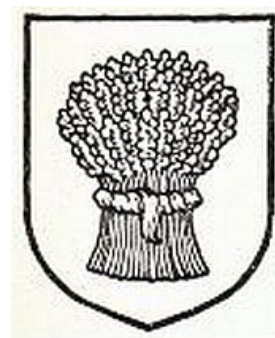


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HALLGARTEN + COMPANY

Portfolio Strategy

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Monthly Resources Review: Truth (and Metals) the First Casualties in War

Performance Review – March 2026

Monthly Resources Review

Truth (and Metals) the First Casualties in War

- + We had predicted a while back that gold had the potential to shed \$1000 per oz off its price and this has come to pass
- + As long mused by us, who wants an EV when the missiles start flying
- + What might have appeared to be an “opportunity” for China to rattle its sabre towards Taiwan has, thankfully, been allowed to pass
- + The retreat in prices of many (potential) target stocks has allowed potential predators to start sharpening their pencils again on the sums
- + The demise of the Rio Tinto/Glencore merger has given RIO’s share price a fillip
- × The global economy has been brought to the verge of recession with retail, travel and tourism taking a big hit from the effect of hostilities on consumer sentiment
- × Gold and silver, after an initial retreat have become somewhat languid, definitely belying the traditional role as safe haven investments in times of war
- × The ravaging of the economies of the GCC is providing a strong impetus for liquidating investments, including their reserves of precious metals
- × Turkey has reputedly been reducing its gold reserves
- × The Tin price retreated from its record levels around \$57k per tonne, down to \$43K before starting to trend up again
- × While some legacy financings that were already in the works are going thru we would expect a shrinkage in placements until the war resolves itself, or maybe later

The Fog of War

The gold and silver bugs were served up a lesson during the first days and weeks of the *Weekend War* as their favorite safe havens looked more like an elevator where the cable had been cut. Even worse was the performance of the underlying equities with losses of 30-40% not being uncommon. Copper was sucked down in their wake. The confusion was not helped by widespread suspicions that market manipulation via Polymarket, options and futures trading was being orchestrated (for personal gain) by those close to the corridors of power. Denouements were followed by ramp ups and off-ramps just proved to be clover-leaf junctions to an ever more distant grand finale. Cash was the only safe haven, not a message that promoters would ever allow to cross their lips.

Despite extensive damage to refining facilities it is not clear that this war is generating much future business for the denizens of metals/mining beyond lots of cement and some rebar.

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One of the more interesting observations doing the rounds is that the winner of the current war in the Persian Gulf is China (and by inference the Yuan). We can't say we disagree with this. The US dollar finds itself in an interesting moment somewhat akin to that of the Pound Sterling post-WW2. The rot had already set in for the pound before the war, as debts from WW1 weighed on the British Empire's economy. However, it still had a vast empire that transacted in Sterling and most metals (including gold) were transacted in London, or at least the pricing was conducted there.

Post-WW2, the US was vociferous in its demands for decolonialization and, in retrospect, one wonders whether this wasn't somewhat akin to Iran's latest efforts to convert trade (and tolls) through the Straits of Hormuz into a yuan-denominated business (i.e. self-serving). With the latest folding/surrender of the US (with the two-week "ceasefire") to Iranian talking points the dethronement of the dollar is in full flood (to mix some metaphors).

Most metals/mining players still have a dollar-centric view of the world and cannot even tell you the USD/Yuan exchange rate but for those in the specialty metals, we have long been accustomed to seeing charts in Yuan for Shanghai FOB for many lesser light metals (that happened to now be termed "critical". The worm is not turning it has already turned.

The latest hostilities (particularly if the Iranians dedollarise the GCC and trade in and out) will be a magnification of this trend. So while truth is the first victim of war (and definitely so in the current case) the collateral damage is the metals and stock prices that follow it with the most lasting damage being dealt to the dollar. Who remembers that the USD was \$4.86 to the GBP in 1930? The pound faded, the dollar rose. The potential for the dollar to become just one of the pack is increased by recent events. Indeed, who would dare to venture that the USD might join the Australian Peso and the Canadian Peso in infamy?

The Laundromat Becomes a Bonfire of the Vanities

Early last decade we worked a lot in Turkey and as in many countries there was the official story and then there was the real story. The official story, much repeated by gold bulls everywhere, was that Turks loved gold. Who doesn't? But the vast bulk of the Turkish population had little gold and not much interest in accumulating it, unlike the Indian middle classes. The real story was that Turkey was energy poor and that the country was importing enormous amounts of oil & gas from Iran and paying for it with physical gold. Then the Iranians were moving the gold across the Persian Gulf to the gold bazaar that is the UAE. Ergo sanctions fed the idea that Turkey was a big gold buyer/hoarder when it was only a conduit.

Much has been made of the role of the Gulf states as "captive" buyers for the tsunami of dollars issued by the US to fund its ever-larger deficits. The gold bugs have latched onto this as one of their prime pillars of gold resurgence without scratching beneath the surface. The old pillars of inflation protection and safe haven in unsafe times became mere backseat drivers.

Few asked themselves what might happen should the wash-cycle be run in reverse with the added spin

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cycle of the Gulf States themselves being ravaged not only ongoing daily pulverisation but also the prospect that post-war the glean will have gone off the dreaming spires and the tax haven status.

We would humbly suggest that reconstruction will not be fed by some Marshall Plan *redux*, but rather by a mass liquidation of monetizable assets, with gold at the forefront. The GCC nations will also have significantly less attraction as a processing location, which has been one of the subthemes of the critical metals space in recent times.

So, this war is yet another case of “be careful what you wish for”. It is an ill-wind that has brought few (e.g. Russia & China) some good and precious little upside anywhere else.

Grab the Gold & Run

The Bank of France (BdF) says it has pulled (and sold) the remaining gold held in New York where it has held parts of its gold since the 1920s. The BdF replaced it with a similar amount of gold bars, bought on the other side of the pond, to be stored in its vaults in Paris. The gold amounted to 129 tonnes (~ 5% of the bank’s total holdings). This transaction was not in response to the war but was conducted between mid-2025 and January of this year. It was reported that, due to rising gold prices, the move helped the bank to generate a capital gain of €13bn (or US\$15bn).

While not the beginning of the end for the dollar, it is the end of the beginning of the process of erosion of not only faith in the dollar but the trustworthiness of the Federal Reserve. An increasingly scattergun approach to friends and foes alike (or an excess of sticks and scant offerings of carrots) makes even the most precarious economies in the world wonder whether their reserves are safe from swingeing confiscations and the eternal rounds of “sanctions”. We might cast a glance at Venezuela where, since 2020, about 31 tonnes of gold remain locked in the Bank of England, with UK courts blocking the then Maduro government from accessing what was theirs. One is left wondering though whether this is a result of the UK being anti-Maduro or having been leaned on by the US. After all, the gold reserves at the BoE were supposed to be sacrosanct. In March of 2026, it was reported that US\$100mn in gold was returned to the U.S. from Venezuela following a high-level delegation visit.

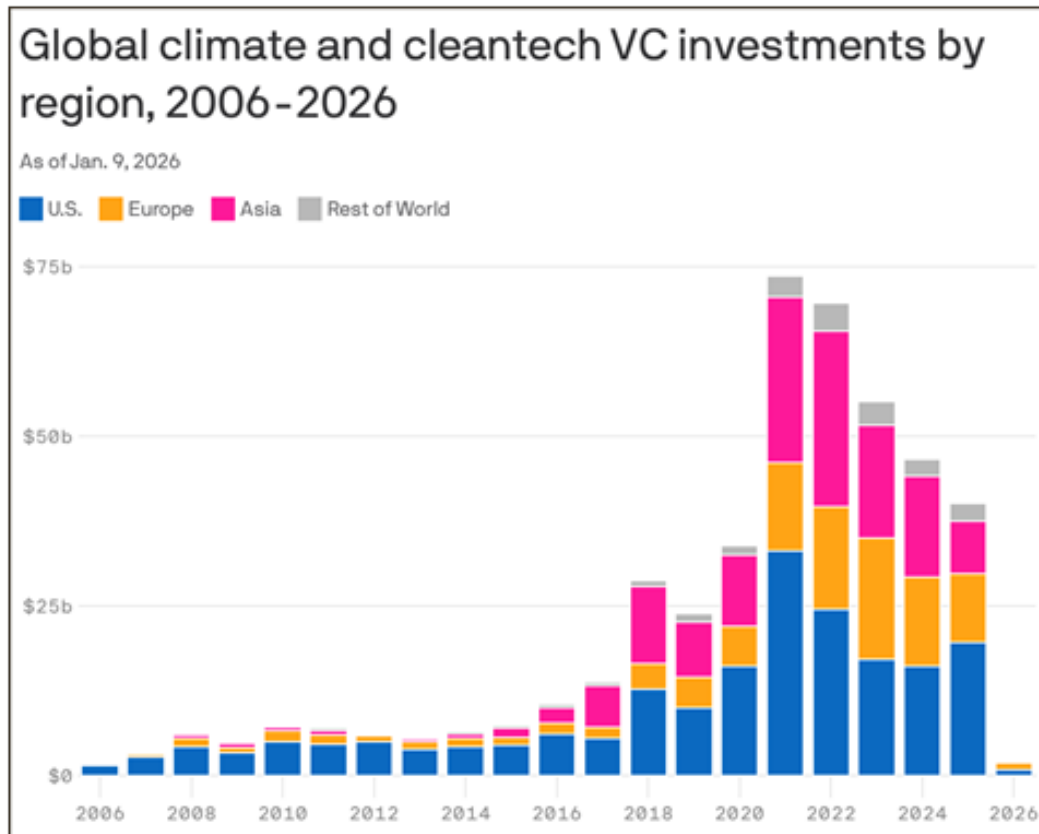
A situation is evolving in which, given their druthers, many countries will start to be wary of having their reserves under US control. Repatriating or relocating one’s reserves gives a country one less lever that can be used against it by the US.

Cleantech – Last Out Please Turn Off the Lights

We have sat on the chart that follows for some months now and, despite appearances, we did not want to bury the so-called *Energy Transition* before it was truly dead. While truth (and metals) may be the first casualties in war, the Energy Transition was staggering and maybe mortally wounded before the first shot was fired.

As the chart that follows shows, the VC bros have been falling out of love with cleantech and it hasn’t just been in recent months and indeed hasn’t just been under the entirely disinterested Trump regime.

The cooling is looking like an Ice Age.



We have noted before that just as in 1939, the last thing from consumers' minds when the bullets start flying is to cruise the car lots looking to make a purchase. Though in current days, with the price of gasoline/petrol soaring an EV actually starts to look attractive for the first time in years. However, vendors, having supped the KoolAid that it will be all over in days/weeks (and now months) didn't have much incentive to slash prices to move stagnant stock.

This will be compounded now by increased attention being paid to the vulnerability of Western (and Eastern) economies to the shut-off of regular energy supplies. Australia, a sacred site, where the Energy Transition is worshipped with all the frenzy of Stravinsky's Rite of Spring was first against the wall come the counter-revolution. Even in Britain where the low-wattage (energy efficient?) intellectual ability of Ed Milliband has ruled the roost for two years now, he was being put on the rack at the Tower of London and pulled every which way until the pips squeaked by those critiquing the rundown in North Sea exploration and production in the interests of keeping Greens happy. This was particularly hapless when Greens are looking to send Labour to political oblivion.

The same is happening all over Europe.

So, while we have never been persuaded that the VC crowd are always the smartest people in the room,

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they may not be the dumbest either in taking their chips off the (Russian) roulette game.

Model Resources Portfolio Changes

AbraSilver (TSX: ABRA; OTCQX: ABBRF) has been one of the best performing **LONG**-rated stocks in the Model Resources Portfolio in recent years, even before silver went intergalactic, but with a CAD\$1.995bn market cap, it's definitely a sign of how Argentine stories have been rerated in recent times. It would seem though for a mine that is not yet even under construction that the valuation is too heady and so we are closing out the position.

We are also closing out the **LONG** position in Rome Resources. Neometals is rejoining the ranks as a **LONG** from March on the back of its recent developments.

When in Rome, But Not in the DRC

Investors may have noted our recent Tin Review focused on the travails of the north-east DRC when Rome Resources plc (AIM: RMR) was hitherto concentrating its exploration efforts for tin and copper. Seemingly Rome got the memo as during the month it announced its "proposed strategic expansion" into Canada. Those with longer memories (well, not that long) will recall that Rome redomiciled OUT of Canadian markets because of zero interest from Canadian investors in its DRC venture.

In the latest move, Rome Resources entered into an option agreement to acquire working interests in "early-stage" exploration licences across 109 km² of mining claims in the province of New Brunswick, close to the Mount Pleasant deposit, hosting the Three Lakes and Schoullar Mountain projects.

Three Lakes - 75.3km² of mining claims where numerous mineral showings principally for tin, tungsten and indium have been described. Within the project area are the Spruce Lake tin-tungsten-indium and Smith Lake Tin Projects. Multiple new greisen vein clusters have been identified that occur within a core 3.5 by 4.6 km zone. Tin showings have been assayed at up to 1.4% tin from surface sampling.

Schoullar Mountain - 33.8km² of mining claims directly east of the Mount Pleasant mine, along the southern margin of the tin-molybdenum-tungsten-indium bearing volcanic caldera and granite complex, where limited exploration has taken place to date. Schoullar Mountain is directly along geological strike from the Mount Pleasant Mine and is particularly under-explored despite its location along the southern margin of the granite-caldera complex that hosts resources of a range of critical mineral deposits, including rare elements such as Indium.

New Brunswick has been anything but fertile ground for miners in recent decades. In recent times (March 2026) though it launched its new Critical Minerals Strategy which the Canadian Energy and Natural Resources Minister, Tim Hodgson promised, would 'get shovels in the ground, new minerals to market'.

As the chart on the following page shows Tin has retreated somewhat (less than gold, we might note). Thus, it remains a favorite metal of ours, but does one want "early-stage" in New Brunswick?



Source: Trading Economics

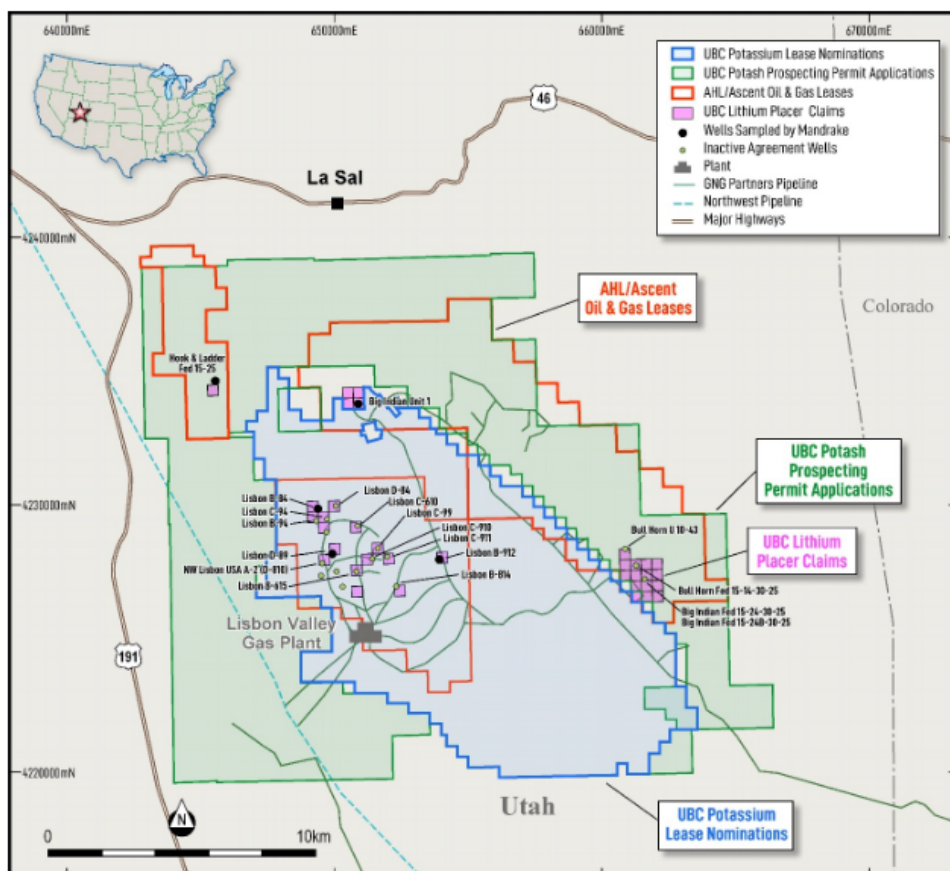
Over the last year Rome has gone from 15 pence to nearly 45 pence and back down to 29 pence. We repeat, does one need quasi-greenfields Tin in a quasi-real mining jurisdiction? At this time, we think “no”, so are closing out the **LONG** in the Model Resources Portfolio.

Neometals (ASX: NMT | OTCQX: NMTAY) Returns to the Fray

In a surprising (or was it?) announcement in mid-March, Neometals announced its pursuit of a novel US lithium-potash brine project in Utah. Frankly, the potash excites us more than the lithium.

As long-term followers will know Neometals were involved in lithium when most other players were in short trousers. The company Neometals played a key role in the development of the Mt Marion Lithium Mine in Western Australia, giving the company operational and technical expertise in lithium production. More recently, its strategy has shifted toward commercialising proprietary technologies, including the ELi Process™, designed to produce battery-grade lithium chemicals from both brine and hard-rock at competitive costs. We were not thrilled with the company leaving mining behind it.

The latest deal consists of an agreement to acquire 51% equity in Utah Brine Corporation (UBC) which holds approximately +80,000 acres of potash prospecting permit applications, potash lease nominations and placer claims for lithium in the Lisbon Valley area of the Paradox Basin.



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The backstory to this is that UBC was established as the special purpose vehicle for a proposed potash and lithium brine project in the Paradox Basin. To this end, UBC entered into a binding access & use licence with American Helium LLC, together with Ascent Resources plc (LSE: AST), securing access and use rights to inactive wells and infrastructure on their oil and gas leases and associated infrastructure in the Paradox Basin.

Under the terms of the deal Neometals is committing to incur US\$2mn expenditure within a three-year period and issuing three million three-year options, exercisable at 10 cents to Omaha Value Inc. UBC

Neometals claims that its entry into the Paradox Basin represents a “strategic inflection point” and a “strategic re-entry into upstream lithium aligned with energy transition demand”. The idea is to blend its downstream processing expertise with renewed exploration exposure through this lithium-potash brine joint venture in Utah.

We have also been looking at Magnesium of late and noted the USGS pointed out that the US’s only primary producer is/was in Utah. So, some sleuthing showed that the Paradox Basin has been mentioned in dispatches for its Magnesium potential. There was no hint by Neometals, so we are not sure if they are aware of this potential by-product.

Neometals was **LONG** a constituent of our Model Resources Portfolio, indeed from the very beginning back in 2009. However, it was purged when it started to retreat from mining interests and becoming almost solely technological (except for dabbling in gold). With this current development covered here we are reinstating Neometals as a **LONG** position in the Model Resources Portfolio with a 12-month target price of AUD\$0.15.

Cobre (ASX: CBR) – Production is King

As is well-known we have been enthusiasts for Cobre and for its IRS/ISL project in Botswana that we have written on upon on various occasions. Our [last update](#) was in June of 2024.

In a recent development, Cobre has sought to fast-track its road to production with its move into the Sierra Atacama project in Chile. The project is located in the Antofagasta region, synonymous with copper, and consists of an operating underground mine and a fully permitted SX/EW processing facility. The word “operating” is always music to our ears. Production is always king and never dethroned.

Martin Holland, the driving force at Cobre, is steeped in experience in this zone as he formerly ran Lithium Power International, also in the Atacama, that we visited with him and the team back in 2017.

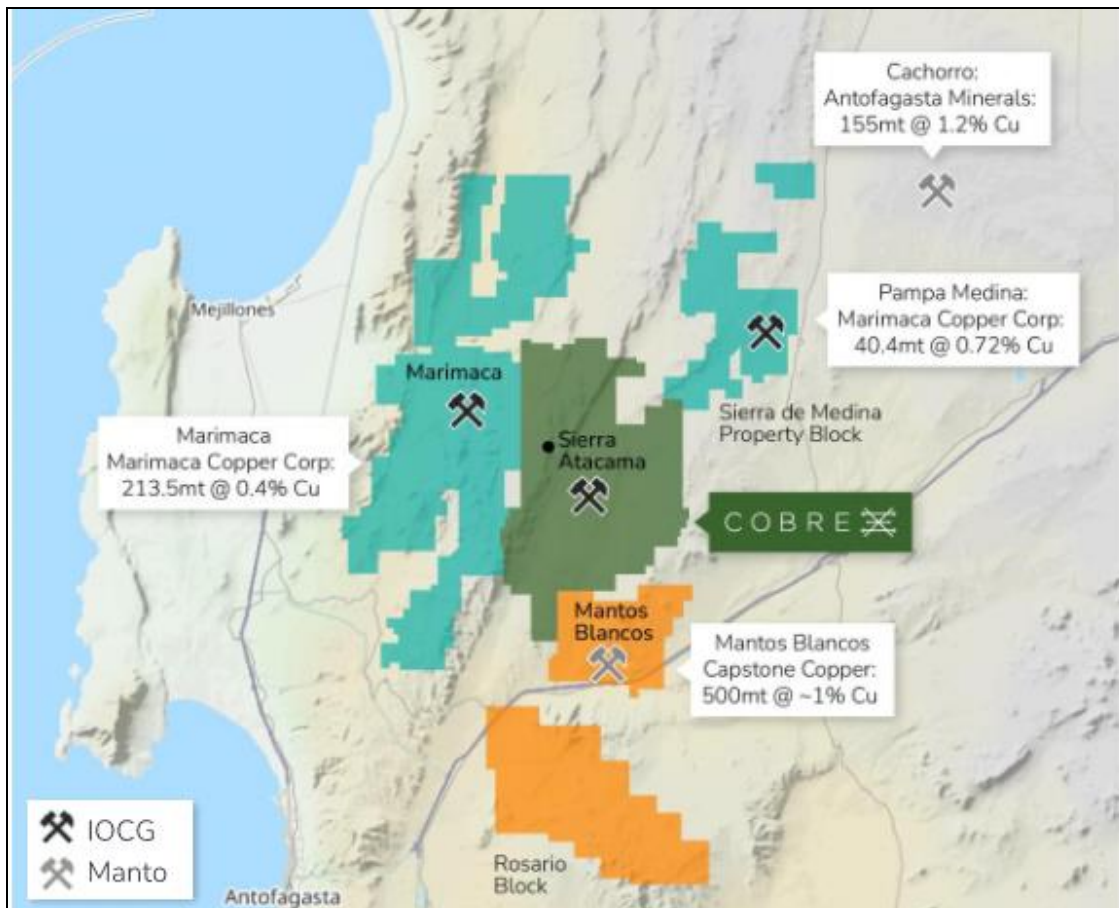
The Sierra Atacama project was acquired in early 2026 and transforms Cobre from a pure-play explorer into an emerging producer. Cobre expects to leverage the existing infrastructure to swiftly scale-up production from the current underground operations. It also intends to define what it regards as significant open-pit potential of the surrounding mineralized zones.

The company is also citing our other mantra which is immediate cash flow and operational foundation

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to drive Cobre's other project(s).

The production goal is to scale up from current levels to >1,000 tonnes of copper (High-purity LME Grade A) cathode per month within 18 months.



It is notable that the project concession abuts the Marimaca project of Marimaca Copper (TSX: MARI) which [we covered back in 2017](#) when it was then Coro Mining Corp. MARI has gone from a CAD\$82mn market cap then to CAD\$1.12bn now.

The Sierra Atacama asset is now 100%-owned following the AUD\$60mn acquisition and attendant placement. Hopefully we shall be writing more on the transaction and the asset in the near future.

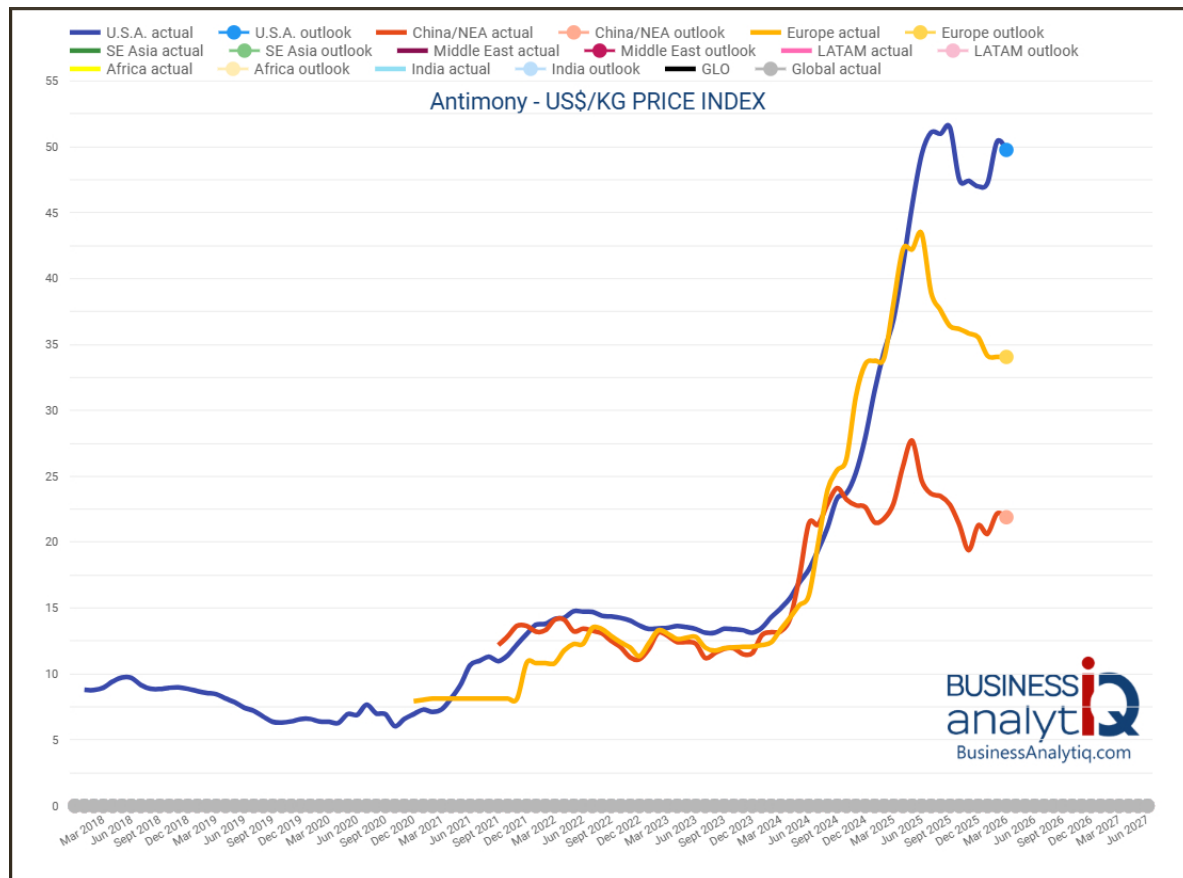
Cobre has a market cap of AUD\$153mn these days, having retreated from slightly over \$200mn. We reiterate our **LONG** rating on the company with a 12-month target price of 33 cents.

Parting Shot

We seemed to be alone in not cracking open the champagne when the Antimony price hit \$60K per tonne and the boosters were talking of \$100k. To us it seemed very clear that this was very bad news for

the largest group in the user category, i.e. those employing antimony in fire retardants. They were “only” 65% of demand compared to the much vaunted 15% (max) that was employed in the military applications. Those with longer memories could recall the last run-up in the Antimony Trioxide price and how it ended in tears. Now seemingly history is repeating itself.

After 30 years of price suppression (read predatory pricing) by the Chinese from the early 1980s the price was unleashed by the Chinese in 2013 producing a dramatic spike, and then the inevitable plunge. Long term industrial users, particularly in the fire-retardant industry (a sector that had evolved since the 1960s) went into a state of shock & awe and furiously thrifted the percentage of Antimony Trioxide (SbO₃) that they employed in their products, demand fell, and the price of Antimony plunged from over \$14,000 per tonne back to under \$6,000. There it malingered until the start of the pandemic when it bounced back to around \$13,000.



Source: businessanalytiq.com

The factors that juiced up the price were twofold. The Chinese had long maintained their position (and a stiff upper lip), despite falling internal mine production, by propping up their processing dominance by harvesting product from artisanal miners in the Global South. Then the concurrence of concerns about

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Chinese dominance of this key military metal combined with the wars in the Ukraine and Gaza and the Western rearmament *putsch* to create a perfect storm.

The Chinese poured gasoline on the fire by declaring the element to be dual use (following its declarations of the same in Tungsten, Gallium and Germanium) prompting what was effectively an export ban and the rest is history. The price of Antimony soared, topping US\$60,000 per tonne but (at least before the current outbreak of war), according to our sources in the price reporting industry, has tumbled down to as low as \$20,000 per tonne.

This may however have risen somewhat since the outbreak of the current war in the Middle East. But as the *Epic Failure* campaign is anything but a conventional shooting war, scarcely any Antimony has been employed/spent thus far. Is this a harbinger of the future? How much Antimony is there in a drone? Less than in a ceiling tile in your office. That is hardly a statistic to warm the cockles of a Vancouver promoter's heart.

Recent & Upcoming

In the last month we published an Initiation of Brazil Potash, our review on mining in Somaliland & Puntland , the Growth Minerals Review for March and our review of Europe & Critical Minerals.

In the pipeline one might expect an Initiation on Talisker Resources, an Initiation on Silver Viper and an Initiation on Falcon Energy Metals and our Growth Minerals Review for April.

MODEL RESOURCES PORTFOLIO @ END MARCH							
Security	Ticker	Currency	Price	Change		12-mth	
				last 12 mths	last mth	Target	
LONG EQUITIES							
Diversified Large/Mid-Cap	Hochschild	HOC.L	GBP	5.95	120%	-27%	£2.80
	Nittetsu Mining	1515:TYO	JPY	2,649	154%	-37%	¥2,320.00
Base Metal Developers	Denarius Metals	DNRSF	USD	0.71	92%	-7%	\$1.15
Diversified Miners	Neometals	NMT.ax	AUD	0.05	-12%	-2%	\$0.150
Uranium	Sprott Physical Uranium	U.UN.to	CAD	20.19	42%	0%	\$20.00
	enCore Energy	EU.v	CAD	2.63	28%	-29%	\$4.90
	Energy Fuels	UUUU	USD	17.95	381%	-16%	\$7.50
Zinc/Lead Plays	WisdomTree Zinc ETF	ZINC.L	USD	10.92	18%	-3%	\$14.00
	Group Eleven Resources	ZNG.v	CAD	1.05	483%	5%	\$0.35
	Luca Mining	LUCA.v	CAD	1.46	17%	-26%	\$1.40
Silver Developer	Excellon Resources	EXN.v	CAD	0.44	238%	-33%	\$0.95
Gold Producer	Soma Gold	SOMA.v	CAD	1.81	138%	-24%	\$1.10
	Aura Minerals	AUGO	USD	87.39	212%	2%	\$48.00
	Asante Gold	ASE.v	CAD	1.19	0%	-41%	\$2.40
	Orvana Minerals	ORV.to	CAD	1.74	346%	-20%	\$0.60
	Talisker Resources	TSK.to	CAD	1.55	167%	-15%	\$1.10
Gold Developer	West Wits Mining	WWI.ax	AUD	0.07	250%	-13%	\$0.024
	Thesis Gold	TAU.v	CAD	3.18	274%	-10%	\$1.32
	Scottie Resources	SCOT.v	CAD	2.45	199%	-20%	\$2.25
Fund/Holding	Queens Road Capital	QRC.to	CAD	14.00	133%	-1%	\$19.00
Royalties	Elemental Royalties	ELE.to	CAD	27.29	n/a	-10%	\$25.00

MODEL RESOURCES PORTFOLIO @ END MARCH							
Security	Ticker	Currency	Price	Change		12-mth Target	
				last 12 mths	last mth		
LONG EQUITIES							
Copper Explorers	Panoro Minerals	PML.v	CAD	0.69	77%	-14%	\$0.85
	Aldebaran Resources	ALDE.v	CAD	2.39	26%	-31%	\$2.50
	Arras Minerals	ARK.v	CAD	0.55	-15%	-27%	\$1.30
	Copper Giant	CGNT.v	CAD	0.72	324%	-10%	\$0.70
Copper/Nickel Developer	NexMetals	NEXM.v	CAD	3.50	-49%	-38%	\$3.82
Tungsten Producer	Almonty Industries	AII.to	CAD	20.91	829%	-17%	\$8.10
Tungsten Developer	Guardian Metal Resources	GMET.L	GBP	2.74	496%	-4%	£0.88
Graphite Developer	Blencowe Resources	BRES.L	GBP	0.08	167%	-33%	£0.09
Lithium	E3 Lithium	ETL.v	CAD	1.05	40%	-6%	\$2.55
	Century Lithium	LCE.v	CAD	0.38	46%	-38%	\$1.10
Gold Explorer	Alpha Exploration	ALEX.v	CAD	0.48	-31%	-25%	\$1.00
AgroMinerals	MinBos	MNB.ax	AUD	0.09	80%	-25%	\$0.09
Rare Earths	Rainbow Rare Earths	RBW.L	GBP	0.23	156%	10%	£0.30
Tin	Elementos	ELT.ax	AUD	0.35	289%	-26%	\$0.25
	Stellar Resources	SRZ.ax	AUD	0.03	100%	-25%	\$0.06
Mineral Sands	Sheffield Resources	SFX.ax	AUD	0.05	-75%	-17%	\$0.28
Oil & Gas	Shell	SHEL.L	EURO	35.53	27%	16%	£28.00
SHORT EQUITIES							
Shorts	Golconda Gold	GG.v	CAD	2.78	769%	-32%	\$0.15
	Euro Manganese	EMN.v	CAD	0.17	-58%	-15%	\$0.12
	Patriot Battery Metals	PMET.to	CAD	4.56	82%	-16%	\$1.60
	USA Rare Earth	USAR	USD	14.80	131%	-22%	\$3.00
	Aya Gold & Silver	AYA	CAD	22.70	104%	-23%	\$7.20

Important disclosures

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