%, compared with a market gain of +3.5% (by the SRC Total Return Index).

CURRENT ADVICE is either Buy, Hold+, Hold, Hold- or Sell. Hold+ indicates the most attractive shares not rated as Buy. Hold- indicates relatively less attractive issues.

\* Initial Recommendation Prices adjusted for Share Splits, Bonus and Cash Issues.

(1) Reckon Ltd's return includes 1/3 share of GetBusy plc (GETB) worth 76.5 pence (134.4 Aust cents) cents.



## Recommended Investments

(Continued from Page 3)

**Ardea Resources** is focusing upon Gold exploration. The main reason is probably that Nickel and Cobalt prices remain depressed (i.e. so it is difficult to find a development partner and/or project development financing in the near future) while the high price of Gold could create immediate development opportunities.

Of course, the company expresses this in different language, to avoid talking down the nickel-cobalt potential: "From a financial point of view" it would be "remiss of Ardea not to maximise gold discovery", especially on its *mining tenements* where it would be able to "fast-track" any "new gold mining operation". Gold projects are "also expected to benefit potential future development of nickel-cobalt resources by utilising common infrastructure".

Oops! That last comment appears to suggest that Gold revenues *may* be necessary to help make nickel-cobalt project development economic!

Whatever the reason, Ardea Resources' "mineral tenements in Western Australia are highly prospective for gold but historically under-explored" (and, of course, not much is happening with the nickel-cobalt project at this time).

Ardea Resources could consider "toll treatment" (i.e. having gold ore processed by a third party) or building its own processing plant "if sufficient scale". The company may also consider separating the Western Australian Gold assets into a new corporate structure to be distributed to shareholders (probably with an Initial Public Offering to raise exploration/development funding). Ardea Resources did this with its NSW Gold assets, through **Godolphin Resources**, in late 2019.

Note that in the Godolphin Resource spin-out, NZ resident shareholders were not issued Godolphin Resources shares but these were sold on-market and the resulting cash was distributed.

So - while nickel-cobalt prices are depressed - Ardea Resources could create value from the exploration and development of its Gold assets. That value *may* then be distributed to shareholders through shares in a new Gold company. Or the company could mine the Gold or sell the Gold mineral rights to other companies operating in the region.

The **Commonwealth Scientific and Industrial Research Organisation** (CSIRO) is conducting a seven month study of gold within the mineral deposits of the *Goongarrie Nickel Cobalt Project*. This is being jointly funded by Ardea Resources and the Australian Government's Entrepreneurs' Programme.

The first two holes (out of a planned nine holes) have been drilled near the *Lady Charlotte* historical gold workings, with one finding no notable gold mineralisation while the other found 8 metres at 6.57 grams/tonnes from a depth of only 24 metres. The potentially gold bearing rock in this area is below "transported cover" and old "lake clays" with "limited outcrops", so very under-explored. The cover is shallow in this area, "allowing a more cost-effective window" to "the sub-surface geology".

Data still being processed from seven holes drilled

(totalling 1686 metres) at *Aphrodite North* indicated that all seven holes intersected the "target dolerite zone", with "gold intercepts at potentially mineable grades and depths". The gold mineralisation appears to be in "multiple discrete lodes" over more than 700 metres in length and over 170 metres width.

A further 2600 metres of follow up drilling has now been approved. A reverse circulation (RC) rig has commenced further drilling at *Aphrodite North* and a second rig will start drilling at *Lady Charlotte* later this month with four other targets in the *Bardoc Tectonic Zone* (BTZ) to be drilled through to September and October.

*Lady Charlotte* is about 3km NNW of the *Aphrodite* deposit held by Bardoc Gold (see Pages 12-13) and *Aphrodite North* is a further 5km north.

### AJ Lucas Group

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$146.7m	\$143.4m	+2.3%
Net Profit	<\$8.9m>	<\$25.7m>	-
Net Cash Surplus	\$2.0m	\$14.8m	-86.5%
Earnings per share	Nil	Nil	-
Dividends per share	Nil	Nil	-

### Atlas Pearls

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$13.74m	\$16.24m	-15.4%
Net Profit	<\$5.28m>	<\$1.34m>	-
Net Cash Surplus	<\$1.29m>	\$0.76m	-
Earnings per share	Nil	Nil	-
Dividends per share	Nil	Nil	-

The larger loss mainly reflects the change in the "fair value" of oysters - down \$4.3 million over the last year, compared with a \$1.7 million gain in 2019. Atlas Pearls also wrote-off (previously claimed) deferred tax assets of \$2.8 million, reporting a total loss of \$8.1 million.

Atlas Pearls has negotiated a new loan agreement with **Boneyard Investments** (a company associated with Non-Executive Director and major shareholder, owning 27.1% of Atlas Pearls, T Martin). The loan will be increased from \$2.5 million to a revolving loan facility of \$4.5 million, at an interest rate of 7.5%.

The disclosed repayment terms don't make sense. Amounts outstanding at 31 March 2021 are repayable in four instalments (i.e. from 31 March 2021 to September 2022) but any amount not drawn on 31 March 2021 can later be re-borrowed up to the full "limit of \$4.5 million", with no indication of when *this* would be repaid.

The only new term is that the loan *may* be repayed (at Boneyard's option) in Atlas Pearls shares at a 15% discount to market values, *if* the company defaults on the repayment terms.

Atlas Pearls seeded 821,000 oysters for the year. Lower mortality will allow the company to seed 800-850,000 oysters per year to produce 500-550,000 saleable pearls. Hatchery improvements now allow the selection of larger oysters for seeding, improving minimum pearl size.

The company has “identified and secured a new farming site” and will “consolidate operations to the best performing farms”.

### **CardieX Ltd**

Year to 30/6/2020			
	Latest	Previous	Change
Revenues	\$4.6m	\$4.1m	+13.7%
Net Profit	<\$3.3m>	<\$3.0m>	-
Net Cash Surplus	<\$1.7m>	<\$2.4m>	-
Earnings per share	Nil	Nil	-
Dividends per share	Nil	Nil	-

The *ATCOR* division expanded a contract with **Bayer AG**, from US\$1,260,000 to US\$1,680,000. The original contract leased *ATCOR XCEL* systems (and related services) for 70 clinical trial site across nine European countries until October 2020 and that has been extended until June 2021.

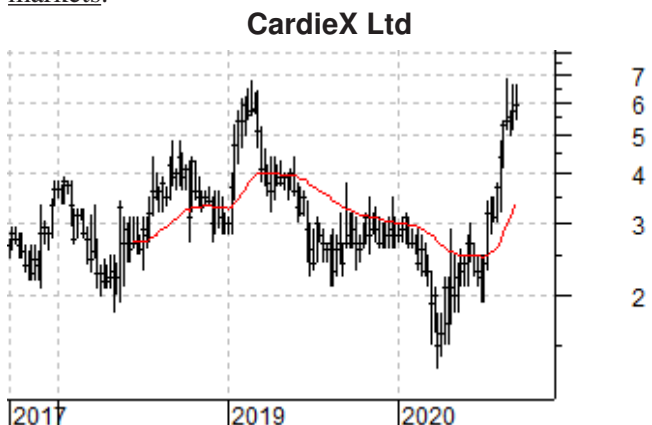
CardieX has appointed **Andon Health Co Ltd** (Tianjin Jiu An Medical Electronics Co Ltd), China's “largest manufacturer of home-use medical electronic devices” to co-develop and “be responsible for obtaining regulatory approvals in the USA, Australia, China and Europe” for home medical devices.

The first device will be *ATCOR “Pulse”*, with target sales starting in the December 2021 quarter. This product will include *ATCOR's SphygmoCor* technology and Andon's blood pressure module. Both products are already approved in major markets, so the “regulatory pathway for approval is truncated” for a combined product. When approved, the *ATCOR “Pulse”* will qualify for the existing CPT reimbursement code through Medicare and Medicaid.

The *ATCOR “pulse”* will be the “world's first cloud-connected home-use BP monitor”, connecting through CardieX's *Arty* telehealth platform to record and remotely monitor data.

Andon Health will receive a series of milestone payments for the “product development and FDA clearance”. The total amount is not disclosed, but considered “material”. Andon Health will then receive a “per unit payment” for production. This would be repeated for subsequent product development.

CardieX will retain all intellectual property ownership, supply Andon with its CBP Chip and have the sole right to distribute and sell the final product in all markets.



### **CPT Global**

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$24.9m	\$28.4m	-12.2%
Net Profit	\$0.886m	\$0.992m	-10.7%
Net Cash Surplus	\$1.549m	\$0.380m	+307.6%
Earnings per share	2.3c	2.6c	-10.7%
Dividends per share	1.25c	0.75c	+66.7%

CPT Global also wrote-down goodwill by \$4.2 million, but that is a non-cash, accounting entry.

The financial year ended strongly, with trading “during the four month period from March to June” recouping “losses in the preceding eight months” to produce a small annual profit.

The company expects this strong performance in the fourth quarter to “continue into the first quarter” of the new financial year. 70% of budgeted first half revenue “is already contracted”, although “the uncertainty driven by the global pandemic has reduced our visibility of future revenue in the second half of the year”.

### **Cynata Therapeutics**

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$4.500m	-	-
Net Profit	<\$3.6m>	<\$8.5m>	-
Net Cash Surplus	<\$6.4m>	<\$6.8m>	-
Earnings per share	Nil	Nil	-
Dividends per share	Nil	Nil	-

Cash at 30 June was \$13.65 million (11.7 cents per share).

Cynata Therapeutics Covid-19 *MEND Trial* is now open for patient enrolment. The trial will cover 24 adult Covid-19 patients in New South Wales in intensive care with compromised lung function. 12 patients will be given *Cymerus MSC* infusions plus normal standard of care while the 12 patient control group will receive the normal standard of care. The primary endpoint of the trial will be improvements in PaO<sub>2</sub>/FiO<sub>2</sub> (which is a measure of how well oxygen enters the blood through the lungs) up to Day 7 (plus safety and tolerability up to Day 28). This trial may be expanded to other locations.

Pre-clinical studies indicate that MSCs may be effective in the treatment of Acute Respiratory Distress Syndrome (ARDS - incorrectly called *Adult* Respiratory Distress Syndrome in a recent **Centers for Disease Control and Prevention** (CDC) report), Sepsis and Cytokine Release Syndrome (CRS).

Pandemics, of course, seldom last long enough to yield significant financial benefits from successfully developing a treatment, but Covid-19 does allow the company to fast-track human trials at very little cost to treat significant on-going medical problems. When the Covid-19 pandemic is over, the treatment of ARDS will still be a US\$2500 million annual market opportunity, Sepsis (responsible for 20% of all deaths worldwide and 50% of hospital deaths) a US\$5900 million annual market and CRS (an adverse reaction to cancer immunotherapy) a US\$4500 million annual market.

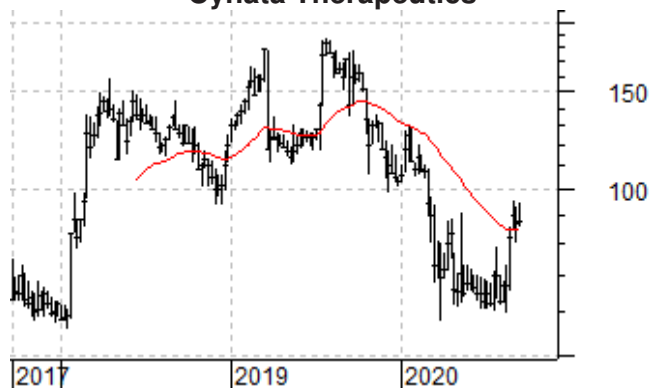
The company also reports “significant improvement”  
(Continued on Page 6)

## Recommended Investments

(Continued from Page 5)

in mouse studies of idiopathic pulmonary fibrosis (IPF), a severe lung disease with limited existing treatment options. Only 20-30% of patients survive five years from the time of diagnosis. Fibrosis has been observed in the lungs of Covid-19 patients and patients with ARDS, so could be a long term health issue after the current pandemic. Excluding any impact of Covid-19, the treatment of IPF is expected to be a US\$5900 million market by 2025.

### Cynata Therapeutics



**Elixir Energy** reports the raw gas content from Nomgon-2 at 5.3m<sup>2</sup>/tonne - almost identical with Nomgon-1 (where the higher “Dry Ash Free Content” was eventually calculated at 8.9m<sup>2</sup>/tonne). The permeability was “significantly higher” at 19.7-640.3 millidarcy metres (compared with 1.2-23.0 millidarcy metres at Nomgon-1). Higher permeability would require fewer production wells (i.e. a lower capital cost) per hectare to extract the Coal Bed Methane.

The gas content (raw 5.3m<sup>2</sup> and DAF 8.9m<sup>2</sup>) is in line with Queensland CSG wells (raw 4.8m<sup>2</sup> and DAF 7.7m<sup>2</sup>).

The Nomgon-3 strat-hole was drilled to 644 metres, encountering 88 metres of net coal (increased from an initial 78 metres measured at the well site). This well confirms coal in the Northern limb of the Nomgon syncline and encountered coal below the target “100” series for the first time.

The Nomgon-4 strat-hole reached a depth of 202 metres and found 35 metres of coal. The main objective was to confirm the presence of coal over a larger area.

Nomgon-3 (at the north west corner of the Tsagaan Tolgoi Syncline) was drilled about 2km north-west of Nomgon-1, with Nomgon-2 about 1km south-east of Nomgon-1 and Nomgon-4 another 800 metres to the south-east. The syncline extends at least 12 km due east, with Elixir Energy recently discovering a coal outcrop 20km east of Nomgon-1.

Pilot production testing is being planned for 2021.

Elixir Energy will drill four low cost strat-holes in other locations “with a view to opening up potential new coal seam gas bearing sub-basins” and (depending upon results) this may be followed with one or two core-holes.

2,266,919 listed options were exercised at 6.79 cents raising \$153,924 for the company. The remaining 118,566,617 listed options (expiring 31 December 2020) should be exercised towards the end of this year, raising \$8.05 million in additional cash for the company.

Recently the options have been trading below their intrinsic value (i.e. the share price, less the 6.79 cents

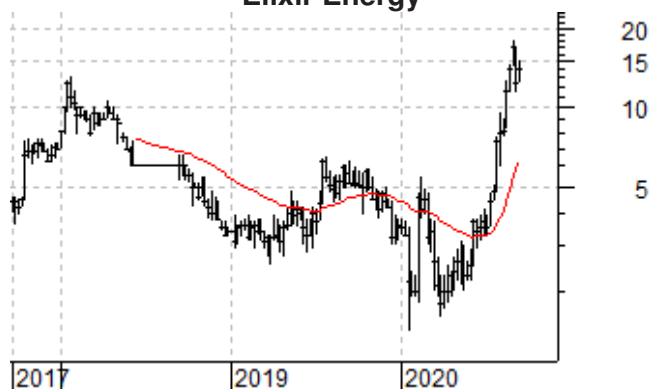
exercise price) - making them a cheaper entry - but the relative value of the share and option price can change rapidly and the options may be less actively traded. So check current market quotes before placing any trade.

The Elixir Energy share price has risen strongly, but recent exploration results have been excellent and confirm our initial expectation that “this is probably the largest and best CBM prospect in the world”. Developing a Coal Bed Methane business from this early stage should create significant shareholder wealth and the share price could increase to 100-200 cents over the next several years. Obviously, there are risks in exploration and the share price will continue to be volatile, but overall we favour holding these shares for further long term gains.

At least some readers of this newsletter made a reasonably large initial investment in Elixir Energy shares - and then added to that in the Share Purchase Plan at 2 cents - with the subsequent capital appreciation to 14 cents taking their holdings to 20-30% of portfolios! In such cases, some partial profit-taking would be appropriate to maintain good diversification.

On very large, diversified portfolios we would recommend few holdings over 5% (of the total portfolio at market prices) with probably none over 10% (i.e. we would seriously consider selling back any holdings that rose above those levels). On smaller portfolios, individual holdings of 10% (i.e. you may only have ten holdings, averaging 10% of the portfolio) and up to 25% may be acceptable. Obviously the outlook and future potential for an individual holding (in absolute terms and relative to other potential investments) would be important in the decision to “let profits run” or realise some partial profits for reinvestment elsewhere.

### Elixir Energy



### FBR Ltd

Year to 30/6/2020

	Latest	Previous	Change
Revenues	-	-	-
Net Profit	<\$9.9m>	<\$9.1m>	-
Net Cash Surplus	<\$7.6m>	<\$7.1m>	-
Earnings per share	Nil	Nil	-
Dividends per share	Nil	Nil	-

In addition to the amounts shown above the company spent \$19.8 million on (capitalised) Hadrian development costs.

FBR has completed a further share placement in August - continuing to dilute its equity - this time issuing 280,701,765 new shares at 5.7 cents to raise \$16 million.

The company has also completed building Mexican



style house structures in its pilot program for **GP Vivienda**. Two structures were built indoors and “two built simultaneously side by side outdoors to emulate the most economic operating process in residential development in Mexico”. FBR will now build additional structures with blocks produced in Mexico. Later the parties will collaborate on the entry into the Mexican market, certification of *Wall as a Service* in the United States and Mexico and establishing a *WaaS* operating entity in Mexico.

FBR has also completed its first non-residential structure, a commercial and community centre in Byford, Western Australia. This is the final stage in the *Building Pilot Program* for **Archistruct Builders & Designers**. The *Hadrian X* “worked in hail, high winds and heavy rain”, achieving a “new top speed of 228 blocks per hour” and an average laying speed of 174 blocks per hour (i.e. about 800 standard brick equivalents).

#### FBR Ltd



**Fiducian Group** experienced steady growth over the last year:

#### Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$54.7m	\$48.9m	+11.8%
Net Profit	\$10.5m	\$10.4m	+1.1%
Net Cash Surplus	\$11.7m	\$10.9m	+7.2%
Earnings per share	33.3c	32.9c	+1.2%
Dividends per share	23.0c	22.3c	+3.1%

#### Finbar Group

#### Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$154.3m	\$154.7m	-0.2%
Net Profit	\$2.3m	\$10.4m	-78.1%
Net Cash Surplus	\$23.9M	<\$28.8m>	
Earnings per share	0.8c	3.8c	-78.1%
Dividends per share	3.0c	6.0c	-50.0%

The *trading* profit was down significantly, but there was also a \$4.3 million after-tax gain on the revaluation of investment properties.

**Greenland Minerals** has no revenues and *lost* \$1,443,000 (*minus* 0.1 cents per share) over the year to 30 June 2020. There was a net operating cash *deficit* of \$949,000 plus a further \$1,398,000 spent (and capitalised) on exploration and development.

Cash in the bank is \$6,859,000 (0.6 cents per share).

The company sees a “strong development window approaching” for its Rare Earth project. EV sales fell in

China and Europe in the first half of 2020, owing to Covid-19, but this decline is expected to be “of relatively short duration”. Rare Earth demand is expected to rise 150% over the next ten years, with “considerable upward pressure on prices over time”.

#### Ignite Ltd

#### Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$126.0m	\$152.9m	-17.6%
Net Profit	<\$3.8m>	<\$5.8m>	-
Net Cash Surplus	\$4.6m	<\$1.2m>	-
Earnings per share	Nil	Nil	-
Dividends per share	Nil	Nil	-

There was also a *loss* of \$2.5 million from discontinued operations, making a total *loss* of \$6.2 million.

#### Integrated Research

#### Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$110.9m	\$100.8m	+10.0%
Net Profit	\$24.1m	\$21.9m	+10.1%
Net Cash Surplus	\$10.2m	\$10.0m	+2.3%
Earnings per share	14.0c	12.7c	+10.1%
Dividends per share	7.25c	7.25c	-

The net operating cash surplus above is after deducting the capitalised development expenses.

*Unified Communications* revenues rose 17% to \$59.8 million, *Infrastructure* revenues 9% to \$28.7 million, *Professional Services* 17% to \$8.6 million but *Payments* revenues were down 14% at \$13.8 million.

Cash receipts slowed in the June quarter but are expected to “catch up” in the September quarter.

Covid-19 has increased “call volumes, meeting minutes, online payments and credit card transactions” all of which increase demand for its performance management software for complex systems. Integrated Research is initially developing new Software as a Service (SaaS) solutions for *Microsoft Teams* and *Zoom* and will then expand for other cloud-based platforms.

With the shares at 360 cents the Price/Sales ratio is 5.58. That is still a high valuation!

#### Iluka Resources

#### Six Months to 30/6/2020

	Latest	Previous	Change
Revenues	\$519.4m	\$609.3m	-14.8%
Net Profit	\$113.2m	\$137.2m	-17.5%
Net Cash Surplus	\$96.7m	\$58.5m	+65.3%
Earnings per share	26.8c	32.5c	-17.5%
Dividends per share	Nil	5.0c	-100%

Iluka Resources is not paying an interim dividend “in light of the uncertain global economic conditions”.

The new royalty company will be called **Deterra Royalties**. A demerger booklet will be sent to shareholders this month, with a shareholder vote expected during October. The *Mining Area C* earnings (before interest, depreciation and tax) increased 16.5% to \$48.0 million in the half year to 30 June. **BHP's South Flank Development**  
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## Recommended Investments

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(which increases annual production 2½-fold, with an over 30 year mine life) is 76% complete, with first production expected from mid-2021.

Brokers have valued the *Mining Area C* royalty (i.e. Deterra Royalties) at \$1450-1965 million (275-375 cents per share), with other valuations up to \$2100 million (400 cents per share). Of course, the market *may* actually place a higher or lower valuation on the shares!

A royalty (i.e. a share of revenues *before* operating costs) from a **BHP** mining operation is similar to a BHP corporate bond. With low interest rates the market should place a high value on this steady income producing asset. At full production (i.e. from 2023 onwards), at the current Iron Ore price and exchange rate the annual royalty (before tax) would be \$247 million (47 cents per share). If the bond yield is 2.5-3.0%, then Deterra Royalties shares could soon be worth as much as 1500-1800 cents. That may be a little high, but about a 7-10 times multiple to earnings would be reasonable, equal to a share price of 330-470 cents.

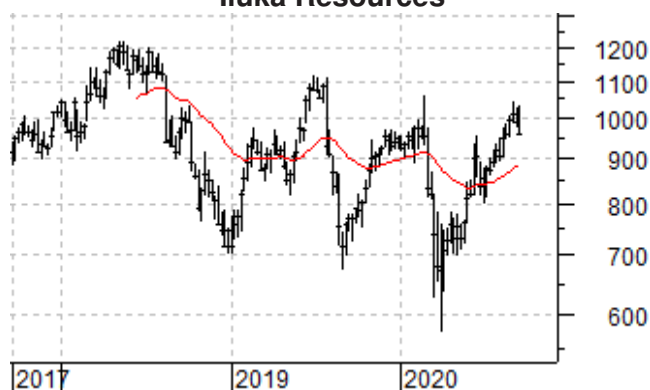
The Mineral Sands business (plus 20% of Deterra) could be worth \$2850-3800 million (675-900 cents per share). So a share in each separate company (i.e. after the spin-off) could be worth a total of 950-1300 cents, compared with the combined company shares at 960 cents on-market. That is, the shares will probably re-rate up to 35% in value over the next several months.

The current Iluka Resources shares will trade until 22 October and will trade ex-the demerger from 23 October. Deterra Resources shares are expected to list and trade from 23 October (for deferred settlement) and will be issued to shareholders on 2 November.

Shareholders with 500 or fewer Iluka Resources shares will have the option to have the Deterra Resources shares sold through a *Sale Facility* and receive the cash proceeds by about 17 December. We recommend receiving Deterra Resources shares. The growth in the *Mining Area C* royalties *should* create significant value over the next few years!

The \$10 million *Eneabba Rare Earths Project* began production in April (with its first shipment in June). This produces 50,000 tonnes per annum (tpa) of a Monazite-Zircon concentrate. The company has now approved its \$35-40 million Phase 2 expansion, which will produce separate mineral sands concentrates: 16-20,000 tpa of 90% monazite concentrate (a Rare Earth phosphate, containing Ce, La, Nd and Th), 7-9,000 tpa of Zircon, around 20,000 tpa of Ilmenite and 1,000 tpa of HyTi90.

### Iluka Resources



## Michael Hill International

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$492.1m	\$569.5m	-13.6%
Net Profit	\$3.1m	\$16.5m	-81.5%
Net Cash Surplus	\$83.7m	\$39.0m	+114.8%
Earnings per share	0.8c	4.3c	-81.4%
Dividends per share	1.5c	4.0c	-62.5%

The shares traded ex-entitlement to the 1.5 cents interim dividend in early March, but payment was deferred from 27 March to 30 September. Now the payment of that dividend has been deferred by another year until 30 September 2021. This is getting a bit silly. Just cancel that unpaid dividend and declare another in the future, when the company actually *intends* to make a payment to shareholders.

The net operating surplus was boosted by the new accounting rules for lease payments - which will effectively significantly *overstate* the operating cash surplus on this type of business in future. The new rules moved \$35.5 million of lease payments from an *operating* expense to a *financing* expense. Under the old rules the net operating surplus would have been up 23.6% to \$48.2 million.

## Mt Gibson Iron

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$452.3m	\$289.5m	+56.2%
Net Profit	\$84.5m	\$70.2m	+20.2%
Net Cash Surplus	\$160.1m	\$59.4m	+169.6%
Earnings per share	7.4c	6.2c	+20.2%
Dividends per share	3.0c	4.0c	-25.0%

Pre-tax profits rose 72.3%, but the company has provided full income tax for the 2020 financial year.

The cut in the annual dividend probably reflected that this is the maximum amount payable that can be fully franked at this time. Mt Gibson Iron annual income tax *provision* is around \$35-40 million although with no actual tax payment owing to past tax losses (i.e. no additional franking credits). Deferred tax assets - which is approximately the value of remaining tax losses - stands at \$26.2 million, so an income tax provision of \$35-40 million in the current financial year (i.e. to June 2021) should require the *payment* of about \$9-14 million in taxes. That would add \$9-14 million to the franking credits account (which is currently only \$1.4 million).

The 3.0 cents annual dividend requires about \$15 million in franking credits.

At *Koolan Island* the company will complete the “elevated waste stripping phase within the next 12-18 months”, with material movements expected to be 50% higher in the June 2021 financial year. Waste stripping will be around a \$100 million investment (funded from ore sales revenues) in the current financial year, resulting in just a small operating cash surplus. “Ore production, sales and cashflow” will then “rise significantly” in the June 2022 financial year and subsequently.

Of course, if Iron Ore prices keep rising - the benchmark is now US\$127/tonnes, up a further 7-8%



over just the last month - then profits and net cash surpluses would be significantly higher!

### Mt Gibson Iron



### McMillan Shakespeare

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$494.0m	\$549.7m	-10.1%
Net Profit	\$69.0m	\$88.7m	-22.2%
Net Cash Surplus	\$188.5m	\$132.9m	+41.8%
Earnings per share	89.2c	106.6c	-16.3%
Dividends per share	34.0c	74.0c	-54.1%

The company also wrote-down goodwill and intangible assets by \$49.8 million.

**Nova Eye Medical's** results below reflect the continuing businesses (i.e. exclude the Laser business that was sold):

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$12.8m	\$16.1m	-20.9%
Net Profit	<\$7.2m>	<\$6.7m>	-
Net Cash Surplus	<\$5.4m>	<\$4.2m>	-
Earnings per share	Nil	Nil	-
Dividends per share	Nil	Nil	-

The *iTrack* business experienced a sharp downturn in demand from March to June, mainly owing to Covid-19 lockdowns and uncertainty reducing surgeries. There is "some evidence of a return to pre-Covid-19 surgical volumes" in the US from July.

The company has received a US\$1.1 million *Paycheck Protection Program* loan (that will be forgiven if employee retention criteria are met) and an \$18,000 of *Jobkeeper support*.

*iTrack* revenues fell 19%, but with a reduction in advertising and marketing expenses, the sector result improved to a loss of \$4.1 million (from a loss of \$5.1 million the year before).

Nova Eye Medical is seeking to find a strategic partner for *2RT* to "defray clinical development costs".

After the cheques recently mailed to shareholders finally clear and after paying income tax in February, Nova Eye Medical will be debt-free with cash of about \$26.5 million (18.5 cents per share). The remaining business is relatively small with revenues of just \$12.8 million, but if *iTrack* sales return to its previous rapid growth then this business could become very valuable.

### Opthea Ltd

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$0.087m	\$0.159m	-45.3%
Net Profit	<\$16.5m>	<\$20.9m>	-
Net Cash Surplus	<\$8.8m>	<\$24.2m>	-
Earnings per share	Nil	Nil	-
Dividends per share	Nil	Nil	-

Opthea Ltd is considering an initial public offering of *American Depositary Shares* that would trade on the Nasdaq Stock Market. Such an offering would raise additional cash for the company and give US and international investors better access to invest in the company . . . which *may* increase demand and help raise the share price.

Opthea Ltd has completed meetings with the **US Food & Drug Administration** and the **European Medicines Agency** to obtain guidance for its Phase 3 clinical trials. Two trials will compare treatments with VEGF-A inhibitors Ranibizumab (*Lucentis*) and Aflibercept (*Eylea*) alone and in combination with *OPT-302*. Each trial will enrol 900 patients, one-third receiving just the VEGF-A inhibitor, one-third receiving the VEGF-A inhibitor and *OPT-302* every four weeks and one-third receiving the VEGF-A inhibitor and *OPT-302* every eight weeks.

These trials will start in early 2021, with the primary end point being the change in visual acuity from the start of the trial through to week 52. Each patient will be treated for another year to evaluate safety and tolerability over the two year period.

*Lucentis* and *Eylea* had combined sales of US\$11,900 million in 2019, although *OPT-302* may be used in only a smaller segment of this market.

### OZ Minerals

Six Months to 30/6/2020

	Latest	Previous	Change
Revenues	\$575.7m	\$419.2m	+37.3%
Net Profit	\$79.8m	\$43.9m	+81.8%
Net Cash Surplus	\$150.7m	\$101.2m	+48.9%
Earnings per share	24.6c	13.6c	+80.9%
Dividends per share	8.0c	8.0c	-

Higher production volumes and processing high grade Gold ore stockpiled at *Prominent Hill* and a higher Gold price all contributed to increase total Gold revenues by 159% to \$232.0 million (i.e. 40% of total revenues, up from around 20% historically) for the period. Higher production volumes but slightly lower Copper prices for the period (which have since risen) lifted Copper revenues 3% to \$335.9 million (58% of revenues). Silver contributed the remaining 1% of revenues.

34% of revenues from *Carrapateena* were from Gold sales. The *Carajas* operation in Brazil is a Gold mine (83% of revenues from Gold) with Copper as a valuable by-product (at about 16% of revenues). So, depending upon the relative price of Gold and Copper (and different grades of ore mined in the future), Gold is probably likely to contribute about one-third of total revenues over the medium to long term.

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## Recommended Investments

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Net operating cashflow should grow strongly in future as *Carrapateena* production ramps up (i.e. increasing revenues, but with relatively fixed costs) and ore stockpiles are processed at *Prominent Hill*. Total inventories include ore stockpiles of \$425 million.

With the Queensland border reopening, the *Eloise JV* will drill two initial exploration holes, 1.2km apart into the 4km long *Seer Target*. The top of target mineralisation is 150-270 metres below the surface.

The JV will also drill two holes (about 500 metres apart) into the “highly prospective” *Big Foot Target*. This is close to the *Iris* and *Electra* anomalies, drilled in 2016 and 2017 that contained Copper and Gold mineralisation, but the tenement containing *Big Foot* was only acquired in late 2019.

### OZ Minerals



### Prophecy International Holdings

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$13.6m	\$12.1m	+12.3%
Net Profit	<\$1.4m>	<\$1.4m>	-3.7%
Net Cash Surplus	\$1.2m	\$2.0m	-40.7%
Earnings per share	Nil	Nil	-
Dividends per share	Nil	Nil	-

The company reported a total *loss* of \$5.5 million, but that was after a non-cash, intangible asset write-down of \$4.7 million and non-recurring tax benefits (as a result of over-estimating tax liabilities in the past) of \$432,364.

All product development costs are expensed.

Cash at the bank remains virtually unchanged at \$4.4 million (6.9 cents per share).

The company believes that the impact of Covid-19 “saw global decision making on investments and purchases slow significantly”. Some projects were delayed, impacting the “speed of rolling out on some *eMite* deals” and the “ability to invoice customers and collect revenue”. The company estimates “a 30% decrease in sales and invoicing” since March 2020 - although presumably this is a 30% decrease in *new sales*.

At 54 cents, Prophecy International shares trade on a Price/Sales ratio of just 2.54. That is relatively low for a small, growing, SaaS company. So while *Mr Market* likes large, more mature, SaaS companies trading on Price/Sales ratios of 50-80 we would avoid anything on

a P/S ratio over 10-20 and happy to “Buy” and “Hold” shares on low single digit Price/Sales ratios.

### Prophecy International



### Reckon Ltd

Six Months to 30/6/2020

	Latest	Previous	Change
Revenues	\$39.8m	\$39.2m	+1.5%
Net Profit	\$5.4m	\$5.3m	+1.5%
Net Cash Surplus	\$7.9m	\$7.4m	+7.0%
Earnings per share	4.7c	4.7c	+1.5%
Dividends per share	3.0c	3.0c	-

The Reckon Legal Group is to merge with US based Software as a Service (SaaS) start-up ZebraWorks, which is building an integration platform to move legal practices to the cloud. Reckon will own 70% of the merged entity (and ZebraWorks' shareholders, mainly management, 30%) reducing to 55% if some very ambitious performance targets (i.e. increasing revenues 5-fold over the next seven years) are met by management (whose shareholding could increase up to 45%). Reckon will - subject to performance - provide US\$3 million of equity funding and, if required, a loan of US\$2 million.

The Business Group (i.e. accounting software for businesses) has over 35,000 users for its new free payroll app launched in May 2019 and already has 2000 users for its paid payroll app launched in May this year.

At 82 cents, the Price/Sales ratio here is just 1.23. And a Dividend Yield of 6.1%. “Buy”.

### Reckon Ltd



SIV Capital's annual result isn't meaningful, owing to the change in the business and recent 30 cents capital return.

The balance sheet shows cash of \$11.9 million (30.4 cents per share) and rental assets of \$2.3 million (6.0 cents per share) *less* provisions of \$6.8 million (17.3

cents per share). Those provisions relate to customer remediations *and* Federal Court proceedings brought by the **Australian Securities and Investments Commission**. The actual liability could be significantly higher or lower than those provisions and until that is resolved the company would not be attractive as a shell for a new business which could ultimately allow it to utilise its carried forward tax losses of \$33.97 million (i.e. worth perhaps \$8.5 million or 21½ cents per share) or accumulated franking credits of \$25.6 million.

SIV Capital will offer a “small parcel share sale facility” that, unless shareholders opt-out by 19 October, will sell shareholdings worth under \$500 (i.e. less than about 1600 shares) on-market and distribute the net proceeds to the shareholders. This will cover about 1400 (56%) of the company's 2500 shareholders, but only about 700,000 shares (less than 2% of the capital). For small holdings this is probably the best way to sell these shares without minimum brokerage costs.

So small shareholders should just do nothing and the company will sell these shares in October and distribute the proceeds.

### **St Barbara Ltd**

Year to 30/6/2020

	Latest	Previous	Change
Revenues	\$827.7m	\$650.3m	+27.3%
Net Profit	\$128.2m	\$144.2m	-11.1%
Net Cash Surplus	\$279.5m	\$240.8m	+16.1%
Earnings per share	18.2c	20.7c	-11.9%
Dividends per share	8.0c	8.0c	-

**Venturex Resources** has issued a further 14,645,454 shares to **Northern Star Resources** at 5.5 cents from the repayment of \$805,500 of a \$1,169,000 loan. The anti-dilution terms of that loan allow Northern Star Resources to buy shares at the same price as the recent capital raising (i.e. the *Share Purchase Plan*) to maintain its ownership in Venturex Resources at up to 20%. This issue gives them 70,806,430 shares or 18.5% of the company.

The company has also issued the 49,492,207 unlisted options (to buy shares at 10 cents until 15 December 2021) attached to the June/July share placement and Share Purchase Plan.

### **Venturex Resources**



### **Village Roadshow**

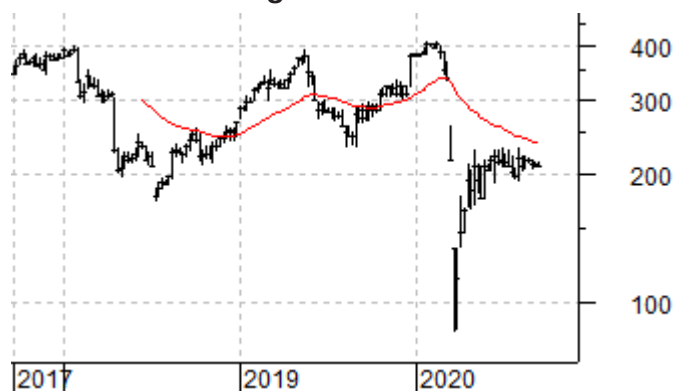
Six Months to 30/6/2020

	Latest	Previous	Change
Revenues	\$732.4m	\$980.5m	-25.3%
Net Profit	<\$58.7m>	\$20.6m	
Net Cash Surplus	\$51.9m	\$82.4m	-37.0%
Earnings per share	Nil	10.6c	-100.0%
Dividends per share	Nil	5.0c	-100.0%

Village Roadshow has secured \$70 million of additional debt funding from its bankers plus the **Queensland Treasury Corporation** while promising to raise a minimum of \$35 million of new shareholder equity by February 2021.

Re-opened Theme Park attendances are about 30-35% of normal levels (with maximum capacity reduced 50%) and Topgolf at around 80% of previous levels (with 60 of 90 bays open under the Covid Safe plan).

### **Village Roadshow**



### **Woodside Petroleum**

Half Year to 30/6/2020 (All US\$)

	Latest	Previous	Change
Revenues	\$1,970m	\$2,260m	-12.8%
Net Profit	\$303m	\$419m	-27.7%
Net Cash Surplus	\$1,107m	\$1,485m	-25.5%
Earnings per share	31.7c	44.8c	-29.2%
Dividends per share	26.0c	36.0c	-27.8%

In addition the company wrote-down asset values by US\$4,368 million (after tax).

Woodside Petroleum has exercised its pre-emptive rights to significantly increase its stake in the *Rufisque Offshore, Sangomar Offshore and Sangomar Deep Offshore* (RSSD) joint venture.

The largest JV partner, UK based **Cairn Energy** had agreed to sell its interest to Russian based **PJSC Lukoil Company** for an upfront payment of US\$300 million and a contingent payment of US\$100 million (linked to the oil price and timing of first oil production). Under the joint venture agreement, other partners may exercise pre-emptive rights to purchase the stake under the same terms. Only Woodside Petroleum has exercised those rights so will buy all of Cairn Energy's interest (subject to Cairn Energy's shareholder approving the sale and subject to approval by the Government of Senegal - both of which are likely).

The Senegal state oil company, **Petrosen**, increased its stake in the joint venture from 10% to 18% (under separate rights under the JV agreement) last month in

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## Recommended Investments

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the Sangomar area, diluting Cairn's stake from 40.0% to 36.44%, Woodside Petroleum from 35.0% to 31.89% and FAR from 15.0% to 13.67% (in return for a cash payment to each partner).

Woodside Petroleum will therefore pay slightly less than the amounts discussed above for Cairn Energy's slightly reduced stake. The purchase will give Woodside Petroleum 68.33% in the Sangomar exploitation area and 75.0% of the remaining RSD evaluation area.

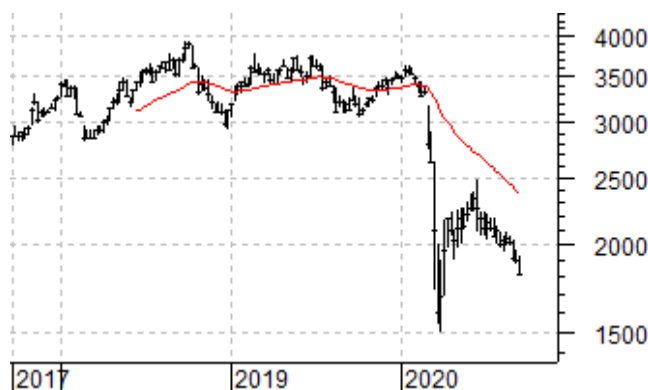
Woodside Petroleum is the operator and is developing this resource. FAR is also seeking to sell some or all of its interest in the RSSD joint venture.

The current Phase I development will cost US\$4200 million, targeting 231 million barrels of oil at a peak production of 100,000 barrels per day. 23 subsea production wells will feed a stand alone floating production storage and offloading (FPSO) vessel, permanently anchored on site to separate oil, gas and water. A very large crude carrier (VLCC), built in 2001, has been acquired for conversion into the FPSO.

The break-even oil price is US\$22 per barrel (i.e. \$10.70 capital costs and \$11.70 operating costs), making this a relatively low cost oil and gas field. First oil is expected in early 2023.

Phase 1A will later target 160 million barrels of oil equivalent of gas. Phase 2 would require a further 16 subsea production wells to target a further 253 million barrels of oil with the potential for additional phases in the future.

### Woodside Petroleum



# Company Analysis: Bardoc Gold

## Bardoc Gold (code BDC).

Bardoc Gold is a Gold exploration company that should transition to a Gold producer over the next couple of years. Over the next several months - and over the next year - there are several factors that should help to re-rate the shares in value. Plus the company has exposure to movements in the price of Gold.

### Company History

The current company was formed in October 2018 with the merger of **Spitfire Materials** (owner of the *Aphrodite Gold Deposit* and *Mulwarrie Gold Project*) and **Excelsior Gold** (owner of the *Excelsior* and *Zoroastrian Gold Deposits*) to “bring together two advanced development projects with strong synergies providing the critical mass required to accelerate development plans”.

The company then sought to acquire further tenements in the North Kalgoorlie region: 40 tenements from **Torian Resources** in May 2019, the *Vetterburg* tenement in August 2019 and *Mayday North* and *North Kanowna Star* in September 2019.

The company has therefore acquired “a series of small projects” that were “sub-economic on a standalone basis” to create a larger project covering several gold deposits.

### Bardoc Gold Project

A *Pre-Feasibility Study* for the *Bardoc Gold Project* (which covers multiple gold deposits) was published in March 2020. This study estimated a capital cost of A\$142.4 million for an initial eight year mine life, producing 951,000 ounces of Gold. At a Gold price of A\$2100/ounce the project had an after tax Net Present

Value of \$252 million and an Internal Rate of Return of 27%.

The project covers open pit mining at *Excelsior* (years 1 to 4), *Zoroastrian* (years 3 and 4) and *Aphrodite* (years 3 to 7) and underground mining at *Zoroastrian* (years 3 to 4) and *Aphrodite* (years 3 to 8).

At the current Gold price of around US\$1950 or A\$2675 per ounce the PFS estimated a NPV 93% higher at A\$487 million and IRR of 52%.

Pit optimisation, however, was based on a Gold price of A\$1800/ounce. The company has Resources of over three million ounces of Gold, with only one-third of this included in the PFS.

### Catalysts for Upgrade

Several factors should lead to the project - and Bardoc Gold's share price - being upgraded and re-rated in the near future:

Firstly, since the March PFS, the company has continued to aggressively explore its gold deposits with announcement headlines indicating “outstanding high-grade results”, “strong in-fill drilling results”, “broad gold zones”, “broad high-grade gold intercepts”, “new wide high-grade intercepts”, an “exceptional intercept” and a “potential new mineralised corridor”. The company is currently undertaking a “major drilling program to increase reserves”, so further results should be announced to the market in the months immediately ahead. All of these new discoveries will then be modelled to update the Mineral Reserves estimate for the Definitive Feasibility Study to be completed in the March 2021 quarter. A significant upgrade in the Mineral Reserves

should increase the Gold to be produced and the NPV of the project, re-rating the share price.

Secondly, the company will announce the results of a pit optimisation study (based on a Gold price of A\$2000/ounce) plus recent exploration results. A plan of the *Aphrodite* mine shows a larger open pit including some of the resource to be previously accessed by (high cost) underground mining in the PFS. At *Zoroastrian* “recent optimisations highlight *significant* expansions to open pit” that will “incorporate resource material not included in the PFS” and at *Excelsior* there is “significant potential to add to mining reserve through re-optimisation”.

In general a higher Gold price will allow a larger open pit, converting expensive underground mining (of only the highest grade ore) to low cost open pit mining with a lower cut off grade. This should increase the total Gold produced, at a lower cost and improve the profitability (and NPV) of the project . . . again boosting the value of the shares. Note that the current Gold price is A\$2675 per ounce, so further pit optimisation studies may be necessary, potentially adding further value to the project

A Definitive Feasibility Study will be completed in the March 2021 quarter. This will update the PFS *plus* include the *Mayday North* deposits (with a target of adding 96,000-171,000 ounces of Gold from open pit and underground mining) and from *North Kanowna Star* (a “large anomalous gold system”).

The company is in “advanced discussions” for project financing ahead of a decision to mine in early 2021. Open pit mining is scheduled to begin in the September 2021 quarter.

### **Investment Criteria**

Bardoc Gold recently raised \$24 million from the placement of 307.7 million shares at 7.8 cents per share.

The company has no revenues or profits, but \$35.9 million (2.1 cents per share) in cash. The company is debt-free, except that in 2012 it received \$2.5 million in cash in return for issuing a 2.5% royalty on future production (but subject to paying a minimum annual royalty of \$250,000 from November 2017).

The issued capital is currently 1,730,907,376 shares, which at 8.0 cents gives a market capitalisation of \$138 million. The company may need to raise a further \$20-30 million in equity in 2021 to complete this project. That could increase the issued capital to 1980-2100 million shares.

The Net Present value of the project - based upon the March 2020 PFS but at the current Gold price - is \$487 million (after tax) or about 28 cents per share! That is a potential 3-4 fold re-rating of the shares as the company transitions from an explorer to a producer over the next 18 months.

Increased mineral reserves, pit optimisation and the updated DFS could increase that value further.

Bardoc Gold is *neglected* by brokers and institutional investors.

Directors and senior management have significant shareholdings. The Non-Executive Chairman T Leibowitz owns 19,197,101 shares and 10,000,000 performance rights (which convert to ordinary shares on

various milestones). Non-Executive Director N Biddle holds 38,302,781 shares and 2,000,000 performance rights, while another Non-Executive Director P Buttigieg has 77,438,777 shares and 2,500,000 performance rights. Executive Director J Young has 34,120,000 shares and 2,000,000 performance rights and Executive Director R Johnston owns 5,206,973 shares and 4,000,000 performance rights. Three other Non-Executive Directors have just 272,618 shares, 800,121 shares and 452,899 shares.

It is, of course, true that many of the directors' shares were received from the conversion of performance shares - and that the directors are remunerating themselves well with these performance shares! The important point here, however, is that none of these people are selling the ordinary shares received to get cash. All of them are retaining the shares. So they must see further value in the company *and* this retention of the shares *continues* to align their future financial interests with those of the public shareholders. Collectively the directors own about 10.1% of the company.

*If, however, insiders were to begin selling shares, cashing in their employment bonuses, then that would be a very negative factor.*

At the present time that is not happening and in addition to receiving shares from the conversion of performance shares there have been three insider buys (and no sells) over the last year. N Biddle purchased 1,256,961 shares on-market in October 2019 at prices around 9.6-9.7 cents, 848,301 shares in March 2020 at 4.8 cents and 3,250,000 shares at 7.8-7.9 cents earlier this month.

The Relative Strength rating is +8.0%, ranked 42 (on a scale of 0-99), so the shares appear to be in an uptrend.

### **Summary and Recommendation**

This company is transitioning from a Gold explorer to a Gold producer with a series of smaller mining projects. This transition usually results in a re-rating of the shares. Equally important there are multiple options for upgrading the existing *Bardoc Gold Project* to add significant further value.

In addition the company has extensive Gold Resources, with around two million ounces *not* included in the current project. These smaller, under-explored resources may have little immediate value but would be *very sensitive* to the price of Gold. Effectively this also gives us a very large (longer term) “call option” on the price of Gold.

### **Bardoc Gold**



# Computer Selections of NZ Shares based upon our Comprehensive Share Selection Criteria

For an explanation of this table see the *Share Selection Methods* report available from our website. These shares are not formal “buy” and “sell” recommendations, but the “Under-Valued”, “Best Performing” and “Income” shares should be considered for purchase, while the “Over-Valued” and “Worst Performing” shares can generally be sold to release money for re-investment in more attractive shares.

Company	STRENGTH RATING										Market Cap'n		
	Share Price	Cur- rent	4-Wk Chg.	Rank 0-99	Insider Buy/Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio		Dividend Yield	Price/Sales Ratio
<b>UNDER-VALUED SHARES:</b> Lowest Price/Sales, Yld > 0, Rel Strength > 0													
PGG Wrightsons	271	+3.9	-0.7	32	4-0	3	1.3	5	1.4	26	4.6	0.26	205
Turners Auto.	223	+4.1	+5.8	31	1-0	-	0.9	9	1.0	9	8.7	0.57	191
Vital Ltd	78	+1.5	+1.6	45	2-0	-	0.8	2	1.5	44	4.5	0.98	32

<b>BEST PERFORMING SHARES:</b> Strongest Shares, P/E < 20, P/S < 1.0													
Cavalier Corp	36	+14.4	+10.8	10	0-0	-	0.4	3	1.3	13	Nil	0.18	25
Turners Auto.	223	+4.1	+5.8	31	1-0	-	0.9	9	0.8	9	8.7	0.57	191
NZME Limited	42	+1.9	+12.6	42	2-0	-	0.7	17	1.5	4	Nil	0.22	83

<b>INCOME SHARES:</b> Highest Yields, Capitalisation > NZ\$100 million													
Sky Network TV	15	-17.5	+2.7	92	4-0	5	0.2	11	1.9	2	69.4	0.19	224
Tourism Hold.	194	-9.5	+2.5	82	1-0	3	0.9	11	0.7	9	19.3	0.61	256
Kathmandu Ltd	119	-19.8	+5.4	94	0-0	3	0.6	13	0.8	5	18.7	0.49	269
Hallenstein G.	436	-7.6	+5.7	76	0-12	-	3.5	39	0.4	9	14.0	0.90	260
Warehouse Group	204	-5.7	+1.0	74	0-0	3	1.5	14	0.5	10	11.6	0.23	704
Air New Zealand	133	-15.9	+1.7	91	1-7	5	1.1	-	0.9	NE	11.5	N/A	1,493
Green Cross H.	101	-4.9	+0.7	68	0-0	-	1.2	11	0.8	11	9.6	0.25	145
Sky City Ltd	299	-7.0	+2.4	76	0-0	7	1.7	13	0.5	14	9.3	2.51	2,010
Heartland Group	115	-6.8	+0.4	75	0-0	-	1.1	10	0.6	11	9.1	4.02	540
Turners Auto.	223	+4.1	+5.8	31	1-0	-	0.9	9	0.7	9	8.7	0.57	191

<b>INSIDER BUYING:</b> Most Insider Buying, Relative Strength > 0													
Skellerup Hold.	291	+13.0	+7.9	10	4-0	2	3.1	16	0.5	19	6.2	2.25	567
NZ Exchange Ltd	160	+10.1	+1.6	15	4-0	2	6.8	18	0.5	37	5.3	6.44	435
PGG Wrightsons	271	+3.9	-0.7	32	4-0	3	1.3	5	1.2	26	4.6	0.26	205
Mercury NZ	521	+2.8	+2.7	38	5-1	5	2.0	6	0.5	35	3.7	4.13	7,294
Oceania Health.	104	+4.2	+3.1	30	7-3	-	1.1	-	0.8	NE	3.4	3.34	647
Sol. Dynamics	260	+20.9	+0.4	6	3-0	-	7.8	38	0.4	20	3.5	1.18	38
MetLifeCare	594	+9.4	+6.7	18	3-0	3	0.8	-	0.6	NE	Nil	9.46	1,267
Infracore NZ	490	+1.0	+0.1	47	2-0	-	1.5	11	0.5	13	4.7	2.52	3,232
AFT Pharma.	508	+11.4	+2.1	12	2-0	-	2.0	-	0.4	NE	Nil	1.63	492
Marlin Global	110	+7.6	+2.1	22	2-0	-	1.1	14	0.6	7	7.2	N/A	167

<b>OVER-VALUED SHARES:</b> Highest Price/Sales Ratios, Relative Strength < 0													
Kiwi Property	104	-8.3	+2.3	79	1-0	5	0.8	-	0.6	NE	4.2	6.66	1,624
Cooks Global Fd	5	-5.5	-3.0	72	0-0	-	-	-	3.3	NE	Nil	6.31	25
Allied Farmers	63	-1.6	-0.2	60	0-2	-	25.1	28	0.9	89	0.4	5.29	112
Heartland Group	115	-6.8	+0.4	75	0-0	-	1.1	10	0.5	11	9.1	4.02	540
Asset Plus	34	-16.6	+0.8	91	0-0	-	0.6	-	0.8	NE	7.9	3.81	55
South Port NZ	630	-4.2	-1.6	66	0-0	-	3.6	21	0.2	18	5.7	3.71	165
Augusta Capital	98	-10.7	+8.6	86	2-0	5	1.0	8	0.6	12	6.1	3.56	86
Sky City Ltd	299	-7.0	+2.4	76	0-0	7	1.7	13	0.4	14	9.3	2.51	2,010
CDL Investments	80	-0.6	+0.2	59	0-0	-	0.9	14	0.8	7	6.1	2.43	223
Trust Power Ltd	697	-0.3	-0.3	55	1-0	-	2.0	9	0.4	22	6.5	2.20	2,181
Contact Energy	625	-4.1	+1.5	65	4-7	5	1.6	5	0.5	35	8.7	2.17	4,488
Vista Group Ltd	182	-21.6	+5.0	94	1-0	3	2.0	7	0.9	28	2.5	2.10	303

<b>WORST PERFORMING SHARES:</b> Weakest Shares, P/S Ratio > 0.25, Yield < Twice Average													
Vital Health PT	299	-58.3	+0.0	98	2-0	3	1.7	9	0.4	18	2.9	N/A	1,723
WN Drive Tech.	6	-26.8	-3.5	97	0-0	-	2.6	-	1.9	NE	Nil	0.29	17
NZ Refining Co	65	-24.6	+1.7	96	0-0	2	0.3	1	0.7	49	4.3	0.59	203
Gentech Group	148	-23.1	+3.3	95	0-0	3	0.7	6	0.5	13	Nil	1.31	146
Vista Group Ltd	182	-21.6	+5.0	94	1-0	3	2.0	7	0.9	28	2.5	2.10	303
Moa Group Ltd	16	-18.3	+0.7	93	0-0	-	1.1	-	1.4	NE	Nil	0.36	14
QEX Logistics	51	-13.6	-2.4	88	0-0	-	2.3	10	1.2	23	Nil	0.45	28
PaySauce Ltd	38	-13.4	+0.1	88	0-1	-	22.3	-	2.0	NE	Nil	N/A	50
Augusta Capital	98	-10.7	+8.6	86	2-0	5	1.0	8	0.6	12	6.1	3.56	86
Fletcher Build.	364	-9.9	+2.2	83	1-0	9	0.9	-	0.7	NE	Nil	0.41	2,989
Millennium & C.	178	-9.4	+0.8	81	0-0	-	0.3	7	0.4	4	5.9	0.82	188
Kiwi Property	104	-8.3	+2.3	79	1-0	5	0.8	-	0.5	NE	4.2	6.66	1,624
Geo Ltd	7	-8.2	+3.0	79	2-0	-	11.2	-	1.8	NE	Nil	1.34	5
Burger Fuel	39	-8.2	-1.2	78	0-0	-	1.8	5	0.8	41	Nil	1.01	21
Sanford Limited	567	-8.0	-2.4	77	2-1	2	0.9	7	0.3	13	5.6	0.97	531
Tower Limited	57	-5.9	-0.1	74	0-0	2	0.7	6	0.8	12	Nil	0.56	192
Geneva Finance	42	-5.7	+0.7	73	0-0	-	1.0	10	0.9	10	Nil	1.16	31
Cooks Global Fd	5	-5.5	-3.0	72	0-0	-	-	-	3.1	NE	Nil	6.31	25
Seeka Kiwifruit	404	-5.3	-0.5	71	2-0	-	0.8	4	0.4	19	6.9	0.55	130
Synlait Milk	615	-5.2	-0.6	71	2-0	6	2.2	17	0.6	13	Nil	1.08	1,102

Company	STRENGTH RATING										Market Cap'n		
	Share Price	Cur- rent	4-Wk Chg.	Rank 0-99	Insider Buy/Sell	Brokers Following	Price to NTA	Return on Equity	Volatility	Price/Earn. Ratio		Dividend Yield	Price/Sales Ratio
<b>INSIDER SELLING:</b> Most Insider Selling, Relative Strength < 0													
Hallenstein G.	436	-7.6	+5.7	76	0-12	-	3.5	39	0.3	9	14.0	0.90	260
Air New Zealand	133	-15.9	+1.7	91	1-7	5	1.1	-	0.7	NE	11.5	N/A	1,493
Akd Int Airport	701	-4.4	+2.9	67	0-3	6	1.6	3	0.3	53	Nil	N/A	10,318
Contact Energy	625	-4.1	+1.5	65	4-7	5	1.6	5	0.5	35	8.7	2.17	4,488
Allied Farmers	63	-1.6	-0.2	60	0-2	-	25.1	28	0.9	89	0.4	5.29	112
Comvita	320	-1.7	-0.1	61	2-4	1	1.1	-	0.4	NE	Nil	1.16	227
PaySauce Ltd	38	-13.4	+0.1	88	0-1	-	22.3	-	2.0	NE	Nil	N/A	50

## “Neglect” Ratings of NZ Shares

“Neglected” Shares = 0-2 Brokers, “Moderately Followed” Shares = 3-4 Brokers, “Widely Followed” Shares = 5 or more Brokers.

Company	No. of Brokers Following	Market Capitalisation (NZ\$ Mill.)	Company	No. of Brokers Following	Market Capitalisation (NZ\$ Mill.)
A2 Milk Company	8	12,752	Metro Per Glass	2	44
AMP Limited	11	5,792	NZ Exchange Ltd	2	435
Abano Health.	1	99	NZ King Salmon	3	243
Air New Zealand	5	1,493	NZ Refining Co	2	203
Akd Int Airport	6	10,318	Napier Port	2	698
Argosy Property	5	1,121	PGG Wrightsons	3	205
Augusta Capital	5	86	Port Tauranga	4	5,032
Briscoe Group	1	900	Precinct Prop.	5	2,214
Chorus Ltd	4	3,974	Property F Ind.	4	1,376
Comvita	1	227	Restaurant Brds	3	1,498
Contact Energy	5	4,488	Ryman Health.	4	6,870
Delegat Group	2	1,436	Sanford Limited	2	531
Ebos Group Ltd	5	3,909	Scales Corp Ltd	2	697
F & P Health.	7	18,983	Skellerup Hold.	2	567
Fletcher Build.	9	2,989	Sky City Ltd	7	2,010
Fonterra S/H Fd	3	411	Sky Network TV	5	224
Freightways Ltd	5	1,231	Spark NZ Ltd	7	8,763
Genesis Energy	5	2,912	Steel & Tube	3	101
Gentech Group	3	146	Summerset Group	4	1,906
Goodman Prop.	5	3,257	Synlait Milk	6	1,102
Investore Prop.	4	586	Tourism Hold.	3	256
Kathmandu Ltd	3	269	Tower Limited	2	192
Kiwi Property	5	1,624	Vector Ltd	4	4,399
Mainfreight Grp	5	4,758	Vista Group Ltd	3	303
Mercury NZ	5	7,294	Vital Health PT	3	1,723
Meridian Energy	5	12,783	Warehouse Group	3	704
MetLifeCare	3	1,267	Z Energy Ltd	4	1,068



# Computer Selections of Australian Shares based upon our Comprehensive Share Selection Criteria

For an explanation of this table see the *Share Selection Methods* report available from our website. These shares are not formal “buy” and “sell” recommendations, but the “Under-Valued”, “Best Performing” and “Income” shares should be considered for purchase, while the “Over-Valued” and “Worst Performing” shares can generally be sold to release money for re-investment in more attractive shares.

Company	Share Price	STRENGTH RATING				Insider Buy/Sell	Brokers Following	Short Interest	Price to N/A	ROE	Volatility	P/E Ratio	Div Yield	P/S Ratio	Market Cap'n	Company	Share Price	STRENGTH RATING				Insider Buy/Sell	Brokers Following	Short Interest	Price to N/A	ROE	Volatility	P/E Ratio	Div Yield	P/S Ratio	Market Cap'n	
		Cur- rent	4-Wk Chg.	Rank 0-99	Rel Strength > 0													Cur- rent	4-Wk Chg.	Rank 0-99	Rel Strength > 0											
<b>UNDER-VALUED SHARES: Lowest Price/Sales, Yld &gt; 0, Rel Strength &gt; 0</b>																																
Capral Limited	13	+8.6	+4.8	36	1-0	-	-	0.5	-	2.5	NE	4.0	0.14	61	Saferoads Hold.	23	+19.3	+10.9	26	0-0	-	-	1.9	12	1.4	16	Nil	0.51	8			
Azure Minerals	22	+35.1	+17.3	16	0-0	-	-	-	-	2.0	1%	108.20.15	438	Commschoice	8	+17.9	+7.2	27	3-0	-	-	-	-	-	2.6	12	Nil	0.81	16			
Autosports Grp	134	+6.1	+6.0	41	2-0	4	0.0	-	-	0.9	NE	2.2	0.16	268	Empired Ltd	50	+16.9	+7.2	28	0-0	-	-	6.2	48	1.1	13	Nil	0.48	79			
Viva Energy Grp	153	+1.5	-0.1	51	6-1	10	1.1	-	-	1.1	26	3.1	0.18	2,965	Medusa Mining	87	+16.2	+4.7	28	1-0	-	-	0.7	17	0.9	4	Nil	0.98	181			
TPC Cons.	155	+15.8	+7.5	29	0-0	-	-	77.5	-	-	7	5.2	0.20	17	TPC Cons.	155	+15.8	+7.5	29	0-0	-	-	77.5	-	-	5	5	5.2	0.20	17		
Sigma Health	64	+6.3	+2.4	40	1-1	6	0.7	1.6	-	1.1	NE	1.6	0.21	678	PS & C Limited	4	+15.5	+14.0	29	0-0	-	-	-	-	3.1	11	Nil	0.40	21			
Metcash Ltd	287	+3.2	+1.3	47	2-0	11	7.7	5.7	-	0.7	NE	4.5	0.22	2,610	Super Retail Gr	1042	+14.1	+5.9	30	3-0	10	8.2	30.6	-	0.4	15	4.8	0.78	2,058			
Pro-Pac Pack.	16	+13.9	-14.1	30	7-0	-	-	0.9	5	2.2	19	2.6	0.26	126	Pro-Pac Pack.	16	+13.9	-14.1	30	7-0	-	-	-	-	0.9	5	2.6	0.26	126			
Eagers Auto.	848	+7.3	+6.9	39	7-0	9	1.6	3.7	26	0.5	14	4.3	0.28	2,179	Elders Limited	1004	+13.4	-2.9	31	1-0	8	1.8	11.2	69	0.3	16	1.8	0.72	1,563			
Pental Limited	43	+7.4	+4.3	38	4-0	-	-	-	-	1.3	11	1.2	5.1	31	Prime Financial	8	+12.9	+7.4	31	0-0	-	-	3.9	34	2.2	11	5.1	0.73	15			
Swick Min Serv	20	+10.7	+12.0	34	2-0	-	-	0.5	1	1.9	45	3.0	0.32	61	Korvest Ltd	438	+12.3	+1.6	32	2-0	1	-	1.7	14	0.3	12	6.4	0.78	49			
Regional Exp.	104	+2.4	-0.5	48	0-0	-	-	0.6	9	0.8	7	11.6	0.36	114	Grange Resource	26	+8.5	-0.4	37	2-0	-	-	1.5	0.9	23	1.5	4	7.8	0.80	295		
Big River Ind.	147	+1.9	-1.0	50	0-0	1	-	-	-	0.7	21	3.0	0.37	80	Mitchell Serv.	52	+8.3	-0.2	37	3-0	-	-	51.5	-	1.0	14	Nil	0.58	103			
MacMahon Hold	26	+5.7	-1.7	42	1-0	3	0.1	1.7	21	1.9	8	2.4	0.39	550	Pental Limited	43	+7.4	+4.3	38	4-0	-	-	1.3	11	0.9	12	5.1	0.31	59			
National Tyre	60	+28.4	+12.9	19	0-0	1	-	-	-	1.3	15	2.1	0.39	62	Eagers Auto.	848	+7.3	+6.9	39	7-0	9	1.6	3.7	26	0.4	14	4.3	0.28	2,179			
Bisalloy Steel	99	+5.0	+2.7	43	1-1	-	-	2.0	30	0.9	7	9.1	0.41	45	Acrow Formwork	33	+6.1	+3.0	41	0-0	2	0.2	-	-	1.1	8	3.2	0.83	71			
Maca Limited	89	+3.8	+1.4	46	2-0	3	0.4	0.8	7	1.0	11	7.3	0.42	239	BNK Banking	65	+6.1	+5.2	41	2-1	-	-	0.7	6	0.8	12	Nil	0.20	61			
Globe Int'l Ltd	166	+4.4	+10.7	44	4-0	-	-	2.0	24	0.7	8	7.9	0.43	69	Schaffer Corp	1476	+6.0	+7.5	41	2-0	-	-	2.8	32	0.3	9	3.0	0.90	204			
Pact Group Hold	227	+1.4	+1.4	52	13-0	5	8.1	-	-	0.6	9	1.3	0.43	781	MacMahon Hold	26	+5.7	-1.7	42	1-0	3	0.1	1.7	21	1.4	8	2.4	0.39	550			
Joyce Corp.	156	+5.1	+8.1	43	4-0	-	-	4.5	60	0.7	7	4.9	0.50	44	Apiam Animal H	58	+5.5	+3.0	42	1-0	-	-	-	-	1.0	16	3.4	0.57	68			
Enero Group Ltd	161	+2.6	+3.6	48	5-0	1	-	6.7	52	0.7	13	3.7	0.51	138	Coles Group	1714	+8.7	+1.7	36	2-0	13	0.4	-	-	0.5	21	4.0	0.60	22,864			
RXP Services	41	+0.6	+10.1	53	2-0	-	0.0	4.1	-	1.4	NE	8.6	0.51	65	Data 3 Ltd	578	+21.9	-2.6	24	1-1	2	-	34.0	69	0.6	50	1.9	0.63	890			
Aust Vintage	50	+0.0	+3.6	55	1-0	2	-	0.7	5	1.2	13	5.5	0.52	139	GR Engineering	99	+9.3	+7.6	36	0-0	2	-	3.1	-	0.9	NE	6.1	0.68	151			
Bluescope Steel	1306	+1.1	+2.6	52	2-2	10	0.5	2.2	32	0.4	7	1.1	0.54	6,564	Dicker Data Ltd	741	+6.7	-3.3	40	21-0	-	-	0.2	-	0.4	22	3.6	0.68	1,202			
Apiam Animal H	58	+5.5	+3.0	42	1-0	-	-	-	-	1.3	16	3.4	0.57	68	Elders Limited	1004	+13.4	-2.9	31	1-0	8	1.8	11.2	69	0.4	16	1.8	0.72	1,563			
Coles Group	1714	+8.7	+1.7	36	2-0	13	0.4	-	-	0.5	21	1.4	0.60	22,864	Prime Financial	8	+12.9	+7.4	31	0-0	-	-	3.9	34	3.1	11	5.1	0.73	15			
Data 3 Ltd	578	+21.9	-2.6	24	1-1	2	-	34.0	69	0.6	50	1.9	0.63	890	Woolworths Grp	3671	+2.7	+1.3	48	0-0	12	0.5	15.9	4.0	0.4	2.6	0.73	46,299				
GR Engineering	99	+9.3	+7.6	36	0-0	2	-	3.1	-	0.9	NE	6.1	0.68	151	Healthia Ltd	102	+2.5	-1.1	48	3-0	-	-	-	-	1.1	24	2.9	0.74	64			
Dicker Data Ltd	741	+6.7	-3.3	40	21-0	-	-	0.2	-	0.4	22	3.6	0.68	1,202	DWS Limited	92	+1.2	+3.9	52	0-0	-	-	-	-	1.0	12	4.4	0.74	121			
Elders Limited	1004	+13.4	-2.9	31	1-0	8	1.8	11.2	69	0.4	16	1.8	0.72	1,563	Excelsior Cap.	154	+5.1	+7.4	43	4-0	-	-	1.3	11	0.5	7	4.9	0.50	44			
Prime Financial	8	+12.9	+7.4	31	0-0	-	-	3.9	34	3.1	11	5.1	0.73	15	Bisalloy Steel	99	+5.0	+2.7	43	1-1	-	-	2.0	30	0.7	7	9.1	0.41	45			
Woolworths Grp	3671	+2.7	+1.3	48	0-0	12	0.5	15.9	4.0	0.4	2.6	0.73	46,299	Quantum Health	4	+4.6	-0.6	44	0-0	-	-	-	-	3.2	16	Nil	0.80	46				
Healthia Ltd	102	+2.5	-1.1	48	3-0	-	-	-	-	1.1	24	2.9	0.74	64	Accent Group	148	+4.6	+3.8	44	4-4	4	0.2	36.9	-	0.7	14	6.3	0.96	800			
DWS Limited	92	+1.2	+3.9	52	0-0	-	-	-	-	1.0	12	4.4	0.74	121	Globe Int'l Ltd	166	+4.4	+10.7	44	4-0	-	-	2.0	24	0.5	8	7.9	0.43	69			
Excelsior Cap.	154	+5.1	+7.4	43	4-0	-	-	1.3	11	0.7	12	2.6	0.74	45	Techniche Ltd	4	+4.3	+2.5	44	0-0	-	-	1.0	7	3.2	15	Nil	0.78	8			
Bega Cheese Ltd	531	+2.4	-0.1	49	2-1	7	5.3	1.7	3	0.7	54	1.9	0.76	1,138	Maca Limited	89	+3.8	+1.4	46	2-0	3	0.4	0.8	7	0.8	11	7.3	0.42	239			
Super Retail Gr	1042	+14.1	+5.9	30	3-0	10	8.2	30.6	-	0.5	15	4.8	0.78	2,058	Engenco Ltd	54	+3.0	+3.5	47	4-0	-	-	-	-	0.9	13	3.7	0.95	169			
Korvest Ltd	438	+12.3	+1.6	32	2-0	1	-	1.7	14	0.4	12	6.4	0.78	49	Enero Group Ltd	161	+2.6	+3.6	48	5-0	1	-	6.7	52	0.5	13	3.7	0.51	138			
JB Hi-Fi Ltd	4685	+18.1	+3.8	27	1-2	13	10.8	-	-	0.2	23	2.8	0.79	5,382	Regional Exp.	104	+2.4	-0.5	48	0-0	-	-	0.6	9	0.5	7	11.6	0.36	114			
AV Jennings	52	+4.7	+4.3	43	3-1	1	0.0	0.5	2	1.3	23	2.3	0.80	209	Millennium Serv	34	+2.0	-4.3	49	1-1	-	-	-	-	1.1	1	Nil	0.06	16			
Grange Resource	26	+8.5	-0.4	37	2-0	-	-	1.5	0.9	23	2.0	4	7.8	0.80	295	Azure Health.	8	+1.8	+3.0	50	2-0	-	-	-	-	1.6	18	2.1	9	Nil	0.70	22
Acrow Formwork	33	+6.1	+3.0	41	0-0	2	0.2	-	-	1.5	8	3.2	0.83	71	Yellow Brick Rd	8	+1.6	+4.0	51	0-0	-	-	-	-	0.6	13	2.1	5	Nil	0.17	27	
Shaver Shop Grp	83	+25.2	+6.3	21	4-1	2	-	-	-	1.2	16	5.4	0.89	104	Pact Group Hold	227	+1.4	+1.4	52	13-0	5	8.1	-	-	0.5	9	1.3	0.43	781			
Schaffer Corp	1476	+6.0	+7.5	41	2-0	-	-	2.8	32	0.3	9	3.0	0.90	204	DWS Limited	92	+1.2	+3.9	52	0-0	-	-	-	-	0.7	12	4.4	0.74	121			
Engenco Ltd	54	+3.0	+3.5	47	4-0	-	-	-	-	1.2	13	3.7	0.95	169	Bluescope Steel	1306	+1.1	+2.6	5													

Company	Share Price	STRENGTH RATING					Market Cap'n	Company	Share Price	STRENGTH RATING					Market Cap'n															
		Cur-rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following				Short Interest	P/E Ratio	Div Yield	P/S Ratio	Volatility		Cur-rent	4-Wk Chg.	Rank 0-99	Insider Buy-Sell	Brokers Following	Short Interest	P/E Ratio	Div Yield	P/S Ratio	Volatility					
Viva Leisure	243	+8.1	-2.0	37	10-0	2	-	-	0.7	NE	Nil	4.30	174	Cazaly Res Ltd	4	+28.6	+6.1	19	6-0	-	-	2.5	NE	Nil	N/A	12				
Citadel Group	398	+4.1	+8.4	45	10-0	2	0.3	26.5	7	0.3359	2.7	2.58	313	Lifestyle Com.	928	+7.8	-2.5	38	7-1	2	1.3	6.2	35	0.2	18	0.6	6.61	970		
IMEXHS Ltd	4	+1.7	+3.3	50	9-0	-	-	3.5	-	2.8	NE	Nil	2.92	23	Nusantara Res.	31	+7.9	-5.2	37	7-1	-	-	0.9	NE	Nil	N/A	58			
WAM Global	210	+0.5	+1.1	53	9-0	-	-	-	0.5	88	3.3	N/A	446	Gold Road Res.	158	+9.9	-5.5	35	7-1	8	3.1	-	0.4	NE	Nil	N/A	1,390			
Kin Mining NL	14	+42.9	-37.4	13	9-0	-	-	-	1.3	NE	Nil	N/A	77	Fiducian Group	564	+3.3	+2.7	46	9-3	0.0	-	-	0.4	17	4.1	3.24	177			
Pacific Current	600	+3.4	+2.6	46	8-0	1	-	-	0.4	8	4.2	6.89	298	Rural Funds Grp	228	+5.5	+2.0	42	5-0	4	4.3	2.3	14	0.4	16	4.8	N/A	768		
OZ Minerals Ltd	1439	+25.9	+6.6	20	8-0	15	1.0	2.0	7	0.3	28	1.6	4.21	4,665	Life 360 Inc.	405	+22.4	+18.9	23	5-0	0.3	-	-	0.7	NE	Nil	7.10	596		
Fat Prophets GI	106	+11.5	+1.8	33	8-0	-	-	-	0.6	NE	Nil	N/A	46	Resolute Mining	98	+5.5	-2.9	42	5-0	8	6.2	1.3	13	0.5	9	2.1	1.66	1,045		
The Reject Shop	652	+49.5	-19.4	11	9-1	3	0.3	1.4	1	0.3222	Nil	0.30	249	Splitit Payment	156%	+102.3	+19.5	3	5-0	0.2	-	-	1.0	NE	Nil	N/A	338			
Pro-Pac Pack.	16	+13.9	-14.1	30	7-0	-	-	0.9	5	1.1	19	2.6	0.26	126	Xplore Wealth	7	+3.9	+4.8	45	5-0	-	-	1.7	-	1.8	NE	Nil	0.85	20	
Rumble Resource	17	+61.3	+7.7	8	7-0	-	-	0.1	-	1.1	NE	Nil	N/A	76	WAM Leaders	117	+2.4	+1.3	49	5-0	-	-	1.0	1	0.6	172	5.6	N/A	917	
Eagers Auto.	848	+7.3	+6.9	39	7-0	9	1.6	3.7	26	0.3	14	4.3	0.28	2,179	Future Gen Glb	129	+2.7	+2.3	48	5-0	-	-	1.1	2	0.5	59	1.2	N/A	506	
Desane Group	129	+0.6	+1.5	53	7-0	-	-	1.6	7	0.4	23	3.5	N/A	53	Marmota Ltd	5	+25.5	-18.2	21	5-0	-	-	-	2.0	NE	Nil	N/A	37		
Freelancer Ltd	49	+9.8	-1.2	35	7-0	-	-	0.0	49.0	-	0.6	NE	Nil	3.82	221	Enero Group Ltd	161	+2.6	+3.6	48	5-0	1	-	6.7	52	0.4	13	3.7	0.51	138
Candy Club Hold	17	+67.0	+6.9	7	7-0	-	-	-	-	1.4	NE	Nil	4.80	33	National Stor.	187	+1.3	+0.2	52	5-0	6	0.8	1.4	9	0.4	16	2.4	N/A	1,477	
Pro Medicus Ltd	2626	+2.0	-3.1	50	7-0	7	1.5	-	97	0.4118	0.5	N/A	2,730	Boss Resources	8	+16.5	+6.7	28	5-0	0.0	-	-	-	1.6	NE	Nil	N/A	132		
Motorcycle Hold	184	+15.5	+1.6	29	7-0	3	-	4.7	-	0.5	NE	Nil	0.33	114	Selfwealth Ltd	67%	+106.8	+2.3	3	5-0	-	-	-	-	1.0	NE	Nil	N/A	131	
Flagship Invest	210	+5.9	+1.7	41	7-0	-	-	1.1	4	0.5	32	2.0	N/A	54	AVA Risk Group	31	+34.0	+10.5	17	5-0	-	-	2.8	-	0.9	NE	Nil	3.30	65	
Sonic Health	3253	+10.2	+2.1	34	9-2	12	1.3	9.4	33	0.2	28	2.6	2.51	15,454	Bowen Coking C.	5	+5.6	+1.1	42	6-1	-	-	-	-	1.9	NE	Nil	N/A	36	
Wesfarmers Ltd	4500	+10.1	+1.5	34	6-0	13	0.5	10.1	39	0.3	26	4.0	1.8351	1,023	Class Limited	191	+3.5	+8.9	46	6-1	2	1.0	11.9	48	0.4	25	2.6	5.78	234	
360 Cap Digital	172	+0.8	+2.4	53	6-0	-	-	-	-	0.6	NE	Nil	N/A	100	VA Energy Grp	153	+1.5	-0.1	51	6-1	10	1.1	-	-	0.8	26	3.1	0.18	2,965	
Praemium Ltd	50	+9.6	+5.8	35	6-0	5	0.2	16.7	40	1.0	42	Nil	4.07	204	NAOS Ex-50 Opps	96	+6.1	+3.6	41	4-0	-	-	0.9	7	0.5	13	5.5	N/A	50	
Galilee Energy	58	+1.8	+7.0	50	6-0	1	0.1	-	-	0.9	NE	Nil	N/A	156	Magnis Energy T	20	+55.1	+26.6	9	4-0	0.0	-	-	-	1.7	NE	Nil	N/A	123	
Ingenia Com Grp	437	+8.1	+0.4	37	6-0	2	0.2	1.7	5	0.3	36	2.6	4.56	1,197	Money3 Corp Ltd	201	+1.8	+5.5	50	4-0	3	0.8	1.9	11	0.4	17	4.0	3.00	372	
Devex Resources	32	+76.0	+21.6	5	6-0	-	-	-	-	0.7	NE	Nil	N/A	37	AMCIL Limited	98	+3.9	+0.8	45	4-0	-	-	1.0	2	0.5	46	2.6	N/A	272	
Terragen Hold.	26	+21.5	+7.7	24	6-0	-	-	-	-	1.1	NE	Nil	N/A	49	Excelsior Cap.	154	+5.1	+7.4	43	4-0	-	-	1.3	11	0.4	12	2.6	0.74	45	
Resimac Group	136	+13.0	+6.0	31	6-0	1	-	4.5	45	0.4	10	2.2	1.23	566	Genetic Tech.	1	+24.9	+10.4	21	4-0	-	-	-	-	5.3	NE	Nil	N/A	40	
QEM Limited	10	+8.7	-5.2	36	6-0	-	-	-	-	1.4	NE	Nil	N/A	N/A	Engenco Ltd	54	+3.0	+3.5	47	4-0	-	-	-	-	0.7	13	3.7	0.95	169	
Castillo Copper	5	+72.5	+10.7	6	6-0	-	-	-	-	2.0	NE	Nil	N/A	12	Liontown Res.	16	+16.2	+0.6	28	4-0	1	0.0	-	-	1.2	NE	Nil	N/A	263	
Equity Trustees	2655	+1.7	+2.0	50	6-0	1	-	15.3	53	0.2	29	3.4	5.78	552	Hammer Metals	4	+54.5	-4.0	9	4-0	-	-	-	-	2.6	NE	Nil	N/A	16	

## “Neglect” Ratings of Australian Shares

“Neglected” Shares = 0-2 Brokers, “Moderately Followed” Shares = 3-9 Brokers, “Widely Followed” Shares = 10 or more Brokers.

Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)
1300 Smiles Ltd	2	149	Auswide Bank	2	205	Chart H Retail	9	1,585	Flexicorp Ltd	4	426
3P Learning	1	184	Autosports Grp	4	268	Citadel Group	2	313	Flight Centre	13	1,265
AFT Pharma.	2	463	Aventus Retail	7	1,298	City Chic Coll.	8	629	Fortescue Metal	18	53,389
AGL Energy Ltd	11	9,329	Avita Medical	6	15,354	Class Limited	2	234	Freedom Foods	3	831
ALS Limited	12	4,226	BHP Group Ltd	15	107,671	Cleanaway Waste	9	5,176	Frontier Digit.	2	277
AMA Group Ltd	5	461	BUBS Australia	3	443	Clearview With	1	202	G.U.D. Holdings	7	968
AMP Ltd	11	5,292	BWP Trust	4	2,550	Clean Teq Hold.	2	243	G8 Education	9	453
ANZ Bank	14	49,718	BWX Limited	8	589	Clinuvel Pharm.	1	1,068	GDI Property	1	550
APA Group	11	12,070	Baby Bunting Gr	4	527	Clover Corp.	2	369	GPT Group	10	7,538
APN Industria	4	516	Bank of Q'land	14	2,726	CocaCola Amatil	12	6,559	GR Engineering	2	151
APN Conv Retail	4	418	Bapcor Limited	9	1,952	Cochlear Ltd	14	12,311	GWA Group Ltd	7	678
ARB Corporation	7	2,165	Base Resources	2	357	Codan Ltd	5	1,939	Galaxy Res.	10	561
ASX Limited	11	16,022	Beach Energy	14	2,976	Coles Group	13	22,864	Galilee Energy	1	156
AUB Group	4	1,179	Beacon Lighting	2	266	Collins Foods	6	1,162	Garda Div Prop	3	237
AV Jennings	1	209	Bega Cheese Ltd	7	1,138	Collection Hse	2	154	Genex Power	3	82
Abacus Property	4	1,804	Bellevue Gold	2	692	Com'wealth Bank	14	116,482	Genetic Sign.	1	277
Accent Group	4	800	Bendigo Bank	13	3,306	Comet Ridge Ltd	4	58	Genworth Mort.	2	648
Acrow Formwork	2	71	Betmakers Tech.	1	201	Computershare	10	6,642	Gold Road Res.	8	1,390
Adacel Tech.	1	54	Big River Ind.	1	80	Cooper Energy	9	569	Goodman Group	9	33,186
Adairs Limited	7	533	Bigtincan Hold.	2	359	Corp Travel M.	10	1,690	Graincorp	8	897
Adbri Ltd	12	1,794	Bingo Indust.	8	1,484	Costa Group	10	1,367	Growthpoint Pro	4	2,570
Adriatic Metals	3	297	Bionomics Ltd	2	97	Credit Corp.	7	959	HT&E Limited	5	406
Aeon Metals	1	35	Blackmores Ltd	10	1,096	Crownwell Prop.	3	2,286	HUB24 Limited	8	1,103
Afterpay Ltd	12	19,651	Bluescope Steel	10	6,564	Crown Resorts	10	6,128	Hansen Tech.	3	781
Ainsworth Game	4	120	Boral Limited	9	4,713	Cynata Therap.	2	102	Harvey Norman	10	5,271
Alacer Gold	6	596	Brainchip Hold.	1	872	Dacian Gold Ltd	4	74	Healius Ltd	8	2,061
Ale Property	3	936	Brambles Ltd	11	15,985	Damstra Hold.	3	273	Heartland Group	3	636
Alkane Explor.	1	667	Bravura Sol.	3	816	Danakali Ltd	1	147	Helloworld Trav	5	216
Alliance Aviat.	5	444	Breville Group	10	3,587	Data 3 Ltd	2	890	Hotel Property	4	495
Allium Limited	11	4,377	Brickworks Ltd	5	2,682	De Grey Mining	2	1,540	Huon Aquacult.	2	254
Alumina Ltd	12	4,248	Buru Energy Ltd	1	37	Decml Group	1	64	IDP Education	9	5,294
Amaysim Aust.	2	211	Byron Energy	1	239	Dexus	10	9,755	IGO Ltd	14	2,653
Ancor Ltd	8	14,999	C.S.R. Ltd	10	1,869	Domain Holdings	10	2,103	IOOF Holdings	6	1,145
Ampol Ltd	11	5,901	CIMIC Group	5	6,394	Domino's Pizza	12	7,056	IPH Limited	6	1,492
Ansell Ltd	10	4,747	CML Group	1	82	Downer EDI Ltd	7	2,450	IRESS Limited	5	1,738
Appen Limited	12	3,881	CSL Limited	13	128,723	EML Payments	4	1,015	Icar Asia Ltd	1	132
Ardent Leisure	3	199	Cann Group	1	61	Eagers Auto.	9	2,179	Iluka Resources	8	4,059
Arena REIT	6	795	Capital Health	4	197	Eclixp Group	4	471	Image Resources	1	201
Aristocrat Leis	12	18,192	Capricorn Metal	3	686	Elanor Investor	2	190	Imdex Limited	6	483
Asaleo Care Ltd	4	559	Carbon Rev.	2	243	Elanor Com Prop	1	205	Impediment Ltd	3	36
Aspen Group Ltd	2	120	Cardno Ltd	1	130	Elders Limited	8	1,563	Imugene Ltd	1	194
Atlas Arteria	7	5,459	Cardinal Res.	1	525	Electro Optic	1	579	Incitec Pivot	11	3,372
Audinate Group	7	345	Carindale Prop	1	214	Elmo Software	6	369	Infin Energy	2	898
Aurelia Metals	3	446	Carsales.com	13	4,925	Emeco Holdings	7	315	Infomedia Ltd	6	511
Aurizon Hold.	11	8,241	Catapult Group	4	373	Energy Resource	1	572	Ingenia Com Grp	2	1,197
AusNet Services	11	6,951	Cedar Woods Prp	2	406	Enero Group Ltd	1	138	Inghams Group	9	1,189
Aust Finance Gr	3	379	Centuria Office	5	1,039	Equity Trustees	1	552	Insurance Aust.	11	10,885
Aust Agricult.	1	633	Centuria Indust	5	1,070	Estia Health	6	379	Int Research	1	619
Aust Pharm. Ind	5	515	Challenger Ltd	12	2,278	Event Hospital.	4	1,510	Integral Diag.	9	802
Aust Vintage	2	139	Champion Iron	2	1,375	Evolution Min.	14	9,579	Invocare Ltd	8	1,124
Austal Limited	5	1,127	Chart Hall Long	4	2,415	Experience Co	3	103	Ive Group	2	122
Austin Eng.	3	84	Charter Hall GR	8	5,776	FAR Ltd	5	110	JB Hi-Fi Ltd	13	5,382
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Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)	Company	No. of Brokers Following Company	Market Capitalisation (\$ Mill.)
Janus Henderson	10	1,079	NRW Holdings	7	870	Pointsbet Hold.	4	1,426	Soul Pattinson	2	5,032
Japara Health.	5	102	Namoi Cotton	1	41	Polynovo Ltd	6	1,421	South32 Limited	15	10,323
Jervois Mining	1	215	Nanosonics Ltd	8	1,767	Praemium Ltd	5	204	Spark Infrastru	11	3,633
Johns Lyng Grp	6	572	Nat'l Aust Bank	14	51,178	Premier Invest	10	2,933	St Barbara Ltd	8	2,264
Jumbo Interact.	3	915	National Stor.	6	1,477	Prime Media Grp	1	46	Starpharma Hold	2	594
Jupiter Mines	3	529	National Tyre	1	62	PrimeWest	2	368	Star Entertain.	11	2,724
Karoon Energy	4	406	Navigator GI In	2	251	Propel Funeral	7	2,730	Steadfast Group	7	2,892
Kina Securities	1	163	Nearmap Ltd	7	1,113	Q.B.E. Insur.	11	12,257	Sth Cross Media	4	112
Kogan.com Ltd	4	1,737	Netwealth Group	8	3,437	Qantm I.P.	1	133	Stockland	10	8,608
Korvest Ltd	1	49	Neuren Pharm.	1	121	Qantas Airways	11	5,695	Strike Energy	2	409
LendLease Group	8	6,862	New Hope Corp.	6	932	Qube Holdings	10	4,247	Suncorp Group	11	11,311
Lifestyle Com.	2	970	New Energy Sol.	1	295	REA Group Ltd	11	14,587	Sunland Group	1	175
Lindsay Aust	1	104	Newcrest Mining	15	24,037	RPMGlobal Hold.	1	258	Superloop Ltd	5	382
Link Admin.	8	2,026	News Corp.	7	1,032	Ramelius Res.	5	1,728	Super Retail Gr	10	2,058
Liontown Res.	1	263	Nextdc Limited	13	4,754	Ramsay Health	13	13,063	Sydney Airport	13	12,384
Lithium Power	1	39	Nib Holdings	8	1,941	Reckon Limited	2	93	Syrah Resources	4	174
Livehive Ltd	2	110	Nick Scali Ltd	3	638	Red River Res.	3	67	Tabcorp Holding	12	6,991
Livetiles Ltd	2	189	Nickel Mines	5	935	Red 5 Ltd	5	446	Tassal Group	3	747
Lovisa Holdings	8	795	Nine Entertain.	8	2,882	Redbubble Ltd	4	1,019	Technology One	6	2,489
Lynas Corp Ltd	5	1,667	Nitro Software	1	444	Redcope Hotel	2	450	Telstra	12	33,896
MMA Offshore	4	44	Nthn Star Res.	15	9,843	Redflex Holding	1	57	Temple Webster	5	1,062
MMF Group	3	395	Nufarm Limited	12	1,667	Reece Limited	5	6,965	The Reject Shop	3	249
MSL Solutions	1	20	OZ Minerals Ltd	15	4,665	Regis Health.	6	350	Think Childcare	2	37
MacMahon Hold	3	550	Oceania Health.	3	578	Regis Resources	13	2,668	Transurban Grp	13	37,826
Macca Limited	3	239	Oil Search Ltd	14	4,346	Reliance W/wide	10	2,979	Treasury Wine	14	6,530
Mach7 Tech.	2	220	Omni Bridgeway	2	972	ResAoo Health	1	83	Tyro Payments	3	1,611
Macquarie Group	13	44,687	Oncosil Medical	2	112	Resimac Group	1	566	Unibaill-Rod.	22	820
Macquarie C Tel	3	857	Onevue Holdings	2	104	Resolute Mining	8	1,045	United Malt Grp	7	1,053
Magellan Fin Gp	12	10,366	Ooh!Media	4	571	Rhipe Limited	4	242	Uniti Group	3	377
Marley Spoon AG	1	348	Openpay Group	1	198	Ridley Corp.	2	247	Unity Centre	10	5,002
Mastermyne Grp	1	89	Opthea Limited	3	743	Rio Tinto Ltd	13	37,070	Village Road.	3	410
Matrix Comp.	1	16	Orica Ltd	11	6,892	Rural Funds Grp	4	768	Virgin Aust	3	726
Maxi TRANS	1	42	Origin Energy	11	8,260	SG Fleet Group	2	391	Virgin Money UK	21	1,519
Mayne Pharma Gr	8	554	Orocobre Ltd	12	694	Salt Lake Pot.	4	123	Virtus Health	4	286
McMillan Shake.	5	659	Orora Limited	9	2,739	Sandfire Res.	14	814	Vista Group	3	341
McPherson's Ltd	4	313	Over The Wire	4	207	Santos Ltd	14	10,582	Vita Group Ltd	2	184
Medical Dev Int	2	364	P2P Transport	1	4	Saracen Mineral	12	5,636	Viva Leisure	2	174
Medibank Priv.	8	7,105	PSC Insurance	2	779	Scentre Group	10	10,900	Viva Energy Grp	10	2,965
Megaport Ltd	9	2,197	PWR Holdings	3	475	Sealink Travel	7	1,092	Vocus Group Ltd	12	2,296
Mesoblast Ltd	2	2,412	Pacific Current	1	298	Seek Ltd	11	6,767	Volpara Health	3	283
Metals X Ltd	3	73	Pacific Smiles	3	275	Select harvest	5	529	Wagners Hold.	3	225
Metcash Ltd	11	2,610	Pact Group Hold	5	781	Senex Energy	8	452	Waypoint REIT	7	2,069
Metro Per Glass	2	37	Paladin Energy	3	294	Serko Ltd	3	360	WebCentral Grp	1	20
Metro Mining	1	88	Palia Pharma	2	96	Servcorp Ltd	2	230	Webjet NL	8	515
Michael Hill	3	155	Panoramic Res.	2	66	Service Stream	6	773	Wesfarmers Ltd	13	51,023
Midway Limited	4	85	Pantoro Limited	2	265	Seven Group	7	5,861	West African R.	3	919
Mincor Resource	3	318	Paradigm Bio.	2	497	Seven West Med.	7	185	Westgold Res.	3	948
Mineral Res.	5	5,117	Peet Ltd	2	544	Sezzle Inc	2	468	Westpac Banking	14	60,712
Mirvac Group	10	8,104	Pendal Group	11	1,769	Shaver Shop Grp	2	104	Western Areas	14	608
Moelis Aust.	1	550	Peninsula En.	1	50	Shine Justice	2	139	Whispir Ltd	4	369
Monash IVF Grp	3	138	People Infra.	3	203	Shopping Centre	9	2,082	Whitehaven Coal	15	918
Monadelphous Gr	12	988	Perenti Global	7	784	Sigma Health.	6	678	Wisetech Global	8	8,837
Money Me Ltd	3	240	Perpetual Ltd	9	1,330	Silver Lake Res	5	1,980	Wisr Ltd	3	207
Money3 Corp Ltd	3	372	Perseus Mining	6	1,600	Sims Ltd	10	1,691	Woodside Petrol	14	17,303
Mosaic Brands	1	48	Pharmaxis Ltd	1	32	Smart Parking	2	36	Woolworths Grp	12	46,299
Motorcycle Hold	3	114	Piedmont Lith.	1	77	Smartgroup Corp	5	753	Worsley Ltd	10	4,881
Mt Gibson Iron	2	845	Pilbara Mineral	7	745	Somnomed Ltd	2	151	XRF Scientific	1	40
Myer Holdings	4	177	Pinnacle Invest	4	925	Sonic Health	12	15,454	Xref Limited	1	26
Mystate Ltd	3	338	Platinum Asset	10	1,930				Zip Co Ltd	8	2,338

## Short Interest in Australian Shares

Company	Short Interest Ratio	Market Capitalisation (\$ Mill.)	Company	Short Interest Ratio	Market Capitalisation (\$ Mill.)	Company	Short Interest Ratio	Market Capitalisation (\$ Mill.)	Company	Short Interest Ratio	Market Capitalisation (\$ Mill.)
5G Networks	0.0%	121	Alliance Aviat.	1.8%	444	Aust Pharm. Ind	1.1%	515	Blackmores Ltd	4.9%	1,096
88 Energy Ltd	0.0%	50	Althea Group	0.3%	94	Australis O & G	0.1%	26	Bluescope Steel	0.5%	6,564
A2B Australia	0.6%	131	Altium Limited	1.1%	4,377	Austal Limited	0.8%	1,127	Boart Longyear	0.0%	31
AGL Energy Ltd	1.2%	9,329	Altura Mining	0.5%	182	Aust Mines Ltd	0.0%	59	Boral Limited	5.3%	4,713
ALS Limited	0.1%	4,226	Alumina Ltd	4.5%	4,248	Aust U. Office	0.0%	344	Boss Resources	0.0%	132
AMA Group Ltd	4.0%	461	Amaysim Aust.	0.6%	211	Aust Ethical In	0.0%	506	Botanix Pharma.	0.9%	53
AMP Ltd	5.3%	5,292	Amcor Ltd	1.0%	14,999	Autosports Grp	0.0%	268	Brainchip Hold.	0.0%	872
ANZ Bank	0.7%	49,718	Ansell Ltd	2.1%	4,747	Aventus Retail	0.3%	1,298	Brambles Ltd	0.1%	15,985
APA Group	0.5%	12,070	Antipa Minerals	0.0%	102	Avita Medical	2.3%	15,354	Bravura Sol.	1.2%	816
APN Industria	1.2%	516	Apollo Tourism	0.1%	48	BHP Group Ltd	4.7%	107,671	Breville Group	0.7%	3,587
ARB Corporation	3.5%	2,165	Appen Limited	3.9%	3,881	BUBS Australia	4.5%	443	Brickworks Ltd	1.0%	2,682
ASX Limited	0.5%	16,022	Arafura Res.	0.5%	76	BWP Trust	0.8%	2,550	Buddy Tech.	1.3%	167
AUB Group	0.4%	1,179	Arden Leisure	2.0%	199	BWX Limited	2.5%	589	Byron Energy	0.1%	239
AV Jennings	0.0%	209	Ardea Resources	0.1%	57	Baby Bunting Gr	1.3%	527	C.S.R. Ltd	3.9%	1,869
AVZ Minerals	1.2%	146	Arena REIT	0.5%	795	Bank of Q'land	8.1%	2,726	CIMIC Group	1.6%	6,394
Abacus Property	0.2%	1,804	Argo Investment	0.0%	5,437	Bapcor Limited	1.0%	1,952	CSL Limited	0.3%	128,723
Accent Group	0.2%	800	Argosy Minerals	0.4%	49	Base Resources	0.0%	357	Calix Limited	0.1%	114
Acrow Formwork	0.2%	71	Aristocrat Leis	3.7%	18,192	Beach Energy	1.6%	2,976	Calima Energy	0.2%	19
Adairs Limited	0.1%	533	Asaleo Care Ltd	0.3%	559	Beacon Lighting	0.5%	266	Cann Group	0.0%	61
Adbri Ltd	2.6%	1,794	Atlas Arteria	0.8%	5,459	Bega Cheese Ltd	5.3%	1,138	Canyon Res.	0.0%	75
Adriatic Metals	0.1%	297	Atomos Limited	0.0%	124	BelleVue Gold	4.4%	692	Capital Health	0.3%	197
Advance NanoTek	0.1%	199	Audio Pixels	0.1%	769	Bendigo Bank	6.9%	3,306	Capricorn Metal	0.1%	686
Aeormetrex Ltd	0.0%	119	Audinate Group	0.7%	345	Berkeley Energy	0.0%	208	Carbon Rev.	0.3%	243
Afterpay Ltd	6.0%	19,651	Aurelia Metals	1.1%	446	Betmakers Tech.	0.0%	201	Cardno Ltd	0.4%	130
Alicidian Group	0.0%	144	Aurizon Hold.	1.1%	8,241	Bid Energy Ltd	0.6%	129	Cardinal Res.	0.4%	525
Ale Property	0.1%	936	AusNet Services	0.9%	6,951	Bigtincan Hold.	0.0%	359	Carnarvon Pet.	3.5%	305
Alita Resources	0.3%	121	Aust Finance Gr	0.0%	379	Bingo Indust.	4.5%	1,484	Carsales.com	0.8%	4,925
Alkane Explor.	0.1%	667	Aust Agricult.	2.1%	633	Biotron Limited	0.0%	74			

(Continued on Page 18)



Company	Short Interest Ratio	Market Capitalisation (\$ Mill.)	Company	Short Interest Ratio	Market Capitalisation (\$ Mill.)	Company	Short Interest Ratio	Market Capitalisation (\$ Mill.)	Company	Short Interest Ratio	Market Capitalisation (\$ Mill.)
Cash Converters	0.1%	99	Getswift Ltd	0.1%	75	Money Me Ltd	0.2%	240	Rumble Resource	0.1%	76
Castle Res.	0.0%	61	Godolphin Res.	0.0%	13	Money3 Corp Ltd	0.8%	372	Rural Funds Grp	4.3%	768
Catalyst Metals	0.0%	198	Gold Road Res.	3.1%	1,390	Mortgage Choice	1.0%	94	S/Tracks ASX200	0.1%	3,590
Cedar Woods Prp	0.1%	406	Goodman Group	0.7%	33,186	Mosaic Brands	0.0%	48	S2 Resources	0.1%	62
Celsius Res.	0.3%	17	Graincorp	3.4%	897	Mt Gibson Iron	1.5%	845	SG Fleet Group	0.1%	391
Centuria Office	0.3%	1,039	Grange Resource	1.5%	295	Myanmar Metals	0.1%	175	SRV Capital	1.1%	12
Centuria Cap'l	0.2%	1,005	Greenland Min.	0.0%	322	Myer Holdings	10.0%	177	SIG Global	0.3%	145
Centuria Indust	0.3%	1,070	Growthpoint Pro	0.1%	2,570	Mystate Ltd	0.7%	338	Sandfire Res.	3.7%	814
Centaurus Metal	0.0%	119	HT&E Limited	4.4%	406	NGE Capital	0.0%	18	Santos Ltd	1.5%	10,582
Challenger Ltd	5.5%	2,278	HUB24 Limited	5.1%	1,103	NRW Holdings	1.3%	870	Saracen Mineral	1.8%	5,636
Champion Iron	0.5%	1,375	Hansen Tech.	0.3%	781	Nanosonics Ltd	1.4%	1,767	Scentree Group	0.7%	10,900
Chart Hall Long	1.6%	2,415	Harvey Norman	6.4%	5,271	Nat'l Aust Bank	0.5%	51,178	Sealink Travel	0.5%	1,092
Charter Hall GR	0.2%	5,776	Healius Ltd	0.2%	2,061	National Stor.	0.8%	1,477	Seek Ltd	7.1%	6,767
Charter Social	0.1%	823	Hearts & Minds	0.0%	771	Navigator GI In	0.1%	251	Select harvest	0.3%	529
Chart H Retail	0.8%	1,585	Helloworld Trav	0.1%	216	Nearmap Ltd	6.8%	1,113	Senex Energy	3.8%	452
Citadel Group	0.3%	313	Highfield Res.	0.0%	150	Neometals Ltd	0.0%	95	Servcorp Ltd	0.2%	230
City Chic Coll.	0.6%	629	Home Consortium	0.0%	617	Netwealth Group	2.6%	3,437	Service Stream	0.8%	773
Class Limited	1.0%	234	Horizon Oil Ltd	0.2%	70	New Hope Corp.	1.1%	932	Seven Group	3.0%	5,861
Cleanaway Waste	0.5%	5,176	Hotel Property	0.0%	495	New Century Res	9.0%	73	Seven West Med.	2.0%	185
Clean Teq Hold	5.2%	243	I-SignThis Ltd	1.4%	1,172	New Energy Sol.	0.0%	295	Shopping Centre	2.4%	2,082
Clinuvel Pharm.	9.5%	1,068	IDP Education	1.4%	5,294	Newcrest Mining	0.7%	24,037	Sigma Health.	0.7%	678
Clover Corp.	0.0%	369	IGO Ltd	0.3%	2,653	News Corp.	2.2%	1,032	Silver Heritage	0.0%	13
CocaCola Amatil	3.1%	6,559	IOOF Holdings	5.6%	1,145	Nextdc Limited	2.8%	4,754	Silver Lake Res	0.8%	1,980
Cochlear Ltd	0.9%	12,311	IPH Limited	1.1%	1,492	Nib Holdings	2.7%	1,941	Silver Mines	0.0%	189
Codan Ltd	0.1%	1,939	IRESS Limited	0.4%	1,738	Nick Scali Ltd	1.5%	638	Sims Ltd	6.4%	1,691
Coles Group	0.4%	22,864	Iluka Resources	1.4%	4,059	Nickel Mines	2.1%	935	Slater & Gordon	0.0%	138
Collins Foods	0.2%	1,162	Imdex Limited	0.2%	483	Nine Entertain.	4.7%	2,882	Smartgroup Corp	0.2%	753
Collection Hse	5.7%	154	Impedimed Ltd	3.1%	36	Nova Minerals	0.5%	87	Sonic Health	1.3%	15,454
Comwealth Bank	0.8%	116,482	Incitec Pivot	2.5%	3,372	Nthn Star Res.	0.7%	9,843	Soul Pattinson	2.6%	5,032
Computershare	1.4%	6,642	Infogen Energy	1.8%	898	Nufarm Limited	4.8%	1,667	South32 Limited	1.5%	10,323
Cooper Energy	4.8%	569	Infomedia Ltd	0.0%	511	Nuheara Limited	0.0%	52	Spark Infrastru	2.5%	3,633
Copper Mountain	0.1%	21	Ingenia Com Grp	0.2%	1,197	OFX Group	0.4%	281	Speedcast Int'l	13.2%	189
Corp Travel M.	7.4%	1,690	Inghams Group	10.3%	1,189	OM Holdings	0.0%	240	Splitit Payment	0.2%	338
Costa Group	4.8%	1,367	Insurance Aust.	0.9%	10,885	OZ Minerals Ltd	1.0%	4,665	St Barbara Ltd	1.4%	2,264
Credit Corp	2.3%	959	Int Research	1.0%	619	Oil Search Ltd	2.8%	4,346	Stanmore Coal	0.2%	172
Cromwell Prop.	2.1%	2,286	Integral Diag.	0.0%	802	Oklo Resources	0.0%	123	Starpharma Hold	3.9%	594
Croplogix Ltd	0.0%	13	Intega Group	0.1%	122	Omni Bridgeway	1.5%	972	Star Entertain.	1.4%	2,724
Crown Resorts	2.6%	6,128	Investec A Prop	0.1%	782	Onevue Holdings	0.0%	104	Stavely Mineral	0.0%	115
Crown Media	0.1%	7	Invocare Ltd	6.7%	1,124	Ooh!Media	2.8%	571	Steadfast Group	0.1%	2,892
Dacian Gold Ltd	5.1%	74	ioneer Limited	3.3%	168	Openpay Group	0.0%	198	Sth Cross Media	3.9%	112
Danakali Ltd	0.0%	147	Iselect Limited	0.8%	58	Opthea Limited	0.1%	743	Sth Cross Elect	0.0%	111
De Grey Mining	0.0%	1,540	Isentia Group	0.2%	41	Orica Ltd	0.6%	6,892	Stockland	0.2%	8,608
Dexus	0.3%	9,755	Ive Group	0.1%	122	Origin Energy	0.7%	8,260	Strandline Res.	0.0%	92
Dicker Data Ltd	0.2%	1,202	JB Hi-Fi Ltd	10.8%	5,382	Orocobre Ltd	13.0%	694	Strike Energy	1.0%	409
Digital CC Ltd	0.0%	23	James Hardie	0.9%	13,516	Orora Limited	0.4%	2,739	Suncorp Group	0.4%	11,311
Domain Holdings	1.1%	2,103	Janus Henderson	2.8%	1,079	Othroccl Ltd	0.7%	76	Sundance Res.	0.0%	47
Domino's Pizza	5.3%	7,056	Japara Health.	3.5%	102	Over The Wire	0.3%	207	Sunland Group	0.1%	175
Donaco Inter'l	0.1%	26	Jervois Mining	0.0%	215	PSC Insurance	0.0%	779	Superloop Ltd	4.1%	382
Downer EDI Ltd	2.3%	2,450	Johns Lyng Grp	0.2%	572	PTB Group Ltd	0.0%	92	Super Retail Gr	8.2%	2,058
Droneshield Ltd	0.2%	52	Jumbo Interact.	3.6%	915	PWR Holdings	0.1%	475	Sydney Airport	1.0%	12,384
Dropsuite Ltd	0.1%	37	Jupiter Mines	1.7%	529	Pact Group Hold	8.1%	781	Syrah Resources	6.7%	174
Dubber Corp.	0.1%	204	K-TIG Limited	0.0%	26	PainChek Ltd	0.0%	98	TALI Digital	0.1%	19
EML Payments	1.4%	1,015	Kalina Power	0.0%	20	Paladin Energy	1.9%	294	Tabcorp Holding	3.7%	6,991
Eagers Auto.	1.6%	2,179	Karoon Energy	4.5%	406	Panoramic Res.	0.0%	66	Talga Resources	0.1%	145
Eclixp Group	2.5%	471	Kingsgate Cons.	0.0%	204	Pantoro Limited	0.3%	265	Tassal Group	2.1%	747
Ecofibre Ltd	2.7%	301	King River Res.	0.0%	37	Paragon Care	0.1%	54	Technology One	4.0%	2,489
Eden Innovation	0.0%	45	Kogan.com Ltd	6.5%	1,787	Paradigm Bio.	2.1%	497	Telix Pharma.	0.2%	457
Elanor Ret Prop	0.0%	105	LendLease Group	1.3%	6,862	Peak Resources	0.0%	46	Telstra	0.2%	33,896
Elders Limited	1.8%	1,563	Lepidico Ltd	0.0%	32	Pendal Group	0.5%	1,769	Temple Webster	1.7%	1,062
Electro Optic	0.7%	579	Lifestyle Com.	1.3%	970	People Infra.	0.1%	203	The Reject Shop	0.3%	249
Elixinol Global	0.6%	22	Life 360 Inc.	0.3%	596	Perenti Global	0.2%	784	Thorn Group Ltd	0.0%	69
Elmo Software	0.0%	369	Linus Tech.	0.1%	41	Perpetual Ltd	7.8%	1,330	Titomic Ltd	0.4%	102
Emeco Holdings	2.7%	315	Link Admin.	0.9%	2,026	Perseus Mining	1.2%	1,600	Transurban Grp	0.5%	37,826
Emerge Gaming	0.1%	17	Liontown Res.	0.0%	263	Pharmaxis Ltd	0.1%	32	Treasury Wine	2.8%	6,530
Emerald Res.	0.1%	317	Liq Natural Gas	2.2%	25	Phoslock Env.	2.2%	150	Tribune Res.	0.0%	440
Empire Energy	0.1%	83	Lithium Power	0.0%	39	Piedmont Lith.	0.0%	77	Tungsten Mining	0.1%	143
Energy World	1.0%	102	Lithium Aust.	0.0%	31	Pilbara Mineral	9.4%	745	Tyro Payments	0.9%	1,611
Envirosuite Ltd	0.2%	224	Livehive Ltd	0.0%	110	Pinnacle Invest	2.2%	925	US Masters Res.	0.0%	80
Estia Health	4.7%	379	Livetiles Ltd	0.1%	189	Pioneer Credit	0.1%	18	Unibail-Rod.	0.5%	820
Euro. Lithium	0.0%	29	Lovisa Holdings	4.7%	795	Platina Res.	0.1%	23	United Malt Grp	3.1%	1,053
Euroz Limited	0.0%	182	Lynas Corp Ltd	4.7%	1,667	Platinum Asset	4.3%	1,930	Uniti Group	0.0%	377
Event Hospital.	0.2%	1,510	MMA Offshore	0.7%	44	Pointsbet Hold.	1.5%	1,426	Vicinity Centre	0.7%	5,002
Evolution Min.	1.3%	9,579	MNF Group	0.2%	395	Polynovo Ltd	4.7%	1,421	Village Road.	0.4%	410
Experience Co	0.1%	103	MRG Metals Ltd	0.0%	6	Praemium Ltd	0.2%	204	Vintage Energy	1.6%	16
FAR Ltd	0.5%	110	MacMahon Hold	0.1%	550	Premier Invest	0.2%	2,933	Virgin Aust	0.2%	726
FBR Limited	0.4%	106	Maca Limited	0.4%	239	Pro Medicus Ltd	1.5%	2,730	Virgin Money UK	1.3%	1,519
Family Zone CS	0.0%	114	Macquarie Group	0.4%	44,687	Q.B.E. Insur.	0.4%	12,257	Virtus Health	1.7%	286
Fatfish Group	0.1%	8	Magellan Fin Gp	1.5%	10,366	Qantas Airways	0.6%	5,695	Vita Group Ltd	0.3%	184
Fiducian Group	0.0%	177	Magnis Energy T	0.0%	123	Qube Holdings	2.1%	4,247	Viva Energy Grp	1.1%	2,965
Fineos Corp Ltd	0.0%	1,363	Mastermyne Grp	0.1%	89	REA Group Ltd	2.4%	14,587	Vocus Group Ltd	0.8%	2,296
Fleetwood Corp	0.1%	163	Mayne Pharma Gr	6.3%	554	RXP Services	0.0%	65	Volpara Health	0.8%	283
Flexicorp Ltd	0.7%	426	McMillan Shake.	0.5%	659	Ramelius Res.	0.9%	1,728	WPP AUNZ Ltd	0.3%	273
Flight Centre	9.4%	1,265	McPherson's Ltd	0.1%	313	Ramsay Health	2.0%	13,063	Wagners Hold.	0.4%	225
Fluence Corp.	0.0%	125	Medical Dev Int	0.4%	364	Reckon Limited	0.0%	93	Wameja Ltd	0.0%	163
Fortescue Metal	1.4%	53,389	Medibio Limited	0.2%	11	Red River Res.	1.0%	67	Wattle Health	0.7%	105
Freelancer Ltd	0.0%	221	Medibank Priv.	1.1%	7,105	Red 5 Ltd	0.0%	446	Webjet NL	11.3%	515
Freedom Foods	2.5%	831	Megaport Ltd	1.6%	2,197	Redbubble Ltd	0.1%	1,019	Wesfarmers Ltd	0.5%	51,023
G.U.D. Holdings	4.2%	968	Megnetite Mines	0.0%	13	Redcope Hotel	0.1%	450	West African R.	2.2%	919
G8 Education	6.8%	453	Mesoblast Ltd	4.7%	2,412	Reece Limited	0.3%	6,965	Westgold Res.	1.0%	948
GDI Property	0.1%	550	Metals X Ltd	3.7%	73	Regis Health.	3.0%	350	Westpac Banking	0.6%	60,712
GPT Group	0.3%	7,538	Metcash Ltd	7.7%	2,610	Regis Resources	2.2%	2,668	Western Areas	1.7%	608
GTN Limited	0.0%	82	Metro Mining	0.0%	88	Reliance W/wide	3.9%	2,979	Whitehaven Coal	3.1%	918
GWA Group Ltd	6.0%	678	Michael Hill	0.2%	155	ResAoo Health	0.1%	83	Wisetech Global	4.4%	8,337
Galan Lithium	0.0%	23	Mineral Res.	3.2%	5,117	Resolute Mining	6.2%	1,045	Woodside Petrol	1.8%	17,303
Galaxy Res.	16.4%	561	Minvac Group	0.4%	8,104	Retail Food Grp	0.0%	142	Woolworths Grp	0.5%	46,299
Galilee Energy	0.1%	156	Moelis Aust.	0.1%	550	Rhipe Limited	0.1%	242	Worsley Ltd	3.9%	4,881
Gascoyne Res.	0.3%	39	Monash IVF Grp	1.3%	138	Ridley Corp.	0.6%	247	Zip Co Ltd	7.8%	2,338
Genworth Mort.	2.3%	648	Monadelphous Gr	3.8%	988	Rio Tinto Ltd	3.1%	37,070	Zoono Group	2.3%	353

# Performance Forecasts

"Performance Forecasts" are computer generated predictions of the relative future price performance of a company's shares over the next three to six months. Performance Forecasts are calculated for every listed NZ share (except Investment Trusts) on a rating scale using the letters "A" (Highest potential for capital appreciation over the next 3-6 months ), "B" (Above Average), "C" (Average), "D" (Below Average) and "E" (Lowest). These predictions are NOT buy or sell recommendations, but can be useful to help time planned purchases or sales, or to identify shares worthy of further study and analysis.

Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield	Performance Forecast	Price	Price/Sales Ratio	P/E Ratio	Gross Yield			
A2 Milk Company	B	1791	N/A	NE	Nil	Geo Ltd	D	6.6	1.34	NE	Nil	Property F Ind.	C	276	N/A	7	2.8
AFC Group Hold.	B	0.1	2.97	NE	Nil	Goodman Prop.	C	235	N/A	12	2.8	Pushpay Hold.	D	750	9.49	77	Nil
AFT Pharma.	A	508	1.63	NE	Nil	Good Spirits	D	8.4	0.14	7	Nil	QEX Logistics	F	51	0.45	23	Nil
AMP Limited	B	170	0.83	NE	Nil	Green Cross H.	C	101	0.25	11	9.6	Rakon Ltd	C	39	0.75	22	Nil
AWF Madison Grp	A	151	0.19	25	14.9	Hallenstein G.	A	436	0.90	9	14.0	Restaurant Brds	F	1201	2.12	50	Nil
Abano Health.	A	378	0.35	13	8.8	Heartland Group	C	115	4.02	11	9.1	Rubicon Limited	F	19	1.89	NE	Nil
Air New Zealand	A	133	N/A	NE	11.5	IkeGPS Limited	BB	95	9.87	NE	Nil	Ryman Health.	F	1374	N/A	26	1.8
Aikd Int Airport	A	701	N/A	53	Nil	Infracore NZ	BB	490	2.52	13	4.7	Sanford Limited	D	567	0.97	13	5.6
Allied Farmers	E	63	5.29	89	0.4	Investore Prop.	C	224	N/A	13	3.7	Scales Corp Ltd	D	492	1.44	15	5.4
Aorere Res.	N/R	0.1	5.02	NE	Nil	Just Life Group	C	71	3.71	30	3.9	Scott Tech. Ltd	D	175	0.60	16	5.7
Argosy Property	C	136	N/A	9	4.7	Kathmandu Ltd	B	119	0.49	5	18.7	SeaDragon Ltd	D	32	0.32	NE	Nil
Arvida Group	C	165	5.64	21	3.8	Kingfish Ltd	A	173	N/A	7	6.8	Seeka Kiwifruit	D	404	0.55	19	6.9
Asset Plus	C	34	3.81	NE	7.9	Kiwi Property	D	104	6.66	NE	4.2	Serko Limited	D	423	N/A	NE	Nil
Augusta Capital	C	98	3.56	12	6.1	Mainfreight Grp	B	4725	1.54	32	7	Skellerup Hold.	D	291	2.25	19	6.2
Barramundi Ltd	C	75	N/A	12	7.4	Marlborough WE	C	18	N/A	NE	Nil	Sky City Ltd	D	299	2.51	14	9.3
Blackwall Gbl.	C	2.0	N/A	NE	Nil	Marlin Global	B	110	N/A	7	7.2	Sky Network TV	D	15	0.19	2	69.4
Blis Technology	C	8.1	8.43	56	Nil	Marsden Mar.	B	580	N/A	36	3.8	Smartpay NZ Ltd	D	60	3.69	NE	Nil
Briscoe Group	A	405	1.38	14	7.2	Mercury NZ	B	521	4.13	35	3.7	Smiths City	E	14	0.04	NE	Nil
Burger Fuel	D	39	1.01	41	Nil	MHM Automation	B	35	0.78	NE	Nil	Snakk Media Ltd	D	5.5	0.09	NE	Nil
CDL Investments	D	80	2.43	7	6.1	Meridian Energy	B	499	3.75	73	5.2	Sol. Dynamics	C	260	1.18	20	3.5
CSM Group Ltd	C	2.3	N/A	NE	Nil	MetLifeCare	B	594	9.46	NE	Nil	South Port NZ	D	630	3.71	18	5.7
Cannasouth Ltd	B	101	N/A	NE	Nil	Metro Per Glass	C	24	0.17	NE	Nil	Spark NZ Ltd	D	477	2.42	21	5.2
Cavalier Corp	B	36	0.18	13	Nil	Mid-Cap Index	B	565	N/A	8	2.4	Steel & Tube	E	61	0.24	NE	Nil
Chatham Rock	C	16	N/A	NE	Nil	Millennium & C.	B	178	0.82	4	5.9	Sthn Charter F.	E	0.2	6.48	NE	Nil
Chorus Ltd	B	895	4.14	76	3.7	Moa Group Ltd	C	16	0.36	NE	Nil	Stride Property	C	206	N/A	8	6.3
Col Motor Co	A	781	0.34	15	5.7	NZ Exchange Ltd	B	160	6.44	37	5.3	Summerset Group	C	850	N/A	11	1.7
Comvita	D	320	1.16	NE	Nil	NZ King Salmon	C	175	1.57	14	1.6	Synlait Milk	E	615	1.08	13	Nil
Contact Energy	B	625	2.17	35	8.7	NZ Oil & Gas	N/R	65	2.93	NE	Nil	T&G Global	E	276	0.28	51	Nil
Cooks Global Fd	D	4.8	6.31	NE	Nil	NZ Refining Co	C	65	0.59	49	4.3	TIL Logistics	E	72	0.19	31	Nil
Delegat Group	A	1420	4.72	22	1.7	NZ Windfarms	C	14	3.84	8	13.3	Tilt Renewables	D	364	N/A	NE	Nil
EROAD Ltd	B	439	3.69	NE	Nil	NZME Limited	C	42	0.22	4	Nil	Tourism Hold.	D	194	0.61	9	19.3
Ebos Group Ltd	B	2400	0.42	23	4.5	NZSX 10 Fund	B	209	N/A	12	3.2	Tower Limited	E	57	0.56	12	Nil
Enprise Group	C	84	1.19	NE	1.2	NZSX 50 Port.	B	301	N/A	14	3.6	Training Sol.	E	0.3	N/A	NE	Nil
Evolve Educat.	D	9.8	0.78	NE	Nil	NZX Aust MidCap	A	733	N/A	7	2.7	TruScreen Ltd	C	9.5	N/A	NE	Nil
F & P Health.	A	3310	N/A	91	1.2	Napier Port	C	350	7.01	NE	1.0	Trust Power Ltd	D	697	2.20	22	6.5
Finzsoft Sol'ns	C	113	0.80	NE	Nil	New Talisman	N/R	0.7	N/A	NE	Nil	Turners Auto.	C	223	0.57	9	8.7
Fletcher Build.	D	364	0.41	NE	Nil	Oceania Health.	C	104	3.34	NE	3.4	Vector Ltd	D	440	3.40	46	4.2
Foley Wines Ltd	C	202	2.38	17	2.1	Ozzy (Tortis)	B	351	N/A	13	9.3	Vista Group Ltd	D	182	1.20	28	2.5
Fonterra S/H Fd	C	399	0.02	NE	Nil	PGG Wrightsons	D	271	0.26	26	4.6	Vital Health PT	D	299	N/A	18	2.9
Freightways Ltd	B	744	1.95	26	2.8	Pac Edge Bio.	D	64	N/A	NE	Nil	Vital Ltd	D	78	0.98	44	4.5
Future Mobility	D	2.7	0.09	NE	Nil	PaySauce Ltd	E	38	N/A	NE	Nil	WN Drive Tech.	E	6.2	0.29	NE	Nil
General Capital	C	8.5	4.04	NE	Nil	Plexure Group	D	139	N/A	NE	Nil	Warehouse Group	D	204	0.23	10	11.6
Geneva Finance	D	42	1.16	10	Nil	Port Tauranga	D	740	N/A	56	2.3	Z Energy Ltd	D	267	0.21	NE	8.6
Genesis Energy	C	281	1.12	NE	6.1	Precinct Prop.	E	169	N/A	73	6.2	<b>Ave of 133 Cos</b>	C	336	0.42	21	3.7
Gentech Group	C	148	1.31	13	Nil	Promisia Integ.	E	0.2	N/A	NE	Nil						
AGL Energy Ltd	A	1476	0.76	9	6.6	Dexus	A	894	9.84	10	5.6	Orica Ltd	A	1699	1.10	26	3.2
ALS Limited	A	876	2.31	54	2.0	Dicker Data Ltd	A	741	0.68	22	3.6	Origin Energy	A	469	0.58	7	5.1
AMP Ltd	D	154	0.90	NE	Nil	Domain Holdings	C	360	7.93	NE	Nil	Orora Limited	B	227	0.61	80	5.3
ANZ Bank	B	1753	1.41	8	9.1	Domino's Pizza	A	8182	3.70	51	1.5	Pendal Group	A	548	3.04	9	9.5
APA Group	B	1023	5.67	38	4.9	Downer EDI Ltd	A	412	0.19	9	6.8	Perpetual Ltd	A	2831	3.16	19	8.1
ARB Corporation	A	2712	5.08	42	1.4	EML Payments	D	286	8.77	NE	Nil	Perseus Mining	A	137	2.71	17	Nil
ASX Limited	A	8276	N/A	32	2.9	Eagers Auto.	A	848	0.28	14	4.3	Platinum Asset	A	329	6.48	12	8.2
AUB Group	A	1597	3.88	21	3.1	Elders Limited	A	1004	0.72	16	1.8	Pointsbet Hold.	A	1092	N/A	NE	Nil
Abacus Property	B	276	6.88	21	6.7	Event Hospital.	A	937	1.56	14	5.5	Polynovo Ltd	C	215	N/A	NE	Nil
Adabri Ltd	B	275	1.18	38	1.8	Evolution Min.	A	562	6.32	44	1.7	Premier Invest	A	1851	2.46	35	3.3
Afterpay Ltd	A	7387	N/A	NE	Nil	Fineos Corp Ltd	B	502	N/A	NE	Nil	Pro Medicus Ltd	A	2626	N/A	NE	0.5
Altium Limited	A	3342	N/A	98	1.2	Flight Centre	C	1247	1.31	NE	Nil	Q.B.E. Insur.	A	937	0.64	15	5.5
Alumina Ltd	A	148	N/A	14	7.7	Fortescue Metal	A	1734	5.81	45	1.3	Qantas Airways	C	382	0.50	NE	Nil
Ampcor Ltd	A	1528	3.16	70	5.4	GPT Group	A	387	5.47	8	6.8	Qube Holdings	B	261	2.55	22	2.6
Ampol Ltd	A	2363	0.26	15	3.5	Gold Road Res.	D	158	N/A	NE	Nil	REA Group Ltd	A	11075	N/A	NE	1.0
Aneka Tambang	C	100	7.17	NE	0.0	Goodman Group	A	1815	N/A	22	1.7	Ramelius Res.	B	230	4.29	69	0.4
Ansell Ltd	A	3684	2.02	20	2.0	Growthpoint Pro	B	333	8.78	9	6.5	Ramsay Health	A	6464	1.22	52	1.0
Appen Limited	A	3190	7.21	93	0.3	HUB24 Limited	A	1755	N/A	NE	0.2	Redbubble Ltd	B	392	2.48	NE	Nil
Argo Investment	A	755	N/A	27	4.0	Harvey Norman	A	423	1.57	11	5.7	Reece Limited	A	1242	N/A	35	1.0
Aristocrat Leis	A	2849	5.12	34	1.6	Healius Ltd.	B	331	1.30	29	0.8	Regis Resources	A	525	3.53	13	3.0
Atlas Arteria	C	621	N/A	NE	4.8	Hutchison Tel.	D	13	N/A	NE	Nil	Reliance W/wide	B	377	2.70	22	2.4
Aurizon Hold.	A	430	2.69	14	6.4	I-Sign This Ltd	C	107	N/A	NE	Nil	Resolute Mining	C	98	1.66	9	2.1
AusNet Services	B	187	3.41	23	2.7	IDP Education	A	1921	9.11	79	0.9	Rio Tinto Ltd	A	9986	2.65	14	6.3
Austar Gold	D	37	N/A	NE	Nil	IGO Ltd	B	449	2.98	17	3.1	S/Tracks ASX200	A	5486	N/A	8	1.7
Aust Foundation	C	629	N/A	32	3.8	IOOF Holdings	B	326	0.98	19	3.5	Santos Ltd	A	508	1.84	11	2.2
Austal Limited	B	316	0.54	13	2.5	IPH Limited	B	696	4.08	27	3.6	Saracen Mineral	B	511	5.25	30	Nil
Aventus Retail	C	233	7.75	23	5.1	IRESS Limited	B	988	3.35	26	4.7	Scentre Group	A	210	4.20	9	5.4
Avita Medical	D	720	7.06	NE	Nil	Iluka Resources	A	960	3.40	15	1.4	Sealink Travel	A	500	1.75	NE	2.2
BHP Group Ltd	A	3655	2.97	16	4.8	Incitec Pivot	B	209	0.86	22	2.2	Seek Ltd	A	1922	4.34	38	2.4
BKI Invest Coy	E	137	N/A	21	4.4	Ingenia Com Grp	A	437	4.56	36	2.6	Seven Group	A	1727	1.18	46	2.4
BWP Trust	B	397	N/A	15	4.6	Inghams Group	A	320	0.48	9	3.3	Shopping Centre	B	221	8.10	28	5.7
Bank of Q'land	B	600	1.11	8	10.8	Insurance Aust.	B	471	0.86	22	2.1	Silver Lake Res	B	225	3.51	15	Nil
Bapcor Limited	B	683	1.58	29	2.6	Invocare Ltd	A	959	2.22	17	4.3	Sims Ltd	A	840	0.26	11	5.0
Beach Energy	B	131	1.72	6	1.5	JB Hi-Fi Ltd	A	4685	0.79	23	2.8	Sonic Health	A	3253	2.51	28	2.6
Bega Cheese Ltd	B	531	0.76	54	1.9	James Hardie	A	3050	3.64	39	1.7	Soul Pattinson	A	2102	3.11	20	2.8
Bendigo Bank	B	624	2.57	5	5.0	Janus Henderson	A	2656	1.59	8	7.7	South32 Limited	C	213	1.17	NE	0.7
Bingo Indust.	D	227	3.10	22	1.6	Kogan.com Ltd	A	1885	4.03	NE	0.8	Spark Infrastru	A	211	N/A	18	7.1
Blackmores Ltd	C	6303	2.07	65	Nil	LendLease Group	C	1215	0.72	NE	2.7	St Barbara Ltd	A	322	2.74	21	2.5
Bluescope Steel	B	1306	0.54	7	1.1	Link Admin.	B	382	1.69	14	5.4	Star Entertain.	C	297	1.83	NE	Nil
Boral Limited	C	402	N/A	NE	Nil	Lynas Corp Ltd	C	239	5.55	NE	Nil	Steadfast Group	A	335	3.84	NE	2.9
Brambles Ltd	A	1050	4.08	24	2.5	MCP Master Inc.	C	198	N/A	28	6.3	Stockland	B	361	3.05	NE	6.7
Breville Group	A	2750	3.94	57	1.5	MFF Capital Inv	C	260	N/A	6	1.3	Suncorp Group	A	897	0.78	18	4.0
Brickworks Ltd	A	1789	2.92	11	3.2	MNC Media Inv	D	360	N/A	NE	Nil	Super Retail Gr	A	1042	0.78	15	4.8
C.S.F. Ltd	B	385															



**Investment Outlook***(Continued from Page 1)*

While that idea may seem foolish to those of us who have been around for a while (even though our portfolios do hit new highs every few years) we would suggest surveying random New Zealanders on the statement that “property prices never go down”.

Many people hold the belief that “property prices never go down” . . . based on their lifetime experience. It is equally correct that the experience of many stockmarket investors - especially younger or newer investors - is that “stocks never go down”.

And if there is no downside risk, then doesn't it make sense to leverage up your portfolio with call options and make some *real money*? Unfortunately this thinking is the sign of a boom and a bubble!

The US stockmarket is now in a correction. Perhaps new investors are *buying the dip*? But with a very large volume of call options outstanding, dealers need to be *selling the dip* to hedge their delta exposure.

Of course, prices can go up forever in *nominal* terms. We all know that a house today is worth significantly more than a house 50 years ago. But wages and salaries have also increased 10-fold (in nominal terms). A modern house will be *twice* the size of a 50 year old house, with 3-4 times as many (expensive) bathrooms. So there are also a few *quality improvements* that can influence the reported rise in “median house prices” (i.e. bigger and better *new* houses change the size and quality of the “median” house sold).

Your Editor's portfolio is up over 500-fold since starting this newsletter 39½ years ago. Perhaps a very small part of that is from additional savings (less withdrawals to buy a house), but most is from the compounding of returns over almost four decades! Of course, these are *nominal* gains. NZ inflation has increased 440% (almost 5½ fold) and wages/salaries are similarly up about 5-7 fold.

This newsletter was started owing to the belief “that the stockmarket offered investors the best opportunities to build wealth”. While it may be true to say that “shares always go up over the long term”, that is not the same as “shares never go down”. Stockmarket prices *are* very volatile. A belief that “shares never go down” will result in the use of high risk strategies - like buying call options - that can wipe out all or most of a portfolio's value in a market decline. A successful long term investment strategy needs to acknowledge that *shares can go down* and then seek to (1) survive the downturns (i.e. by avoiding high risk, leveraged strategies - especially when they are popular!) and (2) continuing to invest when your portfolio value is depressed and most other people “give up” on the stockmarket and sell out to “cut their losses”.

# Dividend\$

Company	Cents per Share	Ex-Date	Pay-able	Tax Credit
Colonial Motor Company	32.00	24-09	05-10	Full
South Port NZ	18.50	30-10	10-11	Full
<u>Australian Shares</u>				
CPT Global	1.25	10-09	16-11	
Fiducian Group	11.50	28-08	14-09	
Finbar Group	1.00	10-09	21-09	
Integrated Research	3.75	02-09	15-10	
Mt Gibson Iron	3.00	01-09	24-09	
OZ Minerals	8.00	17-09	05-10	
Reckon Ltd	3.00	25-08	23-09	
St Barbara	4.00	07-09	29-09	
Woodside Petroleum	36.247	24-08	18-09	

**Total Return Index for All Listed Shares**

Aug 3	1586.86	Aug 10	1581.87
Aug 4	1584.43	Aug 11	1590.13
Aug 5	1589.01	Aug 12	1556.60
Aug 6	1584.77	Aug 13	1558.87
Aug 7	1579.36	Aug 14	1545.80
Aug 17	1571.62	Aug 24	1630.05
Aug 18	1590.65	Aug 25	1648.19
Aug 19	1601.56	Aug 26	1658.16
Aug 20	1603.55	Aug 27	1666.48
Aug 21	1617.02	Aug 28	1668.33
Aug 31	1677.17	Sep 7	1670.35
Sep 1	1671.56	Sep 8	1676.85
Sep 2	1679.24	Sep 9	1671.55
Sep 3	1679.78	Sep 10	1673.79
Sep 4	1662.23	Sep 11	1672.50

## Next Issue:

The next issue of *Market Analysis* will be emailed in four weeks time on Monday October 12, 2020.

The print version will be delivered later that week, depending upon printing and postal delivery times.

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