

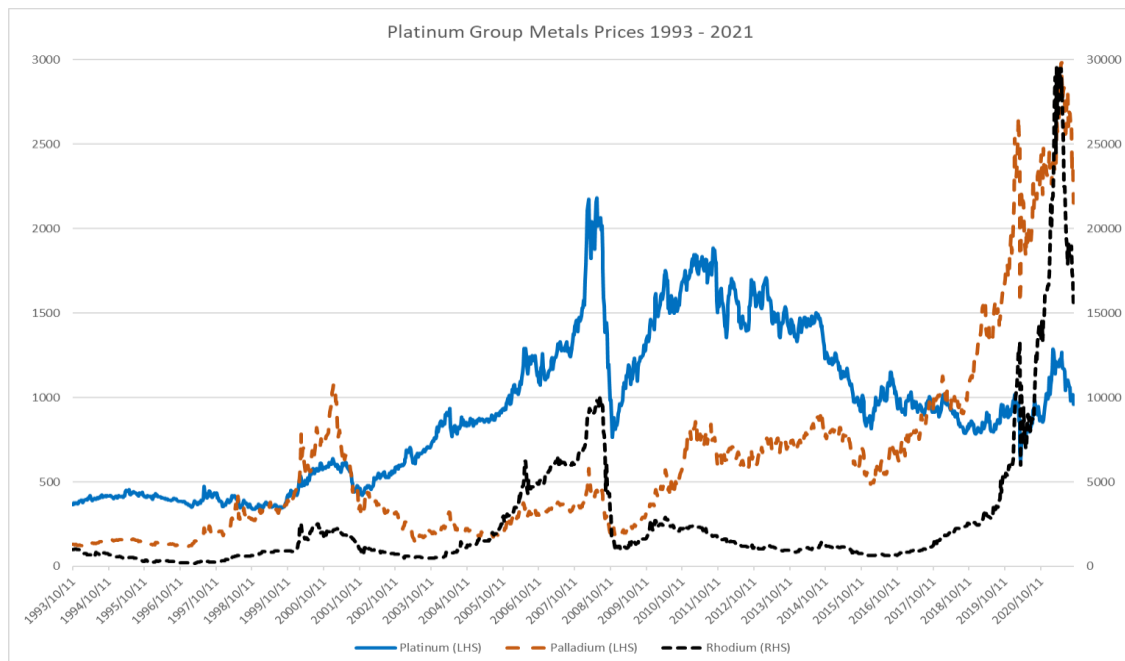
Platinum GROUP Metals & Miners

Perspectives: September 14th, 2021

The names of the largest listed platinum-group metals ("PGM") mining companies all include the word "Platinum", but in fact there are 6 platinum-group metals. Of these, 3 are typically found together in geological systems in the so-called palladium-group platinum-group elements - being **Platinum**, **Palladium**, and lastly but not least, **Rhodium**.

So, it is to be expected that PGM mining operations focused on these geological orebodies will tend to produce a mix of all 3.

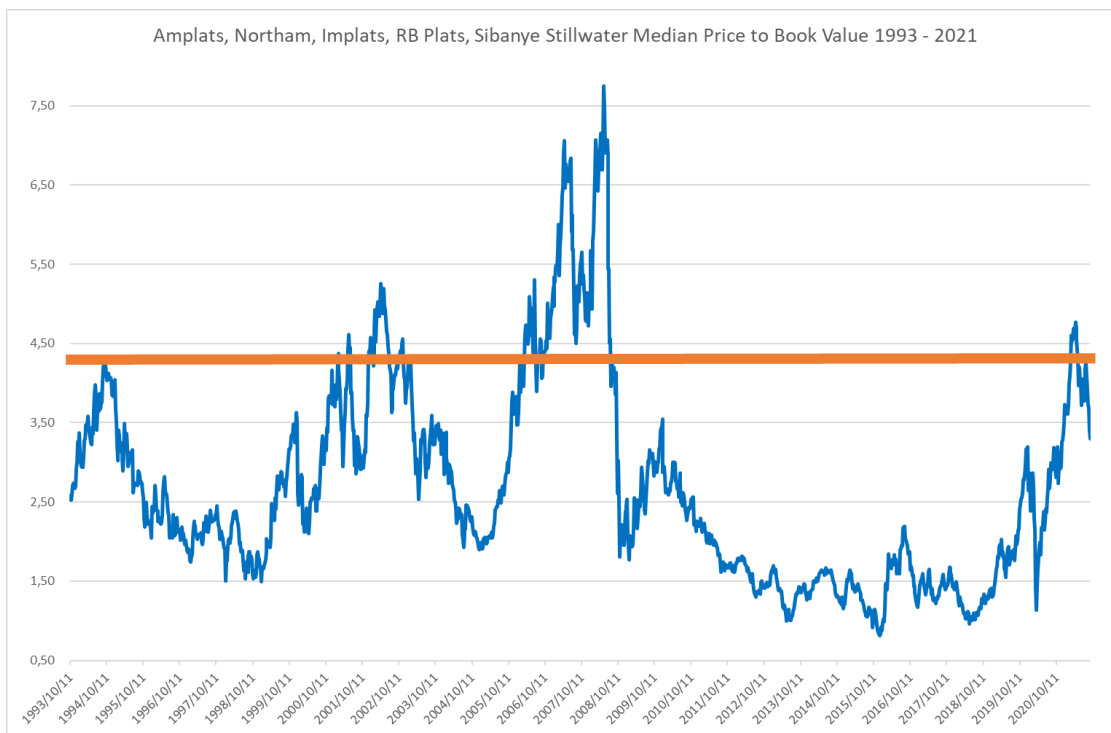
Each of these 3 metals exhibits unique supply and demand drivers, resulting in quite different pricing behaviours over time.



It is clear from the metals' price history above that, after going basically nowhere from 1993 to 2016, the prices of **Palladium** and **Rhodium**, depicted by the two dotted lines, blew out the roof in 2019 and 2020. This meant that

platinum-group mining businesses started making *super* profits these past few years despite the **Platinum** price going sideways.

The stock market reacted to this by positively re-rating the PGM mining industry in a meaningful manner, pushing price to book values back to *well above* normal long-term average levels.



The evidence is perfectly clear. There is no need to gaze into a magical crystal ball and recite incantations.

Our work continues...

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