

Precious Metals - Producer

Australian Equity Research
12 October 2021

Canaccord Genuity (Australia) Ltd.

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SepQ'21 preview & price deck update

SepQ'21 gold producers preview: Across the board we are forecasting production to decrease by 2% QoQ, with AISC increasing by an average of 4%. We continue to flag industry cost pressures and impacts on productivity (i.e. skilled labour shortages in WA and border closures), noting that FY22E guidance for WA-based gold producers sees an average 11% YoY increase.

Price deck update: We lift LT gold prices (based on forward curve assumptions) by 0.6% to US\$1,860/oz, with nearer-term assumptions decreasing by average 1.5% 2022E-23E. Currency revisions include LT AUD:USD dropping by 3% to 0.72, resulting in our LT A\$ gold price assumptions rising by 3.7% to A\$2,556/oz.

Broadly speaking, we see a supportive macro environment for gold with record fiscal and monetary stimulus, ultra-low interest rates and rising debt levels. However, prospects for potential QE tapering lead us to be cautious in the near term.

Despite some potential gold price headwinds in the near term, we see Australian gold producers as undervalued, trading at an average implied gold price ~12% lower than spot (Figure 8). Trailing P/NAV's for our covered producers also highlight a clear disconnect between equities and the AUD gold price with senior producers trading on P/NAV's ~35% lower than their historical averages and intermediate/junior producers ~13%.

Valuation and rating changes: Our valuation changes (see sidebar) result from updated commodity price and currency assumptions. Our price targets increase by an average of 4% for the senior producers and 8% for the intermediate/junior producers. Rating changes include EVN to BUY (from Hold).

Top pick – Senior producers:

NST — We look to NST unlocking ongoing synergies as it moves towards its FY26E target of +2Mozpa, and continues to optimise its newly consolidated operations following the merger with Saracen. NST is trading on an undemanding P/NAV of 0.68x (vs three-year average of ~0.9x), FY22E EV/EBITDA of 6.4x (FY23E 4.9x) and FY22E FCF of 3.2%, projected to increase to 8% and 10% in FY23E/24E, respectively.

Top pick – Intermediate/junior producers:

PRU — We expect the Yaoure ramp-up to drive improved production in the short term, with 2HCY21E guidance implying an annualised run-rate of ~500kozpa (+50% YoY). We estimate a ramped-up Yaoure to drive substantial lift in earnings/FCF (FY22E FCF yield 26%), while potential for mine life extensions (Sissingue) could provide near-term valuation levers.

Company	Rating	Price	Target
Precious Metals - Producer			
CMM-ASX	Buy	A\$2.34	A\$3.20↑ A\$3.00
DCN-ASX	Spec Buy	A\$0.21	A\$0.45↑ A\$0.40
EVN-ASX	Buy↑	A\$3.70	A\$4.20
FFX-ASX	Spec Buy	A\$0.63	A\$1.30
GOR-ASX	Buy	A\$1.35	A\$2.10↑ A\$2.00
NST-ASX	Buy	A\$9.35	A\$13.70↑ A\$13.00
OGC-ASX	Buy	A\$2.49	A\$3.75↑ A\$3.60
PRU-ASX	Buy	A\$1.50	A\$2.10
RED-ASX	Spec Buy	A\$0.27	A\$0.35
RMS-ASX	Buy	A\$1.50	A\$2.10↑ A\$1.95
RRL-ASX	Buy	A\$2.17	A\$3.35↑ A\$3.15
RSG-ASX	Buy	A\$0.43	A\$0.95
SBM-ASX	Buy	A\$1.47	A\$2.20
SLR-ASX	Buy	A\$1.55	A\$2.20↑ A\$2.15

Priced as of close of business 12 October 2021

Company previews for upcoming SepQ'21

Below we have highlighted both production and AISC expectations ahead of the upcoming quarterlies.

Figure 1: CGAu precious metals coverage SepQ'21 production and AISC estimates

		Production			AISC		
		JunQ'21a	SepQ'21e	% Change	JunQ'21a	SepQ'21e	% Change
		Koz	Koz		\$/oz	\$/oz	
Evolution Mining	EVN	168	178	6%	\$ 1,309	\$ 1,269	-3%
Northern Star Resources	NST	454	393	-13%	\$ 1,449	\$ 1,546	7%
OceanaGold Corporation *	OGC	94	74	-21%	\$ 1,205	\$ 1,335	11%
Regis Resources	RRL	114	108	-6%	\$ 1,363	\$ 1,432	5%
St. Barbara	SBM	83	63	-24%	\$ 1,378	\$ 1,844	34%
Perseus Mining *	PRU	103	127	24%	\$ 1,082	\$ 999	-8%
Resolute Mining *	RSG	77	77	0%	\$ 1,361	\$ 1,551	14%
Gold Road Resources	GOR	27	30	11%	\$ 1,484	\$ 1,270	-14%
Silver Lake Resources	SLR	62	61	-1%	\$ 1,762	\$ 1,692	-4%
Ramellius Resources	RMS	64	67	4%	\$ 1,394	\$ 1,590	14%
Red 5	RED	15	14	-1%	\$ 2,582	\$ 2,715	5%
Capricorn Metals Limited**	CMM	2	24	931%	na	\$ 1,304	nm
Firefinch Limited*	FFX	13	14	8%	\$ 1,648	\$ 1,707	4%
Dacian Gold Limited	DCN	26	25	-4%	\$ 1,742	\$ 1,732	-1%

Source: Company reports, Canaccord Genuity estimates

* Currency in USD; ** Production actuals, Costs CGe

- Evolution Mining (EVN-ASX):** We expect Group SepQ production to be slightly higher vs the JunQ, with minor QoQ improvements expected from key production centres at Cowal, Red Lake and Mungari. We expect AISC to be mostly flat QoQ.
- Northern Star Resources (NST-ASX):** We anticipate softer production QoQ on the back of what was a strong JunQ'21 (annualised run rate ~1.8Mtpa vs FY22 guidance of 1.55-1.65Moz) noting our SepQ'21 forecast of 393koz is an ~7% increase from MarQ'21 production. Our FY22 forecast is 1.6Moz at AISC's of A\$1,548/oz.
- OceanaGold Corporation (OGC-ASX):** We model a weaker SepQ from OGC driven mainly by lower grades at Haile (2H flagged to be lower on mining sequence/grades) and COVID-related shutdowns at Macraes and Waihi (Martha UG ramp up) during Sep (see Model revisions). AISC are expected to be higher QoQ on lower production.
- Regis Resources (RRL-ASX):** SepQ'21 is expected to be a softer QoQ with major mill shutdowns scheduled as well as a return to normal run rates at Rosemont underground after a strong JunQ'21. FY21 guidance of 460-515koz at A\$1,290-1,365/oz flagged to be modestly 2H weighted (CGe ~47:53%). Our FY22 forecast is 485koz at AISC A\$1,347/oz.
- St. Barbara (SBM-ASX):** We expect SepQ production to be down significantly on suspension of operations at Simberi following a fatality and failure of the DSTP pipeline. Processing was scheduled to resume in the DecQ'21. Gwalia is expected to be steady QoQ while Atlantic is expected to be lower, reflecting treatment of lower grade stockpiles as the Touquoy pit

is depleted. Commencement of production at Beaver Dam remains pending approvals, with the current timeline suggesting FY24 for initial production.

- **Perseus Mining (PRU-ASX):** We expect a further step up in Group production in the SepQ, reflecting the ongoing ramp-up at Yaoure, offsetting lower production expected from Sissingue, while Edikan is expected to remain steady. We model Group AISC falling to <US\$1,000/oz in SepQ, reflecting higher grades and throughput at Yaoure (PRU guide 130-140koz in 2HCY21).
- **Resolute Mining (RSG-ASX):** Production is expected to be mostly flat QoQ, with the planned maintenance shutdown of the Syama roaster deferred to 2022 (see Model revisions). Higher production from Syama sulphides is expected to offset lower output at the oxides (weather impacts), with CY21 guidance unchanged.
- **Gold Road Resources (GOR-ASX):** We expect a modest QoQ improvement in production from GOR on the back of an unscheduled mill shutdown that impacted production in JunQ'21. Similar issues have impacted GOR in SepQ'21 but to a lesser extent. We recently revised our estimates down by ~16% for SepQ'21 to 30koz.
- **Silver Lake Resources (SLR-ASX):** We anticipate production to be relatively flat QoQ with costs to decrease ~4% driven by reduced sustaining capex at Mt Monger as SLR processes increased amounts of stockpiles as it undergoes an operational review.
- **Ramelius Resources (RMS-ASX):** We forecast a moderate 4% increase in production QoQ to 67koz with AISC's increasing by 14% driven largely by increased sustaining and development capex at Edna May.
- **Red 5 (RED-ASX):** We expect production to be relatively flat QoQ with a modest ~5% increase in AISC's to A\$2,715/oz driven by development costs at Darlot which we forecast to decline over FY22 as production gradually increases (CGe FY22 70koz at A\$2,577/oz).
- **Capricorn Metals (CMM-ASX):** CMM has released its SepQ'21 report with gold production of 24.3koz a strong beat vs our expectations (CGe 12koz), driven by higher-than-anticipated throughput of 978kt (CGe 450kt). Annualised, this represents ~83% of the long-term production range (mid-point) of 110-125kozpa. FY22 guidance has been set at 110-120koz, with AISC's to be provided from DecQ'21 onwards (FY22 CGe 117koz at A\$1,183/oz).
- **Firefinch (FFX-ASX):** We expect gold production to continue to increase as FFX ramps up production at Morila. CGe is for SepQ production of 13.5koz at AISC of US\$1,707/oz (versus guidance of 13-15koz), ~8% up from JunQ production of 12.6koz for (CG calculated) AISC of US\$1,650/oz. We expect recoveries to continue to increase from 63% in JunQ to 70% in the SepQ on account of available ore sources. Milled grades are also expected to increase (CGe 0.8g/t Au for the SepQ vs 0.58% calculated for the JunQ). FFX has been reprocessing tailings at Morila and recommenced mining fresh rock at Morila Pit 5 in May 2021. During the SepQ, mining operations at the Viper satellite pit (27km from Morila) recommenced. Viper provides oxide feed and increased ore types available for blending through the nominal 4Mtpa plant. We expect FY21 (Dec'21 is financial year-end) gold production to total 52.7koz; however, FY21 production should be only viewed as a start-up/restart.
- **Dacian Gold (DCN-ASX):** We expect both production and costs to be relatively consistent QoQ.

Model revisions

- **Evolution Mining (EVN-ASX):** Model revisions include removal of Mt Carlton from DecQ'21 following the sale to of the asset to Navarre Minerals (NML:ASX | Not Rated) for total consideration of up to A\$90m (including cash, production milestones and gold price linked royalties), upward revisions in capex, and balance sheet updates to reflect Private Placement of US\$550m in loan notes. Removal of Mt Carlton and minor revisions to production and cost forecasts sees FY22e estimates revised to 698koz and A\$1,219/oz AISC (vs revised guidance 670-725koz at A\$1,200-1,260/oz).
- **OceanaGold (OGC-ASX/TSX):** We have lowered CY21 expectations at Waihi and Macraes following COVID--related disruptions, partially offset by minor increases in production from Didipio (with cash flow to benefit from sale of concentrate inventories). Updated CY21 CGe now at 339koz at US\$1,090/oz AISC, vs revised guidance of 350-370koz at US\$1,200-1,250/oz).
- **Resolute Mining (RSG-ASX):** We have updated our model to reflect the deferral of the Syama roaster shutdown to 2022, and lowered CY21 estimates for Syama oxides. Revised CY21 CGe now at 325koz at US\$1,342/oz AISC, vs guidance (unchanged) of 315-340koz at US\$1,290-1,365/oz). Other revisions include reflecting the completed sale of Bibiani (US\$90m in staged cash consideration), with first US\$30m instalment applied to debt reduction.

Figure 2: June year-end FY22E guidance vs CGE

			FY22		
			CGe	Guidance	Delta vs. midpoint
Evolution Mining Limited	EVN	Production	698	670-725	0%
		AISC A\$	\$1,219	1,200-1,260	-1%
Northern Star Resources Limited	NST	Production	1,608	1,550-1,650	1%
		AISC A\$	\$1,548	1,475-1,575	2%
Regis Resources Limited	RRL	Production	485	460 - 515	-1%
		AISC A\$	\$1,347	1,290-1,365	2%
St. Barbara Limited	SBM	Production	306	305-355	-7%
		AISC A\$	\$1,757	1710-1860	-2%
Perseus Mining Limited	PRU	Production	512	>500**	2%
		AISC US\$	\$941	na	
Ramelius Resources	RMS	Production	287	260-300	2%
		AISC A\$	\$1,463	1425-1525	-1%
Dacian Gold Limited	DCN	Production	109	100-110	4%
		AISC A\$	\$1,596	1550-1700	-2%
Silver Lake Resources	SLR	Production	243	235-255	-1%
		AISC A\$	\$1,621	1550-1650	1%
Red 5 Limited	RED	Production	70	62-72	4%
		AISC A\$	\$2,577	2300-2400	10%
Capricorn Metals	CMM	Production	117	110-120	2%
		AISC A\$	\$1,184	na	

Source: Company reports, Canaccord Genuity estimates

Figure 3: December year-end CY21 guidance vs CGE

			CY21		
			CGe	Guidance	Delta vs. midpoint
OceanaGold Corporation*	OGC	Production	339	350-370	-6%
		AISC US\$	\$1,090	1,200-1,250	-11%
Resolute Mining Limited*	RSG	Production	325	315-340	-1%
		AISC US\$	\$1,342	1,290-1,365	1%
Gold Road Resources *	GOR	Production	126	125-130	-1%
		AISC A\$	\$1,477	na	

Source: Company reports, Canaccord Genuity estimates

Price deck update

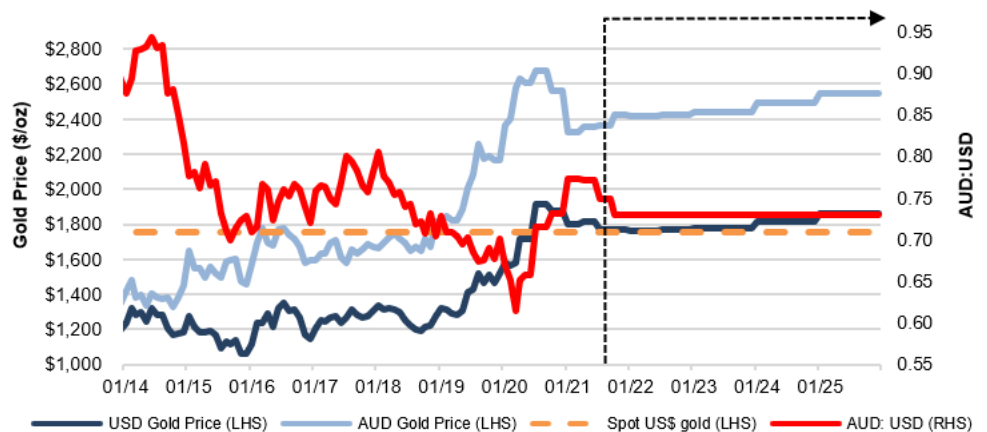
We have updated our forward curve pricing assumptions for gold and AUD:USD (Figure 4 and Figure 5). Since our last price deck update (Jun'21), the LT (2025e) US\$ gold forward curve has increased by 0.6% to US\$1,860/oz with nearer-term assumptions decreasing on average by 1.5% over 2022E-23E. Our LT AUD:USD forecast has decreased by 3% to 0.728, resulting in an increase in our LT A\$ gold price assumption by 3.7% to A\$2,556/oz.

Figure 4: Updated precious metals & currency price deck

		DecQ'21	2021E	2022E	2023E	2024E	2025E LT
Gold (US\$/oz)	New	\$1,770	\$1,789	\$1,766	\$1,780	\$1,819	\$1,860
	Previous	\$1,788	\$1,798	\$1,793	\$1,807	\$1,848	\$1,848
	Change (%)	-1.0%	-0.5%	-1.5%	-1.5%	-1.6%	0.6%
Silver (US\$/oz)	New	\$22.60	\$24.98	\$22.72	\$22.89	\$23.32	\$23.55
	Previous	\$24.99	\$25.29	\$25.17	\$25.71	\$23.03	\$23.03
	Change (%)	-9.6%	-1.2%	-9.7%	-11.0%	1.2%	2.3%
US/AUS Exchange Rate	New	\$0.731	\$0.756	\$0.730	\$0.730	\$0.729	\$0.728
	Previous	\$0.750	\$0.761	\$0.750	\$0.750	\$0.750	\$0.750
	Change (%)	-2.5%	-0.7%	-2.7%	-2.7%	-2.8%	-3.0%
Gold (A\$/oz)	New	\$2,421	\$2,367	\$2,420	\$2,439	\$2,495	\$2,556
	Previous	\$2,485	\$2,363	\$2,390	\$2,410	\$2,465	\$2,465
	Change (%)	-2.6%	0.2%	1.2%	1.2%	1.2%	3.7%
Silver (A\$/oz)	New	\$30.92	\$33.06	\$31.13	\$31.36	\$31.99	\$32.37
	Previous	\$33.32	\$33.23	\$33.56	\$34.28	\$30.71	\$30.71
	Change (%)	-7.2%	-0.5%	-7.2%	-8.5%	4.2%	5.4%

Source: Canaccord Genuity estimates

Figure 5: Historical gold price and AUD:USD with CGe forward assumptions



Source: FactSet, Canaccord Genuity estimates

Valuation and ratings changes

Target price changes (gold producers NPV_{5%}, developers NPV_{10%}) based on updated forward curve pricing assumptions are shown in Figure 6. EVN is upgraded to BUY (from Hold) on valuation.

The average increase to target price is 4%, with the senior producers averaging a 3% increase and Intermediate/Junior producers averaging a 5% increase.

We have updated our modelling for EVM, OGC and RSG which we outline above.

Figure 6: CGAu Precious metals coverage – summary of ratings and targets

COMPANY	CODE	ANALYST	PRICE A\$/SH	MKT CAP A\$m	RATING	NEW TP A\$/SH	P/NAV	OLD TP A\$/SH	% CHANGE
SENIOR PRODUCERS									
Evolution Mining Limited	EVN	RS	\$3.70	\$6,727	BUY	\$4.20	0.88x	\$4.20	0%
Northern Star Resources Limited	NST	TM	\$9.35	\$10,714	BUY	\$13.70	0.68x	\$13.00	5%
INTERMEDIATE / JUNIOR PRODUCERS									
OceanaGold Corporation	OGC	RS	\$2.37	\$1,664	BUY	\$3.75	0.63x	\$3.60	4%
Regis Resources Limited	RRL	TM	\$2.17	\$1,645	BUY	\$3.35	0.65x	\$3.15	6%
St. Barbara Limited	SBM	RS	\$1.47	\$1,039	BUY	\$2.20	0.67x	\$2.20	0%
Perseus Mining Limited	PRU	RS	\$1.50	\$1,920	BUY	\$2.10	0.71x	\$2.10	0%
Resolute Mining Limited	RSG	RS	\$0.44	\$480	BUY	\$0.95	0.46x	\$0.95	0%
Gold Road Resources	GOR	TM	\$1.35	\$1,203	BUY	\$2.10	0.64x	\$2.00	5%
Dacian Gold Limited	DCN	TM	\$0.21	\$98	SPEC BUY	\$0.45	0.47x	\$0.40	13%
Silver Lake Resources	SLR	TM	\$1.55	\$1,390	BUY	\$2.20	0.70x	\$2.15	2%
Red 5 Limited	RED	TM	\$0.27	\$601	SPEC BUY	\$0.35	0.77x	\$0.35	0%
Capricorn Metals Limited	CMM	TM	\$2.34	\$910	BUY	\$3.20	0.73x	\$3.00	7%
Ramelius Resources	RMS	TM	\$1.50	\$1,247	BUY	\$2.10	0.71x	\$1.95	8%
Firefinch Limited	FFX	PH	\$0.63	\$546	SPEC BUY	\$1.30	0.48x	\$1.30	0%

Source: FactSet, Canaccord Genuity estimates
RS – Reg Spencer; TM – Tim McCormack, PH – Paul Howard

Earnings revisions

Figure 7 outlines the changes to our key earnings forecasts on incorporation of our revised price deck. Over the period spanning 2022E-24E, our average EBITDA is revised up 1%, NPAT by 1% and FCF by 13%.

Figure 7: Changes to CGe earnings forecasts update

Company	Code	EBITDA new			EBITDA old			EBITDA change		
		2022	2023	2024	2022	2023	2024	2022	2023	2024
		\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	%	%	%
SENIOR PRODUCERS										
Evolution Mining Limited	EVN	\$ 1011	\$ 1,110	\$ 1,367	\$ 1,063	\$ 1,163	\$ 1,391	-5%	-5%	-2%
Northern Star Resources	NST	\$ 1,622	\$ 2,051	\$ 2,275	\$ 1,601	\$ 2,010	\$ 2,221	1%	2%	2%
INTERMEDIATE / JUNIOR PRODUCERS										
OceanaGold Corporation * / **	OGC	\$ 439	\$ 584	\$ 643	\$ 443	\$ 587	\$ 662	-1%	0%	-3%
Regis Resources Limited	RRL	\$ 485	\$ 561	\$ 508	\$ 478	\$ 550	\$ 498	2%	2%	2%
St. Barbara Limited	SBM	\$ 300	\$ 327	\$ 414	\$ 295	\$ 319	\$ 404	2%	2%	2%
Perseus Mining Limited	PRU	\$ 533	\$ 626	\$ 608	\$ 531	\$ 622	\$ 608	0%	1%	0%
Resolute Mining Limited * / **	RSG	\$ 222	\$ 235	\$ 334	\$ 255	\$ 244	\$ 345	-13%	-4%	-3%
Gold Road Resources * / **	GOR	\$ 175	\$ 237	\$ 246	\$ 171	\$ 231	\$ 241	2%	2%	2%
Dacian Gold Limited	DCN	\$ 102	\$ 167	\$ 148	\$ 95	\$ 127	\$ 131	8%	31%	13%
Silver Lake Resources	SLR	\$ 221	\$ 306	\$ 361	\$ 218	\$ 298	\$ 353	1%	3%	2%
Red 5 Limited***	RED	-\$ 12	\$ 146	\$ 224	-\$ 14	\$ 142	\$ 219	-10%	3%	2%
Ramelius Resources Limited	RMS	\$ 325	\$ 324	\$ 367	\$ 322	\$ 318	\$ 359	1%	2%	2%
Firefinch Limited	FFX	\$ 87	\$ 197	\$ 239	\$ 86	\$ 197	\$ 240	1%	0%	0%
Capricorn Metals	CMM	\$ 137	\$ 169	\$ 173	\$ 133	\$ 165	\$ 168	3%	3%	3%
Average		\$ 403	\$ 503	\$ 565	\$ 405	\$ 498	\$ 560	-1%	3%	2%

Company	Code	NPAT new			NPAT old			NPAT change		
		2022	2023	2024	2022	2023	2024	2022	2023	2024
		\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	%	%	%
SENIOR PRODUCERS										
Evolution Mining Limited	EVN	\$ 469	\$ 514	\$ 663	\$ 463	\$ 544	\$ 682	1%	-6%	-3%
Northern Star Resources	NST	\$ 451	\$ 692	\$ 829	\$ 436	\$ 662	\$ 791	4%	4%	5%
INTERMEDIATE / JUNIOR PRODUCERS										
OceanaGold Corporation * / **	OGC	\$ 125	\$ 124	\$ 167	\$ 149	\$ 132	\$ 179	-16%	-6%	-6%
Regis Resources Limited	RRL	\$ 235	\$ 281	\$ 253	\$ 230	\$ 273	\$ 246	2%	3%	3%
St. Barbara Limited	SBM	\$ 120	\$ 149	\$ 204	\$ 117	\$ 144	\$ 198	3%	3%	3%
Perseus Mining Limited	PRU	\$ 243	\$ 311	\$ 309	\$ 244	\$ 311	\$ 311	0%	0%	-1%
Resolute Mining Limited * / **	RSG	\$ 39	\$ 53	\$ 106	\$ 57	\$ 56	\$ 88	-32%	-5%	21%
Gold Road Resources * / **	GOR	\$ 85	\$ 124	\$ 126	\$ 82	\$ 120	\$ 122	3%	3%	3%
Dacian Gold Limited	DCN	\$ 45	\$ 89	\$ 74	\$ 40	\$ 62	\$ 66	13%	43%	12%
Silver Lake Resources	SLR	\$ 78	\$ 128	\$ 169	\$ 76	\$ 123	\$ 163	2%	5%	4%
Red 5 Limited***	RED	-\$ 44	\$ 83	\$ 139	-\$ 45	\$ 80	\$ 136	-3%	3%	2%
Ramelius Resources Limited	RMS	\$ 114	\$ 116	\$ 142	\$ 133	\$ 140	\$ 165	-15%	-17%	-14%
Firefinch Limited	FFX	\$ 54	\$ 131	\$ 161	\$ 53	\$ 130	\$ 162	1%	0%	0%
Capricorn Metals	CMM	\$ 85	\$ 107	\$ 111	\$ 83	\$ 105	\$ 109	3%	2%	2%
Average		\$ 150	\$ 207	\$ 247	\$ 151	\$ 206	\$ 244	-2%	2%	2%

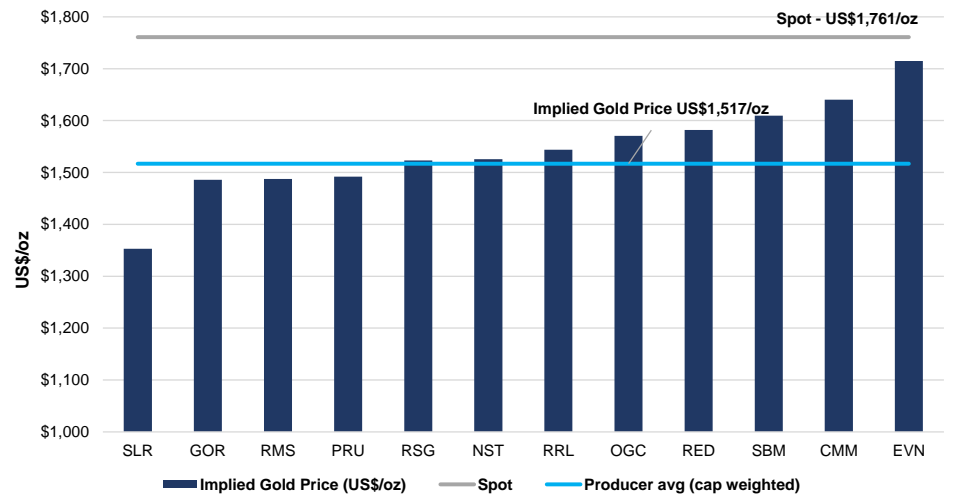
Company	Code	FCF new			FCF old			FCF change		
		2022	2023	2024	2022	2023	2024	2022	2023	2024
		\$ m	\$ m	\$ m	\$ m	\$ m	\$ m	%	%	%
SENIOR PRODUCERS										
Evolution Mining Limited	EVN	-\$ 199	\$ 168	\$ 610	-\$ 114	\$ 218	\$ 750	-74%	-23%	-19%
Northern Star Resources***	NST	\$ 353	\$ 902	\$ 1,116	\$ 338	\$ 873	\$ 1,078	-5%	3%	3%
INTERMEDIATE / JUNIOR PRODUCERS										
OceanaGold Corporation * / **	OGC	\$ 146	\$ 302	\$ 342	\$ 144	\$ 297	\$ 358	-1%	2%	-4%
Regis Resources Limited	RRL	\$ 43	\$ 100	\$ 239	\$ 38	\$ 91	\$ 232	-15%	9%	3%
St. Barbara Limited	SBM	\$ 87	-\$ 65	\$ 68	\$ 84	-\$ 68	\$ 65	4%	-6%	-5%
Perseus Mining Limited	PRU	\$ 464	\$ 544	\$ 534	\$ 461	\$ 540	\$ 532	1%	1%	0%
Resolute Mining Limited * / **	RSG	\$ 197	\$ 95	\$ 220	\$ 166	\$ 98	\$ 223	19%	-3%	-2%
Gold Road Resources * / **	GOR	\$ 114	\$ 163	\$ 167	\$ 112	\$ 159	\$ 163	2%	2%	3%
Dacian Gold Limited	DCN	-\$ 7	\$ 103	\$ 93	-\$ 6	\$ 19	\$ 51	19%	450%	81%
Silver Lake Resources	SLR	\$ 133	\$ 260	\$ 319	\$ 131	\$ 252	\$ 311	2%	3%	3%
Red 5 Limited***	RED	-\$ 154	\$ 62	\$ 142	-\$ 155	\$ 60	\$ 139	-1%	5%	2%
Ramelius Resources Limited	RMS	\$ 86	\$ 128	\$ 115	\$ 66	\$ 112	\$ 97	29%	14%	19%
Firefinch Limited	FFX	-\$ 2	\$ 131	\$ 160	\$ 0	\$ 130	\$ 161	214%	0%	-1%
Capricorn Metals	CMM	\$ 52	\$ 110	-\$ 26	\$ 53	\$ 108	\$ 28	-1%	2%	-192%
Average		\$ 94	\$ 215	\$ 293	\$ 94	\$ 206	\$ 299	14%	33%	-8%

Source: Company reports, Canaccord Genuity estimates; * Denotes Dec YE, ** Denotes US\$ values. NB: FCF normalised for M&A transactions.

Implied gold price and valuation sensitivity

We highlight that the implied gold price of our gold coverage is trading at a 14% discount on average to spot at the time of writing (calculated using spot AUD:USD). This displays a significant de-rating on equities compared to the ~9% discount the group was trading on in July when gold prices were US\$1,795/oz (~A\$2,419/oz).

Figure 8: Implied gold price



Source: Company reports, Canaccord Genuity estimates

Figure 9 shows current price targets under +/- 10% spot gold and +/- 5% spot AUD:USD scenarios.

Figure 9: CGAu gold producer coverage – implied gold price and valuation sensitivity

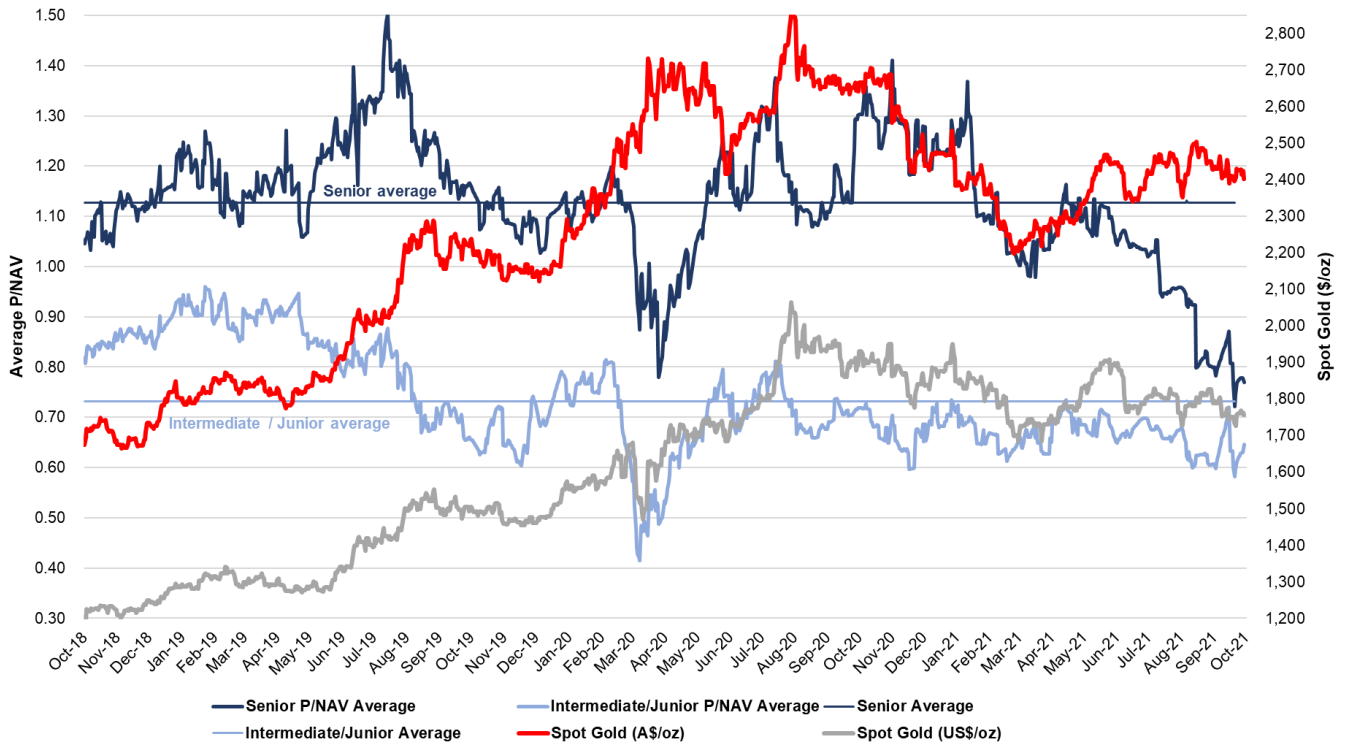
	Current Share Price	Market Cap	Implied Gold Price (US\$/oz)	CG Target Price	P/NAV	P/NAV @ Spot	P/NAV @ Forward Curve	Spot US\$ 1,754			US\$ 1579/oz			US\$ 1029/oz		
								AUD:USD 0.7	AUD:USD 0.73	AUD:USD 0.77	AUD:USD 0.7	AUD:USD 0.73	AUD:USD 0.77	AUD:USD 0.7	AUD:USD 0.73	AUD:USD 0.77
PRODUCERS																
Evolution Mining Limited	\$3.72	\$6,809.4	\$175	\$4.20	0.88x	0.96x	0.86x	\$4.22	\$3.87	\$3.55	\$3.42	\$3.11	\$2.83	\$5.01	\$4.62	\$4.27
Northern Star Resources Limited	\$9.36	\$10,906.6	\$1526	\$3.00	0.72x	0.76x	0.67x	\$3.62	\$2.37	\$1.24	\$1.13	\$10.00	\$8.98	\$6.11	\$4.73	\$3.49
OceanaGold Corporation	\$2.40	\$1663.5	\$1570	\$3.60	0.67x	0.73x	0.79x	\$3.44	\$3.28	\$3.13	\$2.56	\$2.41	\$2.28	\$4.32	\$4.14	\$3.98
Perseus Mining Limited	\$157	\$194.1	\$1492	\$2.10	0.75x	0.79x	0.74x	\$2.00	\$198	\$195	\$168	\$166	\$164	\$2.32	\$2.29	\$2.27
Regis Resources Limited	\$2.23	\$1679.4	\$1544	\$3.15	0.71x	0.73x	0.84x	\$3.40	\$3.04	\$2.70	\$2.67	\$2.34	\$2.04	\$4.14	\$3.73	\$3.37
Resolute Mining Limited	\$0.44	\$488.5	\$1523	\$0.95	0.47x	0.53x	0.45x	\$0.86	\$0.84	\$0.83	\$0.55	\$0.53	\$0.52	\$1.17	\$1.15	\$1.14
Ramellius Resources Limited	\$154	\$1254.7	\$1488	\$195	0.79x	0.80x	0.73x	\$2.08	\$193	\$179	\$178	\$164	\$152	\$2.38	\$2.21	\$2.06
St. Barbara Limited	\$148	\$1051.9	\$1609	\$2.20	0.67x	0.77x	0.65x	\$2.14	\$192	\$171	\$158	\$138	\$119	\$2.70	\$2.46	\$2.23
Dacian Gold Limited	\$0.21	\$198.3	\$1194	\$0.40	0.51x	0.46x	0.43x	\$0.49	\$0.45	\$0.41	\$0.41	\$0.37	\$0.34	\$0.57	\$0.52	\$0.48
Silver Lake Resources Limited	\$157	\$1387.7	\$1353	\$2.15	0.73x	0.74x	0.70x	\$2.25	\$2.11	\$199	\$199	\$187	\$176	\$2.51	\$2.36	\$2.23
Red 5 Limited	\$0.27	\$636.2	\$1582	\$0.35	0.77x	0.82x	0.71x	\$0.37	\$0.33	\$0.29	\$0.29	\$0.25	\$0.22	\$0.45	\$0.40	\$0.36
Gold Road Resources	\$138	\$1222.8	\$1486	\$2.05	0.67x	0.71x	0.64x	\$2.11	\$195	\$180	\$180	\$165	\$152	\$2.42	\$2.24	\$2.08
Capricorn Metals Limited	\$2.47	\$906.0	\$1640	\$2.70	0.91x	0.87x	0.92x	\$3.16	\$2.85	\$2.57	\$2.54	\$2.26	\$2.01	\$3.78	\$3.44	\$3.13
Producer avg (cap weighted)			\$1,517		0.71x	0.74x	0.74x									

Source: Company reports, Canaccord Genuity estimates

Historical P/NAV on spot forward curve gold price and AUD:USD

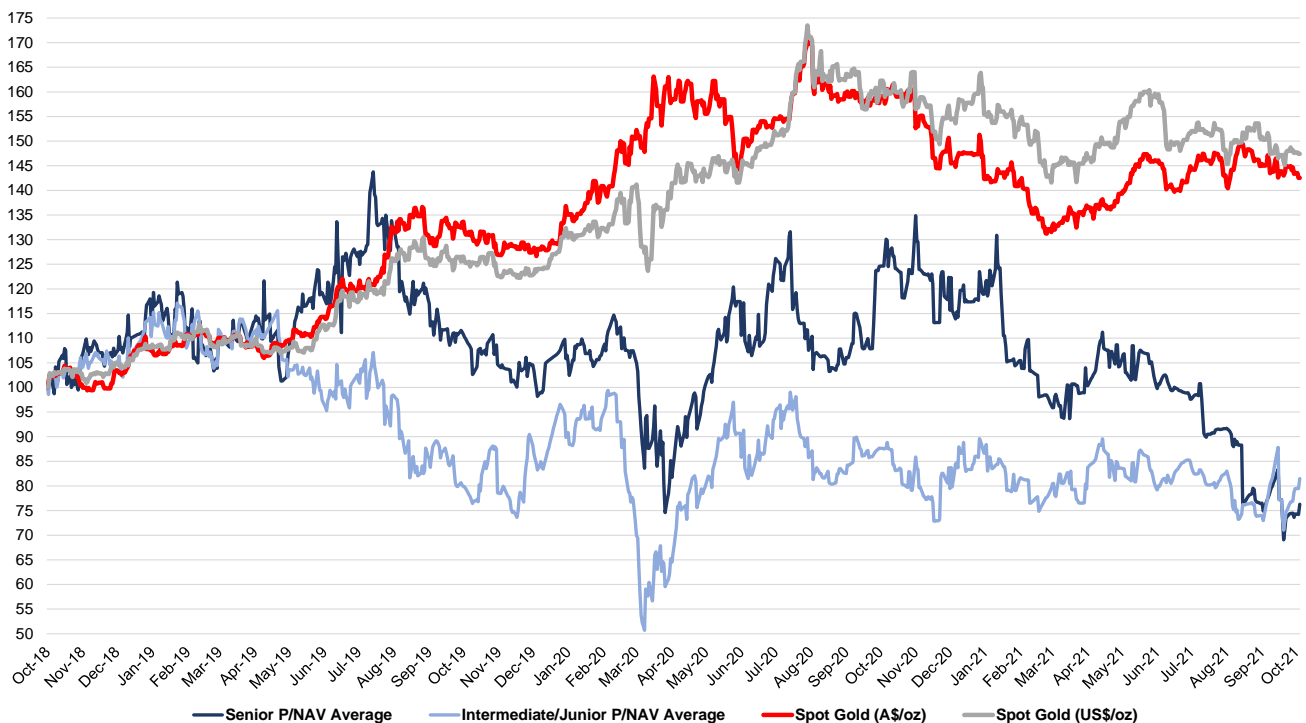
Figure 10 compares the spot A\$ gold price vs average daily rolling P/NAV (market cap weighted) for our covered gold producers. Our NAV valuations are calculated daily based on the spot forward curve US\$ gold price and spot forward AUD:USD FX rate. The charts illustrate a clear disconnect between valuations and the gold price, with the senior producers in particular trading well below their historical average.

Figure 10: Gold price vs rolling CG average P/NAV @ spot forward curve (mkt cap weighted, no operating NAV multiple)



Source: Company reports, Canaccord Genuity estimates

Figure 11: Gold price vs rolling CG average P/Nav @ spot forward curve rebased to 100 (market cap weighted, no operating multiple)



Source: Company reports, Canaccord Genuity estimates

Comps tables

Figure 12: CGAu gold producer comps (1 of 2)

Company	Code	Price	Mkt Cap A\$m	NAV (A\$/shr)								Target price	Rating	Analyst
				Spot US\$1,734/oz, Ag US\$22.64/oz				LT Au US\$1,849/oz, Ag US\$23.03/oz						
				NAV 5%	P/NAV	NAV 10%	P/NAV	NAV 5%	P/NAV	NAV 10%	P/NAV			
SENIOR PRODUCERS														
Evolution Mining Limited	EVN	3.73	\$6,855	\$3.90	0.96x	\$3.19	1.17x	\$4.22	0.88x	\$3.43	1.08x	\$4.20	BUY	RS
Northern Star Resources	NST	9.37	\$10,959	\$1.65	0.80x	\$9.15	1.02x	\$12.65	0.74x	\$9.90	0.95x	\$13.70	BUY	TM
INTERMEDIATE / JUNIOR PRODUCERS														
Perseus Mining Limited	PRU	1.56	\$1,911	\$2.00	0.78x	\$1.87	0.84x	\$2.07	0.75x	\$1.94	0.81x	\$2.10	BUY	RS
Resolute Mining Limited	RSG	0.44	\$491	\$0.85	0.52x	\$0.68	0.65x	\$0.98	0.45x	\$0.78	0.57x	\$0.95	BUY	RS
OceanaGold Corporation	OGC	2.39	\$1,664	\$3.34	0.72x	\$2.56	0.93x	\$3.75	0.64x	\$2.86	0.83x	\$3.75	BUY	RS
Regis Resources Limited	RRL	2.23	\$1,683	\$3.26	0.68x	\$2.75	0.81x	\$3.37	0.66x	\$3.00	0.74x	\$3.35	BUY	TM
St. Barbara Limited	SBM	1.48	\$1,057	\$1.95	0.76x	\$1.82	0.81x	\$2.19	0.68x	\$2.03	0.73x	\$2.20	BUY	RS
Silver Lake Resources	SLR	1.58	\$1,399	\$2.13	0.74x	\$1.96	0.81x	\$2.20	0.72x	\$2.02	0.78x	\$2.20	BUY	TM
Ramelius Resources Limited	RMS	1.54	\$1,253	\$1.99	0.77x	\$1.76	0.87x	\$2.11	0.73x	\$1.86	0.83x	\$2.10	BUY	TM
Gold Road Resources	GOR	1.38	\$1,216	\$1.97	0.70x	\$1.59	0.87x	\$2.11	0.66x	\$1.70	0.81x	\$2.10	BUY	TM
Dacian Gold Limited	DCN	0.21	\$198	\$0.45	0.45x	\$0.42	0.49x	\$0.47	0.44x	\$0.44	0.47x	\$0.45	SPEC BUY	TM
Red 5 Limited	RED	0.26	\$601	\$0.31	0.82x	\$0.32	0.81x	\$0.38	0.68x	\$0.35	0.73x	\$0.35	SPEC BUY	TM
Capricorn Metals	CMM	2.46	\$906	\$2.90	0.85x	\$2.55	0.97x	\$3.17	0.77x	\$2.78	0.88x	\$3.20	BUY	TM
Producer Average			\$1,893		0.95x	0.85x		0.68x		0.78x				
Producer Cap-weighted average					0.81x	0.98x		0.74x		0.90x				

Company	Code	ATTRIBUTABLE PRODUCTION				AISC			FCF			Capex		
		2021 koz	2022 koz	2023 koz	Growth 21e/23e	2021 US\$/oz	2022 US\$/oz	2023 US\$/oz	2021 A\$m	2022 A\$m	2023 A\$m	2021 A\$m	2022 A\$m	2023 A\$m
SENIOR PRODUCERS														
Evolution Mining Limited	EVN	680	698	793	17%	\$980	\$896	\$882	\$33	\$206	\$169	\$390	\$573	\$664
Northern Star Resources	NST	1221	1608	1764	44.50%	\$1,162	\$1,137	\$1,078	\$383	\$353	\$902	\$557	\$922	\$788
INTERMEDIATE / JUNIOR PRODUCERS														
Perseus Mining Limited	PRU	329	512	501	53%	\$1,009	\$941	\$841	\$40	\$464	\$544	\$172	\$27	\$24
Resolute Mining Limited	RSG	325	349	357	10%	\$1,342	\$1,245	\$1,234	\$97	\$271	\$131	\$69	\$52	\$113
OceanaGold Corporation	OGC	339	456	543	60%	\$1,090	\$988	\$924	-\$54	\$200	\$44	\$300	\$243	\$248
Regis Resources Limited	RRL	373	485	524	40%	\$1,031	\$996	\$933	-\$82	\$43	\$100	\$60	\$258	\$332
St. Barbara Limited	SBM	328	306	313	-5%	\$1,207	\$1,298	\$1,202	\$94	\$87	-\$65	\$113	\$149	\$317
Silver Lake Resources	SLR	249	243	272	9%	\$1,119	\$1,191	\$1,035	\$109	\$133	\$260	\$85	\$64	\$34
Ramelius Resources Limited	RMS	272	287	260	-4%	\$985	\$1,075	\$1,024	\$122	\$86	\$128	\$148	\$152	\$124
Gold Road Resources	GOR	126	164	186	48%	\$1,116	\$910	\$849	\$42	\$114	\$163	\$59	\$24	\$23
Dacian Gold Limited	DCN	107	109	123	15%	\$1,158	\$1,172	\$947	\$7	-\$7	\$103	\$56	\$90	\$18
Red 5 Limited	RED	76	70	192	nm	\$1,571	\$1,901	\$1,289	-\$121	-\$151	\$65	\$105	\$154	\$33
Capricorn Metals	CMM	2	117	133	nm	nm	\$883	\$849	-\$140	\$52	\$110	\$130	\$22	\$8

*NST production growth reflects pro forma for SAR Merger

Company	Code	M/CAP	BALANCE SHEET				EV/EBITDA			EPS			DIVIDEND YIELD		
			Cash A\$m	Debt A\$m	Net cash A\$m	EV A\$m	2021	2022	2023	2021	2022	2023	2021	2022	2023
SENIOR PRODUCERS															
Evolution Mining Limited	EVN	\$6,828	\$694.8	-\$695.0	\$0	\$6,828	7.4x	6.7x	6.1x	\$0.20	\$0.26	\$0.28	2.9%	0.7%	12%
Northern Star Resources	NST	\$10,912	\$771.9	-\$225.0	\$547	\$10,366	9.2x	6.4x	4.9x	\$0.41	\$0.39	\$0.59	3.9%	2.0%	2.6%
INTERMEDIATE / JUNIOR PRODUCERS															
Perseus Mining Limited	PRU	\$1,914	\$223.6	-\$136.1	\$88	\$1,827	6.0x	2.4x	1.3x	\$0.03	\$0.05	\$0.06	0.3%	0.9%	12%
Resolute Mining Limited	RSG	\$491	\$83.9	-\$276.9	-\$93	\$684	2.9x	1.4x	1.2x	-\$0.16	\$0.03	\$0.04	2.8%	2.8%	2.7%
OceanaGold Corporation	OGC	\$1,664	\$127.6	-\$426.7	-\$299	\$1,963	9.2x	4.3x	2.6x	\$0.16	\$0.18	\$0.18	0.0%	0.0%	0.0%
Regis Resources Limited	RRL	\$1,676	\$268.7	-\$300.0	-\$31	\$1,707	4.3x	3.6x	3.0x	\$0.25	\$0.31	\$0.37	3.2%	4.3%	5.2%
St. Barbara Limited	SBM	\$1,054	\$132.1	-\$84.0	\$48	\$1,006	3.3x	3.1x	3.1x	-\$0.25	\$0.17	\$0.21	-1.6%	2.4%	2.7%
Silver Lake Resources	SLR	\$1,394	\$330.2	\$0.0	\$330	\$1,064	3.6x	4.2x	2.3x	\$0.11	\$0.09	\$0.15	0.0%	0.0%	0.0%
Ramelius Resources Limited	SLR	\$1,249	\$233.9	\$0.0	\$234	\$105	2.9x	2.9x	2.7x	\$0.16	\$0.14	\$0.14	1.7%	2.2%	3.2%
Gold Road Resources	GOR	\$1,216	\$128.6	\$0.0	\$129	\$1,088	9.1x	5.5x	3.5x	\$0.06	\$0.10	\$0.14	0.8%	2.2%	3.1%
Dacian Gold Limited	DCN	\$198	\$418	-\$16.2	\$26	\$173	2.4x	1.7x	0.4x	\$0.04	\$0.05	\$0.09	0.0%	0.0%	0.0%
Red 5 Limited	RED	\$613	\$53.2	\$0.0	\$53	\$559	nm	nm	4.6x	-\$0.01	-\$0.02	\$0.04	0.0%	0.0%	0.0%
Capricorn Metals	CMM	\$906	\$14.7	-\$85.0	-\$70	\$976	8.3x	6.6x	5.5x	-\$0.02	\$0.23	\$0.29	0.0%	0.0%	0.0%
Producer Average							6.0x	4.1x	3.1x	\$0.07	\$0.14	\$0.19	1.0%	1.3%	1.6%

Company	Code	EV A\$m	EV/FCF			FCF Yield			EV/PRODUCTION oz (A\$)			RESERVES		RESOURCES	
			2021	2022	2023	2021	2022	2023	2021	2022	2023	Moz	EV/oz	Moz	EV/oz
SENIOR PRODUCERS															
Evolution Mining Limited	EVN	\$6,828	206.19	36.80	41.16	0.5%	2.7%	2.4%	9964	9708	8537	11.1	\$617	313	\$218
Northern Star Resources	NST	\$10,366	27.97	29.30	11.07	3.5%	3.3%	8.3%	8465	6425	5858	19.4	\$534	49.2	\$211
INTERMEDIATE / JUNIOR PRODUCERS															
Perseus Mining Limited	PRU	\$1,827	42.78	2.80	1.53	2.3%	26.6%	31.3%	5032	3228	3298	3.2	\$578	6.9	\$264
Resolute Mining Limited	RSG	\$684	6.50	1.60	2.94	16.0%	42.9%	20.7%	2003	1860	1820	8.0	\$85	17.7	\$39
OceanaGold Corporation	OGC	\$1,963	-	-	7.94	-	-	11.4%	6053	4500	3778	5.4	\$360	13.7	\$144
Regis Resources Limited	RRL	\$1,707	-	40.05	17.15	-	2.6%	6.0%	4472	3442	3863	4.8	\$354	10.4	\$65
St. Barbara Limited	SBM	\$1,006	35.47	10.52	-	9.1%	8.5%	-	3007	3223	3160	6.0	\$168	11.5	\$87
Silver Lake Resources	SLR	\$1,064	9.52	6.97	2.67	8.0%	9.8%	19.1%	4165	4261	3811	14	\$783	5.4	\$98
Ramelius Resources Limited	RMS	\$1,015	8.08	10.95	nm	10.0%	7.0%	10.5%	3613	3428	3775	1.1	\$922	4.8	\$213
Gold Road Resources	GOR	\$1,088	25.03	8.41	5.10	3.5%	9.5%	13.5%	8423	6452	5704	1.7	\$626	3.5	\$311
Dacian Gold Limited	DCN	\$173	25.14	-	0.67	3.6%	-	53.6%	1649	1521	1349	0.8	\$229	2.7	\$63
Red 5 Limited	RED	\$559	-	nm	10.76	-	-	10.4%	7162	7836	2838	2.7	\$210	5.3	\$106
Capricorn Metals	CMM	\$976	117.08	33.05	26.11	7.1%	13.2%	20.4%	nm	nm	6995	12	\$813	2.1	\$455
Producer Average			42.96	16.38	10.10	6.3%	12.5%	17.0%	5326	4657	3925	5.5	\$458	13.5	\$169

Source: Company reports, Canaccord Genuity estimates;

* Denotes Dec YE.

Figure 13: CGAu gold producer comps (2 of 2)

Company	Code	Price	CG Deck		Forward Curve		EV / EBITDA CG Deck			EV / EBITDA Spot			EV / EBITDA Forward Curve		
			TP	P/NAV	TP	P/NAV	2021	2022	2023	2021	2022	2023	2021	2022	2023
SENIOR PRODUCERS															
Evolution Mining Limited	EVN	3.73	\$4.20	0.89x	\$4.33	0.86x	7.4x	6.7x	6.1x	7.4x	6.8x	6.3x	7.1x	6.6x	5.9x
Northern Star Resources	NST	9.37	\$13.70	0.68x	\$13.97	0.67x	9.2	6.4	4.9	9.2	6.5	5.0	9.2x	6.3x	4.7x
INTERMEDIATE / JUNIOR PRODUCERS															
Perseus Mining Limited	PRU	156	\$2.10	0.74x	\$2.10	0.74x	6.0x	2.4x	13x	6.0x	2.5x	14x	5.7x	2.4x	13x
Resolute Mining Limited	RSG	0.45	\$0.95	0.47x	\$0.99	0.45x	2.9x	1.4x	12x	2.9x	1.5x	13x	2.8x	1.4x	1.1x
OceanaGold Corporation	OGC	2.39	\$3.75	0.64x	\$3.03	0.79x	9.2x	4.3x	2.6x	9.2x	4.3x	2.7x	8.9x	3.8x	2.2x
Regis Resources Limited	RRL	2.22	\$3.35	0.66x	\$2.63	0.84x	4.3x	3.6x	3.0x	4.3x	3.6x	3.2x	4.3x	3.3x	2.7x
St. Barbara Limited	SBM	1.49	\$2.20	0.68x	\$2.26	0.66x	3.3x	3.1x	3.1x	3.4x	3.2x	3.3x	3.0x	2.9x	2.9x
Silver Lake Resources	SLR	158	\$2.20	0.72x	\$2.24	0.71x	3.6x	4.2x	2.3x	3.6x	4.3x	2.4x	3.6x	4.1x	2.2x
Ramelius Resources Limited	RMS	153	\$2.10	0.73x	\$2.11	0.73x	2.9x	2.9x	2.7x	2.9x	2.9x	2.8x	2.9x	2.8x	2.6x
Gold Road Resources	GOR	138	\$2.10	0.66x	\$2.15	0.64x	9.1x	5.5x	3.5x	8.8x	5.6x	3.7x	8.5x	5.3x	3.3x
Dacian Gold Limited	DCN	0.21	\$0.45	0.46x	\$0.48	0.43x	2.4x	1.7x	0.4x	2.4x	1.7x	0.5x	2.5x	1.6x	0.4x
Red 5 Limited	RED	0.26	\$0.35	0.74x	\$0.38	0.69x	49.6x	nm	4.6x	49.6x	nm	4.8x	39.6x	nm	4.5x
Capricorn Metals	CMM	2.46	\$3.20	0.77x	\$2.68	0.92x	nm	14.9x	2.0x	nm	14.9x	2.0x	nm	13.8x	1.8x
Senior Producer Average			0.79x		0.77x		8.3x	6.6x	5.5x	8.3x	6.7x	5.6x	8.1x	6.4x	5.3x
Intermediate / Junior Producer Average			0.66x		0.69x		9.32x	4.39x	2.43x	9.30x	4.44x	2.54x	8.17x	4.1x	2.3x

Company	Code	Price	CG Deck		Forward Curve		EV / FCF CG Deck			EV / FCF Spot			EV / FCF Forward Curve		
			TP	P/NAV	TP	P/NAV	2021	2022	2023	2021	2022	2023	2021	2022	2023
SENIOR PRODUCERS															
Evolution Mining Limited	EVN	3.73	\$4.20	0.89x	\$4.33	0.86x	206.2x	36.8x	41.2x	217.6x	39.1x	47.2x	92.3x	34.2x	36.8x
Northern Star Resources	NST	9.38	\$13.70	0.68x	\$13.97	0.67x	27.97	29.30	11.07	27.97	30.59	11.71	28.0x	27.6x	10.5x
INTERMEDIATE / JUNIOR PRODUCERS															
Perseus Mining Limited	PRU	156	\$2.10	0.74x	\$2.10	0.74x	42.8x	2.8x	15x	42.8x	2.8x	16x	33.1x	2.7x	14x
Resolute Mining Limited	RSG	0.45	\$0.95	0.47x	\$0.99	0.45x	6.5x	1.6x	2.9x	6.5x	1.7x	3.3x	6.2x	1.5x	2.6x
OceanaGold Corporation	OGC	2.39	\$3.75	0.64x	\$3.03	0.79x	-	-	7.9x	-	-	8.3x	-	-	6.3x
Regis Resources Limited	RRL	2.22	\$3.35	0.66x	\$2.63	0.84x	-	40.1x	17.2x	-	45.9x	19.8x	-	24.5x	12.5x
St. Barbara Limited	SBM	1.49	\$2.20	0.68x	\$2.26	0.66x	35.5x	10.5x	-	44.9x	11.2x	-	21.5x	9.7x	-
Silver Lake Resources	SLR	158	\$2.20	0.72x	\$2.24	0.71x	9.5x	7.0x	2.7x	9.5x	7.1x	2.9x	9.5x	6.7x	2.5x
Ramelius Resources Limited	RMS	153	\$2.10	0.73x	\$2.11	0.73x	8.1x	11.0x	nm	8.1x	11.2x	nm	8.1x	10.6x	nm
Gold Road Resources	GOR	138	\$2.10	0.66x	\$2.15	0.64x	25.0x	8.4x	5.1x	23.3x	8.6x	5.4x	21.6x	8.1x	4.8x
Dacian Gold Limited	DCN	0.21	\$0.45	0.46x	\$0.48	0.43x	25.1x	-	0.7x	21.9x	-	0.7x	30.7x	-	0.6x
Red 5 Limited	RED	0.26	\$0.35	0.74x	\$0.38	0.69x	-	nm	10.8x	-	nm	11.6x	-	nm	10.3x
Capricorn Metals	CMM	2.46	\$3.20	0.77x	\$2.68	0.92x	nm	-	3.5x	nm	-	3.6x	nm	-	3.0x
Senior Producer Average			0.79x		0.77x		117.1x	33.1x	26.1x	122.8x	34.9x	29.5x	60.1x	30.9x	23.7x
Intermediate / Junior Producer Average			0.66x		0.69x		21.8x	11.6x	5.8x	22.4x	12.7x	6.4x	18.7x	9.1x	4.9x

Company	Code	Price	CG Deck		Forward Curve		FCF Yield CG Deck			FCF Yield Spot			FCF Yield Forward Curve		
			TP	P/NAV	TP	P/NAV	2021	2022	2023	2021	2022	2023	2021	2022	2023
SENIOR PRODUCERS															
Evolution Mining Limited	EVN	3.73	\$4.20	0.89x	\$4.33	0.86x	0.5%	2.7%	2.4%	0.5%	2.6%	2.1%	1.1%	2.9%	2.7%
Northern Star Resources	NST	9.38	\$13.70	0.68x	\$13.97	0.67x	3.5%	3.3%	8.3%	3.5%	3.1%	7.9%	3.5%	3.5%	8.7%
INTERMEDIATE / JUNIOR PRODUCERS															
Perseus Mining Limited	PRU	156	\$2.10	0.74x	\$2.10	0.74x	2.3%	26.6%	31.3%	2.3%	26.3%	30.5%	2.9%	27.0%	31.9%
Resolute Mining Limited	RSG	0.45	\$0.95	0.47x	\$0.99	0.45x	16.0%	42.9%	20.7%	15.7%	42.2%	19.2%	16.3%	43.9%	22.3%
OceanaGold Corporation	OGC	2.39	\$3.75	0.64x	\$3.03	0.79x	-	-	11.4%	-	-	11.0%	-	-	12.8%
Regis Resources Limited	RRL	2.22	\$3.35	0.66x	\$2.63	0.84x	-	2.6%	6.0%	-	2.3%	5.2%	-	4.2%	8.0%
St. Barbara Limited	SBM	1.49	\$2.20	0.68x	\$2.26	0.66x	9.1%	8.5%	-	8.5%	8.0%	-	10.7%	9.0%	-
Silver Lake Resources	SLR	158	\$2.20	0.72x	\$2.24	0.71x	8.0%	9.8%	19.1%	8.0%	9.6%	18.2%	8.0%	10.1%	19.8%
Ramelius Resources Limited	RMS	153	\$2.10	0.73x	\$2.11	0.73x	10.0%	7.0%	10.5%	10.0%	6.9%	10.0%	10.0%	7.2%	11.0%
Gold Road Resources	GOR	138	\$2.10	0.66x	\$2.15	0.64x	3.5%	9.5%	13.5%	3.7%	9.2%	12.9%	4.0%	9.7%	14.0%
Dacian Gold Limited	DCN	0.21	\$0.45	0.46x	\$0.48	0.43x	3.6%	-	53.6%	4.1%	-	51.7%	2.9%	-	55.4%
Red 5 Limited	RED	0.26	\$0.35	0.74x	\$0.38	0.69x	-	-	10.4%	-	-	9.7%	-	-	10.8%
Capricorn Metals	CMM	2.46	\$3.20	0.77x	\$2.68	0.92x	-	-	20.5%	-	-	19.9%	-	-	22.9%
Senior Producer Average			0.79x		0.77x		2.0%	3.0%	5.4%	2.0%	2.9%	5.0%	2.3%	3.2%	5.7%
Intermediate / Junior Producer Average			0.66x		0.68x		7.1%	13.2%	20.4%	7.1%	12.9%	19.5%	7.4%	13.8%	21.7%

Source: Company reports, Canaccord Genuity estimates
* Denotes Dec YE.

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Investment Recommendation

Date and time of first dissemination: October 12, 2021, 05:23 ET

Date and time of production: October 12, 2021, 05:23 ET

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Speculative Buy	139	14.99%	58.99%
	927*	100.0%	

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