

## BUILD YOUR PORTFOLIO TODAY

Austral's 25% plus spike this week highlights the importance of owning a number of small cap irons in the fire, so that one can literally catch alight. We cover close to 100 stocks in our semi-annual research rundown.

You literally have to "be in it, to win it", with the adjunct, "at the right price". Under the Radar Report helps you on both counts and this sector focused Research Rundown is invaluable. We've got your back.

A stock can sit around and do nothing, even in the face of good news, until an announcement changes perceptions. You want to be in there before the news! As we commented in recent notes, with an order book of close to \$13bn, Austral's price was being held back by nervousness over funding capacity for expenditure plans to fulfil big contracts with the US and Australian navies.

The deal announced this week mean's Austral's customers are effectively funding entry into nuclear submarines, which has important connotations for the AUKUS agreement.

We look at all our stocks on the balance of risks involved. Austral is rated 4, where 1 is the lowest risk and 5 the highest and is despite the company's big size. Defence supply agreements take months, if not years to finalise and involve large inventory and capital requirements. There is a variability of cashflow which needs to be considered. On the other hand, there are high barriers to entry and gold-plated customers.

Last week we covered media company and best buy **NZME (NZM)** which complements growthier stocks. Despite its higher risk, Austral is another good addition, although I note that we downgraded to hold prior to the recent spike.

Risk generally refers to whether a company can fall over, or be forced to raise emergency capital causing huge dilution. Obviously, the less risk there is in a stock, the greater the premium you should pay over the market for a given return. This also includes a growth factor, which is why you are an equity investor.

We are here to help you build your portfolio, to give you those irons in the fire, at the right price, and with regard to the level of risk. I repeat: We've got your back. ■



**Richard Hemming**  
Founder

### the issue

#### RESEARCH RUNDOWN 02

This is our universe of close to 100 Small Caps in a neat summary. The companies are listed by sector and then by industry. To find out more about any company, login online and search for it. All the research around each stock is there.

**Small Talk**  
 "A stock can sit and do nothing even with good news; but then particularly good news changes perceptions and the stock gaps up. You want to be in there before the news!"  
 UNDER THE RADAR REPORT

PLEASE LOGIN TO THE DASHBOARD TO SEE THE RISK RATING RAINBOW FOR EACH STOCK.

**99% of all financial news relates to the 40 to 50 biggest companies. So what about the rest? They're Under the Radar.**

under the radar **report**  
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**RESEARCH RUNDOWN**

**19 SEPTEMBER 2024**

	COMPANY	ASX CODE	INDUSTRY	MARKET CAP (\$M)	NET CASH OR -NET DEBT (\$M)	DPS* (CENTS)	DIV YIELD (%)*	INITIAL TIP PRICE (\$)	LATEST PRICE (\$)**	RETURN (%) INCL DIVS	RATING	RISK RATING	LATEST COMMENT
<b>SECTOR - CONSUMER DISCRETIONARY</b>													
1	<b>ARTICORE</b>	ATG	Retail	110.0	37.1	0.0	0.0	0.41	<b>0.39</b>	<b>(4)</b>	<b>Spec Buy</b>	<b>4</b>	After some positive momentum ATG is at the level we first recommended it to subscribers, but the underlying business has demonstrated substantial progress.
2	<b>CITY CHIC COLLECTIVE</b>	CCX	Retail	45.1	3.9	0.0	0.0	0.48	<b>0.12</b>	<b>(47)</b>	<b>Hold</b>	<b>5</b>	This is extremely high risk. Holding on is probably the right option but the headwinds the retailer faces are big.
3	<b>EMBARK EARLY EDUCATION</b>	EVO	Retail	114.0	12.5	3.9	5.5	0.70	<b>0.72</b>	<b>3</b>	<b>Buy</b>	<b>3</b>	FY24 result flat, but inline with expectations. This is a FY25/26 story that is already producing dividends. A slow burn but we remain positive.
4	<b>HELLOWORLD TRAVEL</b>	HLO	Retail	298.7	113.0	11.0	5.9	2.16	<b>1.86</b>	<b>(14)</b>	<b>Spec Buy</b>	<b>4</b>	A strong balance sheet on top of growth from acquisition. Travel demand is high and the stock is good value.
5	<b>KOGAN.COM</b>	KGN	Retail	493.6	41.2	20.0	4.1	3.15	<b>4.89</b>	<b>70</b>	<b>Hold</b>	<b>3</b>	Online retailer with record 2.6m active customers and post Covid recovery complete. Platform and Products sales growth to continue.
6	<b>MYER</b>	MYR	Retail	723.7	212.0	4.0	4.6	0.52	<b>0.87</b>	<b>57</b>	<b>Hold</b>	<b>4</b>	Stock is benefiting from prospects of a deal with Premier Investments (PMV); hold on for detail, which should be positive based on increased footprint.
7	<b>NICK SCALI</b>	NCK	Retail	1341.9	9.6	58.0	3.7	1.40	<b>15.75</b>	<b>1,159</b>	<b>Hold</b>	<b>3</b>	The UK expansion capitalises on its business model and will help deliver further scale benefits on the factory floor, but the weak consumer is a risk.
8	<b>RETAIL FOOD GROUP</b>	RFG	Retail	167.0	<b>(5.1)</b>	0.0	0.0	0.09	<b>0.07</b>	<b>(20)</b>	<b>Spec Buy</b>	<b>5</b>	Stabilised earnings and balance sheet. The company can grow through increased outlet numbers on top of a network optimised through the struggles of the last few years, and product extensions.
9	<b>THE REJECT SHOP</b>	TRS	Retail	116.3	49.9	12.0	3.8	3.65	<b>3.12</b>	<b>(13)</b>	<b>Hold</b>	<b>4</b>	Despite positioning at the value end of the market, TRS still faces the challenges of competing for market share in an industry dominated by larger competitors. Near term margin pressure from rising costs and shrinkage adversely impacted FY24 profitability.

\*\*LATEST PRICE @ 18/09/2024 ^Net Assets \*Forecast

**Best Buys**

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SECTOR - CONSUMER STAPLES													
10	ELDERS	ELD	Food	1466.7	(356.0)	36.0	3.9	2.50	9.32	309	Buy	3	Has delivered underlying growth over the medium term, but the agricultural cycle has been a headwind in FY23 and FY24, which will show earnings declines. A long-term asset for a diversified portfolio, with cyclical upside.
11	SELECT HARVESTS	SHV	Food	542.5	(237.9)	0.0	0.0	2.60	4.48	132	Hold	4	Output and prices are recovering from depressed FY23 levels, which should enable debt reduction. There is continuing uncertainty about the US crop later this year.
SECTOR - ENERGY													
12	COMET RIDGE	COI	Oil & Gas	182.8	10.1	0.0	0.0	0.18	0.17	(45)	Spec Buy	4	Provides exposure to two future Queensland gas projects, which will supply the tight east coast gas market. Re-rating potential as milestones are achieved. High risk.
13	COOPER ENERGY	COE	Oil & Gas	493.7	(238.8)	0.0	0.0	0.24	0.19	(20)	Spec Buy	4	Future gas production from two, long life Bowen Basin, Queensland, projects. Strong gas demand with rising prices, valuation uplift as developed.
14	KAROON ENERGY	KAR	Oil & Gas	1195.5	(104.0)	8.0	5.4	1.10	1.49	31	Spec Buy	4	The purest ASX listed oil stock for oil price leverage. Leverage increasing as the company scales up due to production growth and new projects.
15	STRIKE ENERGY	STX	Oil & Gas	593.1	(30.0)	0.0	0.0	0.32	0.21	(42)	Hold	4	Largest holder of Perth Basin gas Reserves and Resources. Renewables driving gas demand for firming. Many exploration and development catalysts ahead.
SECTOR - FINANCIALS													
16	AUSWIDE BANK^	ABA	Lender	223.5	289.8	30.0	6.8	5.12	4.40	12	Hold	3	Merging with Tas based MyState - bigger is better in banking world to form a nation-wide bank with \$9.6bn deposits.
17	CENTREPOINT ALLIANCE	CAF	Wealth	65.6	8.4	2.0	6.1	0.44	0.33	26	Spec Buy	4	Servicing financial planners is not a sexy business, but there are earnings tailwinds and M&A opportunities due to its strong balance sheet.
18	COUNT	CUP	Wealth	114.8	(23.0)	4.0	5.9	0.90	0.68	(19)	Spec Buy	4	We suggest accumulating small positions for yield and potential growth due to Diverger.

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19	DIGITALX	DCC	Wealth	34.7	6.1	0.0	0.0	0.08	0.04	(52)	Hold	5	Has developed revenue generating blockchain assets which are still subscale but have some promise. DCC also receives fees for managing crypto funds. Other crypto assets also support its market value, but the resignation of the CEO has created uncertainty.
20	MYSTATE^	MYS	Lender	426.6	461.1	23.0	6.0	4.62	3.86	3	Hold	3	Earnings are declining due to rising costs and static loan growth. Merging with Qld based Auswide Bank - bigger is better in banking world to form a nation-wide bank with \$9.6bn deposits.
21	OFX GROUP	OFX	Wealth	494.3	25.9	0.0	0.0	2.41	2.06	(14)	Hold	3	After a strong second half, investors will want earnings growth momentum to continue. The potential market is very large, and the valuation reasonable.
22	OMNI BRIDGEWAY	OBL	Wealth	250.6	(226.0)	0.0	0.0	1.71	0.89	(15)	Hold	5	The next 12 months will be crucial in determining OBL's ability to deliver its promise.
23	PACIFIC CURRENT	PAC	Wealth	574.7	95.5	34.0	3.1	7.85	11.01	57	Hold	4	There appears to be more value remaining in the residual fund managers. Holding on for potential for further sales at a premium.
24	SOLVAR^	SVR	Lender	261.9	365.7	10.5	8.4	1.44	1.26	8	Spec Buy	5	Established and growing auto lending with a significant runway for growth by growing the commercial book and leveraging the existing distribution network. Hold for dividends while the going is good.
SECTOR - HEALTHCARE													
25	AUSTCO HEALTHCARE	AHC	ehealth/med-tech	89.9	13.5	0.0	0.0	0.10	0.25	147	Spec Buy	5	Ambitious strategic objective to build direct sales capability in Australia, expand market presence and diversify products/services. Good value but high risk.
26	BEAMTREE HOLDINGS	BMT	ehealth/med-tech	83.8	5.0	0.0	0.0	0.35	0.29	(17)	Hold	5	Ambitious targets for growth over the next two years. Quality of growth is questionable, hence very high risk.
27	CLOVER CORP	CLV	Med tech	61.8	5.5	0.0	0.0	0.30	0.37	62	Hold	5	There are positive regulatory tailwinds globally but China is a set back. Clover is a long-established player and earnings are leveraged to volumes.
28	CYCLOPHARM	CYC	Med tech	162.8	27.6	1.0	0.7	0.97	1.47	55	Spec Buy	4	Good value but high risk. The company's technology is in demand and the business model will generate profit growth with sales of the Technegas nuclear medicine based system.

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Best Buys

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29	<b>IMPEDIMED</b>	IPD	Med tech	97.1	24.6	0.0	0.0	0.06	0.05	(23)	Hold	5	High risk but we are holding on, based on the new management team and lead generation.
30	<b>MACH7 TECHNOLOGIES</b>	M7T	ehealth/med-tech	130.2	26.0	0.0	0.0	0.61	0.54	(11)	Spec Buy	4	Hang in there, with Phase 2 of the Veteran's contract a big catalyst. The company has a super strong balance sheet and is making sales inroads every half.
31	<b>MEDADVISOR</b>	MDR	ehealth/med-tech	212.3	3.2	0.0	0.0	0.27	0.39	30	Hold	5	The stock has weakened on capital raising concerns that we don't believe are justified. The business is producing positive cash flow and is now profitable.
32	<b>MEDICAL DEVELOPMENTS</b>	MVP	Med tech	52.9	12.0	0.0	0.0	1.18	0.47	(49)	Spec Buy	5	The valuation is less than 1 times revenues is good for a medical devices company if ongoing losses are staunched.
33	<b>NANOSONICS</b>	NAN	Med tech	1075.7	130.0	0.0	0.0	2.36	3.55	55	Spec Buy	4	Operations leverage with R&D costs inflating the cost base. Long term growth through both sales expansion in new geographies and new products.
34	<b>PARAGON CARE</b>	PGC	Med tech	670.4	176.6	0.0	0.0	0.23	0.41	93	Hold	4	Positive outlook with rationalisation and cross selling. Longer term expansion of CH2 products into NZ and Asia using group infrastructure.
35	<b>SOMNOMED</b>	SOM	Med tech	97.2	15.2	0.0	0.0	2.09	0.45	(82)	Spec Buy	5	This has been a difficult stock, but it's still punching. The stock is cheap and has the backing of big investors. What it's also got is big potential in sleep apnoea treatment.
36	<b>TRAJAN GROUP</b>	TRJ	Med tech	182.0	(32.9)	0.0	0.0	2.99	1.20	(60)	Sell	5	Revenue from relatively defensive medical, environmental and food areas but employment and admin/marketing costs too high, constraining profit potential.
<b>SECTOR - INDUSTRIALS</b>													
37	<b>ACROW FORMWORK</b>	ACF	Contractor	307.4	(68.6)	6.0	5.9	0.58	1.02	77	Buy	3	Formwork on strong growth path supplemented by internally developed proprietary products. Industrial Services boosting recurring revenue, M&A growth likely.
38	<b>ALLIANCE AVIATION</b>	AQZ	Services	450.0	(306.0)	0.0	0.0	0.83	2.80	282	Spec Buy	4	Increasing flying hours and revenue through the debt funded acquisition of additional aircraft. Growth in revenue from wet leases (with crew) to Qantas, and existing FIFO contracts, should deliver further substantial earnings growth in FY25.

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Best Buys

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39	<b>BOOM LOGISTICS</b>	BOL	Contractor	61.9	(7.4)	0.0	0.0	0.20	0.15	(21)	Hold ▼	5	Crane hire is a difficult business, but some tail winds from new contracts and exposure to the growing renewables sector. On-market buy-back scheme. Good value but hard to get excited about. We would be looking elsewhere for cyclical growth. CEASE COVERAGE.
40	<b>DRONESHIELD</b>	DRO	Aerospace & Defence	1116.8	134.3	0.0	0.0	1.19	1.21	2	Sell	5	An interesting company with significant capabilities in a rapidly expanding market. A very considerable amount of revenue growth and earnings delivery is already built into the valuation. The fundamentals have some way to go before justifying investment.
41	<b>FLEETWOOD CORP</b>	FWD	Contractor	164.7	39.3	10.5	6.0	1.50	1.75	33	Spec Buy	4	Earnings recovery and upside from Building Solutions. Mining and infrastructure related demand for Community Solutions.
42	<b>GR ENGINEERING</b>	GNG	Contractor	293.9	65.3	19.0	10.8	0.58	1.76	315	Hold	4	Cyclical business that is successfully weathering the storm of commodity price uncertainty and project deferrals. Well placed for a recovery.
43	<b>PEOPLEIN</b>	PPE	Services	74.7	30.9	3.0	4.2	3.96	0.71	(82)	Hold	4	Decline in business confidence across many sectors is leading to reduced margins. Balance sheet pressure is increasing with increasing liabilities and low business confidence. Dividend cut.
44	<b>SILK LOGISTICS</b>	SLH	Services	106.0	(23.7)	3.5	2.7	1.71	1.30	(19)	Hold	4	The lease costs have ramped up more than we had anticipated and we want to see profit growth before we buy more.
45	<b>SOUTHERN CROSS ELECTRICAL</b>	SXE	Contractor	499.0	84.0	7.0	3.7	0.35	1.89	458	Hold	3	Strong growth outlook with Infrastructure tailwinds such as data centres and renewables. Diversity of Infrastructure provides many avenues for growth.
46	<b>SRG GLOBAL</b>	SRG	Contractor	632.5	17.8	4.5	4.2	1.36	1.06	(12)	Buy	3	Strength and diversity of business model, operating in many sectors and geographies, provides protection and opportunities. Focus on Tier 1 clients.
47	<b>XRF SCIENTIFIC</b>	XRF	Contractor	209.3	10.4	4.4	2.9	1.25	1.50	17	Buy	3	Raw materials demand and global customers driving growth. Capital light model.



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SECTOR - INFO TECH													
48	<b>5G NETWORKS</b>	5GN	Software	43.9	65.0	1.0	7.1	0.15	0.14	(7)	Hold	4	In the final stages of selling all of its operational businesses, returning cash to shareholders and being wound up. Hold on for residual value.
49	<b>AIRTASKER</b>	ART	Software	124.7	17.2	0.0	0.0	1.21	0.28	(77)	Spec Buy	4	Self-funded through domestic earnings, driven by 80% local earnings (EBITDA) margins. The prize is international potential, and all eyes are focused on the UK.
50	<b>AVA RISK</b>	AVA	Software	27.8	2.9	0.0	0.0	0.18	0.10	(30)	Hold	5	This remains a work in progress and is burning cash. We need to see evidence of growth before we go positive.
51	<b>CATAPULT</b>	CAT	Software	622.8	1.0	0.0	0.0	1.22	2.38	95	Hold	4	FY24 results demonstrated a move to positive free cash flow, and earnings have the momentum to grow rapidly for a few years as maximum operating leverage takes hold from a low base.
52	<b>DATA3</b>	DTL	Services	1198.9	276.4	24.0	3.1	0.99	7.74	735	Hold	2	Delivering impressive growth, but forecast P/E ratio of 25x is fair value for a high quality business. Exposure to IT growth trends of digital transformation, cloud, security and AI support a premium valuation.
53	<b>ENERGY ONE</b>	EOL	Software	156.0	(14.2)	6.0	1.2	4.11	5.02	22	Spec Buy	4	A niche in an active market. Delivery of organic revenue growth has been held back at the bottom line in FY24 by investment for future prospects, and the potential for further medium-term growth is good.
54	<b>GENTRACK</b>	GTK	Software	1031.9	36.8	0.0	0.0	1.31	9.97	664	Hold	3	The momentum is there with earnings tailwinds increasing expectations with every result. Now is not the time to get off.
55	<b>HANSEN TECHNOLOGIES</b>	HSN	Software	883.2	(24.5)	10.0	2.3	3.01	4.34	50	Buy	3	The founder led business is working hard on Powercloud, which will create new growth opportunities if it can be successfully turned around. The much larger core business is cash generative and is still growing.
56	<b>INFOMEDIA</b>	IFM	Services	637.0	70.0	5.0	2.9	0.47	1.70	395	Hold	3	Earnings quality is improving. On the high side trading on a forecast FY25 PE of over 27 times.
57	<b>INTEGRATED RESEARCH</b>	IRI	Software	103.0	31.9	2.0	3.4	0.33	0.59	82	Hold	4	The stock has come off and the value on offer offsets the strategic uncertainty. In a position to grow, not reflected in the price.

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58	<b>MACQUARIE TECHNOLOGY</b>	MAQ	Services	2061.4	25.0	0.0	0.0	8.15	79.90	880	Hold	3	Substantial operating cashflow supports expansion. Undertaking major capital expenditure to increase capacity more than threefold. Slower growth in FY25 may give an opportunity to acquire stock at lower prices.
59	<b>PLAYSIDE STUDIOS</b>	PLY	Software	235.3	37.1	0.0	0.0	0.81	0.58	(28)	Spec Buy	4	Growth is balanced between work for hire for major clients, and development of original and third party acquired IP. New PC and console games developments will increase risks, for larger potential rewards.
60	<b>PRAEMIUM</b>	PPS	Software	238.6	41.0	2.0	4.0	0.28	0.50	82	Hold	3	Looks fairly valued; benefiting from trends such as market led growth and growing independent financial planners.
61	<b>RECKON</b>	RKN	Software	57.2	0.9	2.5	5.0	1.36	0.51	(41)	Spec Buy	4	Reduced financial risk but is a company in transition and sales growth remains elusive. Dividends while you wait for growth.
<b>SECTOR - MATERIALS</b>													
62	<b>AINSWORTH GAME TECHNOLOGY</b>	AGI	Manufacturing	267.7	(11.1)	0.0	0.0	1.05	0.80	(25)	Spec Buy	4	The poker machine manufacturer has broad distribution and growth opportunities. The stock trades on a single-digit PE; the potential for a hit game not priced in, but risk from the controlling shareholder.
63	<b>AUSTAL</b>	ASB	Manufacturing	1020.4	3.9	0.0	0.0	0.62	2.82	410	Hold	4	US contracts will deliver substantial activity and revenue growth, but capital expenditure requirements have increased to enable production lines to operate concurrently.
64	<b>BIG RIVER INDUSTRIES</b>	BRI	Manufacturing	126.0	(27.6)	7.5	5.1	2.51	1.48	(41)	Hold	4	Operating leverage high with any recovery in residential construction.
65	<b>BISALLOY STEEL</b>	BIS	Manufacturing	171.5	5.6	20.0	5.6	1.27	3.58	202	Spec Buy	4	Niche, specialised steel player with substantial, but longer term, defence opportunities. Continues to innovate to lower costs and expand its markets.
66	<b>CAPRAL</b>	CAA	Manufacturing	155.7	67.8	0.0	0.0	5.10	9.00	125	Hold	4	Well managed but inflation risk to cost base. Caught in a residential downturn. Well positioned for a potential recovery in 2025.



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67	GALE PACIFIC	GAP	Manufacturing	35.5	(0.7)	0.0	0.0	0.25	0.13	2	Hold	4	A solid balance sheet supports the business, although cyclicality has taken a lump out of revenues as we had feared. Needs to show a stabilisation in revenues before upgrading, since operating leverage is significant.
68	HAZER	HZR	Manufacturing	67.2	12.8	0.0	0.0	0.41	0.29	(29)	Hold	5	Hazer clean hydrogen technology has potential but needs widespread commercial adoption and pathway to profitability. Carries risk, requires patience.
69	LASERBOND	LBL	Manufacturing	63.7	(7.7)	1.8	3.3	0.45	0.55	23	Spec Buy	4	The stock looks compelling value, trading on a single-digit forecast PE and pays dividends but is high risk due to customer concentration and difficulty in scaling up.
70	QUICKSTEP	QHL	Manufacturing	15.4	(6.8)	0.0	0.0	0.86	0.22	(74)	Spec Buy	5	Aerospace and defence oriented company with composites expertise. Global environment providing tailwinds for growth in existing and new businesses.
<b>SECTOR - METALS &amp; MINING</b>													
71	ARAFURA RARE EARTHS	ARU	Rare Earths	386.9	42.2	0.0	0.0	0.35	0.16	(56)	Hold	5	To bring on a significant, non-China source of rare earths to a market that is looking increasingly for supply independence from China. Re-rating upside.
72	ARGOSY MINERALS	AGY	Lithium	61.1	11.3	0.0	0.0	0.41	0.04	(90)	Hold	5	Appeal of expansion potential and leverage to lithium price recovery. Given the size of its landholding, could be an M&A target.
73	BANNERMAN ENERGY	BMN	Uranium/ Nuclear	405.4	100.0	0.0	0.0	1.80	2.27	26	Hold	5	Project still early stage in a proven uranium district with valuation growth as it is developed. Valuation and future earnings are leveraged to the uranium price.
74	BOSS ENERGY	BOE	Uranium/ Nuclear	1106.2	67.1	0.0	0.0	1.40	2.70	93	Spec Buy	4	Now a uranium producer, providing earnings leverage to an inevitable uranium price recovery, although the timing of the recovery is uncertain.
75	CENTAURUS METALS	CTM	Nickel	210.9	24.7	0.0	0.0	0.88	0.43	(52)	Hold	5	One of the world's best undeveloped nickel sulphide projects in a proven mining jurisdiction. Still milestones before construction, including funding.
76	EVOLUTION MINING	EVN	Gold	8832.0	(1520.0)	15.0	3.4	0.72	4.44	586	Buy	3	Gold and copper leverage. This company is a consistent performer and has a track record of making acquisitions deliver.

\*\*LATEST PRICE @ 18/09/2024 ^Net Assets \*Forecast

Best Buys

Risk Rating: 1 = bond like risk; 2 = low-risk; 3 = moderate risk; 4 = high risk; 5 = extremely high risk.

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**RESEARCH RUNDOWN**

19 SEPTEMBER 2024

	COMPANY	ASX CODE	INDUSTRY	MARKET CAP (\$M)	NET CASH OR -NET DEBT (\$M)	DPS* (CENTS)	DIV YIELD (%)*	INITIAL TIP PRICE (\$)	LATEST PRICE (\$)**	RETURN (%) INCL DIVS	RATING	RISK RATING	LATEST COMMENT
77	<b>ILUKA RESOURCES</b>	ILU	Rare Earths	2547.8	154.4	9.0	1.5	11.97	5.95	(50)	Hold	3	Future rare earths business, with first products in 2025, to be a significant addition to cash flow and earnings. Core mineral sands business delivered CY 2023 NPAT of \$343m on revenue of \$1.2bn. Ongoing investment in development pipeline.
78	<b>LAKE RESOURCES</b>	LKE	Lithium	71.7	32.3	0.0	0.0	0.34	0.04	(88)	Hold	5	Globally significant long life (25 years) undeveloped lithium project. Funding route uncertain, adding risk. Lithium recovery and patience needed.
79	<b>LIONTOWN RESOURCES</b>	LTR	Lithium	1636.9	(177.1)	0.0	0.0	1.50	0.68	(52)	Hold	4	Globally significant large scale hard rock lithium project. On track for its inaugural shipment of concentrate by the end of September. Possible corporate target.
80	<b>LOTUS RESOURCES</b>	LOT	Uranium/ Nuclear	421.7	31.1	0.0	0.0	0.32	0.23	(21)	Spec Buy	4	Australia's next listed uranium producer with Kayelekera 18 months away. Its second uranium project at Letlhakane provides growth and scale.
81	<b>LYNAS RARE EARTHS</b>	LYC	Rare Earths	6337.3	352.0	0.0	0.0	7.85	6.78	(12)	Spec Buy	4	A leading non-China producer with leverage to rare earths price recovery. Growth through expansions, overseas projects and increased product range.
82	<b>NORTHERN STAR RESOURCES</b>	NST	Gold	18071.2	(64.9)	42.0	2.7	0.83	15.73	1,801	Buy	3	Well managed gold producer with 20% production growth to 2m ounces a year by 2026. The largest gold producer in the globally significant Kalgoorlie region.
83	<b>PALADIN ENERGY</b>	PDN	Uranium/ Nuclear	2754.7	(173.3)	0.0	0.0	0.42	9.21	2,101	Spec Buy	4	Larger Heinrich mine in Namibia restarted with first customer shipment. Takeover of Canadian listed Fission occurring, which is developing uranium project, Sakatchewan; about 2 years away.
84	<b>PANTORO</b>	PNR	Gold	806.8	85.3	0.0	0.0	0.20	0.13	(42)	Spec Buy	4	Norseman project, near Kalgoorlie, WA, now full operational at 1.2mtpa with further increases up to 1.4mtpa without major upgrade costs. Positive free cash flow with FY25 production of 100k oz gold at relatively low cost for a start up of A\$1,900/oz.
85	<b>PILBARA MINERALS</b>	PLS	Lithium	8657.3	1070.7	0.0	0.0	0.32	2.88	759	Hold	3	World's largest hard rock lithium producer. Latin acquisition adds a growth project, following the Pilgangoora expansion. Leveraged to lithium price recovery.
86	<b>RAMELIUS RESOURCES</b>	RMS	Gold	2508.1	424.3	5.0	2.3	0.87	2.19	147	Spec Buy	4	Strong execution of growth strategy. Cue, Eradimus and possibly Dalgaranga extending Mt Magnet 10 year plan.

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Best Buys

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**RESEARCH RUNDOWN**

19 SEPTEMBER 2024

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87	<b>REGIS RESOURCES</b>	RRL	Gold	1477.0	(17.2)	0.0	0.0	5.09	1.96	(65)	Sell	4	Production profile under pressure. Core Duketon asset facing reserve rundown and need for increased underground developments. Unexpected Section 10 declaration at McPhillamys makes the project unviable in its current planned form and removes a source of future gold production growth.
88	<b>SILEX SYSTEMS</b>	SLX	Uranium/Nuclear	823.2	113.1	0.0	0.0	3.98	3.47	(11)	Spec Buy	4	Strong appetite for new uranium enrichment technology for use in the US given proposed ban on Russia uranium fuel imports and nuclear energy push.
<b>SECTOR - REAL ESTATE</b>													
89	<b>INGENIA COMMUNITIES</b>	INA	Aged Communities	2103.1	(616.0)	12.5	2.4	1.62	5.16	256	Hold	3	Momentum is strong and the company has low exposure to troubled aged care markets. New management could breathe more life into the stock.
<b>SECTOR - TELCO/COMMS</b>													
90	<b>AI-MEDIA</b>	AIM	Media/technology	156.6	10.9	0.0	0.0	0.35	0.75	114	Hold	4	The company is growing fast and is taking market share, but still not making a great deal of money. We believe that the \$60m operating earnings in five years is achievable.
91	<b>ARN MEDIA</b>	A1N	Media/advert	197.3	(87.0)	3.0	4.8	1.89	0.63	(14)	Hold	4	Traditional media stocks like A1N have suffered in 2024, and the advertising business has been weak. The potential for a substantial recovery in radio advertising revenue should eventually deliver an earnings recovery, but A1N's industry consolidation ambitions complicate the story.
92	<b>ENERO</b>	EGG	Media/advert	99.8	43.7	4.0	3.6	0.60	1.10	135	Spec Buy	4	The trend has been negative, but the value is there, trading on a single-digit forecast PE and on a dividend yield. It's high risk, but it's a buy for those members who can hang tough.
93	<b>NZME</b>	NZM	Media/advert	167.1	(27.7)	8.3	9.2	0.66	0.90	68	Buy	3	We maintain our positive recommendation because the stock is cheap on current earnings, is well positioned to benefit early from NZ economic growth and pays dividends.

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Best Buys

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**RESEARCH RUNDOWN**

19 SEPTEMBER 2024

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94	PUREPROFILE	PPL	Media/advert	29.0	3.3	0.0	0.0	0.02	0.03	17	Buy	5	The data analytics company is in a position to build on domestic success and accelerate growth through competitor difficulties in the UK. This has been a long road, but now is the time to look at adding this stock to your portfolio if you are comfortable with a high-risk high return holding.
95	SUPERLOOP	SLC	Telco	911.1	(8.6)	0.0	0.0	2.33	1.82	(25)	Hold	4	Growth supported by a low-cost positioning delivering a high quality product and ability to exceed market expectations.
96	TUAS	TUA	Telco	1949.6	47.3	0.0	0.0	0.58	4.18	640	Hold	4	We correctly highlighted TUA for its potential even before any reported financial results. Strong revenue growth delivered over 50% operating earnings growth plus real potential in fixed line broadband further motivates the market's very high valuation.

## **99% of all financial news relates to the 40 to 50 biggest companies. So what about the rest? **They're Under the Radar.****

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