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Investing in the New Canadian Oil Boom

And the Trailblazer Whose Revenue Is Set to Triple in 2018

by Matthew Carr, Emerging Trends Strategist, The Oxford Club

MATTHEW CARR

Dear Member,

It's no secret... I'm a believer in the marijuana market.

We're at the beginning of the end of prohibition.

And we've already closed two triple-digit gains and a double-digit gain on pot plays here in *Oxford Resource Explorer* this year.

But time and again, I find myself answering the same questions from opponents and investors wary about investing in cannabis companies...

"What about the ethics?"

"What about the children? Won't somebody think of the children?"

For decades, marijuana has been illegal in the U.S. and in many parts of the world. And I've written in these pages about how propaganda from the 1930s influenced public perception and legislation.

It planted a seed... the idea that all marijuana users are hippies. They're long-haired, tie-dye-clad stoners wearing round sunglasses to hide their bloodshot, glassy eyes.

They're layabouts, Cheech & Chong types, or caricatures from *Dazed and Confused*.

But that couldn't be further from the truth. That's not the modern marijuana user.

Today's pot consumer isn't looking to get baked and veg out in front of the TV.

They're looking to relieve the pain of a serious medical condition. And cannabis is already being used to treat glaucoma, epilepsy, nausea from chemotherapy and a whole host of other ailments.

On the recreational side, they want cannabis-infused cocktails, candies, chocolates, brownies and other edibles. And they want them non-GMO, organic, gluten-free, dairy-free and vegan.

They want cannabidiol oils and salves to rub on sore muscles and aching joints.

And, sure, they want vape pens and pre-rolled cigars as well. But that's in moderation or for special occasions.

So investors must move past this outdated stereotype of a stoner. (Companies sure have.)

The recreational cannabis consumers of the new millennium are young professionals.

They're go-getters who, instead of drinking a midday martini or afterwork highball, are nibbling on a cookie or gummy.

Their demands are rapidly changing the industry. And that's taken the company I'm going to show you today from a niche player to an emerging standout.

Flowers Trampled by Surging Oil Demand

Canada was the first country to legalize medical marijuana use.

Originally, the legalized form was just dried flower.

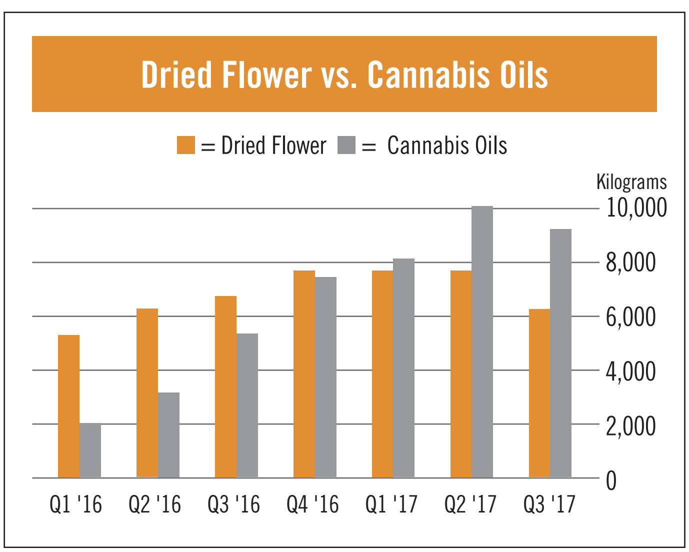
But in 2015, following a court ruling, the entire landscape was upended. Licensed producers began selling extracts and concentrates.

And this has had a significant impact on the market.

Since the first quarter of 2016, Health Canada's dried flower sales have grown 57%.

They've increased from 4,037 kilograms (kg) to 6,342 kg in the third quarter of 2017. That's strong growth as the number of patients turning to medical marijuana has ramped up.

But cannabis oil sales have skyrocketed nearly 10 times that amount!



From the first quarter of 2016 to the third quarter of 2017, Health Canada's sales of cannabis oils have soared 518%.

And the most recent quarterly data shows sales at 9,276 kg.

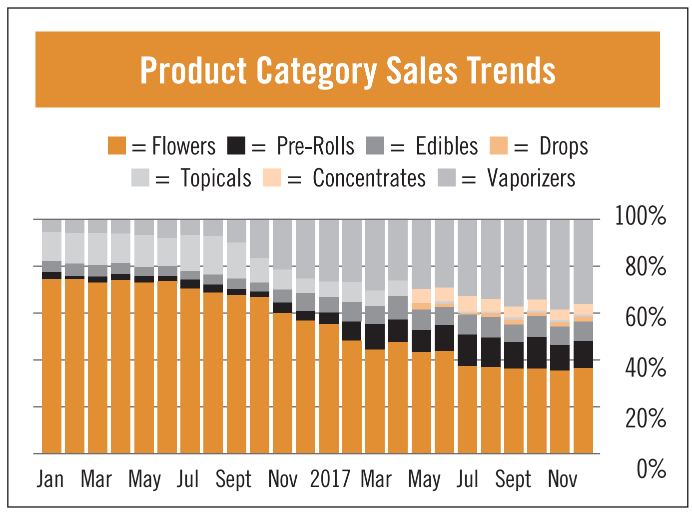
In less than two years, oil sales went from less than half those of dried flower to almost 3,000 kg more.

This is a trend we're seeing not just in the medicinal market... and not just in Canada.

It's taking place industrywide. And it's something investors can't ignore.

In fact, in 2017, the market reached an important milestone.

The sales of ready-to-use products – which rely largely on extracts and concentrates – surpassed dried flower sales for the first time ever...



This is the most significant trend in the cannabis industry.

And it's happening in the U.S. too. In states like Colorado, when recreational pot was legalized, flower sales plummeted.

From 2014 to 2017, dried flower went from 70% of all sales to less than half.

That's because consumers want variety. And they want low-dose options.

They're not looking to get blitzed and catatonic.

Sometimes they don't even want to get high.

This is why we're seeing concentrates, oils and extracts drive the market.

For investors, that means we must look beyond the bong.

Our newest Trailblazer does just that...

Blockchain, E-Commerce and Extracts... Oh My!

Emerald Health Therapeutics (TSX-V: EMH; OTC: EMHTF) was once considered a niche player.

In a market dominated by Tilray, **Canopy Growth Corp.** (TSX: WEED; OTC: TWMJF) and **Aurora Cannabis** (TSX: ACB; OTC: ACBFF), it was seen as outgunned.

But the British Columbia-based licensed producer has undergone a rapid evolution.

It's poised to profit from dried flower sales when adult-use goes live nationwide in Canada later this year.

It also created a novel line of cannabis derivatives perfect for the modern consumer.

Emerald Health took several strategic steps to ensure it became a top-tier, licensed producer in Canada.

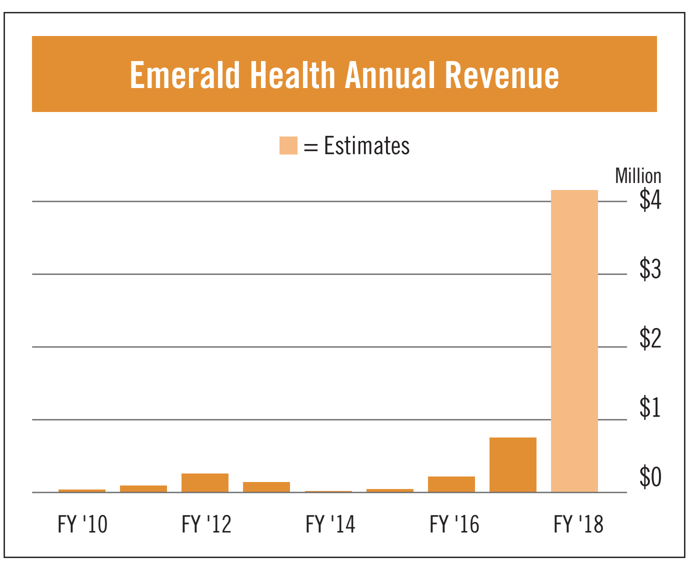
And it's looking to expand internationally.

Even better, it's a first mover into blockchain – a technology that not only is necessary for the marijuana industry but is set to revolutionize it.

In just three short years, the company's annual revenue has increased nearly 2,900%!

But that's only the beginning.

This year, revenue is expected to skyrocket another 329%!



And it's going to surge from there as Canada's cannabis industry breaks out.

Emerald Health's Delta 3 greenhouse offers 1.1 million square feet of grow space. And it's located in Delta, British Columbia, in one of the best growing climates in Canada. Conservatively, Delta 3 is expected to produce 75,000 kg of high-quality cannabis per year.

The company also has a joint venture with Village Farms International, one of the largest agricultural greenhouse operators in North America.

The duo's Pure Sunfarms project was originally expected to produce between 35,000 and 40,000 kg in 2019. But Emerald Health brought in equipment to accelerate production. The result: a 30% increase in output.

At the same time, Sunfarms can produce at less than $1 per gram. And it has the option to convert another 3.7 million square feet of grow space.

Emerald Health also offers a wide range of extracts. And it has one of the only THCA (nonpsychoactive) oils on the market. These oils are used to treat illnesses in pets and other animals, another large and growing market for cannabis.

The company also controls a 53% stake in Northern Vine Labs, a licensed dealer in British Columbia. This is key.

A licensed dealer can import and export cannabis and cannabis oils. It can experiment and create formulas to use in edibles, beverages and personal care products. And it can do a lot of research and development that a licensed producer can't.

Once adult-use launches nationwide in Canada, the price of dried flower cannabis will fall. It must. That means there must be greater emphasis on high-margin derivatives. And that's exactly what Emerald is doing.

In the fourth quarter, half of the company's revenue came from oils. A year earlier, 100% of Emerald Health's revenue was from dried flower cannabis. And in recent months, it's seen those oil sales – which command a higher price – increase at a faster rate, just as I showed earlier in the Health Canada numbers.

But we're not done yet with what makes this opportunity so exciting and unique...

Emerald Health is launching endocannabinoid-supporting natural health products in Canadian grocery stores, pharmacies and natural health product chains. I already mentioned non-GMO, gluten-free, dairy-free and organic edibles, and this is the real deal. In fact, 60% of legal cannabis consumers also use natural health products.

This overlap is what Emerald Health is looking to capture.

The company also has a deal with **Namaste Technologies** (TSX-V: N; OTC: NXTTF) to develop a fully integrated e-commerce channel for Emerald Health's patients.

And to top it all off, Emerald is forming a joint venture with DMG Blockchain called CannaChain Technologies.

This is to develop a blockchain-based supply chain management system, as well as an e-commerce marketplace, for the legal cannabis industry.

This is a measure **IBM** (NYSE: IBM) pitched to the Canadian government. And Emerald is moving to make it happen.

There is no company more exciting in the cannabis space right now than Emerald Health. Revenue is soaring. The company is building out its e-commerce platform and is a first mover in using blockchain for supply management. It's built a portfolio of extracts and oils.

And it's one of just a few companies that can explore dosing, formulas and new products for these derivatives.

Emerald Health ignores the old stereotype of pot users. And it's looking beyond the bong for growth, relying on the new Canadian oil boom. That makes it a perfect match for the modern cannabis consumer, as well as the modern marijuana investor.

Action to Take: *Buy shares of* ***Emerald Health Therapeutics*** *(OTC: EMHTF) at market. Use a 25% trailing stop to protect your investment. Those who prefer to purchase shares on the TSX Venture Exchange can do so under the ticker symbol EMH. And this company will make a perfect addition to our Trailblazers Portfolio.* ■

This Agriculture and Infrastructure Play Is Firing On All Cylinders

by David Fessler, Energy and Infrastructure Strategist, The Oxford Club

DAVID FESSLER

There's one thing you can't do without if you want to run a farm…

Equipment. Lots of it. Bulldozers, backhoes, tractors, plows, harrows, brush mowers and many others. You can't have too much.

And that's what this month's company makes.

But its products are used far beyond the farm.

In fact, they're essential to construction, forestry and many other industries. That's why this company is an excellent addition to any resource investor's portfolio – and especially for the portfolios of those looking for a pick-and-shovel play to take advantage of the cannabis boom.

Before I introduce it, let me tell you a little more about my personal experiences with its equipment.

Back in the 1980s (I was in my late 20s), I lived about a mile from where I do now. In the summer, I used to cycle through the Pennsylvania countryside.

On one of my trips, I went around a corner on an old gravel road and there it was. "It" was a beautiful old 68-acre farm with a "for sale" sign on it.

I'd always dreamed of living in an old stone farmhouse in the country. I called the realtor and made an offer to buy it.

My wife, our two sons and I have been gradually restoring the 207-year-old stone farmhouse, barn, summer kitchen, smokehouse, workshop and carriage shed buildings ever since. It's truly a lifetime labor of love.

Moving Dirt

The 90-foot barn was built into an earthen bank. It was a very common technique used to keep the lower level cool. That's where the horses and cows were kept.

The only problem was the road to get up to the rear of the barn was extremely steep. My plan was to reroute the road and make it a more gradual incline.

In order to do that, I had to move earth. And lots of it.

So I decided to buy a used track loader. A track loader is a bulldozer with a bucket on the front instead of a blade.

There was just one problem. I had no idea how to shop for a used track loader.

These machines aren't cheap, and I wanted to avoid being taken to the cleaners. I asked a friend of mine who knew about construction equipment to go with me to look at a few.

He recommended a 10-year-old unit that had a detachable backhoe. Once you have a backhoe, you don't ever want to be without one.

As my construction friend told me, "It sure beats a shovel." My plan was to buy the machine, do all my earthmoving and then resell it.

I took delivery, and the delivery guy even gave me a lesson on how to drive it.

After eight or 10 hours of trying to strip topsoil, I finally started to get the hang of it.

There is something highly satisfying about moving earth around. And I had to do a lot of it at our farm.

I put more than 400 hours on that machine and moved close to 1,000 cubic yards of earth. By the time I eventually sold it, I was a very good operator.

In retrospect, I can't imagine how I would have built that road without the track loader. And as I'm a hands-on guy, having someone else do it was out of the question.

Logging and Building Bridges

I enjoy hunting and fishing, and I'm fortunate to be one of 30 members at an exclusive, 4,000-acre club in northeast Pennsylvania. We have 74 miles of roads we maintain on the property.

In addition, there are four bridges (one vehicle and three footbridges) across our streams that need constant maintenance. The club has a rubber-tire backhoe loader (made by this month's company) that's used for loading gravel into our dump truck.

To make footbridges, we fell massive pine trees from one of several groves on the property. Using our backhoe loader, we maneuver the logs across the stream.

They last about 10 years or until a major flood takes them out. Since I'm the only member with backhoe experience, I'm usually called on to help with their replacement.

Periodically, we hire professional loggers to remove some of our mature trees. This opens up the forest canopy, providing new growth and habitat for wildlife.

The loggers use specialized machinery designed to cut, stack and remove logs from the forest. It's another example of machinery that is made by our featured company.

"Nothing Runs Like a Deere"

Both my track loader and my hunting and fishing club's backhoe loader were made by **Deere & Company** (NYSE: DE).

Back in 1837 in Grand Detour, Illinois, a blacksmith named John Deere solved a problem. Local farmers had trouble turning over the region's thick prairie soil with their cast-iron plows. So Deere used a broken saw blade to create a new, far more effective plow.

And Deere & Company was born.

Today, this Moline, Illinois-based Fortune 500 company has more than 67,000 employees and operations in over 30 countries. Deere now makes a wide range of lawn care, agriculture, forestry and construction equipment.

For agriculture, Deere is second to none. Its equipment includes tractors, cotton harvesters, combine harvesters, silage machines, balers, sugar cane harvesters, sprayers, seed drills, planters and more.

Deere makes an extensive line of construction equipment. It includes excavators, track loaders, bulldozers, skid-steer loaders, backhoe loaders and graders.

The company also has a wide range of forestry machinery. Harvesters, skidders, forwarders, log loaders and feller bunchers are just some of its offerings.

John Deere makes other specialty products too. These include consumer and commercial mowers, Gators, diesel engines, and power trains.

Pivotal Moves in 2017

2017 was a pivotal year for the company. Deere launched a number of advanced new products.

And it emerged from the worst farming downturn in a generation. Today, it has a bulletproof business model.

And it shows. Net income in 2017 rose 42% to $2.16 billion.

Revenues were up 12% to $29.74 billion. This was due to increases in both the construction and agriculture sectors.

Deere shareholders were rewarded too. They realized a 53% return in 2017, more than twice that of U.S. equity markets.

But Deere isn't sitting on its haunches. Last year it spent nearly $2 billion on capital expenditures and research and development.

John Deere Financial makes equipment loans and leases to farmers and other consumers. In fact, it finances half of everything it sells annually.

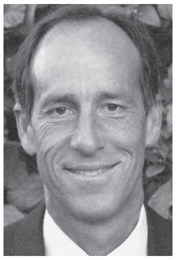
Today, Deere's loan and lease portfolio is more than $40 billion. In 2017, it contributed $477 million of net income to the company.

Last year, Deere's Construction and Forestry (C&F)

continued on Page 9

The Agriculture Sector Flexes Its Muscle

by Eric Fry, Macro Strategist, The Oxford Club



ERIC FRY

When most financial assets lie down to sleep at night, they probably think to themselves, "Thank goodness I'm not an agricultural commodity!"

During the last few years, almost every investment connected to agriculture has produced negative returns.

But a turnaround may be underway.

"Grain-trading firms are making more money again after struggling for years against a global oversupply of crops," *The Wall Street Journal* reported in May. "Archer Daniels Midland Co. and Bunge Ltd. reported better-than-expected earnings... building on analyst projections that tighter commodity supplies could drive crop trading and processing profits higher this year. Privately owned Cargill Inc. last month said those forces are lifting its business, too."

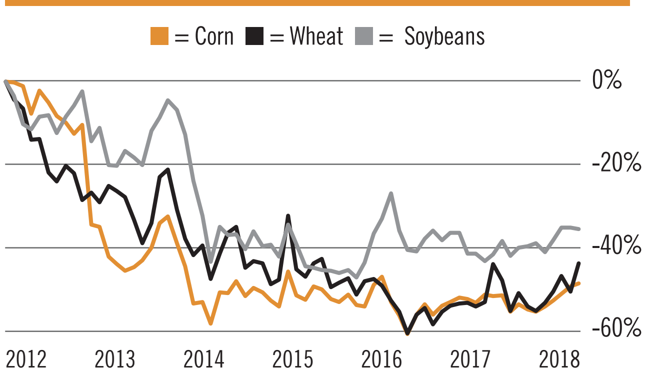
These robust financial results are not the only signs of a reviving agriculture sector. The financial markets are sending additional bullish signals.

For starters, the prices of ag commodities like corn, wheat and soybeans have been moving higher since late last year.

In the process, they have reversed a very long and deep downtrend.

Bad Harvest

Agricultural commodities are down sharply from their 2012 highs



The chart to the left shows that corn and wheat prices fell as much as 60% from their 2012 highs, while soybean prices fell as much as 47%! But this chart also shows that the prices of these grains have been trending higher during the last few months.

In fact, the grains have been the top-performing commodity sector of 2018. This price strength results from both short-term supply disruptions and long-term demand growth.

On the supply side, drought conditions in Argentina decimated that country's soybean and corn crops. Drought conditions in neighboring Brazil also took a big bite out of that country's corn crop.

Here in the States, adverse weather conditions in numerous growing areas have delayed spring plantings.

"Poor wheat crop conditions in the U.S. could spill over to soybean and other crops in the upcoming planting season," Bloomberg Intelligence warns. "According to the U.S. Department of Agriculture, wheat crop conditions are the worst since 2002. Only 31% of U.S. winter wheat is in good-to-excellent condition, vs. last year's 54%."

Yields are way off in major wheat-producing states, including Kansas, Texas and Oklahoma, due to extreme drought. As a result, production is at its lowest level since 1989, according to the Department of Agriculture.

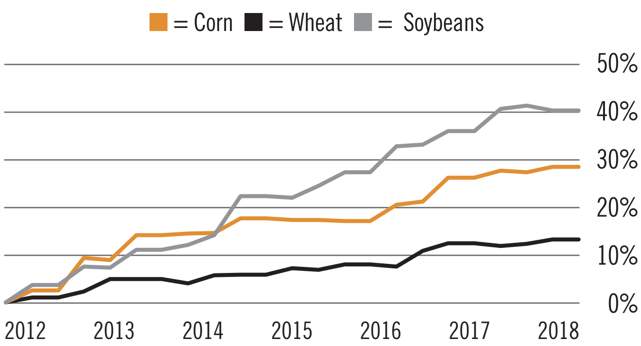
And drought in the Dakotas and Montana, with more than 20% of the country's wheat-planted area, is decimating that region's wheat crop.

These supply shocks in South and North America are combining to boost grain prices. But demand is probably the biggest story in the ag sector... and the biggest reason to expect a robust recovery.

Take a look at the chart on the next page. Global demand for wheat, corn and soybeans has been surging over the last few years.

Population growth is the major reason for booming demand, but the world's changing diet is also important. Meat consumption is on the rise globally.

That produces a direct and immediate demand for animal feed, which typically includes a large percentage of soybeans and corn.



A Grainy Picture

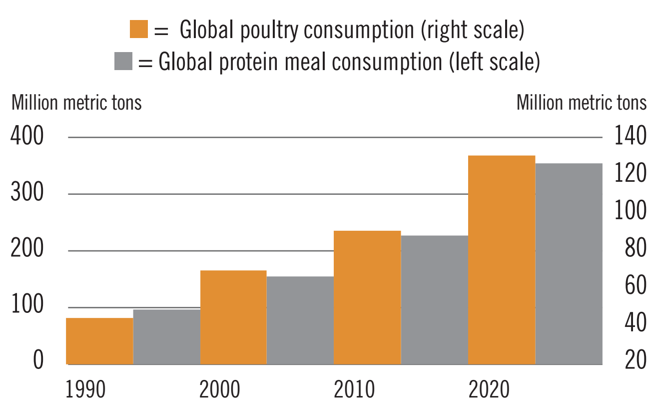
Global demand for wheat, corn and soybeans has been rising briskly during the last few years

Source: USDA

Global consumption of soybean meal, for example, totaled 232 million metric tons last year, which was 50% higher than 2009 levels and more than double the levels of 2001.

The Department of Agriculture and the Organization for Economic Cooperation and Development expect this torrid pace of growth to continue.

They are projecting global poultry consumption to soar more than 250% from 1990 levels – producing a commensurate jump in global protein meal consumption.



Hearty Appetites

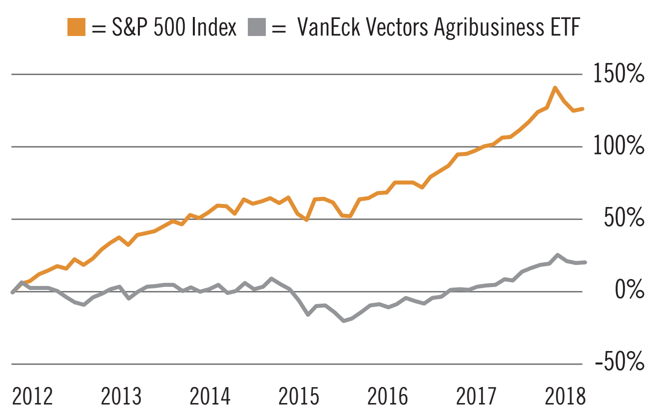
Global poultry consumption and global protein meal consumption are both projected to soar more than 250% from 1990 levels

Source: USDA, OECD

This powerful long-term demand trend, coupled with the recent cluster of supply shocks, has created an enticing opportunity to invest in agriculture... and many stocks in the sector are on the move already.

During the last six months, for example, ag-focused stocks like **Archer Daniels Midland** (NYSE: ADM), **Tractor Supply Company** (Nasdaq: TSCO) and **Mosaic** (NYSE: MOS) have jumped 12% to 22%, compared with a gain of just 4% for the S&P 500 Index.

Admittedly, these gains are still too small to wow any of your cocktail party friends, but momentum seems to be building for much larger gains ahead. At least that's the signal coming from the **VanEck Vectors Agribusiness ETF** (NYSE: MOO). The price of this ETF has been trending higher for more than a year.



MOO on the Move?

"Agribusiness is back, strong as ever," Bunge's CEO, Soren Schroder, declared last week. "All the dark clouds that converged at the same time are far behind us now."

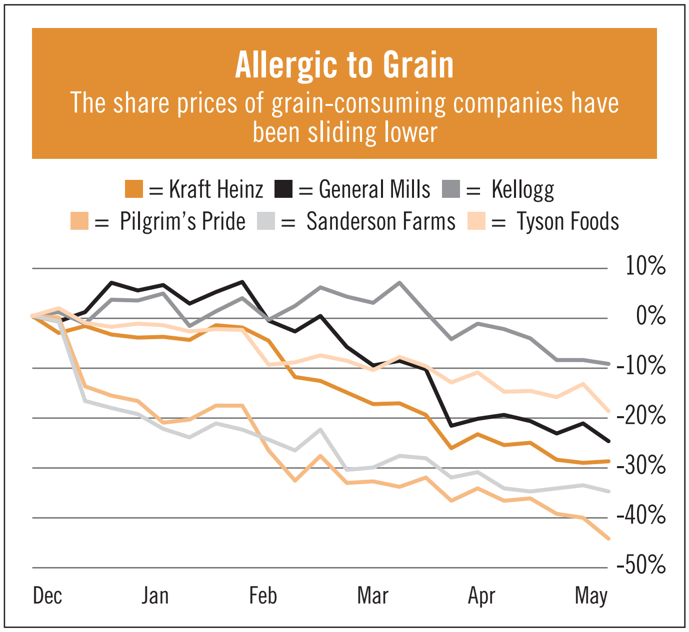
Obviously those clouds could gather again sometime in the future.

But for now they have swept over to the food processing industry.

Companies in that sector suffer whenever ag commodity prices are rising. That's because ag commodities like soybeans and corn are the raw materials that help produce food products from Ritz Crackers to Fruity Pebbles to broiler chickens.

Chicken feed represents nearly two-thirds of the cost of bringing one of these birds from the hatchery to the supermarket.

So it should come as no surprise that rising feed costs are taking a bite out of the profits of companies like Tyson Foods and Pilgrim's Pride.



Tyson Foods reported disappointing earnings recently. The company blamed rising feed and freight costs. "While we were climbing the hill, the grade steepened," griped Tyson CEO Tom Hayes. And the company projected a big hike in feed costs for the rest of this fiscal year.

Rising grain prices also create headaches for companies like **Kellogg** (NYSE: K), **General Mills** (NYSE: GIS) and **Kraft Heinz** (Nasdaq: KHC). So it's probably no accident that the share prices of these grain-consuming companies are trending lower... much lower.

Rising grain prices alone did not cause these stocks to fall. But they certainly contributed to the trend.

The food processing companies have been feasting for several years on decade-low grain prices. But those days appear to be over. Now it's time for the ag companies to feast on plump profit margins.

Agribusiness is back, stronger than ever! ■

This Agriculture and Infrastructure Play... *continued from Page 6*

division was booming. Sales increased 17%, and operating profits exploded 87% higher to $337 million.

In December of last year, Deere closed on the largest purchase in the company's history. It spent $5.3 billion to buy the Wirtgen Group.

The purchase of Wirtgen immediately made Deere *the* global leader in road building equipment.

That's because Wirtgen is the world's largest manufacturer of road construction equipment. It sells its products in more than 100 countries.

The Wirtgen purchase drastically boosted the size and scale of the C&F division.

For more than 155 years, Deere's leaping deer trademark has been a mark of quality. It could easily be argued that Deere products launched American farming.

In 2018, Deere should see plenty of business as a result of Trump's infrastructure plan.

Over the past four years, Deere suffered from tepid demand for farm equipment.

However, Deere sees a different story emerging.

New opportunities from the nascent cannabis industry could help to fuel what Deere expects will be a 30% to 40% jump in annual equipment sales.

And that's just for the second quarter.

Some medical marijuana products are derived from the hemp plant. And John Deere has a specific harvester focused on hemp.

As the global economy continues to improve, the future of Deere looks bright indeed.

That's why I'm adding it to *Oxford Resource Explorer*'s Foundation Portfolio.

Action to Take: *Buy **Deere & Company** (NYSE: DE) at market. Use a 25% trailing stop to protect your principal and your profits.* ■

Oxford Resource Explorer: PORTFOLIO REVIEW

by Matthew Carr

We're exiting first quarter earnings sitting on a bevy of double-digit gains.

Our shares of **Freeport-McMoRan** (NYSE: FCX) have already gained 11.6%...

Our shares of **Kadant** (NYSE: KAI) are up more than 33%...

Our shares of heavy equipment manufacturer **Komatsu** (OTC: KMTUY) are up more than 41%...

And our shares of **Raven Industries** (Nasdaq: RAVN) have gained more than 13% just in 2018. The smart-farm and agriculture drone company is soaring to new heights as revenue is expected to increase more than 25% this quarter.

Beyond that, we have positioned ourselves for the future of commodities with robotic supplier to the oil and gas and mining industries **ABB** (NYSE: ABB).

Our bases are covered on the coming rare earth metals boom with the **VanEck Vectors Rare Earth/Strategic Metals ETF** (NYSE: REMX).

And we're ready for the legalization of adult-use cannabis in Canada later this year with my No. 1 pot stock to own, **Canopy Growth Corp.** (TSX: WEED; OTC: TWMJF).

We're also positioned for what should be an explosive opportunity for the growth of cannabis in emerging markets with Australia's **AusCann** (OTC: ACNNF).

But one of the most recent drivers of our portfolio is an oldie but a goodie... Oil has surged back to life. It's currently well over $70 per barrel and at the highest levels since November 2014.

I believed crude would hit $75 per barrel this year. And it's getting ever closer to that level.

That's pure fundamentals. The global oil glut has been siphoned off by OPEC and Russia's production cuts. And inventories around the world have shrunk. That's a bullish scenario for crude. But I also warned that any major disruption could trigger a dramatic run higher.

And we saw that as the U.S. backed out of the 2015 Iran nuclear deal and implemented new sanctions on the country. This could potentially impact as much as 1 million barrels per day of supply.

But as you know, since part of our focus is energy investing, that puts more money in our pockets.

And our energy positions are already hitting new highs.

For instance, our shares of **Cheniere Energy** (NYSE: LNG) are up more than 47% and set a new 52-week high.

The U.S. exporter of liquefied natural gas (LNG) reported first quarter revenue increased 85% to $2.24 billion. On top of that, net income surged 561%.

During the quarter, the company shipped more than 2 million metric tons of LNG overseas. And to date, it has exported 350 cargoes to 26 countries.

In February, Cheniere entered into not one but two sale and purchase agreements with PetroChina, a subsidiary of China National Petroleum Corp. Cheniere will deliver 1.2 million metric tons of LNG per year until 2043.

So this is a fantastic long-term deal with what will soon be the world's largest LNG producer.

Our shares of **Pioneer Natural Resources** (NYSE: PXD), up more than 28%, are also setting new 52-week highs.

The Permian Basin driller announced first quarter revenue increased 35% to $2.15 billion.

During the quarter, Pioneer's production increased 25% to 312,000 barrels of oil equivalent per day. And it was buoyed by the fact that the average price for oil sold in the quarter was $61.64 per barrel. That's a 25.7% increase year over year.

Looking ahead, Pioneer will operate 20 rigs and put 250 to 275 Permian wells into production this year. So it's forecasting output to increase between 19% and 24%... though it's already at the higher end of that range.

And our shares of fellow Permian producer **Jagged Peak Energy** (NYSE: JAG) have soared as well.

For years, energy investing was difficult... sometimes downright depressing as the bankruptcies piled up.

But we called the bottom in crude in February 2016.

And we've positioned our portfolio to capture not only new markets – like cannabis and the impact of technology on commodities – but also the return of $100 crude.

From the Desk of David Fessler, Energy and Infrastructure Strategist

In April, President Trump signed a memorandum titled "One Federal Decision." In addition to the president, the heads of just about every federal agency needed to sign off on major infrastructure projects.

The idea is that the Interior, Commerce, Agriculture, Transportation, Housing and Urban Development, Energy, and Homeland Security committees will develop a single impact statement for infrastructure projects. It is supposed to streamline federal environmental reviews and permitting applications.

That's good news for major projects like runways, highways, bridges and inland waterways. Permitting times can run as long as years for some of these major projects.

That's good news for one of our infrastructure pick-and-shovel plays, **Martin Marietta Materials** (NYSE: MLM). One of the largest companies in the Fortune 500, it supplies U.S. markets with aggregates, cement and concrete.

The company recently completed the acquisition of privately held Bluegrass Materials Company. It's the biggest aggregates company in the United States.

The purchase price was $1.625 billion. The acquisition gives Martin Marietta a massive portfolio of aggregate reserves spread across Tennessee, Kentucky, South Carolina, Georgia and Maryland. Martin Marietta expects the acquisition to be accretive to its revenues and earnings within a year.

Another of our recommendations, **TransMontaigne Partners L.P.** (NYSE: TLP), recently announced first quarter 2018 results. TransMontaigne Partners, headquartered in Denver, owns and operates pipelines, terminaling, storage and transportation assets.

It was another great quarter for the partnership. TransMontaigne increased its distribution 1.9% over the previous quarter's distribution.

The company pays a juicy dividend of around 8%. Over the last decade, the partnership has seen its annual dividend jump from $2.08 to $3.08 per share.

It would be hard to find a better master limited partnership than this one.

TransCanada Corp. (NYSE: TRP) operates the biggest oil and gas energy pipeline systems in the U.S. Its natural gas transmission pipeline system is an impressive 57,100 miles long.

It connects producing regions to every major city in the U.S. TransCanada is also one of the top natural gas storage providers in the country.

The company is moving forward with preliminary site work involving the controversial Keystone XL pipeline. This fall, it plans to begin clearing brush from the pipeline's route through Montana.

Full pipeline construction is scheduled to begin in 2019. This past March, Trump reversed an Obama administration decision and issued the company a federal permit to build the pipeline.

Sherritt International Corp. (TSX: S; OTC: SHERF) is one of the largest nickel producers in the world. It operates mines in Canada, Cuba and Madagascar.

In addition to being the world's lowest-cost nickel producer, Sherritt produces cobalt from its mines in Madagascar and Cuba.

And that hasn't gone unnoticed by several electric vehicle manufacturers. They have approached the company about selling part of its cobalt production stream. In a streaming deal, a buyer pays cash upfront in exchange for a portion of future output.

Both nickel and cobalt are key elements in EV battery production. I expect a supply gap to develop for both of these metals before the end of this year. ■

OXFORD RESOURCE EXPLORER PORTFOLIOS

Prices as of 5/21/2018	ISSUE OF REC.	REC. PRICE	CURRENT PRICE	RATING	TRAILING STOP	TOTAL GAINS	EDITOR
FOUNDATION PORTFOLIO High-yielding and stable blue chips and MLPs that get resources to consumers and refiners							
Deere & Company (NYSE: DE)	**Jun-18**	**New**	**New**	**Buy**	**25% TS**	**New**	**David Fessler**
Alcoa (NYSE: AA)	May-18	$51.99	$50.37	Buy	$40.91	-3.1%	David Fessler
Aecom (NYSE: ACM)	Mar-18	$34.99	$33.35	Buy	$27.89	-4.7%	David Fessler
CatchMark Timber Trust Inc. (NYSE: CTT)	Feb-18	$13.07	$13.16	Buy	$10.23	1.7%	David Fessler
Kadant (NYSE: KAI)	Jun-17	$76.85	$101.95	Buy	$84.82	33.8%	Matthew Carr
Komatsu (OTC: KMTUY)	Jun-17	$24.59	$34.30	Buy	$30.27	41.8%	Matthew Carr
Martin Marietta Materials Inc. (NYSE: MLM)	Jan-17	$224.15	$217.82	Buy	$179.68	-1.9%	David Fessler
TransMontaigne Partners L.P. (NYSE: TLP)	Aug-16	$41.04	$37.48	Buy	$30.89	4.0%	David Fessler
TransCanada Corporation (NYSE: TRP)	May-16	$40.60	$43.24	Buy	$34.58	17.1%	David Fessler
FORTUNE HUNTERS PORTFOLIO Midcap to large cap companies that use new technologies to get resources out of the ground							
Freeport-McMoRan (NYSE: FCX)	May-18	$14.95	$16.69	Buy	$12.65	11.6%	Matthew Carr
Jagged Peak Energy (NYSE: JAG)	Apr-18	$12.60	$13.52	Buy	$10.98	7.3%	Matthew Carr
EOG Resources Inc. (NYSE: EOG)	Apr-18	$106.45	$127.45	Buy	$94.61	19.9%	David Fessler
Sherritt International Corporation (TSX: S)	Dec-17	C$1.35	C$1.28	Buy	C$0.91	-5.2%	David Fessler
Pioneer Natural Resources (NYSE: PXD)	Aug-17	$163.90	$209.84	Hold	$159.23	28.2%	Matthew Carr
TRAILBLAZERS PORTFOLIO Small, innovative companies with high revenue growth rates							
Emerald Health Therapeutics (OTC: EMHTF)	**Jun-18**	**New**	**New**	**Buy**	**25% TS**	**New**	**Matthew Carr**
AusCann (OTC: ACNNF)	Mar-18	$1.34	$1.14	Hold	$1.01	-14.9%	Matthew Carr
Canopy Growth Corp. (OTC: TWMJF)	Mar-18	$23.35	$30.35	Hold	$21.00	30.0%	Matthew Carr
BYD Company Ltd. (OTC: BYDDF)	**Jan-18**	**$8.79**	**$6.95***	**Sell**	**$7.40**	**-20.9%**	**David Fessler**
VanEck Vectors Rare Earth/Strategic Metals ETF (NYSE: REMX)	Dec-17	$28.50	$28.04	Buy	$24.41	-1.6%	Matthew Carr
Cheniere Energy (NYSE: LNG)	Sep-17	$42.79	$62.96	Buy	$47.07	47.1%	Matthew Carr
ABB Ltd. (NYSE: ABB)	Jul-17	$25.18	$24.50	Buy	$20.71	0.5%	Matthew Carr
Raven Industries (Nasdaq: RAVN)	Jul-17	$33.10	$39.75	Buy	$31.61	21.7%	Matthew Carr

*Current price based on official sell date