

Ticker: SVM AU **Cash:** A\$6.0m **Project:** Kasiya / Nsaru, Malingunde
Market cap: A\$250m **Price:** A\$0.59/sh **Country:** Malawi
RECOMMENDATION: BUY **TARGET (up):** A\$1.40/sh **RISK RATING (down):** HIGH

Today's MRE update and scoping study demonstrably place Kasiya as the best, highest grade, highest-margin undeveloped mineral sand asset globally. The unique derivation has not only enabled the best mineralogy and metallurgy, but today's graphite grades ~25% ahead of our forecast add valued revenue, and strengthen the assets ESG credentials against polluting ilmenite assets in difficult political jurisdictions. Better still, we expect the 'same again' in ~6M as neighboring Nsaru potentially doubles the existing economics. Even holding that at only half the value of Kasiya, our estimated A\$1.2bn NAV_{10%} net of minorities equates to a FD 1xNAV of A\$2.75/sh. For now, **we maintain our BUY rating, lifting our PT from A\$1.30/sh to A\$1.40/sh** based on a 0.5xNAV multiple for Kasiya as published today, adding half of that to capture Nsaru. Our estimates for a fully-funded and fully-diluted NAV at first production of ~A\$2.75/sh demonstrate the upside here. That this asset is so far ahead of not just low-value or politically difficult peers, as well as producing assets in Africa, adds a valuable M&A angle. There is a lot to do to realise this of course, namely progressing to a full DFS with associated engineering, mine design and more. The key to our investment thesis is that investors are exposed to resource growth while this is underway, starting with a 1H22 maiden Nsaru MRE and revised scoping study around mid next year.

MRE & scoping study demonstrate 'disruptive' world-class rutile asset with unrivaled ESG credentials

MRE: Sovereign's updated Kasiya **rutile MRE** stands at **605Mt @ 0.98% rutile** at a 0.7% rutile cut off, with a high-grade subset of **68Mt @ 1.48% rutile** at a higher 1.3% cut-off. Infill drilling since the 2Q21 644Mt has resulted in a small drop in tonnes at a similar grade. **Graphite** has been included for the first time today at 1.24%, ahead of the 1% average of recent metallurgical results. The graphite is lower grade at surface at 0.44% in the higher-grade near-surface rutile mineralisation. Today's resource covers 49km² / 38% of the mineralisation footprint of 89km² at Kasiya, and a further 40km² at Nsaru. An **updated MRE** for Nsaru and also Kasiya is targeted for early 2022. Resource constraints have assumed **hydro mining** as the optimal mining method for Kasiya, with minimal dilution and excludes recovery estimates.

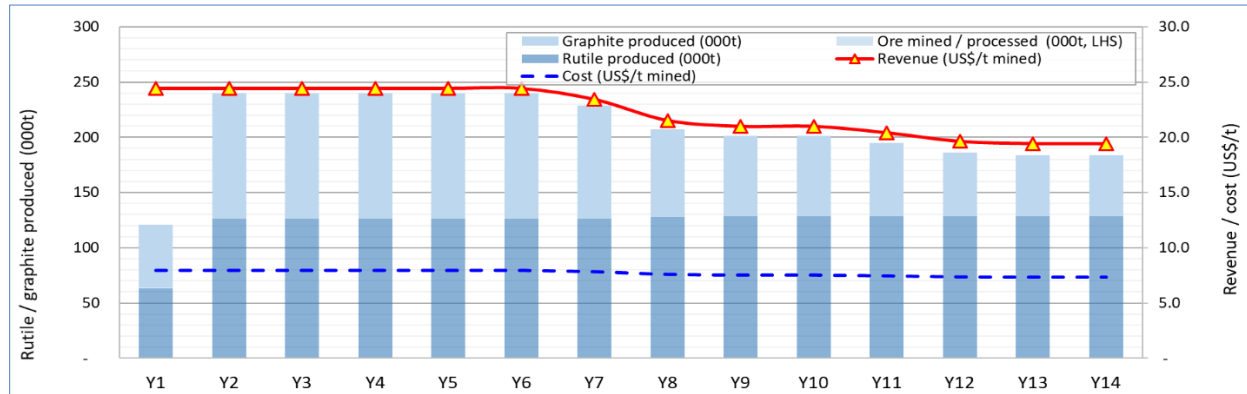
Table 1. Updated mineral resource for Kasiya (i.e. excluding pre MRE Nsaru)

Kasiya MRE: 0.7% cut off	Mt	Rutile (%)	TGC (%)	Kasiya MRE: 1.3% cut off	Mt	Rutile (%)	TGC (%)
Indicated	304	1.02%	1.31%	Inferred	48	1.47%	0.45%
Inferred	301	0.93%	1.16%	Inferred	20	1.49%	0.43%
Total	605	0.98%	1.24%	Total	68	1.48%	0.44%
Δ 2Q21 (%)	92%	97%	-	Δ 2Q21(%)	73%	99%	-

Source: Sovereign

Scoping: today's study outlines a 12Mtpa operation, hydro mining soft saprolite from surface, supplemented by ~10% of feed mined by dozer-traps. Ore transported to a central plant by slurry pumps benefits from high ~48% slimes, driving higher SG and thus greater mineral transport load. Rutile is separated via conventional gravity spirals then dry mineral electrostatic separation, with graphite floated separately. Dewatered and thickened tails will initially be stored in an ex-pit facility, before moving in Y2 to in-pit storage as mining voids are created. Both concentrates are to be railed directly to the Nacala deep-water port. **Capex** of US\$332m with LOM revenue of US\$21.10/t against costs of US\$5.96/t drive an average annual EBITDA of US\$161m at US\$1,346/t rutile and US\$1,085/t graphite price for a predominantly large-flake basket sold into higher-value conventional off takers. This drives a peer-leading 2.8x revenue to cost ratio, and NPV₈ to capex of 2.6x, with 2.5-year payback / 36% IRR for NPV_{10-8%} of US\$684-861m.

Figure 1. SCP modelled production profile for Kasiya



Source: SCP, Sovereign

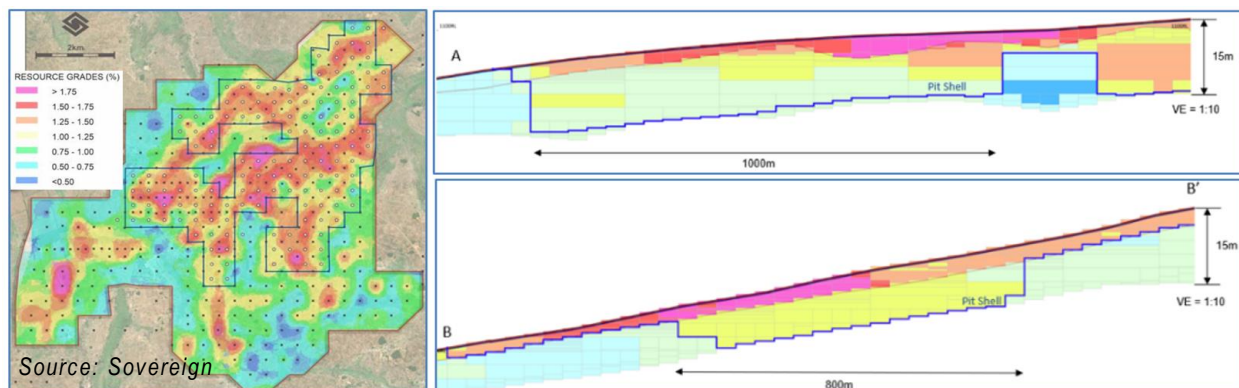
ESG: pits will see progressive tailings backfill and remediation, with all population areas to be avoided given the large resource. The Malawi grid is mainly hydro powered, with 41% of power to come from a 14Mw onsite IPP solar farm. Rail access to the port further lowers CO₂ against peers trucking to port. In addition to rutile's natural low-carbon advantage (0kg/t CO₂ vs. 2.8kg/t CO₂ for synthetic rutile conversion), management will design the project to IFC, and World Bank Equator Principles and guidance.

Our view: MRE as expected, graphite provides positive surprise, PFS/DFS could enable high-grading

Rutile: the overall quantum of the MRE is less material than the M&I, which now underpins the scoping. Infill saw some tonnes removed but enabled greater fidelity of the high-grade zones (Figure 2). The geometry is advantageous, showing (i) high-grade zones along strike, and (ii) the highest grade at surface. This enables early-years-access to higher grades, exemplified by the 68mt @ 1.5% rutile at a higher cut-off. As is normal for scoping studies, ahead of full reserve conversion, the mine plan hasn't taken full benefit of this, with 'only' 1.06% LOM grade, including 1.1% for the first 14 years. We think that additional infill to better delineate the high-grade areas should allow these to be incorporated into the mine schedule. There is a balance here too, with the option to take 'one bench' (~5m) rather than the ~8-12m full ore body – this would materially lift the rutile grade, but it if backfilled would sterilise underlying ore. There is no shortage of ore here, so we would expect the PFS and DFS to show some 'one bench high-grading'.

Graphite: today's maiden graphite resource hasn't disappointed. Last week's metallurgical work showed ~1% graphite, hence today's 1.24% grade is an impressive beat on this. Unlike rutile, where highest grades are at surface, graphite is the reverse as near-surface weathering 'liberates away' the light graphite. This does mean that as rutile grades diminish with depth, increasing graphite should enable solid NSR's deeper in the profile. More so than the rutile, the graphite is locally enriched to higher levels, which also, like the rutile, should allow for some clever 'jewel box' scheduling once reserves are defined for the PFS / DFS.

Figure 2. Kasiya MRE (A) plan map and (B) cross-sections



Source: Sovereign

The elephant in the room: Kasiya vs peer mineral sand mines / developers

Peer producing mines: Today's scoping study confirms Kasiya as one of the largest, highest-grade, best product specification, lowest carbon footprint undeveloped mineral sands project globally. Specifically, at US\$25/t, the LOM inventory is the highest value mineral sand globally, lifting to US\$30/t for Y1-3 where higher-grade graphite is targeted. Mineral sands prices are reasonably transparent, but graphite pricing is bespoke to the product. Interestingly, **if we risk graphite prices by 50% the deposit is still in line with the highest value African mine**, Tronox's Namakwa operation. Given Sovereign will focus on higher-value coarse graphite against fines-dominant (low value) Syrah, this assumption is overly conservative in our view. Further, this comes ahead of any high-grading we expect once reserve geometry is better defined.

Table 2. Sovereign in situ value vs African Mineral Sand operating mines

December 2021			Reserv (Mt)	Total HM (%)	In-situ Grade (%)					\$275 \$700 \$1242 \$1372 \$1085					In-situ Value		Recovery % insitu
Company	Project	Location			Ilmen	Leu	Rutil	Zirc	Graph	Ilmen.	Leucox	Rutile	Zircon	Graph.	US\$/t	US\$bn	
Sovereign	Kasiya Y1-3	Malawi	30			1.10	1.54			-	-	13.7	-	16.7	\$30.37	\$0.9	-
Sovereign	Kasiya LOM	Malawi	298			1.06	1.12			-	-	13.2	-	12.2	\$25.32	\$7.5	-
Tronox	Namakwa	South Africa	727	6.0	2.9	0.6	0.6			8.0	4.2	-	8.2	-	\$21.20	\$15.4	-
Tronox	KZN	South Africa	225	5.6	3.4	0.4	0.4			9.5	2.8	-	5.9	-	\$18.74	\$4.2	-
Iluka	Sierra Rutile	Sierra Leone	268	1.4			1.4			-	-	17.4	-	-	\$17.39	\$4.7	-
Base	Ranobe (dev.)	Madagascar	586	6.5	4.8	0.1	0.1	0.3		13.2	0.4	0.9	3.9	-	\$18.42	\$10.8	85%
Base	Kwale	Kenya	40	3.3	1.9		0.5	0.2		5.3	-	5.7	2.6	-	\$13.58	\$0.5	92%
Rio Tinto	QMM	Madagascar	358		3.5			0.2		9.6	-	-	2.7	-	\$12.37	\$4.4	-
Rio Tinto	RBM	South Africa	1,426		2.4			0.3		6.6	-	-	4.1	-	\$10.72	\$15.3	-
Kenmare	Moma	Mozambique	1,540	3.3	2.7		0.1	0.2		7.4	-	0.7	2.5	-	\$10.63	\$16.4	-
TiZir	Grand Cote	Senegal	1,765	1.4	1.0	0.0	0.0	0.1		2.8	0.3	0.4	2.1	-	\$5.58	\$9.8	-

Source: 2021 reserves except Grand Cote 2018, Rio Tinto 2020, Sovereign Indicated and Inferred. Leucoxene and rutile combined for Tronox. Based on Iluka 3Q21 ~\$275/t ilmenite, \$1242/t rutile, \$1,372/t zircon, with \$700/t leucoxene. Graphite from SVM scoping study; Recoveries: Ranobe - 2019 Toliara DFS, Kwale - JQ21 quarterly report

Peer development assets: Comparing Kasiya to up-and-coming developers globally, the asset is again the highest value. While some assets come close such as Sheffield Thunderbird and Bluejay's Dundas, these assets have extreme hurdles to overcome, being metallurgy requiring roasting, and being frozen for the majority of the year given proximity to the north pole, respectively. Other development assets are low value, with funding only coming recently demonstrative of their likely difficulty to survive the cycle, leaving highly leveraged equity stories funded at the top of the cycle exposed to any macro headwinds.

Table 3. Sovereign in situ value vs peer developers

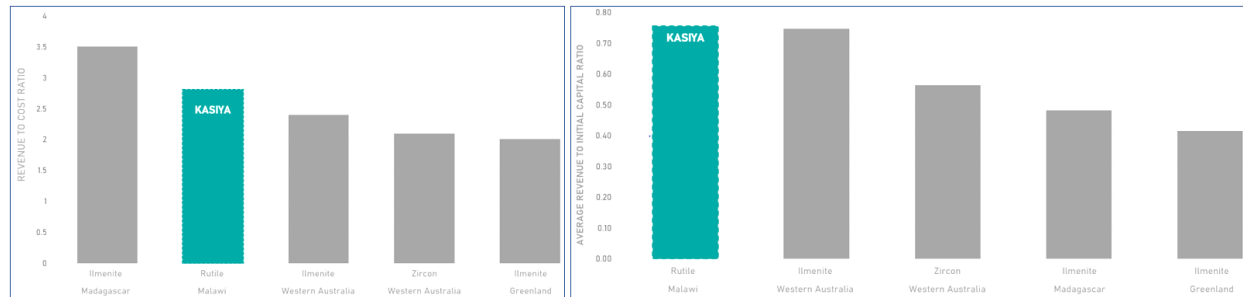
December 2021			Stage	Ore Mt	Total HM	In-situ Grade (%)					In-situ val. (US\$/t)	Comment
Company	Project	Location				Ilmen.	Leucox.	Rutile	Zircon	Graph.		
Sovereign	Kasiya Y1-3	Malawi	PEA	30	-	-	-	1.10	-	1.54	\$ 30.37	Highest grade @ surface
Sovereign	Kasiya LOM	Malawi	SCPe	298	-	-	-	1.06	-	1.12	\$ 25.32	Large, vanilla met
Sheffield	Thunderbird	Australia	BFS	748	11.2	3.11	0.54	-	0.86	-	\$ 24.16	High Mg needs roast, small grain size, high U/Th
Bluejay	Dundas Ilmenite	Greenland	PFS	67.1	25.9	7.3	-	-	-	-	\$ 20.08	Close to north pole; exploitation & closure plans approved
Image	Bidaminna	Australia	Pre-PEA	102	2.2	1.06	0.79	0.10	0.11	-	\$ 11.19	Small and low value- dredging
Strandline	Fungoni	Tanzania	BFS	12	2.80	1.14	0.03	0.12	0.47	-	\$ 11.28	Small
Strandline	Coburn	Australia	BFS	523	1.11	0.54	-	0.08	0.25	-	\$ 5.81	Resource assemblage, no reserve breakdown published
Base	Kwale North	Tanzania	PFS	194	1.5	0.68	-	0.20	0.09	-	\$ 5.51	37% slimes, low val

Source: SCP, Sovereign; SFX DFS reserve; SVM 4Q21 scoping; Bluejay 2Q19 PFS reserve; Strandline Coburn 2Q20 DFS and Fungoni 4Q17 DFS for tonnes and HMC, no mineral splits published in DFS so grade splits taken from M&I. In-situ @ \$275/t ilmenite, \$700/t leucoxene, \$1242/t rutile and \$1372/t zircon, US\$1,085/t graphite

Peer profitability: Figure 3 takes the value of peer assemblages, and compares that to opex. This shows that the only higher margin asset is in Madagascar – current political issues there prevent the owner from progressing that asset as fast as investors would like. Adding capex, Kasiya is without peer – certain Australian assets do have similarly good revenue to capex ratios, but their extreme lower value assemblages mean that profit to capex is far inferior to Kasiya. That the quality benchmarks better than operating mines owned by larger companies, and developers, emphasizes the M&A opportunity in our view. When the political difficulties faced by Iluka in Sierra Leone, Base in Madagascar, and Rio Tinto in South Africa, plus the peer-leading CO₂ of rutile against polluting ilmenite, we see this asset as firmly in the cross-hairs of majors. The current in-situ value is already ~half that of the largest mines in Africa

(Tronox, Rio, Kenmare) – given we expect Nsaru to support a potential doubling of the production / reserves, we see Sovereign's assets as the **largest, highest margin, and greenest credentialed asset** on the continent if not globally.

Figure 3. Revenue to (A) cost and (B) capex for Kasiya against peer projects



Source: Sovereign

Valuation: NPV approaching a billion Australian dollars, and set to double with Nsaru

We move from an EV / in-situ valuation to a DCF, replicating the scoping study for an SCP 1xNPV_{10%} of A\$932m against a published A\$937m for a robust model. With rutile and graphite prices used close to spot contract prices (and well under spot prices), the only change we make is to deduct the 10% minority interest to convert from an asset to corporate valuation, lowering our NPV to A\$835m. We expect the next MRE, driven by the maiden inclusion of Nsaru, to take the MRE materially over 1Bt against the 300Mt inventory modelled in the PEA today. With a mine life of 25 years already, rather than extending the plant or even expanding, we think the best way to look at the scoping study as the first 'cookie' in a cookie-cutter model. In our view, it would not be unreasonable to model a second operation of the same size right now at Nsaru. However, we conservatively model a second operation at 1/2 of the first, for a group NAV of A\$1,255m.

Table 4. (A) SCP model inputs / economics for Kasiya & (B) Group NAV / sensitivity

Key inputs and NPV	Scoping	Scoping		Scoping	SCPe	SOTP project valuation*					
Mining inventory (Mt)	297.6	>>	LOM revenue (US\$m)	6,266	>>		A\$m	O/ship	NAVx	A\$/sh	
ROM grade (% rutile)	1.06%	>>	LOM revenue (US\$/t)	21.1	>>	Ungeared @ build start (4Q23)	835	100%	0.50x	0.91	
Rom grade (% graphite)	1.12%	>>	LOM cost (US\$/t)	7.56	>>	Cash SCPe 3Q21	5.9	100%	1.00x	0.01	
Rutile recovery (%)	96%	>>	LOM revenue / cost (x)	2.8	>>	Cash from options	6.8	100%	1.00x	0.01	
Graphite recovery (%)	62%	>>	Total build capex (A\$m)	455	>>	Nsaru at 50% of Kasiya	418	100%	0.50x	0.45	
LOM throughput (Mtpa)	12	>>	Total sust. capex (A\$m)	148	>>	Asset NAV10% US\$1346/t rutile	1,265	PT:		1.39	
Rutile production (kt pa)	122	121	Rutile price (US\$/t)	1,346	>>	*Shares diluted for options mine build Market P/NAV _{95%} 0.22x					
Graphite production (kt pa)	80	81	Graphite price (US\$/t)	1,085	>>	Group NAV sensitised to rutile and graphite price (A\$m, ungeared)*					
Rutile Y1-3 (kt pa)	-	115	Discount (%)	10.0%	>>	Project NPV 10% (A\$m)	R \$0.95k	R \$1.15k	R \$1.35k	R \$1.55k	R \$1.95k
Graphite Y1-3 (kt pa)	-	103	NPV post-tax (A\$m)	937	932	Graphite \$0.835k/t	558	801	1,042	1,281	1,763
Mining cost (US\$/t)	1.77	>>	Less 10% minority (A\$m)	-	835	Graphite \$1.085k/t	786	1,027	1,265	1,507	1,986
Processing cost (US\$/t)	2.69	>>	Asset IRR post-tax (%)	36%	30%	Graphite \$1.335k/t	1,008	1,250	1,491	1,731	2,215
G&A (US\$/t)	0.64	>>	Payback (years)	2.50	2.75	Ungeared project IRR:	22%	26%	29%	32%	37%
Trnspt to port (US\$/t)	0.86	>>	Mine life (years)	25	>>						

Source: SCP estimates

Recommendation: maintain BUY rating, lift PT from A\$1.30/sh to A\$1.40/sh

We apply a 0.5xNAV to our A\$835m Kasiya NPV to capture the likely MRE and also production growth ahead. **As such, we maintain our BUY rating and lift our A\$1.30/t price target to A\$1.40/t** based on a 0.5xNAV multiple on a diluted-for-options but not mine build basis (Table 4). With the Nsaru MRE likely to support 'the same again', we apply 50% of Kasiya valuation, also holding that at 0.5xNAV (i.e. ~0.25xNAV). We dilute for all share options, but not mine build. However, to sense check our valuation, we convert our asset NPV to a group NAV by modelling an US\$377m funding package (against US\$332m capex). Applying 65% gearing using 10% lender IRR debt, and modelling equity dilution through to first production, gives our FF FD 1xNAV_{10%} of A\$2.73/sh at first production. Given this still accounts for Nsaru at only half of Kasiya despite both assets being similar, this upside from the current share price is clear.

Table 5. (A) Funding assumptions to drive (B) our fully-funded fully-diluted NAV estimate over time

Project: USES		Funding: SOURCES		Group NAV over time^	1Q22	1Q23	1Q24	1Q25	1Q26	
Pre-build exploration:	A\$29m	Cash + ITM options:	A\$13m	Kasiya NPV (A\$m)	702	772	935	1,318	1,576	
Build capex:	A\$455m	DFS equity, spot:	A\$21m	G&A and fin. costs (A\$m)	(98)	(95)	(95)	(97)	(77)	
Finance costs (A\$m)	A\$21m	Build equity @ 0.5xNAV:	A\$205m	Net cash prior qtr (A\$m)	3.2	10.2	133.2	(135.5)	(278.5)	
TOTAL USES:	A\$505m	65% geared debt @ 10%:	A\$273m	Cash from options (A\$m)	6.8	6.8	6.8	6.8	6.8	
Buffer / drill budget:	A\$6m	TOTAL SOURCES:	A\$512m	Nsaru at 50% of Kasiya	234	257	312	439	525	
Share data	Basic	>FD	>DFS eq	>Build equity	NAV FF FD (A\$m)	848	952	1,291	1,532	1,753
Basic shares (m)	421.20	459.7	493.7	643.0	FD shares in issue (m)	494	494	643	643	643
Source: SCP estimates					1xNAV5%/sh FF FD (A\$/sh)	1.72	1.93	2.01	2.38	2.73

Why we like Sovereign Metals

- Existing **605Mt @ 0.98% rutile** comes from just 49km² of Kasiya
- Kasiya drilling over 89km² plus 40km² at Nsaru points to >1Bt global potential
- Pure rutile + graphite credits lowers CO₂ and adds EV credits addressing ESG agenda
- On hydropower, hydro mineable, on modern rail to deep-water port with allocation
- PFS-level Malingunde graphite project adds diversification and second pillar to value

Catalysts

- 1Q22:** Nsaru MRE
- Mid 2022:** Expanded PEA to including Nsaru
- 2022:** Ore to pigment CO₂ study

Research

Brock Salier (London) M: +44 7400 666 913 bsalier@sprott.com

Justin Chan (London) M: +44 7554 784 688 jchan@sprott.com

Brandon Gaspar (Toronto) M: +1 437 533 3142 bgaspar@sprott.com

Eleanor Magdzinski (Toronto) M: +1 705 669 7456 emagdzinski@sprott.com

Ticker: SVM LN	Price / mkt cap: A\$0.605/sh, A\$255m	Project PNAV today: 0.22x	Asset: Kasia / Nsaru
Author: B Salier B Gaspar	Rec / 0.5xNAV PT: BUY, A\$1.4/sh	1xNAV_{3Q24} FF FD: C\$2.38/sh	Country: Malawi

Commodity price	CY21E	CY22E	CY23E	CY24E	CY25E
Rutile price (US\$/t)	1,346	1,346	1,346	1,346	1,346
Graphite price (US\$/t)	1,085	1,085	1,085	1,085	1,085

SOTP project valuation*	A\$m	O/ship	NAVx	A\$/sh
Ungeared @ build start (4Q23)	835	100%	0.50x	0.91
Cash SCPe 3Q21	5.9	100%	1.00x	0.01
Cash from options	6.8	100%	1.00x	0.01
Nsaru at 50% of Kasia	418	100%	0.50x	0.45
Asset NAV10% US\$1346/t rutile	1,265		PT:	1.39

*Shares diluted for options mine build	Market P/NAV _{5%}	0.22x
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Group NAV sensitised to rutile and graphite price (A\$m, ungeared)*					
Project NPV 10% (A\$m)	R \$0.95k	R \$1.15k	R \$1.35k	R \$1.55k	R \$1.95k
Graphite \$0.835k/t	558	801	1,042	1,281	1,763
Graphite \$1.085k/t	786	1,027	1,265	1,507	1,986
Graphite \$1.335k/t	1,008	1,250	1,491	1,731	2,215
Ungeared project IRR:	22%	26%	29%	32%	37%

Project NPV 8% (A\$m)	R \$0.95k	R \$1.15k	R \$1.35k	R \$1.55k	R \$1.95k
Graphite \$0.835k/t	503	697	889	1,080	1,464
Graphite \$1.085k/t	682	874	1,064	1,257	1,639
Graphite \$1.335k/t	855	1,049	1,241	1,433	1,818

*Project NPV, ex fin. costs and cent G&A, discounted to build start

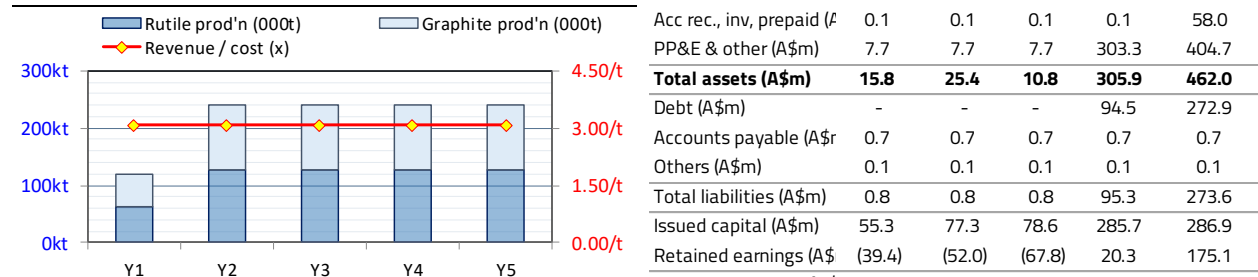
Group NAV over time^	1Q22	1Q23	1Q24	1Q25	1Q26
Kasia NPV (A\$m)	702	772	935	1,318	1,576
G&A and fin. costs (A\$m)	(98)	(95)	(95)	(97)	(77)
Net cash prior qtr (A\$m)	3.2	10.2	133.2	(135.5)	(278.5)
Cash from options (A\$m)	6.8	6.8	6.8	6.8	6.8
Nsaru at 50% of Kasia	234	257	312	439	525
NAV FF FD (A\$m)	848	952	1,291	1,532	1,753
FD shares in issue (m)	494	494	643	643	643
1xNAV5%/sh FF FD (A\$/sh)	1.72	1.93	2.01	2.38	2.73

Geared NAV at 1st production, diluted for build, net G&A and fin. costs^					
NPV10% (A\$m)	R \$0.95k	R \$1.15k	R \$1.35k	R \$1.55k	R \$1.95k
Graphite \$0.835k/t	976	1,243	1,508	1,770	2,299
Graphite \$1.085k/t	1,227	1,491	1,753	2,018	2,545
Graphite \$1.335k/t	1,470	1,736	2,001	2,265	2,796
Geared project IRR:	21%	24%	27%	30%	35%

NPV8% (A\$m)	R \$0.95k	R \$1.15k	R \$1.35k	R \$1.55k	R \$1.95k
Graphite \$0.835k/t	1,144	1,451	1,754	2,056	2,664
Graphite \$1.085k/t	1,426	1,730	2,031	2,335	2,941
Graphite \$1.335k/t	1,701	2,006	2,311	2,614	3,224

^Project NPV incl grp SG&A & fin. cost, +net cash; *diluted for build equity

Prod'n (Y1 from 4Q25)	Y1	Y2	Y3	Y4	Y5
Rutile prod'n (000t)	63	126	126	126	126
Graphite prod'n (000t)	57	114	114	114	114
Revenue / cost (x)	3.08	3.08	3.08	3.08	3.08



Source: SCP estimates

Resource / Reserve	Tonnes	Rutile	Tonnes	Graphite	Tonnes
Resource	605Mt	0.98%	5.9Mt	1.24%	7.5Mt
SCP mining inventory	298Mt	1.06%	3.1Mt	1.12%	3.3Mt

Project: USES	Funding: SOURCES
Pre-build exploration: A\$29m	Cash + ITM options: A\$13m
Build capex: A\$455m	DFS equity, spot: A\$21m
Finance costs (A\$m) A\$21m	Build equity @ 0.5xNAV: A\$205m
TOTAL USES: A\$505m	65% geared debt @ 10%: A\$273m
Buffer / drill budget: A\$6m	TOTAL SOURCES: A\$512m

Share data	Basic	>FD	>DFS eq	>Build equity
Basic shares (m)	421.20	459.7	493.7	643.0

Ratio analysis (YT Jun)	FY21A	FY22E	FY23E	FY24E	FY25E
Shares out (m)	413.4	455.2	455.2	604.5	604.5
EPS (A\$/sh)	-	-	-	-	-
CFPS (A\$/sh)	-	-	-	-	-
EV (A\$m)	-	257.9	272.4	457.8	639.2
FCF yield (%)	-	-	-	-	-

PER (x)	-	-	-	-	-
EV/EBITDA (x)	-	-	-	-	-

Income statement (YT)	FY21A	FY22E	FY23E	FY24E	FY25E
Net revenue (A\$m)	-	-	-	-	-
COGS (A\$m)	-	-	-	-	-

Gross profit (A\$m)					
G&A (A\$m)	1.4	2.6	2.6	2.6	2.6
Finance cost (A\$m)	-	-	-	1.7	19.7
Exploration (A\$m)	2.9	8.4	12.0	-	-
Taxes (A\$m)	-	-	-	-	-
Minorities (A\$m)	-	-	-	-	-
Other (A\$m)	0.9	1.4	1.3	2.9	21.0

Net income (A\$m) (5.1) (12.4) (15.8) (5.5) (23.6)

Cash flow, attrib. (YT J)	FY21A	FY22E	FY23E	FY24E	FY25E
EBIT (A\$m)	(5.1)	(12.4)	(15.8)	(3.8)	(3.8)
Add back D&A (A\$m)	0.0	-	-	-	-
Net change in wkg cap	(0.1)	-	-	-	-
Other non-cash (A\$m)	(1.2)	(1.3)	(1.3)	0.4	18.5

Cash flow ops (A\$m)	(3.9)	(11.1)	(14.6)	(4.2)	(22.3)
PP&E - build (A\$m)	(0.3)	(0.1)	-	(295.6)	(159.2)
PP&E - sust (A\$m)	-	-	-	-	-

Cash flow inv. (A\$m)	(0.3)	(0.1)	-	(295.6)	(159.2)
Share issue (A\$m)	9.8	20.8	-	205.5	-
Debt draw (repay) (A\$m)	-	-	-	94.5	178.4

Cash flow fin. (A\$m)	9.8	20.8	-	300.0	178.4
Net change in cash (A\$m)	5.6	9.5	(14.6)	0.2	(3.1)
EBITDA (A\$m)	(5.1)	(12.4)	(15.8)	(3.8)	(3.8)

Balance sheet	FY21A	FY22E	FY23E	FY24E	FY25E
Cash (A\$m)	8.0	17.5	2.9	2.5	(0.7)
Acc rec., inv, prepaid (A\$m)	0.1	0.1	0.1	0.1	58.0
PP&E & other (A\$m)	7.7	7.7	7.7	303.3	404.7
Total assets (A\$m)	15.8	25.4	10.8	305.9	462.0
Debt (A\$m)	-	-	-	94.5	272.9
Accounts payable (A\$m)	0.7	0.7	0.7	0.7	0.7
Others (A\$m)	0.1	0.1	0.1	0.1	0.1
Total liabilities (A\$m)	0.8	0.8	0.8	95.3	273.6
Issued capital (A\$m)	55.3	77.3	78.6	285.7	286.9
Retained earnings (A\$m)	(39.4)	(52.0)	(67.8)	20.3	175.1
Liabilities + equity (A\$m)	15.8	25.4	10.8	305.9	462.0

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HOLD:	0
SELL:	0
UNDER REVIEW:	0
TENDER:	1
NOT RATED:	0
TOTAL	50

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