

February 2, 2015

North American Gold

Q4 Preview - What We Expect

Lower QoQ metal prices will weight on Q4 earnings. But we believe the focus will be more on the outlook as we head into 2015. We remain OW on AEM, FNV, NGD

A Difficult Quarter but Could See Better Times Ahead - 4Q14 results exemplify the difficulties facing the industry, however with 2015's stronger gold price YTD, select companies that have been able to execute and operate in stable regions will continue to garner above average multiples. In 2015 we expect over half of our coverage will report increasing production and ~40% are expected to meaningfully reduce operating costs YoY.

Market Reaction So Far Showing Little Tolerance for Guidance

Disappointments or Surprises With several companies having announced their 2015 outlook along with pre-released operating results, the market has shown little appetite for disappointments or surprises. AGI and EGO have seen shares materially impacted after reporting disappointing guidance, declining 26% and 21%, respectively, vs the HUI which is up 23% YTD. EGO was further impacted by heightened uncertainty in Greece. Nam goldcos still to report guidance incl. ABX, AEM, IAG, KGC, NEM, NGD, SMF-T, FNV, SLW.

Budgets Made During Lower Gold/ Higher Fuel Environment Could Provide for Upside Surprises in 2015 With 2015 budgets done early in 4Q - during a lower gold and higher oil price environment, we suspect budgets could prove to be conservative in 2015.

Write Downs Anticipated ABX and GG have already announced that they expect to report impairment charges. ABX's Lumwana mine is expected to transition to care and maintenance by mid 2015 - it currently has a carrying value of ~\$1bn. And GG's recently ramped up Cerro Negro mine is expected to take a \$2.3-\$2.7bn charge. Others could be announced, but we suspect they will be more minor.

Resources Could Decline as a Result of Shrinking Exploration Spend

2013's yr end gold price assumptions look fair, in most cases, relative to spot prices. We highlight GG, IAG and NGD as having some risk of revisions, as all use \$1,300/oz or higher. Further reserve declines could occur as slashed exploration budgets show the challenges of balancing capital discipline with replacing ounces mined. We note EGO recently indicated that Kisladag could see a reduction due to deferring expansion plans.

Updating PT for AEM , AGI, PPP, Along with our Q4 expectations, we have incorporated a number of model fine tuning adjustments, revisions and incorporated recently released guidance. As a result, AEM's PT increased to \$37.50 from \$36.00. We are also lowering our PTs for AGI to \$8.00 from \$8.75 and PPP to \$5.50 from \$6.00. Maintaining our ratings: OW - AEM NGD, FNV, KGC and UW - IAG, AUQ.

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North American Gold

North America

Industry View

In-Line

Exhibit 1: Quick Reference MSe vs Consensus for 4Q14

Company	Rating	EPS		CFPS	
		MS	Cons.	MS	Cons.
Senior Gold Producers					
Agnico Eagle Mines	OW	0.00	0.05	0.57	0.61
Barrick Gold	EW	0.11	0.15	0.51	0.51
Eldorado Gold	EW	0.05	0.04	0.12	0.12
Goldcorp	EW	0.12	0.14	0.37	0.42
IAMGOLD	UW	-0.02	0.00	0.16	0.12
Kinross Gold	OW	0.00	0.01	0.17	0.19
Newmont Mining	EW	0.12	0.11	0.83	0.71
Mid-Tier Gold Producers					
Alamos Gold	OW	-0.02	-0.01	0.07	0.11
AuRico Gold	UW	-0.06	-0.04	0.06	0.08
New Gold	EW	0.00	0.02	0.15	0.13
Primero Mining	EW	-0.03	-0.03	0.11	0.13
SEMAFO	EW	0.04	0.05	0.11	0.12
Royalty & Streaming Companies					
Franco Nevada	OW	0.19	0.22	0.54	0.54
Royal Gold*	EW	0.23	0.27	0.48	0.75
Silver Wheaton	EW	0.15	0.16	0.29	0.32

* RGLD reported results for FY2Q15Source: Bloomberg, Morgan Stanley Research

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North American Gold - 4Q14 Preview

Gold and Gold Equity Performance Gold prices saw volatility again over the quarter with bullion ranging >\$100/oz from peak to trough. The HIU Index peaked early on October 8th and declined over the quarter with the HUI to gold ratio reaching a low on Dec 15th as equities underperformed bullion. Beyond the quarter both have recovered, with gold trading at \$1,280/oz at the time of publication and the HUI increasing >20% YTD in 2015.

Exhibit 2: HUI/Gold Ratio reached a historic low Dec 15th...



Source: Thomson Reuters, Morgan Stanley Research

Exhibit 3: ...since then equity prices have recovered along with the higher gold price



Source: Thomson Reuters, Morgan Stanley Research

Potential Positive Surprises:

EGO - After disappointing the market with its updated 2015 outlook, combined with the negative comments from Greece's energy minister, shares have declined over 20% YTD (vs HUI increasing >20%). The upcoming financial results and conference call should allow EGO an opportunity to provide additional details, and hopefully comfort, to the market. We suspect, given this recent underperformance, if management is able to provide comfort, its shares could find some support. We are also looking for a modest EPS beat at \$0.05 vs consensus at \$0.04.

NGD - We forecast strong operating results in 4Q14, which could provide a catalysts for shares when released on its investor day on February 5th. NGD has been lagging its peers partially due, we believe, to its higher copper exposure.

Potential Negative Surprises:

AEM - We believe consensus is too high vs our EPS estimates. We are looking for EPS of \$0.00 vs consensus of \$0.05. We anticipate street expectations will come down over the coming weeks, however given current sentiment and recent market reaction to misses, shares could come under pressure if the company reports in line with our estimates. That said, any weakness would likely be considered an opportunity as management has already provided some high level color on its 2015 production outlook.

ABX - Although we are expecting a noisy 4Q14 with the anticipated write down at Lumwana, some risk remains with the company's 2015 production guidance, which we expect could decline ~2% YoY, partially due to divestitures. We see potential for ABX to meet expectations operationally in Q4 given the company updated its guidance in Q3, however street EPS expectations appear to be high for Q4. We are looking for EPS of \$0.11 vs consensus of \$0.15 (we note a broad range of EPS estimates from \$0.08 to \$0.28).

FNV - Although we expect Franco-Nevada to benefit from a larger contribution from Gold assets in Q4, we suspect this was partially offset by a reduction in revenue from Oil and Gas assets. Consensus EPS currently appears high at \$0.22 vs our estimate of \$0.19.

Exhibit 4: MSe vs Consensus 4Q14 EPS and CFPS

Analyst	Company	Ticker	EPS						CFPS					
			4Q14e MSe	4Q14e Consensus	Difference %	2014e MSe	2014e Consensus	Difference %	4Q14e MSe	4Q14e Consensus	Difference %	2014e MSe	2014e Consensus	Difference %
Senior Gold Miners														
BH	Agnico Eagle Mines	AEM.N	0.00	0.05	-102%	0.75	0.88	-15%	0.57	0.61	-8%	3.05	3.07	-1%
BH	Barrick Gold	ABX.N	0.11	0.15	-26%	0.64	0.63	3%	0.51	0.51	1%	2.17	2.24	-3%
BH	Eldorado Gold	EGO.N	0.05	0.04	18%	0.20	0.20	-2%	0.12	0.12	7%	0.50	0.49	1%
BH	Goldcorp	GG.N	0.12	0.14	-11%	0.73	0.69	6%	0.37	0.42	-10%	1.63	1.65	-1%
PM	IAMGOLD	IAG.N	-0.02	0.00	NM	0.03	0.04	-7%	0.16	0.12	30%	0.65	0.71	-9%
PM	Kinross Gold	KGC.N	0.00	0.01	NM	0.12	0.13	-8%	0.17	0.19	-12%	0.77	0.84	-8%
PM	Newmont Mining	NEM.N	0.12	0.11	6%	1.03	0.88	18%	0.83	0.71	17%	3.20	3.34	-4%
Mid-Tier Gold Miners														
BH	Alamos Gold	AGL.N	-0.02	-0.01	218%	-0.01	0.03	-137%	0.07	0.11	-42%	0.37	0.38	-3%
BH	AuRico Gold	AUQ.N	-0.06	-0.04	-41%	-0.18	-0.16	-12%	0.06	0.08	-31%	0.24	0.26	-4%
BH	New Gold	NGD.A	0.00	0.02	-83%	0.07	0.07	-6%	0.15	0.13	14%	0.62	0.58	8%
BH	Primero Mining	PPP.N	-0.03	-0.03	-3%	-0.04	-0.05	15%	0.11	0.13	-19%	0.45	0.46	-3%
BH	SEMAFO	SMF.TO	0.04	0.05	-23%	0.12	0.10	22%	0.11	0.12	-6%	0.40	0.40	1%
Royalty Streaming Companies														
BH	Franco Nevada	FNV.N	0.19	0.22	-16%	0.89	0.95	-6%	0.54	0.54	0%	2.14	2.15	-1%
BH	Royal Gold*	RGLD.O	0.24	0.27	-13%	1.09	1.29	-15%	0.60	0.75	-20%	2.64	3.07	-14%
BH	Silver Wheaton	SLW.N	0.15	0.16	-6%	0.75	0.74	2%	0.29	0.32	-9%	1.25	1.22	2%

BH= Brad Humphrey, PM = Paretoth Misra

* fiscal 2015Q2

Source: Morgan Stanley Research, Bloomberg

Source: Morgan Stanley Research

Exhibit 5: Sr Gold Miners 2014 Reporting Trends

Company		1Q14	2Q14	3Q14	4Q14e	2013	2014e	2015e	2013-2014 YoY Change	2014-2015 YoY Change	3Q vs 4Q QoQ Change
	Gold Price \$/oz	1291	1290	1285	1200	1414	1266	1180	-10%	-7%	-7%
	Silver Price \$/oz	20.44	19.66	19.82	16.47	23.96	19.08	18.18	-20%	-5%	-17%
	Copper Price \$/lb	3.02	3.19	3.18	3.01	3.34	3.12	3.20	-7%	3%	-5%
Senior Gold Miners											
Agnico Eagle Mines											
	Production koz	366	326	349	366	1099	1408	1601	28%	14%	5%
	Costs \$/oz	807	961	1015	961	952	940	860	-1%	-9%	-5%
	EPS \$/sh	0.61	0.21	0.00	0.00	0.89	0.75	0.49	-16%	-35%	NM
	CFPS \$/sh	1.11	0.75	0.62	0.57	2.87	3.05	2.97	6%	-3%	-8%
Barrick Gold											
	Production koz	1588	1485	1649	1567	7166	6289	6153	-12%	-2%	-5%
	Costs \$/oz	933	865	834	877	915	885	865	-3%	-2%	5%
	EPS \$/sh	0.20	0.14	0.19	0.11	2.51	0.64	0.36	-74%	-44%	-40%
	CFPS \$/sh	0.50	0.42	0.73	0.51	4.06	2.17	2.03	-47%	-6%	-30%
Eldorado Gold											
	Production koz	197	201	193	200	721	789	676	9%	-14%	4%
	Costs \$/oz	786	829	771	836	921	780	940	-15%	20%	8%
	EPS \$/sh	0.04	0.05	0.05	0.05	0.30	0.20	0.12	-33%	-37%	0%
	CFPS \$/sh	0.13	0.13	0.11	0.12	0.53	0.50	0.39	-7%	-21%	13%
Goldcorp											
	Production koz	680	649	652	886	2665	2867	3525	8%	23%	36%
	Costs \$/oz	840	852	1066	940	1134	1045	840	-8%	-20%	-12%
	EPS \$/sh	0.26	0.22	0.13	0.12	0.97	0.73	0.54	-25%	-26%	-6%
	CFPS \$/sh	0.35	0.42	0.49	0.37	1.81	1.63	2.07	-10%	27%	-24%
IAMGOLD											
	Production koz	176	198	233	241	740	846	840	14%	-1%	3%
	Costs \$/oz	1281	1260	1157	1162	1232	1211	1227	-2%	1%	0%
	EPS \$/sh	0.03	0.02	0.00	-0.02	0.35	0.03	-0.11	-90%	NM	NM
	CFPS \$/sh	0.16	0.17	0.19	0.16	0.82	0.67	0.51	-18%	-24%	-17%
Kinross Gold											
	Production koz	622	703	739	648	2669	2711	2635	2%	-3%	-12%
	Costs \$/oz	1001	945	879	940	1063	924	923	-13%	0%	7%
	EPS \$/sh	0.03	0.03	0.06	0.00	0.28	0.12	0.14	-57%	16%	-98%
	CFPS \$/sh	0.20	0.22	0.27	0.17	1.01	0.86	0.91	-15%	6%	-35%
Newmont Mining											
	Production koz	1181	1182	1148	1246	5016	4753	4661	-5%	-2%	9%
	Costs \$/oz	1048	1059	1052	1033	1104	1049	1035	-5%	-1%	-2%
	EPS \$/sh	0.22	0.20	0.50	0.12	2.42	1.03	1.05	-57%	2%	-76%
	CFPS \$/sh	0.85	0.86	1.17	0.83	5.32	3.71	3.80	-30%	2%	-30%

EGO, GG and IAG have reported operating results Source: Company Data, Morgan Stanley Research

Exhibit 6: Mid-Tier Gold Miners 2014 Reporting Trends

									2013-2014	2014-2015	3Q vs 4Q	
Company			1Q14	2Q14	3Q14	4Q14e	2013	2014e	2015e	YoY Change	YoY Change	QoQ Change
Mid-Tier Gold Miners	Gold Price	\$/oz	1291	1290	1285	1200	1414	1266	1180	-10%	-7%	-7%
	Silver Price	\$/oz	20.44	19.66	19.82	16.47	23.96	19.08	18.18	-20%	-5%	-17%
	Copper Price	\$/lb	3.02	3.19	3.18	3.01	3.34	3.12	3.20	-7%	3%	-5%
Alamos Gold												
	Production	koz	37	33	28	43	190	141	163	-26%	16%	52%
	Costs	\$/oz	908	1047	1148	1119	772	1020	1079	32%	6%	-3%
	EPS	\$/sh	0.02	0.01	-0.02	-0.02	0.30	-0.01	-0.14	NM	NM	9%
	CFPS	\$/sh	0.13	0.10	0.08	0.07	0.68	0.37	0.33	-45%	-11%	-15%
AuRico Gold												
	Production	koz	54	56	57	57	193	224	247	16%	10%	-1%
	Costs	\$/oz	1390	1191	1130	1216	1342	1207	1285	-10%	6%	8%
	EPS	\$/sh	-0.03	-0.06	-0.02	-0.06	0.05	-0.18	-0.29	NM	NM	NM
	CFPS	\$/sh	0.05	0.05	0.08	0.06	0.29	0.24	0.23	-17%	-8%	-30%
New Gold												
	Production	koz	91	89	93	108	398	382	411	-4%	7%	16%
	Costs	\$/oz	674	745	848	1082	889	814	741	-8%	-9%	28%
	EPS	\$/sh	0.04	0.02	0.01	0.00	0.13	0.07	0.12	-47%	82%	-63%
	CFPS	\$/sh	0.18	0.14	0.15	0.15	0.44	0.62	0.64	42%	3%	-1%
Primero Mining												
	Production	koz	32	50	51	56	112	190	216	70%	14%	9%
	Costs	\$/oz	1381	1228	1154	1075	1077	1217	1158	13%	-5%	-7%
	EPS	\$/sh	-0.02	0.01	0.00	-0.03	0.36	-0.04	-0.14	NM	NM	NM
	CFPS	\$/sh	0.05	0.16	0.14	0.11	0.66	0.45	0.43	-33%	-3%	-21%
SEMAFO												
	Production	koz	35	73	65	62	159	234	261	48%	11%	-4%
	Costs	\$/oz	1531	759	763	813	899	806	905	-10%	12%	7%
	EPS	\$/sh	-0.05	0.05	0.08	0.04	-0.03	0.12	0.16	NM	39%	-47%
	CFPS	\$/sh	0.01	0.14	0.15	0.11	0.28	0.40	0.43	42%	7%	-22%

AGI, AUQ, PPP and SMF have reported operating resultsSource: Company Data, Morgan Stanley Research

Exhibit 7: Royalty/Streaming Companies 2014 Reporting Trends

Company									2013-2014	2014-2015	3Q vs 4Q	
									YoY Change	YoY Change	QoQ Change	
	Gold Price	\$/oz	1291	1290	1285	1200	1414	1266	1180	-10%	-7%	-7%
	Silver Price	\$/oz	20.44	19.66	19.82	16.47	23.96	19.08	18.18	-20%	-5%	-17%
	Copper Price	\$/lb	3.02	3.19	3.18	3.01	3.34	3.12	3.20	-7%	3%	-5%
Royalty Streaming Companies												
Franco Nevada												
	Production	koz	66	65	70	85	241	285	392	18%	38%	22%
	EPS	\$/sh	0.23	0.25	0.23	0.19	0.94	0.89	0.73	-4%	-18%	-19%
	CFPS	\$/sh	0.52	0.54	0.53	0.54	1.98	2.14	2.30	8%	8%	2%
Royal Gold												
	Production	koz	44	54	56	54	185	228	281	23%	24%	-5%
	EPS	\$/sh	0.31	0.24	0.31	0.23	0.94	1.10	1.21	17%	10%	-27%
	CFPS	\$/sh	0.59	0.84	0.66	0.48	2.50	2.41	2.99	-4%	24%	-27%
Silver Wheaton												
	Production (silver)	koz	8977	8365	8447	9313	35823	35355	36793	-1%	4%	10%
	EPS	\$/sh	0.22	0.18	0.20	0.15	1.05	0.75	0.74	-28%	-2%	-25%
	CFPS	\$/sh	0.34	0.29	0.33	0.29	1.51	1.25	1.31	-17%	5%	-14%

RGLD has reported results, the company's FY2015 corresponds to CY2014 Source: Company Data, Morgan Stanley Research

Previous Gold Price Assumptions Close to Spot, but Lower Reserves May Still be Announced

2013 year-end reporting saw several gold miners lower reserves and resources on the back using lower gold price assumptions. Last year's recalibrated assumptions still look fair, in most cases, relative to current gold price levels. We highlight Goldcorp, IAMGOLD and New Gold, which are at the higher end, all using \$1,300/oz or higher. Beyond these exceptions, further reserve declines could also occur as strained exploration budgets begin to show the challenges of balancing capital discipline with replacing ounces mined. We also highlight that Eldorado's Kisladag mine could see lower reported reserves as recently indicated by the company - a result of deferring its expansion project.

Eldorado - Kisladag: Along with its recently released operating results, Eldorado announced that the Phase Four expansion at Kisladag will now be deferred. At current gold prices the company is focusing on other initiatives. The deferral will result in a smaller open pit and reserves are expected to decline as a result. Year-end 2013 2P reserves at Kisladag were 9.5Moz (431Mt @0.69g/t). Companywide, EGO's 2013 year-end 2P reserves totaled ~28Moz (739Mt @1.17g/t).

Exhibit 8: Main Gold Price Assumption Used in 2013 Year-end Reserve Calculations

Company		Gold Price \$/oz
Barrick Gold	ABX.N	1,100
Agnico Eagle Mines	AEM.N	1,200
Alamos Gold	AGI.N	1,250
AuRico Gold	AUQ.N	1,250
Eldorado Gold	EGO.N	1,250
Goldcorp	GG.N	1,300
IAMGOLD	IAG.N	1,350
Kinross Gold	KGC.N	1,200
Newmont Mining	NEM.N	1,300
Newgold	NGD.A	1,300
Primero Mining	PPP.N	1,250
SEMAFO	SMF.TO	1,100

Source: Company Data, Morgan Stanley Research

Still Expecting Some Writedowns

Barrick - Lumwana: With Zambia's new legislation increasing its tax/royalty structure for miners, whereby corporate income tax is replaced with a substantial increase to the country's royalty rate (to 20% from 6%) ABX announced that its Lumwana copper mine will be placed on care and maintenance. Lumwana's remaining net carrying value is ~\$1bn and ABX indicated it expects to record an impairment charge on this asset in 4Q14.

Goldcorp - Cerro Negro: Along with its pre-released operating results, Goldcorp estimated Cerro Negro would see an impairment charge in the \$2.3-\$2.7bn range. The company is currently in the process of concluding the impairment test, the result is expected with its full 4Q14 financial results. The impairment is largely due to unfavorable conditions in Argentina given import restrictions, limitations on the exchange of Argentine pesos into USD, as well as the inflationary environment. Additionally, GG estimates the market value of exploration potential has declined. Cerro Negro was carried at \$5.3bn as of 3Q14.

Updating Price Targets for AEM , AGI, PPP, Along with estimates for the quarter, we have incorporated a number of model fine tuning adjustments, revisions and our estimates going forward taking into consideration recently announced operating guidance. As a result, we are increasing our price target for AEM to \$37.50 from \$36.00. We are also lowering our price targets for AGI to \$8.00 from \$8.75 and PPP to \$5.50 from \$6.00. We are maintaining our ratings: OW - AEM, KGC, NGD, RGLD and UW - IAG and AUQ.

Research Recap

Pre-Released Operating Results

January 28, 2015 - [Royal Gold First Look: FY2Q15 Miss; Outlook Remains on Track](#)

January 22, 2015 - [Alamos Gold Setbacks at the Mill Result in a Weaker Quarter as Operations Miss Guidance](#)

January 21, 2015 - [Eldorado Gold: Tapered Expectations at Kisladag](#)

January 21, 2015 - [SEMAFO More From Mana - 2015 Guidance Beat Expectations](#)

January 20, 2015 - [Primero Mining Plans Remain on Track in 2015; 4Q14 Operating Results In Line](#)

January 16, 2015 - [Detour Gold Corp: Could 2015 be the Year Detour Lake Stabilizes?](#)

January 14, 2015 - [AuRico Gold - First Look: Operating Results in Line; Meeting Targets, But Priced In](#)

January 13, 2015 - [Goldcorp - First Look: 2014 Output Miss on Guidance - As Expected, But Big Write-down a Surprise](#)

Recent Announcements

January 30, 2015 - [New Gold - Rainy River Receives Environmental Approval](#)

January 5, 2015 - [Silver Wheaton - Another Extension for Pascua-Lama, But Amendments Largely As Expected](#)

December 18, 2014 - [Barrick Gold: Final Nail In Lumwana - Moving to Care and Maintenance; Write Down Expected](#)

Industry Reports

January 27, 2015 - [Refresher: Sensitivities - Who Is Most Sensitive to Gold Price Moves?](#)

January 16, 2015 - [Global Gold Compass - Sentiment Improving On Rising Prices & Expectations for Declining Costs](#)

January 8, 2015 - [Buy Some Gold; KGC to OW, BRSS to EW](#)

December 16, 2014 - [Global Metals Playbook: 2015 Outlook: Back to Metals](#)

December 15, 2014 - [NA Gold Positioning into 2015: Overweight AEM, FNV, NGD](#)

Senior Gold Miners

Agnico Eagle Mines (AEM, Overweight, PT \$37.50)

Exhibit 9: Agnico Eagle - 4Q14 Preview

What to Watch for this Quarter

- We expect AEM to meet its 2015 production guidance, which was increased in 3Q14 to 1.4Moz with total cash costs at \$650-\$675/oz and AISC at \$990/oz.
- Although we are expecting the company to deliver operationally, we estimate earnings could disappoint as we believe consensus is too high. Consensus has tended to overestimated AEM's earnings since its substantial beat in 1Q14. Consensus currently stands at \$0.05 vs MSe at 0.00, we suspect consensus could come down as analysts update their estimates for the upcoming quarter - but continue to see risk for a potential miss vs the street.

Operating Results In the quarter we forecast production of 366koz, increasing 5% QoQ. We forecast AISC at ~\$961/oz.

Financial Results We are below consensus on earnings (\$0.00 vs consensus at \$0.05) and CFPS (\$0.57 vs consensus at \$0.61).

2015 Outlook Management provided updated 2015 guidance of 1.6Moz with its 3Q14 results. The increase was driven by higher output at Meadowbank, Kittila and the Mexican operations.

Upcoming Catalysts

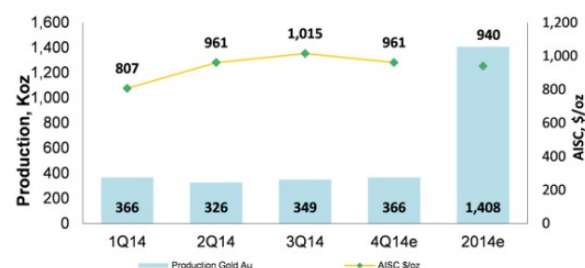
- 1Q15 - Meliadine Project update.** Meliadine project technical report and update. Project has flexibility depending on metal prices (small or large scale, open pit and/or underground). We believe the market is applying little value to this project at current gold price. A decision whether or not to go forward on the project at this time could also be made.
- Maiden Resource at Amarq Project.** An initial resource at the Amarq project is expected early in 2015.
- Throughout 2015 - Expansion into the LaRonde Deep.** Grades are expected to increase significantly over the next couple years (from 2.7g/t to over 4.5g/t). This is a key expansion for Agnico Eagle's valuation growing to >300koz in 2016.
- Early 2015 - Canadian Malartic optimization plan** and updated 3 year guidance.
- Throughout 2015 - Updates on Akasaba West** and recently acquired Cayden assets

Reporting Dates

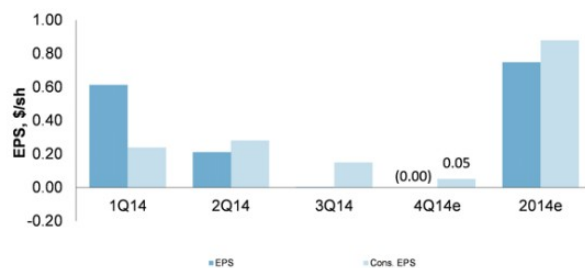
Reporting Results	After Market	February 11, 2015
Conference Call		February 12, 2015
Conference Call Number		800-524-8950

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production koz	349	366	5%
AISC \$/oz	1015	961	-5%
Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	0.05	0.00	-102%
CFPS	0.61	0.57	-8%

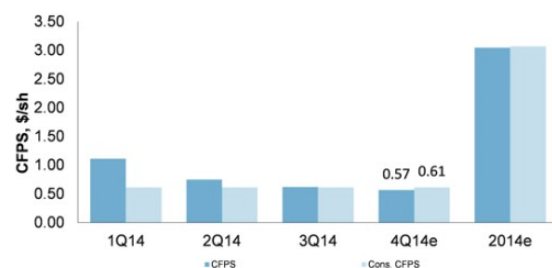
2014 Operating Results and Estimates



2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Barrick Gold (ABX, Equal-weight, PT \$13.50)

Exhibit 10: Barrick Gold - 4Q14 Preview

What to Watch for this Quarter

- We expect ABX will meet or exceed operating expectations, although consensus EPS is higher at \$0.15 vs our estimate of \$0.11 (we note there are several outliers in the consensus estimates which has a range of \$0.08 to \$0.28).
- We expect ABX to meet its 2014 annual guidance of 6.1-6.4Moz at AISC \$880-920/oz (we forecast 6.3Moz at \$885/oz). For its copper segment we see 449Mlbs at C1 costs of \$1.92/lb vs guidance of 440-460Mlbs at C1 costs of \$1.90-2.00/lb.
- Look for details on Lumwana regarding its expected closure given the recent royalty and tax changes in Zambia. This will likely result in a write down of up to \$1.0bn.

Operating Results We forecast production of 1567koz of gold koz at AISC \$879/oz. We forecast copper production at 147Mlbs at C1 costs \$1.79/lb.

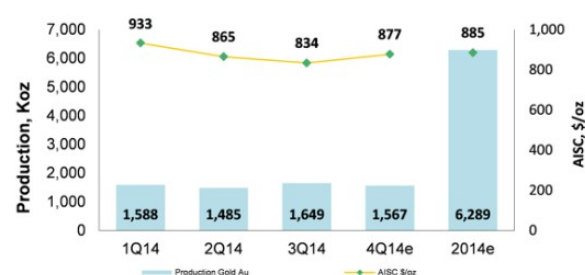
Financial Results We forecast EPS at \$0.11/sh below consensus of \$0.15/sh and CFPS of \$0.52/sh.

Reporting Dates

Reporting Results	After Market	February 18, 2015
Conference Call		February 19, 2015
Conference Call Number		866-696-5910

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production koz	1649	1567	-5%
AISC \$/oz	834	877	5%
Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	0.15	0.12	-24%
CFPS	0.51	0.52	1%

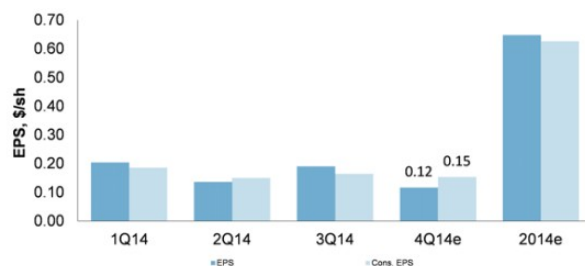
2014 Operating Results and Estimates



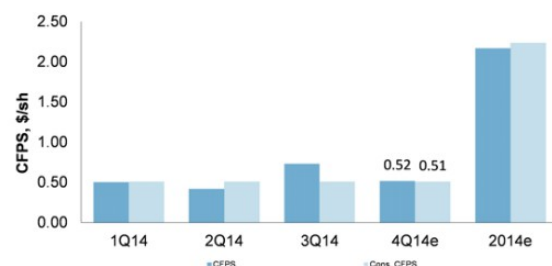
Upcoming Catalysts

- 1Q15** Update on the Thiosulfate project
- 1Q15** Turquoise Ridge - Prefeasibility study assessing adding a shaft to reduce current haulage and ventilation constraints, potential to increase production up to 75% for 5-8 years.
- Mid-2015** Goldrush - Prefeasibility study remains on track for mid-2015.
- Late 2015** Cortez Hills Lower Zone - A prefeasibility study is expected late 2015 on the lower zone (region with oxide and higher grades).
- Late 2015** - Spring Valley Project - Prefeasibility study - low capex, heap leach project
- Further updates on mine optimization plans, additional divestitures

2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Eldorado Gold (EGO, Equal-weight, PT \$7.15)

Exhibit 11: Eldorado Gold - 4Q14 Preview

What to Watch for this Quarter

- With pre-released operating results in our model, we forecast a slight beat vs consensus
- We suspect, given the markets reaction to Eldorado's 2015 guidance and recent uncertainty in Greece, mgmt should provide further details surrounding the larger than expected YoY drop in production and possibly some comfort around plans in Greece with the full results and on the conference call. Also guidance on Kisladag's profile going forward now that the expansion has been deferred, would be welcome.
- Update on permitting at Eastern Dragon project, which is now forecast to contribute to 2015 production
- Additional details on project pipeline - Certej, Eastern Dragon, Olympias II and III, Perama Hill and Skouries
- Additional details on the potential Hong Kong listing of Chinese assets
- And how the recent political changes in Greece may impact Eldorado's plans or expectations.

Operating Results (pre-released) EGO reported production of 200koz (sales of 204koz), preliminary estimates for cash costs were \$500-505/oz and AISC \$764-780/oz. Results for the year in 2014 were in line with company guidance with reported production 789koz vs prior guidance of 790koz, cash costs ~\$500/oz vs guidance \$495/oz and AISC ~\$780/oz beating guidance \$850/oz.

Financial Results We forecast EPS of \$0.05 slightly ahead of consensus at \$0.04 and CFPS of \$0.12.

Upcoming Catalysts

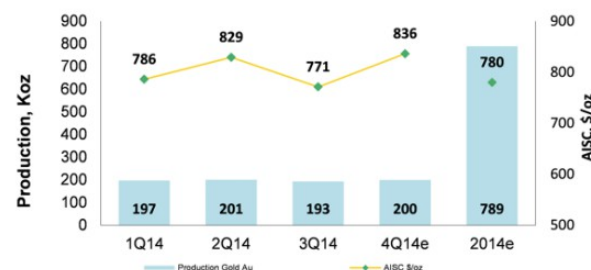
- 2Q15** - Updated technical report at Certej
- 2015** Eastern Dragon permit
- 2015** HK Listing of Chinese Assets - Eldorado could potentially list its Chinese assets in Hong Kong. We expect the timing of the listing could be mid-2015. Also could be the catalyst for an outright sale.
- Receipt of Perama Hill permit.

Reporting Dates

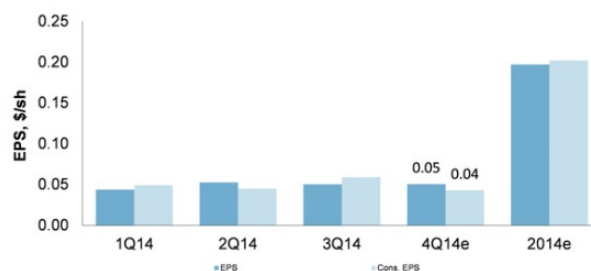
Reporting Results	After Market	February 19, 2015
Conference Call		February 20, 2015
Conference Call Number		888-231-8191

Operating	3Q14	4Q14e	QoQ Change
Production koz	193	200	4%
AISC \$/oz	771	836	8%
Financial	4Q14e	4Q14e	Difference
EPS	Cons. 0.04	MSe 0.05	18%
CFPS	0.12	0.12	0%

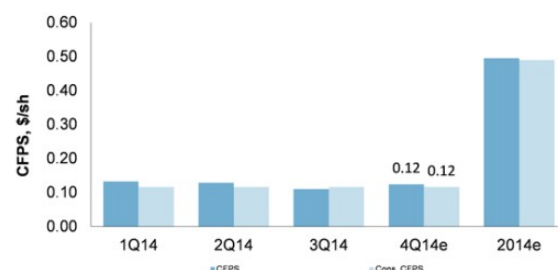
2014 Operating Results and Estimates



2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Goldcorp (GG, Equal-weight, PT \$26.50)

Exhibit 12: Goldcorp - 4Q14 Preview

What to Watch for this Quarter

- Operating results were pre-released Jan 13th. After incorporating the results into our model we are slightly below consensus on EPS
- As previously announced, look for a \$2.3-2.7bn Impairment on Cerro Negro due to hostile conditions in Argentina given import restrictions, limitations on the exchange of Argentine pesos into USD, as well as the inflationary environment. Additionally, GG estimates the market value of exploration potential has declined. Cerro Negro was carried at \$5.3bn as of 3Q14.
- Further updates on - Cerro Negro, Eleonore and Cochenour

Operating Results (pre-released) GG reported production of 886koz with preliminary AISC of \$1,045/oz and total cash costs of \$600/oz.

Financial Results We are slightly lower than consensus for this quarter with EPS estimate of \$0.12 vs consensus at \$0.14 and CFPS of \$0.37 vs consensus of \$0.42.

2015 Guidance Already Released GG expects to produce 3.3-3.6Moz in 2015 at AISC of \$875-950/oz.

Upcoming Catalysts

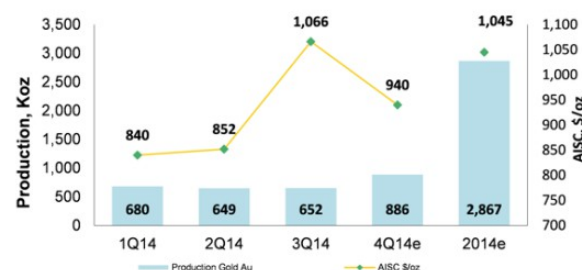
- Feb 26 - Cerro Negro Mine Tour**
- 1Q15** - Eleonore commercial production expected. First gold poured on October 1, 2014
- 1Q15** - Penasquito - Pre-Feasibility studies on the Concentrate Enrichment Process (CEP) and Pyrite Leach Process. Feasibility studies are expected to be complete early 2016. A revised mine plan could be released in 2015 incorporating work done at Camino Rojo and the CEP and Pyrite Leach project studies. Negotiations with Cerro Gordo Ejido over the land claim settlement remains ongoing.
- Mid-2015** Penasquito Northern Well Field project completion

Reporting Dates

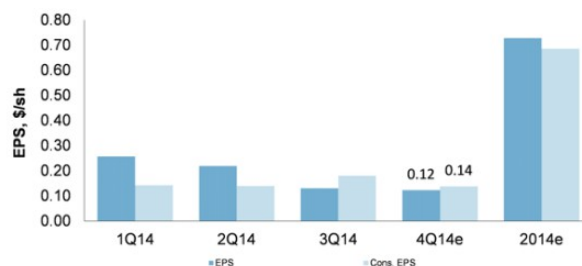
Reporting Results	Before Market	February 19, 2015
Conference Call		February 19, 2015
Conference Call Number		800-355-4959

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production koz	652	886	36%
AISC \$/oz	1066	940	-12%
Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	0.14	0.12	-11%
CFPS	0.42	0.37	-10%

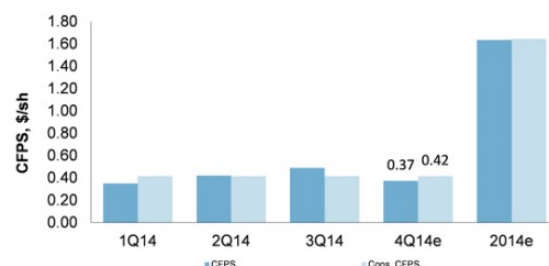
2014 Operating Results and Estimates



2014 Financial Results - EPS Estimates



2014 CFPS Results and EPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Morgan Stanley is currently acting as a financial advisor to Coeur Mining, Inc. ("Coeur") in relation to its definitive agreement with a subsidiary of Goldcorp Inc. to acquire 100% of the Wharf gold mine, as announced on January 12, 2015. The proposed transaction is subject to United States antitrust approval and other customary closing conditions. Coeur has agreed to pay fees to Morgan Stanley for its services that are subject to the consummation of the proposed transaction. Please refer to the notes at the end of the report.

IAMGOLD (IAG, Underweight, PT \$2.50)

Exhibit 13: IAMGOLD - 4Q14 Preview

What to Watch for this Quarter

- 4Q14 estimates:** We estimate 4Q EPS at \$(0.02), vs. consensus at \$0.00, and we have modeled 241 koz of attributable gold sales (up from 233 koz in 3Q) at a cash cost of \$839/oz (down from \$851/oz in 3Q), based on preliminary 4Q results. At Essakane, higher grades were expected to drive production higher in the fourth quarter. At Rosebel, improvement in grades was expected to continue.
- Raising North American exposure could be an option. After the Niobec sale, we estimate that the company's NAV split is 20% Canada (Westwood), 33% Suriname (Rosebel), 41% Burkina Faso (Essakane), and 6% Mali (Sadiola). We think raising North American exposure could be an option for IAG as a potential use of cash. Management has said that they would be looking at a gold mine that would be at least pointing to all-in sustaining costs below \$1,000/oz.

Key Highlights

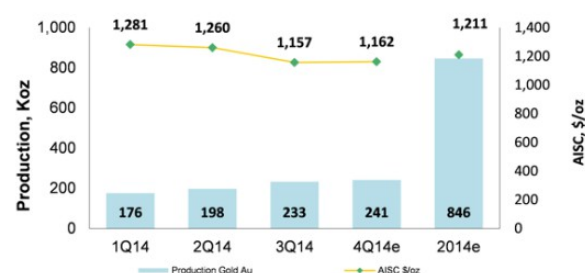
- Production ramp up and cost reduction at Westwood should be positive for the company's overall cost profile. Management expects to be through the planning iterations for the mine in the first quarter of 2015 and ready to discuss the results sometime in the first half of the year. Further clarity on development of the solar power project at Essakane could give investors more confidence on cost reduction initiatives. At Essakane, feasibility studies to build a transmission line to the national grid and to install a 25 megawatt solar power plant began in 1Q14. At Sadiola, based on current operating plans, the company has about two years of stockpiles that it can move through and management plans to create at a minimum a cash flow that is neutral to positive.

Reporting Dates

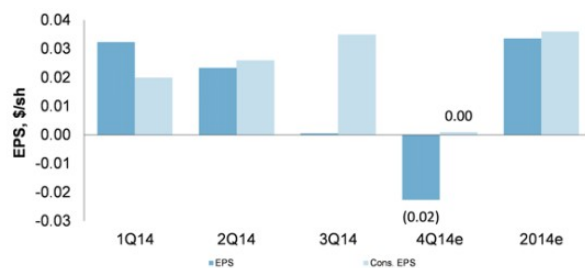
Reporting Results	After Market	February 18, 2015
Conference Call		February 19, 2015
Conference Call Number		800-319-4610

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production koz	233	241	3%
AISC \$/oz	1157	1162	0%
Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	0.00	-0.02	-2362%
CFPS	0.12	0.16	30%

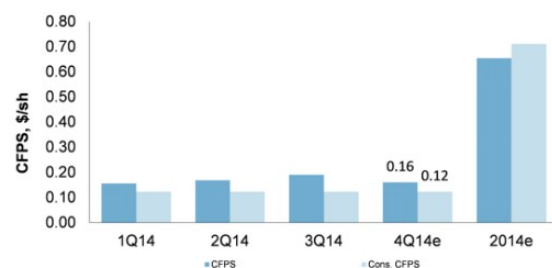
2014 Operating Results and Estimates



2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Kinross Gold (KGC, Overweight, PT \$4.50)

Exhibit 14: Kinross Gold - 4Q14 Preview

What to Watch for this Quarter

- 4Q14 estimates:** We estimate 4Q EPS at \$0.00 (below consensus at \$0.01); we have modeled 648 koz of gold sales (vs. 739 koz in 3Q) at a cash cost of \$717/oz (up from \$698/oz in 3Q). For the year, we have estimated 2.71 moz of attributable sales (vs. production guidance at high end of 2.6-2.7 moz range) at a cash cost of \$720/oz (guidance of \$720-750/oz). Fort Knox regained access to the high-grade section of the pit near the end of September and mill grades were expected to improve in 4Q14. At Kupol, sales lagged production by 53 koz in 1Q14 due to timing of shipments, and combined sales over 2Q14 and 3Q14 exceeded production by 57 koz. Therefore, we think KGC has depleted the inventory built up in 1Q (a key driver of the operational beat in last 2 quarters), and we do not expect an unsold inventory related beat from Kupol in 4Q results.

Key Highlights

- Key Highlights for the quarter:** We think key highlights would be 2015 guidance, year-end 2014 reserves, and further commentary on Tasiast. Production at Kupol could be lower YoY as mill grades may decline closer to reserve grades; but falling oil price, stronger USD, and management initiatives to reduce costs could lead to a lower than expected cash cost guidance. We have modeled gold sales of 2.63 moz at a cash cost of \$692/oz. KGC used a gold price of \$1,200/oz to estimate 2013 mineral reserves, and we think there is a lower risk of a gold price related decline in 2014 YE reserves estimate than some peers. The company is targeting the end of the first quarter to provide an update on Tasiast. would be 1) update on Round Mountain, where mill operations were temporarily suspended following a fire on Oct 1, 2) update on 2014 guidance, and 3) further updates on Tasiast.

Reporting Dates

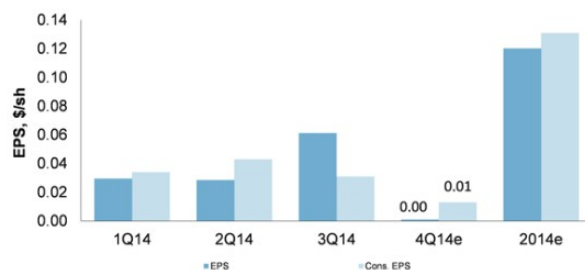
Reporting Results	After Market	February 10, 2015
Conference Call		February 11, 2015
Conference Call Number		TBA

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production koz	739	648	-12%
AISC \$/oz	879	940	7%
Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	0.01	0.00	-93%
CFPS	0.19	0.17	-12%

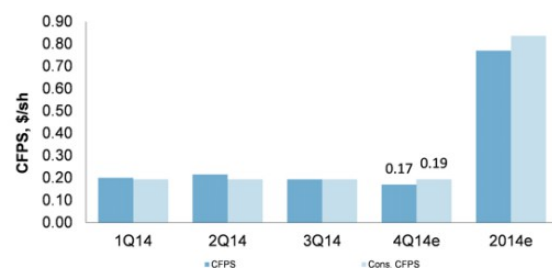
2014 Operating Results and Estimates



2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Newmont Mining (NEM, Equal-weight, PT \$25)

Exhibit 15: Newmont Mining - 4Q14 Preview

What to Watch for this Quarter

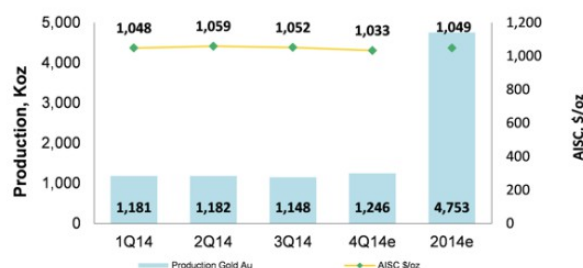
- 4Q14 estimates:** We estimate 4Q EPS at \$0.12 vs. consensus at \$0.11; we have modeled 1.24 moz of gold sales (up from 1.15 moz in 3Q) at an attributable cash cost of \$690/oz (down from \$705/oz in 3Q). For the full year, we forecast 4.73 moz of attributable sales (production guidance of 4.7-5.0 moz) at a consolidated cash cost of \$723/oz (guidance of \$710-750/oz). Management expects higher grades to drive better production in 4Q14 at Yanacocha and in Australia
- Indonesia update.** In early September last year, NEM signed an MOU with Indonesia to commence negotiations to amend their Contract of Work, with completion anticipated in six months. Newmont restarted shipping of copper concentrates from Batu Hijau in the last week of September after receiving a six-month export permit. PT Vale Indonesia signed an amendment to their CoW in October, and PT Freeport Indonesia signed their MOU (with a similar objective as NEM) in late July 2014
- Recap of Merian:** NEM has started construction at the project and has guided to \$0.9-1.0bn in capex. Production is expected to start at the 300-400 koz/yr project in late 2016, with cash costs (first 5 years) of \$650-750/oz and LOM AISC at \$825-960/oz. In November, 2014 Suriname decided to exercise its option to participate in a fully-funded, 25% equity ownership stake in the project. Management sees low double digit IRR at spot gold price (~\$1,300/oz at the time of project approval).

Reporting Dates

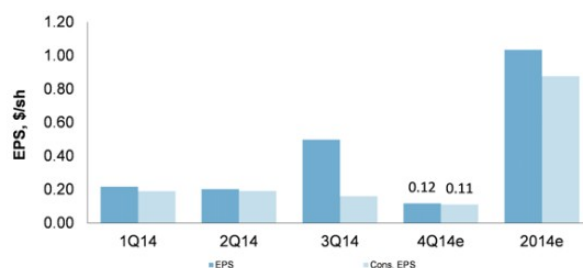
Reporting Results	After Market	February 19, 2015
Conference Call		February 20, 2015
Conference Call Number		800-857-6428

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production koz	1148	1246	9%
AISC \$/oz	1052	1033	-2%
Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	0.11	0.12	6%
CFPS	0.71	0.83	17%

2014 Operating Results and Estimates



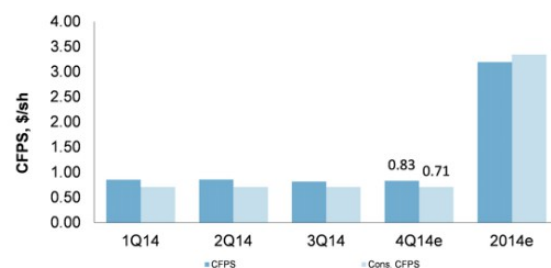
2014 Financial Results - EPS Estimates



Key Highlights

- Key Highlights for the quarter:** We think key highlights would be 1) updated guidance for 2015-16, 2) year-end 2014 reserves, 3) update on negotiations in Indonesia, and 4) project updates (timeline below). Per the company's guidance, 2013 reserves, estimated at 88.4 moz using a gold price of \$1,300/oz, would have been ~83 moz at \$1,200/oz gold price and ~\$75 moz at \$1,100/oz. We think there is a risk to 2014 YE reserves due to use of a lower gold price.

2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Mid-Tier Gold Miners

Alamos Gold (AGI, Equal-weight, PT \$8.00)

Exhibit 16: Alamos Gold - 4Q14 Preview

What to Watch for this Quarter

- With pre-released operating results incorporated into our estimates, we are slightly below consensus on both EPS and CFPS
- After the greatly anticipated Q4 results disappointed with AGI missing guidance, we look for further details to provide confidence that ounces deferred in 4Q14 will come through in 1Q15 and that recovery rates will increase at the recently completed plant

Operating Results (pre-released) Production of 43koz (sold 38koz). Overall, 2014 production of 140.5koz missed the low end of company guidance range at 150koz. AGI's preliminary total cash costs estimates are expected to be within the guidance range of \$700-740/oz.

Financial Results We forecast an EPS loss of \$0.02 and CFPS of \$0.07 vs consensus of -\$0.01 and \$0.11, respectively.

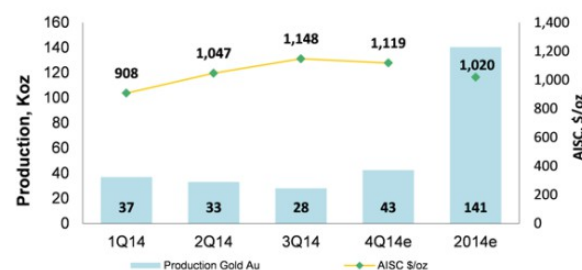
2015 Guidance was previously released at 150-170koz with total cash costs increasing to \$865/oz (AISC \$1,100/oz)

Reporting Dates

Reporting Results	Before Market	TBA
Conference Call		TBA
Conference Call Number		TBA

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production koz	28	43	52%
AISC \$/oz	1148	1119	-3%
Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	-0.01	-0.02	nm
CFPS	0.11	0.07	-42%

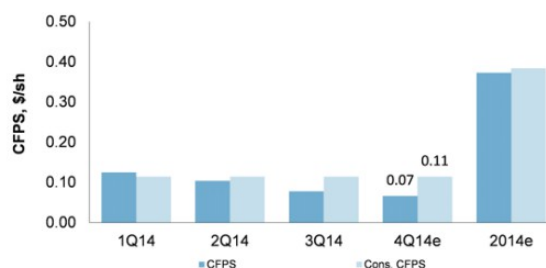
2014 Operating Results and Estimates



2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Upcoming Catalysts

- **2015** - Production expected from the higher grade San Carlos deposit
- **1H15** - Update on projects in Turkey with new revised EIAs submitted
- **1H15** - Esperanza project feasibility study and EIA to be submitted
- **2016 La Yaqui Satellite Project** - Initial production expected
- **2017 Cerro Pelon Satellite Project** - Initial production expected

Source: Company Data, Bloomberg, Morgan Stanley Research

AuRico Gold (AUQ, Underweight, PT \$4.00)

Exhibit 17: AuRico Gold - 4Q14 Preview

What to Watch for this Quarter

- As operating results were pre-released. The key data point for us will be 2015/16 operating and capex guidance. The Young-Davidson ramp up continues to track slightly ahead of plan with the mining rate ending the year at 4,140tpd (vs targeted year-end rate of 4,000tpd) and mining unit costs of \$39/t just ahead of its year end target of \$40/t).
- Updates on future capex spending or guidance at YD. Last quarter 2014 capex budget was increased as future spending was said to be pulled forward

Operating Results (pre-released): Company-wide gold production was 57koz at total cash costs of \$746/oz. AUQ produced 224koz in 2014 which met the mid point of guidance (210-240koz) at total cash costs of \$779/oz (guidance was \$675-775/oz).

Financial Results We are below consensus estimates with an EPS loss of \$0.06 and CFPS of \$0.06 expected in Q4.

Reporting Dates

Reporting Results	After Market	February 19, 2015
Conference Call		February 12, 2015
Conference Call Number		888-231-8191

Operating	3Q14	4Q14e	QoQ Change
Production koz	57	57	-1%
AISC \$/oz	1130	1216	8%
Financial	4Q14e	4Q14e	Difference
EPS	-0.04	-0.06	68%
CFPS	0.08	0.06	-31%

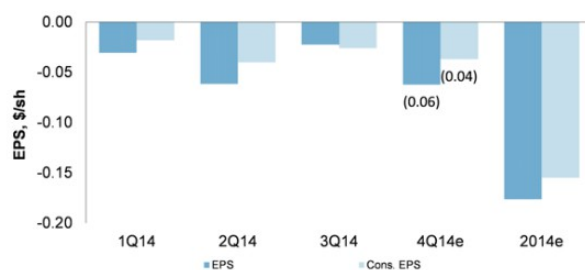
2014 Operating Results and Estimates



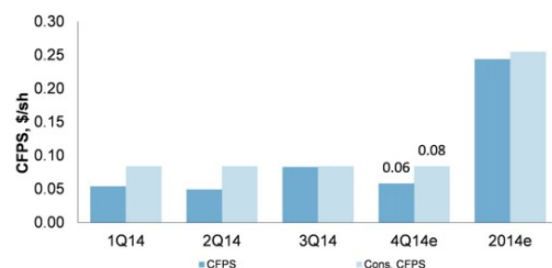
Upcoming Catalysts

- The primary catalysts for AuRico are quarterly progress updates at YD. Operating results are typically pre-released and these updates along with the results from the quarter have the ability to drive shares as the ramp up is de-risked. End of year underground mining rate forecasts are:
 - 2015** - Young-Davidson potentially reaching its underground mining rate target of 6,000tpd by the end of 2015.
 - 2016** - Full design rates of 8,000tpd are not expected until late 2016

2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

New Gold (NGD, Overweight, PT \$6.75)

Exhibit 18: New Gold - 4Q14 Preview

What to Watch for this Quarter

- As guided, we are expecting New Gold to report strong operating results in 4Q14 with the release now to coincide with its investor day Feb 5. Stronger results could prove a catalyst for shares.
- Updates on projects - New Afton mill expansion, Rainy River permitting and Blackwater
- Update on Goldcorp's plans for El Morro after recent negative Supreme Court decision

Operating Results We forecast 108koz gold production (16% increase QoQ) and 24Mlbs of copper production with AISC ~\$1082/oz.

Financial Results We are slightly below consensus on earnings but higher on cash flow with EPS and CFPS of \$0.00 and \$0.15 vs consensus of \$0.02 and \$0.13, respectively.

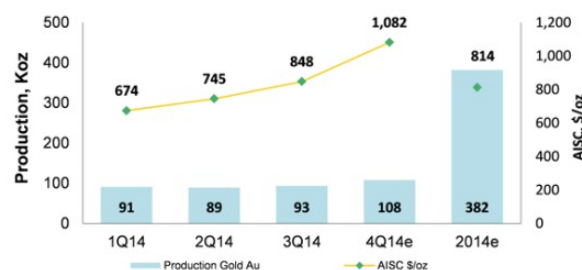
Reporting Dates

Investor Day - Operating Results February 5, 2015

Financial Results TBA
Conference Call Number TBA

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production koz	93	108	16%
AISC \$/oz	848	1082	28%
Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	0.02	0.00	0%
CFPS	0.13	0.15	0%

2014 Operating Results and Estimates



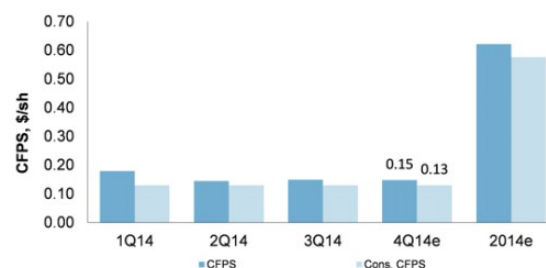
Upcoming Catalysts

- Strong 4Q14 operating results expected
- Early 2015** - With key permits in hand we expect an update on the Rainy River project, potentially benefitting from lower costs (capex and operating) and better economics with its CAD exposure.
- Mid-2015** - Completion of New Afton's 14ktpd mill expansion – expanded flotation capacity and tertiary grinding.
- 2015** - Blackwater EIA approval
- 2015** - New Afton C-zone study

2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Primero Mining (PPP, Equal-weight, PT \$5.50)

Exhibit 19: Primero - 4Q14 Preview

What to Watch for this Quarter

- We could see additional details on the outlook for San Dimas after the guidance provided with 2014 operating results suggested the mill throughput rate could hit 3,000tpd earlier than originally planned.
- Additional details on San Dimas' increased production profile with access to the higher grades and increased throughput.
- Expect an update on progress at Black Fox with near term uncertainty still remaining on the timing of the turnaround. We believe quarterly progress updates will prove to be a key catalyst.

Operating Results (pre-released) Production of 62kGEO was reported with preliminary cost estimates of total cash costs \$701/GEO and AISC \$1,179/oz

Financial Results Incorporating production results into our model we are inline with consensus forecasting an EPS loss of -\$0.03 and CFPS of \$0.11.

Reporting Dates

Reporting Results	Before Market	February 12, 2015
Conference Call		February 12, 2015
Conference Call Number		888-789-9572

Operating	3Q14	4Q14e	QoQ Change
Production koz	60	62	4%
AISC \$/oz	1154	1075	-7%
Financial	4Q14e	4Q14e	Difference
EPS	Cons. -0.03	MSe -0.03	% nm
CFPS	0.13	0.11	-19%

2014 Operating Results and Estimates



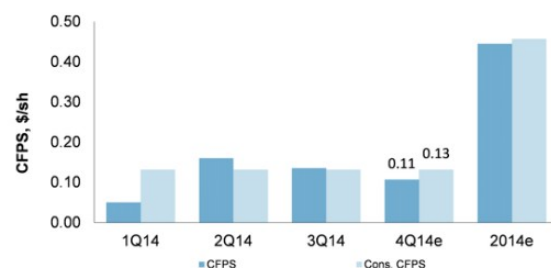
Upcoming Catalysts

- **1Q15** - Black Fox Complex Exploration Update
- **Mid-2015** - Black Fox underground throughput increasing to target rate of 1,000tpd
- **4Q15** - Grey Fox scoping study
- **2H16** - San Dimas mill expansion to 3,000tpd expected to be complete; construction to start 1Q15. Management indicated this may occur sooner. Procurement of major equipment has commenced.
- **2015 & 2016** - San Dimas - higher grades are expected with access to the Victoria vein. Production is expected to increase on the back of the higher throughput and grades.

2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

SEMAFO (SMF, Equal-weight, PT C\$4.75)

Exhibit 20: SEMAFO - 4Q14 Preview

What to Watch for this Quarter

- We are not expecting any surprises as **operating results were pre-released**. Output was lower which was anticipated, as grades were expected to have peaked in Q2 (2.77g/t vs 3.37 g/t in Q2). Total cash costs are expected to fall within \$555-\$565/oz.
- Operating guidance was also updated from 200-225koz to 230-235koz at total cash costs of \$660-675/oz (from \$695-745/oz). Capex increased from \$48.5mln to \$58.5mln.
- We could get further updates on the pending transaction with Orbis Gold.

Operating Results (pre-released) SMF reported companywide production of 62koz. Total cash costs for the quarter are expected to be ~\$600/oz. After revising and improving 2014 guidance in Q3, annual production came in at the higher end of the revised range (234koz vs range of 230-235koz) and total cash costs were lower (\$650 vs range of \$660-675/oz).

Financial Results We forecast EPS of \$0.04 and CFPS of \$0.11, slightly below consensus of \$0.05 and \$0.12 respectively.

Upcoming Catalysts

- 1Q15** Updates on offer for Orbis Gold
- 1Q15** - Connecting to the power grid with potential cost savings (management estimates savings ~\$40/oz)
- 2015** - Exploration successes with additional higher grade results

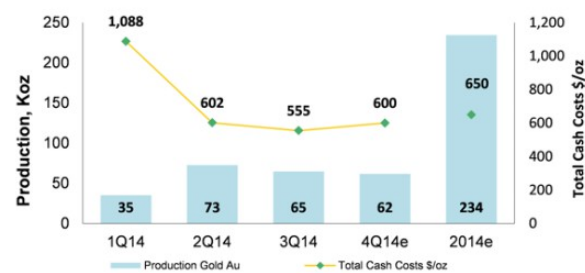
Reporting Dates

Reporting Results March 12, 2015

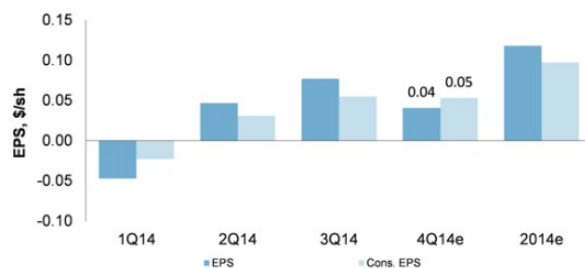
Conference Call TBA
Conference Call Number TBA

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production koz	65	62	-4%
AISC \$/oz	763	813	7%
Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	0.05	0.04	-23%
CFPS	0.12	0.11	-6%

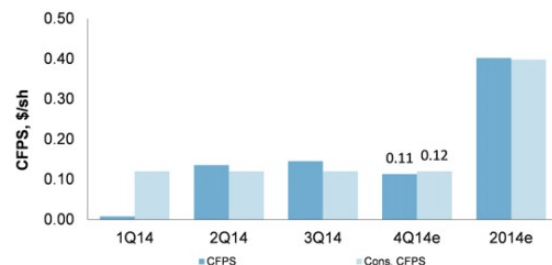
2014 Operating Results and Estimates



2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Royalty / Streaming Companies

Franco-Nevada (FNV, Overweight, PT \$61.00)

Exhibit 21: Franco-Nevada - 4Q14 Preview

What to Watch for this Quarter

- Focus will be drawn to whether results from the company's portfolio and specifically the addition of Candelaria will be able to make up shortfall anticipated from the decline in oil and gas revenue
- Candelaria expected to begin contributing to FNV's profile increasing FNV's proportion of revenue from and exposure to gold
- Update on Cobre Panama - we expect an update on the timing of the initial payment and potentially revised agreement terms from First Quantum and Franco-Nevada.
- FNV could weigh incrementally increasing its dividend again given its track record of annual dividend increases

Operating Results We forecast attributable production of 85kGEO

Financial Results We forecast EPS of \$0.19/sh and CFPS of \$0.54/sh, below consensus of \$0.22/sh and \$0.54/sh respectively.

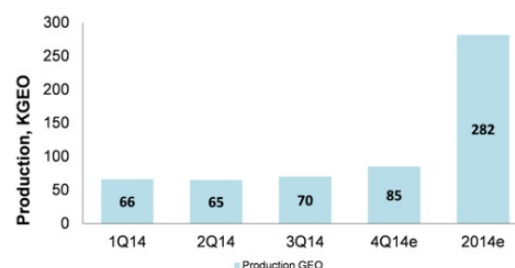
Reporting Dates

Reporting Results	After Market	March 25, 2014
Conference Call		March 26, 2014
Conference Call Number		888-231-8191

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production kGEO	70	85	22%

Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	0.22	0.19	-16%
CFPS	0.54	0.54	0%

2014 Operating Results and Estimates



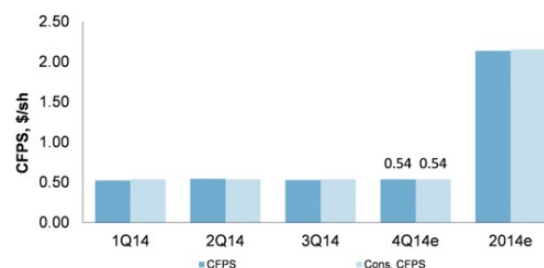
Upcoming Catalysts

- **4Q14 Results** Candelaria - Is expected to begin contributing to 4Q14 results
- **1Q15** Updates on construction timelines and payments expected for its Cobre Panama agreement
- **Early 2015** Cerro Moro construction decision from Yamana. Production could begin as early as 1H2016
- Updates on Rosemont Project following Hudbay's acquisition of Augusta
- Progress on ramp up at Detour Gold
- Additional revenue streams

2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Royal Gold (RGLD, Equal-weight, PT \$77.00)

Exhibit 22: Royal Gold - FY2Q15

What to Watch for this Quarter

- Royal Gold reported FY2Q15 results on January 28th after markets. EPS came in below our estimates, largely attributable to lower revenue from Andacollo, Penasquito and Robinson, offset slightly by a beat at Cortez. EPS was adjusted to account for a \$26mln write down at Wolverine as it was recently placed on care and maintenance (a non-core asset contributing ~1% to revenue over past 12 months). Key assets continue to progress with Mt Milligan ramping up and the Phoenix Gold Project still on track for production mid-2015. Royal Gold continues to have a strong balance sheet to deploy on future transactions.

Upcoming Catalysts

- Voisey's Bay – A favourable outcome on the Voisey's Bay royalty calculation negotiations with Vale.
- Ongoing reserve/resource updates and guidance from source companies
- 1Q15** - Penasquito - Pre-Feasibility studies on the Concentrate Enrichment Process (CEP) and Pyrite Leach Process expected. Feasibility studies are expected to be complete early 2016. A revised mine plan could be released in 2015 taking into consideration work done at Camino Rojo and the CEP and Pyrite Leach project studies. Negotiations with Cerro Gordo Ejido over the land claim settlement remains ongoing. RGLD holds a 2% royalty on gold, silver, lead and zinc at Penasquito.
- Mid-2015** - Phoenix Gold project - Updates on development, construction timelines - production expected mid 2015
- Updates on various assets from source companies

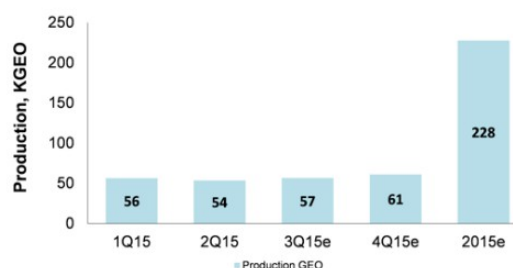
Reporting Dates

Reporting Results	Before Market	January 29, 2015
Conference Call		January 29, 2015
Conference Call Number	(US)	866-270-1533
	(CAN)	855-669-9657

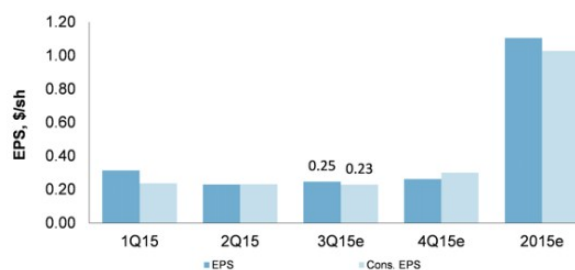
Operating	FY2Q15	FY3Q15e	QoQ Change
		MSe	%
Production koz	54	57	5%

Financial	FY3Q15e	FY3Q15e	Difference
	Cons.	MSe	%
EPS	0.31	0.25	-20%
CFPS	0.76	0.62	-19%

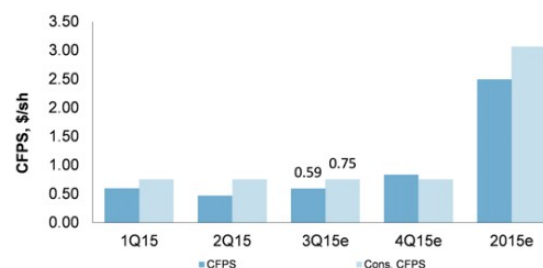
FY2015 Operating Results and Estimates



FY2015 Financial Results - EPS Estimates



FY2015 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

Silver Wheaton (SLW, Equal-weight, PT \$24.00)

Exhibit 23: Silver Wheaton - 4Q14 Preview

What to Watch for this Quarter

- Updates on ongoing CRA tax audit
- Updates on agreements contributing to growth including continued ramp up at Solobo, developments at Constancia, updates on Rosemont project

Operating Results We forecast production of 9,456kSEO, at total cash costs of \$4.55/SEO.

Financial Results We are slightly below consensus, looking for EPS of \$0.15 and CFPS of \$0.29.

Upcoming Catalysts

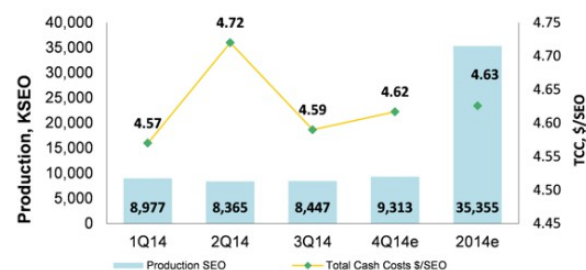
- **1Q15** - Penasquito - Pre-Feasibility studies on the Concentrate Enrichment Process (CEP) and Pyrite Leach Process expected. Feasibility studies are expected to be complete early 2016. A revised mine plan could be released in 2015 taking into consideration work done at Camino Rojo and the CEP and Pyrite Leach project studies. Negotiations with Cerro Gordo Ejido over the land claim settlement remains ongoing. SLW purchases 25% of silver from Penasquito for \$3.90/oz plus an inflation factor
- **2Q15** - Constancia expected to achieve commercial production
- **2H16** - San Dimas mill expansion to 3,000tpd expected to be complete; construction to start 1Q15. Primero management indicated this may occur earlier than plan.
- **2015 & 2016** - San Dimas - higher grades are expected with access to the Victoria vein. Production is expected to increase on the back of the higher throughput and grades.
- Solobo II - Continuing ramp up
- Updates on Rosemont Project following Hudbay's acquisition of Augusta. Water permit remains outstanding with 2 year construction schedule expected.
- Ongoing CRA Audit updates
- Additional streaming transactions

Reporting Dates

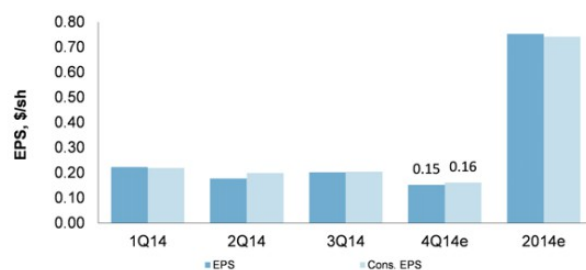
Reporting Results	After Market	March 18, 2015
Conference Call		March 19, 2015
Conference Call Number		888-231-8191

Operating	3Q14	4Q14e	QoQ Change
		MSe	%
Production kSEO	8447	9313	10%
TCC, \$/SEO	4.59	4.62	1%
Financial	4Q14e	4Q14e	Difference
	Cons.	MSe	%
EPS	0.16	0.15	0%
CFPS	0.32	0.29	-9%

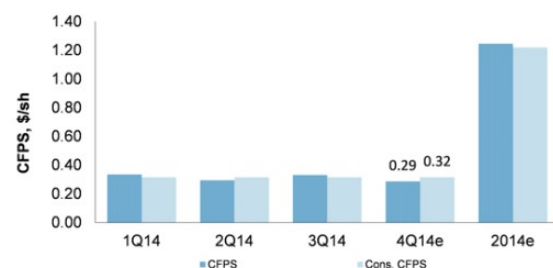
2014 Operating Results and Estimates



2014 Financial Results - EPS Estimates



2014 Financial Results - CFPS Estimates



Source: Company Data, Bloomberg, Morgan Stanley Research

North American Gold Comps

Exhibit 24: North American Gold Comps - Market Data and Operating Stats

Company	Ticker	Rating	Price	Target	Return to tgt	Shares O/S	Mkt cap	EV	Net Debt	Net Debt/ EBITDA	Debt to Equity	Dividend Yield	Payout Ratio	Production			Growth		AISC			Analyst
									2015e	2015e		2015e	2015e	2013	2014e	2015e	13-15e	2013	2014e	2015e		
Senior Gold Miners																						
Agnico Eagle Mines	AEM.N	OW	\$ 32.65	\$ 37.50	15%	210	6,847	8,279	1,014	1.37	0.35	1.0%	43%	1,099	1,408	1,601	46%	952	940	860	BH	
Barrick Gold	ABX.N	EW	\$ 12.29	\$ 13.50	10%	1,165	14,318	26,900	10,315	2.75	0.99	1.6%	31%	7,166	6,289	6,153	-14%	915	885	865	BH	
Eldorado Gold	EGO.N	EW	\$ 5.57	\$ 7.15	28%	716	3,990	4,341	343	0.97	0.11	0.4%	11%	789.2	675.7	783.3	-1%	921	780	940	BH	
Goldcorp	GG.N	EW	\$ 23.36	\$ 28.50	13%	814	19,015	21,759	3,102	1.84	0.16	2.6%	82%	2,665	2,867	3,525	32%	1,134	1,045	840	BH	
IAMGOLD	IAG.N	UW	\$ 2.63	\$ 2.50	-5%	377	991	1,110	(64)	-0.37	0.23	0.0%	0%	784	900	896	14%	1,153	1,200	1,200	PM	
Kinross Gold	KGC.N	OW	\$ 3.30	\$ 4.50	36%	1,145	3,777	4,242	1,020	0.97	0.34	0.0%	0%	2,669	2,711	2,635	-1%	1,063	1,085	1,055	PM	
Newmont Mining	NEM.N	EW	\$ 24.17	\$ 23.00	-5%	500	12,085	19,447	4,713	1.56	0.65	0.4%	10%	5,016	4,753	4,675	-7%	1,150	1,125	1,000	PM	
Sr Gold Producer Average												0.9%	25.2%				10%					
Mid-Tier Gold Miners																						
Alamos Gold	AGL.N	EW	\$ 5.16	\$ 8.00	55%	127	657	76	(318)	-9.82	0.00	3.9%	NA	190	141	163	-14%	772	1,020	1,079	BH	
AuRico Gold	AUQ.N	UW	\$ 3.79	\$ 4.00	6%	249	943	1,126	297	3.85	0.18	1.1%	NA	193	224	247	28%	1,342	1,207	1,285	BH	
New Gold	NGD.A	OW	\$ 4.26	\$ 6.75	58%	504	2,147	2,697	732	2.22	0.32	0.0%	0%	398	382	411	3%	889	814	741	BH	
Primero Mining	PPP.N	EW	\$ 3.87	\$ 5.50	42%	160	619	678	91	1.14	0.11	0.0%	0%	112	190	216	93%	1,077	1,217	1,158	BH	
SEMAFO	SMF.TO	EW	C\$ 4.23	\$ 4.75	12%	279	1,180	842	(212)	-1.59	0.00	0.0%	0%	159	234	261	64%	899	806	905	BH	
Mid-Tier Gold Producer Average																	49%					
Royalty Streaming Companies																						
Franco Nevada	FNV.N	OW	\$ 54.62	\$ 61.00	12%	151	8,252	6,987	(389)	-1.01	0.00	1.5%	89%	241	285	392	62%	NA	NA	NA	BH	
Royal Gold	RGLD.O	EW	\$ 70.73	\$ 77.00	9%	65	4,605	4,224	(385)	-2.15	0.13	1.2%	76%	185	233	288	56%	NA	NA	NA	BH	
Silver Wheaton	SLW.N	EW	\$ 22.25	\$ 24.00	8%	359	7,991	8,743	291	0.63	0.28	1.1%	34%	151	142	170	13%	NA	NA	NA	BH	
Royalty/Streaming Company Average												1.3%	66.4%				44%					

Source: Company Data, Morgan Stanley Research

Exhibit 25: North American Gold Comps - Valuation and FCF

Company	NAVPS	P/NAV	EBITDA		EV / EBITDA		EPS		P/E		CFPS		P/CFPS		Free Cash Flow			Free Cash Flow Yield	Analyst
			2014e	2015e	2014e	2015e	2014e	2015e	2014e	2015e	2014e	2015e	2014e	2015e	2013	2014e	2015e	2015e	
Senior Gold Miners																			
Agnico Eagle Mines	21.47	1.52x	681	742	12.2x	11.2x	0.75	0.49	43.6x	66.8x	3.05	2.97	10.7x	11.0x	(139)	193	213	3%	BH
Barrick Gold	6.24	1.97x	4,682	3,746	5.7x	7.2x	0.64	0.36	19.1x	34.0x	2.17	2.03	5.7x	6.1x	(1,262)	82	358	2%	BH
Eldorado Gold	6.59	0.85x	465	355	9.3x	12.2x	0.20	0.12	28.2x	44.9x	0.50	0.39	11.3x	14.2x	256	252	16	0%	BH
Goldcorp	15.27	1.53x	1,234	1,684	17.6x	12.9x	0.73	0.54	32.1x	43.6x	1.63	2.07	14.3x	11.3x	(1,038)	(911)	350	2%	BH
IAMGOLD	1.25	2.10x	294	171	3.8x	6.5x	0.03	(0.11)	78.2x	nm	0.66	0.45	4.0x	5.9x	(381)	4	424	43%	PM
Kinross Gold	2.46	1.34x	1,208	1,052	3.5x	4.0x	0.12	0.14	27.4x	23.6x	0.86	0.83	3.9x	4.0x	(482)	407	27	1%	PM
Newmont Mining	20.13	1.20x	1,969	3,022	9.9x	6.4x	1.03	1.05	23.4x	22.9x	2.77	4.46	8.7x	5.4x	(327)	84	658	5%	PM
Senior Gold Average			1.50x				8.9x		8.6x				8.4x		8.3x				8%
Mid-Tier Gold Miners																			
Alamos Gold	9.35	0.55x	47	32	1.6x	2.3x	(0.01)	(0.14)	nm	nm	0.37	0.33	13.8x	15.6x	48	(20)	(18)	-3%	BH
AuRico Gold	3.41	1.11x	72	77	15.6x	14.6x	(0.18)	(0.29)	nm	nm	0.24	0.23	15.5x	16.8x	(186)	(128)	(58)	-6%	BH
New Gold	4.10	1.04x	283	330	9.5x	8.2x	0.07	0.12	63.6x	34.9x	0.62	0.64	6.9x	6.7x	(86)	(26)	(181)	-8%	BH
Primero Mining	5.50	0.70x	82	80	8.2x	8.5x	(0.04)	(0.14)	nm	nm	0.45	0.43	8.7x	8.9x	(2)	(76)	(15)	-2%	BH
SEMAFO	2.99	1.42x	115	133	7.4x	6.3x	0.12	0.16	35.8x	25.8x	0.40	0.43	10.5x	9.8x	(33)	48	83	7%	BH
Mid-Tier Average			0.99x				9.9x		8.9x				11.8x		11.8x				-2%
Royalty Streaming Companies																			
Franco Nevada	33.98	1.61x	349	384	20.0x	18.2x	0.89	0.73	61.0x	74.8x	2.14	2.30	25.6x	23.8x	107	(730)	51	1%	BH
Royal Gold	54.22	1.30x	207	180	20.4x	23.5x	1.10	1.21	64.0x	58.4x	2.41	2.99	29.4x	23.6x	67	98	195	4%	BH
Silver Wheaton	13.87	1.60x	442	460	19.8x	19.0x	0.75	0.74	29.5x	30.2x	1.25	1.31	17.9x	17.0x	(1,492)	331	470	6%	BH
Royalty Streaming Average			1.51x		20.1x		20.2x		51.5x		54.4x		1.25x		24.3x		21.5x		4%

Source: Company Data, Morgan Stanley Research

Valuation Methodology and Risks

Exhibit 26: Price Targets with Valuation Methodology and Key Risk

Ticker	Rating	Target	Valuation Methodology	Key Risks
AEM	OW	37.50	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Execution risk at LaRonde extension, integrating Canadian Malartic.
FNV	OW	61.00	Based on a blend of (i) NAV at 5% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Commodity prices, non-operator risk, guidance risk, competition and transaction risk, potential changes to the Cobre Panama agreement and, given FNV currently gamers peer leading multiples.
KGC	OW	4.50	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2014-15 CFPS.	Upside risk from formation of attractive JV partnership at growth projects that reduce spending, further capex cuts allowing for more capital return, political risks, tasiast uncertainty.
NGD	OW	6.75	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Permitting at Blackwater, and execution risk with Rainy River and New Afton expansion.
ABX	EW	13.50	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Uncertainty around production profile and future of Pascua Lama, potential for futher write-downs, balance sheet with higher leverage.
AGI	EW	8.00	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Execution and operating risks, permitting risk with multiple assets that are in the permitting process, development risk
EGO	EW	7.15	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Headline risk from anti development protests in Greece or Romania leading to negative sentiment, execution risk from its development projects.
GG	EW	26.50	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Potential for delays or cost overruns at future growth projects Cochenour, Elenore, Cerro Negro. Policy changes, inflation in Argentina.
NEM	EW	23.00	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2014-15 CFPS.	Execution risk as production growth comes from several projects, increase in non-gold exposure, dilutive M&A risk.
PPP	EW	6.00	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Delays either in the expansion at San Dimas or turnaround at Black Fox. Tax changes in Mexico to accounting of silver streaming ounces from San Dimas.
RGLD	EW	77.00	Based on a blend of (i) NAV at 5% discount rate and (ii) historical average P/CF applied on average of F2015-F16 CFPS.	Commodity prices, non-operator risk, guidance risk, competition, NAV concentration (~60% of NAV in 4 assets) and transaction risk, ramp-up delays at Mount Milligan, slower than expected increase in grade at Penasquito and uncertainty related to Pascua Lama.
SLW	EW	24.00	Based on a blend of (i) NAV at 5% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Commodity prices, non-operator risk, guidance risk, competition and transaction risk, further delays at Pascua Lama and the ongoing CRA tax audit.
SMF	EW	4.75	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Operations at Mana given single asset company, positive and significant exploration results could lead to upside risk.
AUQ	UW	4.00	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16 CFPS.	Execution and operating risk from Young-Davidson mine ramp up, which contributes to a large portion of our NAV, balance sheet with higher leverage.
IAG	UW	2.50	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2014-15 CFPS.	Cost cuts not sufficient to offset price decline and growth project delayed, political risks, upside risk from significant cost cutting.

Source: Company Data, Morgan Stanley Research

Agnico Eagle Mines (AEM, Overweight, PT \$37.50)

Executing in Politically Safe Jurisdictions = Premium Multiple

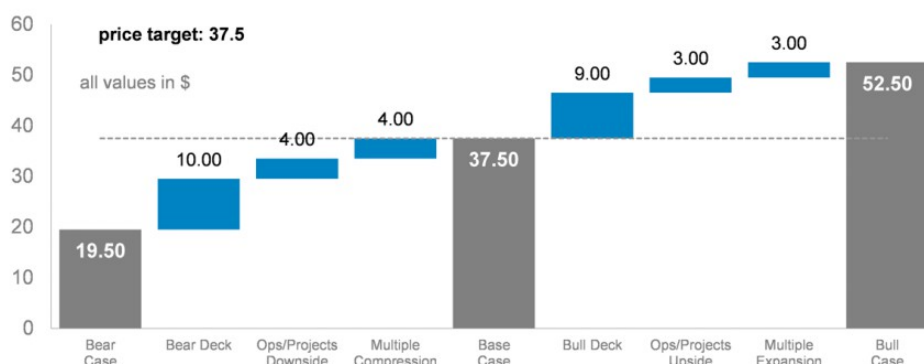


Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$37.50 60% 1.3x NAV & 40% 16x 2yr average fwd CF

Bull	\$52.50	Stars align, Multiple Expands. Our Bull case assumes better than expected execution on the LaRonde extension and higher grades for longer at Meadowbank leading to further multiple expansion. This adds ~50koz and drives FCF up ~12% in 2015 (from Base case).
Base	\$37.50	FCF positive in 2015; ~20% output growth 2014-2016. Our Base case assumes AEM delivers results in line with our expectations, FCF positive in 2015, along with the low political risk profile and mgmt track record, we expect the mkt to continue to afford the company above avg multiples.
Bear	\$19.50	Delays push out FCF growth. Our Bear case assumes delays accessing higher grades at the LaRonde extension, mining below reserve grades at Meadowbank and slow integration and optimization of Canadian Malartic. Missed expectations lead to compressed multiples.

Exhibit 27: AEM – Key Value Drivers: Gold Price and Grade



Source: Company Data, Morgan Stanley Research estimates .

Investment Thesis

- Agnico Eagle has several key attributes; i) quality assets in relatively stable regions, ii) a flexible project pipeline and iii) expected to be FCF positive on our price deck in 2015.
- Given AEM's recent history executing on cost cutting and better than expected operating performance we believe investors will continue to support higher than average multiples.

Key Value Drivers

- **Investor Confidence** in mgmt and its ability to meet or exceed expectations.
- **Solid Assets** - Long life mines in stable jurisdictions.
- **No Significant Commitments** - Flexible project pipeline.
- **Operational Strength** - Continued operating strength and improvements at Meadowbank and LaRonde.
- **Exploration Upside** around most operating mines but most encouraging to date is the Amaruq project in Nunavut.
- **Gold Price** - We calculate that a 5% change in our price deck equates to a 9% move in our NAV estimate and 10% move in 2014 CF estimates.

Potential Catalysts

- Updates and initial resource at Amaruq project.
- Continued strong operating momentum into 1H15.
- Positive results as LaRonde progresses into depth extension (higher grades).
- Meliadine feasibility update and Kittila's large scale expansion study.
- Successful integration and optimization at recently acquired Canadian Malartic mine.

Risks to Our Price Target

- Exposed to modest near term execution risk from the LaRonde extension.
- Delays in achieving Canadian Malartic design throughput rates.
- AEM is exposed to gold price movements.
- AEM tends to garner above average multiples, if sentiment should change or the company disappoints, these multiples could contract.

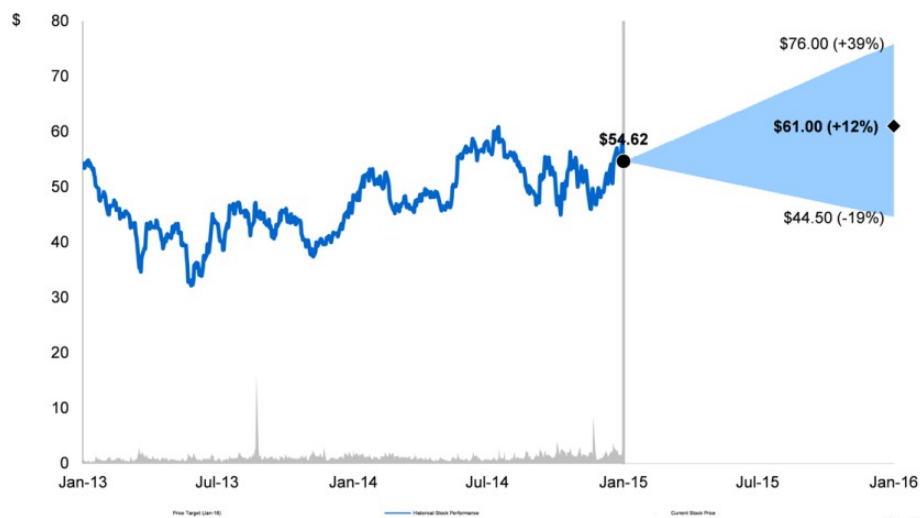
Exhibit 28: AEM – Financial Summary

Market Statistics						
Share Price	\$ 32.65		52 Week High	\$ 42.41		
Market Cap	6,847		52 Week Low	\$ 21.65		
Enterprise Value	8,279					
Dividend Yield	1.0%					
Operations Summary						
Gold US\$/oz	1,669	1,412	1,266	1,180	1,165	1,150
Silver US\$/oz	31.15	23.85	19.08	18.18	18.20	18.00
Au Production, koz	1,044	1,099	1,408	1,601	1,668	1,705
Production Growth	6%	5%	28%	14%	4%	2%
Free Cash Flow	250	(139)	193	213	306	411
FCF Yield%	1.9%	-1.4%	3.0%	3.0%	4.4%	5.9%
Free Cash Flow After Dividend	113	(292)	130	144	237	343
Valuation Metrics						
ModelWare EPS (US\$)	1.81	0.89	0.75	0.49	0.65	0.59
P/E	42x	63x	44x	67x	50x	56x
CFPS	4.18	2.87	3.05	2.97	3.18	3.26
P/CFPS	18.2x	19.5x	10.7x	11.0x	10.3x	10.0x
EV/EBITDA	10.5x	15.0x	12.2x	11.2x	10.3x	10.1x
ROE	9.1%	5.2%	3.7%	2.6%	3.4%	3.0%
ROC	7.3%	3.9%	2.7%	1.9%	2.6%	2.4%
Gearing (ND/ND+E)	13.5%	22.4%	23.5%	21.1%	16.9%	10.5%
Net Debt	532	861	1,216	1,072	834	491
Net Debt/EBITDA	0.7	1.6	1.8	1.4	1.0	0.6
NAV Summary				US\$ mm	US\$/sh	% Total
Mining Assets						
LaRonde				1,546,829	7.21	29%
Malaric				966,769	4.51	18%
PinosAltos				745,820	3.48	14%
Meadowbank				428,076	2.00	8%
Kittila				355,379	1.66	7%
Meliadine				317,711	1.48	6%
Lalindia				287,783	1.34	5%
Goldex				174,633	0.81	3%
Lapa				66,212	0.31	1%
Other				483,500	2.25	9%
Total Mining Assets				5,372,712	25.04	100%
Corporate Adjustments				(762,068)	-3.55	
Net Asset Value (NAV)				4,610,643	21.49	
P/NAV Multiple (adjusted for cash)					1.3x	
Avg 2014/15 CFO					3.07	
P/CF Multiple					16.0x	
Price Target					37.50	
Income Statement (US\$M)						
Revenues	1,918	1,638	1,860	1,995	2,048	2,069
Cost of Sales	898	925	1,003	1,111	1,101	1,109
DDA	272	296	388	494	506	549
SG&A	119	116	117	102	104	104
Others	-119	-116	-117	-102	-104	-104
Operating Income	748	417	468	390	441	411
Other Income/(Expenses)	(313)	(788)	(252)	(228)	(228)	(220)
Income before tax	435	(371)	216	161	212	191
Tax	124	36	98	56	72	65
Reported Net Income	559	(335)	314	218	285	255
Diluted shares out (mn)	171	173	196	215	215	215
Reported Diluted EPS	1.81	(2.35)	0.68	0.49	0.65	0.59
MW Net Income	311	154	147	105	140	126
MW EPS	1.81	0.89	0.75	0.49	0.65	0.59
Balance Sheet (US\$M)						
Cash and Equivalents	298	139	144	288	525	633
Other Current Assets	605	666	748	748	748	748
Total Current Assets	903	805	891	1,035	1,273	1,381
Other Assets	3,449	3,350	4,882	4,667	4,300	3,930
Total Assets	5,256	4,959	6,665	6,738	6,846	6,692
Short term borrowings	-	-	19	19	19	19
Other Current Liabilities	277	211	293	305	317	317
Total Current Liabilities	277	211	312	324	336	336
Long term borrowings	830	1,000	1,360	1,360	1,360	1,125
Other Liabilities	462	561	728	716	704	704
Total Liabilities	1,846	1,982	2,712	2,724	2,736	2,501
Non-Controlling Int.	-	-	-	-	-	-
Shareholders' equity	3,410	2,977	3,952	4,014	4,110	4,191
Liabilities & Equity	5,256	4,959	6,665	6,738	6,846	6,692
Cashflow Statement (US\$M)						
Net Income	311	(407)	131	105	140	126
Depreciation	272	296	388	494	506	549
Other	113	549	119	38	36	24
Net Cash from Operations	696	438	638	637	682	699
Capex	(446)	(578)	(445)	(424)	(376)	(287)
Other	69	(67)	(448)	-	-	-
Net Cash used in Investing	(376)	(644)	(893)	(424)	(376)	(287)
Proceeds from Equity	33	24	16	-	-	-
Net Change in Debt	(290)	170	299	-	-	(235)
Other	55	(145)	(70)	(69)	(69)	(69)
Net Cash (used in) Financing	(203)	49	245	(69)	(69)	(304)
Fx on Cash & Equiv	1,376	(1,519)	14,722	-	-	-
Net Cash Inflow	119	(159)	5	144	237	108

Source: Company Data, Morgan Stanley Research estimates

Franco-Nevada (FNV, Overweight, PT \$61.00)

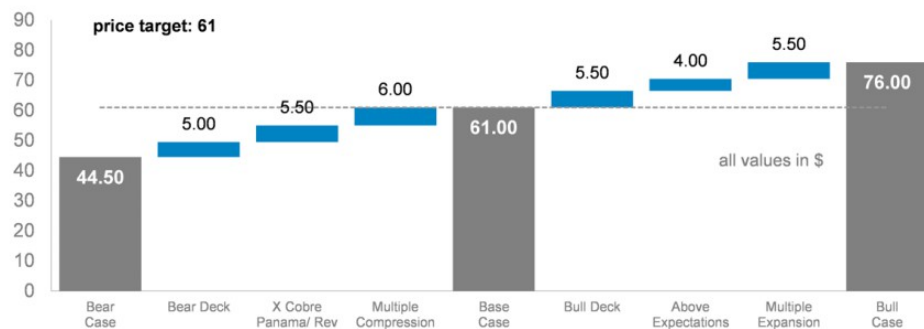
The Go To Royaltyco



Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$61.00		60% 1.8x NAV & 40% 26x 2yr average fwd CF
Bull \$76.00	Beat Expectations, Model Attracts Additional Funds Flow. Our bull case assumes revenues come in 10% better than expected; challenging mining market continues – FNV model becomes preferred exposure to precious metals leading to higher royalty company multiples.	
Assuming Bull Case Metal Price Deck		
Base \$61.00	Lower Risk than Producers (limited Capex/Opex inflation risk); With a well diversified portfolio of assets (>360 assets), ~60% growth in GEO 2014 to 2018, lower risk that miningcos with better leverage than bullion and pays a dividend, and benefiting from challenging mining mkts – FNV business model and portfolio supports a premium multiple.	
Assuming Base Case Metal Price Deck		
Bear \$44.50	Exposed to Development Delays/Deferrals and Production Disruptions. Although FNV is very diversified, a number of issues/concerns related to development projects (i.e., Cobre Panama on the back of weaker copper prices) would impact NAV, multiples and sentiment.	
Assuming Bear Case Metal Price Deck		

Exhibit 29: FNV – Business Model Drives Premium Multiples



Source: Company Data, Morgan Stanley Research estimates

Investment Thesis

- Franco-Nevada boast one of the more diversified portfolios of royalties/streaming companies by NAV concentration, source metal, source company and geography with over 360 mining assets and 165 oil & gas. In our view, FNV continues to be the “go to” royalty name.

Key Value Drivers

- **Sentiment:** Royaltycos demand premium multiples given risk-reward profiles, more pronounced in challenging mining markets.
- **Growth Opportunities Expanding:** With the financial markets (debt and equity) largely closed to miningcos, royalties and streams become a meaningful financing alternative driving future growth opportunities.
- **Solid Assets:** FNV’s portfolio consists of several long life assets in stable jurisdictions as well as undeveloped opportunities that could become meaningful contributors longer term.

Potential Catalysts

- Clarity on potential changes to Cobre Panama agreement – 1Q15.
- Rosemont permitting.
- Further expansion and exploration potential throughout FNV’s portfolio.
- Further accretive transactions.

Risks to Our Price Target

- Although roylaltycos have less risk than Miningcos, they are still exposed to delays, output disruptions & metal prices. Franco-Nevada is also exposed to oil prices.
- Negative changes to the Cobre Panama agreement.
- If sentiment toward miningcos improves or if financial markets open up.
- Changes to mine plans or capital decisions could impact valuations.
- Royaltycos also have limited access to operating data and are bound by guidance provided by the source company.

Exhibit 30: FNV – Financial Summary

Market Statistics						
Share Price	\$ 54.62		52 Week High	\$ 61.47		
Market Cap	8,252		52 Week Low	\$ 44.54		
Enterprise Value	6,987					
Dividend Yield	1.5%					
Operations Summary						
	2011	2012	2013	2014e	2015e	2016e
Gold US\$/oz	1,546	1,669	1,414	1,266	1,180	1,165
Silver US\$/oz	32.91	31.15	23.96	19.08	18.18	18.20
GEO Production, kGEO	226	230	241	285	392	388
Production Growth	19%	2%	5%	18%	37%	-1%
Free cashflow	250	(203)	107	(730)	51	86
FCF Yield%	4.8%	-2.8%	1.7%	-8.8%	0.6%	1.0%
Free Cash Flow After Dividend	201	(281)	3	(846)	(70)	(34)
Valuation Metrics						
	2011	2012	2013	2014e	2015e	2016e
ModelWare EPS (US\$)	1.08	1.19	0.94	0.89	0.73	0.74
P/E	34.9x	40.9x	46.8x	61.0x	74.8x	74.3x
CFPS	2.12	2.22	1.98	2.14	2.30	2.23
P/CFPS	17.9x	21.8x	22.1x	25.6x	23.8x	24.5x
EV/EBITDA	22.3	19.7	20.2	20.2	18.2	18.7
ROE	4.8%	5.4%	4.7%	3.8%	3.1%	3.0%
ROC	3.1%	5.4%	4.7%	3.8%	2.9%	2.9%
Gearing (ND/ND+E)	-39%	-25%	-35%	-15%	-12%	-11%
Net Debt	(794)	(632)	(770)	(459)	(389)	(355)
Net Debt/EBITDA	(2.5)	(1.8)	(2.2)	(1.3)	(1.0)	(0.9)
NAV Summary				US\$ mm	US\$/sh	% Total
Royalty/Streaming Assets						
United States - Gold				482,072	3.00	9%
Canada - Gold				447,733	2.79	9%
Australia - Gold				51,597	0.32	1%
Rest of World - Gold				1,973,735	12.28	38%
Oil & Gas				534,333	3.32	10%
Other				1,141,547	4.04	22%
Total Mining Assets				4,631,017	25.75	90%
Corporate Adjustments				298,786	1.86	
Net Asset Value (NAV)				5,461,237	33.98	
P/NAV Multiple (implied)					1.8x	
Avg 2015/16 CFO					2.26	
P/CF Multiple					26.0x	
Price Target					61.00	
Income Statement (US\$M)						
	2011	2012	2013	2014e	2015e	2016e
Revenues	411	427	401	436	502	496
Cost of Sales	63	59	60	70	100	103
DDA	131	127	129	166	232	221
SG&A	21	20	18	18	19	19
Others	0	0	0	0	0	0
Operating Income	197	221	193	181	152	153
Other Income/(Expenses)	(158)	(66)	(159)	3	2	2
Income before tax	39	155	34	185	154	155
Tax	46	52	22	51	43	44
Reported Net Income	85	207	56	236	197	198
Diluted shares out (mn)	125	144	148	150	151	151
Reported Diluted EPS	(0.05)	0.71	0.08	0.89	0.73	0.74
MW Net Income	136	171	138	134	110	111
MW EPS	1.08	1.19	0.94	0.89	0.73	0.74
Balance Sheet (US\$M)						
	2011	2012	2013	2014e	2015e	2016e
Cash and Equivalents	794	632	770	459	539	505
Other Current Assets	100	248	142	48	48	48
Total Current Assets	894	879	912	507	588	553
Other Assets	1,112	1,486	1,220	2,535	2,641	2,830
Total Assets	2,901	3,244	3,045	3,549	3,816	3,937
Short term borrowings	-	-	-	-	-	-
Other Current Liabilities	43	57	51	17	19	23
Total Current Liabilities	43	57	51	17	19	23
Long term borrowings	-	-	-	-	150	150
Other Liabilities	(20)	(19)	(21)	21	19	15
Total Liabilities	67	95	81	55	207	211
Shareholders' equity	2,834	3,149	2,964	3,494	3,609	3,725
Liabilities & Equity	2,901	3,244	3,045	3,549	3,816	3,937
Cashflow Statement (US\$M)						
	2011	2012	2013	2014e	2015e	2016e
Net Income	(7)	103	12	134	110	111
Depreciation	131	127	129	166	232	221
Others	164	77	108	35	7	9
Net Cash from Operations	288	306	249	335	349	341
Acquisition of Interests in Assets	(38)	(509)	(142)	(1,065)	(298)	(255)
Others	(187)	(150)	141	47	-	-
Net Cash used in Investing	(225)	(659)	(1)	(1,018)	(298)	(255)
Proceeds from Equity	367	-	-	480	-	-
Net Change in Debt	(8)	-	-	-	150	-
Others	(36)	180	(94)	(95)	(121)	(121)
Net cash (used in) Financing	324	180	(94)	384	29	(121)
Net Cash Inflow	380	(162)	138	(311)	80	(34)

Source: Company Data, Morgan Stanley Research estimates

Kinross Gold (KGC, Overweight, PT \$4.50)

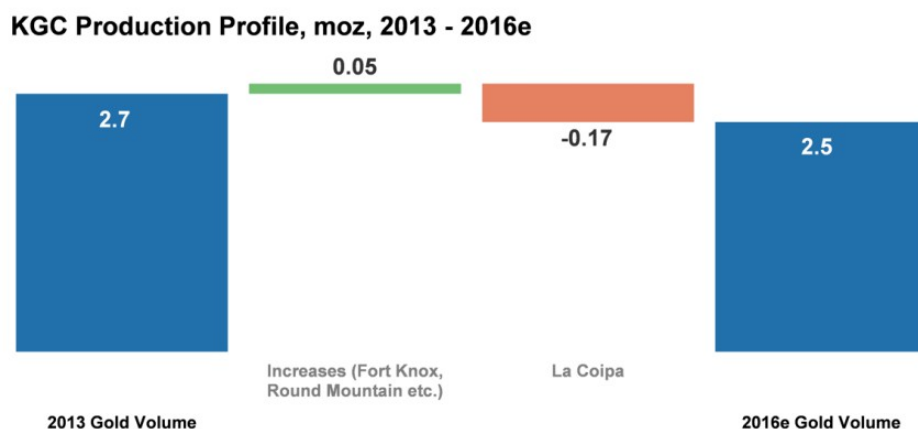
Risk Reward View



Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target	\$4.50	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16e CFPS.
Bull	\$6.00	Bull case commodity prices; KGC delivers on growth. Tasiast shows significant increase in reserves. KGC's low base metal exposure attracts gold-focused investors. Gold volumes higher than base case and costs decline.
Base	\$4.50	KGC produces 2.5-2.7 moz in 2014 and costs meet guidance. Paracatu continues to meet expectations. Dvoinoye to reach targeted production rate in 2014.
Bear	\$2.25	Bear case commodity prices; KGC volumes lag guidance. Gold volumes lower than base case and costs increase. Challenges resume at Paracatu. Tasiast capex higher than in feasibility study.

Exhibit 31: KGC Production Profile, moz, 2013 - 2016e



Source: Company Data, Morgan Stanley Research estimates..

Investment Thesis

- Kinross offers the lowest base metal exposure among North American gold stocks.
- FCF breakeven price is at ~\$1,150/oz, vs. spot above \$1,200/oz. At spot, KGC is trading at an EV/EBITDA of 4.9x (vs. 2001-10 average at 10.7x on consensus).
- We think that the recent rally has been driven by: 1) signs that operations at the Company's Russian assets have thus far been unaffected by Russian sanctions, 2) management comments on the 3Q conference call that the Tasiast expansion decision will depend on gold price environment, and 3) an 7% rally in gold price.
- We are Equal-weight because of KGC's large exposure to Russia (24% of NAV, our estimate) & execution risk at the Tasiast expansion project.

Key Value Drivers

- Gold Price Sensitivity: We estimate every \$10/oz change in gold price would affect 2015e EPS by 10.6% and CFPS by 1.8%, relative to our base case.
- Production growth: Longer term, we anticipate Tasiast expansion to drive cost reduction & growth vs. 2014-16 levels.
- Costs should benefit from Paracatu improvements.

Key Projects

- Tasiast is the company's key growth project.
- Lobo Marte is planned after Tasiast.

Potential Catalysts

- Higher than expected reserves growth
- A further increase in investor confidence about stability in the Russian region.
- Better than expected economics at Tasiast.
- Further details of 2015-16 production plans.

Risks to Achieving Price Target

- Upside risk from formation of attractive JV partnership at growth projects that reduce spending.
- Further capex cuts allowing for more capital return.
- Political risks.
- Higher than expected capex at Tasiast.

Exhibit 32: KGC Financial Summary

Quarterly Data

	3Q14	4Q14e	1Q15e	2Q15e	3Q15e	4Q15e
Gold US\$/Oz	1,250	1,203	1,200	1,175	1,165	1,180
Silver US\$/oz	20.5	16.6	17.7	18.4	18.2	18.5
Eq. Gold Sold (koz)	739	648	653	661	661	661
Silver Sold (koz)	1,166	1,270	1,250	1,250	1,250	1,250
Gold cash cost, \$/oz	698	717	690	692	692	692
Gold Depreciation \$/Oz	313	298	294	292	292	292
Revenues	946	786	815	824	824	824
EBITDA	346	237	298	300	300	300
ModelWare Net Income	70	1	64	65	65	65
Modelware EPS	0.06	0.00	0.06	0.06	0.06	0.06

Summary Valuation Measures

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
ModelWare EPS (US\$)	0.77	0.28	0.12	0.23	0.30	0.28
EPS Growth YoY (%)	1	(64)	(57)	89	30	(4)
P/E	12.6	12.4	29.1	15.4	11.8	12.3
P/B	1.1	0.7	0.7	0.6	0.6	0.6
Cash Flow/ Share	1.37	1.01	0.85	0.91	0.88	0.84
EV	12,174	5,458	5,141	5,012	4,993	4,923
EV/EBITDA	6.2	4.0	4.4	4.2	4.1	4.4
EV/Reserves (US\$/oz)	195	87	82	80	80	79
DPS	0.16	0.08	0.00	0.00	0.00	0.00
Payout ratio (%)	21%	28%	0%	0%	0%	0%
Div Yield (%)	1.6%	2.3%	0.0%	0.0%	0.0%	0.0%
ROE	-20.3%	-38.1%	1.2%	4.3%	5.3%	4.9%
ROC	9.2%	3.1%	1.5%	2.5%	4.1%	3.7%
Leverage (ND/ND+E)	9%	19%	15%	13%	12%	11%
Net Debt	1,027	1,385	1,047	931	913	843
Tax rate (%)	0%	21%	41%	32%	35%	30%
Free cashflow	184	(77)	600	136	38	91
FCF Yield%	1.7%	-1.9%	14.9%	3.4%	0.9%	2.3%

NAV Calculations

Asset	Reserves, moz	NAV, \$ mn	US\$/sh % Total
Fort Knox, USA	2.86	1,060	\$0.93 20%
Round Mountain, USA	0.92	129	\$0.11 2%
Paracatu, Brazil - 100%	10.40	957	\$0.84 18%
La Coipa, Chile	-	-	\$0.00 0%
Kettle River, USA	0.14	136	\$0.12 3%
Maricunga (Refugio), Chile	2.18	224	\$0.20 4%
Kupol, Russia (75%)	3.38	1,458	\$1.27 27%
Cerro Casale, Chile	5.81	-	\$0.00 0%
Condor/ Fruta Del Norte	-	-	\$0.00 0%
Lobo Marte	6.03	61	\$0.05 1%
Chirano, Ghana	1.42	547	\$0.48 10%
Tasiast, Mauritania	9.64	740	\$0.65 14%
Total	42.78	5,313	\$4.64 100%

Income Statement Items, post tax	(1,467)	(\$1.28)
Working Capital Changes	-	\$0.00
Net Debt YE. 14	(1,047)	(\$0.91)
Minority Interest YE. 14	(75)	(\$0.07)
Pension and OPEB 14	-	\$0.00
Kupol Hedges	-	\$0.00
Equity NAV	2,724	\$2.38

Sensitivity Analysis

		2015e	2016e	2017e
EPS Gold Sensitivity	± \$10/oz	6.7%	4.9%	5.2%
EPS Silver Sensitivity	± \$1/oz	1.3%	1.0%	1.1%
CFPS Gold Sensitivity	± \$10/oz	1.7%	1.6%	1.8%
CFPS Silver Sensitivity	± \$1/oz	0.3%	0.3%	0.4%

Key Assumptions

Year End December	2012	2013	2014e	2015e	2016e	2017e
Gold US\$/Oz	1,669	1,413	1,235	1,235	1,235	1,235
Silver US\$/oz	31.19	23.89	17.10	17.10	17.10	17.10
Copper US\$/lb	3.61	3.33	2.47	2.47	2.47	2.47
Equivalent Gold Sold (koz)	2,631	2,669	2,711	2,635	2,601	2,505
Silver Sold (koz)	10,525	9,021	5,000	5,000	5,000	5,000
Gold Avg. Cash Costs US\$/Oz	708	743	720	692	681	700
Gold Depreciation US\$/Oz	259	307	306	292	253	249

Income Statement

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
Revenues	4,311	3,780	3,461	3,288	3,246	3,128
Cost of Sales	1,851	2,004	1,971	1,840	1,789	1,770
Accretion and Rec expense	-	-	-	-	-	-
DDA	681	829	842	786	667	632
Exploration & Business dev.	235	147	114	90	82	81
SG&A	179	177	170	140	135	128
Others	84	88	50	20	22	22
Operating Income	1,281	534	314	412	550	494
Other Income/(Expenses)	(6,992)	(6,539)	(14)	(30)	(30)	(30)
Income before tax	(5,711)	(6,004)	300	382	520	465
Tax	3,164	3,002	(161)	(122)	(182)	(139)
Minority Interest and Others	42	(741)	(67)	-	-	-
Reported Net Income	(2,505)	(3,743)	72	260	338	325
Reported Diluted EPS	(2.20)	(3.28)	0.06	0.23	0.30	0.28
Normalized Net Income	879	321	138	260	338	325
Normalized EPS	0.77	0.28	0.12	0.23	0.30	0.28
Diluted shares out (mn)	1,139	1,142	1,149	1,145	1,145	1,145

Balance Sheet

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
Cash and Equivalents	1,606	734	1,011	1,126	1,144	1,414
Inventories	1,258	1,323	1,144	1,264	1,225	1,213
Trade Receivables	287	284	299	253	249	240
Goodwill	1,137	308	308	308	308	308
Net PP&E	8,979	6,583	6,341	6,505	6,853	7,125
Other Assets	1,589	1,054	974	974	974	974
Total Assets	14,855	10,287	10,077	10,431	10,754	11,274
Short term borrowings	516	60	60	60	60	60
Long term borrowings	2,116	2,060	1,997	1,997	1,997	2,197
Trade Payables	633	545	392	486	471	466
Minority Interests	76	76	75	75	75	75
Deferred Tax Liability	677	534	529	529	529	529
Other Liabilities	1,015	999	931	931	931	931
Shareholders' equity	9,823	6,014	6,093	6,353	6,691	7,016
Liabilities & Equity	14,855	10,287	10,077	10,431	10,754	11,274

Cashflow Statement

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
Net Income	(2,505)	(3,743)	72	260	338	325
Depreciation	681	829	842	786	667	632
Others	2,933	3,756	(81)	-	-	-
(Increase) in Working Capital	147	(68)	183	19	28	17
Net Cash from Operations	1,255	775	1,016	1,065	1,033	974
Acquisitions	-	-	-	-	-	-
Capex	(1,925)	(1,262)	(611)	(950)	(1,015)	(904)
Others	(238)	244	(25)	-	-	-
Net Cash used in Investing	(2,163)	(1,019)	(636)	(950)	(1,015)	(904)
Share issue/repurchase	6	6	0	-	-	-
Debt issue/repayment	964	(528)	(67)	-	-	200
Dividend paid	(182)	(91)	-	-	-	-
Minority Interest & others	(13)	(2)	(23)	-	-	-
Net cash (used in) Financing	775	(616)	(90)	-	-	200
Net Cash Inflow	(133)	(871)	276	115	18	270
Closing Cash Balance	1,606	734	1,011	1,126	1,144	1,414

Source: Company Data, Morgan Stanley Research

New Gold (NGD, Overweight, PT \$6.75)

Stable Jurisdictions, Growth, Low Costs, Exploration Upside & Optionality



Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$6.75 60% 1.3x NAV & 40% 12x 2yr average fwd CF

Bull \$10.00
Assuming Bull Case Metal Price Deck

C-Zone expansion, with Rainy River ramping ahead of expectations - multiples expand. Our Bull Case assumes that the C-Zone adds higher grades and mine life at New Afton and Rainy River ramps up ahead of schedule leading to multiple expansion.

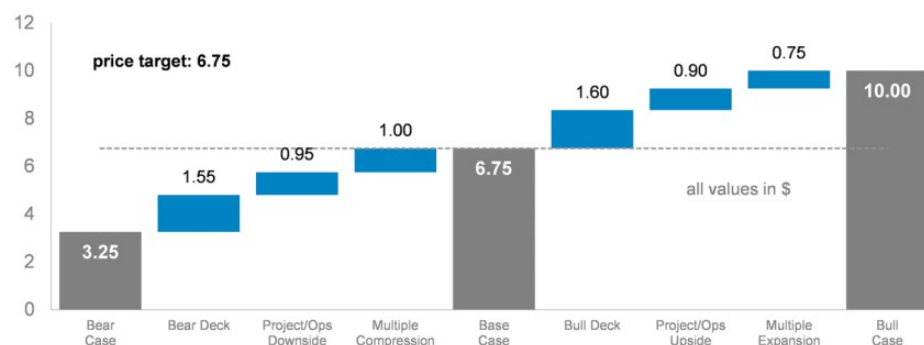
Base \$6.75
Assuming Base Case Metal Price Deck

Stable, low costs, growth and optionality make NGD a "Go-To" holding in Mid-tier group. Our Base Case assumes NGD's modest expansion at New Afton and the development of Rainy River occur as planned. NGD continues to grow at a measured pace with valuation well supported by its cornerstone asset. NGD becomes a Core Holding.

Bear \$3.25
Assuming Bear Case Metal Price Deck

Challenges arise at New Afton, delays plague Rainy River and Copper prices continue to weaken. Our Bear Case assumes New Afton expansion is completed ~6mo later than expected and Rainy River is delayed 12mos and costs \$100mn more to build. Issues at these two key assets put pressure on multiples and sentiment.

Exhibit 33: NGD – Execution & Jurisdiction Driving Multiples



Source: Company Data, Morgan Stanley Research estimates .

Investment Thesis

- We believe New Gold has the key hallmarks of a core holding in the mid-tier gold space – stable jurisdictions, growth, relatively low costs, exploration potential, and a project pipeline with optionality.
- With its cornerstone asset, New Afton, performing and the next fully funded project, Rainy River, recently permitted, we believe its key attributes and pipeline optionality will allow NGD to outperform its peer group.
- Our target is based on a 1.3x P/NAV and 12x P/CFPS. NGD is currently trading at 1.1x P/NAV and 7.2x P/2015CFPS.

Key Value Drivers

- **Execution** – Stable performance at New Afton (~50% of NAV) and development of Rainy River (~10%).
- **Production Growth and Cost Control** – We forecast production growth of ~50% with total cash costs remaining at current, industry leading low levels 2014 to 2017.
- **Gold price** – A 5% change in the gold has a ~10% impact on our NAV estimate and ~10% impact on 2015 CFPS.

Potential Catalysts

- Rainy River construction updates.
- Quarterly operating updates at New Afton.
- Exploration updates.

Risks to Our Price Target

- Development and Execution risk – we assume the New Afton expansion hits design rates 4Q15 and Rainy River achieves commercial production 1H17 (we note however, the Rainy River development plan can be adjusted if market conditions deteriorate).
- Gold and copper price movements.

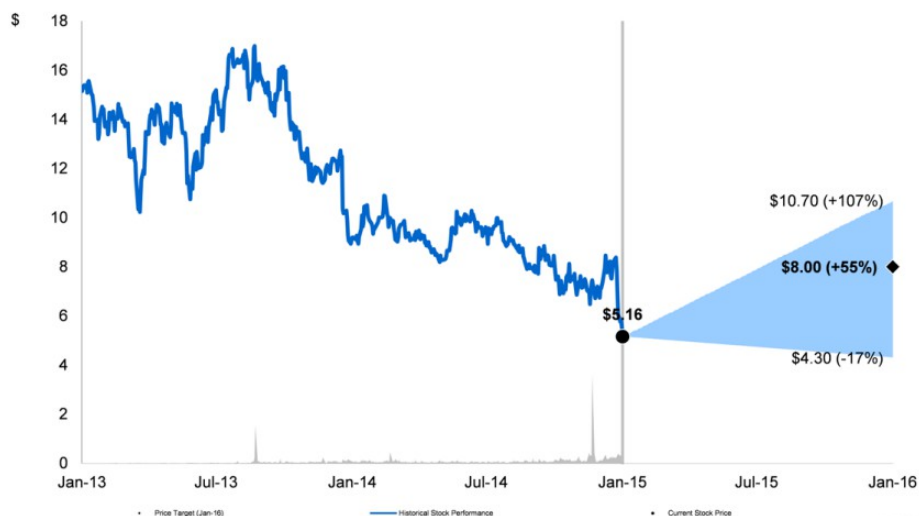
Exhibit 34: NGD – Financial Summary

Market Statistics						
Share Price	\$ 4.26		52 Week High	\$ 6.77		
Market Cap	2,147		52 Week Low	\$ 3.37		
Enterprise Value	2,697					
Operations Summary						
Gold US\$/oz	1,669	1,412	1,266	1,180	1,165	1,150
Silver US\$/oz	31.15	23.87	19.08	18.18	18.20	18.00
Copper US\$/lb	3.61	3.33	3.12	3.20	3.30	3.45
Au Production, koz	412	398	382	411	411	569
Production Growth	6%	-3%	-4%	7%	0%	38%
Cu Production, Mlbs	43	85	101	98	117	129
Total Cash Costs, \$/oz	421	377	320	329	94	394
Free Cash Flow	(180)	(86)	(26)	(181)	(141)	200
Valuation Metrics						
ModelWare EPS (US\$)	0.39	0.13	0.07	0.12	0.25	0.07
P/E	27x	58x	64x	35x	17x	64x
CFPS	0.81	0.44	0.62	0.64	0.78	0.79
P/CFPS	12.9x	16.6x	6.9x	6.7x	5.5x	5.4x
EV/EBITDA	6.9x	nm	9.5x	8.2x	6.3x	6.4x
ROE	6.9%	2.3%	1.3%	2.2%	4.3%	1.1%
ROC	5.2%	1.7%	0.9%	1.7%	3.3%	0.9%
Gearing (ND/ND+E)	5.6%	14.1%	16.0%	20.9%	23.3%	19.3%
Net Debt	160	448	514	732	881	702
Net Debt/EBITDA	0.4	1.6	1.8	2.2	2.0	1.7
NAV Summary						
	(US\$M)		US\$/sh		% Total	
Mining Assets						
New Afton			1,360	2.70		56%
Rainy River			259	0.51		11%
Mesquite			326	0.65		14%
Other Operations			160	0.32		7%
Other Potential			303	0.60		13%
Total Mining Assets			2,408	4.78		100%
Corporate Adjustments			(343)	(0.68)		
Net Asset Value (NAV)			2,065	4.10		
P/NAV Multiple (adjusted for cash)				1.3x		
Avg 2015/16 CFO				0.71		
P/CF Multiple				12x		
Price Target				\$ 6.75		
Income Statement (US\$M)						
2012	2013	2014e	2015e	2016e	2017e	
Revenues	791	780	730	778	839	1,069
Cost of Sales	344	436	392	388	349	585
DDA	116	177	216	226	233	301
SG&A	25	27	28	32	32	32
Others	(25)	(27)	(28)	(32)	(32)	(32)
Operating Income	331	167	122	163	258	183
Other Income/(Expenses)	(52)	(358)	(109)	(86)	(87)	(118)
Income before tax	279	(192)	13	77	170	65
Tax	(80)	0	(57)	(15)	(44)	(31)
Reported Net Income	199	(191)	(43)	62	126	34
Diluted shares out (mn)	468	488	504	504	504	504
Reported Diluted EPS	0.42	(0.39)	(0.09)	0.12	0.25	0.07
MW Net Income	184	61	34	62	126	34
MW EPS	0.39	0.13	0.07	0.12	0.25	0.07
Balance Sheet (US\$M)						
2012	2013	2014e	2015e	2016e	2017e	
Cash and Equivalents	688	414	358	140	41	220
Other Current Assets	230	244	294	320	345	339
Total Current Assets	918	658	652	460	386	559
Other Assets	3,366	3,541	3,602	3,878	4,180	4,078
Total Assets	4,284	4,199	4,255	4,339	4,566	4,638
Short term borrowings	-	-	-	-	-	-
Other Current Liabilities	177	90	114	114	114	114
Total Current Liabilities	177	90	114	114	114	114
Long term borrowings	848	863	872	872	922	922
Other Liabilities	405	436	456	470	513	543
Total Liabilities	1,607	1,479	1,557	1,571	1,664	1,694
Non-Controlling Int.	-	-	-	-	-	-
Shareholders' equity	2,677	2,720	2,698	2,768	2,902	2,944
Liabilities & Equity	4,284	4,199	4,255	4,339	4,566	4,638
Cashflow Statement (US\$M)						
2012	2013	2014e	2015e	2016e	2017e	
Net Income	199	(191)	(43)	62	126	34
Depreciation	116	179	216	226	233	301
Other	21	216	99	33	34	65
Net Cash from Operations	336	204	271	321	393	400
Capex	(516)	(289)	(298)	(502)	(534)	(200)
Other	19	(104)	22	-	-	-
Net Cash used in Investing	(498)	(394)	(276)	(502)	(534)	(200)
Proceeds from Equity	75	6	1	-	-	-
Net Change in Debt	602	-	-	-	50	-
Other	(38)	(53)	(55)	(52)	(52)	(52)
Net Cash (used in) Financing	640	(47)	(53)	(52)	(2)	(52)
Fx on Cash & Equiv	0	(5)	(1)	-	-	-
Net Cash Inflow	378	(273)	(56)	(218)	(99)	179

Source: Company Data, Morgan Stanley Research estimates

Alamos Gold (AGI, Equal-weight, PT \$8.00)

Stock Looks Oversold, But Lacking A Short Term Catalyst

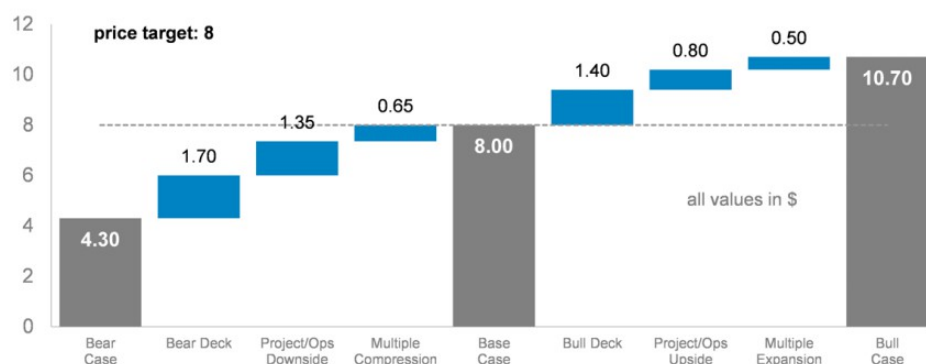


Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$8.00 60% 1.2x NAV & 40% 12x 2yr average fwd CF

Bull \$10.70 Assuming Bull Case Metal Price Deck	Mulatos production reaches 200Koz level in 2016, Turkey moves fwd, Trends towards historical premiums. Our Bull Case assumes the successful ramp up of various satellite deposits on the Mulatos property and AGI's Turkish assets receive required permits and move fwd. With these positive catalysts AGI regains its premium goldco status and trends toward historical multiples. This Bull Case is now more of a 2016/2017 event.
Base \$8.00 Assuming Base Case Metal Price Deck	Production meets company guidance in 2015 with Turkey contributing in 2017. Our Base Case assumes production increases at Mulatos in 2015 (~160koz) with Turkey starting to contribute in 2017. Combined we estimate gold output of nearly 500koz in 2018.
Bear \$4.30 Assuming Bear Case Metal Price Deck	Delays in Mexico & Turkey. Our Bear Case assumes permitting delays push growth out 6mo in Mexico and 12mo in Turkey. Negatively impacting CFPS growth and multiples.

Exhibit 35: AGI – Bull Case Driven By Execution & Sentiment



Source: Company Data, Morgan Stanley Research estimates

Investment Thesis

- Following depletion and challenges at the higher-grade Escondida deposit, uncertainty around its Turkish assets, and a drop in output while developing new higher-grade satellite deposits, the market removed much of AGI's premium multiple. We believe AGI will add to its production profile over the coming years, however we suspect the market will remain on the sidelines until the company executes on these plans. We submit that its shares have been oversold, however in this environment without a near-term catalysts we suspect the shares could remain at historically low multiples until 2016. Once sentiment improves and as AGI emerges from this transition period, we believe its key attributes will again demand a premium valuation. In the meantime, we are maintaining an Equal-weight rating.

Key Value Drivers

- Execution at Mulatos** – Successfully modifying the plant and ramping up the San Carlos deposit.
- Progress in Turkey** – Progress on the EIA front in Turkey.
- Production Growth and Cost Control** – We forecast production growth of ~100% (incl Turkey, excl ~45%) with total cash costs remaining relatively low (incl Turkey, excl we expect decline of ~10%) 2014 to 2017.
- Gold price** – A 5% change in the gold price has ~9% impact on our NAV estimate and ~16% impact on 2015 CFPS.

Potential Catalysts

- Quarterly operating updates at Mulatos.
- Exploration success.
- Permits – primarily in Turkey, but also in Mexico.

Risks to Our Price Target

- Execution and operating risk.
- Permitting risk – multiple assets that are in the permitting stage.
- Development risks.
- Dilutive M&A
- Gold price movements

Exhibit 36: AGI – Financial Summary

Market Statistics						
Share Price	\$ 5.16		52 Week High	\$ 11.23		
Market Cap	657		52 Week Low	\$ 5.11		
Enterprise Value	76					
Dividend Yield	3.9%					
Operations Summary						
Gold US\$/oz	1,669	1,412	1,266	1,180	1,165	1,150
Silver US\$/oz	31.15	23.87	19.12	18.18	18.20	18.00
Au Production, koz	200	190	141	163	176	301
Production Growth	31%	-5%	-26%	16%	8%	71%
Total Cash Costs, 4/oz	438	496	741	853	775	754
Free Cash Flow	145	48	(20)	(18)	(237)	(90)
Free Cash Flow After Dividend	121	23	(46)	(44)	(263)	(116)
Valuation Metrics						
ModelWare EPS (US\$)	0.98	0.30	(0.01)	(0.14)	(0.08)	0.14
P/E	18x	46x	-552x	-36x	-67x	36x
CFPS	1.52	0.68	0.37	0.33	0.43	0.76
P/CFPS	11.9x	20.7x	13.8x	15.6x	11.9x	6.8x
EV/EBITDA	0.4x	0.5x	1.6x	2.3x	1.5x	0.7x
ROE	17.9%	4.8%	-0.2%	-2.5%	-1.4%	2.6%
ROC	17.9%	4.8%	-0.2%	-2.5%	-1.4%	2.6%
Gearing (ND/ND+E)	-86.4%	-101.8%	-88.6%	-77.2%	-8.6%	-0.6%
Net Debt	(306)	(410)	(362)	(318)	(55)	(4)
Net Debt/EBITDA	(1.4)	(2.7)	(7.8)	(9.8)	(1.1)	(0.0)
NAV Summary						
	(US\$M)	US\$/sh	% Total			
Mining Assets						
Mulatos		555	4.36	63%		
Turkey		155	0.98	18%		
Other Potential		170	1.56	19%		
Total Mining Assets		879	6.90	100%		
Corporate Adjustments		312	2.45			
Net Asset Value (NAV)		1,191	9.35			
P/NAV Multiple (adjusted for cash)			1.2x			
Avg 2015/16 CFO			0.38			
P/CF Multiple			12.0x			
Price Target		\$ 8.00				
Income Statement (US\$M)						
Revenues	329	282	170	192	205	359
Cost of Sales	70	85	90	126	119	217
DDA	51	56	42	57	62	75
SG&A	14	22	16	16	16	16
Others	2	(8)	(8)	(8)	(5)	(4)
Operating Income	192	127	30	2	14	55
Other Income/(Expenses)	(25)	(48)	(27)	(28)	(28)	(28)
Income before tax	167	80	2	(26)	(14)	26
Tax	(46)	(40)	(1)	8	4	(8)
Reported Net Income	121	39	1	(18)	(10)	18
Diluted shares out (mn)	121	127	127	127	127	127
Reported Diluted EPS	0.98	0.30	(0.01)	(0.14)	(0.08)	0.14
MW Net Income	118	39	(1)	(18)	(10)	18
MW EPS	0.98	0.30	(0.01)	(0.14)	(0.08)	0.14
Balance Sheet (US\$M)						
Cash and Equivalents	306	410	362	318	55	4
Other Current Assets	112	68	91	91	91	91
Total Current Assets	418	478	453	410	147	96
Other Assets	(82)	(58)	(29)	18	512	674
Total Assets	754	898	877	837	805	866
Short term borrowings	-	-	-	-	-	-
Other Current Liabilities	40	25	44	44	44	44
Total Current Liabilities	40	25	44	44	44	44
Long term borrowings	-	-	-	-	-	-
Other Liabilities	13	36	19	19	19	84
Total Liabilities	93	86	107	107	107	172
Non-Controlling Int.	-	-	-	-	-	-
Shareholders' equity	660	812	770	730	698	694
Liabilities & Equity	754	898	877	837	805	866
Cashflow Statement (US\$M)						
Net Income	118	39	(1)	(18)	(10)	18
Depreciation	51	56	42	57	62	75
Other	15	(9)	(15)	3	3	3
Net Cash from Operations	183	87	25	42	55	96
Capex	(39)	(38)	(46)	(61)	(293)	(187)
Other	(13)	80	3	-	-	-
Net Cash used in Investing	(52)	42	(43)	(61)	(293)	(187)
Proceeds from Equity	11	111	1	-	-	-
Net Change in Debt	-	-	-	-	-	-
Other	(7)	(134)	(30)	(25)	(25)	40
Net Cash (used in) Financing	4	(23)	(29)	(25)	(25)	40
Fx on Cash & Equiv	1	(2)	(1)	-	-	-
Net Cash Inflow	137	104	(48)	(44)	(263)	(51)

Source: Company Data, Morgan Stanley Research estimates

Barrick Gold (ABX, Equal-weight, PT \$13.50)

Transition Ongoing, but Future Remains Unclear And Uncertain



Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$13.50 60% on 1.3x NAV estimate and 40% on 10x 2yr average fwd CF

Bull \$20.75

Assuming Bull Case Metal Price Deck

Cost Improvements, Economics at Pascua-Lama Improve. Bull

Case assumes ABX revitalizes the company with its core assets driving investor interest. Pascua-Lama moves ahead with capex in line with previous guidance, non-core asset sales completed at NAV and overall operating costs decline. This scenario also requires a clear and consistent strategy from mgmt.

Base \$13.50

Assuming Base Case Metal Price Deck

Declining Production Profile ; Primary Headwind = Strategy

and Outlook Unclear. In Base Case Pascua-Lama has been deferred. ABX continues to pursue its portfolio restructuring and cost cutting initiatives. Modestly FCF positive in 2015.

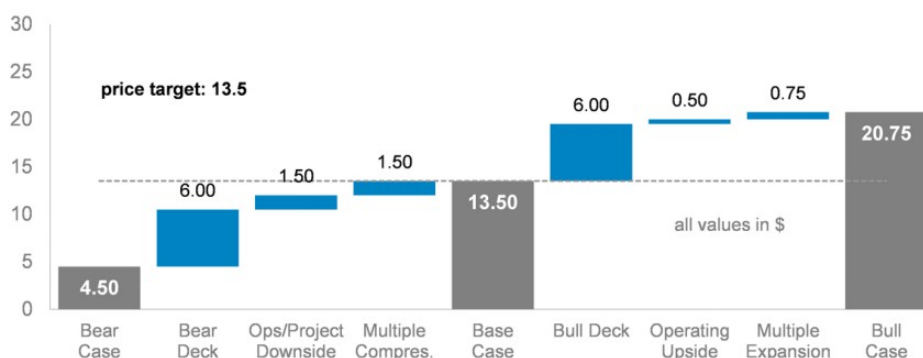
Bear \$4.50

Assuming Bear Case Metal Price Deck

Further Challenges Prevent Full Execution of Revitalization

Plan. Bear Case assumes Pascua remains on care and maintenance and in the headlines. Non-core asset sales continue but at 50% NAV. Costs begin to rise. FCF negative in 2015.

Exhibit 37: ABX – Clarity on Operating Profile and A Strategy Required



Source: Company Data, Morgan Stanley Research estimates

Investment Thesis

- Although we believe the company is taking appropriate steps, we suspect its debt load, risks and uncertainty related to Pascua-Lama and the lack of clarity on the company's medium to long term operating profile and strategy, will continue to weigh on its shares. We will review our position on ABX as more actions are taken and more comfort/clarity is provided.

Key Value Drivers

- Cost Profile** – ABX continues to be one of the lower cost senior producers with costs remaining relatively flat YoY on a AISC basis.
- Gold price** – for every 5% move in gold our Mining Asset NAV changes ~13%, the overall NAV is highly sensitive given ABX's financial leverage at ~26% and CFPS moves by ~11%.

Potential Catalysts

- Clarity on Pascua-Lama: Very little guidance has been provided on timelines and capex expectations since the temporarily suspension at Pascua-Lama was announced (~50% complete, >\$5.5bn spent).
- Further non-core asset sales – the market appears pleased with its asset sales to date, even at a discount to spot – we expect further sales and potential merger and/or "spinouts".
- Clarity on medium term profile and strategy.
- Optimization and potential expansion study/decision at Turquoise Hills
- Study on Goldrush project in Nevada

Risks to Our Price Target

- Uncertainty around the company's key development project
- With divestitures, optimizations and closures, % of revenue from copper will increase
- Declining and Uncertain production profile
- Gold price movements

Exhibit 38: ABX – Financial Summary

Market Statistics						
Share Price	\$ 12.29		52 Week High	\$ 21.45		
Market Cap	14,318		52 Week Low	\$ 10.04		
Enterprise Value	26,900					
Dividend Yield	1.6%					
Operations Summary						
	2012	2013	2014e	2015e	2016e	2017e
Gold US\$/oz	1,669	1,412	1,266	1,180	1,165	1,150
Silver US\$/oz	31.15	23.87	19.08	18.18	18.20	18.00
Au Production, koz	7,421	7,166	6,289	6,153	5,980	5,757
Production Growth	-3%	-3%	-12%	-2%	-3%	-4%
Free Cash Flow	(930)	(1,262)	82	358	93	(148)
FCF Yield%	-2%	-5%	1%	2%	1%	-1%
Free Cash Flow After Dividend	(1,681)	(1,773)	(151)	125	(140)	(381)
Valuation Metrics						
	2012	2013	2014e	2015e	2016e	2017e
ModelWare EPS (US\$)	3.82	2.51	0.64	0.36	0.17	0.08
P/E	10x	9x	19x	34x	71x	150x
CFPS	5.43	4.06	2.17	2.03	1.71	1.44
P/CFPS	7.3x	5.3x	5.7x	6.1x	7.2x	8.5x
EV/EBITDA	3.4x	4.2x	5.7x	7.2x	8.2x	9.2x
ROE	15.5%	16.1%	4.7%	2.6%	1.2%	0.6%
ROC	9.9%	8.8%	2.6%	1.4%	0.7%	0.3%
Gearing (ND/ND+E)	28.9%	39.6%	38.8%	38.1%	38.3%	39.3%
Net Debt	9,998	10,497	10,231	10,106	10,246	10,627
Net Debt/EBITDA	1.3	1.6	2.2	2.7	3.1	3.6
NAV Summary						
	US\$ mm		US\$/sh		% Total	
Mining Assets						
GOLDSTRIKE	2,480,217		2.13		15%	
CORTEZ	3,715,375		3.19		23%	
PUEBLO VIEJO	2,236,768		1.92		14%	
LAGUNAS NORTE	1,089,261		0.93		7%	
VELADERO	1,273,102		1.09		8%	
PASCUA LAMA	479,282		0.41		3%	
OTHER	5,189,128		4.45		32%	
Total Mining Assets	16,463,132		14.13		100%	
Corporate Adjustments	(9,189,172)		-7.89			
Net Asset Value (NAV)	7,273,960		6.24			
P/NAV Multiple (adjusted for cash)			1.3x			
Avg 2015/16 CFO			1.87			
P/CF Multiple			10.0x			
Price Target			13.50			
Income Statement (US\$M)						
	2012	2013	2014e	2015e	2016e	2017e
Revenues	14,547	12,511	10,173	9,078	8,514	7,965
Cost of Sales	5,932	5,511	4,707	4,462	4,507	4,285
DDA	1,722	1,732	1,671	1,533	1,449	1,363
SG&A	195	390	393	360	340	340
Others	429	208	392	510	373	415
Operating Income	6,269	4,670	3,010	2,213	1,845	1,561
Other Income/(Expenses)	(7,182)	(14,137)	(1,888)	(1,373)	(1,381)	(1,353)
Income before tax	(913)	(9,467)	1,122	840	463	208
Tax	236	(630)	(864)	(319)	(162)	(73)
Reported Net Income	(677)	(10,097)	258	521	301	135
Diluted shares out (mn)	1,165	1,165	1,165	1,165	1,165	1,165
Reported Diluted EPS	(0.66)	(10.14)	0.07	0.36	0.17	0.08
M/W Net Income	3,827	2,569	751	421	201	95
MW EPS	3.82	2.51	0.64	0.36	0.17	0.08
Balance Sheet (US\$M)						
	2012	2013	2014e	2015e	2016e	2017e
Cash and Equivalents	2,097	2,404	2,635	2,438	1,572	1,002
Other Current Assets	3,660	3,485	3,558	3,558	3,558	3,558
Total Current Assets	5,757	5,889	6,193	5,996	5,130	4,560
Other Assets	35,964	25,670	25,580	27,045	29,035	30,685
Total Assets	47,478	37,448	37,966	39,036	39,294	39,805
Short term borrowings	1,848	179	209	209	209	209
Other Current Liabilities	2,569	2,705	2,232	2,232	2,232	2,232
Total Current Liabilities	4,417	2,884	2,441	2,441	2,441	2,441
Long term borrowings	12,095	12,901	12,866	12,544	11,818	11,629
Other Liabilities	1,913	2,778	4,076	5,180	6,096	6,896
Total Liabilities	22,842	21,447	21,824	22,606	22,796	23,405
Non-Controlling Int.	20	27	28	28	28	28
Shareholders' equity	24,636	16,001	16,142	16,430	16,498	16,400
Liabilities & Equity	47,478	37,448	37,966	39,036	39,294	39,805
Cashflow Statement (US\$M)						
	2012	2013	2014e	2015e	2016e	2017e
Net Income	(677)	(10,097)	258	521	301	135
Depreciation	1,722	1,732	1,671	1,533	1,449	1,363
Other	4,394	12,604	594	308	245	181
Net Cash from Operations	5,439	4,239	2,524	2,362	1,995	1,680
Capex	(6,369)	(5,501)	(2,441)	(2,004)	(1,902)	(1,827)
Other	(152)	264	224	-	-	-
Net Cash used in Investing	(6,521)	(5,237)	(2,217)	(2,004)	(1,902)	(1,827)
Proceeds from Equity	(25)	2,792	-	-	-	-
Net Change in Debt	538	(998)	(44)	(322)	(726)	(189)
Other	(90)	(452)	(43)	(233)	(233)	(233)
Net Cash (used in) Financing	423	1,342	(87)	(555)	(959)	(422)
Fx on Cash & Equiv	11	(17)	(8)	-	-	-
Net Cash Inflow	(648)	327	211	(197)	(866)	(570)

Source: Company Data, Morgan Stanley Research estimates

Eldorado Gold (EGO, Equal-weight, PT \$7.15)

Strong Balance Sheet & Low Costs; Political & Permitting Risks Create Headwinds

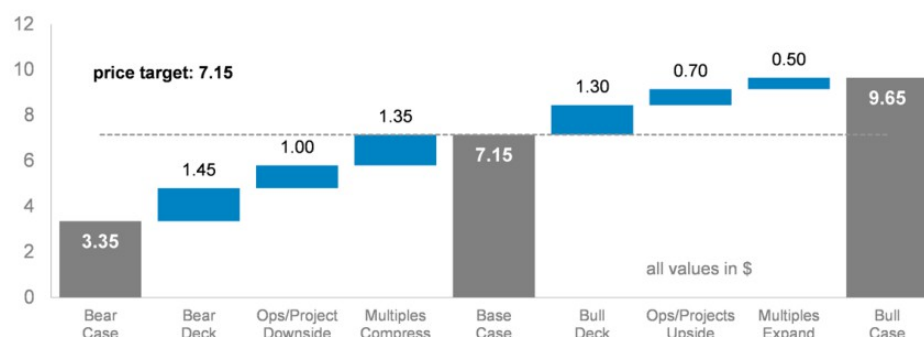


Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$7.15 60% on 1.2x NAV estimate and 40% on 13x 2yr average fwd CF

Bull \$9.65 Assuming Bull Case Metal Price Deck	Permits Received; Sentiment Improves; Multiples expand. Bull Case assumes EGO's projects (Perama & Eastern Dragon) receive permits and advance without headline concerns or development delays. Core assets operate according to our Base Case expectations.
Base \$7.15 Assuming Base Case Metal Price Deck	Approaching 1Moz in 2017. Base Case assumes that EGO delivers results in line with our expectations (~975koz in 2017 at AISC of <\$750/oz), without significant permitting or operational setbacks and no major unexpected capital and operating costs appreciation.
Bear \$3.35 Assuming Bear Case Metal Price Deck	Permit and Project delays; Greece Risk Increases; Multiples contract. Bear Case assumes permitting/project setbacks (option value on Perama Hill). Remaining Greek assets move fwd ~6-12mo slower than our Base Case, Phase III @ Olympias encounters challenges. The project setbacks and strong balance sheet lead to M&A concerns, compressing multiples.

Exhibit 39: EGO – Key Value Driver Is Permitting, Lowering Political Risks



Source: Company Data, Morgan Stanley Research estimates

Investment Thesis

- Eldorado has a notable track record of navigating through regions that have historically been considered challenging or hostile to foreign investment and/or mining (i.e., Turkey and China), which should provide some comfort to its push into Greece. That said, we see the company's above average political risk profile more than offsetting its track record and low operating costs given the current market's limited appetite for risk, and as a result we remain cautious in the near to medium term.
- The recent 2015 guidance disappointment and the uncertainty in Greece hurt Eldorado's multiple, could remain compressed until positive catalyst, ie information on HK listing of Chinese assets, permits, details on Phase III Olympias.
- We will continue to monitor sentiment towards political risk, as we view Eldorado's management track record, low operating costs and flexible project pipeline as key attributes.

Key Value Drivers

- Output Growth LT** - We are forecasting ~20% production growth from 2014 to 2017.
- Remain s a Low Cost Producer** – EGO has consistently reported operating costs in the lower quartile. Costs are expected to remain relatively low as it builds out its project pipeline.
- Gold Price** – We calculate that a 5% change in our price deck equates to a 9% change in NAV and 9% move in 2015 CF estimates.

Potential Catalysts

- Uncertainty in Greece
- Permitting - We believe success on the permitting front would begin to improve investor sentiment – particularly at Perama Hill in Greece.
- Clarity on Phase III at Olympias.
- Eastern Dragon permit
- Listing Chinese assets on HK exchange

Risks to Our Price Target

- Headline risk and negative sentiment from protests in Greece or Romania.
- Gold price movements
- Execution risk as the company brings several projects forward

Exhibit 40: EGO – Financial Summary

Market Statistics						
Share Price	\$ 5.57		52 Week High	\$ 8.60		
Market Cap	3,990		52 Week Low	\$ 4.95		
Enterprise Value	4,341					
Dividend Yield	0.4%					
Operations Summary						
	2012	2013	2014e	2015e	2016e	2017e
Gold US\$/oz	1,669	1,414	1,266	1,180	1,165	1,150
Silver US\$/oz	31.15	23.96	19.08	18.18	18.20	18.00
Au Production, koz	655	721	789	676	783	974
Production Growth	0%	10%	9%	-14%	16%	24%
Free Cash Flow	(131)	(126)	(103)	(264)	(283)	35
FCF Yield%	-1.4%	-2.2%	-2.6%	-6.6%	-7.1%	0.9%
Free Cash Flow After Dividend	(234)	(211)	(119)	(279)	(299)	15
Valuation Metrics						
	2012	2013	2014e	2015e	2016e	2017e
ModelWare EPS (US\$)	0.44	0.30	0.20	0.12	0.22	0.31
P/E	30x	27x	28x	45x	25x	18x
CFPS	0.43	0.53	0.50	0.39	0.53	0.67
P/CFPS	31.2x	14.9x	11.3x	14.2x	10.5x	8.4x
EV/EBITDA	7.6x	8.5x	9.3x	12.2x	8.7x	6.7x
ROE	4.9%	3.8%	2.5%	1.6%	2.7%	3.6%
ROC	4.5%	3.5%	2.3%	1.4%	2.4%	3.3%
Gearing (ND/ND+E)	-3.9%	-0.1%	1.5%	6.1%	10.2%	9.7%
Net Debt	(234)	(4)	84	371	670	654
Net Debt/EBITDA	(0.4)	(0.0)	0.2	1.0	1.3	1.0
NAV Summary				US\$ mm	US\$/sh	% Total
Mining Assets						
KISLADAG				1,332,474	1.86	28%
OLYMPIAS				787,607	1.10	17%
SKOURIES				669,367	0.93	14%
JINFENG				249,014	0.35	5%
EFEMCUKURU				399,975	0.56	9%
Other				1,262,706	1.76	27%
Total Mining Assets				4,701,144	6.56	100%
Corporate Adjustments				18,518	0.03	
Net Asset Value (NAV)				4,719,662	6.59	
P/NAV Multiple (adjusted for cash)					1.2x	
Avg 2015/16 CFO					0.46	
P/CF Multiple					13.0x	
Price Target					7.15	
Income Statement (US\$M)						
	2012	2013	2014e	2015e	2016e	2017e
Revenues	1,148	1,124	1,065	871	1,047	1,361
Cost of Sales	-	-	494	413	456	625
DDA	114	149	176	173	200	246
SG&A	70	68	70	71	66	68
Others	510	545	36	32	27	20
Operating Income	454	361	290	182	298	403
Other Income/(Expenses)	(8)	(867)	(37)	(31)	(31)	(31)
Income before tax	446	(505)	253	151	267	372
Tax	128	144	122	58	101	141
Reported Net Income	575	(361)	374	209	368	513
Diluted shares out (mn)	691	715	716	716	716	716
Reported Diluted EPS	0.44	(0.91)	0.17	0.12	0.22	0.31
MW Net Income	305	211	141	89	158	220
MW EPS	0.44	0.30	0.20	0.12	0.22	0.31
Balance Sheet (US\$M)						
	2012	2013	2014e	2015e	2016e	2017e
Cash and Equivalents	817	589	503	216	(83)	(68)
Other Current Assets	335	373	333	333	333	333
Total Current Assets	1,152	962	836	549	250	266
Other Assets	5,624	5,312	5,717	6,375	7,137	7,317
Total Assets	7,928	7,235	7,390	7,473	7,637	7,849
Short term borrowings	10	16	8	-	-	-
Other Current Liabilities	225	211	185	185	185	185
Total Current Liabilities	235	228	193	185	185	185
Long term borrowings	583	585	587	587	587	587
Other Liabilities	662	700	806	814	814	814
Total Liabilities	1,715	1,740	1,779	1,771	1,771	1,771
Non-Controlling Int.	28	11	-	-	-	-
Shareholders' equity	6,213	5,495	5,610	5,702	5,866	6,078
Liabilities & Equity	7,928	7,235	7,390	7,473	7,637	7,849
Cashflow Statement (US\$M)						
	2012	2013	2014e	2015e	2016e	2017e
Net Income	318	(650)	131	93	166	231
Depreciation	114	149	176	173	200	246
Other	(136)	857	7	14	14	-
Net Cash from Operations	295	356	313	280	380	477
Capex	(426)	(482)	(417)	(544)	(663)	(442)
Other	130	(12)	8	-	-	-
Net Cash used in Investing	(296)	(494)	(408)	(544)	(663)	(442)
Proceeds from Equity	22	7	0	-	-	-
Net Change in Debt	530	6	(8)	(8)	-	-
Other	(128)	(103)	16	(15)	(15)	(19)
Net Cash (used in) Financing	424	(90)	9	(24)	(15)	(19)
Fx on Cash & Equiv	-	-	-	-	-	-
Net Cash Inflow	423	(228)	(86)	(287)	(299)	15

Source: Company Data, Morgan Stanley Research estimates

Goldcorp (GG, Equal-weight, PT \$26.50)

Strong Growth, Declining Costs, Waiting For Entry Point



Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$26.50 60% 1.3x NAV & 40% 16x 2yr average fwd CF

Bull \$38.00

Assuming Bull Case Metal Price Deck

It is all about execution. Bull case assumes upside to the Penasquito mine plan and that all new projects come in ahead of Base case. Costs decline ~15%, output increases ~10%. The strong execution leads to positive FCF after dividend in 2015 driving premium multiples.

Base \$26.50

Assuming Base Case Metal Price Deck

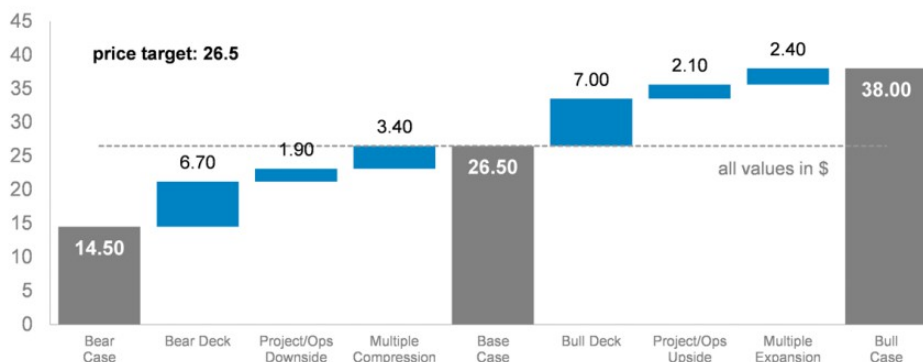
Expect output up >25% and cost down ~25% between 2014 and 2016. Base case assumes GG delivers according to plan with issues at Penasquito, Red Lake and PV all resolved. Cerro Negro, Éléonore and Cochenour all ramping up as anticipated. The new projects and drop in capex drives FCF growth in 2H15.

Bear \$14.50

Assuming Bear Case Metal Price Deck

Challenges arise. Bear case assumes a slower ramp up at Cerro Negro, Cochenour and Éléonore pushing out FCF to late 2016, along with higher capex, lower investor confidence and M&A concerns driving a multiple compression.

Exhibit 41: GG – Upcoming Growth Drives Value



Source: Company Data, Morgan Stanley Research estimates

Investment Thesis

- We believe, Goldcorp is one of the higher quality senior gold producers, however at this time see better upside in our OW names.
- With 2 of the 3 key development projects now pouring gold, over the coming 12-18 months, the company is expected to have the best growth profile of the group, declining operating costs and we estimate should begin to generate positive FCF in 2H15.

Key Value Drivers

- Growth Profile – 25% growth 2014-16.
- Declining Costs – 25% drop 2014-16.

Potential Catalysts

- Cerro Negro ramping up.
- Further high-grade discoveries in the Red Lake district.
- Gold Price – We calculate that a 5% change in our price deck equates to a 9% change in NAV and 7% move in 2015 CF estimates.

Risks to Our Price Target

- Delays or cost overruns at its development projects. Although to date all projects appear to be largely on track.
- Inflation and hostile operating conditions in Argentina.
- Gold price movements.

Exhibit 42: GG – Financial Summary

Market Statistics						
Share Price	\$ 23.36		52 Week High	\$ 29.65		
Market Cap	19,015		52 Week Low	\$ 17.01		
Enterprise Value	21,759					
Dividend Yield	2.6%					
Operations Summary						
Gold US\$/oz	1,669	1,414	1,266	1,180	1,165	1,150
Silver US\$/oz	31.15	23.96	19.10	18.18	18.20	18.00
Au Production, koz	2,396	2,665	2,867	3,525	3,636	3,760
Production Growth	-5%	11%	8%	23%	3%	3%
Free Cash Flow	(236)	(1,038)	(911)	350	1,097	788
FCF Yield%	-0.7%	-4.5%	-4.8%	1.8%	5.8%	4.1%
Free Cash Flow After Dividend	(674)	(1,525)	(1,399)	(147)	598	289
Valuation Metrics						
ModelWare EPS (US\$)	1.82	0.97	0.73	0.54	0.74	0.82
P/E	23x	29x	32x	44x	31x	29x
CFPS	2.90	1.81	1.63	2.07	2.33	2.06
P/CFPS	14.2x	15.7x	14.3x	11.3x	10.0x	11.3x
EV/EBITDA	7.8x	15.4x	17.6x	12.9x	11.4x	11.0x
ROE	6.6%	4.0%	3.0%	2.3%	3.1%	3.4%
ROC	5.7%	3.2%	2.4%	1.8%	2.5%	2.6%
Gearing (ND/ND+E)	0.1%	4.2%	11.1%	11.7%	9.2%	7.8%
Net Debt	26	857	2,457	2,604	2,006	1,717
Net Debt/EBITDA	0.0	0.6	2.0	1.5	1.1	0.9
NAV Summary				US\$ mm	US\$/sh	% Total
Mining Assets						
Penasquito				2,547,946	3.06	19%
Pueblo Viejo				1,482,212	1.78	11%
Red Lake/Cochenour				1,862,407	2.00	12%
Cerro Negro				2,094,803	2.52	15%
Other				5,766,336	6.93	43%
Total Mining Assets				13,553,703	16.29	100%
Corporate Adjustments				(849,827)	-1.02	
Net Asset Value (NAV)				12,703,876	15.27	
P/NAV Multiple (adjusted for cash)					1.3x	
Avg 2015/16 CFO					2.20	
P/CF Multiple					16.0x	
Price Target					26.50	
Income Statement (US\$m)						
Revenues	5,435	3,687	3,600	4,560	4,698	4,829
Cost of Sales	(2,337)	(1,991)	(2,068)	(2,564)	(2,497)	(2,551)
DDA	(675)	(634)	(762)	(1,111)	(1,154)	(1,185)
SG&A	(245)	(236)	(256)	(261)	(260)	(260)
Others	6522	8808	6036	7728	7664	7794
Operating Income	2,170	(2,260)	651	769	944	1,031
Other Income/(Expenses)	82	(68)	(58)	(83)	(61)	(60)
Income before tax	2,252	(2,328)	593	687	883	971
Tax	(503)	(314)	(241)	(240)	(265)	(291)
Reported Net Income	1,749	(2,642)	352	446	618	680
Diluted shares out (mn)	814	814	814	814	814	814
Reported Diluted EPS	1.95	(3.25)	0.43	0.54	0.74	0.82
MW Net Income	1,515	789	593	446	618	680
MW EPS	1.82	0.97	0.73	0.54	0.74	0.82
Balance Sheet (US\$m)						
Cash and Equivalents	757	625	335	188	466	755
Other Current Assets	1,438	1,749	1,692	1,692	1,692	1,692
Total Current Assets	2,195	2,374	2,027	1,880	2,158	2,447
Other Assets	26,589	24,816	26,482	26,965	26,449	26,148
Total Assets	30,979	29,564	30,536	30,726	30,765	31,041
Short term borrowings	-	832	550	550	550	550
Other Current Liabilities	1,068	1,201	1,114	1,114	1,114	1,114
Total Current Liabilities	1,068	2,033	1,664	1,664	1,664	1,664
Long term borrowings	783	1,482	2,792	2,792	2,472	2,472
Other Liabilities	5,131	4,258	4,732	4,892	5,052	5,052
Total Liabilities	8,050	9,806	10,852	11,012	10,852	10,852
Non-Controlling Int.	2,663	2,210	2,101	2,177	2,249	2,496
Shareholders' equity	22,929	19,758	19,684	19,714	19,913	20,189
Liabilities & Equity	30,979	29,564	30,536	30,726	30,765	31,041
Cashflow Statement (US\$m)						
Net Income	1,749	(2,642)	352	446	618	680
Depreciation	675	634	762	1,111	1,154	1,185
Other	(327)	2,963	(69)	163	168	(151)
Net Cash from Operations	2,097	955	1,045	1,721	1,940	1,714
Capex	(2,333)	(1,993)	(1,956)	(1,372)	(843)	(926)
Other	37	(204)	(16)	-	-	-
Net Cash used in Investing	(2,296)	(2,197)	(1,972)	(1,372)	(843)	(926)
Proceeds from Equity	44	3	4	-	-	-
Net Change in Debt	-	1,481	995	-	(320)	-
Other	(438)	(326)	(569)	(496)	(499)	(499)
Net Cash (used in) Financing	(394)	1,158	430	(496)	(819)	(499)
Fx on Cash & Equiv	(1)	1	(1)	-	-	-
Net Cash Inflow	(584)	(132)	(290)	(147)	278	289

Source: Company Data, Morgan Stanley Research estimates

Newmont Mining (NEM, Equal-weight, PT \$23)

Only Gold Name in S&P 500; but Execution Risk & High Debt



Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$23

Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16e CFPS.

Bull \$31

Calculated at Bull Case Prices

Bull case commodity prices; Strong execution. Production on track to reach 6 moz in 2017. Reserves increase from exploration success. Costs fall below base case in 2015.

Base \$23

Calculated at Base Case Prices

NEM remains on track for ~4.8-5.1 moz/yr gold production in 2016. Production and costs within management guidance for 2015-16. Company meets project development milestones in time and on budget.

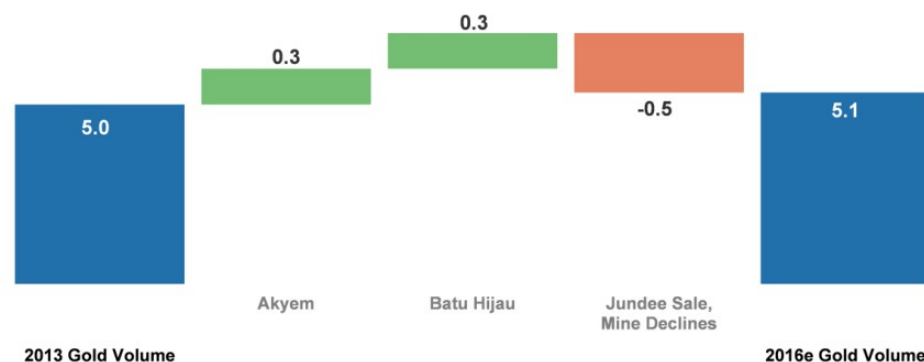
Bear \$15

Calculated at Bear Case Prices

Bear case commodity prices; operating goals not achieved. Operational data disappoints and costs increase. Production declines due to lack of new projects. Investors remain concerned about dilutive M&A outside the gold space.

Exhibit 43: NEM Production Growth, moz, 2013 - 2016e

NEM Production Profile, moz, 2013 - 2016e



Source: Company Data, Morgan Stanley Research estimates.

Investment Thesis

- NEM shares offer portfolio diversification for investors looking for a S&P 500 component gold miner. Over the last 1 month, shares had a positive correlation of 0.80 with gold and 0.19 with S&P 500.
- FCF breakeven price in 2015 could be ~\$1,150-1,200/oz. At spot, NEM is trading at an EV/EBITDA of 6.3x (2001-10 avg: at 8.8x).
- We think NEM needs to spend \$2-3 bn in growth capex during 2015-18 to maintain its production rate. If volumes fall, some de-rating is a risk. M&A is a possibility, but options are limited by low FCF & high debt.
- While shares are trading below historical multiples, we remain EW on execution risks & high debt.

Key Value Drivers

- Gold Price Sensitivity: We estimate every \$10/oz change in gold price would affect 2015e EPS by 6.2% and CFPS by 1.8% relative to our base case.
- Growth: Management is targeting several projects to offset production decline from existing assets to yield ~4.8-5.1 moz production in 2016.
- Gold-linked dividend: NEM's current dividend yield is <1%. Dividend declines to 0 at <\$1,200/oz gold price.

Key Projects

- Merian and Conga (currently suspended) are key development projects.
- Turf Vent Shaft.
- Long Canyon project is expected to startup in 2017.

Potential Catalysts

- Turf vent shaft ramps up as planned.
- Positive outcome at Conga.
- Capex and/or cost reduction.
- Reserves growth.
- Changes to dividend policy.

Risks to Achieving Price Target

- Execution risk as production growth comes from several projects.
- Dilutive/non-gold M&A risk.

Exhibit 44: NEM Financial Summary

Quarterly Data

Year End December (US\$M)	3Q14	4Q14e	1Q15e	2Q15e	3Q15e	4Q15e
Gold Sales, koz (Equity)	1,144	1,240	1,147	1,155	1,180	1,180
Copper Sales, mm lbs (Equity)	38	73	60	90	90	90
Gold price, \$/oz	1,270	1,235	1,235	1,235	1,235	1,235
Gold cash cost, pre BPC, \$/oz	713	690	732	717	718	718
Copper price, \$/lb	2.71	2.70	2.47	2.47	2.47	2.47
Revenues	1,746	2,051	1,837	2,102	2,133	2,133
EBITDA	378	608	604	776	788	788
ModelWare Net Income	249	86	96	139	144	144
Modelware EPS	0.50	0.17	0.19	0.28	0.29	0.29

Revenue by commodity

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
Gold	9,083	7,645	6,602	6,700	6,846	7,402
Copper	785	677	724	1,505	1,360	1,409

Summary Valuation Measures

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
P/E	12.6	9.9	22.0	22.9	18.0	18.2
P/BV	1.7	1.2	1.1	1.1	1.0	1.0
EV/EBITDA	7.4	9.2	9.8	6.6	6.4	6.2
EV/Reserves (US\$/oz)	314	202	201	199	193	
P/CFD	7.8	4.5	6.5	6.7	6.3	5.9
ROE	13%	12%	5%	5%	6%	5%
ROIC	6%	4%	3%	3%	3%	3%
Leverage (ND/ND+E)	25%	33%	32%	30%	26%	22%
Interest cover	12	2	2	5	5	5
FCF yield	-3.6%	-3.0%	-0.5%	5.3%	7.7%	6.3%
DPS, \$/share	\$ 1.40	\$ 1.08	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10
Payout ratio, %	38%	44%	9%	10%	7%	8%
Dividend yield, %	3.0%	4.5%	0.4%	0.4%	0.4%	0.4%
CFPS	5.96	5.32	3.71	3.60	3.80	4.05

NAV Calculations

Asset	Reserves, moz	NAV, \$M	US\$/sh	% Total
Nevada, USA	30.0	5,075	\$10.2	36%
Hope Bay, Canada	0.0	0	\$0.0	0%
Long Canyon, USA	1.0	0	\$0.0	0%
Yanacocha, Peru	3.0	349	\$0.7	2%
La Zanja, Peru	0.2	40	\$0.1	0%
Conga, Peru	6.5	807	\$1.6	6%
Merian, Suriname	3.4	4	\$0.0	0%
Cerro Quilish, Peru	0.0	0	\$0.0	0%
Boddington, Australia	13.6	1,382	\$2.8	10%
Batu Hijau, Indonesia	3.4	2,722	\$5.4	19%
Other Australia/New Zealand	15.7	1,034	\$2.1	7%
Ahafo, Ghana	10.1	1,525	\$3.1	11%
Akyem, Ghana	7.2	1,142	\$2.3	8%
Total	88.4	14,079	\$28.2	100%

Income Statement Items, post tax	(2,094)	(\$4.2)
Working Capital Changes	0	\$0.0
Net Debt YE.14	(4,014)	(\$8.0)
Pension and OPEB 14	(318)	(\$0.6)
Equity NAV/Share	7,652	\$15.32

Sensitivity Analysis

Sensitivity Analysis		2015e	2016e	2017e
EPS Gold Sensitivity	± \$10/oz	5.9%	5.0%	5.5%
EPS Copper Sensitivity	± \$0.10/lb	4.2%	3.1%	3.3%
CFPS Gold Sensitivity	± \$10/oz	1.7%	1.7%	1.8%
CFPS Copper Sensitivity	± \$0.10/lb	1.2%	1.1%	1.1%

Key Assumption

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
Gold Price, \$/oz	\$ 1,660	\$ 1,413	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235
Copper price, \$/lb	\$ 3.41	\$ 3.33	\$ 2.47	\$ 2.47	\$ 2.47	\$ 2.47
Gold Sales, koz	4,817	4,968	4,733	4,661	4,938	5,388
Copper Sales, mm lbs	144	147	180	330	306	326
Cash costs (co-product), \$/oz	\$ 698	\$ 765	\$ 712	\$ 721	\$ 699	\$ 719
Cash costs (by-product), \$/oz	\$ 666	\$ 785	\$ 724	\$ 651	\$ 642	\$ 673
Copper cash cost, \$/lb	\$ 2.33	\$ 4.01	\$ 2.78	\$ 1.48	\$ 1.55	\$ 1.71
Attributable Capex, \$mm	(2,594)	(1,667)	(1,242)	(1,384)	(1,126)	(1,328)

Income Statement

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
Sales	9,868	8,322	7,326	8,205	8,206	8,811
Cost of Sales	(4,238)	(5,186)	(4,557)	(4,569)	(4,570)	(5,184)
EBITDA	4,213	2,163	2,017	2,956	2,971	3,007
Depreciation	(1,128)	(1,443)	(1,310)	(1,275)	(1,231)	(1,366)
EBIT	3,085	720	706	1,681	1,739	1,640
Interest (paid)/received	(249)	(303)	(360)	(360)	(360)	(360)
Pre tax profit	3,114	(3,313)	420	1,333	1,393	1,292
Tax	(869)	813	(49)	(453)	(460)	(429)
Tax rate (%)	28%	25%	12%	34%	33%	33%
Minority Interests	(309)	254	180	(356)	(267)	(206)
Normalized net income	1,850	1,206	544	524	666	657
Normalized EPS	3.70	2.42	1.09	1.05	1.33	1.32
Share out	500	498	500	500	500	500

Balance Sheet

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
Cash & short term deposits	1,647	1,633	1,777	2,091	2,755	3,353
Accounts receivable	860	482	495	539	518	556
Inventories	4,478	4,223	4,212	4,097	4,060	4,036
Investments	1,446	439	323	323	323	323
Deferred tax	676	1,860	2,083	2,083	2,083	2,083
PPE	18,010	14,277	14,273	14,568	14,627	14,784
Other assets	2,533	1,850	2,270	2,270	2,270	2,270
Goodwill	-	-	-	-	-	-
Total Assets	29,650	24,764	25,433	25,971	26,637	27,406
Short-term debt	10	595	143	143	143	143
Accounts payable	657	478	532	509	495	561
Long-term debt	6,288	6,145	6,630	6,630	6,630	6,630
Deferred tax	858	635	734	734	734	734
Asset retirement obligation	1,457	1,513	1,495	1,495	1,495	1,495
Employee Benefits Obligations	925	666	570	570	570	570
Other liabilities	2,507	1,668	2,010	2,010	2,010	2,010
Minority Interests	3,175	2,923	2,864	2,951	3,015	3,110
Shareholders' equity	13,773	10,141	10,455	10,929	11,545	12,152
Liabilities + Equity	29,650	24,764	25,433	25,971	26,637	27,406

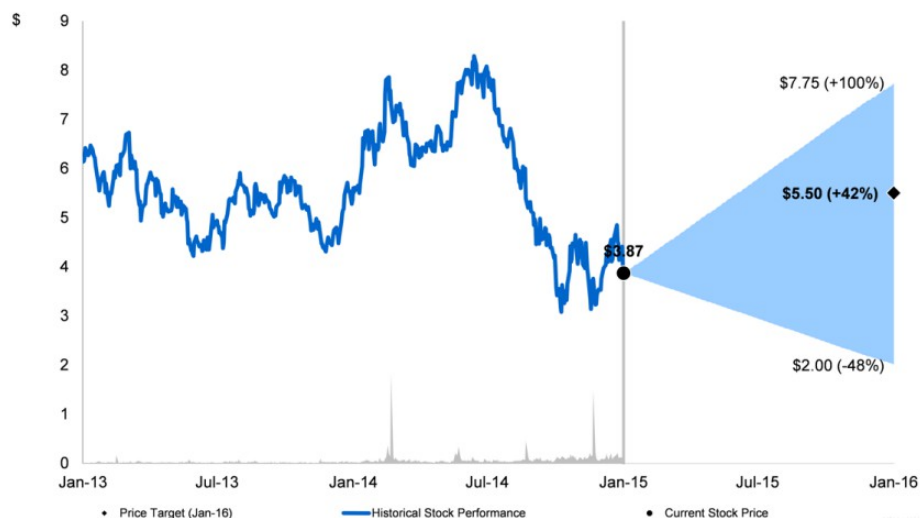
Cash Flow Statement

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
Net Income	1,885	(2,523)	595	524	666	657
Depreciation	1,128	1,443	1,310	1,275	1,231	1,366
Working Capital movement	(1,073)	(1,107)	(605)	48	43	52
Minority Interest, others, etc.	432	3,730	106	356	267	206
Cash flow from operating	2,372	1,543	1,407	2,203	2,208	2,282
Consolidated Capex	(3,210)	(1,900)	(1,466)	(1,570)	(1,290)	(1,524)
Other investing cash flows	(54)	587	174	-	-	-
Cash flow from investing	(3,264)	(1,313)	(1,292)	(1,570)	(1,290)	(1,524)
Share issue/repurchase	19	2	67	-	-	-
Debt issue/repayment	1,378	399	(14)	-	-	-
Dividend paid	(695)	(611)	(114)	(50)	(50)	(50)
Minority Interest & others	(13)	(2)	97	(269)	(203)	(111)
Cash flow from financing	689	(212)	35	(319)	(253)	(160)
Change in cash	(199)	(6)	140	314	665	598

Source: Company Data, Morgan Stanley Research

Primero Mining (PPP, Equal-weight, PT \$5.50)

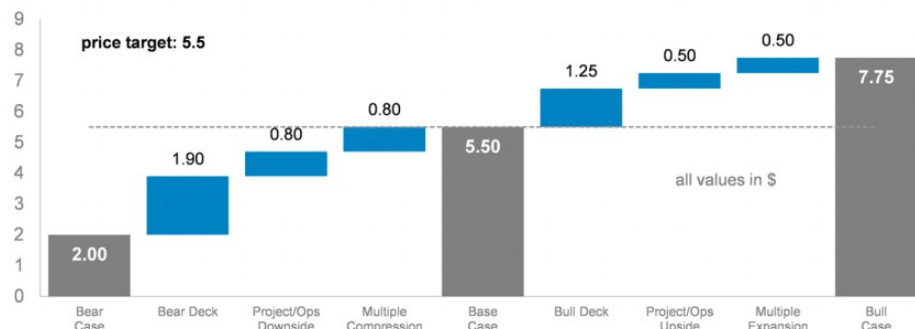
Well Positioned to Turnaround Black Fox Mine, But Need Patience



Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target	\$5.50	60% 1.1x NAV & 40% 11x 2yr average fwd CF
Bull	\$7.75	San Dimas Achieves >3,000tpd @>5g/t & Black Fox Turns The Corner Ahead of Expectations. San Dimas mill achieves above design rates at higher grades and that the turnaround at Black Fox progresses quicker and smoother than expected (>1,000tpd UG in Q1) reducing execution risks.
Base	\$5.50	San Dimas Continues to Generate Strong Cash Flow with Black Fox Showing Steady QoQ Improvements. PPP's mgmt and plan for Black Fox succeeds, supported by strong cash flow from San Dimas. Our Base Case estimates 40% production growth from 2014 to 2017 with the addition and successful recapitalization of Black Fox.
Bear	\$2.00	Expanded Rate at San Dimas Hurts Recoveries & Black Fox Does Not Hit 1,000tpd Until Year-End 2015. Expansion at San Dimas lowers recoveries to 92% LT at <5g/t and the ramp up/turnaround at Black Fox encounters challenges limiting the mining rate UG.

Exhibit 45: PPP – Risk Reward Profile Balanced



Source: Company Data, Morgan Stanley Research estimates.

Investment Thesis

- With the current management team and solid cash flow from San Dimas, we believe Primero is well positioned to recapitalize and turnaround Black Fox. However turnaround stories require a longer-term view and patience, two characteristics that we do not see in the current market. As a result, we believe the risk-reward profile remains balanced at current levels.

Key Value Drivers

- Execution** at both San Dimas (~85% of NAV) and Black Fox (~10%). Near term the market will likely be most focused on progress at the Black Fox mine. Key is increasing UG mining rate to 1,000tpd.
- Exploration Success** – With Black Fox largely open in all directs and returning encouraging results at depth, additional positive results will de-risk the longer term plan for this operation.
- Production Growth and Cost Control** – We forecast production growth of ~40% with total cash costs declining ~11% between 2014 and 2017.
- Gold Price** – A 5% change in the gold price has ~12% impact on our NAV estimate and ~17% on our 2015 CFPS estimate.

Potential Catalysts

- Operating updates from San Dimas and Black Fox
- Exploration results from Black Fox and nearby Grey Fox.
- Gold price movements

Risks to Our Price Target

- Delays either in the expansion at San Dimas or in the turnaround at Black Fox.
- Tax changes in Mexico related to the accounting for silver streaming ounces from San Dimas.
- Gold price movements.

Exhibit 46: PPP – Financial Summary

Market Statistics						
Share Price	\$	3.87	52 Week High	\$	8.47	
Market Cap		619	52 Week Low	\$	3.00	
Enterprise Value		678				
Operations Summary						
Gold US\$/oz	1,669	1,412	1,266	1,180	1,165	1,150
Silver US\$/oz	31.15	23.87	19.08	18.18	18.20	18.00
Au Production, koz	88	112	190	216	205	261
Production, kGEO	114	138	225	258	247	312
Total Cash Cost, kGEOz	636	599	687	678	640	613
Free Cash Flow	74	(2)	(76)	(15)	24	73
Valuation Metrics						
ModelWare EPS (US\$)	0.45	0.36	(0.04)	(0.14)	(0.11)	(0.00)
P/E	9x	15x	nm	nm	nm	nm
CFPS	0.97	0.66	0.45	0.43	0.44	0.69
P/CFPS	4.2x	8.2x	8.7x	8.9x	8.9x	5.6x
EV/EBITDA	8.8x	7.8x	8.2x	8.5x	8.5x	5.5x
ROE	7.2%	5.8%	-0.8%	-2.8%	-2.2%	-0.1%
ROC	6.7%	5.6%	-0.7%	-2.4%	-1.9%	-0.1%
Gearing (ND/ND+E)	-24.4%	-15.5%	7.7%	9.4%	7.1%	-1.4%
Net Debt	(112)	(88)	70	85	62	(11)
Net Debt/EBITDA	(1.4)	(1.0)	0.9	1.1	0.8	(0.1)
NAV Summary						
	(US\$M)		US\$/sh		% Total	
Mining Assets						
San Dimas			879	5.49		88%
Black Fox			96	0.60		10%
Other Potential			26	0.16		3%
Total Mining Assets			1,001	6.26		100%
Corporate Adjustments			(120)	-0.75		
Net Asset Value (NAV)			880	5.50		
P/NAV Multiple (adjusted for cash)				1.1		
Avg 2015/16 CFO				0.43		
P/CF Multiple				11.0		
Price Target				\$5.50		
Income Statement (US\$M)						
Revenues	183	200	277	280	265	340
Cost of Sales	75	88	155	175	158	191
DDA	28	36	79	91	86	110
SG&A	30	24	37	24	25	25
Others	-30	-24	-37	-24	-25	-25
Operating Income	79	76	43	15	20	39
Other Income/(Expenses)	(35)	(35)	(155)	(39)	(40)	(40)
Income before tax	45	41	(111)	(24)	(20)	(1)
Tax	5	(45)	(8)	1	2	0
Reported Net Income	50	(4)	(120)	(23)	(18)	(1)
Diluted shares out (mn)	92	109	160	160	160	160
Reported Diluted EPS	0.54	(0.04)	(0.75)	(0.14)	(0.11)	(0.00)
MW Net Income	41	39	(7)	(23)	(18)	(1)
MW EPS	0.45	0.36	(0.04)	(0.14)	(0.11)	(0.00)
Balance Sheet (US\$M)						
Cash and Equivalents	139	111	11	41	64	136
Other Current Assets	25	35	59	59	59	59
Total Current Assets	165	146	70	101	123	195
Other Assets	341	510	948	910	847	704
Total Assets	671	801	1,088	1,112	1,094	1,094
Short term borrowings	13	5	6	6	6	6
Other Current Liabilities	39	41	50	50	50	50
Total Current Liabilities	52	46	56	56	56	56
Long term borrowings	27	22	81	127	125	124
Other Liabilities	(31)	26	48	48	48	48
Total Liabilities	99	140	241	286	285	284
Non-Controlling Int.	-	-	-	-	-	-
Shareholders' equity	572	661	847	826	809	810
Liabilities & Equity	671	801	1,088	1,112	1,094	1,094
Cashflow Statement (US\$M)						
Net Income	45	41	(111)	(24)	(20)	(1)
Depreciation	28	36	79	91	86	110
Other	41	(8)	66	3	4	2
Net Cash from Operations	114	70	34	69	70	111
Capex	(40)	(71)	(110)	(84)	(46)	(38)
Other	23	59	94	130	45	
Net Cash used in Investing	(17)	(13)	(16)	46	(1)	(1)
Proceeds from Equity	-	-	8	-	-	-
Net Change in Debt	(10)	(13)	(58)	46	(1)	(1)
Other	(28)	(71)	(68)	(130)	(45)	(37)
Net Cash (used in) Financing	(39)	(84)	(118)	(84)	(46)	(38)
Fx on Cash & Equiv	(1)	(2)	(0)	-	-	-
Net Cash Inflow	58	(29)	(100)	31	23	72

Source: Company Data, Morgan Stanley Research estimates

Royal Gold (RGLD, Equal-weight, PT \$77.00)

Growth & De-Risking Under Way



Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$77.00 60% 1.7x NAV & 40% 22x 2yr average fwd CF

Bull \$97.00

Assuming Bull Case Metal Price Deck

Uncertainty on Pascua-Lama & Mt. Milligan diminishes, Multiples Expand. Our Bull Case assumes concerns over Pascua and Mt. Milligan decline and Mt. Milligan ramps up faster than expected - multiples expand (1.8xNAV/25xCF).

Base \$77.00

Assuming Base Case Metal Price Deck

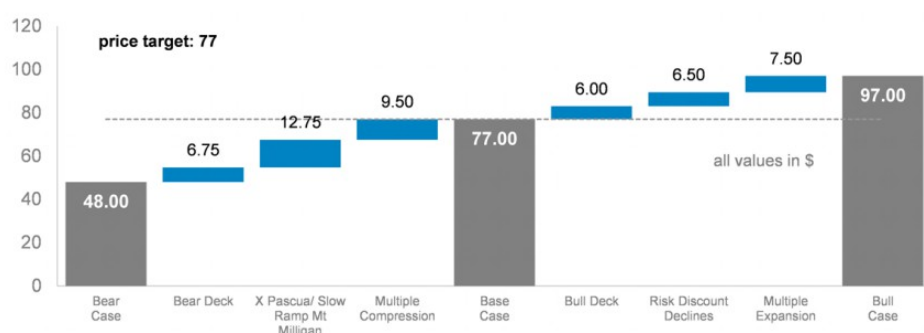
FCF positive in F2015; Key Asset (~36% of NAV) Ramps-up According to Plan. Our Base Case assumes RGLD's key asset, Mt. Milligan, ramps up according to plan, supporting current multiples. CF growth of 26% F2014-F2017.

Bear \$48.00

Assuming Bear Case Metal Price Deck

Delays & Pascua Concerns Impact Multiples. Our Bear Case assumes Mt. Milligan experiences longer than expected ramp-up & that Pascua concerns heighten. CFPS slips ~10% in F2015. Concerns impact multiples.

Exhibit 47: RGLD – Mt. Milligan Is Key Value Driver Affecting NAV, CF & Multiples



Source: Company Data, Morgan Stanley Research estimates.

Investment Thesis

- We like Royal Gold's strong business model, relatively low political risk profile, and solid balance sheet, along with its key asset, which continues to de-risking. However given its outperformance in 2014 and its less diversified portfolio we view the risk-reward profile as balanced at this time. Staying EW.

Key Value Drivers

- **Investor Sentiment/Market Conditions:** With the financial markets (debt & equity) largely closed to miningcos, royalties and streams become a meaningful financing alternative driving future growth opportunities. And the lower risk nature of the business model (limited exposure to opex and capex inflation) tends to attract premium multiples when investor sentiment toward miners is low.
- **De-Risking:** With Mt. Milligan currently ramping up and shipping concentrate, a significant de-risking event is under way.
- **Solid Assets:** RGLD's portfolio consists of several long life assets in stable jurisdictions.
- **No Significant Capital Commitments:** Strong balance sheet, which should allow for further royalty or stream transactions.

Potential Catalysts

- Successful ramp-up at Mt. Milligan.
- Grade improvements at Penasquito.
- Additional accretive transactions.
- Longer term - further clarity on the timing and mining sequence at Pascua-Lama.

Risks to Our Price Target

- Less diversified - Mt. Milligan accounts for 36% of RGLD's NAV.
- Although royaltycos have less risk than miningcos, they are exposed to delays, output disruptions & metal prices. They do not control mine plans or capital decisions but are affected by changes. They have limited access to operating statistics and are bound by source company guidance.
- A negative outcome on the Voisey's Bay royalty calculation.
- If sentiment toward miningcos improves and financial markets open up, royaltyco multiples and future growth prospects could be negatively affected.

Exhibit 48: RGLD – Financial Summary

Market Statistics						
Share Price	\$ 70.73		52 Week High	\$ 82.84		
Market Cap	4,605		52 Week Low	\$ 53.02		
Enterprise Value	4,224					
Dividend Yield	1.2%					
Operations Summary						
Gold US\$/oz	1,648	1,605	1,295	1,214	1,169	1,158
Silver US\$/oz	30.84	28.95	20.59	18.05	18.28	18.10
GEO Production, kGEO	113	156	185	228	281	324
Production Growth	17%	38%	18%	23%	24%	15%
Free Cash Flow	(115)	(142)	67	98	195	211
FCF Yield%	-2.6%	-3.9%	1.5%	2.1%	4.2%	4.6%
Free Cash Flow After Dividend	(144)	(186)	14	43	140	156
Valuation Metrics						
ModelWare EPS (US\$)	1.62	1.21	0.94	1.10	1.21	1.32
P/E	46.9x	46.2x	75.0x	64.0x	58.4x	53.5x
CFPS	3.04	2.65	2.50	2.41	2.99	3.24
P/CFPS	25.0x	21.2x	28.3x	29.4x	23.6x	21.8x
EV/EBITDA	17.8	16.2	20.4	23.5	17.1	15.2
ROE	5.0%	2.9%	2.7%	3.1%	3.3%	3.6%
ROC	4.3%	2.6%	2.3%	2.7%	2.9%	3.1%
Gearing (ND/ND+E)	-4.7%	-18.2%	-17.3%	-19.6%	-28.4%	-39.6%
Net Debt	(82)	(362)	(348)	(385)	(525)	(682)
Net Debt/EBITDA	(0.3)	(1.4)	(1.7)	(2.1)	(2.1)	(2.5)
NAV Summary				US\$ mm	US\$/sh	% Total
Mining Assets						
Mt. Milligan				1,128,209	17.34	36%
Andacollo - Teck				350,307	5.38	11%
Voisey's Bay				120,951	1.86	4%
Peñasquito				308,838	4.75	10%
Other Development Assets				338,562	5.20	11%
Other Royalties				863,347	13.27	28%
Total Mining Assets				3,110,215	47.79	100%
Corporate Adjustments				417,838	6.42	
Net Asset Value (NAV)				3,528,053	54.22	
P/NAV Multiple (adjusted for cash)					1.7x	
Avg 2015/16 CFO					2.70	
P/CF Multiple					22.0x	
Price Target					77.00	
Income Statement (US\$M)						
2012	2013	2014e	2015e	2016e	2017e	
Revenues	263	289	237	270	329	375
Cost of Sales	-	-	9	30	51	68
DDA	75	85	91	92	117	134
SG&A	20	24	21	28	23	22
Others	9	9	7	7	7	7
Operating Income	158	172	109	113	131	144
Other Income/(Expenses)	(4)	(22)	(26)	(26)	(24)	(24)
Income before tax	154	149	83	87	108	121
Tax	(55)	(68)	(19)	(14)	(28)	(34)
Reported Net Income	99	81	63	73	80	87
Diluted shares out (mn)	57	63	65	65	65	65
Reported Diluted EPS	1.61	1.09	0.96	1.10	1.21	1.32
MW Net Income	92	69	63	72	79	86
MW EPS	1.62	1.21	0.94	1.10	1.21	1.32
Balance Sheet (US\$M)						
2012	2013	2014e	2015e	2016e	2017e	
Cash and Equivalents	375	664	660	702	842	998
Other Current Assets	70	80	76	77	77	77
Total Current Assets	445	744	736	779	919	1,075
Other Assets	1,486	1,416	1,420	1,311	1,056	776
Total Assets	2,376	2,905	2,892	2,869	2,894	2,926
Short term borrowings	-	-	-	-	-	-
Other Current Liabilities	15	35	23	19	19	19
Total Current Liabilities	15	35	23	19	19	19
Long term borrowings	293	302	312	317	317	317
Other Liabilities	189	162	162	149	149	149
Total Liabilities	513	535	519	505	505	505
Non-Controlling Int.	25	22	18	17	17	17
Shareholders' equity	1,838	2,349	2,355	2,347	2,372	2,404
Liabilities & Equity	2,376	2,905	2,892	2,869	2,894	2,926
Cashflow Statement (US\$M)						
2012	2013	2014e	2015e	2016e	2017e	
Net Income	98	73	63	46	80	87
Depreciation	75	85	91	92	117	134
Others	(11)	14	(8)	27	(2)	(10)
Net Cash from Operations	162	173	147	165	195	211
Royalty and Stream Interests	(277)	(314)	(80)	(67)	-	-
Others	5	5	(5)	(1)	-	-
Net Cash used in Investing	(271)	(309)	(85)	(67)	-	-
Proceeds from Equity	272	474	1	1	-	-
Net Change in Debt	-	-	-	-	-	-
Others	99	(48)	(68)	(56)	(55)	(55)
Net cash (used in) Financing	370	425	(67)	(55)	(55)	(55)
Net Cash Inflow	261	289	(4)	43	140	156

Source: Company Data, Morgan Stanley Research estimates

SEMAFO (SMF, Equal-weight, PT C\$4.75)

Strong Turnaround, FCF Positive, But Longer-Term Growth is Limited

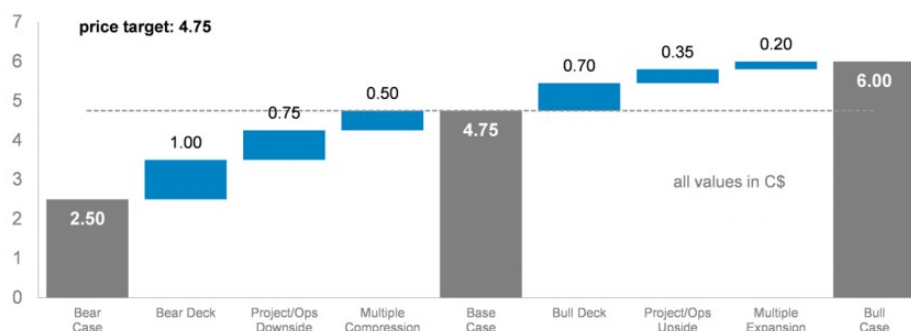


Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$4.75 60% 1.2x NAV & 40% 12x 2yr average fwd CF

Bull Assuming Bull Case Metal Price Deck	\$6.00 Expanding Siou Deposit Adding Higher Grades For Longer. Our Bull Case assumes SEMAFO continues to add high grade ounces to its production profile, with an additional 2 years of high grade at Siou beyond our Base Case. This success and the resulting higher output and lower costs drive expanded multiples.
Base Assuming Base Case Metal Price Deck	\$4.75 Continued Success Replacing Wona Kona Tonnes with Higher Grade Siou and Fofina Ounces. Our Base Case assumes SMF continues to increase the portion of its throughput coming from the higher grade deposits with the strong operating results offsetting its perceived political risk profile. We incorporate roughly 4 years of additional reserve grade material in our Base Case.
Bear Assuming Bear Case Metal Price Deck	\$2.50 Back to Wona Kona, Limited High Grade Beyond Current 2P Reserves. Our Bear Case assumes SMF has limited additional near-term exploration success. Production declines, costs increase and current positive sentiment fades leading to multiple compression.

Exhibit 49: SMF – Strong Execution to Date, but Longer-term Limited Upside Without M&A



Source: Company Data, Morgan Stanley Research estimates.

Investment Thesis

- SEMAFO has done an impressive job of reworking its business and executing at the Mana operation. The company has also had noteworthy success discovering and developing higher grade satellite zones; however, given our view on its risk-reward profile and that longer term upside really requires a mill expansion, new facility or M&A (currently pursuing Orbis Gold), we remain Equal Weight.

Key Value Drivers

- Exploration Success and Execution** will be the key drivers over the near term.
- FCF Positive** – We expect SMF to generate FCF from its Mana operations with a yield of ~7% in 2015 on our price deck.
- Production Growth and Cost Control** – We forecast a relatively flat production and cost profile between 2014 and 2018 with costs remaining low.
- Gold price** – A 5% change in the gold price has ~10% impact on our NAV estimate and ~9% on our 2015 CFPS.
- Orbis Gold** – A positive and accretive outcome from the pending Orbis Gold transaction

Potential Catalysts

- Ongoing exploration results.
- 2015 Guidance
- New high grade discoveries within hauling distance of Mana mill (with ~20km radius).
- Connection to power grid reducing operating costs roughly \$40/oz.
- Potential dividend, although management commentary suggests this could be longer term.

Risks to Our Price Target

- Operating issues are particularly meaningful given it is a single asset company.
- Dilutive M&A
- Gold price movements.

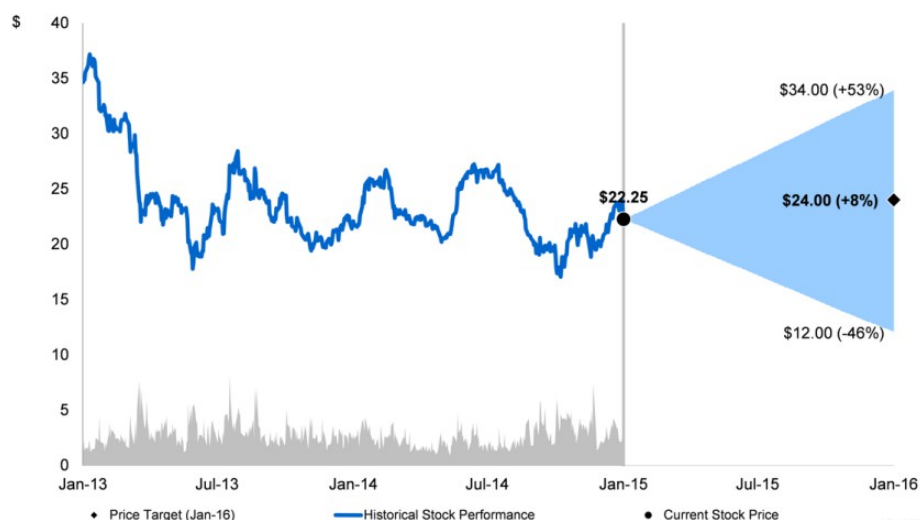
Exhibit 50: SMF – Financial Summary

Market Statistics						
Share Price, C\$	\$ 4.23		52 Week High	\$ 5.48		
Market Cap	1,180		52 Week Low	\$ 2.39		
Enterprise Value	848					
Operations Summary						
Gold US\$/oz	1,669	1,412	1,266	1,180	1,165	1,150
Silver US\$/oz	31.15	23.87	19.08	18.18	18.20	18.00
Au Production, koz	173	159	234	261	268	226
Production Growth	-8%	-8%	48%	11%	3%	-16%
Total Cash Costs, \$/oz	750	777	650	587	559	653
Free Cash Flow	2	(33)	48	83	99	60
FCF Yield%	0.1%	-5.1%	4.1%	7.1%	8.5%	5.1%
Valuation Metrics						
ModelWare EPS (US\$)	0.05	(0.03)	0.12	0.16	0.18	0.07
P/E	88x	nm	36x	26x	23x	62x
CFPS	0.41	0.28	0.40	0.43	0.46	0.32
P/CFPS	11.6x	8.3x	10.5x	9.8x	9.3x	13.4x
EV/EBITDA	6.5x	11.0x	7.4x	6.4x	6.0x	9.6x
ROE	2.6%	-1.9%	6.4%	8.1%	8.3%	2.9%
ROC	2.5%	-1.8%	6.1%	7.8%	7.9%	2.8%
Net Debt	(139)	(82)	(129)	(212)	(311)	(371)
Net Debt/EBITDA	(1.1)	(1.1)	(1.1)	(1.6)	(2.2)	(4.2)
NAV Summary						
	(US\$M)		US\$/sh		% Total	
Mining Assets						
Mana			683	2.44		97%
Other Potential			20	0.07		3%
Total Mining Assets			703	2.51		100%
Corporate Adjustments			134	0.48		
Net Asset Value (NAV)			836	2.99		
P/NAV Multiple (adjusted for cash)				1.2x		
Avg 2015/16 CFO				0.44		
P/CF Multiple				12x		
C\$ Target Price			\$	4.75		
Income Statement (US\$M)						
Revenues	287	227	289	307	313	260
Cost of Sales	114	115	137	141	138	137
DDA	46	58	68	70	72	61
SG&A	22	20	17	16	16	16
Others	39	15	21	17	17	18
Operating Income	66	19	47	63	70	27
Other Income/(Expenses)	(24)	(19)	(4)	(2)	(2)	(2)
Income before tax	42	0	43	61	68	25
Tax	25	5	12	15	17	6
Reported Net Income	67	5	55	76	85	32
Diluted shares out (mn)	277	273	278	279	279	279
Reported Diluted EPS	(0.05)	(0.31)	0.04	0.16	0.18	0.07
MW Net Income	15	(9)	33	46	51	19
MW EPS	0.05	(0.03)	0.12	0.16	0.18	0.07
Balance Sheet (US\$M)						
Cash and Equivalents	139	82	129	212	311	371
Other Current Assets	135	95	90	90	90	90
Total Current Assets	275	177	219	302	401	461
Other Assets	143	213	177	61	(83)	(176)
Total Assets	692	568	614	664	720	747
Short term borrowings	-	-	-	-	-	-
Other Current Liabilities	84	51	58	58	58	58
Total Current Liabilities	84	51	58	58	58	58
Long term borrowings	-	-	-	-	-	-
Other Liabilities	(69)	(39)	(40)	(40)	(40)	(40)
Total Liabilities	99	62	76	76	76	76
Non-Controlling Int.	13	14	26	26	26	26
Shareholders' equity	579	492	512	562	617	644
Liabilities & Equity	692	568	614	664	720	747
Cashflow Statement (US\$M)						
Net Income	23	(6)	25	46	51	19
Depreciation	46	58	68	70	72	61
Other	86	23	24	4	4	8
Net Cash from Operations	155	76	117	120	127	88
Capex	(153)	(109)	(69)	(37)	(28)	(28)
Other	(27)	(13)	(2)	-	-	-
Net Cash used in Investing	(180)	(122)	(71)	(37)	(28)	(28)
Proceeds from Equity	0	2	6	-	-	-
Net Change in Debt	-	-	-	-	-	-
Other	(13)	(12)	-	-	-	-
Net Cash (used in) Financing	(13)	(10)	6	-	-	-
Fx on Cash & Equiv	(6)	(6)	(6)	(6)	(6)	(6)
Net Cash Inflow	(39)	(57)	46	83	99	60

Source: Company Data, Morgan Stanley Research estimates

Silver Wheaton (SLW, Equal-weight, PT \$24.00)

Tax Review Continues to Weigh on Valuation



Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target \$24.00 60% 1.6x NAV & 40% 20x 2yr average fwd CF

Bull \$34.00

Assuming Bull Case Metal Price Deck

Clarity On Key Issues Drives Higher Multiples. Our Bull Case assumes clarity on the CRA review (positive outcome) and on the development of Pascua. The reduction in risk leads to multiple expansion more in line with its royalty peers.

Base \$24.00

Assuming Base Case Metal Price Deck

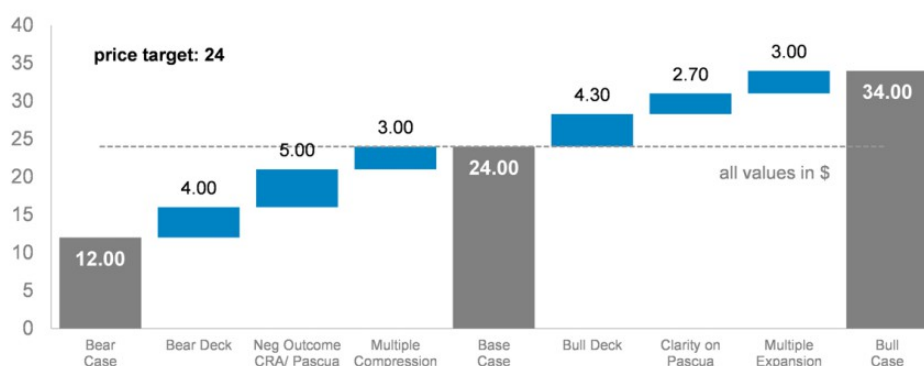
Status Quo, FCF positive, Strong Growth. Our Base Case assumes status quo on uncertainty around the CRA review and Pascua – multiples remain at a discount to peer group. FCF positive in 2015, output to increase ~30% F2014 to F2018.

Bear \$12.00

Assuming Bear Case Metal Price Deck

Negative Outcome Re CRA & Pascua – Impacts Multiples. Our Bear Case assumes a negative outcome regarding the CRA review (we view low probability), leading to a much higher tax rate going fwd. This leads to a drop in multiples, more in line with higher quality producers.

Exhibit 51: SLW – Uncertainty Weighing on Valuation



Source: Company Data, Morgan Stanley Research estimates.

Investment Thesis

- Although we like Silver Wheaton's business model, growth potential and cash flow generation, we believe its valuation will continue to be under pressure until there is clarity on the CRA audit and/or Pascua-Lama's development plan.

Key Value Drivers

- Investor Sentiment:** With the financial markets (debt and equity) largely closed to miningcos, royalty/streamingcos tend to demand premium multiples on the back of their lower risk profile. SLW's uncertainty related to the CRA audit offsets much of this premium.
- Growth Opportunities:** In the current environment, Royalties and Streams become a meaningful financing alternative driving future growth opportunities.
- Solid Assets:** SLW's portfolio consists of several long life assets in stable jurisdictions. Growth of ~30% F2014-18.
- Strong CF:** SLW should be able to rebuild its balance sheet and participate in further transactions.

Potential Catalysts

- A positive outcome on the CRA review could have an immediate positive impact on multiples.
- Further clarity on the timing at Pascua-Lama - likely longer term.
- Accretive transactions.

Risks to Our Price Target

- Key risk to SLW's valuation hinges on the CRA review and Pascua's timeline.
- While streamers have less risk than Miningcos, they are still exposed to delays, output disruptions & metal prices.
- If sentiment toward miningcos improves and financial markets open up, SLW's multiples and future growth prospects could be negatively impacted.
- Streamers do not control mine plans or capital decisions where changes could negatively impact valuations. And have limited access to operational statistics or guidance.

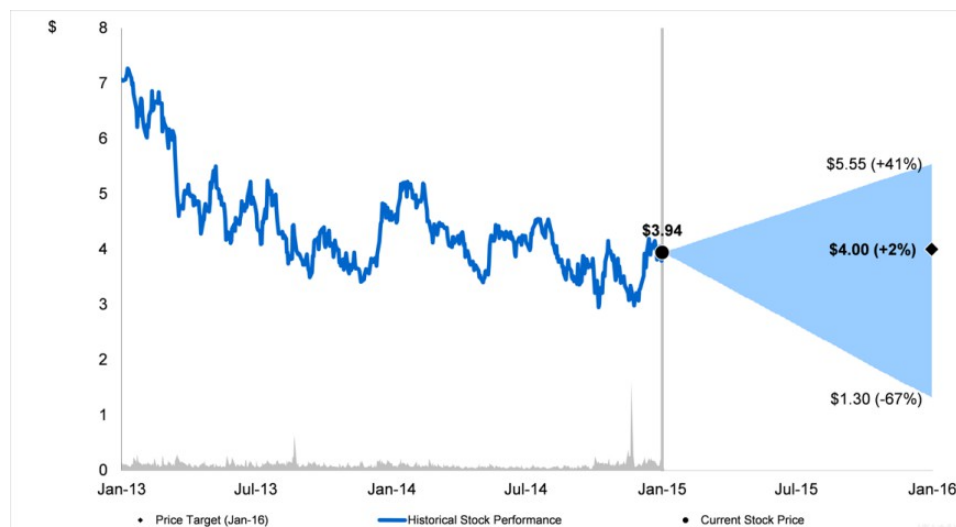
Exhibit 52: SLW – Financial Summary

Market Statistics				Income Statement (US\$M)									
Share Price	\$ 22.25	52 Week High	\$ 27.66	Revenues	730	850	706	636	669	722			
Market Cap	7,991	52 Week Low	\$ 16.57	Cost of Sales	86	117	139	155	175	195			
Enterprise Value	8,743			DDA	57	101	144	165	180	201			
Dividend Yield	1.1%			SG&A	25	31	35	39	34	34			
				Others	-25	-31	-35	-39	-34	-34			
Operations Summary				Operating Income	586	631	423	316	314	326			
Gold US\$/oz	1,546	1,669	1,412	Other Income/(Expenses)	(28)	(30)	(53)	(111)	(36)	(36)			
Silver US\$/oz	32.91	31.15	23.87	Income before tax	558	601	370	205	278	289			
				Tax	8	15	(5)	3	14	14			
SEO Production, kSEO	25,587	29,344	35,823	Reported Net Income	567	616	365	208	292	304			
Production Growth	7%	15%	22%										
SEO Sold, kSEO	21,103	27,336	29,963	Diluted shares out (mn)	356	356	357	359	358	358			
Total Cash Cost, \$/SEO	300	362	386	Reported Diluted EPS	1.55	1.65	1.05	0.56	0.74	0.77			
Free Cash Flow	486	79	(1,492)	MW Net Income	550	586	375	270	264	275			
FCF Yield%	3.8%	0.7%	-16.3%	MW EPS	1.55	1.65	1.05	0.75	0.74	0.77			
Free Cash Flow After Dividend	455	(52)	(1,744)										
				Balance Sheet (US\$M)									
Valuation Metrics				2011	2012	2013	2014e	2015e	2016e				
ModelWare EPS (US\$)	1.55	1.65	1.05	0.75	0.74	0.77	Cash and Equivalents	840	778	96	328	707	886
P/E	23.3x	20.0x	24.4x	29.5x	30.2x	29.0x	Other Current Assets	5	7	5	6	7	7
CFPS	1.75	1.99	1.51	1.25	1.31	1.40	Total Current Assets	845	785	101	335	715	893
P/CFPS	20.5x	16.6x	17.0x	17.9x	17.0x	15.9x	Other Assets	1,182	1,619	4,187	4,002	3,440	3,291
							Total Assets	2,872	3,189	4,390	4,671	4,869	5,078
EV/EBITDA	14.1	12.5	16.4	19.8	19.0	17.8	Short term borrowings	29	29	-	-	-	-
							Other Current Liabilities	139	21	21	34	38	43
ROE	20.7%	18.9%	11.2%	7.4%	6.9%	6.9%	Total Current Liabilities	168	49	21	34	38	43
ROC	19.0%	18.6%	8.6%	5.8%	5.5%	5.5%	Long term borrowings	50	22	998	998	998	998
							Other Liabilities	(167)	(38)	(17)	(30)	(20)	(11)
Gearing (ND/ND+E)	-42.4%	-32.2%	21.1%	15.6%	7.1%	2.7%	Total Liabilities	218	82	1,023	1,037	1,054	1,074
Net Debt	(790)	(757)	902	670	291	112							
							Shareholders' equity	2,654	3,107	3,367	3,634	3,816	4,003
Net Debt/EBITDA	(1.3)	(1.1)	1.7	1.5	0.6	0.2	Liabilities & Equity	2,872	3,189	4,390	4,671	4,869	5,078
							Cashflow Statement (US\$M)						
NAV Summary				2011	2012	2013	2014e	2015e	2016e				
Mining Assets				US\$ mm	US\$/sh	% Total	Net Income	550	586	375	202	264	275
San Dimas				1,086,145	3.03	20%	Depreciation	57	101	144	128	180	201
Penasquito				1,022,410	2.85	18%	Others	19	32	14	125	26	29
Pascua Lama				400,000	1.11	7%	Net Cash from Operations	626	719	534	456	470	505
Salobo				609,038	1.70	11%							
Yauliyacu				239,636	0.67	4%	Silver and gold interests	(140)	(641)	(2,026)	(125)	-	(231)
Other				2,196,964	6.12	40%	Others	9	(1)	(24)	(16)	-	-
Total Mining Assets				5,554,193	15.48	100%	Net Cash used in Investing	(131)	(642)	(2,050)	(142)	-	(231)
Corporate Adjustments				(579,288)	(1.61)								
Net Asset Value (NAV)				4,974,905	13.87		Proceeds from Equity	-	-	-	-	-	-
P/NAV Multiple (adjusted for cash)					1.6x		Net Change in Debt	(29)	(29)	950	-	-	-
							Others	(56)	(111)	(116)	(82)	(91)	(95)
Avg 2015/16 CFO					1.36		Net cash (used in) Financing	(84)	(140)	834	(82)	(91)	(95)
P/CF Multiple					20.0x								
Price Target					24.00		Net Cash Inflow	412	(62)	(682)	232	379	179

Source: Company Data, Morgan Stanley Research estimates

AuRico Gold (AUQ, Underweight, PT \$4.00)

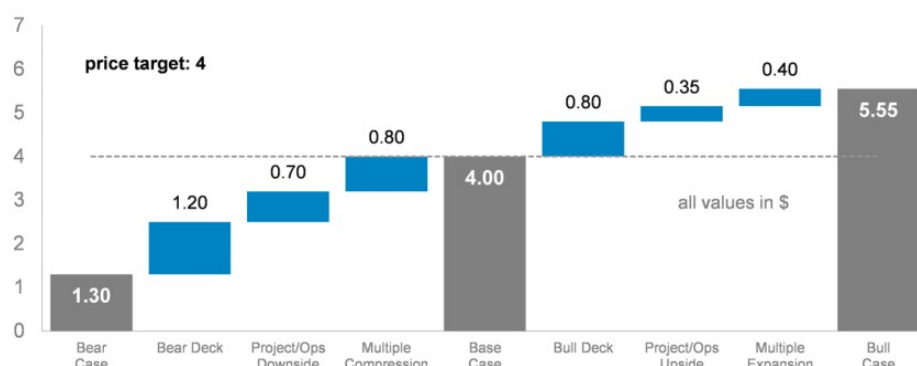
Progressing Ahead of Plan - Reflected in Current Valuation



Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target	\$4.00	60% 1.2x NAV & 40% 12x 2yr average fwd CF
Bull	\$5.55	Assumes Young-Davidson Tracks 6mo Ahead of Plan, FCF Positive in Late 2016, Multiples Expand. Our Bull Case assumes Young-Davidson tracks ~6mo ahead of plan with AUQ becoming FCF breakeven late in 2016. The successful ramp-up of its key asset reduces risk – expanding multiples.
Base	\$4.00	YD Ramps Up to Design By YE 2016. Our Base Case assumes YD (81% of NAV) achieves an 8,000tpd UG mining rate by the end of 2016 with El Chanate (15%) continuing to run at steady state. FCF positive in 2017 on MSe deck.
Bear	\$1.30	YD timelines Begin to Slip, Leading to a 6mo Delay, Impacting Sentiment and Multiples. Our Bear Case assumes YD runs into challenges achieving 8,000tpd UG, capex increases, sentiment turns negative and multiples begin to reflect higher risk. FCF declines ~30% in 2017 (vs Base Case).

Exhibit 53: AUQ – Given Long Ramp-Up Period, Risk-Reward Profile is Skewed to Downside



Source: Company Data, Morgan Stanley Research estimates.

Investment Thesis

- AuRico's key asset, Young-Davidson, continues to track ahead of plan. That said, with a long ramp up still ahead, we believe, given AuRico's current relative valuation and its risk-reward profile, that there are greater risks to the downside than upside from these levels vs our coverage group. Remaining Underweight.

Key Value Drivers

- Operating Performance** has been and will remain the key value driver for AUQ over the next 12-24 months as its Young-Davidson mine ramps up to design UG mining rates.
- Production Growth and Cost Control** – We forecast production growth of ~40% with total cash costs declining ~15% between 2014 and 2017.
- Gold Price** – A 5% change in the gold price has ~20% impact on our NAV estimate and ~17% impact on 2015 CFPS.

Potential Catalysts

- Quarterly operating updates from Young-Davidson
- Positive exploration results at El Chanate, suggesting a mine life extension
- Monetizing Kemess North project.

Risks to Our Price Target

- Roughly 80% of our NAV estimate is derived from its Young-Davidson mine which is currently in ramp up mode. Until this asset achieves design UG mining rates (expected by the end of 2016) there will be a heightened execution and operating risk.
- Recent performance at YD suggests the ramp-up is tracking ahead of plan, this resulted in AUQ garnering a higher multiple than would typically be applied to a ramp up stage company, any unexpected issues could result in a sentiment change and multiple compression.
- Gold price movements.

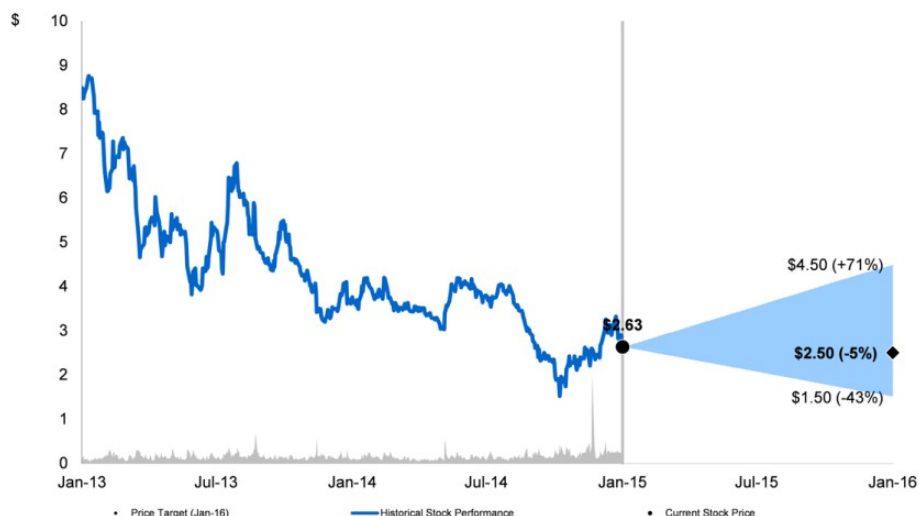
Exhibit 54: AUQ – Financial Summary

Market Statistics						
Share Price	\$ 3.79		52 Week High	\$ 5.36		
Market Cap	943		52 Week Low	\$ 2.92		
Enterprise Value	1,126					
Dividend Yield	1.1%					
Operations Summary						
Gold US\$/oz	1,669	1,412	1,266	1,180	1,165	1,150
Silver US\$/oz	31.15	23.87	19.08	18.18	18.20	18.00
Au Production, koz	250	193	224	247	293	316
Production Growth	34%	-23%	16%	10%	18%	8%
Total Cash Cost, \$/oz	551	837	779	746	659	638
Free Cash Flow	(369)	(186)	(128)	(58)	(22)	22
Free Cash Flow After Dividend	(369)	(216)	(142)	(69)	(39)	0
Valuation Metrics						
ModelWare EPS (US\$)	0.06	0.05	(0.18)	(0.29)	(0.23)	(0.23)
P/E	nm	nm	nm	nm	nm	nm
CFPS	0.13	0.29	0.24	0.23	0.38	0.43
P/CFPS	nm	17.8x	15.5x	16.8x	10.0x	8.8x
EV/EBITDA	22.3x	25.9x	15.6x	14.6x	9.6x	8.6x
ROE	0.7%	0.7%	-2.6%	-4.4%	-3.7%	-3.8%
ROC	0.7%	0.6%	-2.2%	-3.7%	-3.0%	-3.1%
Gearing (ND/ND+E)	-23.4%	5.4%	11.4%	15.0%	17.3%	18.0%
Net Debt	(436)	102	222	291	330	330
Net Debt/EBITDA	(8.6)	2.3	3.1	3.8	2.8	2.5
NAV Summary						
	(US\$M)		US\$/sh		% Total	
Mining Assets						
Young Davidson			823	3.31		81%
El Chanate			139	0.56		14%
Other Potential			52	0.21		5%
Total Mining Assets			1,014	4.08		100%
Corporate Adjustments			(165)	(0.66)		
Net Asset Value (NAV)			849	3.41		
P/NAV Multiple (adjusted for cash)				1.2x		
Avg 2015/16 CFO				0.30		
P/CF Multiple				12x		
Price Target			\$	4.00		
Income Statement (US\$M)						
Revenues	164	228	288	292	341	363
Cost of Sales	62	148	184	184	193	201
DDA	19	66	120	122	146	159
SG&A	36	28	26	24	24	24
Others	(21)	(23)	(21)	(20)	(20)	(20)
Operating Income	69	9	(21)	(19)	(2)	(2)
Other Income/(Expenses)	(170)	(172)	(55)	(53)	(55)	(55)
Income before tax	(101)	(162)	(76)	(72)	(58)	(57)
Tax	7	14	0	-	-	-
Reported Net Income	(94)	(148)	(75)	(72)	(58)	(57)
Diluted shares out (mn)	282	266	250	250	250	250
Reported Diluted EPS	0.11	(0.67)	(0.31)	(0.29)	(0.23)	(0.23)
MW Net Income	17	13	(44)	(72)	(58)	(57)
MW EPS	0.06	0.05	(0.18)	(0.29)	(0.23)	(0.23)
Balance Sheet (US\$M)						
Cash and Equivalents	603	143	87	13	5	0
Other Current Assets	140	149	113	113	113	113
Total Current Assets	744	292	200	126	117	113
Other Assets	1,408	1,879	1,983	2,050	2,029	1,960
Total Assets	2,895	2,462	2,383	2,302	2,264	2,187
Short term borrowings	5	7	7	7	7	7
Other Current Liabilities	90	107	42	42	42	42
Total Current Liabilities	95	114	48	48	48	48
Long term borrowings	167	244	309	304	335	330
Other Liabilities	241	202	255	255	255	255
Total Liabilities	599	675	660	655	686	681
Non-Controlling Int.	-	-	-	-	-	-
Shareholders' equity	2,296	1,788	1,723	1,647	1,578	1,505
Liabilities & Equity	2,895	2,462	2,383	2,302	2,264	2,187
Cashflow Statement (US\$M)						
Net Income	(100)	(177)	(77)	(72)	(58)	(57)
Depreciation	19	66	120	122	146	159
Other	74	175	3	6	6	6
Net Cash from Operations	(7)	63	46	56	94	108
Capex	(362)	(249)	(174)	(114)	(117)	(86)
Other	916	(23)	35	-	-	-
Net Cash used in Investing	554	(272)	(140)	(114)	(117)	(86)
Proceeds from Equity	27	-	-	-	-	-
Net Change in Debt	(53)	75	56	(5)	31	(4)
Other	(28)	(326)	(18)	(11)	(17)	(22)
Net Cash (used in) Financing	(53)	(251)	38	(16)	14	(22)
Fx on Cash & Equiv	(1)	(1)	(1)	-	-	-
Net Cash Inflow	493	(461)	(55)	(74)	(9)	(4)

Source: Company Data, Morgan Stanley Research estimates

IAMGOLD (IAG, Underweight, PT \$2.50)

Risk Reward View

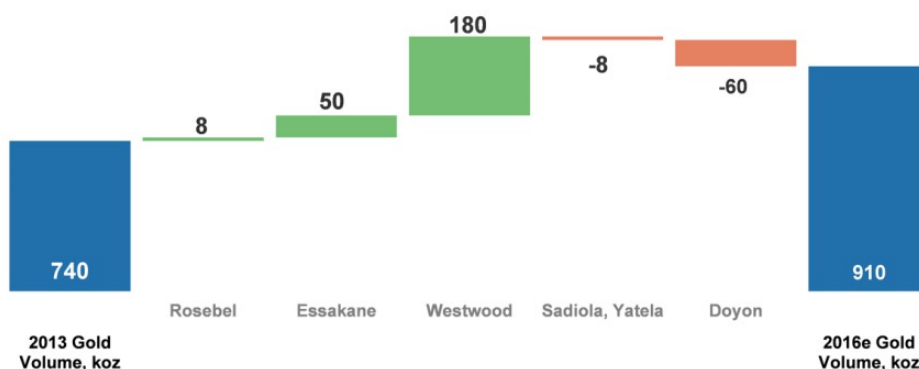


Source: Thomson Reuters, Morgan Stanley Research estimates

Price Target	\$2.50	Based on a blend of (i) NAV at 8% discount rate and (ii) historical average P/CF applied on average of 2015-16e CFPS.
Bull	\$4.50	Bull case commodity prices; better than expected returns at Cote Lake project. Aggressive cost reductions & volume increase drive better than expected FCF in 2015-16.
Calculated at Bull Case Prices		
Base	\$2.50	IAG's production on track for 0.9 moz by 2016. Production and costs meet guidance in 2014-15. IAG remains FCF negative in 2014, despite large cost/capex cuts. Westwood ramp-up is on schedule. Cote Lake construction stays deferred.
Calculated at Base Case Prices		
Bear	\$1.50	2015 volumes below expectations; bear case commodity prices. Current mines experience declining volumes and costs rise more than guidance. Key growth projects run behind schedule.
Calculated at Bear Case Prices		

Exhibit 55: IAG Production Growth, koz, 2013 - 2016e

IAG Gold Sales Growth, koz, 2013 - 2016e



Source: Morgan Stanley Research estimates..

Investment Thesis

- IAG shares are trading at 3.8x 2014 EBITDA at spot (pro-forma the sale of Niobec), vs. 2001-10 avg. of 11.9x, & likely already pricing plenty of concerns. However, under MS Commodity team's gold price forecast, we still see headwinds from the high cost of its operations (AISC ~\$1,200/oz), low returns on growth projects, and low near-term FCF. We see downside to our price target and remain Underweight.
- Shares should react favorably to management actions to improve 2015-16 FCF.
- If gold prices rally, IAG's high cost position could be favored by investors, due to higher leverage to earnings.

Key Value Drivers

- Gold Price Sensitivity:** We estimate every \$10/oz change in gold price would affect 2015e EBITDA by 3.8% and CFPS by 2.7% relative to our base case.
- Growth:** We estimate consolidated production could rise to 0.9-1.0 moz by 2016, based on the current growth pipeline.
- Cost Control:** Cash costs are up ~50% in last 4 years. Management is optimistic of \$75-100/oz of cost reduction by 2015.

Key Projects

- Westwood (Canada, 100% ownership) started commercial production in July 2014 and is expected to reach full capacity by end 2016.
- The plant expansion at Essakane (Burkina Faso, 90% ownership) is ramping up.

Potential Catalysts

- Further resource addition at Cote Lake.

Risks to Achieving Price Target

- Cost cuts not sufficient to offset price decline
- Growth project delayed.
- Closure of higher cost mines.
- Political risks.
- Upside risk from significant cost cutting.

Exhibit 56: IAG Financial Summary

Quarterly Data

	3Q14	4Q14e	1Q15e	2Q15e	3Q15e	4Q15e
Gold Price, \$/oz	1,282	1,235	1,235	1,235	1,235	1,235
Niobium, \$/kg	41	0	0	0	0	0
Gold Sold, consolidated, koz	247	256	242	238	208	208
Gold cash cost, \$/oz	828	839	868	862	877	877
Gold Depreciation \$/oz	277	272	253	255	245	245
Revenues, \$mm	342	340	281	275	238	237
EBITDA, \$mm	87	67	62	61	48	47
ModelWare Net Income, \$	0	-5	-3	-4	-5	-6
Modelware EPS, \$	0.00	-0.01	-0.01	-0.01	-0.01	-0.02

Summary Valuation Measures

Year End December (US\$M)	2012	2013	2014e	2015e	2016e	2017e
ModelWare EPS, \$	0.84	0.35	0.04	-0.05	0.03	0.08
EPS Growth YoY (%)	-23%	-58%	-88%	-211%	-160%	173%
DPS, \$	0.25	0.25	0.00	0.00	0.00	0.00
Payout ratio (%)	30%	71%	0%	0%	0%	0%
Div Yield (%)	2.2%	7.7%	0.0%	0.0%	0.0%	0.0%
Cash Flow/ Share	1.27	0.82	0.67	0.51	0.60	0.69
P/E	13.6	9.2	NA	NA	NA	40.3
P/B	1.2	0.4	0.4	0.4	0.4	0.4
EV	4,224	1,676	1,721	1,280	1,282	1,230
EV/EBITDA	5.9	4.3	5.7	5.9	4.6	3.7
EV/Reserves (\$/oz)	318	126	129	96	96	93
ROE	8.8%	4.0%	0.6%	-0.7%	0.4%	1.1%
ROC	8.4%	3.7%	0.5%	-0.6%	0.4%	1.0%
Leverage (ND/ND+E)	NA	12.9%	14.2%	0.3%	0.1%	NA
Net Debt	(175)	418	456	9	2	(57)
Tax rate (%)	36%	31%	55%	50%	50%	50%
Free cashflow	(238)	(317)	(43)	(36)	21	74
FCF Yield%	-6%	-26%	-4%	-3%	2%	6%

NAV Calculations

	Reserves, moz	US\$mn	\$/sh	% total	
Rosebel (95%), Suriname	4.1	266	0.71	30%	
Essakane (90%), Burkina Faso	4.1	385	1.02	43%	
Doyon division, Canada	-	-	-	0%	
Westwood, Canada	0.5	183	0.49	21%	
Sadiola (41%), Mali	1.4	54	0.14	6%	
Yatela (40%), Mali	-	-	-	0%	
Quimsacocha, Ecuador	-	-	-	0%	
Cote Lake, Canada	-	-	-	0%	
Niobec (Niobium), Canada	-	-	-	0%	
Total	Total	10.1	888	2.36	100%

Income Statement Items, post tax	(383)	(1.02)
Working Capital Changes	0	-
Net Debt YE. 14	44	0.12
Minority Interest YE. 14	(48)	(0.13)
Pension and OPEB. 14	-	-
Equity NAV	501	1.33

Sensitivity Analysis

	2014e	2015e	2016e	2017e
EPS Gold Sensitivity	± \$10/oz	NM	NM	NM
EBITDA Sensitivity	± \$10/oz	4.1%	3.3%	2.9%
CFPS Gold Sensitivity	± \$10/oz	1.6%	2.4%	2.1%

Key Assumptions

Year End December	2011	2012	2013	2014e	2015e	2016e	2017e
Gold Price, \$/oz	1,572	1,670	1,413	1,235	1,235	1,235	1,235
Niobium, \$/kg	39.2	40.2	40.0	40.0	40.0	40.0	40.0
Consolidated Gold Sold (koz)	953	881	784	900	896	933	988
Niobium sales (mm kg)	4.6	4.7	4.9	5.6	0.0	0.0	0.0
Niobium operating margin (\$/kg)	15.0	15.0	18.2	20.0	0.0	0.0	0.0
Gold Avg. Cash Costs \$/oz	623	709	801	850	870	812	783
Gold Depreciation \$/oz	128	151	190	258	250	242	239

Income Statement

Year End December (US\$M)	2011	2012	2013	2014e	2015e	2016e	2017e
Revenues	1,673	1,670	1,147	1,249	1,031	1,081	1,155
Cost of Sales	759	785	636	839	718	707	726
DDA	156	163	175	236	209	214	231
Exploration & Business dev.	73	113	69	43	40	45	45
SG&A	54	58	51	48	45	47	48
Others	11	(6)	0	20	9	2	(0)
Operating Income	620	557	215	64	9	67	105
Other Income/(Expenses)	30	2	(49)	78	(33)	(29)	(29)
Income before tax	651	559	166	142	(24)	38	76
Tax	(221)	(199)	9	(96)	12	(19)	(38)
Minority Interest and Others	(37)	(37)	28	(9)	(6)	(8)	(8)
Reported Net Income	430	359	176	46	(12)	19	38
Reported Diluted EPS	1.05	0.89	(2.21)	(0.24)	(0.05)	0.03	0.08
Normalized Net Income	409	317	132	17	(18)	11	30
Normalized EPS	1.09	0.84	0.35	0.04	(0.05)	0.03	0.08
Diluted shares out (mm)	373	377	377	377	377	377	377

Balance Sheet

Year End December (US\$M)	2011	2012	2013	2014e	2015e	2016e	2017e
Cash and Equivalents	1,052	814	222	186	633	639	699
Gold Bullion	97	97	97	97	97	97	97
Inventories	239	305	300	296	231	245	252
Trade Receivables	156	161	80	115	75	85	91
Goodwill	257	257	-	-	-	-	-
Net PP&E	1,882	2,713	2,513	2,693	2,214	2,212	2,183
Other Assets	668	1,030	978	903	903	903	903
Total Assets	4,350	5,376	4,190	4,289	4,152	4,181	4,224
Short term borrowings	-	-	-	-	-	-	-
Long term borrowings	-	639	640	641	641	641	641
Trade Payables	206	252	186	290	164	174	179
Minority Interests	54	77	41	48	54	62	70
Deferred Tax Liability	282	334	212	223	223	223	223
Other Liabilities	333	346	280	340	340	340	340
Shareholders' equity	3,475	3,728	2,831	2,747	2,729	2,740	2,770
Liabilities & Equity	4,350	5,376	4,190	4,289	4,152	4,181	4,224

Cashflow Statement

Year End December (US\$M)	2011	2012	2013	2014e	2015e	2016e	2017e
Net Income	391	335	(833)	(89)	(18)	11	30
Depreciation	157	164	175	237	209	214	231
Others	106	4	916	134	6	8	8
(Increase) in Working Capital	(64)	(63)	(13)	40	(20)	(15)	(8)
Net Cash from Operations	590	440	246	322	177	218	261
Acquisitions	-	(486)	-	-	-	-	-
Capex	(264)	(696)	(630)	(349)	(230)	(212)	(202)
Others	512	(31)	(35)	7	500	-	-
Net Cash used in Investing	247	(1,213)	(665)	(341)	270	(212)	(202)
Share issue/repurchase	55	5	0	-	-	-	-
Debt issue/repayment	-	650	-	-	-	-	-
Dividend paid	(80)	(105)	(102)	(2)	-	-	-
Minority Interest & others	0	(20)	(54)	(7)	-	-	-
Net cash (used in) Financing	(25)	531	(156)	(9)	-	-	-
Net Cash Inflow	812	(243)	(575)	(29)	447	6	59
Closing Cash Balance	1,052	814	222	186	633	639	699

Source: Company Data, Morgan Stanley Research

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TOTAL	3,329		787		

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COMPANY (TICKER)	RATING (AS OF)	PRICE* (01/30/2015)
Brad Humphrey		
Agnico Eagle Mines Ltd (AEM.N)	O (11/25/2013)	\$33.72
Alamos Gold Inc (AGI.N)	E (09/03/2014)	\$5.30
AuRico Gold Inc (AUQ.N)	U (12/03/2014)	\$3.94
Barrick Gold Corporation (ABX.N)	E (10/10/2012)	\$12.78
Detour Gold Corp (DGC.TO)	E (09/03/2014)	C\$13.00
Eldorado Gold Corporation (EGO.N)	E (11/25/2013)	\$4.78
Franco-Nevada Corp (FNV.N)	O (12/15/2014)	\$57.60
Goldcorp Inc. (GG.N)	E (11/14/2008)	\$24.03
New Gold Inc. (NGD.A)	O (09/03/2014)	\$4.36
Primero Mining Corp (PPP.N)	E (09/03/2014)	\$4.02
Royal Gold Inc. (RGLD.O)	E (12/15/2014)	\$72.46
SEMAFO Inc (SMF.TO)	E (12/03/2014)	C\$4.45
Silver Wheaton Corp. (SLW.N)	E (05/29/2014)	\$22.97
Yamana Gold Inc. (AUY.N)	++	\$4.11
Paretosh Misra, Ph.D.		
IAMGOLD Corporation (IAG.N)	U (11/25/2013)	\$2.67
Kinross Gold Corp. (KGC.N)	O (01/08/2015)	\$3.39
Newmont Mining Corp. (NEM.N)	E (06/29/2007)	\$25.15

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