



TRADER TRACKS
STOCKS & BONDS • FUTURES & COMMODITIES



MINER OF THE WEEK



American Manganese Inc. (CA: AMY) Produces An Exciting Bullish Cup And Handle Technical Chart Pattern.

What makes it even more special, is the huge four year pattern width on this chart-the wider the pattern, the harder the rally in our experience.

"You cannot make steel without Manganese and if you can't make steel the world stops."
- Brian Gilbertson, the CEO of Pallinghurst

"Artillery Peak contains the largest known low grade deposit of Manganese in the South Western United States as published by the US Bureau of Mines. The Company has completed two phases of drilling resulting in a new NI 43-101 Resource."

Trader Tracks Prefers Technical Analysis After Strong Fundamentals Are Proven.

This chart bodes well to say the least. The share price for CA: AMY on May 31, 2011, was C\$.75. Our technical projection on this pattern is for C\$1.20 during the next cycle. Obviously, steel production is not going away. With a larger Chinese expansion, the global manufacturing world must have this ore in prodigious amounts.



American Manganese Inc., provided traders and investors with steady gains since the price based at the end of 2008. Higher Resistance was C\$.80. When the price breaks out above and through that number, we like C\$1.20 as trading minimum. We have an open recommendation in *Trader Tracks* right now.

Continue to hold your shares if you own them.

If are not an owner, place a new buy-stop just above C\$.80, for your new purchase entry and hold.

American Manganese Additional Information On Their Website.

“American Manganese Inc. is currently well financed to move its project through feasibility with \$9.0 million dollars in the treasury. The company completed a non brokered private placement for \$4,193,008.00 on February 11, 2011, and a bought deal financing for \$5,040,000 on March 8, 2011, with Laurentian Bank Securities Inc. for a total of \$9,233,088.00.”

“The Company is positioned to take a leading role in providing products to the emerging rechargeable battery market,” says Mr. Reaugh. “The manganese extraction process is well suited to produce any or all of the high value added manganese products including LMD. LMD is quoted at \$30 to \$60 US/kilogram FOB China.”

Note the 90% recovery, and complete operations cost including capital expenditures versus sales price per pound. Excellent!

“Resource 21,240,000 T's @ 4.48% (Total Resource 200,344,998 T's)
Mine Life 17 years
Plant Size 3500 TPD (*Can easily be expanded to meet increased demand*)
Capital Cost \$90 million
Strip Ratio 2.5/1 (over 17 year mine life)
Recovery 90%
Manganese Metal Base Price \$1.10/lb.
Cash Operating Cost \$0.44/lb. Manganese Break-Even includes capital repayment \$0.63/lb.- Manganese”

“The Artillery Peak Manganese mineralization is in the form of pyrolucite (Pu) Psilomelane (Ps) and Wad (W) which is amenable to sulphurous acid leaching at coarse particle sizes which return 90% recoveries in short leaching intervals. Mineralization is friable and soft. It is broken down by simple hammer milling with no need for multiple crushing and grinding stages. This simplicity is the key to reduced capital and operating expenses. The coarse (minus 25mm) material as a slurry in stirred tanks is leached when sulfur dioxide gas is sparged through the pulp. Physical breakdown and solubilization of manganese is rapid – less than 30 hours for more than 90% extraction. The company has applied for a patent to protect the refinement of the process developed by Ke-metco Research Inc. A Green Process, which is energy and water efficient.”

“Wardrop Engineers have commenced a NI43-101 compliant pre-Feasibility Study. Kemetco Research Inc. has commenced the NI43-101 compliant PILOT TESTING of the Artillery Manganese Resource, the process design and research to produce Lithium Manganese Battery Powder.”

“Electrolytic Manganese Metal (EMM)”

“China controls the strategic Electrolytic Manganese Metal production (EMM) supplying and producing 97.44% of the worlds needs (2.6 billion Pounds per year). EMM demand grew at 26%/year from 2003 - 2008.” **Editor: China is tightening its grip continually on manganese exports; driving-up prices.**

“There is no substitution for manganese in steel (total manganese market is greater than 30 billion pounds per year; fourth largest traded metal). (This is) The most critical metal at risk to supply and disruption in the United States. No US production.” **Editor- see our world supply map.**

“EMM’s greatest uses are upgrading specialty steel 47%, manufacture of aluminum 32% and electronics 14%. China has a 20% export duty on EMM and the US has a 14% import duty, (with) world

price at \$1.56/lb. and US price is \$1.90/lb. Manganese resources are declining in China. China (is) forced to go offshore for carbonate ores.”

American Manganese Management, Inc: Mr. Larry Reaugh – Pres. & C.E.O., Director; Mr. Mike MacLeod, P.Eng., MBA - C.O.O.; Mr. Ed Lee - Director; Mr. Andris Kikauka, P.Geo. – Director; Mr. Paul Hildebrand - Director; Dr. Anthony E. Santelli II, PhD. - Director

Shares Outstanding: 85,094,839. **Fully Diluted:** 130,295,720. **Year High/Low:** C\$0.80 – C\$0.07

Listing: Common Shares -- TSX.V: AMY Pink Sheets: -AMYZF.PK

Web: www.americanmanganeseinc.com

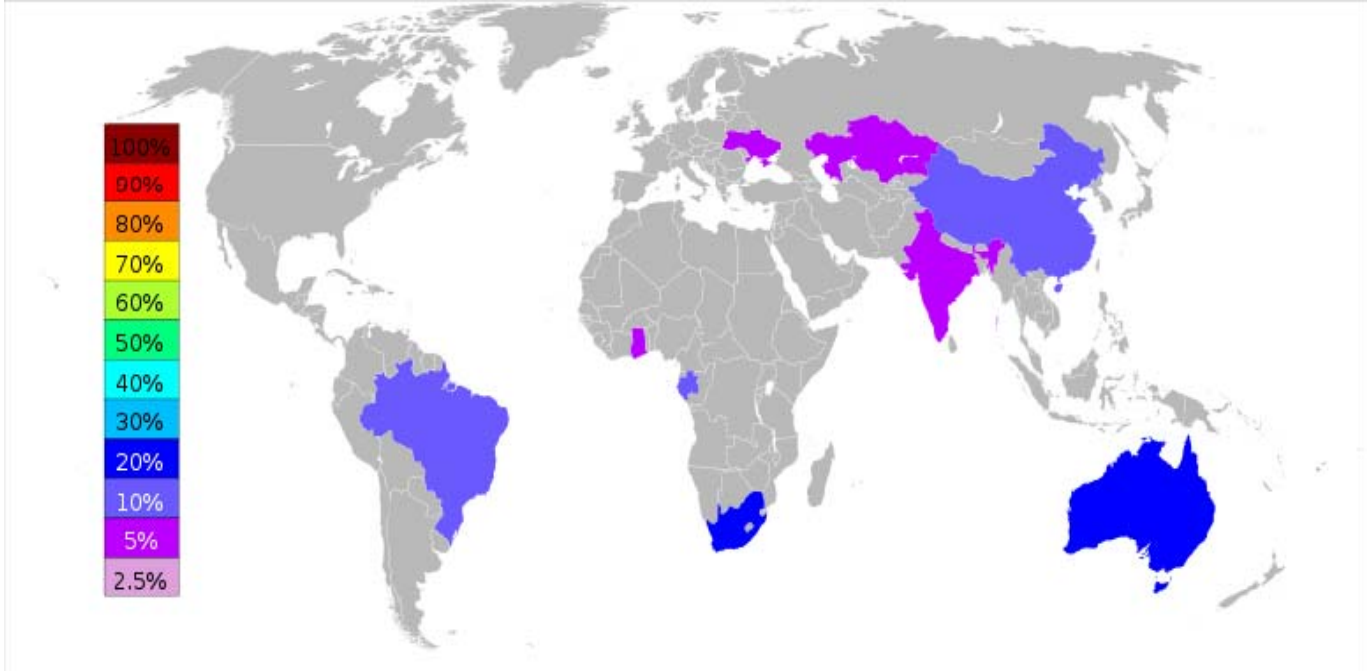
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**Two Year Chart Shows Hard Price Support At C\$.50. Resistance is C\$.80.
Once C\$.80 is solidly penetrated, shares should move briskly to next resistance at C\$1.20.**



World War II-time nickel made from a copper-silver-manganese alloy.

Percentage of manganese output in 2006 by countries. -Map & Text Wilopeida



“The most important manganese ore is pyrolusite (MnO_2). Other economically important manganese ores usually show a close spatial relation to the iron ores. Land-based resources are large but irregularly distributed. About 80% of the known world manganese resources are found in South Africa, other important manganese deposits are in Ukraine, Australia, India, China, Gabon and Brazil. In 1978, it was estimated that 500 billion tons of manganese nodules exist on the ocean floor. Attempts to find economically viable methods of harvesting manganese nodules were abandoned in the 1970s.”

“Manganese is mined in South Africa, Australia, China, Brazil, Gabon, Ukraine, India and Ghana and Kazakhstan. **US Import Sources (1998–2001):** Manganese ore: Gabon, 70%; South Africa, 10%; Australia, 9%; Mexico, 5%; and other, 6%. Ferromanganese: South Africa, 47%; France, 22%; Mexico, 8%; Australia, 8%; and other, 15%. Manganese contained in all manganese imports: South Africa, 31%; Gabon, 21%; Australia, 13%; Mexico, 8%; and other, 27%.”

“For the production of ferromanganese, the manganese ore is mixed with iron ore and carbon and then reduced either in a blast furnace, or in an electric arc furnace. The resulting ferromanganese has a manganese content of 30% to 80%. Pure manganese is used for the production of non-iron.”

“Manganese is essential to iron and steel production by virtue of its sulfur-fixing, deoxidizing, and alloying properties. Steelmaking, including its ironmaking component, has accounted for most manganese demand, presently in the range of 85% to 90% of the total demand. Among a variety of other uses, manganese is a key component of low-cost stainless steel formulations.”

“Small amounts of manganese improve the workability of steel at high temperatures, because it forms a high melting sulfide and therefore prevents the formation of a liquid iron sulfide at the grain boundaries. If the manganese content reaches 4% the embrittlement of the steel becomes a dominant feature. The embrittlement decreases at higher manganese concentrations and reaches an acceptable level at 8%. Steel containing 8 to 15% of manganese can have a high tensile strength of up to 863 MPa. Steel with 12% manganese was used for the British steel helmets. This steel composition was discovered in 1882 by Robert Hadfield and is still known as Hadfield steel.”



American Manganese Is One Of Few Companies In Positive Mode This Week.

Normally, we show a different stock trade of the week after covering a company as Miner of The Week. However, post holiday and end of the month trading and investing has many stocks flat on this Wednesday of 6-1-11. I wanted our readers, traders and investors to see our AMY shorter term daily chart and the "All Data" chart, further below, to see a former high posted at C\$.80 in 2007.

Technically and on the cycles, AMY should stall at C\$.80. However, due to all the positives on this company regarding manganese supply, very strong management, cash in the till, and a vigorous planned expansion, you should hold your positions and be ready to add more on a breakout above C\$.80. As we have expressed in our Miner of The Week report, new support and resistance will be found at C\$1.00 and then, we move toward our next technical goal of C\$1.20. When inflation becomes stronger later this year, this stock should get even better.

