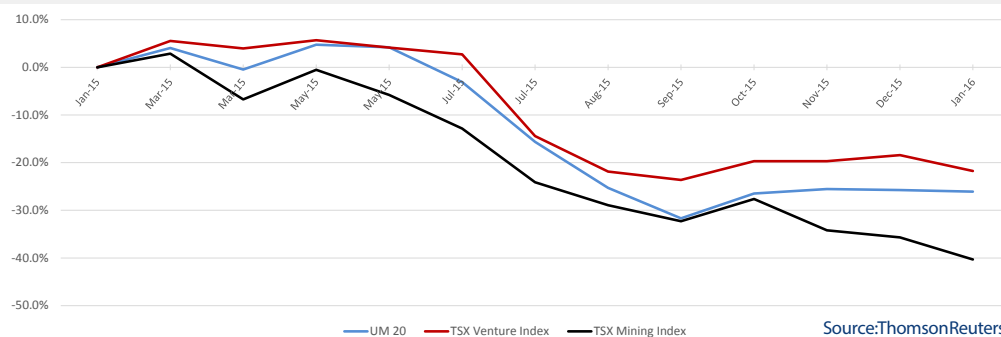




Market Overview

The Ubika Mining 20 (UM20) index slipped 0.4% during the past month, edging out the 4.1% slump by the TSX Mining Index, and the TSX Venture index's 9.4% drop.

12 Month Performance



The continued rout in commodity prices (with gold, silver and copper down 12%, 17%, and 18%, respectively, over the past year) can't be considered as a "normal" cyclical downturn, but rather, an unprecedented one, says Moody's in a new report released last week that we advise you to take a look at. "Stress on companies in the metals and mining industry could surpass what we saw during the 2008/2009 period," the analysts note. "As a consequence, a wholesale recalibration of ratings is required." Moody's, which recently placed 175 energy and mining firms at risk of downgrades, said the current environment is forcing miners to make fundamental shifts in the way they operate, putting pressure on executive management to cut costs and innovate out of this prolonged slump.

Highlights

- Sierra Metals (TSX: SMT)** discovered a significant new high-grade zone at its Yauricocha mine in Peru, sending shares up 19%. "Esperanza is the most important discovery in the history of the Yauricocha mine and in the history of Sierra Metals," stated Mark Brennan, President and CEO of Sierra Metals. The Esperanza zone has returned the thickest sulfide intercepts in the 60-year mining history at Yauricocha. One of the holes returned a length-weighted average of 3.2% Cu, 1.7% Zn, 0.4% Pb, 1.01 gpt Au, 48.5 gpt Ag over 69.2 metres.
- Fortuna Silver Mines, Inc. (TSX: FVI)** announced 2015 production figures from its two underground operating silver mines, the San Jose Mine in Mexico and the Caylloma Mine in Peru. The Company produced 6.6 million ounces of silver and 39.7 thousand ounces of gold. For 2016, the Company plans to process 875,000 tonnes of ore averaging 230 g/t Ag and 1.65 g/t Au at San Jose, and 503,100 tonnes of ore averaging 89 g/t Ag, 4.08 % Pb and 4.37 % Zn at Caylloma.
- Adding to the UM20 index's recent success, **Ivanhoe Mines'** exploration team made a major new copper discovery at the Kamoa Copper Project in the Democratic Republic of Congo. Two exploration drill holes completed in late 2015 in the Kakula exploration area rank among the highest-grade and highest-grade-thickness intersections drilled to date within the Kamoa copper deposit licence area. Ivanhoe Mines' stock price is up 6% over the past month.

What to Watch For

China's commodity imports surged in December as tumbling prices spurred opportunistic buying, but shipments of some commodities are expected to start tapering off this year as slower economic growth checks demand. "Imports (of coal and iron primarily) will fall another 10 percent in 2016 and we certainly don't expect to see any improvement," said Helen Lau, an analyst at Argonaut Securities in Hong Kong. China's total trade in December shrank much less than expected, but still likely consigned the economy to its weakest annual growth in 25 years, and the decline is forecasted to persist in 2016.

Index Overview

Number of Companies	20
Market Cap (M)	\$4,672
Monthly % Change	-0.4%
Dividend Yield	1.3%

Monthly Breakouts

Price Gainer (month)	FVI.TO
Price Gainer (year)	SWY.TO
Volume Gainer	ATY.V

Monthly Top Price Performers

Company	Symbol	% Chg.
Fortuna Silver Mines Inc	FVI.TO	8.9%
Lucara Diamond Corp	LUC.TO	8.5%
Ivanhoe Mines Ltd	IVN.TO	6.3%
Timmins Gold Corp	TMM.TO	2.7%
Copper Mountain Mining	CUM.TO	1.2%

Monthly Volume Gainers

Company	Symbol	% Chg.
Atico Mining Corp	ATY.V	276.3%
Nevsun Resources Ltd	NSU.TO	166.4%
North American Nickel Inc	NAN.V	120.2%
Timmins Gold Corp	TMM.TO	69.4%
Paladin Energy Ltd	PDN.TO	22.0%

Commodity Snapshot

Gold	
Current price, \$/Ounce	\$1,116.36
Monthly Change	5.3%
Year Change	-12.4%
Silver	
Current price, \$/Ounce	\$14.25
Monthly Change	3.3%
Year Change	-17.2%
Copper	
Current price, \$/lb	\$2.05
Monthly Change	-1.0%
Year Change	-18.4%
Uranium	
Current price, \$/lb	\$36.10
Monthly Change	1.1%
Year Change	-9.7%



Ubika Mining 20 Performance

Company	Symbol	Price	Monthly Price Change (%)	52-week Price Change (%)
Alderon Iron Ore Corp	ADV.TO	\$0.09	-5.6%	-76.1%
Atico Mining Corp	ATY.V	\$0.20	-25.9%	-66.7%
Avalon Rare Metals Inc	AVL.TO	\$0.12	-4.2%	-43.9%
Balmoral Resources Ltd	BAR.TO	\$0.38	-11.6%	-60.4%
Copper Mountain Mining Corp	CUM.TO	\$0.42	1.2%	-59.6%
Energy Fuels Inc	EFR.TO	\$3.30	-17.9%	-41.9%
Fission Uranium Corp	FCU.TO	\$0.73	-9.9%	-36.0%
Fortuna Silver Mines Inc	FVI.TO	\$3.56	8.9%	-42.9%
Ivanhoe Mines Ltd	IVN.TO	\$0.68	6.3%	-8.1%
Lucara Diamond Corp	LUC.TO	\$2.30	8.5%	11.7%
Nevsun Resources Ltd	NSU.TO	\$3.81	1.1%	-15.9%
North American Nickel Inc	NAN.V	\$0.07	-22.2%	-74.5%
Paladin Energy Ltd	PDN.TO	\$0.22	-14.0%	-41.9%
Pilot Gold Inc	PLG.TO	\$0.24	-21.3%	-78.6%
Platinum Group Metals Ltd	PTM.TO	\$1.60	-20.0%	-73.8%
Sierra Metals Inc	SMT.TO	\$1.15	-13.5%	-20.7%
Stornoway Diamond Corp	SWY.TO	\$0.71	-4.1%	31.5%
Timmins Gold Corp	TMM.TO	\$0.19	2.7%	-86.3%
Trevali Mining Corp	TV.TO	\$0.35	-23.9%	-65.3%
Wellgreen Platinum Ltd	WG.TO	\$0.18	-10.0%	-73.1%
UM 20		\$1.84	-0.4%	-26.1%
TSX Venture Index		\$127.19	-4.1%	-21.8%
TSX Mining Index		\$40.40	-9.4%	-40.3%

Source:ThomsonReuters

In the News

January 19, 2016:

Avalon Rare Metals Inc. (TSX: AVL) announced that it will hold its Annual and Special Meeting of Shareholders at 4:30 pm EST on Wednesday, February 24, 2016, at the Toronto Board of Trade, Room A/B/C/D, located at 1 First Canadian Place, Toronto, Ontario.

January 18, 2016:

Atico Mining Corporation (TSXV: ATY) announced operating results for the three and twelve month periods ended December 31, 2015 from its El Roble mine. Production totaled 3.88 million pounds of copper with 3,436 ounces of gold and 12.0 million pounds of copper with 10,994 ounces of gold in concentrates for the fourth quarter and full year 2015, respectively.

January 15, 2016:

Energy Fuels Inc. (TSX: EFR), one of the top producers of uranium in the United States, announced that Curtis H. Moore, Vice President of Marketing and Corporate Development, will present at NobleCon12 – Noble Financial Capital Markets' Twelfth Annual Investor Conference at Club Med in Sandpiper Bay, Florida on Monday, January 18, 2016 at 11:00 am Eastern Standard Time.

January 14th, 2016:

Balmoral Resources Ltd. (TSE: BAR) released a letter from the president. "With the calendar now showing 2016 I thought it appropriate to review Balmoral's accomplishments over the past 12 months. As well I wanted to provide you with some guidance and observations on what promises to be an active and highly prospective year for your Company", Darin Wagner, President and CEO.

About the Index

For most small cap investors there is a lack of good quality, widely available research and information on promising junior gold exploration companies. Ubika Research is filling this gap by offering quality information and research on small cap companies. The release of the Ubika Mining 20 Index is a continuation of our commitment to provide high quality research and information to small cap investors. Index constituents have a market capitalization between \$2 billion and \$25 million, three month average daily trading value above \$100,000 and a price above \$0.25.

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