



Michael S. (Mickey) Fulp
Contact@MercenaryGeologist.com

www.MercenaryGeologist.com

www.MercenaryGeologist.asia

MercenaryGeologist.FM

Twitter: @mercenarygeo



Disclaimer

I am not a certified financial analyst, broker, or professional qualified to offer investment advice. Nothing in a technical report, commentary, interview, presentation, this website, and other content constitutes or can be construed as investment advice or an offer or solicitation to buy or sell stock. Information is obtained from research of public documents and content available on the company's website, regulatory filings, various stock exchange websites, and stock information services, through discussions with company representatives, agents, other professionals and investors, and field visits. While the information is believed to be accurate and reliable, it is not guaranteed or implied to be so. The information may not be complete or correct; it is provided in good faith but without any legal responsibility or obligation to provide future updates. I accept no responsibility, or assume any liability, whatsoever, for any direct, indirect or consequential loss arising from the use of the information. The information contained in a technical report, commentary, interview, presentation, this website, and other content is subject to change without notice, may become outdated, and will not be updated. A technical report, commentary, interview, presentation, this website, and other content reflect my personal opinions and views and nothing more. All content of is subject to international copyright protection and no part or portion of this website, technical report, commentary, interview, presentation, and other content may be altered, reproduced, copied, emailed, faxed, or distributed in any form without the express written consent of Michael S. (Mickey) Fulp, Mercenary Geologist.

Copyright © 2013 Mercenary Geologist.com. LLC. All Rights Reserved.



Bull Market Fundamentals of Copper, Gold, and Uranium

Asia Mining Conference, Singapore
March 2013

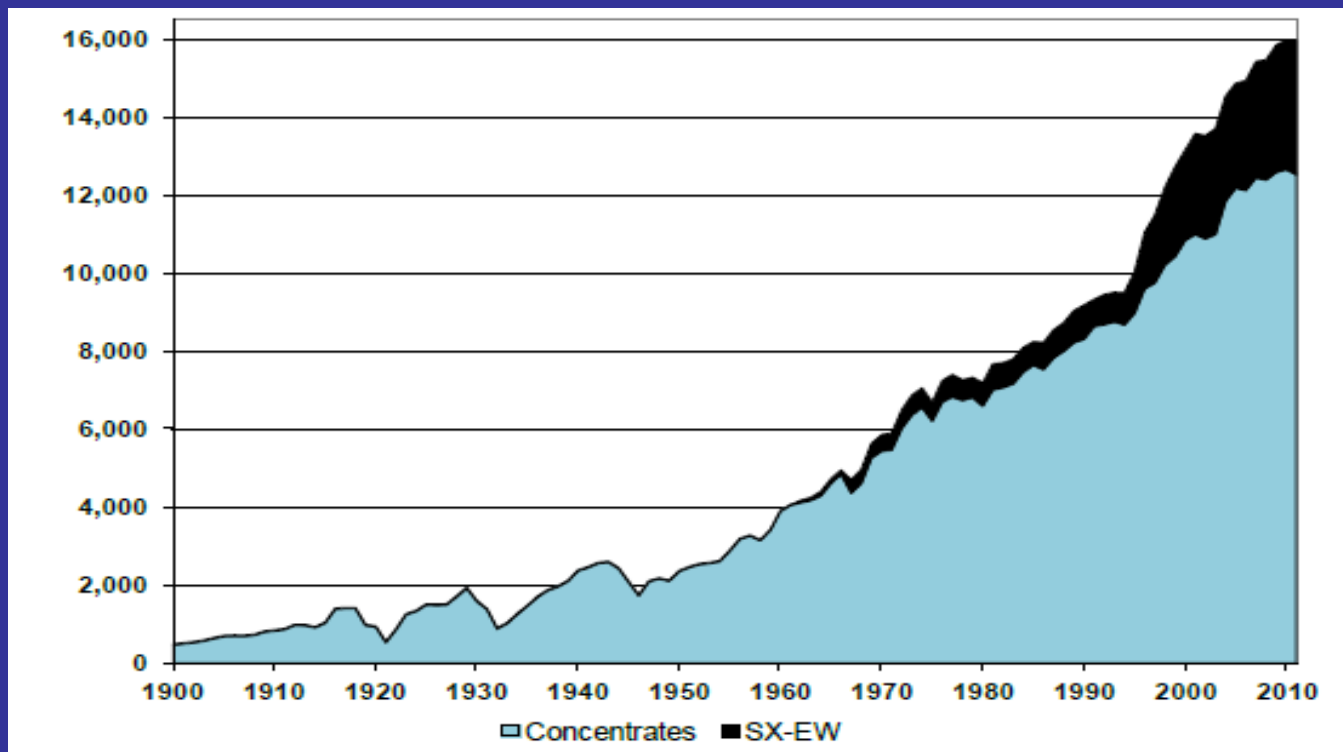


Copper Supply & Demand Fundamentals

- 2011 Mine Supply 16.5 M Tonnes
- 2011 Total Production 19.7 M Tonnes
- 2011 World Usage 22.1 M Tonnes
- Supply / Demand Balance 2007 – 2012
- Small Surplus / Deficit = Strong Prices

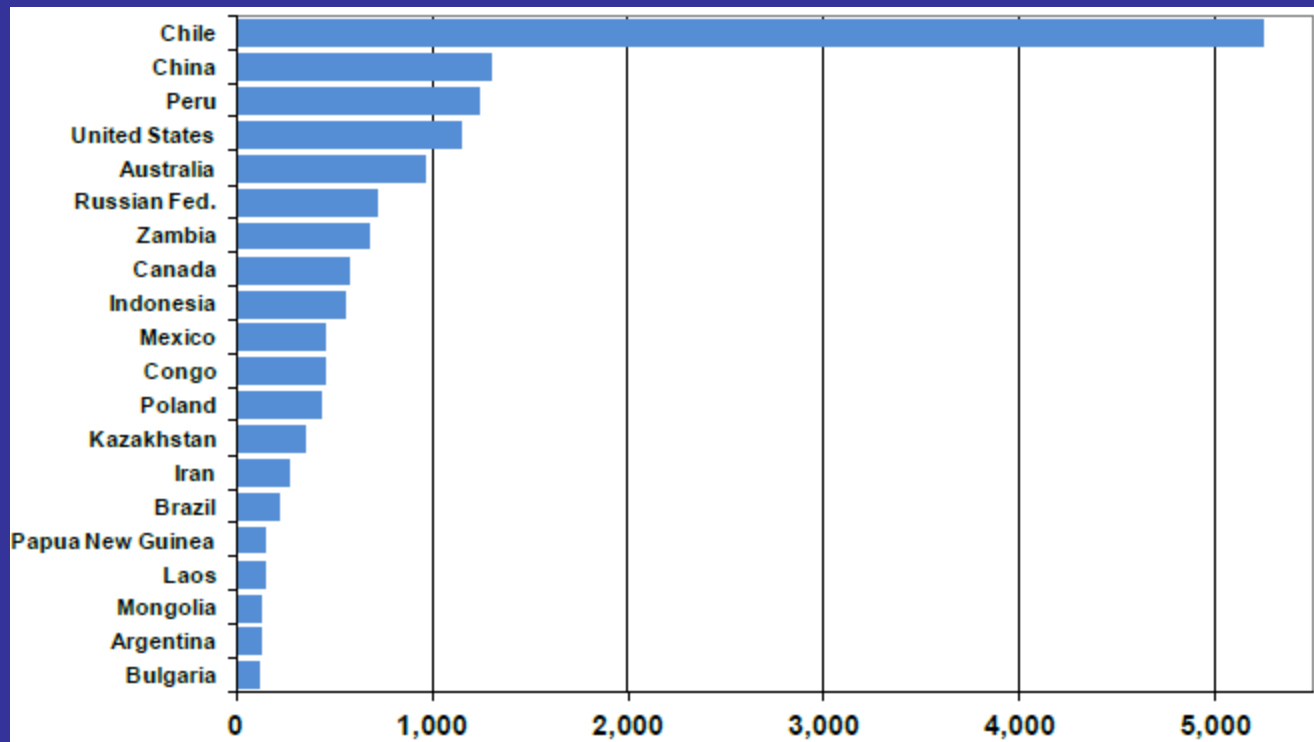


Copper Mine Production 1900 - 2011 (ICGS)



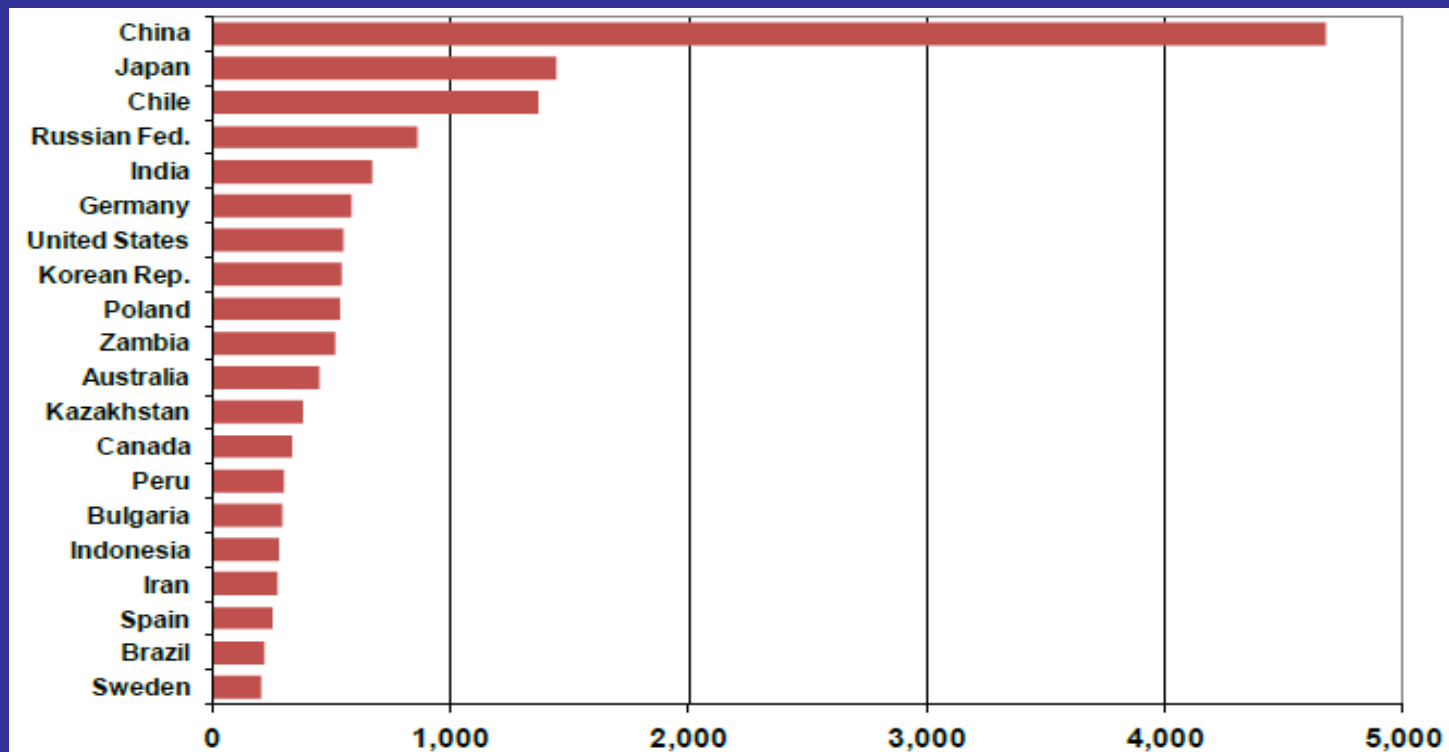


Copper Mine Production 2011 (ICGS)



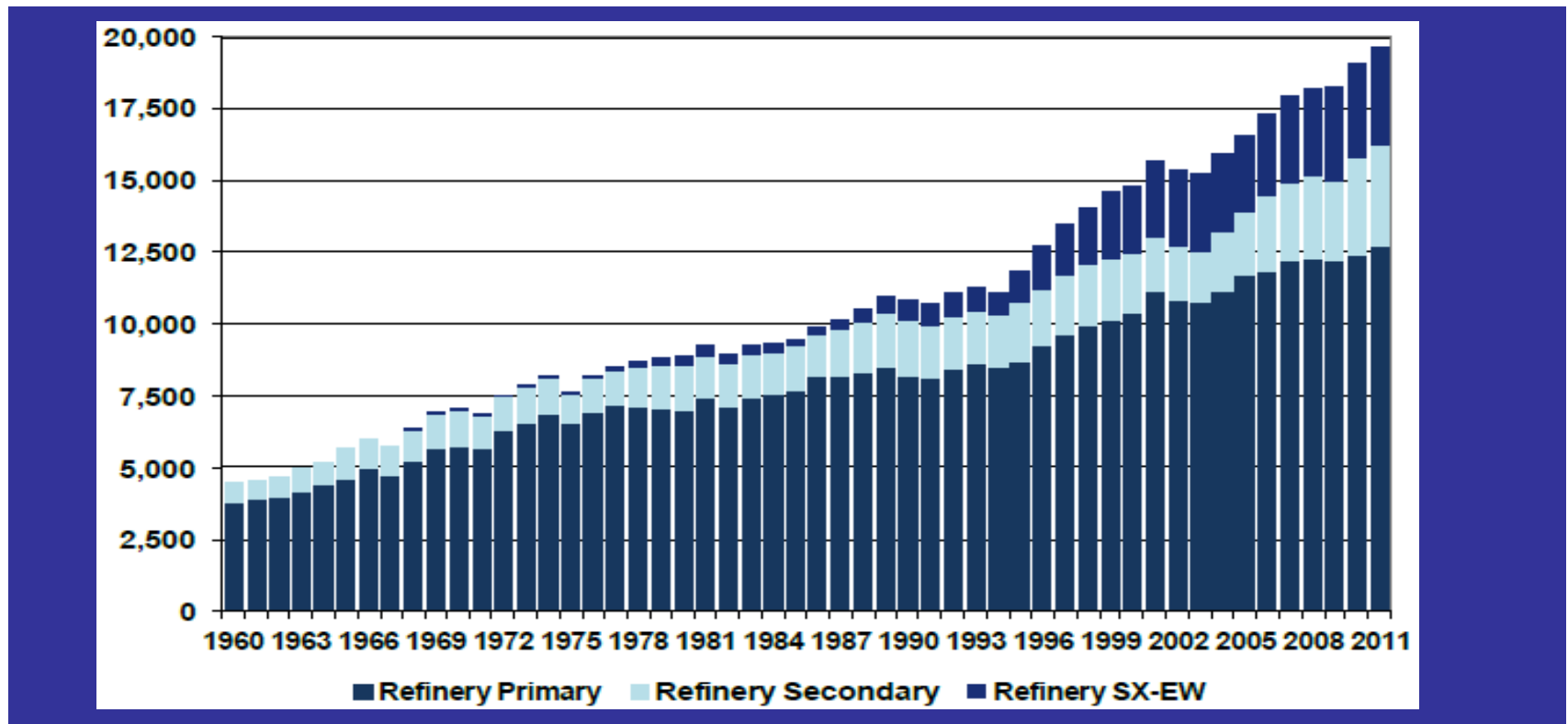


Copper Smelters 2011 (ICSG)



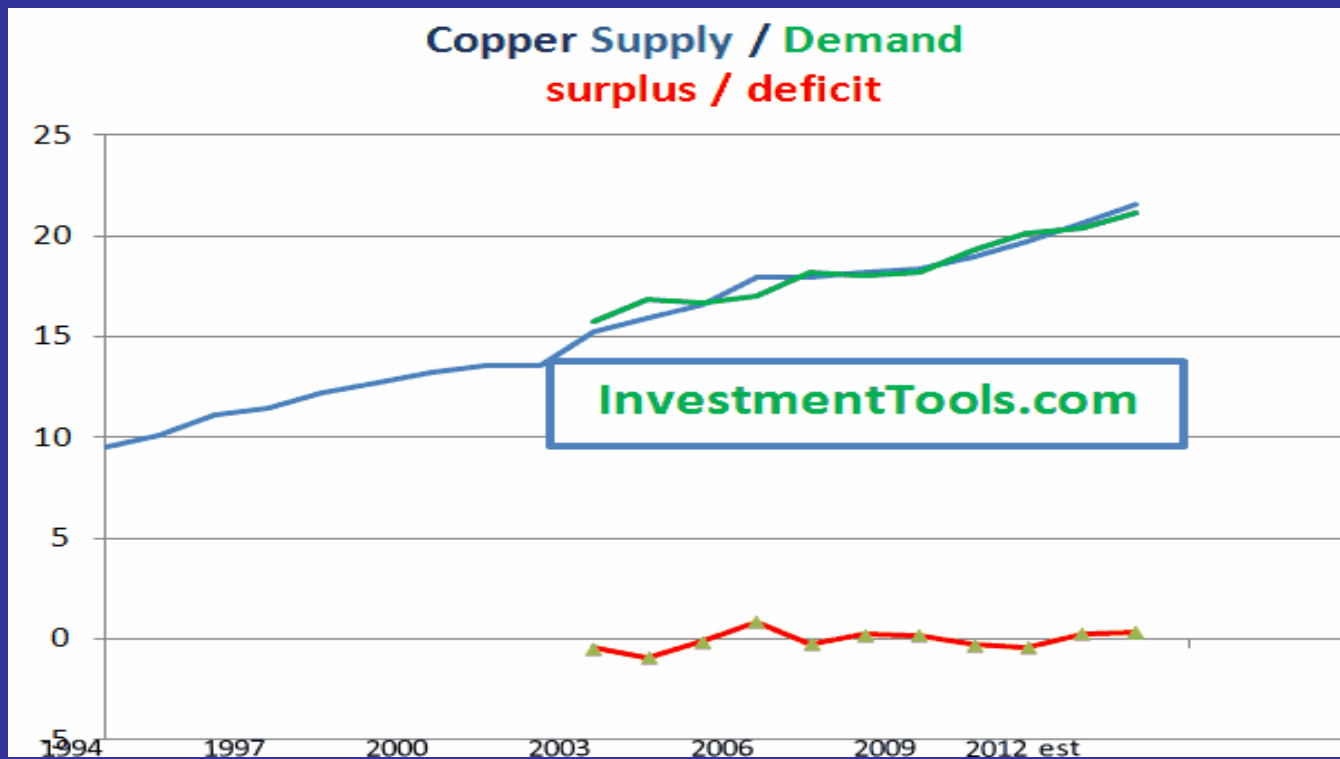


Refined Copper Production 1960 - 2011 (ICSG)



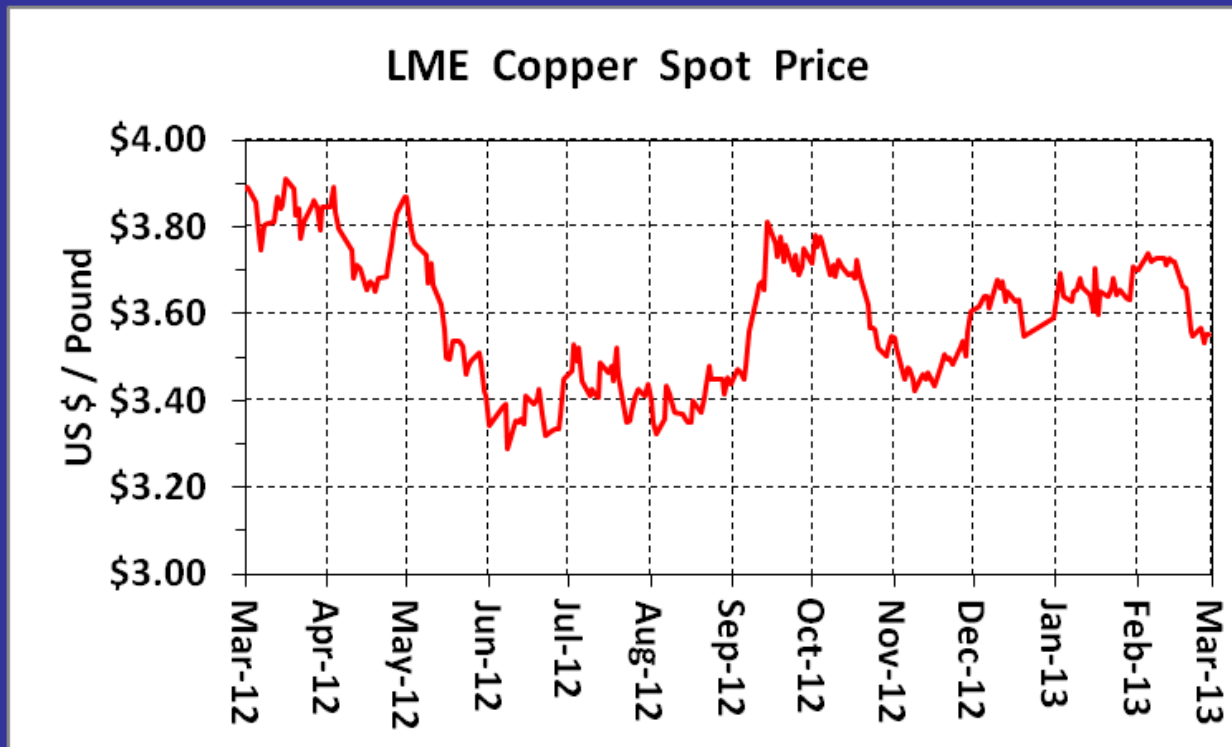


Copper Supply & Demand Balance





Copper Spot Price



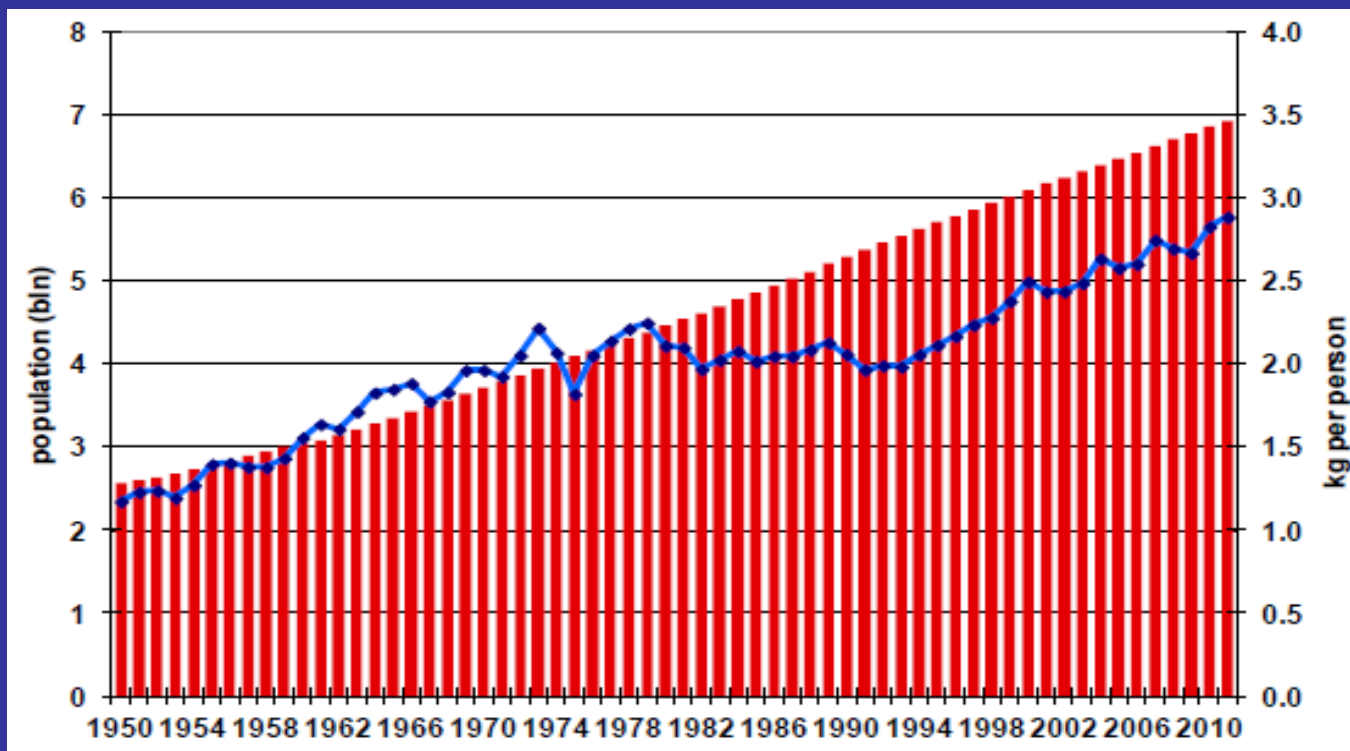


World Copper Usage 2011

China	7,873
Japan	1,222
South Korea	766
India	920
ASEAN	863
Taiwan	435
North America	2,468
Latin America	1,194
Western Europe	3,133
Eastern Europe (excluding Russia)	751
Africa	534
Rest of World	1,477
World	22,099



World Population & Cu Consumption (ICSG)





New Copper Required Per Year



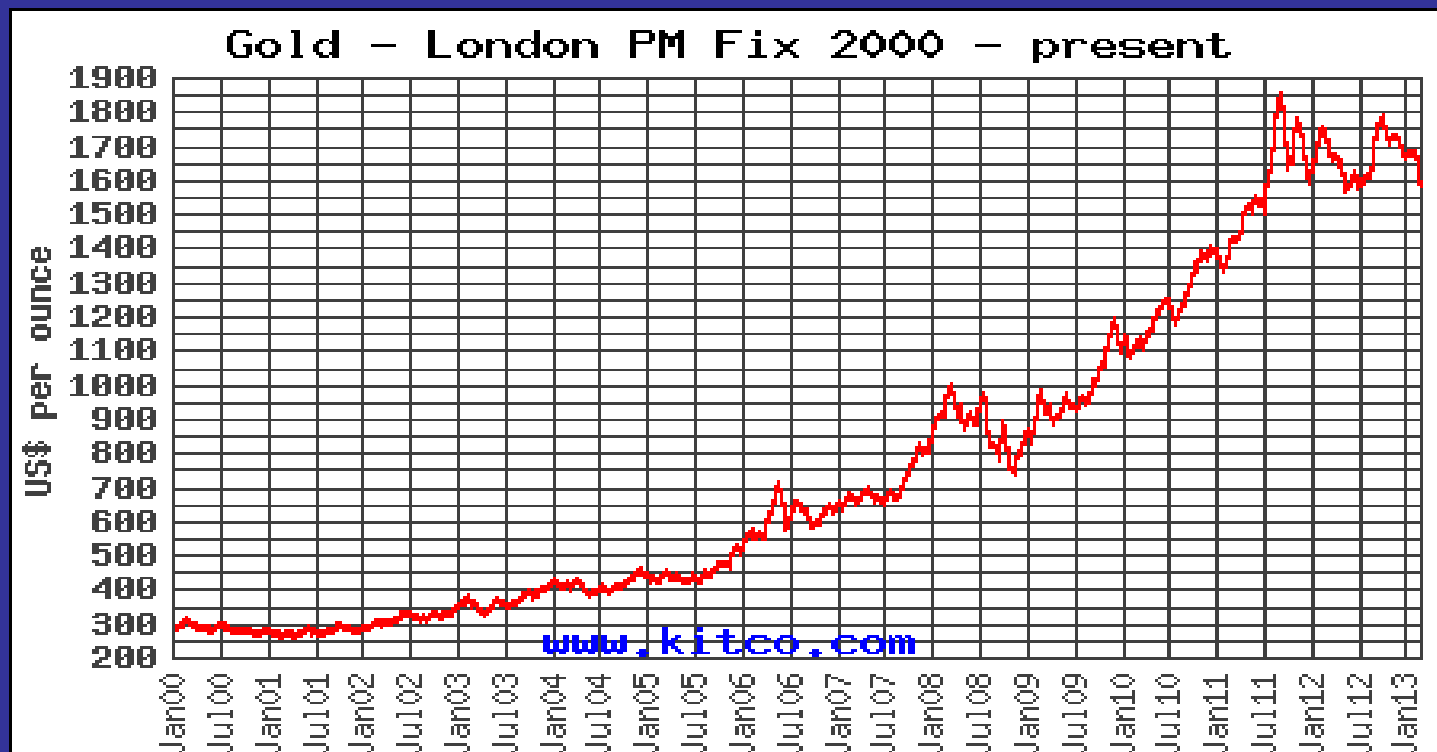


Gold Supply & Demand Fundamentals

- 2012 Mine Supply 2700 tonnes (USGS est)
- Gold Price Increased for 12th Year
- Physical Demand Flat
- Scrap Supply Increased
- Paper Gold Demand ?

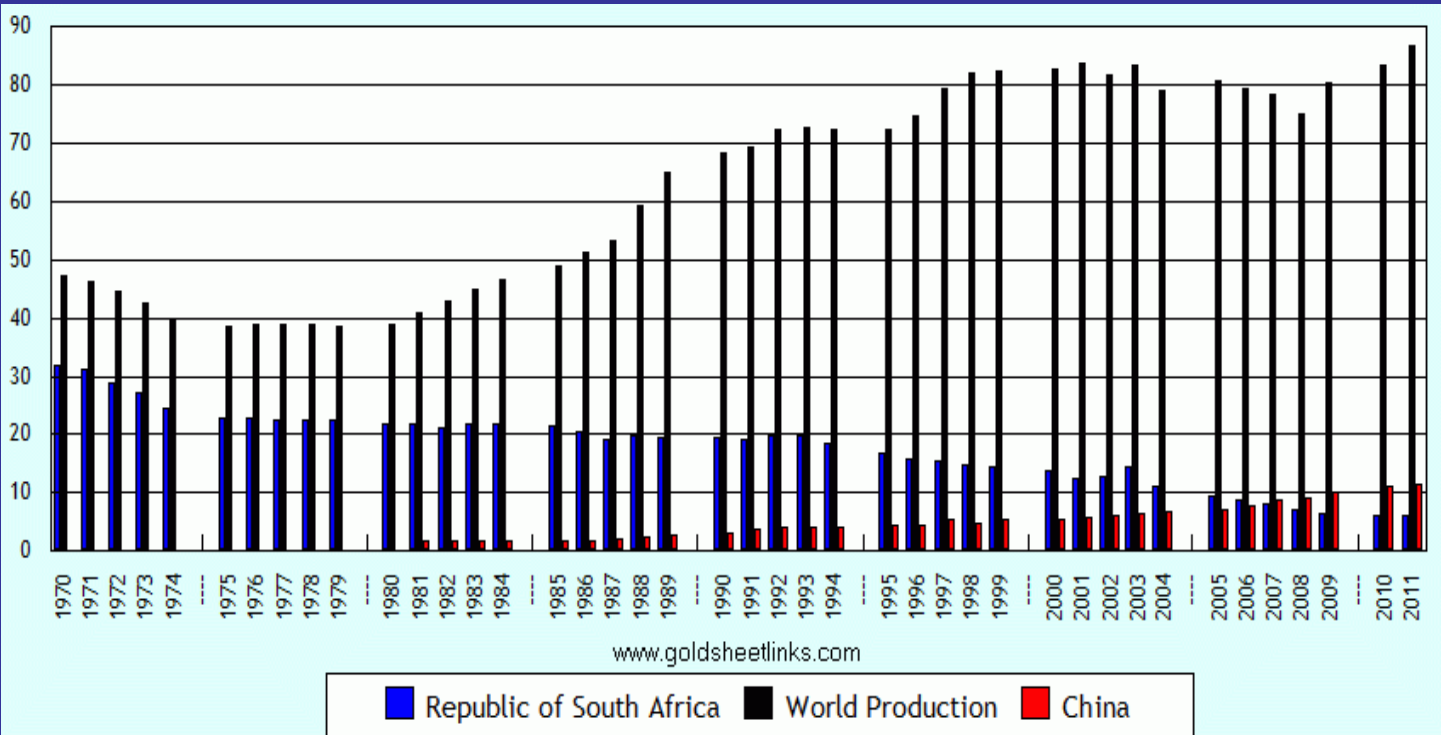


Gold Price in US Dollars



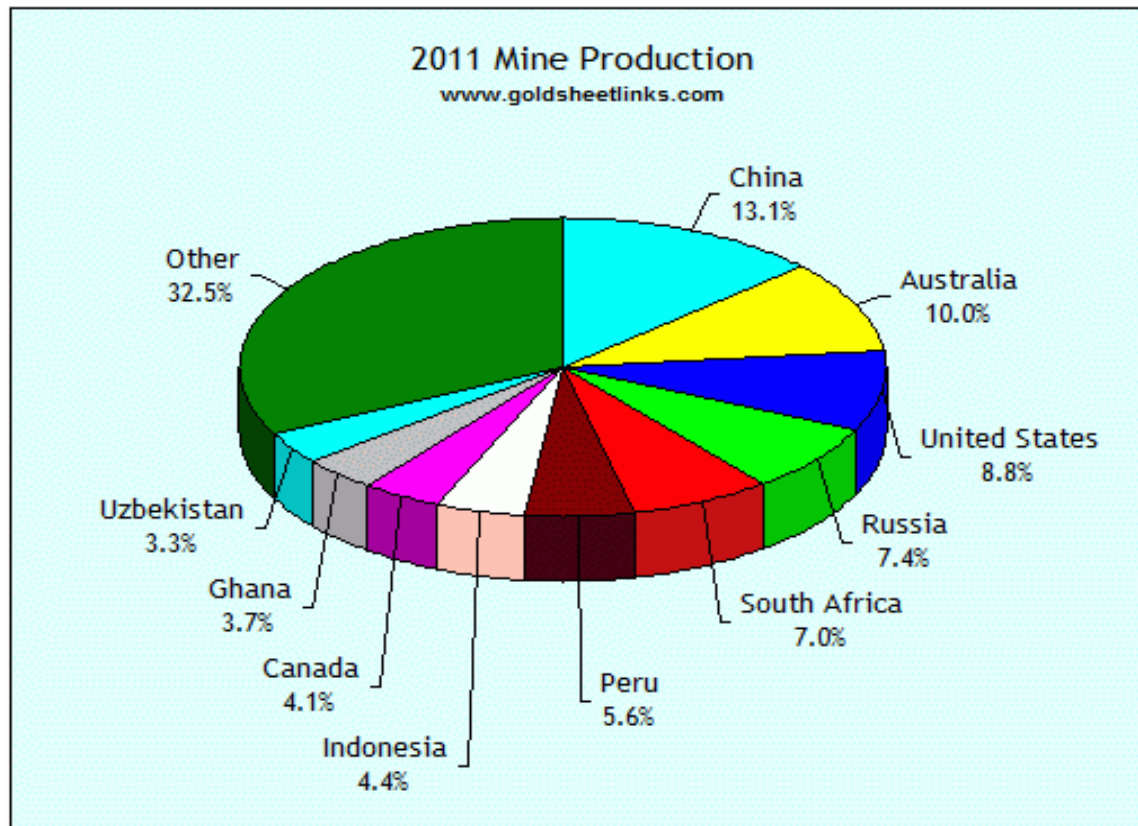


World Gold Production 1900 – 2011



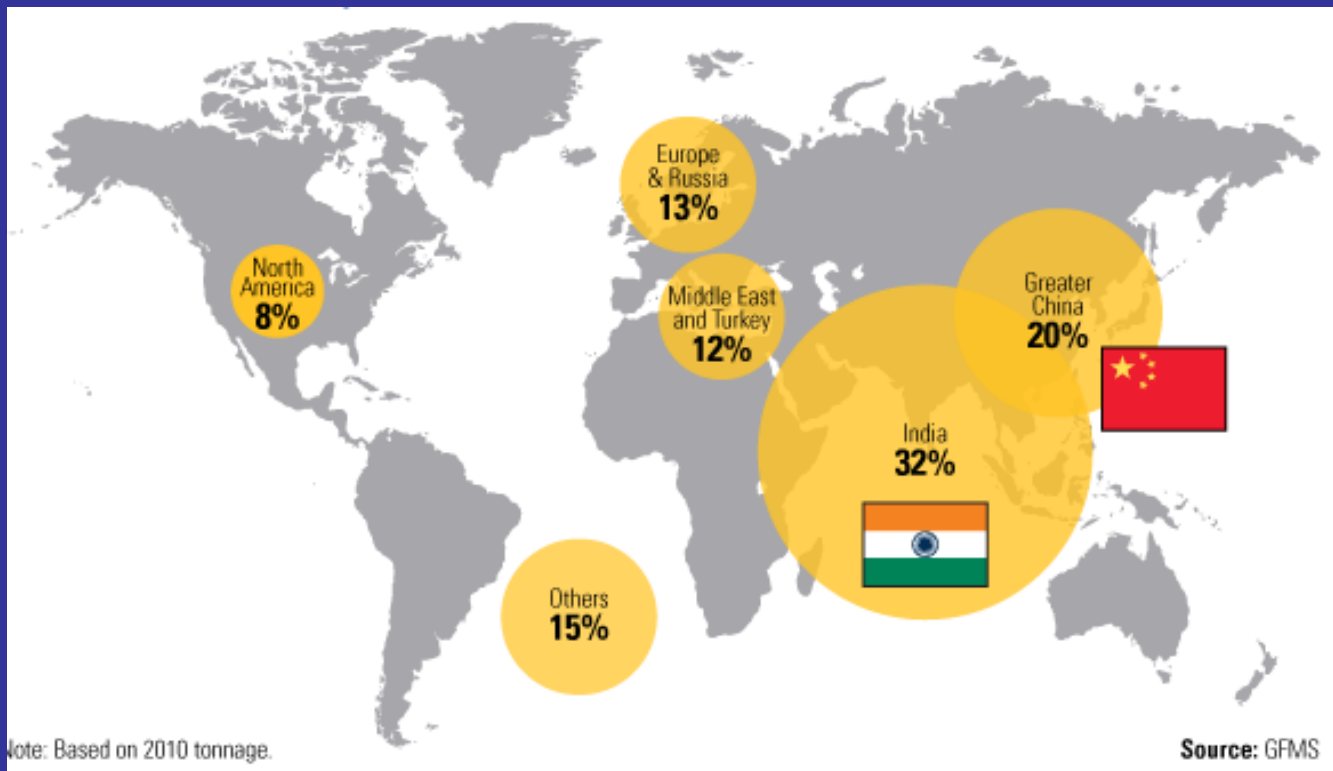


2010 Gold Production by Country





Gold Demand by Country





Forbes Global 2000 Gold Companies

April-12	Company	Rank	Country	Revenue	Profit	Assets	Market Cap
1	Barrick Gold	225	Canada	14.3	4.5	48.9	44.0
2	Goldcorp	507	Canada	5.4	1.9	29.4	35.7
3	Newmont Mining	639	USA	10.4	0.4	27.5	26.6
4	Newcrest Mining	735	Australia	4.4	1.0	18.3	24.5
5	Anglogold Ashanti	794	S. Africa	5.9	1.3	10.7	14.7
6	Gold Fields	968	S. Africa	5.2	0.9	10.3	10.2
7	Yamana Gold	1219	Canada	2.2	0.5	10.8	11.6
8	Buenaventura	1276	Peru	1.5	0.9	3.8	10.7
9	Kinross Gold	1384	Canada	3.9	2.1	16.5	11.4
10	Iamgold	1658	Canada	1.7	0.8	4.4	5.0
11	Eldorado Gold	1758	Canada	1.1	0.3	4.4	9.6



Uranium Supply and Demand

- 2011 Demand: 62,550 tonnes
- 2011 Mined: 54,610 tonnes
- Mine Supply Deficit: 7940 tonnes (13%)
- HEU to LEU (89 % of Supply Deficit)
- 2012 Demand: 67,990 tonnes



Uranium Supply and Demand

- 443 Operable Plants Pre-Fukushima / 437 Now
- 48 of 50 Japanese Plants Off - Line
- Sovereign Stockpiles Dwindling
- New Russia / USA LEU Agreement Thru 2022



Uranium Prices (Ux Consulting)





Current Uranium Spot Price

- Current Sellers > Buyers
- Short - Term Demand / Mid - Term Market
- Traders & Speculators Less Active
- Less Chinese Buying / Off - Take
- Japanese Inventory Selling / Restarts ?



Uranium: Story Remains the Same

- Nuclear Energy = 14% of Electricity
- 437 Nuclear Power Plants Operable
- 66 Under Construction / 167 Planned
- Increased Demand for Yellowcake
- 4% Growth Projected Year over Year

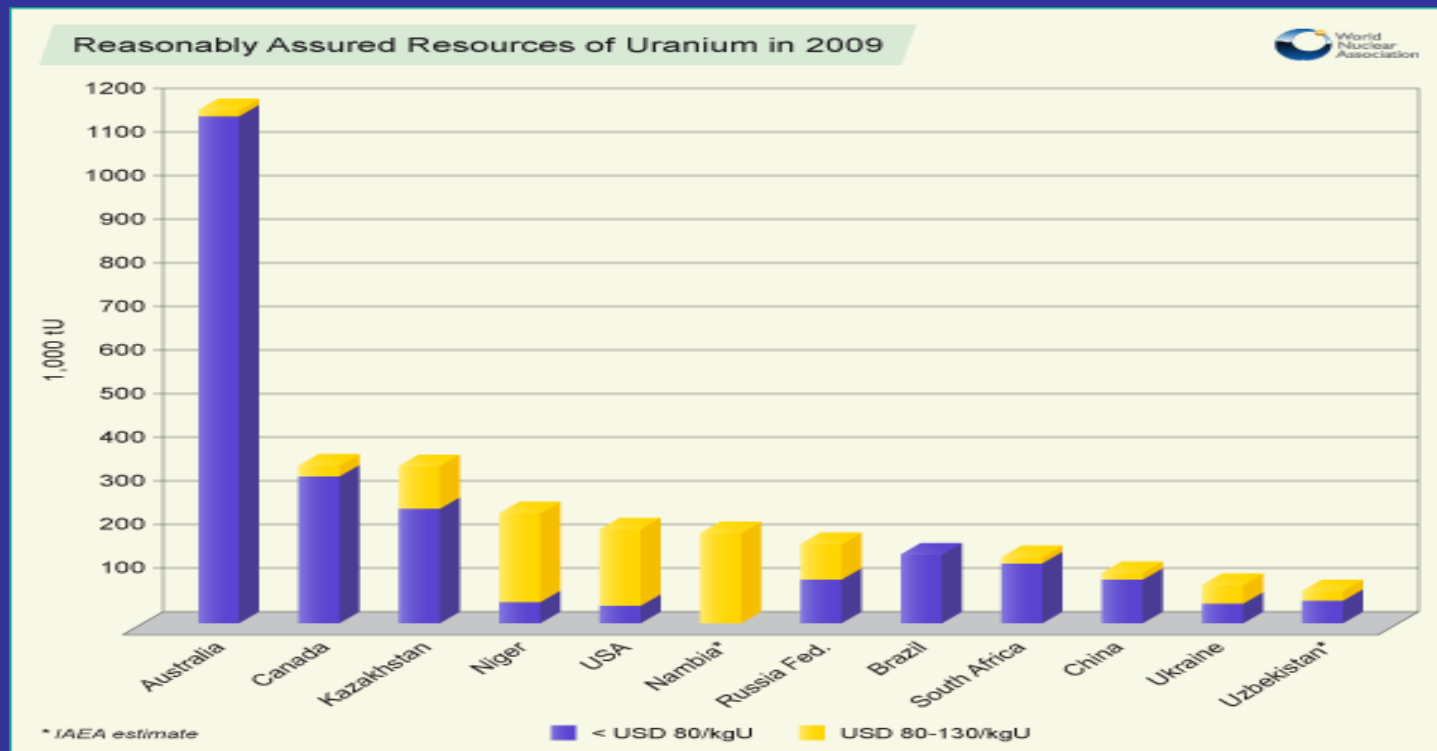


Where is the U3O8 Going to Come From ?

- Sovereign Stockpiles Dwindling
- Russians 2013 - 2022 @ 50% of 1999 - 2013
- Recycling / Reprocessing
- New Mines Must Come On Stream



Uranium Resources 2009





New Uranium Mines

Kazakhstan ISR: Sustainable Production ?

Australia Open-Pit: Aboriginals / Politics

Athabasca Basin UG: High Cost / Lead Times

Niger UG: Geopolitics: Corrupt & Unstable

Namibia Open-Pit: Low-Grade / Water ?

Western United States ISR: Small / Permitting



New U3O8 Production

- Conventional Underground = High Cost Mines
- Higher Prices Required (\$65 - 80 per pound)
- Low Cost Mines = Essential
- ISR (45%) & Open-Pit Heap Leach Mines
- Marginally Profitable at Current Prices



Wild Cards in the Uranium Game

- USA Department of Energy
- Bomb Dismantling ?
- Recycling & Reprocessing
- Thorium = 10 Years Away

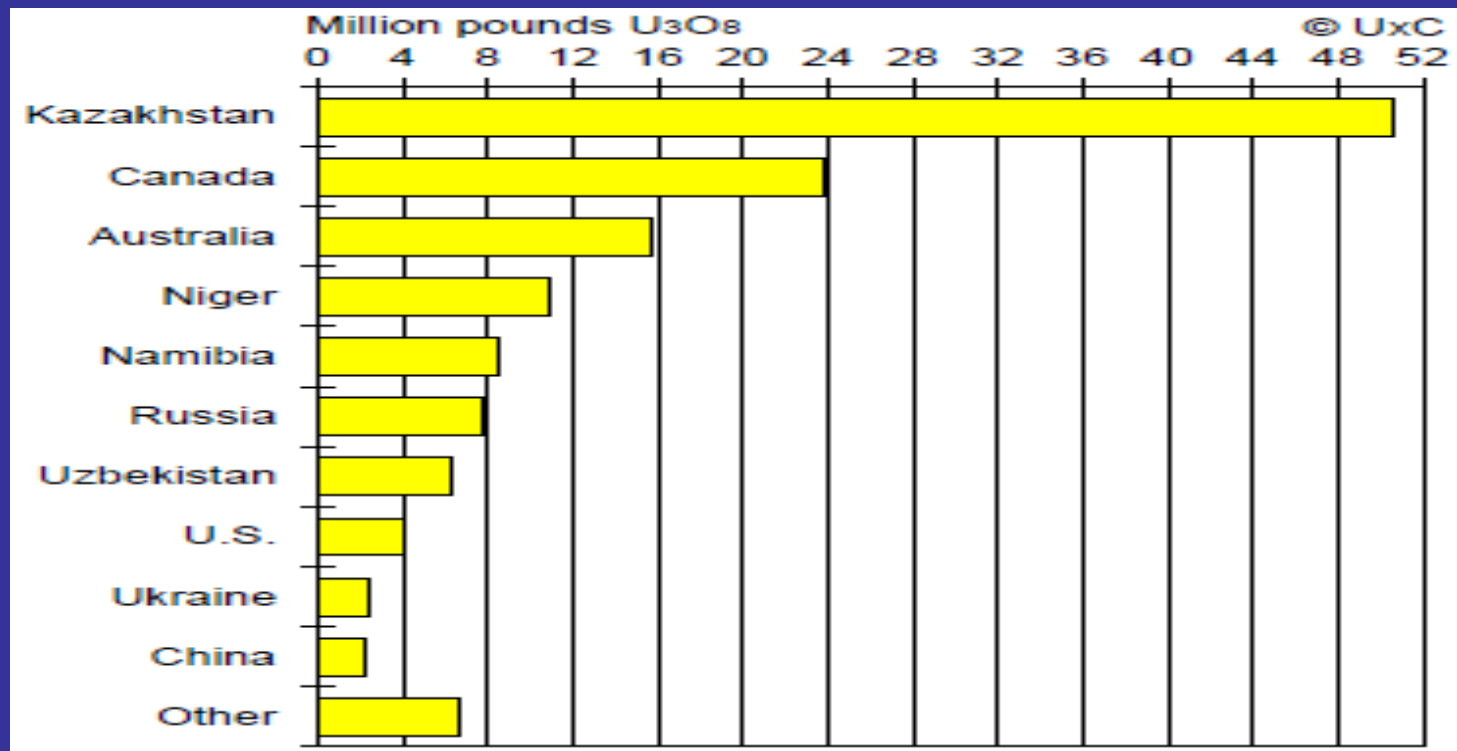


Why I Remain a Uranium Bull

- Supply and Demand Fundamentals
- 20 - 30 % Yearly Mine Supply Deficit
- 66 Reactors in Construction
- 167 Planned & 317 Proposed



2010 U3O8 Producers (Ux Consulting)





Are Mine Supplies Secure ?

- Kazakhstan #1; Niger #4; Russia #6;
- Uzbekistan #7; Ukraine # 9; China #10.
- 56 % of 2011 World Mine Production
- USA: 31 % of Nuclear Power Generation
- USA: Nuclear = 20 % of Electric Demand
- 55 M lbs Consumed / 4 M lbs Produced



Metals Market Fundamentals

- BIICs (Brazil, India, Indonesia, China)
- Supply Shortfalls with Average Y/Y Growth
- Deposits Tougher to Find / Mines Tougher to Develop
- Geopolitics: Corrupt & Unstable Governments
- Environmental / Aboriginal Opposition Worldwide
- Exploration, Production, Development 10 -15 Yrs





Monday Morning Musings from Mickey the Mercenary Geologist





Michael S. (Mickey) Fulp
Contact@MercenaryGeologist.com

www.MercenaryGeologist.com

www.MercenaryGeologist.asia

MercenaryGeologist.FM

Twitter: @mercenarygeo