

Analyst draws a “Golden Arrow” for a rising silver major in Argentina

On the very eve of the deal’s final confirmation, investors started to get nervous that it would not close. This was a case of “O, ye of little faith” because the deal as concocted back in late 2015 was not only synergistic but a win-win for all concerned. As it happened the delay was merely hours in length and the transaction was confirmed with the simultaneous release of the details of the PFS, so we now have a more complete picture of how the project is likely to evolve.

Taking advantage of the way the wind was blowing it carved out a deal with Silver Standard in late 2015 with the goal of potentially combining the mature Pirquitas mine of the large company with the evolving Chinchillas deposit held by Golden Arrow Resources Corporation (TSXV: GRG | OTCQB: GAWWF). This pooling of two projects in relatively close proximity in the north-western province of Jujuy made eminent economic sense. The funds that will be received as “back money” from Pirquitas revenues since October 2015 will go substantially towards reducing the required commitment of GRG to the Chinchillas CapEx thus alleviating dilution fears that are usually associated with a minebuild.

Now that the pooling of assets is confirmed we shall look at how the combined assets might work together in light of the PFS which was announced on the same day as the definitive deal.

The Pooling of Assets

Production is over the hill at Pirquitas and its best chance of extending its own mine’s life and gleaning extra value out processing infrastructure at the mine is a combination with

another up and coming project. Without an extra source of feedstock, a decision on whether to shutter it was needed imminently. The obvious solution was to cut a deal with Golden Arrow and ramp up Chinchillas with a stream of Silver (and Zinc) ore directed towards Silver Standard's processing facilities at Pirquitas.

Anticipating this risk/opportunity, in October 2015, Golden Arrow Resources and Silver Standard entered into a business combination agreement for the joint development of Golden Arrow's Chinchillas project and "an agreement to combine the producing Pirquitas Mine and the Chinchillas project, located approximately 35 kilometres apart in Jujuy Province of Argentina, into a single new operation." The joint venture will be 75%-owned by Silver Standard and 25%-owned by Golden Arrow.



In consideration for granting Silver Standard the rights to conduct pre-development activities, it agreed to pay to Golden Arrow some \$2mn

This “back-money” is estimated to amount to around US\$15mn and will go a long way towards covering Golden Arrow’s share of the upfront CapEx of Chinchillas.

Managing the JV

To deal with the logistics of the Joint Venture the company is establishing a production committee, which will include veteran mining engineer, Alf Hills, which will monitor

progress at the two sites, compliance with the JV conditions and other budgetary, construction and production issues.

Alf Hills has over 35 years of international mine evaluation, development and operational experience. From 2006 to 2013, he was the CEO and a director of Kobex Minerals Inc. and its predecessor company, International Barytex Resources. Prior to that he spent 26 years with the Placer Dome group where amongst other management roles he was the Vice President – Evaluations and was involved with the Cortez Hills Project. In the first instance, he will be an advising consultant to Golden Arrow. He will then be appointed to represent Golden Arrow on the board of the recently announced Joint Venture NewCo.

The Pre-Feasibility Study

The confirmation of the joint venture with Silver Standard coincided with the announcement of the result of the pre-feasibility study. This study evaluated the development and construction of an open-pit mine and supporting infrastructure, which will supply ore to the Pirquitas processing facilities at 4,000 tonnes per day over an eight-year active mining period. A tailings storage facility will be located on the Pirquitas property and is included in the capital cost estimate.

The ore will be transported approximately 42 kilometers to the Pirquitas processing facilities. Haul trucks, loading equipment and drills at the Pirquitas mine will be transferred to Chinchillas providing substantial costs savings on equipment and infrastructure and providing a shorter timescale to production.

The Pirquitas processing facility will process ore from the Chinchillas project using standard crush, grind and flotation at a rate of 4,000 tonnes per day. Minor modifications to the Pirquitas plant are expected. The plant is expected to produce

a silver/lead concentrate and a zinc concentrate. The two concentrates will be shipped internationally to smelters for processing.

Thus the metrics for the proposed operation are very attractive with:

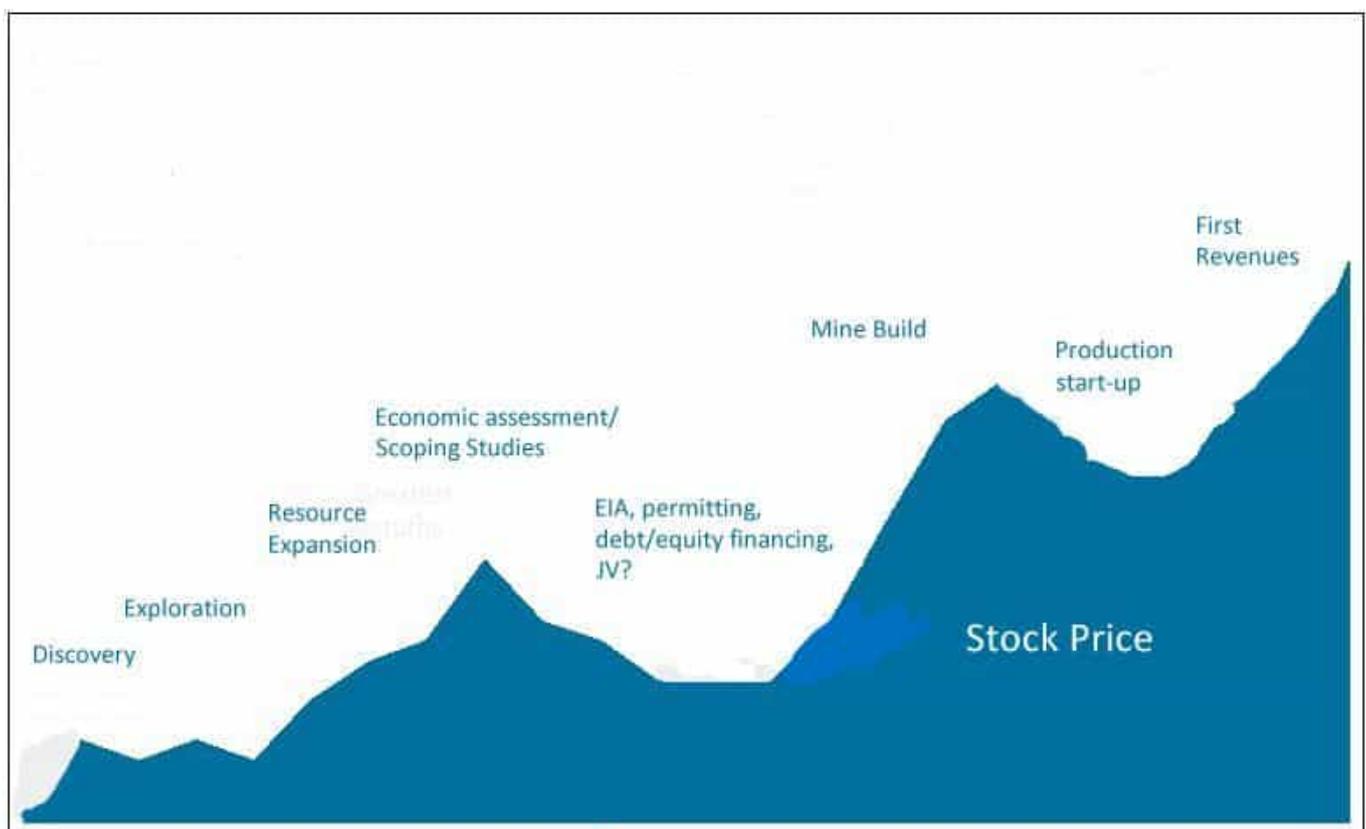
- Average annual Silver equivalent production of 8.4 million ounces over an eight-year mine life
- Within the Silver equivalent production there is Lead production of 35mn lbs per annum and Zinc production of 12.3mn lbs per annum
- Operating margins based on cash costs of \$7.40 per payable ounce of silver sold over the life of mine
- Post-tax net present value of \$178 million using a 5% discount rate (using metal prices of \$19.50 per ounce silver, \$0.95 per pound lead and \$1.00 per pound zinc)
- Attractive post-tax internal rate of return of 29%
- Low capital intensity based on initial capital expenditures (shown below), including owner's costs and contingency, estimated to be \$81 million

Capital Costs	Value (\$mn)
Site Infrastructure	\$10
Mining Equipment	\$12
Pre-stripping Capital	\$11
Plant and Tailings	\$16
Owner's Costs	\$10
Other	\$5
Contingency	\$16
Total	\$81

The path to near-term production at Chinchillas is expected to be relatively short with construction planned to begin in the third quarter of 2017, subject to permitting, followed by ore delivery to the Pirquitas mill in the second half of 2018.

Short-circuiting the Mining Lifecycle

We repeat here one of the industry's favorite charts. Conventional wisdom has it that the mine building phase is when a stock goes into a slump after the euphoria of discoveries and resource building. In the case of Golden Arrow it has gone straight from being a junior with an "oven-ready" PFS, to being a producer as 25% owner of Pirquitas. Nit-pickers would claim the PFS is on a different property to the producing one but that is sophistry indeed as Chinchillas has been the "possibility that has triggered the reality" in spurring Silver Standard to undertake this pooling of interests.



The mine build period is a usually a downtime for developers because risks become higher and dilution sets in at potentially crippling levels. In the case of Golden Arrow the risks are massively reduced by all the processing infrastructure being in place already and tried and tested and the team at Silver Standard being veteran minebuilders in Argentina, and most particularly Jujuy. Figuratively speaking "they wrote the book" when it comes to mining in these parts.

There is little need for dilution either as Golden Arrow comes out of the gate with the “back-money” from October 2015 and a significant share of the Pirquitas cashflow immediately to self-finance the Chinchillas mine build.

These two factors alone are sufficient to totally negate fears of a “construction phase” slump because the potential rationales therefore do not exist at Golden Arrow.

Conclusion

The combination of the assets of Golden Arrow and Silver Standard is a classic “win-win” situation with the synergies accruing to both sides from substantially extending the life of Pirquitas and maximizing the value of its infrastructure by adding Chinchillas to the mix and shortcutting the timeframe to production while massively reducing the CapEx involved.

In one transaction Golden Arrow has leapfrogged into producer status overnight and secured itself a substantial part of the residual production value (and immediate share of the revenues) at Pirquitas and brought much closer the pipeline value of Chinchillas, which would otherwise have been a long and expensive slog to production.

With this transaction confirmed Golden Arrow will become THE upcoming silver major in Argentina. The market seems to have not grasped the revenue potential of the transaction over and beyond the estimates of the PFS (particularly in light of much stronger Zinc prices) and neither have investors factored in the possibilities inherent in the significant unexplored extent of the Chinchillas deposit and the array of other potential projects that Golden Arrow has in its quiver. In light of these “hidden” aspects of Golden Arrow, we reiterate our 12-month target price of CAD\$1.45.

To read the Hallgarten Research Report on Golden Arrow, click [here](#)

Expect 'explosive growth' from the guys at Grosso and Golden Arrow

For the willing, cooperation can achieve a great deal in a very short time; a fact currently being expertly demonstrated by Golden Arrow Resources Corporation (TSXV: GRG | OTCQB: GARWF) ("Golden Arrow") and their strategic partners. Already a member of the high-achieving Grosso Group, a pioneering explorer of South-American resources for almost twenty-five years, Golden Arrow aligned with a neighbouring producer in 2015 to achieve a blend of experience and technological capability that would rapidly advance their silver, lead and zinc play by negating the need to build unnecessary additional processing plants. After an eighteen-month pre-feasibility stage, the gang are eminently positioned to achieve full production in record time, and are sitting at double the share value of only twelve months prior.

Given that Silver Standard's nearby Pirquitas mine is coming to the end of its life this year, combining the two operations was a significantly advantageous move. Golden Arrow will receive a US\$15 million option exercise payment from Silver Standard, equal to 25% of Pirquitas mine earnings less certain expenditures incurred from October 1, 2015 to closing, payable on closing, which is expected on or before May 30, 2017. Any investors who wish to benefit from a short-term boost to stocks should get in on the action immediately.

From Golden Arrow's perspective, Executive Chairman, President & CEO, Mr. Joseph Grosso described the joint venture as:

“A landmark achievement for the Company as Golden Arrow transitions from an exploration/discovery operation into a mining operation.”

Grosso further commented that “Golden Arrow’s shareholders stand to benefit from this profile and strengthened financial position.”

For the longer-term thinker, Pirquitas has around twelve-months of material remaining to process, after which it will switch to receiving the output from Golden Arrow’s Chinchillas project. The recent prefeasibility study (PFS) has revealed that the joint venture contains measured and indicated resources of 29.3 million tonnes, featuring 96 million ounces of silver at a grade 101 g/t, 581 million pounds of lead at a grade of 0.90% and 386 million pounds of zinc at a grade of 0.60%. The omission of a construction stage at Chinchilla, and the introduction of proven people and technology, has rendered the company’s’ project as a promising silver-play-of-choice.

Average annual silver equivalent production should be 8.4 million ounces over an eight-year mine life at a 4,000 tonnes per day of plant throughput, and operating margins are robust to say the least, based on cash costs of \$7.40 per payable ounce of silver sold over the life of the mine. Post-tax net present value is stated as \$178 million using a 5% discount rate, and metal prices of \$19.50 per ounce silver, \$0.95 per pound lead and \$1.00 per pound zinc make for an irresistible post-tax internal rate of return of 29%.

First acquired in 2011, the Chinchillas prospect has always shared a road with Pirquitas, a fact that originally compelled the companies to cooperate, as pre-existing infrastructure and local authority relationships mean that logistics and permitting need not be the total headache they are normally expected to be. I can’t stress enough how the simple act of folding together the two operations has created phenomenal

synergy that benefits all shareholders involved in either company; the closing-down of a US\$300 million facility has been avoided by extending its life by around nine years.

Golden Arrow remains the operator of the studies and the mine as it exists today. Upon completion and publication of proof-of-concept at the end of May, operational control will be handed over to Silver Standard, who will continue to run their proven plant with the material supplied by Golden Arrow. It is important to note that, for all intents and purposes, the project is a go, and formalities such as permitting are all that separate handshakes from shipments. Processing of the Chinchillas material may be over a year away, but the effects of the current transactions have already been felt. Expect explosive growth over both the short-and-long-term from the guys at Grosso and Golden Arrow.

Deconstructing Silver Standard in Argentina

One doesn't have to have too great a memory to recall the glory days of silver both before the 2008 crash and then the resurgence thereafter (when the metal hit \$50 per oz momentarily). Back at that time one of the 800lb gorillas of the silver space was Silver Standard Resources (TSX: SS0 | NASDAQ:SSRI) and it was a ubiquitous presenter in New York, constantly doing the rounds and keeping its mammoth market cap in play.



At the time its main play was a project (not a mine) called Pirquitas in the far northern province of Jujuy in Argentina. The project eventually came into production and has carried Silver Standard through the dark times, both for silver and for perceptions of Argentina. Now Argentina is (almost) sexy again and silver is back on centre stage (though not as booming as the Tin Foil Hatters would like). And yet machinations are afoot to “distance” Silver Standard from the project that has long been its mainstay.

In this piece we shall look at what is going on to try and divine if this is the creation of a major new champion of the Argentine mining space or the steady retreat of Silver Standard from its traditional stamping ground.

The “Latest” Deal

In October 2015, the current main vehicle of the Grosso Group, Golden Arrow Resources (TSXV: GRG; FSE:GAC; OTCQB:GARWF) and Silver Standard entered into a business combination agreement for the joint development of Golden Arrow’s Chinchillas project and “an agreement to combine the producing Pirquitas Mine and the Chinchillas project, located approximately 35 kilometres apart in Jujuy Province of Argentina, into a single

new operation.” The joint venture would be 75% owned by Silver Standard and 25% owned by Golden Arrow.

During the 18-month preliminary period, Silver Standard would invest up to approximately US\$12.6 million “at Chinchillas to advance the project and evaluate the feasibility of developing a combined mining business with its existing Pirquitas operation.”



The Grosso Group

This outfit is headed by Joe Grosso who might be called the doyen of Argentine mining. He was one of the early pioneers of

the mining sector in Argentina in 1993 when mining was opened to foreign investment, and was named Argentina's 'Mining Man of The Year' in 2005. He proved to be a useful vector for foreign miners wanting local knowledge during the opening of the Argentine mining sector and fully formed strategic alliances and negotiated with mining industry majors such as Barrick, Teck, Newmont , Viceroy (now Yamana Gold) and Vale S.A., and government officials at all levels.

Rummaging through the dustbin of our mind (well, actually searching our back catalogue of research) brought us to our avid support (in the middle of last decade) for Aquiline in its legal battle over the *La Navidad* deposit with the Grosso Group company IMA (then IMR.v). IMA ended up losing out to Aquiline, then Aquiline was snapped up by Panamerican Silver for around CAD\$626 mn, if memory serves us right, only to have Panamerican mothball the project despite its enormous potential.

Then rolling on to after the 2008 crisis, IMA was reduced to a cashbox and became subject to the predatory moves of a certain Southern Californian guru who engineered its merger into a threeway structure with Kobex and International Barytex in a deal, which we opposed, that created a super cash-box that then did nothing with the money during one of the greatest bargain basement sales in mining history.

The Argentine Assets

Silver Standard's Pirquitas property is a well-known mine. It is positioned at an elevation of 4,100 meters above sea level and is accessible by all-weather roads. The open-pit mine achieved commercial production in December 2009. Ore is crushed and treated in a gravity pre-concentrator prior to processing in a conventional mineral flotation plant. The silver and zinc concentrates produced from the plant are shipped to third party smelters.

The mine delivered record silver production in 2015 with 10.3mn ounces of silver and 9.4mn pounds of zinc. For 2016 the production guidance was between 8-10mn ounces of silver and up to 5mn pounds of zinc.

The Probable Mineral Reserves amounted to 16.5mn ounces of silver at an average grade of 220.1 g/t and 7.7mn ounces of silver in stockpiles at an average grade of 109.1 g/t as at December 31, 2015. The Indicated Mineral Resources of 53.8mn ounces of silver at an average grade of 122.4 g/t, 18.2mn ounces of silver at an average grade of 241.1 g/t at Pirquitas Underground and 8mn ounces of silver in stockpiles at an average grade of 107.3 g/t as at December 31, 2015.

Here is the San Miguel open-pit at Pirquitas.



The Chinchillas property is a less-well-known quantity in comparison. It has near-surface mineralization providing the potential for an open-pit mining scenario, plus conventional metallurgy that has shown high recoveries of silver, lead and zinc to concentrates in bench-scale testing, and access to infrastructure including highways, power and water. The

project which hosts a resource of 100mn ounces of silver (155mn ounces in AgEq) in the Measured & Indicated categories and 44mn ounces of silver (90mn ounces AgEq) in the Inferred category.

However, it's vital to note in light of the storming Zinc price that this resource dates from April 2016 when Zinc was a whole different ball of wax. This project has a Measured and Indicated Zinc component of 401mn lbs with a further 548mn lbs Zn in the Inferred category. With silver having fallen and Zinc having risen, the AgEq equation would register substantially more ounces now and Zinc would be a greater part of the economics. This is the type of stuff that gets our pulse racing.

This updated resource estimate is the result of the Chinchillas Project pre-development activities, funded by Silver Standard, which are being undertaken to evaluate the feasibility of creating a combined mining business with Silver Standard's Pirquitas mine.

What has Happened?

The two major events in the last two months have been the retreat of the silver price from over \$20 and, probably more importantly, the change of government in Argentina. After nearly a decade and a half of irregular iconoclastic governments in Argentina ruled most recently by the dynasts of the Kirchner family and before that the Duhalde regime the country has returned to a certain orthodoxy with the election of Mauricio Macri as President in the last quarter of 2016. While not reinserting Argentine directly into the good books of mining investors it has certainly made thinking about the possibilities not being grounds for insanity. Foreign exchange rules and foreign purchasing restrictions have been freed up thus removing two of the major bugbears of foreign miners operating in the country. This reopening has coincided with the Lithium boom which has placed Argentina at the centre of

the action because of its ample supply of *salares* in its northwestern provinces.

With these developments in the foreground the Silver Standard/Golden Arrow alliance has been puttering along in the background. In 2016, work completed included: a Phase VI drill program, an upgraded resource estimate, metallurgical studies, engineering studies, environmental monitoring, and community relations programs. The Environmental Report, which is the major mine permit application, was submitted to the authorities in September.

Joseph Grosso, chairman, president and CEO of Golden Arrow, went on record in December as saying “as of the end of September 2016, Silver Standard has invested approximately US\$11mn to advance the project towards pre-feasibility”. He also noted that “currently at Chinchillas, there are two drills working to complete detailed geo-mechanical and hydrogeological programs in and around the designed open pit by mid-December. Exploration work is also continuing both at Chinchillas and regionally, to delineate additional potential ore feed for the proposed operation.”

The price action at Golden Arrow seems to echo what has happened with the silver price over the last six months more than any developments on the ground with its Silver Standard deal.



Conclusion

Supposedly J.P. Morgan was once asked how he became so wealthy and his response was “I sold too early”. The question here is whether Silver Standard “sold too early” in engineering the transaction discussed above. We think not. Production is over the hill at Pirquitas and its best chance of extending its own mine’s life and gleaning extra value out of its smelter at the mine. Without an extra source of feedstock, a decision on whether to shutter it will need to be made in the next two months. The obvious solution is to ramp up Chinchillas and start sending a stream of Silver (and Zinc) ore in the direction of Silver Standard’s processing facilities at Pirquitas. We are constantly asked where the next big Zinc mine is coming from and have hitherto been saying Chesapeake’s Metates project or shrugging our shoulders. However with the silver and zinc planets aligning in Jujuy the combined operation of Pirquitas and Chinchillas adds a major dark horse in the race to production.

As to which of the players to go for, the choice is between Silver Standard with 75% of the combined operation (but with a \$1.5bn market cap) or Golden Arrow with a \$69mn market and 25% of the action. While Silver Standard has two other producing

mines (Marigold and Seabee, which are rather ironically both gold mines), Golden Arrow would appear to be the purer play, the cheaper stock and the better leverage to the renascent Argentine mining sector.

Argentina Unshackled

Observers from outside Argentina have gone on a frenzied romp of self-congratulation hailing the change in the Argentine Presidency in last week's elections as something akin to a Revolution. Once again though we find that simplistic formulas are being used and the nuances of what has happened being ignored. The situation still has the potential to be a wild ride for investors.



For a start the victory of Mauricio Macri is being hailed as a “right-wing” victory. To put that in context, firstly he leads a Rainbow Coalition that stretches from the Left across to the Right and the party he beat, the Frente Para la Victoria, is in fact the old Peronist Party, which was a fascist/corporatist construct in its original roots. So to claim that a wealthy businessman (in fact I would venture one of the five wealthiest in the country) that leads a Coalition including the Left is a “Right-wing” victory is stretching it a bit.

Secondly we would note that the victory was surprisingly narrow. While the first votes in showed a 9% lead for Macri, as the night wore on the margin slipped and it ended up being 51.4% for Macri and 48.6% for his Kirchnerite opponent, Daniel Scioli. It should also be noted that the first round of elections last month delivered stinging losses to the

Kirchnerites but they just barely hung onto control of the Senate meaning that, if they stay cohesive, they still have potential to block reforms. That said, with their patroness gone, the rats tend to disperse into the woodwork to regroup. We may end up seeing the phenomenon apparent under the De La Rúa government in the late 1990s of Bribes for Votes when a hostile majority in the Senate had to be paid off, literally.

The New Lay of the Land

As we have repeated endlessly mining is controlled in Argentina by the provinces, in much the same way as it is in Canada or Australia. The national government in Argentina has NO approval or denial power over mining projects. So everything you have heard of “Cristina Kirchner blocked our project” is a load of codswallop. In all cases blockages occurred because of ornery provincial governments.

It is interesting therefore to look at the map of the electoral results. The blue areas are provinces that voted for the Kirchnerite candidate. The yellow are those that voted for the winning Macri-led ticket. Oops, for those who know the only province with mining of note (Silver Standard’s Pirquitas mine) that voted for Macri was Jujuy. La Rioja has been an on-again, off-again mining favorable area and La Pampa and Mendoza have been graveyards for miners.



The provinces where mining is currently active are Catamarca, Santa Cruz (the Kirchnerite province par excellence now run by the outgoing president’s daughter), Salta and San Juan.

If there is anything to be read from this map it is that the marginalized distant provinces with the smallest populations (excepting Buenos Aires which was only won marginally by Scioli and that was because of the sprawling urban slums voting for him) supported the Kirchnerite program which gave them a greater share of the goodies. The provinces that

trended for Macri where those with the largest populations (and strong agricultural export economies) that were actively persecuted and discriminated against for the last 12 years.

Implications for Mining

Having said that mine approvals are in provincial hands, some matters are still in the Federal purview. Amongst these that have relevance are foreign exchange allocations. Miners have been griping for years now that they could not bring in the capex items they wanted in an unrestricted way due to import restrictions and could not remit profits or dividends as and when they wished. These restrictions were part of the increasingly draconian and bizarre forex rules that the Kirchnerite regime was imposing as Argentines tried to head for the exits and buy dollars to protect themselves against the rapidly deflating peso.

Moreover to say the forex regime was complex was an understatement. Here is the table of exchange rates for today for a leading Buenos Aires newspaper, La Nacion:



So on the left we have the official rate, on the far right is the so-called Dolar Blue which is the back-alley rate. In the middle are various official rates administered by the Central Bank for different purposes. Dolar Ahorro is a savings rate, Dolar Tarjeta/Turista is the rate that locals can use credit cards for (when travelling abroad) and that bona fide tourists within the country can use to change money. The Dolar Soja is the very prohibitive rate forced upon farmers selling their crops (effectively a 30% tax on the official rate and a 150% tax on the unofficial rate). Finally the Dolar Bolsa is a conversion rate for transactions in the Stock Exchange.

Byzantine is obviously not too strong a word to describe this bizarre system. Miners will be hoping that this system loosens up, though the new government will be wary of letting this go

too soon or there will be a dollar buying spree that will decimate Central Bank reserves. One suspects that Dolar Turista and Dolar Soja will be the first to go. The government will then aim to draw the Dolar Blue and the official rate together somewhere in the middle. Who knows? Maybe the wonderful Convertibility regime of the 1990s might be revived.. Certainly Argentina had never experienced such good times since the 1920s as under that arrangement.

Despite the mining provinces largely being of the Kirchnerite ilk, they are the provinces that have shown themselves to be most pro-mining. With less subsidies coming from the Federal government more of the provinces will have to look to mining to keep their local economies buoyant.

If one wants to muse with some names in Argentine mining those to consider are:

- Patagonia Gold Plc (AIM: PGD)
- Hochschild Mining (LON: HOC)
- McEwen Mining Inc. (NYSE: MUX | TSX: MUX)
- U308 Corp. (TSX: UWE | OTCQX: UWEFF)
- Pan American Silver Corp. (NASDAQ: PAAS | TSX: PAA)
- Silver Standard Resources Inc. (TSE: SS0)
- Yamana Gold Inc. (TSX: YRI | NYSE: AUJ)
- Argentex Mining Corporation (TSXV: ATX | OTCQB: AGXMF)
- Orocobre Limited (ASX: ORE | TSX: ORL)
- Western Lithium USA Corporation (TSX: WLC | OTCQX: WLCDF)
- Galaxy Resources Limited (ASX: GXY)

One might also see those who have downplayed their Argentine prospects dusting them off or racing back to restake them.

What Next

After exchange rates there are a vast swathes of regulations constraining all aspects of economic life that could be cast into the dustbin of history. Some of these measures being

rescinded should help miners. One that might not though is the bizarre fuel subsidies. These were introduced after the collapse of 2000/1 and the spike in inflation. To “protect the poor” massive subsidies were introduced which have bled the Treasury dry. They have been reduced and some have been made to pay world parity prices for oil but many have not. This could be the big budget winner but also a tough policy to bite on first.

One could see a strong inflow of FDI though and this might actually reverse the exchange rate so delays in freeing remittances might actually work out better for miners when they are eventually freed.

The whole construct of Kirchnerism was so bizarre and distortive that untangling it is akin to unraveling the Gordian Knot. Like Alexander the Great, sometimes it's better to just draw one's sword and chop the knot in one fell swoop than spend years testing one's Boy Scout skills trying to untie it..

Conclusion

After 12 years of Kirchnerite “policies” (more like populist bootstrapping) the Argentine economy is emerging from a long dark tunnel into the glare of daylight. Frankly it's better out of the tunnel rather than being in it and foreign miners for better or worse face a brave new world. We can say with confidence that the rules will NOT be more onerous and the forex regime WILL be more flexible. Growth should kick up and frankly Argentina looks like a better bet than the deeply troubled Brazil these days.

As a New Yorker would say “What's not to like?”