

## With the Copper Crunch Still Looming, Keep an Eye on Trigon Metals

As the race to renewables heats up the demand for electrification, the increasing demands for copper are set to lead us deep into a copper crunch. Exacerbating the situation are political tensions in large copper-producing nations.



**Vancouver, British Columbia Mar 19, 2023 ([Issuewire.com](https://www.issuewire.com))** - We've been hearing about the demands that the race toward electrification and renewable energy will place on copper for a while. However, looking at the price data alone, you'd be forgiven for thinking this theory is far from playing out.

Unfortunately, price data alone doesn't tell the whole story, with inflation-driven rate rises playing a significant role in suppressing copper prices over the post-Covid recovery period. Recently, commodity strategist at WisdomTree, Nitesh Shah, [told Reuters](#) that "every time there's an indication of more hawkish policy, markets fall further."

However, the effects of inflation will only work to temporarily suppress copper markets, with FOMC estimates forecasting the PCE deflator to fall back to 2.8% by the end of this year, and a return to the Fed target rate of 2% by the end of 2025.

Further, alarming figures are emerging as LME warehouse stockpile figures tumble to historical lows across the board, with copper stockpiles, in particular, falling to the lowest level in 17 years. This deficit, combined with decreasing inflation over the course of this year, is leading analysts at Goldman Sachs to predict copper prices will hit a record \$11,000 a ton by year-end.

And this won't be a temporary blip on the price charts, either, with the supply side's inability to match global demand being exacerbated by increasing political risks in major copper-producing nations such as Peru, Chile, and the DRC.

All of this is combining to create an urgent demand for new copper projects to not only meet growing demand from the global electrification race, but also to secure the supply chain by moving copper production into more geopolitically favorable regions.

## **Trigon Metals Inc. Eyes Morocco for Copper and Silver Production**

[Trigon Metals Inc.](#) (TSXV: [TM](#) | FRA: [TZU2](#) | (OTCQB: [PNTZF](#)) is one of a handful of companies leading the charge to secure copper supplies over the next decade and beyond by developing projects within politically-stable, mining-friendly African continent jurisdictions.

A particular focus for Trigon Metals here is its Silver Hill project in Morocco — a nation that is not only politically stable, but also has a rich history as a major historical copper supplier. In fact, according to Trigon Metals Director Mohammed Benharref, Morocco was the world's largest supplier of copper and silver between the 13th and 17th centuries. This led him to believe that “there's a lot to discover, based on what has been done in the past.”

However, while extensive copper resources may well be an asset going in its favor, Morocco is also notable for its political and economic stability, with the country being widely regarded as a [low-risk environment for international business](#) on both fronts. It has also firmly established itself as the premier commercial gateway to Africa, serving as a crucial bridge to Europe and the rest of the world.

## **Trigon Metals Assay Results Confirm Silver Hill as Valuable Copper Site**

Fortunately, recent exploration at the Silver Hill site has confirmed Benharref's belief in Morocco as a potential copper-producing heavyweight, with the results of geophysical surveys showing promising signs of high copper and silver mineralization near the surface. These indications were then further backed up by the results from both drill- and trench-based testing.

Most recently, assay results from a four-hole drill program returned 14 meters of 1.08% copper and 74 parts per million silver. Jed Richardson, Trigon Metals CEO, noted that “the drilling lines up with one of the changeability anomalies from the geophysical survey.”

Further, the drill program also corroborated the results of an earlier trench testing on the site some 2km away, confirming the extensive mineralization present at the Silver Hill site.

Estimating the implied value of the mineralization observed on site, Richardson comments, “that's \$250/tonne metal over 14 meters” at the drill site, “and the trench we dug, some 2 kilometers distant is even better, with an implied value of almost \$400/tonne.”

## **Silver Hill Promising Target for Further Exploration and Development**

With the assay results from both the trench and drill program aligning with the promising geophysical surveys conducted at Silver Hill, Trigon is now gearing up for further drill programs targeting even stronger anomalies.

On this, Richardson says that “the strongest anomalies from that survey are places we have not tested,

and those targets are our next bit of work at Silver Hill.” In addition, Trigon is also working to secure additional land or possible grant of a new land package for the project.

Once this work is complete, the company will be looking to quickly ramp up production at the site, which it is confident will pose no problem. Both Richardson and Benharref confirm that Morocco is a highly-favorable mining jurisdiction, not only for the ability to get projects permitted easily but also for its world-class infrastructure and a ready supply of mining professionals.

### **Trigon Metals Inc., an Undervalued Copper Miner With Big Upside Potential**

Far from being a one-trick junior mining pony, Trigon also has its advanced-stage Kombat copper project in Namibia to keep an eye on. With a full feasibility study already completed, the company is looking to ramp up production at the site soon, which is expected to return an EBITA of about US\$0.55/lb (Cu Eq Lb) mining a total of 1.5Mt ore, at an average grade of 1.14% copper and 7.49 g/t silver.

With the Kombat project already at an advanced pre-production stage and Silver Hill showing a high probability of widespread high-grade mineralization, the coming year is indeed an exciting time for Trigon Metals.

Further, with copper prices unlikely to remain suppressed for long as inflation eases and supplies dwindle in the face of increasing demand, there’s a solid case to be made that Trigon remains significantly undervalued.

With that said, nothing is certain, and there remains a minority of analysts asserting copper price suppression will be an ongoing theme for the remainder of the year. However, if such a scenario were to play out, all it would be doing is delaying the inevitable, making Trigon Metals a must-watch for any mining investor looking for a solid copper bet.



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