

Strickland Metals Limited

Precious Metals - Developer/Explorer

Paul Howard | Analyst | Canaccord Genuity (Australia) Ltd. | phoward@cgf.com | +61.8.9263.1155

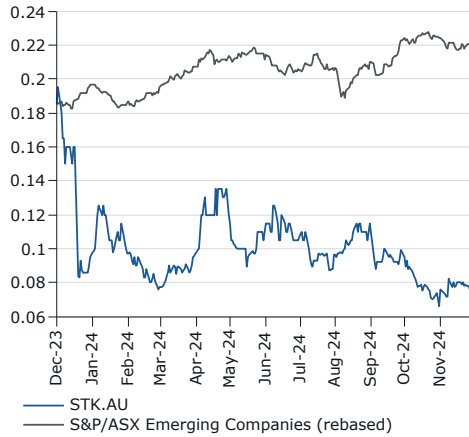
Rating SPECULATIVE BUY	Price Target A\$0.16
STK-ASX	Price A\$0.08

Market Data

52-Week Range (A\$) :	0.07 - 0.20
Avg Daily Vol (M) :	2.3
Market Cap (A\$M) :	176.6
Shares Out. (M) :	2,207.4
Dividend /Shr (AUC) :	0.0
Dividend Yield (%) :	0.0
Enterprise Value (A\$M) :	159.5
NAV /Shr (A\$) :	0.16
Net Cash (A\$M) :	17.1
P/NAV (x) (A\$) :	0.50

FYE Jun	2024A	2025E	2026E	2027E
EBITDA (A\$M)	(2.8)	(7.5)	(5.5)	(6.5)
Cons. EBITDA ¹ (A\$M)	NA	NA	NA	NA
Free Cash Flow (A\$M)	16.0	(34.1)	(12.7)	(85.6)

1 : Consensus not applicable



Source: FactSet

Priced as of close of business 29 November 2024

Strickland Metals is a gold explorer/developer. In April 2024, the company announced that it was acquiring 100% of the Rogozna Gold & Base Metals Project in Serbia, diversifying its asset base outside of Australia. Rogozna is now the flagship with STK setting out to grow the reported 5.4Moz AuEq resource in 2025. Prior to acquiring Rogozna, STK was wholly focussed on the 100%-owned Yandal Gold Project in Western Australia. It currently has ~250koz in resource at Yandal having sold the Milrose deposit to NST-ASX for A \$61m (cash + scrip) in July 2023. STK is active across both Rogozna and Yandal.

Strictly speaking, it's drilling for opportunities

Initiating coverage with a SPEC BUY and price target of \$0.16 (P/NAV 0.50x).

Strickland Metals (STK-ASX) is focussed on exploring the Rogozna Gold & Base Metals Project in the Republic of Serbia. The project sits in an intriguing geological setting in a region that hosts several significant mineral deposits including Zijin's Cukaru Peki mining centre at Bor (20Mt Cu and 15Moz Au in resource) and Rio Tinto's 144Mt @ 1.8 Li₂O & 14% B₂O₃ Jadar development, to name a few. STK also has a highly prospective gold project, with a growing resource base in the Yandal gold belt of WA.

The Rogozna Gold and Base Metals Project: STK completed the A\$37m scrip and cash acquisition of Rogozna in July 2024. Rogozna is a large-scale magmatic hydrothermal system which hosts a skarn-based Au-Cu (+/- Zn, Ag and Pb) mineralised system and comprises four key prospects: the flagship Shanac, Copper Canyon, Medenovac and Gradina as well as numerous untested geochemical and geophysical targets. Shanac and Copper Canyon combine for 5.4Moz AuEq in reported resources. Most of the mineralisation is associated with retrograde skarn development, with epithermal and porphyry-hosted copper-gold mineralisation styles present. The JORC reported Inferred Mineral Resource for Shanac is 130Mt @ 1.1g/t AuEq (0.63g/t Au, 0.1% Cu, 5.1g/t Ag, 0.2% Pb & 0.28% Zn) for 4.63Moz AuEq of in-situ metal. At today's metal prices, we estimate this at 130Mt @ 0.94g/t AuEq for 3.94Moz AuEq with gold making up ~70% of the value.

How to mine Shanac: Although drilling is ongoing with resource growth very likely across the whole project area, in our view; we have focussed on Shanac alone and assess two different scenarios:

A smaller, 1.5Mtpa, higher-grade, 2.0g/t AuEq cut-off, Longhole Open Stope (LHOS) mining method; and a larger, 3Mtpa, moderate grade, 1.3g/t AuEq cut-off Sublevel Cave (SLC) scenario.

Longhole Open Stope (LHOS): Our assumed LHOS production scenario is based on a 17.4Mt @ 2.54g/t AuEq for 1.46Moz AuEq mining inventory. We model a 11.6-year underground mining operation at Shanac to mine and process 1.5Mtpa via two declines. This scenario sees LOM production averaging 96kozpa. AISC averages US\$1,635/oz AuEq with upfront capital of US\$250m assumed.

Sublevel Cave (SLC): Our assumed SLC production scenario is based on a 48.1Mt @ 1.66g/t AuEq for 2.69Moz AuEq mining inventory (includes 5% grade dilution) to underpin a 16-year underground sublevel cave mining operation that processes 3.0Mtpa with LOM production averaging 126kozpa. AISC averages US\$1,675/oz AuEq with upfront capital of US\$450m assumed.

In both cases, overall recoveries via flotation have been modelled at 79%. Given drilling is ongoing and uncovering ounces outside the resource, the above scenarios should be viewed as initial base cases but highlights the significant value already present in STK today, in our view.

Upcoming news flow: STK's ongoing Rogozna drilling is split over resource-focussed (35,000m) and exploration (25,000m) work with an aim to deliver an updated Shanac resource and a maiden Medenovac resource in early 2025. STK has completed its 20,000m 2024 drilling at the Yandal Gold Project with a Horse Well resource update due in mid-2025.

Valuation and recommendation: We initiate coverage of STK with a SPEC BUY rating and price target of \$0.16. We use 1x forward curve and NPV_{12%} applied to potential development scenarios and DCF for the Shanac deposit. Our valuation is risked to 75%, is preliminary in nature and should be viewed as a what-if case given no formal mining studies have been published. It should also be viewed as an initial base case given a maiden JORC resources and updates are due in early 2025 over Medenovac and Shanac, respectively. Our unrisked NAV is \$0.19.

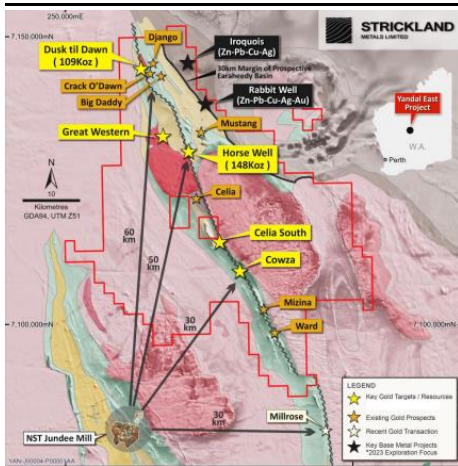
Contents

Overview	3
Forecasts and valuation.....	4
Peer analysis – key charts	9
Investment risks	10
Republic of Serbia overview	11
Corporate and finance.....	13
Asset overview: Rogozna Gold & Base Metals Project, Serbia	14
Asset overview: Yandal Gold Project, WA	26
Asset overview: Iroquois Project and Bryah Basin Project, WA	28
Board and management	29
Financial summary	30

Overview

Strickland Metals Limited (STK-ASX) is a gold explorer/developer. In April 2024, the company announced that it was acquiring 100% of the Rogozna Gold & Base Metals Project in Serbia, diversifying its asset base outside of Australia. Rogozna is now the flagship with STK setting out to grow the reported 5.4Moz AuEq resource in 2025.

Figure 1: STK's Yandal Gold Project



Source: Company reports

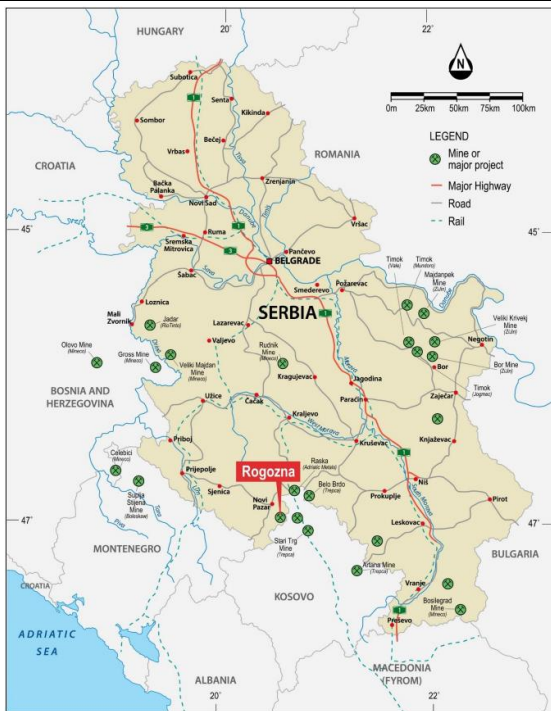
Prior to acquiring Rogozna, STK was wholly focussed on the 75-100%-owned Yandal Gold Project in Western Australia. It currently has 257koz in resources at Yandal, having sold the 346koz Milrose deposit to Northern Star Resources (NST-ASX) for A\$61m (cash + scrip) in July 2023.

STK previously traded as Alloy Resources (AYR-ASX) where it held the Horse Well Project (now part of the broader Yandal Gold Project) since 2014. Horse Well was held in JV with Doray Minerals (DRM-ASX) prior to DRM's 2019 merger with Silverlake Resources (SLR-ASX, now VAU-ASX). AYR changed its name to STK in August 2020 and acquired Horse Well wholly from SLR in May 2021. The belt was further consolidated in June 2021 with the acquisition of Renegade's (RNX-ASX) 75% JV interest in the Yandal East Project; the ground immediately along strike to the south of the Horse Well Project. Also in June 2021, the contiguous Milrose Gold Project was added to the portfolio to complete the Yandal Gold Project as we've known it in recent times. Melrose was later sold to NST for \$61m in mid-2023.

In July 2024, STK completed the share sale and purchase agreement with ISIHG Ltd (a subsidiary of Ibaera Capital Fund LP) for the acquisition of all of the issued capital of Betoota Holdings Ltd. Betoota is the owner of Zlatna Reka Resources d.o.o. (ZRR), which owns 100% of the Rogozna Project, comprising four exploration licences covering approximately 184 km² in the Trepca mining district in the southern Republic of Serbia. We visited Rogozna in July 2024.

STK reported cash of A\$17.1m as at 30 September 2024, has investments valued at A\$26m and no outstanding debt.

Figure 2: Serbia & the Rogozna Project location map



Source: Company reports

Figure 3: Balkan regional location map with deposits



Source: Company reports

Forecasts and valuation

We assess the Rogozna Gold & Base Metals Project through a DCF methodology and the Yandal Gold Project using an EV/Resource multiple.

Rogozna

Our valuation of STK is based on an NPV_{12%} applied to a hypothetical mining scenario and DCF for Rogozna; specifically, the Shanac deposit. We await further derisking (through drilling) of the 28Mt @ 0.9g/t AuEq (reported) Copper Canyon deposit and a release of a maiden resource over Medenovac prior to including these, and other earlier stage prospects in our mining scenario.

The April 2023 reported Shanac Inferred Mineral Resource is 130Mt @ 1.1g/t AuEq (0.63g/t Au, 0.1% Cu, 5.1g/t Ag, 0.2% Pb & 0.28% Zn) for 4.63Moz AuEq of in-situ metal, i.e. no recoveries have been applied to the equivalent factors. This is reported at a 0.7g/t AuEq cut-off. Updating for current spot commodity prices, our estimated November 2024 resource grade equivalents, at the same 0.7g/t AuEq cut-off, would see Shanac report as 130Mt @ 0.94g/t AuEq for 3.94Moz AuEq as gold (and silver) is higher than the US\$1,750/oz used in April 2023, while the base metal prices are all lower today, resulting in a lowering of the overall gold equivalent grade (gold, the denominator is larger today). We think a 0.7g/t AuEq cut-off yields a resource with too low a grade for a development company of STK's size and would present too large a development capital hurdle for STK, in our view. We therefore assess higher-grade scenarios for Shanac, although we note that the resource was estimated using the Multiple Indicator Kriging (MIK) method and suspect that further drilling will allow for better domaining of the high-grade portions, which could potentially lift the overall resource grade when assessed at various cut-offs. Until such as time that a new estimation methodology is used, we assess the resource as is.

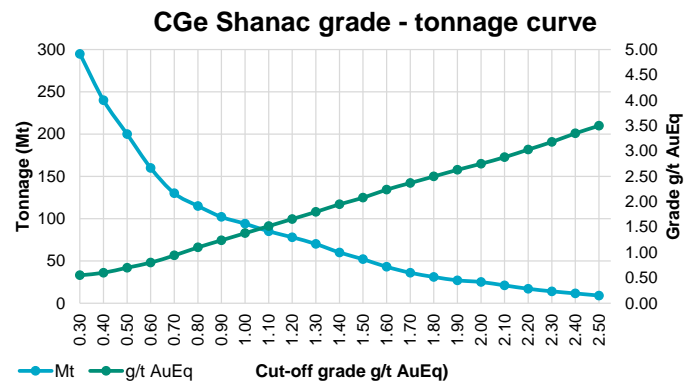
Given a grade-tonnage curve has not been made public, we have created a hypothetical curve/table to ascertain what Shanac might report as at higher cut-off grades (Figure 4 and Figure 5).

Figure 4: CGe Shanac grade-tonnage table

Cut-off	Mt	Au g/t	Cu %	Ag g/t	Pb %	Zn %	g/t AuEq	Moz AuEq
0.3	295	0.37	0.06	3.0	0.12	0.16	0.55	5.22
0.4	240	0.40	0.06	3.2	0.13	0.18	0.60	4.63
0.5	200	0.47	0.07	3.8	0.15	0.21	0.70	4.50
0.6	160	0.53	0.08	4.3	0.17	0.24	0.80	4.12
Resource	0.7	0.63	0.10	5.1	0.20	0.28	0.94	3.94
0.8	111	0.74	0.12	6.0	0.23	0.33	1.10	3.93
0.9	98	0.83	0.13	6.7	0.26	0.37	1.24	3.91
1.0	88	0.92	0.15	7.5	0.29	0.41	1.38	3.90
1.1	80	1.02	0.16	8.2	0.32	0.45	1.52	3.89
1.2	73	1.11	0.18	9.0	0.35	0.49	1.66	3.89
SLC	1.3	1.20	0.19	9.7	0.38	0.53	1.80	3.88
1.4	60	1.30	0.21	10.6	0.41	0.58	1.95	3.76
1.5	52	1.39	0.22	11.3	0.44	0.62	2.08	3.48
1.6	43	1.50	0.24	12.1	0.48	0.67	2.24	3.10
1.7	36	1.58	0.25	12.8	0.50	0.70	2.37	2.74
1.8	31	1.67	0.27	13.5	0.53	0.74	2.50	2.49
1.9	27	1.76	0.28	14.2	0.56	0.78	2.63	2.28
LHOS	2.0	1.84	0.29	14.9	0.58	0.82	2.75	2.21
2.1	21	1.92	0.31	15.6	0.61	0.86	2.88	1.94
2.2	17	2.03	0.32	16.4	0.64	0.90	3.03	1.66
2.3	14	2.13	0.34	17.2	0.67	0.94	3.18	1.43
2.4	12	2.24	0.36	18.1	0.71	1.00	3.35	1.24
2.5	9	2.34	0.37	18.9	0.74	1.04	3.50	1.01

Source: Canaccord Genuity estimates

Figure 5: CGe Shanac grade-tonnage curve



Source: Canaccord Genuity estimates

We have assessed two scenarios for Shanac: i) a smaller, higher-grade, 2.0g/t AuEq cut-off, longhole open stope (LHOS) mining method; and ii) a moderate grade, 1.3g/t AuEq cut-off sublevel cave (SLC) scenario.

Figure 6: CGe two mining scenarios for an assessment of Shanac

Mining	Cut-off	Category	Mt	g/t AuEq	Moz AuEq	Mtpa	LOM	Recovery	Kozpa
LHOS	2.0	Resource	25.0	2.75	2.21				
		Mine Inventory	17.4	2.54	1.46	1.5	11.6	79%	96
SLC	1.3	Resource	67.0	1.80	3.88				
		Mine Inventory	48.1	1.66	2.69	3.0	16.0	79%	126

Source: Canaccord Genuity estimates

Longhole open stop (LHOS): Our assumed LHOS production scenario (Figure 8) is based on a 25Mt @ 2.75g/t AuEq for 2.21Moz AuEq resource that converts at 70% to a 17.4Mt @ 2.54g/t AuEq for 1.46Moz AuEq mining inventory (includes 5% grade dilution). Given drilling is ongoing and uncovering ounces outside the resource, this should be viewed as an initial base case scenario, but highlights the significant value already present in STK today, in our view.

We model an 11.6-year underground mining operation at Shanac to mine and process 1.5Mtpa via two declines. Similar to Adriatic Metals' Rupice Mine nearby in Bosnia, the undulating topography could allow for the declines (adits) to access into the best parts of the orebody in the initial years. Our LHOS scenario sees LOM production averaging 96kozpa. AISC averages US\$1,635/oz AuEq with upfront capital of US\$250m assumed. Overall recoveries have been modelled at 79%.

Sublevel Cave (SLC): Our assumed SLC production scenario (Figure 9) is based on a 67Mt @ 1.80g/t AuEq for 3.88Moz AuEq resource that converts at 70% to a 48.1Mt @ 1.66g/t AuEq for 2.69Moz AuEq mining inventory (includes 5% grade dilution). As mentioned above, given drilling is ongoing and uncovering ounces outside the resource, this should be viewed as an initial base case scenario, but highlights the significant value already present in STK today, in our view.

We model a 16-year underground mining operation at Shanac to mine and process 3.0Mtpa from sublevel cave mining. Our SLC scenario sees LOM production averaging 126kozpa. AISC averages US\$1,675/oz AuEq with upfront capital of US\$450m assumed. Overall recoveries have been modelled at 79%.

Figure 7: CGe LOM revenue split

LOM Revenue Split	CG Price Deck	Spot
Gold	71%	69%
Copper	13%	12%
Silver	6%	5%
Zinc	7%	9%
Lead	4%	4%

Source: Canaccord Genuity estimates

Figure 8: CGe Shanac LHOS assumptions

Shanac LHOS Assumptions	CGe Base - Nov'24
Total inventory (Moz)	17.4Mt @ 2.5g/t AuEq
	1.46
LOM (years)	11.6
Upfront Capex (US\$m)	250
OP Ore mined (Mt)	0.0
Strip ratio (ex-pre-strip)	-
UG Ore Mined (Mt)	17.4
Ore processed (Mtpa)	1.5
Avg head grade (g/t AuEq)	2.5
Recoveries (% AuEq)	79%
Generated Stockpiles (Mt)	0.1
Au production (kozpa)	96
Au production (LOM)	1,112
Payabilities	93%
Sustaining capex (US\$m p.a.)	20.0
Royalty	5.0%
LOM AISC (US\$/oz AuEq)	\$1,635
LOM Gold price (US\$/oz)	\$2,963

Source: Canaccord Genuity estimates

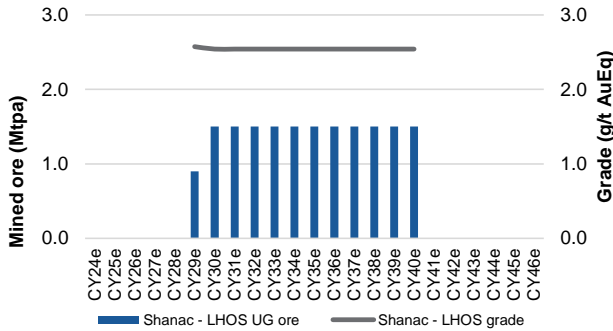
Figure 9: CGe Shanac SLC assumptions

Shanac SLC Assumptions	CGe Base - Nov'24
Total inventory (Moz)	48.1Mt @ 1.7g/t AuEq
	2.69
LOM (years)	16.0
Upfront Capex (US\$m)	450
OP Ore mined (Mt)	0.0
Strip ratio (ex-pre-strip)	-
UG Ore Mined (Mt)	48.1
Ore processed (Mtpa)	3.0
Avg head grade (g/t Au)	1.7
Recoveries	79%
Generated Stockpiles (Mt)	0.3
Au production (kozpa)	126
Au production (LOM)	2,019
Payabilities	93%
Sustaining capex (US\$m p.a.)	16.0
Royalty	5.0%
LOM AISC (US\$/oz)	\$1,675
LOM Gold price (US\$/oz)	\$2,963

Source: Canaccord Genuity estimates

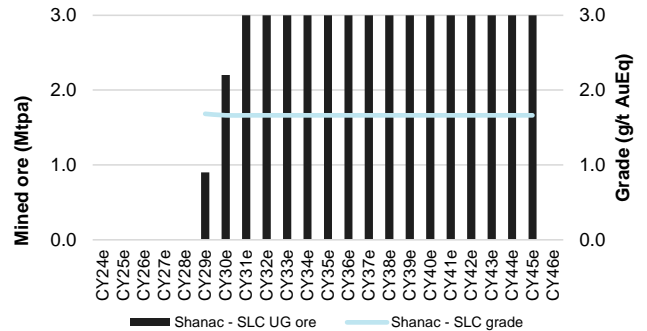
Our key production physicals and financial metrics for both LHOS and SLC scenarios are illustrated in Figure 10 to Figure 19. Once operating, we forecast average FCF of A\$173m and A\$242m for LHOS and SLC respectively, and EBITDA of A\$208m and A\$311 for LHOS and SLC, respectively.

Figure 10: Shanac LHOS ore mined and grade



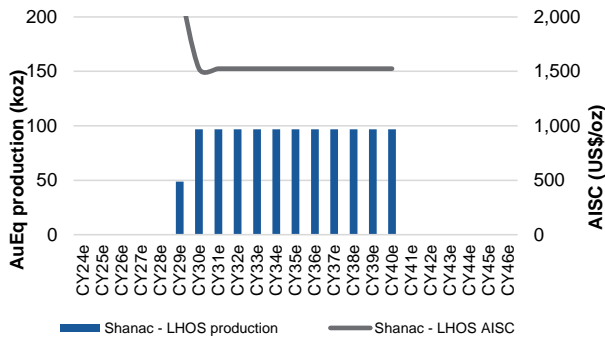
Source: Canaccord Genuity estimates

Figure 11: Shanac SLC ore mined and grade



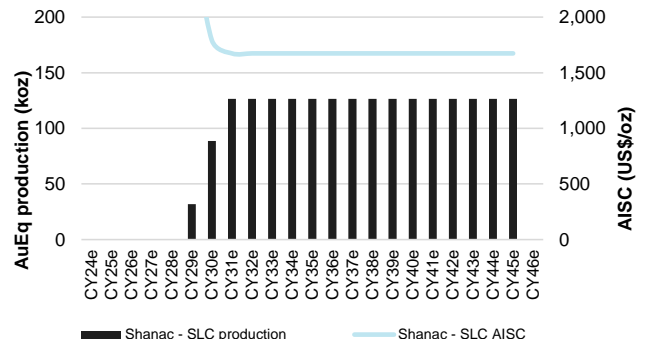
Source: Canaccord Genuity estimates

Figure 12: Shanac LHOS production and AISC



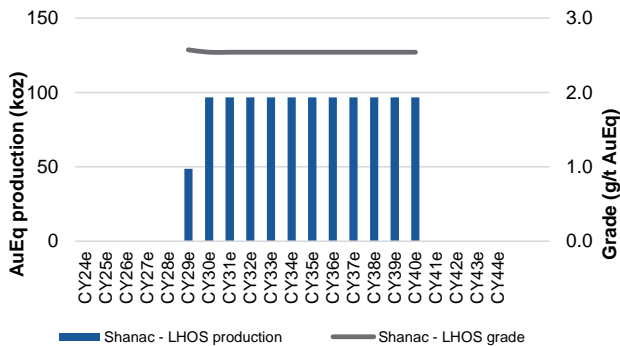
Source: Canaccord Genuity estimates

Figure 13: Shanac SLC production and AISC



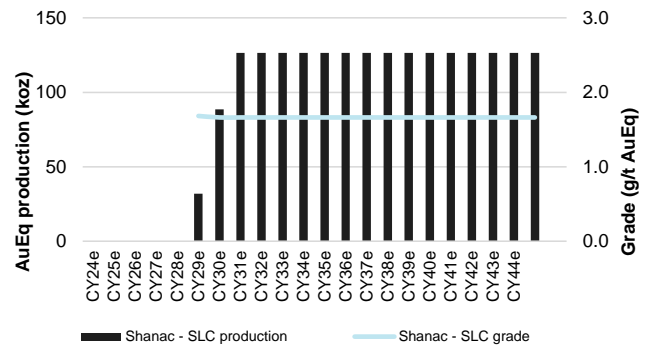
Source: Canaccord Genuity estimates

Figure 14: Shanac LHOS production and grade



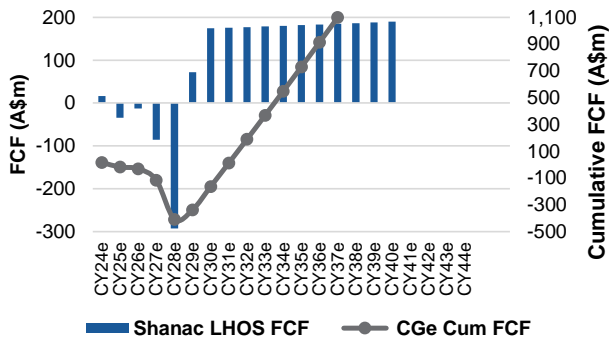
Source: Canaccord Genuity estimates

Figure 15: Shanac SLC production and grade



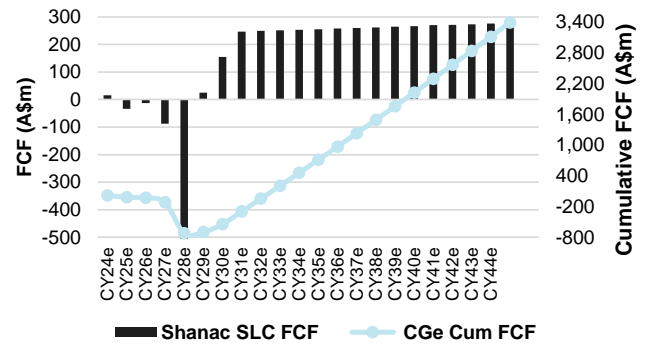
Source: Canaccord Genuity estimates

Figure 16: Shanac LHOS FCF and cumulative FCF



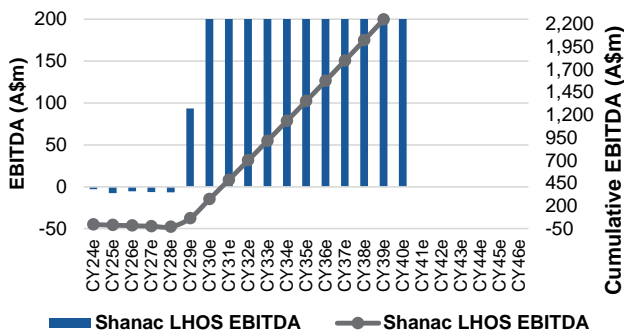
Source: Canaccord Genuity estimates

Figure 17: Shanac SLC FCF and cumulative FCF



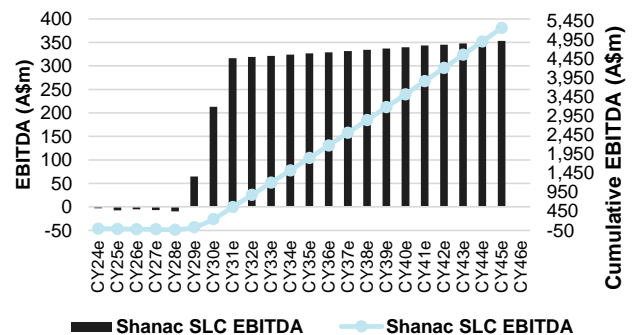
Source: Canaccord Genuity estimates

Figure 18: Shanac LHOS EBITDA and cumulative EBITDA



Source: Canaccord Genuity estimates

Figure 19: Shanac SLC EBITDA and cumulative EBITDA



Source: Canaccord Genuity estimates

Figure 20: CGe production and development timeline for STK

		CY25		CY26		CY27		CY28		CY29			
		H1	H2	H1	H2	H1	H2	H1	H2	H1	H2		
Rogozna	Resource/exploration drilling	[Active]											
	Resource update	Shanac/Medenovac/Gradina		Shanac/Medenovac/Gradina									
	Studies	Scoping		PFS/DFS									
	Construction							[Active]					
	First Production & Ramp Up Production							[Active]		[Active]			
Yandal	Resource/exploration drilling	[Active]											
	Resource update	Horse Well		[Active]		[Active]							

Source: Canaccord Genuity estimates

Net asset valuation

As per Figure 21, we blend our LHOS and SLC DCF valuations with even weight applied to each scenario. While the LHOS shows marginally better economics for lower up front capital, the larger SLC could give better project optionality should other deposits come into a mine plan for processing through a centralised mill.

We estimate a valuation and price target for STK of \$0.16 per share which includes a nominal value for exploration and regional exploration opportunities around Rogozna (including Copper Canyon, Medenovac and Gradina). Our A\$80m exploration value implies 1.6Moz of, still to be defined, contained AuEq if an EV/Resource oz of A\$50/oz is used (we note the peer average of A\$82/oz in Figure 25). Given Copper Canyon is already 650koz AuEq at spot today, and Medenovac is shaping up to be well in excess of 1Moz in our view, we see this A\$80m are easily justified.

We value the Yandal Gold Project using an EV/Resource Multiple of A\$100/oz, noting NST paid STK A\$176/oz for Melrose in 2023. We base our Yandal Gold Project valuation on the current 257koz resource plus an additional 150koz that we assume will be defined following the recently completed 20,000m drill program around Horse Well (Palamino and Warmblood).

The above valuation is net of corporate costs/net debt. Given the early stage of development, with no mining studies, our Rogozna model uses a 12% discount rate. Our model risked to 75% to account for the early-stage nature of the project. Our model is unfunded and only assumes future equity issuance to fund exploration.

Figure 21: Blend DCF valuations

Scenario	NPV	Weighting
Shanac LHOS 1.5Mtpa	342	50%
Shanac SLC 3Mtpa	318	50%
Unrisked NPV_{12%}	330	

Source: Canaccord Genuity estimates

Figure 22: CGe NAVPS valuation

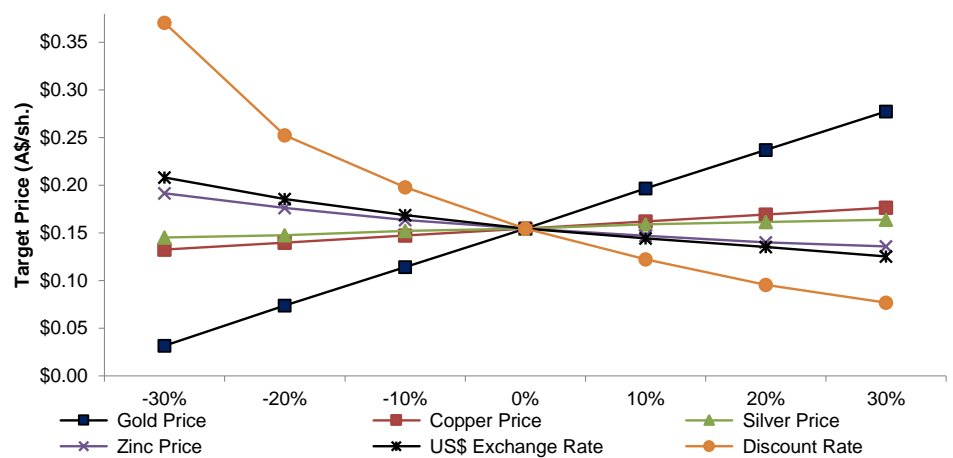
	A\$M	RISK ADJ.	EQUITY	A\$M / share diluted
Rogozna (Shanac)	330	75%	100%	\$0.10
Rogozna Exploration & Resource growth	80			\$0.03
Yandal Exploration	41			\$0.02
Corporate	-30			\$0.01
Net Cash as at 30-Sep-24	17			\$0.01
Investments	26			\$0.01
ITM Options	0			\$0.00
Assumed New equity	25			\$0.01
TOTAL	489			A\$0.16
				P/NAV 0.50x

Source: Canaccord Genuity estimates

Sensitivity analysis

We show our NAV estimates under various price and FX scenarios in Figure 23.

Figure 23: NAV sensitivity – gold price, FX

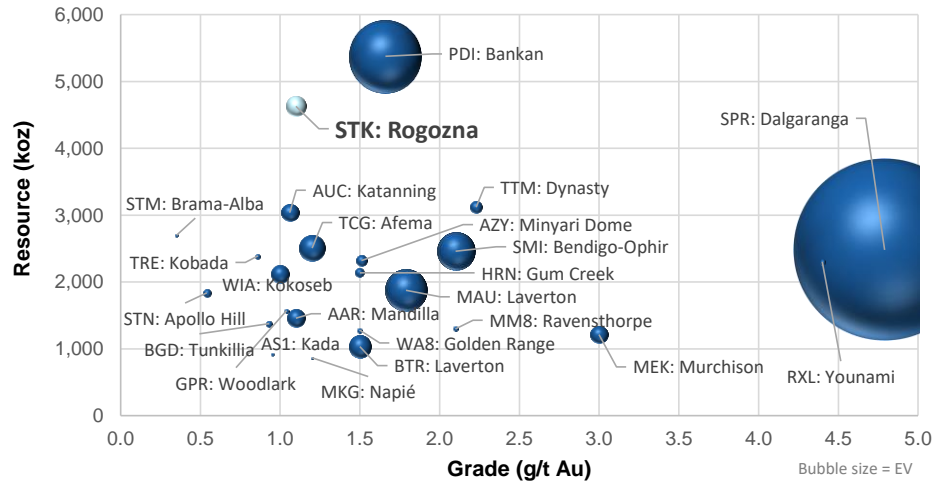


Source: Canaccord Genuity estimates

Peer analysis – key charts

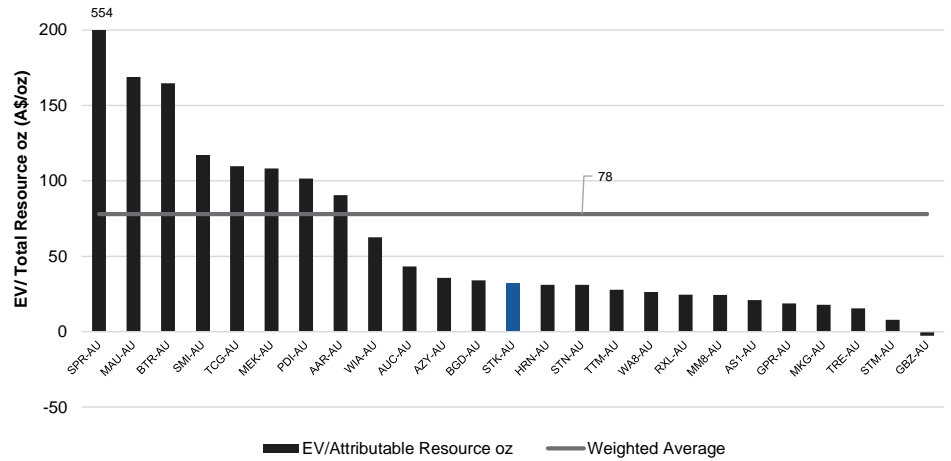
We have shown STK in relation to a selection of ASX peers in Figure 24 and Figure 25 below. The EV/Resource chart highlights the large resource position for STK, sitting alongside peers such as PDI.

Figure 24: Resource ounces and grade of ASX explorer/developer peers



Source: Canaccord Genuity estimates

Figure 25: EV/Resource for a selection of ASX explorer/developer peers



Source: Canaccord Genuity estimates

Investment risks

Orebody risks

Our development scenario for STK centres around defining a minable reserve at Rogozna. There is no guarantee that this eventuates.

Geopolitical risks

STK's key asset is located in Serbia, which is considered an emerging market. As such STK, through the Rogozna Project, carries a higher degree of economic, political, social, legal and legislative risk.

Financing risks

As a pre-production company with no material income, STK is reliant on equity and debt markets to fund development of its assets and progression of its regional exploration pipeline. Total development and working capital requirements are subject to completion of feasibility studies. There are no guarantees that studies will result in a positive investment decision for the Rogozna Project. Further, we can make no assurances that accessing these markets will be done without further dilution to shareholders.

Exploration risks

Exploration is subject to a number of risks and can require a high rate of capital expenditure. Risks can also be associated with conversion of inferred resources and lack of accuracy in the interpretation of geochemical, geophysical, drilling and other data. No assurances can be given that exploration will delineate further Mineral Resources nor that the company will be able to convert the current Mineral Resources into Ore Reserves.

Operating risks

If and when in production, the company will be subject to risks such as plant/equipment breakdowns, metallurgical (meeting design recoveries within a complex flowsheet), materials handling and other technical issues. An increase in operating costs could reduce the profitability and free cash generation from the operating assets considerably and negatively impact valuation. Further, the actual characteristics of an ore deposit may differ significantly from initial interpretations, which can also materially impact forecast production from original expectations.

Commodity price and currency fluctuations

As with any mining company, STK is directly exposed to commodity price and currency fluctuations. Commodity price fluctuations are driven by many macroeconomic forces including inflationary pressures, interest rates and supply and demand factors. These factors could reduce the profitability, costing and prospective outlook for the business.

Republic of Serbia overview

Figure 26: Serbia and Kosovo location map



Source: Wikipedia

Location:	South-eastern Europe; bordered by Bosnia and Herzegovina and Croatia to the west, Hungary and Romania to the north, Bulgaria to the east, and North Macedonia, Kosovo and Montenegro to the south.
Capital:	Belgrade
Area:	77,474km ²
Population:	6.62m (2023)
Official language:	Serbian
Government:	Republic
Religion:	Serbian Orthodoxy Christian (85%) Islam (4%)

History: The Republic of Serbia emerged as an independent state from the Socialist Federal Republic of Yugoslavia (SFRY) through a complex process marked by ethnic tensions and political instability. After World War II, Yugoslavia was established as a socialist federation with six republics, including Serbia. Following the death of Tito in 1980, nationalist movements and economic difficulties increased, leading to instability. In the late 1980s, Slobodan Milošević's rise to power in Serbia intensified ethnic tensions.

The break-up of Yugoslavia began in 1991 with Slovenia and Croatia declaring independence, followed by Macedonia and Bosnia and Herzegovina. The conflicts that ensued, such as the Croatian and Bosnian wars involved international intervention. In response, Serbia and Montenegro formed the Federal Republic of Yugoslavia (FRY) in 1992. However, this federation faced challenges, and in 2003 it was restructured into Serbia and Montenegro. Montenegro's independence was achieved through a referendum in 2006, leading to Serbia's emergence as an independent republic. The status of Kosovo, which declared independence in 2008, remains a contentious issue for Serbia.

Serbia and Kosovo: The relationship between Serbia and Kosovo stems from a long history of ethnic, political, and territorial disputes. Kosovo, primarily ethnically Albanian, declared independence from Serbia in 2008, a move Serbia does not recognise and views as a secessionist act. While countries like Russia and China support Serbia's position, over 100 UN member states, including the United States, Australia and many EU nations, recognise Kosovo as an independent state.

The Kosovo War (1998-99) involved violent clashes between Yugoslav forces and the Kosovo Liberation Army, leading to NATO intervention and a UN-administered Kosovo. Despite EU-mediated negotiations, including the Brussels Agreement in 2013, Kosovo's status in the eyes of Serbia remains unresolved. Accession for Serbia into the EU could change this.

Serbia is a candidate country and is in the process of negotiating its accession to the EU. The country has been a candidate since 2012 and has made significant progress in aligning with EU standards and requirements. The European Union has made it clear that normalisation of relations between Serbia and Kosovo is a crucial condition for Serbia's progress toward membership.

Serbia today: Serbia borders Hungary to the north, Romania to the northeast, Bulgaria to the southeast, North Macedonia to the south, Croatia and Bosnia and Herzegovina to the west, Montenegro to the southwest and Kosovo to the south. Serbia has approximately 6.7 million inhabitants. Its capital Belgrade (the previous Yugoslavia capital) and is also the largest city with approximately 1.4 million inhabitants.

Figure 27: House of the National Assembly of the Republic of Serbia, Belgrade



Source: Canaccord Genuity

Figure 28: National Museum of Serbia, Republic Square, Belgrade



Source: Canaccord Genuity

Mining in Serbia: Serbia has an established mining industry with a long history of large-scale producing assets, and is Europe's second largest copper producer. Multiple major mining companies are active in country including BHP, Vale, Zijin Mining, Dundee Precious Metals and Rio Tinto. The government royalty is a 5% net smelter royalty on production from Exploration Licences, with a 15% corporate tax. Serbia hosts several significant mineral deposits including Zijin's Čukaru Peki mining centre at Bor (20Mt of Cu and 15Moz of gold in resource) and Rio Tinto's 144Mt @ 1.8 Li₂O & 14% B₂O₃ Jadar development, to name a few. In July 2024, Serbia saw the [signing of a lithium trade deal between Serbia and the EU](#), with the German Chancellor, Olaf Scholz visiting the country alongside representatives of car manufactures including Mercedes Benz and Stellantis. At the same time, Serbia reinstated Rio Tinto's licence to develop what would be Europe's biggest lithium mine (Jadar), two years after the previous government halted the licensing process due to protests by environmental groups. In the proceeding months, [large protests have taken place in Belgrade against plans to mine in the Jadar Valley](#), two hours west of Belgrade despite large operating mines existing in the Bor district of Serbia, three hours southeast of Belgrade.

Corporate and finance

Balance sheet and liquidity

STK reported a cash of A\$17.1m as at 30 September 2024, has A\$26m in investments and has no debt.

Capital structure

STK has 2,207m ordinary shares on issue and 128.6m options and performance rights.

Figure 29: STK capital structure

			Price		Expiry	ITM	ITM Value (\$m)
Issued Shares	m	2,207	\$0.08				
STKAW - Performance Rights	m	78.60	0.00			78.60	0.00
STKAB - Options	m	50.00	0.135	6.75	#####	0.00	0.00
<i>Total Options</i>	m	<i>128.60</i>	<i>0.05</i>	<i>6.75</i>		<i>78.60</i>	<i>\$ -</i>
Fully Diluted	m	2,336					
Market Capitalisation	A\$m	177					
Market Capitalisation (Fully diluted)	A\$m	187					

Source: FactSet, company reports

Substantial shareholders

Stemming from the acquisition of Rogozna, ISIH Ltd (Ibaera Capital) owns ~17% of STK. L11 Capital, an entity controlled by previous STK CEO, Andrew Bray, owns 7.8% of STK.

Directors and key management

See [Board and management](#) section for detailed bios.

- Paul L'Herpinere, Managing Director
- Anthony McClure, Non-Executive Chairman
- Richard Pugh, Executive Technical Director
- Peter Langworthy, Non-Executive Director
- Jon Hronsky, Non-Executive Director
- Trent Franklin, Non-Executive Director

Asset overview: Rogozna Gold & Base Metals Project, Serbia

Location, access and infrastructure

The Rogozna Project is located in southern Serbia, close to the border with Kosovo. The project is well serviced by bituminised major highway and national roads.

Daily flights from major international hubs, via the Middle East, allow for easy travel to the Balkan region. Direct flights from European capitals are also plentiful. During our July 2024 site visit, we flew Perth-Doha-Belgrade (16 hours flying) and then travelled by car, three hours south to the town of Raška where STK bases its operations. Access is granted via a recently constructed, dual lane highway from Belgrade (three hours) and then local, high quality national roads. Raška is located close to the administrative border with Kosovo. China's Belt and Road Initiative (BRI) has seen a number of infrastructure projects in Serbia; one being the dual lane highway we travelled upon to site. Projects like this will eventually link the Greek port of Thessaloniki on the Aegean Sea, via a series of roads, railways and canals, to Europe's major transport arteries.

STK has a high-quality office, core processing/ storage facility and warehouse in the town of Raška. This is ~45 minutes from the drill rigs. The textile town of Novi Pazar is the closest town to the drill site, situated 12km away in the valley below.

The Rogozna Project is located in the Trepca mining district in southern Serbia. STK acquired the issued capital in Betoota Holdings Ltd., which is the owner of Zlatna Reka Resources d.o.o. (ZRR). ZRR owns 100% of the Rogozna Project, comprising four exploration licences covering approximately 184 km² in the Trepca mining district in the southern Republic of Serbia.

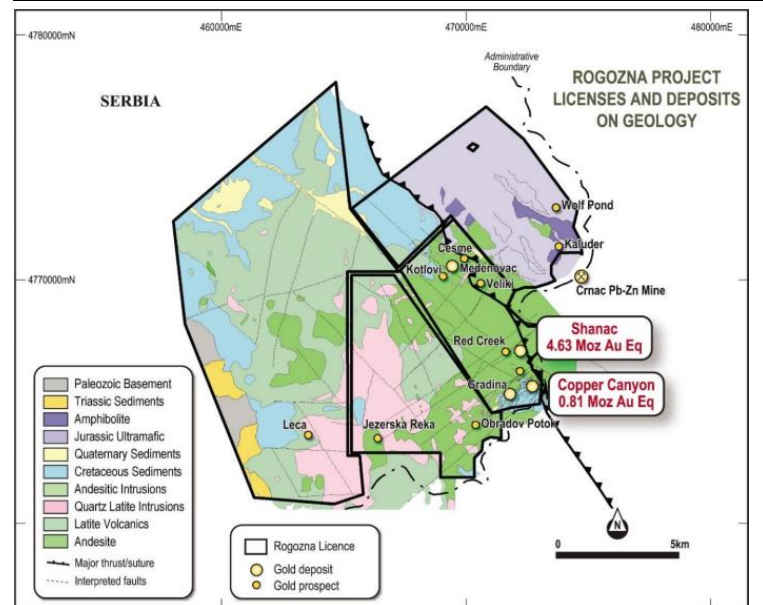
Rogozna is made up of a number of advanced exploration deposits at the resource stage (Shanac and Copper Canyon); resource definition (Medenovac, Gradina, Cesme); new drill ready targets (Jezerska Reka, Kotlovi); and early-stage prospects (Obradov Potok, Leca).

Figure 30: Balkan regional location map with deposits



Source: Company reports

Figure 31: Plan view map of the Rogozna Project



Source: Company reports

Project history

On 1 July 2024, STK completed the share sale and purchase agreement with ISIHCLtd (a subsidiary of Ibaera Capital Fund LP) for the acquisition of all of the issued capital of Betoota Holdings Ltd. Betoota is the owner of Zlatna Reka Resources d.o.o. (ZRR), which owns 100% of the Rogozna Project, comprising four exploration licences covering approximately 184 km² in the Trepca mining district in the southern Republic of Serbia.

Historical prospecting and mining in the Rogozna area dates back to Roman times, focusing on silver-gold, lead-zinc, and copper deposits. Medieval surface mining targeted lead-silver-zinc veins. Known previously as the Karavansalija Mineralised Centre (KMC) Project, modern exploration began between 1950 and 1961 by Trepcha and Geozavod. This included geophysical surveys, diamond drilling (22 holes, 6,202m), and adit excavation (nine adits, 998m), but no analytical data was retained for current resource estimates.

In 2004, South Danube Metals, a Freeport McMoran Mining subsidiary, obtained an Exploration Permit for the area. It conducted geological mapping, sampling, geophysical surveys, and drilling (27 holes, 10,034m) between 2004 and 2007. Euromax Resources took over from 2008 to late 2015, drilling 41 holes (19,297m) and conducting further geophysical surveys. Eldorado Gold acquired the project in late 2015 and drilled 59 holes (42,641m) until 2017.

ZRR acquired the project in 2019, drilling 33 holes (22,674m) across various sites, including recent drilling in 2023. ZRR's exploration also involved geological mapping and geochemical surveys.

Project acquisition by STK

STK completed the acquisition of Rogozna in April 2024, paying ISIHCL A\$0.75m cash, ~380m ordinary shares (valued at A\$34.18m at the time) and 50m unquoted options with an exercise price of 13.5c, exercisable within five years of completion of the acquisition. There are no trailing payments.

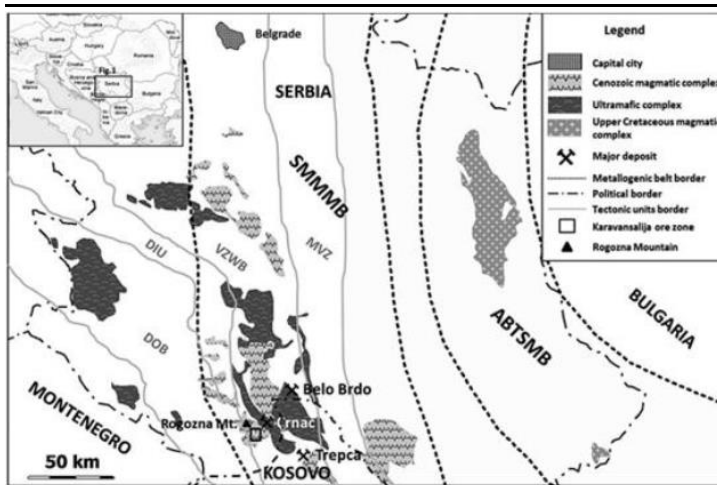
Royalties

In addition to the 5% NSR Serbian Government royalty, pursuant to a royalty agreement between Betoota and Franco Nevada, Franco Nevada will receive a 2% NSR on gold and 1.5% NSR on all other metals extracted from the Šanac na Rogozni License. ZRR has a royalty agreement with Mineral Grupa d.o.o, whereby Mineral Grupa d.o.o. is entitled to a 0.5% NSR on all metals produced from the Zlatni Kamen License.

Geology & mineralisation:

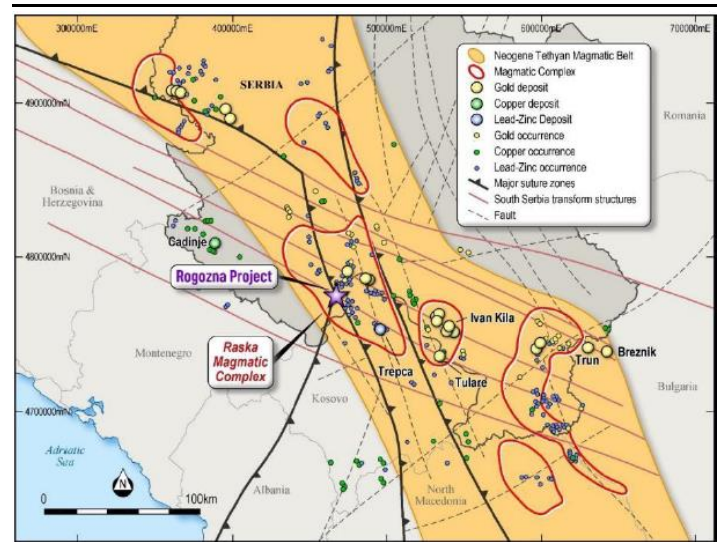
The geological history of Eastern Europe is linked to the closure of the former Tethys geosyncline that had once existed between the African plate and Eurasian plate. The project is located in the Serbian Cenozoic igneous province (SCIP), part of the Alpine-Himalayan orogenic system, and overlaps the Serbo-Macedonian Magmatic and Metallogenic Belt (SMMMB - Figure 32). Positioned at the boundary of the Drina-Ivanjica thrust sheet and the Vardar Zone West Belt, the project is influenced by a significant northwest-southeast fault zone that impacts Oligocene-Miocene magmatism and mineralisation. Rogozna is strategically placed within the SCIP, featuring complex geological structures including strike-slip faults and a unique basement architecture at the intersection of suture zones and imbricated carbonate and ultramafic rocks. Rogozna hosts a large magmatic hydrothermal system with a skarn-based gold-copper (± zinc, silver, lead) mineralisation across four main prospects: Copper Canyon, Shanac, Gradina/Gradina North, and Medenovac. Mineralisation primarily includes chalcopyrite with pyrrhotite and pyrite, and occasionally sphalerite and galena, associated with quartz latite dykes. The geological setting supports diverse mineralisation styles, including epithermal and porphyry systems, with Medenovac identified as a high-priority target for deeper porphyry-style deposits.

Figure 32: Tectonic units of the Balkan Peninsula



Source: Company reports

Figure 33: Metallogenic map



Source: Company reports

Ore Reserves

STK has not yet defined an Ore Reserve over Rogozna.

Mineral Resources

The April 2023 JORC reported Shanac Inferred Mineral Resource is 130Mt @ 1.1g/t AuEq (0.63g/t Au, 0.1% Cu, 5.1g/t Ag, 0.2% Pb & 0.28% Zn) for 4.63Moz AuEq of in-situ metal i.e. no recoveries have been applied to the equivalent factors. This is reported at a 0.7g/t AuEq cut-off. Updating for current spot commodity prices, our estimate November 2024 Shanac resource, at the same 0.7g/t AuEq cut-off, would report as 130Mt @ 0.94g/t AuEq for 3.94Moz AuEq as gold (and silver) is higher than the US\$1,750/oz used in April 2023, while the base metal prices are all lower today, resulting in a lowering of the overall gold equivalent grade (gold, the denominator is larger today).

A JORC resource also sits over Copper Canyon, dating back to October 2021. This is reported as 28Mt @ 0.4g/t Au & 0.3% Cu for 360koz Au & 84kt Cu or 0.81Moz AuEq as reported at a 0.4g/t AuEq cut-off. At today’s metal prices, we estimate this at 0.64Moz AuEq.

Figure 34: Rogozna Mineral Resource – April 2023 and October 2021

Resources	Mt	Au g/t	Au Moz	AuEq g/t*	AuEq Moz*
Shanac					
Measured	0.0	0.00	0.00	0.00	0.00
Indicated	0.0	0.00	0.00	0.00	0.00
Inferred	130.0	0.63	2.63	0.94	3.94
Sub Total	158.0	0.63	2.63	0.94	3.94
Copper Canyon					
Measured	0.0	0.00	0.00	0.00	0.00
Indicated	0.0	0.00	0.00	0.00	0.00
Inferred	28.0	0.40	0.36	0.71	0.64
Sub Total	15.4	0.40	0.36	0.71	0.64
TOTAL	158.0	0.59	2.99	0.90	4.58

Source: Company reports

*AuEq is calculated using spot prices on an in-situ basis, with no recovery factors applied.

Metallurgy

Initial testwork was undertaken in 2021, demonstrating recoveries of 85.9% for gold and 81% for copper from standard flotation processes on Shanac ore.

STK has recently commenced Phase 2 metallurgical testwork on bulk sample material from Shanac. The testwork is designed to optimise the overall metal recoveries and confirm the proposed flowsheet. Given polymetallic deposits such as those which occur at Rogozna are very common in the Western Tethyan Belt, STK does not foresee any major challenges in recovering metal from the deposits at Rogozna.

Figure 35: Summary of the 2021 metallurgical testwork at Rogozna

		Shanac	Copper Canyon	Gradina
Flowsheet		Flotation to create Cu-Au concentrate and Au-Pyrite concentrate	Flotation to create Cu-Au concentrate and Au-Pyrite concentrate	Flotation to create Au-Pyrite concentrate
Copper Recovery to Copper Concentrate	%	80.5	91.5	N/A
Gold Recovery to Copper Concentrate	%	39.3	31.6	N/A
Copper Grade in Copper Concentrate	%	21.2	24.7	N/A
Gold Grade in Copper Concentrate	g/t	85.2	18.5	N/A
Gold Recovery to Gold-Pyrite Concentrate	%	46.6	45.9	87.9
Gold Grade in Gold-Pyrite Concentrate	g/t	2.5	2.0	33.5
Total Gold Recovery to Concentrates	%	85.9	77.5	87.9
Total Copper Recovery	%	80.5	91.5	N/A
Total Gold Recovery	%	85.9	77.5	87.9

Source: Company reports

Infrastructure

The Rogozna Project is in southern Serbia. Access is granted via a recently constructed, dual lane highway from Belgrade (2 hours) and then local, high quality national roads. China's Belt and Road Initiative (BRI) has seen a number of infrastructure projects in Serbia; one being the dual lane highway to site. Projects like this will eventually link the Greek port of Thessaloniki on the Aegean Sea, via a series of roads, railways and canals, to Europe's major transport arteries. STK bases its exploration out of the town of Raška, where it has a large core storage and processing facility.

Figure 36: The highway constructed under the Chinese BRI



Source: Canaccord Genuity

Figure 37: Overview of core yard facility in Raška

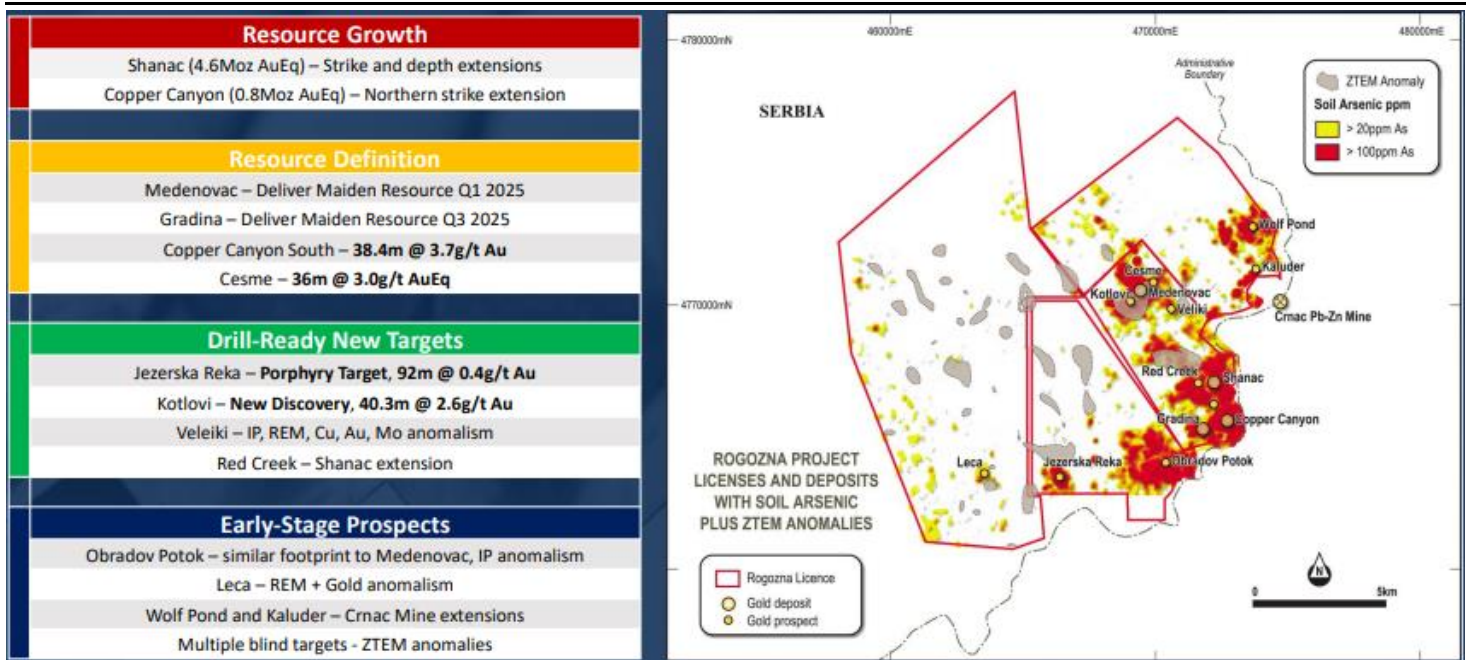


Source: Canaccord Genuity

Exploration

STK has a large number of exploration targets ranging from advanced resource growth to early-stage conceptual prospects.

Figure 38: Exploration opportunities at Rogozna



Source: Company reports

Resource extension

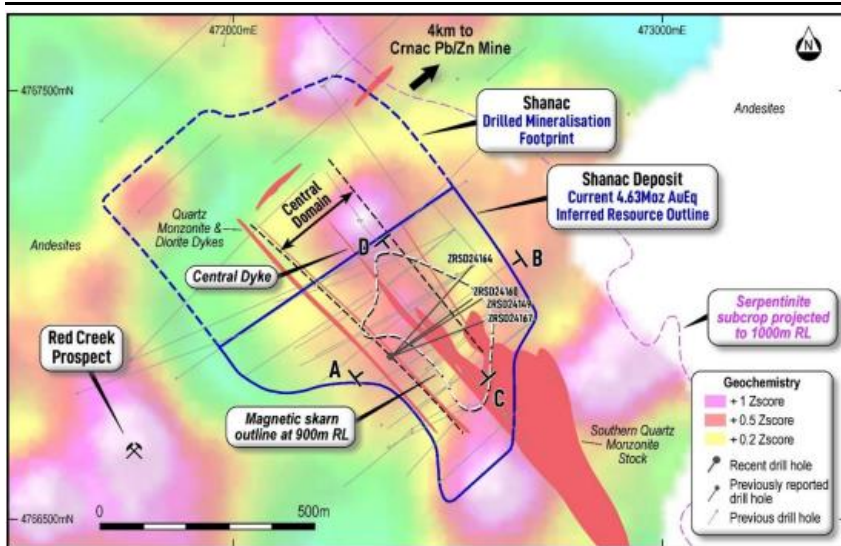
Shanac: Shanac is a gold-copper (\pm zinc, lead, and silver) skarn deposit situated within an anticline structural setting, characterised by significant magnetite alteration linked to the mineralisation. The mineralisation footprint extends about 1,000m along strike and approximately 650m in width, with a vertical depth of around 650m, starting roughly 80m below the surface. The deposit remains open both along strike and at depth.

The deposit is controlled by large porphyry stock at its southern end with mineralisation gently plunging to the north under strongly-altered volcanic cover. Most mineralisation is hosted within retrograde skarn and breccias. Copper-rich mineralisation is associated with magnetite with the presence of localised zinc-rich breccias and epithermal zones.

Recent drilling has returned results including:

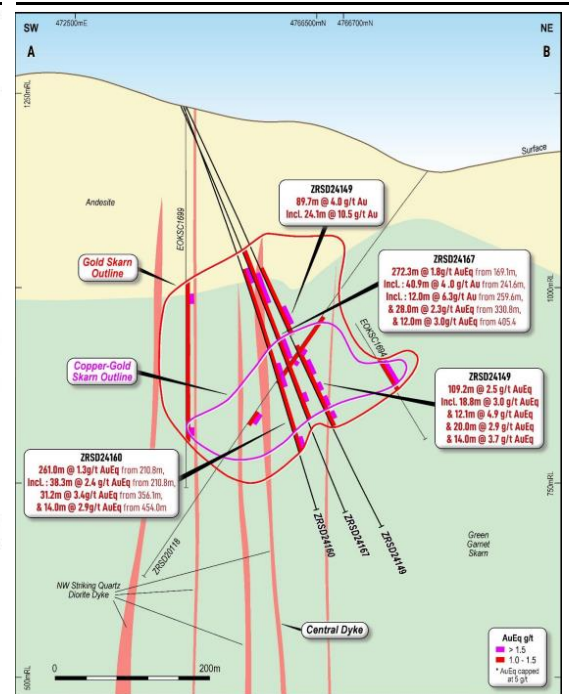
- **293.9m @ 2.5g/t AuEq** from 162.3m incl.
 - 89.7m @ 4.0g/t Au from 244.5m
 - 18.8m @ 3.0g/t AuEq from 369.1m
 - 12.1m @ 4.9g/t AuEq from 400m
 - 20.0m @ 2.9g/t AuEq from 418.2m
 - 14.0m @ 3.7g/t AuEq from 444.2m
- **308.4m @ 1.9g/t AuEq** from 299.4m incl.
 - 26.0m @ 3.0g/t AuEq from 357.7m
 - 61.3m @ 3.5g/t AuEq from 470.9

Figure 39: Shanac drill plan over Au-As sol geochem



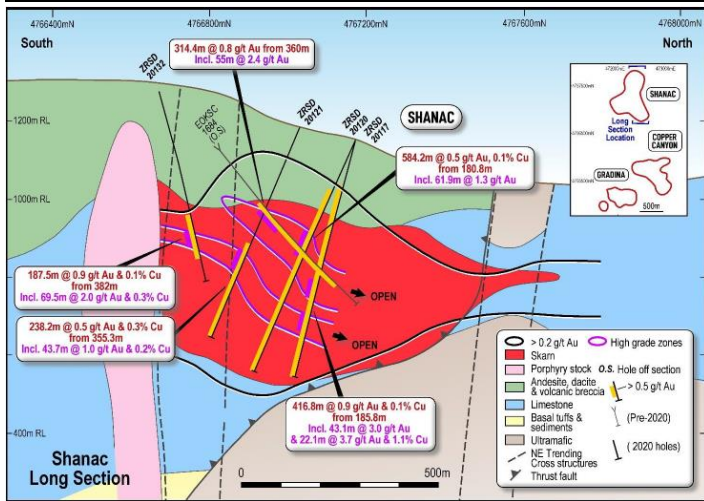
Source: Company reports

Figure 40: Shanac cross section



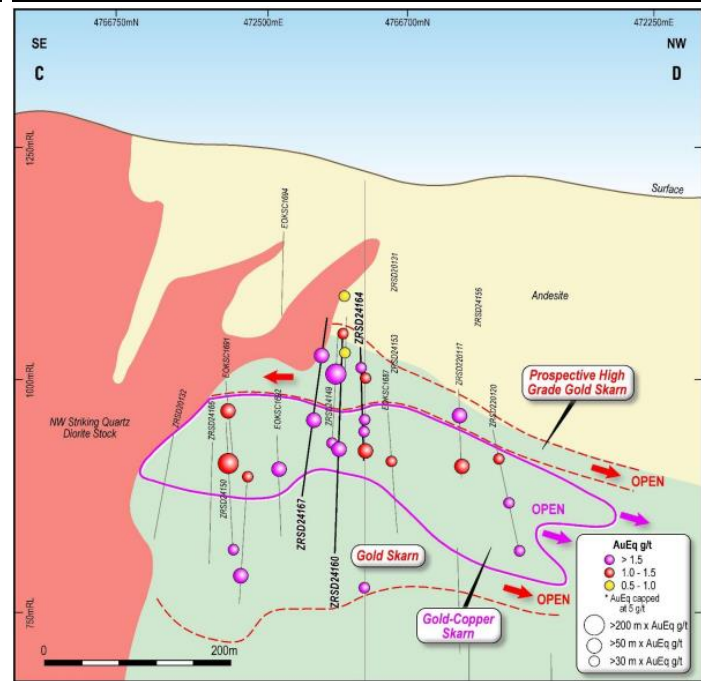
Source: Company reports

Figure 41: Shanac schematic long section



Source: Company reports

Figure 42: A Shanac long section



Source: Company reports

Figure 43: Drilling at Shanac



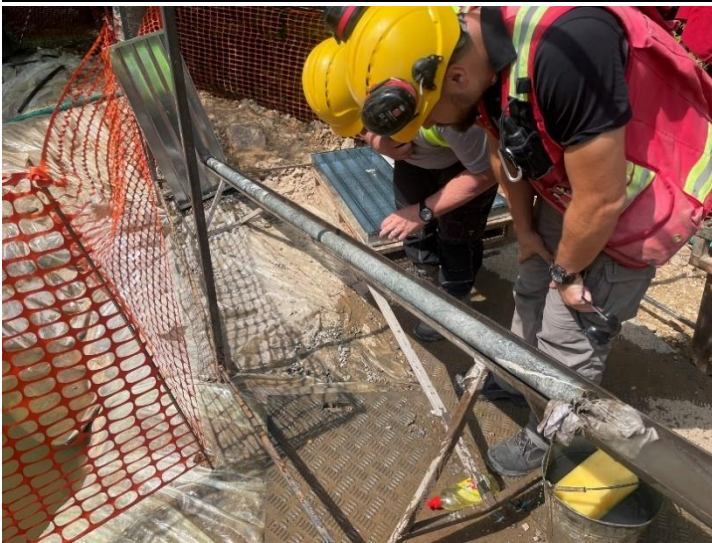
Source: Canaccord Genuity

Figure 44: Drilling at Shanac



Source: Canaccord Genuity

Figure 45: Drilling at Shanac



Source: Canaccord Genuity

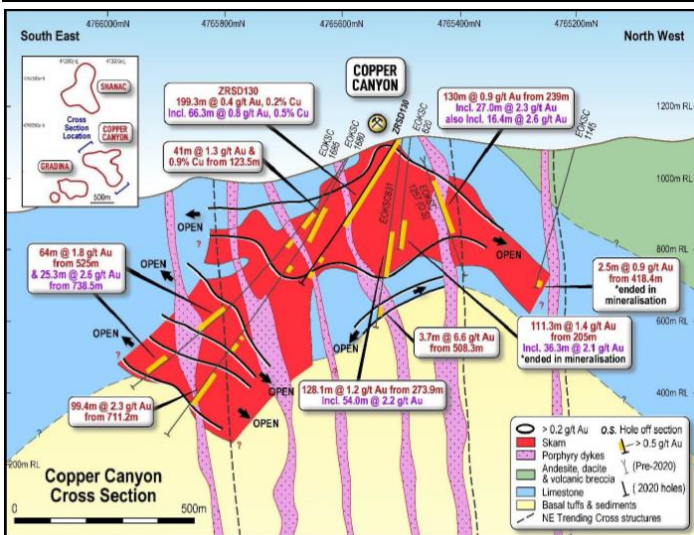
Figure 46: Site drill preparation at Shanac



Source: Canaccord Genuity

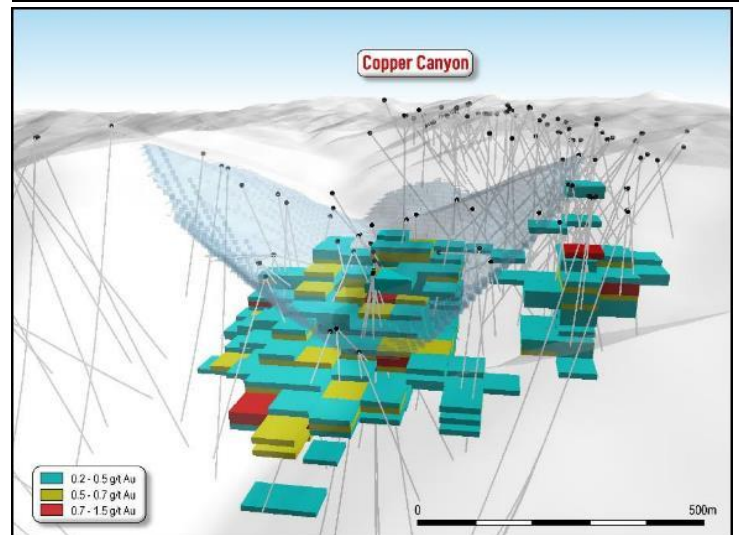
Copper Canyon: Copper Canyon is a gold-copper skarn deposit that is exposed at surface, featuring high-grade gold-only mineralisation at depth in its southern section. Copper Canyon is the most copper-rich of all Rogozna deposits, ~55% Cu, ~45% Au, featuring a ~50m thick, flat-lying higher-grade mineralisation (~1% Cu, ~1g/t Au), surrounded by lower grade halo. NE-trending dykes are the major control on high-grade mineralisation, which is spatially associated with geophysical (magnetic and resistivity) anomalism. The mineralisation extends about 750m along strike, 570m wide, and reaches a depth of 220m below the surface. It remains open along strike and at depth. Best result to date is **165.8m @ 0.6g/t Au, 0.6% Cu and 4.4g/t Ag (1.7g/t AuEq)** from 18.2m, (incl. 28m @ 1.4g/t Au, 1.6% Cu and 8.8g/t Ag)

Figure 47: Copper Canyon schematic long section



Source: Company reports

Figure 48: Copper Canyon block model



Source: Company reports

Figure 49: Historic adit at Copper Canyon



Source: Canaccord Genuity

Figure 50: Mineralisation outcrop at Copper Canyon



Source: Canaccord Genuity

Resource definition

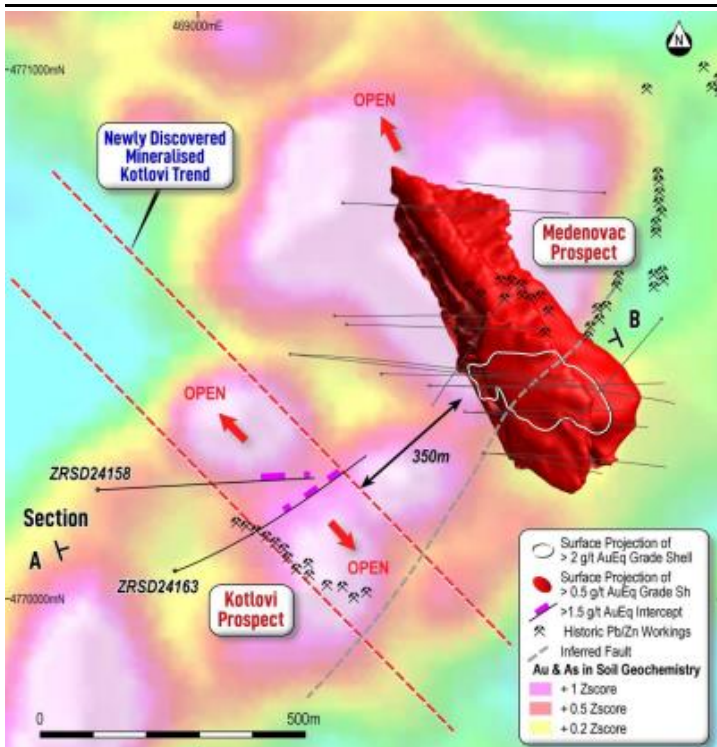
Medenovac: The Medenovac prospect is a recent discovery made in 2020 using advanced 3D inversion data. The prospect outlines zinc-copper-gold skarn mineralisation situated within an anticline structural setting and exhibits significant hematite alteration, suggesting an oxidized system. The area features strongly altered volcanic outcrops. Currently defined mineralisation extends approximately 600m along strike, 500m wide, and reaches a vertical depth from 200 to 600m below the surface. Medenovac is associated with a two-kilometre-long 3D gravity and chargeability anomaly and a ~2km x 2km area with high gold-arsenic-bismuth-lead-zinc-silver soil geochemistry. Best drill intercept: 352.1m @ 0.6g/t Au, 0.2% Cu, 0.2% Pb, 1.6% Zn and 9.4g/t Ag from 240.2m (incl. 97.7m @ 1.3g/t Au, 0.5% Cu, 0.5% Pb, 4.3% Zn and 23.3g/t Ag).

Recent work has led to the discovery of parallel zones; Kotlovi (**40.3m @ 2.6g/t Au** from 558m incl. 12m @ 5.7g/t Au) and Cesme (**36m @ 3.0g/t AuEq** from 507m). Kotlovi is located just 350m west of Medenovac.

Gradina: Gradina is defined by multiple high-grade lodes with 1km of drill-defined strike that remains open. Recent results include:

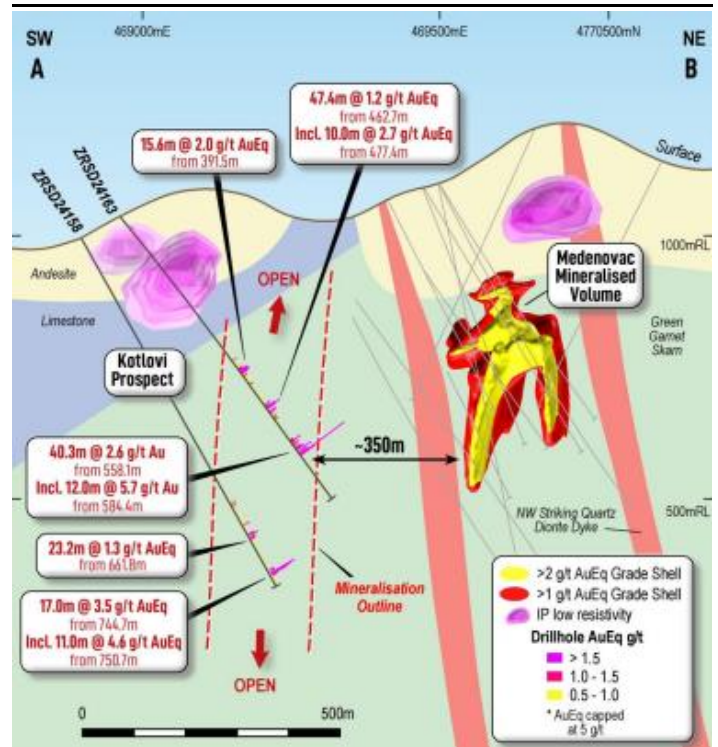
- **9.3m @ 4.2g/t Au** from 488m, **15.3m @ 3.9g/t Au** from 632m and **2.0m @ 4.0g/t Au** from 691m
- **10.0m @ 4.7g/t Au** from 423m, and **27.5m @ 5.0g/t Au** from 440m
- **26.8m @ 2.9g/t Au** from 473m, **37.5m @ 2.8g/t Au** from 506m and **32.0m @ 6.8g/t Au** from 595m.

Figure 51: Medenovac drill plan showing Kotlovi



Source: Company reports

Figure 52: Medenovac and Kotlovi cross section



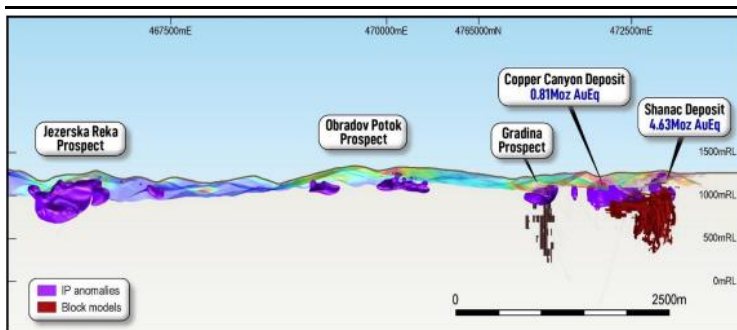
Source: Company reports

Regional

Induced Polarisation (IP) anomalies have defined targets at Jezerska and Obradov Potok. The recently identified IP anomalies are larger and have a stronger response than the anomalies which are spatially associated with the Shanac and Copper Canyon. Both prospects sit within a major northeast to southwest trending structural zone which also hosts the major deposits of Shanac, Copper Canyon and Gradina.

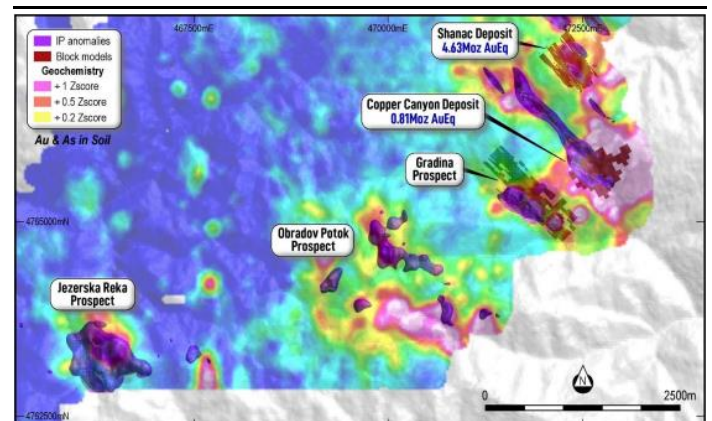
A recent review of historical drilling at Jezerska Reka has identified porphyry-related alteration and veining, confirming it as a high-priority target for porphyry-hosted copper-gold mineralisation.

Figure 53: Long section showing IP anomalies and resources



Source: Company reports

Figure 54: IP chargeability anomalies over Au-AS soils



Source: Company reports

CG mining scenario for Rogozna

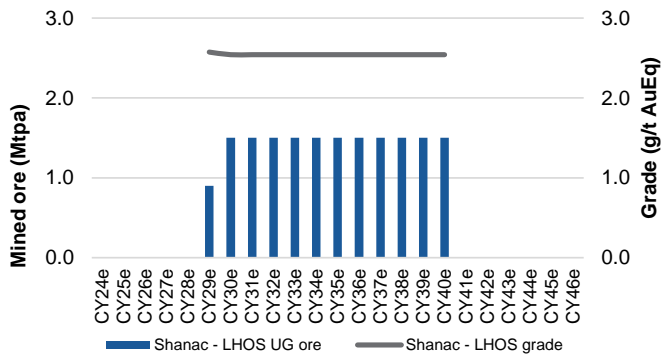
We have assessed two scenarios for Shanac based on our hypothetical grade-tonnage curve (Figure 5); a smaller, higher-grade, 2.0g/t AuEq cut-off, Longhole Open Stope (LHOS) mining method; and a moderate grade, 1.3g/t AuEq cut-off Sublevel Cave (SLC) scenario.

Our assumed LHOS production scenario is based on a 25Mt @ 2.75g/t AuEq for 2.21Moz AuEq resource that converts at 70% to a 17.4Mt @ 2.54g/t AuEq for 1.46Moz AuEq mining inventory (includes 5% grade dilution). We model a 11.6-year LHOS underground mining operation at Shanac to mine and process 1.5mtpa. Our LHOS scenario sees LOM production averaging 96kozpa. AISC average US\$1,635/oz AuEq with upfront capital of US\$250m assumed. Overall recoveries have been modelled at 79%.

Our assumed SLC production scenario is based on a 67Mt @ 1.80g/t AuEq for 3.88Moz AuEq resource that converts at 70% to a 48.1Mt @ 1.66g/t AuEq for 2.69Moz AuEq mining inventory (includes 5% grade dilution). We model a 16-year SLC underground mining operation at Shanac to mine and process 3.0Mtpa. Our SLC scenario sees LOM production averaging 126kozpa. AISC average US\$1,675/oz AuEq with upfront capital of US\$450m assumed. Overall recoveries have been modelled at 79%.

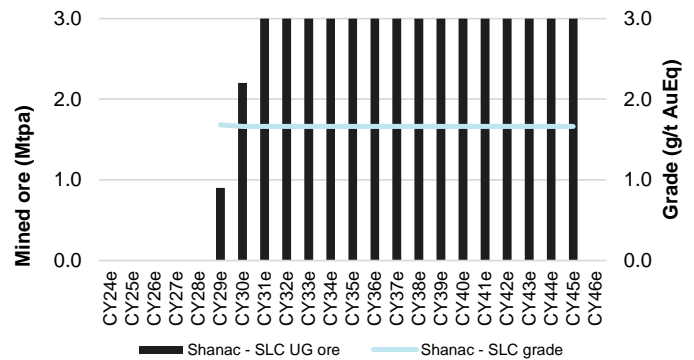
In both cases, we assume production in FY29.

Figure 55: Shanac LHOS ore mined and grade



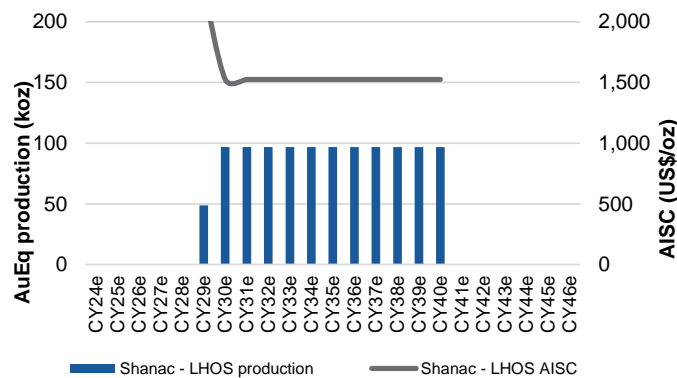
Source: Canaccord Genuity estimates

Figure 56: Shanac SLC ore mined and grade



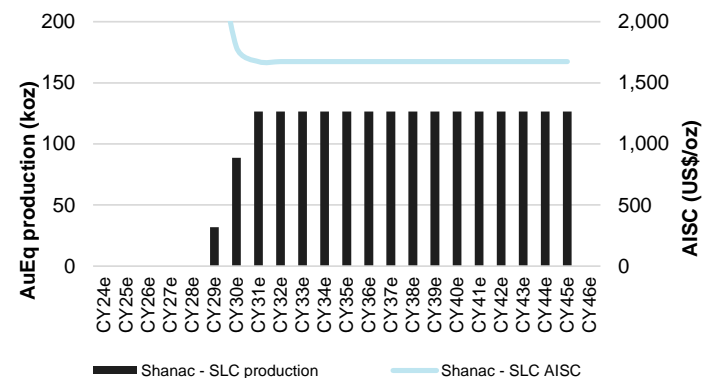
Source: Canaccord Genuity estimates

Figure 57: Shanac LHOS production and AISC



Source: Canaccord Genuity estimates

Figure 58: Shanac SLC production and AISC

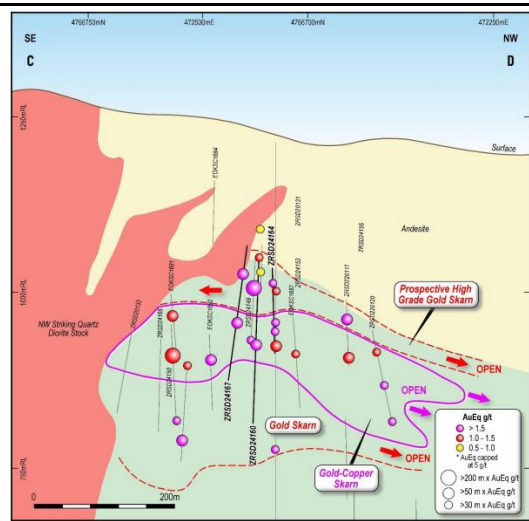


Source: Canaccord Genuity estimates

Cost benchmarking

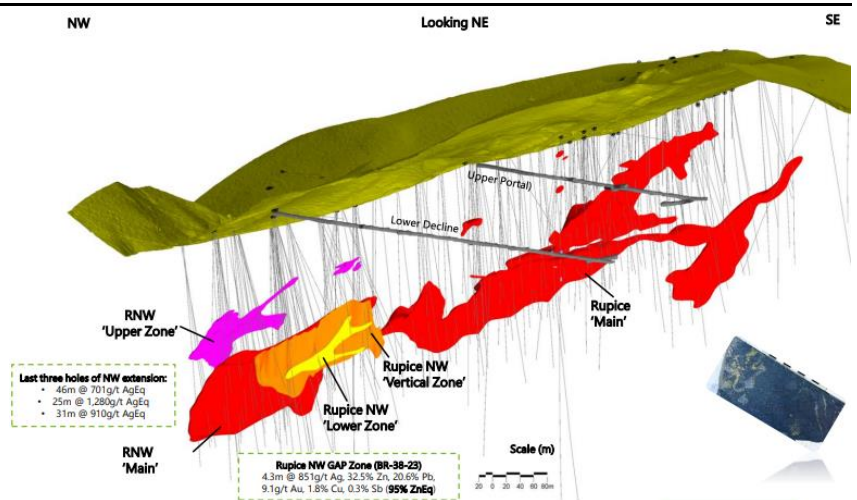
LHOS: Given the geographical proximity to Adriatic Metals’ Rupice mine in Bosnia, we have modelled similar mining and processing unit costs for our Shanac LHOS scenario. Although ADT’s Rupice (and Rupice NW) totals 21Mt @ 5.5g/t AuEq for 3.7Moz, which is ~2.5x what we assume for Shanac under our LHOS scenario in terms of contained metal, our 17.4Mt @ 2.54g/t AuEq for 1.46Moz AuEq of contained metal assumption for Shanac is similar on a tonnage basis; and spatially, the deposits have similar characteristics as shown in Figure 59 and Figure 60. We therefore model proportionately similar development costs for our Shanac LHOS scenario versus those estimated for ADT’s Rupice. Our overall capex estimate of US\$250m compares to ADT’s US\$200m build cost. Our additional US\$50m of capex accounts for the upscale to our 1.5Mtpa modelled plant from ADT’s 0.8Mtpa plant.

Figure 59: Shanac long section



Source: Company reports

Figure 60: ADT’s Rupice long section



Source: Company reports

SLC: There are less real-world direct comparisons to our Shanac SLC scenario. We note a number of flotation plants costed on the ASX in recent years. As shown in Figure 61, these highlight processing plant costs of <US\$101m. We conservatively model US\$150m for our 3Mtpa plant. We arrive at our US\$450m total preproduction capex by assuming US\$300m for surface infrastructure (US\$100m), underground development (US\$150m) and contingency (US\$50m). Assuming US\$5,000/m for underground development costs and 500m of vertical development, at a 1:7 decline would cost ~US\$17.5m. We assume each sublevel cave is 50m x 50m x 50m in size, which is ~375kt per cave. A 48Mt mine inventory implies 128 separate sublevel caves. ~200m of development per cave suggests a further US\$128m of lateral development. As with most SLC, we assume the majority of this development is upfront and the mine operates under a retreat mining scenario.

As per Figure 62, we benchmark our US\$30/t assumed SLC mining cost off our estimated weighted average mining cost for similar ASX SLC operations.

Figure 61: ~3Mtpa process plant costs

Flotation Plant	Owner	Throughput (Mtpa)	Cost (US\$m)	Year
Kathleen Valley	LTR	2.5	68	2021
Elizabeth Creek	COD	3.0	86	2024
Jaguar	CTM	3.5	101	2024
Kathleen Valley	LTR	4.0	85	2021

Source: Company reports

Figure 62: ASX SLC mining costs average US\$30/t

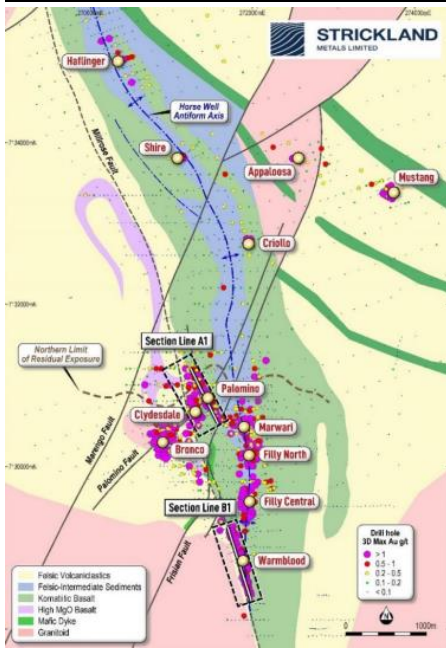
SLC/SLOS Mines	Owner	Mining Rate (Mtpa)	Grade AuEq	Mining Cost (US\$/t)
Ernest Henry	EVN	5.2	1.3	22
Northparkes	EVN	4.0	0.8	14
Carapateena	BHP	4.0	2.0	23
Haverton*	GGP	2.8	3.0	33
Syama	RSG	2.4	2.7	31
Big Bell	WGX	1.0	2.0	41
		3.2	1.80	30

Source: Company reports

Asset overview: Yandal Gold Project, WA

Overview

Figure 63: Horse Well Gold Camp



Source: Company reports

In addition to Rogozna, STK owns 1,765km² over 70km strike of the Celia Shear within the Yandal Gold Project. We have not yet visited Yandal. STK's Yandal Gold Project sits ~50km from Northern Star's Jundee gold operation (>10Moz Au) and associated tenement package in Western Australia. This proximity has proven valuable to STK in the past, with the company divesting its Millrose gold deposit to NST in July 2023 for A\$39m in cash and 1.5 million NST shares (current share value of ~A\$26m). Post-sale, STK still holds tenements to the north and south of Millrose. To the north, Horse Well (148koz across four deposits) and Dusk til Dawn (109koz) amount to a combined JORC Resource of 257koz @1.4g/t Au. STK recently completed a 20,000m drill program at Yandal with a resource update due in mid-2025.

Exploration history

Historical drilling mainly focused on delineating shallow oxide resources, with limited drill testing beneath 100m depth. STK previously traded as Alloy Resources where it held the Horse Well Project (now part of the broader Yandal Gold Project) since 2014. Horse Well was held in JV with Doray Minerals prior to DRM's 2019 merger with Silverlake Resources. AYR changed its name to STK in August 2020 and acquired the Horse Well Project wholly from SLR in May 2021. The belt was further consolidated in June 2021 with the acquisition of Renegade's 75% JV interest in the Yandal East Project; the ground immediately along strike to the south of the Horse Well Project. Also in June 2021, the contiguous Milrose Gold Project was added to the portfolio to complete the Yandal Gold Project as we've known it in recent times. Melrose was later sold to NST for \$61m in mid-2023.

Recent exploration in 2024 has been focussed at Palomino, Warmblood, Marwari and Bronco. Palomino and Warmblood have shown the most promise with down-dip/plunge extensions to the oxide resource targeted at Palomino and Warmblood.

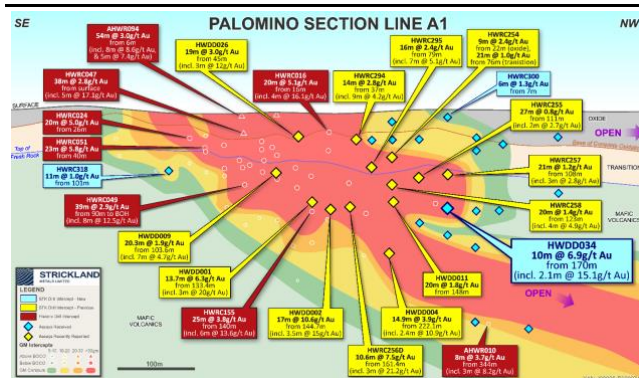
Significant results at Palomino include:

- **17m @ 10.6g/t Au** from 147m
- **13.7 m @ 6.3g/t Au** from 133m
- **10.6 m @ 7.5g/t Au** from 161m
- **14.9 m @ 3.9g/t Au** from 222m
- **10m @ 6.9g/t Au** from 170m

Significant results at Warmblood include:

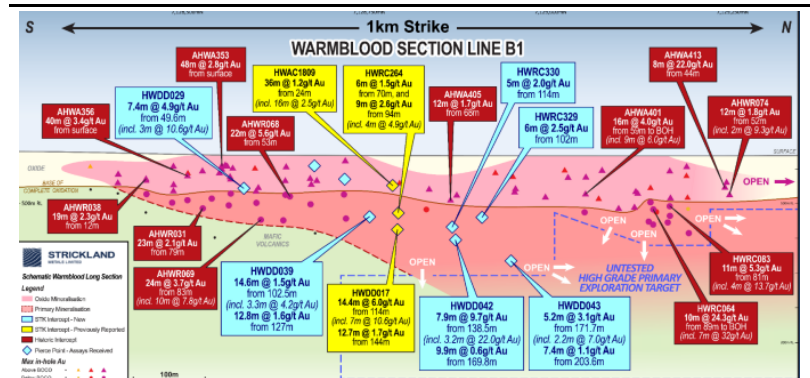
- **14.4m @ 6g/t Au** from 114m
- **7.9m @ 9.7g/t Au** from 139m

Figure 64: Palomino cross section



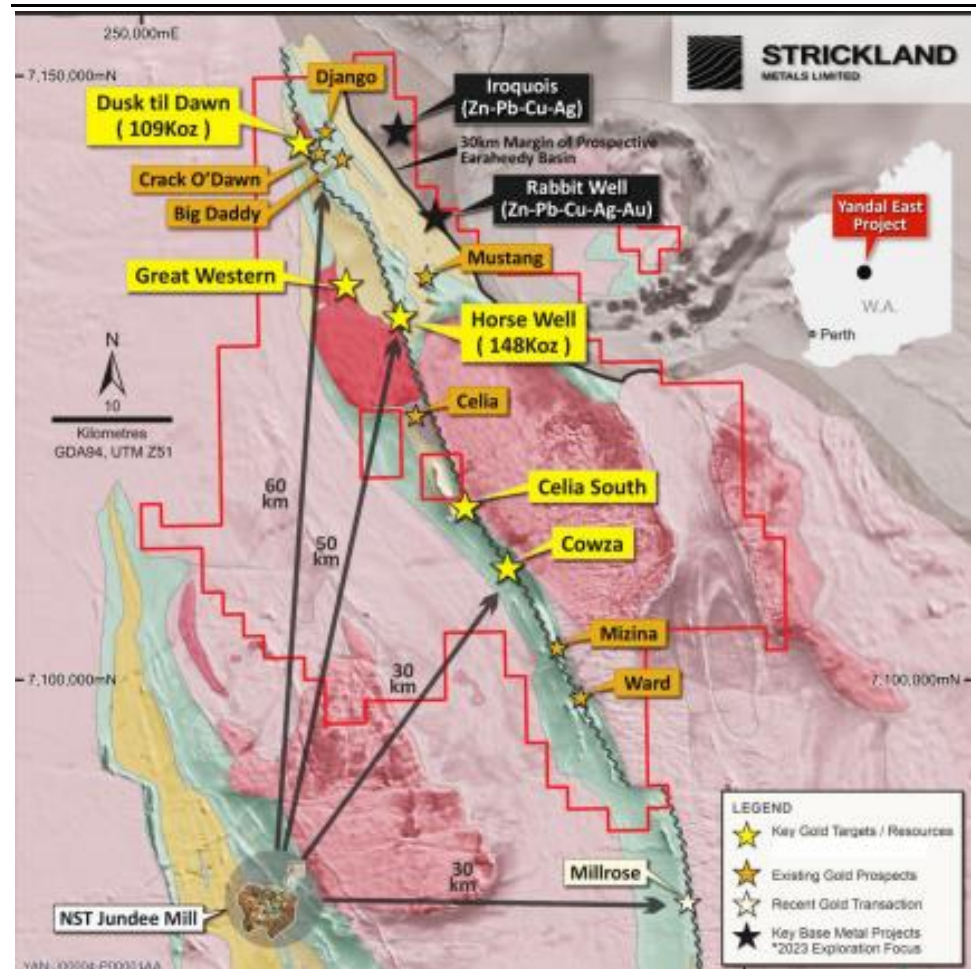
Source: Company reports

Figure 65: Warmblood cross section



Source: Company reports

Figure 66: Yandal Gold Project location map



Source: Company reports

Valuation

We value the Yandal Gold Project using an EV/Resource Multiple of A\$100/oz, noting NST paid STK A\$176/oz for Melrose in 2023. We base our Yandal Gold Project valuation on the current 257koz resource plus an additional 150koz that we assume will be defined following the recently completed 20,000m drill program around Horse Well (Palamino and Warmblood).

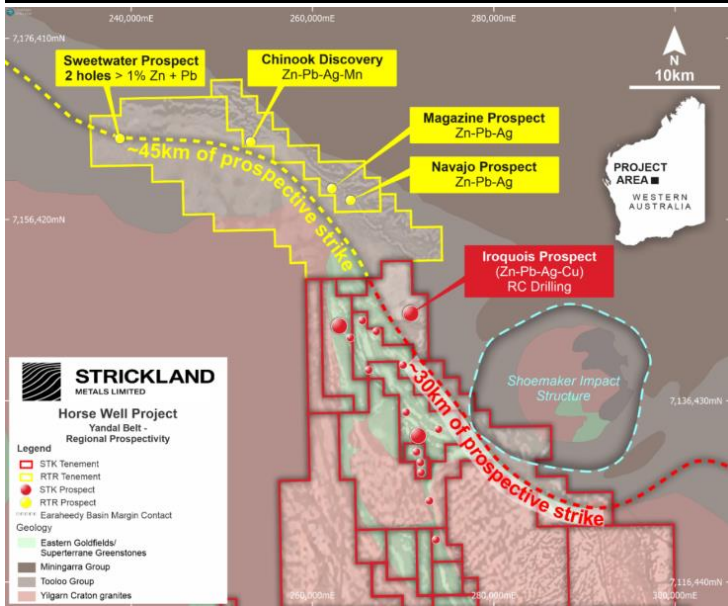
Geology and mineralisation

The Horse Well Project is situated in the Eastern Goldfields of the Yilgarn Craton, within the northern part of the Yandal-Millrose Greenstone belt. This region is primarily composed of tholeiitic basalt, volcanoclastic deposits, ultramafic rocks, and felsic volcanic rocks, surrounded by Archaean granitoids. The area features transported cover, including eolian sand plains and alluvial floodplains, with sparse outcropping greenstones. The topography has low relief, with granite hills to the east and a siliceous ridge along the granite-greenstone boundary. The Warmblood-Filly-Palomino prospects are located at a structural widening of the greenstone belt, with fine-grained metasediments and intercalated basalt, ultramafic, and felsic units. The region is characterized by northwest-trending magnetic units, influenced by imbricate thrust faulting. The Celia Shear Zone, associated with gold mineralisation, runs along the eastern edge and is visible as a siliceous fault zone. Northeast brittle fractures, hosting dolerite dykes, are important for gold mineralisation.

Asset overview: Iroquois Project and Bryah Basin Project, WA

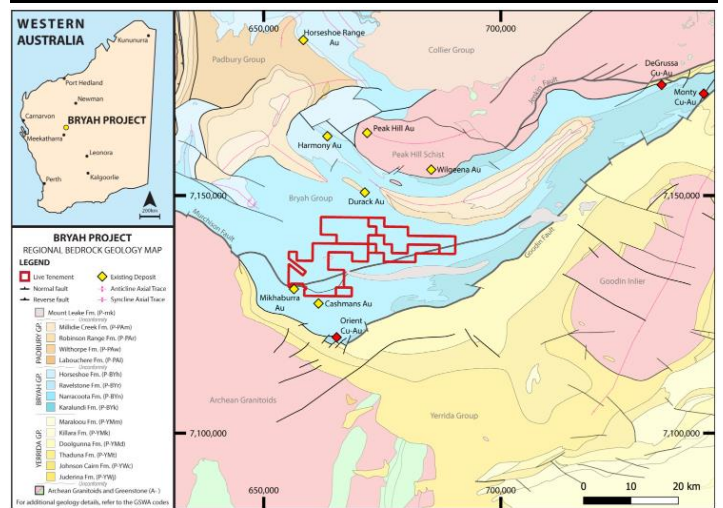
STK also holds projects in the Earraheedy and Bryah basins of Western Australia. We have not assessed these projects in our company evaluation.

Figure 67: Iroquois Project location map



Source: Company reports

Figure 68: Bryah Basin Project location



Source: Company reports

Board and management

Paul L'Herpinere – Managing Director

Mr L'Herpinere is a seasoned exploration management and project generation expert with a robust track record spanning over two decades and more than 20 countries. As the former Head of Exploration at Fortescue, Paul has honed his skills in leading extensive mineral exploration initiatives globally.

In addition to his extensive field experience, Paul is a founding partner at Ibaera Capital, a resource-focused private equity firm that manages assets worth USD 150 million. Since 2019, he has played a pivotal role in the development and strategic direction of the Rogozna project, contributing his vast knowledge and industry insights to ensure its success.

Anthony McClure – Non-Executive Chairman

Mr McClure is a highly respected mining executive and currently Managing Director of Silver Mines. He is also a past director of Bolnisi Gold, Nickel Mines, European Gas and Mekong Minerals.

Mr McClure graduated with a Bachelor of Science (Geology) degree from Macquarie University in 1986. He has had over 30 years technical, management and financial experience in the resource sector worldwide in project management and executive development roles.

Richard Pugh – Executive Technical Director

Mr Pugh has been employed as the Company's Geology Manager since 2022 and has played an instrumental role in the exploration growth at the Company's Yandal Project in Western Australia.

Mr Pugh has over 18 years industry experience, having previously been a Senior Consulting Geologist and Exploration Manager for Auris Minerals, Mr Pugh has a bachelor's degree in Exploration and Resource Geology from Cardiff University and is also a member of the Australian Institute of Geoscientists (AIG).

Peter Langworthy – Non-Executive Director

Mr Langworthy has been a technical adviser to the Company since 2021 and is currently a director of OMNI GeoX, a specialist exploration group, having previously been a founding director of ASX-listed Northern Star Resources and Capricorn Metals. He has previously served as a Non-Executive Director of Syndicated Metals, Talisman Mining, Falcon Minerals and Pioneer Resources. He is also currently the Non-Executive Chairman at Gateway Mining.

Jon Hronsky – Non-Executive Director

Regarded as one of Australia's preeminent geoscientists, Mr Hronsky brings over 40 years of extensive experience in the exploration of gold, copper, and nickel. His career is marked by significant leadership, notably as the former Global Manager of Strategy and Generative Sciences at BHP Billiton.

Beyond his technical expertise, he serves as a specialist adviser to executive teams at several of the world's foremost mining corporations. Since 2019, he has also played an integral role in shaping the direction and strategy of the Rogozna project.

Trent Franklin – Non-Executive Director

Mr Franklin is currently Managing Director of Enrizen Financial Group. He has served on the board of a wide array of ASX-listed explorers including Silver Mines Ltd, Gateway Mining and Futura Resources. Trent was also a Non-Executive Director on the Australian Olympic Committee from 2008 to 2012.

Financial summary

STRICKLAND METALS LIMITED

STK:ASX

Analyst(s) : Paul Howard
Date: 29/11/2024
Year End: June

Rating:
Target Price:

SPEC BUY
A\$0.16

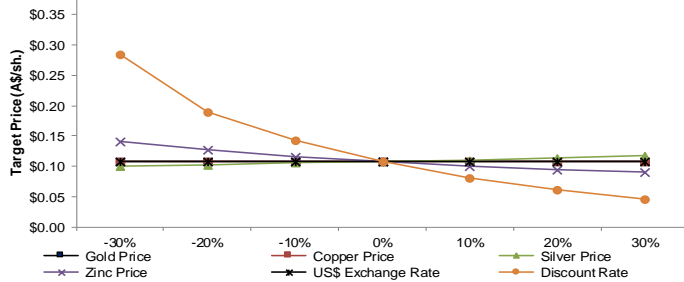
Market Information

Share Price	A\$	0.080
Market Capitalisation	A\$m	176.6
12 Month Hi	A\$	0.20
12 Month Lo	A\$	0.07
Issued Capital	m	2207.4
Options	m	128.6
Fully Diluted	m	2336.0

Valuation	A\$m	A\$/share	
Rogozna (Shanac)	NPV @ 12%	247.4	0.10
Rogozna Exploration & Resource growth		80.0	0.03
Yandal Exploration		40.7	0.02
Corporate	(29.8)	(0.01)	
Net Cash as at 30-Sep-24		17.1	0.01
Investments		26.3	0.01
ITM Options		-	-
Assumed New equity		25.0	0.01
TOTAL NAV/ Price Target	406.6	0.16	
Price:NAV			0.50x

Assumptions	2024a	2025e	2026e	2027e	2028e
Gold Price (US\$/oz)	2,076	2,641	2,785	2,893	2,946
Copper Price (US\$/lb)	3.95	4.61	5.25	5.50	5.50
Zinc Price (US\$/lb)	1.15	1.25	1.23	1.20	1.20
Silver Price (US\$/oz)	24.72	31.81	33.58	34.56	35.05
Lead Price (US\$/lb)	0.95	0.95	0.95	0.95	0.95
AUD:USD	0.67	0.66	0.68	0.68	0.68

Sensitivity



Production Metrics	2027e	2028e	2029e	2030e	
Shanac - LHOS					
Payable Gold Equivalent	koz	0.0	0.0	45.5	90.4
AISC (US\$/oz AuEq)	US\$/oz	-	-	2,432	1,630
Shanac - SLC					
Payable Gold Equivalent	koz	0.0	0.0	29.8	82.8
AISC (US\$/oz AuEq)	US\$/oz	-	-	2,956	1,920

Reserves	Mt	Au g/t	Au Moz	AuEq g/t*	AuEq Moz*
Shanac & Copper Canyon					
Proven	0.0	0	0.0	0	0.0
Probable	0.0	0.0	0.0	0	0.0
Total	0.0	0.0	0.0	0	0.0

Resources	Mt	Au g/t	Au Moz	AuEq g/t*	AuEq Moz*
Shanac					
Measured	0.0	0.0	0.0	0	0.0
Indicated	0.0	0.0	0.0	0	0.0
Inferred	130.0	0.6	2.6	0.9	3.9
Sub Total	158.0	0.6	2.6	0.9	3.9

Copper Canyon	Mt	Au g/t	Au Moz	AuEq g/t*	AuEq Moz*
Measured	0.0	0.0	0.0	0	0.0
Indicated	0.0	0.0	0.0	0	0.0
Inferred	28.0	0.4	0.4	0.7	0.6
Sub Total	15.4	0.4	0.4	0.7	0.6

TOTAL	Mt	Au g/t	Au Moz	AuEq g/t*	AuEq Moz*
TOTAL	158.0	0.6	3.0	0.9	4.6

Yandal	Mt	Au g/t	Au Moz	AuEq g/t*	AuEq Moz*
Measured	0.0	0.0	0.0	-	-
Indicated	0.0	0.0	0.0	-	-
Inferred	5.7	1.4	0.3	-	-
Sub Total	5.7	1.4	0.3	-	-

Strickland Metals Limited (STK-ASX) is a gold explorer/developer. In April 2024, the company announced that it was acquiring 100% of the Rogozna Gold & Base Metals Project in Serbia, diversifying its asset base outside of Australia. Rogozna is now the flagship with STK setting out to grow the reported 5.4Moz AuEq resource in 2025. Prior to acquiring Rogozna, STK was wholly focussed on the 100%-owned Yandal Gold Project in Western Australia. It currently has ~250koz in resource at Yandal having sold the Milrose deposit to NST-ASX for A\$61m (cash + scrip) in July 2023. STK is active across both Rogozna and Yandal.

Profit & Loss (£\$m)	2024a	2025e	2026e	2027e	2028e
Revenue	0.0	0.0	0.0	0.0	0.0
Operating Costs	0.0	0.0	0.0	0.0	0.0
Corporate & O'heads	-3.8	-4.9	-4.8	-5.8	-5.8
Exploration (Expensed)	-0.5	-2.8	-0.8	-0.8	-0.8
EBITDA	-2.8	-7.5	-5.5	-6.5	-6.5
Dep'n	-0.2	0.0	0.0	0.0	0.0
Net Interest	-0.0	0.0	0.0	1.6	14.9
Other					
Tax	3.5	0.0	0.0	0.0	0.0
NPAT (reported)	-6.6	-7.5	-5.5	-8.1	-21.4
Abnormals	0.0	0.0	0.0	0.0	0.0
NPAT	-6.6	-7.5	-5.5	-8.1	-21.4

<i>EBITDA Margin</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
<i>EV/EBITDA</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
<i>EPS</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>-\$0.01</i>
<i>EPS Growth</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
<i>PER</i>					
<i>Dividend Per Share</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>
<i>Dividend Yield</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>

Cash Flow (£\$m)	2024a	2025e	2026e	2027e	2028e
Cash Receipts	0.0	0.0	0.0	0.0	0.0
Cash paid to suppliers	-3.6	-4.9	-4.8	-5.8	-5.8
Tax Paid	0.0	0.0	0.0	0.0	0.0
Net Interest	0.8	0.4	0.1	1.7	14.9
+/- Working cap change	-0.1	0.0	0.0	0.0	0.0
Operating Cash Flow	-2.9	-4.5	-4.7	-4.1	9.1
Exploration and Evaluation	-19.7	-27.8	-8.0	-8.0	-8.0
Capex	0.0	0.0	0.0	-73.5	-294.1
Other	38.6	-1.7	0.0	0.0	0.0
Investing Cash Flow	18.9	-29.6	-8.0	-81.5	-302.1
Debt Drawdown (repayment)	0.0	0.0	0.0	83.5	294.1
Share capital	6.9	25.5	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0
Financing Expenses	-0.1	-1.0	0.0	0.0	0.0
Financing Cash Flow	6.8	24.5	0.0	83.5	294.1
Opening Cash	1.7	29.2	19.6	7.0	4.9
Increase / (Decrease) in cash	22.8	-9.6	-12.7	-2.1	1.1
FX Impact	4.7	0.0	0.0	0.0	0.0
Closing Cash	29.2	19.6	7.0	4.9	6.0

<i>Op. Cashflow/Share</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>
<i>P/CF</i>	<i>-60.8x</i>	<i>-38.9x</i>	<i>-38.0x</i>	<i>-43.0x</i>	<i>19.3x</i>
FCF	16.00	-34.11	-12.65	-85.63	-292.98
<i>EV/FCF</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>
<i>FCF Yield</i>	<i>9%</i>	<i>-19%</i>	<i>-7%</i>	<i>-48%</i>	<i>-166%</i>

Balance Sheet (£\$m)	2024a	2025e	2026e	2027e	2028e
Cash + S/Term Deposits	29.2	19.6	7.0	4.9	6.0
Other current assets	6.1	5.7	5.7	49.8	182.1
Current Assets	35.3	25.3	12.6	54.7	188.1
Property, Plant & Equip.	0.6	0.6	0.6	74.2	368.3
Exploration & Develop.	35.8	60.9	68.1	75.3	82.5
Other Non-current Assets	19.8	19.8	19.7	0.1	0.1
Payables	2.8	0.0	0.0	0.0	0.0
Short Term Debt	0.1	0.0	0.0	0.0	0.0
Long Term Debt	0.0	0.0	0.0	83.5	377.6
Other Liabilities	4.4	8.9	8.9	36.6	198.7
Net Assets	84.3	97.6	92.2	84.1	62.7
Shareholders Funds	77.5	103.0	103.0	103.0	103.0
Reserves	2.8	2.8	2.8	2.8	2.8
Retained Earnings	-0.6	-8.1	-13.6	-21.7	-43.0
Total Equity	79.6	97.6	92.2	84.1	62.7

<i>Debt/Equity</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>99%</i>	<i>602%</i>
<i>Net Debt/EBITDA</i>	<i>10.0x</i>	<i>4.3x</i>	<i>1.5x</i>	<i>-19.2x</i>	<i>40.7x</i>
<i>Net Interest Cover</i>	<i>nm</i>	<i>nm</i>	<i>nm</i>	<i>-4.1x</i>	<i>-0.4x</i>
<i>ROE</i>	<i>-8%</i>	<i>-8%</i>	<i>-6%</i>	<i>-10%</i>	<i>-34%</i>
<i>ROIC</i>	<i>-10%</i>	<i>-9%</i>	<i>-6%</i>	<i>-4%</i>	<i>-3%</i>
<i>Book Value/share</i>	<i>\$0.04</i>	<i>\$0.04</i>	<i>\$0.04</i>	<i>\$0.04</i>	<i>\$0.03</i>

Source: Company reports, Canaccord Genuity estimates

Appendix: Important Disclosures

Analyst Certification

Each authoring analyst of Canaccord Genuity whose name appears on the front page of this research hereby certifies that (i) the recommendations and opinions expressed in this research accurately reflect the authoring analyst's personal, independent and objective views about any and all of the designated investments or relevant issuers discussed herein that are within such authoring analyst's coverage universe and (ii) no part of the authoring analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the authoring analyst in the research, and (iii) to the best of the authoring analyst's knowledge, she/he is not in receipt of material non-public information about the issuer.

Analysts employed outside the US are not registered as research analysts with FINRA. These analysts may not be associated persons of Canaccord Genuity LLC and therefore may not be subject to the FINRA Rule 2241 and NYSE Rule 472 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Sector Coverage

Individuals identified as "Sector Coverage" cover a subject company's industry in the identified jurisdiction, but are not authoring analysts of the report.

Investment Recommendation

Date and time of first dissemination: December 01, 2024, 14:30 ET

Date and time of production: November 29, 2024, 01:21 ET

Target Price / Valuation Methodology:

Strickland Metals Limited - STK

Our valuation is preliminary in nature and should be viewed as a what-if case given no formal mining studies have been published. We have modelled a potential Rogozna development scenario using weighting for 1.0x forward curve, consensus and spot commodity prices, and have applied a conservative 12% discount rate to our NPV with additional risking. We use an EV/Resource multiple to value the Yandal Gold Project.

Risks to achieving Target Price / Valuation:

Strickland Metals Limited - STK

Orebody risks: Our development scenario for STK centres around defining a minable reserve at Rogozna. There is no guarantee that this eventuates.

Geopolitical risks: STK's key asset is located in Serbia, which is considered an emerging market. As such STK, through the Rogozna Project, carries a higher degree of economic, political, social, legal and legislative risk.

Financing risks: As a pre-production company with no material income, STK is reliant on equity and debt markets to fund development of its assets and progression of its regional exploration pipeline. Total development and working capital requirements are subject to completion of feasibility studies. There are no guarantees that studies will result in a positive investment decision for the Rogozna Project. Further, we can make no assurances that accessing these markets will be done without further dilution to shareholders.

Exploration risks: Exploration is subject to a number of risks and can require a high rate of capital expenditure. Risks can also be associated with conversion of inferred resources and lack of accuracy in the interpretation of geochemical, geophysical, drilling and other data. No assurances can be given that exploration will delineate further Mineral Resources nor that the company will be able to convert the current Mineral Resources into Ore Reserves.

Operating risks: If and when in production, the company will be subject to risks such as plant/equipment breakdowns, metallurgical (meeting design recoveries within a complex flowsheet), materials handling and other technical issues. An increase in operating costs could reduce the profitability and free cash generation from the operating assets considerably and negatively impact valuation. Further, the actual characteristics of an ore deposit may differ significantly from initial interpretations, which can also materially impact forecast production from original expectations.

Commodity price and currency fluctuations: As with any mining company, STK is directly exposed to commodity price and currency fluctuations. Commodity price fluctuations are driven by many macroeconomic forces including inflationary pressures, interest rates and supply and demand factors. These factors could reduce the profitability, costing and prospective outlook for the business.

Distribution of Ratings:

Global Stock Ratings (as of 12/01/24)

Rating	Coverage Universe		IB Clients
	#	%	%
Buy	617	66.99%	24.96%
Hold	129	14.01%	9.30%
Sell	14	1.52%	7.14%
Speculative Buy	152	16.50%	51.32%
	921*	100.0%	

*Total includes stocks that are Under Review

Canaccord Genuity Ratings System

BUY: The stock is expected to generate returns greater than 10% during the next 12 months.

HOLD: The stock is expected to generate returns from -10% to 10% during the next 12 months.

SELL: The stock is expected to generate returns less than -10% during the next 12 months.

NOT RATED: Canaccord Genuity does not provide research coverage of the relevant issuer.

Given the inherent volatility of some stocks under coverage, price targets for some stocks may imply target returns that vary temporarily from the ratings criteria above.

*As of January 1, 2024, the Ratings History Chart will reflect the new Canaccord Genuity Ratings System as defined above.

Risk Qualifier

SPECULATIVE: The stock bears significantly above-average risk and volatility. Investments in the stock may result in material loss.

12-Month Recommendation History (as of date same as the Global Stock Ratings table)

A list of all the recommendations on any issuer under coverage that was disseminated during the preceding 12-month period may be obtained at the following website (provided as a hyperlink if this report is being read electronically) <http://disclosures-mar.canaccordgenuity.com/EN/Pages/default.aspx>

Required Company-Specific Disclosures (as of date of this publication)

Canaccord Genuity or one or more of its affiliated companies intend to seek or expect to receive compensation for Investment Banking services from Strickland Metals Limited in the next three months.

An analyst has visited the material operations of Strickland Metals Limited. Full payment was received for the related travel costs. This report was prepared solely by Canaccord Genuity (Australia) Limited. The ASX did not prepare any part of the report and has not contributed in any way to its content. The role of ASX in relation to the preparation of the research reports is limited to funding their preparation by Canaccord Genuity (Australia) Limited in accordance with the ASX Equity Research Scheme. The ASX does not provide financial product advice. The views expressed in this research report may not necessarily reflect the views of ASX. To the maximum extent permitted by law, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the ASX as to the adequacy, accuracy, completeness or reasonableness of the research reports.

Strickland Metals Limited Rating History as of 11/28/2024



Past performance

In line with Article 44(4)(b), MiFID II Delegated Regulation, we disclose price performance for the preceding five years or the whole period for which the financial instrument has been offered or investment service provided where less than five years. Please note price history refers to actual past performance, and that past performance is not a reliable indicator of future price and/or performance.

Online Disclosures

Up-to-date disclosures may be obtained at the following website (provided as a hyperlink if this report is being read electronically) <http://disclosures.canaccordgenuity.com/EN/Pages/default.aspx>; or by sending a request to Canaccord Genuity Corp. Research, Attn: Disclosures, P.O. Box 10337 Pacific Centre, 2200-609 Granville Street, Vancouver, BC, Canada V7Y 1H2; or by sending a request by email to disclosures@cgf.com. The reader may also obtain a copy of Canaccord Genuity's policies and procedures regarding the dissemination of research by following the steps outlined above.

General Disclaimers

See "Required Company-Specific Disclosures" above for any of the following disclosures required as to companies referred to in this report: manager or co-manager roles; 1% or other ownership; compensation for certain services; types of client relationships; research analyst conflicts; managed/co-managed public offerings in prior periods; directorships; market making in equity securities and related derivatives. For reports identified above as compendium reports, the foregoing required company-specific disclosures can be found in a hyperlink located in the section labeled, "Compendium Reports." "Canaccord Genuity" is the business name used by certain wholly owned subsidiaries of Canaccord Genuity Group Inc., including Canaccord Genuity LLC, Canaccord Genuity Limited, Canaccord Genuity Corp., and Canaccord Genuity (Australia) Limited, an affiliated company that is 80%-owned by Canaccord Genuity Group Inc.

The authoring analysts who are responsible for the preparation of this research are employed by Canaccord Genuity Corp. a Canadian broker-dealer with principal offices located in Vancouver, Calgary, Toronto, Montreal, or Canaccord Genuity LLC, a US broker-dealer with principal offices located in New York, Boston, San Francisco and Houston, or Canaccord Genuity Limited., a UK broker-dealer with principal offices located in London (UK) and Dublin (Ireland), or Canaccord Genuity (Australia) Limited, an Australian broker-dealer with principal offices located in Sydney and Melbourne.

The authoring analysts who are responsible for the preparation of this research have received (or will receive) compensation based upon (among other factors) the Investment Banking revenues and general profits of Canaccord Genuity. However, such authoring analysts have not received, and will not receive, compensation that is directly based upon or linked to one or more specific Investment Banking activities, or to recommendations contained in the research.

Some regulators require that a firm must establish, implement and make available a policy for managing conflicts of interest arising as a result of publication or distribution of research. This research has been prepared in accordance with Canaccord Genuity's policy on managing conflicts of interest, and information barriers or firewalls have been used where appropriate. Canaccord Genuity's policy is available upon request.

The information contained in this research has been compiled by Canaccord Genuity from sources believed to be reliable, but (with the exception of the information about Canaccord Genuity) no representation or warranty, express or implied, is made by Canaccord Genuity, its affiliated companies or any other person as to its fairness, accuracy, completeness or correctness. Canaccord Genuity has not independently verified the facts, assumptions, and estimates contained herein. All estimates, opinions and other information contained in this research constitute Canaccord Genuity's judgement as of the date of this research, are subject to change without notice and are provided in good faith but without legal responsibility or liability.

From time to time, Canaccord Genuity salespeople, traders, and other professionals provide oral or written market commentary or trading strategies to our clients and our principal trading desk that reflect opinions that are contrary to the opinions expressed in this research. Canaccord Genuity's affiliates, principal trading desk, and investing businesses also from time to time make investment decisions that are inconsistent with the recommendations or views expressed in this research.

This research is provided for information purposes only and does not constitute an offer or solicitation to buy or sell any designated investments discussed herein in any jurisdiction where such offer or solicitation would be prohibited. As a result, the designated investments discussed in this research may not be eligible for sale in some jurisdictions. This research is not, and under no circumstances should be construed as, a solicitation to act as a securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on the business of a securities broker or dealer in that jurisdiction. This material is prepared for general circulation to clients and does not have regard to the investment objectives, financial situation or particular needs of any particular person. Investors should obtain advice based on their own individual circumstances before making an investment decision. To the fullest extent permitted by law, none of Canaccord Genuity, its affiliated companies or any other person accepts any liability whatsoever for any direct or consequential loss arising from or relating to any use of the information contained in this research.

Research Distribution Policy

Canaccord Genuity research is posted on the Canaccord Genuity Research Portal and will be available simultaneously for access by all of Canaccord Genuity's customers who are entitled to receive the firm's research. In addition research may be distributed by the firm's sales and trading personnel via email, instant message or other electronic means. Customers entitled to receive research may also receive it via third party vendors. Until such time as research is made available to Canaccord Genuity's customers as described above, Authoring Analysts will not discuss the contents of their research with Sales and Trading or Investment Banking employees without prior compliance consent.

For further information about the proprietary model(s) associated with the covered issuer(s) in this research report, clients should contact their local sales representative.

Short-Term Trade Ideas

Research Analysts may, from time to time, discuss “short-term trade ideas” in research reports. A short-term trade idea offers a near-term view on how a security may trade, based on market and trading events or catalysts, and the resulting trading opportunity that may be available. Any such trading strategies are distinct from and do not affect the analysts' fundamental equity rating for such stocks. A short-term trade idea may differ from the price targets and recommendations in our published research reports that reflect the research analyst's views of the longer-term (i.e. one-year or greater) prospects of the subject company, as a result of the differing time horizons, methodologies and/or other factors. It is possible, for example, that a subject company's common equity that is considered a long-term 'Hold' or 'Sell' might present a short-term buying opportunity as a result of temporary selling pressure in the market or for other reasons described in the research report; conversely, a subject company's stock rated a long-term 'Buy' or 'Speculative Buy' could be considered susceptible to a downward price correction, or other factors may exist that lead the research analyst to suggest a sale over the short-term. Short-term trade ideas are not ratings, nor are they part of any ratings system, and the firm does not intend, and does not undertake any obligation, to maintain or update short-term trade ideas. Short-term trade ideas are not suitable for all investors and are not tailored to individual investor circumstances and objectives, and investors should make their own independent decisions regarding any securities or strategies discussed herein. Please contact your salesperson for more information regarding Canaccord Genuity's research.

For Canadian Residents:

This research has been approved by Canaccord Genuity Corp., which accepts sole responsibility for this research and its dissemination in Canada. Canaccord Genuity Corp. is registered and regulated by the Canadian Investment Regulatory Organization (CIRO) and is a Member of the Canadian Investor Protection Fund. Canadian clients wishing to effect transactions in any designated investment discussed should do so through a qualified salesperson of Canaccord Genuity Corp. in their particular province or territory.

For United States Persons:

Canaccord Genuity LLC, a US registered broker-dealer, accepts responsibility for this research and its dissemination in the United States. This research is intended for distribution in the United States only to certain US institutional investors. US clients wishing to effect transactions in any designated investment discussed should do so through a qualified salesperson of Canaccord Genuity LLC. Analysts employed outside the US, as specifically indicated elsewhere in this report, are not registered as research analysts with FINRA. These analysts may not be associated persons of Canaccord Genuity LLC and therefore may not be subject to the FINRA Rule 2241 and NYSE Rule 472 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

For United Kingdom and European Residents:

This research is distributed in the United Kingdom and elsewhere Europe, as third party research by Canaccord Genuity Limited, which is authorized and regulated by the Financial Conduct Authority. This research is for distribution only to persons who are Eligible Counterparties or Professional Clients only and is exempt from the general restrictions in section 21 of the Financial Services and Markets Act 2000 on the communication of invitations or inducements to engage in investment activity on the grounds that it is being distributed in the United Kingdom only to persons of a kind described in Article 19(5) (Investment Professionals) and 49(2) (High Net Worth companies, unincorporated associations etc) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. This material is not for distribution in the United Kingdom or elsewhere in Europe to retail clients, as defined under the rules of the Financial Conduct Authority.

For Jersey, Guernsey and Isle of Man Residents:

This research is sent to you by Canaccord Genuity Wealth (International) Limited (CGWI) for information purposes and is not to be construed as a solicitation or an offer to purchase or sell investments or related financial instruments. This research has been produced by an affiliate of CGWI for circulation to its institutional clients and also CGWI. Its contents have been approved by CGWI and we are providing it to you on the basis that we believe it to be of interest to you. This statement should be read in conjunction with your client agreement, CGWI's current terms of business and the other disclosures and disclaimers contained within this research. If you are in any doubt, you should consult your financial adviser.

CGWI is licensed and regulated by the Guernsey Financial Services Commission, the Jersey Financial Services Commission and the Isle of Man Financial Supervision Commission. CGWI is registered in Guernsey and is a wholly owned subsidiary of Canaccord Genuity Group Inc.

For Australian Residents:

This research is distributed in Australia by Canaccord Genuity (Australia) Limited ABN 19 075 071 466 holder of AFS Licence No 234666. To the extent that this research contains any advice, this is limited to general advice only. Recipients should take into account their own personal circumstances before making an investment decision. Clients wishing to effect any transactions in any financial products discussed in the research should do so through a qualified representative of Canaccord Genuity (Australia) Limited or its Wealth Management affiliated company, Canaccord Genuity Financial Limited ABN 69 008 896 311 holder of AFS Licence No 239052. This report should be read in conjunction with the Financial Services Guide available here - [Financial Services Guide](#).

For Hong Kong Residents:

This research is distributed in Hong Kong by Canaccord Genuity (Hong Kong) Limited which is licensed by the Securities and Futures Commission. This research is only intended for persons who fall within the definition of professional investor as defined in the

Securities and Futures Ordinance. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. Recipients of this report can contact Canaccord Genuity (Hong Kong) Limited. (Contact Tel: +852 3919 2561) in respect of any matters arising from, or in connection with, this research.

Additional information is available on request.

Copyright © Canaccord Genuity Corp. 2024 – Member CIRO/Canadian Investor Protection Fund

Copyright © Canaccord Genuity Limited. 2024 – Member LSE, authorized and regulated by the Financial Conduct Authority.

Copyright © Canaccord Genuity LLC 2024 – Member FINRA/SIPC

Copyright © Canaccord Genuity (Australia) Limited. 2024 – Participant of ASX Group, Cboe Australia and of the NSX. Authorized and regulated by ASIC.

All rights reserved. All material presented in this document, unless specifically indicated otherwise, is under copyright to Canaccord Genuity Corp., Canaccord Genuity Limited, Canaccord Genuity LLC or Canaccord Genuity Group Inc. None of the material, nor its content, nor any copy of it, may be altered in any way, or transmitted to or distributed to any other party, without the prior express written permission of the entities listed above.

None of the material, nor its content, nor any copy of it, may be altered in any way, reproduced, or distributed to any other party including by way of any form of social media, without the prior express written permission of the entities listed above.