

## Initiation of Coverage

## BDC ASX

Bardoc Gold Limited is developing its 100% owned Bardoc Gold Project in the Eastern Goldfields, Western Australia. The March 2020 PFS supports 135kozpa gold production over a 7.75 year mine life, targeting initial production H1 CY2022.

## Industry - Resources

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**RAWSON LEWIS**

## Targeting 135kozpa gold production from 2022

## One of the remaining WA development projects with scale

Bardoc Gold Limited (BDC) has consolidated a 247km<sup>2</sup> ground position 50km north of Kalgoorlie, with >3Moz in Mineral Resources. The March 2020 PFS envisages a 135kozpa operation over an initial 8 years from four cornerstone deposits.

## A\$0.18/sh valuation 115% above current share price

Our valuation is based on the PFS at US\$1,600/oz gold and 0.70 AUDUSD, plus A\$30m for exploration. At spot (US\$1,733/oz gold, 0.69 AUDUSD), our valuation lifts to A\$0.21/sh. Our A\$0.14/sh target price reflects PFS-stage risk and funding assumption risk.

## EV/oz metrics reflect a similar discount relative to its peers

BDC is valued at a 46% discount to its peers on an EV/Resource oz basis, and a 41% discount on an EV/Reserve oz basis. The gap should narrow on exploration/Resource/Reserve/DFS updates, which have contributed to its key peers' recent outperformance.

## Potential for +1Moz Ore Reserve in March 2021 DFS

Definition drilling and optimising the Mineral Resource at A\$2,000/gold should convert more of the 1.8Moz gold within cornerstone deposits outside the mine plan to Ore Reserves, plus extensional drilling and inclusion of satellite deposits.

## No shortage of exploration opportunities

The consolidated tenure has not received systematic regional exploration given previous owners' focus on reaching production. BDC has 449koz gold in Mineral Resources across thirteen deposits outside the mine plan that warrant new exploration.

## Near-term catalysts: updated Resource, Offtake, DFS

BDC is aiming to release an updated Mineral Resource next quarter, conclude a concentrate offtake agreement the following quarter, and publish its DFS in early 2021. Ongoing exploration results will provide steady newsflow between these milestones.

## Company Data

Shares Outstanding (M)	1,395.7
Price (\$/sh)	0.084
Market Capitalisation (\$M)	117
Free Float (%)	89%
Free Float Market Capitalisation (\$M)	104
12 Month Low (\$/sh)	0.04
12 Month High (\$/sh)	0.13
Average Daily Volume ('000)	3,929.2

Source: ASX, Company

## Earnings Summary (A\$M)

Year end June	FY20	FY21	FY22	FY23
Sales revenue	0	0	38.8	223.7
EBITDA	(10.2)	(2.4)	(4.9)	114.0
PBT	(10.1)	(2.4)	(23.2)	76.7
Underlying NPAT	(10.9)	(2.4)	(23.2)	76.7
Reported NPAT	(10.9)	(3.4)	(23.2)	76.7
Reported EPS (c)	(0.7)	(0.2)	(1.0)	3.4
Underlying EPS (c)	(0.4)	(0.2)	(1.0)	3.4

## Share Price Chart



Source: IRESS

## Directors &amp; Management

Tony Leibowitz	Non-Executive Chairman
John Young	Non-Executive Director
Neil Biddle	Non-Executive Director
Rowan Johnston	Non-Executive Director
Peter Buttigieg	Non-Executive Director
Robert Ryan	Chief Executive Officer

## Shareholders

Directors	11.01%
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Bardoc Gold Limited (BDC ASX)		Year Ending June			CASH FLOW A\$M	FY20F	FY21F	FY22F	FY23F
Share Price \$/sh	0.084				Receipts from customers	0.0	0.0	38.8	223.7
Price Target \$/sh	0.140				Receipts from corporate	0.5	0.0	0.0	0.0
					Interest received	0.4	0.0	0.0	0.0
<b>PROFIT &amp; LOSS A\$M</b>	<b>FY20F</b>	<b>FY21F</b>	<b>FY22F</b>	<b>FY23F</b>	Other receipts	0.0	0.0	0.0	0.0
Revenue	0.2	0.0	38.8	223.7	Payments to suppliers	(1.0)	0.0	(41.3)	(107.3)
COGS	0.0	0.0	(41.3)	(107.3)	Corporate Costs	(3.2)	(2.4)	(2.4)	(2.4)
Gross Profit	0.2	0.0	(2.5)	116.4	Payments for E&E	(5.9)	0.0	0.0	0.0
Gross Profit Margin	100%	0%	-7%	52%	Tax paid	0.0	0.0	0.0	0.0
Corporate & Other Costs	(10.4)	(2.4)	(2.4)	(2.4)	Other payments	(0.0)	0.0	0.0	0.0
EBITDA	(10.2)	(2.4)	(4.9)	114.0	Net cash inflow from operating activities	(9.2)	(2.4)	(4.9)	114.0
D&A expense	(0.1)	0.0	(15.3)	(38.5)	Proceeds from disposal of PPE	0.1	0.0	0.0	0.0
EBIT	(10.2)	(2.4)	(20.2)	75.6	Payments for PPE	(0.2)	(37.5)	(138.2)	(65.0)
Interest expense	0.0	0.0	(2.7)	(4.5)	E&E (capitalised)	(1.5)	(2.5)	0.0	0.0
Other finance costs	(0.1)	0.0	(1.5)	0.0	Payments for acquired E&E	(0.1)	0.0	0.0	0.0
Hedging gains (losses)	0.0	0.0	1.2	5.7	Loans to other entities - Assetline Capital	(6.6)	0.0	0.0	0.0
Finance income	0.3	0.0	0.0	0.0	Other	(0.7)	0.0	0.0	0.0
Profit before income tax expense	(10.1)	(2.4)	(23.2)	76.7	Net cash outflow from investing activities	(9.0)	(40.0)	(138.2)	(65.0)
Income tax expense	0.0	0.0	0.0	0.0	Proceeds from borrowings	0.0	0.0	100.0	0.0
Extraordinary items	(0.7)	0.0	0.0	0.0	Proceeds from equity raised (net of costs)	22.3	79.7	0.0	0.0
NPAT	(10.9)	(2.4)	(23.2)	76.7	Proceeds from conversion of ITM options	0.0	0.0	0.0	0.0
Ordinary Shares	1,489.5	2,252.3	2,252.3	2,252.3	Repayment of Assetline Capital Funds	4.7	8.3	0.0	0.0
EPS A cps	(0.7)	(0.1)	(1.0)	3.4	Hedging gains / (losses)	0.0	0.0	1.2	5.7
EBITDA Margin	-	-	-	51%	Interest & other finance costs paid (borrowing)	0.0	0.0	(1.2)	(4.5)
EPS Growth	-	-	90%	130%	Arranging Fees	(0.6)	0.0	(1.5)	0.0
PER	-	-	-	2.5	Repayment of borrowings	0.0	0.0	(0.7)	(18.6)
Book value A\$/sh	0.01	0.04	0.03	0.06	Other (Payment for interest rate derivs, loans)	(0.3)	(0.3)	(0.3)	0.0
Price/Book	10.7	2.1	2.9	1.3	Other	(0.1)	0.0	0.0	0.0
Return on Equity	(93%)	(3%)	(35%)	54%	Net cash inflow / outflow from financing activities	26.1	87.8	97.6	(17.4)
Return on Invested Capital	(82%)	(3%)	(14%)	34%	Net increase / decrease in cash and cash eq	7.9	45.4	(45.6)	31.6
<b>VALUATION A\$M</b>	<b>FY20F</b>	<b>FY21F</b>	<b>FY22F</b>	<b>FY23F</b>	FX movements on cash	0.0	0.0	0.0	0.0
Bardoc Gold Project	251.8	286.7	490.2	508.8	Cash and cash equivalents at period start	1.3	9.2	54.6	9.0
Hedging	10.6	11.5	12.1	7.6	Cash and cash equivalents at period end	9.2	54.6	9.0	40.7
Corporate	(17.5)	(14.5)	(13.1)	(11.6)	<b>BALANCE SHEET A\$M</b>	<b>FY20F</b>	<b>FY21F</b>	<b>FY22F</b>	<b>FY23F</b>
Tax Shield	40.5	43.7	47.2	32.5	Cash and cash equivalents	9.2	54.6	9.0	40.7
Debt	(1.5)	(1.2)	(101.8)	(83.3)	Trade and other receivables	0.0	0.0	0.0	0.0
Cash & Equivalents	17.5	54.6	9.0	40.7	Loan Receivables	8.3	0.0	0.0	0.0
Exploration	30.0	30.0	30.0	30.0	Other Assets	0.1	0.1	0.1	0.1
Valuation A\$M	331.5	410.8	473.7	524.6	Total Current Assets	17.6	54.7	9.1	40.8
Valuation A\$/sh	0.213	0.177	0.205	0.226	PPE	0.5	38.0	161.3	188.5
<b>OPERATING DATA</b>	<b>FY20F</b>	<b>FY21F</b>	<b>FY22F</b>	<b>FY23F</b>	Deferred E&E expenditure	1.5	4.0	3.7	3.0
Total Ore Mined (kt)	0	0	816	1,597	Rights of use assets	0.2	0.2	0.2	0.2
Mined Grade (g/t Au)	0.00	0.00	1.12	1.77	Total Non-Current Assets	2.2	42.2	165.2	191.6
Contained Gold (oz)	0	0	30,677	91,164	Total Assets	19.9	96.9	174.3	232.4
Tonnes Milled (kt)	0	0	503	1,910	Payables	0.0	0.0	0.0	0.0
Treated Grade (g/t Au)	0.00	0.00	1.11	1.74	Lease Liabilities	0.1	0.1	0.1	0.1
Contained Gold (oz)	0	0	18,626	105,296	Borrowings	1.5	1.2	1.0	1.0
Gold Recovery	0%	0%	93%	96%	Provisions	1.3	1.3	1.3	1.3
CIL Recovered Gold (oz)	0	0	17,401	99,338	Total Current Liabilities	2.9	2.6	2.4	2.4
Gold in Concentrate (oz)	0	0	0	1,235	Lease Liabilities	0.2	0.2	0.2	0.2
Gross Revenue	0.0	0.0	39.8	229.6	Borrowings	0.0	0.0	100.8	82.3
Royalties	0.0	0.0	1.0	5.9	Provisions	5.1	5.1	5.1	5.1
Net Revenue	0.0	0.0	38.8	223.7	Total Non-Current Liabilities	5.3	5.3	106.1	87.6
Open Pit Mining	0.0	0.0	31.0	39.3	Total Liabilities	8.1	7.9	108.5	89.9
Underground Mining	0.0	0.0	0.5	28.4	Net Assets	11.7	89.0	65.8	142.5
Surface Haulage	0.0	0.0	0.0	0.2	Contributed Equity	135.8	215.5	215.5	215.5
Processing	0.0	0.0	7.8	32.1	Reserves	2.4	2.4	2.4	2.4
SG&A	0.0	0.0	1.9	7.4	Retained Profits	(126.4)	(128.8)	(152.0)	(75.4)
Operating Costs (A\$/oz)	0.0	0.0	41.3	107.3	Total Equity	11.7	89.0	65.8	142.5
Cash Operating Costs (A\$/oz)	0	0	2,359	1,072	<b>ASSUMPTIONS</b>	<b>FY20F</b>	<b>FY21F</b>	<b>FY22F</b>	<b>FY23F</b>
AISC Costs (A\$/oz)	0	0	2,606	1,517	Inflation	0%	0%	0%	0%
Total Feasibility & Dev Capex	0.1	10.0	0.0	0.0	US\$ Gold Price	1,568	1,667	1,600	1,600
Total Pre-Production Capex	0.0	27.5	119.0	0.0	AUDUSD	67%	66%	70%	70%
Total Post-Production Capex	0.0	0.0	19.2	65.0	A\$ Gold Price	2,293	2,527	2,294	2,286
Exploration Capex	1.5	2.5	0.0	0.0	Corporate tax	30%	30%	30%	30%
Total Capex	1.6	40.0	138.2	65.0	Cost of Debt	6.7%	4.8%	4.8%	4.8%

## Amalgamated Bardoc Gold Project provides critical mass

Following a series of astute corporate transactions over the past three years, Bardoc Gold Limited (BDC ASX, A\$117m mkt cap) has consolidated a contiguous tenement package 50km north of Kalgoorlie and along strike from Zijin Mining's Paddington operations. Its Bardoc Gold Project (BGP) now has >3Moz contained gold in Mineral Resource across 17 deposits, most within 50km of the planned process plant to be located at the old Bardoc mill site, and many of which have had little recent exploration due to fragmented ownership or previous owner's focus on achieving production.

## PFS highlights reduced processing risk and mining schedule flexibility

A Pre-Feasibility Study (PFS) published in March 2020 outlined an initial 7.75 year operation producing 135koz gold per annum at an AISC cost of A\$1,220/oz, based on four open pits and two underground mining operations at four cornerstone deposits – Excelsior, Zoroastrian, Aphrodite, and Bulletin South. BDC has elected to produce a gold concentrate from refractory Aphrodite ore, simplifying the process flow sheet (reducing technical risk) and lowering capital costs. The multiple ore sources together with any satellite deposits included in the upcoming Definitive Feasibility Study (DFS) will also provide increased flexibility in the mining schedule.

## Currently priced on PFS only at US\$1,400/oz gold

Our Sum of Parts valuation (A\$0.177/sh, fully diluted) is presented in Table 1. It is based on a DCF analysis (8% WACC, post-tax, real) of the Bardoc Gold Project run at a long term US\$1,600/oz gold price and 0.70 AUDUSD. At spot (US\$1,733/oz gold, 0.69 AUDUSD), our valuation increases to A\$0.214/sh. At BDC's current A\$0.084/sh share price, the market is valuing BDC on its PFS operation at ~US\$1,400/oz, with no exploration upside.

**Table 1: Sum of Parts Valuation as at 30 June 2021**

Sum of Parts Valuation 30-Jun-21	NPV A\$M	Undiluted A\$ps	Diluted A\$ps
Bardoc Gold Project	286.7	0.127	0.124
Hedging	11.5	0.005	0.005
Corporate	(14.5)	(0.006)	(0.006)
Tax Shield	43.7	0.019	0.019
Debt	(1.2)	(0.001)	(0.001)
Cash & Equivalents	54.6	0.013	0.013
Exploration	30.0	0.013	0.013
<b>Total Value of Common Equity</b>	<b>410.8</b>	<b>0.182</b>	<b>0.177</b>
Market Value of Common Equity	191.4		
Premium (Discount)	117%	117%	111%
Shares on Issue	million	2,252	2,326

Source: RL estimates.

Our A\$0.14/sh price target is set at a 20% discount to our valuation, reflecting uncertainties around our financing assumptions, and PFS stage risk (uncertainty on mine plan, gold recoveries and production, timing, and capital and operating cost assumptions). BDC has a strong technical team, both on the board and within senior management, with extensive experience in both open pit and underground development and operations with WA gold producers including Northern Star, Gold Fields, Barrick, and neighbouring Norton Gold Fields (Zijin Mining Group). We consider the company

will continue to execute to its timeline over the next twelve months, de-risking the project and narrowing the gap between the current share price and our valuation.

## Upcoming Newsflow / Timeline

**September Quarter 2020:** Mineral Resource update, to be re-optimised using an A\$2,000/oz gold price (vs current A\$1,800/oz), incorporating infill and extensional drilling at Zoroastrian and Aphrodite, and exploration drilling at Mayday North, North Kanowna Star and El Dorado.

**December Quarter 2020:** Concentrate offtake agreement and metallurgical results. New metallurgical testwork results for Aphrodite will produce concentrate samples for offtakers to qualify, ahead of conclusion of a concentrate offtake agreement.

**March Quarter 2021:** DFS completion and conclusion of environmental permitting.

Finally, BDC is undertaking a nine-month exploration drilling program, which we anticipate will result in a steady stream of drilling results between these key project milestone announcements (Chart 1).

**Chart 1. Project Development Timeline**

Calendar year	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>GEOLOGY</b>								
Resource Infill Drilling								
Resource Update			★					
Exploration Drilling								
Exploration Geophysics								
<b>CONCENTRATE OFFTAKE</b>								
Metallurgical Test-work								
Off-taker Shortlisting								
Off-take Agreement				★				
<b>DEFINITIVE FEASIBILITY STUDY</b>								
Mining & Processing Studies								
Financial Modelling								
Final Report					★			
<b>ENVIRONMENTAL PERMITTING</b>								
					★			
<b>FINANCING</b>								
Debt & Equity Funding							★	
<b>CONSTRUCTION &amp; MINING</b>								
Road & Rail Realignment								
Open Pit Mining							★	
Processing Construction							★	

Source: BDC ASX Announcement 12 May 2020.

## Valuation Detail

Our modelled BGP in our Sum of Parts is based on the March 2020 PFS physicals and operating cost estimates and the revised development timeline included in Chart 1. In Table 2 we present the differences between our assumptions and the PFS, including a higher gold price, higher capital cost estimate on lifting contingency to 10%, higher royalties (due to our higher gold price assumption) and our application of A\$122 million tax losses to the corporate entity rather than at the project level.

Our valuation is struck at 30 June 2021 and includes a A\$7.5 million interim capital raise and full construction financing, comprising A\$100 million debt and A\$87 million equity, sufficient to cover growth capex, working capital, corporate costs and maintain a A\$5 million minimum cash balance.

Finally, we have attributed A\$30 million for exploration, reflecting value for the existing Mineral Resource inventory and potential for additional mine life extension on completion of the DFS.

**Table 2. PFS Outcomes vs Our Modelled Bardoc Gold Project**

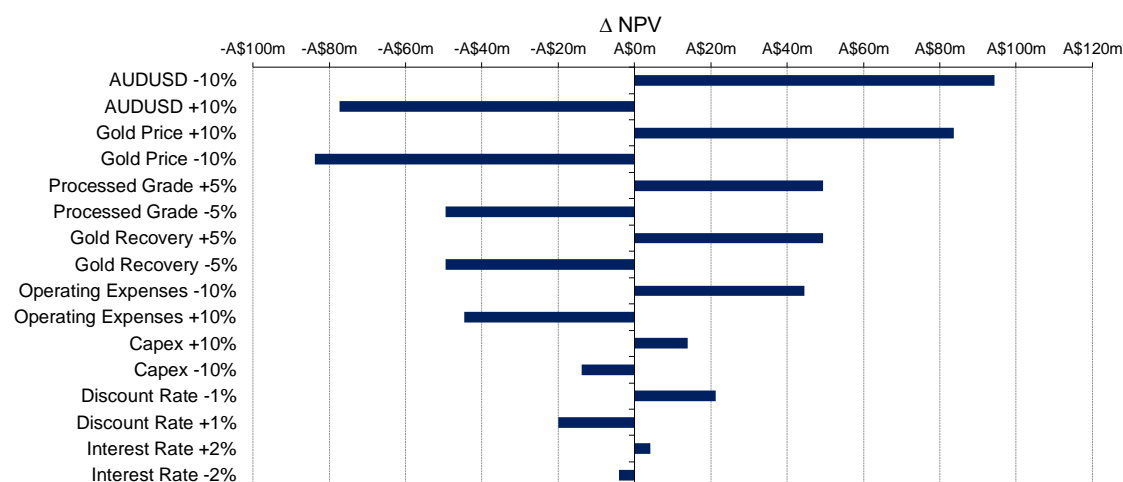
Metric	Unit	BDC PFS	RL	Diff	Diff%
<b>Financial Assumptions</b>					
Long Term Gold Price	A\$/oz	2,100	2,286	185.7	9%
<b>Project Cash Flow</b>					
Gross Revenue	A\$M	1,912	2,084	172.1	9%
Royalties	A\$M	77	83	6.7	9%
Opex	A\$M	931	931	(0.1)	0%
Pre-Production Capex	A\$M	142	147	4.1	3%
Post-Production Capex	A\$M	211	211	0.0	0%
Net Cash Flow (Pre-Tax)	A\$M	551	712	160.6	29%
Corporate Tax*	A\$M	125	216	91.0	73%
Net Cash Flow (Post-Tax)	A\$M	426	496	69.6	16%
<b>Project Valuation</b>					
Discount Rate	%	8.0	8.0	0.0	0%
Pre-Tax NPV	A\$M	332	439	107.0	32%
Pre-Tax IRR	%	32	45.7	13.7	43%
Post Tax-Payback Period	Years	2.7	2.5	(0.2)	(7%)
Post-Tax NPV	A\$M	252	287	34.7	14%
Post-Tax IRR	%	27	33.5	6.5	24%
Post-Tax Payback Period	Years	2.7	3.3	0.6	22%

Source: BDC PFS, 17 March 2020, Rawson Lewis estimates. \*BDC utilises corporate tax losses at project level.

## Sensitivity Analysis

Our valuation is most sensitive to currency and gold price movements, then grade & recovery variations and changes in operating costs. It is least sensitive to initial capital cost variations, discount rate, and interest rates (Chart 2).

**Chart 2. A\$M Sensitivity Analysis**



Source: Rawson Lewis estimates.

Additional sensitivities are presented on a per share basis from Table 3 to Table 6.

**Table 3. Sensitivity Analysis - Gold Price vs AUDUSD**

NPV (A\$/sh)		Gold Price (US\$/oz)						
		1,300	1,400	1,500	1,600	1,700	1,800	1,900
AUDUSD	0.85	0.051	0.073	0.093	0.111	0.130	0.149	0.168
	0.80	0.070	0.090	0.111	0.131	0.151	0.171	0.191
	0.75	0.088	0.110	0.131	0.152	0.174	0.196	0.217
	0.70	0.108	0.131	0.154	0.177	0.201	0.224	0.248
	0.65	0.132	0.156	0.181	0.206	0.232	0.257	0.283
	0.60	0.159	0.186	0.213	0.241	0.269	0.297	0.325
	0.55	0.191	0.221	0.251	0.282	0.312	0.343	0.375

Source: Rawson Lewis estimates.

**Table 4. Sensitivity Analysis - Construction Capex vs Operating Costs**

NPV (A\$/sh)		Operating Cost						
		-20%	-10%	-5%	0%	5%	10%	20%
Construction Capex	-20%	0.239	0.212	0.200	0.187	0.174	0.162	0.138
	-10%	0.231	0.206	0.194	0.182	0.170	0.159	0.136
	-5.0%	0.227	0.203	0.191	0.180	0.168	0.157	0.135
	0%	0.223	0.200	0.189	0.177	0.166	0.156	0.134
	5.0%	0.220	0.197	0.186	0.175	0.165	0.154	0.134
	10%	0.216	0.195	0.184	0.173	0.163	0.153	0.133
	20%	0.210	0.190	0.180	0.170	0.160	0.150	0.131

Source: Rawson Lewis estimates.

**Table 5. Sensitivity Analysis - Processed Grade vs Recovery**

NPV (A\$/sh)		Processed Grade (%)						
		-10%	-5.0%	-2.5%	0%	2.5%	5.0%	10%
Gold Recovery (%)	-3.0%	0.121	0.142	0.153	0.164	0.175	0.186	0.208
	-2.0%	0.125	0.146	0.157	0.168	0.179	0.191	0.213
	-1.0%	0.129	0.151	0.162	0.173	0.184	0.195	0.218
	0%	0.133	0.155	0.166	0.177	0.189	0.200	0.223
	1.0%	0.137	0.159	0.170	0.182	0.193	0.205	0.229
	2.0%	0.141	0.163	0.175	0.186	0.198	0.210	0.234
	3.0%	0.145	0.168	0.179	0.191	0.203	0.215	0.239

Source: Rawson Lewis estimates.

**Table 6. Sensitivity Analysis - Construction Equity Raise vs Raise Price**

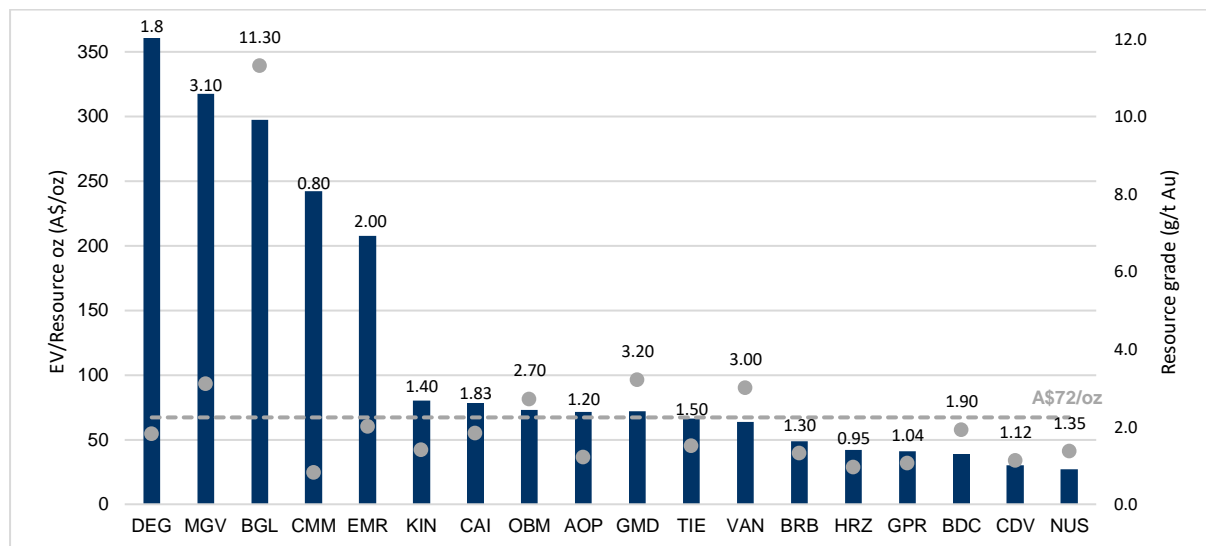
NPV (A\$/sh)		Size of Raise (A\$'000)						
		58,742	67,133	75,525	83,917	92,309	100,700	109,092
Raise Price (A\$/sh)	0.080	0.169	0.165	0.161	0.158	0.155	0.152	0.149
	0.090	0.175	0.172	0.168	0.165	0.162	0.160	0.157
	0.100	0.181	0.177	0.174	0.172	0.169	0.167	0.164
	0.110	0.185	0.182	0.180	0.177	0.175	0.173	0.171
	0.120	0.189	0.187	0.185	0.182	0.180	0.178	0.177
	0.130	0.193	0.191	0.189	0.187	0.185	0.183	0.182
	0.140	0.196	0.194	0.192	0.191	0.189	0.188	0.186

Source: Rawson Lewis estimates.

## Peer Comparisons

We have benchmarked BDC against a series of WA-based gold companies (from explorers to financed developers under construction), and also for comparison we have included a number of gold companies with >1Moz contained gold in Mineral Resources in offshore projects.

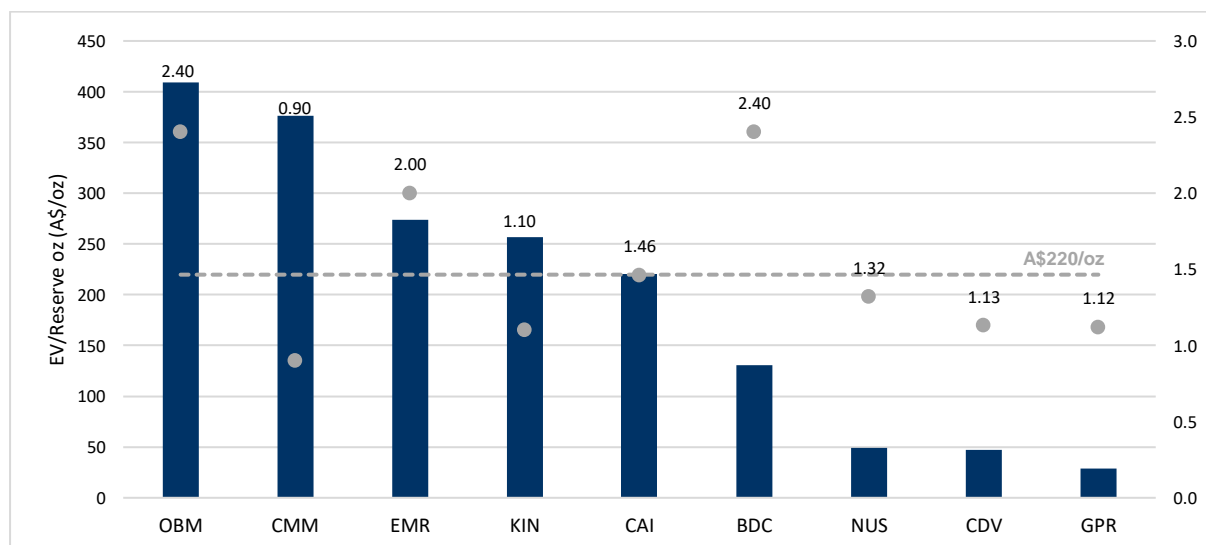
**Chart 3. EV/Resource oz Comparison**



Source: Company reports, Bloomberg. Current as at 12th June 2020.

On an EV/Resource oz metric, BDC is valued at a 46% discount to the median of the peers included in Chart 3. Outperformers include DEG, BGL, and MGV, which have enjoyed exploration success, as well CMM and EMR, both of which are fully financed and in construction phase. However, direct peers including CAI, KIN, OBM, and GMD are also valued above the peer median A\$72/Resource oz. We have plotted each peer's Resource grade, noting BDC's grade is higher than KIN's, comparable to CAI's and lower than neighbour OBM's. Companies with advanced offshore projects are finding it difficult to match the valuations of their domestic peers at present.

**Chart 4. EV/Reserve oz Comparison**

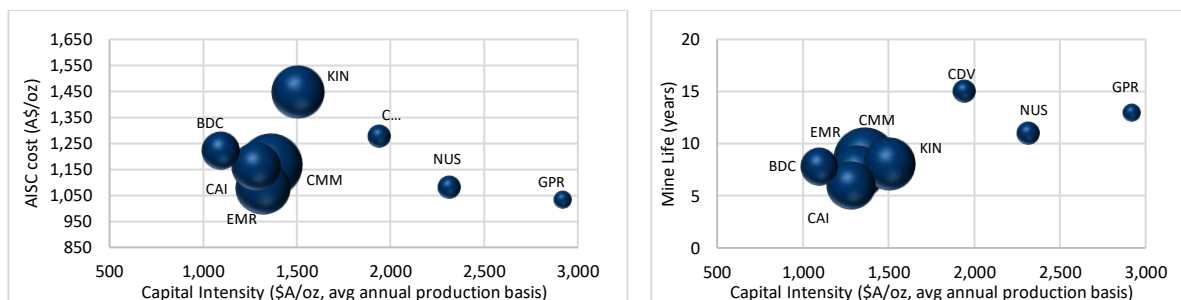


Source: Company reports, Bloomberg. Current as at 12th June 2020.



In Chart 4 we present EV/Reserve oz metrics for a subset of the peers. Within this group, five have projects in Western Australia, and only BDC and CMM have Ore Reserves with >500koz contained gold. The offshore projects have >900koz Ore Reserves. BDC is valued at a 41% discount to the peer median of A\$220/Reserve oz, while its directly comparable Western Australian peers (OBM, KIN, and CAI) are again valued above the peer average. This relative valuation may reflect market anticipation of future increases in Ore Reserves and / or development stage momentum or recent exploration success, and if so, BDC may enjoy a similar valuation as it progresses towards an updated Mineral Resource and its DFS, while delivering steady exploration results in the interim. We also note that among the peers, BDC and OBM have the highest Reserve grades at 2.4g/t Au.

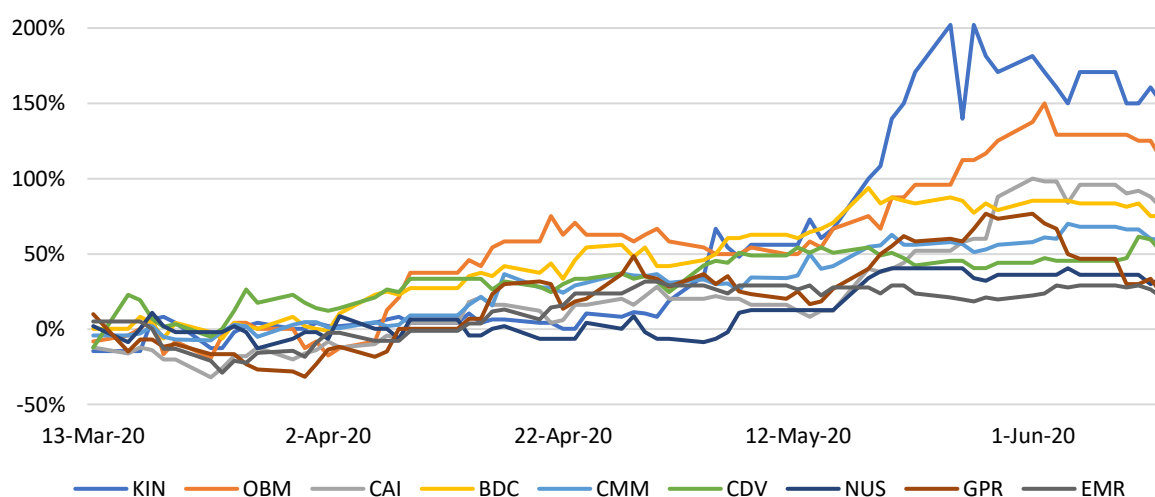
**Chart 5. Capital Intensity vs AISC Cost and Mine Life**



Source: Company reports, Bloomberg. Bubble size = EV/Reserve oz. Current as at 12th June 2020.

BDC's A\$1,220/oz AISC cash cost is slightly higher than its Western Australian peers (KIN being the exception), however, it enjoys favourable capital intensity due to its higher average annual gold production of 135kozpa (Chart 5). Similarly, its 7.75 year mine life is comparable to its Western Australian peers, while the offshore projects of the included peers have longer forecast mine lives.

**Chart 6. Peer Comparison – Relative Performance (3 mths)**



Source: IRESS. Current as at 12th June, 2020.

Finally, in Chart 6 we examine the relative performance of BDC's key peers over the past three months. KIN has been the standout performer based on recent exploration success, while OBM (updated Mineral Resources, Ore Reserve, imminent DFS) and CAI (DFS momentum, new copper project) have enjoyed strong performance. Assuming market sentiment toward gold remains positive, BDC should enjoy a similar response from positive exploration results and delivery of key milestones.



## Financials

**Table 7. Profit & Loss Statement**

Profit & Loss (A\$M)	FY20E	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E
Revenue	-	-	38.8	223.7	318.4	298.8	342.9	346.5
Other income	0.2	-	-	-	-	-	-	-
<b>Total revenue and other income</b>	<b>0.2</b>	<b>-</b>	<b>38.8</b>	<b>223.7</b>	<b>318.4</b>	<b>298.8</b>	<b>342.9</b>	<b>346.5</b>
Operating expenses	-	-	(41.3)	(107.3)	(146.9)	(167.9)	(187.6)	(166.4)
Corporate costs	(2.6)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Exploration costs expensed	(6.6)	-	-	-	-	-	-	-
Share based payment expense	(0.2)	-	-	-	-	-	-	-
Other costs	(1.0)	-	-	-	-	-	-	-
<b>EBITDA</b>	<b>(10.2)</b>	<b>(2.4)</b>	<b>(4.9)</b>	<b>114.0</b>	<b>169.1</b>	<b>128.5</b>	<b>152.9</b>	<b>177.7</b>
D&A expense	(0.1)	-	(15.3)	(38.5)	(47.4)	(53.2)	(58.7)	(62.9)
<b>EBIT</b>	<b>(10.2)</b>	<b>(2.4)</b>	<b>(20.2)</b>	<b>75.6</b>	<b>121.8</b>	<b>75.3</b>	<b>94.2</b>	<b>114.8</b>
Interest expense	-	-	(2.7)	(4.5)	(3.6)	(2.6)	(1.6)	(0.5)
Other finance costs	(0.1)	-	(1.5)	-	-	-	-	-
Hedging gains (losses)	-	-	1.2	5.7	5.0	1.7	-	-
Finance income	0.3	-	-	-	-	-	-	-
<b>Profit before income tax expense</b>	<b>(10.1)</b>	<b>(2.4)</b>	<b>(23.2)</b>	<b>76.7</b>	<b>123.2</b>	<b>74.3</b>	<b>92.6</b>	<b>114.3</b>
Income tax expense	-	-	-	-	(14.6)	(22.3)	(27.8)	(34.3)
Extraordinary items	(0.7)	-	-	-	-	-	-	-
<b>NPAT</b>	<b>(10.9)</b>	<b>(2.4)</b>	<b>(23.2)</b>	<b>76.7</b>	<b>108.6</b>	<b>52.0</b>	<b>64.8</b>	<b>80.0</b>

Source: Rawson Lewis estimates.

**Table 8. Cash Flow Statement**

Cash Flow (A\$M)	FY20E	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E
Receipts from customers	-	-	38.8	223.7	318.4	298.8	342.9	346.5
Receipts from Corporate	0.5	-	-	-	-	-	-	-
Interest received	0.4	-	-	-	-	-	-	-
Other receipts	0.0	-	-	-	-	-	-	-
Payments to suppliers	(1.0)	-	(41.3)	(107.3)	(146.9)	(167.9)	(187.6)	(166.4)
Corporate Costs	(3.2)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Payments for E&E (expensed)	(5.9)	-	-	-	-	-	-	-
Tax paid	-	-	-	-	(14.6)	(22.3)	(27.8)	(34.3)
Other payments	(0.0)	-	-	-	-	-	-	-
<b>Net cash inflow from operating activities</b>	<b>(9.2)</b>	<b>(2.4)</b>	<b>(4.9)</b>	<b>114.0</b>	<b>154.6</b>	<b>106.2</b>	<b>125.2</b>	<b>143.4</b>
Proceeds from disposal of PPE	0.1	-	-	-	-	-	-	-
Payments for PPE	(0.2)	(37.5)	(138.2)	(65.0)	(40.9)	(33.1)	(29.7)	(16.3)
Payments for E&E (capitalised)	(1.5)	(2.5)	-	-	-	-	-	-
Payments for acquired E&E	(0.1)	-	-	-	-	-	-	-
Loans to other entities – Assetline Capital	(6.6)	-	-	-	-	-	-	-
Other	(0.7)	-	-	-	-	-	-	-
<b>Net cash outflow from investing activities</b>	<b>(9.0)</b>	<b>(40.0)</b>	<b>(138.2)</b>	<b>(65.0)</b>	<b>(40.9)</b>	<b>(33.1)</b>	<b>(29.7)</b>	<b>(16.3)</b>
Proceeds from borrowings	-	-	100.0	-	-	-	-	-
Proceeds from equity raised (net of costs)	22.3	79.7	-	-	-	-	-	-
Proceeds from conversion of ITM options	0.0	-	-	-	-	-	-	-
Repayment of Assetline Capital funds	4.7	8.3	-	-	-	-	-	-
Hedging gains / (losses)	-	-	1.2	5.7	5.0	1.7	-	-
Interest and other finance costs paid	-	-	(1.2)	(4.5)	(3.6)	(2.6)	(1.6)	(0.5)
Arranging Fees	(0.6)	-	(1.5)	-	-	-	-	-
Repayment of borrowings	-	-	(0.7)	(18.6)	(20.3)	(20.3)	(21.3)	(20.4)
Repayment of Franco Nevada Advance	(0.3)	(0.3)	(0.3)	-	-	-	-	-
Other	(0.1)	-	-	-	-	-	-	-
<b>Net cash inflow / outflow from financing activities</b>	<b>26.1</b>	<b>87.8</b>	<b>97.6</b>	<b>(17.4)</b>	<b>(18.9)</b>	<b>(21.3)</b>	<b>(22.9)</b>	<b>(20.9)</b>
Net increase / decrease in cash and cash equivalents	7.9	45.4	(45.6)	31.6	94.8	51.9	72.6	106.3
Effect of exchange rate movements on cash	-	-	-	-	-	-	-	-
Cash and cash equivalents at period start	1.3	9.2	54.6	9.0	40.7	135.4	187.3	259.8
<b>Cash and cash equivalents at period end</b>	<b>9.2</b>	<b>54.6</b>	<b>9.0</b>	<b>40.7</b>	<b>135.4</b>	<b>187.3</b>	<b>259.8</b>	<b>366.2</b>

Source: Rawson Lewis estimates.

**Table 9. Balance Sheet**

Balance Sheet (A\$M)	FY20E	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E
Cash and cash equivalents	9.2	54.6	9.0	40.7	135.4	187.3	259.8	366.2
Trade and other receivables	-	-	-	-	-	-	-	-
Loan Receivables (Assetline Capital)	8.3	-	-	-	-	-	-	-
Other Assets	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>Total Current Assets</b>	<b>17.6</b>	<b>54.7</b>	<b>9.1</b>	<b>40.8</b>	<b>135.5</b>	<b>187.4</b>	<b>260.0</b>	<b>366.3</b>
Property, Plant and Equipment	0.5	38.0	161.3	188.5	182.7	163.3	134.9	88.9
Deferred exploration and evaluation expenditure	1.5	4.0	3.7	3.0	2.3	1.6	0.9	0.2
Rights of use assets	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Other non-current assets	-	-	-	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>2.2</b>	<b>42.2</b>	<b>165.2</b>	<b>191.6</b>	<b>185.2</b>	<b>165.0</b>	<b>136.0</b>	<b>89.3</b>
<b>Total Assets</b>	<b>19.9</b>	<b>96.9</b>	<b>174.3</b>	<b>232.4</b>	<b>320.7</b>	<b>352.4</b>	<b>396.0</b>	<b>455.6</b>
Payables	-	-	-	-	-	-	-	-
Lease Liabilities	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Borrowings	1.5	1.2	1.0	1.0	1.0	1.0	1.0	1.0
Provisions	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
<b>Total Current Liabilities</b>	<b>2.9</b>	<b>2.6</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>
Lease Liabilities	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Borrowings	-	-	100.8	82.3	62.0	41.7	20.4	-
Provisions	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1
<b>Total Non-Current Liabilities</b>	<b>5.3</b>	<b>5.3</b>	<b>106.1</b>	<b>87.6</b>	<b>67.2</b>	<b>46.9</b>	<b>25.6</b>	<b>5.3</b>
<b>Total Liabilities</b>	<b>8.1</b>	<b>7.9</b>	<b>108.5</b>	<b>89.9</b>	<b>69.6</b>	<b>49.3</b>	<b>28.0</b>	<b>7.6</b>
<b>Net Assets</b>	<b>11.7</b>	<b>89.0</b>	<b>65.8</b>	<b>142.5</b>	<b>251.1</b>	<b>303.1</b>	<b>368.0</b>	<b>448.0</b>
Contributed Equity	135.8	215.5	215.5	215.5	215.5	215.5	215.5	215.5
Reserves	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Retained Profits	(126.4)	(128.8)	(152.0)	(75.4)	33.2	85.3	150.1	230.1
<b>Total Equity</b>	<b>11.7</b>	<b>89.0</b>	<b>65.8</b>	<b>142.5</b>	<b>251.1</b>	<b>303.1</b>	<b>368.0</b>	<b>448.0</b>

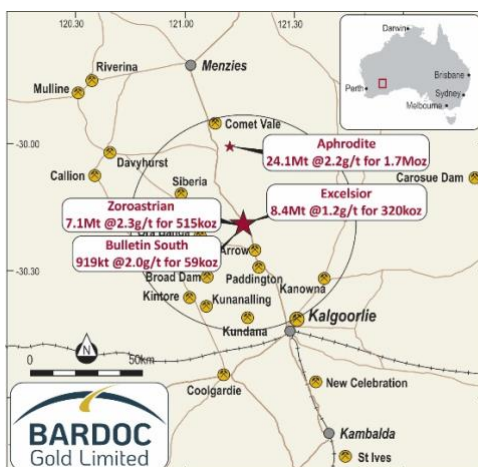
Source: Rawson Lewis estimates.

## The Bardoc Gold Project

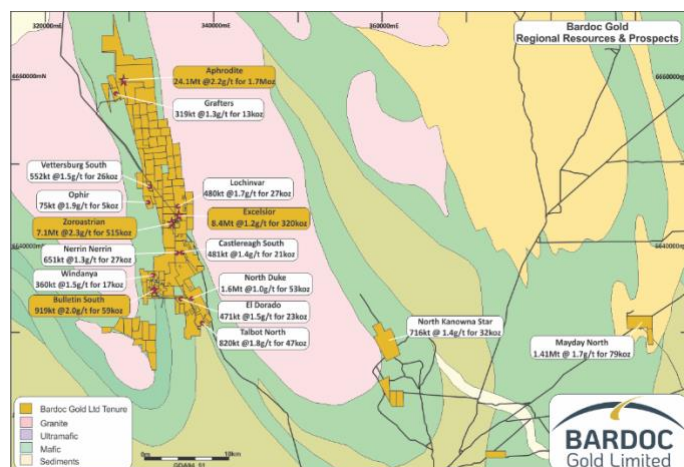
### Location & Tenure

The Bardoc Gold Project (BGP) comprises a 247km<sup>2</sup> contiguous package of tenements stretching along a 40km length of the Goldfields Highway, 50km north of Kalgoorlie in the Eastern Goldfields of Western Australia (Figure 1).

**Figure 1. Project Location**



**Figure 2. Tenements, Geology, and Gold Deposits**



Source: BDC Presentation 13 May 2020; BDC PFS 17 March 2020.

The significant tenement holding was established through the consecutive mergers of Spitfire Materials Limited (SPI ASX) with Aphrodite Gold Limited (AQQ ASX) and then Excelsior Gold Limited (EXG ASX) during late 2017-2018, with a further 49km<sup>2</sup> tenements acquired from Torian Resources Limited (TNR ASX) and 20km<sup>2</sup> tenements from Strategic Projects Mining Pty Ltd in 2019.

The BGP tenements comprise 151 Licences comprised of Mining Leases and Prospecting and Miscellaneous Licences. All Ore Reserves are on granted Mining Leases which have terms of 21 years and have automatic renewal on application by the Licence holder.

Most of the tenements occur within the Kalgoorlie-Boulder shire, with the northernmost tenements falling within the Menzies local authority area. All tenements occur on the Mount Vettors Pastoral Lease.

**Table 10: Tenement Details**

Project	Mining Leases	Prospecting Licences	Miscellaneous Licences	Applications	Interest
<b>Bardoc Gold Project</b>					
Aphrodite	5	2	5	1	100%
North Kalgoorlie Gold Project	46	74	5	1	95-100%
Mayday North - North Kanowna Star	3	4	1	0	100%
Total	54	84	11	2	95-100%

Source: BDC Quarterly - March 2020. NB: DN Schorer has a 5% interest in Mining Lease M24/942.

## Mining & Exploration History

During the 1890s - early 1900s, underground workings at Zoroastrian and Excelsior produced gold at over ½ oz per tonne. This historic underground mining was via a series of shafts with workings down to 120m below surface. Aberfoyle Gold mined small open pits at both the Excelsior and Zoroastrian Deposits in the 1980s - 1990s extracting over 110koz gold. During 2016 – 2017 EXG produced gold at Zoroastrian from an open pit to a depth of 125m below surface for 52.6koz Au at a grade of just over 2.0g/t Au. The EXG mining campaign was treated through both the nearby Paddington Mill and the Lakewood Mill located at the southern end of the Golden Mile.

Many of the other deposits within BGP tenements have recorded historic production, although these are not included in the PFS mining inventory. They have also seen relatively little modern exploration, with recent owners focussing efforts on defining sufficient Mineral Resources and Ore Reserves at Zoroastrian and Excelsior to underpin a production restart.

**Table 11. Historic Gold Production**

Period	Company	Deposit	Tonnes	Grade (g/t Au)	Ounces Au
1890s-1900s		Excelsior	6,720	19.9	4,300
		Zoroastrian	13,800	17.2	7,600
Sub-total			20,520	18.1	11,900
1987-1991	Aberfoyle Gold	Excelsior	2,020,000	1.5	97,300
	Aberfoyle Gold	Zoroastrian	203,800	2.4	16,000
Sub-total			2,223,800	1.6	113,300
2015-2017	Excelsior Gold	Zoroastrian	807,000	2.0	52,600
Sub-total			807,000	2.0	52,600
Total			3,051,320	1.8	177,800

Source: Company announcements.

Aphrodite is a greenfield deposit, discovered by Dalrymple Resources NL in 1994. Drilling campaigns by numerous owners from 1998-2002 identified two lodes, Alpha and Phi, and subsequently estimated Mineral Resources. Apex Minerals acquired the deposit in 2007, which in turn was acquired by AQQ in 2009, and Aphrodite became the foundation asset for its 2010 IPO. AQQ undertook metallurgical and PFS studies from 2013-2017, assessing an open pit mining scenario with flotation, pressure oxidation and CIL leaching.

## Geology & Mineralisation

The BGP occurs within the Kalgoorlie Terrane of the Archean Yilgarn Craton, in the Bardoc Tectonic Zone, where the Norseman-Wiluna greenstone belt intersects the Black Flag Fault. Both regional structures host numerous multi-million-ounce gold deposits including the Golden Mile, Paddington, and Mt Pleasant.

The Bardoc Tectonic Zone stretches for over 120km in a northerly direction, and comprises a 12km wide greenstone belt of mafic-ultramafic volcanic rocks, felsic volcano-sedimentary rocks, felsic intermediate porphyry intrusions, and differentiated mafic-ultramafic intrusions, which has been squeezed between two large granites forming a syncline.

At Zoroastrian this sequence has been intruded by a fractionated dolerite dike, which hosts the gold mineralisation. Gold mineralisation occurs in stockworks and steep west-dipping lodes, as well as shallow dipping lodes in the footwall position of the steep lodes. High grade mineralisation is associated with arsenopyrite, with lower grade mineralisation associated with pyrite and pyrrhotite.

The Excelsior deposit occurs 300m east of Zoroastrian and is hosted within a sequence of tuffaceous and pelitic sediments and minor intercalated volcanics and intrusives. Gold mineralisation occurs over a 750m strike length in quartz veins and stockworks within a broad 20-50m wide quartz-sericite-carbonate alteration zone, coincident with three north-south striking, sub-vertical shears.

Aphrodite occurs 21km to the north of Excelsior and Zoroastrian and is hosted by intermediate to felsic intermediate porphyries which intruded a north-northwest striking greenstone sequence comprising basalts, turbiditic sediments, siltstones, and carbonaceous shale. Gold mineralisation occurs in two parallel lodes, Alpha and Phi (Phi is 120m west of Alpha), which occupy west-southwest dipping shear zones and have a 1km strike length. These lodes occur in north-northwest fault structures with a steep easterly / subvertical dip. The Alpha lode occurs within the porphyries (typically 5m wide) and also turbiditic sediments (up to 20m wide), while the Phi lode is hosted by turbiditic sediments and is up to 30m in thickness. Primary gold mineralisation at Aphrodite is refractory, being fine grained and associated with quartz-pyrite-arsenopyrite veining and / or breccia with an alteration assemblage comprising quartz-sericite, pyrite and arsenopyrite-albite-biotite. Silica alteration occurs around higher-grade ore, while silica and arsenopyrite alteration absent from the Alpha lode. Oxide ore from both lodes is free milling, as is transitional material from Alpha. Phi transitional material is refractory.

Gold mineralisation at Bulletin South is associated with a quartz stockwork system in quartz-rich dolerite units within or adjacent to a felsic porphyry unit and may be associated with splay structures propagating from the nearby Black Flag Fault. The stockwork strikes northwest, is steeply dipping, and has a true width of 10-15m. Gold is thought to occur within moderately east-dipping ladder veins within the stockwork. The deposit was previously mined until 1994.

## Mineral Resources

The September 2019 Mineral Resource comprises 49.4Mt grading 1.9g/t for 3.02Moz contained gold and represents the collective Mineral Resources across seventeen deposits (Table 12). It was optimised using a A\$1,800/oz gold price.

**Table 12: Mineral Resource – 30 September 2019**

BGP Mineral Resources	Type	Cut-off	Measured			Indicated			Inferred			Total		
			Tonnes	Grade	Gold	Tonnes	Grade	Gold	Tonnes	Grade	Gold	Tonnes	Grade	Gold
		(g/t)	(kt)	(g/t)	(koz)	(kt)	(g/t)	(koz)	(kt)	(g/t)	(koz)	(kt)	(g/t)	(koz)
Aphrodite	OP	0.40	0.0	0.0	0.0	11622	1.66	619.0	6676.0	1.39	298.0	18298	1.56	917.0
Aphrodite	UG	2.00	0.0	0.0	0.0	3458	3.92	436.0	2391.0	4.29	330.0	5849	4.07	766.0
<b>Aphrodite</b>	<b>Sub-total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>15080</b>	<b>2.18</b>	<b>1055.0</b>	<b>9067.0</b>	<b>2.15</b>	<b>628.0</b>	<b>24147</b>	<b>2.17</b>	<b>1683.0</b>
Zoroastrian	OC	0.40	0.0	0.0	0.0	3862	1.84	229.0	1835.0	1.51	89.0	5697	1.74	318.0
Zoroastrian	UG	2.00	0.0	0.0	0.0	580	4.40	82.0	823.0	4.31	114.0	1403	4.35	196.0
<b>Zoroastrian</b>	<b>Sub-total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4442</b>	<b>2.18</b>	<b>311.0</b>	<b>2658.0</b>	<b>2.38</b>	<b>203.0</b>	<b>7100</b>	<b>2.25</b>	<b>514.0</b>
Excelsior	OP	0.40	0.0	0.0	0.0	6729	1.23	266.0	1749.0	0.96	54.0	8478	1.17	320.0
Mulwarrie	OP	0.50	0.0	0.0	0.0	0.0	0.0	0.0	881.0	2.79	79.0	881	2.79	79.0
Mayday North	OP	0.50	0.0	0.0	0.0	0.0	0.0	0.0	1410.0	1.74	79.0	1410	1.74	79.0
Bulletin South	OP	0.40	152.0	2.25	11.0	546	2.05	36.0	150.0	2.07	10.0	848	2.09	57.0
Duke North	OP	0.40	0.0	0.0	0.0	851	1.02	28.0	795.0	0.98	25.0	1646	1.00	53.0
Talbot North	OP	0.40	0.0	0.0	0.0	698	1.78	40.0	123.0	1.77	7.0	821	1.78	47.0
North Kanowna Star	OP	0.50	0.0	0.0	0.0	0.0	0.0	0.0	716.0	1.39	32.0	716	1.39	32.0
Lochinvar	OP	0.40	0.0	0.0	0.0	423	1.76	24.0	57.0	1.64	3.0	480	1.75	27.0
Nerrin Nerrin	OP	0.50	0.0	0.0	0.0	0.0	0.0	0.0	651.0	1.24	26.0	651	1.24	26.0
Vettersburg South	OP	0.60	0.0	0.0	0.0	0.0	0.0	0.0	552.0	1.47	26.0	552	1.47	26.0
El Dorado	OP	0.50	0.0	0.0	0.0	0.0	0.0	0.0	471.0	1.52	23.0	471	1.52	23.0
South Castlereagh	OP	0.50	0.0	0.0	0.0	111	1.68	6.0	369.0	1.26	15.0	480	1.36	21.0
Windanya	OP	0.60	0.0	0.0	0.0	0.0	0.00	0.0	360.0	1.47	17.0	360	1.47	17.0
Grafters	OP	0.50	0.0	0.0	0.0	0.0	0.00	0.0	319.0	1.37	14.0	319	1.37	14.0
Ophir	OP	0.60	0.0	0.0	0.0	0.0	0.00	0.0	75.0	2.07	5.0	75	2.07	5.0
<b>Total</b>			<b>152.0</b>	<b>2.25</b>	<b>11.0</b>	<b>28880</b>	<b>1.90</b>	<b>1766.0</b>	<b>20403.0</b>	<b>1.90</b>	<b>1246.0</b>	<b>49435</b>	<b>1.90</b>	<b>3023.0</b>

Source: BDC ASX Announcement 30 September 2019.

BDC considers 2.06Moz may be open-pittable, while 962koz have the potential to be mined from underground. The PFS envisages mining four main deposits: Excelsior, Zoroastrian, Aphrodite, and Bulletin South which comprise 82% of the tonnes and 87% contained ounces. Other significant deposits include the recently acquired Mayday North deposit (79koz), and Mulwarrie (79koz) the latter being located 10km northwest of the Davyhurst mining centre, 80km to the northwest of the main tenement holding. In addition to the Mineral Resource, BDC has estimated an Exploration Target at Mayday North of 96-171koz gold grading 2.0-2.4g/t Au.

Drill spacing of the deposits comprising the initial mine plan ranges from 7.5m x 7.5m grade control drilling at Zoroastrian and Bulletin South, 20m x 20m near surface drilling at Aphrodite and Zoroastrian, to 40m x 40m drill spacing, with spacing at each level providing strong to reasonable indications of continuity.



BDC has engaged Entech to re-optimize the Mineral Resources using a A\$2,000 gold in the upcoming September Quarter Mineral Resource update. Based on the sections in Figure 3, the Excelsior pit will pull 50m deeper with a similar geometry, mineralisation at the northern end of Zoroastrian will be included in the revised pit shell along with the saddle between Zoroastrian South and the base of the existing pit, and the open pit / underground transition at Aphrodite may occur up to 100m below the current PFS design.

The figure consists of three geological cross-sections of the Bardoc Gold Mine, each showing the 2019 PFS Open Pit Design and various geological features.

**Excelsior Cross Section (6643330mN):** This section shows the 2019 PFS Open Pit Design, existing open pit, and various geological features like Tailings, Mineralisation, and Ultramafic. It includes a scale bar from 0m to 200m and the Bardoc Gold Limited logo.

**Alpha Lode Longsection Bearing 340°:** This section shows the 2019 PFS Open Pit Design, existing open pit, and various geological features like Tailings, Mineralisation, and Ultramafic. It includes a scale bar from 0m to 200m and the Bardoc Gold Limited logo.

**Zoroastrian Cross Section:** This section shows the 2019 PFS Open Pit Design, existing open pit, and various geological features like Tailings, Mineralisation, and Ultramafic. It includes a scale bar from 0m to 200m and the Bardoc Gold Limited logo.

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## Ore Reserve

The maiden Ore Reserve accompanied BDC's PFS and comprises 10.4 Mt grading 2.4 g/t gold for 790 koz contained gold (Table 13). The Ore Reserve was determined using an A\$1,900/oz gold price. Entech and BDC undertook the open pit and underground Ore Reserve estimations respectively.

**Table 13: Bardoc Gold Project Ore Reserve – 17 March 2020**

BGP Ore Reserves	Probable			Total		
	Tonnes (kt)	Grade (g/t)	Gold (koz)	Tonnes (kt)	Grade (g/t)	Gold (koz)
Excelsior OP	3,540	1.40	160	3,540	1.41	160
Zoroastrian OP	350	1.90	20	350	1.78	20
Aphrodite OP	2,830	2.30	210	2,830	2.31	210
Bulletin OP	520	2.00	30	520	1.79	30
Zoroastrian UG	810	3.20	80	810	3.07	80
Aphrodite UG	2,380	3.70	290	2,380	3.79	290
<b>TOTAL</b>	<b>10,430</b>	<b>2.36</b>	<b>790</b>	<b>10,430</b>	<b>2.36</b>	<b>790</b>

Source: BDC PFS 17 March 2020.

## Metallurgy

Historic mining at Zoroastrian, Excelsior, and Bulletin South has demonstrated that these ore deposits are free milling. Metallurgical testwork on Aphrodite ore reveals the oxidised ore to be free milling, while the fresh material is refractory, being fine grained and associated with arsenopyrite. Transitional ore is more complex, with Alpha lode transitional ore being free milling, while Phi lode transitional ore is also refractory.

Perth tap water has been used in metallurgical testwork to date; BDC will undertake further testwork using water from the Scotia bore and pits during the DFS to better determine gold recoveries. Anecdotal evidence indicates that the higher salinities will increase reagent consumption within the CIL circuit, while improving the flotation characteristics of the ore, and the absence of fluoride from bore water helping to prevent impurities from being included in the concentrate.

There are ultramafic rocks at the Excelsior Deposit and potentially fibrous minerals have been identified in 2 holes drilled outside of and on the projected southern pit wall. Potentially fibrous materials are common occurrence within ultramafic rocks in the goldfields with Zijin Mining's Enterprise Gold Mine having a similar fibrous amphibole. BDC's management has experience dealing with these minerals and will establish appropriate management plans, ie dust suppression, if required.

BDC has commissioned an independent review of all metallurgical testwork and processing design and will seek guidance through the DFS with optimising gold recovery across ore types and reducing risk. Deep diamond drilling at Aphrodite has been completed to obtain additional samples for DFS testwork and will result in concentrate samples for potential off-takers to qualify.

## Pre-Feasibility Study

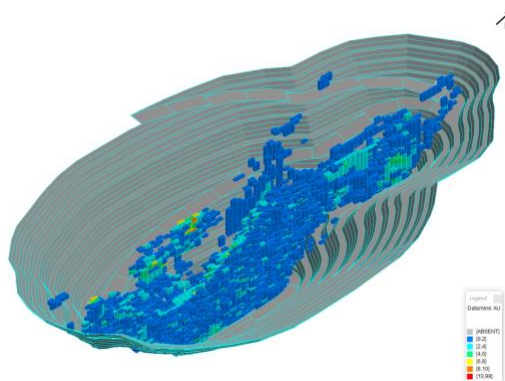
The PFS was published in March 2020. The study was undertaken to a 25% accuracy, with key consultants including Como Engineering, Entech, Knight Piésold, and Peter O'Bryan and Associates. BDC's Andrew Francis was the Study Manager.



## Mining

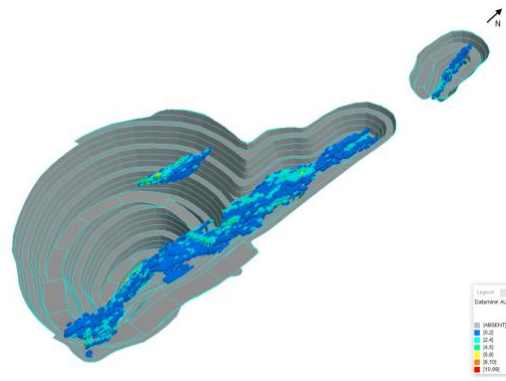
The PFS mine plan envisages ore being mined from four open pits and two underground operations (Figure 4-Figure 9). The current mine plan includes 89% Indicated Resources, and 11% Inferred Resource material, with the Inferred material currently classified as waste in the designs. BDC's drilling focus during the DFS will be to convert a significant portion of this material to Indicated Resources, which can then be included in the Ore Reserves.

**Figure 4. Excelsior Deposit Open Pit Design**



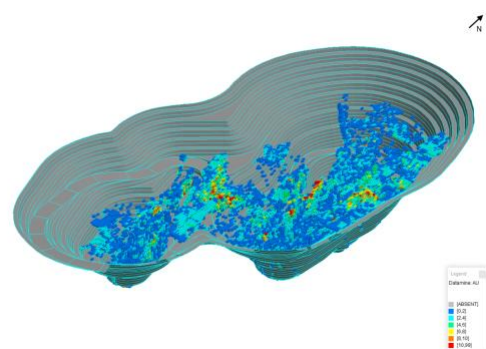
Source: BDC PFS, 17 March 2020.

**Figure 5. Zoroastrian Open Pit Design**



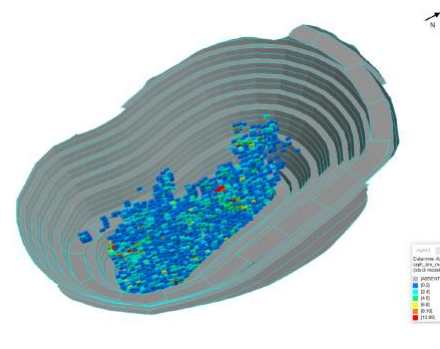
Source: BDC PFS, 17 March 2020.

**Figure 6. Aphrodite Deposit Open Pit Design**



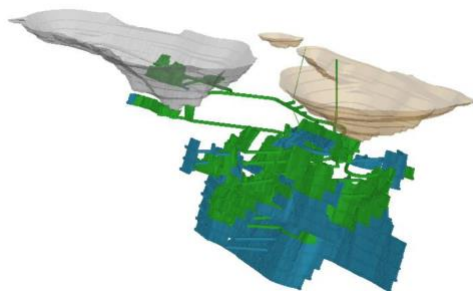
Source: BDC PFS, 17 March 2020.

**Figure 7. Bulletin Deposit Open Pit Design**



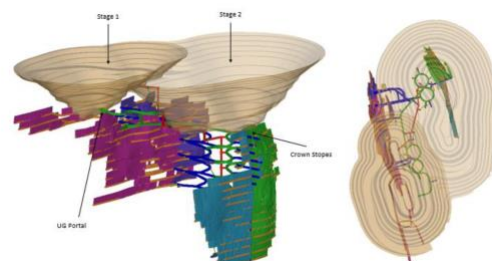
Source: BDC PFS, 17 March 2020.

**Figure 8. Zoroastrian Deposit Underground Mine Design**



Source: BDC PFS, 17 March 2020.

**Figure 9. Aphrodite Deposit Underground Mine Design**

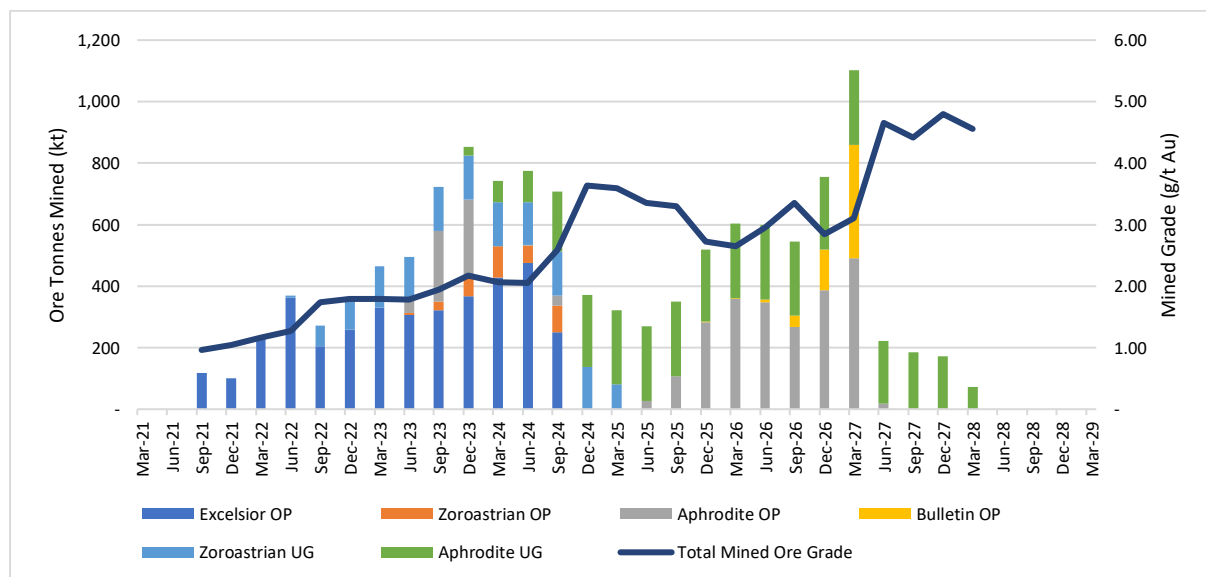


Source: BDC PFS, 17 March 2020.

Aphrodite is a greenfields deposit and will require removal of 50-60m of overburden. Excelsior, Zoroastrian and Bulletin South are all brownfields operations, requiring cutbacks to access the existing pits. Excelsior also requires the removal of backfilled tailings, and realignment of a 3-4km length of the Goldfields Highway and adjacent railway line.

Open pit mining will employ a 190t excavator paired with 100t dump trucks for waste stripping, and a second 120t excavator with a fleet of 100t dump trucks. The larger excavator will focus on initial waste stripping at Excelsior, then move to Aphrodite, while the 120t excavator will switch between Zoroastrian and Excelsior before moving to Aphrodite and Bulletin South (Chart 7).

**Chart 7. Modelled Mining Schedule**



Source: BDC PFS 17 March 2020, Rawson Lewis estimates.

Underground mining will be undertaken by long hole open stope (LHOS) method at both Zoroastrian and Aphrodite, employing a top down method using mechanised sub-level LHOS techniques, with rib and sill pillars for void stability and dilution control. Underground fleets will comprise twin boom jumbos, 76mm production drills, 10-15t loaders, and 60t trucks.

## Haulage

The proposed plant will be located on the site of the original Bardoc mill, which is immediately north of Zoroastrian and west of Excelsior. Bulletin South is located 8km to the west, while Aphrodite is 21km to the northeast. At present, BDC envisages hauling ore from Aphrodite along the Goldfields Highway. Given the Company now has contiguous tenure between Aphrodite and the plant site, it may make sense to establish a private haul road allowing non-concessional loading to achieve 200t payloads (vs ~100t), reducing haulage costs.

## Processing

The Stage 1 process plant will be a 1.5Mtpa CIL plant (fresh ore) with surge capacity to 1.8Mtpa. It will comprise a jaw crusher, SAG mill, ball mill, CIL adsorption circuit and elution circuit to produce gold doré, which will be sold to the Perth Mint (Figure 10). In Year 2 of operations BDC will add a flotation circuit to produce a gold concentrate from the refractory ore types at Aphrodite, which will be processed from Year 3 (Chart 8, Chart 9). Gold concentrates will be shipped to off-takers via the Port of Esperance.

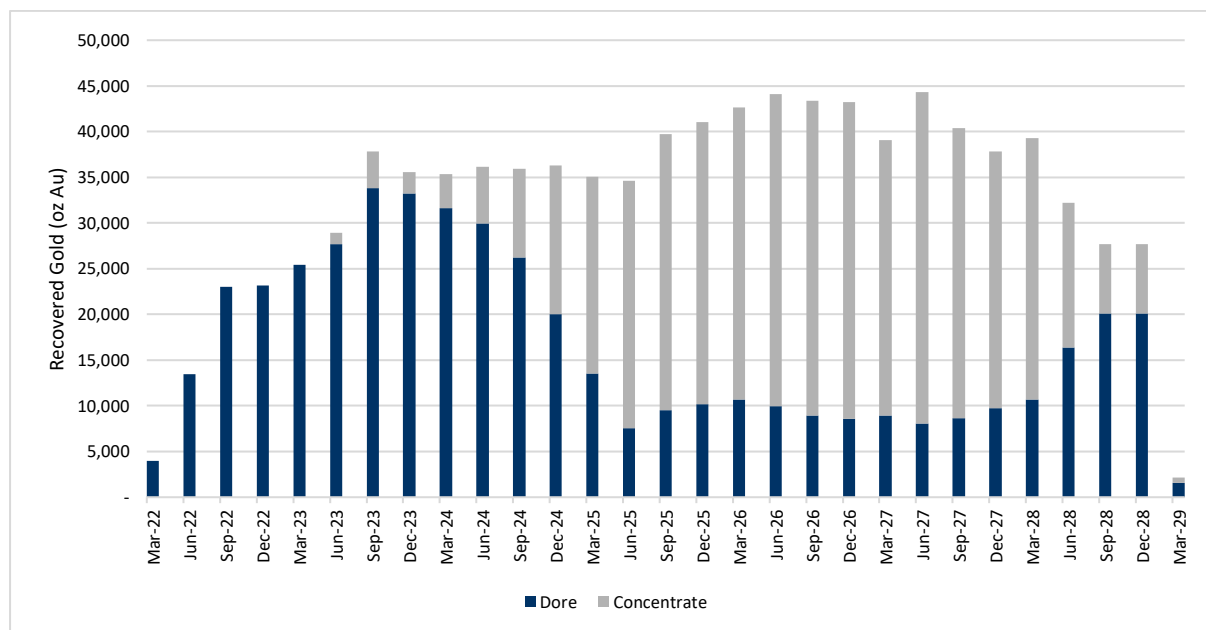
Tails from the flotation circuit will be processed through the CIL circuit to improve overall recoveries (Figure 10); BDC and plans to batch treat between the CIL and flotation circuits, and estimates a LOM gold recovery of 93% across free-milling, concentrate, and tails processing.

[illegible]

### Chart 8. Modelled Processing Schedule



**Chart 9. Modelled Gold Production by Product**



Source: BDC PFS 17 March 2020, Rawson Lewis estimates.

## Infrastructure

The BGP is located 50km north of Kalgoorlie along the Goldfields Highway, a sealed highway connecting Kalgoorlie to Leonora via Menzies. The proximity to a major mining hub is advantageous in that BDC will have access to services and a skilled workforce which will be residential.

The disadvantages include having to relocate existing infrastructure prior to mine development. To re-commence mining at Excelsior, BDC will need to realign a 3-4km section of the Goldfields Highway and Kalgoorlie-Leonora railway line, while the Cawse Lateral gas pipeline (not currently in use) will also require relocation to access Zoroastrian South open pit. Finally, Western Power overhead transmission lines and Telstra cables will also need to be relocated. These infrastructure modifications have been provided for in the PFS capital cost estimates.

While grid power is accessible, we understand that contracted demand exceeds supply in the region, despite the contracted volumes not always being used. BDC has included an onsite power station fuelled by compressed natural gas (CNG), to be funded off-balance sheet under a Build Own Operate (BOO) model. We anticipate BDC will seek to find a grid power solution with Western Power during the DFS, which would lower power costs from 19.5c/kwh to approximately 13c/kwh.

Water will be available from the Scotia Borefield, which requires rehabilitation. In addition, BDC has several in-pit water sources, including Botswana Locker and Jackorite.

BDC plans to integrate its 13.5Mt Tailings Storage Facility (TSF) with the existing de-commissioned TSF on the western side of the Goldfields Highway. The design involves 3 cells, with a combined area of 54 hectares.

## Environment

The BGP is in a well-established mining area, within granted mining tenure in good standing. In addition, Excelsior, Zoroastrian, and Bulletin South are brownfields operations, having previously received environmental approvals.

One of the key areas of focus will be waste dump management at Aphrodite, given it has been identified as Potentially Acid Forming (PAF), and that to the west of the deposit lies the Emu land system, a Priority 3 Ecological Community (PEC), which includes Cane Grass Swamp. Most of the waste at the other deposits have low sulphide content and have been determined as having negative net acid producing potential or are non-acid forming.

No threatened plant species have been identified, and it is unlikely any groundwater systems will be impacted by the resumption of mining activities given the minimal drawdown, saline-hypersaline quality of the water, and the absence of groundwater ecosystems having been identified during previous mining approvals processes. The Malleefowl (*Leipoa ocellata*) is a listed bird species that is known to nest within 4km of the Zoroastrian and Excelsior tenements. In addition, there are two listed butterfly species (*Ogyris subterrestris petrina*, *Jalmenus aridus*) and two listed trapdoor spider species (*Kwonkan moriartii*, *Idiosoma castellum*) which may inhabit the area.

BDC's management team has significant experience in managing environmental issues in this location, given the CEO and PFS Study Manager's experience at nearby Paddington, and the Company has recently recruited the Environmental Officer from Paddington to manage these processes. It is also worth noting that EXG secured mining approvals in 2015-2016 to recommence operations at Zoroastrian and several satellite deposits including Castlereagh.

## Permitting

The BGP is underpinned by granted Mining Leases, Prospecting Licences, and Miscellaneous Licences. Key permits required for development include water exploration, purpose approvals to realign the highway and railway line, the mining proposal and mine closure plan, water extraction licences, and the works approvals and operating licence (Table 14). Other permits are more procedural.

**Table 14. List of Requisite Development Permits & Approvals**

Level	Permit	Department	Activity
Key	26D Licence	Dept of Water and Environmental Regulation (DEWR)	Water Exploration
Key	Purpose Clearing Permit	Dept of Mines, Industry Regulation and Safety (DMIRS)	Railroad diversion
Key	Purpose Clearing Permit	Dept of Mines, Industry Regulation and Safety (DMIRS)	Land clearing
Key	Mining Proposal and Mine Closure Plan	Dept of Mines, Industry Regulation and Safety (DMIRS)	Project Development
Key	5C Licence	Dept of Water and Environmental Regulation (DEWR)	Water extraction
Key	Works Approval & Operating Licence	Dept of Water and Environmental Regulation (DEWR)	Processing Plant, TSF, dewatering, sewerage system, landfill
Secondary	Dangerous Goods Substance Storage Licence	Dept of Mines, Industry Regulation and Safety (DMIRS)	Bulk fuel, CNG, and chemical storage
Secondary	Security Risk Storage Licence	Dept of Mines, Industry Regulation and Safety (DMIRS)	Emulsion of ANFO storage
Secondary	Explosives Storage Licence	Dept of Mines, Industry Regulation and Safety (DMIRS)	Magazine
Secondary	Project Management Plan	Dept of Mines, Industry Regulation and Safety (DMIRS)	Mining Activities
Secondary	Poisons Licence	Dept of Health	Storage of cyanide
Secondary	Sewage Treatment Plant	Dept of Health / City of Kalgoorlie Boulder	Sewerage systems

Source: BDC PFS 17 March 2020.

## Native Title

There are no Native Title considerations regarding existing tenements. In 2017 the Maduwongga People successfully registered a claim over the area (WC2017/001). As such, any new tenements will be subject to Native Title considerations. BDC notes that six archaeological sites have been identified with the tenements, and none will be disturbed by the proposed development.

## Royalties

All gold operations in Western Australia are subject to a 2.5% royalty on revenue. BDC has two additional royalties in respect of deposits included the PFS mining schedule. The first is a 2.5% royalty to Franco Nevada over production from the Aphrodite deposit, pursuant to a royalty agreement struck in 2017. From 1 November 2017 A\$250k is payable per annum until production commences, at which point the royalty is paid. The second royalty agreement relates to production at Bulletin South. There, undisclosed third parties are due \$2/tonne ore produced at Bulletin South.

## Capital Costs

Capital expenditure estimates have been undertaken to a +/-25% level of accuracy. Pre-Production capital estimates total A\$142.4m, including A\$10.7m contingency (7.5%). Our modelled pre-production capital expenditure is A\$146.5m, allowing for 10% contingency, which we anticipate will be sought by project financiers (Table 15).

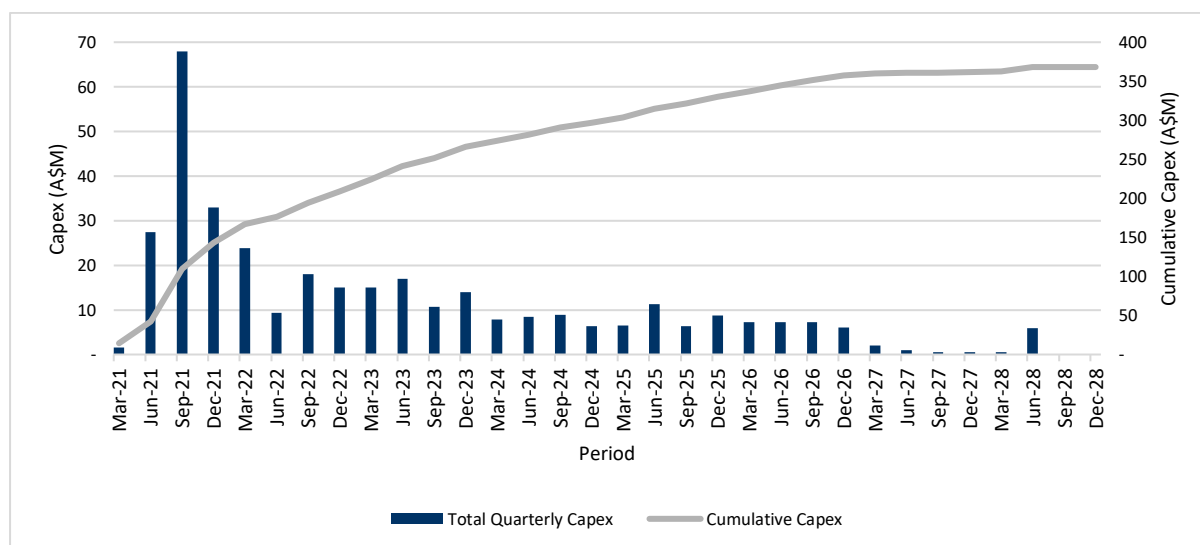
Post-production capital estimates including the flotation circuit and all further mining and sustaining and closure capital total A\$211.4m, for a total capital outlay of A\$353.8m. Our post-production capital expenditure and expenditure profile aligns with the PFS estimates (Table 15, Chart 10).

**Table 15. Capital Cost Comparison**

Capital Costs	BDC	BDC	BDC	RL	RL	RL
	Pre-Prod	Post-Prod	LOM	Pre-Prod	Post-Prod	LOM
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
Processing Plant	73,300	22,600	95,900	76,300	22,600	98,900
Access / Infrastructure	15,900		15,900	17,000		17,000
OP Mining	53,200	67,300	120,500	53,200	35,900	89,100
UG Mining	0	95,000	95,000			0
Sustaining		20,600	20,600		147,000	147,000
Closure	0	5,900	5,900		5,900	5,900
<b>Total</b>	<b>142,400</b>	<b>211,400</b>	<b>353,800</b>	<b>146,500</b>	<b>211,400</b>	<b>357,900</b>
Contingency Included	10,700	13,800	24,500	14,800	13,800	28,600
Contingency (%)	7.5%	6.5%	6.9%	10.1%	6.5%	8.0%

Source: BDC PFS, 17 March 2020, Rawson Lewis estimates.

**Chart 10. Modelled Quarterly and Cumulative Capital Expenditure**



Source: Rawson Lewis estimates.

## Operating Costs

Operating cost estimates were prepared by Entech mining, Como Engineering and BDC. The LOM cash operating cost is A\$979/oz, with an All-In Sustaining Cash (AISC) cost of A\$1,220/oz. A breakdown of the operating cost estimate is included in Table 16, together with RL's modelled costs. Royalties are the main difference, due to our higher gold price assumptions.

**Table 16. Operating Cost Comparison**

Operating Costs	BDC A\$M	BDC A\$/t ore	BDC A\$/oz	RL A\$'000	RL A\$/t ore	RL A\$/oz
OP Mining	201.1	16.40	211.4	201.1	16.40	211.5
UG Mining	309.5	25.20	325.3	309.5	25.20	325.4
Total Mining	510.6	41.60	536.7	510.6	41.60	536.9
Surface Haulage	29.3	2.40	30.8	29.3	2.38	30.8
Processing	343.6	27.90	361.2	343.6	27.94	361.3
G&A	47.4	3.90	49.8	47.4	3.85	49.8
<b>C1 Cash Costs</b>	<b>930.9</b>	<b>75.80</b>	<b>978.5</b>	<b>930.9</b>	<b>75.78</b>	<b>978.9</b>
Royalty	77.1	6.30	81.1	83.7	6.81	88.0
Sustaining Capex	152.9	12.40	160.7	152.9	12.43	160.8
<b>AISC Cost</b>	<b>1,160.9</b>	<b>94.50</b>	<b>1,220.3</b>	<b>1,167.5</b>	<b>95.02</b>	<b>1,227.7</b>

Source: BDC PFS, 17 March 2020, Rawson Lewis estimates.

The processing costs include a further breakdown into CIL processing and concentrate charges plus CIL tails processing. Processing of ore through the flotation circuit incurs A\$18.80/t in treatment charges, and A\$23.90/t in plant processing cost, equivalent to a total cost of A\$42.70/t (A\$537/t concentrate).

## Financing

In our view the BGP will be of interest to the project finance banks given the low sovereign risk, the ability to hedge production (to protect the loan and also increase returns for financiers), and the absence of new process technology / relatively straightforward nature of the flow sheet.



Our indicative debt sizing indicates that the BGP could comfortably service a A\$100 million debt financing (66% gearing, including A\$10 million DFS capex) over a 5 year tenor, while still meeting typical project finance debt covenants (eg, >2.0x Debt Service Cover Ratio, >2.0x Loan Life Cover Ratio, >30% Reserve Tail). Our financing assumptions include a hedging profile comprising 60% Year 1 production, 40% Year 2 production, and 20% Year 3 production hedged at A\$2,400/oz, and an interest rate of 4.8%. Key to securing project finance will be concluding a binding concentrate offtake agreement with a creditworthy trading firm / smelter for the term of the debt.

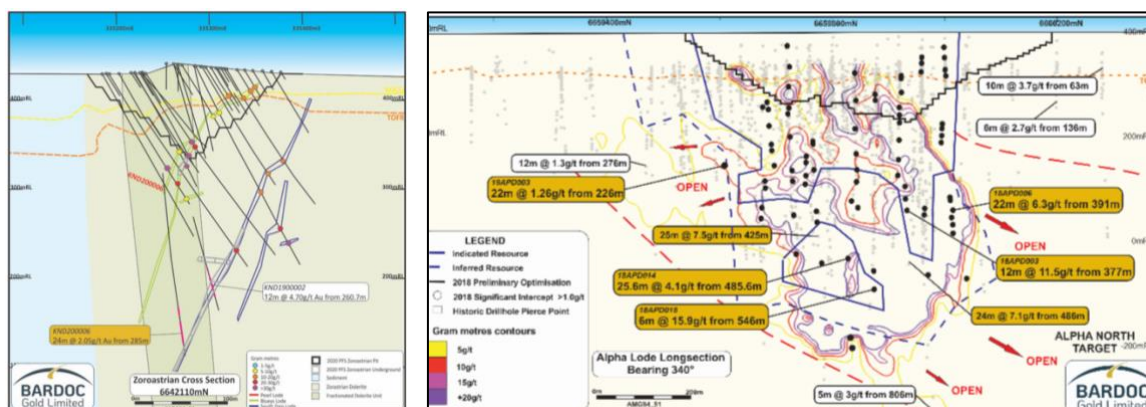
We assume A\$87 million in equity is required to complete construction and fund initial growth capital expenditure and working capital, while maintaining headroom over a minimum A\$5 million cash balance during the debt term. This follows an earlier assumed A\$7.5 million DFS funding round to ramp up exploration drilling, expedite engineering design on the process plant and ancillary works for the road and rail realignment. These funds are in addition to the A\$11.3 million remaining funds invested with Assetline Capital, which we assume are withdrawn over the next twelve months.

## Exploration

Zoroastrian remains open down plunge to the north along multiple lodes. Since completing the PFS, BDC has undertaken additional Resource definition drilling at Zoroastrian, intersecting lodes both within and outside the current Ore Reserve, in positions within 40m of the current underground mine design. Recent mineralised intersections outside the current Reserve include 7.3m @ 21.21g/t Au from 292.6m, 11.2m @ 7.29g/t Au from 235.5m, and 13.3m @ 6.38g/t Au from 144m, and 24m @ 2.05g/t Au from 285m (Figure 11).

Aphrodite also remains open at depth, down plunge to the north, and potentially up plunge to the south (Figure 11). We anticipate additional Resources and Reserves will continue to be added at depth once underground positions are established.

**Figure 11. Potential for Depth and Plunge extensions to Zoroastrian and Aphrodite**

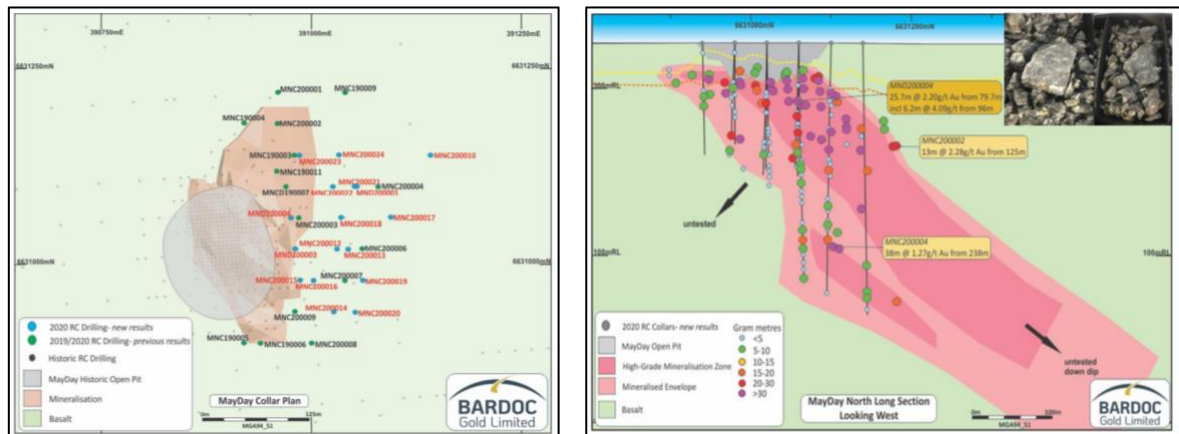


Source: BDC ASX Presentation 13 May 2020.

Within the BDC tenement portfolio, there are 13 satellite deposits with JORC Resources of 449oz gold that have not been included within the PFS, as well as the historic Slug Mill mine, which has 20koz recorded production at 23.5g/t gold. BDC has focused satellite exploration efforts at Mayday North, El Dorado, Castlereagh South, and North Kanowna Star, suggesting it considers these deposits have the most potential for inclusion in the DFS mine plan.

Acquired in September 2019, the Mayday North deposit occurs 50km to the east of Zoroastrian. On 25 February 2020, BDC announced an Exploration Target of 1.48Mt – 2.22Mt grading 2.0-2.4g/t for 96-141koz contained gold, which remains open down plunge to the north and potentially at depth below the existing pit. Mineralised intersections at Mayday North are wide (typically 10-25m) and grade 2-3g/t gold. Recent intersections outside the current 79koz Mineral Resource envelope have included 25.7m @ 2.2 g/t Au from 79.7m (Figure 12).

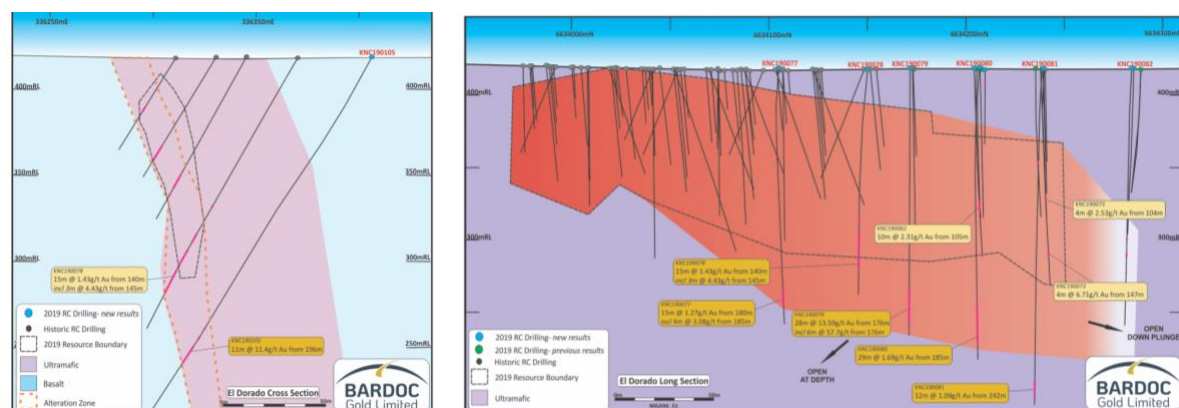
**Figure 12. Plan and Long Section of MayDay North**



Source: BDC ASX Announcement 6 May 2020.

At El Dorado, 10km south of Zoroastrian, recent drilling has confirmed high grade mineralisation persists below 170m depth (base of the existing Mineral Resource) and remains open. Recent intercepts have included 28m @ 13.59g/t Au from 176m, 10m @ 5.66g/t Au from 164m, and 9m @ 4.71g/t Au from 173m.

**Figure 13. El Dorado Cross Section and Long Section**



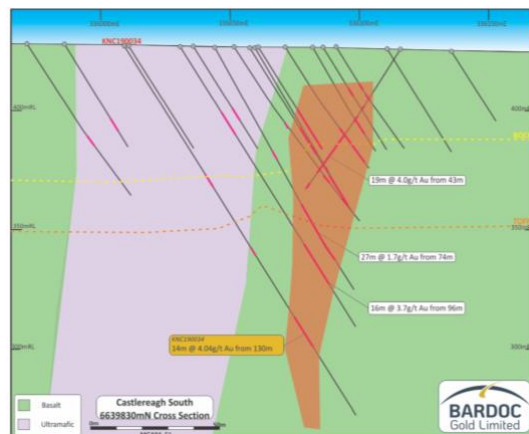
Source: BDC ASX Announcements 9 January 2020, 3 December 2019.

BDC's exploration efforts at South Castlereagh delivered a 21koz Mineral Resource in September 2019. The deposit is 3km south of Excelsior and lies on the same shear. The Castlereagh deposit 500m to the north was mined by EXG in 2016. Gold mineralisation is depleted in the oxide and transition zone, although zones of supergene enrichment occur through the regolith. BDC has announced gold mineralisation over 10-20m widths near surface, including 8m @ 1.64 g/t Au from 20m, 15m @ 4.57g/t

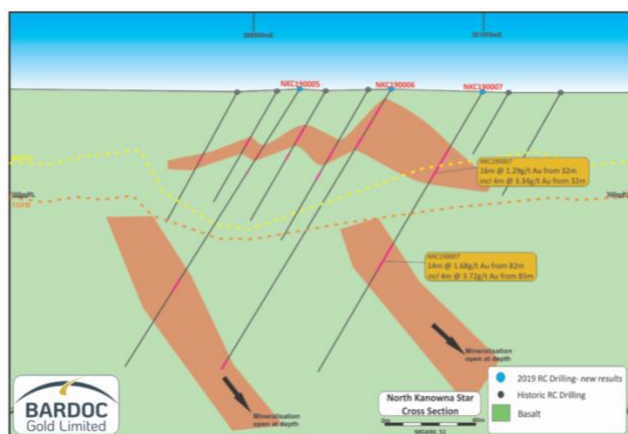
Au from 17m, and 8m @ 3.38g/t Au from 13m. Mineralisation has been demonstrated to continue to at depth, including 14m @ 4.04g/t Au from 130m and 16m @ 3.7 g/t Au from 96m (Figure 14).

At North Kanowna Star, 22km east of Zoroastrian, BDC has intersected gold mineralisation in each of its initial 11 drill holes, with results including 17m @ 1.59g/t Au from 26m, 16m @ 1.29g/t Au from 32m, and 14m @ 1.68g/t Au from 82m (Figure 15). While the mineralisation is yet to come together, alteration zones are strong, persisting to 45m downhole. In 1999/2000 Newcrest identified a gravity anomaly and interpreted the signature as reflecting a porphyry at depth. BDC is currently undertaking further geophysical exploration at the property.

**Figure 14. Castlereagh Sth Cross Section**



**Figure 15. Nth Kanowna Star Cross Section**



Source: BDC ASX Announcements 13 August 2019, 22 January 2020.

Finally, the 79koz Mulwarrie deposit is included in the BGP, however, it is approximately 90km to the northwest of Zoroastrian, 10km north of OBM's Davyhurst plant. There, drilling intercepts have included 30m @ 16.87g/t Au from 56m, 7m @ 19.96g/t from 53m and 23m @ 3.7g/t Au from 70m. These intercepts compare with the overall Mineral Resource grade of 1.4g/t gold. BDC might consider hauling the ore to Bardoc, however, primary Mulwarrie gold mineralisation is associated with chalcopyrite and sphalerite and may warrant treating elsewhere.

Overall we consider the historic fragmented ownership of the tenure and focus of previous owners to restart production provides BDC with the opportunity to explore these smaller resources more extensively in addition to proving up additional mine life at its cornerstone deposits. We have included A\$30 million for exploration in our Sum of the Parts valuation.

## South Woodie Woodie Manganese Project

The South Woodie Woodie Manganese Project is approximately 340km southeast of Port Hedland in the East Pilbara region of Western Australia. The project comprises six exploration licences (100% BDC) and a single retention licence (80% BDC). BDC previously estimated a JORC 2004 Mineral Resource across three deposits (Tally Ho, Contact, and Contact North) of 14.2Mt grading 13.3% Mn, however, the project has received little exploration focus since 2014.

We have not included any value for South Woodie Woodie in our Sum of the Parts valuation.

## Issued Capital

BDC has 1,396m shares on issue, with 118m options (weighted average strike A\$0.155/sh), and a further 60m performance rights, linked to development milestones and share price hurdles (Table 17).

Directors presently hold 11% (undiluted basis), including Peter Buttigieg (5.6%) who is the only significant shareholder on the register (Table 18). The top 50 shareholders currently hold 43.6%.

**Table 17. Issued Capital & Shareholders**

Issued Capital (11/3/2020)	Number	Strike	Expiry Date	Conditions
<b>Shares</b>				
Fully paid ordinary shares	1,383,715,068			
Escrowed Shares (until 12/8/2020)	12,000,000			
<b>Total Shares</b>	<b>1,395,715,068</b>			
<b>Options</b>				
	18,000,000	0.16	31/03/2021	
	3,000,000	0.16	31/05/2020	
	7,900,000	0.16	31/03/2021	
	4,000,000	0.05	28/02/2021	
Vettersburg Acquisition	3,000,000	0.20	11/09/2022	
Free Attaching Options	75,880,000	0.16	15/12/2020	
Consultants	6,000,000	0.12	27/09/2022	
<b>Total Options</b>	<b>117,780,000</b>	<b>0.16</b>		
<b>Performance Rights</b>				
Class B	2,500,000		29/06/2021	Vested in full post AQQ merger
Class C	1,650,000		8/02/2022	5 day VWAP >0.20/sh, 12mth engagement
Class D	1,650,000		8/02/2022	5 day VWAP >0.25/sh, 24mth engagement
Class E	8,000,000		10/06/2023	Completion of a Capital Raise >\$10 million
Class F	21,300,000		10/06/2023	3Moz Resource / 10 day VWAP>0.06/sh
Class G	20,300,000		10/06/2023	Decision to Mine / 10 day VWAP >0.08/sh
Class H	2,300,000		18/11/2023	PFS delivery / 10 day VWAP >0.14/sh
Class I	2,300,000		18/11/2023	Decision to Mine / 10 day VWAP >0.18/sh
<b>Total Performance Rights</b>	<b>60,000,000</b>			
<b>Fully Diluted Shares</b>	<b>1,573,495,068</b>			

Source: BDC Appendix 2A Announcement 11 March 2020.

**Table 18. Directors' Holdings**

Director	Neil Biddle	Tony Leibowitz	Peter Buttigieg	Rowan Johnston	John Young	Total
Appendix 3Y Date	19/03/2020	3/12/2019	3/12/2019	3/12/2019	11/03/2020	
<b>Ordinary Shares</b>	32,052,781 2.3%	10,197,101 0.7%	78,038,777 5.6%	2,206,973 0.2%	31,120,000 2.2%	<b>153,615,632</b> <b>11.0%</b>
<b>Options (strike,exp)</b>						
0.16/sh, 15/12/2020	150,000	150,000	300,000	50,000	300,000	<b>950,000</b>
0.05/sh, 28/02/2021		2,000,000				<b>2,000,000</b>
0.16/sh, 31/03/2021		3,000,000				<b>3,000,000</b>
<b>Performance Rights</b>						
Class E		8,000,000				<b>8,000,000</b>
Class F	3,000,000	1,000,000	1,250,000	3,000,000	3,000,000	<b>11,250,000</b>
Class G	2,000,000	1,000,000	1,250,000	4,000,000	2,000,000	<b>10,250,000</b>
<b>Total</b>	<b>37,202,781</b> 2.4%	<b>25,347,101</b> 1.6%	<b>80,838,777</b> 5.1%	<b>9,256,973</b> 0.6%	<b>36,420,000</b> 2.3%	<b>189,065,632</b> <b>12.0%</b>

Source: BDC Appendix 3Y statements (dates in table).

## Recent Share Price Performance & Newsflow

Chart 11: Last Twelve Months' Share Price Performance



Source: IRESS.

Table 19: Last Twelve Months' Newsflow

Date	Announcement
26/05/2020	High-grade gold intercepts outside of reserve at Zoroastrian
12/05/2020	Bardoc targets commencement of mining in Q3 2021 -DFS Update
6/05/2020	Broad Gold Zones in latest drilling at Mayday North
23/04/2020	Outstanding high-grade results from Zoroastrian
8/04/2020	Strong in-fill drilling results at Aphrodite
17/03/2020	Bardoc PFS confirms potential for long-life gold project
25/02/2020	Further drilling success at Mayday North
22/01/2020	Initial drilling success at North Kanowna Star
9/01/2020	El Dorado continues to grow with high grade zone at depth
31/12/2019	Broad Gold intercepts in RC drilling at Mayday North
3/12/2019	Thick High Grade Intercepts at El Dorado
29/11/2019	Board and Management update
13/11/2019	Bardoc completes acquisition of Gold projects
24/10/2019	\$3m Share Purchase Plan Closes Oversubscribed
8/10/2019	El Dorado delivers with high grade gold intercepts
30/09/2019	Bardoc Gold Resource Hits 3Moz
20/09/2019	Landmark 15M Capital Raising
9/09/2019	Acquisition of 111,600oz JORC Resource
2/09/2019	Acquisition of Historical High-Grade Gold Mine
28/08/2019	Drilling confirms potential growth from Satellite deposits
20/08/2019	Zoroastrian delivers high-grade gold mineralisation
13/08/2019	New thick, shallow Gold intercepts at South Castlereagh
30/07/2019	Drilling success continues at Zoroastrian
16/07/2019	Zoroastrian continues to grow with spectacular drill results
2/07/2019	High grade results extend Zoroastrian deposit at Depth
1/07/2019	Board Update
25/06/2019	Exploration success at Aphrodite with Alpha Lode extended
11/06/2019	Bardoc's South Castlereagh continues to grow
4/06/2019	Bardoc drill program increased to 40,000m

Source: ASX Announcements.



## Directors and Key Management

BDC's board and management has a strong technical focus, which we believe will underpin a robust DFS and guide the company through the development phase. As it transitions to financing and construction, we think it would benefit from additional financial and legal capabilities.

### **Tony Leibowitz (Non-Executive Chairman)**

Mr Leibowitz has over 30 years' experience in investment banking and corporate finance, including as a global partner at PricewaterhouseCoopers. He has a track record of investing in and guiding early stage companies to becoming successful businesses. He has served as Executive Chairman of Pilbara Minerals Limited and Chandler MacLeod Limited. He is a Fellow of the Institute of Chartered Accountants in Australia. Mr Leibowitz is currently Chairman of Ensurance Limited.

### **John Young (Non-Executive Director)**

Mr Young is a geologist with experience across a broad range of commodities. His most recent roles have included Exploration Manager and Technical Director at Pilbara Minerals Limited. Previous corporate roles have included Chief Executive Officer of Marenica Energy Limited and Chief Executive Officer and Director of Thor Mining PLC. He is currently a Non-Executive Director of Trek Metals Limited and AIM-listed Mosman Oil and Gas.

### **Rowan Johnston (Non-Executive Director)**

Mr Johnston is a mining engineer and experienced executive director, most recently being the Managing Director of Excelsior Gold Limited. His previous roles have included Acting Chief Executive Officer and Executive Director of Operations for Mutiny Gold Limited and Executive Director of Integra Mining Limited. Mr Johnston has a first class Mine Manager's certificate.

### **Neil Biddle (Non-Executive Director)**

Mr Biddle is a geologist with over 30 years' professional and management experience in the exploration and mining industry. He was a founding Director of Pilbara Minerals Limited and served on the board from 2013 to 2017. Previously, he was Managing Director of TNG Ltd from 1998 - 2007, Border Gold NL from 1994 - 1998 and Consolidated Victorian Mines from 1991 – 1994. He is a Corporate Member of the Australasian Institute of Mining and Metallurgy.

### **Peter Buttigieg (Non-Executive Director)**

Mr Buttigieg has over 30 years' experience in the information technology industry. He is the Founder and Managing Director of RMS (Aust.) Pty Ltd, a firm that designs IT Systems for the global hospitality, mining, defence and shopping centre industries. Previously, he was Executive Chairman and Acting Chief Executive Officer of Aphrodite Gold Limited.

### **Robert Ryan (Chief Executive Officer)**

Mr Ryan is a mining engineer with a significant technical and operational experience in the Western Australian goldfields. His experience includes a range of senior positions with Barrick Kanowna, including Underground Mine Superintendent and Open Pit Mine Superintendent, and as a Senior Mining Consultant with Mining Plus working at Norton Gold Fields and Gold Fields St Ives operations. More recently he was General Manager – Paddington Operations for Norton Gold Fields immediately south of BDC's tenements and was also appointed to the Board of Norton Gold Fields during this time.

### **Russell Hardwick (Chief Financial Officer / Company Secretary)**

Mr Hardwick is a Certified Practising Accountant with 20 years' experience corporate secretarial, capital raising and commercial management for private and public companies. Mr Hardwick is a

member of the Australian Institute of Company Directors and is a Chartered Secretary. He has held Director or Company Secretary roles with AIM and ASX listed companies including Spitfire Materials Limited and Trek Metals Limited as well as Senior Executive positions within private companies.

## **Andrew Francis (Study Manager)**

Mr Francis is a mining engineer with over 15 years' technical, operational and management experience, and has been involved in several underground, open pit and shaft sinking project studies and new operations, including the Rubicon-Hornet-Pegasus and Millennium underground mines, Janet Ivy, Matts Dam and Mt Jewell open pit mines and the K2 Shaft at the Gosowong mine. He has held technical and management roles within Northern Star Resources, Barrick, Byrnecut, Entech, MMG and Goldfields. Mr Francis holds a First Class Mine Manager's Certificate.

## **Bradley Toms (Exploration Manager)**

Mr Toms is a geologist with over 24 years' exploration experience, including 15 years in the North Eastern Goldfields of WA. Between 1994 and 2000 he held senior exploration with Kalgoorlie Consolidated Gold Mines and Centaur Mining and Exploration Limited at the Mount Pleasant and Ora Banda gold operations. Most recently he was Exploration Manager at Excelsior Gold Limited.

## **Investment Risks**

### **Commodity Price**

BDC has single commodity risk and may be affected by market sentiment towards the gold price. This risk can be mitigated by hedging strategies.

### **Currency**

Due to the US dollar denominated gold price, BDC's earnings will be exposed to AUDUSD movements. Its operating cost base is largely Australian dollars. Currency risk can also be mitigated by hedging.

### **Mine Life**

The 7.75 year PFS Mine Plan includes 20.4% Inferred Resources, which may not convert to an Ore Reserve with additional drilling. Recent drilling would indicate that this is unlikely, with new mineralisation already identified outside the current Ore Reserves within 40m of the current mine design. BDC is seeking to reduce this risk during the DFS phase, with infill and extensional resource drilling underway, and a revised Mineral Resource is due in Q3 CY2020. BDC also has thirteen Mineral Resources not presently included in the PFS mine plan, including several containing >50koz gold.

### **Resource / Reserve Estimation**

BDC's PFS valuations are sensitive to grade / recovery variation. Additional dilution or ore loss would negatively impact gold production and operating costs. Project finance due diligence for the project will involve independent technical assessment of the Mineral Resources and Ore Reserves and securing project finance would be viewed as a de-risking step for equity holders.

### **Project Financing / Offtake Risk**

BDC anticipates 50-65% of the A\$142.4 million pre-production capital requirement will be supported with project finance, with the balance funded with equity. On our assessment, in the current gold price environment the project will comfortably support these levels of gearing over relative short tenors. However, key to securing project finance will be creditworthiness of the offtaker(s), and mitigation of risks associated with changing of key terms (eg unilateral decree to lower permissible arsenic contents, payability changes etc). Given the grade of BDC's concentrate, it should be able to find an alternate offtaker, however, any disruption to revenues would be problematic.



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