

11 January 2023

Ticker: GGD CN 3Q22 cash: US\$73m Project: Los Ricos / Parral

Market cap: C\$778m **Price:** C\$2.63/sh Country: Mexico REC. (unc): BUY TARGET (+30c): C\$3.00/sh RISK RATING (unc): HIGH

Parral production typically swings around anywhere from 400-500koz AqEq pq, with today's 441koz a pleasing beat on the cyclically low 400koz prior quarter, albeit well under peak 525koz in 3Q21. Ultimately the silver price momentum is more material than today's production. Stepping back, in light of the silver trade, we genuinely see GoGold (despite the name...) as an excellent play in CY23 for five reasons; (i) production torque, (ii) development exposure with Los Ricos South FS progressing, (iii) exploration torque with northern extensions to Los Ricos South ('Eagle') only recently started drilling, (iv) 'real' silver torque with c. 75/25 Ag/Au against 'polymetallic in disguise' peers with Ag-Au-Pb-Zn, and (v) a strong US\$73m cash balance as at 3Q22. For now, we maintain our BUY rating but lift our 0.7xNAV_{5%} C\$2.70/sh PT to C\$3.00, a nominal combination of our LT US\$1,700/oz Au and US\$20/oz Ag (C\$2.70/sh) and valuation at spot (C\$3.30/sh). Looking forward GoGold should see a catalyst-heavy year with Los Ricos South drilling to drive a 1H23 PEA/MRE update, 1H23 UG development start, 2H23 PFS, as well as a PEA on Los Ricos North scheduled this year, all of which (ex the PFS) is expected in the first half too.

10% QoQ lift in production; Ag torque for CY23 with production, drilling and development, PT lifted

Preliminary production of 441koz AgEq from the Parral tailings operation in Mexico saw a 10% QoQ lift from 400koz the prior quarter. Earlier this year, the company provided an outlook for the year including Los Ricos South drilling, updated MRE / PEA at Los Ricos South to include Eagle, followed by a PFS, as well as a PEA at Los Ricos North.

Why we like GoGold

- Self-funds G&A and a portion of exploration from Parral, with options to extend to new dumps
- 'Hidden' silver company with Los Ricos predominantly silver
- Los Ricos South an easily mineable open pit, on a single vein, that can start with UG
- Los Ricos North drilled targets could support a standalone operation of similar size
- Undrilled Los Rico North targets could support multiples of Los Ricos South's size

Catalysts

- 1H23: Los Ricos South drilling on northern 'Eagle' extension
- 1H23: Los Ricos South MRE and PEA update to include Eagle
- 1H23: Los Ricos South commence UG development
- 1H23: Los Ricos North PEA
- 2H23: Los Ricos South PFS

Research

Brock Salier (London) M: +44 7400 666 913 bsalier@sprott.com

Eleanor Magdzinski (Toronto) M: +1 705 669 7456 emagdzinski@sprott.com Konstantinos Kormpis (Toronto) M: +1 778-957-3623 kkormpis@sprott.com



Ticker: GGD CN Author: B Salier / E Magdzinski	Price / m Recomm			sh, C\$778r	n	Group P/NAV today: Price target:	0.64x C\$3.00/sl	า	Asset: Country:	L. Ricos / : Mexico	Parral
Commodity price	CY20A	CY21A	CY22E	CY23E	CY24E	Reserve / mining inventory	Ag Eq			Au Eq	
Gold price	1,748	1,785	1,812	1,823	1,747	Parral (SCP mine plan)	32Moz	63.3g/t		•	0.00g/t
Silver price	19.25	24.03	21.84	22.96	21.14	Los Ricos South (SCPe)	72Moz	189g/t		816koz	2.14g/t
Group-level SOTP valuation						Esmeralda (not modelled)	14Moz	72g/t			0.82g/t
		US\$m	O/ship	NAVx	C\$/sh*	Los Ricos North (SCPe)	100Moz	150g/t		1,297koz	1.95g/t
NPV Parral (1Q23)		65	100%	1.0x	0.28	Share data					
NPV Los Ricos South (build start	:)	296	100%	0.7x	0.90	Basic shares (m)	295.7	F	D with op	otions (m):	309.8
Esmeralda nominal (US\$50/oz A	u)	8	100%	1.0x	0.03	Ratio analysis^	CY20A	CY21A	CY22E	CY23E	CY24E
NPV Los Ricos North (build start	.)	408	100%	0.4x	0.71	Average shares out (m)	240.0	283.1	303.8	323.8	347.3
LRN res ex inv. (US\$2.50/oz Ag)		153	100%	1.0x	0.66	EPS (USc/sh)	4.3	3.5	(1.9)	0.8	(0.1)
NPV central & finance costs		(50)	100%	1.0x	(0.22)	CFPS before w/c (USc/sh)	(1)	(4)	(5)	(17)	(62)
SCPe cash 4Q22		65	100%	1.0x	0.28	EV (US\$m)	513.5	565.1	563.9	641.3	851.7
Cash from options		7	100%	1.0x	0.03	FCF margin (%)	-7%	-48%	-64%	-134%	-488%
1xNAV5% 1Q23 US\$1700/oz		951			2.67	PER (x)	46x	56x	-	260x	-
Group NAV (US\$m)	Spot	SCP				P/CF (x)	-	-	-	-	-
Au:	\$1500oz	\$1600oz	\$1700oz	\$1800oz	\$1900oz	EV/EBITDA (x)	42.9x	84.8x	(242.1)	77.7x	146.1x
Group 1xNAV (US\$m) Ag:	\$15.0oz	\$17.5oz	\$20.0oz	\$22.5oz	\$25.0oz	Income statement^	CY20A	CY21A	CY22E	CY23E	CY24E
11% discount	506	614	721	829	937	Revenue, attrib (US\$m)	44.2	48.0	35.8	45.9	43.1
8% discount	582	705	828	951	1,075	COGS, attrib (US\$m)	25.5	26.6	24.4	27.3	27.3
5% discount	675	817	959	1,102	1,244	D&A, attrib (US\$m)	3.6	5.0	4.7	7.2	7.5
Ungeared project IRR:	32%	37%	42%	47%	52%	Gross profit, attrib (US\$m)	15.1	16.3	3.1	11.4	142.1
Au:	\$1500oz	\$1600oz	\$1700oz	\$1800oz	\$1900oz	Admin (US\$m)	(4.9)	(7.9)	(8.5)	(7.8)	(7.8)
Group NAV (C\$/sh)* Ag:	\$15.0oz	\$17.5oz	\$20.0oz	\$22.5oz	\$25.0oz	Finance cost (US\$m)	(0.2)	(0.1)	5.2	(0.1)	(0.1)
11% discount	1.66	1.91	2.15	2.40	2.64	Expln, royalty, forex (US\$m)	(1.0)	0.2	5.2	-	-
8% discount	1.84	2.12	2.40	2.68	2.96	Tax (US\$m)	-	-	(2.5)	(1.1)	(0.8)
5% discount	2.06	2.38	2.71	3.03	3.36	Net income, attrib (US\$m)	10.3	9.8	(5.8)	2.4	(0.3)
Los Ricos South assumptions	Mt	AuEq (g/	AgEq (g/	'AuEq (ko	AgEq(Mo	Cash flow^	CY20A	CY21A	CY22E	CY23E	CY24E
NI43-101 pit resource (M&I&I)	12.1	2.13	186	829	73	EBITDA (US\$m)	12.0	6.7	(2.3)	8.3	5.8
NI43-101 UG resource (M&I&I)	1.1	3.56	312	126	11	Less working ∆ capital (US\$r	(0.5)	(11.6)	(13.1)	(3.8)	3.7
SCPe LRS pit inventory	11.0	2.05	180	720	63	Less finance costs (US\$m)	(0.2)	(0.1)	5.2	(0.1)	(0.1)
SCPe LRS UG inventory	0.9	1.16	296	96	8	Less tax paid (US\$m)	-	-	(2.5)	(1.1)	(8.0)
Project NPV @ 3Q23 build start	Spot	SCP				Add back other (US\$m)	2.6	1.4	13.8	2.5	2.2
Au:	\$1500oz	\$1600oz	\$1700oz	\$1800oz	\$1900oz	Cash flow ops (US\$m)	13.9	(3.7)	1.0	5.8	10.9
LRS NPV bld start (US\$m) Ag:	\$15.0oz	\$17.5oz	\$20.0oz	\$22.5oz	\$25.0oz	PP&E - build (US\$m)	(1.0)	(0.6)	(0.4)	(56.2)	(221.3)
11% discount	120	157	193	230	266	Exploration (US\$m)	(15.9)	(18.8)	(23.4)	(11.1)	-
8% discount	155	197	239	282	324	Asset sales (US\$m)	-	-	-	-	-
5% discount	197	247	296	346	396	Cash flow inv. (US\$m)	(16.9)	(19.4)	(23.8)	(67.4)	(221.3)
LRN NPV bld start (US\$m) Ag:	\$15.0oz	\$17.5oz	\$20.0oz	\$22.5oz	\$25.0oz	Share issue (US\$m)	54.3	22.6	33.5	60.0	-
11% discount	143	211	278	345	413	Debt draw (repay) (US\$m)	(1.2)	(2.1)	(1.1)	-	-
8% discount	184	260	336	413	489	Cash flow fin. (US\$m)	53.1	20.5	32.4	60.0	-
	184 233	260 320	336 408	413 495	489 583	Cash flow fin. (US\$m) Net change in cash (US\$m)	53.1 50.0	20.5 (2.7)	32.4 9.7	(1.5)	(210.4)
8% discount											- (210.4) CY24E
8% discount 5% discount	233	320	408	495	583	Net change in cash (US\$m)	50.0	(2.7)	9.7	(1.5)	
8% discount 5% discount Production (Y1 from 3Q20)	233 CY20A	320 CY21A	408 CY22E	495 CY23E	583 CY24E	Net change in cash (US\$m) Balance sheet^	50.0 CY20A	(2.7) CY21A	9.7 CY22E	(1.5) CY23E	CY24E
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq)	233 CY20A	320 CY21A 2.1	408 CY22E 1.8	495 CY23E 2.0	583 CY24E 2.0	Net change in cash (US\$m) Balance sheet^ Cash (US\$m)	50.0 CY20A 56.4	(2.7) CY21A 55.8	9.7 CY22E 64.9	(1.5) CY23E 63.4	CY24E (147.0)
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq) LRS prod'n (Moz AgEq)	233 CY20A	320 CY21A 2.1	408 CY22E 1.8	495 CY23E 2.0 -	583 CY24E 2.0	Net change in cash (US\$m) Balance sheet^ Cash (US\$m) Acc rec. + inv. (US\$m)	50.0 CY20A 56.4 31.2	(2.7) CY21A 55.8 44.3	9.7 CY22E 64.9 52.7	(1.5) CY23E 63.4 55.0	CY24E (147.0) 51.3
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq) LRS prod'n (Moz AgEq) LRN prod'n (Moz AgEq)	233 CY20A 2.3 -	320 CY21A 2.1 -	408 CY22E 1.8 -	495 CY23E 2.0 -	583 CY24E 2.0 - -	Net change in cash (US\$m) Balance sheet^ Cash (US\$m) Acc rec. + inv. (US\$m) PPE (US\$m)	50.0 CY20A 56.4 31.2 64.4	(2.7) CY21A 55.8 44.3 54.0	9.7 CY22E 64.9 52.7 52.1	(1.5) CY23E 63.4 55.0 101.2	(147.0) 51.3 315.0
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq) LRS prod'n (Moz AgEq) LRN prod'n (Moz AgEq) C1 cost (US\$/oz AgEq)	233 CY20A 2.3 - - 11.21	320 CY21A 2.1 - - 13.46	408 CY22E 1.8 - - 13.90	495 CY23E 2.0 - - 13.67	583 CY24E 2.0 - - 13.38	Net change in cash (US\$m) Balance sheet^ Cash (US\$m) Acc rec. + inv. (US\$m) PPE (US\$m) Exploration (US\$m)	50.0 CY20A 56.4 31.2 64.4 26.7	(2.7) CY21A 55.8 44.3 54.0 51.9	9.7 CY22E 64.9 52.7 52.1 78.9	(1.5) CY23E 63.4 55.0 101.2 90.0	CY24E (147.0) 51.3 315.0 90.0
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq) LRS prod'n (Moz AgEq) LRN prod'n (Moz AgEq) C1 cost (US\$/oz AgEq) AISC cost (US\$/oz AgEq)	233 CY20A 2.3 - - 11.21 13.58 14.48	320 CY21A 2.1 - 13.46 17.72 18.29	408 CY22E 1.8 - - 13.90 18.08 19.03	495 CY23E 2.0 - - 13.67 18.18	583 CY24E 2.0 - 13.38 17.79	Net change in cash (US\$m) Balance sheet^ Cash (US\$m) Acc rec. + inv. (US\$m) PPE (US\$m) Exploration (US\$m) Others (US\$m)	50.0 CY20A 56.4 31.2 64.4 26.7 13.5	(2.7) CY21A 55.8 44.3 54.0 51.9 17.8	9.7 CY22E 64.9 52.7 52.1 78.9 14.7	(1.5) CY23E 63.4 55.0 101.2 90.0 14.7	CY24E (147.0) 51.3 315.0 90.0 14.7
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq) LRS prod'n (Moz AgEq) LRN prod'n (Moz AgEq) C1 cost (US\$/oz AgEq) AISC cost (US\$/oz AgEq) C3 cost (US\$/oz AgEq)	233 CY20A 2.3 11.21 13.58 14.48	320 CY21A 2.1 - - 13.46 17.72	408 CY22E 1.8 - 13.90 18.08 19.03 AgEq)	495 CY23E 2.0 - - 13.67 18.18	583 CY24E 2.0 - 13.38 17.79 18.88	Net change in cash (US\$m) Balance sheet^ Cash (US\$m) Acc rec. + inv. (US\$m) PPE (US\$m) Exploration (US\$m) Others (US\$m) Total assets (US\$m)	50.0 CY20A 56.4 31.2 64.4 26.7 13.5 192	(2.7) CY21A 55.8 44.3 54.0 51.9 17.8 224	9.7 CY22E 64.9 52.7 52.1 78.9 14.7 263	(1.5) CY23E 63.4 55.0 101.2 90.0 14.7 324	(147.0) 51.3 315.0 90.0 14.7
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq) LRS prod'n (Moz AgEq) LRN prod'n (Moz AgEq) C1 cost (US\$/oz AgEq) AISC cost (US\$/oz AgEq) C3 cost (US\$/oz AgEq)	233 CY20A 2.3 11.21 13.58 14.48	320 CY21A 2.1 - 13.46 17.72 18.29 prod'n (Moz A	408 CY22E 1.8 - 13.90 18.08 19.03 AgEq)	495 CY23E 2.0 - - 13.67 18.18	583 CY24E 2.0 - 13.38 17.79 18.88	Net change in cash (US\$m) Balance sheet^ Cash (US\$m) Acc rec. + inv. (US\$m) PPE (US\$m) Exploration (US\$m) Others (US\$m) Total assets (US\$m) Debt (US\$m)	50.0 CY20A 56.4 31.2 64.4 26.7 13.5 192 3.2	(2.7) CY21A 55.8 44.3 54.0 51.9 17.8 224	9.7 CY22E 64.9 52.7 52.1 78.9 14.7 263 2.5	(1.5) CY23E 63.4 55.0 101.2 90.0 14.7 324 2.5	CY24E (147.0) 51.3 315.0 90.0 14.7 324 2.5
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq) LRS prod'n (Moz AgEq) LRN prod'n (Moz AgEq) C1 cost (US\$/oz AgEq) AISC cost (US\$/oz AgEq) C3 cost (US\$/oz AgEq) -3Moz	233 CY20A 2.3 11.21 13.58 14.48	320 CY21A 2.1 - 13.46 17.72 18.29 prod'n (Moz A	408 CY22E 1.8 - 13.90 18.08 19.03 AgEq)	495 CY23E 2.0 - - 13.67 18.18	583 CY24E 2.0 - 13.38 17.79 18.88 30/oz	Net change in cash (US\$m) Balance sheet^ Cash (US\$m) Acc rec. + inv. (US\$m) PPE (US\$m) Exploration (US\$m) Others (US\$m) Total assets (US\$m) Debt (US\$m) Accnts payable (US\$m)	50.0 CY20A 56.4 31.2 64.4 26.7 13.5 192 3.2 7.6	(2.7) CY21A 55.8 44.3 54.0 51.9 17.8 224 1.6 9.3	9.7 CY22E 64.9 52.7 52.1 78.9 14.7 263 2.5 8.2	(1.5) CY23E 63.4 55.0 101.2 90.0 14.7 324 2.5 6.8	CY24E (147.0) 51.3 315.0 90.0 14.7 324 2.5 6.8
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq) LRS prod'n (Moz AgEq) LRN prod'n (Moz AgEq) C1 cost (US\$/oz AgEq) AISC cost (US\$/oz AgEq) C3 cost (US\$/oz AgEq) -3Moz	233 CY20A 2.3 11.21 13.58 14.48	320 CY21A 2.1 - 13.46 17.72 18.29 prod'n (Moz A	408 CY22E 1.8 - 13.90 18.08 19.03 AgEq)	495 CY23E 2.0 - - 13.67 18.18	583 CY24E 2.0 - 13.38 17.79 18.88 30/oz	Net change in cash (US\$m) Balance sheet^ Cash (US\$m) Acc rec. + inv. (US\$m) PPE (US\$m) Exploration (US\$m) Others (US\$m) Total assets (US\$m) Debt (US\$m) Accnts payable (US\$m) Def. tax, closure, other (US\$s)	50.0 CY20A 56.4 31.2 64.4 26.7 13.5 192 3.2 7.6 3.0	(2.7) CY21A 55.8 44.3 54.0 51.9 17.8 224 1.6 9.3 5.8	9.7 CY22E 64.9 52.7 52.1 78.9 14.7 263 2.5 8.2 14.0	(1.5) CY23E 63.4 55.0 101.2 90.0 14.7 324 2.5 6.8 14.0	CY24E (147.0) 51.3 315.0 90.0 14.7 324 2.5 6.8 14.0
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq) LRS prod'n (Moz AgEq) LRN prod'n (Moz AgEq) C1 cost (US\$/oz AgEq) AISC cost (US\$/oz AgEq) C3 cost (US\$/oz AgEq) 3Moz 2Moz 1Moz	233 CY20A 2.3 11.21 13.58 14.48	320 CY21A 2.1 - 13.46 17.72 18.29 prod'n (Moz A	408 CY22E 1.8 - 13.90 18.08 19.03 AgEq)	495 CY23E 2.0 - - 13.67 18.18	583 CY24E 2.0 - 13.38 17.79 18.88 30/oz 20/oz 10/oz	Net change in cash (US\$m) Balance sheet^ Cash (US\$m) Acc rec. + inv. (US\$m) PPE (US\$m) Exploration (US\$m) Others (US\$m) Total assets (US\$m) Debt (US\$m) Accnts payable (US\$m) Def. tax, closure, other (US\$in) Total liabilities (US\$m)	50.0 CY20A 56.4 31.2 64.4 26.7 13.5 192 3.2 7.6 3.0 13.7	(2.7) CY21A 55.8 44.3 54.0 51.9 17.8 224 1.6 9.3 5.8 16.6	9.7 CY22E 64.9 52.7 52.1 78.9 14.7 263 2.5 8.2 14.0 24.7	(1.5) CY23E 63.4 55.0 101.2 90.0 14.7 324 2.5 6.8 14.0 23.2	CY24E (147.0) 51.3 315.0 90.0 14.7 324 2.5 6.8 14.0 23.2
8% discount 5% discount Production (Y1 from 3Q20) Parral prod'n (Moz AgEq) LRS prod'n (Moz AgEq) LRN prod'n (Moz AgEq) C1 cost (US\$/oz AgEq) AISC cost (US\$/oz AgEq) C3 cost (US\$/oz AgEq) 3Moz 2Moz 1Moz 0Moz	233 CY20A 2.3 11.21 13.58 14.48 Parral p	320 CY21A 2.1 - 13.46 17.72 18.29 prod'n (Moz A	408 CY22E 1.8 - 13.90 18.08 19.03 AgEq)	495 CY23E 2.0 - - 13.67 18.18	583 CY24E 2.0 - 13.38 17.79 18.88 30/oz 20/oz	Net change in cash (US\$m) Balance sheet^ Cash (US\$m) Acc rec. + inv. (US\$m) PPE (US\$m) Exploration (US\$m) Others (US\$m) Total assets (US\$m) Debt (US\$m) Accnts payable (US\$m) Def. tax, closure, other (US\$in) Total liabilities (US\$m) Shareholders equity (US\$m)	50.0 CY20A 56.4 31.2 64.4 26.7 13.5 192 3.2 7.6 3.0 13.7 203.6	(2.7) CY21A 55.8 44.3 54.0 51.9 17.8 224 1.6 9.3 5.8 16.6 228.3	9.7 CY22E 64.9 52.7 52.1 78.9 14.7 263 2.5 8.2 14.0 24.7 264.0	(1.5) CY23E 63.4 55.0 101.2 90.0 14.7 324 2.5 6.8 14.0 23.2 324.0	(147.0) 51.3 315.0 90.0 14.7 324 2.5 6.8 14.0 23.2 324.0

Source: SCP estimates; *diluted for options, but not for Los Ricos mine build(s)



Equity Research

DISCLOSURES & DISCLAIMERS

This research report (as defined under IIROC Rule 3600, Part B) is issued and approved for distribution in Canada by Sprott Capital Partners LP ("SCP"), an investment dealer who is a member of the Investment Industry Regulatory Organization of Canada ("IROC") and the Canadian Investor Protection Fund ("CIPF"). The general partner of SCP is Sprott Capital Partners GP Inc. and SCP is a wholly-owned subsidiary of Sprott Inc., which is a publicly listed company on the Toronto Stock Exchange under the symbol "SII". Sprott Asset Management LP ("SAM"), a registered investment manager to the Sprott Funds and is an affiliate of SCP. This research report is provided to retail clients and institutional investors for information purposes only. The opinions expressed in this report are the opinions of the author and readers should not assume they reflect the opinions or recommendations of SCP's research department. The information in this report is drawn from sources believed to be reliable but the accuracy or completeness of the information is not guaranteed, nor in providing it does SCP and/or affiliated companies or persons assume any responsibility or liability whatsoever. This report is not to be construed as an offer to sell or a solicitation of an offer to buy any securities. SCP accepts no liability whatsoever for any loss arising from any use or reliance on this research report or the information contained herein. Past performance is not a guarantee of future results, and no representation or warranty, expressed or implied, is made regarding future performance of any security mentioned in this research report. The price of the securities mentioned in this research report and the income they generate may fluctuate and/or be adversely affected by market factors or exchange rates, and investors may realize losses on investments in such securities, including the loss of investment principal. Furthermore, the securities discussed in this research report may not be liquid investments, may have a high level of volatility or may be subject to additional and special risks associated with securities and investments in emerging markets and/or foreign countries that may give rise to substantial risk and are not suitable for all investors. SCP may participate in an underwriting of, have a position in, or make a market in, the securities mentioned herein, including options, futures or other derivatives instruments thereon, and may, as a principal or agent, buy or sell such products.

DISSEMINATION OF RESEARCH:

SCP's research is distributed electronically through email or available in hard copy upon request. Research is disseminated concurrently to a predetermined list of clients provided by SCP's Institutional Sales Representative and retail Investment Advisors. Should you wish to no longer receive electronic communications from us, please contact unsubscribe@sprott.com and indicate in the subject line your full name and/or corporate entity name and that you wish to unsubscribe from receiving research.

RESEARCH ANALYST CERTIFICATION:

Each Research Analyst and/or Associate who is involved in the preparation of this research report hereby certifies that:

- The views and recommendations expressed herein accurately reflect his/her personal views about any and all of the securities or issuers that are the subject matter of this research report;
- His/her compensation is not and will not be directly related to the specific recommendations or view expressed by the Research analyst in this research report;
- They have not affected a trade in a security of any class of the issuer within the 30-day period prior to the publication of this research report;
- They have not distributed or discussed this Research Report to/with the issuer, investment banking group or any other third party
 except for the sole purpose of verifying factual information; and
- They are unaware of any other potential conflicts of interest.

UK RESIDENTS:

Sprott Partners UK Limited ("Sprott") is an appointed representative of PillarFour Securities LLP which is authorized and regulated by the Financial Conduct Authority. This document has been approved under section 21(1) of the FMSA 2000 by PillarFour Securities LLP ("PillarFour") for communication only to eligible counterparties and professional clients as those terms are defined by the rules of the Financial Conduct Authority. Its contents are not directed at UK retail clients. PillarFour does not provide investment services to retail clients. PillarFour publishes this document as non-independent research which is a marketing communication under the Conduct of Business rules. It has not been prepared in accordance with the regulatory rules relating to independent research, nor is it subject to the prohibition on dealing ahead of the dissemination of investment research. It does not constitute a personal recommendation and does not constitute an offer or a solicitation to buy or sell any security. Sprott and PillarFour consider this note to be an acceptable minor non-monetary benefit as defined by the FCA which may be received without charge. This is because the content is either considered to be commissioned by Sprott's clients as part of their advisory services to them or is short term market commentary. Neither Sprott nor PillarFour nor any of its directors, officers, employees or agents shall have any liability, howsoever arising, for any error or incompleteness of fact or opinion in it or lack of care in its preparation or publication; provided that this shall not exclude liability to the extent that this is impermissible under the law relating to financial services. All statements and opinions are made as of the date on the face of this document and are not held out as applicable thereafter. This document is intended for distribution only in those jurisdictions where PillarFour is permitted to distribute its research.

IMPORTANT DISCLOSURES FOR U.S. PERSONS

This research report was prepared by Sprott Capital Partners LP ("SCP"), a company authorized to engage in securities activities in Canada. SCP is not a registered broker/dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through Sprott Global Resource Investments Ltd. ("SGRIL"), a broker dealer in the United States registered with the Securities Exchange Commission ("SEC"), the Financial Industry Authority ("FINRA"), and a member of the Securities Investor Protection Corporation ("SIPC"). Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through SCP.

SGRIL accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to a U.S. person other than a major U.S. institutional investor. The analyst whose name appears in this research report is not licensed, registered, or



qualified as a research analyst with FINRA and may not be an associated person of SGRIL and, therefore, may not be subject to applicable restrictions under FINRA Rule 2241 regarding communications by a research analyst with a subject company, public appearances by the research analyst, and trading securities held by a research analyst account. To make further inquiries related to this report, United States residents should contact their SGRIL representative.

Analyst Certification/Regulation AC

The analyst and associate certify that the views expressed in this research report accurately reflect their personal views about the subject securities or issuers. In addition, the analyst and associate certify that no part of their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

Sprott Capital Partners Explanation of Recommendations: Should SCP issue research with recommendations, the research rating guidelines will be based on the following recommendations:

BUY: The stocks total returns are expected to be materially better than the overall market with higher return expectations needed for more risky securities markets

NEUTRAL: The stock's total returns are expected to be in line with the overall market

SELL: The stocks total returns are expected to be materially lower than the overall market

TENDER: The analyst recommends tendering shares to a formal tender offering

UNDER REVIEW: The stock will be placed under review when there is a significant material event with further information pending; and/or when the research analyst determines it is necessary to await adequate information that could potentially lead to a reevaluation of the rating, target price or forecast; and/or when coverage of a particular security is transferred from one analyst to another to give the new analyst time to reconfirm the rating, target price or forecast.

NOT RATED ((N/R): The stock is not currently rated **NOT RATED ((N/R):** The stock is not currently rated

Re	search Disclosure	Response				
1	P and its affiliates collectively beneficially owns 1% or more of any class of the issuer's equity securities ¹					
2	The analyst or any associate of the analyst responsible for the report or recommendation or any individual directly involved in the preparation of the report holds or is short any of the issuer's securities directly or through derivatives	NO				
3	An SCP partner, director, officer or analyst involved in the preparation of a report on the issuer, has during the preceding 12 months provided services to the issuer for remuneration other than normal course investment advisory or trading execution services	NO				
4	SCP has provided investment banking services for the issuer during the 12 months preceding the date of issuance of the research report or recommendation	YES				
5	Name of any director, officer, employee or agent of SCP who is an officer, director or employee of the issuer, or who serves in an advisory capacity to the issuer	NO				
6	SCP is making a market in an equity or equity related security of the issuer	NO				
7	The analyst preparing this report received compensation based upon SCP's investment banking revenue for the issuer	NO				
8	The analyst has conducted a site visit and has viewed a major facility or operation of the issuer	YES				
9	The analyst has been reimbursed for travel expenses for a site visit by the issuer	NO				

Sprott Capital Partners Equity Research Ratings:

Summary of Recommendations as of January	2023
BUY:	52
HOLD:	1
SELL:	0
UNDER REVIEW:	1
TENDER:	0
NOT RATED:	0
TOTAL	54

¹ As at the end of the month immediately preceding the date of issuance of the research report or the end of the second most recent month if the issue date is less than 10 calendar days after the end of the most recent month



Page 4