

Research Note

BDC ASX

Bardoc Gold Limited is developing its 100% owned Bardoc Gold Project in the Eastern Goldfields, Western Australia. The March 2021 DFS supports 136kozpa gold production over a 9 year mine life, targeting initial production in December quarter CY2022.

Industry - Resources

Kurt Worden
+61 429 227 555
research@rawsonlewis.com



RAWSON LEWIS

DFS confirms 136kozpa operation at Bardoc

Production rate and costs inline with PFS

Bardoc Gold Limited's (BDC) DFS highlights a robust, 136kozpa gold project for an initial 9 year mine life, at A\$1,188/oz AISC costs (vs PFS 135kozpa, 7.8 years, A\$1,220/oz AISC cost).

Total gold production now >1Moz

Gold production has increased from 951koz to 1,097koz (+15%), on a significant increase in gold concentrate produced from increased underground Reserves/Resources delineated at Aphrodite, and higher overall gold recoveries (95.5% vs 93%).

Capex increases on larger plant, site infrastructure

Pre-production capex is now \$177m (prev. A\$142m), with \$31m attributable to increasing the plant capacity from 1.8Mtpa to 2.1Mtpa. LOM capex (\$447.9m) is \$94m higher due to higher site infrastructure costs. It includes \$21.9m contingency.

Ore Reserves increase by 27% to >1Moz gold

This reflects BDC's significant infill drilling campaign over the past 12 months, and a higher gold price used in Ore Reserve estimation (A\$2,000/oz, prev. A\$1,900/oz). The Ore Reserve represents 88% of gold contained in the DFS mine plan.

2.06Moz (67%) Resources are now Measured & Indicated

Since the Sep-20 Resource an additional 42koz have been added, largely from increasing the Excelsior pit size. Infill drilling also increased Indicated ounces at Aphrodite underground by 131koz.

Near-term catalysts & timeline

BDC delivered its DFS on schedule and will now optimise the study while advancing permitting and project financing. The company is targeting FID in the September quarter. On a positive outcome, early works will begin, with full construction starting in the December quarter, and first gold poured twelve months later.

Valuation dips to A\$0.17/sh, target reset to A\$0.16/sh

Our valuation has lowered to A\$0.17/sh (prev. A\$0.22/sh) on the DFS update, reducing our long-term gold price from US\$1,850/oz to US\$1,800/oz, rolling forward to June 2022 (higher net debt) and funding changes. With the DFS complete, and project financing underway, we reset our target price to A\$0.16/sh, a 6% discount to NPV, and 141% above the current share price.

Company Data

Shares Outstanding (M)	1,735.2
Price (\$/sh)	0.072
Market Capitalisation (\$M)	125
Free Float (%)	90%
Free Float Market Capitalisation (\$M)	113
12 Month Low (\$/sh)	0.047
12 Month High (\$/sh)	0.105
Average Daily Volume ('000)	2,538

Source: ASX, Company

Earnings Summary (A\$M)

Year end June	FY21	FY22	FY23	FY24
Sales revenue	0	0	186.1	259.8
EBITDA	(12.3)	(2.4)	88.7	98.0
PBT	(12.5)	(3.2)	56.4	54.5
Underlying NPAT	(12.5)	(3.2)	56.4	54.5
Reported NPAT	(2.4)	(3.2)	56.4	54.5
Reported EPS (c)	(0.5)	(0.1)	2.1	2.1
Underlying EPS (c)	(0.5)	(0.1)	2.1	2.1

Share Price Chart



Source: IRESS

Directors & 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	10.3%
-----------	-------

Bardoc Gold Limited					BDC.ASX				
Share Price \$/sh	0.072				CASH FLOW A\$M Year Ending June	FY21F	FY22F	FY23F	FY24F
Price Target \$/sh	0.160				Receipts from customers	0.0	0.0	186.1	259.8
PROFIT & LOSS A\$M	FY21F	FY22F	FY23F	FY24F	Receipts from corporate	0.6	0.0	0.0	0.0
Revenue	0.1	0.0	186.1	259.8	Interest received	0.1	0.0	0.0	0.0
COGS	0.0	0.0	-95.0	-159.4	Other receipts	0.0	0.0	0.0	0.0
Gross Profit	0.1	0.0	91.1	100.4	Payments to suppliers	-1.1	0.0	-95.0	-159.4
Gross Profit Margin	100%	0%	49%	39%	Corporate Costs	-3.0	-2.4	-2.4	-2.4
Corporate & Other Costs	-12.4	-2.4	-2.4	-2.4	Payments for E&E	-9.2	0.0	0.0	0.0
EBITDA	-12.3	-2.4	88.7	98.0	Tax paid	0.0	0.0	0.0	0.0
D&A expense	-0.1	0.0	-19.9	-31.4	Other payments	0.1	0.0	0.0	0.0
EBIT	-12.4	-2.4	68.8	66.5	Net cash inflow from operating activities	-12.5	-2.4	88.7	98.0
Interest expense	0.0	-0.1	-4.8	-4.5	Proceeds from disposal of PPE	0.0	0.0	0.0	0.0
Other finance costs	-0.2	-0.6	-0.5	0.0	Payments for PPE	-4.0	-124.8	-91.0	-41.4
Hedging gains (losses)	0.0	0.0	-7.2	-7.5	E&E (capitalised)	-4.0	-1.0	0.0	0.0
Finance income	0.1	0.0	0.0	0.0	Payments for acquired E&E	-1.2	0.0	0.0	0.0
PBT	-12.5	-3.2	56.4	54.5	Other	0.0	0.0	0.0	0.0
Income tax expense	0.0	0.0	0.0	0.0	Net cash outflow from investing activities	-9.2	-125.8	-91.0	-41.4
Extraordinary items	0.0	0.0	0.0	0.0	Proceeds from borrowings	0.0	63.3	51.8	0.0
NPAT	-12.5	-3.2	56.4	54.5	Proceeds from equity raised (net of costs)	22.6	64.6	0.0	0.0
Ordinary Shares	1,735.3	2,641.9	2,641.9	2,641.9	Proceeds from conversion of ITM options	0.0	0.0	0.0	0.0
EPS A cps	-0.7	-0.1	2.1	2.1	Hedging gains / (losses)	0.0	0.0	-7.2	-7.5
EBITDA Margin	-	-	48%	38%	Interest & other finance costs paid (borrowing)	0.0	0.0	-4.0	-4.5
EPS Growth	-	-	106%	-3%	Arranging Fees	0.0	-0.6	-0.5	0.0
PER	-	-	3.4	3.5	Repayment of borrowings	0.0	0.0	-14.5	-19.3
Book value A\$/sh	0.01	0.03	0.05	0.07	Other (Payment for interest rate derivs, loans)	-0.3	-0.3	0.0	0.0
Price/Book	8.7	2.5	1.4	1.0	Other	0.0	0.0	0.0	0.0
Return on Equity	-87%	-4%	43%	29%	Net cash inflow / outflow from financing activities	22.3	127.0	25.6	-31.3
Return on Invested Capital	-80%	-2%	24%	20%	Net increase / decrease in cash and cash eq	0.6	-1.2	23.3	25.2
VALUATION A\$M	FY21F	FY22F	FY23F	FY24F	FX movements on cash	0.0	0.0	0.0	0.0
Bardoc Gold Project	362.9	469.3	582.2	572.9	Cash and cash equivalents at period start	11.9	12.4	11.2	34.5
Hedging	-17.7	-18.7	-15.4	-7.3	Cash and cash equivalents at period end	12.4	11.2	34.5	59.7
Corporate	-18.0	-16.6	-15.1	-13.5	BALANCE SHEET A\$M Year Ending June	FY21F	FY22F	FY23F	FY24F
Tax Shield	51.9	55.0	44.4	22.6	Cash and cash equivalents	12.4	11.2	34.5	59.7
Debt	-1.3	-64.4	-102.5	-83.2	Trade and other receivables	0.0	0.0	0.0	0.0
Cash & Equivalents	12.4	11.2	34.5	59.7	Loan Receivables	0.0	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	420.3	465.7	558.2	581.3	Total Current Assets	12.5	11.3	34.6	59.8
Valuation A\$/sh	0.236	0.173	0.208	0.216	PPE	4.4	129.2	200.8	211.4
OPERATING DATA	FY21F	FY22F	FY23F	FY24F	Deferred E&E expenditure	4.0	5.0	4.5	3.9
Total Ore Mined (kt)	0	28	1,560	2,359	Rights of use assets	0.1	0.1	0.1	0.1
Mined Grade (g/t Au)	0.00	0.68	1.62	1.60	Total Non-Current Assets	8.6	134.4	205.5	215.4
Contained Gold (oz)	0	636	85,449	117,750	Total Assets	21.1	145.7	240.0	275.2
Tonnes Milled (kt)	0	0	1,467	2,255	Payables	0.0	0.0	0.0	0.0
Treated Grade (g/t Au)	0.00	0.00	1.70	1.60	Lease Liabilities	0.1	0.1	0.1	0.1
Contained Gold (oz)	0	0	83,135	115,850	Borrowings	1.3	1.1	1.1	1.1
Gold Recovery	0%	0%	96%	96%	Provisions	0.3	0.3	0.3	0.3
CIL Recovered Gold (oz)	0	0	79,534	111,016	Total Current Liabilities	1.7	1.4	1.4	1.4
Gold in Concentrate (oz)	0	0	0	0	Lease Liabilities	0.1	0.1	0.1	0.1
Gross Revenue	0.0	0.0	190.9	266.4	Borrowings	0.0	63.4	101.4	82.1
Royalties	0.0	0.0	4.8	6.7	Provisions	5.0	5.0	5.0	5.0
Net Revenue	0.0	0.0	186.1	259.8	Total Non-Current Liabilities	5.0	68.4	106.5	87.1
Open Pit Mining	0.0	0.0	55.6	73.0	Total Liabilities	6.7	69.8	107.9	88.5
Underground Mining	0.0	0.0	9.8	40.5	Net Assets	14.4	75.8	132.2	186.7
Surface Haulage	0.0	0.0	2.8	4.6	Contributed Equity	153.0	217.6	217.6	217.6
Processing	0.0	0.0	0.0	0.0	Reserves	2.1	2.1	2.1	2.1
SG&A	0.0	0.0	5.1	7.8	Retained Profits	-140.8	-144.0	-87.6	-33.1
Operating Costs	0.0	0.0	95.0	159.4	Total Equity	14.4	75.8	132.2	186.7
Cash Operating Costs (A\$/oz)	0	0	984	1,204	ASSUMPTIONS	FY21F	FY22F	FY23F	FY24F
AISC Costs (A\$/oz)	0	0	1,451	1,486	Inflation	0%	0%	0%	0%
Total Feasibility & Dev Capex	4.0	1.5	0.0	0.0	US\$ Gold Price	1,800	1,800	1,800	1,800
Total Pre-Production Capex	0.0	123.3	54.1	0.0	AUDUSD	0.75	0.75	0.75	0.75
Total Post-Production Capex	0.0	0.0	36.9	41.4	A\$ Gold Price	2,400	2,400	2,400	2,400
Exploration Capex	4.0	1.0	0.0	0.0	Corporate tax	30%	30%	30%	30%
Total Capex	8.0	125.8	91.0	41.4	Cost of Debt	4.8%	4.8%	4.8%	4.8%

DFS outcomes in a nutshell

Bardoc Gold Limited (BDC.ASX) has delivered the DFS for its 100% owned Bardoc Gold Project (BGP) on time, and the results confirm the BGP as a 136kozpa operation over an initial 9 year mine life, at a competitive A\$1,188/oz all-in-sustaining cash cost, for \$177.4 million initial capital expenditure. The results are comparable to the PFS published 12 months ago, with a longer mine life supported by Resource / Reserve conversion following significant drilling over the past 12 months, and aided by higher gold price / lower cut-off grades increasing tonnes in the mine plan, albeit at lower grade. An upscaled processing plant has been selected to keep production levels constant, while providing lower processing cost benefits. The downside is an increase in capital costs, with pre-production capital expenditure up A\$31 million, and LOM capital expenditure rising by \$94.4 million to \$447.9 million.

Metallurgical testwork has revealed that gold recoveries to concentrate are sufficiently high to not require leaching of the float tails, helping to reduce treatment costs. Revised pit scheduling has deferred mining of the Excelsior pit, with initial focus turning to Zoroastrian North and Bulletin South. This is strategic for two reasons; it reduces scheduling risks associated with obtaining approval for the road and rail alignment ahead of mining at Excelsior, while Zoroastrian North would provide a useful location 300m from Excelsior to dispose of the in-pit tailings, providing further cost savings.

We have updated our BGP model to mirror the DFS outputs. Our Sum of the Parts valuation has decreased from A\$527 million to A\$466 million (-12%), on the net impact of rolling forward our valuation into mid-construction phase (higher net debt), lowering our long-term gold price assumption (US\$1,800/oz, prev US\$1,850/oz), and revising our financing assumptions. On a per share basis, our valuation has fallen from A\$0.221/sh to A\$0.173/sh (Table 1). We present sensitivity analysis from Table 2 to Table 5. At BDC's current A\$0.072/sh share price, the market is valuing BDC on its PFS operation only at ~US\$1,400/oz (A\$1,840/oz), with no exploration upside.

We reset our 12mth target price to A\$0.16/sh (prev A\$0.18/sh), recognising the reduced risk now the DFS is complete, debt financing discussions are advancing, and a binding concentrate offtake for the concentrate has been executed. BDC remains one of the few remaining WA gold developers of scale looking to transition to production on an 18-month horizon. We see the DFS as validating the establishment of an operation capable of treating a variety of ore types in the Bardoc region and we expect BDC will continue to extend minelife from further development of its cornerstone assets, incorporating satellite deposits from within its 3Moz resource base, and from organic exploration.

Table 1: Sum of Parts Valuation at 30 June 2022

Sum of Parts Valuation (30 June 2022)	NPV (A\$M)	Undiluted (A\$ps)	Diluted (A\$ps)
Bardoc Gold Project	469.3	0.178	0.174
Hedging	(18.7)	(0.007)	(0.007)
Corporate	(16.5)	(0.006)	(0.006)
Tax Shield	54.5	0.021	0.020
Debt	(64.4)	(0.024)	(0.024)
Cash & Equivalents	11.2	0.004	0.004
Exploration	30.0	0.011	0.011
Total Value of Common Equity	465.7	0.176	0.173
Market Value of Common Equity	192.86		
Premium (Discount)	145%	145%	141%
Shares on Issue (million)	-	2,642	2,689

Source: RL Estimates

Table 2. Sensitivity Analysis - Gold Price vs AUDUSD

NPV (A\$/sh)		Gold Price (US\$/oz)						
		1,400	1,550	1,700	1,850	2,000	2,150	2,300
AUDUSD	0.90	0.078	0.087	0.096	0.105	0.115	0.124	0.133
	0.85	0.096	0.106	0.116	0.125	0.135	0.145	0.155
	0.80	0.117	0.127	0.137	0.148	0.158	0.169	0.179
	0.75	0.140	0.151	0.162	0.173	0.184	0.195	0.206
	0.70	0.167	0.178	0.190	0.202	0.214	0.226	0.238
	0.65	0.197	0.210	0.223	0.235	0.248	0.261	0.274
	0.60	0.233	0.247	0.260	0.274	0.288	0.302	0.316

Source: Rawson Lewis estimates.

Table 3. Sensitivity Analysis - Operating Costs vs Construction Capex

NPV (A\$/sh)		Operating Cost						
		-20%	-10%	-5%	0%	5%	10%	20%
Construction Capex	-20%	0.247	0.221	0.208	0.195	0.182	0.169	0.143
	-10%	0.230	0.206	0.195	0.183	0.171	0.160	0.136
	-5.0%	0.222	0.200	0.189	0.178	0.167	0.156	0.133
	0%	0.216	0.194	0.184	0.173	0.163	0.152	0.131
	5.0%	0.210	0.189	0.179	0.169	0.159	0.148	0.128
	10%	0.204	0.184	0.175	0.165	0.155	0.145	0.126
	20%	0.194	0.176	0.167	0.158	0.149	0.140	0.122

Source: Rawson Lewis estimates.

Table 4. 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%	0.113	0.136	0.148	0.159	0.170	0.182	0.205
	-2.0%	0.117	0.141	0.152	0.164	0.175	0.187	0.210
	-1.0%	0.122	0.145	0.157	0.168	0.180	0.192	0.215
	0%	0.126	0.150	0.161	0.173	0.185	0.197	0.220
	1.0%	0.130	0.154	0.166	0.178	0.190	0.202	0.225
	2.0%	0.134	0.159	0.171	0.183	0.195	0.207	0.231
	3.0%	0.139	0.163	0.175	0.187	0.199	0.212	0.236

Source: Rawson Lewis estimates.

Table 5. Sensitivity Analysis - Construction Equity Raise vs Raise Price

NPV (A\$/sh)		Size of Raise (A\$'000)						
		47,600	54,400	61,200	68,000	74,800	81,600	88,400
Raise Price (A\$/sh)	0.060	0.173	0.168	0.164	0.160	0.156	0.152	0.149
	0.065	0.177	0.173	0.169	0.165	0.161	0.158	0.154
	0.070	0.181	0.177	0.173	0.169	0.166	0.162	0.159
	0.075	0.185	0.181	0.177	0.173	0.170	0.167	0.164
	0.080	0.188	0.184	0.180	0.177	0.174	0.171	0.168
	0.085	0.191	0.187	0.184	0.180	0.177	0.175	0.172
	0.090	0.193	0.190	0.186	0.183	0.181	0.178	0.175

Source: Rawson Lewis estimates.

DFS vs PFS – Physicals

Resource/Reserve conversion and lower cut off grades helped to add 1.2 years to the mine plan, which has 44% more tonnes for 12.5% more gold. BDC has increased the process plant size from 1.8 Mtpa to 2.1 Mtpa, lifting processing capacity by 16.7%, and helping to maintain annual gold production levels at ~136kozpa despite the 23% drop in gold grade from 2.6g/t gold to 2.0g/t gold (Table 6). Recovered gold has increased from 951koz to 1,097koz, due to an increase in overall recoveries from 93% to 95.5%, as well as ~25% increase in gold-in-concentrate produced from Aphrodite (and Mayday North).

Table 6. Physicals – 1.2 years, 146koz more gold production, lower strip ratio

Physicals		2020 PFS	2021 DFS	Diff	Diff%
LOM	yrs	7.8	9	1.2	15.4%
Strip Ratio	w:o	10.6	8.3	-2.3	-21.7%
Mined Ore Tonnes	kt	12,299	17,658	5359	43.6%
% Measured*	kt	0%	0.30%	0.003	
% Indicated	kt	83.40%	85.60%	0.022	2.6%
% Inferred	kt	12.50%	8.40%	-0.041	-32.8%
% Unclassified	kt	4.10%	5.70%	0.016	39.0%
Throughput Capacity	ktpa	1,800	2,100	300	16.7%
Processed Tonnes	kt	12,299	17,658	5359	43.6%
Avg Gold grade	g/t Au	2.6	2.00	-0.6	-23.1%
Contained Gold	koz	1,021	1,149	128	12.5%
Avg Gold Recovery	%	93.0%	95.50%	0.025	2.7%
Recovered Gold - Doré	koz	476	505	29	6.1%
Recovered Gold - Concentrate	koz	475	593	118	24.8%
Recovered Total	koz	951	1,097	146	15.4%

Source: BDC ASX Announcements 29 March 2021 & 17 March 2020. *BDC did not quote Bulletin Measured Resources in the PFS.

DFS vs PFS – Financials

BDC's DFS A\$2,250/oz gold input price is above the A\$2,100/oz price used in the PFS, and is close to spot (A\$2,272/oz), while the Ore Reserves have been optimised at A\$2,100/oz (prev. A\$1,900/oz). Life of Mine (LOM) revenue has increased 21%, and LOM pre-tax cashflow has increased from A\$551 million to A\$740 million.

The pre-tax NPV has increased by A\$147 million to A\$479 million, aided by a reduction in discount rate applied (from 8% to 6%), which we understand reflects a move from benchmarking against feasibility studies completed by peers to a theoretical calculation of the weighted average cost of capital (WACC). Similarly, the pre-tax IRR has increased from 32% to 43.1%. Payback remains at 32 months, with higher capex offsetting increased revenue (Table 7).

Table 7. Higher gold price and longer mine life increase cashflow, lower WACC helps lift NPV

Financials		2020 PFS	2021 DFS	Diff	Diff%
Gold Price	US\$/oz	1,449	1,688	239	16.5%
FX	AUDUSD	0.69	0.75	0.06	8.7%
Gold Price	A\$/oz	2,100	2,250	150	7.1%
LOM Revenue	A\$m	1,912	2,319	407	21.3%
AISC	A\$/oz	1,220	1,188	-32	-2.6%
LOM pre-tax CF	A\$m	551	740	189	34.3%
Pre-tax NPV	A\$m	332	479	147	44.3%
Post-tax NPV	A\$m	252	365	113	44.8%
Pre-tax IRR	%	32%	41.3%	0.093	29.1%
Post-tax IRR	%	27%	37.7%	0.107	39.6%
Discount Rate	%	8%	6%	-0.02	-25.0%
Payback	mths	32	32	0	0.0%

Source: BDC ASX Announcements 29 March 2021 & 17 March 2020.

DFS vs PFS – Capital Costs

Table 8. Larger plant increases initial capex, higher LOM site infrastructure costs

Capex		2020 PFS	2021 DFS	Diff	Diff%
Pre-Production					
Processing Stage 1	A\$m	73.3	104.3	31	42.3%
Processing Stage 2	A\$m				
Site Infrastructure	A\$m	15.9	29.7	13.8	86.8%
OP Mining	A\$m	53.2	36.7	-16.5	-31.0%
UG Mining	A\$m				
Other Owners Costs	A\$m		6.7		
Total	A\$m	142.4	177.4	35	24.6%
Post-Production					
Processing Stage 1	A\$m	21.7	22.2	0.5	2.3%
Processing Stage 2	A\$m	21.5	21.5	0	0.0%
Site Infrastructure	A\$m	0	54.7	54.7	
OP Mining	A\$m	67.3	74.8	7.5	11.1%
UG Mining	A\$m	95	88.3	-6.7	-7.1%
Other Owners Costs	A\$m	5.9	9	3.1	52.5%
Total	A\$m	211.4	270.5	59.1	28.0%
LOM					
Processing Stage 1	A\$m	95	126.5	31.5	33.2%
Processing Stage 2	A\$m	21.5	21.5	0	0.0%
Site Infrastructure	A\$m	15.9	84.4	68.5	430.8%
OP Mining	A\$m	120.5	111.5	-9	-7.5%
UG Mining	A\$m	95	88.3	-6.7	-7.1%
Other Owners Costs	A\$m	5.9	15.7	9.8	166.1%
Total	A\$m	353.8	447.9	94.1	26.6%

Source: BDC ASX Announcements 29 March 2021 & 17 March 2020.

Increasing the plant from 1.8Mtpa throughput to 2.1Mtpa has incurred \$31 million additional capex, lifting pre-production capex by 25% from A\$142.4 million to A\$177.4 million (Table 8). We anticipate some of this may be attributed to above nameplate crushing and grinding capacity. We expect the reduction in OP Mining Costs is attributable to deferral of the road and rail realignment, while increases in site infrastructure costs may relate to new tailings storage facility designs. A A\$59 million post-production capex increase is dominated by further site infrastructure costs (~A\$15 million for road and rail realignment). The A\$447.9 million total capex includes A\$21.9 million contingency (4.9%).

DFS vs PFS – Operating Costs

All-In-Sustaining Cash (AISC) costs have reduced slightly from A\$1,220 to A\$1,188/oz as lower processing costs and lower underground mining costs offset higher open cut mining costs and general and administration costs (Table 9). Cost savings with respect to concentrate processing have also been realised, as float tails no longer require leaching, given improvements in recoveries of refractory gold to concentrate.

Table 9. Lower processing, underground mining costs help reduce AISC below A\$1,200/oz

Opex		2020 PFS	2021 DFS	Diff	Diff%
OP Mining	A\$m	201.1	364.7	163.6	81.4%
UG Mining	A\$m	309.5	268.4	-41.1	-13.3%
Surface Haulage	A\$m	29.3	33.9	4.6	15.7%
Processing	A\$m	343.6	262.9	-41.0	-11.9%
Concentrate	A\$m		39.7		
Royalty	A\$m	77.1	100.6	23.5	30.5%
G&A	A\$m	47.4	60.9	13.5	28.5%
Sustaining Capital	A\$m	152.9	172.9	20	13.1%
AISC Cost	A\$m	1160.9	1304.00	143.1	12.3%
OP Mining	A\$/t treated	16.4	20.7	4.3	26.2%
UG Mining	A\$/t treated	25.2	15.2	-10	-39.7%
Surface Haulage	A\$/t treated	2.4	1.9	-0.5	-20.8%
Processing	A\$/t treated	27.9	14.9	-10.8	-38.7%
Concentrate	A\$/t treated		2.2		
Royalty	A\$/t treated	6.3	5.7	-0.6	-9.5%
G&A	A\$/t treated	3.9	3.4	-0.5	-12.8%
Sustaining Capital	A\$/t treated	12.4	9.8	-2.6	-21.0%
AISC Cost	A\$/t treated	94.5	73.8	-20.7	-21.9%
OP Mining	A\$/oz	211.4	332.3	120.9	57.2%
UG Mining	A\$/oz	325.3	244.6	-80.7	-24.8%
Surface Haulage	A\$/oz	30.8	30.9	0.1	0.3%
Processing	A\$/oz	361.2	275.7	-85.5	-23.7%
Concentrate	A\$/oz		36.2		
Royalty	A\$/oz	81.1	91.7	10.6	13.1%
G&A	A\$/oz	49.8	55.5	5.7	11.4%
Sustaining Capital	A\$/oz	160.7	157.5	-3.2	-2.0%
AISC Cost	A\$/oz	1220.3	1188.2	-32.1	-2.6%

Source: BDC ASX Announcements 29 March 2021 & 17 March 2020.

Ore Reserve Update

BDC's extensive infill drilling programs over the past twelve months have seen the Company grow Ore Reserves by 27% to over 1Moz gold (1,007koz, prev. 790koz). The new Ore Reserve is 15.8Mt grading 1.97 g/t gold for 1,007koz contained gold (prev. 10.4Mt grading 2.36g/t gold for 790koz contained gold (Table 10). Resource/Reserve conversion at Aphrodite, Zoroastrian, and Excelsior have been the largest contributors, while satellite deposit Mayday North is a new inclusion in Ore Reserves. BDC has used a A\$2,100/oz gold price (prev. A\$1,900/oz gold price) in the latest Ore Reserve estimate.

Table 10. 216koz added to Ore Reserves, led by Aphrodite, Zoroastrian, and Excelsior

Ore Reserve	Kt	PFS		Kt	DFS		Kt	Difference	
		g/t Au	koz Au		g/t Au	koz Au		g/t Au	koz Au
Excelsior OP	3540	1.41	160	5690	1.11	203	2150	-0.30	43
Zoroastrian OP	350	1.78	20	1058	1.91	65	708	0.13	45
Aphrodite OP	2830	2.31	210	3966	1.80	229	1136	-0.51	19
Bulletin OP	520	1.79	30	561	1.95	35	41	0.16	5
Mayday OP				622	1.62	32	622	1.62	32
Zoroastrian UG	810	3.07	80	839	3.63	98	29	0.56	18
Aphrodite UG	2380	3.79	290	3139	3.41	344	759	-0.38	54
Total	10430	2.36	790	15875	1.97	1006	5445	-0.38	216

Source: BDC ASX Announcements 29 March 2021 & 17 March 2020. NB. Minor errors may be present due to rounding.

Mineral Resource Update

The updated BDC Global Mineral Resource totals 54.6Mt grading 1.75g/t gold for 3.07Moz contained gold. This represents an increase of 42koz over the previous estimate (September 2020), with the key inventory change being the addition of 34koz at Excelsior (Table 11). Overall, the changes reflect a 12% increase in tonnes for 1% increase in ounces, with grade down 9%.

Within the Mineral Resource, Measured and Indicated Resources now comprise 2.06Moz or 67% of the BGP Mineral Resource. Notably, Aphrodite Indicated Mineral Resources increased by 131koz (36%) as part of this update.

Table 11. Excelsior dominates new additions to Mineral Resource inventory

Mineral Resources	COG (g/t)	Kt (kt)	Indicated		Tonnes (kt)	Inferred		Tonnes (kt)	Total	
			Grade (g/t)	Au (koz)		Grade (g/t)	Gold (koz)		Grade (g/t)	Gold (koz)
Aphrodite OP	var.	688	0.00	-74	580.00	-0.1	21	1269	-0.20	-53
Aphrodite UG	-0.3	1084	-0.20	131	258	0.0	-51	1341	-0.5	58
Aphrodite Sub-tot.	0	1772	-0.07	57	838	-0.34	-30	2610	-0.25	5
Zoroastrian OP	-0.10	125	-0.04	2	83	-0.01	1	206	-0.04	3
Zoroastrian UG	-0.20	11	0.00	1	22	-0.10	2	33	-0.10	1
Zoroastrian Sub-tot.	0.00	136	-0.03	3.00	105	-0.10	3	239	-0.05	4
Excelsior OP	0	2916	-0.23	47	-64	-0.16	-13	2852	-0.17	34
Mayday North OP	0	-22	0.00	0	1	-0.10	-1	0	0.00	-1
Total	0	4,802	-0.16	107	880	-0.16	-41	5,702	-0.18	42

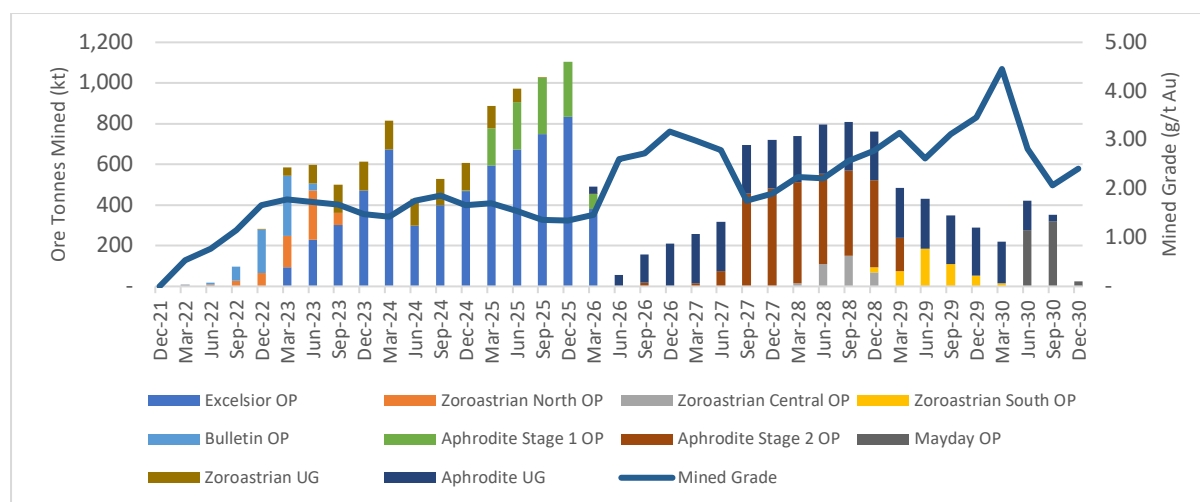
Source: BDC ASX Announcement 29 March 2021, BDC ASX Announcement 30 September 2020. Var=Various.

PFS vs DFS: Mining & Milling Comparison

The PFS mine plan envisaged initial mining from Excelsior and Zoroastrian Underground. The revised DFS mining schedule now commences with mining of free milling ore at Zoroastrian North and Bulletin South, with Excelsior deferred (Chart 1, Chart 2). This makes sense, as mining Excelsior requires approvals to re-align a 2km section of the Goldfields Highway and Kalgoorlie-Menzies railway line, so the deferral removes timing risk. Early mining of Zoroastrian North has an additional benefit, in that it provides a location to dispose of in-pit tailings from the Excelsior pit, and only involves a 300m haul.

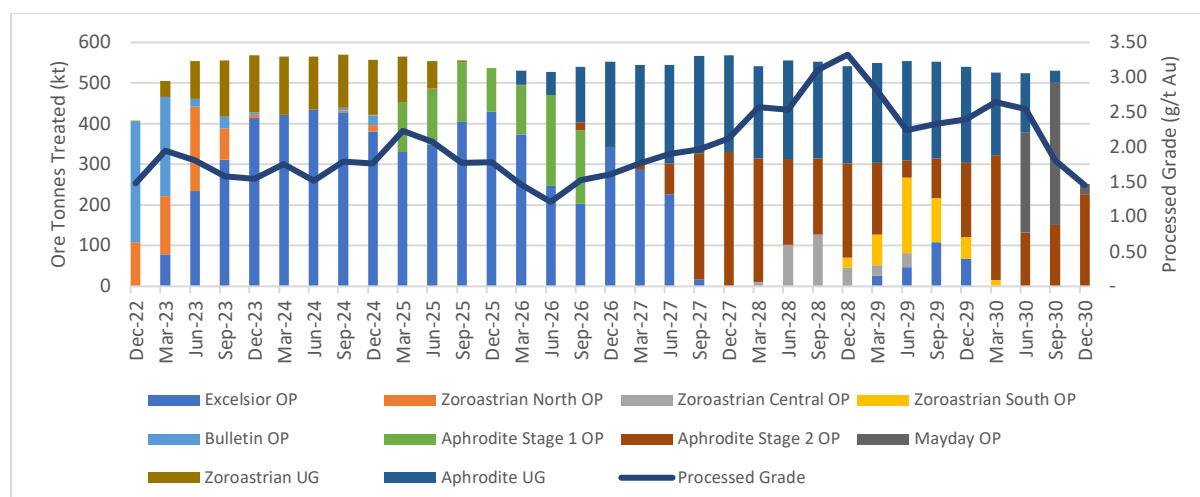
With respect to processing, a key change in the DFS is flotation tails from the refractory ore will no longer be leached to recover additional gold. Metallurgical recoveries are sufficient to allow these tailings to be disposed after flotation, removing additional reagent cost.

Chart 1. Bardoc Gold Project Mining Schedule



Source: BDC ASX Announcement 29 March 2021, RL estimates.

Chart 2. Bardoc Gold Project Processing Schedule



Source: BDC ASX Announcement 29 March 2021, RL estimates.

Table 12. Bardoc Gold Project Model – Mining and Processing

Bardoc Gold Project	Units	LOM	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
General													
Inflation	%pa		-	-	-	-	-	-	-	-	-	-	-
Gold Price	US\$/oz		1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
AUDUSD	AUDUSD		0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Gold Price	A\$/oz		2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Resources													
Tonnes	kt		54,553	54,525	52,965	50,606	47,608	44,925	43,984	41,031	38,548	37,268	36,892
Grade	g/t Au		1.75	1.75	1.75	1.76	1.77	1.79	1.77	1.75	1.68	1.63	1.62
Contained Gold	oz Au		3,073	3,072	2,987	2,869	2,708	2,588	2,499	2,306	2,086	1,949	1,924
Closing Reserves													
Tonnes	kt		15,875	15,847	14,287	11,928	8,930	6,247	5,306	2,353	(130)	(1,410)	(1,786)
Grade	g/t Au		1.97	1.97	2.00	2.09	2.23	2.59	2.53	3.16	(4.53)	2.60	2.49
Contained Gold	oz Au		1,006	1,005	920	802	641	521	432	239	19	(118)	(143)
Open Cut Mining													
Strip Ratio	w:o	8.34	-	263.08	13.28	11.02	5.86	3.34	103.19	6.04	5.47	10.70	1.06
Waste Mined	kt	107,047	-	7,478	18,951	19,905	14,974	8,639	11,459	12,115	8,283	4,878	366
Ore Mined	kt	12,831	-	28	1,427	1,806	2,553	2,586	111	2,005	1,513	456	346
Total Mined	kt	119,878	-	7,507	20,377	21,711	17,528	11,225	11,570	14,120	9,796	5,334	712
Grade	g/t Au	1.44	-	0.68	1.55	1.03	1.21	1.35	1.40	1.54	2.03	2.75	2.09
Contained Gold	oz Au	593,498	-	636	73,833	59,259	101,519	111,802	5,646	97,735	97,736	26,853	18,480
Underground Mining													
Devt and Stope Ore Mined	kt	4,830	-	-	133	553	445	97	831	948	970	824	30
Grade	g/t Au	3.58	-	-	2.29	3.30	4.24	4.67	3.08	3.16	3.93	4.35	6.95
Contained Gold	oz Au	555,773	-	-	11,616	58,491	59,423	8,898	82,694	95,566	122,162	110,165	6,758
CIL Processing													
Ore Treated	kt	10,877	-	-	1,467	2,255	2,062	1,461	1,169	939	747	602	177
Head Grade	g/t Au	1.51	-	-	1.76	1.60	1.92	1.36	0.75	1.38	1.29	1.52	1.48
Contained Gold	oz Au	529,028	-	-	83,135	115,850	127,407	64,095	28,011	41,674	30,992	29,481	8,384
Recovery	%	95.4%	0.0%	0.0%	95.5%	95.8%	95.9%	96.5%	95.4%	93.0%	95.8%	94.2%	89.5%
Recovered Gold Doré	oz Au	504,778	-	-	79,534	111,016	122,150	62,039	26,740	38,551	29,712	27,531	7,505
Flotation													
Ore Treated	kt	6,781	-	-	-	-	185	689	1,013	1,294	1,452	1,541	606
Mass Pull	kt	4.30%	0.00%	0.00%	0.00%	0.00%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
Concentrate Produced	kt	292	-	-	-	-	8	30	44	56	62	66	26
Concentrate Grade	g/t Au	66.14	-	-	-	-	52.11	48.65	68.23	68.66	85.21	68.56	40.79
Contained Gold	oz Au	620,004	-	-	-	-	14,570	43,762	91,215	123,137	171,763	141,310	34,246
Recovery	%	95.6%	0.0%	0.0%	0.0%	0.0%	95.9%	95.7%	95.6%	95.6%	95.5%	95.5%	95.5%
Recovered Gold-in-conc	A\$'000	592,610	-	-	-	-	13,965	41,885	87,207	117,718	164,106	134,995	32,734

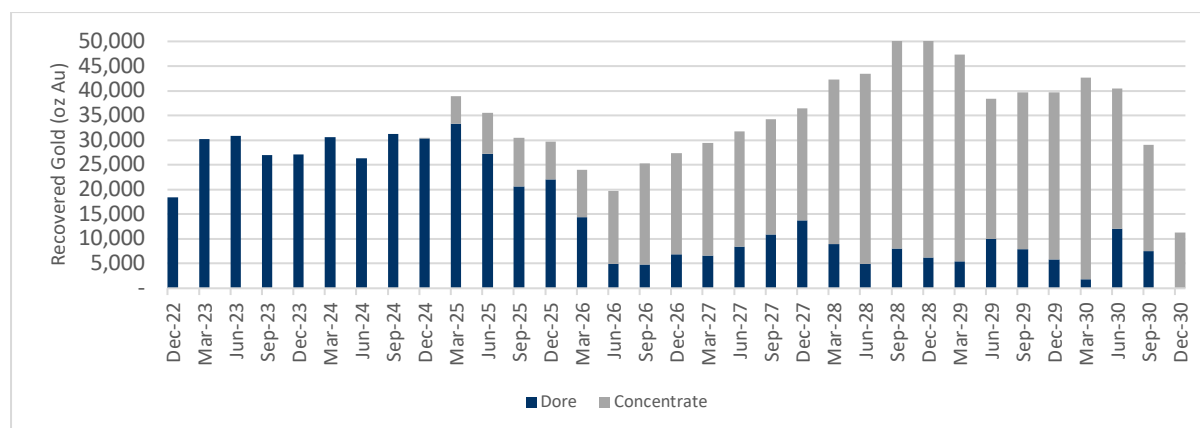
Source: BDC ASX Announcement 29 March 2021, RL estimates.

Table 13. Bardoc Gold Project Model - Financials

Bardoc Gold Project	Units	LOM	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
Revenue													
Gross Revenue	A\$'000, Real	2,472,867	-	-	190,881	266,437	322,885	238,049	249,801	343,091	420,618	353,418	87,687
Royalties	A\$'000, Real	(107,089)	-	-	(4,772)	(6,661)	(9,110)	(9,063)	(12,723)	(17,322)	(22,706)	(19,417)	(5,315)
Net Revenue	A\$'000, Real	2,365,779	-	-	186,109	259,776	313,775	228,986	237,078	325,769	397,911	334,001	82,372
Operating costs													
Open Cut Mining	A\$/oz	332	-	-	698	657	433	363	341	304	170	110	59
Underground Mining	A\$/oz	245	-	-	123	365	70	66	535	445	367	-	-
Processing	A\$/oz	240	-	-	-	-	8	39	52	48	44	56	88
Concentrate	A\$/oz	36	-	-	64	70	57	71	66	49	39	45	67
Site G&A	A\$/oz	55	-	-	64	70	57	71	66	49	39	45	67
Royalties	A\$/oz	98	-	-	60	60	67	87	112	111	117	119	132
Cash Operating Costs	A\$/oz	939	-	-	984	1,204	667	660	1,076	932	684	272	300
Sustaining Capex	A\$/oz	158	-	-	407	222	179	199	222	131	78	60	-
All In Sustaining Cash Costs	A\$/oz	1,194	-	-	1,451	1,486	914	947	1,410	1,174	880	452	432
Capex													
Feasibility & Devt Studies	A\$'000, Real	5,500	4,000	1,500	-	-	-	-	-	-	-	-	-
Pre-Production	A\$'000, Real	177,400	-	123,300	54,100	-	-	-	-	-	-	-	-
Post-Production	A\$'000, Real	270,500	-	-	36,900	41,400	39,850	33,700	38,300	33,400	28,200	18,750	-
Exploration	A\$'000, Real	5,000	4,000	1,000	-	-	-	-	-	-	-	-	-
Total	A\$'000, Real	458,400	8,000	125,800	91,000	41,400	39,850	33,700	38,300	33,400	28,200	18,750	-
Financials													
Net Revenue	A\$'000, Real	2,365,779	-	-	186,109	259,776	313,775	228,986	237,078	325,769	397,911	334,001	82,372
Operating Costs	A\$'000, Real	1,030,500	-	-	95,045	159,411	116,541	93,216	147,601	171,224	157,733	68,719	21,009
EBITDA	A\$'000, Real	1,335,279	-	-	91,065	100,366	197,234	135,770	89,476	154,545	240,178	265,282	61,363
D&A	A\$'000, Real	(458,806)	-	-	(19,866)	(31,443)	(36,582)	(40,916)	(45,507)	(50,079)	(53,685)	(56,840)	(56,882)
EBIT	A\$'000, Real	876,472	-	-	71,198	68,923	160,652	94,853	43,969	104,466	186,493	208,442	4,481
Tax	A\$'000, Real	(291,552)	-	-	(21,359)	(20,677)	(48,196)	(28,456)	(13,191)	(31,340)	(55,948)	(62,533)	(9,853)
Attributable to Project	A\$'000, Real	584,920	-	-	49,839	48,246	112,456	66,397	30,779	73,126	130,545	145,909	(5,372)
Operating Result After Tax	A\$'000, Real	458,806	-	-	19,866	31,443	36,582	40,916	45,507	50,079	53,685	56,840	56,882
Add: Depreciation	A\$'000, Real	-	-	-	-	-	-	-	-	-	-	-	-
Less: Increase in Working Capital	A\$'000, Real	-	-	-	-	-	-	-	-	-	-	-	-
Operating Cash Flow	A\$'000, Real	1,043,726	-	-	69,705	79,689	149,039	107,314	76,286	123,205	184,230	202,749	51,510
Total Capex	A\$'000, Real	458,400	8,000	125,800	91,000	41,400	39,850	33,700	38,300	33,400	28,200	18,750	-
Project Free Cash Flow	A\$'000, Real	585,326	(8,000)	(125,800)	(21,295)	38,289	109,189	73,614	37,986	89,805	156,030	183,999	51,510
Project NPV	A\$'000, Real		362,925	469,272	582,229	572,915	518,921	444,754	441,635	388,866	252,245	101,748	-
Project IRR	37.3%												

Source: BDC ASX Announcement 29 March 2021, RL estimates.

Chart 3. Gold Production by Product



Source: BDC ASX Announcement 29 March 2021, RL estimates.

Financing Adjustments

We have increased our debt financing from A\$100 million to A\$115 million, and increased the tenor to 6 years. We remain confident that the project can support a debt facility of this size while remaining within typical project finance covenants. We have retained our hedging profile, however we have lowered the price from A\$2,500/oz to A\$2,250/oz. Our modelled construction equity task is A\$68 million, and we have adjusted the price closer to the current share price (prev. A\$0.11/sh).

Upcoming Newsflow / Timeline

June Quarter 2021: Permitting, DFS optimisation, project finance, exploration

June / September Quarter 2021: DFS optimisation, financing and Final Investment Decision (FID), early works, site infrastructure construction, EPA self-assessment

December Quarter 2021: Open pit mining, processing infrastructure construction underway

Chart 4. Project Development Timeline

	2021				2022			
	March Q1	June Q2	September Q3	December Q4	March Q1	June Q2	September Q3	December Q4
DEFINITIVE FEASIBILITY STUDY								
Final Report	✓							
ENVIRONMENTAL PERMITTING								
Clearing Permits	✓							
Mining Proposal Submitted		★						
EPA Self- Assessment			★					
FINANCING								
Lender Engagement								
Due Diligence								
Credit Approval			★					
CONSTRUCTION & MINING								
Road & Rail Realignment								
Site Infrastructure Construction			★					
Open Pit Mining Commencement				★				
Processing Construction				★				
Project Commissioning								★
Gold Production								★

Source: BDC ASX Announcement 29 March 2021.

Financials

Table 14. Profit & Loss Statement

Profit & Loss (A\$M)	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E	FY28E
Revenue	-	-	186.1	259.8	313.8	229.0	237.1	325.8
Other income	0.1	-	-	-	-	-	-	-
Total revenue and other income	0.1	-	186.1	259.8	313.8	229.0	237.1	325.8
Operating expenses	-	-	(95.0)	(159.4)	(116.5)	(93.2)	(147.6)	(171.2)
Corporate costs	(2.2)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Exploration costs expensed	(9.9)	-	-	-	-	-	-	-
Share based payment expense	(0.3)	-	-	-	-	-	-	-
Other costs	-	-	-	-	-	-	-	-
EBITDA	(12.3)	(2.4)	88.7	98.0	194.8	133.4	87.1	152.1
D&A expense	(0.1)	-	(19.9)	(31.4)	(36.6)	(40.9)	(45.5)	(50.1)
EBIT	(12.4)	(2.4)	68.8	66.5	158.3	92.5	41.6	102.1
Interest expense	-	(0.1)	(4.8)	(4.5)	(3.6)	(2.7)	(1.7)	(0.8)
Other finance costs	(0.2)	(0.6)	(0.5)	-	-	-	-	-
Hedging gains (losses)	-	-	(7.2)	(7.5)	(5.0)	(0.9)	-	-
Finance income	0.1	-	-	-	-	-	-	-
Profit before income tax expense	(12.5)	(3.2)	56.4	54.5	149.6	88.9	39.8	101.3
Income tax expense	-	-	-	-	(35.0)	(26.7)	(11.9)	(30.4)
Extraordinary items	-	-	-	-	-	-	-	-
NPAT	(12.5)	(3.2)	56.4	54.5	114.7	62.2	27.9	70.9

Source: Rawson Lewis estimates

Table 15. Cash Flow Statement

Cash Flow (A\$M)	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E	FY28E
Receipts from customers	-	-	186.1	259.8	313.8	229.0	237.1	325.8
Receipts from Corporate	0.6	-	-	-	-	-	-	-
Interest received	0.1	-	-	-	-	-	-	-
Other receipts	0.0	-	-	-	-	-	-	-
Payments to suppliers	(1.1)	-	(95.0)	(159.4)	(116.5)	(93.2)	(147.6)	(171.2)
Corporate Costs	(3.0)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Payments for E&E (expensed)	(9.2)	-	-	-	-	-	-	-
Tax paid	-	-	-	-	(35.0)	(26.7)	(11.9)	(30.4)
Other payments	0.1	-	-	-	-	-	-	-
Net cash inflow from operating activities	(12.5)	(2.4)	88.7	98.0	159.9	106.7	75.1	121.8
Proceeds from disposal of PPE	-	-	-	-	-	-	-	-
Payments for PPE	(4.0)	(124.8)	(91.0)	(41.4)	(39.9)	(33.7)	(38.3)	(33.4)
Payments for E&E (capitalised)	(4.0)	(1.0)	-	-	-	-	-	-
Payments for acquired E&E	(1.2)	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Net cash outflow from investing activities	(9.2)	(125.8)	(91.0)	(41.4)	(39.9)	(33.7)	(38.3)	(33.4)
Proceeds from borrowings	-	63.3	51.8	-	-	-	-	-
Proceeds from equity raised (net of costs)	22.6	64.6	-	-	-	-	-	-
Proceeds from conversion of ITM options	-	-	-	-	-	-	-	-
Hedging gains / (losses)	-	-	-	-	-	-	-	-
Interest and other finance costs paid	-	-	(7.2)	(7.5)	(5.0)	(0.9)	-	-
Arranging Fees	-	-	(4.0)	(4.5)	(3.6)	(2.7)	(1.7)	(0.8)
Repayment of borrowings	-	(0.6)	(0.5)	-	-	-	-	-
Repayment of Franco Nevada Advance	-	-	(14.5)	(19.3)	(19.3)	(19.3)	(19.3)	(19.3)
Other	(0.3)	(0.3)	-	-	-	-	-	-
Net cash inflow / outflow from financing activities	22.3	127.0	25.6	(31.3)	(27.9)	(22.9)	(21.1)	(20.1)
Net increase / decrease in cash and cash equivalents	0.6	(1.2)	23.3	25.2	92.1	50.1	15.8	68.2
Effect of exchange rate movements on cash	-	-	-	-	-	-	-	-
Cash and cash equivalents at period start	11.9	12.4	11.2	34.5	59.7	151.8	201.9	217.7
Cash and cash equivalents at period end	12.4	11.2	34.5	59.7	151.8	201.9	217.7	285.9

Source: Rawson Lewis estimates

Table 16. Balance Sheet

Balance Sheet (A\$M)	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E	FY28E
Cash and cash equivalents	12.4	11.2	34.5	59.7	151.8	201.9	217.7	285.9
Trade and other receivables	-	-	-	-	-	-	-	-
Other Assets	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Current Assets	12.5	11.3	34.6	59.8	151.9	202.0	217.8	286.0
Property, Plant and Equipment	4.4	129.2	200.8	211.4	215.3	208.7	202.1	186.1
Deferred exploration and evaluation expenditure	4.0	5.0	4.5	3.9	3.3	2.7	2.0	1.4
Rights of use assets	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Other non-current assets	-	-	-	-	-	-	-	-
Total Non-Current Assets	8.6	134.4	205.5	215.4	218.7	211.5	204.3	187.6
Total Assets	21.1	145.7	240.0	275.2	370.6	413.5	422.1	473.6
Payables	-	-	-	-	-	-	-	-
Lease Liabilities	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Borrowings	1.3	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Provisions	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Total Current Liabilities	1.7	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Lease Liabilities	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Borrowings	-	63.4	101.4	82.1	62.8	43.5	24.1	4.8
Provisions	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Total Non-Current Liabilities	5.0	68.4	106.5	87.1	67.8	48.5	29.2	9.9
Total Liabilities	6.7	69.8	107.9	88.5	69.2	49.9	30.6	11.3
Net Assets	14.4	75.8	132.2	186.7	301.4	363.6	391.5	462.3
Contributed Equity	153.0	217.6	217.6	217.6	217.6	217.6	217.6	217.6
Reserves	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Retained Profits	(140.8)	(144.0)	(87.6)	(33.1)	81.6	143.8	171.7	242.6
Total Equity	14.4	75.8	132.2	186.7	301.4	363.6	391.5	462.3

Source: Rawson Lewis estimates

Issued Capital

BDC has 1,735m shares on issue, with 34.9m options (weighted average strike A\$0.156/sh), and 47.5m performance rights, linked to various development milestones and share price hurdles (Table 17). The top 50 shareholders currently hold 47.6%, with institutional ownership at 14%, and Directors holding 10% (undiluted basis).

Table 17. Issued Capital & Shareholders

Issued Capital (16/03/2021)	Number	Strike	Expiry Date	Conditions
Fully Paid Ordinary Shares	1,735,257,376			
Options				
	18,000,000	0.16	31/03/2021	
	7,900,000	0.16	31/03/2021	
Vettersburg Acquisition	3,000,000	0.20	11/09/2022	
Consultants	6,000,000	0.12	27/09/2022	
Total Options	34,900,000	0.16		
Performance Rights				
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 F	3,850,000		10/06/2023	3Moz Resource / 10 day VWAP >0.06/sh
Class G	20,200,000		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
Class J	1,500,000		21/10/2024	DFS by Q1 2021 / EPC by Q3 2021
Class K	2,500,000		21/10/2024	Commissioning
Class L	3,500,000		23/11/2024	DFS by Q1 2021 / 10 day VWAP >0.10/sh
Class M	6,000,000		23/11/2024	Commissioning / 10 day VWAP >0.12/sh
Class N	750,000		18/02/2025	CFO Performance Rights
Class O	1,250,000		18/02/2025	CFO Performance Rights
Total Performance Rights	47,450,000			
Fully Diluted Shares	1,817,607,376			

Source: BDC Announcement 4 September 2020.

This Research has been prepared and issued by Rawson Lewis Pty Ltd ("Rawson Lewis") and remains the property of Rawson Lewis. No material contained in this Research may be reproduced or distributed, except as allowed by the Copyright Act, without the prior written approval of Rawson Lewis.

This report has been prepared and issued (in Australia) by Rawson Lewis Pty Ltd (ABN 630 685 371) (AFS Licence No. 464 545) ("Rawson Lewis") and is subject to the disclosures and restrictions set out below. Consistent with the AFSL under which Rawson Lewis operates, this report has been prepared for "Sophisticated Investors" as defined in the Corporations Act. This report is not to be provided to retail investors.

Analyst Certification:

The research analyst identified on the cover of this report certifies that in respect of each security or issuer that the research analyst covers that: this report accurately reflects his or her personal views about any and all of the subject issuer(s) or securities; and no part of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or views expressed by the research analyst(s) in this report.

General Disclosure

Rawson Lewis and its associates (as defined in Chapter 1 of the Corporations Act 2001), officers, directors, employees and agents, from time to time, may own or have positions in securities of the company(ies) covered in this report and may trade in the securities mentioned either as principal or agent or may be materially interested in such securities.

Rawson Lewis does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. Rawson Lewis was Joint Lead Manager of the Company's July 2020 \$24 million equity raising and received compensation for undertaking that role. Rawson Lewis has received fees during the past 3 months compensation for financial and advisory services from the company.

Rawson Lewis has a separate research mandate with the Company for which it has received fees over the last 3 months. Rawson Lewis expects to receive or intends to seek compensation for the provision of research services in the next 3 months from the company, its parent, or its wholly owned or majority owned subsidiary.

Rawson Lewis does not believe that the research mandate has influenced the analyst's opinions nor analysis contained in this report.

Contact with the company has been made during the preparation of this report for assistance with the verification of facts.

Disclaimer & Warning

This report may contain general advice or recommendations which, while believed to be accurate at the time of publication, are not appropriate for all persons or accounts. This report does not purport to contain all the information that a prospective investor may require. Before making an investment or trading decision, the recipient must consider market developments subsequent to the date of this document, and whether the advice is appropriate in light of his or her financial circumstances or seek further advice on its appropriateness or should form his/her own independent view given the person's investment objectives, financial situation and particular needs regarding any securities or Financial Products mentioned herein. Information in this document has been obtained from sources believed to be true but neither Rawson Lewis nor its associates make any recommendation or warranty concerning the Financial Products or the accuracy, or reliability or completeness of the information or the performance of the companies referred to in this document. Past performance is not indicative of future performance. This document is not an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any Financial Product, and neither this document or anything in it shall form the basis of any contract or commitment. Although every attempt has been made to verify the accuracy of the information contained in the document, liability for any errors or omissions (except any statutory liability which cannot be excluded) is specifically excluded by Rawson Lewis, its associates, officers, directors, employees and agents. The securities of such company (ies) may not be eligible for sale in all jurisdictions or to all categories of investors.

Analysts' Compensation: The analyst has received a fixed fee for completion of this research report.

Other International Investors: International investors outside the US, UK, UAE or Canada are encouraged to contact their local regulatory authorities to determine whether any restrictions apply to their ability to purchase this investment and should seek their own advice

Recipient Representations/Warranties: By accepting this report, the recipient represents and warrants that he or she is entitled to receive such report in accordance with the restrictions set out in this document and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of law.

© Copyright Rawson Lewis Pty Ltd

Rawson Lewis Pty Ltd
ACN 630 685 371
Corporate Authorised Rep of AFSL 464545

SYDNEY
Level 40, 2 Park Street
Sydney NSW 2000

MELBOURNE
Level 14, 440 Collins St
Melbourne VIC 3000

P: +61 2 9263 2805
www.rawsonlewis.com