



THE MINING SPECULATOR

Greg McCoach

This is Greg McCoach with a **TMS Hotline** for Friday, May 4, 2024.

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Correction

Thanks to all those from Canada who emailed me about the correct understanding of the upcoming capital gains increase as of July 1, 2024.

In Canada, investors pay no capital gains tax on the first half (50%) of the capital gain, and will now pay 66% on the remaining 50%. This essentially means investors in Canada will ultimately have to pay a third or 33% of their overall capital gain.

After I read about the increase, I was shocked thinking that it was 66% of the total capital gain. Thankfully, that was incorrect. It made me think nobody would be willing to do much in the way of speculative investing moving forward, but at 33% it still makes sense.

We'll have to watch and see what capital gains will be in the States. In my view, what is being proposed is not okay – 45% of the total capital gain.

Unfortunately, this is the world we live in where out of control governments are more and more desperate to pay for the things it simply can't afford. In my view, I see this as an increasing reality that government will continue to try and take a bigger and bigger piece of the pie as time goes by. At some point however, I believe the people will simply rebel.

Market Update

After pushing to new all-time highs, **GOLD** has retraced to the \$2,300 level which looks to be the new floor for now. **SILVER** which blasted through resistance at \$26.00 last month has also retraced to just above that level at \$26.41.

This is a critical moment for us to hold these benchmark levels to avoid seeing further erosion. A breakdown below these levels could indicate lower prices and hurt our chances for a robust market in our junior mining shares.

From everything I have studied this week, I remain bullish on precious metals and base metals like copper and uranium. It would be nice to see precious metals make a stand here, before higher prices and momentum go our way again. For me, the battle continues to rage as always between the illusion of what the governments and central banks want to create and maintain, against the solid backdrop of the absolute realities about to hit the world at large. Those realities are many and frightening to say the least. The timing on how it all plays out is the only thing in question.

Many still think we will need to wait until the election in the U.S. is over, but I am on record saying I doubt any government has the ability to control the situation as it once could, especially in America. The panic behind the scenes within government is clearly beginning to manifest, despite all its efforts to hide, conceal, distract, and manipulate.

I don't want to do a deep dive here on how the US government is giving money to the banks to avoid the inevitable from coming, but its very clear for anyone who wants to do some digging that these moves appear to be driven by real panic.

The bottom line is this – precious metals prices are going to continue to push for higher and higher highs regardless of what government or central banks do. I clearly see we could go to another new all-time for **GOLD** at any moment as one crisis (as the narrative for war, financial uncertainty and societal collapse) continue to get worse.

Having grown up on the East Coast of the US, spending most of my time in Philadelphia, New York and New Jersey during those years, I can tell you from family and friends who still living there, that things are seriously wrong.

Relatives in New York are leaving as the lawlessness and corruption is simply too much to bear anymore. These relatives have lived there their entire lives and say keeping up with the cost of living and the negative changes is no longer desirable. One of the latest developments of major concern to them is the all-important small Ma and Pa grocery stores that are all over the city. Many of these grocer families have had these stores for many decades, but are suddenly closing shop. Why? Because the theft from

their stores is so arrogant and blatant it no longer allows them to make a profit and a living. The lawless are getting so emboldened they don't even try to hide the fact they are stealing. They just walk in, get what they need and walk out because there is no prosecution or arresting such people any longer.

This, more than anything else to me says our society can no longer be maintained when the city is powerless to stop such rampant theft, let alone much more serious acts of violence or crime happening everyday in all our major cities.

This saddens me. I hate that this is what it all has come to. So, what do we do?

We can't change this as individuals. It appears to me there are no man-made solutions to the problem from government or central banks who plan to use the coming chaos, financial implosion and confusion they have caused to usurp more power and control over all of us. Yes, the **Great Reset**, the **Great Taking**, the **CBDC governed by a Social Credit Score**, the **New World Order** is what the **PTSB** is all about. It is very clear about what it wants. *"You will own nothing and be happy about it"* (I don't think so Klaus, you scumbag from hell).

It comes down to their want of ultimate power and control, consolidation of banks, countries and currencies into a much easier and more manageable scenario for them. Obviously, the people will fight back, as we have recently seen with the African country who totally rebelled when it tried to implement its digital currency. The people went **BERSERK** and the government had to back off.

Is this what we have to look forward to?

All I can do is educate as many who will listen and help as many of the down trodden as I am capable along the way.

For me with regards the newsletter, I am here to help us speculate in an attempt to make much larger sums of money in a short time period. I believe we are on the cusp of one of those moments once again that we have experienced in the past.

The idea being, if we can't do much to change the course of world events, then let's at least try to make as much money as we can to have **OPTIONS** that many simply will not have. I maintain those of us who are blessed in such a manner may soon find many loved ones and friends at our door in great need.

So, as always, keep a calm manner and keep pushing forward. Our market could get **RED HOT** very quickly as financial events suddenly unfold.

And remember this key point about why our market suddenly goes from almost **ZERO** to almost **BREAKNECK SPEED**, it is because the big money funds suddenly buy **anything and everything GOLD!** From everything I have learned over the years in the junior mining space, I can say without hesitation, that moment is coming again and soon. How soon, I can't say but realistically within the next 9 months.

In the meantime, we can still make money with a robust drill season which is now commencing and should be strong till November. For the companies that can make, solidify or advance discoveries, investors will be rewarded while we wait on the big money to show up within the precious metals junior mining shares and take things to the **SILLY LEVELS** we have experienced in the past.

I want to make sure that everyone understands in advance that I will be instructing you to **TAKE PROFITS AND CASH OUT** when it does happen. Remember how greed can backfire on you if you hold too long.

Question and Answer

Question: Greg, why has the uranium spot price retreated and our shares backed off if we are in a bull market for uranium.

Answer: Great question. Thanks for asking. First, this uranium bull market is not like the short-lived one we had back in the 2006 timeframe. The bull market then seemed to come out of nowhere and ended just a suddenly less than a year or so later.

This time the fundamentals are clearly different than the bull market we saw in 2006, and are more long-term oriented. I have said in recent talks and conversations that this uranium bull market will build more slowly and could last for many years, particularly if we see any worldwide instability with war, and financial distress.

For this reason, don't worry like you have missed the boat. Back in 2006, many uranium companies moved in a huge way in a matter of days. If you didn't have a position before that moment, you missed out on very big profits.

This time around, I don't feel rushed to recommend companies and knew after the initial push of the uranium spot price over \$100 per pound we'd probably see a correction. This has happened.

What is different about this bull market in uranium and the key to watch is not the short-term spot price, but the long-term contract prices which do not appear on most ticker screens. You can view this by going to **Cameco's website** to see the price action in the long-term contracts of uranium versus the spot price. This is what we need to focus on and tells the real story.

<https://www.cameco.com/invest/markets/uranium-price>

Uranium does not trade on an open market like other commodities. Buyers and sellers negotiate contracts privately.

With that in mind, you can better gauge when the uranium market will head higher. I am of the opinion that we need to take our positions in uranium within the next month or so, if you are so inclined to invest in uranium. As of right now, I am only interested in two companies, **Nuclear Fuels** and **C2C Metals**.

I do not plan on investing personally in the big producer uranium companies, or have a long list of exploration companies. I am planning on playing this market with only 3 companies, meaning I already have decided on two of the three I plan to follow.

Energy is a key component of our planet. Without it, modern society ceases to function. The best alternative in my view for cheap, clean and safe generation of the needed baseload power is clearly the new generation nuclear power plants. This new generation and design of nuclear power plants comes in large, medium and small sizes.

I have been so impressed with the smaller units because of the practicality of how much energy these units can produce in rural and small-town America. This looks like an amazing scenario for the future, regardless of the monumental troubles we have in the near-term. These units are much safer than the old nuclear power plants and can bring cheap and abundant energy to locations throughout the world. The larger units are for the big cities and the smaller units can be employed just about anywhere. In my view this is a game changer for the future, giving cheap abundant energy to more rural areas.

The demand of the necessary **U308** to power these nuclear reactors is clearly pointing to a supply crunch as companies scramble to sign long-term commitments to make sure they have what they will need. These long-term contracts are how this industry works. A nuclear power plant can't run out of **U308** so they tend to contract out in advance to solidify its needs. And what the long-term contract price of uranium is

telling us is that the bull market is underway, even though the near-term spot price is not showing the same.

For now, just get yourself familiar with both the short-term spot price and the longer-term contract price so you will have a better gauge of what is happening and why.

Nuclear Fuels, Inc. is unique because they have the brain trust and talent that is very hard to find – in being able to use ISR (In-Situ-Recovery) to mine uranium. This process allows the company to flush water through the mineralized system to extract the uranium without digging an open pit. I believe this company is going to be very successful and be bought out for a wonderful multiple. I will soon have more to say in the main newsletter about the 3 companies I plan on following.

Company Update

I wanted to point out in the recent run-up of precious metals prices that the best-in-class companies always move first like those on our **Right Stocks for the Rebound Report**. Exploration companies can move up too, but are more sensitive to when a company drills and the results it gets.

We have clearly seen a nice move in the companies within our consolidated list of recommended companies. And yes, we have also seen a pullback as prices have retreated some.

For the sake of this **Hotline**, I wanted to highlight one of our companies that exemplifies what I am talking about. That company is **GMX**.

Globex Mining Enterprises

Symbols: TSX-V: **GMX**, OTCQX: **GLBXF**

Shares Outstanding: Roughly 55 million

Current Price: C\$0.99 cents, US\$0.71 cents

Initial Price: C\$0.81, US\$0.70

52 Week Hi-Low: C\$1.07- \$0.71, US\$0.79 – 0.53

Website: www.globexmining.com

GMX is a Toronto Stock Exchange, Frankfurt and OTCQX-listed corporation with a diversified North American portfolio of mid-stage exploration, development and royalty properties containing: Precious Metals (gold, silver, platinum, palladium), Base Metals (copper, zinc, lead, nickel), Specialty Metals and Minerals (manganese, titanium oxide, iron, molybdenum, lithium, rare earths and antimony) and Industrial Minerals and Compounds (mica, silica, apatite, talc, magnesite, potassic feldspar, pyrophyllite).

Globex explores for its own account and options many of its numerous projects to other companies which pay Globex cash, shares and a royalty and undertake extensive exploration in order to earn an interest in Globex's projects

Globex Mining has provided an update to shareholders with regard to revenue from the Fayolle gold/silver deposit currently being mined by lamgold in Clericy township, Quebec. The deposit is being mined by the open-pit method with the ore being transported to lamgold's Westwood mill. Globex has just received the quarterly royalty

Let's take a look at the 3 Year Chart for GMX.



This type of chart shows you what I am trying to convey. It is a quality company that all investors should consider. The best of the best junior mining companies always move like this when our market first wakes up.

The good news that came out today saw a C\$0.05 cent rise in share price when most stocks were moving down or weak in price.

You can read the news release in italics below.

Globex Mining Enterprises has provided an update to shareholders regarding drilling by Brunswick Exploration Inc. on Globex's royalty property in the James Bay area of Quebec.

Drilling at the Mirage (Lac Escale) property by Brunswick continues to intersect wide widths of lithium-bearing mineralization in its drill campaign focused on the Central zone within Globex's large royalty claim package:

- *1.59 per cent Li₂O (lithium oxide) over 58.1 meters in hole MR-23-49;*
- *1.71 per cent Li₂O over 31.6 meters in hole MR-23-60;*
- *1.03 per cent Li₂O over 18.6 meters also in hole MR-23-60;*
- *0.93 per cent Li₂O over 12 meters also in hole MR-23-60.*

Thirty-five drill holes were completed, prioritizing near-surface lithium mineralization, and assays are pending for a further 32 drill holes.

Access Brunswick's press release, including maps and sections, on-line.

Globex retains a 3-per-cent gross metal royalty, of which 1 per cent may be purchased for \$1-million by Brunswick, and, at the fifth year following the coming into force of the agreement (already reached), Brunswick will commence to pay Globex a \$100,000 per year advance royalty.

Greg's Final Comments:

Globex has the model that works for the new strategy I am employing for lowering risk and putting more monies into a smaller group of companies. **GMX** can survive a bear market with little trouble, unlike the exploration juniors that can't seem to raise much in the way of monies or any interest until the market recovers.

This is what makes a company like **Globex** (with such a great share structure, large cash position and well diversified portfolio of assets in North America) so attractive. Its current share price is a joke compared to where it will be in a truly **HOT BULL MARKET** when investors and funds come flooding back to the mining sector.

When that moment comes most fund investors will first and foremost look for royalty and streaming companies that have great share structure and potential or current cash flow from royalties and streaming. It's simply the safest and surest way of investing in the junior mining space.

It is why I have the company listed on our **Right Stocks for the Rebound Report**. As you can see from the 3-year chart above, the stock price is very sensitive to the upside

as soon as investor interest shows up, unlike many other stocks that have only moved slightly higher, or not at all.

This is always a good sign that we are getting closer to what we desperately need – a true bull market for the junior mining shares. We certainly seem overdue.

That is all for now.

Greg

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