

Market Analysis

Inside Market Analysis

Anteris Technologies approved for US human trials .. 4	Company Review: Minbos Resources 10,11
CardieX wins large ATCOR clinical trial contract 5	Neglect Ratings of New Zealand Shares 12
Elixir Energy pilot production wells flow gas 6, 7	Neglect Rating of Australian Shares 14, 15
OZ Minerals receives higher BHP takeover offer 8	Short Interest in Australian Shares 15, 16

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Summary and Recommended Investment Strategy.

Stockmarkets fear a global recession, but many shares prices are near 30-50 year valuation lows, *already* more than fully discounting any potential “bad news”. Many share values are so low that they are offering very attractive buying opportunities.

Investment Outlook.

Mr Market is manic-depressive . . . and he is clearly in a depressive phase at present:

Elixir Energy's pilot production well flowed gas after just a few days . . . and the share price hardly moved up at all.

Anteris Technologies received approval for US patient trials . . . one of the final steps in commercialising its product and dominating the heart valve business . . . so the shares are unchanged.

Prophecy International will realise significant annual cost savings “in-housing” its Philippine operations . . . and revenues continue to grow . . . so, of course, the shares have *fallen* to a new annual low!

Warren Buffett says “be fearful when others are greedy, and greedy when others are fearful”. If *Mr Market* is so depressed and fearful, then perhaps it is time for us to become a little more “greedy”? What other bargains is the market offering?

We are currently investigating a number of small companies with late-stage, valuable development projects but selling at very low valuations!

This newsletter has long pointed out that share investment returns are “skewed to the right”, meaning that potential *losses* on a share are strictly limited to 100% (i.e. at the very worst it can become worthless) while there is no limit on potential profits.

Individual “company specific” risks are high at this development stage, so the intelligent investment strategy is to make small investments - perhaps around 1% of an investment portfolio - in individual situations.

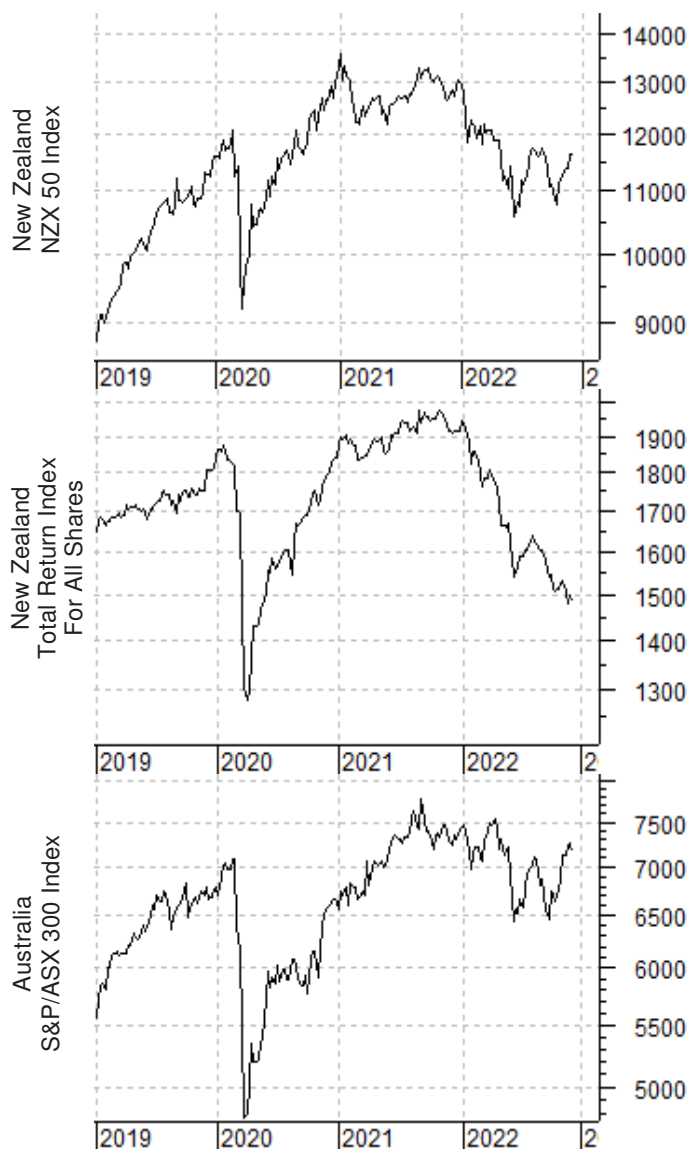
Note, we are not talking about very large, expensive companies with ponzi scheme “blue sky” projects (that many investors piled into over recent years!).

We are talking about companies with sound, late stage development projects for real businesses, seeking to produce real products and earn real cashflows and real profits that *could* increase shareholder wealth 5, 10 or 50-fold if these projects are executed successfully.

(Continued on Page 18)

Stockmarket Forecasts

	One-Month	One-Year
Australia:	54% (Neutral)	68% (Bullish)
New Zealand:	50% (Neutral)	30% (Bearish)



Recommended Investments

Bremworth Ltd hopes to “return to profitability” in the June 2023 year and “return to dividends” in the June 2024 year. The company will focus on “the premium residential market that delivers consistent volume at good margin”. The commercial market is less attractive as it is “price driven” and “large projects create short term bottlenecks”. Bremworth has “exited high volume, low margin commercial business in Australia”.

Capital investment will be needed to increase manufacturing capacity and manufacturing efficiency. The product range will be reduced by 30% to “simplify product offering” and also reduce the investment in inventory.

Bremworth Ltd



Colonial Motor Company reports that first quarter earnings “remained robust”, but inflation and higher interest rates are expected to impact sales. The weaker NZ dollar has also resulted in “significant retail price increases”. “Early 2023 looks likely to be a more challenging trading environment”.

Colonial Motor Company



Australian Shares

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

Acrux Ltd has five approved products, three products currently being reviewed by the FDA and a pipeline of 10-12 topical generic products.

The company expects to be cashflow positive in the December 2022 quarter - mainly from the receipt of \$2.75 million in R&D Tax Incentive Rebates but also growth in revenue from client contracts. Next year's cash projections include “new sources of operating

revenue derived from products launched in 2022 and 2023”.

Acrux Ltd



ALS Ltd had a strong first half - still driven by its Commodities (i.e. mineral services) division - and has lifted its annual forecast:

Six Months to 30/9/2022

	Latest	Previous	Change
Revenues	\$1,194.2m	\$1,031.1m	+15.8%
Nett Profit	\$164.3m	\$127.1m	+29.3%
Net Cash Surplus	\$181.5m	\$126.3m	+43.7%
Earnings per share	33.9c	26.4c	+28.4%
Dividends per share	20.3c	15.8c	+28.5%

Life Sciences revenues rose 23.8% to \$656.0 million, with earnings up 16.9% at \$111.2 million. Two-thirds of this growth was from acquisitions.

Commodities revenues were 31.3% higher, boosting earnings 36.2% to \$156.1 million. Growth was organic, driven by 17% higher sample volumes. Capacity was increased 20%.

Industrial revenues slipped 1.3% to \$108.5 million, with earnings down 12.6% at \$9.0 million.

The company has completed eight acquisitions, costing \$180 million, so far this year. Recent acquisitions - since the end of September - include \$34 million for the **Exploration Technologies Division of Earthlabs Inc**, \$17.1 million for **Servicios de Ingenieria y Ambiente SAS** and \$5.2 million for **Invitek Molecular GmbH**.

The full year profit to March 2023 has been upgraded to \$300-320 million, up 13-21%.

ALS Ltd



Ardea Resources has filed a patent application covering its Mineralised Neutraliser R&D entitled “Acid Neutraliser Composition”. The rock (at 0.8% Nickel) is crushed at 75 microns which generates 23% “fines” (at 1.2% Nickel for the Atmospheric Leach circuit) and 77% Magnesite Neutraliser “scats” (at 0.6% Nickel). The Magnesite Neutraliser has “good acid neutralisation capacity . . . completely validating Ardea's research test work objective” and also replaces imported limestone (reducing cost and transport carbon emissions).

The current *PreFeasibility Study Update* is based on 3Mtpa High Pressure Acid Leach plants (i.e. 2x1.5Mtpa) plus 0.3Mtpa Atmospheric Leach plant, of which 0.2Mtpa will come from the Mineralised Neutraliser fines.

This enlarged and updated PFS is expected in the March quarter of 2023.

Ardea Resources



(Continued on Page 4)

Portfolio of Recommended Investments

CURRENT ADVICE	Company	Code	Initial Recommendation - Date -	Price	Performance Forecast	Issued Shares (mil.)	Volatility Ratio	Price/Sales Ratio	Price/Earnings Ratio	Gross Dividend Yield	Recent Share Price	Cash Dividends Rec'd	Total Return %
<u>NZ Shares</u>													
HOLD	Bremworth Ltd	BRW	05/12/95	156*	E	69.2	1.9	0.34	14	Nil	47	282.0	+111%
HOLD+	CDL Investments Ltd	CDI	12/01/99	25.0	E	287.5	1.2	2.35	7	6.5	75	46.8	+387%
HOLD	Colonial Motor Company	CMO	10/11/92	128*	B	32.7	0.4	0.32	10	8.8	984	806.8	+1299%
HOLD	South Port New Zealand	SPN	13/02/96	120	B	26.2	0.4	4.43	17	4.6	820	401.3	+918%
HOLD	Steel & Tube Holdings	STU	08/08/00	139*	C	166.0	1.1	0.35	7	11.3	128	368.6	+257%
<u>Australian Shares (in Aust cents)</u>													
HOLD+	Acrux Limited	ACR	12/05/14	99.0	D	285.4	3.7	11.95	NE	Nil	7.2	14.0	-79%
HOLD	AJ Lucas Group	AJL	13/05/03	107*	D	1196.3	5.7	0.37	NE	Nil	3.8	36.4	-62%
HOLD+	ALS Limited	ALQ	12/10/99	72.3*	A	484.2	0.6	2.68	22	2.7	1208	440.2	+2179%
BUY	Anteris Technologies	AVR	06/12/21	840	D	13.9	0.3	32.75	NE	Nil	2300	Nil	+174%
BUY	Ardea Resources ¹	ARL	13/01/20	54.5	D	169.7	1.3	NA	NE	Nil	86	Nil	+63%
HOLD+	Atlas Pearls	ATP	14/05/96	73.0	D	424.8	6.6	0.55	3	Nil	2.8	17.5	-72%
HOLD+	Bellevue Gold	BGL	07/02/21	105	B	1047.5	1.1	NA	NE	Nil	114	Nil	+9%
HOLD+	Brickworks Ltd	BKW	12/11/12	1115	A	152.2	0.5	3.05	4	2.9	2203	461.5	+139%
HOLD+	CardieX Ltd	CDX	11/11/13	150*	C	121.1	1.9	9.99	NE	Nil	39	Nil	-74%
BUY	Copper Mountain	C6C	08/08/22	166	C	213.8	0.9	0.67	4	Nil	198	Nil	+19%
HOLD	CPT Global Ltd	CGO	10/03/08	88.0	B	41.6	2.1	0.44	9	7.9	32	28.8	-32%
HOLD	Deterra Royalties ²	DRR			A	528.3	0.6	N/A	32	3.7	479	47.8	
BUY	Cynata Thera.	CYP	13/03/17	50.0	C	143.3	1.8	5.67	NE	Nil	31	Nil	-38%
BUY	Elixir Energy	EXR	07/12/19	4.2	B	912.4	2.5	NA	NE	Nil	17.0	Nil	+305%
HOLD	Energy Transition	ETM	11/11/19	11.0	C	1355.7	4.6	NA	NE	Nil	4.8	Nil	-56%
BUY	FBR Limited	FBR	07/07/17	13.5	B	3339.8	5.6	NA	NE	Nil	3.8	Nil	-72%
BUY	Fenix Resources	FEX	08/11/21	21.5	B	583.7	2.4	0.51	2	21.4	25	5.3	+38%
HOLD	Fiducian Group	FID	11/02/08	260	B	31.5	0.5	3.13	16	4.3	690	207.7	+245%
HOLD	Finbar Group Ltd	FRI	12/04/10	106	A	272.1	1.2	2.06	17	5.8	69	86.5	+46%
HOLD	Ignite Ltd	IGN	08/04/03	82.2*	D	89.6	3.7	0.06	NE	Nil	7.2	70.5	-6%
HOLD+	Iluka Resources Ltd ²	ILU	12/10/04	471	B	424.9	0.5	2.84	12	2.3	1048	397.0	+318%
BUY	Integrated Research	IRI	14/01/08	40.0	C	173.0	1.5	1.28	52	Nil	47	70.5	+193%
HOLD	McMillan Shakespeare G	MMS	07/11/16	1041	A	69.6	0.6	1.74	13	8.1	1338	416.3	+69%
HOLD	Michael Hill Int'l Ltd	MHJ	11/06/91	4.4*	A	380.5	1.2	0.70	9	7.0	107	84.3	+4219%
BUY	Mt Gibson Iron	MGX	10/11/14	44.0	B	1214.4	1.5	4.65	66	Nil	54	14.0	+55%
HOLD	Nova Eye Medical	EYE	14/03/06	49.0	C	145.6	2.1	3.21	NE	Nil	30	42.5	+47%
HOLD+	Opthea Limited	OPT	10/02/04	188	E	464.9	1.1	NA	NE	Nil	92	65.0	-16%
HOLD	OZ Minerals	OZL	14/03/16	522	B	334.7	0.4	6.81	43	0.9	2754	138.0	+454%
BUY	Prophecy International	PRO	08/09/08	26.0	E	35.8	1.3	1.42	NE	Nil	65	24.5	+244%
HOLD	Reckon Limited ¹	RKN	08/08/16	141	B	113.3	1.4	0.99	8	8.4	60	83.0	+27%
HOLD+	St Barbara	SBM	12/08/19	396	D	815.8	1.3	0.78	22	Nil	65	18.0	-79%
BUY	Vulcan Energy Ltd	VUL	08/03/21	602	D	143.3	1.0	NA	NE	Nil	679	Nil	+13%
BUY	Woodside Energy	WDS	08/04/19	3410	B	1898.7	0.4	7.02	57	1.4	3418	534.0	+16%

The average Total Return (i.e. both Capital Gains/Losses plus Dividends received) of all current investments from initial recommendation is +300.3%. This is equal to an average annual rate of +24.3%, based upon the length of time each position has been held.

The average annual rate of gain of ALL recommendations (both the 37 current and 178 closed out) is +28.8%, compared with a market gain of +2.9% (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) Ardea Resources' return includes 1/4 share of Kalgoorlie Gold (KAL) worth 10.5 cents and Reckon Ltd includes 1/3 share of GetBusy plc (GETB) worth 60 pence (108.3 Aust cents). (2) Iluka Resources includes one share of Deterra Royalties.

Recommended Investments

(Continued from Page 3)

Anteris Technologies has achieved two important milestones towards commercialising its heart valve system:

Firstly, the **US Food & Drug Administration** has conditionally approved the *DurAVR Transcatheter Heart Valve System* for an investigational device exemption application to commence an Early Feasibility Study. The study will enrol 15 patients at seven hospitals in the United States to “evaluate safety and feasibility” during 2023.

Secondly, the FDA has categorized the *DurAVR* as a “CMS Category B device” which, subject to approval by the **Centres for Medicare & Medicaid Services**, “permits the device to be sold during the study”. That should produce some product sales revenues (likely at a reduced price) and cashflows ahead of full FDA approval to market the product (when it is expected to quickly replace the existing two heart valve systems currently available).

The company presented a comparative study at the **PCR London Valves 2022 Congress** from 27-29 November which “demonstrated the *DurAVR* restored ascending aortic flow haemodynamics, whereas other valves did not demonstrate the same physiological advantage”.

Anteris Technologies



Bellevue Gold has received final regulatory approval for construction of the processing plant, which is now underway.

Rapid mine development has the company studying the potential of “toll treating” ore at external processing plants to produce early cashflow. The ore stockpile is expected to reach 200,000 tonnes (at 5 grams of Gold per tonne) ahead of the processing plant coming online in late 2023. Half of this ore is from underground mine development, but the company will begin mining the *Vanguard* open pit in the March quarter of 2023. This will produce a 100,000 tonnes (at 3.5g/t) stockpile, with the mined *Vanguard* pit then being “transformed into the tailing dam” ahead of plant commissioning.

A second underground drilling jumbo commenced in October and a third jumbo will start in January - increasing the growth in the ore stockpile - and eventually opening up five mine work areas.

Grade control drilling at *Upper Armand* lode confirms earlier estimates and the closer drilling “increases

geological knowledge and confidence” and “further de-risks” the project. The additional drilling mainly converts Inferred Resources (down 105,200 tonnes to 57,400 tonnes) to Indicated Resources (up 87,700 tonnes to 197,050 tonnes). With increased knowledge of the resource, total tonnage fell 6.4% to 254,450 tonnes, while the grade improved 25.0% to 9.9t/g and the total contained Gold increased 17.0% to 80,590 ounces.

Bellevue Gold has also raised \$60 million from the placement of 57.1 million shares at 105 cents and will seek “up to \$10 million” - although in actual fact could take over-subscriptions and raise a higher amount - from a *Share Purchase Plan* offering shareholders up to \$30,000 worth of shares each. The SPP will close on 13 January.

We already have a sufficient investment in Bellevue Gold - having taken up our entitlement to an earlier SPP - but investors in a similar situation *could consider* the potential to sell some existing shares on-market (at 110-120 cents?) and take up new cheaper shares in the SPP at 105 cents. The major risk factor here is that the SPP could be limited at \$10 million (although the company seems keen to raise as much cash as possible) and applications could be scaled back. Shareholders therefore face uncertainty over how many shares they will be allocated in the SPP.

The company will use this additional cash to “bring forward development of the *Tribune* mining front” and “fund additional drilling focusing on exploration”. That all *sounds* fine but we are concerned this is poor capital management, diluting the shares again by increasing the issued capital by a further 7%.

Apparently the Bellevue Gold mine cannot have too many mining fronts. Some mines get by with just one, but Bellevue will have at least five! The additional exploration will find Gold resources that the company does not currently have the capacity to mine or process for at least another 10-15 years in the future!

We believe that shareholder returns could probably be maximised by avoiding dilutive share issues to fund nonessential and non-immediate development. The discounted Net Present Value of discovering Gold that cannot be mined for 15 years does not justify raising expensive capital at this stage in the company's development. Bellevue Gold should focus on achieving production and becoming cashflow positive. Strong operating cashflows could then finance further mine expansion and new exploration, compounding returns for existing shareholders.

If the company did need to raise new capital at some stage, then that capital would be cheaper (i.e. the share price would be higher, so it would need to issue fewer shares for the same dollar amount, or get a much greater cash sum for the same number of shares) in the future when it has transitioned from a *Gold development* company to a *Gold producing* company.

We continue to believe, however, the mine resources and potential mining capacity (i.e. from all those mining fronts!) holds the potential to significantly scale mine production and significantly expand processing capacity. So this is an attractive operation with significant growth potential . . . but we just don't like to see that growth

potential diluted through regular capital issues.

Prior to the share placement, Bellevue Gold held cash of \$47 million and an undrawn *Project Finance Facility* of \$200 million - which was more than sufficient to meet all “remaining pre-commercial production project costs of \$219 million”.

Bellevue Gold



Brickworks Ltd has signed a ten year contract with UK based **Brickability** to supply a minimum of ten million bricks annually. That is less than 0.3% of the UK market for bricks. This contract will initially be supplied from the group's operating brickworks in the United States at Hanley and Pittsburgh, Pennsylvania, while the mothballed Rocky Ridge plant in Maryland will be re-commissioned to produce bricks specifically tailored for the UK market.

The *Horsley Park Plant 2* in Sydney will be completed soon. This will produce 130 million bricks per year - about a quarter of the company's total production - and is “the most advanced brick plant in the world”, with “much improved fuel efficiency and increased automation”.

Brickworks has entered a new long-term wholesale gas supply agreement with **Santos** for 35 petajoules of natural gas. The current agreement runs until December 2024 and the new agreement will start in January 2025 and run for 11 years (with options for extensions). This is a fixed, but CPI-linked, priced contract.

Most gas is sold on oil-linked or gas hub linked pricing contracts, where prices can fluctuate widely. A small amount is sold on this type of inflation adjusted fixed price contract. This provides guaranteed cashflow to Santos - supporting the exploration and development of “desperately needed new gas supplies to the east coast” - and stability and predictability to Brickworks operating costs.

Brickworks Ltd



CardieX Ltd's subsidiary *ATCOR* has entered a very large *Clinical Trial Service Agreement* to provide *ATCOR XCEL* devices and data management over the next 30 months. The “total revenue over the length of the trial is anticipated to be twice the 2022 revenues for the entire business”. 40% of this cashflow is expected in the current year to June 2023.

The contract is with **CliniChain BV**, a “major global clinical trial equipment procurement and logistics manager”.

CardieX will also acquire all the assets and intellectual property of **Blumio Inc** for US\$15,000 cash immediately plus (subject to “service based performance criteria”) US\$75,000 of CardieX shares on 15 June 2023 (at the then market price of the shares) and US\$75,000 of CardieX shares on 15 March 2024. This acquisition of Blumio follows a three year collaboration agreement.

CardieX Ltd



Copper Mountain reports another “disappointing” quarter with revenues for the September quarter of C\$58.3 million, down 57.5% on the September 2022 quarter. The company reported a *loss* of C\$34.4 million (C\$25.8 million profit in the same period the previous year). Copper production was down 41%.

The reasons for this, however, are well known, expected and are improving. Copper prices were low, but the company continued to mine through lower grade ore (0.24% Copper, down from 0.37% the previous year) as it mined through the top of Phase 4 of the main pit towards higher grade ore. Ore grade mined in the December quarter is expected to be around 0.27% Copper, improving to 0.33% in 2023. Phase 4 average grade is 0.33%.

The company also had problems with the SAG mill, lowering processing volumes for about a month.

On the other hand the crushing circuit was optimized during the quarter to achieve 45,000 tonnes per day (tpd) during the second half of the quarter, resulting in “a large crushed-ore stockpile in front of the mill” which is now operating at beyond its rated 45,000 tpd capacity (i.e. up to 50,000 tpd in September).

The company also worked on the “expansion to the rougher floatation circuit”, which was successfully commissioned in early October. This will “support higher recoveries”.

“With production levels expected to increase, the company anticipates cash cost per pound of Copper produced to improve materially in the fourth quarter of 2022”.

(Continued on Page 6)

Recommended Investments

(Continued from Page 5)

Copper Mountain only announced an *Updated Life of Mine Plan* two months ago (which will lift production by 44% over the next five years and extend the mine life 50% to 32 years) but is *already* looking at continuous improvement and growth. The existing resource is open at depth and to “evaluate this upside potential” a “geoscience-based target definition program began in June 2022” to “define new drill targets” outside and below the current resource, “particularly high grade *root zones*”. The current program will relog and resample historical drill cores and the “creation of a new 3D geological model of the deposit”. Additional geophysical surveys are planned for early 2023 and “used to rank and prioritise drill targets for testing in 2023”.

Copper Mountain Corporation bondholders (of the US\$250 million senior secured bonds) appear to place too many restrictions on the operation of the company! The sale of a major asset like the **Eva Copper Project** was, of course, subject to bondholder approval . . . but they will also receive (1) a (small) 0.25% one-time “amendment fee”, plus (2) US\$87.0 million of the initial US\$170.0 million consideration will need to be used to repurchase US\$1000 bonds at US\$1030 plus (3) any of the contingent consideration of up to US\$60 million received before the 9 April 2026 maturity date of the bonds must all be used to repurchase bonds.

The initial US\$87 million bond repurchase will, of course, repay 33% of the company's interest bearing debt while also providing US\$83 million of cash to finance capital investment at the mine. The contingent consideration is likely to become payable *after* the bonds mature.

We like Copper as a long term investment owing to the growth in renewable energy and electrification - and Copper Mountain's revenues, cashflows and profits are very leveraged to the Copper price. The company has also been very successful at consistently lifting production and mine life, increasing the value of its business. We consider Copper Mountain Corporation an attractive “Buy” for long term growth.

Copper Mountain Corporation



CPT Global plans to increase its sales force by 25% during 2023. The company is seeking to develop software and tools, based upon “the deep knowledge from our experts”.

CPT Global



Cynata Therapeutics will be issued with a further US patent for “Pluripotent Stem Cell Assay” which will last until 2037.

The Diabetic Foot Ulcer Phase 1 study is expected to report at the end of 2023, the aGvHD Phase 2 study will report in the second half of 2024 and the Osteoarthritis Phase 3 study, previously expected in late 2024 and is now expected in 2025 (based on the current recruitment rate).

The new Renal Phase 1 trial will recruit 10 renal transplant patients during the second half of 2023, who “will receive *Cymerus* MSCs after transplant followed by withdrawal of anti-rejection medication” and then monitored for six months. Results could be expected in mid to late 2024.

The company has recently received a \$1,654,310 R&D Tax Incentive Refund for the June 2022 year.

Cynata Therapeutics



Elixir Energy began pumping water from its two pilot production wells . . . and within days gas breakthrough occurred. One of the wells is “slugging” and may require some workover. “In the coming days, as the gas rate stabilizes, measurement of the rate will begin”. This will continue “over a maximum six month period”.

The gas rate (i.e. how much gas can be produced and sold, or turned into electricity and sold) will determine the revenue return from the capital investment of drilling production wells and installed surface infrastructure and therefore determine the commercial viability of developing this resource.

A Coal Bed Methane project also benefits from *staged development*. If a field would support 1000 production wells then the developer would not need to finance the capital cost of 1000 wells (and related

infrastructure). It may develop a block of 20 wells every six months (over the next 25 years), which would then start producing revenue from gas or electricity sales. After the drilling costs, the major cost is pumping and water disposal. If there is a low water content to pump out before gas flows *and* that water can be disposed via surface evaporation *then operating costs will be low and rates of return on capital invested will be high*. Subject to many other factors, potential returns could be 30-60% (or higher, given gas prices are well above historical norms). Assuming a 50% return, the *revenue* from the first year wells would finance 50% of the new wells developed in the second year. The project would then be fully self-financing, with revenues from the first and second year wells fully funding the third year of this staged development. From the fourth year onwards the project would be self-funding *and* generate large free cashflows (that could be distributed to investors or used to accelerate the project development).

Once commercial development begins, this becomes a very high growth business! A successful production test - proving the commercial viability of the development - could therefore create significant value, with the shares re-rating strongly or becoming a takeover target at a substantial premium.

Exploration at the *Big Slope-3* and *Big Slope-4* wells have to date intersected 21 and 38 metres of very gassy coal respectively, but not yet reached their total depth.

The recently acquired Queensland gas assets - now called the *Grandis Gas Project* - booked contingent resources (2C) of 395 billion standard cubic feet. This is based on wells drilled through the same target tight unconventional sandstones to the West, North and East. This estimate does not include potential gas from fractured coals. The *Daydream-2* well - expected to be drilled in the December quarter of 2023 - will therefore seek to establish flow rates which “could lead to a material increase in contingent resources”.

Elixir Energy



FBR Ltd expects the next generation *Hadrian X* or *H110* to be completed this quarter and be fully commissioned in the March 2023 quarter. This will include a 32 metre telescopic boom, capable of building four storeys high and from the road (i.e. without site access). It will handle blocks weighting up to 45kg and up to 600mm in length.

One of these new robots will go to the United States “to demonstrate its capabilities while seeking binding purchase orders for further robots”.

FBR Ltd



Greenland Minerals has changed its name to **Energy Transition Minerals** and its code becomes ETM.

Integrated Research has “increased prices 7% across our product portfolios”. Customer commitments to contracts have increased “from a low point of 2.3 years to 3.2 years”.

Integrated Research



Mt Gibson Iron reports “consistent mining access to high grade orebody is now available” over the entire more than 1.5km length of the Main Pit.

Mt Gibson Iron



Nova Eye Medical reports revenues for the first four months of the current financial year are up 38%. Part of that was a shipment to China delayed from June into July. Removing that delayed shipment, revenues were up 27%.

This increase has been helped by sales of the new *iTrack Advance* which was launched in Europe and Canada in June.

(Continued on Page 8)

Recommended Investments

(Continued from Page 7)

Regulatory approval for sales of the iTrack Advance in the United States - the company's largest market, accounting for two-thirds of total revenues - is expected in the current quarter. Product launch is planned immediately upon receiving this marketing approval. This should have a significant impact boosting second half revenues.

Nova Eye Medical



Opthea Ltd will provide a podium talk presentation at the annual **FLORentina** congress in Rome, Italy, on 8-11 December.

Opthea Ltd



OZ Minerals has received a “revised non-binding indicative proposal” from **BHP** to acquire the company via a scheme of arrangement at \$28.25 per share. The offer is conditional upon “confirmatory due diligence” which is expected to be completed prior to Christmas.

This offer is 13% higher than BHP's original offer of \$25.00 but “best and final” (i.e. meaning BHP can not improve it unless there is a competing proposal).

The OZ Minerals directors will recommend this offer (in the absence of a superior proposal).

OZ Minerals may pay a franked dividend, but the takeover consideration would be reduced by a similar amount.

We do not have any great desire to be bought out of OZ Minerals, but this takeover will likely proceed. Final settlement under the scheme of arrangement could be around April 2023.

The *West Musgrave Mixed Hydroxide Precipitate Study* - which examines the potential to process concentrate from the *West Musgrave* mine - shows “significant value”. A “successful pilot plant” demonstrated the potential to produce a “premium

product” with “strong market interest”. The project would require an initial capital investment of around \$310 million, but offer a Net Present Value of \$250-460 million and an Internal Rate of Return of 20-27%.

OZ Minerals' ability to develop projects is obviously what makes it attractive to BHP.

Western Mining discovered the West Musgrave Nickel/Copper deposits in 2000 and was acquired by **BHP** in 2005. **BHP** abandoned the project in 2014 to **Cassini Resources** for just \$250,000 in cash (plus a deferred 2% net smelter royalty and \$10 million a year after first production - which BHP will now be paying to itself!) and brought in OZ Minerals as a joint venture partner two years later. OZ Minerals advanced the project and earned a 70% interest and then acquired Cassini Resources in June 2020 for \$76 million in shares (i.e. taking full ownership of the project at a valuation of \$250 million).

OZ Minerals



Prophecy International Holdings expects to achieve annual cost savings of \$400,000 from “establishing a new wholly owned subsidiary in the Philippines, Prophecy Software Solutions Philippines Inc”, in September. The new company will employ 34 staff and takeover the “customer support, software development, cloud operations and end customer training” operations previously provided by a third party outsourcer.

The company signed “more than 100 customers” for *SNARE* during the first quarter, but revenues were down 43% at \$1.2 million. This mainly represents the transition from the one-off, up-front sale of perpetual licences a year ago to the sale of SaaS recurring subscription licences. 83% of sales in the quarter were SaaS recurring subscriptions. In less than a year this transition has added \$2.37 million to Annual Recurring Revenues (ARR).

First quarter new *eMite* contracts were up 87% on the September 2021 quarter, with a one-year contract value of \$1.45 million.

Genesys has announced the end of new development of a number of legacy on-premise products . . . which “should accelerate the migration to cloud solutions” (i.e. *eMite*).

Total ARR was \$19.45 million at the end of September, up 5.8% since the end of the June 2022 quarter.

Prophecy International has also entered a new partnership with **Novacoast** in the US and **Jupiter Technology** in Japan, both of which open up new customers for *SNARE*.

Prophecy International Holdings



Vulcan Energy “has successfully developed, tested and demonstrated its own in-house lithium extraction sorbent, *VULSORB*”. The company also claims this “has demonstrated higher performance and lower water consumption” at its pilot plant “compared with commercially available sorbents tested”. This product will be used in the Phase 1 commercial development that targets production from the December 2025 quarter.

A second pilot lithium extraction plant will begin operation in the March 2023 quarter to test a “high pressure option” (i.e. 20 bar pressure) with potentially “significant” lower capital costs and lower operating costs.

The *Phase 1 Definitive Feasibility Study* will be published in early 2023 with updated capital development costs. The company plans to finance this development with debt, equity and grants. Debt will be sourced from “multilaterals” (i.e. presumably offtake partners and governments?), Export Credit Agencies (i.e. government agencies providing loan or loan guarantees) and Commercial Banks.

Vulcan Energy



Woodside Energy reports “more than US\$200 million in post-merger synergies” and “on track to achieve more than \$400 million” annually by 2024.

The company plans to distribute at least 50% - and up to 80% - of net profits as dividends.

Energy production is forecast to grow greater than 4% per annum over the next five years - driven mainly by *Sangomar* and *Scarborough* - but with a “pipeline of opportunities post-2027”.

2023 planned capital expenditure will peak at around US\$6.0-6.5 billion (i.e. 50% on *Scarborough* and 20% on *Sangomar*), before declining to around \$4.5 billion in

2024, \$3.5 billion in 2025, \$2.0 billion in 2026 and \$1 billion in 2027. This can be financed from net operating cashflows of US\$8-10 billion per annum, plus US\$4.1 billion in undrawn debt facilities.

New, longer term projects include *Trion* and *Calypso*, and perhaps *Greater Sunrise* and *Browse*.

Trion is an oil and gas project offshore from Mexico. A Final Investment Decision is expected in 2023, development costs are expected at US\$6-8 billion, with first oil in 2028. This will provide “near-term cashflow” from a “competitive development cost and quick payback”.

Calypso (70% owned by Woodside energy) is a 3.2Tcf, conventional gas discovery, 250 km offshore from Trinidad and Tobago. This is currently undergoing a Feasibility Study, with a Final Investment Decision expected in 2026 which could lead to commercial production in 2028. This is expected to be a “low cost, lower carbon development” that would provide natural gas to the **Atlantic LNG** (in which Woodside Energy has no equity interest) plant in Trinidad, domestic gas markets and/or petrochemical industries.

Greater Sunrise (33.44% owned by Woodside Energy) is a gas and condensate resource covering Australian and Timor-Leste waters. The development concept is for a floating liquified natural gas (FLNG) facility but the project had “marginal economics” at earlier gas prices (i.e. so may become more valuable if gas prices remain high).

Browse (30.6% owned by Woodside Energy) is “Australia’s largest untapped conventional gas resource” off the North West coast of Australia. Development proposals include two floating production storage and offloading (FPSO) facilities delivering LNG/LPG plus a 900km pipeline to provide future gas supplies to the **North West Shelf LNG Terminal** (33.4% owned by Woodside Energy). This gas is 8-12% CO₂, which could be re-injected into older gas fields. There are a number of commercial, carbon and environmental issues to be resolved here, so development is not likely in the near term.

Woodside Energy is “progressing” the development of a 100MW *Woodside Solar* facility to supply power to the *Pluto LNG* facility and recently announced an Indigenous Land Use Agreement. That would lower carbon emissions, with more gas available for export, rather than power generation to run the plant. There would also be the potential to expand up to 500MW for other customers.

Woodside Energy



Company Review: Minbos Resources

Minbos Resources Ltd (code MNB).

Minbos Resources is involved in two fertilizer projects in Angola. In the near term it will develop the *Cabinda Phosphate Project*, a low capex, high margin, long life project. Longer term it is investigating a *Green Ammonia Project* (based on a 25-year, fixed price allocation of very cheap hydro-electricity).

At historical fertiliser prices, both projects would be very profitable, but Phosphate and Nitrogen fertiliser prices are currently 3-5 times above historical levels. If inflated levels continue for a while then the company could see high profitability and cashflow rapidly repaying loans to finance the initial capital expenditure.

Completion of these projects would also create significant recurring revenues and profits and see the share price significantly re-rated upwards.

This is a high risk/high return situation - but risks in share investment are always limited to 100% while there is no limit on potential gains. Successfully developing the *Cabinda Phosphate Project* could see the share price re-rated 5-10 fold (i.e. 400-900%) over the next 12-18 months.

Cabinda Phosphate Project

This project is well advanced with long-lead equipment for the fertilizer processing plant ordered in June 2021 and mining and first fertilizer production scheduled for the December quarter of 2023.

A Definitive Feasibility Study published in October 2022 (and already updated) indicated a capital expenditure of just US\$48.5 million. With “base case” (i.e. historical 15 year average) fertiliser prices the Net Present Value of Minbos Resources’ 85% interest in the project is US\$203 million with an Internal Rate of Return of 39%.

The mine life is 19 years, but there “are Inferred Resources along strike” which could extend this. Annual earnings (before interest, depreciation and tax) would average US\$55 million annually (A\$81 million or 10.5 cents per share).

Based on current Phosphate fertiliser prices the NPV would almost double to US\$399 million with a 61% rate of return!

The company holds cash of A\$23 million and potential (i.e. not finalised) undrawn debt funding facilities of US\$25 million - so is very close to fully funding this project (although it is also spending money on its Green Ammonia Project so will probably seek to raise capital through a placement or cash issue).

Five years of greenhouse trials in the US and three years of field trials in Angola have recently “confirmed the Minbos’ phosphate rock is suitable as a direct application fertilizer in a soil acidity <ph5.5” which allows simplified processing - just crushing, drying and bagging - and “expected to deliver significant capex savings” on the figure quoted above. In November the

company executed a land acquisition contract for the *Cabinda Phosphate Fertiliser Plant* at Subantando, instead of a proposed site at Futila. This will reduce transport distances from mine to plant to port from 83km to 52km, with a significant reduction in operating expenses.

This Phosphate business is in the Cabinda province of Angola and separated from the main part of the country by the small coastal strip being part of the Democratic Republic of the Congo.

The company first acquired a joint venture interest in this Phosphate deposit in 2010 but that joint venture was unsuccessful. It acquired full rights in March 2020 following a “public tender”. The tender was awarded on the basis of the best development proposal that would benefit the country, at a nominal \$1000 per year cost to Minbos Resources for the exploration licence.

Green Hydrogen-Ammonia Project

This project is at an early stage but provides further medium to long term potential to build its fertiliser business.

The key to this project is that Minbos Resources has secured a 25 year, fixed price allocation allowing it the option to purchase low-cost hydro-electricity.

Angola has large scale hydro-electric resources that currently exceed demand (and with plans to develop more hydro, solar and wind power). The company submitted a proposal in October 2021 and in May 2022 **RNT-EP**, Angola’s electricity network operator, agreed to provide an initial allocation of 100MW of base load hydro-electric from the 520MW **Capunda Hydro-electric Dam** at US\$0.004 per kilowatt hour for five years and then at US\$0.008 per kilowatt hour for the next 20 years, plus Minbos Resources may also purchase a subsequent 100MW at US\$0.015 per kilowatt hour for 25 years.

This is effectively an option to purchase clean renewable power at a very cheap, fixed price for 25 years with few conditions (except that the power is used to make Hydrogen which is used to make Ammonia for fertilisers and explosives, plus some minor investigations into other fertiliser related businesses).

The company was also given 200 hectares of land 10km from the dam (along an existing transmission corridor) where it hopes to build two green ammonia plants producing Ammonia Nitrate for use as a fertiliser and explosives (for the mining industry).

Globally most (72%) Ammonia is produced from natural gas (with the remaining 28% from coal), which accounts for 80-90% of the cost. High current gas prices have increased Ammonia production costs and selling prices have risen further as European chemical firms have cut back on Ammonia production. Green Ammonia accounts for only 0.01% of global Ammonia production - simply as electricity prices are usually too high to make

it cost competitive. Even with the current inflated price of Ammonia an electricity price of US\$0.05 per kilowatt hour would be required.

Minbos Resources will be able to purchase power at US\$0.008 to US\$0.015/kwh - which should be competitive even if natural gas prices returned to historical levels (which may be unlikely).

In September 2022 the company announced a six-month *Technical Study* for the *Capanda Green Ammonia Project* with technology partner **Stamicarbon BV**, a global leader in Green Ammonia Technology, for the production of 300,000 tonnes per annum of Ammonia Nitrate. This study will be immediately followed by a *Scoping Study*. The partners are looking at high temperature, solid oxide electrolysis which is more energy efficient than low temperature electrolysis.

Minbos Resources is also “evaluating the potential for a further 400MW of solar and/or wind energy”.

Ammonia has historically been worth US\$100-600 per tonne, but has traded around US\$1100-1600/tonne in 2022.

Recent Results

Minbos Resources has no meaningful revenues at present.

In February 2021 it raised \$7.3 million from the placement of 91.25 million shares at 8 cents.

In March 2022 the company announced the sale of its Madagascar Rare Earths Project, with settlement of \$2.46 million received in May 2022.

In July 2022 it raised \$25.0 million from the placement of 227.3 million shares at 11 cents. \$15 million of this was raised from a syndicate of three cornerstone investors (**HongKong Jayson Holding Co** \$10.5 million, **Hoston Investments (Australia) Pty** \$3.0 million and **Longmarch Principal Holding** \$1.5 million) who have signed a *Strategic Cooperation Agreement* (SCA) with Minbos Resources “to develop Ferro Phosphate, Lithium Ferro Phosphate and Large Scale Green Ammonia Projects”.

This SCA includes Minbos Resources agreeing to a “long term offtake of 100,000 tonnes of high-grade phosphate rock at agreed market rates” and a non-binding debt term sheet for **Long March Capital** to arrange a US\$25 million debt facility for the *Cabinda Phosphate Project*.

Investment Criteria

The company has no revenues, profits or dividend.

Cash at the end of September was \$23,289,000 (3.1 cents per share).

The issued capital consists of 761,180,625 ordinary shares, giving a market capitalisation of \$55 million. In addition there are 66.6 million listed options exercisable at 15 cents on 30 April 2023, plus 81.3 million unlisted options at various exercise prices and dates.

The shares are *neglected* - as are most smaller companies - with no brokers following the company.

Directors and senior management have reasonable investments in the company. Non-Executive Chairman P Wall owns 22,444,207 shares (plus 10,125,000 options/performance rights) and the four Non-Executive

Directors respectively own zero shares (but 3,500,000 options), 877,273 shares (plus 4,000,000 options), 1,579,545 shares (plus 4,312,500 options) and 3,034,091 shares (plus 4,312,500 options).

The Chief Executive Officer owns 10,850,000 shares (plus 16,500,000 options/performance rights) and the Chief Financial Officer has 1,000,000 shares (and 6,000,000 options).

There has been no *insider* buying or selling on-market over the last year.

The Relative Strength Rating is -19.9%, ranked 82 (on a scale of 0-99), so the shares have declined significantly in value over the last year as investors have become pessimistic.

Some investors are compulsive gamblers and often want to go “all in” and “bet the farm” on this type of high potential project . . . but there is also very high “company specific” risk. The intelligent strategy is to invest only about 1% of your portfolio in any individual high risk/high return company . . . but to seek out 5 or 10 or 20 similar situations and also invest 1% in each of those. The good news is that the depressed stockmarket is turning up numerous similar situations. We are currently investigating and have short listed at least half a dozen similar companies in various industries!

Minbos Resources has a very short remaining development timeline with Phosphate fertiliser production expected before the end of 2023.

Summary and Recommendation

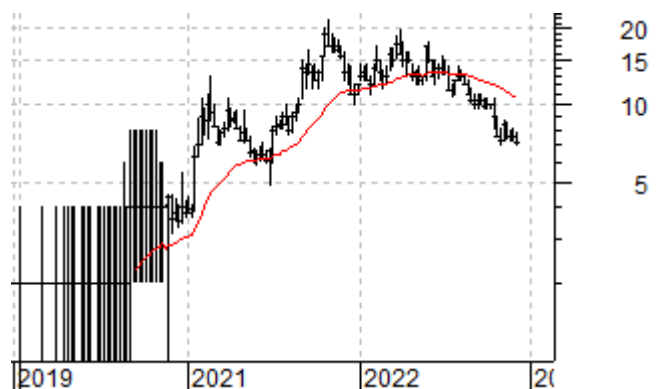
We are not formally recommending Minbos Resources shares but we will make a small investment in this high risk/high return development situation.

At 7.2 cents, Mr Market values Minbos Resources at just \$55 million - and \$23 million of that is cash in the bank. So the “enterprise value” of its projects is just \$32 million.

The well advanced and almost fully funded *Cabinda Phosphate Project* has a Net Present Value of US\$203 million (A\$298 million or 39 cents per share) if fertiliser prices fall back to historical levels or US\$399 million (A\$585 million or 77 cents per share) at *current* fertiliser prices.

Medium term there *may* be further value in the *Green Ammonia Project* based upon the company’s contract to purchase very cheap hydro-electricity on a fixed price, 25 year contract and high Ammonia prices owing to high Natural Gas prices.

Minbos Resources



“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.)
3P Learning	2	354	Challenger Ltd	12	4,924	Helia Group	1	987	Nanosonics Ltd	11	1,462
4D Medical	2	127	Chalice Mining	2	2,461	Helloworld Trav	4	220	Nat'l Aust Bank	13	95,214
AGL Energy Ltd	11	5,382	Champion Iron	9	3,801	Highfield Res.	1	252	National Stor.	7	2,818
AIC Mines Ltd	3	139	Charter Social	9	1,197	Hipages Group	5	130	National Tyre	2	87
ALS Limited	10	5,849	Chart Hall Long	10	3,224	Homeco REIT	11	2,731	Navigator GI In	3	260
AMA Group Ltd	2	236	Charter Hall GR	7	5,993	Hotel Property	5	692	Nearmap Ltd	7	1,051
AMP Ltd	7	4,238	Chart H Retail	8	2,319	Humm Group	2	273	Netwealth Group	12	3,251
ANZ Bank	14	70,682	City Chic Coll.	12	154	IDP Education	12	7,704	Neuren Pharm.	3	898
APA Group	13	12,896	Cleanaway Waste	15	5,988	IGO Ltd	15	11,389	New Energy Sol.	1	63
ARB Corporation	9	2,303	Clinuvel Pharm.	3	1,092	IOOF Holdings	10	2,206	New Hope Corp.	6	5,090
ASX Limited	13	13,166	Clover Corp.	1	207	IPH Limited	7	1,970	Newcrest Mining	17	19,107
AUB Group	8	2,338	Cobalt Blue	1	193	IRESS Limited	9	1,765	News Corp.	9	1,088
AVZ Minerals	1	2,752	Cobram Estate	4	618	Iluka Resources	10	4,453	Nexdc Limited	16	4,179
Abacus Property	6	2,413	Cochlear Ltd	16	13,727	Imdex Limited	9	911	Next Science	2	150
Accent Group	11	970	Codan Ltd	7	688	Immutep Ltd	5	303	Nib Holdings	8	3,451
Acrow Formwork	2	158	Cogstate Ltd	4	286	Impedimed Ltd	4	160	Nickel Mines	10	2,786
Adacel Tech.	2	63	Coles Group	16	22,525	Imugene Ltd	3	1,172	Nick Scali Ltd	7	892
Adairs Limited	10	385	Comwealth Bank	14	177,891	Incitec Pivot	12	7,575	Nine Entertain.	12	3,479
Adbri Ltd	12	1,103	Comet Ridge Ltd	2	192	Infomedia Ltd	6	423	Nitro Software	7	522
Adore Beauty	6	131	Computershare	14	16,011	Ingenia Com Grp	3	1,793	Nobleoak Life	3	155
Aeris Resources	2	62	Cooper Energy	1	513	Inghams Group	11	1,082	Novonix Ltd	1	871
Ainsworth Game	2	362	Corp Travel M.	14	2,062	Insurance Aust.	6	11,808	Nthn Star Res.	15	12,915
Alcidian Group	2	190	Costa Group	14	1,217	Int Research	1	80	Nufarm Limited	12	2,399
Alkane Explor.	3	386	Credit Corp	8	1,349	Integral Diag.	14	680	Nuix Limited	1	216
Alliance Aviat.	4	493	Cromwell Prop.	3	1,794	Invocare Ltd	8	1,601	OFX Group	3	572
Alpha HPA Ltd	1	573	Cyclopharm Ltd	1	123	Ioneer Limited	1	1,091	OZ Minerals Ltd	18	9,219
Altium Limited	14	4,881	DHH1 Limited	4	385	Ive Group	3	354	Omni Bridgeway	3	1,083
Alumina Ltd	7	4,672	Dacian Gold Ltd	1	152	JB Hi-Fi Ltd	15	4,884	Oncosil Medical	1	45
Ampol Ltd	10	6,456	Damstra Hold.	4	35	James Hardie	14	13,040	Ooh!Media	9	740
Ansell Ltd	12	3,603	Danakali Ltd	1	138	Janison Educat.	6	131	Openpay Group	2	50
Antipa Minerals	1	72	Data 3 Ltd	8	963	Jervois Global	3	502	Opheta Limited	4	428
Appen Limited	12	320	De Grey Mining	1	1,988	Johns Lyng Grp	10	1,823	OreCorp Ltd	1	192
Ardent Leisure	3	297	Deterra Royal.	13	2,532	Jumbo Interact.	10	897	Orica Ltd	13	6,991
Arena REIT	9	1,315	Dexus Conv Ret.	5	395	Karoon Energy	7	1,204	Origin Energy	10	13,437
Aristocrat Leis	13	22,440	Dexus Industria	6	955	Kazia Thera.	1	12	Orora Limited	13	2,621
Aroa Biosurgery	5	377	Dexus	11	8,615	Kelly Partners	1	202	PRT Company Ltd	1	170
Aspen Group Ltd	1	265	Domain Holdings	10	1,851	Kelsian Group	9	1,195	PSC Insurance	3	1,681
Atlas Arteria	6	9,909	Domino's Pizza	15	5,654	Kina Securities	1	230	PTB Group Ltd	1	203
Atomos Limited	3	20	Downer EDI Ltd	7	2,487	Kogan.com Ltd	9	338	PWR Holdings	6	1,120
Audinate Group	6	597	Dropsuite Ltd	1	141	Korvest Ltd	1	88	Pacific Smiles	5	240
Aurelia Metals	2	179	Dubber Corp.	1	166	Lake Resources	2	1,307	Pacific Current	2	390
Aurizon Hold.	15	6,995	Dusk Group	4	113	Lark Distilling	3	185	Pact Group Hold	5	349
Aussie Broadb'd	8	594	EML Payments	9	237	Latitude Group	4	1,371	Paladin Energy	4	2,115
Austal Limited	5	768	EVT Limited	6	2,115	LendLease Group	10	5,050	Panoramic Res.	3	379
Aust Clinical L	6	626	Eagers Auto.	14	3,015	Lepidico Ltd	2	115	Pantoro Limited	1	196
Aust Agricult.	1	1,055	Earlypay Ltd	2	101	Liberty Fin Grp	4	1,184	Paradigm Bio.	1	366
Aust Finance Gr	2	405	Eclixp Group	3	557	Life 360 Inc.	4	1,065	Paragon Care	2	213
Aust Vintage	3	158	Elanor Com Prop	3	298	Lifestyle Com.	4	1,971	Pendal Group	11	1,885
Autero Minerals	1	116	Elanor Investor	2	204	Lindsay Aust	2	198	Pengana Capital	1	131
Autosports Grp	5	394	Elders Limited	11	1,563	Link Admin.	8	1,729	Peninsula En.	3	130
BCI Minerals	2	321	Electro Optic	1	101	Liontown Res.	4	3,921	People Infra.	6	309
BHP Group Ltd	16	240,525	Elmo Software	7	472	Lithium Power	2	192	Pepper Money	7	633
BUBS Australia	5	231	Emeco Holdings	6	394	Livehive Ltd	1	59	Perenti Ltd	6	799
BWP Trust	8	2,589	Empire Energy	1	152	Livitles Ltd	1	43	Perpetual Ltd	12	1,384
BWX Limited	8	126	Enero Group Ltd	4	252	Louts Resources	2	265	Perseus Mining	5	3,062
Baby Bunting Gr	6	362	Energy One Ltd	1	124	Lovisa Holdings	13	2,463	Peter Warren A.	6	464
Bank of Q'land	13	4,499	Envirosuite Ltd	2	164	Lynas Rare E.	10	7,711	Pexa Group	8	2,475
Bannerman En.	1	237	Equity Trustees	6	654	Lynch Group	3	198	Pharmaxis Ltd	1	35
Bapcor Limited	11	2,271	Estia Health	7	527	MA Financial Gr	3	788	Pilbara Mineral	11	13,386
Base Resources	3	253	Eureka Group	2	96	MMA Offshore	1	278	Pinnacle Invest	5	1,693
Beach Energy	17	3,787	Evolution Min.	15	5,450	Maas Group	5	778	Platinum Asset	11	1,024
Beacon Lighting	6	447	Experience Co	3	170	MacMahon Hold	5	323	Playside Studio	2	86
Bega Cheese Ltd	10	1,100	FAR Ltd	5	69	Mach7 Tech.	2	135	Plenti Group	2	78
Bellevue Gold	4	1,194	Family Zone CS	2	255	Macquarie C Tel	6	1,242	Pointsbet Hold.	8	575
Bendigo Bank	13	5,101	Fineos Corp Ltd	8	462	Macquarie Group	11	64,944	Polynovo Ltd	5	1,287
Best & Less Grp	2	262	Firefinch Ltd	1	236	Mader Group	4	680	Poseidon Nickel	1	113
Betmakers Tech.	5	289	Fleetwood Ltd	2	132	Magellan Fin Gp	11	1,671	Praemium Ltd	4	416
Big River Ind.	1	163	Flight Centre	15	2,974	Marley Spoon AG	2	45	Premier Invest	15	3,979
Bigtincan Hold.	2	312	Fortescue Metal	18	65,859	MaxiPARTS Ltd	1	101	Pro Medicus Ltd	11	6,140
Bionomics Ltd	2	90	Frontier Digit.	2	269	Mayne Pharma Gr	4	357	Probiotec Ltd	1	180
Blackmores Ltd	10	1,416	G.U.D. Holdings	9	1,124	McMillan Shake.	6	932	Propel Funeral	2	505
Blackstone Min.	1	73	G8 Education	7	839	McPherson's Ltd	3	99	Prospa Group	2	98
Bluescope Steel	13	8,460	GDI Property	2	412	Medibank Priv.	10	8,317	Prospect Res.	1	65
Booktopia Group	3	28	GPT Group	12	8,314	Medical Dev Int	1	132	Q.B.E. Insur.	5	19,227
Boral Limited	12	3,309	GQG Partners	8	4,252	Megaport Ltd	15	1,022	Qantas Airways	16	11,712
Boss Energy	4	776	GWA Group Ltd	4	544	Mesoblast Ltd	4	697	Qantm I.P.	1	127
Brambles Ltd	16	16,580	Galan Lithium	1	365	Metcash Ltd	14	4,181	Qube Holdings	14	4,962
Bravura Sol.	7	209	Garda Div Prop	1	314	Metro Mining	1	70	REA Group Ltd	16	16,015
Breville Group	13	2,776	Generation Dev.	4	217	Michael Hill	4	407	Ramelius Res.	7	855
Brickworks Ltd	8	3,354	Genetic Sign.	2	123	Midway Limited	1	86	Ramsay Health	15	15,079
C.S.R. Ltd	11	2,347	Genex Power	2	235	Mincor Resource	4	775	ReadyTech Hold.	6	451
CSL Limited	15	143,922	Gold Road Res.	9	1,894	Mineral Res.	14	17,175	Reckon Limited	1	67
Capital Health	6	340	Goodman Group	9	34,187	Mirvac Group	7	8,681	Red River Res.	1	38
Capricorn Metal	4	1,735	Graincorp	11	1,805	Monash IVF Grp	7	382	Red 5 Ltd	2	527
Carbon Rev.	1	27	Growthpoint Pro	7	2,397	Monadelphous Gr	8	1,306	Redbubble Ltd	9	153
Carindale Prop	2	318	HMC Capital	6	1,353	Money Me Ltd	4	85	Reece Limited	8	9,431
Carnarvon En.	4	270	HT&E Limited	9	308	Mosaic Brands	2	32	Region Group	6	3,047
Carsales.com	17	7,620	HUB24 Limited	13	2,059	Motorcycle Hold	4	171	Regis Resources	12	1,563
Catapult Group	4	183	Hansen Tech.	6	998	Mt Gibson Iron	1	656	Regis Health.	6	632
Cedar Woods Prp	3	354	Harvey Norman	12	5,358	Murray Cod Aust	1	115	Reliance W/wide	15	2,339
Centuria Indust	11	2,000	Hastings Rare M	1	471	Musgrave Min.	1	105	Resimac Group	5	291
Centuria Office	5	965	Healius Ltd	14	1,673	Myer Holdings	3	575	Resolute Mining	4	343
Centaurus Metal	1	515	Healthia Ltd	3	146	NRW Holdings	8	1,244	Retail Food Grp	2	149

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.)
Ridley Corp.	5	610	Silver Lake Res	5	1,237	Supply Network	2	512	Virgin Money UK	4	2,498
Rio Tinto Ltd	17	43,492	Sims Ltd	13	2,656	Symbio Holdings	3	235	Vita Group Ltd	1	19
Rural Funds Grp	5	940	SiteMinder Ltd	9	809	Syrah Resources	2	1,723	Viva Energy Grp	11	3,967
SECOS Group	1	64	Smartgroup Corp	8	630	TPG Telecom	13	9,408	Viva Leisure	2	103
SG Fleet Group	5	600	Solvar Limited	4	405	Tabcorp Holding	14	2,382	Volpara Health	3	155
SRG Global	1	305	Somnosed Ltd	2	108	Technology One	10	4,508	Vulcan Energy	3	973
Salt Lake Pot.	1	253	Sonic Health	15	14,518	Telix Pharma.	6	2,143	Wagners Hold.	3	143
Sandfire Res.	13	2,589	Soul Pattinson	2	10,020	Telstra	12	46,218	Warrego Energy	1	361
Santos Ltd	15	23,499	South32 Limited	17	19,220	Temple Webster	12	550	Waypoint REIT	8	1,979
Scentre Group	15	14,948	St Barbara Ltd	8	530	Tesserent Ltd	1	117	Webjet NL	14	2,403
Seek Ltd	15	7,733	Star Entertain.	13	2,423	The Reject Shop	6	158	Wesfarmers Ltd	15	54,334
Select harvest	6	514	Starpharma Hold	1	206	Tietto Minerals	1	820	Westgold Res.	2	374
Service Stream	4	422	Steadfast Group	10	5,602	Toys'R'Us ANZ	3	28	Westpac Banking	13	82,066
Servcorp Ltd	3	324	Step One Cloth.	1	48	Trajan Group	3	275	West African R.	1	1,154
Seven West Med.	11	676	Sth Cross Media	7	270	Transurban Grp	15	42,680	Whispir Ltd	3	54
Seven Group	9	7,501	Sth Cross Elect	1	177	Treasury Wine	18	9,904	Whitehaven Coal	15	9,006
Sezzle Inc	4	105	Stockland	7	9,238	Tuas Limited	1	586	Wiluna Mining	1	43
Shaver Shop Grp	3	147	Strandline Res.	3	532	Tyro Payments	10	774	Wisetech Global	14	17,496
Shine Justice	1	174	Strike Energy	4	756	Un. Biosensors	1	51	Wisr Ltd	1	92
Sigma Health.	8	646	Suncorp Group	4	14,903	United Malt Grp	9	1,002	Woodside Energy	17	64,899
Silex Systems	2	558	Sunland Group	1	240	Universal Store	10	395	Woolworths Grp	16	41,908
Silk Laser Aust	5	98	Sunrise Energy	1	180	Ventia Services	7	2,147	Worsley Ltd	11	7,519
Silk Logistics	2	173	Super Retail Gr	14	2,464	Vicinity Centre	13	8,991	XRF Scientific	1	109
									Zip Co Ltd	11	490

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.)
29Metals Ltd	3.9%	1,168	Aurelia Metals	4.8%	179	Carnaby Res.	0.0%	121	Dexus Industria	0.3%	955
4D Medical	0.0%	127	Aurizon Hold.	1.3%	6,995	Carnarvon En.	1.4%	270	Dexus	1.3%	8,615
4DS Memory Ltd	0.0%	53	Aussie Broadb'd	6.3%	594	Carsales.com	2.1%	7,620	Dicker Data Ltd	0.4%	1,845
5E Adv Material	0.3%	395	Aust Strategic	2.2%	257	Caspin Res.	0.0%	47	Djerriwarrh	0.0%	761
88 Energy Ltd	0.1%	183	Aust Vanadium	0.4%	101	Castillo Copper	0.0%	21	Doctor Care	0.1%	12
92 Energy	0.9%	34	Austal Limited	0.8%	768	Castile Res.	0.0%	30	Domain Holdings	2.0%	1,851
A-Cap Energy	0.0%	94	Aust Rare Earth	0.3%	33	Castle Minerals	0.1%	25	Domino's Pizza	7.1%	5,654
A2B Australia	0.7%	131	Aust Clinical L	4.1%	626	Catapult Group	0.4%	183	Dotz Nano Ltd	0.0%	115
AGL Energy Ltd	3.0%	5,382	Austin Eng.	0.1%	198	Cedar Woods Prp	0.4%	354	Downer EDI Ltd	1.8%	2,487
AIC Mines Ltd	0.0%	139	Aust Agricult.	0.4%	1,055	Centuria Indust	1.9%	2,000	Dreadnought Res	0.0%	274
ALS Limited	0.6%	5,849	Aust Foundation	0.0%	9,255	Centuria Office	0.3%	965	Droneshield Ltd	0.2%	82
AMA Group Ltd	5.2%	236	Aust Finance Gr	0.5%	405	Centuria Cap1	1.4%	1,402	Dubber Corp.	2.1%	166
AMP Ltd	1.6%	4,238	Aust Ethical In	0.2%	473	Centuria Metal	0.0%	515	E2 Metals Ltd	0.0%	34
ANZ Bank	0.5%	70,682	Aust Vintage	0.3%	158	Cettira Ltd	0.4%	604	EML Payments	3.7%	237
APA Group	0.9%	12,896	Austral Res.	0.0%	45	Challenger Expl	0.2%	188	EVT Limited	0.3%	2,115
APM Human Serv.	1.5%	2,376	Autero Minerals	0.2%	116	Challenger Ltd	1.7%	4,924	Eagers Auto.	3.1%	3,015
ARB Corporation	5.7%	2,303	Avita Medical	0.7%	147	Chalice Mining	5.7%	2,461	Earlypay Ltd	0.1%	101
ASX Limited	1.4%	13,166	Azure Minerals	0.4%	81	Champion Iron	4.7%	3,801	Eclixp Group	1.2%	557
AUB Group	0.3%	2,338	BCI Minerals	0.0%	321	Charter Social	0.9%	1,197	Eco Graf Ltd	1.9%	110
AVA Risk Group	0.0%	54	BHP Group Ltd	0.2%	240,525	Chart Hall Long	2.3%	3,224	Ecofibre Ltd	0.2%	100
AVZ Minerals	4.2%	2,752	BUBS Australia	1.7%	231	Charter Hall GR	1.2%	5,993	Elanor Investor	0.0%	204
Abacus Property	0.4%	2,413	BWP Trust	2.4%	2,589	Chart H Retail	0.4%	2,319	Elders Limited	2.0%	1,563
Accent Group	0.7%	970	BWX Limited	4.2%	126	Charger Metals	0.0%	26	Electro Optic	3.4%	101
Actinogen Med.	0.1%	201	Baby Bunting Gr	1.3%	362	Chimeric Thera.	0.0%	26	Element 25 Ltd	0.2%	164
Adairs Limited	4.3%	385	Bank of Q'land	5.6%	4,499	Chrysox Corp.	0.0%	196	Elevate Uranium	1.7%	103
Adbri Ltd	2.8%	1,103	Bannerman En.	1.2%	237	City Chic Coll.	4.2%	154	Elixir Energy	0.0%	155
Adore Beauty	1.6%	131	Bapcor Limited	3.0%	2,271	Cleanaway Waste	2.1%	5,988	Elmo Software	0.1%	472
Adriatic Metals	0.4%	681	Base Resources	0.0%	253	Clearway With	0.0%	314	Emeco Holdings	0.9%	394
Adv Human Imag.	0.0%	17	Beach Energy	1.2%	3,787	Clean Teq Water	1.1%	19	Emerald Res.	0.0%	668
Aeris Resources	0.7%	62	Beacon Lighting	0.0%	447	Clean Seas Sea.	0.1%	103	Empire Energy	0.1%	152
Airtasker Ltd	0.0%	157	Bega Cheese Ltd	1.8%	1,100	Clinovel Pharm.	5.9%	1,092	Endeavour Group	2.3%	12,501
Aicidian Group	0.1%	190	Bell Financial	0.1%	332	Clover Corp.	0.0%	207	Energy Tran Min	0.0%	65
Alkane Explor.	0.0%	386	Bellevue Gold	5.9%	1,194	Cluey Ltd	0.5%	50	Envirosuite Ltd	0.5%	164
Alligator En.	1.9%	129	Bendigo Bank	2.6%	5,101	Cobalt Blue	0.1%	193	Essential Metal	0.0%	100
Alliance Aviat.	0.1%	493	Best & Less Grp	0.1%	262	Cobram Estate	0.1%	618	Estia Health	0.5%	527
Allkem Ltd	0.9%	8,353	Betmakers Tech.	12.9%	289	Cochlear Ltd	1.0%	13,727	Euro. Lithium	1.1%	119
Alpha HPA Ltd	0.4%	573	Bigtincan Hold.	0.5%	312	Codan Ltd	1.0%	688	Euro Manganese	0.2%	91
Altech Chemical	0.1%	114	Black Rock Min.	0.3%	152	Cogstate Ltd	0.1%	286	Euro Metals	0.2%	80
Althea Group	0.0%	21	Blackmores Ltd	2.6%	1,416	Coles Group	0.2%	22,525	Evolution Min.	1.5%	5,450
Altium Limited	0.9%	4,881	Blackstone Min.	0.5%	73	Collins Foods	1.5%	873	Exopharm Ltd	0.0%	12
Alumina Ltd	5.6%	4,672	Bluebet Hold.	0.1%	86	Com'wealth Bank	1.4%	177,891	Experience Co	0.1%	170
Am. Rare Earth	0.0%	98	Bluescope Steel	0.5%	8,460	Computershare	0.4%	16,011	FAR Ltd	0.0%	69
Ampcor Ltd	1.7%	11,940	Boart Longyear	0.0%	616	Cooper Energy	0.3%	513	FBR Limited	0.4%	127
Ampol Ltd	0.4%	6,456	Booktopia Group	0.0%	28	Core Lithium	5.3%	2,157	Falcon Metals	0.3%	42
Andromeda Metal	0.3%	149	Boral Limited	5.3%	3,309	Coronado GI Res	0.4%	3,403	Family Zone CS	0.5%	255
Anglogold Ash.	0.0%	0	Boss Energy	3.1%	776	Corp Travel M.	1.0%	2,062	Finex Resources	0.9%	143
Ansarade Group	0.0%	112	Botanix Pharma.	0.0%	69	Costa Group	5.1%	1,217	Finbar Group	0.0%	186
Ansell Ltd	2.6%	3,603	Bowen Coking C.	0.4%	495	Credit Corp	4.0%	1,349	Fineos Corp Ltd	0.2%	462
Anteo Tech Ltd	0.1%	113	Brainchip Hold.	6.6%	1,105	Creso Pharma	0.1%	37	Firefinch Ltd	4.8%	236
Antipa Minerals	0.1%	72	Brambles Ltd	0.3%	16,580	Cromwell Prop.	1.1%	1,794	Fleetwood Ltd	0.6%	132
Appen Limited	3.8%	320	Bravura Sol.	0.9%	209	CuFe Limited	0.6%	16	Flight Centre	14.3%	2,974
Arafura Rare E.	0.9%	743	Breaker Res NL	0.2%	101	Cyprum Metals	0.1%	59	Fortescue Metal	1.7%	65,859
Architis Limited	0.0%	26	Breville Group	8.1%	2,776	DGL Group	0.5%	413	Freelancer Ltd	0.0%	117
Archer Material	0.2%	167	Brickworks Ltd	0.4%	3,354	DHH1 Limited	0.0%	385	Frontier Digit.	0.1%	269
Ardent Leisure	1.1%	297	Buru Energy Ltd	0.0%	63	Dacian Gold Ltd	0.0%	152	G.U.D. Holdings	4.5%	1,124
Arena REIT	1.1%	1,315	C.S.R. Ltd	2.7%	2,347	Dalrymple Bay	0.0%	1,190	G8 Education	3.1%	839
Argosy Minerals	1.4%	850	CSL Limited	0.4%	143,922	Damstra Hold.	0.1%	35	GDI Property	0.5%	412
Aristocrat Leis	0.2%	22,440	Calidus Res.	0.5%	142	Data 3 Ltd	0.3%	963	GPT Group	0.9%	8,314
Arizona Lithium	0.3%	169	Calix Limited	4.3%	832	De Grey Mining	4.1%	1,988	GQG Partners	0.4%	4,252
Aspen Group Ltd	0.0%	265	Camplify Hold.	0.1%	55	Deep Yellow Ltd	2.6%	512	GTI Energy	0.0%	15
Aston Minerals	0.1%	105	Capital Health	0.0%	340	Deterra Royal.	2.3%	2,532	GWA Group Ltd	0.8%	544
Atlas Arteria	0.8%	9,909	Capricorn Metal	1.4%	1,735	Develop Global	0.3%	481	Galan Lithium	0.9%	365
Atomos Limited	0.6%	20	Caravel Min.	0.2%	84	Devex Resources	0.1%	120	Galena Mining	0.1%	101
Audinate Group	1.5%	597	Carbon Rev.	0.2%	27	Dexus Conv Ret.	0.0%	395	Galileo Mining	0.0%	174
Aura Energy Ltd	0.6%	138	Cardno Ltd	0.0%	18						

(Continued on page 16)

Investment Outlook

(Continued from Page 1)

OK, we hear you say, “A 1% investment is not going to make a significant impact on my wealth”. Yes and no. If it fails you won't notice a 1% loss. If it works out it could add 5-10% to your portfolio returns. That won't make you rich . . . but this is just the first “baby steps” of an investment strategy.

Secondly you should seek 5 or 10 or 20 of these small high risk/high return investments. With 5 or 10 or 20 of these positions, even if only 25-33% achieve their potential, that is 1-2, or 2-3 or 5-7 big winners . . . each potentially boosting your *overall portfolio returns*. 5-20% of your portfolio may be invested in these high risk companies, but with only 1% in each of 5-20 positions this diversifies away most of the “company specific” risk (i.e. some winners *and* losers, but benefiting from the “positively skewed” higher returns).

Thirdly, compound those higher annual returns over the longer term. Just \$100,000 compounded at 10% per annum over 30 years grows to \$1.7 million. That is nice . . . but at 12% it grows to \$3.0 million and at 14% it grows to \$5.1 million.

That is how to achieve this newsletter's objective of building significant investment wealth over half a lifetime!

Dividend\$

Company	Cents per Share	Ex-Date	Pay-able	Tax Credit
	<u>Australian Shares</u>			
ALS Ltd	20.30	24-11	16-12	

Total Return Index for All Listed Shares

	Nov 7	1526.12	
	Nov 8	1518.21	
	Nov 9	1517.93	
	Nov 10	1509.32	
	Nov 11	1530.19	
Nov 14	1522.84	Nov 21	1511.35
Nov 15	1520.96	Nov 22	1505.61
Nov 16	1521.60	Nov 23	1488.27
Nov 17	1519.67	Nov 24	1481.86
Nov 18	1510.35	Nov 25	1480.63
Nov 28	1482.54	Dec 5	1496.02
Nov 29	1484.63	Dec 6	1487.41
Nov 30	1495.02	Dec 7	1483.75
Dec 1	1500.49	Dec 8	1481.21
Dec 2	1497.36	Dec 9	1482.90

Next Issue:

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

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