

Morning Report: Insiders bet on harvesting profits at CubicFarm Systems

June 26, 2020

Canada's morning overview of insider filings with a special focus on companies that may interest active and momentum-oriented investors.

Canadian Company Insider Filing Tally* - Yesterday



INK Market-Wide Sentiment Indicator*



INK Market-Wide Sentiment Indicator: **203.5%**

INK Sentiment Reading: **Undervalued**

INK Venture Sentiment Reading: **Undervalued**

*Filing Tally represents Toronto Stock Exchange and Venture companies with public-market transaction SEDI filings of directly-owned equity securities. Indicators represent companies with buy-only transactions divided by companies with sell-only transactions of direct ownership equity securities in the public-market by officers and directors (exclusive of officers and directors of subsidiaries or insiders) filed over the last 60 days. The chart line shows insider sentiment trends by connecting the historic indicator daily readings going back one year. See our market report for commentary on indicator readings.

Report Tutorial Video : http://www.inkresearch.com/pdf_tutorial/morning.html
 English 国语 粵語

Overview: Sentiment and Stocks

Momentum is brewing in Canada's junior market with the S&P/TSX Venture Composite Index setting a year-to-date high of 595.99 Thursday. It is an old school rally being led by mining stocks which may have drawn investor attention away from junior stocks with growth potential in other industries. That appears to be the case with BC-based CubicFarm Systems (CUB), featured here June 3rd. CubicFarm rallied after Q1 results, but it has pulled back a bit this month as some investors may have switched from the agriculture-focused tech firm into mining. Nevertheless, insiders have continued to buy, spending more than \$100,000 picking up shares since we last reported on it. The buying comes as CubicFarm announced on June 18th the launch of its Control Room chamber system which allows farmers to conduct their own growing trials. It was also announced that three of the systems had been sold and installed on site for a local customer.

The same day, CubicFarm announced that its board of directors had approved the grant of 3.67 million stock options exercisable at \$0.63. Could that be a subtle signal that management expects the stock to move higher from here? We will have to see. Meanwhile, it is encouraging to see local farmers taking up CubicFarm's services. Indeed, thanks to its focus on consumer essentials and local-based farming, the stock may fit into an emerging investment theme that sees the world shifting towards more local production, whether it be in manufacturing or agriculture, in the wake of COVID-19. Moreover, CubicFarm with its focus on food could also do well in a deflationary and slow-growth D-economy. With its recent pullback, Cubicfarms could be offering an opportunity for junior stock speculators to plant a seed now in order to potentially harvest profits as we move towards the fall.

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Today's Chart

CubicFarm Systems Corp. (CUB)

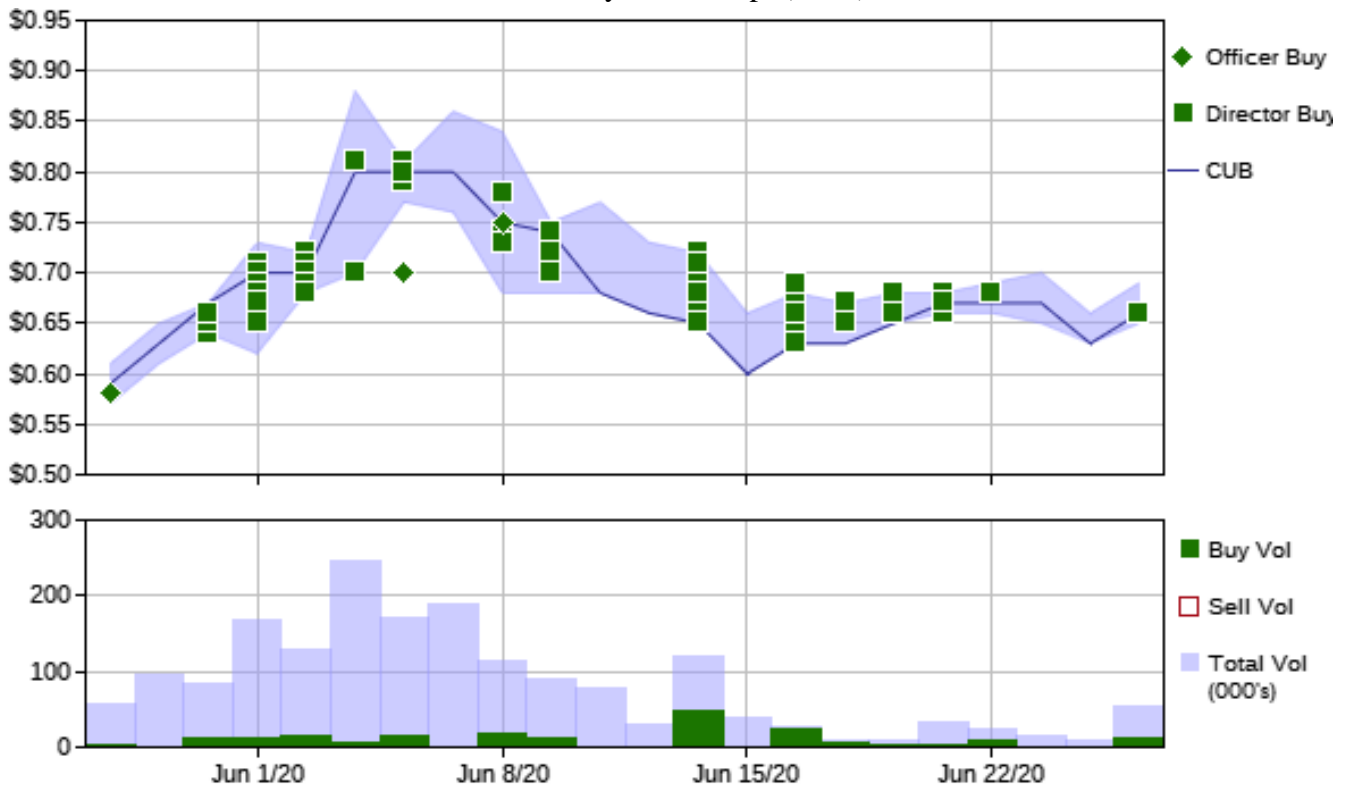


Chart reflects public-market and option-exercise transactions of common shares (unit trusts) by company officers and directors. USD transactions are converted to Canadian dollars by us using the Bank of Canada noon rate on the transaction date.

Since we last reported on it, four CubicFarm Systems (CUB) insiders have bought a total of 153,000 common shares on a direct ownership basis at an average price of \$0.70. The most recent of the purchases was by Director Leo Benne (ZENA) who bought 12,000 common shares on a direct ownership basis on June 25th at \$0.66.

CubicFarm Systems has above median ownership (direct & indirect holdings) by Officers and Directors compared to other small-cap stocks in the Consumer Non-Cyclicals sector according to SEDI filings as of June 25th, 2020.

CubicFarm Systems currently holds a sunny INK Edge outlook on the equally weighted V.I.P. criteria of valuations, insider commitment and price momentum which places it in the top 10% of all stocks ranked. INK outlook categories are designed to identify groups of stocks that have the potential to out- or under-perform the market. However, any individual stock could surprise on the up or downside. As such, outlook categories are not meant to be stock-specific recommendations. For background on our INK Edge outlook, please watch our short video or visit our FAQ #5 at INKResearch.com.

Video summaries of our morning reports are available on INK Ultra Money and, during the COVID-19 crisis, we are also making a number of these videos available for free on CanadianInsider.com/Ultramoney.

Top-10 Tables: Yesterday's Activities

Tables represent public market transactions of directly held equity securities plus purchases and sales of these securities from the exercise of options by company officers and directors filed on or after June 25, 2020. Transactions filed on Saturday and Sunday are aggregated into Friday's number. INK may adjust certain filings for common filing errors on a reasonable efforts basis.

M - Public market transaction

O - Exercise of options

Top 10 Net "CO2" Buying (By dollar amount, 000's)	
O NorthIsle Copper & Gold (NCX)	\$20.0
M Barsele Minerals (BME)	\$12.7
M CBLT (CBLT)	\$5.5
M GreenPower Motor Co (GPV)	\$4.4
M Synex International (SXI)	\$3.7
M Aimia (AIM)	\$3.4
M Canuc Resources (CDA)	\$2.9
M Mogo (MOGO)	\$0.5

Top 10 Net "CO2" Selling (By dollar amount, 000's)	
M Bayhorse Silver (BHS)	\$-133.5
M O ATS Automation Tooling (ATA)	\$-112.6
M Ximen Mining (XIM)	\$-30.0
M Cipher Pharmaceuticals (CPH)	\$-13.6
M Vanstar Mining Res (VSR)	\$-10.4

"CO2" may included Board chairs, CEOs, Presidents, CFOs, Treasurers, and Controllers of companies. See data description above.

Top 10 Net Insider Buying (By dollar amount, 000's)	
M Alcanna (CLIQ)	\$61.3
M Enerplus (ERF)	\$36.7
O NorthIsle Copper & Gold (NCX)	\$20.0
M CubicFarm Systems (CUB)	\$14.7
M Barsele Minerals (BME)	\$12.7
M Pinecrest Resources (PCR)	\$9.2
M Peruvian Metals (PER)	\$7.4
M Mogo (MOGO)	\$7.0
M Blue Star Gold (BAU)	\$6.0
M CBLT (CBLT)	\$5.5

Top 10 Net Insider Selling (By dollar amount, 000's)	
M Enghouse Systems (ENGH)	\$-1,623.4
M O Pan American Silver (PAAS)	\$-526.2
M Bayhorse Silver (BHS)	\$-133.5
M O ATS Automation Tooling (ATA)	\$-112.6
M Kinross Gold (K)	\$-101.0
M Calian Group (CGY)	\$-55.1
M RIWI (RIW)	\$-54.9
M Ximen Mining (XIM)	\$-30.0
M Cipher Pharmaceuticals (CPH)	\$-13.6
M East Asia Mineral (EAS)	\$-11.8

Top 10 Net Insider Buying (By volume, 000's)	
O NorthIsle Copper & Gold (NCX)	400.0
M Peruvian Metals (PER)	210.0
M CBLT (CBLT)	200.0
M Blue Star Gold (BAU)	100.0
O Sharc International Sys (SHRC)	60.0
M Barsele Minerals (BME)	32.0
M Canuc Resources (CDA)	29.0
M CubicFarm Systems (CUB)	22.0
M Alcanna (CLIQ)	20.0
M Pinecrest Resources (PCR)	20.0

Top 10 Net Insider Selling (By volume, 000's)	
M Bayhorse Silver (BHS)	-1,452.0
M East Asia Mineral (EAS)	-125.0
M Ximen Mining (XIM)	-50.0
M Enghouse Systems (ENGH)	-23.0
M Bolt Metals (BOLT)	-20.0
M RIWI (RIW)	-19.6
M Cipher Pharmaceuticals (CPH)	-11.9
M Kinross Gold (K)	-11.0
M Vanstar Mining Res (VSR)	-8.0
M O Pan American Silver (PAAS)	-1.4

Top-10 Tables: Yesterday's Activities (cont'd)

Tables represent public market transactions of directly held equity securities plus purchases and sales of these securities from the exercise of options by company officers and directors filed on or after June 25, 2020. Transactions filed on Saturday and Sunday are aggregated into Friday's number. INK may adjust certain filings for common filing errors on a best efforts basis.

- - Public market transaction □ - Exercise of options
■ - Information that has been adjusted or estimated by INK ▲ - Amended filing
● - CEO Buy ▲ - CFO Buy ◆ - Officer Buy ■ - Director Buy
○ - CEO Sell ▲ - CFO Sell ◆ - Officer Sell □ - Director Sell

Yesterday's Top 10 Individual Buy Filings					
(By volume)					
Company Name	Insider Name	Security	Unit/Share	Price	
NorthIsle Copper & Gold (NCX)	● Mcclintock, John Alexande	□ Common Shares	400,000	0.05	
Peruvian Metals (PER)	■ Brown, William Richard	■ Common Shares Unlimited, No Pa	250,000	0.04	
Peruvian Metals (PER)	■ Brown, William Richard	■ Common Shares Unlimited, No Pa	174,000	0.04	
Blue Star Gold (BAU)	■ Schmid, Klaus Georg	■ Common Shares	100,000	0.06	
CBLT (CBLT)	● Clausi, Peter Michael	■ Common Shares	100,000	0.03	
CBLT (CBLT)	● Clausi, Peter Michael	■ Common Shares	100,000	0.03	
Sharc International Sys (SHRC)	■ Despotovski, Sasko	□ Common Shares	60,000	0.08	
East Asia Mineral (EAS)	◆ Filbert, Terrence	■ Common Shares	50,000	0.09	
ATS Automation Tooling (ATA)	▲ Perrella, Maria	□ Common Shares	35,000	15.83	
Canuc Resources (CDA)	● Berlet, Christopher James	■ Common Shares	28,500	0.10	

Yesterday's Top 10 Individual Sell Filings					
(By volume)					
Company Name	Insider Name	Security	Unit/Share	Price	
Bayhorse Silver (BHS)	○ O'Neill, Graeme	■ Common Shares	-375,000	0.08	
Bayhorse Silver (BHS)	○ O'Neill, Graeme	■ Common Shares	-300,000	0.12	
Bayhorse Silver (BHS)	○ O'Neill, Graeme	■ Common Shares	-250,000	0.08	
Peruvian Metals (PER)	□ Brown, William Richard	■ Common Shares Unlimited, No Pa	-220,000	0.04	
Bayhorse Silver (BHS)	○ O'Neill, Graeme	■ Common Shares	-209,000	0.08	
East Asia Mineral (EAS)	◆ Filbert, Terrence	■ Common Shares	-100,000	0.10	
Bayhorse Silver (BHS)	○ O'Neill, Graeme	■ Common Shares	-94,000	0.09	
Bayhorse Silver (BHS)	○ O'Neill, Graeme	■ Common Shares	-93,000	0.12	
East Asia Mineral (EAS)	◆ Filbert, Terrence	■ Common Shares	-75,000	0.09	
Bayhorse Silver (BHS)	○ O'Neill, Graeme	■ Common Shares	-74,000	0.10	

Daily Marker Trading Reports

The TSX no longer provides marker reports. SEDI data is not impacted.

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