

# Alexandria Minerals Corporation

We have had some success in our research of mining stocks with our picks such as Richmond Mines and Nlogold Mines having good moves up in price after we pointed out their undervaluation. In our view they have much further upside as we finally enter a bull market in gold and gold mining stocks. We are still in a period of many mining stocks being “on sale” with very few investors taking advantage of the historically low and undervalued prices that they are selling at.

What is worth mentioning is the ongoing heavy buying in the mining stocks being done by the mining industry’s officers’ and management. That is one of the few sectors where the amount of officers’ buying is far greater than the officers’ selling.

Our analysis suggests that many, but not all of the small cap junior gold mining and silver stocks are poised to start exceptional moves up in price. For the gold and many mining stocks, the stage is set and the players are poised to get their cue. Both our cyclical and fundamental analysis are now forecasting a positive market for gold bullion and many mining stocks. As we are always searching for undervalued mining situations for ourselves and clients, we noticed Alexandria at a recent mining conference.

## Gold Bullion

Our view is that a \$1400 US Gold price will turn many mining stocks up sharply as market psychology will change. As well, today there are many mining stocks today that are extremely undervalued and offer exceptional opportunities for capital gains. When the gold bullion is in the recent \$1170 to \$1300 range and many of the stocks are selling at or near their multi-year price lows, it can offer outstanding opportunities for investing.

## Bottoming action

The price bottom in a stock occurs when the last frustrated shareholders sell their shares thereby leaving no more shares to be sold. Recently, there has been tax loss selling of mining shares as well as regular frustrated shareholder selling. It is our belief that much of the selling is imprudent. In our opinion, the selling is occurring while many of these mining stocks are fundamentally undervalued. We would guess that some selling advice is probably based upon the recommendations of major US brokerage houses.

[HTTP://CANADIANMINEANALYSIS.COM](http://CANADIANMINEANALYSIS.COM)

## Special Report

### Feb 2015

#### COMPANY LOCATION

##### Alexandria Minerals Corporation

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#### COMPANY TRADING

Symbol: AZX (Canada)  
ALXDF (USA)

Trading on: TSX-V



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### **No Sponsorship & No Research Coverage?**

Investors should also keep in mind as there is no longer the same amount of research coverage or market maker support, stocks drop to price levels that are often significantly below proper valuations. Brokerage or fund sponsorship is rare today which leads to greater downside during sell offs. Moreover, mining stocks can languish at low prices for longer periods as there are fewer participants. However, that does create opportunities to invest at lower prices as the competition and market maker participation is less than in the past. Again-no research and no market maker support brings weakness.

**Alexandria Minerals** is a Canadian small cap mining exploration company with three large gold projects in the Val D'Or region of Quebec; it was founded in 2006. The region is one of the largest and most prolific mining regions in North America and has been that for decades. Moreover, Alexandria is one of the largest land holders in the Val D'or region.

### **While Alexandria is a junior exploration company founded in 2006.**

It caught our attention based upon its early exploration success. We coupled that with its successful sale of fourteen claims to NYSE and TSX listed Agnico Eagle for \$5,000,000 in 2014. As well, an important point is that it was a very small percentage of Alexandria's holdings. The sale amounted to 14 of Alexandria's claims which are 2% of Alexandria's total claims in Quebec. That was an impressive and prudent move.

**Alexandria's exploration drilling** has been ongoing on the three major projects with resources at the projects now totaling over 1,600,000 ounces Gold. We expect more results and wait for developments and further exploration. In February, drilling will recommence.

### **Murgor Resources Acquisition**

Alexandria is in the process of acquiring Murgor Resources, a Canadian mineral exploration with assets located in Manitoba, Quebec and Ontario. We have followed Murgor in the past and our view has always been that Murgor has undervalued and overlooked assets that the markets never recognized. It is our belief that the acquisition which is to be completed by the end of February will add notable asset value to Alexandria. But until it is completed, our valuation is based only upon the Quebec projects.

**Alexandria shares, who owns them?**

We consider the ownership of a junior mining company to be an important ingredient in determining whether or not to consider investment in a company. As important is what the institutions that invested paid for their shares. When established mining companies invest in small cap exploration juniors, it is an indication that there is potential recognized by experienced geologists and other mining executives.

**Mining corporations that are substantial Alexandria shareholders include Agnico Eagle Mines with 8% of Alexandria's shares, IAMGOLD with 3.5 %, Teck Resources with 3.5 %, Quebec funds own approximately 6%, New York based Gabelli funds owns significant position, Note that all paid substantially above the current price of Alexandria. Alexandria's officers and directors (insiders) own 13% of the shares; we also note that there have been no sales of the shares as we looked back over the last two years.**

**Cash Position**

Alexandria currently has **\$2,370,000 in cash** and short term assets with no debt whatsoever. The company also owns between \$250,000 and \$350,000 in shares of other mining companies.

**Conclusion**

In small cap junior mining stocks, Alexandria merits attention and we are monitoring it closely.

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