

# Antipa Minerals Ltd

## Exploration Update

Antipa announced the final Phase 1 drill results for its Minyari Dome Gold-Copper Project in the Paterson Province of Western Australia. Assay results have been returned for the outstanding 4,246m of 7,300m of this Phase 1 reverse circulation (RC) drill programme.

Not the most exciting set of results, however drilling at Minyari North hit further gold-copper mineralisation, but disappointing results were returned from several other targets, and exploration continues with an emphasis on the recently announced GEO-01 discovery. We maintain our valuation of Antipa at A\$0.06 on a sum-of-the-parts basis using different methods depending on the Project underpinned by a solid asset on the development path, all with discovery upside rerating potential and with potential M&A exits. Cash of A\$5.4m with zero debt at quarter end.

- Notable new Minyari North intersections include:
  - 4m at 2.0g/t gold from 112m down hole in 23MYC0395.
  - 66m at 0.5g/t gold from 132m down hole in 23MYC0398, including: 1m at 1.4g/t gold and 0.07% copper from 133m, 3m at 3.4g/t gold and 0.15% copper from 141m, also including: 1m at 9.5g/t gold and 0.29% copper from 143m, 7m at 2.3g/t gold and 0.03% copper from 167m, also including: 1m at 11.4g/t gold from 167m, and 1m at 3.4g/t gold and 0.06% copper from 172m.
  - 4m at 1.8g/t gold from 172m down hole in 23MYC0409.
- No significant mineralisation intersected at the Minyari Plunge offset target, Chicane or four geophysics targets. Preparation for follow-up drilling at the recent near-surface, high-grade GEO-01 gold discovery and maiden drilling at the high-potential Tetris (Havieron lookalike) and Pacman targets is well advanced.
- The Minyari Dome Pre-feasibility Study is due to recommence in early 2024, with the gold discovery at GEO-01 adding potential to grow the near-surface, open-pit amenable, resource this could potentially change the scope of the Minyari Dome development opportunity and improve the already positive economics.
- During the second half of 2023, in addition to its own drilling at Minyari Dome, Antipa, with its JV partners Rio Tinto, and farm-in partners IGO and Newcrest, is aiming to complete a total of approximately 13,000m of drilling as part of the three combined A\$8.6m FY24E exploration programmes.

### Forecast and Ratios

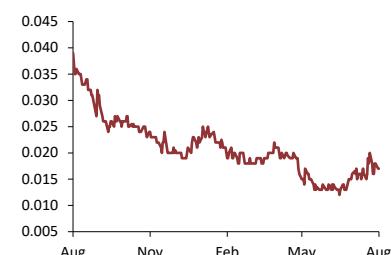
Y/E June (A\$000s)	2020A	2021A	2022A
Revenue	0.6	0.8	0.5
Adj EBITDA	-1.8	-3.6	-5.8
Adj PBT	-1.9	-3.6	-5.9
Adj EPS (c)	0.0	0.0	0.0
DPS (c)	0.0	0.0	0.0
EV/Sales (x)	87.8	37.1	97.8
EV/Adj EBITDA (x)	nm	nm	nm
Adj P/E (x)	nm	nm	nm
Yield (%)	0.0	0.0	0.0
Net cash/(debt)	6.4	33.1	7.4

Source: Cenkos Securities estimates, Company data

## BUY

Price at COB 15 Aug 23 A\$0.017  
 52-week range A\$0.012-0.039  
 Ticker AZY ASX

### Share Price Performance



Source: Morningstar

### Stock Data

Market cap (A\$m) 61  
 Shares outstanding (m) 3597

### Activities

Antipa Minerals engages in the exploration and development of mineral properties.

### Directors

Stephen Power	NE Chairman
Roger Mason	CEO
Luke Watson	CFO
Mark Rodda	ED
Gary Johnson	INED
Peter Buck	INED

### Significant Shareholders

Newcrest Mining Ltd.	9.9%
IGO Ltd.	4.1%
Stephen Michael Power	1.7%
Hawksburn Capital Pte Ltd.	1.1%

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# Summary

Table 1: Summary

Ticker	AZY.ASX		Recommendation		Buy	Asset	Minyari		Capital Str.	Shares (m)	
Price (A\$)	0.02		FD Price Target (A\$)		0.06	Country	Australia		Basic	3,597	
Mkt cap (A\$m)	61		Project PNAV Today		3.3	Commodity	Gold/Copper		FD (ITM)	3,597	

SOTP Valuation	Unit	Base Case	NAVx	Discounted Value	A\$/sh
Minyari Dome NPV 7%	A\$m	278	0.25	70	0.02
US\$1750/oz					
Minyari Exploration	A\$m	130	0.25	33	0.01
Exploration	A\$m	92	1.00	92	0.03
Cash	A\$m	5	1	5	0.00
Debt	A\$m	-	1	-	-
ITM Options	A\$m	-	1	-	-
Total	A\$m	505	-	199	0.06

Scoping Study	Feasibility	Fully Funded	Commisioning	Production	
NAV multiple x	0.25	0.4	0.6	0.8	0.95
Minyari Dome NPV 7% US\$1750/oz	70	111	167	222	264
per share A\$c	2	3	5	6	7

Income Statement (A\$m)	2020A	2021A	2022A	2023E	2024E
Revenue	0.6	0.8	0.5	-	-
Operating Costs	-	-	-	-	-
G&A	2.0	1.9	2.4	-	-
EBITDA	-1.8	-3.6	-5.8	-	-
D&A	0.1	0.1	0.1	-	-
EBIT	-1.9	-3.6	-5.9	-	-
Interest Expense	-	-	-	-	-
EBT	-1.9	-3.6	-5.9	-	-
Tax	-	-	-	-	-
Net Income	-1.9	-3.6	-5.9	-	-
EPS	0.0	0.0	0.0	-	-
Shares Out (m)	2,152	2,578	3,138	-	-
DPS	-	-	-	-	-

Cashflow (A\$m)	2020A	2021A	2022A	2023E	2024E
Cash Year Start	8.1	7.0	33.7	-	-
Operating Cashflow	-1.0	-0.8	-1.7	-	-
Financing Cashflow	3.6	30.1	0.3	-	-
Capex	-3.2	-3.9	-22.7	-	-
Exploration Budget	-	-	-	-	-
Interest	-	-	-	-	-
Debt repaid	-	-	-	-	-
Changes in working Cap	-0.1	-7.6	6.5	-	-
Free Cash Flow before tax	-3.8	3.9	-28.9	-	-
Tax Payable	-	-	-	-	-
Free Cash Flow after tax	-3.8	3.9	-28.9	-	-
Cash Year End	7.0	33.7	7.9	-	-

Balance Sheet (A\$m)	2020A	2021A	2022A	2023E	2024E
Cash and Cash Equivalents	7.0	33.7	7.9	-	-
Net Prop. Plant and Equip.	28.1	37.8	55.4	-	-
Total Assets	35.5	72.9	63.9	-	-
Debt	0.6	0.5	0.5	-	-
Other Liabilities	-	0.0	-	-	-
Total Liabilities	2.9	11.5	4.2	-	-
Shareholder Equity	32.6	61.4	59.7	-	-
Net Debt	-6.4	-33.1	-7.4	-	-

Category (100% basis)	Cut off (g/t Au)	Tonnes (mT)	Grade (g/t Au)	Metal Content (Oz Au)
Minyari Dome (100% Antipa)				
Indicated	0.5 Au	15	1.17	567,000
Inferred	0.5 Au	3	1.12	96,000
Sub-Total	0.5 Au	18	1.17	663,000
Indicated	1.5 Au	4	2.30	328,000
Inferred	1.5 Au	6	2.51	523,000
Sub-Total	1.5 Au	11	2.48	851,000
Total		28	1.66	1,514,000
WACA				
Indicated	0.5 Au	1.7	0.97	52,000
Inferred	0.5 Au	1.5	1.02	51,000
Sub-Total		3.2	0.99	103,000
Inferred	1.5 Au	1.6	1.69	89,000
Total		4.9	1.23	192,000
Minyari + WACA + Satellite Deposits		34	1.60	1,746,304
Citadel (Rio Tinto JV)				
Inferred	0.5 Au	92	0.72	2,100,000
Magnum				
Inferred	0.5 Au	16	0.70	340,000
Wilki Project (Newcrest Farm in)				
Chicken Ranch + Tim's Dome				
Inferred	0.5 Au	2	1.30	103,500
EV/oz	AuEq.		A\$	15.3

Catalysts							
2	Tetris and Pacman drilling						
3	JV/Farm in drilling						
4	Updated Minyari Dome MRE Q1 CY24						
5	Minyari Dome PFS restart March 2024						
6	Potential M&A						

	CY2022		CY2023				CY2024
	Q3	Q4	Q1	Q2	Q3	Q4	Q1
SCOPING STUDY	✓						
2022 EXPLORATION PROGRAMME: Phases 1 and 2							
NEW TARGET FINALISATION							
2023 EXPLORATION DRILL PROGRAMME							
TARGETED UPDATED MINERAL RESOURCE ESTIMATES							
PRE-FEASIBILITY STUDY: Scheduled to restart March 2024							➡

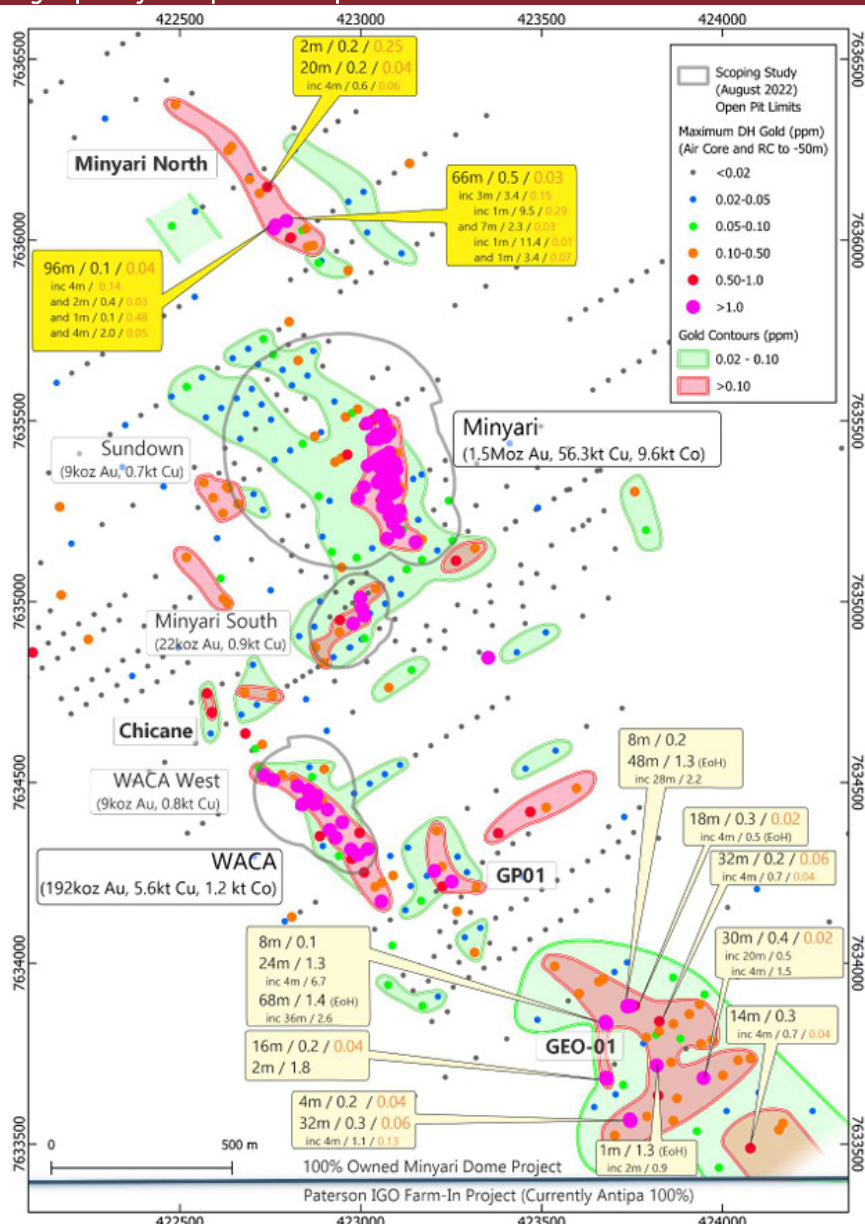
0.06	0.05	0.04	0.03	0.02	0.01	-	-	-	0.06
0.03	0.01	0.00	-	-	-	-	-	-	-
0.02									
0.01									
-									
Minyari Dome...	Minyari...	Exploration	Cash	Debt	ITM Options	Total			

Source: Cenkos Securities estimates, Company data

# Update

Antipa commenced the Minyari Dome Project CY23 Exploration Programme in May, focused on high-impact exploration and is scheduled to include a total of 12,000m to 15,000m of drilling, plus soil geochemical sampling. Final drill results for the 7,346m Phase 1 Minyari Dome RC drill programme have been returned, encompassing 24 RC holes for 4,246m across seven targets including Minyari North which delivered a number of intercepts. Disappointingly the Minyari Plunge offset target, Chicane and a selection of four geophysical targets all within one kilometre of the Minyari deposit which did not deliver, however these six targets consumed less than 20% of the Phase 1 RC drill metres.

**Figure 1: Minyari Dome resource locations, Scoping Study open pit limits, prospect locations for GEO-01, Minyari North, GP01 and Chicane, and contoured maximum down-hole gold drill results. Note the large scale of the GEO-01 air core anomaly which is the size of the flagship Minyari deposit and open in several directions.**

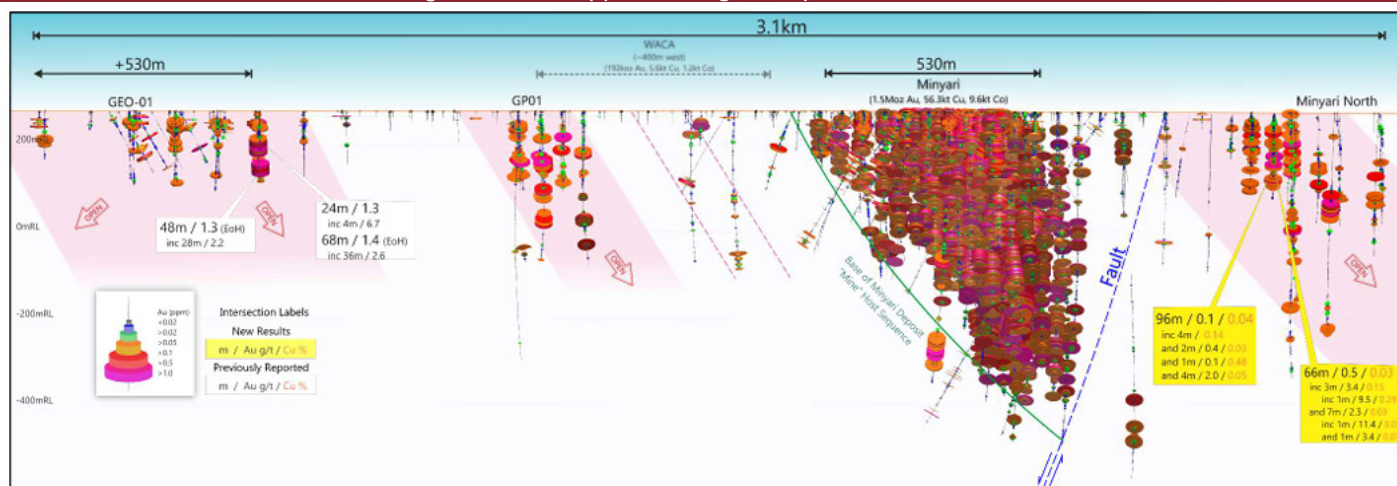


Source: Antipa Minerals NB: Regional GDA2020 / MGA Zone 51 co-ordinates, 500m grid.

It is a question of discovery cost per resource ounce around Minyari and now as Antipa aims to add low-cost open pittable ounces at GEO-01 and Minyari North. While this second batch of results may not have been that exciting, they did provide returns. Against this and slightly more disappointing a number of the exploration targets tested including the revised plunge target returned no significant intercepts. Antipa are actively drilling targets and that is what's needed to make a discovery, the aim of the high impact exploration side of Antipa. Preparation for follow-up drilling at the recent near-surface, high-grade GEO-01 gold discovery and maiden drilling at the high-potential Tetris (Havieron lookalike) and Pacman targets is well advanced.

Antipa will now refocus on the near-surface, potential open pit amenable, opportunity at the GEO-01 discovery as well as the Tetris and Pacman targets. Concurrently evaluating the continuity of the observed Minyari North high-grade gold mineralisation and continue the systematic RC and diamond core drill testing of our high-potential targets scheduled for the remainder of this calendar year.

**Figure 2: Long Section from GEO-01 to Minyari North (including Minyari and GP01) showing gold drill intercepts and interpreted key features including plunging gold-copper mineralisation zones, and the Minyari Fault. Note the highly prospective 3.1km trend which extends to 4.4km including the Jude's copper-silver-gold deposit.**



Source: Antipa Minerals

NB: 200m Local Grid co-ordinates, looking toward Local Grid 270° (or 238° MGA Zone 51 Grid).

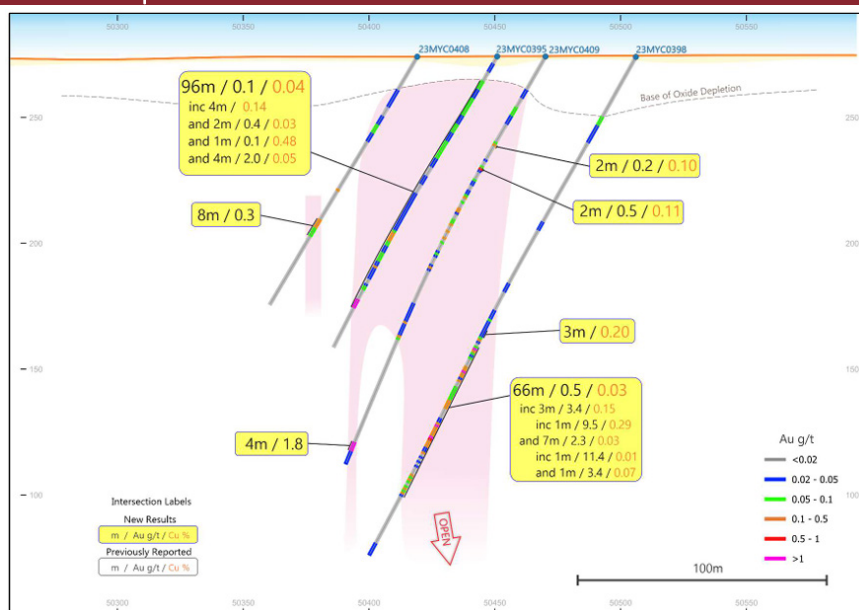
## Minyari North

A total of 15 RC drill holes for 2,800m completed at Minyari North returned several ore grade intersections plus a number of thick (10 to 100m) zones of low-grade copper mineralisation with associated weak gold mineralisation. Geological interpretations at Minyari North are ongoing, prioritising definition of the continuity of the high-grade gold mineralisation in preparation for a potential maiden resource estimate.

Phase 1 Minyari North intersections include:

- 4m at 2.0g/t gold from 112m down hole in 23MYC0395.
- 66m at 0.5g/t gold from 132m down hole in 23MYC0398, including:
  - 1m at 1.4g/t gold and 0.07% copper from 133m.
  - 3m at 3.4g/t gold and 0.15% copper from 141m, also including:
    - i) 1m at 9.5g/t gold and 0.29% copper from 143m.
  - 7m at 2.3g/t gold and 0.03% copper from 167m, also including:
    - i) 1m at 11.4g/t gold from 167m.
    - ii) 1m at 3.4g/t gold and 0.06% copper from 172m.
- 4m at 1.8 g/t gold from 172m down hole in 23MYC0409.

**Figure 3: Minyari North prospect stacked cross-section 101,350mN showing RC gold-copper drill intercepts.**



Source: Antipa Minerals

NB: 50m elevation (RL) and 100m easting Local Grid co-ordinates, looking toward Local Grid 360° (or 328° MGA Zone 51 Grid).

## Minyari Plunge Offset Target

Testing of the Minyari Plunge offset target was limited to two RC drill holes for 616m which did not intersect any significant mineralisation. The presence of thick folded mafic intrusions effectively sterilised the meta-sediment hosted target area. The Minyari Plunge fault offset target was at considerable depth, representing a lower priority underground opportunity. Current and future Minyari Dome exploration will focus on the nearer-surface, potential open pit amenable opportunities such as GEO-01.

## GP19

Two RC drill holes for 182m were completed at geophysical target GP19, a coincident Gradient Array Induced Polarisation (GAIP) chargeability and magnetic anomaly, located approximately 250m along trend from Minyari North. Drill hole 23MYC0401 returned 16m at 0.09g/t gold with associated weak copper mineralisation and is viewed as a low-priority “near miss” hole for possible drill follow-up.

## Chicane and Remaining Geophysical Targets

A single 210m drill hole at Chicane intersected several 2 to 16m intervals of low-grade gold (0.10 to 0.34 g/t) mineralisation. Four RC drill holes for 438m completed at the remaining three geophysical targets, being magnetic and/or GAIP anomalies, did not return any significant drill intersections and no follow-up drilling is currently envisaged.

## GEO-01 Discovery Exploration Activities

The Phase 1 first-pass, broad spaced RC drill results returned at GEO-01 warrant a re-evaluation of the CY23 exploration programme, with follow-up RC ± diamond core drilling now in planning. Gold ± copper mineralisation at the GEO-01 discovery is hosted by meta-sediments and meta-dolerite displaying intense hydrothermal alteration and variable quartz ± calcite ± sulphide veining ± brecciation, which commences from near surface, beneath just 3m to 16m of sand ± laterite cover. The main zone of mineralisation is interpreted to be between 100-150m thick and remains open in most directions, representing the potential for a significant, open pit amenable, maiden resource opportunity. A total of 106 one metre re-split samples have been submitted for assay to identify potential zones of narrower higher-grade gold mineralisation



within the original GEO-01 four metre composite samples. These assay results are expected during the second half of October.

Planning of follow-up drilling to extend the thick high-grade GEO-01 gold mineralisation is well advanced, with infill and extensional RC  $\pm$  diamond core drilling currently scheduled to commence during the second-half of September.

### Tetris and Pacman Exploration Activities

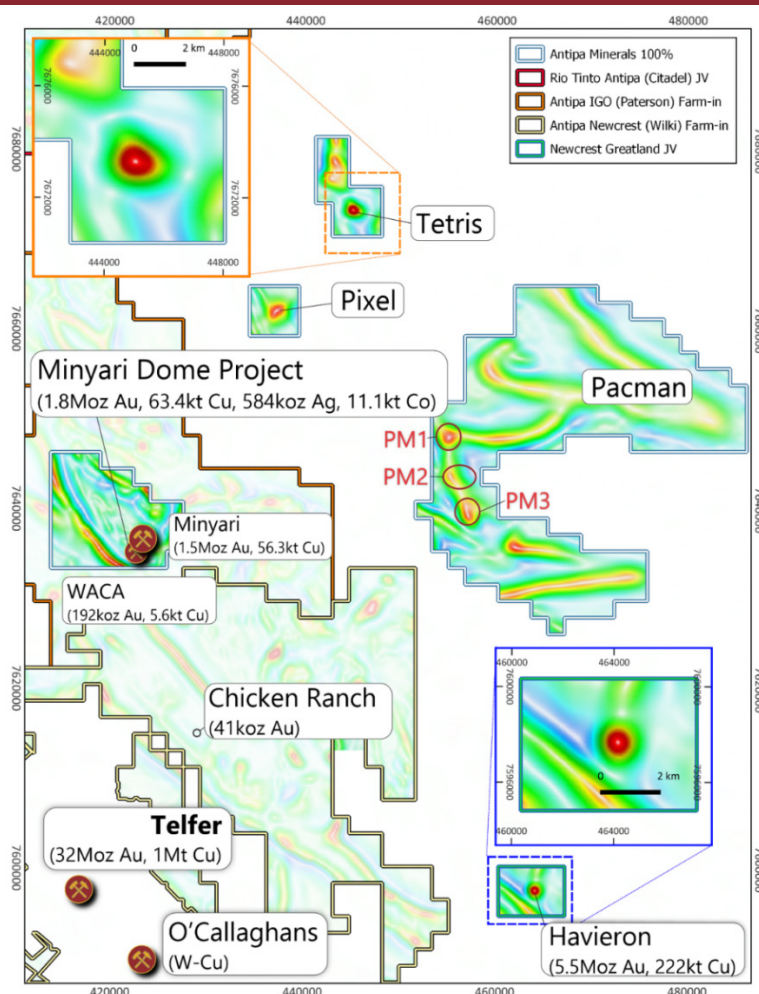
Preparation for drill testing the Tetris target is well advanced, with diamond core drilling currently scheduled for the first half of October. Tetris is a close lookalike of the 5.5Moz Haverson deposit, showing a similar bulls-eye shaped, sized and amplitude magnetic anomaly. The WA Government awarded Antipa a grant of A\$220,000 to co-fund the upcoming drilling programme providing strong validation of the high-potential exploration opportunity presented at Tetris.

Drill testing at Pacman will also be supported by the WA Government, with a second co-funding grant of A\$220,000 awarded to test the multiple Haverson and Nifty analogue targets. In preparation for diamond drill testing, currently scheduled to commence during the second half of October, Antipa recently completed an airborne gravity gradiometer (AGG) geophysical survey and is planning to complete a detailed aeromagnetic survey in early September.

Assay results are expected during the second half of October.

Tetris drilling in October.

**Figure 4: Plan showing 100% owned Minyari Dome Project aeromagnetics highlighting comparison of the bulls-eye magnetic high anomalies Haverson deposit and the Tetris target.**



Source: Antipa Minerals NB: Over Airborne magnetic image

# 2023 Exploration Programme

## Minyari Dome Project (100% owned)

Up to 15,000m of drilling (including up to 9,000m of RC, 5,000m of AC and 1,000m of diamond core drilling), a soil geochemical sampling programme ± gravity survey. Phase 1 first-pass, broad spaced RC drill results returned at GEO-01 warrant a re-evaluation of the CY23 exploration programme, with follow-up RC ± diamond core drilling now in planning. Drill targets include:

### Priority Targets

- GEO-01 - (Discovery reported)
- Minyari North (Continues to return intersections)
- Revised Minyari Plunge (Two RC drill holes for 616m no significant intersections).

### Other Targets

- Chicane (Completed a single 210m RC hole with several low grade intersections)
- Various geophysical targets within 2km of Minyari. (4 holes completed no significant intersections)
- GP01
- Tetris (diamond drill hole with WA Government co-funding grant of A\$220k).
- Pacman PM2 target (diamond drill hole with WA Government co-funding grant of A\$220k).

## Paterson IGO Farm-in Project

- 9,000m total drilling, to be operated by IGO, to include:
  - 1,350m diamond core drilling (co-funded by a WA Government EIS A\$210k drilling grant) to test two intrusion related Havieron analogue magnetic targets located 15km along strike from Rio Tinto's Winu deposit.
  - 2,100m RC drilling to test two co-incident magnetic-gravity high Havieron analogue targets 11 to 25km from Minyari.
  - 1,500m RC drilling to test several targets 10 to 13km along strike from Winu, including airborne electromagnetic (AEM) conductivity target "Collie".
  - 4,000m air core drilling to test high-priority geophysical and geochemical targets located between 15 to 25km from Minyari.
- Project scale groundwater hydrochemical sampling (ongoing).
- Possible Induced Polarisation (IP) geophysical survey to identify drill targets along a section of the El Paso Corridor.

## Wilki Newcrest Farm-in Project

- 2,300m of RC drilling and will be operated by Newcrest.
- Large-scale airborne gravity gradiometer (AGG) geophysical survey.
- Large-scale soil geochemical sampling programme.
- Ongoing project scale interpretation, data modelling and target generation.

## Citadel Rio Tinto JV Project

- 1,000m to 1,400m of RC drilling to be operated by Antipa to test:
  - Rimfire Southwest targets.
  - Junction targets.

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- HOLD is an expected return -10% - +10%; and
- SELL is an expected return less than -10%.
- UNDER REVIEW: recommendation and/or forecasts are under review pending further clarity as to the company's financial and/or operational position.

For Sales recommendation please refer to <https://www.cenkos.com/legal-and-regulatory/>

### Distribution of Investment Recommendations as per 16/08/2023

	Corporate No.	Corporate %	No.	%
Buy	64	91	72	92
Hold	6	8	6	7
Sell	0	0	0	0
Under review	0	0	0	0

Temporary movements by stocks across the boundaries of these categories due to share price volatility will not necessarily trigger a recommendation change. All recommendations are based on 12 month time horizon unless otherwise stated.

### Recommendation History

Company	Disclosures	Date	Rec	Price
Antipa Minerals Ltd	9	01 Jun 23	Buy	A\$0

Source: Cenkos Securities

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- 8 Cenkos is party to an agreement with the issuer and has received compensation from the issuer for the provision of investment banking or financial advisory services within the previous 12 months.
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- 10 Cenkos acts as a corporate broker to this issuer.
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