



# MINER OF THE WEEK



## American Manganese, Inc. (TSX CA: AMY) (Pinks AMYZF)

*"You cannot make steel without Manganese and if you can't make steel the world stops."  
- Brian Gilbertson, the CEO of Pallinhurst."..... "Manganese deposits of the Artillery  
manganese district are the largest and perhaps only significant group of manganese  
deposits in the United States." – Jon E. Spencer – Arizona Geological Survey*

Two year AMY chart completes bull cup and handle pattern and finishes continuation triangle. After the triangle, prices breakout out either up or down. Pressure for now is on the upside in this pattern.



**Note volume is resting after recent rally run from C\$.20 base support to high of C\$.80. Prices achieved our previous AMY essay forecast and we're re-calculating new numbers in this report. If you own the shares continue to hold them.**

**"American Manganese Inc. Ticker Symbol: TSX-V: AMY (formerly: Rocher Deboule Minerals Corp.) is a company focused on the exploration and development of metals crucial to the steel production industry. The major focus of the Company is on manganese particularly in Arizona at Artillery Peak and more recently their Rare Earth Niobium Property at Manson Creek, B.C. AMY could potentially become the lowest cost producer of electrolytic manganese in the world at \$0.44/lb. compared to China at \$0.98/lb., before the 20% Export Duty." -website**

**"BREAKING NEWS: 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." -website**

## Daily Chart For AMY Shows Different Shorter Term Patterns.



Please note the time and date this chart was pulled in the upper left-hand corner on Tuesday.

The RSI Relative Strength Index (top box) shows a neutral signal with an up bias common to stock bulling while markets trade sideways in continuation triangles on the weekly charts.

The big price box (center) shows us several other things for guidance. We have an inverted (upside down) head and shoulders (bullish). We see several hits against upside resistance against C\$.75. The current up move could be the break-out we are expecting. Price is above all moving averages, which is bullish. Volume is low. This is a normal forecaster of a new breakout when shown with the other bull patterns.

In the lower box, we see the bullish Histogram vertical blue bars. Those also formed an inverted bull head and shoulders pattern and they rising to the upside from mid-March. Just above the Histogram bars, we see the MACD moving averages basing and in preparation to cross-up in a new bull bias move.

Traders and investors who own the shares should continue to hold them. New buyers can enter now understanding we could see a mild market correction next week. If you prefer to wait for an overall market pullback, this might be helpful to enable an entry at a slightly lower price within 7-10 trading days.

## Manganese Properties, Markets And Prices. -website

**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% per year from 2003 - 2008.

- There is no substitution for manganese in steel (total manganese market greater than 30 billion pounds per year, fourth largest traded metal)

- The most critical metal at risk to supply and disruption in the United States. No US production.

- 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, world price is \$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.

**Raw manganese is silvery in color. Electrolytically refined manganese chips, are pure and covered with oxide shown in the photo. -Wikipedia**



**Most are unaware of the very high demand and uses for this metal. Import export fees from China and the USA total 34% of the raw price.**

*“Manganese (MANG-gən-neeZ) is a chemical element, designated by the symbol Mn. It has the atomic number 25.”*

*“It is found as a free element in nature (often in combination with iron), and in many minerals. As a free element, manganese is a metal with important industrial metal alloy uses, particularly in stainless steels.”*

*“Manganese phosphating is used as a treatment for rust and corrosion prevention on steel.”*

*“Depending on their oxidation state, manganese ions have various colors and are used industrially as pigments. The permanganates of alkali and alkaline earth metals are powerful oxidizers.”*

*“Manganese dioxide is used as the cathode (electron acceptor) material in standard and alkaline disposable dry cells and batteries.”*

### **Trader Tracks Summary On Manganese And The Company.**

**We see four, fundamental, primary reasons as to why manganese has a strong and profitable upside.**

- (1) China is demanding and using more commodities of all types. They are charging export fees on most or all of them and continue to buy-out mine sources inside and outside China for this “must have” metal.
- (2) We are in a many years long commodity bull cycle where the demand will only increase.
- (3) Because of global, central banker behavior regarding bond and currency printing, inflation is a given and we are barely in the early stages. Price will pressure much higher.
- (4) This is another of the metals for which there are no substitutes. With larger and expanding pressures for growth on stainless steel, electronics and batteries; we see so much growth world-wide it is difficult to measure.



**See Chart: Trading range is C\$.60 to C\$.70. Our price forecasts for the first half of 2010 are: C\$.87, C\$.97, C\$1.05, C\$1.13. These cover the first half of 2011 through June 31. Those numbers represent both support and resistance. There could be two, full, minor broader market corrections by 6-31-11.**

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## **News Release Adds More Support To American Manganese.**

### **“American Manganese Engages Kemetco For Research on Lithium Manganese Oxide Battery Technology.”**

**“Added April 7th, 2011** – Vancouver, British Columbia: Mr. Larry Reaugh, President and Chief Executive Officer of American Manganese Inc. (“American Manganese” or the “Company”), (TSX.V: AMY; Pink Sheets: AMYZF), is pleased to announce it has expanded the scope of Kemetco Research Inc.’s work to include “Proof of Concept” testing for the manufacture of Lithium Manganese Oxide ( $\text{LiMn}_2\text{O}_4$  (“LMD”) powder. **The mineral resource at American Manganese’s Artillery Peak property will be the source of the manganese component recovered by the Company’s patent pending process, which is progressing, on schedule, through pilot plant development.** Manganese content of the  $\text{LiMn}_2\text{O}_4$  compound is 61% by weight.”

“The focus of the battery industry on Lithiated Manganese Oxide batteries is a result of the very low cost to produce and the high power output, thermal stability and enhanced safety in comparison with other lithium ion battery types. The rapid growth in battery developments is dramatic. Work at the University of Illinois has achieved an advanced prototype battery, using Lithiated Manganese that can be recharged in as little as 2 minutes (equivalent to filling a gas tank). The Company’s expanded scope of work with Kemetco represents an important expansion of its business model to include more high value products which are electrolytic manganese metal (EMM); electrolytic manganese dioxide (EMD); and LMD. The process to make lithium manganese oxide powder would take, as its basis, high purity manganese carbonate, an intermediate compound in the Company’s patent pending process for electrowinning EMM.”

“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. Artillery Peak’s NI 43-101 Resources are Indicated 6.686 Billion pounds and Inferred 8.881 Billion pounds manganese”.

**“About Kemetco Research:** Kemetco Research is a privately owned contract research and development company specializing in extractive metallurgy, chemical processing and specialty chemical analysis. Kemetco was formed after the acquisition of the industrial process division of B.C. Research. B.C. Research had been in operation for over 60 years as a research and development contractor in British Columbia, Canada.”

**“About American Manganese Inc:** American Manganese Inc. is a diversified specialty and critical metal Company focusing on potentially becoming the lowest cost producer of high value electrolytic manganese products from its Arizona Manganese Project.” On behalf of Management: AMERICAN MANGANESE INC., Larry W. Reaugh, President and Chief Executive Officer

**This news release is another reason to like the AMY shares. Continue to hold your positions if you own the stock. Follow our recommendations on the bottom of page nine if you do not own the shares and would like to be a new buyer.** -Editor Trader Tracks Newsletter