



## 2 Under-the-Radar Mining Stocks to Buy Now

### Description

Canada's primary stock market index closed lower to end April 2022. The TSX lost 5.15% for the month and dropped to its lowest in three months. None of 11 primary sectors advanced, although energy (+47.58%) and materials (+13.86%) stocks are still up year to date.

If the global economy continues to weaken and heighten financial uncertainty, [gold producers](#) should attract more attention. For some market observers, opportunities in the [mining sector](#) will outweigh risks following its rebound in 2021. **Lundin Mining** ([TSX:LUN](#)) and **OceanaGold** ([TSX:OGC](#)) fly under the radar, and are [interesting buys](#) today.

### Diversified base metals miner

Lundin Mining produces not only gold but also copper, nickel, and zinc. The \$9.12 billion diversified base metals mining company has operations and projects in Argentina, Brazil, Chile, Portugal, Sweden, and the United States. This mining stock has returned a respectable 69.66% (19.19% CAGR) total return in the 3.01 years.

As of this writing, Lundin trades at \$11.73 per share and pays a 3.07% dividend. Moreover, the stock outperforms the broader market year to date (+20.61% versus -2.17%). Management takes pride in the 125% increase in regular quarterly dividend last year. Because of the stellar operational and financial results in Q1 2022, Lundin deserves to be in your buy list in May 2022.

In the three quarters ended March 31, 2021, total revenue increased 45.4% to US\$991.1 million versus Q1 2021. The bottom line, or net earnings, soared 145% year over year to US\$378.1 million. Notably, free cash flow ballooned 233% to US\$186.5 million compared to the same quarter in 2021.

Since operations performed well during the quarter, management said Lundin is on track to achieve overall production guidance. The higher copper and gold production in Q1 2022 generated US\$317.3 million in cash flow from operations, or a 100% increase from Q1 2021.

For 2022, management sees supply chain availability to have no material impact on operations.

However, higher prices of energy, fuel, contractor costs and consumables would impact on Lundin's operating costs for the rest of the year.

## Organic growth projects

Brisbane, Australia-based OceanaGold operates in New Zealand, the Philippines, and the United States. This \$2.25 billion multi-national gold producer has been in existence for 30 years and boasts a portfolio of established operating assets. The stock is also a high flyer in 2022 with its 45.45% year-to-date gain. At \$3.20 per share, the trailing one-year price return is 46.79%.

Gerard Bond, its newly appointed president and CEO, said, "OceanaGold has started the year strongly with the first quarter safely delivering record quarterly revenue and EBITDA and significant free cash flow." In Q1 2022 (quarter ended March 31, 2022), the company achieved record quarterly revenue and EBITDA.

The US\$78.6 million net profit for the quarter represents a 391% increase from Q1 2021. Total gold production increased 61% year over year to 134,035 ounces. Bond added, "Though there is a lot to celebrate in the quarterly results, we also know that there is a lot of work ahead of us to fully optimize the potential of the business."

OceanaGold is a top pick because of its pipeline of organic growth projects. Management said these projects should create additional value for shareholders.

## Visible growth

Investors are anxious because they fear a slowing economic growth. However, growth is still on the horizon for Lundin and OceanaGold, notwithstanding the choppy market conditions.

### CATEGORY

1. Investing
2. Metals and Mining Stocks

### POST TAG

1. Editor's Choice

### TICKERS GLOBAL

1. TSX:LUN (Lundin Mining Corporation)
2. TSX:OGC (OceanaGold Corporation)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred

5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

## PP NOTIFY USER

1. cliew
2. kduncombe

## Category

1. Investing
2. Metals and Mining Stocks

## Tags

1. Editor's Choice

## Date

2025/08/14

## Date Created

2022/05/02

## Author

cliew

default watermark

default watermark