

A\$17m cash sale of Citadel JV+ Greatland grabs Telfer

AZY.ASX | ANTIPA MINERALS LIMITED | MATERIALS | GOLD

PRICE
A\$0.015/sh

TARGET PRICE
A\$0.032/sh
(FROM A\$0.028/sh)

RECOMMENDATION
SPECULATIVE BUY
(UNCHANGED)



Event

AZY has announced a binding A\$17m cash sale of its Citadel JV ground to RIO, which is its entire 32% non-controlling interest in the JV. AZY does not expect any tax liabilities, completion expected in November.

This will take AZY's cash balance to A\$23m which will be focused exploration and advancement of its 100%-owned Minyari Dome Gold-Copper Project. This is great news for AZY and is particularly well timed with recent proposed sale of Telfer by Newmont to Greatland Gold (GGP.LSE ~A\$1.2b market cap).

Impact

AZY's investment case has been fundamentally enhanced this week for 2 reasons:

1. Strategic value of AZY's 100% Minyari Dome gold project (35km from Telfer) has skyrocketed with the proposed US\$475m sale of the Telfer gold project to LSE listed Greatland Gold.
2. AZY is now cashed up (A\$23m) with today's sale of the Citadel JV, leaving them in a position of power to negotiate with Greatland Gold to sell or partner on the Minyari Dome gold project.

As a reminder Minyari Dome Scoping Study (Aug'22) highlighted a 3Mtpa project producing 168kozpa on average for the first 5 years at an AISC of A\$1,475/oz, for a 7-year total life. Feed material of 21.4Mt at 1.6g/t (1.1Moz) from a Mineral Resource of 33.9Mt at 1.60g/t, 0.19%Cu for 1.8Moz and 64kt of Cu. This study used a gold price of A\$2,430/oz. The Capex of A\$275m, includes A\$67m in pre-production open pit mining. Attention now turns to Greatland Gold intentions, with its ~22Mtpa Telfer gold project located 35km away (restarting operations in Sep/Oct at reduced processing rates). Key risks include general exploration and obtaining ongoing financing and potential M&A. Worth noting that Geatland Gold intends to list on the ASX within the next 6 months.

Action

At the current market capitalisation of A\$72m and A\$23m in cash this leaves only ~A\$50m of value for its 100% owned Minyari Dome project, 35km from Telfer which has a resource of 1.8Moz at 1.6g/t (excludes copper).

- Attributing no value for Wilki NEM JV (soon to be Greatland gold) and AZY's remaining Paterson exploration ground (IGO farm in).

Greatland even flagged "Further potential accretive regional opportunities to be considered by the Enlarged Group, for example joint ventures and toll processing arrangements." No prizes for guessing what they are referring to there.

We maintain our Speculative Buy recommendation, lifting our Price Target to 3.2cps (~A\$150m diluted) from 2.8cps, due to the increased strategic value of Minyari and strengthened cash balance. We believe Greatland is highly likely to consolidate the region.

Catalysts

- Maiden MRE for GEO-01 discovery + update Minyari MRE (September 2024)
- Updated Minyari Scoping Study (September 2024)
- Commence RC and diamond predominantly at the GEO-01 (DecQ 2024).

Analyst

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MARKET STATS

Share Price	\$0.015	A\$/sh
Price Target	0.032	A\$/sh
Valuation	0.032	A\$/sh
Share on Issue	4,769	m
Options	862	m
Total Dil.	5,631	m
Market Cap. (FPO)	\$72	m
Enterprise Value	\$49	m
Debt	\$0	m
Cash	\$23	m

Directors

Stephen Power	NE Chr
Roger Mason	MD
Mark Rodda	E Dir
Peter Buck	NED
Gary Johnson	NED
Luke Watson	CFO

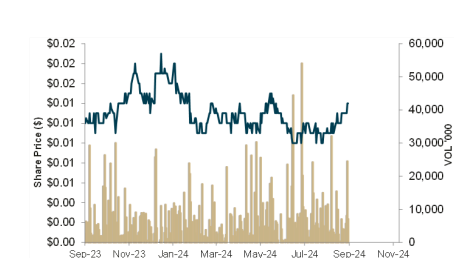
Major Shareholders

GGP.LSE	8.6%
Lion Selection Group	4.3%

Company details

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West Perth WA 6005
+61 8 9481 1103

Performance



Source: IRESS

Figure 1: We believe Greatland Gold is highly likely to consolidate the region.



Greatland Gold plc (AIM: GGP)
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T: twitter.com/greatlandgold

NEWS RELEASE | 10 September 2024

Transformational Acquisition of Havieron and Telfer

**Underwritten US\$325 million Placing and Proposed Retail Offer
of up to ~US\$9 million**

Publication of AIM Admission Document and Notice of General Meeting

Greatland Gold plc (AIM:GGP) (**Greatland** or the **Company**) and certain of its wholly owned subsidiaries have entered into a binding agreement with certain Newmont Corporation subsidiaries (**Newmont**) to acquire, subject to certain conditions being satisfied, a 70% ownership interest in the Havieron gold-copper project (**Havieron**) (consolidating Greatland's ownership of Havieron to 100%), 100% ownership of the Telfer gold-copper mine (**Telfer**), and other related interests in assets in the Paterson region (together, the **Target Assets**) (the **Acquisition**).

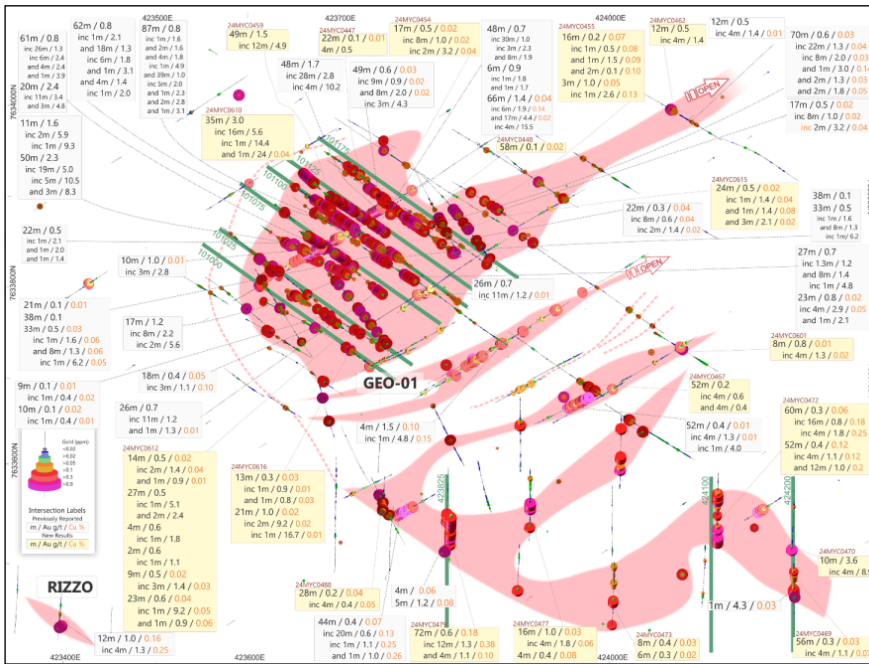
The Company has agreed to acquire the Target Assets for total consideration and debt repayment of up to US\$475 million (before adjustments), comprising:

- US\$207.5 million cash, including US\$155.1 million Acquisition consideration (subject to certain adjustments) and a US\$52.4 million repayment of the outstanding Havieron joint venture loan;
- US\$167.5 million in the form of 2,669,182,291 new Greatland shares to be issued to Newmont at the Issue Price (as defined below); and
- up to US\$100 million in deferred cash consideration.

Completion of the Acquisition is subject to the satisfaction of certain conditions precedent described in the "Further Information" section at the end of this announcement. Completion of the Acquisition is targeted to occur during Q4 2024.

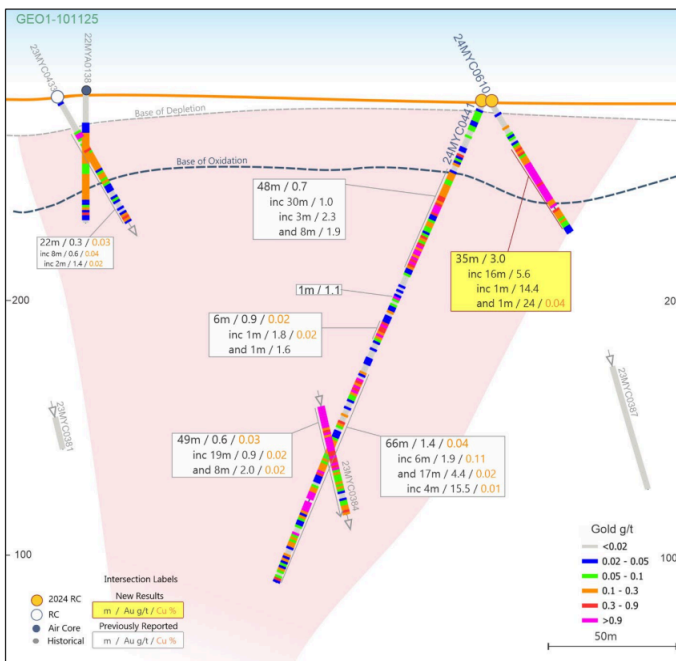
Source: GGP.LSE

Figure 2: GEO-01 plan view



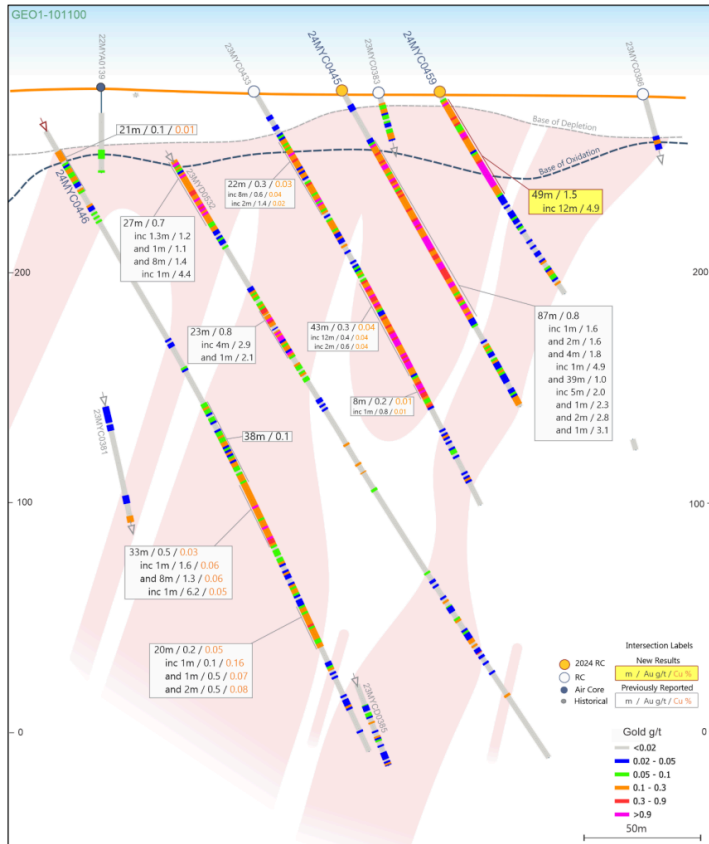
Source: AZY

Figure 3: GEO-01 deposit NW-SE cross-section



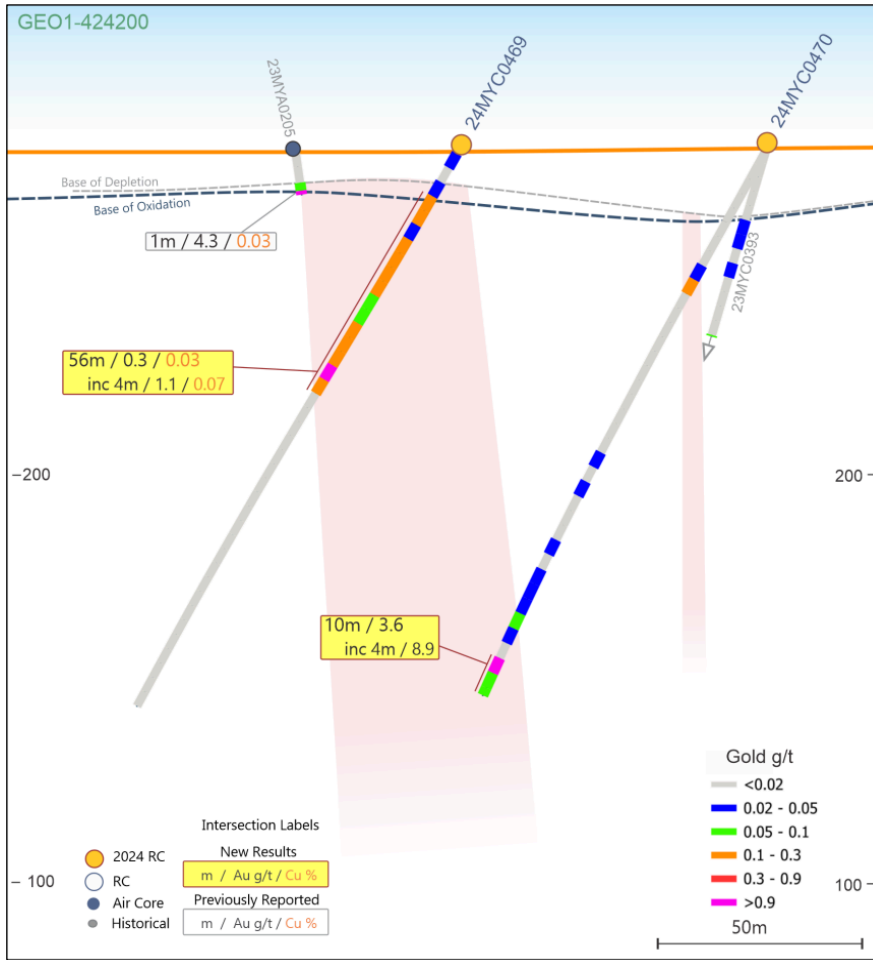
Source: AZY

Figure 4: GEO-01 deposit NW-SE cross-section



Source: AZY

Figure 5: GEO-01 deposit NW-SE cross-section



Source: AZY

Personal disclosures

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Company disclosures

The companies and securities mentioned in this report, include:

Antipa Minerals Limited (AZY.ASX) | Price A\$0.015 | Target price A\$0.032 | Recommendation Speculative buy*;

Price, target price and rating as at 13 September 2024 (not covered)*

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