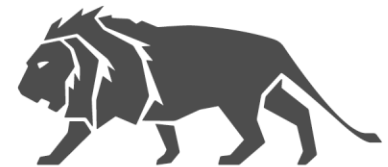




Hedley Widdup

BOOM in a ROOM
October 2021

www.lionselection.com.au



Lion Selection Group



The Sweet Spot in an Unconventional Boom

- **Resource equities: strong run, recent softening**
- **Explorers & Juniors (have been) thriving**
- **Cycle signals: mature stage**
- **Super hot equity market**

Equity Market

Super Hot

Australia



ASX All Ordinaries

+56%

(since Jan 2016)

+67%

(since Mar 2020)

Mining



ASX 100 Resources

+132%

(since Jan 2016)

+46%

(since Mar 2020)

Out of this world



NASDAQ

+223%

(since Jan 2016)

+111%

(since Mar 2020)

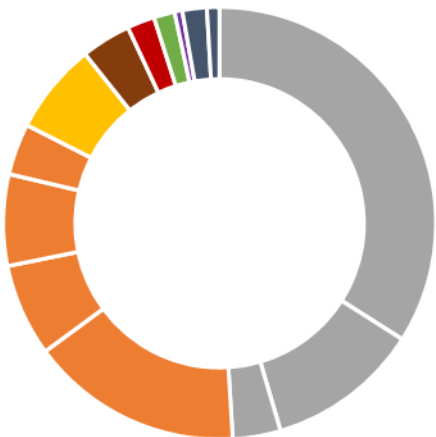
Jostling for Position

ASX100 Resources Index

January 2016

Capitalisation

A\$145B



+147%

- \$3.6B

(Iluka, Sims)

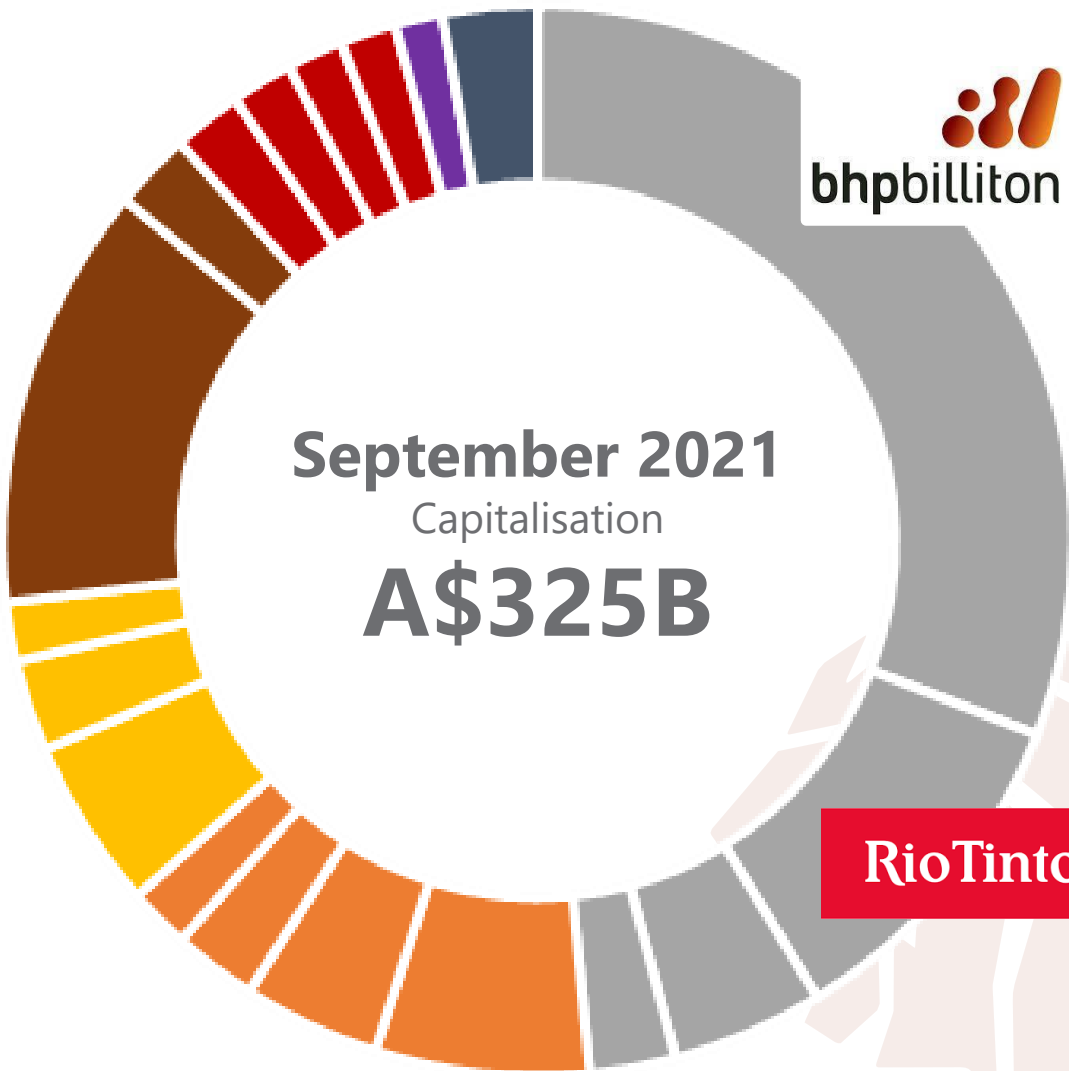
+ \$54.4B

(Evolution, Northern Star, IGO, Oz Minerals, Lynas, Min Res, Soul Pats)

September 2021

Capitalisation

A\$325B



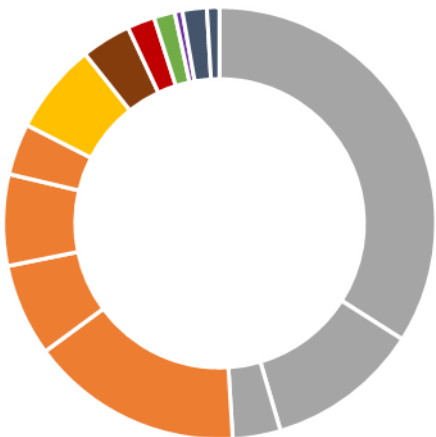
Jostling for Position

ASX100 Resources Index

January 2016

Capitalisation

A\$145B



Metals



Iron Ore



Gold

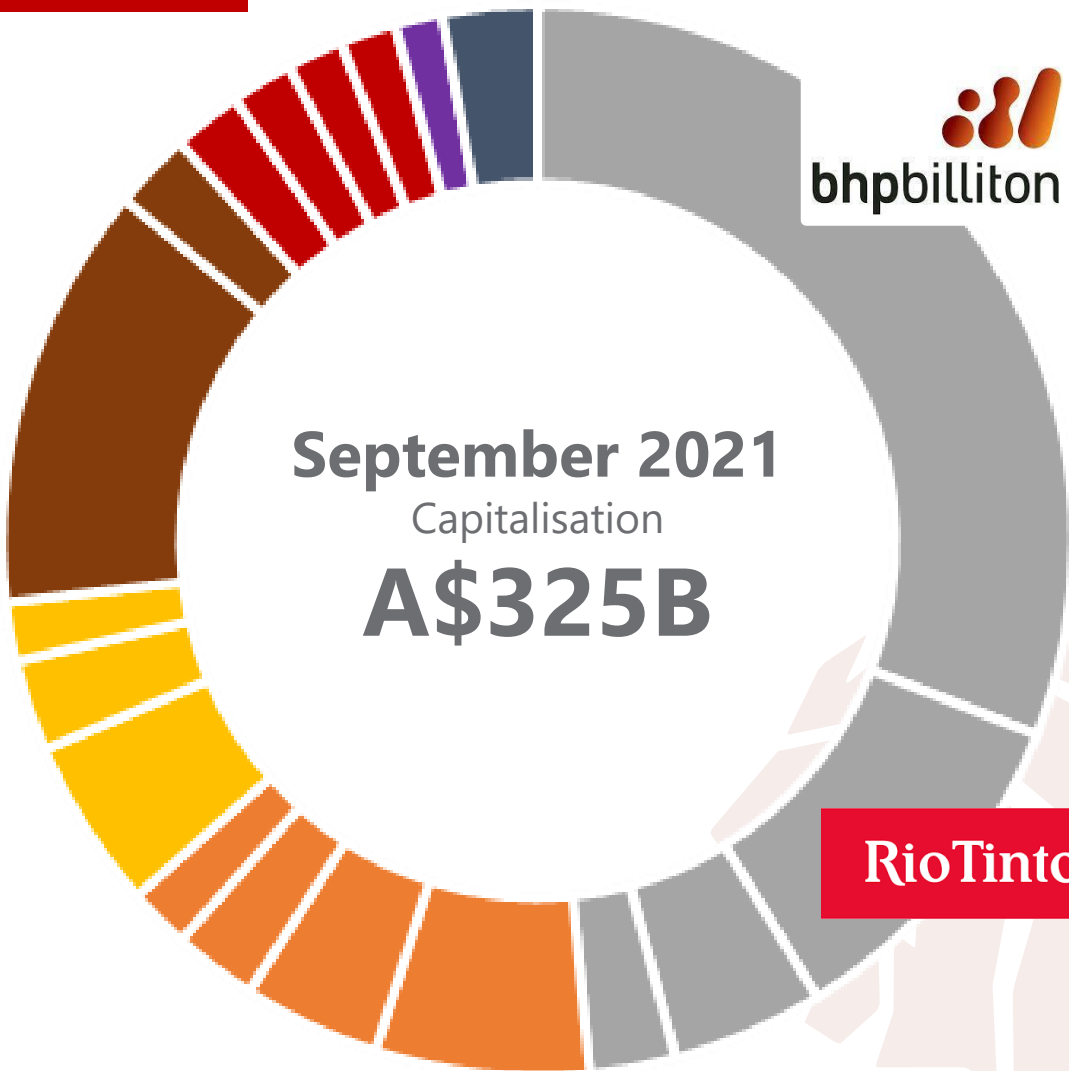


Energy

September 2021

Capitalisation

A\$325B



bhpbilliton

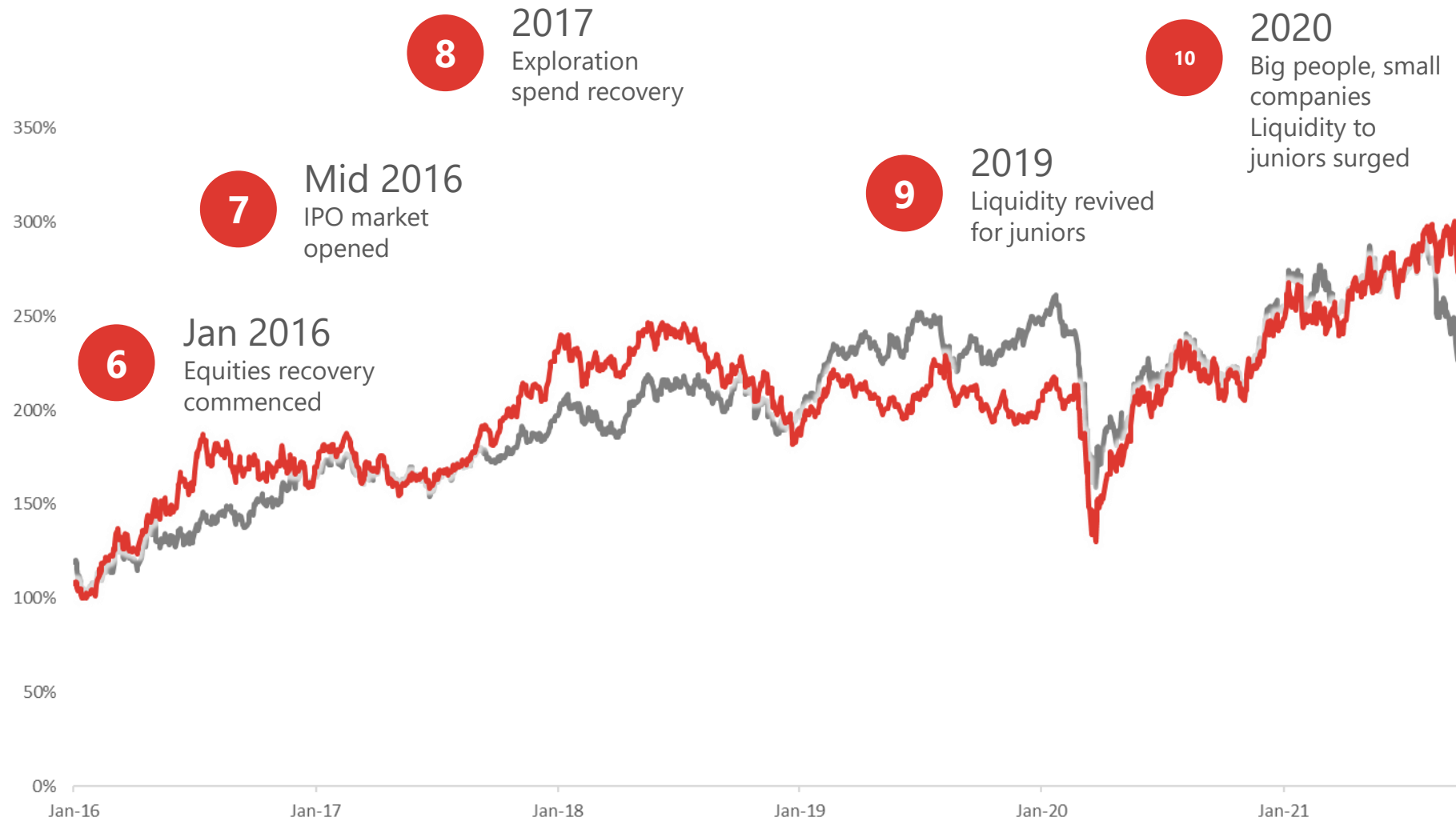
RioTinto

Boom to date

ASX100 Resources VS Small Resources



Lion Clock Time

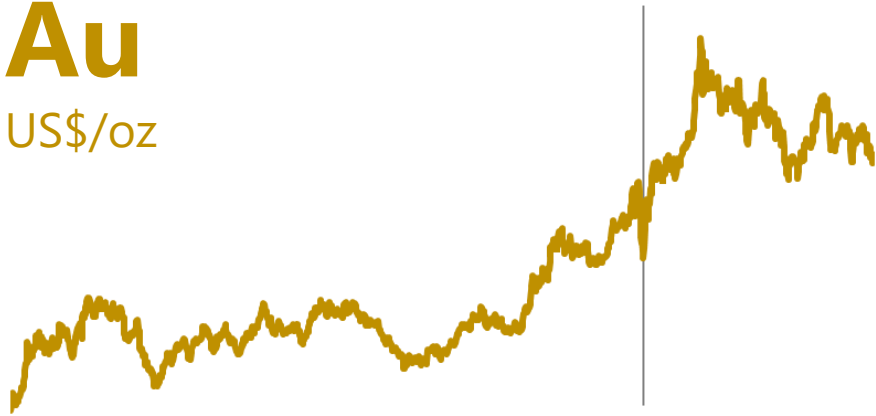


Commodities

2016-2021

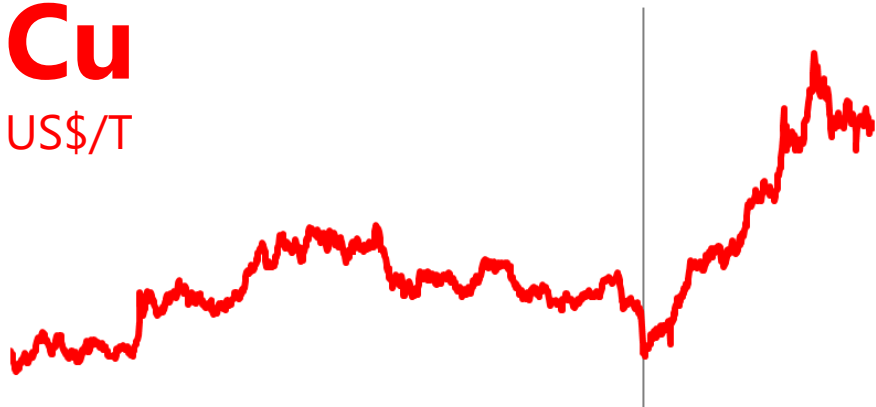
Au

US\$/oz



Cu

US\$/T



March 2020: COVID Crash

Mostly a turning point

Fe

US\$/T



Li

CNY/T





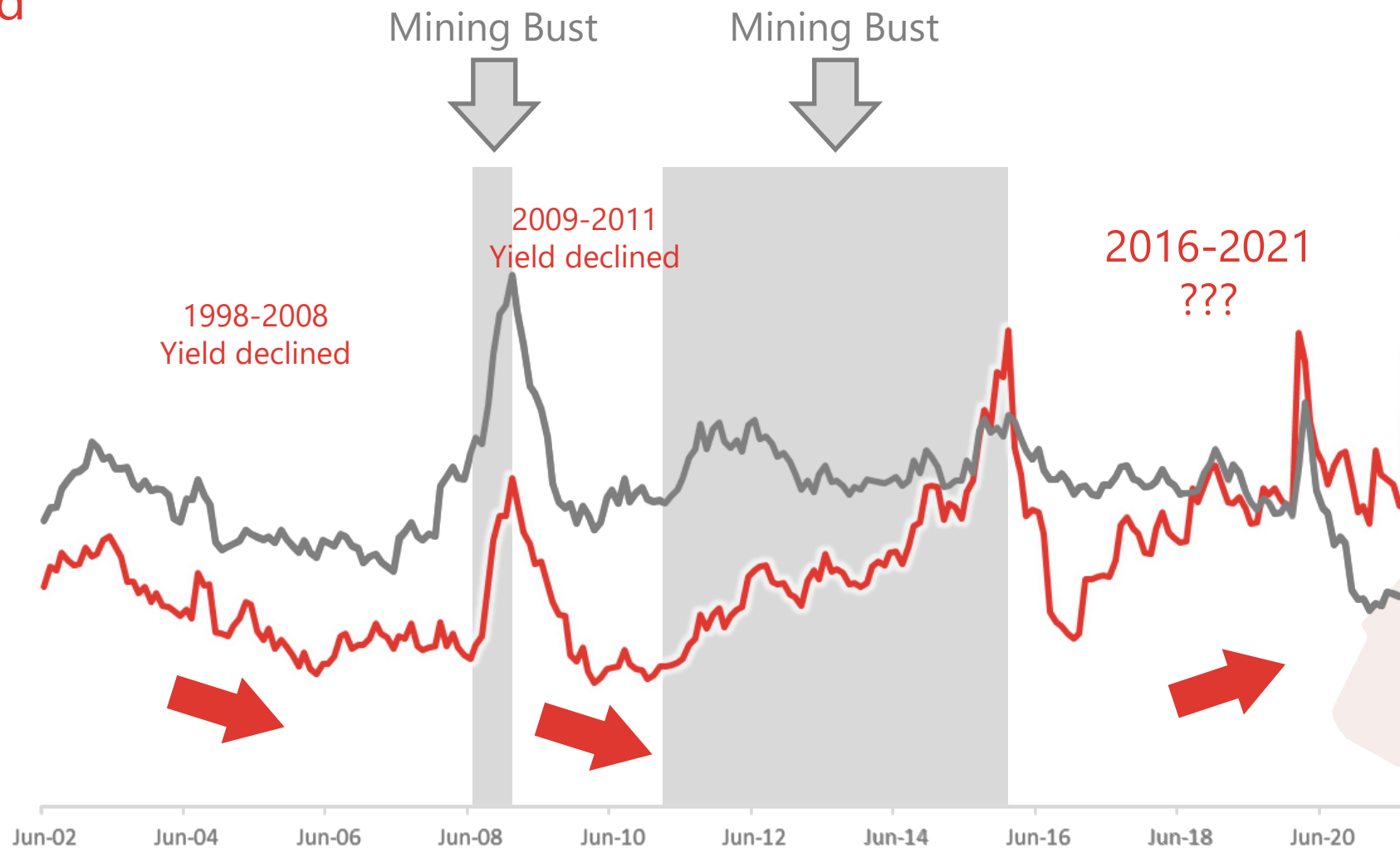
Pushing out dividends

Dividend yield

Materials

Vs

ASX200



What is Missing ?

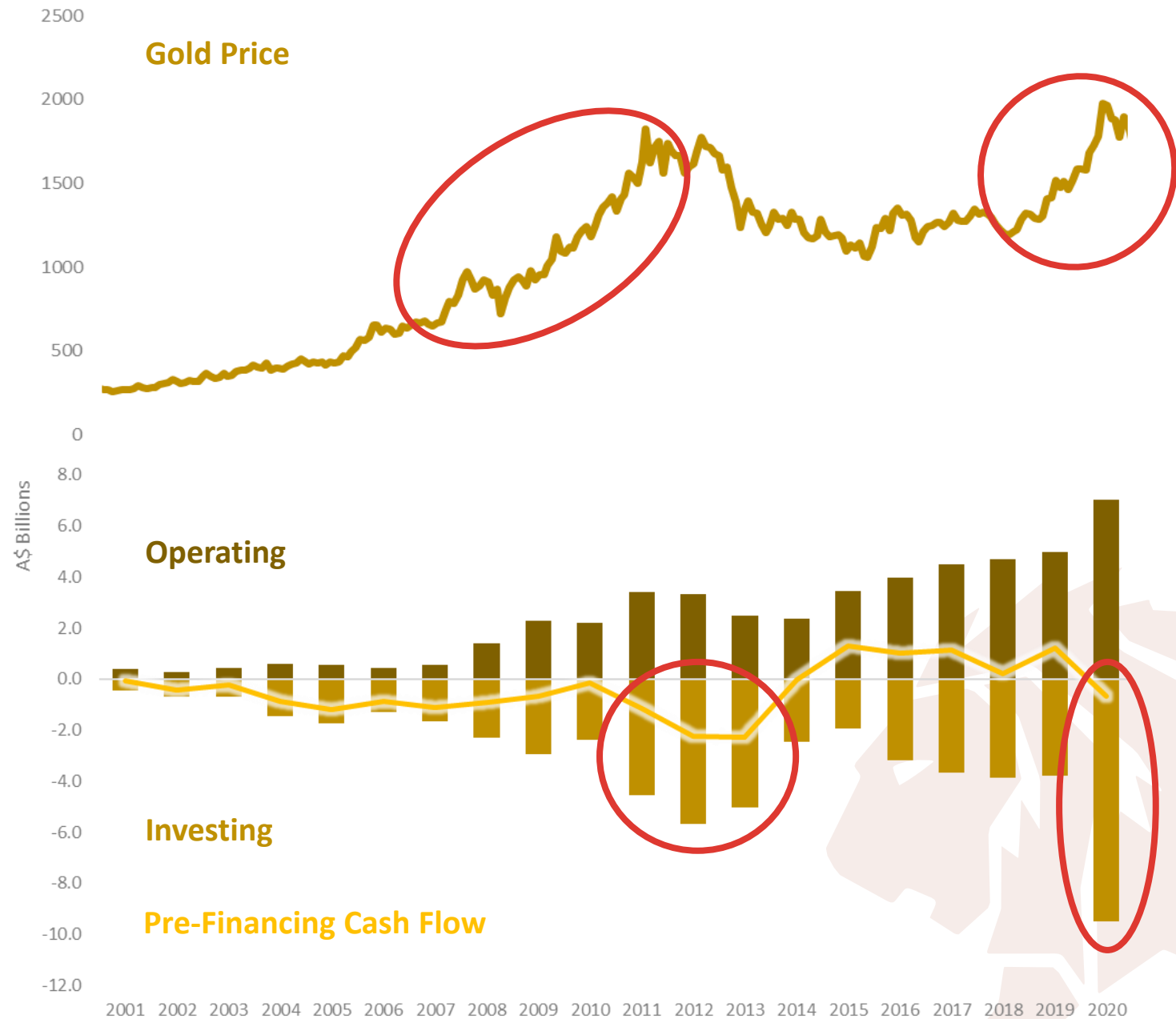
- ✓ **Growth oriented thinking**
- ✓ **Commodity price stimuli**
- ✓ **Uber-supportive equity market**
- ✗ **Hostile and Irresponsible**



ASX Gold Index

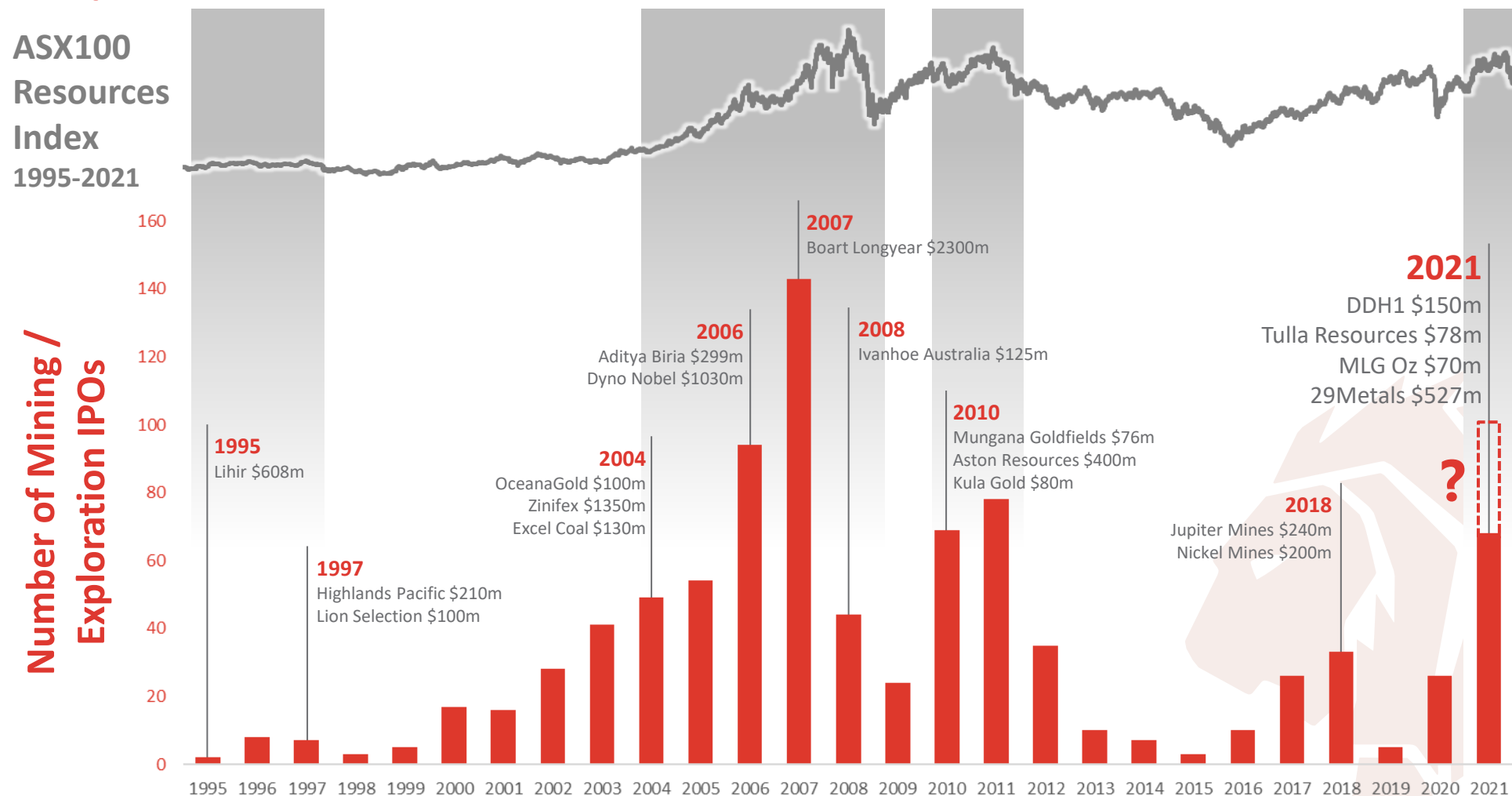
Cashflows VS Gold price

Capex is coming



Mining & Exploration IPOs

Bellwether of liquidity



On the look out

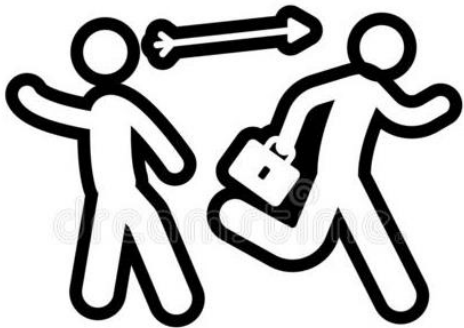
Expectations



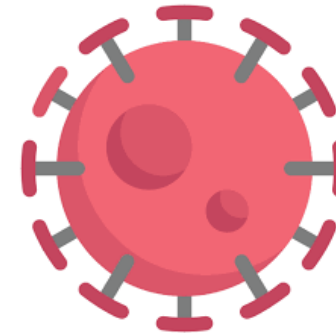
1. Exploration



3. China



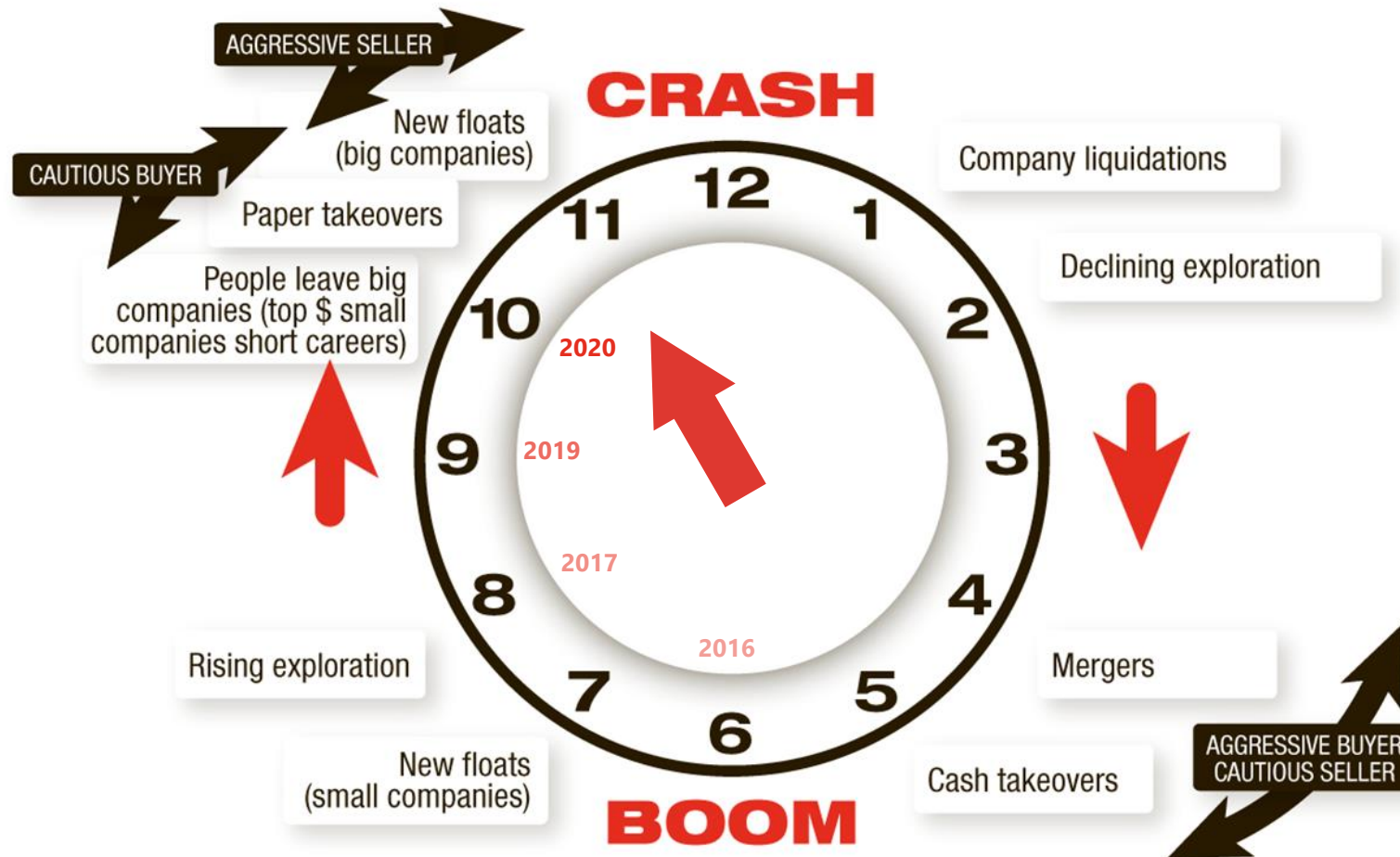
2. M&A and Growth



4. COVID-19

Liquidity shows: last leg of the cycle

Large and rapid equity performance, until it stops...





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[@HedleyWiddup](https://twitter.com/HedleyWiddup)