

Zamia Metals

The share price history for Zamia has been volatile developing a pattern with all the characteristics of a large base for significantly higher prices. Over the short term, the recent pullback is part of the developing final stage in the process but this may see more volatility and the testing of lower support as the formation develops and before it can be finalised.

As the process continues its development, support has been reached in the 7-8c range, and the near-term momentum has begun to diverge from the price suggesting that a bounce and rally is due. Such an action may well form part of the base but as the broader indications are unresolved we cannot rule out wider price swings as heightened volatility affects the price with the possibility that the 6c area is tested. **If this occurs it should be viewed with special consideration as we have stated above the wider swings in price form part of the final stages of a broad base pattern and if the price action continues to develop in line with these expectations then this could be the last major buying opportunity for the stock.** As with any projected outcome there are the accompanying dangers and to this scenario it would be a further deepening of the process on a fall through 6c but this seems unlikely at this time.

An early recovery through 9.5c would indicate a test of the 11c barrier. Following this the next key barrier to the upside lies at 13c and then the final barrier to the completion of the extended base would be encountered in the 16-18c range. Once clear the stock would gain the potential to test its previous peak area around 40c and possibly move significantly beyond.



Large Base Development



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Potential price moves over next six months



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