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Commodity Price Revisions

Summary of Metal Prices and Foreign-Exchange Assumptions

Commodities	Spot Price	2015E		2016E		2017E		2018E		2019E		2020E+	
		OLD	NEW	OLD	NEW	OLD	NEW	OLD	NEW	OLD	NEW	OLD	NEW
Gold, US\$/oz	\$1,295	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Silver, US\$/oz	\$18.32	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
Copper, US\$/lb	\$2.52	\$3.25	\$2.50	\$3.25	\$2.75	\$3.25	\$3.00	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25
Lead, US\$/lb	\$0.83	\$1.10	\$1.00	\$1.10	\$1.10	\$1.10	\$1.10	\$1.10	\$1.05	\$1.10	\$1.05	\$1.10	\$1.05
Nickel, US\$/lb	\$6.48	\$8.25	\$7.00	\$8.50	\$8.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00
Zinc, US\$/lb	\$0.95	\$1.20	\$1.10	\$1.20	\$1.20	\$1.15	\$1.20	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15
Cobalt, US\$/lb	\$14.43	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50
Molybdenum, US\$/lb	\$9.10	\$12.00	\$9.00	\$12.00	\$10.00	\$12.00	\$11.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Platinum, US\$/oz	\$1,281	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Palladium, US\$/oz	\$776	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900
Uranium (Spot), US\$/lb	\$36.50	\$39.50	\$39.50	\$53.00	\$53.00	\$63.75	\$63.75	\$67.50	\$67.50	\$70.00	\$70.00	\$70.00	\$70.00
Uranium (Long Term), US\$/lb	\$49.00	\$57.50	\$57.50	\$65.00	\$65.00	\$70.00	\$70.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
Vanadium (V2O5), US\$/lb	\$4.95	\$6.00	\$5.25	\$7.00	\$6.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00
Metallurgical Coal (HCC**), US\$/t	\$106	\$130	\$125	\$150	\$140	\$175	\$150	\$175	\$160	\$175	\$170	\$175	\$175
Antimony****, US\$/t	\$7,750	\$10,000	\$8,500	\$11,000	\$9,000	\$11,000	\$9,500	\$11,000	\$10,000	\$11,000	\$10,000	\$11,000	\$10,000

** HCC Coking Coal FOB Australia (Peak Downs)

**** MMTA Standard Grade II US\$/t Rotterdam

Currencies	Spot Price	2015E		2016E		2017E		2018E		2019E		2020E+	
		OLD	NEW	OLD	NEW								
C\$/US\$ FX Rate	1.24	1.13	1.17	1.12	1.17	1.10	1.12	1.08	1.08	1.08	1.08	1.08	1.08
AUS\$/US\$ FX Rate	1.26	1.16	1.25	1.18	1.26	1.18	1.21	1.18	1.18	1.20	1.20	1.20	1.20
Euro/US\$ FX Rate	0.89	0.81	0.85	0.81	0.87	0.80	0.82	0.78	0.78	0.77	0.77	0.76	0.76
CNY¥/US\$ FX Rate	6.23	6.11	6.18	6.14	6.17	6.17	6.16	6.13	6.13	6.08	6.08	6.04	6.04
S.A. Rand/US\$ FX Rate	11.41	10.93	11.25	10.31	11.38	10.12	11.38	10.65	11.38	11.19	11.38	11.73	11.38
Mexican Peso/US\$ FX Rate	14.67	13.18	14.40	13.17	13.98	13.27	13.51	13.39	13.39	13.55	13.55	13.72	13.72
Brazilian Real/US\$ FX Rate	2.58	2.44	2.78	2.52	2.94	2.58	2.80	2.67	2.67	2.72	2.72	2.75	2.75
Chilean Peso/US\$ FX Rate	626	596	614	580	610	564	610	557	610	555	610	556	610
Peruvian Sol/US\$ FX Rate	3.02	2.91	3.05	2.91	3.08	2.90	3.08	2.91	3.08	2.92	3.08	2.93	3.08

In This Issue

- **Revised Metal and Currency Forecasts**
- **Rating Changes:** Orbis Gold Ltd. (OBS-A), Silvercrest Mines Inc. (SVL-T), Teck Resources Ltd. (TCK.B-T)
- **Target Revisions – (+/- 15%):** Alamos Gold Inc. (AGI-T), Barrick Gold Corp. (ABX-T), Capstone Mining Corp. (CS-T), Copper Mountain Mining Corp. (CUM-T), First Quantum Ltd. (FM-T), Royal Nickel Corp. (RNX-T), Sarama Resources Ltd. (SWA-V), Teck Resources Ltd. (TCK.B-T), Zazu Metals Corp. (ZAZ-T)



Target Price and Rating Revisions

Company	Ticker	Analyst	Price* (C\$)		Target C\$		Return (%) ¹	Change		Recommendation		Risk Profile	New Price Target Metric
			Previous	New	New	Return (%) ¹		(C\$)	(%)	Previous	New		
Senior Gold Companies													
Alamos Gold	AGI-T	KS	\$7.50	\$11.25	\$9.25	23%	(\$2.00)	(18%)	BUY	BUY	Medium-High		10.0x EV/2015E CFPS
Barrick Gold	ABX-T	KS	\$15.43	\$17.25	\$14.25	(8%)	(\$3.00)	(17%)	HOLD	HOLD	Moderate		10.0x EV/2015E CFPS
B2Gold	BTO-T	GM	\$2.62	\$3.20	\$3.25	29%	\$0.05	2%	BUY	BUY	High		12.0X 2015 CFPS
Detour Gold	DGC-T	KS	\$12.49	\$13.50	\$14.00	12%	\$0.50	4%	BUY	BUY	Medium-High		13.0x EV/2015E CFPS
Eldorado Gold	ELD-T	KS	\$7.04	\$9.50	\$9.00	28%	(\$0.50)	(5%)	BUY	BUY	Medium-High		12x EV/2016E CFPS
Junior Gold Companies													
Asanko Gold	AKG-T	GM	\$1.99	\$3.20	\$3.20	61%	-	-	BUY	BUY	High		1.0x Corporate NAV
Castle Mountain Mining	CMM-V	TH	\$0.47	\$0.65	\$0.70	49%	\$0.05	8%	BUY	BUY	Very High		0.80 x Project NAV + Corp. Adjustments
Endeavour Mining	EDV-T	TH	\$0.58	\$1.15	\$1.30	124%	\$0.15	13%	BUY	BUY	High		0.9x NAVPS (30%) + 6.0x EV/2015E CFPS (70%)
Klondex Mines	KDX-T	TH	\$2.62	\$3.50	\$3.50	34%	-	-	BUY	BUY	High		1.0x NAVPS (10%) + 8.5x EV/2015E CFPS (90%)
Lake Shore Gold	LSG-T	KS	\$1.08	\$1.30	\$1.30	20%	-	-	BUY	BUY	Medium-High		6.5x EV/2015E CFPS
Luna Gold	LGC-T	TH	\$0.33	\$0.10	\$0.10	(70%)	-	-	SELL	SELL	High		0.5x Corporate NAV
Lydian International	LYD-T	TH	\$0.50	\$0.95	\$0.90	80%	(\$0.05)	(5%)	BUY	BUY	Very High		0.90 x Project NAV + Corp. Adjustments
Mandelay Resources	MND-T	BA	\$0.95	\$1.50	\$1.50	58%	-	-	BUY	BUY	High		7.0x 2015 CFPS
Midas Gold	MAX-T	GM	\$0.55	\$0.85	\$0.80	45%	(\$0.05)	(6%)	BUY	BUY	Very High		1.0x Corporate NAV
Midway Gold	MDW-T	GM	\$0.91	\$1.00	\$1.00	10%	-	-	HOLD	HOLD	High		1.0x Corporate NAV
Moneta Porcupine Mines	ME-T	KS	\$0.06	\$0.20	\$0.20	233%	-	-	HOLD	HOLD	Very High		0.60x Blended Valuation
OceanaGold	OGC-T	GM	\$2.63	\$3.30	\$3.20	22%	(\$0.10)	(3%)	BUY	BUY	Moderate		6X 2015 CFPS
Orbis Gold	OBS-AU	TH	A\$0.63	A\$0.65	A\$0.65	3%	-	-	BUY	TENDER	Very High		**
Orezone Gold	ORE-T	GM	\$0.45	\$1.10	\$1.10	144%	-	-	BUY	BUY	Very High		1.0x Corporate NAV
Pilot Gold	PLG-T	TH	\$1.13	\$1.70	\$1.60	42%	(\$0.10)	(6%)	BUY	BUY	Very High		1.0x Corporate NAV (Halliag DCF; Kinsley, TV Tower \$40/oz in-situ multiple)
Rio Alto Mining	RIO-T	KS	\$3.23	\$4.25	\$4.25	32%	-	-	BUY	BUY	Moderate		10.5x EV/2015E-2016E CFPS
Roxgold	ROG-V	TH	\$0.64	\$1.00	\$1.00	56%	-	-	BUY	BUY	Very High		0.90 x Project NAV + Corp. Adjustments
Sarama Resources	SWA-V	TH	\$0.10	\$0.20	\$0.25	163%	\$0.05	25%	BUY	BUY	Very High		1.0x Corporate NAV (\$25/oz in-situ multiple)
SEMAFO	SMF-T	KS	\$4.03	\$6.25	\$5.75	43%	(\$0.50)	(8%)	BUY	BUY	Medium-High		8x EV/2015E CFPS
True Gold Mining	TGM-V	TH	\$0.18	\$0.55	\$0.55	206%	-	-	BUY	BUY	Very High		0.7x Corporate NAV (Karma DCF; Liguidi in-situ multiple)
Silver Companies													
Endeavour Silver	EDR-T	BA	\$3.50	\$2.75	\$2.85	-19%	\$0.10	4%	SELL	SELL	High		7.0x 2015 CFPS
Fortuna Silver	FVI-T	BA	\$5.66	\$5.60	\$5.85	3%	\$0.25	4%	HOLD	HOLD	High		9x 2016 EV/CFPS
SilverCrest Mines	SVL-T	BA	\$1.73	\$1.85	\$1.90	10%	\$0.05	3%	BUY	HOLD	High		7.0x 2016 CFPS
Tahoe Resources	THO-T	GM	\$17.73	\$12.75	\$14.50	-18%	\$1.75	14%	SELL	SELL	High		14.0x 2015 CFPS
Senior Base Metals Companies													
First Quantum	FM-T	KS	\$12.67	\$22.00	\$12.00	-5%	(\$10.00)	(45%)	HOLD	HOLD	Medium-High		8x EV/2015E CFPS
Lundin Mining	LUN-T	KS	\$4.63	\$7.75	\$6.75	46%	(\$1.00)	(13%)	BUY	BUY	Medium-High		7x EV/2015E CFPS
Teck Resources	TCK.B-T	KS	\$15.48	\$22.50	\$16.25	5%	(\$6.25)	(28%)	BUY	HOLD	Medium-High		8x EV/2015E CFPS
Junior Base Metals Companies													
Capstone Mining	CS-T	SI	\$1.23	\$3.50	\$2.00	63%	(\$1.50)	(43%)	BUY	BUY	High		0.75 x 5.0x 2015E CFPS + 0.25 x 1.0x After-Tax Corp NAV/10%
Copper Mountain Mining	CUM-T	SI	\$1.10	\$3.50	\$2.00	82%	(\$1.50)	(43%)	BUY	BUY	High		5.0x average 2015E/2016E attributable CFPS
Coro Mining	COP-T	SI	\$0.03	\$0.08	\$0.08	167%	-	-	HOLD	HOLD	Very High		0.8x After-Tax Corporate NAV
Foran Mining	FOM-V	SI	\$0.22	\$0.35	\$0.35	59%	-	-	BUY	BUY	Very High		1.0x After-Tax Corporate NAV/12%
Highland Copper	HI-V	SI	\$0.39	\$0.65	\$0.65	69%	-	-	BUY	BUY	Very High		1.0x After-Tax Corporate NAV/12%
Hudbay Minerals Inc.	HBM-T	SI	\$9.12	\$11.00	\$11.00	21%	-	-	BUY	BUY	High		1.0x to After-Tax Corporate NAV/10%
Nevsun Resources	NSU-T	SI	\$4.36	\$5.00	\$5.00	15%	-	-	BUY	BUY	High		1.0x After-Tax Corporate NAV/10%
NovaCopper	NOQ-T	SI	\$0.68	\$2.00	\$1.75	157%	(\$0.25)	(13%)	BUY	BUY	Very High		1.0x After-Tax Corporate NAV/10%
Royal Nickel	RNX-T	SI	\$0.33	\$0.75	\$0.60	82%	(\$0.15)	(20%)	BUY	BUY	Very High		1.0x After-Tax Corporate NAV/10%
Sunridge Gold	SGC-V	SI	\$0.15	\$0.35	\$0.35	133%	-	-	BUY	BUY	Very High		1.0x After-Tax Corporate NAV/10%
Talon Metals	TLO-T	SI	\$0.23	\$0.50	\$0.50	117%	-	-	BUY	BUY	Very High		1.0x After-Tax Corporate NAV/10%
Trevali Mining	TV-T	SI	\$1.06	\$1.35	\$1.35	27%	-	-	BUY	BUY	Very High		1.0x After-Tax Corporate NAV/10%
Zazu Metals	ZAZ-T	SI	\$0.31	\$0.65	\$0.50	64%	(\$0.15)	(23%)	BUY	BUY	Very High		1.0x Interim Financed After-Tax Corporate NAV/10%
Other Mining Companies													
Denison Mines	DML-T	CH	\$1.07	\$2.10	\$2.10	96%	-	-	BUY	BUY	Very High		1.0x Corporate NAV/8%
Energy Fuels	EFR-T	CH	\$5.65							RESTRICTED			
Paladin Energy	PDN-T	CH	\$0.33	\$0.50	\$0.50	52%	-	-	HOLD	HOLD	Very High		1.0x NAVPS/10%
Ur-Energy	URE-T	CH	\$0.97	\$1.70	\$1.70	75%	-	-	BUY	BUY	Very High		1.0x Corporate NAV/8%
Urancerz Energy	URZ-NYSE.MKT	CH	\$1.10							RESTRICTED			
Uranium Energy	UEC-NYSE.MKT	CH	\$1.13	\$1.70	\$1.70	50%	-	-	HOLD	HOLD	Very High		1.0x Corporate NAV/8%
Uranium Participation	U-T	CH	\$5.21	\$5.80	\$6.20	19%	\$0.40	7%	BUY	BUY	High		1.0x Corporate NAV

*Prices as of January 23, 2015

¹Returns are exclusive of distributions

**Orbis Gold Ltd. Target Price is based on SEMAFO's offer price of A\$0.65/share

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Source: Capital IQ and Haywood Securities



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Risks: Significant Investment Risks

The investments to which this report relates carry various risks, which are reflected in our Overall Risk Rating. In each of the company summaries on pages 21 to 31, we have included what we consider to be the most significant of these investment risks.

Our Risk Profile Parameters ratings and Overall Risk Rating are explained in our Rating Structure section on page 89 of this report. These ratings are an integral part of our Report.



Commodity Commentary

Summary of Recent Commodity Price Performance

	Q4/12 Average	Q1/13 Average	Q2/13 Average	Q3/13 Average	Q4/13 Average	2013 Average	Q1/14 Average	Q2/14 Average	Q3/14 Average	Q4/14 Average	2014 Avg	YTD Δ%	Current (as of Jan 23, 2015)
Gold, US\$/oz	\$1,718	\$1,632	\$1,417	\$1,330	\$1,272	\$1,411	\$1,292	\$1,290	\$1,282	\$1,199	\$1,266	9.3%	\$1,295
Silver, US\$/oz	\$32.65	\$30.09	\$23.22	\$21.46	\$20.80	\$23.85	\$20.45	\$19.66	\$19.71	\$16.54	\$19.07	16.7%	\$18.32
Platinum, US\$/oz	\$1,601	\$1,631	\$1,467	\$1,453	\$1,397	\$1,486	\$1,429	\$1,447	\$1,434	\$1,225	\$1,384	5.1%	\$1,270
Palladium, US\$/oz	\$654	\$740	\$714	\$724	\$724	\$726	\$745	\$815	\$862	\$788	\$803	(2.9%)	\$775
Rhodium, US\$/oz	\$1,145	\$1,199	\$1,117	\$998	\$961	\$1,068	\$1,075	\$1,111	\$1,290	\$1,228	\$1,175	(5.6%)	\$1,180
Copper, US\$/lb	\$3.59	\$3.60	\$3.25	\$3.21	\$3.25	\$3.32	\$3.19	\$3.08	\$3.17	\$3.01	\$3.11	(12.9%)	\$2.52
Zinc, US\$/lb	\$0.88	\$0.92	\$0.84	\$0.84	\$0.86	\$0.87	\$0.92	\$0.94	\$1.05	\$1.02	\$0.98	(3.8%)	\$0.95
Nickel, US\$/lb	\$7.70	\$7.85	\$6.79	\$6.33	\$6.31	\$6.81	\$6.65	\$8.38	\$8.43	\$7.21	\$7.66	(5.2%)	\$6.48
Lead, US\$/lb	\$1.00	\$1.04	\$0.93	\$0.95	\$0.96	\$0.97	\$0.95	\$0.95	\$0.99	\$0.91	\$0.95	(0.6%)	\$0.83
Cobalt, US\$/lb	\$12.58	\$12.40	\$13.31	\$13.93	\$12.94	\$13.19	\$14.18	\$14.21	\$15.08	\$14.56	\$14.42	0.9%	\$14.43
Molybdenum, US\$/lb	\$11.09	\$11.23	\$10.83	\$9.36	\$9.43	\$10.20	\$10.06	\$13.52	\$12.67	\$9.31	\$11.37	(1.3%)	\$9.10
Uranium UxC Spot (U ₃ O ₈), US\$/lb	\$43	\$43	\$41	\$36	\$35	\$39	\$35	\$30	\$31	\$38	\$33	2.8%	\$36.50
Uranium UxC LT (U ₃ O ₈), US\$/lb	\$60	\$56	\$57	\$55	\$50	\$54	\$50	\$45	\$44	\$47	\$47	0.0%	\$49.00
Metallurgical Coal (US\$/t)	\$155	\$166	\$143	\$142	\$142	\$148	\$122	\$113	\$112	\$111	\$115	(3.9%)	\$105.90
C\$/US\$	0.99	1.02	1.02	1.04	1.05	1.03	1.10	1.09	1.09	1.14	1.10	7.0%	1.24
AUS\$/US\$	0.96	0.96	1.00	1.09	1.08	1.03	1.12	1.07	1.08	1.17	1.11	3.4%	1.26
EUR\$/US\$	0.77	0.78	0.77	0.75	0.73	0.75	0.73	0.73	0.75	0.80	0.75	7.9%	0.89

Source: Bloomberg

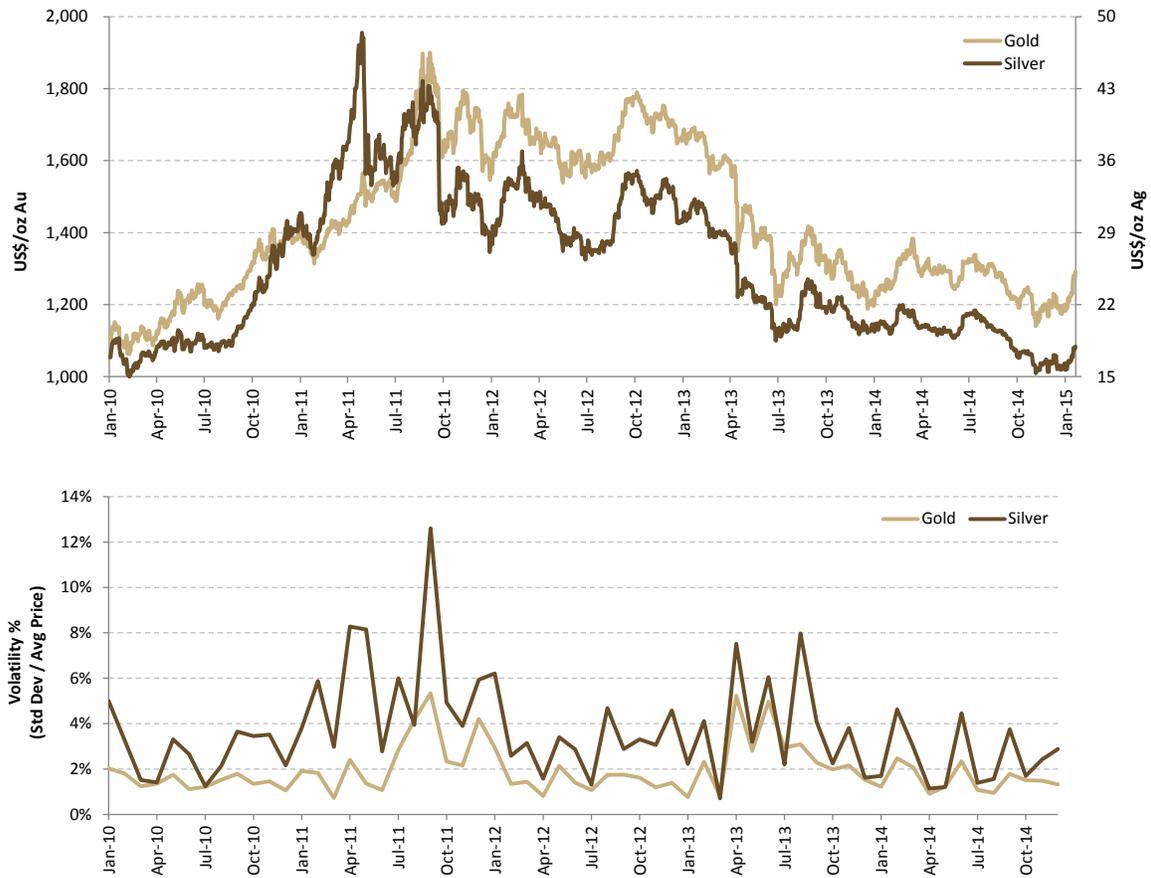
Precious Metals Gain Traction in Early 2015 – Will the Trajectory Continue?

Precious metals prices have shown recent strength, with gold rebounding 13% from its 2014 lows (US\$1,145 per ounce in early November) and 9% year to date (YTD). In comparison, silver has rebounded 19% from its 2014 lows (US\$15.34 per ounce in early November) and 17% YTD. The most recent bounce in precious metal prices comes off the back of the Swiss National Bank's decision to unpeg the franc from the euro. Doing so pre-empts the start of another round of quantitative easing by the European Central Bank and fuelling a wave of safe-haven investment demand, despite the continued headwind of an appreciating U.S. dollar (as measured by the DXY Index), which helps non-U.S. domiciled producers with a depreciating local currency. Our outlook on precious metals remains relatively unchanged from our previous commodity update (c.f. *Metals and Mining – Target & Commodity Price Revisions*, October 23, 2014). Thus, we leave our forecast assumptions of flat pricing at US\$1,250 per ounce for gold and US\$18.00 per ounce for silver unchanged (flat pricing assumed for 2015 onwards).

Throughout much of H2/14, gold prices were on a downward trend from nearly US\$1,340 in July to the low of the year at US\$1,141 in early November. Silver followed a similar trajectory, trending down from US\$21.45 in July to a low of US\$15.34 in early November. While silver tended to mimic gold's movements, a smaller increase in silver price going into year-end drove the gold-silver ratio to spike at 76.1:1, a level not witnessed since January 2009.



Historical Gold and Silver Prices (top) and Monthly Volatility (bottom)

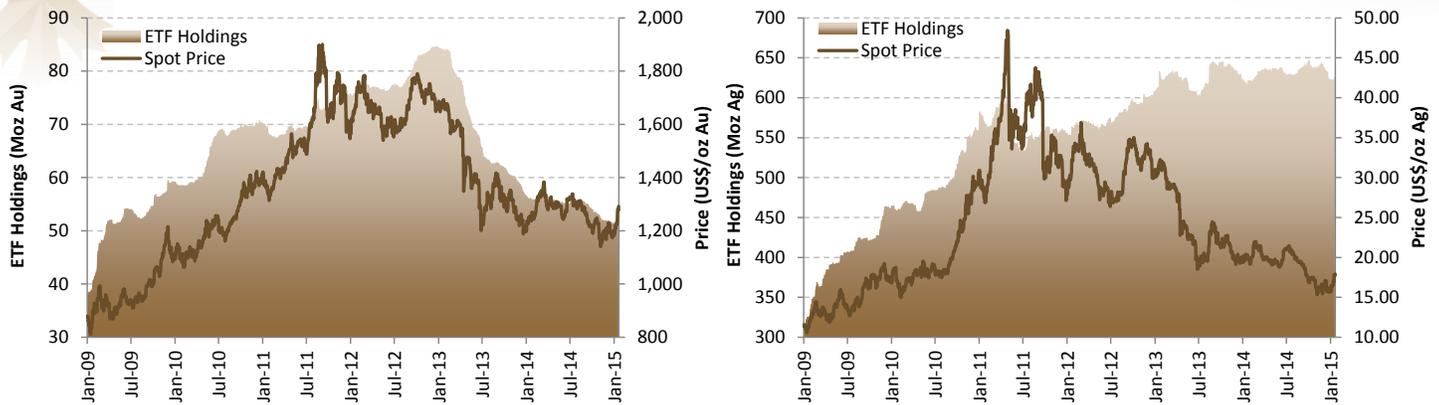


Source: Bloomberg and Haywood Securities

Investment demand for physically backed Exchange Traded Funds (ETFs) for gold declined in Q4/14 and finished down 4.95% at 51.4 million ounces, compared with a 2.39% quarterly decline in the spot price. In comparison, silver ETFs declined by 3.38% to 623 million ounces, with spot prices declining 8.6%. In 2015, ETF holdings have rebounded marginally YTD to 52.1 million ounces for gold and 625 million ounces for silver. The silver ETFs continue to demonstrate more bullish investor sentiment than those holding gold. Perhaps such a trend occurs as the ETFs provide a sink for silver supply unmarried to industrial consumption. The silver market now needs to turn to more and more discretionary investor demand to balance by-product supply. An important component to note is that current silver ETF holdings represent ~77% of 2013 mine production (based on a GFMS estimate of 808 million ounces of silver production in 2013), and as such demonstrate the potential for a pricing overhang for the precious metal. Such a pricing overhang could place greater pressure on the metal's price if sentiment were to turn for a sustained period. The continuing divergence in the behaviour of net gold and silver ETFs since early 2013 (see figures on next page) places even greater pressure on the silver price should such ETF balances mimic that of gold. While the gold-silver ratio remains near the top range of recent highs at 71:1, this ratio is still below levels witnessed in the 1990s.



ETF Holdings Versus Metal Price: Gold (left) and Silver (right)



Source: Bloomberg and Haywood Securities

We maintain a flat annual forecast deck for gold (Q1/15 onwards: \$1,250 per ounce) and for silver (Q1/15 onwards: \$18.00 per ounce). Given the flat nature of both our gold and silver forecasts, our cash-flow estimates for companies better reflect our view of their respective operational performance and growth over time. Please refer to our sensitivity analysis for each company to note the effect of commodity price on our estimates.

The introduction of a flat pricing deck for precious metals was based on the assumption that volatility in commodity prices would lessen as supply and demand stabilized in the new commodity price environment. Under the new fiscally prudent dynamic of the sector’s producers and development-stage companies, we believe that global gold production will adjust further to the new operating margin paradigm, with prevailing prices tempering new project development and brownfields growth. A tangible factor here is that underlying demand for gold remains ever reliant on physical demand from China, India, and elsewhere in Asia.

Haywood Precious Metals Forecasts

	2015E	2016E	2017E	2018E	2019E	2020E
Silver, US\$/oz	18.00	18.00	18.00	18.00	18.00	18.00
Gold, US\$/oz	1,250	1,250	1,250	1,250	1,250	1,250
Gold : Silver Ratio	69:1	69:1	69:1	69:1	69:1	69:1
PREVIOUS	2015E	2016E	2017E	2018E	2019E	2020E
Silver, US\$/oz	18.00	18.00	18.00	18.00	18.00	18.00
Gold, US\$/oz	1,250	1,250	1,250	1,250	1,250	1,250
Gold : Silver Ratio	69:1	69:1	69:1	69:1	69:1	69:1

Source: Haywood Securities

Our near- to medium-term gold price assumptions are generally consistent with consensus, but our long-term assumption of US\$1,250 per ounce is approximately 8% lower than consensus forecasts of US\$1,349 per ounce based on Capital IQ data. In contrast, our silver price forecasts are markedly lower than consensus. Our near-term 2015 forecasts are 5.4% lower than the consensus average of US\$18.97, with the spread widening to 18.0% in 2020 with consensus averaging US\$21.23 versus our flat assumption of US\$18.00. For our covered precious metals companies, we will continue to report implied target prices and valuations based on spot prices if and when there is a material difference from our forecast assumptions. As well, we will report on alternate commodity price scenarios to show the sensitivity of our valuations to such changes.



Base Metals

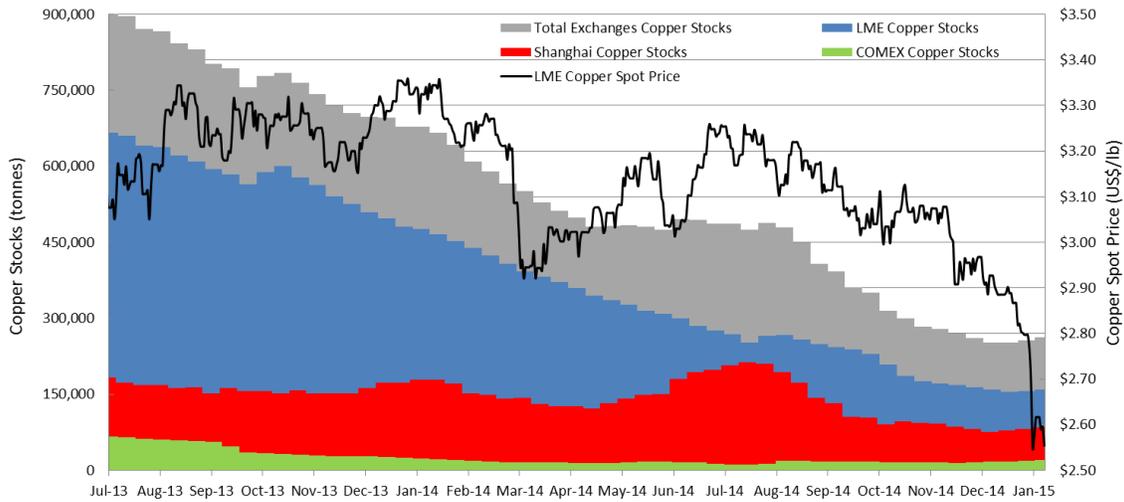
The base metals complex continues to experience a period of significant volatility, underpinned by generally slow demand growth for commodities owing to slowing global growth and elevated (but generally declining) exchange inventories. Despite headwinds facing the global economy, positive sentiment has grown in the U.S. markets, with the S&P 500 Index, Dow Jones Industrial Index, and NASDAQ Composite having reached their all-time highs in mid-December (2093.55, 18103.45, and 4814.95 respectively), although recent market corrections (S&P down 3.13% from the high to 2028 currently) have removed some of lustre from the equity markets. Furthermore, there are indications of slowing European growth: German industrial production continues to fall after a decline of 4.0% in August, with exports down 5.8% in the same month and down an additional 2.1% in November, representing the largest declines since early 2009. In addition, there are concerns the global slowdown is affecting the Chinese economy, with the World Bank recently cutting its forecast for Chinese growth in gross domestic product (GDP) to 7.4% in 2014 and 7.1% in 2015, from previous estimates of 7.6% and 7.5% respectively, which have added significant pressure to base metal prices (and by extension base metals-focused equities). We continue to expect near-term volatility and general weakness across the base metals complex. Nonetheless, we believe in the longer term fundamentals, predicated on growing supply-side constraints that will support elevated price floors for zinc and nickel in the near term (+H2/15) and for copper in the long term (+2018).

Copper

Recent bearish sentiment continues to be fuelled by fears of declining Chinese demand underpinned by renewed doubts over the strength of global growth given that copper is seen as a general indicator of economic health. Specifically, we note that the World Bank reduced its forecast for Chinese GDP growth to 7.4% in 2014 and 7.1% in 2015 (from previous estimates of 7.6% and 7.5% respectively), and German industrial activity, a key indicator of the health of the European economy, has missed expectations (production falling 0.1% in November, with exports down 2.1%). Additionally, the International Monetary Fund (IMF) downgraded its global economic outlook and reduced its 2015 global growth forecast to 3.5% (from 3.8%). These factors spurred a copper price decline from highs of +US\$3.20 per pound in late August to ~US\$3.00 per pound during fall 2014. The copper spot price appeared to have found a stable floor underpinned by U.S. economic strength (i.e., 'real' copper demand) through the remainder of last year. However, dropping oil prices prompted additional concern pertaining to the broader commodity market, which in turn drove copper prices down to the level of ~US\$2.50 per pound (currently US\$2.52 per pound). The copper market remains in a slight surplus (Thomson Reuters GFMS estimated a 64,000-tonne surplus in 2013, increasing to 249,000 tonnes in 2014 in a ~22 million-tonne market, or about 1.1%), which could serve to cap any near-term rallies—a view underpinned by our revised 2015E forecast copper price of US\$2.50 per pound (previously US\$3.25 per pound).



Global Exchange Inventories Holding Steady—But Only ~1 Week of Supply



Source: Bloomberg and Haywood Securities

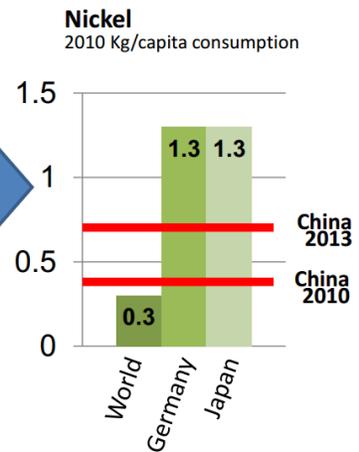
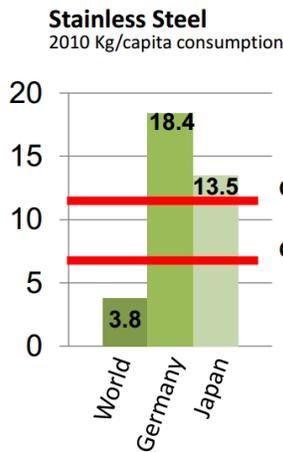
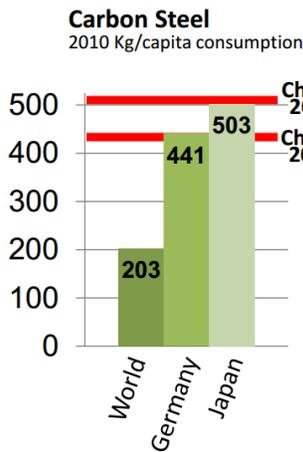
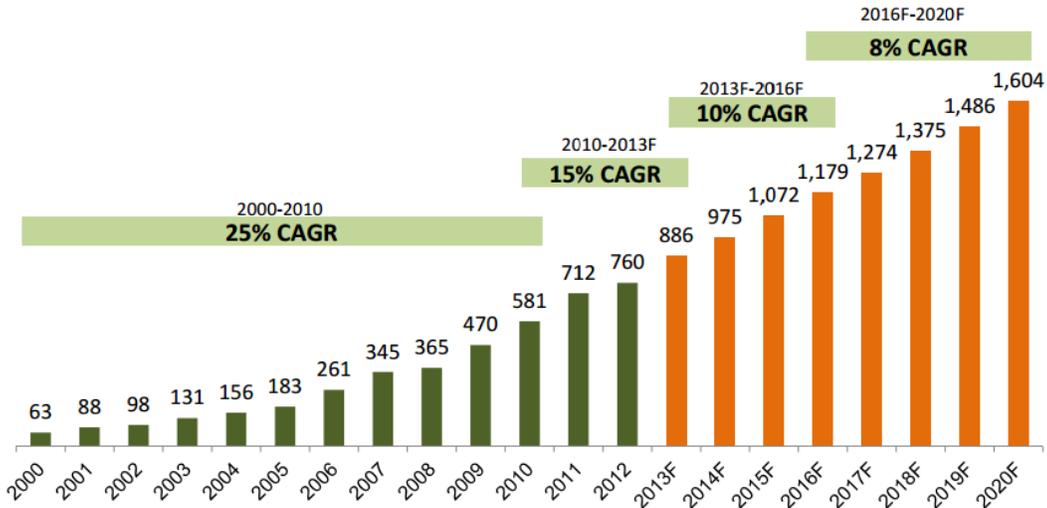
Current worldwide demand for copper totals ~22 million tonnes per annum. Future demand growth remains largely dependent on continued Chinese economic growth, as China accounts for 44% of 2015E global consumption according to Thomson Reuters GFMS. The viability of expected growth in copper supply continues to be in question, as planned output will depend mainly on areas with rising political risk (i.e., West Africa) and areas with significant infrastructure hurdles (i.e., Chile, with its constrained electrical power and water supply issues). Furthermore, supply will increasingly come from lower grade mines, redefining the industry’s cost curve. Recently, we have seen a number of Majors announce plans to refocus efforts on cost-cutting measures at existing operations. In turn, their doing so questions the timelines underpinning a number of (very) large low-grade high-cost development projects and the resultant implications for the availability of future supply. Hence, we maintain a positive longer term outlook for the metal, in part reflected in our reiterated long-term forecast copper price of US\$3.25 per pound.

Nickel

Over the past decade, China’s economic development has driven a tenfold increase in the country’s demand for nickel, reaching 1,064,000 tonnes in 2014 (Thomson Reuters GFMS estimate), equivalent to approximately 57% of global consumption. Despite this growth in demand, Chinese per capita consumption (0.4 kilogram in 2010, 0.7 kilogram in 2013) is near half that of industrial economies such as Western Europe and Japan (both 1.3 kilograms per capita in 2010). At Japanese and German levels of per capita consumption, annual Chinese nickel demand would increase by +1 million tonnes. Nickel is a critical component in stainless steel, and the production of stainless steel accounts for about two-thirds of all nickel demand. Chinese nickel consumption is expected to increase as the country’s economy industrializes, prompting a move from the use of carbon steel into stainless steels, and ultimately, into specialty alloys that require significant quantities of nickel.



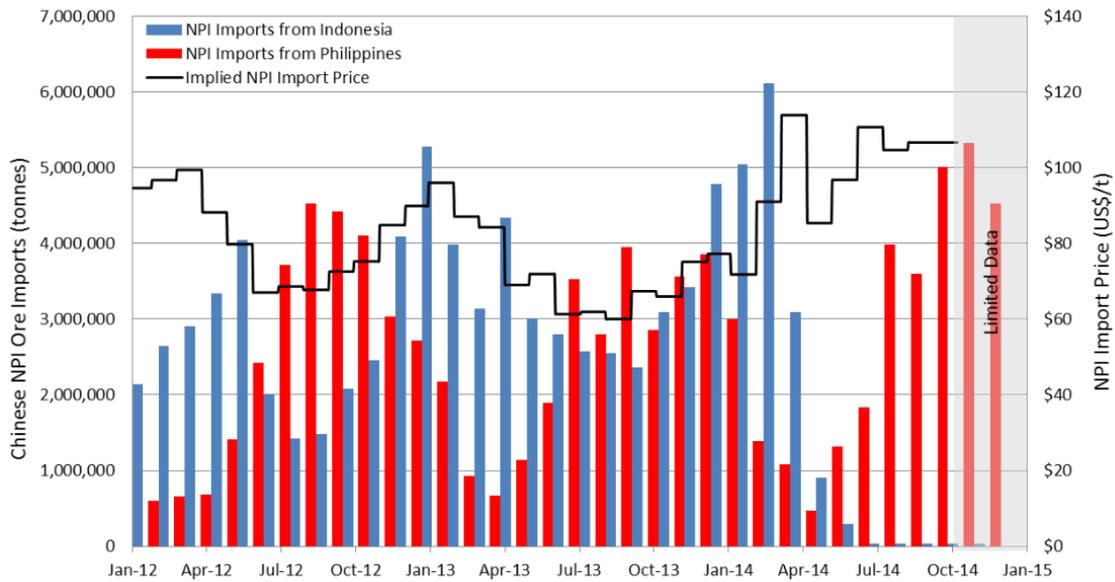
Chinese Nickel Demand Growth (top) and Nickel Demand Evolution (bottom)



Source: Royal Nickel

Despite strong demand fundamentals, the nickel price is, in part, constrained by the availability of nickel pig iron (NPI), an intermediate nickel product produced from low-grade laterite (oxide) ores that can be used to make 200 and 300 series stainless steels. Most NPI was historically mined from relatively small, privately owned mines, primarily in Indonesia and the Philippines, that are able to start/stop production quickly in response to nickel price fluctuations. Nickel’s rapid fall from an all-time high of approximately US\$25.00 per pound in early 2007 to less than US\$15.00 per pound later that year reflects primarily a tsunami of new NPI production prompted by high pricing. NPI production is an energy-intensive process (energy accounts for approximately 60% of NPI’s production cost). Thus, NPI is generally a less cost-effective alternative to traditional nickel supplies (i.e., sulphide concentrate) given the rising costs of electricity (up 29% since January 2007) in China however, the increased application of rotary kiln electric furnaces (RKEF), versus traditional electric furnaces, has lowered the energy intensity of NPI production and fuelled recent growth.

Chinese NPI Imports and Implied Price



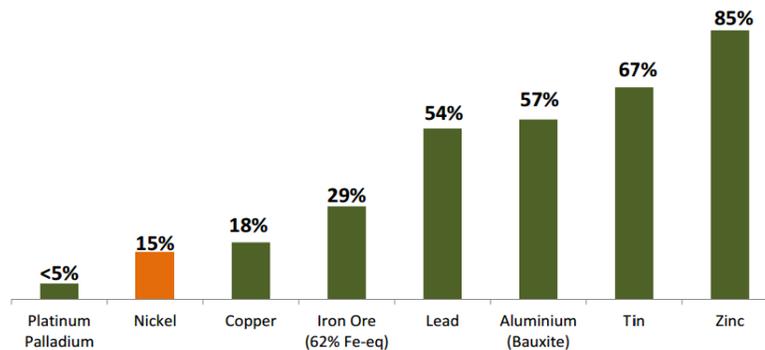
Source: Bloomberg and Haywood Securities

The availability of high-grade (+2.0% nickel) laterite ore is decreasing, and lower grade substitutes are inherently more expensive to process. In addition, Indonesia has typically been a (the) source for higher grade NPI ores, providing +25% of the world's mined nickel supply. **Indonesia's FULL ban on the export of unprocessed ores (enacted in January 2014) has significantly limited the low-cost availability/viability of NPI feed to the Chinese market, and prompted a price rally from ~US\$6.05 per pound (observed in late 2013) to the recent high of US\$9.62 per pound in 2014. The subsequent decline to current price levels (~US\$6.48 per pound) reflects a surge in Chinese imports of lower grade laterite nickel ore from the Philippines (increased 284% YTD) and a general weakening of global economic sentiment.**

We note that roughly three-quarters of Chinese NPI production was previously sourced from Indonesian ore, and there are very limited sources of alternative high-grade (+1.8%) laterite ores outside Indonesia—although other Asian countries (i.e., the Philippines) also have significant laterite nickel resources, albeit at lower grade. Market skeptics continue to point to Philippines nickel ore production to fill the Indonesian supply shortfall. However, the Philippines is now considering similar export bans (or possibly higher taxation). Furthermore, the implied NPI import price continues to remain high, despite the influx of Philippine ore, suggesting the Chinese nickel market still remains very tight. **As a result, the continued enforcement of Indonesia's ban (and possible implementation of a Philippine ore ban) could lead to a significant global deficit as early as mid-2015, despite current high London Metal Exchange (LME) inventories of ~424,300 tonnes (about 11 weeks of supply) and large ore stockpiles within China.**



Chinese Metal Self-Sufficiency (mine supply as a percentage of 2012 demand)



Source: Royal Nickel

New foreseeable nickel supply is limited by a lack of recent (sulphide) discoveries, with the exception of Sirius Resources' (SIR-A, not rated) Nova/Bollinger project in Western Australia, Talon Metals'/Kennecott's (subsidiary of Rio Tinto) Tamarack project in Minnesota, Royal Nickel's Dumont project in Quebec, and North American Nickel's (NAN-V, not rated) Imiak Hill project in Greenland. We also note that the Voisey's Bay and Kabanga nickel sulphide deposits were arguably discovered by accident during diamond and gold exploration programs respectively. Furthermore, the current list of large-scale advanced-stage projects, many of which have been known about for +40 years, is dominated by low-grade laterite (oxide) deposits. The associated capital-cost overruns and metallurgical technical risks are high, which have led / will likely lead to production start-up delays (or cancellations).

Zinc

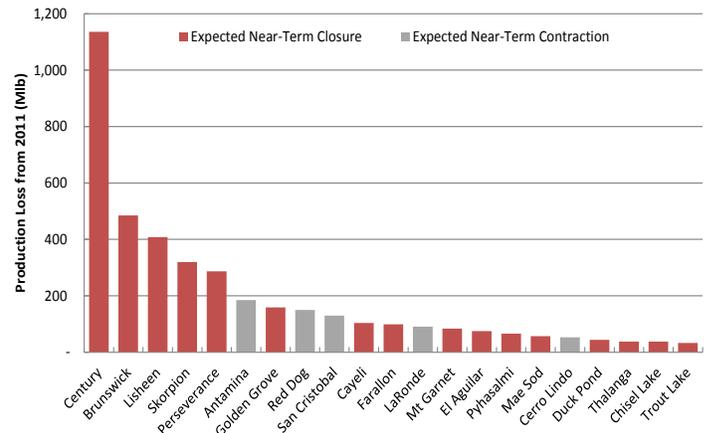
The zinc market continues to face a considerable medium-term supply issue, as there are arguably no new large advanced-stage development projects poised to replace production capacity following a number of key mine closures expected within the next ~2 years. In late April 2013, GlencoreXstrata formally closed the Brunswick mine that previously accounted for ~1.6% of global supply of about 13.1 million tonnes of zinc (based on a 2012 estimate). Additionally, Minmetals' Century mine is expected to close later this year (~1.1 billion pounds of annual zinc production, representing ~3.8% of 2012 global zinc mine production). In total, mine closures anticipated through 2016 will remove approximately 3.4 billion pounds of annual zinc production from the market, equivalent to ~11% of global supply (based on Thomson Reuters GFMS and CRU Metals Group estimates; see below). However, we note the addition of production from new mines, such as Glencore's (GLEN-L, not rated) Bracemac-McLeod mine (to replace Perseverance mine production), MMG's (1208-HKG, not rated) Dugald River mine (delayed start-up owing to geotechnical issues, to replace Century mine production), Nyrstar's (NYR-E, not rated) Langlois mine, and significant by-product zinc production from Hudbay's (HBM-T; Buy Rating, \$11.00 Target Price) Lalor (and Reed) copper-zinc-gold-silver mine, and Goldcorp's (G-T, not rated) Peñasquito gold-silver-zinc mine. Based on estimates by Thomson Reuters GFMS, global mined zinc production is expected to increase 3.8% year over year in 2015E to about 13.9 million tonnes, but will lag behind an expected 4.6% increase in global consumption.



Key Near-Term Zinc Mine Closures

Significant Zinc Mine Closure / Owner	Annual Zinc Production (Mlb)	Percentage of 2012A Global Zinc Mine Production	Estimated Final Year of Full Production
Perseverance / Glencore Xstrata	285	0.9%	2012
Brunswick / Glencore Xstrata	485	1.6%	2012
Lisheen / Vedanta	410	1.4%	2013
Century / MMG	1,135	3.8%	2015
Skorpion / Vedanta	320	1.1%	2015
Other Significant Zinc Producers	795	2.6%	2012 - 2015
Total Significant Zinc Mine Closure	3,430	11.4%	2012 - 2015

GFMS estimates 2012A global zinc mine production to be 30.0 billion pounds.



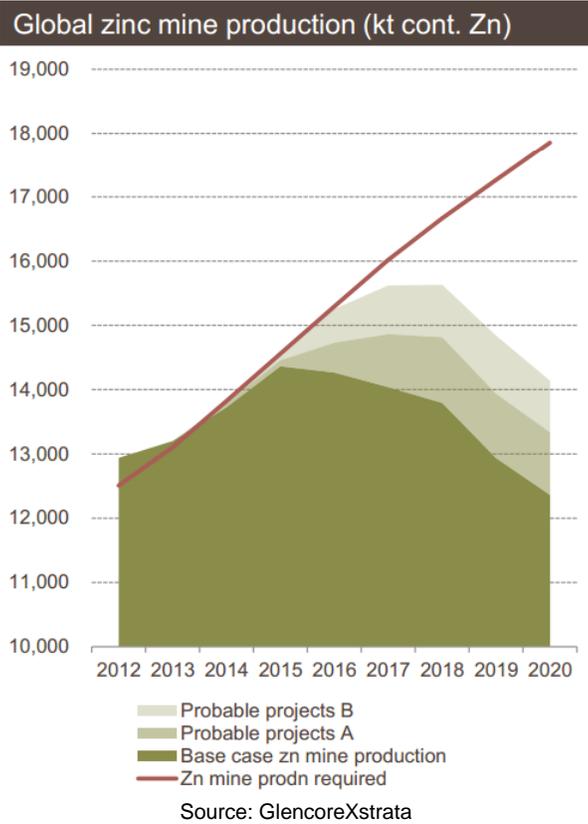
Source: Thomson Reuters GFMS, CRU Metals Group, Company Disclosure, and Haywood Securities

Part of the issue is that, unlike typical copper porphyries, zinc deposits are generally not large. This characteristic has led to a fragmented zinc mining industry, where only ~50% of global supply comes from mines operated by the Majors. However, the anticipated supply shortage appears to have prompted consolidation within the zinc space, including the acquisitions of both Farallon and Breakwater by Nyrstar, a fully integrated global zinc company, and the purchase of Sabina Gold & Silver’s (SBB-T, not rated) Hackett River project by Xstrata (XTA-L, not rated). We note that Nyrstar’s June 2011 offer valued Breakwater at a 44% premium to market—arguably a sign that smelters/refiners are anticipating a sharp decline in available feedstock. We also note Trafigura’s formal acquisition of Iberian Minerals in 2012 at a 39% premium to market. The transaction’s key asset, the Aguas Tenidas polymetallic mine in Spain, had estimated production of ~78 million pounds of zinc in concentrate during 2012. Teck’s commitment to zinc is also worth noting, as the metal accounted for approximately 26% of the Company’s 2013A gross revenue, and is expected to account for 31% of 2014 gross revenue (Haywood Estimate). The formal completion of the GlencoreXstrata merger has positioned it as the world’s leading zinc producer (~12% of global supply), followed by Nyrstar (~9%). However, we would not be surprised to see the Majors approach new large-scale project development with caution given infrastructure, cost-overrun, timeline, and geopolitical issues that have plagued the global mining industry.

Zinc stockpiles climbed steadily through 2012 and started to decline in 2013. However, current LME inventories have declined from an all-time high in December 2012 (+1.2 million tonnes; now ~643,000 tonnes). Zinc stockpiles are expected to continue declining through 2015 (Thomson Reuters GFMS estimates a 147,000-tonne supply deficit this year), complicated by the fact that large portions have been stored in essentially inaccessible stockpiles. For example, in May 2012, Glencore began increasing zinc inventory held at the port of New Orleans, and the city now houses ~86% of all LME zinc stocks. Despite optically high LME zinc inventory figures, this inconvenient location housing the bulk of zinc metal forces buyers to pay higher premiums for zinc situated in more conventional locations (to avoid, or at least offset, high transport costs). Furthermore, the zinc market remains underpinned by strong longer term demand fundamentals, driven by the Asian marketplace. According to Thomson Reuters GFMS, China, Japan, and the rest of Asia account for approximately 44%, 4%, and 18% of 2015E global zinc demand respectively.



Zinc Mine Production Forecast



Zinc mines in China, which account for approximately 37% of 2015E global supply, require a zinc price as high as +US\$1.00 per pound to break even, which may prompt (has prompted) the country to offset higher cost domestic production with cheaper imported concentrate/metal. Nevertheless, we remain cognizant that a medium-term zinc rally could be relatively short lived if higher prices for the metal rejuvenate higher cost Chinese production, in turn adding supply to the world market. Nevertheless, globally the viability of developing zinc supply as anticipated remains in question, since planned output will depend largely on areas with rising political risk and/or areas with significant infrastructure hurdles. In addition, future supply will likely depend on lower grade mines, redefining the industry’s cost curve (note that global average head grade has decreased ~20% [now ~5.5% zinc] since 2000). Beijing Antaike Information Development Co., a state-backed research group, anticipates Chinese demand could reach ~6.6 million tonnes of zinc metal this year, compared with 5.7 million tonnes in 2013. We have started to see a resurgence in the U.S. automotive and construction sectors (for reference, the United States is the world’s second largest consumer of refined zinc), and we continue to expect that longer term fundamentals will be shaped by sustained Chinese growth.

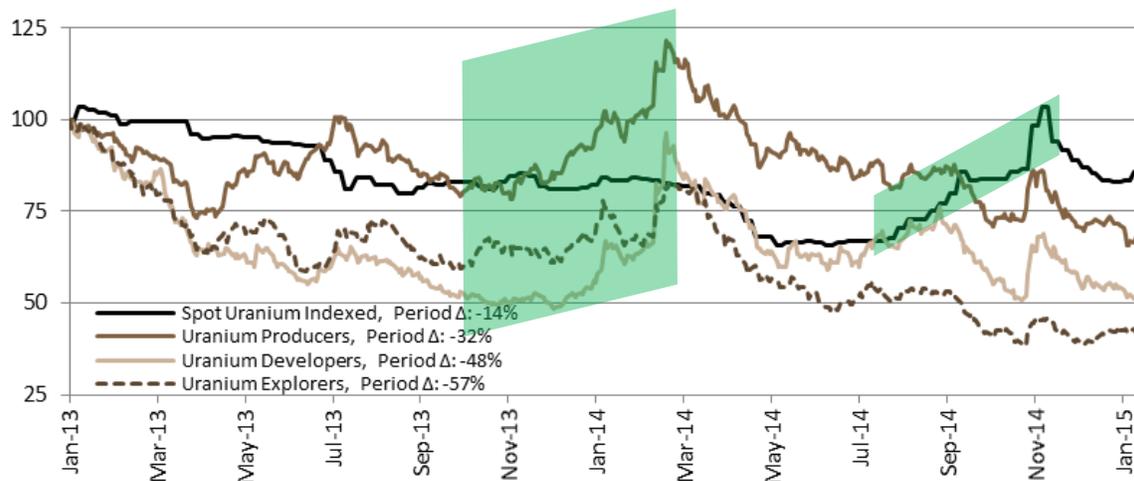
We note that our formal lead price forecast continues to mirror our zinc price assumptions given their general price correlation: they are co-produced in similar mining operations and broadly used as industrial metals, albeit lead finds its most significant demand from battery applications.



Uranium

From January 2013 to summer 2014, uranium equities were dominated by the prevailing downward trend in uranium prices. Nonetheless, they have demonstrated their sensitivity to major sector news catalysts coming out of Japan over the more recent 18 months, with two major decoupling events over the period. The first was brief in the summer of 2013 (not highlighted), when Japan's Nuclear Regulation Authority (NRA) began accepting reactor restart applications. This event saw the producers lead the pack upwards for a couple of months, before steadily correcting over the succeeding 4 to 5 months from mid-July 2013 into the fall of 2013. The second event occurred in November 2013, starting around the time the Japanese NRA announced it would proceed with the restart safety review of Tokyo Electric Power's (TEPCO) Kashiwazaki-Kariwa nuclear facility Units 6 and 7.

Trailing 24-Month Performance: Spot Uranium, Uranium Stocks, and the Broader Market Index



Source: UxC, Capital IQ, and Haywood Securities

The producers, developers, and explorers saw significantly different performance and responses to these catalysts, as shown above. The indexed group of developers was geared most to the November news, as the producers had fared relatively better during the noted correction period. The majority of uranium equities dramatically underperformed the broader market, as the commodity tends to have the greater influence on the direction of these issues, despite the recent disassociation discussed further below. Since Fukushima, both the spot and long-term price indicators from UxC have trended negatively, in the absence of stimulus, defining a bottom around the mark of US\$28 per pound of U_3O_8 this summer, before climbing > 30% to the current spot price of more than US\$36.5 per pound. Initially, the rally in spot price coincided with a perceived supply threat; namely, the strike at the important McArthur River mine operated by Cameco (CCO-T, not rated), coupled with slightly increased buying interest in the spot market, and the loss of certain sources of spot supply. Equities sold off significantly through most of the tail end of the spot price rally, as the long-term price of uranium failed to mimic the response of spot. We have yet to see a strong return to the term market that we expect will be required to push prices to higher levels and sustain them. Since the November 2014 highs of \$44 per pound in the spot market, the price has retraced ~17% to current levels. With the equities anticipating a false rally in the commodity, the group began an accelerated negative trend in mid-September 2014 moving against the commodity.

As we move into Q1/15, the uranium spot price seems to have levelled off, finding some support around the level of US\$35/US\$36 per pound of U_3O_8 . In our last commodity revisions report, the spot price was hovering around current levels, straddling a decent rally before the above-noted retracement. The UxC long-term price indicator now sits at US\$49.00 per pound of U_3O_8 , placing it at levels not seen since the summer of 2006, outside the 2014 bottom of US\$44 per pound.



The graphics below are meant to highlight the significant dislocation between uranium equities and the underlying commodity versus historical trading, on both a pre- and post-Fukushima basis. As we might expect in times of significant negative trending in uranium price (post-Fukushima era), indexed equities are trading well below historical multiples to uranium price. For example, in the spring of 2010, as the spot uranium price was testing the lower end of US\$40 per pound and on a 3-year downward trend, indexed uranium equities were trading 70% (Producers, at left) to 270% (Explorers/Developers, at right) higher than current levels. As the graphics below indicate, there is significant potential upside in the equities if historical multiples are restored to average levels (this briefly materialized for the producers, and they traded up to historical multiples in early summer, before the large correction since) even at the current uranium price. There is even more significant upside potential in a rising uranium price environment, where multiples have significantly exceeded the historical average. Note that since we highlighted this phenomenon last quarter, the Producers group has trended down significantly from its historical average, moving against the spot price.

Producers Index : Uranium Price

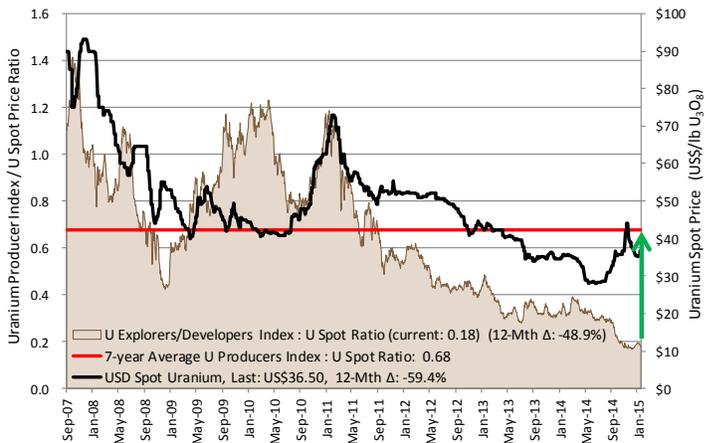
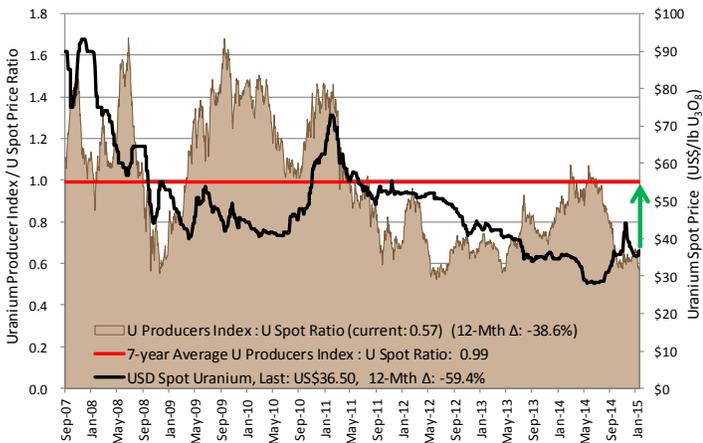
Explorers and Developers : Uranium Price

Uranium producers index vs Uranium Spot price:

- Uranium producer stocks indexed to 100 at September, 2007, have traded at an average of 0.99x the spot uranium price. (RED LINE)
- Uranium producers are currently trading at 0.57x the spot uranium price, representing a 42.6% discount to the average of 0.99x, or we can view it as potential 74.4% upside if the stocks normalize to the average multiple. (GREEN ARROW)
- Note that pre-Fukushima when uranium spot price trended upward through \$63 per pound in December, 2010, uranium producers were trading at 1.47x the spot price. A return to such levels from current represents a potential 158% correction.

Uranium Explorer/Developer index vs Uranium Spot price:

- Uranium Explorer/Developer stocks indexed to 100 at September, 2007, have traded at an average of 0.68x the spot uranium price. (RED LINE)
- Uranium Explorers/Developers are currently trading at 0.18x the spot uranium price, representing a 73.1% discount to the average of 0.68x, or we can view it as potential 272.3% upside if the stocks normalize to the average multiple. (GREEN ARROW)
- Note that pre-Fukushima when uranium spot price trended upward through \$63 per pound in December, 2010, uranium producers were trading at 1.15x the spot price. A return to such levels from current represents a potential 536% correction.



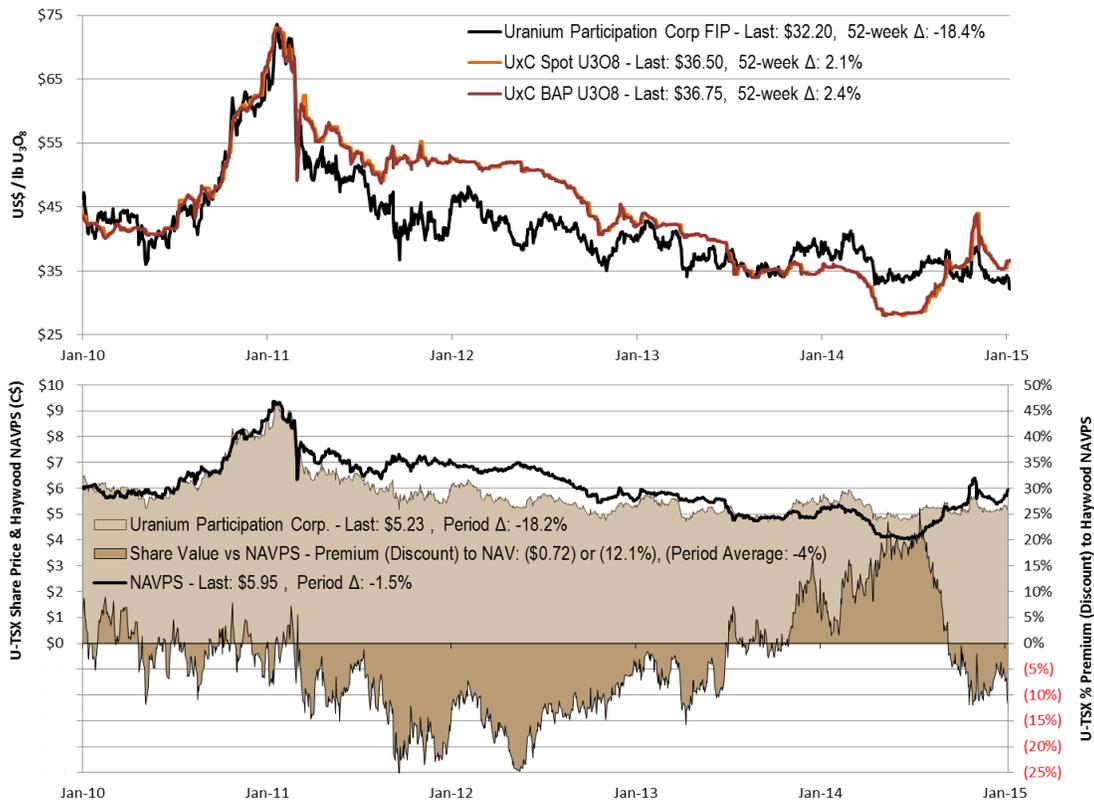
Source: UxC, Capital IQ, and Haywood Securities

With the absence of the Russian high-enriched uranium (HEU) supply agreement (Megatons to Megawatts), clarity on Japanese reactor restart timelines, as well as confidence-supporting initial restart approvals, as we move into Q1/15 we anticipate a more predictable and normalized supply/demand response in the uranium market. It will emerge as this major source of secondary supply falls away, and the Global operating reactor fleet begins to grow. We believe that the loss of the aforementioned secondary supply (18 million to 24 million pounds of U₃O₈) will slowly permeate into uranium prices with a positive impact in the mid-term, as this material is largely replaced with primary supply and further stimulated by the resumption of reactor operations in Japan and new units in Asia. As noted above, we expect uranium equities will witness a significant response to an initial recovery in long-term uranium prices, as they are currently well below historical averages. We have already seen significant responses in both producers and developers to positive sector news, without an accompanying price response, signalling the market's expectation for the sector. We note that H1/15 could potentially be a landmark period for the nuclear sector and uranium stocks, as news of decisions on initial reactor restarts in Japan is expected.



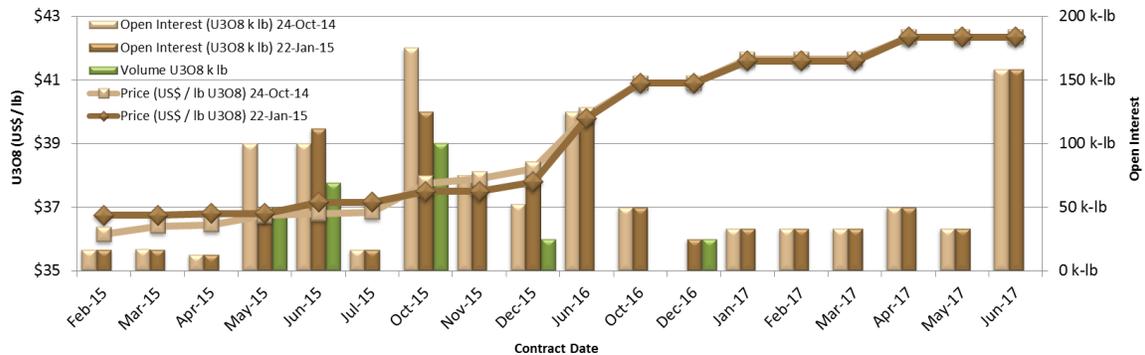
We look to Uranium Participation Corp. (U-T) as a barometer of market sentiment on uranium price. As it refers to a holding fund for physical uranium inventory, which is not actively rebalanced to track quoted weekly or long-term uranium market prices, the Fund Implied Price (FIP) of uranium represented in U-T’s share price can trade at a premium or discount to those metrics as dictated by market appetite. Since the fall of last year, Uranium Participation Corp.’s FIP traded at a premium to the UxC spot price of uranium until September 25, 2014, by our calculation. We currently estimate the discount at ~11.5% (versus the 20% premium seen in July 2014). As shown below, a premium (brown-shaded) was sustained throughout the significant decline in the UxC spot uranium price indicator in the first half of Q2/14, showing a still bullish market sentiment on uranium. More recently, as the spot market price rallied, U-T shares trades largely sideways. The spot price came up to meet the U-T FIP, highlighting U-T’s potential usefulness as a leading indicator of uranium price.

U-T FIP / UxC BAP Spread and NYMEX Uranium Futures Curve



Source: UxC, Bloomberg, and Haywood Securities

NYMEX Uranium Futures Strip Change Since July (only contracts with open interest are shown)



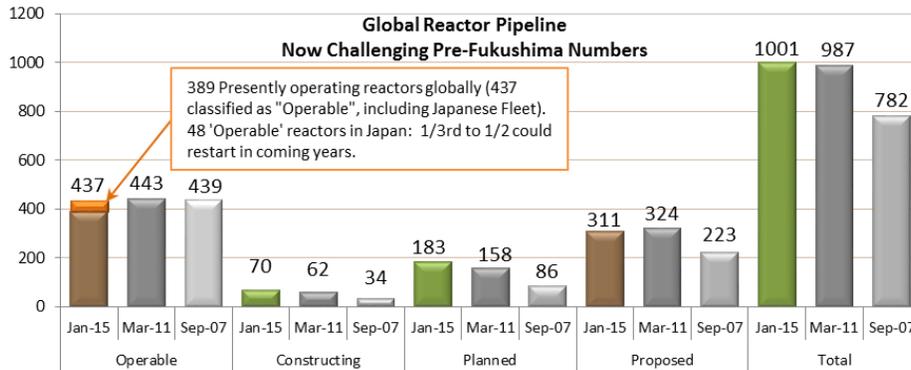
Source: Bloomberg and Haywood Securities



World Nuclear Association (WNA) data for future reactor requirements indicate that the aggregate number of reactors under construction, planned, and proposed has increased dramatically since 2007 largely owing to upward revisions in expected demand in China and the introduction of Saudi Arabia as a nation planning to integrate nuclear into its future energy mix. The number of operating reactors was substantially reduced as a result of the nuclear accident in Japan in 2011, with a smaller impact from the retirement and/or temporary suspension of others. Since November 2011, we have seen the number of operating reactors globally climb to 389 from 382 (excluding the temporary restart of 2 in Japan, currently back off line). To place the current state of the market for nuclear energy generation into context, since September 2007 operating reactors have decreased 12%, but we note that operable reactors have decreased only 0.7%, with Japan’s operable fleet still off line. The really promising data are in the reactors under **construction, planned, and proposed, which have each increased 109%, 102%, and 35% respectively**. There are currently 70 reactors under construction (↑15%, since March 2011), another 183 planned (↑12%, since March 2011), and 311 proposed (↓4%, since March 2011). That’s a total of 253 under construction or planned (↑11%, since March 2011, and ↑3.3% since October 2014), or about 65% of the current operating fleet. To reiterate the China argument, the country currently operates 22 reactors, having brought on 5 new units since October 2013, and has 27 reactors under construction, 60 planned, and 120 proposed.

The graphs following highlight the above data. In the “reactors operating” data, we have netted out Japan’s “Operable”, but not currently “Operating”, units from the data set. We then plot uranium spot and long-term price against the data to see the dramatic rise in spot price through the winter of 2010/2011, only to be cut short with a rapid decline after Fukushima. We believe the spot market data highlight the delicate balance that exists in the uranium supply/demand dynamic and indicate how quickly prices may react if the demand side perceives a potential supply deficit in coming years.

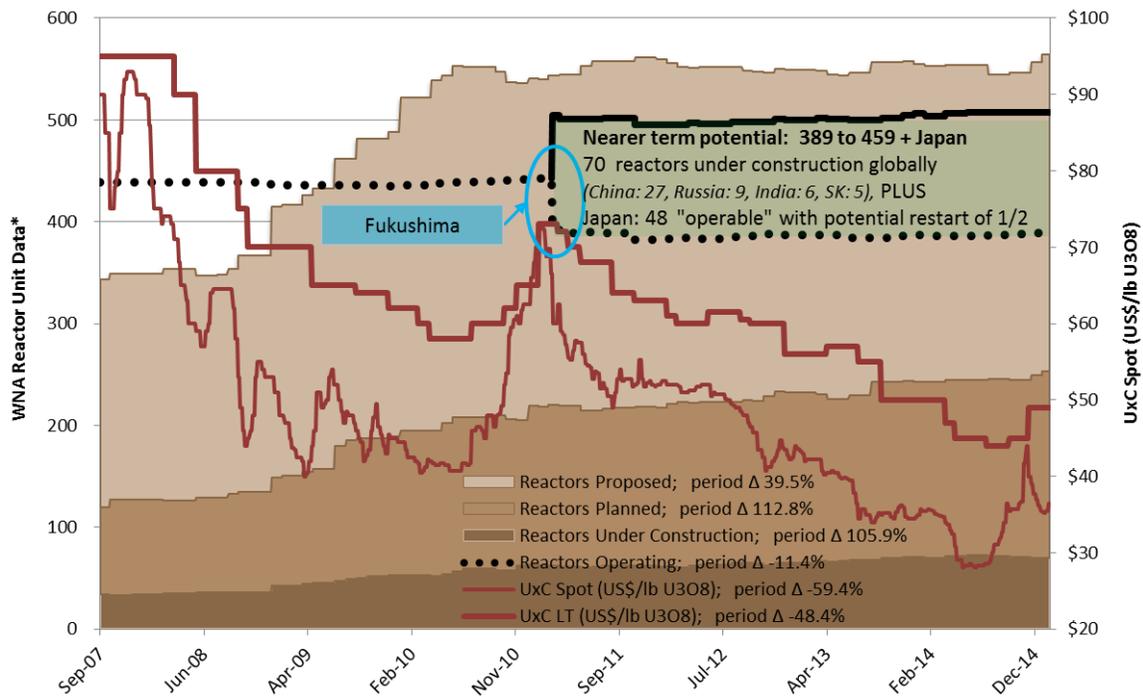
WNA Reactor Data and Price Performance for Spot and Long-term Uranium



Source: World Nuclear Association and Haywood Securities



WNA Reactor Data and Price Performance for Spot and Long-term Uranium

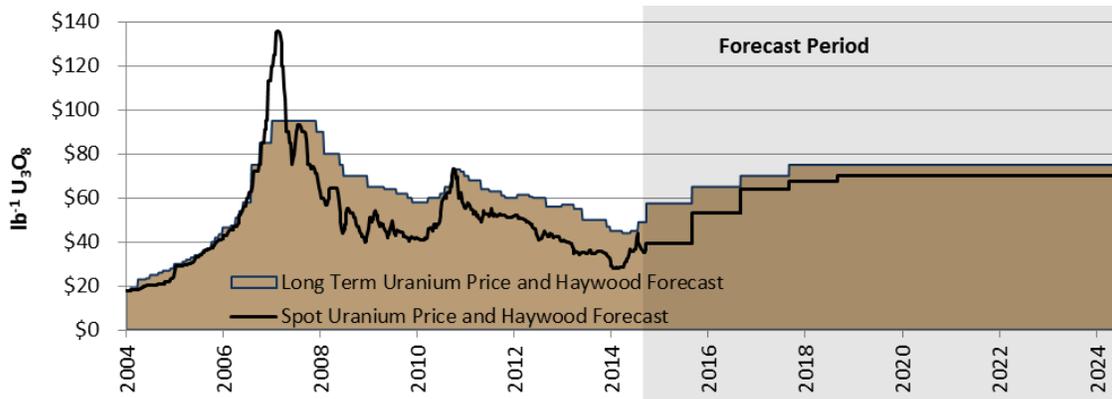


* Haywood modified "Reactors Operating" data to remove Japanese reactors technically classified by WNA as "operable", but not currently operating.

Source: World Nuclear Association, UxC, and Haywood Securities

We have made no changes to the uranium price forecast with this report, as the market over the past quarter has closely tracked our expectations. Our forecast average uranium prices for 2015 and beyond still imply significant commodity price appreciation over the next 5 years. We expect buyers to return to the term market more actively to secure supply in the coming months to cover future requirements, mainly 2017 onward, but also to avoid or hedge against potential production shortfalls. Our spot uranium price forecast from 2019 onward remains US\$70 per pound of U₃O₈, reflecting our view that the spot price will likely average slightly lower than the long-term price, which we continue to forecast at US\$75 per pound of U₃O₈ long term.

Recent Uranium Price Performance and Haywood Forecast



Source: UxC and Haywood Securities



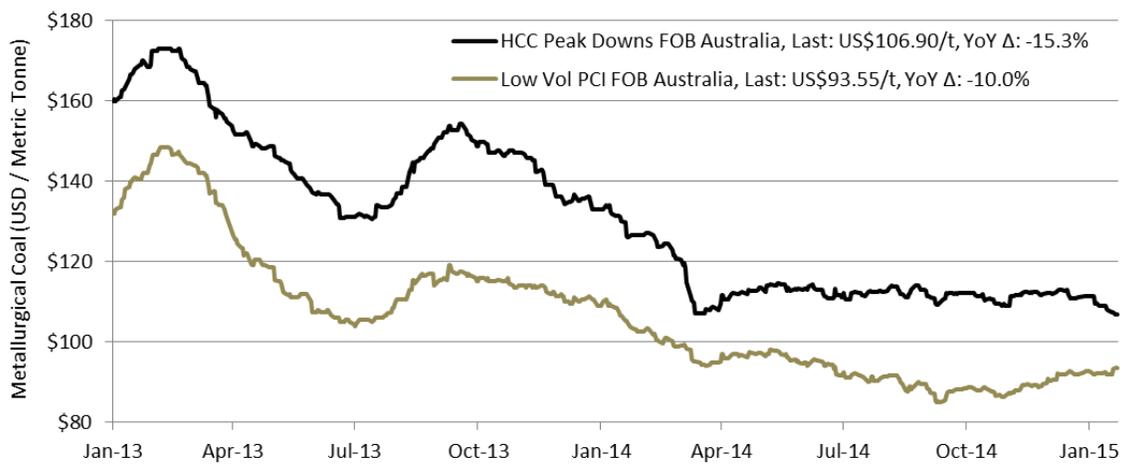
Metallurgical Coal

Seaborne metallurgical coal prices continue to be weak (in U.S. dollar terms) owing to a combination of a strengthening U.S. dollar, tepid demand, and sticky oversupply as rebar pricing in China maintains 7+ year lows corresponding to the country’s more tempered rate of expansion. Lacklustre demand in China is being echoed in the European Union on the floundering economic performance of these nations. Prices were flat and weakened (in U.S. dollar terms) in Q4, and have continued to weaken in early 2015. The broader structural issues with oversupply remain, and thus we do not see pricing strength for metallurgical coal for some time. Peak Downs low volatile metallurgical coal trades at US\$107.30 per metric ton (FOB Australia), Premium low volatile metallurgical coal is holding at US\$106.30 per metric ton (FOB Australia), and low volatile pulverized coal injection (PCI) coal (12 Ash) runs US\$85.55 per metric ton (FOB Australia). The Q1/15 benchmark for low volatile Premium hard coking coal (HCC) tapered down on a quarter-on-quarter basis to US\$117 per metric ton. The Atlantic market is also soft, where low volatile HCC prices have dropped to US\$110.50 per metric ton.

We forecast F2015 prices to average US\$125 per metric ton (Q1/15 benchmark: US\$117 per metric ton), down from US\$130 per metric ton. We have also reduced our 2016 forecast to US\$140 per metric ton, down from US\$150 per metric ton, as well as our 2017 forecast to US\$150 per metric ton, down from US\$175 per metric ton. Our long-term price assumption (2020+) remains flat at US\$175 per metric ton.

The prevailing pricing dynamic requires additional operational curtailments to remediate relative oversupply. On a mid- to long-term basis, we remain more bullish on the outlook for metallurgical coal owing to expectations of growth from selected BRIC (e.g., China) countries and other growth-market nations. In the prevailing pricing environment, and for the investor wanting to get exposure to the sector, we favour the lower cost producers of high-quality metallurgical coal (e.g., Teck Resources, TCK.B-T; Hold Rating, \$16.25 Target Price) with operations outside the United States (given U.S. dollar strength). However, we note that the prevailing metallurgical coal price environment has significantly tempered operating margins and corporate cash flow from such producers, and only with a significant bounce in commodity price is margin lift expected to occur.

Historical Premium Low Volatile Metallurgical Coal and Low Volatile PCI (FOB Australia) Spot Prices



Source: Platts and Haywood Securities



Q4/14 Earnings Preview

Q4/14 Estimates—Haywood Estimates Versus Consensus Forecasts

Company	Ticker	Analyst	Price* (C\$)	Date of Next Release	Q4/14E CFPS (US\$)		2014E CFPS (US\$)		2015E CFPS (US\$)	
					Haywood	Consensus ¹	Haywood	Consensus ¹	Haywood	Consensus ¹
Senior Gold Companies										
Alamos Gold	AGI-T	KS	\$7.50	2/20/15	\$0.07	\$0.14	\$0.37	\$0.42	\$0.45	\$0.39
Barrick Gold	ABX-T	KS	\$15.43	2/18/2015	\$0.31	\$0.51	\$2.30	\$2.25	\$2.00	\$2.29
B2Gold	BTO-T	GM	\$2.52	3/13/2015	\$0.04	\$0.04	\$0.19	\$0.17	\$0.23	\$0.23
Detour Gold	DGC-T	KS	\$12.49	3/10/2015	\$0.19	\$0.23	\$0.75	\$0.77	\$1.10	\$0.97
Eldorado Gold	ELD-T	KS	\$7.04	2/19/2015	\$0.07	\$0.12	\$0.44	\$0.49	\$0.27	\$0.42
Junior Gold Companies										
Asanko Gold	AKG-T	GM	\$1.99	3/10/2015	(\$0.01)	(\$0.01)	(\$0.09)	(\$0.12)	(\$0.05)	(\$0.08)
Castle Mountain Mining	CMM-V	TH	\$0.47	4/15/2015	(\$0.00)	(\$0.01)	(\$0.04)	(\$0.06)	(\$0.01)	(\$0.03)
Endeavour Mining	EDV-T	TH	\$0.58	3/19/2015	\$0.08	\$0.06	\$0.30	\$0.26	\$0.30	\$0.29
Klondex Mines	KDX-T	TH	\$2.62	3/24/2015	\$0.08	\$0.06	\$0.30	\$0.29	\$0.30	\$0.46
Lake Shore Gold	LSG-T	KS	\$1.08	Mar. 23-27	C\$0.04	\$0.04	C\$0.26	\$0.21	C\$0.23	\$0.18
Luna Gold	LGC-T	TH	\$0.33	3/19/2015	(\$0.01)	\$0.00	\$0.04	\$0.05	(\$0.00)	\$0.05
Lydian International	LYD-T	TH	\$0.50	3/25/2015	(\$0.00)	(\$0.02)	(\$0.04)	(\$0.05)	(\$0.01)	(\$0.06)
Mandalay Resources	MND-T	BA	\$0.95	-	\$0.05	\$0.06	\$0.17	\$0.18	\$0.18	\$0.17
Midas Gold	MAX-T	GM	\$0.55	3/13/2015	(\$0.01)	-	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)
Midway Gold	MDW-T	GM	\$0.91	3/13/2015	(\$0.08)	-	(\$0.16)	(\$0.03)	\$0.11	\$0.07
Moneta Porcupine Mines	ME-T	KS	\$0.06	3/27/2015	-	-	-	-	-	-
OceanaGold	OGC-T	GM	\$2.63	2/19/2015	\$0.21	\$0.18	\$0.77	\$0.74	\$0.46	\$0.59
Orbis Gold	OBS-AU	TH	A\$0.63	3/16/2015	A\$0.00	-	-A\$0.01	-A\$0.01	-A\$0.03	-A\$0.06
Orezone Gold	ORE-T	GM	\$0.45	3/17/2015	(\$0.01)	-	(\$0.09)	(\$0.09)	(\$0.03)	(\$0.04)
Pilot Gold	PLG-T	TH	\$1.13	3/17/2015	(\$0.01)	(\$0.06)	(\$0.04)	(\$0.14)	(\$0.03)	(\$0.04)
Rio Alto Mining	RIO-T	KS	\$3.23	3/16/2015	\$0.08	\$0.08	\$0.37	\$0.37	\$0.30	\$0.30
Roxgold	ROG-V	TH	\$0.64	-	\$0.00	(\$0.01)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)
Sarama Resources	SWA-V	TH	\$0.10	4/15/2015	(\$0.01)	-	(\$0.01)	-	(\$0.01)	-
SEMAFO	SMF-T	KS	\$4.03	3/12/2015	\$0.10	\$0.12	\$0.40	\$0.38	\$0.53	\$0.49
True Gold Mining	TGM-V	TH	\$0.18	3/12/2015	(\$0.00)	(\$0.01)	(\$0.04)	(\$0.04)	(\$0.02)	(\$0.02)
Silver Companies										
Endeavour Silver	EDR-T	BA	\$3.50	3/10/2015	\$0.10	\$0.10	\$0.44	\$0.43	\$0.35	\$0.31
Fortuna Silver	FVI-T	BA	\$5.66	3/10/2015	\$0.07	\$0.08	\$0.46	\$0.45	\$0.37	-
SilverCrest Mines	SVL-T	BA	\$1.73	3/11/2015	\$0.02	\$0.04	\$0.06	\$0.10	\$0.18	-
Tahoe Resources	THO-T	GM	\$17.73	3/11/2015	\$0.18	\$0.23	\$1.04	\$1.10	\$0.89	-
Senior Base Metals Companies										
First Quantum	FM-T	KS	\$12.67	2/20/2015	\$0.56	\$0.69	\$2.05	\$1.93	\$2.00	\$2.56
Lundin Mining	LUN-T	KS	\$4.63	2/18/2015	\$0.44**	\$0.16	\$0.66	\$0.47	\$0.95	\$1.07
Teck Resources	TCK.B-T	KS	\$15.48	2/12/2015	C\$0.83	\$0.62	C\$3.40	\$2.74	C\$3.00	\$3.04
Junior Base Metals Companies										
Capstone Mining	CS-T	SI	\$1.23	2/17/2015	\$0.12	\$0.09	\$0.52	\$0.51	\$0.17	\$0.35
Copper Mountain Mining	CUM-T	SI	\$1.10	2/20/2015	\$0.15	\$0.09	\$0.59	\$0.40	\$0.34	\$0.45
Coro Mining	COP-T	SI	\$0.03	2/27/2015	(\$0.01)	-	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)
Foran Mining	FOM-V	SI	\$0.22	2/26/2015	(\$0.02)	-	(\$0.03)	(\$0.01)	(\$0.02)	(\$0.01)
Highland Copper	HI-V	SI	\$0.39	-	(\$0.01)	-	(\$0.02)	-	(\$0.02)	-
Hudbay Minerals Inc.	HBM-T	SI	\$9.12	2/19/2015	\$0.04	\$0.09	\$0.12	\$0.11	\$0.51	\$1.20
Nevsun Resources	NSU-T	SI	\$4.36	3/12/2015	\$0.32	\$0.26	\$1.20	\$1.06	\$0.61	\$0.87
NovaCopper	NCQ-T	SI	\$0.68	1/30/2015	-	-	(\$0.16)	\$0.00	(\$0.19)	\$0.04
Royal Nickel	RNX-T	SI	\$0.33	2/27/2015	-	(\$0.01)	(\$0.04)	(\$0.04)	(\$0.01)	(\$0.03)
Sunridge Gold	SGC-V	SI	\$0.15	1/23/2015	-	-	(\$0.02)	(\$0.03)	(\$0.01)	(\$0.02)
Talon Metals	TLO-T	SI	\$0.23	-	-	-	(\$0.05)	-	(\$0.03)	-
Trevali Mining	TV-T	SI	\$1.06	3/31/2015	-	\$0.01	\$0.07	\$0.05	\$0.10	\$0.09
Zazu Metals	ZAZ-T	SI	\$0.31	3/27/2015	(\$0.01)	-	(\$0.02)	(\$0.04)	(\$0.01)	(\$0.02)
Other Mining Companies										
Denison Mines	DML-T	CH	\$1.07	3/6/2015	-	(\$0.01)	(\$0.04)	(\$0.05)	(\$0.01)	(\$0.02)
Energy Fuels	EFR-T	CH	\$5.65	-	-	-	RESTRICTED	-	-	-
Paladin Energy	PDN-T	CH	\$0.33	2/12/2015	-	(\$0.00)	\$0.01	\$0.03	(\$0.02)	(\$0.02)
Ur-Energy	URE-T	CH	\$0.97	3/3/2015	-	\$0.01	(\$0.00)	\$0.02	\$0.06	\$0.04
Uranerz Energy	URZ-NYSE.MKT	CH	\$1.10	-	-	-	RESTRICTED	-	-	-
Uranium Energy	UEC-NYSE.MKT	CH	\$1.13	3/12/2015	-	-	(\$0.20)	-	\$0.00	-
Uranium Participation	U-T	CH	\$5.21	4/13/2015	-	-	-	(\$0.03)	-	(\$0.03)

*Prices as of January 23, 2015

** Inclusive of Tenke contribution

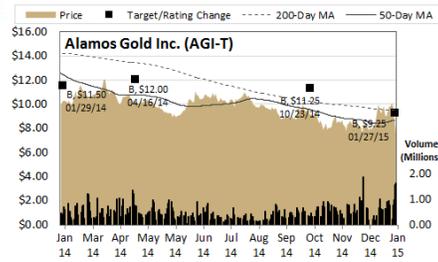
¹ Bloomberg consensus estimates

Analysts: BA: Benjamin Asuncion, MC: Mick Carew, TH: Tara Hassan, CH: Colin Healey, SI: Stefan Ioannou, GM: Geordie Mark, KS: Kerry Smith

Source: Bloomberg and Haywood Securities



Notable Changes



Source: Capital IQ and Haywood Securities

Alamos Gold Inc. (AGI-T, \$7.50)

Analyst: Kerry Smith, MBA, PEng, 416-507-2306, ksmith@haywood.com

**Buy Rating, \$9.25 Target Price, Medium-High Risk
(from Buy, \$11.25 Target Price)**

Valuation | Our \$9.25 target price is based on a 10x multiple to our EV/2015E CFPS based on 2015E CFPS of US\$0.45. Alamos currently trades at a consensus EV/2015E CFPS multiple of 6.5x and 15.9x 2015E CFPS. The Company’s peer group currently trades at a 12.2x EV/2015E CFPS multiple and 11.4x 2015E CFPS.

Estimates

	2014E	2015E	2016E
Realized Gold Price, US\$/oz	\$1,266	\$1,250	\$1,250
Mulatos Gold Production, ounces 000's	140	175	190
Total Gold Cash Cost (net of silver credit and royalty), US\$/oz	\$720	\$810	\$745
Average Shares O/S, millions	127.4	127.4	127.4
Earnings, US\$M	\$6.4	\$6.4	\$19.1
EPS, US\$	\$0.05	\$0.05	\$0.15
Price/EPS	128.1x	128.1x	42.7x
Cash Flow (before WC changes), US\$M	\$47.4	\$57.3	\$76.4
CFPS (before WC changes), US\$	\$0.37	\$0.45	\$0.60
Price/CFPS	17.2x	14.2x	10.7x

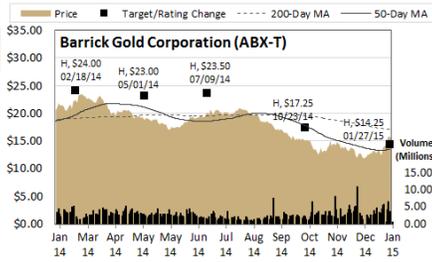
CS/US\$ FX Rate: 1.17

Highlights | We are lowering our target price for Alamos Gold to \$9.25 from \$11.25 previously. Our 2015E CFPS has declined to US\$0.45 from \$0.50, primarily a result of higher modelled cash costs and modestly lower grade with AISC of US\$1,120 per ounce from US\$1,085 per ounce previously. We have also lowered our target multiple to 10x from 13x to reflect an increasing operating cost profile as grades decline and haul distances increase along with the lack of a definitive timeline for Turkey or Esperanza in Mexico, as both of these projects are in the permitting phase. We continue to recommend Alamos Gold with a BUY rating.

Significant Investment Risks

- The Company’s production growth pipeline may be hindered by permit approvals in Turkey and Mexico. In Turkey, the EIA for Kirazlı was approved in August 2013, but an injunction was granted in January 2014 by the regional court, on the basis that the EIA never included a cumulative impacts study (which was not required under the legislation). The Ministry of Environment has appealed, but in the meantime Alamos has filed with the Ministry of Environment a cumulative impact assessment for the Kirazlı project. The EIA for Ağı Dağı was formally approved in August 2014 and requires forestry and operating permits before proceeding with construction. With the injunction issued by the Canakkale Administrative Court, we are a bit less certain about the timing in Turkey, but we expect the permits to be granted ultimately. Any potential delays to the approvals of Ağı Dağı and Kirazlı may impact estimates of our timeline to first production. Alamos intends to resubmit the EIA application for its Esperanza project in southern Mexico. The governor of the state is vocally opposed to this project, while local support is generally very positive, and permitting is inherently risky.
- Currently, all Alamos Gold production comes from the Mulatos mine in Mexico, and the Company’s share price could be adversely affected by negative developments at the mine or within the country. As a heap leach mining operation in Sonora, Mexico, Mulatos is exposed to distinct rainy (July to October) and dry seasons, and consequently operating results can vary widely from season to season. In addition, surface-rights issues in Mexico may affect the mine’s future production. At Cerro Pelon and La Yaqui, Alamos has defined proven and probable reserves of 220,350 ounces grading 1.62 grams per tonne (g/t) gold. These higher grade open-pittable oxide ounces will contribute to Alamos’ production profile once permitted. Alamos has finalized the purchase of surface rights for these two deposits, and the focus for the next 18 to 24 months is on permitting and developing these orebodies.

Catalysts: 1) Turkey update – H1/15; 2) Esperanza EIA submission – H1/15



Source: Capital IQ and Haywood Securities

Estimates

	2014E	2015E	2016E
Market Gold Price, US\$/oz	\$1,266	\$1,250	\$1,250
Realized Gold Price, US\$/oz	\$1,266	\$1,250	\$1,250
Production, ounces 000's	6,400	6,450	6,275
Total Cash Cost, US\$/oz	\$570	\$605	\$595
Shares F/D, millions	1,165	1,165	1,165
Earnings, US\$M	\$757	\$641	\$699
EPS, US\$	\$0.65	\$0.55	\$0.60
Price / EPS	24.0x	22.1x	45.8x
Cash Flow Before W/C Changes, US\$M	\$2,679	\$2,329	\$2,388
CFPS Before W/C Changes, US\$	\$2.30	\$2.00	\$2.05
Price / CFPS	6.1x	6.6x	6.5x
CFPS Sensitivity, US\$	\$0.19	\$0.18	\$0.18

CFPS sensitivity is based on a US\$50/oz gold price change.
Spot CS/US\$ FX Rate: 1.24

Barrick Gold Corp. (ABX-T, \$15.43)

Analyst: Kerry Smith, MBA, PEng, 416-507-2306, ksmith@haywood.com

**Hold Rating, \$14.25 Target Price, Medium-High Risk
(from Hold, \$17.25 Target Price)**

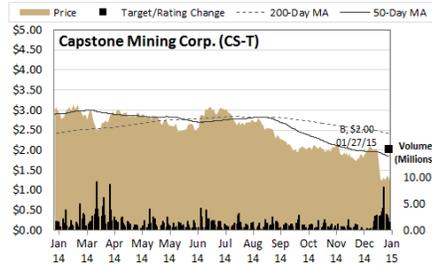
Valuation | Our \$14.25 target is based on a 10x multiple to our EV/2015E CFPS based on 2015E CFPS of US\$2.00 at a gold price of US\$1,250/oz and a copper price of US\$2.50/lb. Barrick currently trades at consensus EV/2015E and a 2015E CFPS multiples of 9.0x and 5.6x respectively. Peers trade at an EV/2015E CFPS multiple of 7.4x and at 5.9x 2015E CFPS.

Highlights | We are lowering our target price for Barrick Gold to \$14.25 from \$17.25 previously. Our 2015E CFPS has declined to US\$2.00 from US\$2.45, as a result of a lower copper price, lower gold production, now 6.45 Moz from 6.7 Moz previously, and lower copper production, now 370 Mlb from 610 Mlb previously — as Lumwana is shut down at mid-year due to the new royalty taxes in Zambia. We continue to recommend Barrick Gold with a HOLD rating.

Significant Investment Risks

- Barrick currently does not have any development projects in the pipeline that will deliver lower cost production in the short to medium term. The Company currently has no plans to build any additional mines, and will focus on advancing Turquoise Ridge and Goldrush, as well as on concentrating exploration in Nevada. If Barrick is unable to cut operating costs at operations or to maintain the current grade profile, Company-wide operating cash costs will increase as its mines mature.
- Barrick’s balance sheet is more leveraged than its peers. In October 2013, Barrick announced a US\$3 billion bought deal of 163.5 million shares at a price of US\$18.35 per share. Barrick used a portion of the proceeds, approximately US\$2.6 billion, to redeem and purchase short- and medium-term debt. At the end of Q3/14, Barrick’s total debt outstanding was US\$13 billion, including long-term debt of US\$13.0 billion.
- Due to the new royalty changes in Zambia, Barrick has decided to suspend the Lumwana project, which will go into care and maintenance in Q2/15.

Catalysts: 1) Goldrush prefeasibility study – mid-2015; 2) Initial production at Jabal Sayid – 2015; 3) Cortez Hills Lower Zone prefeasibility study – late 2015.



Source: Capital IQ and Haywood Securities

Estimates

	2014	2015	2016	2017	2018
Shares O/S, millions	381	382	382	382	382
Payable Copper Production, Mlb	222	193	216	198	198
Total Copper Cash Cost, US\$/lb	\$2.10	\$2.20	\$2.00	\$2.00	\$1.90
Earnings, US\$M	\$67	(\$49)	\$31	\$58	\$98
EPS, US\$	\$0.17	(\$0.13)	\$0.08	\$0.15	\$0.26
Price / EPS	6.4	-	13.0	7.2	4.5
Cash Flow Before W/C Changes, US\$M	\$197	\$67	\$124	\$162	\$200
CFPS, US\$	\$0.52	\$0.15	\$0.32	\$0.42	\$0.52
Price / CFPS	2.2	7.0	3.2	2.6	2.2

Share Price: \$1.23

Capstone Mining Corp. (CS-T, \$1.23)

Analyst: Stefan Ioannou, sioannou@haywood.com

Buy Rating, \$2.00 Target Price, High Risk
(from Buy, \$3.50 Target Price)

Valuation | Our formal valuation is based on a 75% weighting to 5.0x 2015E cash flow per share (CFPS) of US\$0.15 plus a 25% weighting to Capstone’s fully financed after-tax corporate Net Asset Value (NAV)10% of \$4.90 per share. In light of recent market weakness, we believe the Company’s current share price provides a compelling bottom-fishing investment opportunity. **That said, we acknowledge the Company’s flagship project (the Pinto Valley open-pit copper mine in Arizona) is a low-grade operation, which translates into a leveraged production profile that stands to garner market scrutiny on the back of copper price weakness/volatility.**

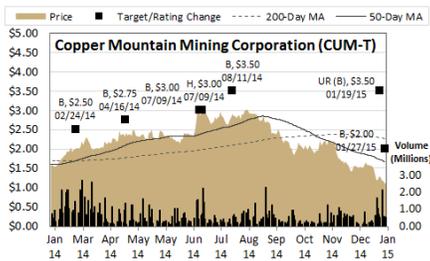
Highlights | Our target price revision reflects primarily Haywood’s decreased 2015E copper price forecast (now US\$2.50/lb; previously US\$3.25/lb), which has decreased Capstone’s 2015E CFPS in our model to US\$0.15 (from US\$0.50)—the primary driver underpinning the derivation of our target price. Despite our cautious view on the metal this year, we continue to look to the Company’s established

production profile at three mines, which stands to benefit over time from anticipated increased copper pricing (driven by longer term supply-demand fundamentals). We also believe Capstone’s Santo Domingo copper project in Chile still offers good option value on potential large-scale development under the right market conditions.

Recent debt restructuring initiatives have removed arguably onerous near-term repayment terms associated with Capstone’s previous senior secured revolving credit facility (US\$22.2 million quarterly reduction), which became a cause for near-term concern in our model at (sustained) 2015E copper pricing below ~US\$2.40/lb (versus current spot pricing at US\$2.52/lb). Debt repayment obligations have now been shifted to 2019, enabling our model to maintain a positive cash balance through +2015 at (sustained) copper pricing above ~US\$2.10/lb. The new debt facility is modestly more expensive (USD LIBOR plus 3.0% and a 0.675% standby fee, versus USD LIBOR +2.5% and a 0.56% standby fee previously), which decreased Capstone’s fully financed after-tax corporate NAV10% to \$4.90 per share in our model (from \$5.05 per share). **However, we view the restructuring as ‘money well spent’ to better buffer against (near-term) copper price weakness / market sentiment.**

Significant Investment Risks

- A significant portion of Capstone’s after-tax NAV10% in our formal valuation is underpinned by the Company’s 70% owned Santo Domingo project in Chile. Uncertainty regarding the availability of low-cost grid power in the region questions the project’s development timeline.
- Santo Domingo development is underpinned by a significant capital-cost hurdle that has been addressed through a strategic partnership with KORES. Nevertheless, key parameters underpinning Santo Domingo’s mine plan are derived, in part, from a June 2014 feasibility study. We have applied an increased capital- and operating-cost structure to our formal valuation to acknowledge cost pressures that continue to impact the global mining industry. Nevertheless, we remain cognizant of the additional risk of cost escalation prior to targeted production start-up in 2018 (2020 Haywood model).
- Capstone continues to boast a strong balance sheet, which positions the Company for corporate growth. However, we are aware that a potential transaction that is not viewed favourably by the market will likely negatively impact Capstone’s share price. Recent completion of the Pinto Valley transaction (and subsequent debt restructuring) has added ~US\$265 million of long-term debt to the Company’s current balance sheet—a manageable level, in our opinion. However, we note the wellbeing of Capstone’s balance sheet becomes a cause for near-term concern in our model at (sustained) copper pricing below ~US\$2.10/lb (versus current spot pricing at US\$2.52/lb).



Source: Capital IQ and Haywood Securities

Copper Mountain Mining Corp. (CUM-T, \$1.10)

Analyst: Stefan Ioannou, sioannou@haywood.com

Buy Rating, \$2.00 Target Price, High Risk
(from Buy, \$3.50 Target Price)

Valuation | Our formal valuation is based on a 5.0x multiple to average 2015E/2016E attributable CFPS. Copper Mountain’s peer group of established mid-tier base metals producers currently trades at ~5.0x 2015E CFPS. The installation of a new secondary crusher last summer has now clearly boosted mill throughput to (above) design capacity—arguably addressing Copper Mountain’s ‘Achilles Heel’. We acknowledge that Copper Mountain is a relatively low-grade deposit (reserve grade of ~0.3% copper and ~0.1 g/t gold), which translates into a (highly) leveraged financial profile, where a change of US\$0.25/lb (10%) in forecast copper price alters our 2015E CFPS by about US\$0.12 (48%). **Consequently, the Company is arguably best suited for investors with a ‘stronger for longer’ metal price outlook—contrary to recent market weakness/sentiment.**

Highlights | Our target price revision reflects primarily Haywood’s decreased 2015E/2016E copper price forecast (now US\$2.50/lb / US\$2.75/lb; previously US\$3.25/lb / US\$3.25/lb), which has decreased Capstone’s near-term CFPS in our model to US\$0.25/US\$0.40 (from US\$0.45/US\$0.60)—the primary driver underpinning the derivation of our target price. Despite our cautious view on the

metal this year, we continue to look to the Company’s established production at its 75% owned Copper Mountain open-pit mine in British Columbia, which stands to benefit over time from anticipated increased copper pricing (driven by longer term supply-demand fundamentals). We remain cognizant that the Copper Mountain project could significantly enhance the profile of a number of other mid-tier base metals producers. Hence, we look to corporate activity as a potential (near-term) wild-card catalyst.

The Copper Mountain mine is a low-grade operation, which translates into a leveraged production profile that stands to garner market scrutiny on the back of copper price weakness/volatility. Copper Mountain’s September 30, 2014, consolidated balance sheet included \$324 million in long-term debt. However, we note the associated repayment schedule spans the next 9 years (through 2023, and is back-end weighted). **Nevertheless, the near-term health of the Company’s balance sheet becomes a cause for concern in our model at copper pricing below ~US\$2.15/lb (versus current spot pricing at US\$2.52/lb).**

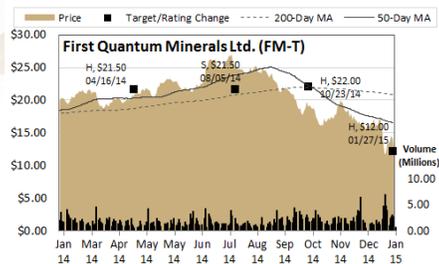
Significant Investment Risks

- Copper Mountain initiated concentrate production in Q2/11. However, the operation continues to struggle with mill throughput issues. A number of solutions have been considered/implemented. Nevertheless, longer than anticipated production ramp-up has prompted market frustration, which will likely require at least one full quarter of design production to remedy. Hence, near-term execution is key.
- Copper Mountain’s September 30, 2014, consolidated balance sheet includes a leveraged 1.5:1 long-term debt:equity ratio. This profile is further evidenced by the Company’s consolidated long-term debt to 2015E consolidated operating cash flow of 3.7x in our model. However, we note that Copper Mountain’s long-term debt (\$324 million) is repayable over the next ~9 years. Hence, repayment obligations are not expected to hinder the Company’s ability to generate meaningful free cash flow unless the price of copper decreases significantly from Haywood’s forecast levels (below ~US\$2.15/lb).

Estimates

	2014	2015	2016	2017	2018
Shares O/S, millions	118	119	119	119	119
Forecast Copper Price, US\$/lb	\$3.11	\$2.50	\$2.75	\$3.00	\$3.25
Forecast Gold Price, US\$/oz	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
Payable Copper Production, Mlb	59	56	63	68	70
Payable Gold Production, oz 000's	16	20	20	25	27
Total Copper Cash Cost, US\$/lb	\$2.10	\$2.00	\$1.85	\$1.70	\$1.65
Attributable Earnings, US\$M	\$23	\$2	\$17	\$34	\$52
Attributable EPS, US\$	\$0.20	\$0.02	\$0.14	\$0.29	\$0.44
Price / Attributable EPS	5.1	48.2	6.5	3.4	2.3
Attributable Cash Flow Before W/C Changes, US\$M	\$53	\$31	\$48	\$66	\$84
Attributable CFPS, US\$	\$0.45	\$0.26	\$0.40	\$0.55	\$0.70
Price / Attributable CFPS	2.2	3.7	2.3	1.8	1.4

Share Price: \$1.10



Source: Capital IQ and Haywood Securities

First Quantum Minerals Ltd. (FM-T, \$12.67)

Analyst: Kerry Smith, MBA, PEng, 416-507-2306, ksmith@haywood.com

**Hold Rating, \$12.00 Target Price, Medium-High Risk
(from Hold, \$22.00 Target Price)**

Valuation | Our \$12.00 target price is based on a 8.00x multiple to our EV/2015E CFPS and 2015E CFPS of US\$2.00. First Quantum currently trades at a consensus EV/2015E CFPS multiple of 6.4x and 3.8x 2015E CFPS. The Company’s peer group currently trades at a 6.1x EV/2015E CFPS multiple and 5.4x 2015E CFPS.

Highlights | We are lowering our target price for First Quantum to \$12.00 from \$22.00 previously. Our 2015E CFPS has declined to US\$2.00 from \$3.35, primarily a result of our lower commodity price assumptions. We continue to recommend First Quantum with a HOLD rating.

Estimates

	2014E	2015E	2016E
Realized Copper Price, US\$/lb	\$3.12	\$2.50	\$2.75
Total Copper Production, Mlb	787	1029	1102
Cash Cost (net of credits), US\$/lb	\$1.45	\$1.46	\$1.47
Earnings, US\$M	\$480	\$390	\$661
EPS, US\$	\$0.80	\$0.65	\$1.10
Cash Flow Before W/C Changes, US\$M	\$1,231	\$1,201	\$1,501
CFPS Before W/C Changes, US\$	\$2.05	\$2.00	\$2.50

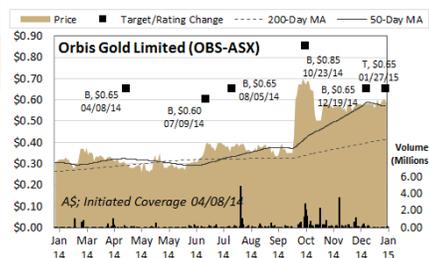
CFPS sensitivity is based on a US\$0.10 per pound copper price change.

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Significant Investment Risks

- A large percentage of First Quantum’s operating cash flow is generated from its 80% owned Kansanshi copper mine in Zambia, and additional growth will come from the Sentinel mine, under construction currently and also located in Zambia. Zambia carries a higher level of political risk, as the government is unpredictable and frequently tries to implement egregious tax increases.
- Following the successful acquisition of Inmet Mining, First Quantum has significantly higher execution risk. The Company’s project development team now needs to deliver Cobre Panama into production, which is a very large-capex project with potential for significant cost overruns. As well, First Quantum has ongoing projects at Kansanshi, which could include the construction of a new smelter expansion and the expansion of the mine, along with projects at the Sentinel mine. Concurrently, the Inmet acquisition added further base metals production in Turkey, Spain, and Finland to First Quantum’s production base, which will lower its political risk profile and increased cash flow per share.

Catalysts: 1) Ramp-up of concentrate production at Sentinel – H1/15; 2) Ramp-up of Zambian copper smelter – H1/15; 3) Ramp-up of the magnetite project at Guelb Moghrein – H1/15; 4) Development of Cobre Panama – first production in late 2017.



Source: Capital IQ and Haywood Securities

Item (US\$)	2013A	2014E	2015E
EPS	(\$0.00)	(\$0.01)	(\$0.03)
CFPS	(\$0.01)	(\$0.01)	(\$0.03)

Orbis Gold Limited (OBS-A, A\$0.63)

Analyst: Tara Hassan, PEng, 416-507-2603, thassan@haywood.com

Tender Rating, A\$0.65 Target Price, Very High Risk (from Buy, \$0.65 Target Price)

Valuation | Our target price of A\$0.65 continues to be based on SEMAFO’s (SMF-T, Buy Rating, \$5.75 Target Price) offer price of A\$0.65 per share in cash, however our Rating moves to Tender from Buy.

Our sum-of-the-parts analysis generates a Corporate NAV of A\$0.89/sh.

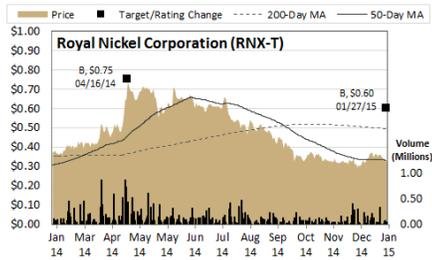
Highlights | Our rating change is a result of the following:

- **Lack of a Superior Offer:** On January 27, 2015 Orbis provided an update on SEMAFO’s offer. Despite having plenty of time to court a white knight since SEMAFO made its conditional, non-binding, indicative proposal made on October 12, 2014, Orbis has been unable to produce a superior offer. This is in-line with our expectation that no competing offer would emerge. SEMAFO’s Offer is scheduled to close on February 6, 2014, and with no competing offer at the table we are moving to a TENDER rating.
- **Risk of Material Downside if SEMAFO Walks Away:** Should SEMAFO withdraw its offer, or the offer is not accepted by a majority of shareholders, there is risk of material downside to Orbis’ share price. With Orbis having limited funds on hand and having curtailed the bulk of its work efforts as a result, the company will need to undertake a sizable capital raise in the event the SEMAFO offer does not go through. As Orbis stated in its own release on January 27, 2015, it is likely that the issue price will be **MATERIALLY** below SEMAFO’s A\$0.65 per share offer price which could detrimentally impact our valuation.

Significant Investment Risks

- **Forecast Risk** - Our valuation is based on consideration of work completed to date on Orbis’ projects. None of Orbis’ projects are currently in production. Our estimates for Natougou are based on consideration of the recent scoping study and our own assumptions. Our valuation for Nabanga considers the resource delineated to date. Our valuation for Bantou is based on our own analysis of exploration results as it does not host a resource currently.
- **Financial Risk** - Orbis is engaged in the capital-intensive exploration and development process, and thus, will not generate cash flow until it commences production. Orbis currently has limited capital available to fund ongoing activities. Although we include financing assumptions in our valuation, we stress that the realized deal terms could vary from what we consider in our valuation, negatively or positively impacting our target price.
- **Execution Risk** - Orbis’ project portfolio contains a number of projects with different execution risks, however the most near term execution risks relate to development and operation of Natougou. While open-pit projects are common in the immediate region, and, Orbis’ project has some specific areas of risk including the potential for: greater than planned dilution as a result of poor visual cues between waste and ore on the hanging wall, higher than expected processing costs, and lack of water sources.
- **Political Risk** - There could be increased political risk in Burkina Faso in the near term as recent unrest resulted in the dissolution of government and appointment of an interim government ahead of proposed elections in October 2015. There is risk of broader unrest leading up to the proposed Presidential elections in late 2015. Any resulting negative headlines or changes to the regime could impact the outlook for mining in Burkina Faso. Despite the government increasing royalty rates in recent years, there remain risks of further changes to the royalty or taxation regime, which could negatively impact project economics.

Catalysts | 1) Expiry of SMF Offer – February 6, 2015; 2) Natougou feasibility study – H1/15.



Source: Capital IQ and Haywood Securities

Estimates

	2014	2015	2016	2017	2018
Shares O/S, millions	102	501	557	898	953
Forecast Nickel Price, US\$/lb	\$7.66	\$7.00	\$8.00	\$9.00	\$9.00
Payable Nickel Production, Mlb	-	-	-	13	42
Total Nickel Cash Cost, US\$/lb	-	-	-	\$6.30	\$5.30
Earnings, US\$M	(\$5)	(\$8)	(\$21)	(\$27)	\$24
EPS, US\$	(\$0.04)	(\$0.02)	(\$0.04)	(\$0.03)	\$0.03
Price / EPS	-	-	-	-	0.0
Cash Flow Before W/C Changes, US\$M	(\$5)	(\$7)	(\$19)	(\$13)	\$91
CFPS, US\$	(\$0.04)	(\$0.01)	(\$0.03)	(\$0.01)	\$0.10
Price / CFPS	-	-	-	-	3.2

Share Price: \$0.33

Royal Nickel Corp. (RNX-T, \$0.33)

Analyst: Stefan Ioannou, sioannou@haywood.com

Buy Rating, \$0.60 Target Price, Very High Risk
(from Buy, \$0.75 Target Price)

Valuation | Our formal valuation is based on a 1.0x multiple to a fully financed after-tax corporate NAV10% of US\$567 million, or \$0.60 per fully diluted (F/D) share (based on 1.1B fully financed F/D shares; 70% attributable Dumont project interest; Haywood model) at a long-term nickel price of US\$9.00/lb. We acknowledge that Dumont is a low-grade (i.e., leveraged) project that requires the economies of scale (i.e., high initial capex) to maximize economic return. Hence, we view Royal Nickel as a company best suited for investors with a ‘stronger-for-longer’ nickel price outlook. We continue to model a (very) modest US\$10 million regional exploration credit, in part to reflect upside associated with the Company’s asset portfolio beyond Dumont (Raglan and Sudbury exposure).

Highlights | Our target price revision reflects primarily an updated modelled project-financing package prompted by general weakness across the resource (base metals) sector. Decreased equity-financing price assumptions have added share dilution to our model, in turn decreasing Royal Nickel’s fully financed after-tax corporate NAV10% to \$0.60 per fully diluted share (from \$0.72)—the key driver underpinning the derivation of our target price.

Royal Nickel continues to advance its 100% owned Dumont nickel project in the Abitibi region of northwestern Quebec—an established mining-friendly jurisdiction. A July 2013 bankable feasibility study (BFS) headed by Ausenco details a 105 ktpd operation designed to produce 90 million pounds (Mlb) of nickel in concentrate annually (33-year life-of-mine average), positioning Dumont among the largest advanced-stage concentrate-based development projects in a supply-constrained market. Hence, we continue to view Dumont as a strategic asset that will garner major attention (which will likely be key for project advancement). We acknowledge the project’s BFS after-tax internal rate of return (IRR) of 15% (at US\$9.00/lb of long-term nickel) is arguably a bit thin, especially in the context of Dumont’s BFS break-even NAV8% nickel price of US\$7.04/lb (US\$5.50/lb on a NAV0% basis), versus current nickel (spot) pricing (US\$6.48/lb). That said, Dumont’s valuation is comparable to the economics underpinning a number of other large-scale advanced-stage base metals (copper) projects, many of which won’t benefit from proximity to key regional infrastructure and/or a low-risk geographic jurisdiction. We remain cognizant that swing production associated with nickel pig iron (NPI) stands to potentially cap the nickel price. However, NPI’s cost base continues to rise on the back of higher energy prices, and we do not view NPI as a significant oversupply threat at nickel prices below US\$10.00/lb, especially now in light of Indonesia’s export ban enacted in early 2014.

Significant Investment Risks

- Key parameters underpinning Dumont’s mine plan are derived, in part, from a July 2013 bankable feasibility study. We have applied a modestly increased capital- and operating-cost structure to our formal valuation to acknowledge cost pressures that continue to impact the global mining industry. Nevertheless, we remain cognizant of (additional) risk of cost escalation given the accuracy of BFS-level estimates.
- Royal Nickel has sufficient funds on hand to cover near-term working-capital requirements. However, Dumont’s development is underpinned by a significant (+US\$1.2 billion) initial capital-cost hurdle that will likely require considering strategic partnerships to fund. Our formal valuation assumes a strategic partner(s) will purchase a 30% interest in Dumont.
- Dumont is a low-grade deposit (0.27% nickel reserve grade), which translates into a leveraged financial profile. Hence, the Company is arguably best suited for investors with a ‘stronger for longer’ metal price outlook. We remain cognizant that swing production associated with nickel pig iron (NPI) stands to potentially cap the nickel price.



Sarama Resources(SWA-V, \$0.10)

Analyst: Tara Hassan, PEng, 416-507-2603, thassan@haywood.com

**Buy Rating, \$0.25 Target Price, Very High Risk
(from Buy, \$0.20 Target Price)**

Valuation | We have increased our target price to reflect our updated commodity price assumptions and updated capital structure assumptions, including revisions to our assumed equity raises to better reflect current market conditions. Our target remains based on 1.00x our fully financed, after-tax corporate NAV of \$0.25 per share (was \$0.24 per share).

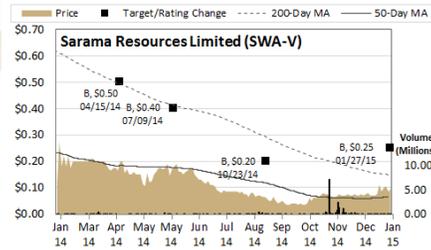
Highlights | Our target price reduction is a result of the following:

- **Updated Capital Structure Assumptions:** We have revisited our assumed financing assumptions to reflect Sarama’s recent share price performance, increasing our assumed equity financing price to an average of \$0.09 per share over the next two years (was \$0.07 per share), to be more in-line with the current share price. We have also increased the total assumed equity raised over the next two year to US\$7 million (was US\$6 million) to account for increased corporate and exploration expenditures.
- **Updated Foreign Exchange Assumptions:** We have revised our foreign exchange rate forecasts (USD:CAD) to reflect recent weakness in the Canadian dollar which has positively impacted our valuation.

Significant Investment Risks

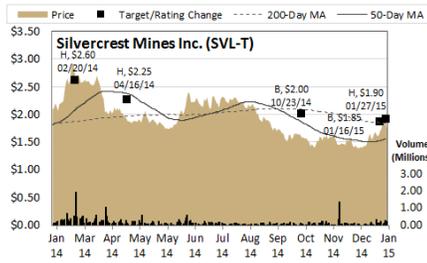
- We view the exploration potential at all of Sarama’s projects to be significant. Exploration remains at the early stages, and as such, the geological models are continuing to evolve. Sarama has mitigated some of the exploration risk with the release of its maiden resource on September 16, 2013; however, we continue to highlight that there is risk to our valuation assumptions regarding exploration success, which is the primary driver of our target price.
- Sarama is an exploration and development company with no cash flow, engaged in the capital-intensive exploration process. Its primary source of funding in the near term will be equity financings, which could contribute to added dilution above what we consider in our valuation.
- Sarama’s projects are located in Burkina Faso, Liberia and Mali. As such, the Company is exposed to perceived political risk associated with West Africa as it relates to any adverse changes in mining policy, alterations to current tax rates, and/or conflicts that historically or in future afflict the region. There could be increased political risk in Burkina Faso in the near term as recent unrest resulted in the dissolution of government and appointment of an interim government ahead of proposed elections in October 2015. There is risk of broader unrest leading up to the proposed Presidential elections in late 2015. Any resulting negative headlines or changes to the regime could impact the outlook for mining in Burkina Faso. In Liberia, an outbreak of Ebola has been ongoing since March 2014 and poses a threat to anyone working in the region. To date the Company has not reported any cases of Ebola and is taking proactive measures to limit potential exposure.

Catalysts | 1) Results from South Hounde drill programs – H1/15.



Source: Capital IQ and Haywood Securities

Item (US\$)	2013A	2014E	2015E
EPS	US\$0.01	(US\$0.02)	(US\$0.01)
CFPS	(US\$0.03)	(US\$0.01)	(US\$0.01)



Source: Capital IQ and Haywood Securities

Estimates

	2013A	2014E	2015E
Revenue (US\$M)	55	43	76
OCF (US\$M)	23	7	21
OCF / sh (US\$)	0.21	0.06	0.18
Production (Moz AgEq)	2.60	2.90	4.50
Cash Cost (US\$/oz AgEq)	7.78	8.93	10.01

All figures in US\$

SilverCrest Mines Inc. (SVL-T, \$1.73)

Analyst: Benjamin Asuncion, basuncion@haywood.com

Hold Rating, \$1.90 Target Price, High Risk
(from Buy, \$1.85 Target Price)

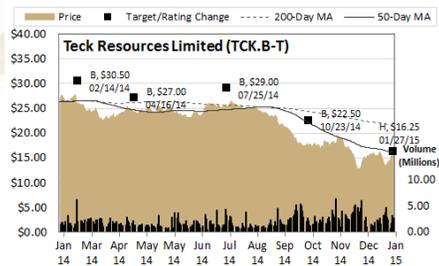
Valuation | Our \$1.90 target price represents a 7.0x P/OCFPS₂₀₁₆ multiple to our 2016 operating cash flow per share (before changes in working capital) of US\$0.24 or C\$0.28 at assumed metal prices of US\$18.00 per ounce (/oz) of silver and US\$1,250/oz of gold. SilverCrest trades at 7.8x price to operating cash flow (P/OCF)₂₀₁₅, versus peers averaging 9.1x, and at 7.5x enterprise value (EV)/OCF₂₀₁₅, versus peers averaging 8.7x.

Highlights | The revision of our target price to \$1.90 (from \$1.85) is driven by our revised foreign-exchange rate forecasts (USD:CAD), as all other assumptions stay unchanged. SilverCrest remains in a transitional period as production from the newly developed underground mine ramps up to ~1,500 tonnes per day (tpd) by mid-2015 to supplement mill feed. Our revised HOLD rating (from Buy) results from the recent share price appreciation.

Significant Investment Risks

- **Forecasts** – For 2015, we estimate production of 1.8 million ounces (Moz) of silver plus 39.0 thousand ounces (koz) of gold, or 4.5 Moz of silver equivalent (AgEq) at a cash cost of US\$10.05/oz of AgEq. This compares with guidance of 1.6 Moz to 1.8 Moz of silver, plus 36.0 koz to 39.0 koz of gold (4.1 Moz to 4.5 Moz of AgEq, assuming Haywood’s 2015 forecast assumptions) at a cash cost of US\$10.00 to US\$11.00/oz of AgEq and an all-in sustaining cost of US\$14 to US\$15/oz of AgEq.
- **Santa Elena** – Santa Elena has nearly completed its transition plan to develop an underground mine and mill from the previous open-pit heap leach operation. Our operating and capital estimates are predicated on the April 2013 prefeasibility study. Upcoming milestones include the ramp-up of underground mine production to 1,500 tpd by mid-2015.
- **Financial** – SilverCrest’s financial position stands at US\$38 million in cash, debt of US\$15 million (additional US\$15 million available in the Scotiabank facility), and US\$45 million in working capital as of September 30, 2014. Given the current resources and capital projections, SilverCrest has sufficient finances to fund near-term corporate objectives.

Catalysts | 1) Financial and operating results for Q4/14 in March 2015; 2) Underground production ramp-up to 1,500 tpd by mid-2015.



Source: Capital IQ and Haywood Securities

Teck Resources Ltd. (TCK.B-T, \$15.48)

Analyst: Kerry Smith, MBA, PEng, 416-507-2306, ksmith@haywood.com

**Hold Rating, \$16.25 Target Price, Medium-High Risk
(from Buy, \$22.50 Target Price)**

Valuation | Our \$16.25 target price is derived from an 8x multiple to our EV/2015E CFPS based on 2015E CFPS of \$3.00. Teck currently trades at a consensus EV/2015E CFPS multiple of 5.2x and 4.2x 2015E CFPS. The Company’s peer group currently trades at a 6.3x EV/2015E CFPS multiple and 4.6x 2015E CFPS.

Highlights | We are lowering our target price for Teck Resources to \$16.25 from \$22.50 previously. Our target price continues to be based on an 8x multiple to our EV/2015E CFPS. Our 2015E CFPS has declined to \$3.00 from \$3.75, as a result of our lower commodity price assumptions. We recommend Teck Resources with a HOLD rating.

	2014E	2015E	2016E
Earnings, C\$M	\$375	\$86	\$519
EPS, C\$	\$0.65	\$0.15	\$0.90
Price / EPS	23.8x	103.2x	17.2x
Cash Flow Before WC Changes, C\$M	\$1,959	\$1,729	\$2,074
CFPS Before WC Changes, C\$	\$3.40	\$3.00	\$3.60
Price / CFPS	4.6x	5.2x	4.3x

Copper price CFPS sensitivity is based on a US\$0.10/lb copper price change.
Zinc price CFPS sensitivity is based on a US\$0.05/lb zinc price change.
C\$/US\$ FX Rate sensitivity based on 1% rate change.

Significant Investment Risks

- Teck’s profits and operating cash flows are highly leveraged to the metallurgical coal price. Metallurgical coal prices continue to be very volatile, with benchmark prices hitting a high of US\$330 per tonne in mid-2011 and declining to ~US\$100 per tonne recently. Metallurgical coal prices are also strongly correlated to steel markets, which are tied to the health of the global economy, and to the perceived health of the Chinese economy, the world’s largest steel consumer.
- In 2013, Teck Resources announced up to \$600 million of capex spending over 5 years, required for selenium management in the Elk Valley for installation of water diversion and treatment facilities. Annual operating costs are also expected to increase by approximately \$1.50 per tonne, or \$35 million per year, over the next 5 years, and \$140 million per year, or approximately \$6 per tonne of coal, in 10 to 15 years. The draft valley-wide plan was submitted to the government in January 2013, and subsequently approved by the province. While Teck believes measures proposed in the draft plan are adequate, there can be no assurance that regulatory authorities will not ultimately impose more stringent limits on selenium discharges, which could substantially increase both capital and operating costs associated with selenium management. In addition, permitting for current and future projects could be delayed until regulatory authorities accept the new valley-wide selenium management plan.
- Teck pays out about \$520 million per year in a dividend, and is currently yielding about 5.8%. The next dividend is due in mid-2015 and the Board will likely re-visit the dividend policy then. We expect modestly better commodity prices generally by then and view the dividend cut as unlikely.
- Teck is a 20% partner in the Fort Hills oil sands development, currently in construction by Suncor. With oil prices dropping by ~50% in late 2014 the economics of Fort Hills are less attractive at current prices. This is a long life project and oil prices are expected to be higher once construction finishes in late 2017 and the project generates a 13% return at ~US\$100/bbl WTI and \$1.05 CAD/USD FX. Total project capital is \$13.5 billion (20% to Teck) since project sanction in October 2013 and Teck spent about \$800 million in 2014 plus about \$1 billion to be spent in each of 2015 and 2016.

Catalysts: 1) Fort Hills Phase I initial production (36,000 barrels per day net to Teck) – late 2017.



Zazu Metals Corp. (ZAZ-T, \$0.31)

Analyst: Stefan Ioannou, sioannou@haywood.com

**Buy Rating, \$0.50 Target Price, Very High Risk
(from Buy, \$0.65 Target Price)**

Valuation | Our formal valuation is based on a 1.0x multiple to an interim financed after-tax corporate NAV10% of US\$54 million, or \$0.48 per fully diluted share (based on 133 million interim financed fully diluted shares; 80% attributable Lik project interest; Haywood model) at a long-term zinc price of US\$1.15/lb. **We note Lik’s economics are leveraged to the zinc price given the project’s relatively high cash-cost profile (US\$0.65/lb life of mine [LOM] average total cash cost net of credits in our model).** Hence, the Zazu story is best suited for investors with a ‘stronger for longer’ zinc price outlook.

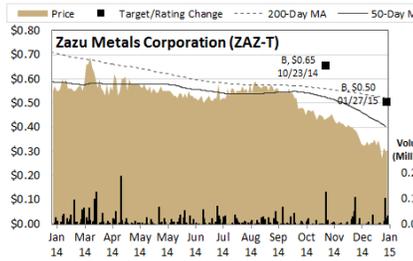
Highlights | Our target price revision reflects primarily an updated modelled financing package prompted by general weakness across the resource (base metals) sector. Decreased equity financing price assumptions have added share dilution to our model, in turn decreasing Zazu’s interim financed after-tax corporate NAV10% to \$0.48 per fully diluted share (from \$0.62)—the key driver underpinning the derivation of our target price.

Zazu’s flagship asset is a 50% interest in the advanced-stage Lik zinc-lead-silver project located in Alaska. The Company’s 50% project partner is Teck, which operates Red Dog, a neighbouring world-class zinc-lead-silver mine. Proximity to Red Dog provides access to key state-owned infrastructure; namely, a port facility and all-season haul road with excess capacity. Zazu is the project operator at Lik and has the option to increase its interest to 80% by spending ~US\$43 million on the property before 2018 (US\$21.2 million spent as of September 30, 2014). A recently completed Preliminary Economic Assessment (PEA) by JDS details a 5,500 tpd open-pit mine plan underpinned by a 17.1 Mt mineable resource grading 7.7% zinc, 2.6% lead, and 47 g/t silver. The 9-year operation is headlined by +235 Mlb of zinc +70 Mlb of lead and ~110 koz of silver production (payable) annually at an average total zinc cash cost of US\$0.65/lb net of credits (Haywood model). **Headline economics for the PEA mine plan include a US\$352 million total capital cost (US\$400 million initial capital cost in Haywood model), a US\$158 million after-tax project NAV8% (100% basis), and a 17.9% after-tax project IRR at a long-term zinc price of US\$1.10/lb.**

We view Zazu as a prime acquisition target given the lack of large advanced-stage zinc projects in a market facing a considerable medium-term supply issue (mine closures) over the next +2 years. Furthermore, Lik’s proximity to the Red Dog mine arguably makes the asset a natural fit for Teck. The latter’s Su deposit appears to represent the geological extension of Lik South onto Teck’s ground, and ultimately, we anticipate the projects would likely best be developed as one larger scale operation. Red Dog’s current reserve is expected to support operations until ~2031, which questions Teck’s urgency to consolidate Lik. Hence, investor patience could prove to be an important consideration. **That said, the Alaska Industrial Development and Export Authority’s (AIDEA) recent Delong Mountain Transportation System (DMTS) feasibility study indicates Red Dog’s annual concentrate production profile is expected to decrease through ~2019. In our opinion, Lik (likely in conjunction with Teck’s neighbouring/adjoining Su deposit) provides an ideal source of additional production to maintain the region’s output at/near current levels in +2020.**

Significant Investment Risks

- The Lik project is owned through a joint-venture agreement with Teck, which operates the neighbouring Red Dog mine. Zazu has the option to increase its interest to 80% by spending ~US\$43 million on the property before 2018 (US\$21.2 million spent as of September 30, 2014). Lik’s proximity to Red Dog arguably makes the asset a natural fit for Teck. Hence, our interim financed-based valuation assumes that Zazu is acquired prior to Lik construction. This assumption requires the Company to fulfill its ~US\$43 million earn-in, which will require additional financing consideration, which (if successful) could dilute the ownership of current shareholders.



Source: Capital IQ and Haywood Securities

Estimates

	2014	2015	2016	2017	2018
Average Shares O/S, millions	48	89	207	394	394
Forecast Zinc Price, US\$/lb	\$0.87	\$1.10	\$1.20	\$1.20	\$1.15
Forecast Lead Price, US\$/lb	\$0.97	\$1.00	\$1.10	\$1.10	\$1.05
Attributable Payable Zinc Production, Mlb	-	-	-	-	-
Attributable Payable Lead Production, Mlb	-	-	-	-	-
Attributable Payable Silver Production, koz	-	-	-	-	-
Total Zinc Cash Cost, US\$/lb	-	-	-	-	-
Earnings, US\$M	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)
EPS, US\$	(\$0.02)	(\$0.01)	(\$0.00)	(\$0.00)	(\$0.00)
Price / EPS	-	-	-	-	-
Cash Flow Before W/C Changes, US\$M	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)
CFPS, US\$	(\$0.02)	(\$0.01)	(\$0.00)	(\$0.00)	(\$0.00)
Price / CFPS	-	-	-	-	-

Share Price: \$0.30
CS/US\$ FX Rate: 1.17



Precious Metals – Target Price and Estimate Revisions

Company	Ticker	Analyst	Price* (C\$)	Shares O/S (M)	MC (C\$M)	EV (C\$M)	Target Price and Rating					NAV Valuation							
							C\$/share		Return (%)	Previous Rating	Revised Rating	Corp Adj (US\$/share)	Projects NAV (US\$/share)	Corp NAV (US\$/share)		Price / Project NAV	Target Price / Project NAV	Price / Corp NAV	Target Price / Corp NAV
							Previous	Revised						Previous	Revised				
SENIOR & INTERMEDIATE PRODUCERS - GOLD																			
Alamos Gold	AGI-T	KS	\$7.50	127.4	\$955	\$550	\$11.25	\$9.25	23%	BUY	BUY	\$3.59	\$7.00	\$12.70	\$12.72	0.9x	1.1x	0.5x	0.6x
Barrick Gold	ABX-T	KS	\$15.43	1,165.0	\$17,976	\$28,651	\$17.25	\$14.25	(8%)	HOLD	HOLD	(\$8.70)	\$14.20	\$16.35	\$5.50	0.9x	0.9x	2.4x	2.2x
B2Gold	BTO-T	GM	\$2.52	917.5	\$2,312	\$2,614	\$3.20	\$3.25	29%	BUY	BUY	(\$0.41)	\$2.14	C\$1.79	\$1.72	1.2x	1.5x	1.5x	1.9x
Debur Gold	DGC-T	KS	\$12.49	170.6	\$2,131	\$2,552	\$13.50	\$14.00	12%	BUY	BUY	(\$0.07)	\$16.31	\$19.15	\$17.82	0.7x	0.7x	0.6x	0.7x
Eldorado Gold	ELD-T	KS	\$7.04	716.3	\$5,043	\$5,005	\$9.50	\$9.00	28%	BUY	BUY	\$0.15	\$7.70	\$12.70	\$9.40	0.8x	1.0x	0.6x	0.8x
Group Average																0.9x	1.0x	1.1x	1.2x
JUNIOR PRODUCERS - GOLD																			
Endeavour Mining	EDV-T	TH	\$0.58	413.1	\$240	\$459	\$1.15	\$1.30	124%	BUY	BUY	(C\$0.71)	C\$1.98	C\$1.18	C\$1.27	0.3x	0.7x	0.5x	1.0x
Klondex Mines	KDX-T	TH	\$2.62	127.3	\$334	\$332	\$3.50	\$3.50	34%	BUY	BUY	C\$0.30	C\$1.79	C\$2.10	C\$2.10	1.2x	2.0x	1.2x	1.7x
Lake Shore Gold	LSG-T	KS	\$1.08	422.5	\$456	\$519	\$1.30	\$1.30	20%	BUY	BUY	(C\$0.15)	C\$0.90	C\$1.33	C\$1.37	1.0x	1.2x	0.7x	0.8x
Luna Gold	LGC-T	TH	\$0.33	141.5	\$47	\$63	\$0.10	\$0.10	(70%)	SELL	SELL	C\$0.04	C\$0.06	C\$0.10	C\$0.10	5.5x	1.7x	3.3x	1.0x
Mandalay Resources	MND-T	BA	\$0.95	408.8	\$388	\$402	\$1.50	\$1.50	58%	BUY	BUY	(C\$0.05)	C\$0.93	C\$0.95	C\$0.89	1.0x	1.6x	1.1x	1.7x
OceanaGold	OGC-T	GM	\$2.63	301.3	\$792	\$911	\$3.30	\$3.20	22%	BUY	BUY	C(\$0.63)	C\$1.97	C\$1.41	C\$1.34	1.3x	1.6x	2.0x	2.4x
Rio Alto Mining	RIO-T	KS	\$3.23	332.2	\$1,073	\$1,055	\$4.25	\$4.25	32%	BUY	BUY	\$0.19	\$1.68	\$2.03	\$2.03	1.9x	2.5x	1.6x	2.1x
SEMAFO	SMF-T	KS	\$4.03	277.7	\$1,119	\$920	\$6.25	\$5.75	43%	BUY	BUY	\$0.15	\$1.58	\$2.49	\$2.46	2.2x	3.1x	1.4x	2.0x
Group Average																1.8x	1.8x	1.5x	1.6x
EXPLORATION & DEVELOPMENT - GOLD																			
Asanko Gold	AKG-T	GM	\$1.99	174.1	\$346	\$113	\$3.20	\$3.20	61%	BUY	BUY	C\$1.14	C\$2.09	C\$3.24	C\$3.23	1.0x	1.5x	0.6x	1.0x
Castle Mountain Mining	CMM-V	TH	\$0.47	71.9	\$34	\$27	\$0.65	\$0.70	49%	BUY	BUY	(C\$0.01)	C\$0.89	C\$0.80	C\$0.88	0.5x	0.8x	0.5x	0.8x
Lydian International	LYD-T	TH	\$0.50	152.2	\$76	\$59	\$0.95	\$0.90	80%	BUY	BUY	C\$0.00	C\$1.00	C\$1.03	C\$1.00	0.5x	0.9x	0.5x	0.9x
Midas Gold	MAX-T	GM	\$0.55	141.7	\$78	\$63	\$0.85	\$0.80	45%	BUY	BUY	C\$0.74	C\$0.06	C\$0.85	C\$0.80	9.2x	13.3x	0.7x	1.0x
Midway Gold	MDW-T	GM	\$0.91	176.5	\$161	\$188	\$1.00	\$1.00	10%	HOLD	HOLD	(C\$0.53)	C\$1.46	C\$0.96	C\$0.93	0.6x	0.7x	1.0x	1.1x
Moneta Porcupine Mines	ME-T	KS	\$0.06	193.6	\$12	\$11	\$0.20	\$0.20	233%	HOLD	HOLD	C\$0.00	C\$0.47	C\$0.47	C\$0.47	0.1x	0.4x	0.1x	0.4x
Orbis Gold	OBS-AU	TH	A\$0.63	249.9	A\$157	A\$159	A\$0.65	A\$0.65	3%	BUY	TENDER	(A\$0.06)	A\$0.95	A\$0.86	A\$0.89	0.7x	0.7x	0.7x	0.7x
Orezone Gold	ORE-T	GM	\$0.45	95.7	\$43	\$36	\$1.10	\$1.10	144%	BUY	BUY	C\$0.57	C\$0.49	C\$1.09	C\$1.06	0.9x	2.2x	0.4x	1.0x
Pilot Gold	PLG-T	TH	\$1.13	107.2	\$121	\$87	\$1.70	\$1.60	42%	BUY	BUY	C\$0.05	C\$1.54	C\$1.66	C\$1.59	0.7x	1.0x	0.7x	1.0x
Roxgold	ROG-V	TH	\$0.64	287.7	\$184	\$143	\$1.00	\$1.00	56%	BUY	BUY	C\$0.09	C\$1.02	C\$1.12	C\$1.11	0.9x	0.9x	0.6x	0.9x
Sarama Resources	SWA-V	TH	\$0.10	87.2	\$8	\$5	\$0.20	\$0.25	163%	BUY	BUY	C(\$0.05)	C\$0.30	C\$0.22	C\$0.25	0.3x	0.8x	0.4x	1.0x
True Gold Mining	TGM-V	TH	\$0.18	398.8	\$72	\$24	\$0.55	\$0.55	206%	BUY	BUY	C\$0.15	C\$0.52	C\$0.69	C\$0.67	0.3x	1.1x	0.3x	0.8x
Group Average																1.3x	2.0x	0.5x	0.9x
ALL CATEGORIES - SILVER																			
Endeavour Silver	EDR-T	BA	\$3.50	102.0	\$357	\$354	\$2.75	\$2.85	(19%)	SELL	SELL	C(\$0.22)	C\$1.12	C\$0.89	C\$0.90	3.1x	2.5x	3.9x	3.2x
Fortuna Silver	FVI-T	BA	\$5.66	127.5	\$722	\$641	\$5.60	\$5.85	3%	HOLD	HOLD	C(\$0.36)	C\$3.88	C\$3.89	C\$3.52	1.5x	1.5x	1.6x	1.7x
SilverCrest Mines	SVL-T	BA	\$1.73	118.8	\$205	\$180	\$1.85	\$1.90	10%	BUY	HOLD	C(\$0.14)	C\$1.31	C\$1.16	C\$1.17	1.3x	1.5x	1.5x	1.6x
Tahoe Resources	THO-T	GM	\$17.73	147.6	\$2,617	\$2,584	\$12.75	\$14.50	(18%)	SELL	SELL	C(\$2.52)	C\$7.93	C\$4.89	C\$5.41	2.2x	1.8x	3.3x	2.7x
Group Average																2.0x	1.8x	2.6x	2.3x

*Prices as of January 23, 2015

C\$/US\$ FX Rate: 1.17

Notes:

Analysts: BA: Benjamin Asuncion, MC: Mick Carew, TH: Tara Hassan, CH: Colin Healey, SI: Stefan Ioannou, GM: Geordie Mark, KS: Kerry Smith

Source: Haywood Securities



Metals and Mining – Target & Commodity Price Revisions

January 27, 2015

Company	2015 CFPS				2016 CFPS				Previous Target / Rating Valuation Metric	New Target / Rating Valuation Metric
	US\$/share Previous	US\$/share Revised	Price / 2015E CFPS	Target Price / 2015E CFPS	US\$/share Previous	US\$/share Revised	Price / 2016E CFPS	Target Price / 2016E CFPS		
SENIOR & INTERMEDIATE PRODUCERS - GOLD										
Alamos Gold	\$0.50	\$0.45	14.2x	18x	\$0.55	\$0.60	10.7x	13.2x	13.0x EV/2015E CFPS	10.0x EV/2015E CFPS
Barrick Gold	\$2.45	\$2.00	6.6x	6x	\$2.45	\$2.05	6.5x	6.0x	9.5x EV/2015E CFPS	10.0x EV/2015E CFPS
B2Gold	\$0.24	\$0.23	9.4x	12x	\$0.32	\$0.32	6.8x	8.7x	12.0x 2015 CFPS	12.0x 2015 CFPS
Detour Gold	\$1.20	\$1.10	9.7x	11x	\$1.40	\$1.35	7.9x	8.9x	12.0x EV/2015E CFPS	13.0x EV/2015E CFPS
Eldorado Gold	\$0.49	\$0.27	22.5x	29x	\$0.87	\$0.63	9.7x	12.3x	12x EV/2015E-2016E CFPS	12x EV/2016E CFPS
Group Average			12.5x	15x			8.3x	9.8x		
JUNIOR PRODUCERS - GOLD										
Endeavour Mining	\$0.29	\$0.30	1.9x	4x	\$0.36	\$0.35	1.7x	3.7x	0.9x NAVPS (30%) + 6.0x EV/2015E CFPS (70%)	0.9x NAVPS (30%) + 6.0x EV/2015E CFPS (70%)
Klondex Mines	C\$0.40	C\$0.40	6.6x	9x	C\$0.42	C\$0.42	6.2x	8.3x	1.0x NAVPS (10%) + 8.5x EV/2015E CFPS (90%)	1.0x NAVPS (10%) + 8.5x EV/2015E CFPS (90%)
Lake Shore Gold	C\$0.24	C\$0.23	4.8x	6x	C\$0.26	C\$0.27	3.9x	4.7x	6.5x EV/2015E CFPS	6.5x EV/2015E CFPS
Luna Gold	(\$0.01)	(\$0.00)	-	-	(\$0.00)	\$0.01	19.4x	5.9x	0.5x Corporate NAV	0.5x Corporate NAV
Mandalay Resources	\$0.18	\$0.18	4.5x	7x	\$0.19	\$0.21	3.9x	6.1x	7.0x 2015 CFPS	7.0x 2015 CFPS
OceanaGold	\$0.53	\$0.46	4.9x	6x	\$0.51	\$0.45	5.0x	6.1x	5.5X 2015 CFPS	6X 2015 CFPS
Rio Alto Mining	\$0.30	\$0.30	9.2x	12x	\$0.35	\$0.35	7.9x	10.4x	10.5x EV/2015E-2016E CFPS	10.5x EV/2015E-2016E CFPS
SEMAFO	\$0.62	\$0.53	6.5x	9x	\$0.56	\$0.56	6.2x	8.9x	8x EV/2015E CFPS	8x EV/2015E CFPS
Group Average			5.5x	8x			6.8x	6.8x		
EXPLORATION & DEVELOPMENT - GOLD										
Asanko Gold	(\$0.05)	(\$0.05)	-	-	\$0.43	\$0.43	-	-	1.0x Corporate NAV	1.0x Corporate NAV
Castle Mountain Mining	(\$0.01)	(\$0.01)	-	-	(\$0.00)	(\$0.00)	-	-	0.80 x Project NAV + Corp. Adjustments	0.80 x Project NAV + Corp. Adjustments
Lydian International	(\$0.01)	(\$0.01)	-	-	(\$0.08)	(\$0.07)	-	-	0.90 x Project NAV + Corp. Adjustments	0.90 x Project NAV + Corp. Adjustments
Midas Gold	(\$0.02)	(\$0.02)	-	-	(\$0.02)	(\$0.02)	-	-	1.0x Corporate NAV	1.0x Corporate NAV
Midway Gold	\$0.11	\$0.09	-	-	\$0.20	\$0.17	-	-	1.0x Corporate NAV	1.0x Corporate NAV
Moneta Porcupine Mines	-	-	-	-	-	-	-	-	0.60x Blended Valuation	0.60x Blended Valuation
Orbis Gold	(A\$0.03)	(A\$0.03)	-	-	(A\$0.02)	(A\$0.02)	-	-	**	**
Orezone Gold	(\$0.03)	(\$0.03)	-	-	(\$0.02)	(\$0.02)	-	-	1.0x Corporate NAV	1.0x Corporate NAV
Pilot Gold	(\$0.03)	(\$0.04)	-	-	(\$0.03)	(\$0.03)	-	-	1.0x Corporate NAV (Hallilaga DCF; Kinsley, TV Tower \$35/oz in-situ multiple)	1.0x Corporate NAV (Hallilaga DCF; Kinsley, TV Tower \$40/oz in-situ multiple)
Roxgold	(\$0.03)	(\$0.02)	-	-	\$0.13	\$0.13	4.2x	6.6x	0.90 x Project NAV + Corp. Adjustments	0.90 x Project NAV + Corp. Adjustments
Sarama Resources	(\$0.01)	(\$0.01)	-	-	(\$0.01)	(\$0.01)	-	-	1.0x Corporate NAV (\$25/oz in-situ multiple)	1.0x Corporate NAV (\$25/oz in-situ multiple)
True Gold Mining	(\$0.02)	(\$0.02)	-	-	\$0.13	\$0.14	1.1x	3.4x	0.7x Corporate NAV (Karma DCF; Liguidi in-situ multiple)	0.7x Corporate NAV (Karma DCF; Liguidi in-situ multiple)
Group Average			-	-			-	-		
ALL CATEGORIES - SILVER										
Endeavour Silver	\$0.35	\$0.35	8.5x	7.0x	\$0.45	\$0.45	6.7x	5.4x	7.0x 2015 CFPS	7.0x 2015 CFPS
Fortuna Silver	\$0.44	\$0.37	13.1x	13.5x	\$0.49	\$0.49	9.9x	10.2x	9x 2016 EV/CFPS	9x 2016 EV/CFPS
SilverCrest Mines	\$0.18	\$0.18	8.2x	9.0x	\$0.24	\$0.24	6.2x	6.8x	7.0x 2016 CFPS	7.0x 2016 CFPS
Tahoe Resources	\$0.81	\$0.89	17.0x	13.9x	\$0.85	\$0.86	17.7x	14.5x	14.0x 2015 CFPS	14.0x 2015 CFPS
Group Average			12x	11x			10x	9x		

Notes:

C\$/US\$ FX Rate: 1.17

C\$/US\$ FX Rate: 1.17

*Prices as of January 23, 2015

**Orbis Gold Ltd. Target Price is based on SEMAFO's offer price of A\$0.65/share

Analysts: BA: Benjamin Asuncion, MC: Mick Carew, TH: Tara Hassan, CH: Colin Healey, SI: Stefan Ioannou, GM: Geordie Mark, KS: Kerry Smith

Source: Haywood Securities



Base Metals and Other Metals – Target Price and Estimate Revisions

Company	Ticker	Analyst	Price (C\$)	Shares O/S (M)	MC (C\$M)	EV (C\$M)	Target Price and Rating					NAV Valuation							
							C\$/share		Return (%)	Previous Rating	Revised Rating	Corp Adj (US\$/share)	Project NAV (US\$/share)	Corp NAV (US\$/share)		Price / Project NAV	Target Price / Project NAV	Price / Corp NAV	Target Price / Corp NAV
							Previous	Revised						Previous	Revised				
SENIOR BASE METALS																			
First Quantum	FM-T	KS	\$12.67	600.5	\$7,608	\$12,462	\$22.00	\$12.00	(5%)	HOLD	HOLD	(\$8.71)	\$24.00	\$21.18	\$17.08	0.5x	0.5x	0.7x	0.7x
Lundin Mining	LUN-T	KS	\$4.63	718.2	\$3,325	\$4,337	\$7.75	\$6.75	46%	BUY	BUY	(\$1.58)	\$5.03	\$6.46	\$4.82	0.9x	1.3x	1.0x	1.4x
Teck Resources	TCK.B-T	KS	\$15.48	576.2	\$8,919	\$13,640	\$22.50	\$16.25	5%	BUY	HOLD	(C\$10.30)	C\$34.95	C\$28.80	C\$24.65	0.4x	0.5x	0.5x	0.6x
Group Average																0.6x	0.8x	0.7x	0.9x
INTERMEDIATE BASE METALS																			
Capstone Mining	CS-T	SI	\$1.23	382.0	\$470	\$549	\$3.50	\$2.00	63%	BUY	BUY	(C\$0.93)	C\$5.83	C\$4.85	C\$4.90	0.2x	0.3x	0.3x	0.4x
Copper Mountain Mining	CUM-T	SI	\$1.10	118.8	\$131	\$434	\$3.50	\$2.00	82%	BUY	BUY	(C\$1.35)	C\$5.34	C\$4.20	C\$3.99	0.2x	0.4x	0.3x	0.5x
Coro Mining	COP-T	SI	\$0.03	159.4	\$5	\$5	\$0.08	\$0.08	167%	HOLD	HOLD	C\$0.02	C\$0.08	C\$0.10	C\$0.10	0.4x	1.1x	0.3x	0.8x
Foran Mining	FOM-V	SI	\$0.22	90.8	\$20	\$15	\$0.35	\$0.35	59%	BUY	BUY	(C\$0.09)	C\$0.46	C\$0.35	C\$0.37	0.5x	0.8x	0.6x	1.0x
Highland Copper	HI-V	SI	\$0.39	122.0	\$47	\$69	\$0.65	\$0.65	69%	BUY	BUY	(C\$0.06)	C\$0.71	C\$0.65	C\$0.65	0.5x	0.9x	0.6x	1.0x
Hudbay Minerals Inc.	HBM-T	SI	\$9.12	233.6	\$2,138	\$2,943	\$11.00	\$11.00	21%	BUY	BUY	C\$1.13	C\$9.44	C\$10.75	C\$10.57	1.0x	1.2x	0.9x	1.0x
Nevsun Resources	NSU-T	SI	\$4.36	199.6	\$858	\$251	\$5.00	\$5.00	15%	BUY	BUY	C\$2.97	C\$2.03	C\$5.15	C\$5.00	2.1x	2.5x	0.9x	1.0x
NovaCopper	NCQ-T	SI	\$0.68	60.3	\$41	\$34	\$2.00	\$1.75	157%	BUY	BUY	(C\$0.73)	C\$2.48	C\$1.95	C\$1.75	0.3x	0.7x	0.4x	1.0x
Royal Nickel	RNX-T	SI	\$0.33	109.6	\$36	\$32	\$0.75	\$0.60	82%	BUY	BUY	(C\$0.04)	C\$0.64	C\$0.75	C\$0.60	0.5x	0.9x	0.6x	1.0x
Sunridge Gold	SGC-V	SI	\$0.15	209.9	\$30	\$22	\$0.35	\$0.35	133%	BUY	BUY	(C\$0.01)	C\$0.37	C\$0.35	C\$0.35	0.4x	1.0x	0.4x	1.0x
Talon Metals	TLO-T	SI	\$0.23	106.8	\$25	\$14	\$0.50	\$0.50	117%	BUY	BUY	(C\$0.25)	C\$0.73	C\$0.48	C\$0.48	0.3x	0.7x	0.5x	1.0x
Trevalli Mining	TV-T	SI	\$1.06	281.4	\$297	\$318	\$1.35	\$1.35	27%	BUY	BUY	C\$0.18	C\$1.11	C\$1.35	C\$1.30	1.0x	1.2x	0.8x	1.0x
Zazu Metals	ZAZ-T	SI	\$0.31	47.9	\$14	\$14	\$0.65	\$0.50	64%	BUY	BUY	C\$0.07	C\$0.41	C\$0.49	C\$0.48	0.7x	1.2x	0.6x	1.0x
Group Average																0.6x	1.0x	0.5x	0.9x
OTHER MINING COMPANIES																			
Denison Mines	DML-T	CH	\$1.07	505.9	\$541	\$507	C\$2.10	C\$2.10	96%	BUY	BUY	(C\$0.02)	C\$2.10	C\$2.05	C\$2.09	0.5x	1.0x	0.5x	1.0x
Energy Fuels	EFR-T	CH	\$5.65	19.7	\$111	\$117	<i>RESTRICTED</i>												
Paladin Energy	PDN-T	CH	\$0.33	1,666.9	\$550	\$1,054	C\$0.50	C\$0.50	52%	HOLD	HOLD	(C\$1.14)	C\$1.66	C\$0.61	C\$0.52	0.2x	0.3x	0.6x	1.0x
Ur-Energy	URE-T	CH	\$0.97	129.3	\$125	\$169	C\$1.70	C\$1.70	75%	BUY	BUY	(C\$0.26)	C\$1.88	C\$1.66	C\$1.62	0.5x	0.9x	0.6x	1.1x
Uranerz Energy	URZNYSE.MKT	CH	US\$1.10	95.9	US\$105	US\$116	<i>RESTRICTED</i>												
Uranium Energy	UEC-NYSE.MKT	CH	US\$1.13	91.7	US\$104	US\$118	US\$1.70	US\$1.70	50%	HOLD	HOLD	(\$0.74)	\$2.50	\$1.74	\$1.77	0.5x	0.7x	0.6x	1.0x
Uranium Participation	U-T	CH	\$5.21	116.9	\$609	\$589	C\$5.80	C\$6.20	19%	BUY	BUY	-	-	C\$5.69	C\$6.17	-	-	0.8x	1.0x
Group Average																0.4x	0.7x	0.6x	1.0x

*Prices as of January 23, 2015

C\$/US\$ FX Rate: 1.17

Notes:

Analysts: BA: Benjamin Asuncion, MC: Mick Carew, TH: Tara Hassan, CH: Colin Healey, SI: Stefan Ioannou, GM: Geordie Mark, KS: Kerry Smith

Source: Haywood Securities



Metals and Mining – Target & Commodity Price Revisions

January 27, 2015

Company	2015 CFPS				2016 CFPS				Previous Target / Rating Valuation Metric	New Target / Rating Valuation Metric
	US\$/share Previous	US\$/share Revised	Price / 2015E CFPS	Target Price / 2015E CFPS	US\$/share Previous	US\$/share Revised	Price / 2016E CFPS	Target Price / 2016E CFPS		
SENIOR BASE METALS										
First Quantum	\$3.35	\$2.00	5.4x	5.1x	\$3.60	\$2.50	4.4x	4.1x	7x EV/2015E CFPS	8x EV/2015E CFPS
Lundin Mining	\$1.20	\$0.95	4.2x	6.1x	\$1.20	\$0.95	4.2x	6.1x	6x EV/2015E CFPS	7x EV/2015E CFPS
Teck Resources	C\$3.75	C\$3.00	5.2x	5.4x	C\$3.95	C\$3.60	4.3x	4.5x	8x EV/2015E CFPS	8x EV/2015E CFPS
Group Average			4.9x	5.5x			4.3x	4.9x		
INTERMEDIATE BASE METALS										
Capstone Mining	\$0.60	\$0.15	7.0x	11.4x	\$0.50	\$0.32	3.3x	5.3x	0.75 x 5.0x 2015E CFPS + 0.25 x 1.0x After-Tax Corp NAV10%	0.75 x 5.0x 2015E CFPS + 0.25 x 1.0x After-Tax Corp NAV10%
Copper Mountain Mining	\$0.45	\$0.25	3.8x	6.8x	\$0.60	\$0.40	2.4x	4.3x	5.0x 2015E attributable CFPS	5.0x 2015E attributable CFPS
Coro Mining	(\$0.02)	(\$0.02)	-	-	\$0.00	\$0.00	15.7x	41.9x	0.8x After-Tax Corporate NAV	0.8x After-Tax Corporate NAV
Foran Mining	(\$0.02)	(\$0.02)	-	-	(\$0.00)	(\$0.00)	-	-	1.0x After-Tax Corporate NAV12%	1.0x After-Tax Corporate NAV12%
Highland Copper	(\$0.02)	(\$0.02)	-	-	(\$0.00)	(\$0.00)	-	-	1.0x After-Tax Corporate NAV12%	1.0x After-Tax Corporate NAV12%
Hudbay Minerals Inc.	\$0.15	\$0.51	15.2x	18.4x	\$1.50	\$1.12	7.0x	8.4x	1.0x to After-Tax Corporate NAV10%	1.0x to After-Tax Corporate NAV10%
Nevsun Resources	\$0.70	\$0.35	10.6x	12.2x	\$0.55	\$0.40	9.2x	10.6x	1.0x After-Tax Corporate NAV10%	1.0x After-Tax Corporate NAV10%
NovaCopper	(\$0.17)	(\$0.19)	-	-	(\$0.25)	(\$0.18)	-	-	1.0x After-Tax Corporate NAV10%	1.0x After-Tax Corporate NAV10%
Royal Nickel	(\$0.04)	(\$0.01)	-	-	(\$0.04)	(\$0.03)	-	-	1.0x After-Tax Corporate NAV10%	1.0x After-Tax Corporate NAV10%
Sunridge Gold	(\$0.02)	(\$0.01)	-	-	(\$0.00)	(\$0.00)	-	-	1.0x After-Tax Corporate NAV10%	1.0x After-Tax Corporate NAV10%
Talon Metals	(\$0.03)	(\$0.03)	-	-	(\$0.02)	(\$0.02)	-	-	1.0x After-Tax Corporate NAV10%	1.0x After-Tax Corporate NAV10%
Trevali Mining	\$0.05	\$0.10	9.5x	12.1x	\$0.25	\$0.25	3.7x	4.7x	1.0x After-Tax Corporate NAV10%	1.0x After-Tax Corporate NAV10%
Zazu Metals	(\$0.04)	(\$0.01)	-	-	(\$0.01)	(\$0.00)	-	-	1.0x Interim Financed After-Tax Corporate NAV10%	1.0x Interim Financed After-Tax Corporate NAV10%
Group Average			9.2x	12.2x			6.9x	12.5x		
OTHER MINING COMPANIES										
Denison Mines	(\$0.04)	(\$0.01)	-	-	(\$0.01)	\$0.01	133x	262x	1.0x Corporate NAV8%	1.0x Corporate NAV8%
Energy Fuels									RESTRICTED	
Paladin Energy	\$0.01	(\$0.02)	-	-	(\$0.02)	\$0.01	35.4x	53.6x	1.0x NAVPS10%	1.0x NAVPS10%
Ur-Energy	(\$0.00)	\$0.06	14.9x	26.2x	\$0.06	\$0.16	5.2x	9.1x	1.0x Corporate NAV8%	1.0x Corporate NAV8%
Uranerz Energy									RESTRICTED	
Uranium Energy	(\$0.20)	(\$0.05)	-	-	(\$0.05)	\$0.05	20.6x	31.0x	1.0x Corporate NAV8%	1.0x Corporate NAV8%
Uranium Participation	-	-	-	-	-	-	-	-	1.0x Corporate NAV	1.0x Corporate NAV
Group Average			3.0x	5.2x			48.6x	88.8x		

*Prices as of January 23, 2015

CS/US\$ FX Rate: 1.17

CS/US\$ FX Rate: 1.17

Notes:

Analysis: BA: Benjamin Asuncion, MC: Mick Carew, TH: Tara Hassan, CH: Colin Healey, SI: Stefan Ioannou, GM: Geordie Mark, KS: Kerry Smith

Source: Haywood Securities

Alamos Gold Inc. (AGI-T, \$7.50)
Rating (Risk): BUY (Medium-High)
Target Price Metric: 10.0x EV/2015E CFPS

Target Price, C\$ \$9.25
Return, % 23%
52-Week High / Low, C\$ \$12.44 / \$7.39
Daily Volume (3-month avg) 659,080

Shares O/S, millions 127.4
Shares F/D, millions 139.3
Market Cap, US\$M \$769
Company CEO John A. McCluskey
Company Web Site www.alamosgold.com

Balance Sheet and Capitalization

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$768.7	\$6.04	\$955.2	\$7.50
Current Cash	\$360.0	\$2.83	\$447.3	\$3.51
F/D Cash Adds	\$237.5	\$1.86	\$295.1	\$2.32
Working Capital	\$407.7	\$3.20	\$506.6	\$3.98
Long-term Debt	\$0.0	\$0.00	\$0.0	\$0.00
Book Value	\$769.6	\$6.04	\$956.3	\$7.51
Enterprise Value (EV)	\$361.0	\$2.83	\$448.6	\$3.52

EV = Market Capitalization - Working Capital + Long-term Debt
 Spot C\$/US\$ FX Rate: 1.24

Financial Forecast

	2013A	2014E	2015E	2016E	2017E	2018E
Forecast Gold Price, US\$/oz	\$1,424	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
C\$/US\$ FX Rate	1.03	1.10	1.17	1.17	1.12	1.08
Shares O/S, millions	127.3	127.4	127.4	127.4	127.4	127.4
Revenue, US\$M	\$282.2	\$170.4	\$219.7	\$240.1	\$402.2	\$683.4
Mine Site Expense, US\$M	(\$105.9)	(\$107.4)	(\$150.6)	(\$151.7)	(\$228.9)	(\$329.2)
Corporate G&A, US\$M	(\$21.9)	(\$17.0)	(\$17.0)	(\$17.0)	(\$17.0)	(\$17.0)
EBITDA, US\$M	\$142.0	\$37.5	\$45.6	\$64.9	\$149.8	\$330.8
EV / EBITDA	2.5x	9.6x	7.9x	5.6x	2.4x	1.1x
DD&A, US\$M	(\$56.5)	(\$35.1)	(\$43.9)	(\$48.0)	(\$72.0)	(\$138.3)
Earnings, US\$M	\$38.8	\$2.8	\$2.2	\$12.8	\$54.8	\$135.0
EPS, US\$	\$0.30	\$0.05	\$0.05	\$0.15	\$0.45	\$1.10
Current Price / EPS	21.0x	128.1x	128.1x	42.7x	14.2x	5.8x
Target Price / EPS	29.5x	168.2x	158.0x	52.9x	18.3x	7.8x
Cash Flow Before W/C Changes, US\$M	\$113.3	\$47.4	\$57.3	\$76.4	\$144.2	\$324.1
CFPS, US\$	\$0.89	\$0.37	\$0.45	\$0.60	\$1.15	\$2.55
Current Price / CFPS	7.2x	17.2x	14.2x	10.7x	5.6x	2.5x
Target Price / CFPS	10.1x	22.6x	17.6x	13.2x	7.2x	3.4x
CFPS Sensitivity, US\$	\$0.00	\$0.05	\$0.05	\$0.03	\$0.08	\$0.00
CAPEX and Capitalized Exploration, US\$M	(\$59.7)	(\$65.0)	(\$45.1)	(\$33.0)	(\$177.5)	(\$29.2)
Free Cash Flow, US\$M	\$53.5	(\$17.6)	\$12.2	(\$23.7)	(\$33.2)	\$294.9
FCPS, US\$	\$0.42	(\$0.14)	\$0.10	(\$1.99)	(\$0.26)	\$2.32
Proceeds from Equity Financing, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from Debt Financing, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Debt Repayment, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Dividend Payments, US\$M	(\$23.3)	(\$25.5)	(\$25.5)	(\$25.5)	(\$25.5)	(\$25.5)
Increase in Cash and Equivalents, US\$M	\$141.8	(\$43.1)	(\$17.1)	(\$282.4)	(\$58.7)	\$269.4
Increase in Cash and Equivalents per Share, US\$	\$1.11	(\$0.34)	(\$0.10)	(\$2.19)	(\$0.46)	\$2.12

CFPS sensitivity is based on a US\$9/oz change in forecast gold price.

Mulatos Production Profile (100% owned)

	2013A	2014E	2015E	2016E	2017E	RL0M
Mulatos (100% owned, open pit)						
Mulatos Tonnes to Heap Leach, millions tpa	6.3	6.2	6.4	6.4	6.4	51.2
Mulatos Ore to Leach Pad, tpd	17,900	17,200	17,780	17,780	17,780	17,778
Mulatos Heap Leach Gold Grade, g/t	1.07	0.98	0.80	1.00	1.09	1.02
Mulatos Heap Leach Gold Recovery, %	73%	65%	73%	73%	74%	73%
Mulatos Strip Ratio	0.48	0.63	1.20	1.00	1.03	1.02
Mulatos HG Tonnes to Mill, millions tpa	0.2	0.1	0.2	0.2	0.2	1.1
Mulatos Mill Gold Grade, g/t	6.8	6.5	9.0	7.5	7.5	7.8
Mulatos Mill Gold Recovery, %	90%	70%	90%	90%	90%	90%
Mulatos Gold Production, ounces 000's	190	140	175	192	209	1,520
Mulatos Total Cash Cost, US\$/oz	\$496	\$720	\$810	\$745	\$695	\$715
Esperanza (100% owned, open pit)						
Esperanza Tonnes Processed, millions tpa	-	-	-	-	7.0	50.3
Esperanza Processed Gold Grade, g/t	-	-	-	-	0.72	0.75
Esperanza Average Gold Recovery, %	-	-	-	-	69%	73%
Esperanza Strip Ratio	-	-	-	-	2.09	1.91
Esperanza Gold Production, ounces 000's	-	-	-	-	112	894
Esperanza Total Cash Cost, US\$/oz	-	-	-	-	\$688	\$619
Turkey (100% owned, open pit)						
Turkey Tonnes Processed, millions tpa	-	-	-	-	89.1	7.2
Turkey Processed Gold Grade, g/t	-	-	-	-	0.72	0.72
Turkey Average Gold Recovery, %	-	-	-	-	80%	80%
Turkey Strip Ratio	-	-	-	-	1.21	1.21
Turkey Gold Production, ounces 000's	-	-	-	-	1,610	1,610
Turkey Total Cash Cost, US\$/oz	-	-	-	-	\$557	\$557
Total Gold production, ounces 000's	190	140	175	190	320	3,820
Cash Cost, US\$/oz	\$426	\$725	\$705	\$635	\$585	\$550
Total Cash Cost, US\$/oz	\$496	\$720	\$810	\$745	\$690	\$715
AISC, US\$/oz	\$772	\$1,055	\$1,120	\$1,030	\$855	\$785

2014 Guidance: 150-170 koz of gold at an operating cash cost of US\$630-US\$670/oz and an AISC of US\$960-US\$1,000/oz.
 2015 Guidance: 150-170 koz of gold at an operating cash cost of US\$800/oz and an AISC of US\$1,100/oz.

Historical Quarterly Results

	Q3/13A	Q4/13A	Q1/14A	Q2/14A	Q3/14A	Q4/14A
Tonnes of Combined Ore Crushed per day	18,000	17,900	16,800	17,400	16,400	18,300
Strip Ratio	0.56	0.46	0.54	0.75	0.59	0.61
Heap Leach Gold Grade, g/t	0.99	0.96	1.03	0.93	1.08	0.90
Mill Gold Grade, g/t	6.73	3.46	3.28	8.65	8.47	8.02
Total Gold Production, ounces	43,000	39,000	37,000	33,000	28,000	42,500
Total Gold Sales, ounces	48,000	42,198	32,161	34,039	30,000	38,400
Mining cost per tonne of material, US\$/t	\$2.24	\$2.27	\$2.50	\$3.29	\$3.70	\$3.70
Mining cost per tonne of ore, US\$/t	\$3.49	\$3.23	\$4.62	\$5.75	\$5.87	\$5.87
Crushing, Processing & G+A per tonne of ore, US\$/t	\$9.37	\$9.61	\$9.88	\$9.31	\$11.32	\$11.32
Total cost per tonne of ore, US\$/t	\$12.86	\$12.84	\$14.50	\$15.06	\$17.19	\$17.19
Cash Cost, US\$/oz	\$434	\$566	\$546	\$595	\$719	\$719
Total Cash Cost, US\$/oz	\$491	\$624	\$617	\$663	\$784	\$784
All-in Sustaining Cost, US\$/oz	\$810	\$921	\$908	\$1,047	\$1,148	\$1,148
Average Realized Gold Price, US\$/oz	\$1,329	\$1,276	\$1,291	\$1,288	\$1,284	\$1,200
Average LME Gold Price, US\$/oz	\$1,330	\$1,275	\$1,293	\$1,288	\$1,282	\$0
Cash Flow, US\$M	\$26.4	\$12.7	\$15.9	\$13.2	\$9.9	\$0
CFPS, US\$	\$0.21	\$0.10	\$0.13	\$0.10	\$0.08	\$0
Earnings, US\$M	\$9.2	(\$5.3)	\$2.7	\$0.7	(\$2.2)	\$0
EPS, US\$	\$0.07	(\$0.04)	\$0.02	\$0.01	(\$0.02)	\$0
Capex, US\$M	\$13.1	\$17.5	\$10.9	\$14.8	\$15.3	\$0

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Share Capital Dilution

	Number	Price	Proceeds	Expiry
Warrants	7.2M	C\$29.48	US\$170.1M	43,244.0M
Options	4.8M	C\$14.05	US\$53.7M	Jun '14 to Nov '17
Warrants + Options	11.9M	C\$23.33	US\$223.8M	

Spot C\$/US\$ FX Rate: 1.24

Recent Financings

- January 26, 2009 - C\$83.28M bought deal; 10,410,000 common shares @ C\$8.00 per common share
- July 27, 2005 - US\$10.0M credit facility; 1-3 year term (includes 350,000 warrants @ C\$5.80 for 2 years)
- November 2, 2004 - C\$30.0M public offering; 10.0M common shares @ C\$3.00
- September 30, 2004 - US\$45.0M debt financing; US\$40.0M gold loan due December 2009 + US\$5.0M short-term standby loan
- April 13, 2004 - C\$30.0M private placement; 10.0M units @ C\$3.00 (1 unit = 1 common share + 1/2 warrant @ C\$3.50 for 2 years)
- August 21, 2003 - C\$12.325M private placement; 8.5M units @ C\$1.45 (1 unit = 1 common share + 1/2 warrant @ C\$1.75 for 1 year)

Major Shareholders

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Van Eck Associates	16.2	12.7%	16.2	11.6%
FMR	12.7	10.0%	12.7	9.1%
BlackRock	7.7	6.0%	7.7	5.5%
Neuberger Berman Group	7.1	5.6%	7.1	5.1%

Source: CapitalIQ

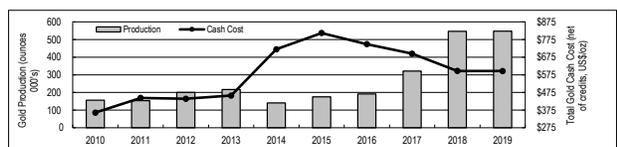
Corporate NAV Summary and Sensitivity

	Base Case	\$1,100	\$1,200	\$1,400	\$1,400	Spot
Forecast Gold Price, US\$/oz	\$1,424	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
Corporate Adjustments, US\$M	\$500	\$500	\$500	\$500	\$500	\$500
After-Tax Mulatos NAV ₂₀₁₅ , US\$M	\$320	\$199	\$280	\$439	\$356	\$356
After-Tax Esperanza NAV ₂₀₁₅ , US\$M	\$220	\$177	\$213	\$285	\$248	\$248
After-Tax Ag Dagikirazi NAV ₂₀₁₅ , US\$M	\$451	\$376	\$435	\$552	\$490	\$490
Additional Resource Credit, US\$M	\$297	\$297	\$297	\$297	\$297	\$297
Corporate NAV, US\$M	\$1,787	\$1,548	\$1,725	\$2,074	\$1,891	\$1,891
Corporate Adjustments, C\$/F/D share	\$4.20	\$4.20	\$4.20	\$4.20	\$4.20	\$4.20
After-Tax Mulatos NAV ₂₀₁₅ , C\$/F/D share	\$2.65	\$1.65	\$2.35	\$3.70	\$3.00	\$3.00
Esperanza NAV ₂₀₁₅ , C\$/F/D share	\$1.80	\$1.50	\$1.80	\$2.40	\$2.10	\$2.10
Ag Dagikirazi NAV ₂₀₁₅ , C\$/F/D share	\$3.75	\$3.15	\$3.65	\$4.65	\$4.10	\$4.10
Additional Resource Credit, C\$/F/D share	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Corporate NAV, C\$/F/D share	\$14.90	\$13.00	\$14.50	\$17.55	\$15.90	\$15.90
Current Price / Corporate NAV	0.5x	0.6x	0.5x	0.4x	0.5x	0.5x
Target Price / Corporate NAV	0.6x	0.7x	0.6x	0.5x	0.6x	0.6x
2013E CFPS, US\$	\$0.89	\$0.89	\$0.89	\$0.89	\$0.89	\$0.89
2014E CFPS, US\$	\$0.37	\$0.22	\$0.31	\$0.50	\$0.40	\$0.40
2015E CFPS, US\$	\$0.45	\$0.30	\$0.40	\$0.60	\$0.50	\$0.50
Implied Target Price, C\$ @ 10.0x EV/2015E CFPS	\$9.25	\$7.50	\$8.50	\$11.00	\$9.75	\$9.75

Base case gold price assumption of US\$1,250/oz.
 Additional exploration credit includes credit for gold resource.
 Shares F/D, millions: 139.3
 2015E C\$/US\$ FX Rate: 1.17

Gold Inventory - Model Mineable, Reserve, and Resource (100% owned)

	Tonnes (000's)	Au Grade (g/t)	Gold (Moz)	EV/oz Au (US\$/oz)	Mine Life (years)
Mulatos					
Haywood Model-Mineable (100%)	52,346	1.17	2.0	\$183	8.2
Haywood Model-Recoverable (100%)	-	-	1.5	\$238	8.2
Company Reported Proven and Probable Reserve (100%)	68,820	1.07	2.4	\$153	10.8
Company Reported Additional Measured & Indicated Resource (100%)	81,783	1.01	2.7	-	12.8
Company Reported Inferred Resource (100%)	17,531	0.90	0.5	-	2.7
Total Reported Reserve and Resource (100%)	168,134	1.02	5.5	\$65	26.3
Turkey					
Haywood Model-Mineable (100%)	89,128	0.72	2.1	-	8.1
Haywood Model-Recoverable (100%)	-	-	1.6	-	8.1
Company Reported Proven and Probable Reserve (100%)	0	0.00	0.0	0.0	0.0
Company Reported Additional Measured & Indicated Resource (100%)	126,274	0.60	2.4	-	11.5
Company Reported Inferred Resource (100%)	50,199	0.63	1.0	-	4.6
Total Reported Reserve and Resource (100%)	176,473	0.61	3.4	-	16.1
Esperanza					
Haywood Model-Mineable (100%)	50,336	0.75	1.2	-	7.2
Haywood Model-Recoverable (100%)	-	-	0.9	-	7.2
Company Reported Proven and Probable Reserve (100%)	0	0.00	0.0	0.0	0.0
Company Reported Additional Measured & Indicated Resource (100%)	50,336	0.91	1.5	-	7.2
Company Reported Inferred Resource (100%)	7,970	0.66	0.2	-	1.1
Total Reported Reserve and Resource (100%)	58,306	0.88	1.6	\$220	8.3
Consolidated Attributable Reserve	68,820	1.07	2.4	\$153	-
Consolidated Attributable Reserve and Resource	467,061	0.79	11.9	\$30	-





Asanko Gold Inc.

TSX:AKG

Price \$1.99

Rating: BUY

Risk: High

23-Jan-15

Shares O/S (M) 197

MCap (C\$) (M) \$392

Target: \$3.20 Return: 61%

Cash and liquidity-rich development-stage company realizing operating and capital synergies post-merger with PMI Gold Corp (PMV-T). We project the pro-forma entity offers the potential to deliver +400 koz per annum with production commencing in Q1/16, and phased development to 400+ koz capacity by 2020.

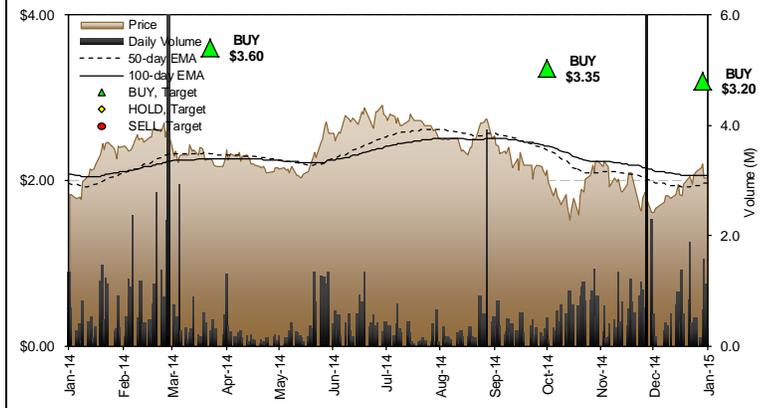
Investment Highlights

- Asanko Gold Inc. is a cash-rich development stage gold company that holds >10 Moz gold in resources, and close to 5 Moz gold in 2P reserves that are planned to be exploited from a central processing facility that has started development with pre-stripping at Phase 1 expected to start in January 2015..
- Development of the processing plant will be staged with Phase 1 (3 Mpta: SABC whole rock CIL circuit) expected to commence production in Q1/16, and Phase 2 (5 Mpta: SABC- flotation-CIL circuit) projected to commence in Q2/19. Initial production from the Asanko Gold mine is expected to exploit material from the Obotan deposits, and Phase 2 is expected to integrate Esaase material in the to the operating schedule.

Catalysts:

- Phase 2 Asanko Gold Mine Scoping Study Scoping – Q1/15
- Pre-stripping commencement – Jan/2015
- Commencement of Mining – Q4/15
- Commissioning – Q1/16

Asanko Gold Inc. Chart



Financials

	2012A	2013A	2014E	2015E	2016E	2017E
Commodity & Exchange Rate Forecasts						
Forecast Gold Price, US\$/oz	\$1,669	\$1,414	\$1,280	\$1,250	\$1,250	\$1,250
C\$/US\$ FX Rate	1.00	1.01	1.10	1.17	1.17	1.12

Income Statement

Net Revenue, \$M	-	-	-	-	240.5	258.6
EBITDA, \$M	(14.1)	(0.0)	(15.0)	(11.4)	110.5	108.6
Net Income, \$M	(13.5)	(1.7)	(22.6)	(11.4)	(59.0)	(136.1)
Net Income per share	(0.17)	(0.02)	(0.14)	(0.06)	(0.30)	(0.69)

Balance Sheet

Cash & Equiv, \$M	204.6	174.6	230.0	98.4	154.5	176.3
Working Capital, \$M	201.7	170.8	222.8	80.0	134.4	150.2
Shares Outstanding (M)	77.5	85.0	164.4	196.8	196.8	196.9

Cash Flow

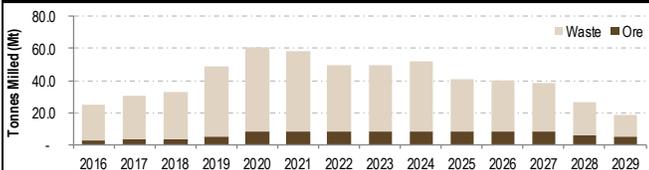
OCF before Δ in WC, \$M	(8.3)	(10.1)	(15.4)	(9.0)	85.2	88.1
OCF before Δ in WC per share	(0.11)	(0.12)	(0.09)	(0.05)	0.43	0.45
Cash flow from Operations, \$M	(9.2)	(9.6)	(21.6)	(9.0)	75.0	92.3
Cash Flow From Investing, \$M	(16.5)	(14.9)	17.0	(200.0)	(37.7)	(47.7)
Cash Flow From Financing, \$M	32.6	(3.8)	59.9	77.3	18.9	(22.8)

* All figures presented in United States dollars unless noted Spot Exchange Rate (C\$/US\$): 1.24

Production Profiles

Asanko Gold Mine (Ghana)	2016E	2017E	2018E	2019E	2020E	2021E	2022E
Material Mined (Mt)	21.9	27.3	29.6	44.0	53.0	50.1	41.9
Strip Ratio (waste:ore)	6.97	8.10	8.88	8.02	5.61	5.26	4.25
Mill Throughput (tpd)	7,529	8,200	8,200	13,370	21,900	21,900	21,900
Tonnes Milled (Mt)	2.8	3.0	3.0	4.9	8.0	8.0	8.0
Production (koz Au)	197	212	207	282	394	413	412
Head Grade (g/t Au)	2.4	2.4	2.4	2.0	1.7	1.8	1.8
Recoveries (% Au)	91%	91%	91%	91%	91%	91%	91%
Payable Production (koz Au)	196	211	206	280	392	411	410
Cash Cost, US\$/oz Au	613	665	714	825	802	747	690
Operating Costs (US\$/t milled)	44	47	49	47	39	38	35

Mine Schedule



Timelines

	F2014	F2015	F2016	F2017	F2018	F2019	F2020
Obotan Construction							
Obotan Production							
Esaase Construction							
Esaase Production							

Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$2.95 / \$1.50	Average Daily Vol (M)	0.66
Ownership (M)	Shares O/S, M	% O/S	Major Shareholder (%)
Institutional	84	43%	Van Eck Associates Corporation 9%
Management & Insiders	16	8%	Disbrow, Robert 5%
			Highland Park S.A. 4%

Last Financing

PENDING	C\$40.0 million	Bought deal	19.8M shares at C\$2.02/sh
Shares O/S - Basic, F.D.		196.8	208.5

(C\$) (M)

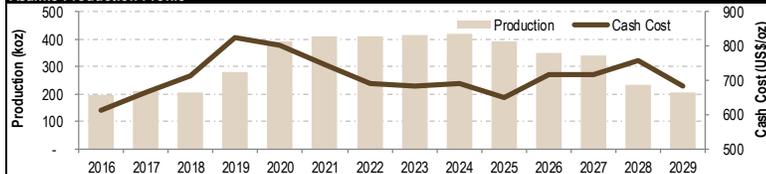
	Av Strike	Basic	ITM	Proceeds
Cash & Equiv				\$331
Options	\$1.96 - \$8.34	11.5	0.2	\$0
Warrants	\$4.00 - \$5.00	0.1	-	-
Total Cash & ITM		11.6	0.2	\$332
Market Cap				\$392

Corporate NAV Summary

Per Share	NAV 9%		NAV 8%		NAV 7%	
	C\$M	C\$/share	C\$M	C\$/share	C\$M	C\$/share
Asanko Gold Mine PNAV	383	\$1.86	430	\$2.09	482	\$2.34
Project NAV	383	\$1.86	430	\$2.09	482	\$2.34
Corporate Adjustments	197	\$1.18	190	\$1.14	182	\$1.10
Corporate NAV	580	\$3.04	620	\$3.23	664	\$3.45

Current Share Base: 197 M shares FFD Share Base: 203 M shares

Asanko Production Profile



Metal Inventory

	Category	Tonnes (M)	Au (g/t)	Au Moz
Esaase	Proven & Probable	52	1.4	2.4
	Open-Pit Project	23	1.5	1.1
	Indicated	71	1.4	3.3
	Inferred	34	1.4	1.5
Obotan	Proven & Probable	37	2.2	2.5
	Open-Pit Project	16	2.5	1.2
	Indicated	34	2.1	2.3
	Inferred	16	2.0	1.0
Asanko Gold Mine	Modelled	89	1.7	4.9

Note: Reserves & resources presented on a 100%-basis Resources inclusive of reserves

Corporate Contact

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Source: Haywood Securities



B2Gold Corp.

TSX:BTO NYSE:BTG

Price C\$2.52

Rating: Buy Risk: High

23-Jan-15

Shares O/S (M) 918

MCap (C\$) (M) C\$2,312

Target: C\$3.25 Return: 29%

B2Gold is a go-to name in the emerging mid-tier gold producer space offering organic growth with cost control, seasoned by a management team with a track record of unlocking value through accretive transactions. B2Gold principally produces gold from three mines in Nicaragua and the Philippines, with the fourth mine in Namibia anticipated to enter commercial production in Q1/15.

Investment Highlights

• B2Gold Corp. engages in the exploration and development of mineral properties in Nicaragua, Colombia, Namibia, Philippines, Burkina Faso and Uruguay.

2015 Guidance:

• La Libertad (Nicaragua): Guidance of 135 - 145 koz Au

• El Limon (Nicaragua): Guidance of 55 - 65 koz Au

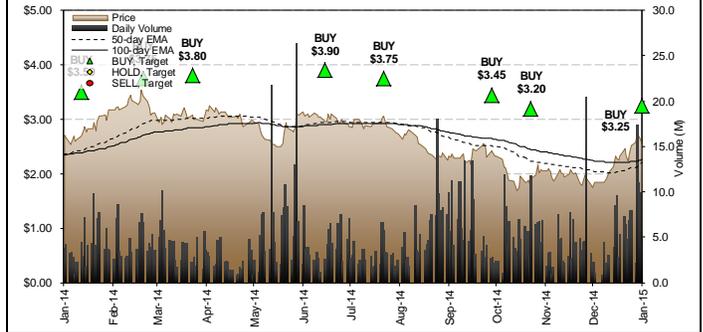
• Masbate (Philippines): Guidance of 170 - 180 koz Au

• Otjikoto (Namibia): Guidance of 140 - 150 koz Au

Catalysts:

- 1) Initiation of Construction at Fekola - Q1/15
- 2) Declaration of Commercial Production at Otjikoto - Q1/15
- 2) Fekola Feasibility Study - mid-2015

B2Gold Corp. Chart



Financials

Commodity & Exchange Rate Forecasts

	2013A	2014E	2015E	2016E	2017E	2018E
Forecast Gold Price, US\$/oz	\$1,414	\$1,280	\$1,250	\$1,250	\$1,250	\$1,250
C\$/US\$ FX Rate	1.01	1.10	1.17	1.17	1.12	1.08

Income Statement

	2013A	2014E	2015E	2016E	2017E	2018E
Net Revenue, \$M	544.3	502.6	630.1	751.1	1,071.1	1,188.7
Mine Operating Profit, \$M	144.3	106.0	92.6	146.9	90.6	102.4
EBITDA, \$M	172.2	161.7	226.3	329.4	454.1	508.0
Net Income, \$M	67.3	(306.1)	(1.7)	37.0	(7.7)	7.5
Net Income per share	0.11	(0.41)	(0.00)	0.04	(0.01)	0.01

Balance Sheet

	2013A	2014E	2015E	2016E	2017E	2018E
Cash & Equiv, \$M	252.7	94.4	100.6	106.7	251.7	332.2
Working Capital, \$M	275.7	181.5	230.2	73.5	175.7	481.9
Current Portion of LT Debt, \$M	13.0	3.2	3.2	173.2	289.0	67.5
Total LT Debt, \$M	313.4	397.3	592.0	586.9	410.7	97.6
Shares Outstanding (M)	635.9	742.6	923.4	926.1	944.8	957.9

Cash Flow

	2013A	2014E	2015E	2016E	2017E	2018E
OCF before Δ in WC, \$M	144.3	130.3	212.9	298.3	439.9	490.3
OCF before Δ in WC per share	0.23	0.19	0.23	0.32	0.47	0.51
Cash flow from Operations, \$M	147.8	71.0	170.4	291.0	367.1	488.1
Cash Flow From Investing, \$M	(259.2)	(282.1)	(349.8)	(284.5)	(109.8)	(81.4)
Cash Flow From Financing, \$M	296.1	52.9	185.5	(0.4)	(112.2)	(326.2)

Ratios

	2013A	2014E	2015E	2016E	2017E	2018E
P/E	19.2x	NMF	NMF	NMF	NMF	NMF
EVI/OCF	9.8x	11.8x	9.6x	6.9x	4.8x	4.3x
PI/OCF	9.0x	10.8x	8.8x	6.3x	4.4x	4.0x

* All figures presented in United States dollars unless noted

Spot Exchange Rate (C\$/US\$): 1.24

Production Profiles

	2013A	2014E	2015E	2016E	2017E	2018E
La Libertad (Nicaragua)						
Tonnes Milled (kt)	2,015	2,195	2,154	2,196	2,190	2,190
Production (koz Au)	139	150	150	171	126	116
Operating Costs (US\$/t milled)	41	41	42	39	33	31
Cash Operating Cost, US\$/oz Au	563	577	571	478	541	565
Total Cash Cost, US\$/oz Au	592	603	596	503	566	590
El Limón (Nicaragua)						
Tonnes Milled (kt)	445	480	493	494	493	493
Production (koz Au)	58	48	58	64	64	65
Operating Costs (US\$/t milled)	96	92	91	92	92	92
Cash Operating Cost, US\$/oz Au	652	839	702	641	634	627
Total Cash Cost, US\$/oz Au	735	917	776	715	708	701
Masbate (Philippines)						
Tonnes Milled (kt)	5,889	6,185	6,497	6,954	6,935	8,030
Production (koz Au)	169	186	176	193	175	203
Operating Costs (US\$/t milled)	24	24	22	21	21	21
Cash Operating Cost, US\$/oz Au	788	744	766	734	805	783
Total Cash Cost, US\$/oz Au	834	798	802	769	841	819
Otjikoto (Namibia)						
Tonnes Milled (kt)	-	18	2,352	3,010	3,002	3,002
Production (koz Au)	-	1	130	184	196	186
Operating Costs (US\$/t milled)	-	126	39	36	39	39
Cash Operating Cost, US\$/oz Au	-	2,284	675	556	554	598
Total Cash Cost, US\$/oz Au	-	2,321	712	594	591	636
Fekola (Mali)						
Tonnes Milled (kt)	-	-	-	-	3,949	5,001
Production (koz Au)	-	-	-	-	306	393
Operating Costs (US\$/t milled)	-	-	-	-	52	50
Cash Operating Cost, US\$/oz Au	-	-	-	-	587	558
Total Cash Cost, US\$/oz Au	-	-	-	-	669	639
Consolidated						
Production (koz Au)	366	384	514	612	868	963
Cash Operating Cost, US\$/oz Au	681	690	679	599	620	618
Total Cash Cost, US\$/oz Au	727	732	716	636	674	675
All-in Sustaining Costs, US\$/oz Au	1,148	1,177	1,112	871	868	820

Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$3.69 / \$1.65	Average Daily Vol (M)	4.89	
Ownership (M)	Shares O/S, M	% O/S	Major Shareholder (%)	
Institutional	392.28	43%	Fidelity Investments	13%
Management & Insiders	73.41	8%	Van Eck Associates Corporation	10%
			BlackRock, Inc.	6%

Last Financing

18-Feb-10	\$32 million	Brokered Bought Deal	28.9 M shares @ \$1.25/sh
Shares O/S - Basic, F.D.	917.6		958.5

(C\$) (M)

	Av Strike	Basic	ITM	Proceeds
Cash & Equiv				\$179
Options	\$0.81 - \$11.24	40.9	10.9	\$21
Warrants	N/A	-	-	-
Total Cash & ITM		40.9	10.9	\$200
Market Cap				\$2,312
Enterprise Value (MCap - WC + LT Debt)				\$2,529

Corporate NAV Summary

Per Share	NAV 7%		NAV 6%		NAV 5%	
	C\$M	C\$/share	C\$M	C\$/share	C\$M	C\$/share
Project NAV						
La Libertad	279	\$0.30	288	\$0.30	297	\$0.31
El Limón	73	\$0.08	76	\$0.08	79	\$0.08
Masbate	499	\$0.48	499	\$0.52	546	\$0.57
Otjikoto	504	\$0.53	527	\$0.55	552	\$0.58
Fekola	465	\$0.47	517	\$0.52	574	\$0.58
Gramalote JV	50	\$0.05	50	\$0.05	50	\$0.05
Kiaka	65	\$0.07	65	\$0.07	65	\$0.07
Exploration	25	\$0.03	25	\$0.03	25	\$0.03
Project NAV	1,921	\$2.01	2,048	\$2.14	2,189	\$2.28
Corporate Adjustments	(370)	(\$0.37)	(410)	(\$0.41)	(454)	(\$0.46)
Corporate NAV	1,550	\$1.63	1,638	\$1.72	1,735	\$1.83

Current Share Base: 918M shares

FFD Share Base: 960M shares

Metal Inventory

	Operating Life	Category	Tonnes (M)	Au (g/t)	Au (koz)
La Libertad					
		P&P	11.9	1.70	648
		M&I	4.7	3.15	472
Open-pit mine		Inferred	5.0	2.14	343
	8.8 yrs	Modeled	16.7	2.19	1,179
El Limón					
		P&P	1.4	4.82	224
		M&I	2.4	4.74	360
OP / UG mine		Inferred	0.8	4.51	116
	8.3 yrs	Modeled	4.0	4.28	547
Masbate					
		P&P	113.5	0.82	3,010
		M&I	202.5	0.88	5,738
Open-pit mine		Inferred	72.3	0.69	1,594
	34.5 yrs	Modeled	269.3	0.89	7,708
Otjikoto					
		P&P	29.4	1.42	1,342
		M&I	28.9	1.51	1,402
Open-pit mine		Inferred	6.9	3.16	705
	12.8 yrs	Modeled	24.3	2.24	1,753
	0.0 yrs	Modeled	99.2	0.86	2,753
Fekola					
		P&P	-	-	-
		M&I	60.0	2.40	4,638
Open-pit mine		Inferred	8.3	1.90	507
	0.0 yrs	Modeled	45.5	2.71	3,965
Other Projects					
		M&I	132.7	0.63	2,677
Open-Pit Target		Inferred	239.7	0.44	3,377
		M&I	153.3	0.99	4,866
Open-Pit Target		Inferred	33.7	0.93	1,009

Note: Resources & reserves presented for primary gold assets only

Reserves & Resources presented on 100%-basis

Corporate Contact

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 Tel: 604-681-8371
 President & CEO: Clive T. Johnson
 Geordie Mark - Mining Analyst
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Benjamin Asuncion - Mining Analyst
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Source: Haywood Securities



Barrick Gold Corp. (ABX-T, \$15.43)
Rating (Risk): HOLD (MEDIUM-HIGH)
Target Price Metric: 10.0x EV/2015E CFPS

Target Price, C\$ \$14.25
 Return, % (8%)
 52-Week High / Low, C\$ \$26.65 / \$12.48
 Daily Volume (3-month avg) 3,519,940

Shares O/S, millions 1,164.7
 Shares F/D, millions 1,170.5
 Market Cap, US\$M \$14,463
 Co. Co-Presidents Kelvin Dushnisky/Jim Gowans
 Company Web Site www.barrick.com

Balance Sheet and Capitalization				
	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$14,463	\$12.42	\$17,971	\$15.43
Current Cash	\$2,705	\$2.32	\$3,361	\$2.89
F/D Cash Adds	\$2,609	\$2.24	\$3,242	\$2.78
Working Capital	\$4,268	\$3.66	\$5,303	\$4.55
Long-Term Debt	(\$12,885)	(\$11.06)	(\$16,010)	(\$13.75)
Book Value	\$16,023	\$13.76	\$19,909	\$17.09
Enterprise Value (EV)	\$23,080	\$19.82	\$28,678	\$24.62

EV = Market Capitalization + Working Capital + Long-term Debt
 Spot C\$/US\$ FX Rate: 1.24

Financial Forecast						
	2012A	2013A	2014E	2015E	2016E	2017E
Forecast Gold Price, US\$/oz	\$1,664	\$1,407	\$1,266	\$1,250	\$1,250	\$1,250
Forecast Copper Price, US\$/lb	\$3.69	\$3.39	\$3.12	\$2.50	\$2.75	\$3.00
C\$/US\$ FX Rate	1.00	1.03	1.10	1.17	1.17	1.12
Shares O/S, millions	1,001.2	1,022.0	1,164.7	1,164.7	1,164.7	1,164.7
Revenue, US\$M	\$14,547.0	\$12,511.0	\$9,503.6	\$8,987.5	\$8,696.3	\$7,930.0
Mine Site Expense, US\$M	(\$5,134.1)	(\$5,511.0)	(\$4,549.2)	(\$4,641.8)	(\$4,266.9)	(\$4,229.6)
Corporate G&A, US\$M	(\$195.0)	(\$390.0)	(\$390.0)	(\$390.0)	(\$390.0)	(\$390.0)
EBITDA, US\$M	\$9,412.9	\$5,575.0	\$4,954.4	\$4,345.7	\$4,429.3	\$3,700.4
EV / EBITDA	2.5x	4.1x	4.7x	5.3x	5.2x	6.2x
DD&A, US\$M	\$1,701.0	(\$1,732.0)	(\$1,642.5)	(\$1,617.8)	(\$1,551.4)	(\$1,399.5)
Earnings, US\$M	(\$660.8)	\$2,569.0	\$757.0	\$640.6	\$698.8	\$349.4
EPS, US\$	(\$0.66)	\$2.51	\$0.65	\$0.55	\$0.60	\$0.30
Current Price / EPS	-	6.0x	21.6x	24.0x	22.1x	45.8x
Target Price / EPS	-	5.5x	19.9x	22.1x	20.4x	42.3x
Cash Flow Before W/C Changes, US\$M	\$6,057	\$4,359	\$2,679	\$2,329	\$2,388	\$1,805
CFPS, US\$	\$6.05	\$4.27	\$2.30	\$2.00	\$2.05	\$1.55
Current Price / CFPS	2.6x	3.5x	6.1x	6.6x	6.5x	8.9x
Target Price / CFPS	2.4x	3.2x	5.6x	6.1x	6.0x	8.2x
CFPS Sensitivity, US\$	-	\$0.19	\$0.18	\$0.18	\$0.18	\$0.16
CAPEX, US\$M	(\$5,822)	(\$5,501)	(\$2,460)	(\$2,100)	(\$1,959)	(\$1,747)
Free Cash Flow, US\$M	\$235	(\$1,142)	\$219	\$229	\$428	\$59
FCPS, US\$	\$0.20	(\$0.98)	\$0.19	\$0.20	\$0.37	\$0.05
Dividend Payments, US\$M	(\$750)	(\$508)	(\$200)	(\$200)	(\$200)	(\$200)
Proceeds from Equity Financing, US\$M	\$0	\$2,910	\$0	\$0	\$0	\$0
Proceeds from Debt Financing, US\$M	\$1,000	\$5,414	\$0	\$0	\$0	\$0
Debt Repayment, US\$M	(\$197)	(\$6,412)	(\$141)	(\$257)	(\$661)	(\$127)
Increase in Cash and Equivalents, US\$M	\$288	\$327	(\$122)	(\$228)	(\$433)	(\$268)
Increase in Cash and Equivalents per Share, US\$	\$0.25	\$0.28	(\$0.11)	(\$0.20)	(\$0.37)	(\$0.23)

2014 Company Guidance: 6.0-6.5 Moz of gold at a TCC of US\$580-630/oz and AISC of US\$900-940/oz.
 2014 Company Guidance: 410-440 Mlbs of copper.
 CFPS sensitivity is based on a US\$50/oz change in forecast gold price.

Production Profile						
	2011A	2012A	2013E	2014E	2015E	2016E
Attributable Gold Production, 000's oz	7,676	7,421	7,160	6,400	6,450	6,275
Attributable Copper Production, Mlb	451	468	539	450	370	310
Total Gold Cash Cost (net of credits), US\$/oz	\$460	\$584	\$566	\$570	\$605	\$595
AISC, US\$/oz	\$915	\$915	\$965	\$1,010	\$995	\$995
Total Copper Cash Cost (net of credits), US\$/lb	\$1.75	\$1.71	\$1.92	\$2.00	\$2.00	\$1.72

Historical Quarterly Results							
	Q2/13A	Q3/13A	Q4/13A	Q1/14A	Q2/14A	Q3/14A	
Attributable Gold Production, 000's oz	1,811	1,845	1,713	1,588	1,485	1,649	
Attributable Gold Sales, 000's oz	1,815	1,783	1,829	1,618	1,516	1,578	
Attributable Copper Production, Mlb	134	139	139	104	67	131	
Attributable Copper Sales, Mlb	135	135	134	111	73	112	
Total Gold Cash Cost, US\$/oz	\$552	\$573	\$573	\$582	\$594	\$589	
Total Copper Cash Cost, US\$/lb	\$1.75	\$1.69	\$1.81	\$2.11	\$2.04	\$1.82	
Average Realized Gold Price, US\$/oz	\$1,411	\$1,323	\$1,272	\$1,285	\$1,289	\$1,285	
Average LME Gold Price, US\$/oz	\$1,415	\$1,326	\$1,276	\$1,292	\$1,288	\$1,282	
Average Realized Copper Price, US\$/lb	\$3.28	\$3.40	\$3.34	\$3.03	\$3.17	\$3.09	
Average LME Copper Price, US\$/lb	\$3.24	\$3.21	\$3.24	\$3.19	\$3.08	\$3.17	
Cash Flow, US\$M	\$1,071	\$1,164	\$171	\$806	\$575	\$933	
CFPS, US\$	\$1.07	\$1.16	\$0.16	\$0.69	\$0.49	\$0.80	
Earnings, US\$M	\$663	\$577	\$406	\$238	\$159	\$222	
EPS, US\$	\$0.66	\$0.58	\$0.37	\$0.20	\$0.14	\$0.19	
Capex, US\$M	\$1,552	\$1,188	\$1,294	\$509	\$502	\$604	

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Share Capital Dilution				
	Number	Price	Proceeds	Expiry
Warrants	-	-	-	-
Options	6.4M	C\$33.00	C\$(112.0)	-
Warrants + Options	6.4M	C\$33.00	C\$(112.0)	-

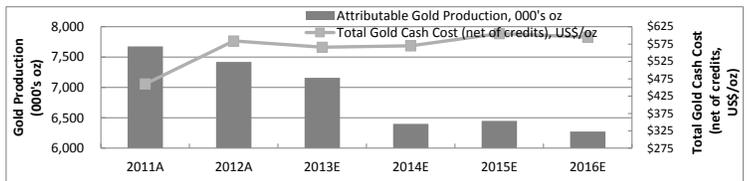
Recent Financings / M&A Activity	
October 31, 2013 - \$3.0 Billion in equity (163.5 million shares at \$18.35 per share) and redemption of US\$2.6 billion debt maturing 2014-2018	
July 19, 2011 - Completed acquisition of Equinox Minerals for C\$7.2 billion in cash (\$79.5 million shares at C\$8.15 per share)	
October 13, 2009 - Announced US\$1.25 Billion in debt securities (US\$400M at 4.95% due 2012 and US\$850M at 5.95% due 2039)	
September 23, 2009 - US\$4.0 Billion in equity (14.21 million shares at US\$36.95 per share)	

Major Shareholders				
	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Van Eck Associates Corporation	61.4	5.3%	61.4	5.2%
Capital Group Companies	38.1	3.3%	38.1	3.3%
TD Bank	31.1	2.7%	31.1	2.7%

Corporate NAV Summary and Sensitivity					
	Base Case	\$1,000	\$1,200	\$1,400	\$1,295
Forecast Gold Price, US\$/oz	-	\$2.25	\$2.75	\$3.25	\$2.52
Forecast Copper Price, US\$/lb	-	\$3.33	\$3.33	\$3.33	\$3.33
Corporate Adjustments, US\$M	(\$10,180)	(\$10,180)	(\$10,180)	(\$10,180)	(\$10,180)
After-Tax Project NAV(3%-10%), US\$M	\$16,659	\$3,332	\$13,683	\$23,952	\$17,661
Additional Exploration Credit, US\$M	\$0	\$0	\$0	\$0	\$0
Corporate NAV, US\$M	\$6,479	(\$6,848)	\$3,503	\$13,772	\$12,960
Corporate Adjustments, C\$/FD share	(\$10.20)	(\$10.20)	(\$10.20)	(\$10.20)	(\$10.20)
After-Tax Project NAV(3%-10%), C\$/FD share	\$16.65	\$3.33	\$13.69	\$23.96	\$17.67
Additional Exploration Credit, C\$/FD share	\$0.0	\$0.00	\$0.00	\$0.00	\$0.00
Corporate NAV, C\$/FD share	\$6.45	(\$6.87)	\$3.49	\$13.76	\$12.96
Current Price/Corporate NAV	1.9x	-	-	1.4x	1.9x
Target Price/Corporate NAV	2.2x	-	-	1.6x	2.1x
2014E CFPS, US\$	\$2.30	\$1.10	\$2.00	\$2.80	\$2.20
2015E CFPS, US\$	\$2.00	\$1.00	\$1.85	\$2.70	\$2.15
Implied Target Price, C\$ @ 10.0x EV/2015E CFPS	\$14.25	\$3.25	\$13.00	\$23.00	\$16.75

Base case gold price assumption of US\$1,250/oz.
 Base case assumes a copper price of US\$3.15/lb in 2014 and US\$3.25/lb thereafter.
 2014E C\$/US\$ FX Rate: 1.17

Metal Inventory - Model Mineable, Reserve, and Resource						
	Au Tons (000's)	Cu Tons (000's)	Au Grade (oz/ton)	Cu Grade (%)	Au oz (000's)	Cu lbs (Mil's)
Model Mineable	3,701,312	1,176,912	0.039	0.60%	104,051	14,046
Proven and Probable Reserve (Attrib.)	2,660,337	1,176,912	0.039	0.60%	104,051	14,046
Additional Measured & Indicated Resource (Attrib.)	2,178,461	703,877	0.045	0.49%	99,360	6,903
Inferred Resource (Attrib.)	816,947	11,445	0.039	0.66%	31,345	151
Total Reserve and Resource (Attrib.)	5,655,745	1,892,234	0.041	0.56%	234,756	21,100



Barrick Gold Consensus Estimate Summary (Reuters data sourced from Capital IQ)									
	Analysts	Mean EPS	High / Low	vs. Cons.	Mean CFPS	High / Low	vs. Cons.		
2014 Consensus Estimate	28	US\$0.64	\$0.81 / \$0.07307	2%	US\$2.24	\$2.88 / \$1.96	3%		
2015 Consensus Estimate	30	US\$0.76	\$1.44 / \$0.36	-28%	US\$2.20	\$2.94 / \$1.65	-9%		
2016 Consensus Estimate	20	US\$0.95	\$1.65 / \$0.16	-37%	US\$2.50	\$3.08 / \$2.05	-18%		
Consensus Valuation	20	7	20	4	C\$17.98	\$23.61 / \$12.43	-21%		

Peer Group Comparables							
	Price	NAV	14 CFPS	15 CFPS	P/2015E CFPS	EV/2014E CFPS	EV/2015E CFPS
Barrick Gold Corp. (ABX-T)	C\$15.43	C\$6.45	US\$2.25	US\$2.22	5.6x	8.9x	9.0x
Agnico-Eagle Mines Ltd. (AEM-T)	C\$40.38	US\$19.28	US\$3.14	US\$3.25	9.9x	11.4x	11.0x
AngloGold Ashanti Ltd. (AU-N)	US\$10.92	US\$14.90	US\$3.20	US\$3.76	2.9x	5.4x	4.6x
Goldcorp Inc. (G-T)	C\$29.72	US\$19.11	US\$1.63	US\$2.24	10.5x	15.9x	11.6x
Gold Fields Ltd. (GFI-N)	US\$5.37	US\$5.35	US\$0.98	US\$1.13	4.8x	7.4x	6.4x
Kinross Gold Corp. (K-T)	C\$4.17	US\$3.75	US\$0.85	US\$0.83	4.0x	4.0x	4.1x
Newmont Mining Corp. (NEM-N)	US\$24.15	US\$20.56	US\$3.31	US\$4.09	5.9x	9.6x	7.7x
Yamana Gold Inc. (YRI-T)	C\$5.10	US\$5.60	US\$0.71	US\$0.88	4.7x	8.8x	7.1x
Peer Group Average					6.1x	8.9x	7.5x
Peer Group Average (excluding high/low)					5.9x	8.5x	7.4x

CFPS sourced from Capital IQ, NAV from Haywood
 Spot C\$/US\$ FX Rate: 1.24

Source: Haywood Securities

Metals and Mining – Target & Commodity Price Revisions

January 27, 2015

Capstone Mining Corp. (CS-T)

Rating: BUY
Target Price: C\$2.00
Target Price Metric: 0.75 x 5.0x 2015E CPPS + 0.23 x 1x After-Tax Corp NAV10Y

Target Price, C\$ \$2.00 Shares O/S, million 382.0
Current Price, C\$ \$1.23 Shares F/D, million 403.5
Return, % 63% Market Capitalization, US\$M \$401.6
52-Week High / Low, C\$ \$3.15 / \$1.15 Company CEO Darren Pylott
Daily Volume (100-day avg) 1,146,897 Company Web Site www.capstonemining.com

Balance Sheet and Capitalization

	US\$M	US\$/ O/S Share	C\$M	C\$/ O/S Share
Market Capitalization	\$402	\$1.05	\$470	\$1.23
Cash	\$132	\$0.34	\$154	\$0.40
F/D Cash Add	\$53	\$0.14	\$62	\$0.16
Working Capital	\$197	\$0.52	\$231	\$0.60
Copper Hedge Position	\$0	\$0.00	\$0	\$0.00
Long-term Debt	(\$268)	(\$0.69)	(\$319)	(\$0.81)
Book Value	\$1.04	\$2.86	\$1.28	\$3.35
Enterprise Value (EV)	\$469	\$1.23	\$569	\$1.44

EV = Market Capitalization + Working Capital + Long-term Debt
CS/US\$ FX Rate: 1.17

Financial Forecast

	2014	2015	2016	2017	2018	2019
Forecast Copper Price, US\$/lb	\$3.11	\$2.50	\$2.75	\$3.00	\$3.25	\$3.25
Forecast Zinc Price, US\$/lb	\$0.98	\$1.10	\$1.20	\$1.20	\$1.15	\$1.15
Forecast Gold Price, US\$/oz	\$1,286	\$1,260	\$1,250	\$1,250	\$1,250	\$1,250
Realized Gold Price, US\$/oz	\$300	\$303	\$308	\$309	\$312	\$315
Forecast Silver Price, US\$/oz	\$19.07	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
Realized Silver Price, US\$/oz	\$3.57	\$3.56	\$7.14	\$14.07	\$16.42	\$16.87
Forecast Iron Ore Price (60% Fe), US\$/t	\$113	\$75	\$75	\$75	\$75	\$75
CS/US\$ FX Rate	\$1.10	\$1.17	\$1.17	\$1.12	\$1.08	\$1.08
Shares O/S, millions	381	382	382	382	382	382
Gross Sales Revenue, US\$M	\$758	\$574	\$636	\$658	\$713	\$666
Net Revenue, US\$M	\$656	\$483	\$538	\$569	\$624	\$584
Cost of Sales, US\$M	(\$307)	(\$411)	(\$361)	(\$352)	(\$348)	(\$343)
Corporate CA, US\$M	(\$52)	(\$25)	(\$25)	(\$25)	(\$25)	(\$25)
EBITDA, US\$M	\$286	\$50	\$146	\$168	\$206	\$218
EV / EBITDA	1.6x	9.4x	3.2x	2.5x	1.9x	2.1x
DDA, US\$M	(\$128)	(\$77)	(\$79)	(\$82)	(\$88)	(\$82)
Gain on Derivative Instruments, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Earnings, US\$M	\$67	(\$49)	\$31	\$58	\$98	\$87
EPS, US\$	\$0.17	(\$0.13)	\$0.08	\$0.15	\$0.26	\$0.23
Current Price / EPS	6.4x	-	15.9x	7.2x	4.5x	5.3x
Target Price / EPS	10.4x	-	21.1x	11.5x	7.2x	8.1x
Operating Cash Flow, US\$M	\$197	\$67	\$124	\$162	\$200	\$171
CFPS, US\$	\$0.52	\$0.15	\$0.32	\$0.42	\$0.52	\$0.45
Current Price / CFPS	2.2x	7.0x	3.2x	2.6x	2.2x	2.5x
Target Price / CFPS	3.5x	11.4x	5.5x	4.2x	3.5x	4.1x
DAFC, US\$M	\$203	\$73	\$130	\$168	\$206	\$174
Current EV / DAFC	2.2x	6.6x	2.9x	2.9x	2.9x	2.7x
Implied EV / DAFC Target Price Multiple	3.5x	9.5x	5.5x	4.5x	3.5x	4.5x
CAPEX (incl. capitalized exploration), US\$M	(\$106)	(\$150)	(\$37)	(\$37)	(\$91)	(\$87)
Proceeds from Equity Financing, US\$M	\$4	\$0	\$0	\$0	\$0	\$0
Debt Repayment, US\$M	(\$67)	(\$248)	\$0	\$0	\$0	(\$265)
Free Cash Flow, US\$M	\$19	(\$69)	\$86	\$94	\$109	(\$97)
FCFS, US\$	\$0.05	(\$0.18)	\$0.22	\$0.27	\$0.28	(\$0.24)

Operating Cash Flow and Debt Adjusted Cash Flow (DAFC) excludes working capital changes.

Minto Production Profile (100% basis, 100% owned)

	2014	2015	2016	2017	2018	RLOM
One Tonnes Milled, millions	1.4	1.4	1.4	1.4	1.4	8.6
One Tonnes Milled, tonnes per day	3,900	3,650	3,750	3,750	3,750	3,700
Copper Grade Milled, %	1.4%	1.2%	1.7%	1.7%	1.7%	1.3%
Gold Grade Milled, g/t	0.6	0.6	0.7	0.7	0.6	0.5x
Copper Recovery, %	93%	86%	92%	92%	92%	91%
Gold Recovery, %	79%	70%	70%	70%	70%	70%
Payable Copper Production, Mlb	42	28	47	46	46	238
Payable Gold Production, ounces 600t	19	17	20	20	18	96
Operating Cost (incl. CS) / tonne milled	\$75	\$75	\$80	\$65	\$60	\$60
Total Copper Cash Cost (incl. of credits), US\$/lb	\$2.65	\$3.30	\$2.15	\$1.98	\$1.85	\$2.50

Cocozamin Production Profile (100% basis, 100% owned)

	2014	2015	2016	2017	2018	RLOM
One Tonnes Milled, millions	1.2	1.2	1.0	1.0	1.0	6.6
One Tonnes Milled, tonnes per day	3,300	3,300	2,700	2,700	2,700	2,500
Copper Grade Milled, %	1.7%	1.6%	1.4%	1.4%	1.4%	1.5%
Zinc Grade Milled, %	0.3%	1.1%	1.1%	1.1%	1.1%	1.1%
Copper Recovery, %	93%	92%	91%	91%	91%	91%
Zinc Recovery, %	62%	60%	60%	60%	60%	60%
Payable Copper Production, Mlb	42	39	28	28	28	187
Payable Zinc Production, Mlb	12	16	13	13	13	87
Operating Cost (incl. US\$/tonne milled)	\$50	\$50	\$40	\$40	\$40	\$45
Total Copper Cash Cost (incl. of credits), US\$/lb	\$1.50	\$1.55	\$1.20	\$0.85	\$0.75	\$1.00

Pinto Valley Production Profile (100% basis, 100% owned)

	2014	2015	2016	2017	2018	RLOM
One Tonnes Milled, millions	17.2	16.5	16.0	16.0	16.0	17.9
One Tonnes Milled, tonnes per day	47,200	50,000	52,000	52,000	52,000	52,000
Copper Grade Milled, %	0.4%	0.3%	0.4%	0.3%	0.3%	0.3%
Copper Recovery, %	89%	88%	88%	88%	88%	88%
Payable Copper Production, Mlb	139	126	141	124	124	1,395
Operating Cost (incl. US\$/tonne milled)	\$15	\$15	\$15	\$15	\$15	\$15
Total Copper Cash Cost (incl. of credits), US\$/lb	\$2.10	\$2.20	\$2.05	\$2.20	\$2.20	\$2.05

Santo Domingo Production Profile (100% basis, 70% owned)

	RLOM	2015	2016	2017	2018	2019
One Tonnes Milled, millions	392	-	-	-	-	-
One Tonnes Milled, tonnes per day	60,500	-	-	-	-	-
Copper Grade Milled, %	0.3%	-	-	-	-	-
Iron Grade Milled (in concentrate), %	28%	-	-	-	-	-
Copper Recovery, %	88%	-	-	-	-	-
Iron Recovery, %	19%	-	-	-	-	-
Payable Copper Production, Mlb	2,222	-	-	-	-	-
Payable Iron Ore Production, Mt	73.0	-	-	-	-	-
Operating Cost (incl. US\$/tonne milled)	\$17.50	-	-	-	-	-
Total Copper Cash Cost (incl. of credits), US\$/lb	\$0.50	-	-	-	-	-

Attributable Corporate Production Profile

	2014	2015	2016	2017	2018	RLOM
Copper Production (in concentrate and cathode), Mlb	228	200	224	204	205	3,485
Payable Copper Production, Mlb	222	193	216	198	198	3,375
Copper Sales, Mlb	229	212	213	198	198	3,400
Total Copper Cash Cost (incl. of credits), US\$/lb	\$2.10	\$2.20	\$2.05	\$2.00	\$1.90	\$1.30

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Share Capital Dilution

	Number	Price	Proceeds	Expiry
Warrants	0.0M	C\$0.00	US\$0.0M	-
Options	21.5M	C\$2.89	US\$63.0M	various
Warrants + Options	21.5M	C\$2.89	US\$63.0M	-

CS/US\$ FX Rate: 1.17

Recent Financing

June 17, 2011 - \$175M private placement to Korea Resources Corp. (40M common shares @ \$4.35 per share)
May 6, 2009 - \$57.7M bought deal (27.1M common shares @ \$1.85 per share + over-allotment of 4.1M shares)

Major Shareholders

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Korea Resources Corp.	40.2	11%	40.2	10%
W. Michael Investment	16.3	4%	16.3	4%
JPMorgan Chase	8.8	2%	8.8	2%
Third Avenue	7.9	2%	7.9	2%
Dimensional Fund	7.9	2%	7.9	2%
AGF Investments	7.8	2%	7.8	2%
Manulife Financial Corp.	7.3	2%	7.3	2%
Management and Directors	1.5	0%	1.5	0%
Total	382.0	20%	403.5	24%

Corporate NAV Summary and Sensitivity

	Haywood Model	\$2.00	\$2.50	\$3.00	\$3.50	Spot
Forecast Copper Price, US\$/lb	\$2.00	\$2.50	\$3.00	\$3.50	\$3.50	\$2.52
Forecast Zinc Price, US\$/lb	\$0.50	\$0.75	\$1.00	\$1.25	\$1.25	\$0.95
Forecast Gold Price, US\$/oz	\$800	\$1,000	\$1,200	\$1,400	\$1,295	\$1,295
Forecast Iron Ore Price, US\$/t	\$60	\$60	\$60	\$60	\$60	\$16.32
Forecast US\$/US\$ FX Rate	1.17	1.20	1.15	1.10	1.05	1.24
Corporate Adjustments, US\$M	(\$1,203)	(\$1,203)	(\$1,203)	(\$1,203)	(\$1,203)	(\$1,203)
Minto After-Tax Project NAV10Y, US\$M	\$21	(\$121)	(\$51)	\$17	\$84	(\$19)
Cocozamin After-Tax Project NAV10Y, US\$M	\$127	(\$6)	\$59	\$123	\$186	\$82
Pinto Valley After-Tax Project NAV10Y, US\$M	\$979	(\$278)	\$170	\$544	\$977	\$212
Kulcho Creek After-Tax Project NAV10Y, US\$M	\$9	\$0	\$0	\$0	\$0	\$0
Santo Domingo After-Tax Project NAV10Y, US\$M	\$1,266	\$812	\$972	\$1,441	\$1,905	\$995
Kulcho Creek Credit, US\$M	\$50	\$50	\$50	\$50	\$50	\$50
Additional Exploration Credit, US\$M	\$944	\$944	\$944	\$944	\$944	\$944
Corporate NAV, US\$M	\$1,713	(\$242)	\$851	\$1,826	\$2,754	\$971
Corporate Adjustments, C\$/F/D share	(\$3.78)	(\$3.85)	(\$3.69)	(\$3.53)	(\$3.37)	(\$3.99)
Minto After-Tax Project NAV10Y, C\$/F/D share	\$0.06	(\$0.36)	(\$0.15)	\$0.05	\$0.22	(\$0.08)
Cocozamin After-Tax Project NAV10Y, C\$/F/D share	\$0.37	(\$0.02)	\$0.17	\$0.33	\$0.29	\$0.25
Pinto Valley After-Tax Project NAV10Y, C\$/F/D share	\$1.68	(\$0.50)	\$0.48	\$1.48	\$1.48	\$0.45
Kulcho Creek After-Tax Project NAV10Y, C\$/F/D share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Santo Domingo After-Tax Project NAV10Y, C\$/F/D share	\$3.73	\$1.37	\$2.77	\$3.93	\$5.46	\$3.87
Kulcho Creek Credit, C\$/F/D share	\$0.14	\$0.15	\$0.14	\$0.14	\$0.13	\$0.15
Additional Exploration Credit, C\$/F/D share	\$2.74	\$2.81	\$2.69	\$2.57	\$2.46	\$2.81
Corporate NAV, C\$/F/D share	\$4.97	(\$6.72)	\$2.42	\$4.98	\$7.17	\$2.90
Current Price / Corporate NAV	0.2x	-	0.2x	0.2x	0.2x	0.4x
Target Price / Corporate NAV	0.4x	-	0.4x	0.4x	0.4x	0.7x
2014E CFPS, US\$	\$0.52	\$0.52	\$0.52	\$0.52	\$0.52	\$0.52
2015E CFPS, US\$	\$0.15	(\$0.11)	\$0.15	\$0.14	\$0.13	\$0.19

Model shares F/D (fully financed): 404M

Corporate Metal Inventory - Model Mineable, Reserve, and Resource

	Tonnes	Gr Grade	Cu Grade	Copper	Co/Cu	Ev/cu
Minto Model Mineable (100%)	8,688	1.6%	1.9%	304	304	(\$2.84)
Cocozamin Model Mineable (100%)	6,622	1.4%	2.3%	207	209	-
Pinto Valley Model Mineable (100%)	281,317	0.3%	0.3%	1,718	1,941	-
Kulcho Creek Model Mineable (100%)	10,441	2.01%	3.63%	463	836	-
Santo Domingo Model Mineable (70%)	274,214	0.30%	0.78%	1,814	4,695	-
Total Model Mineable	581,282	0.30%	0.64%	4,291	6,163	\$0.67
Minto P&P Reserve (100%)	9,558	1.95%	2.08%	347	456	-
Cocozamin P&P Reserve (100%)	7,838	1.92%	2.21%	259	381	-
Pinto Valley P&P Reserve (100%)	232,220	0.33%	0.36%	1,689	1,841	-
Kulcho Creek P&P Reserve (100%)	10,441	2.01%	3.63%	463	834	-
Santo Domingo P&P Reserve (70%)	391,700	0.30%	0.78%	2,591	6,706	-
Total Attributable P&P Reserve	651,767	0.3				

Source: Haywood Securities

 Castle Mountain Mining Co. (CMM-V,\$0.47) Rating: Buy Risk: Very High	Target Price (C\$)	\$0.70	Basic Mkt. Cap, C\$M	\$ 33.8
	Return (%)	49%	Company CEO	Gordon McCreary
	52 Week High/Low (C\$)	\$1.10/\$0.22	Company Website	castlemountainmining.com
	Daily Volume (3-month avg)	150,830		

CAPITAL STRUCTURE		Shares
(As of Jan 2015)		
Shares Outstanding		71.9
Options		6.5
Warrants		4.9
Fully Diluted Shares		83.4

OWNERSHIP (Source: Bloomberg - Jan 2015)			Shares O/S (mln)	% O/S
Fraser Buchan			3.2	4.5%
Robert M Buchan			2.8	3.8%
Van Eck Associates			2.4	3.3%
Darin W Wagner			1.0	1.4%
Mark Wayne			0.9	1.3%

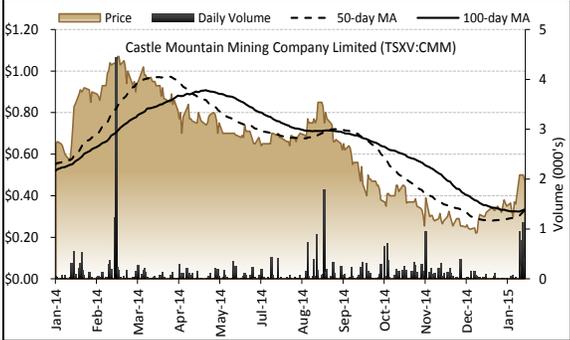
FINANCIAL SUMMARY(US\$m)						
Year-end December 31st	2013A	2014E	2015E	2016E	2017E	2018E
Shares Outstanding, mln	71.9	72.4	78.4	234.8	234.8	234.8
FD Shares, mln	83.4	83.8	93.8	244.9	246.2	246.2
EPS	(0.18)	(0.06)	(0.01)	(0.01)	(0.03)	0.10
CFFOPS	(0.10)	(0.04)	(0.01)	(0.00)	(0.02)	0.11
P/CF	(4.5)x	(9.5)x	(40.0)x	(110.5)x	(16.3)x	3.5x

Income Statement (US\$m)						
Revenue	0.0	0.0	0.0	0.0	0.0	93.2
Operating Expenses	0.0	0.0	0.0	0.0	0.0	58.9
Depreciation	0.0	0.0	0.0	0.0	0.0	3.5
General & Admin	1.9	2.0	1.2	1.2	1.2	1.2
General Exploration	3.5	2.3	0.0	0.0	0.0	0.0
Net Income	(9.4)	(4.8)	(1.2)	(1.2)	(6.4)	24.4

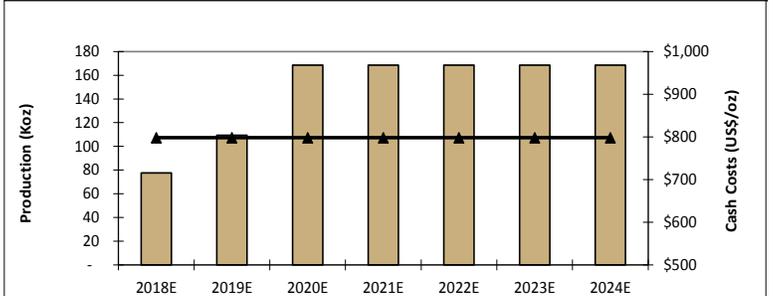
Balance Sheet (US\$m)						
Cash & Equivalents	5.3	4.7	1.9	96.1	5.8	32.5
Debt	0.0	0.0	0.0	57.5	57.5	57.5

Cash Flow (US\$m)						
Op. CF (before W/C)	(4.9)	(3.5)	(0.9)	(0.9)	(6.1)	28.2
Financing CF	4.9	5.0	0.0	108.8	0.4	0.3
Investing CF	(0.1)	(1.9)	(1.6)	(13.7)	(84.7)	(1.9)
Change in Cash	(1.4)	(0.5)	(2.5)	94.2	(90.3)	26.6

HISTORIC PERFORMANCE



PRODUCTION AND CASH COSTS



Note: We assume no commercial production in 2017.

TECHNICAL ASSUMPTIONS

	2014E	2015E	2016E	2017E	2018E	2019E+
Gold (US\$/oz)	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Exchange Rate (Cdn\$/US\$)	1.11	1.17	1.17	1.12	1.08	1.08

PRODUCTION ESTIMATES

	2016E	2017E	2018E	2019E	2020E	2021E
Gold Production, 000oz	-	11	78	109	168	168
Cash Costs, US\$/oz	\$0	\$0	\$798	\$798	\$798	\$798
Capex Spending, US\$m	\$14	\$80	\$2	\$126	\$17	\$13

RESERVES & RESOURCES

Castle Mountain Project (as at November 21, 2013)	Tonnes (000)	Grade (g/t Au)	Gold (000 oz)	Mine Life (years)
Company Reported P&P Reserves	0	0.00	0	0
Company Reported M&I Resources	112,500	0.78	2,820	22
Company Reported Inferred Resources	38,600	0.75	934	7
Total	151,100	0.77	3,754	29

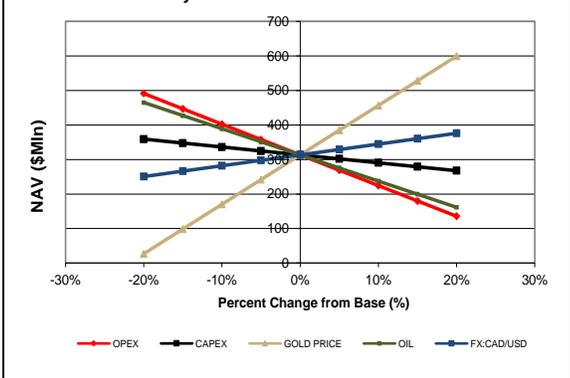
NET ASSET VALUATION

Haywood Total Mineable Resources	(US\$m)	(Cdn \$/Sh)	(Cdn\$/Sh)
Castle Mountain Mine	\$270	\$316	\$0.89
Corporate Adjustments	(\$7)	(\$9)	(\$0.02)
Cash	\$4	\$4	\$0.01
Debt	\$0	\$0	\$0.00
Cash from Options / Warrants Exercised	\$2	\$2	\$0.01
Total NAV	\$268	\$313	\$0.88

COMPARABLES

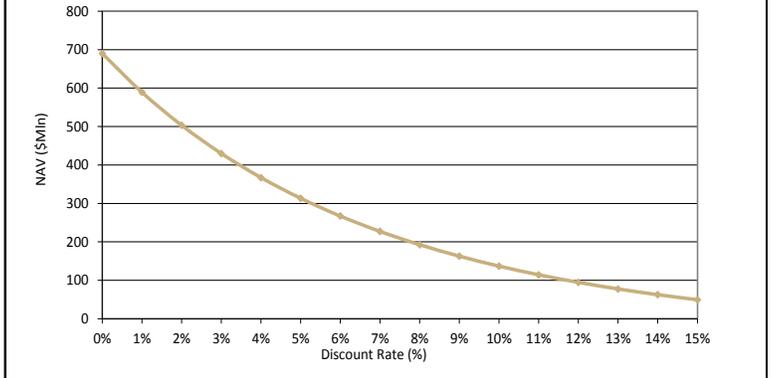
Company	Ticker	Share Cdn\$	EV US\$m	R&R mln oz	EV/oz US\$/AuEqoz	P/NAV
Golden Queen Mining Co. Ltd.	TSX:GQM	1.47	43	3.3	13	1.02x
Romarco Minerals Inc.	TSX:R	0.56	306	4.9	62	0.58x
Gold Standard Ventures Corp	TSX:GSV	0.67	66	0.3	264	0.09x
Asanko Gold Inc.	TSX:AKG	1.99	78	9.4	8	0.61x
True Gold Mining Inc.	TSXV:TGM	0.18	(0)	4.1	-	0.27x
Probe Mines Limited	TSXV:PRB	5.23	353	4.3	81	1.26x
Midas Gold Corp.	TSX:MAX	0.55	51	7.2	7	0.65x
Selected Company Average					73	0.64x
Castle Mountain Mining Company Limited	TSXV:CMM	0.47	27	3.8	7	0.78x

Sensitivity of Castle Mountain NAV Valuation



Source: Haywood Estimates, Company Reports, Thomson, Bloomberg

Sensitivity of Castle Mountain NAV Valuation to Discount Rate



Source: Haywood Securities



Copper Mountain Mining Corp. (CUM-T)

Rating: BUY
Target Price: C\$2.00
Target Price Metric: 5.0x average 2015E/2016E attributable CFPS

Target Price, C\$ **\$2.00** Shares O/S, million **118.8**

Current Price, C\$ **\$1.10** Shares F/D, million **125.2**

Return, % **82%** Market Capitalization, US\$M **\$111.7**

52-Week High / Low, C\$ **\$3.15 / \$1.07** Company CEO **Jim O'Rourke**

Daily Volume (100-day avg) **488,423** Company Web Site **www.cumtm.com**

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$112	\$0.94	\$131	\$1.10
Current Cash (consolidated, excluding restricted)	\$15	\$0.13	\$18	\$0.15
F/D Cash Adds	\$15	\$0.13	\$18	\$0.15
Working Capital (consolidated)	\$18	\$0.15	\$21	\$0.18
Long-term Debt (consolidated)	(\$277)	(\$2.33)	(\$324)	(\$2.73)
Book Value (excluding non-controlling interest)	\$179	\$1.51	\$209	\$1.76
Enterprise Value (EV)	\$371	\$3.12	\$434	\$3.65

EV = Market Capitalization - Working Capital + Long-term Debt
C\$/US\$ FX Rate: 1.17

	Number	Price	Proceeds	Expiry
Warrants	0.0M	C\$0.00	US\$0.0M	-
Options	6.4M	C\$2.73	US\$15.0M	2014 - 2019
Warrants + Options	6.4M	C\$2.73	US\$15.0M	

C\$/US\$ FX Rate: 1.17

November 11, 2013 - \$34.6M bought deal financing (17.7M common shares @ \$1.70 per share + over-allotment of 2.7M shares)
February 8, 2011 - \$40.0M bought deal financing (5.68M common shares @ \$7.05 per share + over-allotment of 0.7M shares)
April 26, 2010 - \$34.5M bought deal financing (9.85M common shares @ \$3.05 per share + over-allotment of 1.5M shares)
September 23, 2009 - \$52.5M financing (43.5M common shares @ \$1.15 per share)
June 29, 2008 - \$20.0M flow-through financing (9.5M units @ \$2.10; 1 unit = 1 share + 0.5 warrant exercisable at \$2.50 for 1 year)

	2014	2015	2016	2017	2018	2019
Forecast Copper Price, US\$/lb	\$3.11	\$2.50	\$2.75	\$3.00	\$3.25	\$3.25
Forecast Gold Price, US\$/oz	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Forecast Silver Price, US\$/oz	\$19.07	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
C\$/US\$ FX Rate	\$1.10	\$1.17	\$1.17	\$1.12	\$1.08	\$1.08
Shares O/S, millions	118	119	119	119	119	119

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Anchor Bolt Capital LP	11.9	10%	11.9	10%
IG Investment Management Ltd	6.8	6%	6.8	5%
Montross Bolton	5.3	4%	5.3	4%
FMR LLC	4.6	4%	4.6	4%
Dimensional Fund	2.1	2%	2.1	2%
Management and Directors	5.5	5%	5.5	4%
Total	118.8	30%	125.2	29%

Consolidated Gross Sales Revenue, US\$M	\$277	\$228	\$267	\$317	\$366	\$348
Consolidated Net Revenue, US\$M	\$234	\$189	\$226	\$272	\$309	\$302
Consolidated Cost of Sales, US\$M	(\$162)	(\$150)	(\$147)	(\$153)	(\$157)	(\$159)
Corporate G&A, US\$M	(\$6)	(\$6)	(\$6)	(\$6)	(\$6)	(\$6)
Consolidated EBITDA, US\$M	\$77	\$42	\$76	\$113	\$146	\$136
EV / Consolidated EBITDA	4.8x	8.8x	4.8x	3.3x	2.5x	2.7x
Consolidated DD&A, US\$M	(\$29)	(\$34)	(\$35)	(\$35)	(\$35)	(\$36)
Consolidated Gain on Derivative Instruments, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Consolidated Earnings, US\$M	\$31	\$3	\$25	\$49	\$73	\$65
Consolidated EPS, US\$	\$0.25	\$0.03	\$0.21	\$0.41	\$0.61	\$0.54
Current Price / Consolidated EPS	4.0x	36.6x	4.5x	2.4x	1.7x	1.9x
Target Price / Consolidated EPS	7.3x	66.6x	8.2x	4.3x	3.0x	3.4x
Consolidated Operating Cash Flow, US\$M	\$70	\$41	\$65	\$90	\$114	\$106
Consolidated CFPS, US\$	\$0.59	\$0.34	\$0.54	\$0.76	\$0.96	\$0.89
Current Price / Consolidated CFPS	1.7x	2.8x	1.7x	1.3x	1.1x	1.1x
Target Price / Consolidated CFPS	3.1x	5.0x	3.1x	2.4x	1.9x	2.1x
Consolidated DCF / US\$M	\$70	\$41	\$65	\$90	\$114	\$106
Current EV / Consolidated DCF	5.3x	10.1x	6.1x	4.3x	3.3x	3.6x
Implied EV / Consolidated DCF Target Price Multiple	7.1x	12.6x	7.6x	5.6x	4.5x	4.8x
Attributable Earnings, US\$M	\$23	\$2	\$17	\$34	\$52	\$46
Attributable EPS, US\$	\$0.20	\$0.02	\$0.14	\$0.29	\$0.44	\$0.39
Current Price / Attributable EPS	5.1x	48.2x	6.5x	3.4x	2.3x	2.6x
Target Price / Attributable EPS	9.2x	87.6x	11.9x	6.2x	4.2x	4.8x
Attributable Operating Cash Flow, US\$M	\$53	\$31	\$48	\$66	\$94	\$78
Attributable CFPS, US\$	\$0.45	\$0.26	\$0.40	\$0.55	\$0.70	\$0.65
Current Price / Attributable CFPS	2.2x	3.7x	2.3x	1.8x	1.4x	1.6x
Target Price / Attributable CFPS	4.1x	6.6x	4.3x	3.2x	2.6x	2.8x
Consolidated CAPEX, US\$M	(\$43)	(\$4)	(\$4)	(\$5)	(\$5)	(\$5)
Consolidated Cash Flow from Investing, US\$M	(\$43)	(\$4)	(\$4)	(\$5)	(\$5)	(\$5)
Proceeds from Equity Financing, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Consolidated Proceeds from Debt Financing, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Consolidated Debt Repayment, US\$M	(\$18)	(\$15)	(\$18)	(\$26)	(\$35)	(\$35)
Consolidated Cash Flow from Financing, US\$M	(\$21)	(\$18)	(\$21)	(\$29)	(\$37)	(\$37)
Consolidated Free Cash Flow, US\$M	\$5	\$18	\$39	\$57	\$71	\$64
Consolidated FCFPS, US\$	\$0.04	\$0.15	\$0.33	\$0.48	\$0.60	\$0.54
Attributable Free Cash Flow, US\$M	\$4	\$14	\$28	\$41	\$52	\$46
Attributable FCFPS, US\$	\$0.03	\$0.12	\$0.24	\$0.34	\$0.44	\$0.39

Operating Cash Flow and Debt Adjusted Cash Flow (DACF) excludes working capital changes.

	Haywood Model	\$2.00	\$2.25	\$2.50	\$2.75	Spot
Forecast Copper Price, US\$/lb		\$2.00	\$2.25	\$2.50	\$2.75	\$2.52
Forecast Gold Price, US\$/oz	\$1,231	\$1,231	\$1,231	\$1,231	\$1,231	\$1,295
Forecast Silver Price, US\$/oz	\$17.06	\$17.06	\$17.06	\$17.06	\$17.06	\$18.32
Forecast C\$/US\$ FX Rate	1.17	1.20	1.20	1.20	1.20	1.24
Corporate Adjustments, US\$M	(\$165)	(\$165)	(\$165)	(\$165)	(\$165)	(\$165)
Attrib. Copper Mountain After-Tax Project NAV(10%), US\$M	\$571	\$279	\$372	\$459	\$543	\$523
Additional Exploration Credit, US\$M	\$21	\$21	\$21	\$21	\$21	\$21
Corporate NAV, US\$M	\$427	\$134	\$227	\$315	\$399	\$379
Corporate Adjustments, C\$ / F/D share	(\$1.59)	(\$1.59)	(\$1.59)	(\$1.59)	(\$1.59)	(\$1.64)
Attrib. Copper Mountain After-Tax Project NAV(10%), C\$ / F/D share	\$5.34	\$2.67	\$3.56	\$4.40	\$5.21	\$5.20
Additional Exploration Credit, C\$ / F/D share	\$0.19	\$0.20	\$0.20	\$0.20	\$0.20	\$0.21
Corporate NAV, C\$ / F/D share	\$3.99	\$1.29	\$2.18	\$3.02	\$3.82	\$3.76
Current Price / Corporate NAV	0.3x	0.9x	0.5x	0.4x	0.3x	0.3x
Target Price / Corporate NAV	0.5x	1.6x	0.9x	0.7x	0.5x	0.5x
2014E Attributable CFPS, US\$	\$0.45	\$0.42	\$0.45	\$0.47	\$0.49	\$0.48
2015E Attributable CFPS, US\$	\$0.26	\$0.11	\$0.25	\$0.36	\$0.46	\$0.44

Model shares F/D (fully financed): 125M

	Tonnes (000s)	Cu Grade (%)	CuEq Grade (%)	Copper (Mlb)	CuEq (Mlb)	EV/lb CuEq (US\$/lb)
Copper Mountain Model Mineable (100%)	166,710	0.3%	0.3%	933	1,156	\$0.427
Copper Mountain Model Payable (100%)	-	-	-	1,033	1,199	\$0.412
Copper Mountain P&P Reserve (100%)	217,000	0.27%	0.33%	1,292	1,601	\$0.309
Copper Mountain M&I Resource (100%)	278,000	0.25%	0.31%	1,546	1,879	-
Copper Mountain Inferred Resource (100%)	631,000	0.21%	0.25%	2,921	3,444	-
Total Reserve and Resource (100%)	1,126,000	0.23%	0.28%	5,759	6,924	\$0.071

Measured & indicated resource is additional to proven and probable reserve.

	Analysts	Mean EPS	High / Low	Haywood Est. Cons.	Mean CFPS	High / Low	Haywood Est. Cons.
2014 Consensus Estimate	18	US\$0.14	US\$0.33 / US\$0.03	40%	US\$0.47	US\$0.72 / US\$0.30	(5%)
2015 Consensus Estimate	17	US\$0.16	US\$0.79 / US\$0.03	(87%)	US\$0.48	US\$0.79 / US\$0.27	(46%)
	Analysts	SO Rating	SP Rating	SU Rating	Mean Target	High / Low	Haywood Est. Cons.
Consensus Valuation	17	11	5	1	US\$2.36	US\$0.00 / US\$0.30	(15%)

	2014	2015	2016	2017	2018	RLOM
Ore Milled, tonnes millions	11.1	12.8	12.8	12.8	12.8	177.0
Mill Availability, %	89%	92%	92%	92%	92%	92%
Mill Utilization, %	89%	100%	100%	100%	100%	99%
Ore Milled, tonnes per operating day	34,000	38,000	38,000	38,000	38,000	38,000
Ore Milled, nominal tonnes per day	30,500	35,000	35,000	35,000	35,000	35,000
Ship Ratio (incl. capitalized shipping)	2.2	1.9	1.3	1.4	1.5	1.6
Copper Grade Milled, %	0.40%	0.33%	0.37%	0.40%	0.42%	0.33%
Gold Grade Milled, g/t	0.09	0.10	0.10	0.12	0.13	0.10
Copper Recovery, %	83%	83%	83%	83%	83%	83%
Gold Recovery, %	70%	70%	70%	70%	70%	70%
Copper Production (in concentrate), Mlb	81	77	86	94	97	1,070
Gold Production (in concentrate), koz	23	28	28	34	38	403
Silver Production (in concentrate), koz	444	480	311	360	319	3,806
Payable Copper Production, Mlb	78	74	83	90	94	1,033
Payable Gold Production, ounces 000's	21	27	26	33	37	383
Payable Silver Production, ounces 000's	399	432	280	324	287	3,426
Operating Cost, C\$/tonne milled	\$15.50	\$14.00	\$13.50	\$13.50	\$13.50	\$10.00
Copper Cash Cost (on sale, net of credits), US\$/lb produced	\$1.50	\$1.40	\$1.25	\$1.15	\$1.10	\$0.95
Total Copper Cash Cost (before credits), US\$/lb sold	\$2.55	\$2.55	\$2.30	\$2.20	\$2.20	\$2.05
Total Copper Cash Cost (net of credits), US\$/lb sold	\$2.10	\$2.00	\$1.85	\$1.70	\$1.65	\$1.55

	2014	2015	2016	2017	2018	RLOM
Forward Copper Sales, Mlb	-	-	-	-	-	-
Forward Copper Sales Price, US\$/lb	-	-	-	-	-	-

	Share Price	Corp NAV	Price / NAV	2014E CFPS	Price / CFPS	2015E CFPS	Price / CFPS
Copper Mountain Mining Corp. (CUM-T)	C\$1.10	US\$3.41	0.3x	US\$0.42	2.4x	US\$0.45	2.1x
Capstone Mining Corp. (CS-T)	C\$1.23	US\$4.44	0.3x	US\$0.60	1.8x	US\$0.50	2.1x
Coro Mining Corp. (COP-T)	C\$0.03	US\$0.43	0.1x	(US\$0.02)	-	(US\$0.02)	-
First Quantum Minerals Ltd. (FM-T)	C\$0.22	US\$22.45	0.0x	US\$2.45	0.1x	US\$3.40	0.1x
Foran Mining Corp. (FOM-V)	C\$0.22	US\$0.07	2.8x	(US\$0.02)	-	(US\$0.01)	-
Highland Copper Co. (HLVC)	C\$0.39	US\$0.64	0.5x	(US\$0.02)	-	(US\$0.02)	-
HudBay Minerals Inc. (HBM-T)	C\$9.32	US\$10.44	0.8x	US\$0.15	57.4x	US\$0.75	10.6x
Lundin Mining Corp. (LUN-T)	C\$4.74	US\$6.50	0.7x	US\$0.72	6.0x	US\$1.20	3.4x
Nevsun Resources Ltd. (NSU-T)	C\$4.24	US\$4.67	0.8x	US\$0.60	6.5x	US\$0.65	5.6x
NovaCopper Inc. (NCO-T)	C\$0.68	US\$1.73	0.4x	(US\$0.16)	-	(US\$0.33)	-
Royal Nickel Corp. (RNX-T)	C\$0.33	US\$0.64	0.5x	(US\$0.04)	-	(US\$0.02)	-
Sunridge Gold Corp. (SGC-V)	C\$0.15	US\$0.30	0.5x	(US\$0.02)	-	(US\$0.01)	-
Talon Metals Corp. (TLO-T)	C\$0.23	US\$0.42	0.5x	(US\$0.05)	-	(US\$0.03)	-
Trevali Mining Corp. (TV-T)	C\$1.07	US\$1.15	0.8x	US\$0.05	21.4x	US\$0.10	9.1x
Zazu Metals Corp. (ZAZ-T)	C\$0.30	US\$0.58	0.5x	(US\$0.04)	-	(US\$0.02)	-
Peer-Group Average (producers)			0.6x		15.5x		5.1x
Peer-Group Average (all)			0.6x		15.5x		5.1x

2014E C\$/US\$ FX Rate: 1.10
2015E C\$/US\$ FX Rate: 1.17

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Source: Haywood Securities



<p>Coro Mining Corp. (COP-T) Rating: HOLD Target Price: C\$0.08 Target Price Metric: 0.8x After-Tax Corporate NAV</p>	Target Price, C\$	\$0.08	Shares O/S, million	159.4
	Current Price, C\$	\$0.03	Shares F/D, million	178.5
	Return, %	167%	Market Capitalization, US\$M	\$4.1
	52-Week High / Low, C\$	\$0.18 / \$0.02	Company CEO	Alan Stephens
	Daily Volume (100-day avg)	729,508	Company Web Site	www.coromining.com

Balance Sheet and Capitalization				
	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$4.1	\$0.03	\$4.8	\$0.03
Current Cash	\$0.5	\$0.00	\$0.6	\$0.00
F/D Cash Adds	\$3.4	\$0.02	\$3.9	\$0.02
Working Capital	\$0.4	\$0.00	\$0.5	\$0.00
Long-term Debt	(\$0.3)	(\$0.00)	(\$0.3)	(\$0.00)
Book Value	\$16.1	\$0.10	\$18.9	\$0.12
Enterprise Value (EV)	\$3.9	\$0.02	\$4.6	\$0.03

EV = Market Capitalization - Working Capital + Long-term Debt
 CS/US\$ FX Rate: 1.17

Share Capital Dilution				
	Number	Price	Proceeds	Expiry
Warrants	10.5M	C\$0.15	US\$1.4M	2016
Options	8.5M	C\$0.27	US\$2.0M	2014-2017
Warrants + Options	19.1M	C\$0.21	US\$3.4M	

CS/US\$ FX Rate: 1.17

Recent Financings	
January 22, 2014 - C\$2.1M non-brokered private placement (21.1M units @ C\$0.10, 1 unit = 1 share + 1/2 warrant at C\$0.15 for 3 years)	
June 2, 2010 - C\$4.5M private placement (12.5M units @ C\$0.36, 1 unit = 1 share + 1/2 2-year warrant at C\$0.30 until June 1, 2011 and C\$0.65 thereafter)	
February 6, 2009 - C\$4.5M private placement (40.9M units @ C\$0.11, 1 unit = 1 share + 1/2 2-year warrant at C\$0.10 until February 5, 2010 and C\$0.20 thereafter)	
August 27, 2008 - C\$3.0M private placement (2.0M units @ C\$1.50, 1 unit = 1 share + 1/2 warrant at C\$2.00 for 3 years)	
July 10, 2007 - C\$13.5M initial public offering (6.0M shares @ C\$2.25)	

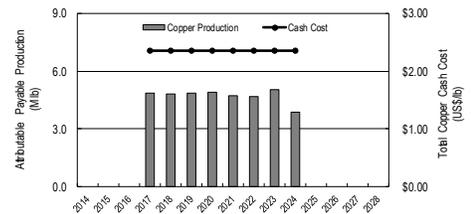
Financial Forecast						
	2014	2015	2016	2017	2018	2019
Forecast Copper Price, US\$/lb	\$3.11	\$2.50	\$2.75	\$3.00	\$3.25	\$3.25
Realized Copper Price, US\$/lb	-	-	-	\$3.00	\$3.25	\$3.25
Forecast Gold Price, US\$/oz	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Realized Gold Price, US\$/oz	-	-	-	-	-	-
CS/US\$ FX Rate	\$1.10	\$1.17	\$1.17	\$1.12	\$1.08	\$1.08
Shares O/S, millions	159	209	217	217	217	217
Revenue, US\$M	\$0	\$0	\$4	\$19	\$20	\$20
Mine Site Expense, US\$M	\$0	\$0	\$0	(\$11)	(\$11)	(\$11)
Corporate G&A, US\$M	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)
EBITDA, US\$M	(\$2)	(\$2)	\$1	\$5	\$6	\$6
EV / EBITDA	-	-	3.0x	0.8x	0.6x	0.6x
DD&A, US\$M	\$0	\$0	\$0	(\$2)	(\$2)	(\$2)
Gain on Derivative Instruments (hedging), US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Earnings, US\$M	(\$2)	(\$3)	\$0	\$1	\$2	\$3
EPS, US\$	(\$0.02)	(\$0.02)	\$0.00	\$0.01	\$0.01	\$0.01
Current Price / EPS	-	-	22.3x	4.4x	2.4x	2.2x
Target Price / EPS	-	-	-	11.8x	6.5x	6.0x
Cash Flow Before W/C Changes, US\$M	(\$2)	(\$3)	\$0	\$4	\$5	\$5
CFPS, US\$	(\$0.02)	(\$0.02)	\$0.00	\$0.02	\$0.03	\$0.03
Current Price / CFPS	-	-	-	1.5x	1.1x	1.1x
Target Price / CFPS	-	-	-	41.7x	4.1x	2.9x
CAPEX, US\$M	\$0	\$0	(\$10)	\$0	(\$0)	(\$0)
Proceeds from Equity Financing, US\$M	\$1	\$2	\$0	\$0	\$0	\$0
Proceeds from Debt Financing, US\$M	\$0	\$10	\$0	\$0	\$0	\$0
Debt Repayment, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Free Cash Flow, US\$M	\$3	\$8	(\$9)	\$4	\$5	\$4
FCFPS, US\$	\$0.02	\$0.04	(\$0.04)	\$0.02	\$0.02	\$0.02

Major Shareholders				
	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Dundee Resources	17.2	11%	17.2	10%
Pinetree Capital	12.0	8%	12.0	7%
1832 Asset Management	4.0	3%	4.0	2%
Management and Directors	16.8	11%	16.8	9%
Total	159.4	31%	178.5	28%

Corporate NAV Summary and Sensitivity						
	Haywood	\$1.50	\$2.50	\$3.50	\$4.50	Spot
Forecast Copper Price, US\$/lb	Model	\$500	\$1,000	\$1,500	\$2,000	\$1,295
Forecast Gold Price, US\$/oz		1.17	1.30	1.15	1.00	0.85
Forecast CS/US\$ FX Rate						
Corporate Adjustments, US\$M	(\$29)	(\$29)	(\$29)	(\$29)	(\$29)	(\$29)
Berta After-Tax Project NAV10%, US\$M	\$17	(\$17)	\$4	\$22	\$36	\$5
San Jorge After-Tax Project NAV12%, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
San Jorge 2.5% NSR royalty NAV12%, US\$M	\$34	\$15	\$27	\$38	\$49	\$27
Additional Exploration Credit, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Corporate NAV, US\$M	\$22	(\$30)	\$1	\$30	\$56	\$2
Corporate Adjustments, C\$ / F/D share	(\$0.13)	(\$0.14)	(\$0.13)	(\$0.11)	(\$0.09)	(\$0.14)
Berta After-Tax Project NAV10%, C\$ / F/D share	\$0.08	(\$0.08)	\$0.02	\$0.06	\$0.12	\$0.02
San Jorge After-Tax Project NAV12%, C\$ / F/D share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
San Jorge 2.5% NSR royalty NAV12%, C\$ / F/D share	\$0.15	\$0.08	\$0.12	\$0.14	\$0.16	\$0.13
Additional Exploration Credit, C\$ / F/D share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Corporate NAV, C\$ / F/D share	\$0.10	(\$0.15)	\$0.01	\$0.11	\$0.18	\$0.01
Current Price / Corporate NAV	0.3x	-	5.0x	0.3x	0.2x	3.2x
Target Price / Corporate NAV	0.8x	-	13.3x	0.7x	0.4x	8.4x
2014E CFPS, US\$	\$0.00	(\$0.01)	\$0.00	\$0.01	\$0.01	\$0.00
2017E CFPS, US\$	\$0.02	(\$0.02)	\$0.00	\$0.03	\$0.06	\$0.00

Model shares F/D (fully financed): 264M

Berta Production Profile (100% basis; 50% modelled attributable)						
	2014	2015	2016	2017	2018	RLOM
One Tonnes Mined, millions	-	-	-	2.2	2.2	13.9
Waste Tonnes Mined, millions (incl. pre strip)	-	-	-	0.9	0.4	7.2
Strip Ratio (incl. pre strip)	-	-	-	0.43	0.16	0.52
One Tonnes Milled, millions	-	-	-	2.2	2.2	13.9
One Tonnes Milled, tonnes per day	-	-	-	6,000	6,500	5,000
Copper Grade Leached, %	-	-	-	0.3%	0.3%	0.4%
Copper Recovery, %	-	-	-	60%	60%	62%
Copper Cathode Production, Mlb	-	-	-	10	10	75
Payable Copper Production, Mlb	-	-	-	10	10	75
Total On-Site Operating Cost, US\$/tonne leached	-	-	-	\$11.00	\$11.00	\$13.00
Total Copper Cash Cost, US\$/lb payable	-	-	-	\$2.35	\$2.35	\$2.35



Corporate Metal Inventory - Model Mineable, Reserve, and Resource						
	Tonnes (000's)	Cu Grade (%)	GrGr Grade (%)	Copper (Mlb)	CuEq (Mlb)	EWtB CuEq (US\$/lb)
Berta Model Mineable (100%)	13,855	0.40%	0.4%	121	121	-
San Jorge Model Mineable (100%)	-	-	-	-	-	-
Berta P&P Reserves (100%)	-	-	-	-	-	-
San Jorge P&P Reserves (100%)	48,390	0.61%	0.61%	652	652	-
Proven & Probable Reserves (100%)	48,390	0.61%	0.61%	652	652	\$0.06
Berta M&I Resources (100%)	13,822	0.43%	0.43%	131	131	-
San Jorge M&I Resources (100%)	146,054	0.43%	0.54%	1,389	1,736	-
Measured & Indicated Resources (100%)	159,876	0.43%	0.53%	1,520	1,867	-
Berta Inferred Resources (100%)	2,039	0.38%	0.38%	17	17	-
San Jorge Inferred Resources (100%)	72,973	0.37%	0.45%	597	723	-
Inferred Resources (100%)	75,012	0.37%	0.45%	614	740	-
Total Reserve and Resource (100%)	283,278	0.45%	0.52%	2,786	3,258	\$0.01
Attributable Reserve and Resource	7,931	0.42%	0.42%	74	74	\$0.053

Measured & indicated resource is additional to proven & probable reserve.

Coro Mining Corp. Consensus Estimate Summary (Reuters data sourced via Capital IQ)						
	Analysts	Mean EPS	High / Low	Mean CFPS	High / Low	Haywood's Cons.
2014 Consensus Estimate	1	(US\$0.01)	(US\$0.10) - (US\$0.01)	54%	(US\$0.01)	(US\$0.01) - (US\$0.01)
2015 Consensus Estimate	1	(US\$0.01)	(US\$0.10) - (US\$0.01)	52%	(US\$0.01)	(US\$0.01) - (US\$0.01)
	Analysts	SO Rating	SP Rating	SU Rating	Mean Target	High / Low
Consensus Valuation	1	-	1	-	US\$0.09	(US\$0.10) - (US\$0.09)

Hedge Position						
	RLOM	2015	2016	2017	2018	2019
Forward Copper Sales, Mlb	-	-	-	-	-	-
Forward Copper Sales Price, US\$/lb	-	-	-	-	-	-
Forward Gold Sales, ounces 000's	-	-	-	-	-	-
Forward Gold Sales Price, US\$/oz	-	-	-	-	-	-

Modelled Equity Financings					
	Year	Quarter	Amount (C\$M)	Price (C\$/share)	Shares (millions)
Current O/S Share Capital					159
Current F/D Share Capital					178
Interim Equity Financing	2015	Q1	\$2.0	C\$0.04	57
Berta Construction Equity Financing	-	-	-	-	-
Modelled Fully Financed F/D Share Capital					264

Haywood model assumes a 100.0 debt-equity structure to fund Berta's US\$20M initial capital cost (100% basis).

Peer-Group Comparables (Haywood Securities estimates)							
	Share Price	Corp NAV	Price / NAV	2014E CFPS	Price / CFPS	2015E CFPS	Price / CFPS
Coro Mining Corp. (COP-T)	C\$0.03	US\$0.08	0.3x	(US\$0.02)	-	(US\$0.02)	-
Capstone Mining Corp. (CS-T)	C\$1.23	US\$4.44	3.6x	US\$0.60	1.8x	US\$0.50	2.1x
Copper Mountain Mining Corp. (CMM-T)	C\$1.10	US\$0.55	1.8x	US\$0.40	2.5x	US\$0.62	1.5x
First Quantum Minerals Ltd. (FQM-T)	C\$12.67	US\$22.45	0.5x	US\$2.45	4.7x	US\$3.40	3.2x
Foran Mining Corp. (FOM-V)	C\$0.22	US\$0.07	2.8x	(US\$0.02)	-	(US\$0.01)	-
Highland Copper Co. Inc. (HI-V)	C\$0.39	US\$0.64	0.5x	(US\$0.02)	-	(US\$0.02)	-
Hudbay Minerals Inc. (HBM-T)	C\$9.12	US\$10.44	0.8x	US\$0.15	56.1x	US\$0.75	10.3x
Lundin Mining Corp. (LUN-T)	C\$4.63	US\$6.50	0.6x	US\$0.72	5.9x	US\$1.20	3.3x
Nevsun Resources Ltd. (NSU-T)	C\$4.36	US\$4.67	0.8x	US\$0.60	6.7x	US\$0.65	5.7x
Novacopper Inc. (NCO-T)	C\$0.68	US\$1.73	0.4x	(US\$0.16)	-	(US\$0.33)	-
Royal Nickel Corp. (RNK-T)	C\$0.33	US\$0.64	0.5x	(US\$0.04)	-	(US\$0.02)	-
Sunridge Gold Corp. (SGC-V)	C\$0.15	US\$0.30	0.5x	(US\$0.02)	-	(US\$0.01)	-
Talon Metals Corp. (TLO-T)	C\$0.00	US\$0.00	-	US\$0.00	-	US\$0.00	-
Trevali Mining Corp. (TV-T)	C\$1.06	US\$1.15	0.8x	US\$0.05	21.2x	US\$0.10	9.0x
Zulu Metals Corp. (ZAZ-T)	C\$0.31	US\$0.58	0.5x	(US\$0.04)	-	(US\$0.02)	-
Peer-Group Average (producers)			0.8x		14.1x		5.0x
Peer-Group Average (all)			0.8x		14.1x		5.0x

2014E CS/US\$ FX Rate: 1.10
 2015E CS/US\$ FX Rate: 1.17

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Source: Haywood Securities



Denison Mines Corp. TSX:DML Price: CDN \$1.07 Shares O/S (M) 505.9 Rating: Buy
 AMEX:DNN Price: US \$0.86 MCap (CDN \$ M) \$541.3 Target (CDN \$): \$2.10 Return: 96%

Alpha: Denison Mines is focused on becoming the preeminent exploration company in the Athabasca Basin. Following the sale of its U.S. assets, the Company has continued to expand its portfolio of strategic assets organically, and through strategic acquisition and investment in Canada, Mongolia and Zambia. The Company also maintains a 22.5% interest in the McClean Lake mill.

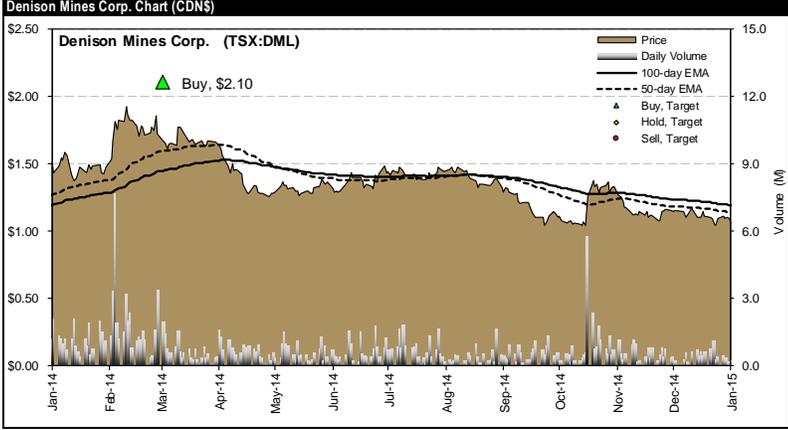
Investment Highlights

- In June 2012, Denison sold their U.S. assets to Energy Fuels (TSX:EFR), including the White Mesa mill, four operating mines and several mines on stand-by or in various stages of permitting and development. With the completion of the sale, Denison is now focused on building on its strategic asset base making up its portfolio of uranium development assets across three continents.
- Denison's 2015 exploration program will focus extensively on Athabasca Basin properties. The Company is budgeting \$15.8 million for Canadian exploration + development work in 2015, on an attributable basis. It will spend US\$2.3 million during 2015 on its African projects, and another US\$0.725 million in Mongolia.

Canada: \$16.6 M - including both exploration and development work on a multitude of projects in the Athabasca Basin, SABRE spending, and McClean Lake spend.
Mutanga & Mali: US\$2.3M – Exploration target ID, and expanding airborne geophysics.
Mongolia: \$0.725M - Work at 85%-interest in Gurvan Saihan Joint Venture.

Catalysts:

- H1-2015: Exploration results from Wheeler River Project and other CDN projects
- 2015: Spinout of African assets

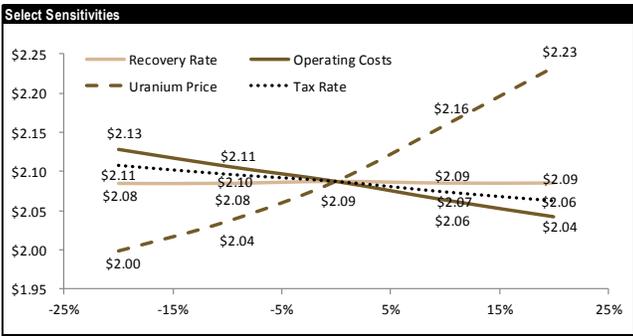


Financials	2012	2013	2014	2015	2016
(Year End 12/31)					
Forecast U308 Spot Price, US\$/lb	\$49	\$38	\$33	\$40	\$53
Forecast U308 LT Contract Price, US\$/lb	\$61	\$54	\$47	\$58	\$65
C\$/US\$ FX Rate	1.00	1.03	1.10	1.17	1.17
A\$/US\$ FX Rate	0.97	1.04	1.10	1.25	1.26
Shares O/S, millions	384.7	440.9	506.5	519.2	519.2
Revenue, US\$M	\$11.1	\$10.4	\$12.5	\$4.9	\$14.1
Mine Site Expense	\$14.4	\$8.8	\$0.0	\$0.0	\$5.4
Corporate G&A	\$10.4	\$8.7	\$9.6	\$4.4	\$4.5
EBITDA	(\$104.0)	\$0.0	\$0.0	\$0.0	\$3.9
EV / EBITDA	-	-	-	-	125.3x
DD&A	\$19.3	\$0.7	\$1.0	\$1.0	\$3.2
Earnings	(\$117.9)	(\$102.5)	(\$19.2)	(\$7.5)	\$0.5
Adjusted EPS, US\$	(\$0.31)	(\$0.23)	(\$0.04)	(\$0.01)	\$0.00
Current Price / EPS	-	-	-	-	944.0x
Target Price / EPS	-	-	-	-	1852.8x
Cash Flow Before W/C Changes	(\$6.0)	(\$18.4)	(\$17.8)	(\$6.4)	\$3.6
CFPS, US\$	(\$0.02)	(\$0.05)	(\$0.04)	(\$0.01)	\$0.01
Current Price / CFPS	-	-	-	-	133.3x
Target Price / CFPS	-	-	-	-	261.5x
Operating Cash Flow, US\$M	(\$7)	(\$21)	(\$18)	(\$6)	\$4
Financing Cash Flow, US\$M	\$7	\$14	\$20	\$124	\$104
Investing Cash Flow, US\$M	(\$16)	(\$8)	\$15	(\$104)	(\$104)
Change in Cash, US\$M	(\$15)	(\$16)	\$17	\$14	\$5
Working Capital	\$35	\$29	\$46	\$23	\$46
Current Ratio	5.4x	4.1x	5.9x	1.5x	2.6x
LT Debt, US\$M	\$0	\$0	\$5	\$114	\$189
Debt as % of Capitalization	0.0%	0.0%	1.7%	27.4%	38.3%

52 Week High/Low	\$1.95 / \$1.02	Average Daily Volume (90 day)	700,893
Ownership	Management / Institutional	Major Shareholders	
Shares (million)	2.72	116.84	Beutel Goodman & Company Ltd. 6.9%
% O/S	0.5%	23.1%	Global X Management Company LLC 5.5%
Last Financing	28-May-13 C\$14.95 million - private placement - 11.5 million flow-through shares at \$1.30 per share		
Shares O/S - Basic, F.D.	505.9		\$15.0
(CSM)	Av Strike (C\$)	Units (M)	ITM Units (M) Proceeds (C\$)
Working Capital			\$36
Options	\$1.69	9.16	6.37 \$10
Convertible Bonds			
Total NWC & ITM		9.16	6.37 \$46
Market Cap (C\$)			\$541

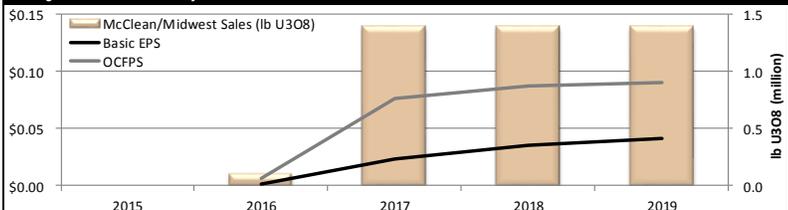
NAV Summary, Target Generation and Sensitivity	-20%	-10%	+10%	+20%
Average Realized U308 (US\$/lb)	\$72	\$58	\$65	\$80
McClean Lake/Midwest DCF (CSM) (@8.0%)	\$104.5			
NPV of Corporate CF (@8.0%)	-\$10.3			
Total Project NAV - Net of Corporate CFs	\$94.3			
McClean Lake Mill 22.5% Value (CSM)	\$261.3			
Canada - Wheeler River, Waterbury, others (CSM)	\$482.7			
Africa - Mutanga/Falea in-situ value (CSM)	\$96.5			
Mongolia - GSJV in-situ value (CSM)	\$24.8			
Corporate NAV Subtotal (CDN\$)	\$979.4	\$934.4	\$953.5	\$1,015.4
Working Capital (est. year end 2015)	\$57.3	\$57.3	\$57.3	\$57.3
Dilutive Capital	\$19.2	\$19.2	\$19.2	\$19.2
Corporate NAV (CDN\$)	\$1,055.9	\$1,011.0	\$1,030.0	\$1,092.0
Corporate NAVPS	\$2.09	\$2.00	\$2.04	\$2.16
Current P/NAV	0.5x	0.5x	0.5x	0.5x
Target P/NAV	1.0x	1.0x	1.0x	1.0x
Target (CDN\$)	\$2.10	\$2.00	\$2.00	\$2.20

Bloomberg Consensus Data (excluding Haywood estimates)	2014	2015	2016
OCFPS	(\$0.04)	(\$0.03)	\$0.04
EPS	(\$0.04)	(\$0.03)	(\$0.04)



Peer Group Comparables (Haywood Securities estimates)	Symbol	Price (C\$)	M.CAP C\$	EV C\$	EV / lb Res ₍₁₎	EV/EBITDA ₍₂₎	EV/lb Prod ₍₃₎
Denison Mines Corp.	TSX:DML	\$1.07	\$541	\$506.7	\$2.48	-4.9x	-
Paladin Energy Ltd	ASX:PDN	\$0.32	\$534	\$1,054.0	\$2.06	11.2x	\$124.0
Cameco Corporation	TSX:CCO	\$17.80	\$7,045	\$8,029.1	\$8.06	21.7x	\$347.6
Energy Fuels Inc.	TSX:EFR	\$5.65	\$111	\$116.5	\$0.94	-0.5x	\$233.0
Average			\$2,058	\$2,426.6	\$3.39	6.9x	\$234.9

(1) Reported or Haywood estimate of resource, (2) Bloomberg Consensus except PDN(Haywood), and (3) 2014 estimated production



Sales & Production Profile	2015	2016	2017	2018	2019
Production Attrib. McClean Lake / Midwest U ₃ O ₈ (Mlb)	-	0.1	1.4	1.4	1.4
Sales Attrib. McClean Lake / Midwest U ₃ O ₈ (Mlb)	-	0.1	1.4	1.4	1.4
Operating Cost, US\$/tonne milled	\$0	\$365	\$365	\$365	\$365
U ₃ O ₈ Realized Price, US\$/lb	\$0	\$63	\$69	\$74	\$74
U ₃ O ₈ Cash Cost, US\$/lb	\$0	\$23	\$23	\$23	\$23
U ₃ O ₈ Operating Cost, US\$/lb	\$0	\$40	\$40	\$40	\$40

Corporate Contact	Website:	www.denisonmines.com	Tel:	416-979-1991
	CEO:	Hochstein, Ronald		
		Colin Healey, MBA - Research Analyst		
		chealey@haywood.com		604-697-6089

Source: Haywood Securities



<p>Detour Gold Corporation (DGC-T, \$12.49) Rating (Risk): BUY (Medium-High) Target Price Metric: 13.0x EV/2015E CFPS</p>	<p>Target Price, C\$ \$14.00</p> <p>Return, % 12% 52-Week High / Low, C\$ \$15.62 / \$6.02 Daily Volume (3-month avg) 2,045,000</p>	<p>Shares O/S, millions 170.6 Shares F/D, millions 193.9 Market Capitalization, US\$M \$1,718.7 Company CEO Paul Martin Company Web Site detourgold.com</p>
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Balance Sheet and Capitalization				
	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$1,718.7	\$10.08	\$2,130.2	\$12.49
Current Cash	\$140.0	\$0.82	\$173.5	\$1.02
F/D Cash Adds	\$603.9	\$3.54	\$748.5	\$4.39
Working Capital	\$159.3	\$0.93	\$197.4	\$1.16
Long-term Debt	(\$500.0)	(\$2.93)	(\$619.7)	(\$3.63)
Book Value	\$1,889.9	\$11.08	\$2,342.3	\$13.73
Enterprise Value (EV)	\$2,059.4	\$12.07	\$2,552.4	\$14.97

EV = Market Capitalization - Working Capital + Long-term Debt
 Spot C\$/US\$ FX Rate: 1.24

Financial Forecast						
	2013A	2014E	2015E	2016E	2017E	2018E
Forecast Gold Price, US\$/oz	\$1,411	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
Realized Gold Price, US\$/oz	\$1,411	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
C\$/US\$ FX Rate	1.03	1.10	1.17	1.17	1.12	1.08
Shares O/S, millions	128.9	157.8	170.6	170.6	171.8	174.5
Revenue, US\$M	\$175.8	\$538.4	\$648.5	\$724.6	\$858.1	\$858.1
Operating Cost, US\$M	(\$137.4)	(\$384.0)	(\$381.1)	(\$394.7)	(\$429.4)	(\$446.2)
Exploration Expense, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Corporate G&A, US\$M	(\$22.0)	(\$24.0)	(\$21.0)	(\$21.0)	(\$21.0)	(\$21.0)
EBITDA, US\$M	\$16.4	\$130.4	\$246.4	\$308.9	\$407.7	\$390.9
EV / EBITDA	125.4x	15.8x	8.4x	6.7x	5.1x	5.3x
DD&A, US\$M	\$0.0	(\$137.0)	(\$91.0)	(\$104.9)	(\$128.4)	(\$133.0)
Earnings, US\$M	(\$22.5)	(\$25.3)	\$87.8	\$124.9	\$179.9	\$184.4
EPS, US\$	(\$0.17)	(\$0.16)	\$0.51	\$0.73	\$1.05	\$1.05
Current Price / EPS	-	-	20.7x	14.6x	10.6x	11.6x
Target Price / EPS	-	-	23.2x	16.4x	11.9x	12.4x
Cash Flow Before W/C Changes, US\$M	(\$17.2)	\$118.4	\$187.6	\$223.2	\$300.6	\$306.2
CFPS, US\$	(\$0.13)	\$0.75	\$1.10	\$1.35	\$1.75	\$1.75
Current Price / CFPS	-	15.1x	9.7x	7.9x	6.4x	6.6x
Target Price / CFPS	-	17.0x	10.9x	8.9x	7.1x	7.4x
CFPS Sensitivity, US\$	-	\$0.08	\$0.11	\$0.12	\$0.14	\$0.17
CAPEX and Capitalized Stripping, US\$M	(\$194.0)	(\$134.2)	(\$122.0)	(\$153.1)	(\$161.1)	(\$169.6)
Free Cash Flow, US\$M	(\$211.2)	(\$17.2)	\$60.7	\$70.1	\$139.5	\$136.6
Proceeds from Equity Financing, US\$M	\$168.4	\$149.2	\$129.5	\$0.0	\$0.0	\$0.0
Proceeds from Debt Financing, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Debt Repayment, US\$M	(\$5.7)	(\$60.0)	(\$124.0)	\$0.0	(\$500.0)	\$0.0
Increase in Cash and Equivalents, US\$M	(\$48.4)	(\$77.2)	\$66.2	\$70.1	(\$360.5)	\$136.6
Change in Cash and Equivalents per Share, US\$	(\$0.38)	(\$0.50)	\$0.35	\$0.40	(\$2.10)	\$0.78

CFPS sensitivity is based on a US\$50/oz change in forecast gold price.

2015 Co. Guidance: 475K-525K oz of gold at a total cash cost of US\$370-US\$850/oz and AISC of US\$1,050-US\$1,150/oz.

Production Profile						
	2013	2014	2015	2016	2017	LOM
Detour Lake (100% owned, open pit)						
Tonnes Milled, millions	5.7	17.7	19.7	21.3	22.3	478
Gold Grade, g/t	0.79	0.88	0.90	0.93	1.04	1.02
Metallurgical Gold Recovery, %	87%	91%	91%	91%	92%	91%
Strip Ratio	-	3.7	3.5	4.7	4.8	3.4
Gold Production (100%), ounces 000's	125	457	520	580	685	14,460
Gold Sale, ounces 000's	120	423	520	580	685	14,460
Average Cash Costs, US\$/oz						
	\$1,075	\$915	\$710	\$660	\$605	\$650
Total Production (100%), ounces 000's						
	125	457	520	580	685	14,460
Total Gold Sale, ounces 000's						
	120	423	520	580	685	14,460
Gold Production (100%), ounces 000's						
	125	457	520	580	685	14,460
Gold Sale, ounces 000's						
	120	423	520	580	685	14,460
Cash Cost, US\$/oz						
	\$1,075	\$915	\$710	\$660	\$605	\$650
Total Cash Cost, US\$/oz						
	\$1,105	\$930	\$735	\$685	\$630	\$675
AISC, US\$/oz						
	\$1,922	\$1,288	\$1,025	\$995	\$900	\$835

Historical Quarterly Results						
	Q3/13A	Q4/13A	Q1/14A	Q2/14A	Q3/14A	Q4/14A
Tonnes of Ore Milled, 000's	3,877	3,412	4,080	4,420	4,530	4,710
Tonnes of Ore Milled, tpd	42,141	37,050	45,282	48,569	49,186	51,142
Average Gold Grade, g/t	0.72	0.81	0.90	0.91	0.88	0.85
Total Gold Production, 000's ounces	76	82	107	117	115	117
Total Gold Sales, 000's ounces	25	95	85	107	106	125
Cash Cost, C\$/tonne	\$22.48	\$29.15	\$28.22	\$27.05	\$0.00	\$0.00
Total Cash Cost, US\$/oz	\$1,214	\$1,174	\$976	\$941	\$941	\$875
Average Realized Gold Price, US\$/oz	\$1,340	\$1,269	\$1,301	\$1,293	\$1,278	\$1,278
Average LME Gold Price, US\$/oz	\$1,330	\$1,272	\$1,292	\$1,290	\$1,282	\$1,282
Cash Flow before W/C changes, US\$M	(\$1.7)	\$0.8	\$17.9	\$38.8	\$32.1	\$32.1
CFPS, US\$	(\$0.01)	\$0.01	\$0.12	\$0.26	\$0.20	\$0.20
Adjusted Earnings, US\$M	(\$10.6)	(\$35.9)	(\$28.1)	(\$17.4)	(\$16.5)	(\$16.5)
EPS, US\$	(\$0.08)	(\$0.26)	(\$0.20)	(\$0.12)	(\$0.10)	(\$0.10)
Capex, US\$M	\$69.4	\$55.2	\$17.4	\$27.1	\$41.7	\$41.7

Summary of Outstanding Debt/Liabilities
 US\$500M convertible notes due November 2017 (US\$38.50 conversion price, 5.5% coupon)
 Note - Start of production announced in Feb. 2013, with commercial production achieved in Aug. 2013.

Kerry Smith, P.Eng. - Research Analyst
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Share Capital Dilution				
	Number	Price	Proceeds	Expiry
Warrants	0.0M	C\$0.00	US\$0.0M	-
Options	10.4M	C\$19.99	US\$167.6M	January-17
Warrants + Options	10.4M	C\$19.99	US\$167.6M	

Recent Financings	
January 2015 - C\$1162M bought deal financing; 12.65M common shares @ C\$12.80	
February 2014 - C\$150M bought deal financing; 16.22M common shares @ C\$9.25	
June 2013 - C\$176M bought deal financing; 20.1M common shares @ C\$8.75	
December 2012 - C\$122M bought deal financing; 4.6M common shares @ C\$26.50	
January 2012 - C\$277M bought deal financing; 9.89M common shares @ C\$28.00	
December 2011 - C\$10.0M flow-through financing; 0.284M flow-through common shares @ C\$35.25	
July 2011 - C\$427.7M bought deal financing; 17.4M common shares @ C\$29.75	
December 2010 - US\$500M Convertible Notes (7-Year Maturity, US\$38.50 Conversion Price, 5.5% Coupon)	

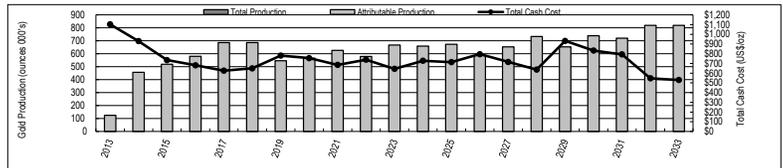
Major Shareholders				
	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Paulson & Co.	21.6	12.7%	21.6	11.1%
Van Eck	10.2	6.0%	10.2	5.3%

Share ownership pre-January 2015 financing					
Corporate NAV Summary and Sensitivity					
	Base Case	\$1,100	\$1,200	\$1,400	Spot
Forecast Gold Price, US\$/oz					\$1,295
Corporate Adjustments, US\$M	-\$13	-\$13	-\$13	-\$13	-\$13
Detour Lake After-Tax Project NAV _{10%} , US\$M	\$3,163	\$2,186	\$2,890	\$3,908	\$3,395
Additional Exploration Credit, US\$M	\$306	\$306	\$306	\$306	\$306
Corporate NAV, US\$M	\$3,456	\$2,479	\$3,183	\$4,201	\$3,688
Corporate Adjustments, C\$/F/D share	(\$0.08)	(\$0.10)	(\$0.10)	(\$0.10)	(\$0.10)
Detour Lake After-Tax Project NAV _{10%} , C\$/F/D share	\$19.10	\$13.20	\$17.45	\$23.60	\$20.50
Additional Exploration Credit, C\$/F/D share	\$1.85	\$1.85	\$1.85	\$1.85	\$1.85
Corporate NAV, C\$/F/D share	\$20.87	\$14.95	\$19.20	\$25.35	\$21.25
Current Price / Corporate NAV	0.6x	0.8x	0.7x	0.5x	0.6x
2014E CFPS, US\$	\$0.75	\$0.50	\$0.65	\$1.00	\$0.80
2015E CFPS, US\$	\$1.10	\$0.75	\$1.00	\$1.40	\$1.20
2016E CFPS, US\$	\$1.35	\$0.95	\$1.20	\$1.70	\$1.45
Implied Target Price, C\$ @ 12.0x EV/2015E CFPS	\$14.00	\$9.50	\$13.25	\$19.25	\$15.50

Base case gold price assumption of US\$1,250/oz.
 Additional exploration credit includes credit for gold resource
 Fully Financed Fully Diluted Shares, millions: 193.9
 2015E C\$/US\$ FX Rate: 1.17

Gold Inventory - Model Mineable, Reserve, and Resource (100% owned)					
	Tonnes (000's)	Au Grade (g/t)	Gold (Moz)	EV/oz (US\$/oz)	Mine Life (years)
Model Mineable (100%)	495,400	1.0	16.3	\$126	23.3
Model Recoverable (100%)	-	-	14.5	\$142	24.9
Proven and Probable Reserve (100%)	476,400	1.0	15.5	\$132	22.4
Measured & Indicated Resource (100%)	136,300	1.1	4.9	\$423	6.4
Inferred Resource (100%)	21,700	0.8	0.6	\$3,651	1.0
Total Reserve and Resource (100%)	634,400	1.0	21.0	\$98	29.8
Attributable Reserve	470,042	1.0	15.6	\$132	22.1
Attributable Reserve and Resource	634,400	1.0	21.0	\$98	29.8

Mine life (implied) is based on 2013E production rate.



Detour Gold Corporation Consensus Estimate Summary (Reuters data sourced from Capital IQ)							
	Analysts	Mean EPS	High / Low	vs. Cons.	Mean CFPS	High / Low	vs. Cons.
2014 Consensus Estimate	11	(US\$0.48)	US\$-0.37 / US\$-0.53	-	US\$0.77	US\$0.87 / US\$0.6	-3%
2015 Consensus Estimate	11	(US\$0.08)	US\$0.14 / US\$-0.32	-	US\$0.97	US\$1.19 / US\$0.83	14%
2016 Consensus Estimate	11	US\$0.25	US\$0.71 / US\$-0.23	197%	US\$1.36	US\$1.67 / US\$1.12	-1%
Consensus Valuation	14		SO Rating 9	SP Rating 5	Mean Target C\$13.91	High / Low US\$18.29 / US\$10.00	1%

Peer Group Comparables							
	Price C\$	EV (US\$M)	Consensus 2015E CFPS	P/CF 2015E	Consensus 2016E CFPS	P/CF 2016E	EV/CF 2016E
Detour Gold Corporation	\$12.49	1,860	US\$ 0.97	10.4x	US\$ 0.97	10.4x	12.2x
Agnico Eagle Mines Limited	\$40.36	7,558	US\$ 3.25	10.0x	US\$ 3.25	10.0x	11.1x
Allied Nevada Gold Corp.	\$1.43	369	US\$ 0.33	3.4x	US\$ 0.33	3.4x	8.8x
AuRico Gold Inc.	\$4.73	1,097	US\$ 0.36	10.7x	US\$ 0.36	10.7x	12.3x
Eldorado Gold Corporation	\$7.04	3,969	US\$ 0.40	14.2x	US\$ 0.40	14.2x	13.9x
IAMGOLD Corp.	\$3.50	1,322	US\$ 0.62	4.6x	US\$ 0.62	4.6x	5.7x
New Gold, Inc.	\$5.28	2,438	US\$ 0.63	6.8x	US\$ 0.63	6.8x	7.7x
Randgold Resources Limited	\$9.82	7,187	US\$ 5.38	15.0x	US\$ 5.38	15.0x	14.4x
Peer Group Average				9.2x		9.2x	10.6x
Peer Group Average (excluding high/low)				9.3x		9.3x	10.8x

Capital IQ, Company Reports, and Haywood Estimates

Source: Haywood Securities

	Eldorado Gold Corp. (ELD-T, \$7.04) Rating (Risk): BUY (MEDIUM-HIGH) Target Price Metric: 12x EV/2016E CFPS	Target Price, C\$ \$9.00 Return, % 28% 52-Week High / Low, C\$ 9.68 / 5.65 Daily Volume (3-month avg) 3,164,400	Shares O/S, millions 716.3 Shares F/D, millions 737.5 Market Cap, US\$M \$4,058 Company CEO Paul Wright Company Web Site www.eldoradogold.com
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	US\$M	US\$ / O/S Share	CSM	C\$ / O/S Share
Market Capitalization	\$4,058.4	\$5.67	\$5,042.8	\$7.04
Current Cash	\$500.0	\$0.70	\$621.3	\$0.87
F/D Cash Adds	\$199.7	\$0.28	\$248.2	\$0.35
Working Capital	\$617.4	\$0.86	\$767.2	\$1.07
Long-term Debt	(\$566.7)	(\$0.82)	(\$728.9)	(\$1.02)
Book Value	\$5,193.2	\$7.25	\$6,452.9	\$9.01
Enterprise Value (EV)	\$4,027.7	\$5.62	\$5,004.6	\$6.99

EV = Market Capitalization + Working Capital + Long-Term Debt
Spot CS/US\$ FX Rate: 1.24
2015E CS/US\$ FX Rate: 1.17

	Number	Price	Proceeds	Expiry
Warrants	0.6M	C\$0.00	US\$0.0M	
Options	21.2M	C\$11.70	US\$199.7M	Jan '14 - Jun '17
Warrants + Options	21.8M	C\$11.38	US\$199.7M	

Spot CS/US\$ FX Rate: 1.24

Recent Acquisitions and Financings
 December 2012 - US\$600M senior notes offering (6.125% interest rate, 8-year maturity)
 February 24, 2012 - Acquisition of European Goldfields for US\$2.4 Billion (0.85 ELD shares + C\$0.001 cash per EGU share)

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
BlackRock	124.2	17.3%	124.2	16.8%
Van Eck Associates Corp.	58.0	8.1%	58.0	7.9%

	2013	2014	2015	2016	2017	2018
Forecast Gold Price, US\$/oz	\$1,407	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
Realized Gold Price, US\$/oz	\$1,407	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
CS/US\$ FX Rate	1.03	1.10	1.17	1.17	1.12	1.08
Shares O/S, millions	715	716	716	717	717	717
Revenue, US\$M	\$1,124.0	\$1,085.3	\$969.8	\$1,273.2	\$1,616.4	\$1,491.2
Mine Site Expense, US\$M	(\$637.4)	(\$590.3)	(\$604.0)	(\$585.3)	(\$519.8)	(\$491.5)
Corporate G&A, US\$M	(\$68.3)	(\$65.0)	(\$65.0)	(\$65.0)	(\$65.0)	(\$65.0)
EBITDA, US\$M	\$512.4	\$410.0	\$280.9	\$545.4	\$1,011.6	\$914.7
EV / EBITDA	7.9x	9.8x	14.3x	7.4x	4.0x	4.4x
DDA, US\$M	\$149.4	\$153.2	\$192.2	\$290.7	\$236.3	\$220.4
Earnings, US\$M	\$192.9	\$161.6	\$35.5	\$157.0	\$539.9	\$485.2
EPS, US\$	\$0.27	\$0.20	\$0.05	\$0.22	\$0.75	\$0.65
Current Price / EPS	25.3x	32.0x	121.2x	27.6x	8.4x	10.0x
Target Price / EPS	32.4x	40.9x	154.9x	35.3x	10.7x	12.8x
Cash Flow Before W/C Changes, US\$M	\$382.0	\$312.0	\$191.7	\$448.8	\$876.2	\$751.6
CFPS, US\$	\$0.53	\$0.44	\$0.27	\$0.63	\$1.20	\$1.00
Current Price / CFPS	12.8x	14.5x	22.5x	9.7x	5.2x	6.5x
Target Price / CFPS	16.4x	18.6x	28.7x	12.3x	6.7x	8.3x
CFPS Sensitivity, US\$	\$0.00	\$0.04	\$0.03	\$0.05	\$0.07	\$0.00
Initial Capex, Sustaining Capex, Capitalized Exploration, US\$M	(\$482.0)	(\$582.3)	(\$551.7)	(\$533.5)	(\$333.7)	(\$139.2)
Free Cash Flow, US\$M	(\$99.9)	(\$290.0)	(\$378.2)	(\$108.1)	\$511.7	\$584.0
FCPS, US\$	(\$0.28)	(\$0.41)	(\$0.53)	(\$0.15)	\$0.71	\$0.81
Proceeds from Equity Financing, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from Debt Financing, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Debt Repayment, US\$M	(\$10.4)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

CFPS sensitivity is based on a US\$50/oz change in forecast gold price.

	2013	2014	2015	2016	2017	R/OM
Kiladag, Turkey (100%, open pit) - Au						
Gold Production, ounces 000's	306	311	288	303	328	3,575
Cash Operating Cost, US\$/oz	\$338	\$443	\$580	\$550	\$510	\$535
Total Gold Cash Cost, US\$/oz	\$358	\$485	\$605	\$575	\$535	\$560
Efemcukuru, Turkey (100%, underground) - Au						
Gold Production, ounces 000's	91	99	94	94	94	1,025
Cash Operating Cost, US\$/oz	\$580	\$573	\$560	\$560	\$560	\$545
Total Gold Cash Cost, US\$/oz	\$604	\$580	\$560	\$560	\$560	\$550
Tanjianshan, China (90%, open pit)						
Gold Production, ounces 000's	101	108	92	92	-	185
Cash Operating Cost, US\$/oz	\$415	\$369	\$485	\$410	\$0	\$405
Total Gold Cash Cost, US\$/oz	\$801	\$510	\$545	\$470	-	\$510
Jinfeng, China (82%, open pit + underground) - Au						
Gold Production, ounces 000's	123	169	140	125	182	1,455
Cash Operating Cost, US\$/oz	\$736	\$575	\$700	\$715	\$515	\$560
Total Gold Cash Cost, US\$/oz	\$823	\$705	\$740	\$755	\$555	\$595
White Mountain, China (95%, underground) - Au						
Gold Production, ounces 000's	73	85	79	79	79	415
Cash Operating Cost, US\$/oz	\$705	\$617	\$700	\$700	\$700	\$700
Total Gold Cash Cost, US\$/oz	\$745	\$735	\$735	\$735	\$735	\$735
Eastern Dragon, China (80%, open pit + underground) - Au, Ag						
Gold Production, ounces 000's	-	-	-	101	101	610
Silver Production, ounces 000's	-	-	-	685	685	4,995
Cash Operating Cost (net of credits), US\$/oz	-	-	-	\$220	\$220	\$255
Total Gold Cash Cost (net of credits), US\$/oz	-	-	-	\$220	\$280	\$295
Perama Hill, Greece (100%, open pit) - Au, Ag						
Gold Production, ounces 000's	-	-	-	82	168	870
Silver Production, ounces 000's	-	-	-	35	65	680
Cash Operating Cost (net of credits), US\$/oz	-	-	-	\$156	\$156	\$277
Total Gold Cash Cost (net of credits), US\$/oz	-	-	-	\$186	\$215	\$310
Olympias, Greece (95%, underground) - Au, Ag, Zn, Pb						
Gold Production, ounces 000's	26.4	18	34	57	102	2,985
Cash Operating Cost (net of credits), US\$/oz	-	-	\$1,460	\$1,590	\$335	\$320
Total Gold Cash Cost (net of credits), US\$/oz	-	-	\$1,460	\$1,590	\$335	\$320
Skouries, Greece (95%, open pit + underground) - Au, Cu						
Gold Production, ounces 000's	-	-	-	75	150	3,105
Cash Operating Cost (net of credits), US\$/oz	-	-	-	(\$365)	(\$470)	\$35
Total Gold Cash Cost (net of credits), US\$/oz	-	-	-	(\$365)	(\$470)	\$35
Certej, Romania (90%, open pit) - Au, Ag						
Gold Production, ounces 000's	-	-	-	-	105	1,637
Cash Operating Cost (net of credits), US\$/oz	-	-	-	-	\$435	\$435
Total Gold Cash Cost (net of credits), US\$/oz	-	-	-	-	\$445	\$450
Total Gold Production¹, ounces 000's	721	789	726	1,008	1,309	16,845
Attributable Gold Production², ounces 000's	605	743	690	950	1,220	15,500
Average Cash Cost³ (excl. royalties), US\$/oz	\$494	\$500	\$550	\$510	\$340	\$445
Average Total Cash Cost³, US\$/oz	\$551	\$557	\$670	\$535	\$360	\$455
AISC, US\$/oz	\$924	\$780	\$1,110	\$840	\$560	\$675

¹ Includes 25,000 ounces of pre-commercial production from Efemcukuru in 2012
² 2014 Guidance: 790,000 ounces of gold at an operating cash cost of US\$495/oz and an AISC of US\$385/oz.
³ 2015 Guidance: 640,700,000 ounces of gold at an operating cash cost of US\$570-US\$515/oz and an AISC of US\$960-US\$995/oz.

	Base Case	\$1,100	\$1,200	\$1,400	\$1,295	Spot
Corporate Adjustments, US\$M	\$94	\$94	\$94	\$94	\$94	\$94
Kiladag After-Tax Project NAV ₂₀₁₃ , US\$M	\$914	\$601	\$815	\$1,244	\$1,244	\$1,019
Jinfeng After-Tax Project NAV ₂₀₁₃ , US\$M	\$393	\$300	\$365	\$497	\$497	\$426
Efemcukuru After-Tax Project NAV ₂₀₁₃ , US\$M	\$277	\$184	\$248	\$374	\$374	\$308
Eastern Dragon After-Tax Project NAV ₂₀₁₃ , US\$M	\$319	\$292	\$321	\$379	\$379	\$349
White Mountain After-Tax Project NAV ₂₀₁₃ , US\$M	\$83	\$48	\$72	\$119	\$119	\$94
Tanjianshan After-Tax Project NAV ₂₀₁₃ , US\$M	\$34	\$19	\$30	\$50	\$50	\$39
Via Nova After-Tax Project NAV ₂₀₁₃ , US\$M	\$30	\$30	\$30	\$30	\$30	\$30
Perama Hill After-Tax Project NAV ₂₀₁₃ , US\$M	\$347	\$291	\$306	\$433	\$433	\$377
Skouries After-Tax Project NAV ₂₀₁₃ , US\$M	\$1,237	\$1,122	\$1,235	\$1,462	\$1,462	\$1,343
Sironati After-Tax Project NAV ₂₀₁₃ , US\$M	\$17	\$21	\$21	\$21	\$21	\$21
Certej After-Tax Project NAV ₂₀₁₃ , US\$M	\$510	\$428	\$502	\$649	\$649	\$572
Olympias After-Tax Project NAV ₂₀₁₃ , US\$M	\$1,508	\$1,495	\$1,655	\$1,974	\$1,974	\$1,807
Additional Gold Exploration Credit, US\$M	\$1,134	\$1,134	\$1,134	\$1,134	\$1,134	\$1,134
Corporate NAV, US\$M	\$6,897	\$6,060	\$6,849	\$8,462	\$8,462	\$7,614
Corporate Adjustments, C\$ / F/D share	\$0.15	\$0.15	\$0.15	\$0.15	\$0.15	\$0.15
Kiladag After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$1.45	\$0.95	\$1.30	\$2.00	\$2.00	\$1.60
Jinfeng After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$0.62	\$0.50	\$0.60	\$0.80	\$0.80	\$0.70
Efemcukuru After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$0.44	\$0.30	\$0.40	\$0.60	\$0.60	\$0.50
Eastern Dragon After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$0.51	\$0.45	\$0.50	\$0.60	\$0.60	\$0.55
White Mountain After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$0.13	\$0.10	\$0.10	\$0.20	\$0.20	\$0.15
Tanjianshan After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$0.05	\$0.05	\$0.05	\$0.10	\$0.10	\$0.05
Via Nova After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Perama Hill After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$0.55	\$0.45	\$0.50	\$0.70	\$0.70	\$0.60
Skouries After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$1.96	\$1.80	\$1.95	\$2.30	\$2.30	\$2.15
Sironati After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$0.03	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Certej After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$0.81	\$0.70	\$0.80	\$1.05	\$1.05	\$0.90
Olympias After-Tax Project NAV ₂₀₁₃ , C\$ / F/D share	\$2.40	\$2.35	\$2.65	\$3.15	\$3.15	\$2.85
Additional Gold Exploration Credit, C\$ / F/D share	\$1.80	\$1.80	\$1.80	\$1.80	\$1.80	\$1.80
Corporate NAV, C\$ / F/D share	\$10.95	\$9.70	\$10.90	\$13.55	\$13.55	\$12.10
Current Price / Corporate NAV	0.6x	0.7x	0.6x	0.5x	0.6x	0.6x
Target Price / Corporate NAV	0.8x	0.9x	0.8x	0.7x	0.7x	0.7x
2014E CFPS, US\$	\$0.44	\$0.30	\$0.39	\$0.55	\$0.55	\$0.47
2015E CFPS, US\$	\$0.27	\$0.16	\$0.24	\$0.38	\$0.38	\$0.30
Implied Target Price, C\$ @ 12x EV/2016E CFPS	\$9.00	\$7.50	\$8.50	\$11.50	\$11.50	\$9.50

Base case gold price assumption of US\$1,250/oz.

	Tonnes (000')	Au Grade (g/t)	Moz (Moz)	Mine Life (Yrs)	EV/oz Au (US\$/oz)
Total Company Reported Total P & R Reserves	738,638	1.14	27.7	-	\$145
Kiladag (100%)	431,499	0.69	9.5	25	
Efemcukuru (100%)	4,811	7.67	1.2	12	
Tanjianshan (90%)	4,246	3.00	0.4	4	
Perama (100%)	9,697	3.13	1.0	19	
Jinfeng (82%)	15,997	3.95	2.0	11	
White Mountain (95%)	5,647	2.63	0.5	8	
Eastern Dragon (95%)	3,090	7.71	0.8	11	
Tocantinzinho (100%)	49,050	1.25	2.0	21	
Olympias (95%)	17,942	6.60	4.3	24	
Skouries (95%)	150,073	0.76	3.7	28	
Certej (90%)	46,584	1.41	2.5	16	
Total Company Reported Measured and Indicated Resources	352,994	0.77	8.7	-	-
Total Company Reported Inferred Resources	631,050	0.70	14.2	-	-
Total Company Reported Reserves and Resources	1,722,680	0.91	50.7	-	\$80

Measured and indicated resources are additional to reserves.

	Analysts	Mean EPS	High / Low	vs. Cons.	Mean CFPS	High / Low	vs. Cons.
2014 Consensus Estimate	21	\$0.20	US\$0.38 / US\$0.15	-1%	US\$0.48	US\$0.62 / US	

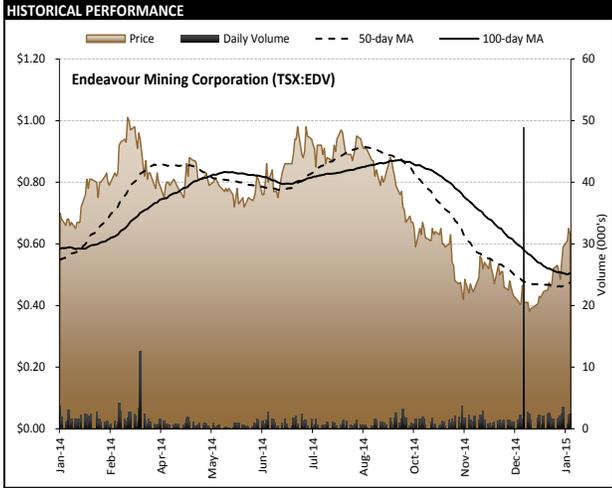


Endeavour Mining Corp. (EDV-T, \$0.58)
Rating: Buy
Risk: High

Target Price (C\$) 1.30
Return (%) 124%
52 Week High/Low (C\$) \$1.02/\$0.38
Daily Volume (3-month avg) 2,068,410

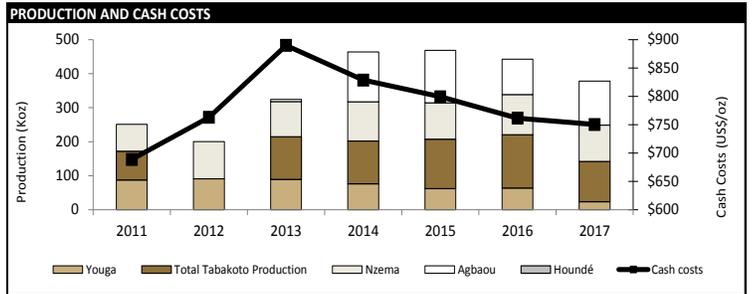
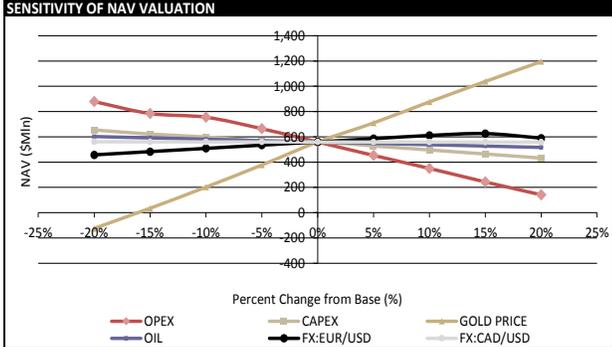
Mkt. Cap, C\$M \$ 240
CEO Neil Woodyer
Company Website www.endeavourmining.com

Capital Structure (as of Dec 2014)		Shares	
		Millions	
Shares Outstanding		413.1	
Warrants		0.0	
Options		25.1	
Fully Diluted Shares		438.3	
Ownership (as of Jan 2015)		Shares O/S (mln)	% O/S
Van Eck Associates		31.2	7.6%
Baker Steel		21.1	5.1%
Ruffer Investment		18.4	4.5%
Macquarie		7.9	1.9%
Fidelity		7.9	1.9%



Financial Summary (US\$m)					
Year-end Dec 31	2013A	2014E	2015E	2016E	2017E
Shares Outstanding, mln	412.6	413.1	413.1	413.1	420.8
FD Shares, mln	469.6	444.7	437.6	442.7	441.2
FD EPS	(0.86)	0.04	0.07	0.08	0.05
FD CFFOPS	0.09	0.30	0.30	0.35	0.25
P/CF	5.5x	1.5x	1.6x	1.3x	1.8x
Income Statement (US\$m)					
Revenue	443.3	575.1	570.1	535.7	431.3
Operating Expenses	312.6	373.9	363.5	324.8	284.0
Depreciation	95.6	86.2	90.9	114.5	87.0
General & Admin	21.5	18.5	19.4	20.4	20.4
General Exploration	4.8	1.7	6.0	0.3	3.0
Net Income	(357.4)	23.1	30.3	33.6	23.4
Balance Sheet (US\$m)					
Cash & Equivalents	73.3	62.0	124.1	167.2	126.6
Debt	286.9	302.2	302.2	235.6	119.0
Cash Flow (US\$m)					
Op. CF (before W/C)	35.2	124.8	132.5	157.1	112.4
Financing CF	80.7	(17.4)	0.0	(66.6)	(116.6)
Investing CF	(148.6)	(96.8)	(69.7)	(47.4)	(36.4)
Change in Cash	(32.6)	(12.0)	62.8	43.1	(40.6)

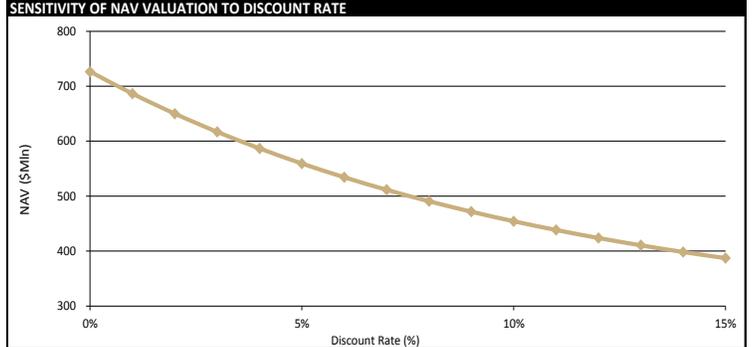
SENSITIVITY OF NAV VALUATION							
Company	Price	EV	P/NAV	P/CFPS	EV/CFPS		
Alamos Gold Inc.	7.50	\$394	0.48x	15.1x	12.1x	7.7x	6.2x
Allied Nevada Gold Corp.	1.43	\$718	0.18x	3.4x	8.5x	17.0x	41.9x
B2Gold Corp.	2.52	\$2,085	1.35x	10.9x	8.6x	12.1x	9.6x
Perseus Mining Limited	0.36	\$116	0.73x	4.0x	3.8x	3.0x	2.8x
Resolute Mining Limited	0.42	\$261	1.04x	4.2x	7.1x	5.1x	8.5x
SEMAFO Inc.	4.03	\$791	1.31x	8.1x	5.3x	7.1x	4.6x
Selected Company Average			0.85x	7.6x	7.5x	8.7x	12.3x
Endeavour Mining Corporation	0.58	\$442	0.75x	1.3x	1.8x	3.5x	4.2x



TECHNICAL ASSUMPTIONS					
	2013A	2014E	2015E	2016E	2017E
Gold (US\$/oz)	\$1,409	\$1,266	\$1,250	\$1,250	\$1,250
Exchange Rate (Cdn\$/US\$)	1.03	1.10	1.17	1.17	1.12
Production Estimates					
	2013A	2014E	2015E	2016E	2017E
Gold Production, 000oz	324	464	469	443	378
Cash Costs, US\$/oz sold	\$890	\$829	\$799	\$762	\$750
Capex Spending, US\$m	\$149	\$97	\$70	\$47	\$36
Resource Estimate* (as of December 31, 2013)					
	Tonnes (Mt)	Grade (g/t)	Contained Gold (000 oz)	Mine Life (Yrs)	EV/oz (US\$/oz)
P&P Reserves	56.0	2.27	4,092		\$92
Youga (90%)	4.0	2.06	265	2	
Agbaou (85%)	11.4	2.36	880	8	
Tabakoto (80%)	3.1	3.04	298	1	
Segala (80%)	2.3	3.81	284	7	
Kofi (84%)	1.6	4.26	213	6	
Nzema (90%)	9.0	2.08	602	6	
Houndé (90%)	24.7	1.98	1,550	9	
M&I Resources	101.9	1.91	6,247		
Inferred Resources	27.2	2.23	1,945		
Total Reserves & Resources	129.0	1.97	8,192		\$47
Total Haywood Mineable Resource	69.3	2.27	5,067		

NET ASSET VALUE					
	(US\$m)	(C\$m)	(C\$/Sh)	Multiple	Adj. (C\$/Sh)
Youga	\$25	\$29	\$0.07	0.9x	\$0.06
Nzema	\$135	\$158	\$0.36	0.9x	\$0.32
Tabakoto	\$93	\$109	\$0.25	0.9x	\$0.22
Agbaou	\$310	\$363	\$0.82	0.9x	\$0.74
Houndé	\$183	\$214	\$0.48	0.2x	\$0.10
Project NAV	\$745	\$872	\$1.98		\$1.44
Net Cash, Corp. Adj. (G&A, Options)	(\$267)	(\$313)	(\$0.71)		(\$0.71)
Total NAV	\$478	\$559	\$1.27		\$0.73

COMPARABLES							
Company	Price	EV	P/NAV	P/CFPS	EV/CFPS		
	C\$	US\$m	2015	2016	2015	2016	
Alamos Gold Inc.	7.50	\$394	0.48x	15.1x	12.1x	7.7x	6.2x
Allied Nevada Gold Corp.	1.43	\$718	0.18x	3.4x	8.5x	17.0x	41.9x
B2Gold Corp.	2.52	\$2,085	1.35x	10.9x	8.6x	12.1x	9.6x
Perseus Mining Limited	0.36	\$116	0.73x	4.0x	3.8x	3.0x	2.8x
Resolute Mining Limited	0.42	\$261	1.04x	4.2x	7.1x	5.1x	8.5x
SEMAFO Inc.	4.03	\$791	1.31x	8.1x	5.3x	7.1x	4.6x
Selected Company Average			0.85x	7.6x	7.5x	8.7x	12.3x
Endeavour Mining Corporation	0.58	\$442	0.75x	1.3x	1.8x	3.5x	4.2x



Source: Haywood Securities



Endeavour Silver Corp.

TSX:EDR

NYSE:EXK

Price \$3.50

Rating: SELL

Risk: High

23-Jan-15

Shares O/S (M) 102

MCap (C\$) (M) \$355

Target: \$2.85

Return: -19%

Endeavour Silver is a growing silver/gold miner with three producing assets – the Guanacavi, Bolañitos, and El Cubo mines in Mexico, and a prospective Mexican exploration portfolio. Production growth is anticipated through operational upgrades all three mines – longevity is dependent on exploration and resource growth in Mexico.

Investment Highlights

- From explorer to developer and miner, Endeavour has demonstrated an ability to acquire undercapitalized and under-explored Mexican silver assets (the Guanacavi, Bolañitos, and El Cubo mines) and to improve operating efficiencies and mine lives, while charting a course to becoming a top-tier primary silver producer.
- Our investment thesis for Endeavour centres on three elements: (1) leverage to the silver price (2) fully funded silver/gold production growth potential, (3) and exploration potential offered by a portfolio of prospective properties in Mexico.
- Under explored and untapped silver/gold production potential. Three mines starved by limited exploration - organic growth potential through aggressive exploration programs.

2014 Guidance:

- Guanacavi: 2.6 - 2.7 Moz silver plus 7.0 - 8.0 koz of gold.
- Bolañitos: 2.2 - 2.4 Moz silver plus 36.0 - 38.0 koz of gold.
- El Cubo: 1.7 - 1.8 Moz silver plus 3.0 - 3.1 koz of gold.
- Consolidated: 6.5 - 5.9 Moz silver plus 65.0 - 69.0 koz gold at a cash cost of US\$9 - 10 / oz Ag net.

Catalysts:

- 1) Turnaround of operations at El Cubo – ongoing;
- 2) Brownfield reserve and resource growth supportive of further expansion at Bolañitos and Guanacavi.

Financials

	2011A	2012A	2013A	2014A	2015E	2016E
Commodity & Exchange Rate Forecasts						
Forecast Silver Price, US\$/oz	\$35.30	\$31.17	\$23.61	\$19.08	\$18.00	\$18.00
Forecast Gold Price, US\$/oz	\$1,572	\$1,669	\$1,395	\$1,266	\$1,250	\$1,250
C\$/US\$ FX Rate	0.99	1.00	1.01	1.10	1.17	1.17

Income Statement

	2011	2012	2013	2014	2015	2016
Revenues, \$M	128	208	277	208	190	207
Mine Operating Cash Flow, \$M	86	114	111	70	48	62
EBITDA, \$M	46	88	(40)	45	35	51
Net Income, \$M	19	42	(69)	(18)	(40)	(14)
Net Income, \$/sh	0.22	0.45	(0.90)	(0.18)	(0.39)	(0.13)

Mine Operating Cash Flow defined as revenues less direct production costs and royalties

Balance Sheet

	2011	2012	2013	2014	2015	2016
Cash \$M	75	19	35	31	26	27
Working Capital, \$M	142	51	32	36	38	52
Shares Outstanding (M)	84	93	100	101	102	102

Cash Flow

	2011	2012	2013	2014	2015	2016
OCF before Δ in WC, \$M	64	83	82	45	35	46
OCF before Δ in WC, \$/sh	0.76	0.89	0.82	0.44	0.35	0.45
Cash flow from Operations, \$M	49	76	77	45	42	44
Cash flow from Investing, \$M	(60)	(144)	(83)	(44)	(32)	(31)
Cash flow from Financing, \$M	20	10	23	(6)	(14)	(12)

Ratios

	2011	2012	NMF	NMF	NMF	NMF
P/E	13x	6x	NMF	NMF	NMF	NMF
P/CF	4x	3x	3x	6x	8x	6x

* All figures presented in United States dollars unless noted

Spot Exchange Rate (C\$/US\$): 1.24

Production Profiles

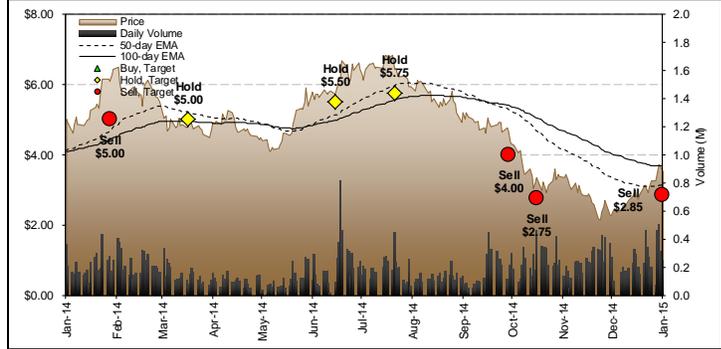
Guanacavi						
Throughput (tpd)	995	1,146	1,194	1,160	1,200	1,200
Silver Head Grade (g/t)	311	249	253	314	260	250
Gold Head Grade (g/t)	0.69	0.76	0.60	0.65	0.60	0.55
Silver Prod (Moz)	2.7	2.5	2.8	3.6	3.0	2.9
Gold Prod (Koz)	6.9	7.9	6.8	7.6	7.1	6.5
Operating costs (US\$/t milled)	100	104	111	108	103	102
Cash Cost, US\$/oz Ag	9.71	12.25	14.32	10.16	12.11	12.72

Bolañitos						
Throughput (tpd)	654	1,306	1,947	1,556	1,262	1,400
Silver Head Grade (g/t)	183	148	149	148	150	150
Gold Head Grade (g/t)	2.51	2.19	2.63	2.35	2.40	2.50
Silver Prod (Moz)	1.0	1.7	2.9	2.4	2.0	2.2
Gold Prod (Koz)	14.9	25.9	51.7	37.1	31.3	36.1
Operating costs (US\$/t milled)	68	74	79	88	93	88
Cash Cost, US\$/oz Ag	(6.77)	(5.20)	(2.87)	2.10	2.85	0.88

El Cubo						
Throughput (tpd)		1,072	1,132	1,500	1,500	
Silver Head Grade (g/t)		107	105	113	140	
Gold Head Grade (g/t)		1.57	1.59	1.44	1.60	
Silver Prod (Moz)		1.2	1.2	1.7	2.2	
Gold Prod (Koz)		17.1	18.1	22.3	24.8	
Operating costs (US\$/t milled)		113	103	96	100	
Cash Cost, US\$/oz Ag		18.77	17.80	16.84	12.56	

Consolidated						
Throughput (tpd)	1,672	2,960	4,272	3,901	4,017	4,157
Silver Head Grade (g/t)	260	179	168	186	169	176
Gold Head Grade (g/t)	1.41	1.51	1.79	1.62	1.49	1.60
Silver Prod (Moz)	3.7	4.5	6.8	7.2	6.8	7.3
Gold Prod (Koz)	21.8	38.5	75.6	62.9	60.7	67.5
Operating costs (US\$/t milled)	88	93	98	99	98	97
Cash Cost, US\$/oz Ag	5.08	7.33	7.96	8.80	10.62	9.11

Endeavour Silver Corp. Chart



Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$7.06 / \$2.13	Average Daily Vol (M)	0.19
Ownership (M)	Shares O/S, M	% O/S	Major Shareholder (%)
Institutional	22.99	23%	Van Eck Associates Corporation 7%
Management & Insiders	1.46	1%	Global X Management Company LLC 2%
			Canada Pension Plan Investment Board 1%
			ProShare Advisors LLC 1%
			Cooke, Bradford James 1%

Last Financing

1-Dec-10	\$53.6 million	Bought-deal financing	8.71M units @ \$6.15/sh
Shares O/S - Basic, F.D.		101.5	108.5

(C\$) (M)

	Av Strike	Basic	ITM	Proceeds
Cash & Equip				\$30
Options	\$3.56 - \$8.31	7.0	-	#DIV/0!
Warrants	-	-	-	-
Total Cash & ITM	N/A	7.0	-	#DIV/0!
Market Cap				\$355

Corporate NAV Summary

Project NAV	NAV 8%		NAV 6%		NAV 5%	
	C\$M	C\$/share	C\$M	C\$/share	C\$M	C\$/share
Guanacavi	23	\$0.23	24	\$0.24	25	\$0.24
Bolañitos	85	\$0.84	90	\$0.88	92	\$0.91
El Cubo	(1)	(\$0.01)	(0)	(\$0.00)	0	\$0.00
Project NAV	107	\$1.05	114	\$1.12	117	\$1.15
Corporate Adjustments	(19)	(\$0.18)	(22)	(\$0.22)	(24)	(\$0.23)
Corporate NAV	88	\$0.87	92	\$0.90	93	\$0.92

Current Share Base: 102 M shares

FFD Share Base: 102 M shares

Metal Inventory

	Mine Life	Category	Tonnes (M)	Ag (g/t)	Ag Moz	Au (g/t)	Au Koz	% Pb	% Zn
Guanacavi	0.8 yrs	P&P	0.4	287	3.3	0.51	6	-	-
Underground	4.2 yrs	M&I	1.8	238	14.0	0.55	32	-	-
100%	2.6 yrs	Inferred	1.2	253	9.4	0.46	17	-	-
	7.7 yrs	Global	3.4		26.8		55		
Bolañitos	0.9 yrs	P&P	0.5	151	2.3	2.43	37	-	-
Underground	2.5 yrs	M&I	1.3	112	4.6	1.92	78	-	-
100%	4.2 yrs	Inferred	2.1	140	9.7	1.62	112	-	-
	7.6 yrs	Global	3.9		16.6		227		
El Cubo	2.5 yrs	P&P	1.4	135	5.9	2.19	96	-	-
Underground	4.1 yrs	M&I	2.2	148	106.2	2.30	165	-	-
100%	2.7 yrs	Inferred	1.5	174	8.3	3.40	162	-	-
	9.3 yrs	Global	5.1		120.4		423		
Paral		M&I	1.6	49	2.6	0.90	47	2.87%	2.86%
100%	Inferred	1.3	63	2.6	0.88	37	2.55%	2.28%	
	Global	2.9		5.2		84			
Arroyo Seco		M&I	-	-	-	-	-	-	-
100%	Inferred	0.7	220	5.2	0.07	2	0.65%	0.18%	
	Global	0.7		5.2		2			
San Sebastian		M&I	1.8	193	11.4	1.17	69	-	-
100%	Inferred	3.1	196	19.5	1.39	138	-	-	
	Global	4.9		30.9		207			
Guadalupe y Calvo		M&I	1.9	119	7.1	2.38	142	-	-
100%	Inferred	0.2	94	0.5	2.14	11	-	-	
	Global	2.0		7.6		153			

Notes: Mine life figures incorporate production growth

Resources are exclusive of reserves

Corporate Contact

Website: www.edrsilver.com
 Tel: 604-685-9775
 President & CEO: Bradford Cooke
 Benjamin Asuncion - Mining Analyst



basuncion@haywood.com 604-697-6149

Source: Haywood Securities



First Quantum Minerals Ltd. (FM-T, \$12.67) Rating (Risk): HOLD (Medium-High) Target Price Metric: 8x EV/2015E CPPS	Target Price, C\$ Return, % 52-Week High / Low, C\$ Daily Volume (3-month avg)	\$12.00 (5%) \$27.29 / \$9.89 2,287,390	Shares O/S, millions Shares F/D, millions Market Cap, US\$M Company CEO Company Website	600.5 \$6,139 Philip Pascall www.firstquantum.com
	EV = Market Capitalization + Working Capital + Long-term Debt Spot C\$/US\$ FX Rate: 1.24			

	US\$M	US\$ / O/S share	C\$M	C\$ / O/S share
Market Capitalization	\$6,138.7	\$10.22	\$7,688.4	\$12.67
Current Cash and Short-Term Investments	\$451.6	\$0.75	\$559.7	\$0.93
F/D Cash Adds	\$0.0	\$0.00	\$0.0	\$0.00
Working Capital	\$1,577.6	\$2.63	\$1,955.3	\$3.26
Long-term Debt	(\$5,493.8)	(\$9.15)	(\$6,809.1)	(\$11.34)
Book Value	\$9,522.6	\$15.86	\$11,802.5	\$19.65
Enterprise Value (EV)	\$10,054.9	\$16.74	\$12,462.2	\$20.75

	Number	Price	Proceeds	Expiry
Treasury Shares	0.0M	\$0.00	US\$0.0M	-
Convertible Bonds	0.0M	\$0.00	US\$0.0M	-
Options + Convertible Bonds	0.0M	\$0.00	US\$0.0M	-

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Capital Group Companies	68.7M	14.8%	88.7M	14.8%
BlackRock	65.5M	10.9%	65.5M	10.9%

	2013A	2014E	2015E	2016E	2017E	2018E
Forecast Copper Price, US\$/lb	\$3.32	\$3.12	\$2.50	\$2.75	\$3.00	\$3.25
Forecast Nickel Price, US\$/lb	\$6.81	\$7.67	\$7.00	\$8.00	\$9.00	\$9.00
CS/US FX Rate	1.03	1.10	1.17	1.17	1.12	1.08
Shares O/S, millions	590.8	600.5	600.5	600.5	600.5	600.5
Revenue, US\$M	\$3,553	\$3,879	\$4,466	\$5,341	\$6,129	\$6,028
Mine Site Expense, US\$M	(\$2,419)	(\$2,299)	(\$3,005)	(\$3,444)	(\$3,724)	(\$4,591)
Corporate G&A, US\$M	(\$122.7)	(\$110.0)	(\$110.0)	(\$110.0)	(\$110.0)	(\$110.0)
EBITDA, US\$M	\$1,351.9	\$1,469.8	\$1,350.5	\$1,786.2	\$2,290.5	\$4,326.2
EV / EBITDA	10.0x	6.8x	7.4x	5.6x	4.4x	2.3x
DDA, US\$M	(\$457.1)	(\$490.2)	(\$566.3)	(\$594.0)	(\$654.4)	(\$654.4)
Emerging US\$M	\$529.7	\$469.4	\$393.3	\$360.6	\$796.3	\$1,513.3
EPS, US\$	\$0.96	\$0.80	\$0.65	\$1.10	\$1.33	\$2.55
Current Price / EPS	12.8x	14.4x	16.6x	9.9x	8.5x	4.6x
Target Price / EPS	12.1x	13.6x	15.8x	9.4x	8.1x	4.4x
Cash Flow Before W/C Changes, US\$M	\$1,063.3	\$1,231.0	\$1,201.0	\$1,501.3	\$1,651.4	\$3,332.8
CPPS, US\$	\$1.90	\$2.05	\$2.00	\$2.50	\$2.75	\$3.55
Current Price / CPPS	6.5x	5.8x	5.4x	4.4x	4.5x	2.1x
Target Price / CPPS	6.1x	5.3x	5.1x	4.1x	3.9x	2.0x
Copper Price CPPS Sensitivity, US\$	\$0.00	\$0.08	\$0.14	\$0.16	\$0.16	\$0.34
CAPEX, US\$M	(\$2,601)	(\$2,090)	(\$1,200)	(\$1,350)	(\$1,301)	(\$1,772)
Free Cash Flow, US\$M	(\$1,538)	(\$1,129)	(\$104)	\$27	\$72	\$2,282
FCPS, US\$	(\$2.35)	(\$1.88)	(\$0.17)	\$0.04	\$0.12	\$3.80
Proceeds from Equity Financing, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from Debt Financing, US\$M	\$3,960.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Debt Repayment, US\$M	(\$2,519.0)	\$150.0	\$0.0	\$0.0	\$0.0	\$0.0

Acquisitions
 June 2014 - C\$470M Lumina Copper.
 March 2013 - C\$4.8B Inmet (C\$72 in cash or 3.26% of FM shares, or C\$36 cash and 1.6484 FM shares).
 December 2010 - Antares (0.0761% of FM share or C\$6.35 of cash per Antares share) for US\$600 million.
 February 2010 - Acquires Kinross PLC for US\$350 million (1.885 million FM shares + US\$137 million cash).

	Base Case	\$2.25	\$2.75	\$3.25	\$3.55
Forecast Copper Price, US\$/lb	\$1,100	\$1,200	\$1,400	\$1,295	\$1,295
Corporate Adjustments, US\$M	(\$5,236.7)	(\$5,236.7)	(\$5,236.7)	(\$5,236.7)	(\$5,236.7)
After-Tax Kamsash NAV ₂₀₁₅ , US\$M	\$1,629.4	\$358.8	\$1,197.3	\$2,046.4	\$874.5
After-Tax Kamsash NAV ₂₀₁₆ , US\$M	\$3,723.2	\$1,507.8	\$2,831.9	\$4,077.7	\$2,235.3
After-Tax Ravenshorpe NAV ₂₀₁₅ , US\$M	\$958.2	\$958.2	\$958.2	\$958.2	\$958.2
After-Tax Kevita NAV ₂₀₁₅ , US\$M	\$1,218.6	\$878.3	\$1,081.0	\$1,288.7	\$999.8
After-Tax Guelb Moghrein NAV ₂₀₁₅ , US\$M	\$177.7	(\$21.3)	\$118.2	\$273.6	\$81.3
After-Tax Las Cruces NAV ₂₀₁₅ , US\$M	\$1,333.4	\$878.3	\$1,167.9	\$1,457.5	\$1,034.7
After-Tax Cayeli NAV ₂₀₁₅ , US\$M	\$424.2	\$292.9	\$391.3	\$490.2	\$345.8
After-Tax Pyhasalmi NAV ₂₀₁₅ , US\$M	\$580.9	\$490.7	\$551.3	\$611.8	\$523.4
After-Tax Cobre Panama NAV ₂₀₁₅ , US\$M	\$6,902.6	\$2,922.6	\$4,933.9	\$9,049.9	\$4,053.2
Additional Total Projects NAV, US\$M	\$16,948.2	\$8,265.9	\$13,231.0	\$18,141.1	\$11,106.2
Additional Exploration Credit, US\$M	\$1,078.9	\$1,078.9	\$1,078.9	\$1,078.9	\$1,078.9
Corporate NAV, US\$M	\$10,256.3	\$2,833.3	\$7,076.8	\$11,281.9	\$5,256.3
Corporate NAV, C\$ / F/D share	(\$19.28)	(\$10.20)	(\$10.20)	(\$10.20)	(\$10.20)
After-Tax Kamsash NAV ₂₀₁₅ , C\$ / F/D share	\$3.20	\$0.70	\$2.35	\$4.00	\$1.70
After-Tax Ravenshorpe NAV ₂₀₁₅ , C\$ / F/D share	\$7.25	\$2.95	\$5.50	\$7.95	\$4.35
After-Tax Kevita NAV ₂₀₁₅ , C\$ / F/D share	\$1.85	\$1.85	\$1.85	\$1.85	\$1.85
After-Tax Kamsash NAV ₂₀₁₆ , C\$ / F/D share	\$2.40	\$1.70	\$2.10	\$2.50	\$1.95
After-Tax Guelb Moghrein NAV ₂₀₁₅ , C\$ / F/D share	\$0.35	(\$0.05)	\$0.25	\$0.55	\$0.15
After-Tax Cayeli NAV ₂₀₁₅ , C\$ / F/D share	\$2.60	\$1.70	\$2.30	\$2.85	\$2.00
After-Tax Las Cruces NAV ₂₀₁₅ , C\$ / F/D share	\$0.85	\$0.55	\$0.75	\$0.95	\$0.65
After-Tax Pyhasalmi NAV ₂₀₁₅ , C\$ / F/D share	\$1.15	\$0.95	\$1.05	\$1.20	\$1.00
After-Tax Cobre Panama NAV ₂₀₁₅ , C\$ / F/D share	\$13.45	\$5.70	\$9.60	\$13.55	\$9.70
After-Tax Total Projects NAV, C\$ / F/D share	\$33.10	\$16.05	\$25.75	\$35.40	\$22.55
Additional Exploration Credit, C\$ / F/D share	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10
Corporate NAV, C\$ / F/D share	\$20.90	\$5.55	\$13.80	\$22.80	\$19.25
Current Price / Corporate NAV	0.6x	2.3x	0.9x	0.6x	1.2x
Target Price / Corporate NAV	0.6x	1.4x	1.0x	0.9x	1.0x
2014E CPPS, US\$	\$2.05	\$2.05	\$2.05	\$2.05	\$2.05
2015E CPPS, US\$	\$2.00	\$1.60	\$2.30	\$3.05	\$2.50
Implied Target Price, C\$ @ 8x EV/2015E CPPS	\$12.00	\$8.00	\$14.00	\$22.00	\$12.00

	2013A	2014E	2015E	2016E	2017E	RLOM
Kamsash (80%, open pit)						
Tommes Milled, millions	25.4	25.2	30.1	30.1	30.1	651.9
Copper Grade, %	1.1%	1.2%	1.2%	1.2%	1.2%	1.8%
Contained Copper Production (100%), tonnes 000's	271	260	303	303	303	4,885
Copper Cash Cost (C1), US\$/lb	\$1.38	\$1.60	\$1.64	\$1.64	\$1.64	\$2.10
Sentinel (100%, open pit)						
Tommes Milled, millions	-	-	25.6	40.2	54.8	774.0
Copper Grade, %	-	-	0.55%	0.55%	0.55%	0.55%
Contained Copper Production (100%), tonnes 000's	-	-	141	221	301	4,257
Copper Cash Cost (C1), US\$/lb	-	-	\$1.67	\$1.69	\$1.70	\$1.71
Guelb Moghrein (100% of February 2010, 80% previously)						
Tommes Milled, millions	2.9	2.9	3.5	3.5	3.5	22.6
Copper Grade, %	1.4%	1.2%	1.2%	1.2%	1.2%	1.3%
Contained Copper Production (100%), tonnes 000's	38	32	38	38	38	247
Copper Cash Cost (C1), US\$/lb	\$1.58	\$1.72	\$1.83	\$1.21	\$1.03	\$1.00
Ravenshorpe (100%, open pit)						
Tommes Milled, millions	3.1	3.0	3.0	3.0	3.0	103.5
Nickel Grade, %	1.60%	1.55%	1.55%	1.55%	1.10%	1.19%
Contained Nickel Production (100%), tonnes 000's	38	36	36	36	25	909
Nickel Cash Cost (C1), US\$/lb	\$4.99	\$4.51	\$4.52	\$4.52	\$6.21	\$6.07
Kevita (100%, open pit)						
Tommes Milled, millions	6.3	6.7	7.5	7.5	7.5	145.3
Contained Nickel Production (100%), tonnes 000's	9	8	17	17	17	333
Contained Copper Production (100%), tonnes 000's	15	19	30	30	30	573
Nickel Cash Cost (C1), US\$/lb	\$5.24	\$7.14	\$3.97	\$6.64	\$6.64	\$5.46
Copper Cash Cost (C1), US\$/lb	\$1.68	\$1.78	\$1.35	\$2.19	\$2.19	\$1.80
Las Cruces (100%, open pit)						
Tommes Milled, millions	1.2	1.3	1.3	1.3	1.3	11.5
Copper Grade, %	6.2%	5.4%	5.4%	5.4%	5.4%	5.81%
Contained Copper Production (100%), tonnes 000's	69	62	62	62	62	546
Copper Cash Cost (C1), US\$/lb	\$1.14	\$1.33	\$1.04	\$1.04	\$1.05	\$1.05
Cayeli (100%, underground)						
Tommes Milled, millions	1.3	1.3	1.3	1.3	1.3	6.2
Copper Grade, %	3.1%	3.1%	3.1%	3.1%	3.1%	3.40%
Contained Copper Production (100%), tonnes 000's	32	30	30	30	30	148
Copper Cash Cost (C1), US\$/lb	\$0.76	\$0.87	\$0.97	\$0.87	\$0.87	\$0.91
Pyhasalmi (100%, underground)						
Tommes Milled, millions	1.4	1.4	1.4	1.4	1.4	9.7
Copper Grade, %	1.1%	1.1%	1.1%	1.1%	1.1%	1.89%
Contained Copper Production (100%), tonnes 000's	15	15	15	15	15	103
Copper Cash Cost (C1), US\$/lb	\$0.14	(\$0.32)	(\$0.38)	(\$0.49)	(\$0.49)	(\$0.44)
Cobre Panama (100%, open pit)						
Tommes Milled, millions	-	-	-	-	-	89.9
Copper Grade, %	-	-	-	-	-	0.39%
Contained Copper Production (100%), tonnes 000's	-	-	-	-	-	12,016
Copper Cash Cost (C1), US\$/lb	-	-	-	-	-	\$0.95
Payable Copper Production - Company Share, tonnes 000's	353	357	467	500	532	19,999
Payable Nickel Production - Company Share, tonnes 000's	36	36	45	45	37	1,652
Payable Zinc Production - Company Share, tonnes 000's	42	53	45	45	45	257
Payable Gold Production - Company Share, ounces 000's	181	165	181	181	181	5,899
Copper Cash Cost, US\$/lb	\$1.40	\$1.45	\$1.46	\$1.47	\$1.48	\$1.32
Nickel Cash Cost, US\$/lb	\$5.54	\$5.10	\$4.31	\$5.34	\$6.41	\$5.82

Base case assumes copper price of US\$2.50/lb in '15, US\$3.75/lb in '16, US\$3.00/lb in '17, and US\$3.25/lb thereafter.
 Base case gold price assumption of US\$1,250/oz.
 Additional exploration credit includes credit for copper resource.
 Shares F/D, millions: 600.5
 2015E CS/US\$ FX Rate: 1.17

	Q2/13A	Q3/13A	Q4/13A	Q1/14A	Q2/14A	Q3/14A
Total Copper Production, tonnes 000's	103.7	114.5	114.9	113.1	107.8	101.6
Total Copper Sold, tonnes 000's	95.5	105.9	95.6	102.8	114.4	99.1
Total Gold Production, ounces 000's	63.6	65.4	63.2	60.2	60.7	51.4
Total Nickel Production, tonnes 000's	10.9	12.5	12.6	11.8	12.2	11.9
Copper Cash Cost, US\$/lb	\$1.34	\$1.16	\$1.23	\$1.38	\$1.45	\$1.44
Realized Copper Price, US\$/lb	\$3.10	\$3.10	\$3.26	\$3.10	\$2.97	\$3.11
Average LME Copper Price, US\$/lb	\$3.24	\$3.21	\$3.25	\$3.19	\$3.08	\$3.17
Realized Nickel Price per Payable Pound, US\$/lb	\$6.82	\$6.45	\$6.37	\$6.57	\$6.45	\$6.47
Average LME Nickel Price, US\$/lb	\$6.78	\$6.32	\$6.31	\$6.65	\$6.38	\$6.42
Cash Flow, US\$M	\$198	\$368	\$321	\$274	\$324	\$280
CPPS, US\$	\$0.34	\$0.63	\$0.55	\$0.47	\$0.55	\$0.47
Emerging, US\$M	\$72	\$143	\$131	\$134	\$134	\$121
EPS, US\$	\$0.12	\$0.24	\$0.22	\$0.22	\$0.23	\$0.20
Capex, US\$M	\$740	\$736	\$788	\$588	\$619	\$597

	Reserves	Resources	Total
Kamsash	281,400	33	



Foran Mining Corp. (FOM-V)
Rating: BUY
Target Price: C\$0.35
 Target Price Metric: 1.0x After-Tax Corporate NAV12%

Target Price, C\$	\$0.35	Shares O/S, million	90.8
Current Price, C\$	\$0.22	Shares F/D, million	102.1
Return, %	59%	Market Capitalization, US\$M	\$17.1
52-Week High / Low, C\$	\$0.32 / \$0.15	Company CEO	Patrick Soares
Daily Volume (100-day avg)	58,916	Company Web Site	www.foranmining.com

January 26, 2015

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$17.1	\$0.19	\$20.0	\$0.22
Current Cash	\$4.1	\$0.05	\$4.9	\$0.05
F/D Cash Adds	\$5.6	\$0.06	\$6.5	\$0.07
Working Capital	\$4.1	\$0.04	\$4.8	\$0.05
Long-term Debt	\$0.0	\$0.00	\$0.0	\$0.00
Book Value	\$24.2	\$0.27	\$28.3	\$0.31
Enterprise Value (EV)	\$13.0	\$0.14	\$15.2	\$0.17

EV = Market Capitalization - Working Capital + Long-term Debt
 C\$/US\$ FX Rate: 1.17

	Number	Price	Proceeds	Expiry
Warrants	5.1M	C\$0.37	US\$1.6M	Aug 2015 - Oct 2016
Options	6.3M	C\$0.75	US\$4.0M	Sept 2015 - Mar 2019
Warrants + Options	11.3M	C\$0.58	US\$5.6M	

C\$/US\$ FX Rate: 1.17

February 11, 2014 - C\$1.2M non-brokered private placement (6.0M units @ C\$0.20; 1 FT sh + 1/2 wt @ C\$0.30 per sh)
August 30, 2012 - C\$5.0M brokered private placement (2.6M FT sh @ C\$0.65 + 5.7M units @ C\$0.58; 1 sh + 1/2 wt @ C\$0.80 per sh)
March 11, 2011 - C\$7.5M non-brokered private placement (6.0M FT sh @ C\$1.25 per sh)
March 7, 2011 - C\$6.3M brokered private placement (6.0M common shares @ C\$1.05 per share)

	2017	2018	2019	2020	2021	2022
Forecast Copper Price, US\$/lb	\$3.00	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25
Forecast Zinc Price, US\$/lb	\$1.20	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15
Forecast Gold Price, US\$/oz	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Forecast Silver Price, US\$/oz	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
C\$/US\$ FX Rate	1.12	1.08	1.08	1.08	1.08	1.08
Shares O/S, millions	659	659	659	659	659	659
Gross Sales Revenue, US\$M	\$0	\$0	\$0	\$210	\$234	\$234
Net Revenue, US\$M	\$0	\$0	\$0	\$166	\$190	\$190
Cost of Sales, US\$M	\$0	\$0	\$0	(\$118)	(\$103)	(\$103)
Corporate G&A, US\$M	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)
EBITDA, US\$M	(\$2)	(\$2)	(\$2)	\$45	\$83	\$83
EV / EBITDA	-	-	-	0.3x	0.2x	0.2x
DD&A, US\$M	\$0	\$0	\$0	(\$26)	(\$26)	(\$26)
Gain on Derivative Instruments, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Earnings, US\$M	(\$2)	(\$2)	(\$2)	(\$1)	\$30	\$33
EPS, US\$	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	\$0.05	\$0.05
Current Price / EPS	-	-	-	-	4.5x	4.1x
Target Price / EPS	-	-	-	-	7.1x	6.5x
Cash Flow Before W/C Changes, US\$M	(\$2)	(\$2)	(\$2)	\$46	\$65	\$62
CFPS, US\$	(\$0.00)	(\$0.00)	(\$0.00)	\$0.07	\$0.10	\$0.09
Current Price / CFPS	-	-	-	2.9x	2.1x	2.2x
Target Price / CFPS	-	-	-	4.7x	3.3x	3.4x
CAPEX, US\$M	\$0	(\$128)	(\$128)	\$0	(\$10)	(\$10)
Proceeds from Equity Financing, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Debt Financing, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Debt Repayment, US\$M	\$0	\$0	\$0	(\$31)	(\$31)	(\$31)
Free Cash Flow, US\$M	(\$3)	(\$130)	(\$130)	\$15	\$24	\$21
FCPS, US\$	(\$0.00)	(\$0.20)	(\$0.20)	\$0.02	\$0.04	\$0.03

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Pierre Lasseonde	10.0	11%	10.0	10%
CIBC	1.8	2%	1.8	2%
US Global	1.0	1%	1.0	1%
MMA Investment	0.5	1%	0.5	0%
Management and Directors	14.8	16%	15.7	15%
Total	30.8	31%	30.8	28%

	Haywood Model	\$2.00	\$3.00	\$4.00	\$5.00	Spot
Forecast Copper Price, US\$/lb	\$0.50	\$1.00	\$1.50	\$2.00	\$2.50	\$2.52
Forecast Zinc Price, US\$/lb	\$0.50	\$1.00	\$1.50	\$2.00	\$2.50	\$0.95
Forecast Gold Price, US\$/oz	\$500	\$1,000	\$1,500	\$2,000	\$2,500	\$1,295
Forecast Silver Price, US\$/oz	\$10.00	\$20.00	\$30.00	\$40.00	\$50.00	\$18.32
Forecast C\$/US\$ FX Rate	1.20	1.10	1.00	0.90	1.24	
Corporate Adjustments, US\$M	(\$66)	(\$66)	(\$66)	(\$66)	(\$66)	(\$66)
Milvenna Bay Alter-Tax Project NAV12%, US\$M	\$264	(\$127)	\$194	\$444	\$683	\$169
Additional Exploration Credit, US\$M	\$12	\$12	\$12	\$12	\$12	\$12
Corporate NAV, US\$M	\$210	(\$181)	\$140	\$390	\$629	\$115
Corporate Adjustments, C\$/F/D share	(\$0.12)	(\$0.12)	(\$0.11)	(\$0.10)	(\$0.09)	(\$0.12)
Milvenna Bay Alter-Tax Project NAV12%, C\$/F/D share	\$0.46	(\$0.23)	\$0.32	\$0.66	\$0.92	\$0.31
Additional Exploration Credit, C\$/F/D share	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
Corporate NAV, C\$/F/D share	\$0.37	(\$0.32)	\$0.23	\$0.58	\$0.84	\$0.21
Current Price / Corporate NAV	0.6x	-	1.0x	0.4x	0.3x	1.0x
Target Price / Corporate NAV	1.0x	-	1.5x	0.6x	0.4x	1.6x
2020E CFPS, US\$	\$0.07	(\$0.06)	\$0.04	\$0.13	\$0.21	\$0.03
2021E CFPS, US\$	\$0.10	(\$0.04)	\$0.08	\$0.15	\$0.24	\$0.07

Model shares F/D (fully financed): 670M

	RLOM	2018	2019	2020	2021	2022
Ore Tonnes Milled, millions	23.7	-	-	1.8	1.8	1.8
Ore Tonnes Milled, tonnes per day	5,000	-	-	5,000	5,000	5,000
Copper Grade Milled, %	1.2%	-	-	1.2%	1.2%	1.2%
Zinc Grade Milled, %	2.4%	-	-	2.4%	2.4%	2.4%
Gold Grade Milled, g/t	0.4	-	-	0.4	0.4	0.4
Silver Grade Milled, g/t	15	-	-	15	15	15
Copper Recovery, %	91%	-	-	91%	91%	91%
Zinc Recovery, %	81%	-	-	81%	81%	81%
Gold Recovery, %	78%	-	-	78%	78%	78%
Silver Recovery, %	69%	-	-	69%	69%	69%
Payable Copper Production, Mlb	526	-	-	40	40	40
Payable Zinc Production, Mlb	824	-	-	63	63	63
Payable Gold Production, ounces 000's	225	-	-	17	17	17
Payable Silver Production, Moz	5.6	-	-	0.4	0.4	0.4
On-Site Operating Cost, \$/tonne milled	\$60	-	-	\$60	\$60	\$60
Total Copper Cash Cost (NoC; IR), US\$/lb	\$1.15	-	-	\$1.40	\$1.15	\$1.15
Total Zinc Cash Cost (NoC; IR), US\$/lb	(\$0.20)	-	-	\$0.10	(\$0.20)	(\$0.20)

NoC = net of credits; ER = excluding royalties; IR = including royalties.

	Tonnes (000's)	Cu Grade (%)	Zn Grade (%)	Copper (Mlb)	Zinc (Mlb)	EWIb CuEq (US\$/lb)
Haywood Model Mineable (100%)	23,737	1.2%	2.4%	609	1,238	\$0.010
Haywood Model Payable (100%)	-	-	-	526	824	\$0.014
Proven and Probable Reserve (100%)	-	-	-	-	-	-
Measured & Indicated Resource (100%)	13,900	1.27%	2.68%	391	821	-
Inferred Resource (100%)	11,311	1.32%	2.97%	329	740	-
Total Reserve and Resource (100%)	25,211	1.29%	2.81%	720	1,561	\$0.009

Measured and indicated resource is additional to proven and probable reserve.

	Analysts	Mean EPS	High / Low	Inferred or Cons.	Mean CFPS	High / Low	Haywood Cons.
2014 Consensus Estimate	1	(US\$0.02)	(US\$0.00) - (US\$0.00)	-	(US\$0.02)	(US\$0.00) - (US\$0.00)	-
2015 Consensus Estimate	1	(US\$0.01)	(US\$0.00) - (US\$0.01)	(66%)	(US\$0.01)	(US\$0.00) - (US\$0.00)	(73%)
Consensus Valuation	2	2	-	-	US\$0.43	(US\$0.00) / (US\$0.00)	(18%)

	RLOM	2018	2019	2021	2022
Forward Copper Sales, Mlb	-	-	-	-	-
Forward Copper Sales Price, US\$/lb	-	-	-	-	-
Forward Zinc Sales, Mlb	-	-	-	-	-
Forward Zinc Sales Price, US\$/lb	-	-	-	-	-

	Year	Quarter	Amount (US\$M)	Price (C\$/share)	Shares (millions)
Current O/S Share Capital					91
Current F/D Share Capital					102
Modelled Interim Equity Financing	2015	Q3	\$15	C\$0.20	88
Modelled Milvenna Bay Equity Financing	2016	Q1	\$103	C\$0.25	480
Modelled Fully Financed F/D Share Capital					670

	Share Price	Corp NAV	Price / NAV	2014E CFPS	Price / CFPS	2015E CFPS	Price / CFPS
Foran Mining Corp. (FOM-V)	C\$0.22	US\$0.33	0.6x	(US\$0.03)	-	(US\$0.02)	-
Capstone Mining Corp. (CS-T)	C\$1.23	US\$4.44	0.3x	US\$0.60	1.8x	US\$0.50	2.1x
Copper Mountain Mining Corp. (CMM-T)	C\$1.10	US\$0.55	1.8x	US\$0.40	2.5x	US\$0.62	1.5x
Coro Mining Corp. (COP-T)	C\$0.03	US\$0.43	0.1x	(US\$0.02)	-	(US\$0.02)	-
First Quantum Minerals Ltd. (FQM-T)	C\$12.67	US\$22.45	0.5x	US\$2.45	4.7x	US\$3.40	3.2x
Highland Copper Co. (HLC-V)	C\$0.39	US\$0.64	0.5x	(US\$0.02)	-	(US\$0.02)	-
HudBay Minerals Inc. (HBM-T)	C\$9.12	US\$10.44	0.8x	US\$0.15	56.1x	US\$0.75	10.3x
Lundin Mining Corp. (LUN-T)	C\$4.63	US\$6.50	0.6x	US\$0.72	5.9x	US\$1.20	3.3x
Nevsun Resources Ltd. (NSU-T)	C\$4.36	US\$4.67	0.8x	US\$0.60	6.7x	US\$0.65	5.7x
NovaCopper Inc. (NOC-T)	C\$0.88	US\$1.73	0.4x	(US\$0.16)	-	(US\$0.33)	-
Royal Nickel Corp. (RNX-T)	C\$0.33	US\$0.64	0.5x	(US\$0.04)	-	(US\$0.02)	-
Sunridge Gold Corp. (SGC-V)	C\$0.15	US\$0.30	0.5x	(US\$0.02)	-	(US\$0.01)	-
Talon Metals Corp. (TLO-T)	C\$0.23	US\$0.42	0.5x	(US\$0.05)	-	(US\$0.03)	-
Trevi Mining Corp. (TV-T)	C\$1.06	US\$1.15	0.8x	US\$0.05	21.2x	US\$0.10	9.0x
Zazu Metals Corp. (ZAZ-T)	C\$0.31	US\$0.58	0.5x	(US\$0.04)	-	(US\$0.02)	-

Peer-Group Average (developers)	0.4x	-	-
Peer-Group Average (all)	0.6x	14.1x	5.0x

2014E C\$/US\$ FX Rate: 1.10
 2015E C\$/US\$ FX Rate: 1.17

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Source: Haywood Securities



Fortuna Silver Mines Inc.

TSX:FVI NYSE:FSM

Price \$5.66

Rating: Hold

Risk: High

23-Jan-15

Shares O/S (M) 127

MCap (C\$) (M) 722

Target: \$5.85

Return: 3%

With the wholly-owned San Jose silver-gold mine commissioned on time and budget in late 2011, Fortuna is primed for aggressive near-term production and cash flow growth supported by steady-state silver and base metal production from its Caylloma Ag-Zn-Pb-Cu mine.

Investment Highlights

• Fortuna Silver Mines Inc. engages in the exploration, extraction, and processing of silver mining and related activities.

• Growing production base two operating mines, the Caylloma silver polymetallic mine in Peru and the San Jose silver-gold mine in Mexico.

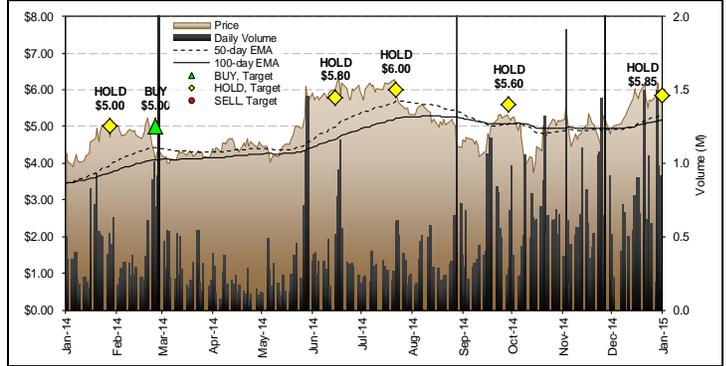
• **Caylloma silver-zinc-lead-copper mine:** located in southern Peru, 100%-interest, a 1,250 tpd underground operation producing a silver-lead and silver-copper-zinc concentrates, and a reserve life of ~7 years.

• **San Jose silver-gold mine:** 100%-interest and situated in Taviche Mining District, southern portion of state of Oaxaca, Mexico. The project was successfully expanded to 1,800 tpd in September 2013 and subsequently to 2,00 tpd in Q2/14 which results in a reserve life of ~4 years.

Catalysts:

- 1) Trinidad North exploration results – Q1/15
- 2) Financial results (Q4/14) - early March 2015

Fortuna Silver Mines Inc. Chart



Financials

	2011A	2012A	2013A	2014A	2015E	2016E
Commodity & Exchange Rate Forecasts						
Forecast Silver Price, US\$/oz	\$35.30	\$31.17	\$23.83	\$18.81	\$18.00	\$18.00
Forecast Gold Price, US\$/oz	\$1,572	\$1,669	\$1,414	\$1,261	\$1,250	\$1,250
Forecast Copper Price, US\$/lb	\$4.01	\$3.61	\$3.31	\$3.15	\$2.50	\$2.75
Forecast Lead Price, US\$/lb	\$1.09	\$0.94	\$0.96	\$0.94	\$1.00	\$1.10
Forecast Zinc Price, US\$/lb	\$1.00	\$0.88	\$0.86	\$0.97	\$1.10	\$1.20
C\$/US\$ FX Rate	0.99	1.00	1.01	1.10	1.17	1.17

Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$6.59 / \$3.71	Average Daily Vol (M)	0.50
Ownership (M)			
Institutional	54.50	43%	Montusco Bolton Investments Inc. 8%
Management & Insiders	10.20	8%	Van Eck Associates Corporation 7%
			Sentry Select Capital Corp. 6%
			Mason Hill Advisors LLC 6%
			Equinox Partners, L.P. 6%
			Sprott Asset Management, LP 5%

Income Statement

	2011A	2012A	2013A	2014A	2015E	2016E
Net Revenue, \$M	110.0	161.0	137.4	173.0	173.4	201.7
EBITDA, \$M	49.5	70.6	42.4	57.7	60.8	80.6
Net Income, \$M	19.5	31.5	(19.1)	17.5	17.6	26.4
Net Income per share	0.16	0.25	(0.15)	0.14	0.14	0.20

Last Financing

23-Dec-10	\$46 million	Brokered Bought Deal	11.5M shares @ \$4.00/sh
Shares O/S - Basic, F.D.		127.5	131.4
(C\$) (M)			
	Av	Strike	Basic
Cash & Equiv			
Options	\$0.85 - \$6.67	3.9	3.8
Warrants	N/A	-	-
Total Cash & ITM		3.9	3.8
Market Cap			\$86
			\$722

Balance Sheet

	2011A	2012A	2013A	2014A	2015E	2016E
Cash & Equiv, \$M	55.7	64.7	49.1	72.5	36.3	61.5
Working Capital, \$M	63.9	87.4	66.4	79.5	63.1	98.1
Shares Outstanding (M)	123.3	123.6	125.6	126.7	128.7	130.0

Corporate NAV Summary

Per Share	NAV 8%		NAV 6%		NAV 5%	
	C\$M	C\$/share	C\$M	C\$/share	C\$M	C\$/share
Project NAV						
Caylloma	80	\$0.61	88	\$0.67	92	\$0.70
San Jose	381	\$2.90	422	\$3.21	445	\$3.39
Project NAV	461	\$3.51	510	\$3.88	537	\$4.09
Corporate Adjustments	(37)	(\$0.26)	(50)	(\$0.36)	(58)	(\$0.42)
Corporate NAV	424	\$3.25	460	\$3.52	479	\$3.67

Ratios

	2011A	2012A	2013A	2014A	2015E	2016E
P/E	29x	18x	NMF	33x	33x	22x
P/CF	14x	9x	14x	10x	12x	9x

*All figures presented in United States dollars unless noted

Spot Exchange Rate (C\$/US\$): 1.24

Production Profiles

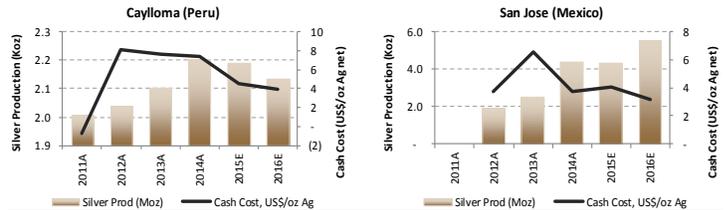
	2011A	2012A	2013A	2014A	2015E	2016E
Caylloma (Peru)						
Throughput (tpd)	1,230	1,263	1,256	1,273	1,270	1,270
Head Grade (g/t Ag)	171	177	174	175	175	170
Silver Prod (Moz)	2.0	2.0	2.1	2.2	2.2	2.1
Lead Prod (Mlb)	20	18	18	16	19	18
Zinc Prod (Mlb)	23	22	25	27	29	27
Copper Prod (Mlb)	0.0	-	-	-	-	-
Operating costs (US\$/t milled)	69	87	91	90	91	91
Cash Cost, US\$/oz Ag	(0.67)	8.06	7.67	7.35	4.56	3.97
San Jose (Mexico)						
Throughput (tpd)		1,008	1,249	1,855	1,918	2,334
Head Grade (g/t Ag)		188	194	226	214	225
Silver Prod (Moz)		1.9	2.5	4.4	4.3	5.6
Gold Prod (Koz)		17.9	19.0	33.5	33.6	42.0
Operating costs (US\$/t milled)		74	71	64	63	59
Cash Cost, US\$/oz Ag		3.76	6.53	3.69	4.01	3.13
Consolidated						
Silver Prod (Moz)	2.5	4.0	4.6	6.6	6.5	7.7
Lead Prod (Mlb)	19.7	17.9	17.8	16.2	19.4	17.5
Zinc Prod (Mlb)	23.4	22.4	25.2	27.4	28.8	27.2
Gold Prod (Koz)	6.8	20.7	21.2	35.3	35.5	43.9
Copper Prod (Mlb)	0.0	-	-	-	-	-
Silver Equiv Prod (Moz)	4.1	6.3	7.6	11.2	11.8	13.6
Operating costs (US\$/t milled)	66	81	81	75	74	70
Cash Cost, US\$/oz Ag	0.48	5.95	7.05	4.91	4.19	3.36
Cash Cost, US\$/oz AgEq	9.14	10.79	9.84	7.58	7.26	6.78

Metal Inventory

	Mine Life	Category	Tonnes (M)	Ag (g/t)	Ag Moz	Au (g/t)	Pb (%)	Zn (%)
Caylloma								
6.7 yrs	P&P	3.1	136	13.5	0.4	1.69%	2.49%	
Underground mine								
4.3 yrs	M&I	2.0	77	4.9	0.3	1.08%	2.07%	
13.3 yrs	Inferred	6.2	121	24.1	0.5	2.11%	2.97%	
12.4 yrs	Modelled	5.7	134	24.8	0.4	1.85%	2.81%	
San Jose								
4.1 yrs	P&P	4.3	225	31.2	1.8			
Underground mine								
0.8 yrs	M&I	0.8	80	2.1	0.7			
6.8 yrs	Inferred	7.1	257	58.8	1.7			
10.5 yrs	Modelled	11.0	225	79.5	1.6			

Note: Mine life figures incorporate production growth

Resources exclusive of reserves



Corporate Contact

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Source: Haywood Securities



Highland Copper Company Inc. (HI-V)
 Rating: BUY
 Target Price: C\$0.65
 Target Price Metric: 1.0x After-Tax Corporate NAV12%

Target Price, C\$	\$0.65	Shares O/S, million	122.0
Current Price, C\$	\$0.39	Shares F/D, million	201.5
Return, %	69%	Market Capitalization, US\$M	\$40.1
52-Week High / Low, C\$	\$0.68 / \$0.33	Company CEO	James Crombie
Daily Volume (100-day avg)	32,781	Company Web Site	www.highlandcopper.com

January 26, 2015

Balance Sheet and Capitalization

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$40.1	\$0.33	\$47.0	\$0.39
Current Cash	\$9.5	\$0.08	\$11.1	\$0.09
F/D Cash Adds	\$44.0	\$0.36	\$51.5	\$0.42
Working Capital	\$0.9	\$0.01	\$1.1	\$0.01
Long-term Debt	(\$20.0)	(\$0.16)	(\$23.4)	(\$0.19)
Book Value	\$39.7	\$0.33	\$46.4	\$0.38
Enterprise Value (EV)	\$59.2	\$0.49	\$69.3	\$0.57

EV = Market Capitalization + Working Capital + Long-term Debt
 C\$/US\$ FX Rate: 1.17

Share Capital Dilution

	Number	Price	Proceeds	Expiry
Warrants	73.8M	C\$0.65	US\$41.2M	March 2015
Options	5.8M	C\$0.57	US\$2.8M	May 2015 - July 2019
Warrants + Options	79.6M	C\$0.65	US\$44.0M	

C\$/US\$ FX Rate: 1.17

Recent Financings

December 2014 (pending) - C\$10.0M non-brokered private placement (C\$0.40 per unit; includes 1/2 warrant at \$0.55 for 18 months)
 June 17, 2014 - C\$18.3M final closing of non-brokered private placement (36.7M shares @ C\$0.50 per share)
 May 13, 2014 - C\$0.4M 2nd tranche of non-brokered private placement (0.8M shares @ C\$0.50 per share)
 March 17, 2014 - C\$2.1M 1st tranche of non-brokered private placement (4.1M shares @ C\$0.50 per share)

Financial Forecast

	2015	2016	2017	2018	2019	2020
Forecast Copper Price, US\$/lb	\$2.50	\$2.75	\$3.00	\$3.25	\$3.25	\$3.25
Forecast Silver Price, US\$/oz	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
C\$/US\$ FX Rate	1.17	1.17	1.12	1.08	1.08	1.08
Shares O/S, millions	122	654	730	816	828	828
Attributable Gross Sales Revenue, US\$M	\$0	\$0	\$0	\$42	\$217	\$369
Attributable Net Revenue, US\$M	\$0	\$0	\$0	\$37	\$193	\$328
Attributable Cost of Sales (including royalties), US\$M	\$0	\$0	\$0	(\$20)	(\$96)	(\$167)
Corporate G&A, US\$M	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)
EBITDA, US\$M	(\$2)	(\$2)	(\$2)	\$16	\$93	\$159
EV / EBITDA	-	-	-	3.6x	0.6x	0.4x
DD&A, US\$M	\$0	\$0	\$0	(\$15)	(\$48)	(\$74)
Attributable Earnings, US\$M	(\$3)	(\$3)	(\$3)	(\$39)	(\$5)	\$27
Attributable EPS, US\$	(\$0.02)	(\$0.00)	(\$0.00)	(\$0.05)	(\$0.01)	\$0.03
Current Price / Attributable EPS	-	-	-	-	-	-
Target Price / Attributable EPS	-	-	-	-	-	18.4x
Attributable Cash Flow Before WC Changes, US\$M	(\$3)	(\$3)	(\$3)	(\$27)	\$45	\$120
Attributable CFPS, US\$	(\$0.02)	(\$0.00)	(\$0.00)	(\$0.03)	\$0.05	\$0.15
Current Price / Attributable CFPS	-	-	-	-	6.6x	2.5x
Target Price / Attributable CFPS	-	-	-	-	11.1x	4.1x
Attributable CAPEX, US\$M	(\$18)	(\$167)	(\$325)	(\$163)	\$0	\$0
Acquisition of Capital Assets, US\$M	\$0	(\$10)	\$0	\$0	\$0	\$0
Proceeds from Equity Financing, US\$M	\$0	\$260	\$0	\$50	\$0	\$0
Proceeds from Debt Financing, US\$M	\$20	\$390	\$0	\$0	\$0	\$0
Debt Repayment, US\$M	\$0	\$0	\$0	(\$20)	(\$49)	(\$49)
Attributable Free Cash Flow, US\$M	(\$1)	\$496	(\$328)	(\$160)	(\$4)	\$71
Attributable FCPS, US\$	(\$0.00)	\$0.76	(\$0.45)	(\$0.20)	(\$0.00)	\$0.09

Major Shareholders

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Dundee Resources	12.5	10%	12.5	6%
AMCI Holdings Inc.	10.9	9%	10.9	5%
RMB Resources	5.0	4%	5.0	2%
Management and Directors	4.7	4%	4.7	2%
Total	122.0	27%	201.5	16%

Corporate NAV Summary and Sensitivity

	Haywood Model	\$1.50	\$2.50	\$3.50	\$4.50	\$2.52
Forecast Copper Price, US\$/lb		\$10.00	\$15.00	\$20.00	\$25.00	\$18.32
Forecast Silver Price, US\$/oz		1.30	1.20	1.00	0.90	1.24
Forecast C\$/US\$ FX Rate						
Corporate Adjustments, US\$M	(\$99)	(\$99)	(\$99)	(\$99)	(\$99)	(\$99)
Attrib. Keweenaw After-Tax Project NAV12%, US\$M	\$547	(\$367)	\$199	\$647	\$1,042	\$211
Additional Exploration Credit, US\$M	\$55	\$55	\$55	\$55	\$55	\$55
Corporate NAV, US\$M	\$503	(\$411)	\$155	\$603	\$998	\$167
Corporate Adjustments, C\$ / F/D share	(\$0.13)	(\$0.14)	(\$0.13)	(\$0.11)	(\$0.10)	(\$0.14)
Attrib. Keweenaw After-Tax Project NAV12%, C\$ / F/D share	\$0.71	(\$0.53)	\$0.26	\$0.71	\$1.03	\$0.29
Additional Exploration Credit, C\$ / F/D share	\$0.07	\$0.08	\$0.07	\$0.06	\$0.05	\$0.08
Corporate NAV, C\$ / F/D share	\$0.65	(\$0.59)	\$0.21	\$0.66	\$0.99	\$0.23
Current Price / Corporate NAV	0.6x	-	1.9x	0.6x	0.4x	1.7x
Target Price / Corporate NAV	1.0x	-	3.2x	1.0x	0.7x	2.8x
2019E Attributable CFPS, US\$	\$0.05	(\$0.07)	\$0.00	\$0.08	\$0.16	\$0.00
2020E Attributable CFPS, US\$	\$0.15	(\$0.07)	\$0.05	\$0.18	\$0.30	\$0.05

Model shares F/D (fully financed): 907M

Keweenaw Production Profile (100% basis)

	RLOM	2016	2017	2018	2019	2020
Copperwood Tonnes Mined, millions	27.4	-	-	0.5	1.5	2.4
543S, G2, & Other Tonnes Mined, millions	4.0	-	-	-	-	-
White Pine Tonnes Mined, millions	68.9	-	-	-	1.0	2.0
Ore Tonnes Milled, millions	100.3	-	-	0.5	2.5	4.4
Ore Tonnes Milled, tonnes per day	16,000	-	-	1,300	7,000	12,000
Copper Grade Milled, %	1.3%	-	-	1.5%	1.5%	1.4%
Silver Grade Milled, g/t	8.0	-	-	4.3	7.3	7.5
Copper Recovery, %	87%	-	-	86%	87%	87%
Silver Recovery, %	57%	-	-	58%	59%	59%
Payable Copper Production, Mib	2,465	-	-	13	68	115
Payable Silver Production, Moz	11.5	-	-	0.0	0.2	0.4
On-Site Operating Cost, US\$/tonne milled	\$40	-	-	\$50	\$50	\$40
Total Copper Cash Cost (NoC, IR), US\$/lb	\$1.95	-	-	\$2.20	\$2.05	\$1.90

NoC = net of credits; ER = excluding royalties; IR = including royalties.

Keweenaw Metal Inventory - Model Mineable, Reserve, and Resource

	Tonnes (000's)	Cu Grade (%)	Ag Grade (g/t)	Copper (Mib)	Silver (Moz)	EV/ib CuEq (US\$/lb)
Haywood Model Mineable (100%)	100,317	1.3%	8.0	2,939	25.7	-
Haywood Model Payable (100%)	-	-	-	2,465	11.5	-
Total Proven and Probable Reserve (100%)	27,422	1.4%	3.6	852	3.2	-
Attributable Proven and Probable Reserve	27,422	1.4%	3.6	852	3.2	\$0.068
Measured & Indicated Resource (100%)	4,196	3.6%	12.5	352	1.7	-
Inferred Resource (100%)	111,569	1.1%	0.1	2,603	0.2	-
Total Reserve and Resource (100%)	143,187	1.2%	1.1	3,808	5.1	-
Attributable Reserve and Resource	142,276	1.2%	1.1	3,754	4.9	\$0.016

Measured and indicated resource is additional to proven and probable reserve.

Highland Copper Company Inc. Consensus Estimate Summary (Reuters data sourced via Capital IQ)

	Analysts	Mean EPS	High / Low					
2014 Consensus Estimate	-	-	-	-	-	-	-	-
2015 Consensus Estimate	1	(US\$0.01)	150%	(US\$0.01)	150%	150%	150%	150%
Consensus Valuation	1	1	-	-	US\$0.69	US\$0.69	US\$0.69	(6%)

Modelled Equity Financings

	Year	Quarter	Amount (US\$M)	Price (C\$/share)	Shares (millions)
Current O/S Share Capital					122
Current F/D Share Capital					202
Modelled Keweenaw CAPEX Equity Financing	2016	Q1	\$260	C\$0.50	608
Modelled Keweenaw WC Equity Financing	2018	Q1	\$50	C\$0.60	98
Modelled Fully Financed F/D Share Capital					907

Peer-Group Comparables (Haywood Securities estimates)

	Share Price	Corp NAV	Price / NAV	2014E CFPS	Price / CFPS	2015E CFPS	Price / CFPS
Highland Copper Company Inc. (HI-V)	C\$0.39	US\$0.59	0.6x	(US\$0.02)	-	(US\$0.02)	-
Capstone Mining Corp. (CS-T)	C\$1.23	US\$4.49	0.2x	US\$0.60	1.9x	US\$0.50	2.1x
Copper Mountain Mining Corp. (CMM-T)	C\$1.10	US\$0.55	1.8x	US\$0.40	2.5x	US\$0.62	1.5x
Coro Mining Corp. (COP-T)	C\$0.03	US\$0.39	0.1x	(US\$0.02)	-	(US\$0.02)	-
First Quantum Minerals Ltd. (FM-T)	C\$12.67	US\$22.45	0.5x	US\$2.45	4.7x	US\$3.40	3.2x
HudBay Minerals Inc. (HBM-T)	C\$9.12	US\$10.48	0.8x	US\$0.15	54.4x	US\$0.75	10.5x
Lundin Mining Corp. (LUN-T)	C\$4.63	US\$6.50	0.6x	US\$0.72	5.9x	US\$1.20	3.3x
Nevsun Resources Ltd. (NSU-T)	C\$4.36	US\$4.48	0.9x	US\$0.65	6.1x	US\$0.65	5.7x
Nova Copper Inc. (NCO-T)	C\$0.68	US\$1.73	0.4x	(US\$0.16)	-	(US\$0.33)	-
Royal Nickel Corp. (RNX-T)	C\$0.33	US\$0.64	0.5x	(US\$0.04)	-	(US\$0.02)	-
Sunridge Gold Corp. (SGC-V)	C\$0.15	US\$0.30	0.5x	(US\$0.02)	-	(US\$0.01)	-
Talon Metals Corp. (TLO-T)	C\$0.23	US\$1.73	0.1x	(US\$0.16)	-	(US\$0.33)	-
Trevi Mining Corp. (TV-T)	C\$1.06	US\$1.15	0.8x	US\$0.05	21.2x	US\$0.10	9.0x
Zazu Metals Corp. (ZAZ-T)	C\$0.31	US\$0.58	0.5x	(US\$0.04)	-	(US\$0.02)	-
Peer-Group Average (producers)			0.8x		13.8x		5.0x
Peer-Group Average (developers)			0.4x		-		-
Peer-Group Average (all)			0.6x		13.8x		5.0x

2014E C\$/US\$ FX Rate: 1.10
 2015E C\$/US\$ FX Rate: 1.17

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Source: Haywood Securities

Metals and Mining – Target & Commodity Price Revisions

January 27, 2015





HudBay Minerals Inc. (HBM-T)
Rating: BUY
Target Price: C\$11.00
Target Price Metric: 1.0x to After-Tax Corporate NAV10%

Target Price, C\$ \$11.00
Current Price, C\$ \$9.12
Return % 21%
52-Week High / Low, C\$ \$11.25 / \$7.50
Daily Volume (100-day avg) 742,491

Shares O/S, million 233.6
Shares F/D, million 259.9
Market Capitalization, US\$M \$1,811.2
Company CEO David Gordio
Company Web Site www.hudbayminerals.com

	US\$M	US\$ / O/S Share	CSM	CS / O/S Share
Market Capitalization	\$1,821	\$7.79	\$2,131	\$9.12
Current Cash	\$367	\$1.53	\$418	\$1.79
FID Cash Adds	\$311	\$1.33	\$363	\$1.56
Working Capital	\$242	\$1.04	\$283	\$1.21
Long-term Debt	(\$600)	(\$3.98)	(\$1,089)	(\$4.66)
Book Value	\$1,989	\$8.51	\$2,327	\$9.96
Enterprise Value (EV)	\$2,510	\$10.74	\$2,936	\$12.57

EV = Market Capitalization - Working Capital + Long-term Debt
CS/US\$ FX Rate: 1.17

	2014	2015	2016	2017	2018	2019
Forecast Copper Price, US\$/lb	\$3.11	\$2.50	\$2.75	\$3.00	\$2.25	\$3.25
Forecast Zinc Price, US\$/lb	\$0.98	\$1.10	\$1.20	\$1.20	\$1.15	\$1.15
Forecast Molybdenum Price, US\$/lb	\$11.37	\$9.00	\$10.00	\$11.00	\$12.00	\$12.00
Forecast Gold Price, US\$/oz	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Forecast Silver Price, US\$/oz	\$19.07	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
CS/US\$ FX Rate	1.10	1.17	1.17	1.12	1.08	1.08
Shares O/S, millions	209	234	238	268	268	268
Net Revenue, US\$M	\$547	\$885	\$1,459	\$1,540	\$1,785	\$2,347
Cost of Sales, US\$M	(\$427)	(\$555)	(\$818)	(\$832)	(\$978)	(\$1,294)
Corporate G&A, US\$M	(\$49)	(\$50)	(\$50)	(\$50)	(\$50)	(\$50)
EBITDA, US\$M	\$67	\$270	\$550	\$655	\$757	\$1,003
EV / EBITDA	37.6x	9.3x	4.3x	3.8x	3.3x	2.5x
DD&A, US\$M	(\$50)	(\$114)	(\$163)	(\$163)	(\$156)	(\$185)
Earnings, US\$M	\$5	\$74	\$172	\$229	\$299	\$427
EPS, US\$	\$0.02	\$0.31	\$0.72	\$0.85	\$1.11	\$1.59
Current Price / EPS	-	24.7x	10.8x	9.5x	7.6x	5.3x
Target Price / EPS	-	29.8x	13.0x	11.5x	9.2x	6.4x
Deferred Revenue (Silver Wheaton), US\$M	(\$48)	(\$77)	(\$116)	(\$132)	(\$133)	(\$147)
Cash Flow Before W/C Charges, US\$M	\$24	\$100	\$267	\$310	\$320	\$540
CFPS, US\$	\$0.12	\$0.51	\$1.12	\$1.16	\$1.31	\$2.01
Current Price / CFPS	70.8x	15.2x	7.8x	7.7x	6.5x	4.2x
Target Price / CFPS	85.4x	19.4x	8.4x	8.5x	7.8x	5.0x
DACF, US\$M	\$24	\$131	\$341	\$392	\$420	\$600
Current EV / DACF	105.4x	19.2x	7.3x	6.6x	6.0x	4.1x
Implied EV / DACF Target Price Multiple	128.9x	22.0x	8.4x	7.9x	7.4x	5.1x
Metals Stream Deposit (Silver Wheaton), US\$M	\$260	\$220	-	-	-	-
CAPEX, US\$M	(\$884)	(\$379)	(\$305)	(\$734)	(\$594)	(\$202)
Proceeds from Equity Financing, US\$M	\$149	-	\$280	-	-	-
Proceeds from Debt Financing, US\$M	\$139	\$300	-	\$840	-	-
Debt Repayment, US\$M	-	(\$13)	(\$69)	(\$69)	(\$52)	-
Dividends Paid, US\$M	(\$4)	(\$4)	(\$4)	(\$5)	(\$5)	(\$5)
Free Cash Flow, US\$M	(\$502)	\$101	\$162	\$333	\$715	\$282
FCFPS, US\$	(\$2.40)	\$0.43	\$0.68	\$1.24	\$2.67	\$1.05

	2014	2015	2016	2017	2018	RLOM
One Tonnes Milled, millions	2.5	3.0	3.0	3.0	3.3	25.4
One Tonnes Milled, tonnes per day	6,800	8,200	8,200	8,200	9,000	8,700
Copper Grade Milled, %	1.7%	1.9%	1.7%	1.6%	1.1%	1.2%
Zinc Grade Milled, %	4.4%	4.3%	4.9%	4.9%	4.6%	5.4%
Copper Recovery, %	89%	91%	91%	91%	89%	89%
Zinc Recovery, %	89%	87%	87%	87%	89%	90%
Sold Copper Production, Mlb	80	94	100	94	81	568
Sold Zinc Production, Mlb	231	237	289	284	426	2,770
On-Site Operating Cost, US\$/tonne milled	\$110	\$95	\$95	\$95	\$100	\$100
Total Copper Cash Cost (NoC, IR), US\$/lb sold	\$1.80	\$1.25	\$0.50	\$0.75	\$0.25	(\$0.10)
Total Zinc Cash Cost (NoC, IR), US\$/lb sold	\$0.60	\$0.60	\$0.40	\$0.45	\$0.60	\$0.50

Total cash cost includes precious metal streaming consideration. NoC = net of credits; IR = including royalties.

	RLOM	2015	2016	2017	2018	2019
One Tonnes Milled, millions	620.0	12.6	29.0	29.0	29.0	29.0
One Tonnes Milled, tonnes per day	80,000	70,000	80,000	80,000	80,000	80,000
Copper Grade Milled, %	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%
Molybdenum Grade Milled, %	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
Copper Recovery, %	89%	89%	89%	89%	89%	89%
Molybdenum Recovery, %	51%	51%	51%	51%	51%	51%
Sold Copper Production, Mlb	4,175	100	252	255	255	255
Sold Molybdenum Production, Mlb	70.0	1.3	3.3	3.3	3.3	3.3
On-Site Operating Cost, US\$/tonne milled	\$15	\$15	\$15	\$15	\$15	\$15
Total Copper Cash Cost (NoC, IR), US\$/lb sold	\$1.75	\$1.95	\$1.60	\$1.60	\$1.60	\$1.55

Total cash cost includes precious metal streaming consideration. NoC = net of credits; IR = including royalties.

	RLOM	2015	2016	2017	2018	2019
One Tonnes Milled, millions	600.0	-	-	-	-	21.8
One Tonnes Milled, tonnes per day	85,000	-	-	-	-	60,000
Copper Grade Milled, %	0.4%	-	-	-	-	0.5%
Molybdenum Grade Milled, %	0.01%	-	-	-	-	0.02%
Copper Recovery, %	87%	-	-	-	-	87%
Molybdenum Recovery, %	58%	-	-	-	-	58%
Sold Copper Production, Mlb	4,908	-	-	-	-	201
Sold Molybdenum Production, Mlb	111.8	-	-	-	-	4.7
On-Site Operating Cost, US\$/tonne milled	\$15	-	-	-	-	\$20
Total Copper Cash Cost (NoC, IR), US\$/lb sold	\$1.70	-	-	-	-	\$2.00

Total cash cost includes precious metal streaming consideration. NoC = net of credits; IR = including royalties.

	2014	2015	2016	2017	2018	RLOM
Sold Copper Production, Mlb	76	190	347	344	334	8,654
Sold Zinc Production, Mlb	219	226	276	271	415	2,722
Sold Molybdenum Production, Mlb	-	1.3	3.3	3.3	3.3	199.5
Sold Gold Production, koz	69	104	117	118	150	1,478
Sold Silver Production, koz	689	1,737	2,936	3,080	3,648	88,178
Total Copper Cash Cost (NoC, IR), US\$/lb sold	\$1.90	\$1.60	\$1.30	\$1.40	\$1.25	\$1.60

Total cash cost includes precious metal streaming consideration. NoC = net of credits; IR = including royalties.

	2014	2015	2016	2017	2018	RLOM
Delivered Gold, koz	52	66	76	47	46	541
Delivered Gold Price, US\$/oz	\$400	\$104	\$426	\$112	\$116	\$452
Delivered Silver, koz	530	1,375	2,614	2,762	2,841	47,298
Delivered Silver Price, US\$/lb	\$5.50	\$5.96	\$6.02	\$6.08	\$6.14	\$5.38

	Number	Price	Proceeds	Expiry
Warrants	24.1M	C\$13.69	US\$279.9M	July 2018
Options	2.2M	C\$16.25	US\$30.7M	April 18, 2016
Warrants + Options	26.3M	C\$13.81	US\$310.5M	

CS/US\$ FX Rate: 1.17

Amount per Share	Period	Annualized Amount per Share	Annualized Yield
\$0.01	Semi Annual	\$0.02	0.2%

July 31, 2014 - US\$170M senior unsecured notes (5.50%, due October 1, 2020)
January 30, 2014 - C\$175M bought deal equity financing (20.9M shares @ C\$8.25 per share)
December 9, 2013 - US\$100M senior unsecured notes (6.50%, due October 1, 2020)
November 4, 2013 - US\$105M precious metals stream with SLW (50% payable Au from Constancia)

	O/S (millions)	O/S (%)	FID (millions)	FID (%)
Franklin Resources	27.7	12%	27.7	11%
Lefko Brosseau & Associates	19.9	9%	19.9	8%
Capital Group Companies	15.7	7%	15.7	6%
Sallingstone Capital Partners	10.3	4%	10.3	4%
Management and Directors	1.3	1%	1.3	1%
Total	233.6	32%	259.9	29%

	Spot	2014	2015	2016	2017	2018	2019
Forecast Copper Price, US\$/lb	\$2.00	\$3.00	\$4.00	\$5.00	\$2.52		
Forecast Zinc Price, US\$/lb	\$0.50	\$1.00	\$1.50	\$2.00	\$0.95		
Forecast Molybdenum Price, US\$/lb	Haywood	\$7.50	\$10.00	\$12.50	\$15.00	\$9.10	
Forecast Gold Price, US\$/oz	Model	\$500	\$1,000	\$1,500	\$2,000	\$1,295	
Forecast Silver Price, US\$/oz		\$10.00	\$20.00	\$30.00	\$40.00	\$18.32	
Forecast CS/US\$ FX Rate		1.20	1.10	1.00	0.90	1.24	
Corporate Adjustments, US\$M	(\$473)	(\$473)	(\$473)	(\$473)	(\$473)	(\$473)	
Manitoba After-Tax Project NAV10%, US\$M	\$221	(\$1,221)	(\$811)	\$768	\$1,546	\$92	
Constancia After-Tax Project NAV10%, US\$M	\$1,737	\$17	\$1,538	\$2,527	\$4,311	\$1,912	
Rosemont After-Tax Project NAV10%, US\$M	\$407	(\$604)	\$227	\$982	\$1,736	\$1,915	
Additional Exploration Credit, US\$M	\$757	\$757	\$757	\$757	\$757	\$757	
Corporate NAV, US\$M	\$2,659	(\$1,524)	\$1,968	\$4,951	\$7,676	\$1,273	
Corporate Adjustments, CS / FID share	(\$1.88)	(\$1.93)	(\$1.77)	(\$1.61)	(\$1.45)	(\$2.00)	
Manitoba After-Tax Project NAV10%, CS / FID share	\$0.92	(\$4.98)	(\$0.30)	\$2.57	\$4.72	\$0.28	
Constancia After-Tax Project NAV10%, CS / FID share	\$6.90	\$0.07	\$5.75	\$9.94	\$13.18	\$4.39	
Rosemont After-Tax Project NAV10%, CS / FID share	\$1.62	(\$2.46)	\$0.85	\$3.34	\$5.31	(\$0.49)	
Additional Exploration Credit, CS / FID share	\$3.01	\$3.09	\$2.83	\$2.57	\$2.31	\$3.20	
Corporate NAV, CS / FID share	\$10.57	(\$6.21)	\$7.35	\$16.82	\$24.08	\$5.38	
Current Price / Corporate NAV	0.9x	-	1.2x	0.5x	0.4x	1.7x	
Target Price / Corporate NAV	1.0x	-	1.5x	0.7x	0.5x	2.0x	
2014E CFPS, US\$	\$0.12	\$0.13	\$0.12	\$0.11	\$0.10	\$0.13	
2015E CFPS, US\$	\$0.51	(\$0.33)	\$0.67	\$1.45	\$2.21	\$0.47	
2016E CFPS, US\$	\$1.12	(\$0.38)	\$1.14	\$2.32	\$3.51	\$0.72	

Model shares FID (fully financed): 29.6M

	Tonnes (000's)	Cu Grade (%)	Cu Grade (Mlb)	Copper (Mlb)	CuEq (Mlb)	90% CuEq (Mlb)
Haywood Model Mineable (100%)	1,238,002	0.4%	0.5%	10,802	14,981	\$0,168
Haywood Model Payable (100%)	-	-	-	9,640	12,470	\$0,281
Manitoba Reserve (100%)	27,917	1.30%	4.37%	803	2,687	-
Constancia Reserve (100%)	620,000	0.32%	0.41%	4,321	5,552	-
Rosemont Reserve (100%)	605,279	0.44%	0.53%	5,871	7,054	-
Total Reserve (100%)	1,233,196	0.40%	0.55%	10,996	15,293	\$0,164
Total Reserve (Company share)	1,131,504	0.39%	0.55%	9,768	13,823	\$0,162
Manitoba Reserve & Resource (100%)	30,047	1.25%	4.40%	1,074	3,785	-
Constancia Reserve & Resource (100%)	1,192,000	0.26%	0.34%	6,871	8,825	-
Rosemont Reserve & Resource (100%)	992,711	0.43%	0.52%	9,082	10,940	-
Total Reserve & Resource (100%)	2,196,758	0.35%	0.49%	17,026	23,550	\$0,107
Total Reserve & Resource (Company share)	1,998,199	0.34%	0.48%	15,150	21,295	\$0,108

Resource is comprised of M&I and inferred (and is inclusive of reserve).

Analysis	Mean EPS	High Low	Mean CFPS	High Low
2014 Consensus Estimate	16	(\$0.06) - (\$0.16)	1.36%	US\$0.17 - US\$0.34
2015 Consensus Estimate	18	US\$0.78 - US\$0.78	60%	US\$1.60 - US\$1.60</

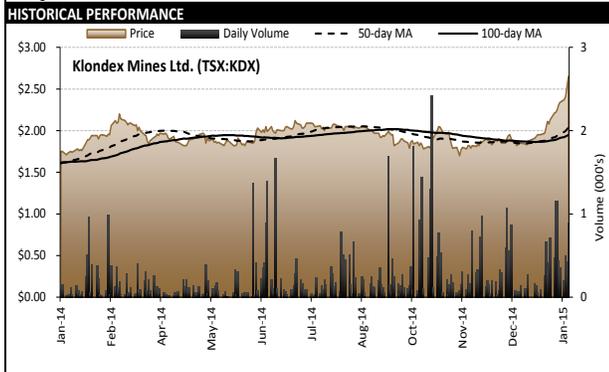


Klondex Mines Ltd. (KDX-T, \$2.62)
Rating: Buy
Risk: High

Target Price (C\$) 3.50
Return (%) 34%
52 Week High/Low (C\$) \$2.7/\$1.68
Daily Volume (3-month avg) 391,220

Mkt. Cap, C\$M \$ 334
CEO Paul Huet
Company Website www.klondexmines.com

Capital Structure (as of January 2015)		Shares
		Millions
Shares Outstanding		127.3
Warrants		11.8
Options		9.6
Fully Diluted Shares		148.7
Ownership (as of January 2015)		Shares O/S (mln)
Sentry Investments		15.5
Sun Valley Gold		15.3
K2		13.4
US Global		11.8
Management		7.6
		6.0%

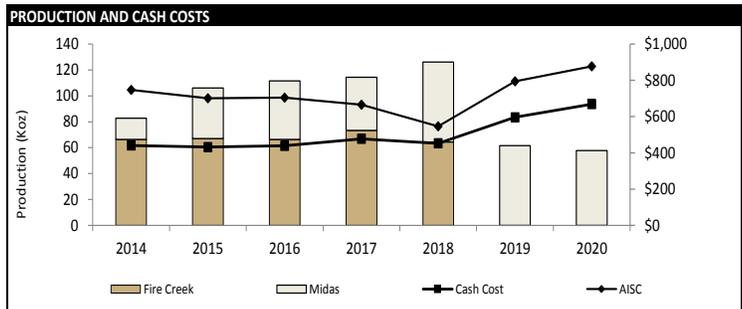
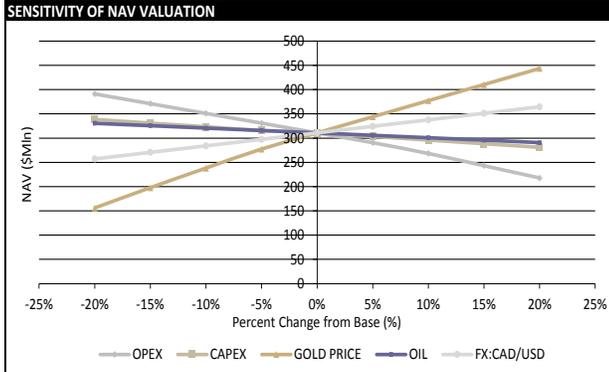


Financial Summary (\$mln)					
Year-end Dec 31	2013A	2014E	2015E	2016E	2017E
Shares Outstanding, mln	66.2	127.3	128.3	136.5	140.0
FD Shares, mln	90.4	148.2	148.2	148.2	148.2
FD EPS	(0.16)	0.12	0.14	0.10	0.15
FD CFOPPS	(0.05)	0.36	0.40	0.42	0.44
P/CF	-	5.9x	5.3x	5.0x	4.8x

Income Statement (\$mln)					
Revenue	0.0	116.1	167.1	175.1	171.2
Operating Expenses	0.0	51.9	66.6	71.0	65.7
Depreciation	0.1	25.8	39.7	49.5	51.3
General & Admin	1.8	10.4	10.9	11.4	11.4
General Exploration	0.0	0.0	0.0	0.0	0.0
Net Income	(14.1)	11.7	20.4	15.3	22.0

Balance Sheet (\$mln)					
Cash & Equivalents	13.5	58.8	72.1	89.4	100.1
Debt	7.0	21.7	17.7	13.7	0.0

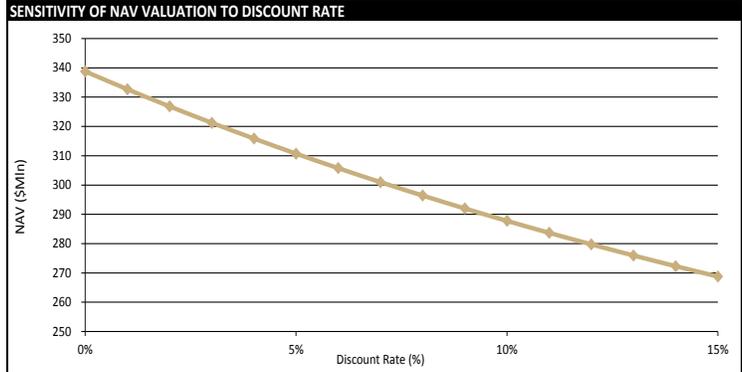
Cash Flow (\$mln)					
Op. CF (before W/C)	(4.1)	46.3	58.8	62.1	64.7
Financing CF	13.7	115.2	(12.7)	(10.9)	(13.7)
Investing CF	(15.3)	(112.5)	(32.8)	(33.8)	(40.3)
Change in Cash	(4.5)	45.3	13.3	17.4	10.7



TECHNICAL ASSUMPTIONS					
	2014A	2015E	2016E	2017E	2018E
Gold (US\$/oz)	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
Exchange Rate (Cdn\$/US\$)	1.10	1.17	1.17	1.12	1.08
Production Estimates					
	2014E	2015E	2016E	2017E	2017E
Gold Production, 000oz	86	106	111	114	126
Cash Costs, US\$/AuEqoz sold	\$441	\$431	\$439	\$477	\$452
Capex Spending, US\$mln	\$28	\$28	\$29	\$36	\$27
Resource Estimate* (as of December 31, 2013)					
	Tonnes (Mt)	Grade (g/t)	Contained Gold (000 oz)	Mine Life (Yrs)	EV/oz (US\$/oz)
Fire Creek (100%)					5
Fire Creek M&I Resources	0.2	41.48	284		
Fire Creek Inferred Resources	0.6	23.31	424		
Midas (100%)					
Midas M&I Resources	1.0	12.90	421		
Midas Inferred Resources	0.8	9.60	241		
Total Reserves & Resources	2.6	16.57	1,370		\$205
Total Haywood Mineable Resource	2.0	15.17	969		

NET ASSET VALUE					
	(US\$M)	(C\$M)	(C\$/Sh)	Multiple	Adj. (C\$/Sh)
Fire Creek	\$147	\$172	\$1.16	1.0x	\$1.16
Midas	\$80	\$94	\$0.64	1.0x	\$0.64
Project NAV	\$227	\$266	\$1.79		\$1.79
Net Cash, Corp. Adj. (G&A, Options)	\$38	\$45	\$0.30		\$0.30
TOTAL NAV	\$265	\$311	\$2.10		\$2.10

COMPARABLES							
Company	Price	EV	P/NAV	P/CFPS		EV/CFPS	
	C\$	US\$M		2015	2016	2015	2016
AuRico Gold Inc.	4.73	\$1,168	1.06x	10.7x	7.5x	13.2x	9.2x
Dundee Precious Metals Inc.	3.43	\$532	0.52x	4.3x	4.2x	5.9x	5.8x
Kirkland Lake Gold Inc.	4.42	\$334	0.89x	5.4x	4.4x	7.0x	5.7x
Primerio Mining Corp.	5.13	\$727	0.82x	6.7x	4.8x	7.3x	5.3x
Richmont Mines Inc.	4.33	\$140	0.91x	13.2x	8.8x	11.1x	7.4x
Wesdome Gold Mines Ltd.	1.30	\$114	2.17x	9.3x	8.1x	9.1x	8.0x
Selected Company Average			1.06x	8.3x	6.3x	8.9x	6.9x
Klondex Mines Ltd.	2.62	\$281	1.18x	5.3x	5.0x	6.2x	5.3x



Source: Haywood Securities



Lake Shore Gold Corp. (LSG-T, \$1.08)

Rating (Risk): BUY (Medium-High)
Target Price Metric: 6.5x EV/2015E CFPS

Target Price, C\$ \$1.30
Return, % 20%
52-Week High / Low, C\$ \$1.40 / \$0.67
Daily Volume (3-month avg) 3,171,220

Shares O/S, millions 435.4
Shares F/D, millions 456.1
Market Cap, US\$M \$379
Company CEO Tony Makuch
Company Web Site www.lsgold.com

Balance Sheet and Capitalization

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$379	\$0.87	\$470	\$1.08
Current Cash	\$48.4	\$0.11	\$60.0	\$0.14
F/D Cash Adds	\$33.4	\$0.08	\$41.4	\$0.10
Working Capital	\$44.4	\$0.10	\$55.1	\$0.13
Long-term Debt	(\$83.5)	(\$0.19)	(\$103.5)	(\$0.24)
Book Value	\$371.3	\$0.85	\$460.3	\$1.06
Enterprise Value (EV)	\$418.5	\$0.96	\$518.6	\$1.19

EV = Market Capitalization + Working Capital + Long-term Debt
Spot C\$/US\$ FX Rate: 1.24

Financial Forecast

	2013A	2014	2015	2016	2017	2018
Forecast Gold Price, US\$/oz	\$1,406	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
Realized Gold Price, US\$/oz	\$1,406	\$1,269	\$1,250	\$1,250	\$1,250	\$1,250
C\$/US\$ FX Rate	1.03	1.10	1.17	1.17	1.12	1.12
Shares O/S, millions	435.4	435.4	435.4	435.4	443.4	448.0
Revenue, C\$M	\$192.7	\$259.2	\$253.2	\$259.6	\$250.2	\$240.4
Mine Site Expense, C\$M	(\$107.5)	(\$125.6)	(\$133.0)	(\$130.9)	(\$130.8)	(\$130.5)
Corporate G&A, C\$M	(\$10.0)	(\$10.0)	(\$10.0)	(\$10.0)	(\$10.0)	(\$10.0)
EBITDA, C\$M	\$71.3	\$121.6	\$102.3	\$116.7	\$107.4	\$97.9
EV / EBITDA	5.9x	3.4x	4.1x	3.6x	3.9x	4.3x
DD&A, C\$M	(\$60.2)	(\$74.3)	(\$69.2)	(\$71.3)	(\$78.0)	(\$78.0)
Earnings, C\$M	\$5.3	\$24.6	\$17.9	\$31.6	\$20.9	\$14.3
EPS, C\$	\$0.01	\$0.06	\$0.04	\$0.07	\$0.05	\$0.03
Current Price / EPS	-	19.1x	26.3x	14.9x	23.0x	33.8x
Target Price / EPS	130.0x	23.0x	31.7x	17.9x	27.6x	40.7x
Cash Flow Before W/C Changes, C\$M	\$64.5	\$114.5	\$98.3	\$119.4	\$110.5	\$100.9
CFPS, C\$	\$0.15	\$0.26	\$0.23	\$0.27	\$0.25	\$0.23
Current Price / CFPS	7.2x	4.1x	4.8x	3.9x	4.3x	4.8x
Target Price / CFPS	8.7x	4.9x	5.8x	4.7x	5.2x	5.8x
CFPS Sensitivity, C\$	-	-	\$0.02	\$0.02	\$0.02	\$0.02
Exploration, C\$M	(\$10)	(\$3)	(\$15)	\$0	\$0	\$0
CAPEX (including sustaining), C\$M	(\$79.9)	(\$42.1)	(\$36.5)	(\$30.3)	(\$23.1)	(\$23.8)
Free Cash Flow, C\$M	(\$25.3)	\$69.5	\$46.8	\$89.0	\$87.3	\$77.1
FCPS, C\$	(\$0.06)	\$0.16	\$0.11	\$0.20	\$0.20	\$0.17
Proceeds from Equity Financing, C\$M	\$0.0	\$15.1	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from Debt Financing, C\$M	\$40.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Debt Repayment, C\$M	(\$27.2)	(\$45.9)	(\$6.5)	(\$1.6)	(\$104.4)	\$0.0
Increase in Cash and Equivalents, C\$M	(\$15.6)	\$36.3	\$39.3	\$87.5	(\$17.1)	\$77.1
Increase in Cash and Equivalents per Share, C\$M	(\$0.04)	\$0.08	\$0.09	\$0.20	(\$0.04)	\$0.17

CFPS sensitivity is based on a US\$50/oz change in forecast gold price.

Production Profile

	2013	2014	2015	2016	2017	RLOM
Bell Creek Complex (100%, underground)						
Tonnes Mined, millions	0.19	0.30	0.30	0.30	0.30	0.3
Gold Grade, g/t	4.6	5.2	4.7	4.9	4.9	4.2
Metallurgical Gold Recovery, %	94%	96%	94%	94%	94%	94%
Gold Production*, ounces 000's	28	44	42	44	44	284
Cash Cost, US\$/oz	\$790	\$690	\$675	\$650	\$675	\$800
Timmins West Mine (100%, underground)						
Tonnes Mined, millions	0.75	0.90	0.90	0.89	0.89	0.9
Gold Grade, g/t	4.6	5.2	4.7	4.9	4.9	4.9
Metallurgical Gold Recovery, %	96%	96%	96%	96%	96%	96%
Gold Production, ounces 000's	107	142	131	135	135	1,048
Cash Cost, US\$/oz	\$714	\$595	\$605	\$580	\$600	\$620
Total Tonnes Mined, millions	0.94	1.20	1.20	1.19	1.19	1.2
Milled Gold Grade, g/t	4.6	5.2	4.7	4.9	4.9	4.7
Gold Production (100%), ounces 000's	135	186	173	179	179	1,332
Cash Cost, US\$/oz	\$731	\$567	\$625	\$595	\$620	\$660
Total Cash Cost, US\$/oz	\$766	\$595	\$660	\$635	\$655	\$680
AISC, US\$/oz	\$1,139	\$875	\$1,015	\$860	\$840	\$885

2014 Company Guidance: 160-180 koz of gold at total cash cost of US\$675-775/oz and an AISC of US\$950-1,050/oz.
2015 Company Guidance: 170-180 koz of gold at total cash cost of US\$650-700/oz and an AISC of US\$950-1,000/oz.

Historical Quarterly Results

	Q3/13A	Q4/13A	Q1/14A	Q2/14A	Q3/14A	Q4/14A
Tonnes Mined	202,300	321,800	283,800	309,800	320,800	331,400
Gold Grade, g/t	4.7	5.2	5.1	5.4	4.6	4.2
Gold Production*, ounces	28,900	51,700	44,600	52,300	45,600	43,200
Total Gold Sales, ounces	32,300	49,600	42,900	53,500	45,500	41,200
Total Cash Cost, US\$/oz	\$701	\$609	\$621	\$556	\$594	\$595
All-in Sustaining Cash Cost, US\$/oz	\$1,027	\$849	\$960	\$784	\$858	\$915
Average Realized Gold Price, US\$/oz	\$1,324	\$1,261	\$1,294	\$1,289	\$1,284	\$1,200
Average LME Gold Price, US\$/oz	\$1,330	\$1,274	\$1,292	\$1,290	\$1,282	\$1,199
Cash Flow, C\$M	\$13.0	\$34.2	\$25.0	\$38.7	\$27.6	\$27.6
CFPS, C\$	\$0.03	\$0.08	\$0.06	\$0.09	\$0.07	\$0.07
Reported Earnings, C\$M	\$1.0	(\$225.7)	\$5.6	\$13.2	\$7.9	\$7.9
EPS, C\$	\$0.00	(\$0.54)	\$0.01	\$0.03	\$0.02	\$0.02
Capex, C\$M	\$14.2	\$12.2	\$12.7	\$11.8	\$15.2	\$15.2

Summary of Outstanding Debt/Facilities

\$103.5M convertible debentures (September 2017 maturity, \$1.40 conversion Price, 6.25% coupon)
Sprott Resources \$35M gold loan (monthly payments of 947 ounces, maturing May 2015)
\$35M credit facility (\$20M drawn as of May 2014, 9.75% interest rate, monthly payments of \$1.7M June 2015-November 2016)
\$7.3M sale-leaseback on mobile equipment at 3.7% and 12 quarterly payments from January 2014 to October 2016
\$4.7M of other finance lease obligations

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Share Capital Dilution

	Number	Price	Proceeds	Expiry
Warrants	0.0M	-	-	-
Options	20.7M	C\$1.89	US\$31.5M	December '16
Warrants + Options	20.7M	C\$1.89	US\$31.5M	

C\$/US\$ FX Rate: 1.17

Recent Financings and Transactions

Dec. 2014 - \$15.1M private placement (12.9M flow-through common shares at \$1.17 per share).
Sept. 2012 - Full repayment of US\$50M UniCredit 3-year facility
Sept. 2012 - \$103.5M convertible debentures (5-year maturity, \$1.40 conversion Price, 6.25% coupon)
June 14, 2012 - Sprott Resources \$35M gold loan (maturing May 2015) + \$35M credit facility (9.75% interest rate, maturing Jan. 2015)
Feb. 8, 2012 - \$1.1 million share private placement with FNV for gross proceeds of \$15 million + sale of 2.25% NSR Timmins West Complex royalty for US\$35 million

Major Shareholders

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Van Eck Associates Corp.	62.1	14.3%	62.1	13.6%
TD Bank	13.5	3.1%	13.5	3.0%
Creystone Managed Investments	10.8	2.5%	10.8	2.4%

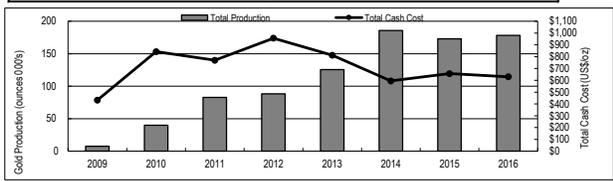
Corporate NAV Summary and Sensitivity

Forecast Gold Price, US\$/oz	Base Case	\$1,100	\$1,200	\$1,400	\$1,295	Spot
Corporate Adjustments, C\$M	(\$68.4)	(\$68.4)	(\$68.4)	(\$68.4)	(\$68.4)	(\$68.4)
Bell Creek After-Tax Project NAV ₂₀₁₅ , C\$M	\$83.6	\$54.4	\$80.1	\$131.3	\$104.4	\$104.4
Timmins West After-Tax Project NAV ₂₀₁₅ , C\$M	\$330.2	\$206.5	\$279.4	\$425.1	\$348.6	\$348.6
Additional Exploration Credit, C\$M	\$283.7	\$283.7	\$283.7	\$283.7	\$283.7	\$283.7
Corporate NAV, US\$M	\$598	\$476	\$575	\$772	\$668	\$668
Corporate Adjustments, C\$ / F/D share	(\$0.15)	(\$0.15)	(\$0.15)	(\$0.15)	(\$0.15)	(\$0.15)
Bell Creek After-Tax Project NAV ₂₀₁₅ , C\$ / F/D share	\$0.21	\$0.12	\$0.18	\$0.29	\$0.23	\$0.23
Timmins West After-Tax Project NAV ₂₀₁₅ , C\$ / F/D share	\$0.70	\$0.45	\$0.61	\$0.93	\$0.76	\$0.76
Additional Exploration Credit, C\$ / F/D share	\$0.62	\$0.62	\$0.62	\$0.62	\$0.62	\$0.62
Corporate NAV, C\$ / F/D share	\$1.37	\$1.04	\$1.26	\$1.69	\$1.47	\$1.47
Current Price / Corporate NAV	0.8x	1.0x	0.9x	0.6x	0.7x	0.7x
Target Price / Corporate NAV	0.9x	1.2x	1.0x	0.8x	0.9x	0.9x
2014E CFPS, C\$	\$0.26	\$0.26	\$0.26	\$0.26	\$0.26	\$0.26
2015E CFPS, C\$	\$0.23	\$0.16	\$0.20	\$0.29	\$0.25	\$0.25
Implied Target Price, C\$ @ 6.5x EV/2015E CFPS	\$1.30	\$0.90	\$1.15	\$1.75	\$1.50	\$1.50

Base case based on a gold price of US\$1,250/oz.
Additional exploration credit includes credit for inferred gold resource.
Shares F/D, millions: 456.1
2015E C\$/US\$ FX Rate: 1.17

Gold Inventory - Model Mineable, Reserve, and Resource (100% owned)

	Tonnes (000's)	Au Grade (g/t)	Gold (Moz)	EV/oz (US\$/oz)	Mine Life (years)
Bell Creek and Timmins West					
Haywood Model-Mineable (100%)	10,400	4.3	1.4	\$289	9.0
Haywood Model-Recoverable (100%)	10,400	4.3	1.4	\$303	9.0
Company Reported Proven & Probable Reserve	4,922	5.21	0.82	\$508	4.1
Company Reported Measured & Indicated Resource	8,458	4.58	1.24	-	7.3
Company Reported Inferred Resource (100%)	17,093	5.35	2.94	-	14.8
Total Company Reported Reserve and Resource	30,472	5.11	5.0	\$84	26.3
Fenn-Gib					
Company Reported Measured & Indicated Resource	40,800	0.99	1.30	-	-
Company Reported Inferred Resource (100%)	24,500	0.95	0.75	-	-
Company Reported Total Resource (100%)	65,300	0.97	2.0	-	-
Consolidated Attributable Reserve (100%)	4,922	5.21	0.8	\$508	-
Consolidated Attributable Reserve and Resource	95,772	2.29	7.1	\$59	-



Lake Shore Gold Corp. Consensus Estimate Summary (Reuters data sourced from Capital IQ)

	Analysts	Mean EPS	High / Low	vs. Cons.	Mean CFPS	High / Low	vs. Cons.
2014 Consensus Estimate	9	C\$0.07	C\$0.08 / C\$0.06	-19%	C\$0.27	C\$0.3 / C\$0.26	-3%
2015 Consensus Estimate	9	C\$0.06	C\$0.13 / C\$0.01	-31%	C\$0.22	C\$0.26 / C\$0.18	1%
2016 Consensus Estimate	6	C\$0.14	C\$0.03 / C\$0.6	-48%	C\$0.28	C\$0.21 / C\$7	-2%
	Analysts	SO Rating	SP Rating	SU Rating	Mean Target	High / Low	Haywood vs. Cons.
Consensus Valuation	9	6	4	2	C\$1.37	C\$2.00 / C\$0.90	-5%

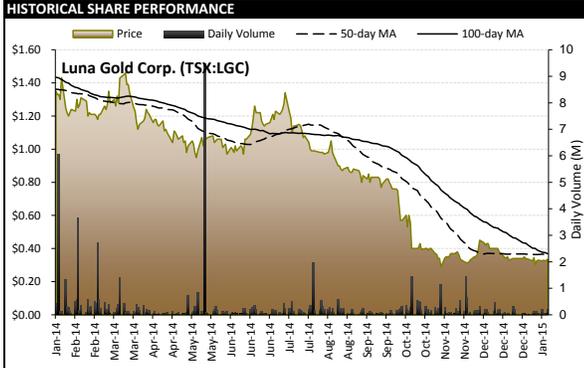
Peer Group Comparables

	Price	NAV	14 CFPS	15 CFPS	P/2015E CFPS	EV/2014E CFPS	EV/2015E CFPS
Lake Shore Gold Corp. (LSG-T)	C\$1.08	US\$1.31	C\$0.27	C\$0.22	4.8x	3.7x	4.4x
Argonaut Gold Inc.	C\$2.53	US\$4.38	C\$0.39	C\$0.45	5.7x	9.2x	8.1x
Endeavour Mining Corporation	C\$0.58	US\$0.96	C\$0.32	C\$0.35	1.7x	3.8x	3.5x
Luna Gold Corp.	C\$0.33	US\$0.31	C\$0.06	C\$0.06	5.7x	6.1x	6.1x
OcanaGold Corporation	C\$2.63	US\$1.80	C\$0.83	C\$0.72	3.6x	2.7x	3.1x
Primero Mining Corp.	C\$5.13	US\$5.07	C\$0.52	C\$0.77	6.7x	8.6x	5.8x
Rio Alto Mining Limited	C\$3.23	US\$2.69	C\$0.43	C\$0.37	8.7x	5.9x	6.9x
SEMAFO Inc.	C\$4.03	US\$2.77	C\$0.45	C\$0.62	6.5x		

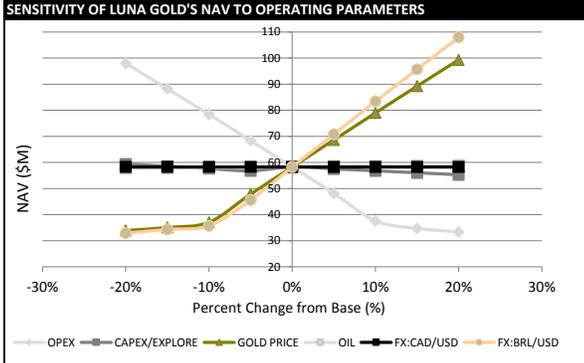


HAYWOOD SECURITIES INC.	Luna Gold Corp. (LGC-TSX,\$0.33) Rating: Sell Risk: High Risk	Target Price (\$) \$0.10 Return (%) -70% 52 Week High/Low (\$) \$1.53/\$0.24 Daily Volume (3-month avg) 174,660	Market Cap, C\$M \$47 Company CEO Geoff Chater Company Website www.lunagold.com
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CAPITAL STRUCTURE		
(As of Sept 30, 2014) Shares (Millions)		
Shares Outstanding		141.5
Warrants (Expired on September 27, 2013)		0.0
Options		7.7
Fully Diluted Shares		149.2
OWNERSHIP (Source: Luna Gold -Jan 2015)		
	Shares (M)	% O/S
Sandstorm Gold	27.0	19.1%
Sentry Investments	17.4	12.3%
Pacha Mineral Investments	12.0	8.4%
Insiders	14.1	10.0%
RBC Global Investment	3.6	2.6%
US Global	0.3	0.2%



FINANCIAL SUMMARY					
Year-end December 31	2013A	2014E	2015E	2016E	2017E
FD Shares, million	105.2	129.1	383.0	577.0	579.5
Adj. EPS (US\$)	0.06	(0.05)	(0.02)	0.00	(0.00)
CFOPPS (US\$)	0.22	0.04	(0.00)	0.01	0.00
P/CF Multiple		6.1x	-58.8x	18.3x	64.4x
P/E Multiple		-5.8x	-12.1x	113.3x	-93.2x
Income Statement (US\$million)					
Revenue	85.3	86.5	75.6	70.2	70.3
Cost of Goods Sold	(49.1)	(74.8)	(71.5)	(52.9)	(56.6)
Depreciation	(7.1)	(4.9)	(3.9)	(4.0)	(4.0)
General & Admin	(9.1)	(9.5)	(9.8)	(9.8)	(9.8)
Net Income	7.8	(105.0)	(8.2)	4.4	(1.7)
Balance Sheet (US\$million)					
Cash & Equivalents	6.0	18.3	2.4	18.1	0.6
Debt	40.1	45.8	42.8	42.8	42.8
Cash Flow (US\$million)					
Op. CF (before W/C)	23.1	4.2	(4.3)	8.4	2.4
Financing CF	16.2	36.9	(1.1)	9.5	(20.0)
Investing CF	(46.5)	(19.1)	(10.5)	(2.2)	0.0
Change in Cash	(13.0)	12.3	(15.9)	15.7	(17.6)



Source: Haywood Estimates, Company Reports, Thomson, Bloomberg

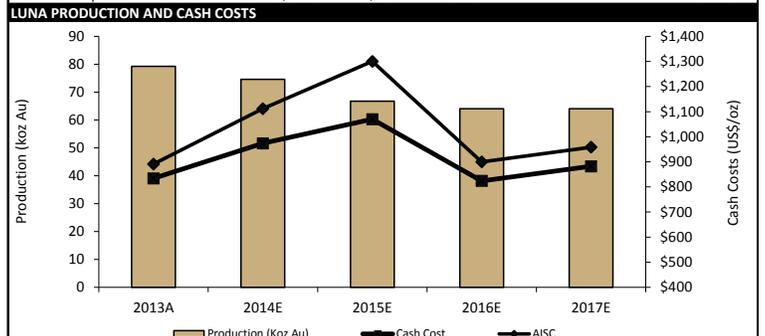
TECHNICAL ASSUMPTIONS					
	2012A	2013A	2014E	2015E	2016E
Gold (US\$/oz)	\$1,670	\$1,409	\$1,266	\$1,250	\$1,250
Silver (US\$/oz)	\$31.18	\$23.77	\$19.07	\$18.00	\$18.00
Exchange Rate (C\$/US\$)	1.00	1.03	1.10	1.17	1.17
Exchange Rate (BRL\$/US\$)	1.95	2.16	2.35	2.78	2.94

PRODUCTION ESTIMATES					
	2012A	2013A	2014E	2015E	2016E
Production (Koz Au)	74	79	75	67	64
Average Cash Costs (US\$/oz sold)	\$842	\$834	\$974	\$1,070	\$824
AISC (US\$/oz sold)	\$891	\$891	\$1,112	\$1,300	\$900
Capex Spending	\$30	\$43	\$14	\$10	\$2

RESERVES & RESOURCES					
	Tonnes (000)	Grade (g/t Au)	Gold (000 oz)	Mine Life (years)	
Aurizona (100% Owned, Open-Pit)					
Company Reported P&P Reserves	55,453	1.32	2,355	16	
Company Reported M&I Resources (Incl. Reserves)	81,990	1.38	3,631	24	
Company Reported Inferred Resources	18,540	1.74	1,037	5	
Total	100,530	1.45	4,668	29	
Haywood Total Mineable Resources	6,871	1.27	281	3	

NET ASSET VALUATION				
Operations	US\$mln	C\$/sh	Multiple	Adjusted Per Sh.
Aurizona	\$17	\$0.05	0.50x	\$0.03
Exploration Properties	\$8	\$0.02	1.00x	\$0.02
Net Cash	\$18	\$0.04		\$0.04
Other Adjustments (Warrants & Options, G&A)	(\$0)	(\$0.00)		(\$0.00)
Net Asset Value	\$43	\$0.10		\$0.08

COMPARABLES*							
Company	Ticker	Share Price	EV	P/CFPS	EV/CF	P/NAV	
		C\$	US\$m	2014	2015	2014	
Argonaut Gold Inc.	TSX:AR	C\$ 2.53	\$189	6.0x	5.7x	3.4x	0.47x
Lake Shore Gold Corp.	TSX:LSG	C\$ 1.08	\$421	2.9x	3.6x	4.1x	0.67x
Primero Mining Corp.	TSX:P	C\$ 5.13	\$710	9.3x	6.7x	7.2x	0.82x
Rio Alto Mining Limited	TSX:RIO	C\$ 3.23	\$851	7.0x	8.7x	8.5x	1.19x
Timmins Gold Corp.	TSX:TMM	C\$ 1.33	\$129	3.8x	5.6x	3.8x	0.64x
Selected Company Average				5.8x	6.1x	5.4x	0.76x
Luna Gold Corp.	TSX:LGC	C\$ 0.33	\$59	6.1x	-	5.4x	3.28x



Source: Haywood Securities

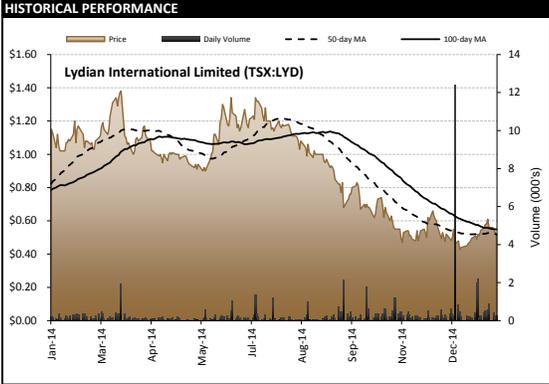


Lundin Mining Corporation (LUN-T, \$4.63)				Target Price, C\$		\$6.75		Shares O/S, million		718.1		
Rating (Risk): BUY (MEDIUM-HIGH)				Return, %		46%		Shares F/D, million		730.1		
Target Price Metric: 7x EV/2015E CFPS				52-Week High / Low, C\$		\$6.57 / \$3.68		Market Cap, US\$M		\$2,676		
				Daily Volume (3-month avg)		2,559,460		Company CEO		Paul Chamber		
								Company Web Site		www.lundinmining.com		
Balance Sheet and Capitalization												
	US\$M	US\$ / O/S Share	CSM	CS / O/S Share								
Market Capitalization	\$2,675.9	\$3.73	\$3,325.0	\$4.63								
Current Cash	\$170.8	\$0.24	\$212.2	\$0.30								
FID Cash Adds	\$44.7	\$0.06	\$55.5	\$0.08								
Working Capital	\$165.4	\$0.26	\$230.3	\$0.32								
Long-term Debt	(\$1,000.0)	(\$1.39)	(\$1,242.5)	(\$1.73)								
Book Value	\$4,224.3	\$5.88	\$5,248.9	\$7.31								
Enterprise Value (EV)	\$3,490.6	\$4.86	\$4,327.2	\$6.04								
EV = Market Capitalization + Working Capital + Long-term Debt												
Spot CS/US\$ FX Rate: 1.24												
Financial Forecast												
	2012A	2013A	2014E	2015E	2016E	2017E						
Forecast Zinc Price, US\$/lb	\$0.88	\$0.86	\$0.98	\$1.10	\$1.20	\$1.20						
Forecast Copper Price, US\$/lb	\$3.61	\$3.29	\$3.12	\$2.50	\$2.75	\$3.00						
Forecast Nickel Price, US\$/lb	\$7.95	\$6.42	\$7.67	\$7.00	\$8.00	\$9.00						
Forecast Cobalt Price, US\$/lb	\$7.83	\$13.19	\$14.43	\$13.50	\$13.50	\$13.50						
CS/US\$ FX Rate	1.00	1.03	1.10	1.17	1.17	1.12						
Euro/US\$ FX Rate	0.78	0.75	0.75	0.85	0.87	0.82						
Shares O/S, millions	585.9	584.3	617.0	718.1	718.1	718.1						
Revenue, US\$M	\$508.7	\$535.1	\$1,164.5	\$1,946.3	\$2,713.0	\$2,308.4						
Reported Revenue (incl. TORC's), US\$M	\$721.1	\$727.9	\$1,000.1	\$1,723.7	\$1,738.6	\$2,025.8						
Mine Expenses (incl. TORC's), US\$M	(\$472.6)	(\$568.5)	(\$790.2)	(\$1,270.0)	(\$1,291.3)	(\$1,363.2)						
Corporate G&A, US\$M	(\$27.4)	(\$23.6)	(\$45.0)	(\$45.0)	(\$45.0)	(\$45.0)						
EBITDA, US\$M	\$242.6	\$206.5	\$308.1	\$598.4	\$864.0	\$868.4						
EBIT/EBITDA	14.4x	15.9x	11.3x	5.8x	5.4x	4.0x						
DDA, US\$M	(\$122.4)	(\$148.1)	(\$137.3)	(\$35.1)	(\$24.6)	(\$37.7)						
Earnings, US\$M	\$165.3	\$136.7	\$212.8	\$247.5	\$279.3	\$274.5						
EPS, US\$	\$0.32	\$0.23	\$0.34	\$0.34	\$0.39	\$0.39						
Current Price / EPS	14.6x	19.2x	12.2x	11.5x	10.2x	5.2x						
Target Price / EPS	21.3x	28.0x	17.8x	16.7x	14.9x	7.5x						
Cash Flow Before WIC Changes (incl. Tenke), US\$M	\$340.2	\$347.5	\$405.0	\$717.6	\$711.4	\$1,092.8						
CFPS (incl. Tenke), US\$	\$0.58	\$0.59	\$0.66	\$0.95	\$0.95	\$1.50						
Current Price / CFPS (incl. Tenke)	8.0x	7.8x	6.4x	4.2x	4.2x	2.7x						
Target Price / CFPS (incl. Tenke)	11.6x	11.0x	9.3x	6.1x	6.1x	4.0x						
Cash Flow Before WIC Changes (excl. Tenke), US\$M	\$194.2	\$191.6	\$215.0	\$534.2	\$517.1	\$694.5						
CFPS (excl. Tenke), US\$	\$0.33	\$0.30	\$0.30	\$0.70	\$0.70	\$0.85						
Current Price / CFPS (excl. Tenke)	14.0x	15.0x	14.0x	5.6x	5.7x	4.3x						
Target Price / CFPS (excl. Tenke)	20.4x	21.8x	20.5x	8.2x	8.3x	6.3x						
Copper Price CFPS Sensitivity, US\$	-	-	\$0.00	\$0.03	\$0.03	\$0.03						
Zinc Price CFPS Sensitivity, US\$	-	-	\$0.00	\$0.02	\$0.02	\$0.02						
Nickel Price CFPS Sensitivity, US\$	-	-	\$0.00	\$0.03	\$0.03	\$0.03						
CAPEX and capitalized financing, US\$M	(\$318.0)	(\$243.7)	(\$2,371.4)	(\$453.0)	(\$405.2)	(\$337.6)						
Proceeds from Equity Financing, US\$M	\$0.0	\$1.6	\$576.0	\$0.0	\$0.0	\$0.0						
Proceeds from Debt Financing, US\$M	\$0.0	\$310.0	\$300.0	\$0.0	\$0.0	\$0.0						
Debt Repayment, US\$M	(\$21.6)	(\$67.5)	(\$263.7)	(\$100.7)	(\$200.7)	(\$50.7)						
Free Cash Flow, US\$M	\$9.7	\$324.5	\$306.9	\$163.4	\$106.6	\$704.6						
FCFS, US\$	\$0.02	\$0.56	\$0.50	\$0.23	\$0.15	\$0.98						
Copper and zinc price CFPS sensitivity is based on a US\$0.50/lb change in forecast price.												
Nickel price CFPS sensitivity is based on a US\$0.50/lb change in forecast nickel price.												
Production Profile (100% Basis)												
	2012	2013	2014	2015	2016	RLOM						
Neves-Corvo (100% owned, underground)												
Copper Ore Tonnes Mined, millions	2.5	2.5	2.5	2.2	2.2	2.2						
Zinc Ore Tonnes Mined, millions	0.54	0.93	1.10	1.15	1.15	1.15						
Copper Grade, %	2.6%	2.6%	2.6%	2.6%	2.6%	2.7%						
Zinc Grade, %	7.3%	6.5%	6.0%	7.3%	7.3%	7.9%						
Contained Copper Production, tonnes 000's	86.4	64.9	51.4	47.2	47.2	39.9						
Contained Zinc Production, tonnes 000's	30.6	51.0	67.4	71.4	71.4	88.9						
Copper Cash Cost (net of credits), US\$/lb	\$1.79	\$1.98	\$2.06	\$1.76	\$1.81	\$1.85						
Zinkgruvan (100% owned, underground)												
Tonnes Mined, millions	1.14	1.02	1.05	1.10	1.10	0.94						
Zinc Grade, %	9.1%	8.0%	8.2%	8.0%	8.0%	8.0%						
Contained Zinc Production, tonnes 000's	83.2	74.4	77.7	80.5	80.5	34.3						
Contained Lead Production, tonnes 000's	37.2	33.7	32.4	36.5	36.5	156						
Contained Copper Production, tonnes 000's	3.1	4.6	3.5	6.2	6.2	2.4						
Zinc Cash Cost (net of credits), US\$/lb	\$0.13	\$0.30	\$0.47	\$0.37	\$0.31	\$0.31						
Agua Blanca (100% owned, open pit)												
Tonnes Mined, millions	0.6	1.6	1.7	1.1	1.1	3.3						
Nickel Grade, %	-	0.56%	0.60%	0.52%	0.52%	0.54%						
Contained Nickel Production, tonnes 000's	2.4	7.4	8.6	4.5	4.5	1.5						
Contained Copper Production, tonnes 000's	2.3	6.4	7.4	3.6	4.4	1.3						
Nickel Cash Cost (net of credits), US\$/lb	\$6.76	\$4.28	\$3.81	\$4.46	\$5.34	\$3.00						
Tenke Fungurume (24% owned, open pit)												
Tonnes Mined, millions	4.7	5.3	7.1	9.7	9.7	2.23						
Copper Grade, %	3.6%	4.4%	3.5%	2.9%	2.9%	2.1%						
Cobalt Grade, %	0.35%	0.29%	0.33%	0.34%	0.26%	0.27%						
Contained Copper Production (100%), tonnes 000's	157.7	210.0	215.5	235.6	236.1	3,938						
Contained Cobalt Production (100%), tonnes 000's	1.7	11.9	18.1	13.4	10.4	308						
Total Copper Cash Cost (net of credits), US\$/lb	\$1.23	\$1.31	\$1.26	\$0.90	\$0.99	\$1.02						
Eagle (100% owned, underground)												
Tonnes Mined, millions	-	-	0.17	0.47	0.66	4.86						
Nickel Grade, %	-	-	3.2%	4.2%	4.1%	2.9%						
Copper Grade, %	-	-	2.40%	3.03%	3.08%	2.45%						
Contained Nickel Production, tonnes 000's	-	-	4.3	20.0	27.0	138						
Contained Copper Production, tonnes 000's	-	-	3.9	14.4	20.4	119						
Nickel Cash Cost (net of credits), US\$/lb	-	-	\$3.68	\$3.29	\$2.82	\$2.82						
Candelaria (89% owned, open pit/underground)												
Tonnes Mined, millions	-	-	4.3	25.4	26.4	26.4						
Copper Grade, %	-	-	0.70%	0.74%	0.51%	0.54%						
Au Grade, g/t	0.00	0.00	0.20	0.17	0.11	0.13						
Contained Copper Production, tonnes 000's	-	-	18.6	180.0	184.5	1,878						
Contained Gold Production, ounces 000's	-	-	16.2	142.7	94.0	1,487						
Copper Cash Cost (net of credits), US\$/lb	-	-	\$2.17	\$1.88	\$2.37	\$2.60						
Total Contained Copper Production, tonnes 000's	102	116	141	278	242	2,619						
Total Contained Zinc Production, tonnes 000's	123	133	145	152	152	1,232						
Total Contained Lead Production, tonnes 000's	38	35	32	37	37	156						
Total Contained Nickel Production, tonnes 000's	-	7.4	12.9	24.5	31.5	167.8						
Attributable Payable Copper Production, Mib	205.0	219.0	285.0	540.0	458.0	5,775						
Attributable Payable Zinc Production, Mib	220.0	260.0	285.0	300.0	300.0	2,440						
Attributable Payable Lead Production, Mib	65.0	70.0	65.0	75.0	75.0	320						
Attributable Payable Nickel Production, Mib	5.0	15.5	24.5	42.5	54.0	255						
Total production numbers exclude Tenke (equity accounting method is used)												
2014 Company guidance: Copper production of 61,000-69,000 tonnes and Tenke attributable production of 47,000 tonnes.												
2015 Company guidance: Copper production of 208,000 - 222,000 tonnes and Tenke attributable production of 50,000 tonnes.												
Historical Quarterly Results												
	Q3/13	Q4/13	Q1/14	Q2/14	Q3/14	Q4/14						
Realized Copper Price, US\$/lb (after PPAs)	\$3.39	\$3.30	\$3.02	\$3.19	\$3.03							
Realized Zinc Price, US\$/lb (after PPAs)	\$0.86	\$0.90	\$0.90	\$1.00	\$1.04							
Copper Sales, tonnes 000's	12,976	15,734	11,837	12,616	13,533							
Zinc Sales, tonnes 000's	29,511	28,499	26,813	31,087	30,882							
Lead Sales, tonnes 000's	11,703	7,960	7,719	12,341	5,887							
Nickel Sales, tonnes 000's	1,180	1,346	1,242	1,342	1,187							
Reported Net Income, US\$M	\$27.9	\$42.2	\$13.3	\$39.7	\$33.7							
Reported EPS, US\$	\$ 0.06	\$ 0.07	\$ 0.02	\$ 0.07	\$ 0.06							
Adjusted Earnings, US\$M	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0							
Adjusted EPS, US\$	\$ -	\$ -	\$ -	\$ -	\$ -							
Cash Flow before WIC Changes, US\$M	\$ 39.3	\$ 61.4	\$ 30.7	\$ 53.8	\$ 46.6							
CFPS, US\$	\$ 0.07	\$ 0.11	\$ 0.05	\$ 0.09	\$ 0.08							
Capex, US\$M	\$53.6	\$116.4	\$92.4	\$99.3	\$128.7							
Peer Group Comparables												
	Price	EVPS	14 CFPS	15 CFPS	P2015E	P2016E	P2017E					
Lundin Mining Corporation (LUN-T)	C\$4.63	US\$3.98	US\$0.42	US\$1.02	3.7x	9.6x	3.9x					
Firion Quantum Minerals (FM-T)	C\$12.67	US\$16.74	US\$2.01	US\$2.58	3.9x	8.3x	6.5x					
Huber Minerals (HBM-T)	C\$0.12	US\$10.44	US\$0.10	US\$1.17	6.3x	107.2x	8.9x					
Kazakhstan (LSE-KAZ)	C\$3.67	US\$2.59	US\$0.82	US\$0.39	7.6x	3.2x	6.6x					
KGHM Polska Miedz (KGH-WSE)	C\$35.93	US\$30.12	US\$6.05	US\$4.88	5.6x	5.0x	6.2x					
Vedanta Resources (LSE-VED)	C\$8.01	US\$42.39	US\$13.00	US\$10.54	6.0x	3.3x	4.0x					
Peer Group Average	-	-	-	-	4.9x	25.4x	6.4x					
Peer Group Average (excluding high/low)	-	-	-	-	5.4x	5.9x	6.4x					
Note: CFPS estimates sourced from Capital IQ. NAV sourced from Haywood. Spot CS/US\$ FX Rate: 1.24												
Equity Investments												
	Sh. Price	Sh. O/S	Sh. Owned	% Owned	BV	MV						
Silazar Resources Ltd. (SR-LV)	C\$0.12	63.5	6.2	13.5%	\$3.1	\$0.7						
Sunridge Gold Corp. (SGC-V)	C\$0.15	209.9	9.3	4.4%	\$12.0	\$1.4						
Note: Share price and shares O/S sourced from Capital IQ												
Total Value, CSM: \$15.1 \$2.1												
Kerry Smith, P. Eng. - Research Analyst ksmith@haywood.com 416-507-2306												

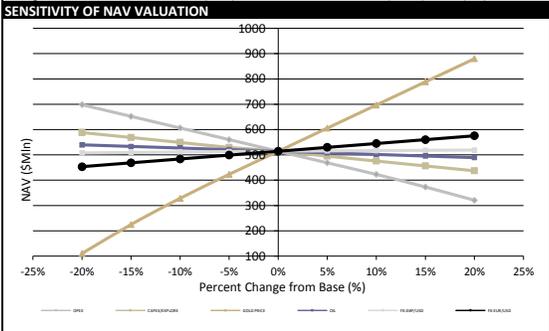


HAYWOOD SECURITIES INC.	Lydian Int'l Ltd. (LYD-TSX,\$0.50) Rating: Buy Risk: Very High	Target Price (C\$) \$ 0.90 Return (%) 80% 52 Week High/Low (C\$) \$1.48/\$0.415 Daily Volume (3-month avg) 245,280	Market Cap, C\$M \$ 76.1 CEO Howard Stevenson Company Website www.lydianinternational.co.uk
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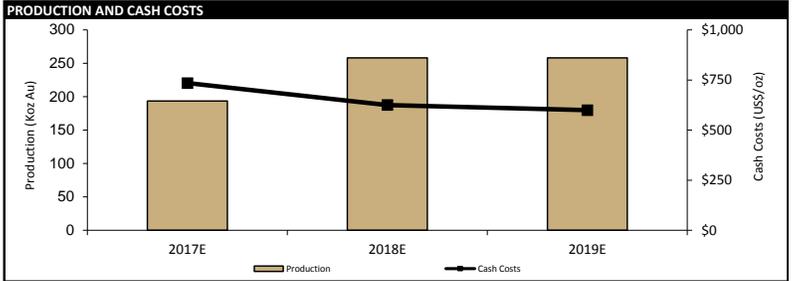
CAPITAL STRUCTURE		Shares
(As of November 2014)		
Shares Outstanding		152.2
Warrants		0.0
Options		5.8
Fully Diluted Shares		157.9
OWNERSHIP (Source: Bloomberg - Jan 2015)		Shares O / % O/S
Sprott Asset Management		18.1 11.9%
Van Eck Associates Corp.		15.1 9.9%
International Finance Corp.		10.3 6.8%
European Bank for Reconstruction and Development		9.0 5.9%
Franklin Resources		8.8 5.8%



FINANCIAL SUMMARY						
Year-end December 31	2013A	2014E	2015E	2016E	2017E	2018E
FD Shares, mln	160.9	158.2	503.1	506.7	510.4	514.0
EPS	(0.07)	(0.05)	(0.03)	(0.07)	0.00	0.08
CFOPPS	(0.06)	(0.04)	(0.01)	(0.07)	0.07	0.19
Income Statement						
Revenue	0.1	0.1	0.0	0.0	185.5	309.1
Operating Expenses	0.0	0.0	0.0	0.0	95.8	130.2
Depreciation	0.0	0.1	0.0	0.0	31.2	57.2
General & Admin	9.9	8.4	8.3	8.3	8.3	8.3
Net Income	(9.5)	(8.1)	(8.3)	(35.9)	2.2	39.6
Balance Sheet						
Cash & Equivalents	8.5	13.5	367.36	13.66	9.17	101.23
Debt	0.0	0.0	276.00	276.00	276.00	276.00
Cash Flow						
Op. CF (before W/C)	(9.5)	(6.4)	(6.1)	(33.7)	35.5	98.9
Financing CF	1.9	18.9	453.8	0.0	0.0	0.8
Investing CF	(16.5)	(7.8)	(93.7)	(320.0)	(40.0)	(7.7)
Change in Cash	(25.3)	4.7	353.9	(353.7)	(4.5)	92.1



*Comparables based on Capital IQ Consensus Estimates

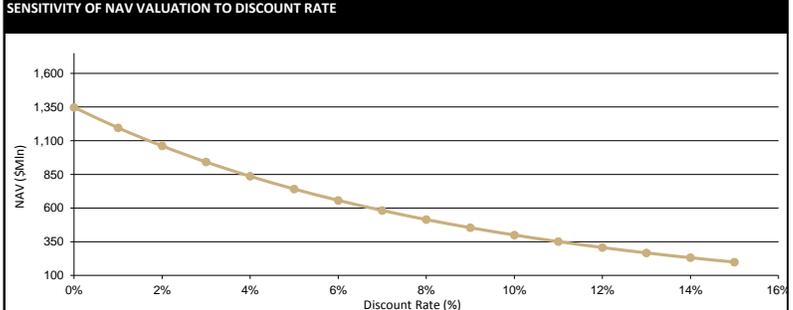


TECHNICAL ASSUMPTIONS					
	2013A	2014E	2015E	2016E	2017E
Gold (US\$/oz)	\$1,409	\$1,266	\$1,250	\$1,250	\$1,250
Silver (US\$/oz)	\$23.77	\$19.07	\$18.00	\$18.00	\$18.00
Exchange Rate (US\$/C\$)	0.64	0.60	0.61	0.62	0.62

PRODUCTION ESTIMATES						
	2015E	2016E	2017E	2018E	2019E	
Annual Production (Koz Au)	0	0	194	258	258	
Average Cash Costs (US\$/oz)	\$0	\$0	\$734	\$625	\$599	
RESERVES & RESOURCES						
Amulsar (100% Open-Pit)	Tonnes (000's)	Grade (g/t Au)	Grade (g/t Ag)	Gold (koz)	Silver (koz)	Mine Life (Years)
Company Reported P&P Reserves	94,894	0.75	3.37	2,290	9,976	9
Company Reported M&I Resources	61,600	1.14	3.83	2,258	8,472	6
Company Reported Inferred Resources	49,900	1.02	4.01	1,636	4,577	5
Total	111,500	1.09	3.91	3,894	13,048	11
Haywood Total Mineable Resources	129,678	0.74	3.44	3,099	14,335	13

NET ASSET VALUATION					
Project	USD\$mIn	Cdn\$mIn	Per Sh. (C\$)	Multiple	Adjusted Per Sh. (C\$)
Amulsar	\$440	\$515	\$1.00	0.9x	\$0.90
In-Situ resource upside	\$0	\$0	\$0.00	1.0x	\$0.00
Working Capital	\$26	\$30	\$0.06		\$0.06
Debt	\$0	\$0	\$0.00		\$0.00
Corporate Adjustments	(\$26)	(\$31)	(\$0.06)		(\$0.06)
Net Asset Value	\$439	\$514	\$1.00		\$0.90

COMPARABLES*					
Company	Ticker	Share Price Cdn\$	Total Resources (000's oz Au)	EV/Resource (US\$/oz Au)	P/NAV (x)
Advanced Exploration Companies					
Asanko Gold Inc.	TSX:AKG	\$1.99	9,400	\$8	0.61x
Atacama Pacific Gold Corporation	TSXV:ATM	\$0.26	5,945	\$2	0.08x
Belo Sun Mining Corp	TSX:BSX	\$0.23	7,649	\$6	0.26x
Orezone Gold Corporation	TSX:ORE	\$0.45	5,339	\$5	0.41x
Midas Gold Corp.	TSX:MAX	\$0.55	6,530	\$8	0.65x
Pilot Gold Inc.	TSX:PLG	\$1.13	1,456	\$52	0.55x
Roxgold Inc.	TSXV:ROG	\$0.64	1,123	\$120	0.47x
Continental Gold Limited	TSX:CNL	\$2.15	5,410	\$27	0.34x
Torex Gold Resources Inc	TSX:TXG	\$1.47	8,089	\$93	0.74x
Selected Company Average				\$36	0.46x
Lydian International Limited	TSX:LYD	\$0.50	3,926	\$12	0.50x



Source: Haywood Securities



Mandalay Resources Corp. TSX:MND Price \$0.95 Rating: Buy Risk: High
 23-Jan-15 Yield 4.3% Shares O/S (M) 408 MCap (C\$) (M) \$388 Target: \$1.50 Return (excl dist): 58%

We see MND as a growing precious metals producer capable of growing production at improving costs. We see 2014 as a pivotal year for Costerfield with the production from the high-grade Cuffley lode contributing to increased production, lower costs, and improved margins. MND operates three mines; namely, the Cerro Bayo (Ag-Au) mine in Chile, the Costerfield (Au-Sb) mine in Australia, and the La Quebrada copper project (La Serena, Chile).

Investment Highlights

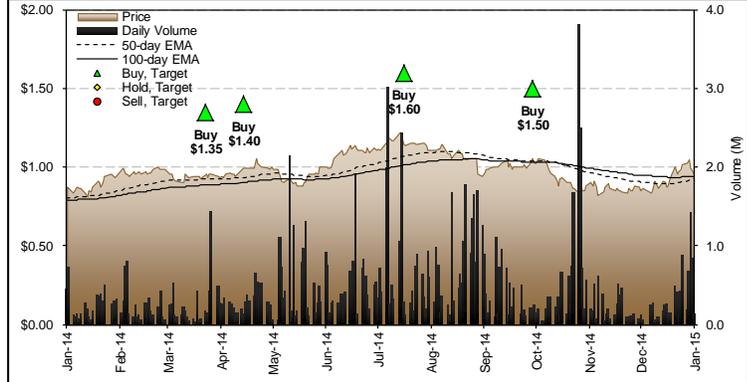
Mandalay Resources is primarily focused on production and near-term development (gold, silver and antimony) opportunities in Australia, Chile and Sweden. MND owns the Costerfield gold and antimony mine (Victoria, Australia), the Cerro Bayo silver and gold mine (Aysén, Chile), and the Björkdal gold mine (Skellefteå, Sweden); as well as the Challacollo silver-gold development project (Tarapaca, Chile), Lupin & Ulu gold projects (Nunavut, Canada), and the La Quebrada copper project (La Serena, Chile).

- Cerro Bayo** – After the first signs of inflection of both mining and processing rates at Cerro Bayo in Q2/12, Haywood estimates a growing production profile from 2.8 Moz of silver plus gold in 2012, to 3.1 Moz of silver plus gold in 2014 with the expansion to 1,400 tpd.
- Costerfield** – The development of the high-grade Cuffley lode presents the opportunity for Costerfield to improve profitability and to increase gold equivalent production from ~37,100 ounces in 2012, to ~62,500 ounces in 2014.
- Björkdal** – Acquired through consolidation of Elgin Mining in September 2014, has the potential to deliver +50,000 ounces of gold at a cash cost of ~US\$900/oz in 2015.

Catalysts:

- Cerro Bayo:** Continued operating cost control and continued brownfield exploration success.
- Costerfield:** Increasing contribution from Cuffley to ~50% by year-end 2014 and brownfield exploration
- Björkdal:** Updated reserve/resource & mine plan - Q4/14

Mandalay Resources Corp. Chart



Financials

	2010	2011	2012	2013	2014	2015
	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15
Commodity & Exchange Rate Forecasts						
Forecast Gold Price, US\$/oz	\$1,226	\$1,572	\$1,669	\$1,414	\$1,251	\$1,250
Forecast Silver Price, US\$/oz	\$20.18	\$35.30	\$31.17	\$23.82	\$18.87	\$18.00
Forecast Antimony Price, US\$/t	\$8,963	\$14,582	\$12,730	\$10,189	\$9,339	\$8,500
C\$/US\$ FX Rate	1.03	0.99	1.00	1.01	1.10	1.17

Income Statement

	2010	2011	2012	2013	2014	2015
Revenues, \$M	-	92.2	171.8	166.9	184.0	238.6
EBITDA, \$M	-	32.0	79.9	66.9	65.2	81.7
Net Income (Loss), \$M	-	18.5	41.7	29.4	13.4	21.3
Net Income (Loss) per share	-	0.07	0.14	0.09	0.04	0.05

Balance Sheet

	2010	2011	2012	2013	2014	2015
Cash & Equiv, \$M	-	12.7	17.3	33.5	42.8	44.9
Working Capital, \$M	-	28.2	38.5	47.2	13.0	16.7
Basic Shares Outstanding, M	-	251.2	297.0	324.2	355.7	409.3

Cash Flow

	2010	2011	2012	2013	2014	2015
OCF before Δ in WC, \$M	-	30.8	74.1	63.7	60.1	73.1
OCF before Δ in WC per share	-	0.12	0.25	0.20	0.17	0.18
Cash flow from Operations, \$M	-	29.7	60.6	71.1	51.0	69.5
Cash Flow From Investing, \$M	-	(51.2)	(41.6)	(41.3)	(91.9)	(52.0)
Cash Flow From Financing, \$M	-	19.5	(14.2)	(13.2)	50.5	(15.3)

* All figures presented in United States dollars unless noted

Spot Exchange Rate (C\$/US\$): 1.24

Production

Costerfield						
Tonnes milled (kt)	51	72	94	129	151	151
Gold head grade (g/t)	7.4	7.3	8.1	9.1	9.6	11.0
Antimony head grade (%)	4.2%	3.7%	4.3%	4.2%	3.9%	3.8%
Gold production (koz)	7.7	12.2	18.0	28.8	35.8	41.0
Antimony production (t)	1,106	1,576	2,480	3,275	3,639	3,573
Gold equivalent production (koz)	15.9	27.3	37.1	52.9	63.2	65.3
Operating Costs (\$/t milled)	293	411	431	330	323	286
Cash Cost per oz AuEq	935	1,117	1,133	827	799	712

Cerro Bayo

Tonnes milled (kt)	-	270	358	386	450	490
Gold head grade (g/t)	-	1.0	1.7	2.0	2.2	2.1
Silver head grade (g/t)	-	180	285	288	260	225
Gold production (koz)	-	6.7	17.1	21.5	27.6	28.2
Silver production (koz)	-	1,319	2,912	3,146	3,330	3,147
Operating Costs (\$/t milled)	-	93	101	103	99	93
Cash Cost per oz Ag-net	-	15.6	5.3	6.9	5.7	6.5

Björkdal

Tonnes milled (kt)	-	-	-	-	406	1,314
Gold head grade (g/t)	-	-	-	-	1.3	1.4
Gold production (koz)	-	-	-	-	14.6	52.1
Operating Costs (\$/t milled)	-	-	-	-	28	35
Cash Cost per oz Au	-	-	-	-	785	887

Consolidated

Gold production (koz)	7.7	18.9	35.1	50.2	77.9	121.3
Antimony production (t)	1,106	1,576	2,480	3,275	3,639	3,573
Silver production (koz)	-	1,319	2,912	3,146	3,330	3,147
Gold equivalent sales (koz)	15.9	61.1	108.9	125.4	152.7	190.9
Cash Cost per oz AuEq	925	1,020	797	753	756	777

Note: Björkdal estimates incorporated into MND forecasts from September 2014 onwards

Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$1.22 / \$0.80	Average Daily Vol (M)	0.45
Ownership (M)	Shares O/S, M	% O/S	Major Shareholder (%)
Institutional	267	65%	West Face Capital Inc 22%
Management	62	15%	GMT Capital Corp. 10%
			Sentry Select Capital Corp. 10%
			Sprott Asset Management, LP 8%

Last Financing

14-Dec-10	\$3.2 million	Private Placement	10.0 M shares at \$0.32/sh
Shares O/S - Basic, F.D.	408.4		425.4

(C\$) (M)

	Av Strike	Basic	ITM	Proceeds
Cash & Equiv				\$45
Options	\$0.26 - \$1.13	17.0	8.6	\$6
Warrants	\$0.47 - \$0.47	0.0	0.0	\$0
Total Cash & ITM		17.0	8.6	\$51
Market Cap				\$388

NAV Valuation

	NAV8%		NAV6%		NAV5%	
	C\$/M	C\$/sh	C\$/M	C\$/sh	C\$/M	C\$/sh
Project NAV						
Cerro Bayo	87	0.21	92	0.22	95	0.23
Costerfield	91	0.22	97	0.23	100	0.24
Björkdal	171	0.40	190	0.45	200	0.47
Challacollo Credit	15	0.04	15	0.04	15	0.04
	364	0.87	394	0.94	410	0.98
Corporate Adjustments	(22)	(0.05)	(22)	(0.05)	(22)	(0.05)
Corp + Project NAV	343	0.82	372	0.89	388	0.93
Current share base: 408M					Fully diluted share base: 425M	

Metal Inventory

Mine Life	Category	Tonnes (k)	Ag (g/t)	Ag (koz)	Au (g/t)	Au (koz)	Sb (%)	Sb (kibs)
Costerfield, Australia (UG mine)								
2.8 yrs	P&P	421			9.2	125	3.6%	33,122
5.3 yrs	M&I	796			9.3	238	3.8%	67,457
3.8 yrs	Inf.	569			7.4	135	3.8%	47,668
9.0 yrs	Global	1,365			8.5	374	3.8%	115,125
6.7 yrs	Modeled	1,010			8.9	288	3.9%	86,307
Cerro Bayo, Chile (UG mine)								
5.1 yrs	P&P	2,483	224	17,912	2.2	174		
4.3 yrs	M&I	2,044	331	21,760	3.3	216		
1.0 yrs	Inf.	433	400	5,569	3.3	46		
5.1 yrs	Global	2,477	343	27,329	3.3	262		
6.0 yrs	Modeled	2,916	233	21,810	2.2	206		
Björkdal, Sweden (OP & UG mine)								
5.1 yrs	P&P	7,595			1.3	324		
11.8 yrs	M&I	17,659			1.8	1,010		
7.5 yrs	Inf.	11,219			2.1	752		
19.3 yrs	Global	28,878			1.9	1,761		
10.4 yrs	Modeled	15,564			1.7	872		
Challacollo, Chile (Exploration & Development)								
	M&I	1,003	242	7,804	0.4	13		
	Inf.	4,000	193	24,820	0.3	41		
	Global	5,003	203	32,624	0.3	54		

Note: Mine life figures incorporate production growth

Resources are inclusive of reserves

Corporate Contact

Website: www.mandalayresources.com
 Tel: 647-260-1566
 CEO: Bradford Mills
 Benjamin Asuncion - Mining Analyst
 basuncion@haywood.com 604-697-6149



Source: Haywood Securities



Midas Gold Corp.

TSX:MAX

Price \$0.55

Rating: BUY

Risk: Very High

23-Jan-15

Shares O/S (M) 142

MCap (C\$) (M) \$78

Target: \$0.80

Return: 45%

Taking advantage of area consolidation by maturing the Stibnite Gold project in central Idaho through feasibility, permitting and construction. Stibnite Gold represents a substantial resource base containing 6.5 Moz and 182 Mlb Sb, and we anticipate that the project could deliver payable production of 334 koz Au/yr over 12 years.

Investment Highlights

- Midas Gold Corp., an exploration-stage mining company, engages in the acquisition, exploration, and development of mineral properties in the United States.
- Midas' principal asset is the Stibnite Gold project which is comprised of unpatented and patented claims covering an area of approximately 10,698 hectares located in the Valley county, Idaho.
- The company was incorporated in 2011 and is headquartered in Vancouver, Canada.

Catalysts:

- 1) Submission of Plan of Operations – mid-2015

Stibnite Gold Assumptions

Minable Resource	LOM	Recoveries	LOM	Payable Production	LOM	Costs	LOM	CAPEX	LOM
Tonnes (Mt)	89.0	Au (%)	88%	Au (koz/yr)	334	Op Costs (US\$/t)	30	Pre-Production (US\$M)	1,048
Grade (g/t Au)	1.60	Sb (%)	78%	Sb (Mlbs/yr)	5.7	Total Costs (US\$/t)	32	Sustaining (US\$M)	154
Grade (% Sb)	0.07%	Ag (%)	30%	Ag (koz/yr)	122	Cash Costs (US\$/oz Au)	619	Total (US\$M)	1,203
Grade (g/t Ag)	2	Au Eq (koz/yr)	356	Cash Costs (US\$/oz AuEq)	658				

Financials

	2013A	2014E	2015E	2016E	2017E
Commodity & Exchange Rate Forecasts					
Forecast Gold Price, US\$/oz	\$1,414	\$1,280	\$1,250	\$1,250	\$1,250
Forecast Antimony Price, US\$/t	\$10,189	\$9,425	\$8,500	\$9,000	\$9,500
Forecast Silver Price, US\$/oz	\$23.83	\$19.35	\$18.00	\$18.00	\$18.00
C\$/US\$ FX Rate	1.01	1.10	1.17	1.17	1.12

Income Statement

	2013A	2014E	2015E	2016E	2017E
Net Revenue, \$M	-	-	-	-	-
EBITDA, \$M	(3.7)	(1.0)	(3.0)	(3.0)	(3.0)
Net Income, \$M	(3.8)	(1.0)	(3.0)	(3.0)	(3.0)
Net Income per share	(0.03)	(0.01)	(0.02)	(0.02)	(0.02)

Balance Sheet

	2013A	2014E	2015E	2016E	2017E
Cash & Equiv, \$M	14.6	10.5	17.5	22.5	11.9
Working Capital, \$M	12.3	9.2	16.2	21.3	10.7
Shares Outstanding (M)	121.1	139.3	145.9	164.7	179.7

Cash Flow

	2013A	2014E	2015E	2016E	2017E
OCF before Δ in WC, \$M	(2.2)	(2.2)	(3.0)	(3.0)	(3.0)
OCF before Δ in WC per share	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Cash flow from Operations, \$M	(2.1)	(2.5)	(3.0)	(3.0)	(3.0)
Cash Flow From Investing, \$M	(26.1)	(12.4)	-	(7.6)	(7.6)
Cash Flow From Financing, \$M	23.5	10.8	10.0	15.6	-

* All figures presented in United States dollars unless noted

Spot Exchange Rate (C\$/US\$): 1.24

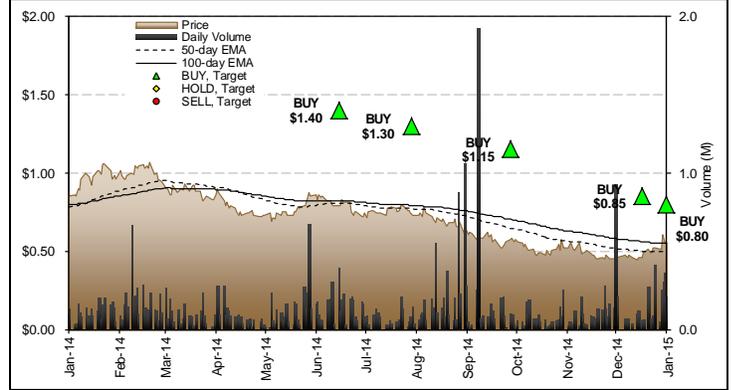
Operating Summary

Stibnite Gold (Idaho)	2022E	2023E	2024E	2025E	2026E	2027E
Tonnes Mined (Mt)	6.12	8.13	8.13	7.93	7.30	7.30
Strip Ratio	1.66	3.07	3.67	3.93	3.70	2.98
Tonnes Processed (Mt)	6.64	8.13	8.13	7.93	7.30	7.30
Processing Throughput (tpd)	18,186	22,282	22,284	21,728	20,008	20,008
Head Grade (g/t Au)	1.82	1.96	1.65	1.67	1.68	1.73
Gold Prod (koz)	343	456	382	379	354	364
Antimony Prod (Mlb)	14.9	13.7	6.8	20.9	6.8	7.2
Silver Prod (koz)	235	200	107	274	96	89
Payable Gold Prod (koz)	338	451	378	374	351	360
Payable Antimony Prod (Mlb)	10.1	9.3	4.6	14.2	4.6	4.9
Payable Silver Prod (koz)	144.9	124	56	159	47	44
Payable Gold Equiv Prod (koz)	376.8	486	396	428	368	379
Operating costs (US\$/t milled)	27	29	31	31	31	29
Cash Cost, US\$/oz Au	419	461	631	523	618	563
Cash Cost, US\$/oz AuEq	505	519	658	615	648	597
All-in Cost, US\$/oz Au	608	582	778	620	710	704
All-in Cost, US\$/oz AuEq	675	631	799	700	736	730

All-in Cost: Total Cash Op Costs plus Corp G&A (cash basis), exploration, interest, taxes and CAPEX

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Prefeasibility															
Feasibility															
Permitting															
Financing															
Construction															
Production															

Midas Gold Corp. Chart



Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$1.14 / \$0.43	Average Daily Vol (M)	0.14		
Ownership (M)	Shares O/S, M	% O/S	Major Shareholder (%)		
Institutional	11.50	8%	Vista Gold Corp. 11%		
Management & Insiders	3.76	3%	Teck Resources Limited 10%		
			Franklin Resources, Inc. 3%		
Last Financing	7-Mar-14	\$12.8 million	Private Placement	14.2M shares @ \$0.90 per unit	
Shares O/S - Basic, F.D.	141.7		163.7		
(C\$) (M)		Av Strike	Basic	ITM	Proceeds
Cash & Equiv					\$9
Options		\$0.71 - \$4.10	11.5	-	-
Warrants		\$0.48 - \$1.23	10.4	-	-
Total Cash & ITM			21.9	-	\$9
Market Cap					\$78

Corporate NAV Summary

Per Share	NAV 10%		NAV 8%		NAV 6%	
	C\$/M	C\$/share	C\$/M	C\$/share	C\$/M	C\$/share
Project NAV						
Stibnite Gold	49	(\$0.03)	132	\$0.06	248	\$0.20
Project NAV	49	(\$0.03)	132	\$0.06	248	\$0.20
Corporate Adjustments	501	\$0.72	518	\$0.74	530	\$0.76
Corporate NAV	549	\$0.69	649	\$0.80	778	\$0.95

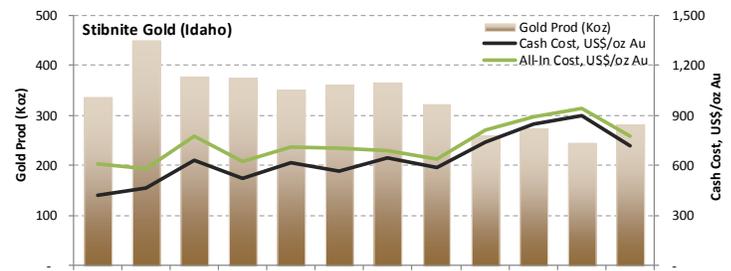
Current Share Base: 142 M shares

FFD Share Base: 854 M shares

Metal Inventory

	Category	Tonnes (M)	Au (g/t)	Au Moz	Ag (g/t)	Sb (%)	Au Eq (g/t)
Stibnite Gold	P&P	89.0	1.60	4.6	2.4	0.07%	1.81
Open-pit mine	M&I	104.5	1.63	5.5	2.6	0.07%	1.83
	Inferred	25.2	1.32	1.1	2.1	0.05%	1.46
	Modelled	89.0	1.60	4.6	2.5	0.07%	1.80

Resources exclusive of reserves



Corporate Contact

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President & CEO:	Stephen Quin	
Geordie Mark - Mining Analyst	gmark@haywood.com 604-697-6112	Benjamin Asuncion - Mining Analyst
		basuncion@haywood.com 604-697-6149

Source: Haywood Securities



Midway Gold Corp. TSX:MDW NYSE:MDW Price \$0.91 Rating: HOLD Risk: High
 23-Jan-15 Shares O/S (M) 174 MCap (C\$) (M) \$158 Target: \$1.00 Return: 10%

A near-term gold producer looking to enter production from the soon-to-be permitted Pan gold project in Nevada. Pan is expected to be relatively simple & include an open pit mining, heap leach plan involving low initial capex, minor crushing (~50% of reserves) and comparatively little reagent addition with first pour expected in Q1/15.

Investment Highlights
 • Midway Gold Corp., a development stage company, engages in the acquisition, exploration, and development of gold and silver mineral properties in North America.
 • Midway's properties include Pan, Spring Valley, Tonopah, Gold Rock, Thunder Mountain, and Pinyon projects located in Nevada; and the Golden Eagle project located in Washington.

Catalysts:
 1) Construction of Pan Project - Q1/14 - Q1/15
 2) Initial gold production – late Q1/15
 3) Record of Decision for EIS for Gold Rock - Q2/15

Pan Project Summary

Minible Resource	LOM	Production	LOM	Costs	LOM	CAPEX	LOM
Tonnes (Mt)	48.3	Recoveries (% Au)	70%	Op Costs (US\$/t)	7.66	Pre-Production (US\$M)	78
Grade (g/t Au)	0.56	Gold (koz/yr)	73	Total Costs (US\$/t)	8.42	Sustaining (US\$M)	95
Strip Ratio	1.8	Gold (koz)	605	Cash Costs (US\$/oz Au)	672	Total (US\$M)	173

Financials

	2014E	2015E	2016E	2017E	2018E
Commodity & Exchange Rate Forecasts					
Forecast Gold Price, US\$/oz	\$1,280	\$1,250	\$1,250	\$1,250	\$1,250
C\$/US\$ FX Rate	1.10	1.17	1.17	1.12	1.08
Income Statement					
Net Revenue, \$M	-	108.3	137.7	131.8	94.5
EBITDA, \$M	(25.1)	37.8	51.8	63.3	31.2
Net Income, \$M	(27.0)	7.4	14.7	24.3	2.7
Net Income per share	(0.17)	0.04	0.07	0.12	0.01

Balance Sheet

	2014E	2015E	2016E	2017E	2018E
Cash & Equiv, \$M	17.5	4.0	15.7	(51.6)	(64.1)
Working Capital, \$M	1.3	(6.1)	9.0	(59.0)	(66.4)
Total Debt (LT & ST + Preferred Shares), \$M*	119.7	127.2	105.5	17.5	10.0
Shares Outstanding (M)	157.2	197.8	204.1	206.1	206.1

* Includes preferred shares convertible at US\$1.85/sh

Cash Flow

	2014E	2015E	2016E	2017E	2018E
OCF before Δ in WC, \$M	(25.9)	21.4	40.8	48.5	24.2
OCF before Δ in WC per share	(0.16)	0.11	0.20	0.24	0.12
Cash flow from Operations, \$M	(29.0)	2.1	42.3	48.0	26.6
Cash Flow From Investing, \$M	(73.6)	(33.0)	(9.4)	(24.0)	(31.6)
Cash Flow From Financing, \$M	66.4	17.4	(21.3)	(91.3)	(7.5)

Ratios

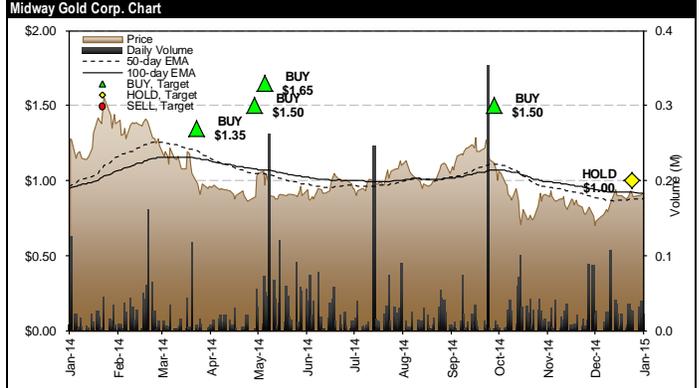
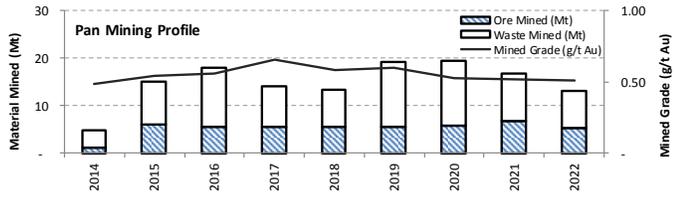
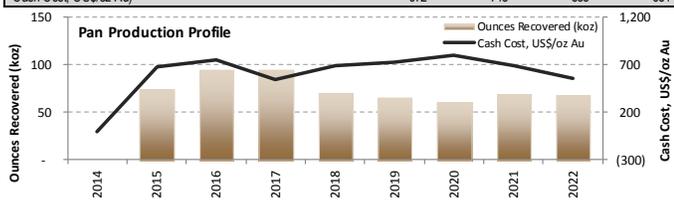
	NMF	20x	10x	6x	NMF
P/E	NMF	20x	10x	6x	NMF
P/OCF	NMF	7x	4x	3x	6x

* All figures presented in thousands of Canadian dollars unless noted Spot Exchange Rate (C\$/US\$): 1.24

Production Profiles

Pan

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Throughput (tpd)	14,578	16,599	15,422	15,422	15,465				
Ore Mined (kt)	1,341	6,059	5,645	5,629	5,645				
Mined Grade (g/t Au)	0.49	0.54	0.55	0.66	0.58				
Strip Ratio	2.43	1.49	2.20	1.53	1.37				
Ounces Placed on Pad (koz)	-	101.9	124.9	119.0	105.8				
Ounces Recovered (koz)	-	74.9	95.6	95.0	70.8				
Payable Gold Production (koz)	-	74.8	95.5	94.8	70.7				
Operating costs (US\$/t milled)	-	11.68	12.82	9.06	8.57				
Cash Cost, US\$/oz Au	-	672	748	538	684				



Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$1.60 / \$0.68	Average Daily Vol (M)	0.03
Ownership (M)	Shares O/S, M	% O/S	Major Shareholder (%)
Institutional	83.14	48%	Hale Capital Partners 13%
Management & Insiders	17.71	10%	Van Eck Associates Corporation 8%
			Franklin Resources, Inc. 5%
			Sheerin, Matthew 5%
			OppenheimerFunds, Inc. 4%

Last Financing

17-Jun-14	US\$28 million	Brokered Offering	33.1 million shares at US\$0.83/sh
Shares O/S - Basic, F.D.		173.8	181.9

(C\$) (M)

	Av Strike	Basic	ITM	Proceeds
Cash & Equiv*				\$23
Options	\$0.73 - \$2.08	8.1	2.2	\$2
Warrants	N/A	-	-	-
Total Cash & ITM		8.1	2.2	\$25
Market Cap				\$158

* Balance sheet as of September 2014

Corporate NAV Summary

Per Share	NAV 8%		NAV 6%		NAV 5%	
	C\$M	C\$/share	C\$M	C\$/share	C\$M	C\$/share
Project NAV						
Pan	144	\$0.70	157	\$0.76	164	\$0.80
Gold Rock Credit	75	\$0.42	75	\$0.42	75	\$0.42
Spring Valley Credit	50	\$0.28	50	\$0.28	50	\$0.28
Project NAV	269	\$1.40	282	\$1.46	289	\$1.50
Corporate Adjustments	(101)	(\$0.48)	(111)	(\$0.53)	(116)	(\$0.56)
Corporate NAV	168	\$0.92	172	\$0.93	174	\$0.94

Current Share Base: 174 M shares FFD Share Base: 206 M shares

Metal Inventory

	Mine Life	Category	Tonnes (M)	Au (g/t)	Au Moz
Pan		P&P	48.3	0.56	0.87
Open Pit Heap Leach		M&I	80.0	0.44	1.13
		Inferred	3.9	0.42	0.05
	8.5 yrs	Modelled	48.3	0.56	0.86
Gold Rock		M&I	20.2	0.79	0.51
		Inferred	24.3	0.69	0.54
Spring Valley		M&I	61.4	0.55	1.09
* Spring Valley JV based on 25% MDV		Inferred	17.8	0.47	0.27
Golden Eagle		M&I	28.5	1.89	1.73
		Inferred	4.6	1.30	0.19
Tonopah		M&I	-	-	-
		Inferred	0.1	10.34	0.03

Resources inclusive of reserves

Pan Timelines

	Q1/13	Q2/13	Q3/13	Q4/13	Q1/14	Q2/14	Q3/14	Q4/14	Q1/15	Q2/15	Q3/15	Q4/15
Permitting												
Financing												
Construction												
Pre-Stripping												
Gold Production												

Corporate Contact

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Tel:	720-979-0900
President & CEO:	William Zisch
Geordie Mark - Mining Analyst	Benjamin Asuncion - Mining Analyst
gmark@haywood.com 604-697-6112	basuncion@haywood.com 604-697-6149

Source: Haywood Securities



	Moneta Porcupine Mines Inc. (ME-T, \$0.06)	Target Price, C\$	\$0.20	Shares O/S, millions	193.6
	Rating (Risk): HOLD (Very High) Target Price Metric: 0.6x Blended Valuation	Return, %	233%	Shares F/D, millions	200.2
		52-Week High / Low, C\$	\$0.19 / \$0.04	Market Cap, US\$M	\$9
		Daily Volume (3-month avg)	155,400	CEO	Ian Peres
				Web Site	www.monetaporcupine.com

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$9.4	\$0.05	\$11.6	\$0.06
Current Cash	\$0.6	\$0.00	\$0.7	\$0.00
F/D Cash Adds	\$1.4	\$0.01	\$1.8	\$0.01
Working Capital	\$0.6	\$0.00	\$0.8	\$0.00
Long-term Debt	\$0.0	\$0.00	\$0.0	\$0.00
Book Value	\$2.0	\$0.01	\$2.5	\$0.01
Enterprise Value (EV)	\$8.7	\$0.05	\$10.9	\$0.06

EV = Market Capitalization + Working Capital + Long-term Debt
 Spot C\$/US\$ FX Rate: 1.24

	Number	Price	Proceeds	Expiry
Warrants	0.0M	C\$0.00	US\$0.0M	-
Options	6.5M	C\$0.24	US\$1.3M	Mar 2014 - Dec 2015
Warrants + Options	6.5M	C\$0.24	US\$1.3M	

Spot C\$/US\$ FX Rate: 1.24

December 2012 - \$0.1M financing, 15.4M flow-through shares at \$0.35 and 10.3M common shares at \$0.26
March 2012 - \$3M financing, 10.0M common shares at \$0.30
March 2011 - \$6.6M financing, 11.4M flow-through shares at \$0.49 and 2.9M common shares at \$0.35

	2019E	2020E	2021E	2022E	2023E	RLOM
Golden Highway (100% owned)						
Throughput, tonnes per day	12,500	12,500	12,500	12,500	20,000	18,571
Tonnes per Year, 000's	4,375	4,375	4,375	4,375	7,000	130,845
Gold Grade, g/t	0.90	0.90	0.90	0.90	0.90	0.90
Recovery, %	92%	92%	92%	92%	92%	92%
Strip Ratio	5.60	5.60	5.60	5.60	5.60	5.60
Total Gold Production, ounces 000's	117	117	117	117	187	3,500
Total Cash Cost, US\$/oz	\$985	\$985	\$985	\$970	\$970	\$970

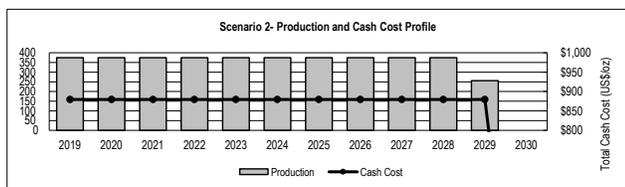
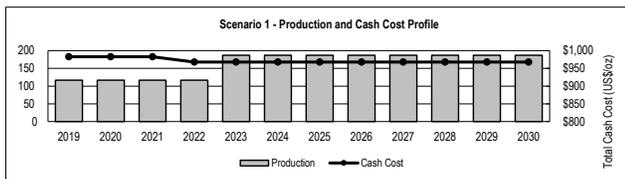
	2019E	2020E	2021E	2022E	2023E	RLOM
Golden Highway (100% owned)						
Throughput, tonnes per day	40,000	40,000	40,000	40,000	40,000	40,000
Tonnes per Year, 000's	14,000	14,000	14,000	14,000	14,000	149,589
Gold Grade, g/t	0.90	0.90	0.90	0.90	0.90	0.90
Recovery, %	92%	92%	92%	92%	92%	92%
Strip Ratio	5.60	5.60	5.60	5.60	5.60	5.60
Total Gold Production, ounces 000's	374	374	374	374	374	4,000
Total Cash Cost, US\$/oz	\$880	\$880	\$880	\$880	\$880	\$880

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Sprott	4.9	2.5%	4.9	2.5%
Mackenzie Financial	4.7	2.4%	4.7	2.4%
Ian C. Peres (President & CEO)	4.7	2.4%	4.7	2.3%
Alexander D. Henry	3.4	1.8%	3.4	1.7%

Source: Bloomberg

	Base Case	\$1,100	\$1,200	\$1,400	\$1,295
Scenario 1					
Forecast Gold Price, US\$/oz					
After-Tax Golden Highway NAV0%, US\$M	\$279	-\$180	\$144	\$665	\$397
After-Tax Golden Highway NAV5%, US\$M	-\$9	-\$233	-\$77	\$183	\$50
After-Tax Golden Highway NAV5%, US\$/share	-\$0.03	-\$0.82	-\$0.27	\$0.65	\$0.18
After-Tax Golden Highway IRR, %	4.7%	-3.8%	2.5%	10.3%	6.5%
Scenario 2					
After-Tax Golden Highway NAV0%, US\$M	\$533	\$483	\$483	\$483	\$483
Attributable After-Tax Golden Highway NAV0%, US\$M	\$213	\$193	\$193	\$193	\$193
After-Tax Golden Highway NAV5%, US\$M	\$197	\$97	\$97	\$97	\$197
Attributable After-Tax Golden Highway NAV5%, US\$M	\$80	\$39	\$39	\$39	\$79
Attributable After-Tax Golden Highway NAV5%, US\$/share	\$0.28	\$0.14	\$0.14	\$0.14	\$0.28
After-Tax Golden Highway IRR, %	7.3%	7.3%	7.3%	7.3%	8.3%
Scenario 3					
Transaction Metrics - Implied Valuation at \$40/Oz Resource	\$172	\$172	\$172	\$172	\$172
Transaction Metrics - Implied Valuation at \$40/Oz, US\$/share	\$0.61	\$0.61	\$0.61	\$0.61	\$0.61
Implied Target Price, C\$ @ 0.6x Blended Valuation	\$0.10	(\$0.10)	\$0.05	\$0.35	\$0.30

Base case gold price assumption of US\$1,250/oz.
 Fully diluted, financed sh 283.5
 2014E C\$/US\$ FX Rate: 1.10



	Tonnes (000's)	Grade (g/t)	Gold (Moz)	EV/oz Au (US\$/oz)
Scenario 1-Model Mineable (100%)	130,845	0.90	3.8	\$2
Scenario 1-Model Recoverable (100%)	-	-	3.5	\$2
Scenario 2-Model Mineable (100%)	149,589	0.90	4.3	\$2
Scenario 2-Model Recoverable (100%)	-	-	4.0	\$2
Proven and Probable Reserve (100%)	0	0.00	0.0	-
Additional Measured & Indicated Resource (100%)	31,080	1.09	1.1	-
Inferred Resource (100%)	83,311	1.20	3.2	-
Total Reserve and Resource (100%)	114,391	1.17	4.3	\$2
Attributable Reserve	0	0.00	0.0	-
Attributable Reserve and Resource	114,391	1.17	4.3	\$2

	Price C\$	NAV US\$	EV US\$M	Gold Eq. Moz Reserve	Tot. Resource	EV/oz Gold Eq. Reserve	EV/oz Gold Eq. Resource
Moneta Porcupine Mines Inc.	C\$0.06	-	US\$0	4.3	-	\$0	\$0
Carlisle Goldfields Limited	C\$0.04	-	US\$1	3.9	-	\$0	\$0
Clifton Star Resources, Inc.	C\$0.08	-	US\$1	5.2	-	\$0	\$0
Eagle Hill Exploration Corporation	C\$0.37	-	US\$5	1.4	-	\$3	\$3
Gold Canyon Resources Inc.	C\$0.12	-	US\$12	5.5	-	\$2	\$2
Gowest Gold Ltd	C\$0.08	-	US\$12	1.5	-	\$8	\$8
Northern Gold Mining Inc.	C\$0.02	-	US\$4	1.3	-	\$3	\$3
Probe Mines Limited	C\$5.23	-	US\$350	4.3	-	\$81	\$81
Temex Resources Corp.	C\$0.06	-	US\$6	2.5	-	\$2	\$2
Treasury Metals Inc.	C\$0.35	-	US\$24	1.8	-	\$4	\$4
Peer Group Average							\$13

Kerry Smith, P.Eng. - Research Analyst
 ksmith@haywood.com 416-507-2306

Source: Haywood Securities



Nevsun Resources Ltd. (NSU-T)
 Rating: BUY
 Target Price: C\$5.00
 Target Price Metric: 1.0x After-Tax Corporate NAV10%

Target Price, C\$	\$5.00	Shares O/S, million	199.6
Current Price, C\$	\$4.36	Shares F/D, million	210.6
Return, %	15%	Market Capitalization, US\$M	\$744.0
52-Week High / Low, C\$	\$5.30 / \$3.59	Company CEO	Cliff Davis
Daily Volume (100-day avg)	365,524	Company Web Site	www.nevsun.com

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$744	\$3.73	\$870	\$4.36
Current Cash	\$442	\$2.21	\$517	\$2.59
FID Cash Adds	\$37	\$0.19	\$43	\$0.22
Working Capital	\$519	\$2.60	\$607	\$3.04
Long-term Debt	\$0	\$0.00	\$0	\$0.00
Book Value	\$824	\$4.13	\$965	\$4.83
Enterprise Value (EV)	\$225	\$1.13	\$263	\$1.32

EV = Market Capitalization - Working Capital + Long-term Debt
 C\$/US\$ FX Rate: 1.17

	Number	Price	Proceeds	Expiry
Warrants	0.0M	C\$0.00	US\$0.0M	-
Options	11.0M	C\$3.95	US\$37.0M	September 11, 2016
Warrants + Options	11.0M	C\$3.95	US\$37.0M	

C\$/US\$ FX Rate: 1.17

Amount per Share	Period	Annualized Amount per Share	Annualized Yield
US\$0.040	Quarterly	US\$0.16	4.3%

C\$/US\$ FX Rate: 1.17

	2014	2015	2016	2017	2018	2019
Forecast Copper Price, US\$/lb	\$3.11	\$2.50	\$2.75	\$3.00	\$3.25	\$3.25
Forecast Zinc Price, US\$/lb	\$0.98	\$1.10	\$1.20	\$1.20	\$1.15	\$1.15
Forecast Gold Price, US\$/oz	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Forecast Silver Price, US\$/oz	\$19.07	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
C\$/US\$ FX Rate	1.10	1.17	1.17	1.12	1.08	1.08
Shares O/S, millions	199	200	200	200	200	200
Consolidated Revenue, US\$M	\$621	\$463	\$511	\$473	\$383	\$373
Consolidated Operating Expenses, US\$M	(\$261)	(\$274)	(\$277)	(\$278)	(\$268)	(\$275)
Consolidated Royalties, US\$M	(\$19)	(\$14)	(\$16)	(\$14)	(\$11)	(\$11)
Corporate G&A, US\$M	(\$12)	(\$12)	(\$12)	(\$12)	(\$12)	(\$12)
Consolidated EBITDA, US\$M	\$330	\$163	\$205	\$170	\$99	\$85
EV / Consolidated EBITDA	0.7x	1.4x	1.1x	1.3x	2.3x	2.7x
Consolidated DDA, US\$M	(\$30)	(\$39)	(\$40)	(\$40)	(\$40)	(\$40)
Consolidated Earnings, US\$M	\$182	\$73	\$97	\$76	\$34	\$27
Consolidated EPS, US\$	\$0.91	\$0.37	\$0.49	\$0.38	\$0.17	\$0.13
Current Price / Consolidated EPS	4.3x	10.2x	7.7x	10.2x	23.4x	29.9x
Target Price / Consolidated EPS	5.0x	11.7x	8.8x	11.7x	26.8x	34.3x
Consolidated Cash Flow Before WIC Changes, US\$M	\$238	\$122	\$144	\$108	\$69	\$66
Consolidated CFPS, US\$	\$1.19	\$0.61	\$0.72	\$0.54	\$0.34	\$0.33
Current Price / Consolidated CFPS	3.3x	6.1x	5.2x	7.2x	11.8x	12.2x
Target Price / Consolidated CFPS	3.8x	7.0x	5.9x	8.3x	13.5x	14.0x
Consolidated DCAF, US\$M	\$238	\$122	\$144	\$108	\$69	\$66
Current EV / Consolidated DCAF	0.9x	1.8x	1.6x	2.1x	3.3x	3.4x
Implied EV / Consolidated DCAF Target Price Multiple	1.5x	2.7x	2.3x	3.2x	5.3x	5.5x
Attributable Earnings, US\$M	\$105	\$39	\$53	\$41	\$19	\$15
Attributable EPS, US\$	\$0.53	\$0.20	\$0.26	\$0.21	\$0.09	\$0.08
Current Price / Attributable EPS	7.5x	19.0x	14.1x	19.0x	43.2x	52.0x
Target Price / Attributable EPS	8.6x	21.8x	16.1x	21.8x	49.5x	59.7x
Attributable Cash Flow Before WIC Changes, US\$M	\$139	\$70	\$81	\$60	\$39	\$39
Attributable CFPS, US\$	\$0.70	\$0.35	\$0.40	\$0.30	\$0.20	\$0.20
Current Price / Attributable CFPS	5.7x	10.6x	9.2x	12.9x	20.6x	20.7x
Target Price / Attributable CFPS	6.5x	12.2x	10.6x	14.8x	23.6x	23.7x
Attributable CAPEX, US\$M	(\$40)	(\$54)	(\$23)	(\$15)	(\$9)	(\$6)
Proceeds from Equity Financing, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Debt Financing, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Debt Repayment, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Distribution to non-controlling interest, US\$M	(\$60)	\$0	(\$47)	(\$36)	(\$23)	(\$23)
Receipt of purchase price settlement, US\$M	\$47	\$37	\$0	\$0	\$0	\$0
Dividend Payments, US\$M	(\$35)	(\$32)	(\$32)	(\$32)	(\$32)	(\$32)
Free Cash Flow, US\$M	\$125	\$38	\$27	\$14	(\$1)	\$1
FCPS, US\$	\$0.63	\$0.19	\$0.14	\$0.07	(\$0.00)	\$0.00

February 16, 2010 - C\$117.0M non-brokered private placement (11.5M shares @C\$2.85 per share)
October 20, 2009 - C\$32.8M non-brokered private placement (11.5M shares @C\$2.85 per share)

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
M&G Investment	37.8	19%	37.8	18%
Blackrock	35.6	18%	35.6	17%
Franklin Resources	11.8	6%	11.8	6%
Oppenheimerfunds	7.1	4%	7.1	3%
Management and Directors	3.1	2%	3.1	1%
Total	199.6	48%	210.6	45%

	Haywood Model	\$2.00	\$2.25	\$2.50	\$2.75	\$2.52
Forecast Copper Price, US\$/lb		\$0.94	\$0.94	\$0.94	\$0.94	\$0.95
Forecast Zinc Price, US\$/lb		\$1.231	\$1.231	\$1.231	\$1.231	\$1.295
Forecast Gold Price, US\$/oz		\$17.06	\$17.06	\$17.06	\$17.06	\$18.32
Forecast Silver Price, US\$/oz		1.20	1.20	1.20	1.20	1.24
Forecast C\$/US\$ FX Rate						
Corporate Adjustments, US\$M	\$916	\$516	\$516	\$516	\$516	\$516
Bisha Alter-Tax Project NAV10%, US\$M	\$366	\$120	\$172	\$221	\$268	\$235
Additional Exploration Credit, US\$M	\$18	\$18	\$18	\$18	\$18	\$18
Corporate NAV, US\$M	\$900	\$655	\$706	\$756	\$803	\$770
Corporate Adjustments, C\$/FID share	\$2.87	\$2.94	\$2.94	\$2.94	\$2.94	\$3.05
Bisha Alter-Tax Project NAV10%, C\$/FID share	\$2.03	\$0.69	\$0.98	\$1.26	\$1.53	\$1.39
Additional Exploration Credit, C\$/FID share	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.11
Corporate NAV, C\$/FID share	\$5.00	\$3.73	\$4.02	\$4.31	\$4.58	\$4.55
Current Price / Corporate NAV	0.9x	1.2x	1.1x	1.0x	1.0x	1.0x
Target Price / Corporate NAV	1.0x	1.3x	1.2x	1.2x	1.1x	1.1x
2014E Attributable CFPS, US\$	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70
2015E Attributable CFPS, US\$	\$0.35	\$0.18	\$0.26	\$0.35	\$0.43	\$0.36

Model shares F/D (fully financed): 211M

	Tonnes (000's)	Cu Grade (%)	Zn Grade (%)	Copper (Mlb)	Zinc (Mlb)	EWB CuEq (US\$/lb)
Haywood Model Mineable (100%)	25,178	1.8%	4.2%	1,017	2,341	\$0.100
Haywood Model Payable (100%)	-	-	-	729	1,906	\$0.145
P&P Reserve (100%)	27,460	1.7%	3.9%	1,012	2,386	\$0.098
Attributable P&P Reserve (60%)	16,476	1.7%	3.9%	607	1,432	\$0.163
M&I Resource (100%)	12,600	1.3%	3.0%	370	837	-
Inferred Resource (100%)	2,432	0.6%	3.0%	34	163	-
Total Reserve and Resource (100%)	42,492	1.5%	3.6%	1,416	3,386	\$0.070
Attributable Reserve and Resource (60%)	25,495	1.5%	3.6%	850	2,032	\$0.116

Measured and indicated resource is additional to proven and probable reserve.

	Analysts	Mean EPS	High / Low	High / Low	High / Low	High / Low
2014 Consensus Estimate	12	US\$0.50	US\$0.58 / US\$0.44	82%	US\$1.13	US\$1.52 / US\$0.70
2015 Consensus Estimate	10	US\$0.50	US\$0.71 / US\$0.36	(27%)	US\$0.90	US\$1.23 / US\$0.47
Consensus Valuation	12	5	7	-	US\$5.66	US\$9.31 / US\$4.50

	Share Price	Corp NAV	Price / NAV	2014E CFPS	Price / CFPS	2015E CFPS	Price / CFPS
Nevsun Resources Ltd. (NSU-T)	C\$4.36	US\$4.55	0.9x	US\$0.70	5.7x	US\$0.35	10.6x
Capsboro Mining Corp. (CS-T)	C\$1.23	US\$4.49	0.2x	US\$0.60	1.9x	US\$0.50	2.1x
Copper Mountain Mining Corp. (CMM-T)	C\$1.10	US\$0.55	1.8x	US\$0.40	2.5x	US\$0.62	1.5x
Coro Mining Corp. (COP-T)	C\$0.03	US\$0.39	0.1x	(US\$0.02)	-	(US\$0.02)	-
First Quantum Minerals Ltd. (FQM-T)	C\$12.67	US\$22.45	0.5x	US\$2.45	4.7x	US\$3.40	3.2x
Foran Mining Corp. (FOM-V)	C\$0.22	US\$0.07	2.8x	(US\$0.02)	-	(US\$0.01)	-
Highland Copper Co. (HIV-T)	C\$0.39	US\$0.64	0.5x	(US\$0.02)	-	(US\$0.02)	-
HudBay Minerals Inc. (HBM-T)	C\$9.12	US\$10.48	0.8x	US\$0.15	54.4x	US\$0.75	10.5x
Lundin Mining Corp. (LUN-T)	C\$4.63	US\$6.50	0.6x	US\$0.72	5.9x	US\$1.20	3.3x
NovaCopper Inc. (NCQ-T)	C\$0.68	US\$1.73	0.4x	(US\$0.16)	-	(US\$0.33)	-
Royal Nickel Corp. (RNX-T)	C\$0.33	US\$0.64	0.5x	(US\$0.04)	-	(US\$0.02)	-
Sunnidge Gold Corp. (SGC-V)	C\$0.15	US\$0.30	0.5x	(US\$0.02)	-	(US\$0.01)	-
Talon Metals Corp. (TLO-T)	C\$0.23	US\$0.42	0.5x	(US\$0.05)	-	(US\$0.03)	-
Trevali Mining Corp. (TV-T)	C\$1.06	US\$1.15	0.8x	US\$0.05	21.2x	US\$0.10	9.0x
Zazu Metals Corp. (ZAZ-T)	C\$0.31	US\$0.58	0.5x	(US\$0.04)	-	(US\$0.02)	-
Peer-Group Average (producers)			0.8x		15.1x		4.9x
Peer-Group Average (developers)			0.7x		-		-
Peer-Group Average (all)			0.8x		15.1x		4.9x

2014E C\$/US\$ FX Rate: 1.10
 2015E C\$/US\$ FX Rate: 1.17

	2014	2015	2016	2017	2018	RLOM
Ore Tonnes Mined, millions	2.3	2.4	2.4	2.4	2.4	25.2
Waste Tonnes Mined, millions	12.3	15.8	15.8	15.8	15.8	165.4
Ore Tonnes Milled, millions	1.8	2.3	2.4	2.4	2.4	26.3
Ore Tonnes Milled, tonnes per day	4,900	6,300	6,600	6,600	6,600	6,600
Copper Head Grade, %	5.9%	3.9%	3.1%	1.8%	1.1%	1.5%
Zinc Head Grade, %	-	-	1.7%	4.1%	4.4%	4.6%
Gold Head Grade, g/t	0.8	0.8	0.8	0.8	0.8	0.8
Silver Head Grade, g/t	38	39	39	39	39	39
Copper Recovery (to copper concentrate), %	85%	85%	88%	87%	85%	85%
Zinc Recovery (to zinc concentrate), %	-	84%	84%	84%	84%	85%
Gold Recovery (to concentrates), %	46%	46%	45%	42%	36%	38%
Silver Recovery (to concentrates), %	49%	49%	47%	41%	29%	33%
Payable Copper Production, Mlb	189	159	139	78	46	729
Payable Zinc Production, Mlb	-	-	65	153	163	1,906
Payable Gold Production, ounces 000's	20	24	25	23	20	230
Payable Silver Production, Moz	1.0	1.3	1.3	1.2	0.8	10.5
On-Site Operating Cost, US\$/tonne milled	\$85	\$90	\$85	\$85	\$85	\$85
Total Copper Cash Cost (NoC, IR), US\$/lb	\$1.20	\$1.50	\$1.25	\$1.00	-	\$1.30
Total Zinc Cash Cost (NoC, IR), US\$/lb	-	-	-	-	-	\$0.55

NoC = net of credits; ER = excluding royalties; IR = including royalties.

	2014	2015	2016	2017	2018	RLOM
Forward Copper Sales, Mlb	-	-	-	-	-	-
Forward Copper Sales Price, US\$/lb	-	-	-	-	-	-
Forward Zinc Sales, Mlb	-	-	-	-	-	-
Forward Zinc Sales Price, US\$/lb	-	-	-	-	-	-

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Source: Haywood Securities



NovaCopper Inc. (NCQ-T / NCQ-N)
Rating: BUY
Target Price: C\$1.75
 Target Price Metric: 1.0x After-Tax Corporate NAV10%

	US\$M	US\$ / O/S Share	CSM	C\$ / O/S Share
Market Capitalization	\$35.0	\$0.58	\$41.0	\$0.68
Current Cash	\$7.0	\$0.12	\$8.2	\$0.14
F/D Cash Adds	\$13.9	\$0.23	\$16.3	\$0.27
Working Capital	\$6.0	\$0.10	\$7.0	\$0.12
Long-term Debt	\$0.0	\$0.00	\$0.0	\$0.00
Book Value	\$37.1	\$0.62	\$43.4	\$0.72
Enterprise Value (EV)	\$29.1	\$0.48	\$34.0	\$0.56

EV = Market Capitalization - Working Capital + Long-term Debt
 C\$/US\$ FX Rate: 1.17

Target Price, C\$ \$1.75
 Current Price, C\$ \$0.68
 Return, % 157%
 52-Week High / Low, C\$ \$1.70 / \$0.53
 Daily Volume (100-day avg) 142,535

Shares O/S, million 60.3
 Shares F/D, million 70.5
 Market Capitalization, US\$M \$35.0
 Company CEO Rick Van Nieuwenhuysse
 Company Web Site www.novacopper.com

January 26, 2015

	2018	2019	2020	2021	2022	2023
Forecast Copper Price, US\$/lb	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25
Forecast Zinc Price, US\$/lb	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15
C\$/US\$ FX Rate	1.08	1.08	1.08	1.08	1.08	1.08
Shares O/S, millions	238	258	258	258	258	258
Consolidated Revenue, US\$M	\$0	\$0	\$0	\$204	\$419	\$587
Consolidated Net Revenue, US\$M	\$0	\$0	\$0	\$163	\$337	\$471
Consolidated Cost of Sales, US\$M	\$0	\$0	\$0	(\$196)	(\$193)	(\$238)
Corporate G&A, US\$M	(\$7)	(\$7)	(\$7)	(\$7)	(\$7)	(\$7)
Consolidated EBITDA, US\$M	(\$7)	(\$7)	(\$7)	(\$42)	\$132	\$220
EV / Consolidated EBITDA	-	-	-	-	0.2x	0.1x
Consolidated DD&A, US\$M	\$0	\$0	\$0	(\$30)	(\$57)	(\$80)
Consolidated Gain on Deriv. alive Instruments, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Consolidated Earnings, US\$M	(\$0)	\$7	\$2	(\$69)	\$17	\$57
Consolidated EPS, US\$	(\$0.00)	\$0.03	\$0.01	(\$0.27)	\$0.07	\$0.22
Current Price / Consolidated EPS	-	-	-	-	9.5x	2.8x
Target Price / Consolidated EPS	-	58.7x	-	-	24.4x	7.3x
Consolidated Cash Flow Before W/C Changes, US\$M	(\$0)	\$10	\$3	(\$18)	\$91	\$195
Consolidated CFPS, US\$	(\$0.00)	\$0.04	\$0.01	(\$0.07)	\$0.35	\$0.75
Current Price / Consolidated CFPS	-	-	-	-	1.8x	0.8x
Target Price / Consolidated CFPS	-	41.1x	-	-	4.6x	2.1x
Attributable Earnings, US\$M	(\$0)	\$7	\$2	(\$63)	\$6	\$37
Attributable EPS, US\$	(\$0.00)	\$0.03	\$0.01	(\$0.21)	\$0.02	\$0.14
Current Price / Attributable EPS	-	-	-	-	4.4x	-
Target Price / Attributable EPS	-	58.7x	-	-	74.7x	11.4x
Attributable Cash Flow Before W/C Changes, US\$M	(\$0)	\$10	\$3	(\$15)	\$61	\$140
Attributable CFPS, US\$	(\$0.00)	\$0.04	\$0.01	(\$0.06)	\$0.24	\$0.54
Current Price / Attributable CFPS	-	-	-	-	2.7x	1.2x
Target Price / Attributable CFPS	-	41.1x	-	-	6.8x	3.0x
Attributable CAFEX (incl. capitalized exploration), US\$M	\$0	(\$214)	(\$428)	(\$71)	(\$12)	(\$15)
Proceeds from Equity Financing, US\$M	\$250	\$0	\$0	\$0	\$0	\$0
Proceeds from Debt Financing, US\$M	\$0	\$470	\$0	\$0	\$0	\$0
Attributable Debt Repayment, US\$M	\$0	\$0	\$0	\$0	(\$59)	(\$59)
Attributable Free Cash Flow, US\$M	\$259	\$266	(\$435)	(\$86)	(\$10)	\$66
Attributable FCPS, US\$	\$1.09	\$1.03	(\$1.68)	(\$0.33)	(\$0.04)	\$0.26

	RLOM	2019	2020	2021	2022	2023
Ore Tonnes Milled, millions	35.7	-	-	1.0	1.9	2.7
Ore Tonnes Milled, tonnes per day	10,000	-	-	2,750	5,300	7,400
Copper Grade Milled, %	2.3%	-	-	2.4%	2.4%	2.1%
Zinc Grade Milled, %	3.1%	-	-	2.7%	2.9%	3.1%
Copper Recovery, %	87%	-	-	87%	87%	87%
Zinc Recovery, %	87%	-	-	87%	87%	87%
Payable Copper Production, Mlb	1,508	-	-	45	85	107
Payable Zinc Production, Mlb	1,830	-	-	44	91	139
Payable Copper Equivalent Production, Mlb	2,553	-	-	70	136	186
Total On-Site Operating Cost, US\$/tonne milled	\$85	-	-	\$180	\$115	\$95
Total Copper Cash Cost (R), US\$/lb	\$3.00	-	-	\$4.85	\$3.55	\$3.45
Total Copper Cash Cost (NoC; IR), US\$/lb	\$0.75	-	-	\$3.25	\$1.70	\$1.15

Copper equivalences is calculated using Haywood's formal long-term metal price forecasts.
 NoC = net of credits; ER = excluding royalties; IR = including royalties.

	RLOM	2019	2020	2021	2022	2023
Forward Copper Sales, Mlb	-	-	-	-	-	-
Forward Copper Sales Price, US\$/lb	-	-	-	-	-	-
Forward Zinc Sales, Mlb	-	-	-	-	-	-
Forward Zinc Sales Price, US\$/lb	-	-	-	-	-	-

	Year	Quarter	Amount (US\$M)	Price (C\$/share)	Shares (millions)
Current O/S Share Capital	-	-	-	-	60
Current F/D Share Capital	-	-	-	-	70
Modelled Interim Equity Financing No. 1	2015	Q1	\$10	C\$0.50	23
Modelled Interim Equity Financing No. 2	2016	Q1	\$20	C\$0.75	31
Modelled Arctic Equity Financing	2018	Q1	\$250	C\$1.75	167
Modelled Fully Financed F/D Share Capital	-	-	-	-	315

	Number	Price	Proceeds	Expiry
Warrants	6.5M	C\$1.60	US\$8.9M	various
Options	2.5M	C\$2.36	US\$5.0M	various
Warrants + Options	9.0M	C\$1.81	US\$13.9M	

C\$/US\$ FX Rate: 1.17

Recent Financings
 July 7, 2014 - US\$7.5M non-brokered private placement (6.5M units @ US\$1.15 per unit; 1 unit = 1 share + 1 warrant at US\$1.60 for 5 years)
 May 2, 2012 - US\$40.0M initial capitalization following spin-out from NovaGold Resources Inc.

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Electrum Strategic	16.0	27%	16.0	23%
Paulson & Co.	8.8	15%	8.8	12%
Baupost Group	0.9	1%	0.9	1%
Goldman Sachs	0.9	1%	0.9	1%
Sun Valley Gold	0.3	1%	0.3	0%
Management and Directors	0.3	1%	0.3	0%
Total	60.3	45%	70.5	39%

	Haywood Model	\$1.50	\$2.50	\$3.50	\$4.50	\$2.52
Forecast Copper Price, US\$/lb	\$0.50	\$1.00	\$1.50	\$2.00	\$2.50	\$0.95
Forecast Zinc Price, US\$/lb	1.20	1.10	1.00	0.90	0.80	1.24
Forecast C\$/US\$ FX Rate	-	-	-	-	-	-
Corporate Adjustments, US\$M	(\$211)	(\$211)	(\$211)	(\$211)	(\$211)	(\$211)
Arctic After-Tax Project NAV10%, US\$M	\$668	(\$188)	\$463	\$882	\$1,277	\$454
Additional Exploration Credit, US\$M	\$15	\$15	\$15	\$15	\$15	\$15
Corporate NAV, US\$M	\$471	(\$385)	\$267	\$685	\$1,081	\$258
Corporate Adjustments, C\$/F/D share	(\$0.78)	(\$0.80)	(\$0.74)	(\$0.67)	(\$0.60)	(\$0.83)
Arctic After-Tax Project NAV10%, C\$/F/D share	\$2.48	(\$0.72)	\$1.62	\$2.79	\$3.64	\$1.79
Additional Exploration Credit, C\$/F/D share	\$0.06	\$0.06	\$0.05	\$0.05	\$0.04	\$0.06
Corporate NAV, C\$/F/D share	\$1.75	(\$1.46)	\$0.93	\$2.17	\$3.08	\$1.02
Current Price / Corporate NAV	0.4x	-	0.7x	0.3x	0.2x	0.7x
Target Price / Corporate NAV	1.0x	-	1.9x	0.8x	0.6x	1.7x
2012E CFPS, US\$	(\$0.06)	(\$0.37)	(\$0.17)	\$0.05	\$0.31	(\$0.16)
2022E CFPS, US\$	\$0.24	(\$0.41)	\$0.02	\$0.52	\$0.93	\$0.01

Model shares F/D (fully financed): 315M

	Tonnes (000's)	Cu Grade (%)	CuEq Grade (%)	Copper (Mlb)	CuEq (Mlb)	EV/Mb CuEq (US\$/Mlb)
Haywood Model Mineable (100%)	35,681	2.3%	3.1%	1,793	3,252	\$0,009
Haywood Model Payable (100%)	-	-	-	1,508	2,553	\$0,011
Total Proven and Probable Reserve (100%)	-	-	-	-	-	-
Arctic M&I Resource (100%)	23,848	3.3%	5.9%	1,714	3,106	-
Bornite M&I Resource (100%)	14,100	1.1%	1.1%	336	336	-
Arctic Inferred Resource (100%)	3,363	3.2%	5.4%	239	403	-
Bornite Inferred Resource (100%)	165,200	1.6%	1.6%	5,716	5,716	-
Total Reserve and Resource (100%)	206,511	1.8%	2.1%	8,004	9,560	\$0,003
Haywood Model Attributable Reserve and Resource (75%)	154,883	1.8%	2.1%	6,003	7,170	\$0,004

Measured and indicated resource is additional to proven and probable reserve.

	Analysts	Mean EPS	High/Low	High/Low	Mean CFPS	High/Low	High/Low
2014 Consensus Estimate	1	(US\$0.28)	US\$0.00-0.08	(41%)	(US\$0.29)	US\$0.20-0.55	(43%)
2015 Consensus Estimate	1	(US\$0.29)	US\$0.00-0.08	(35%)	(US\$0.16)	US\$0.10-0.50	18%
Consensus Valuation	4	4	-	-	US\$2.73	US\$4.42 / US\$1.96	(36%)

	Share Price	Corp NAV	Price / NAV	2014E CFPS	Price / CFPS	2015E CFPS	Price / CFPS
NovaCopper Inc. (NCQ-T / NCQ-N)	C\$0.68	US\$1.59	0.4x	(US\$0.29)	-	(US\$0.16)	-
Capstone Mining Corp. (CS-T)	C\$1.20	US\$4.49	0.2x	US\$0.60	1.8x	US\$0.50	2.1x
Copper Mountain Mining Corp. (CMM-T)	C\$1.08	US\$0.55	1.8x	US\$0.40	2.4x	US\$0.62	1.5x
Coro Mining Corp. (COP-T)	C\$0.03	US\$0.39	0.1x	(US\$0.02)	-	(US\$0.02)	-
First Quantum Minerals Ltd. (FM-T)	C\$12.51	US\$22.45	0.5x	US\$2.45	4.6x	US\$3.40	3.1x
Foran Mining Corp. (FOM-V)	C\$0.22	US\$0.07	2.8x	(US\$0.02)	-	(US\$0.01)	-
Highland Copper Co. (HI-V)	C\$0.39	US\$0.64	0.5x	(US\$0.02)	-	(US\$0.02)	-
HudBay Minerals Inc. (HBM-T)	C\$9.00	US\$10.48	0.8x	US\$0.15	53.7x	US\$0.75	10.3x
Lundin Mining Corp. (LUN-T)	C\$4.57	US\$6.50	0.6x	US\$0.72	5.8x	US\$1.20	3.0x
Newsun Resources Ltd. (NSU-T)	C\$4.25	US\$4.48	0.9x	US\$0.65	5.9x	US\$0.65	5.6x
Royal Nickel Corp. (RNX-T)	C\$0.34	US\$0.64	0.5x	(US\$0.04)	-	(US\$0.02)	-
Sunridge Gold Corp. (SGC-V)	C\$0.15	US\$0.30	0.5x	(US\$0.02)	-	(US\$0.01)	-
Talon Metals (TLO-T)	C\$0.23	US\$0.42	0.5x	(US\$0.05)	-	(US\$0.03)	-
Trevi Mining Corp. (TV-T)	C\$1.06	US\$1.15	0.8x	US\$0.05	21.2x	US\$0.10	9.0x
Zazu Metals Corp. (ZAZ-T)	C\$0.30	US\$0.58	0.5x	(US\$0.04)	-	(US\$0.02)	-
Peer-Group Average (producers)	-	-	0.8x	-	13.6x	-	5.0x
Peer-Group Average (developers)	-	-	0.8x	-	-	-	-
Peer-Group Average (all)	-	-	0.8x	-	13.6x	-	5.0x

2014E C\$/US\$ FX Rate: 1.10
 2015E C\$/US\$ FX Rate: 1.17

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Source: Haywood Securities



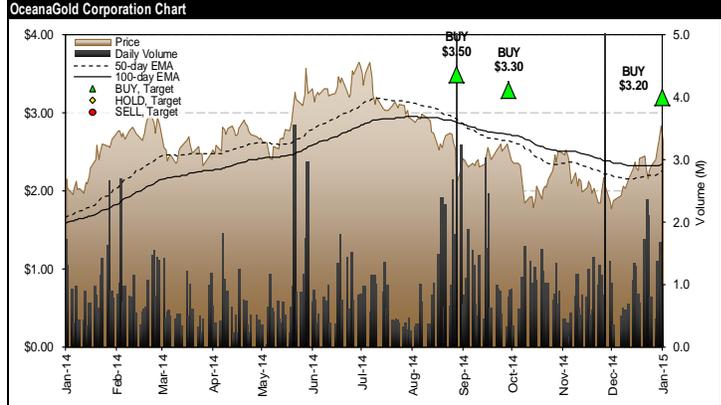
OceanaGold Corporation TSX:OGC ASX:OGC Price C\$2.63 Rating: Buy Risk: Moderate
 23-Jan-15 Shares O/S (M) 302 MCap (C\$) (M) C\$793 Target: C\$3.20 Return: 22%

OceanaGold Corp. engages in the operation of gold, and gold and copper mines in New Zealand and the Philippines respectively, and is further involved in the exploration for resources in those respective regions, as well as in the Americas.

Investment Highlights
 • OceanaGold Corporation explores, develops, and operates gold and other mineral properties. The company holds an interest in the Didipio gold-copper project in the Philippines. It also has interests in the Macraes open pit, Frasers underground, and Reefion open pit mines located on the South Island of New Zealand; and exploration leases in New South Wales, Australia. The company is headquartered in Melbourne, Australia.

Risks:
 Our overall risk rating for OceanaGold Corp. is Moderate given the Company's balance sheet, operational performance from multiple mines, diversified jurisdictional base, and hedging profile at New Zealand operations. Highlighted risks include: 1) Operational under performance; and 2) Exposure to Capex and Opex overruns.

Catalysts:
 1) Commencement of underground development at Didipio - Q1/15
 2) Commencement of underground production at Didipio - 2017



Financials

	2013A	2014E	2015E	2016E	2017E	2018E
Commodity & Exchange Rate Forecasts						
Forecast Gold Price, US\$/oz	\$1,414	\$1,280	\$1,250	\$1,250	\$1,250	\$1,250
Forecast Copper Price, US\$/lb	\$3.31	\$3.15	\$2.50	\$2.75	\$3.00	\$3.25
C\$/US\$ FX Rate	1.01	1.10	1.17	1.17	1.12	1.08

Income Statement

	2013A	2014E	2015E	2016E	2017E	2018E
Net Revenue, \$M	553.6	583.8	501.8	400.9	385.7	226.2
Mine Operating Profit, \$M	135.2	132.7	69.6	65.2	66.7	64.5
Net Income, \$M	(47.9)	129.9	72.4	71.5	69.9	60.9
Net Income per share	(0.16)	0.43	0.24	0.23	0.23	0.20

Balance Sheet

	2013A	2014E	2015E	2016E	2017E	2018E
Cash & Equiv, \$M	24.8	109.0	185.4	250.3	320.0	391.3
Working Capital, \$M	21.7	117.2	185.9	250.4	325.5	399.3
Current Portion of LT Debt, \$M	67.4	30.8	8.1	8.1	2.0	-
Total LT Debt, \$M	193.9	149.0	118.1	110.1	102.0	100.0
Shares Outstanding (M)	298.9	300.8	303.6	305.0	307.0	309.0

Cash Flow

	2013A	2014E	2015E	2016E	2017E	2018E
OCF before Δ in WC, \$M	252.0	231.0	138.4	136.7	144.1	94.1
OCF before Δ in WC per share	0.84	0.77	0.46	0.45	0.47	0.30
Cash flow from Operations, \$M	159.4	226.8	168.8	137.2	144.7	93.5
Cash Flow From Investing, \$M	(158.8)	(90.4)	(61.7)	(65.0)	(68.2)	(23.3)
Cash Flow From Financing, \$M	(83.2)	(42.8)	(30.7)	(7.3)	(6.8)	1.0

Ratios

	2013A	2014E	2015E	2016E	2017E	2018E
P/E	NMF	4.9x	8.9x	9.1x	9.3x	10.8x
EV/OCF	2.6x	2.9x	4.8x	4.9x	4.7x	7.3x
P/OCF	2.5x	2.8x	4.7x	4.7x	4.5x	7.0x

* All figures presented in United States dollars unless noted Spot Exchange Rate (C\$/US\$): 1.24

Production Profiles

	2013A	2014E	2015E	2016E	2017E	2018E
Didipio (Philippines)						
Tonnes Milled (kt)	2,578	3,112	3,504	3,514	3,504	3,504
Production (koz Au)	66	108	112	136	125	122
Production (klb Cu)	50,836	54,522	50,939	39,822	36,056	28,833
Cash Operating Cost, US\$/oz Au	(1,078)	(389)	350	428	268	248
Macraes (New Zealand)						
Tonnes Milled (kt)	5,812	5,558	5,603	5,618	5,603	-
Production (koz Au)	199	163	148	118	117	-
Cash Operating Cost, US\$/oz Au	-	-	1,016	884	884	-
Reefion (New Zealand)						
Tonnes Milled (kt)	1,465	1,403	1,697	-	-	-
Production (koz Au)	61	45	64	-	-	-
Cash Operating Cost, US\$/oz Au	-	-	705	-	-	-
New Zealand Total						
Production (koz Au)	259	208	212	118	117	-
Cash Operating Cost, US\$/oz Au	741	927	922	884	884	-

Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$3.74 / \$1.70	Average Daily Vol (M)	0.96
Ownership (M)	Shares O/S, M	% O/S	Major Shareholder (%)
Institutional	128.90	43%	Van Eck Associates Corporation 19%
Management & Insiders	24.12	8%	Ingalls & Snyder LLC 7%
			BlackRock, Inc. 5%

Last Financing

3-Dec-12	\$93.3 million	Brokered Bought Deal	30.0 M shares @ \$3.11/sh
Shares O/S - Basic, F.D.	301.5		310.7

(C\$) (M)	Av Strike	Basic	ITM	Proceeds
Cash & Equiv				\$51
Options	\$0.54 - \$5.24	9.2	9.2	\$12
Warrants	N/A	-	-	-
Total Cash & ITM		9.2	9.2	\$63
Market Cap				\$793
Enterprise Value (MCap - WC + LT Debt)				\$825

Corporate NAV Summary

Per Share	NAV 7% CSM		NAV 6% CSM		NAV 5% CSM	
	C\$	C\$/share	C\$	C\$/share	C\$	C\$/share
Project NAV						
Didipio	384	\$1.25	405	\$1.31	428	\$1.39
Macraes	66	\$0.22	67	\$0.22	68	\$0.22
Reefion	30	\$0.10	31	\$0.10	31	\$0.10
New Zealand	80	\$0.27	80	\$0.27	80	\$0.27
El Dorado	20	\$0.07	20	\$0.07	20	\$0.07
Project NAV	580	\$1.89	603	\$1.97	627	\$2.05
Corporate Adjustments	(178)	(\$0.57)	(196)	(\$0.63)	(216)	(\$0.69)
Corporate NAV	402	\$1.33	407	\$1.34	411	\$1.35

Current Share Base: 302M shares FFD Share Base: 310M shares

Metal Inventory

	Operating Life	Category	Tonnes (M)	Au (g/t)	Cu (%)	Au (Moz)	Cu (Mlb)
Didipio, Philippines							
OP / UG mine		P&P	49.0	1.13	0.44%	1.78	479
		M&I	58.6	1.10	0.43%	2.07	554
		Inferred	16.2	0.76	0.22%	0.39	78
	11.9 yrs	Modelled	41.6	1.27	0.48%	1.70	436
Macraes, New Zealand							
OP / UG mine		P&P	42.0	1.00		1.36	
		M&I	117.3	1.06		4.01	
		Inferred	65.1	1.01		2.12	
	4.0 yrs	Modelled	22.4	0.89		0.64	
Reefion, New Zealand							
OP / UG mine		P&P	4.2	1.43		0.19	
		M&I	15.5	1.49		0.74	
		Inferred	7.8	3.72		0.93	
	1.8 yrs	Modelled	3.1	1.42		0.14	

Note: Resources & reserves presented for primary gold assets only Reserves & Resources presented on 100%-basis

Corporate Contact

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Source: Haywood Securities



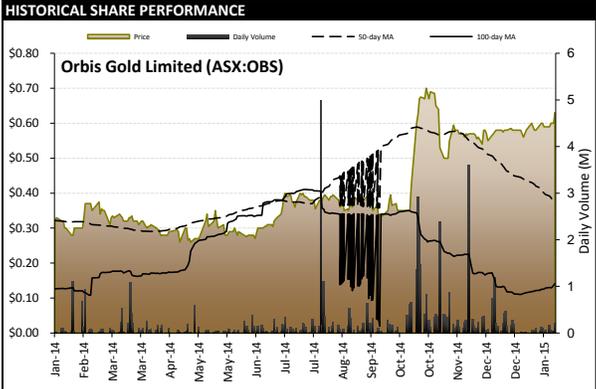
	ORBIS GOLD LIMITED (ASX:OBS A\$0.63)	Target Price (A\$)	A\$0.65	Mkt. Cap, A\$M	\$157	
	Rating:	TENDER	Return (%)	3%	Managing Director	Peter Spiers
	Risk:	Very High	52 Week High/Low (A\$)	A\$0.72/A\$0.23	Company Website	www.orbisgold.com
			Daily Volume (3-month avg)	314,120		

CAPITAL STRUCTURE
(As of Dec. 2014)

	Shares (Millions)
Shares Outstanding	249.9
Options	2.3
Warrants	0.0
Fully Diluted Shares	252.2

OWNERSHIP (As of Jan 2015)

	Shares (M)	% O/S
Bank of Nova Scotia	41.0	16.4%
DGR Global Ltd	39.0	15.6%
Goodman & Co.	20.4	8.2%
Tenstar Trading Ltd	19.6	7.8%
Acorn Capital	14.0	5.6%
Management and Insiders	7.5	3.0%



FINANCIAL SUMMARY

Year-end June 30 (A\$)	F2013A	F2014E	F2015E	F2016E	F2017E
FD Shares, million	199.6	244.5	269.0	516.1	516.4
Adj. EPS	(0.00)	(0.01)	(0.03)	(0.02)	(0.05)
CFOPPS	(0.01)	(0.01)	(0.03)	(0.02)	(0.05)

Income Statement (A\$millions)

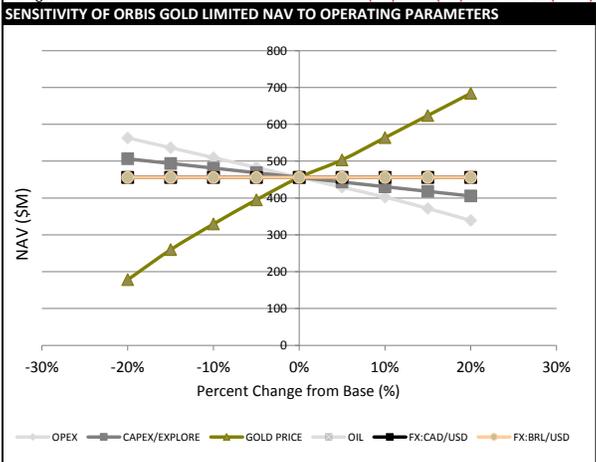
	F2013A	F2014E	F2015E	F2016E	F2017E
Revenue	0.5	0.1	0.1	0.0	0.0
Cost of Goods Sold	0.0	0.0	0.0	0.0	0.0
Depreciation	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
General & Admin	(2.7)	(2.7)	(7.3)	(7.8)	(7.8)
Net Income	(0.0)	(2.8)	(7.4)	(8.4)	(25.6)

Balance Sheet (A\$millions)

	F2013A	F2014E	F2015E	F2016E	F2017E
Cash & Equivalents	9.4	5.0	2.8	202.5	(23.7)
Debt	0.0	0.0	5.1	245.1	245.1

Cash Flow (A\$millions)

	F2013A	F2014E	F2015E	F2016E	F2017E
Op. CF (before W/C)	(2.3)	(2.6)	(7.1)	(8.1)	(25.4)
Financing CF	17.6	9.5	24.5	380.0	0.0
Investing CF	(12.4)	(9.4)	(20.0)	(171.8)	(200.9)
Change in Cash	3.4	(2.4)	(2.6)	200.1	(226.2)



TECHNICAL ASSUMPTIONS

	F2014E	F2015E	F2016E	F2017E	F2018E
Gold (US\$/oz)	\$1296	\$1245	\$1250	\$1250	\$1250
Silver (US\$/oz)	\$20.58	\$18.06	\$18.00	\$18.00	\$18.00
Exchange Rate (C\$/US\$)	1.07	1.14	1.17	1.14	1.10
Exchange Rate (A\$/US\$)	1.09	1.19	1.26	1.24	1.20

PRODUCTION ESTIMATES

	F2015	F2016	F2017	F2018	F2019
Production (Koz Au)*	0	0	0	391	284
Average Cash Costs (US\$/oz sold)	\$0	\$0	\$0	\$292	\$450
Capex Spending (US\$ M)*	\$15.3	\$122.0	\$140.2	\$12.6	\$14.3

*Based on 100% Basis

RESERVES & RESOURCES

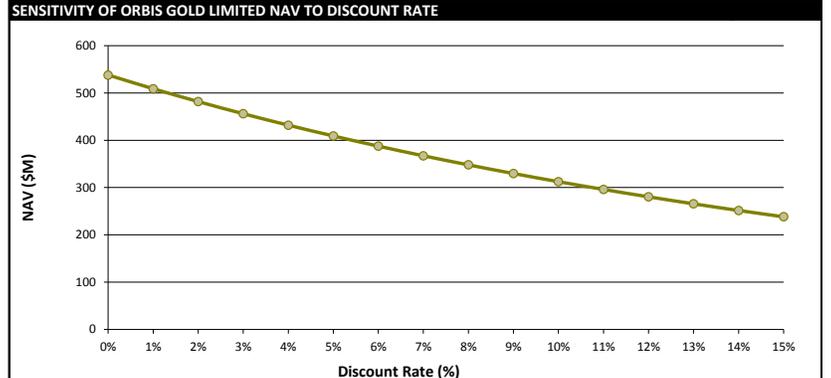
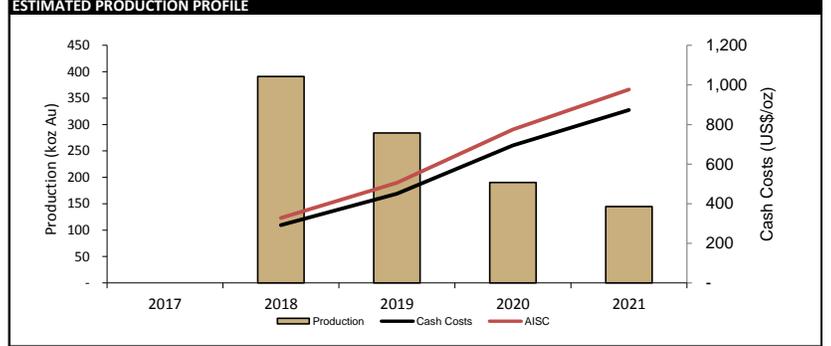
	Tonnes (000)	Grade (g/t Au)	Gold (000 oz)
Company Reported P&P Reserves	0	0.00	0
Company Reported M&I Resources (Incl. Reserves)	7,100	5.10	1,200
Company Reported Inferred Resources	14,200	3.25	1,460
Total	21,300	3.86	2,660
Haywood Total Mineable Resources	14,215	3.72	1,701

NET ASSET VALUATION

Operations	A\$M	A\$/sh	Multiple	Adjusted Per Sh.
Natougo	\$427	\$0.84	0.90x	\$0.75
Nabanga	\$24	\$0.05	1.00x	\$0.05
Bantou	\$36	\$0.07	1.00x	\$0.07
Net Cash	\$1	\$0.00		\$0.00
Other Adjustments (Warrants & Options, G&A)	(\$31)	(\$0.06)		(\$0.06)
Net Asset Value	\$456	\$0.89		\$0.81

COMPARABLES

Company	Ticker	Share Price	EV	Resources	EV/oz	P/NAV
		C\$	US\$M	Moz Au	US\$	
Asanko Gold Inc.	TSX:AKG	C\$ 1.99	\$78	9.4	\$8	0.61x
Aureus Mining Inc.	TSX:AUE	C\$ 0.42	\$128	1.4	\$93	0.48x
Orezone Gold Corporation	TSX:ORE	C\$ 0.45	\$29	5.3	\$5	0.41x
Roxgold Inc.	TSXV:ROG	C\$ 0.64	\$134	1.1	\$120	0.47x
Midway Gold Corp.	TSX:MDW	C\$ 0.91	\$116	4.8	\$24	0.95x
True Gold Mining Inc.	TSXV:TGM	C\$ 0.18	(\$0)	4.1	-	0.21x
Selected Company Average			\$81		50.2x	0.52x
Orbis Gold Limited	ASX:OBS	C\$ 0.62	\$100	2.7	\$38	0.71x



Source: Haywood Estimates, Company Reports, Thomson, Bloomberg

Source: Haywood Securities



Orezone Gold Corporation TSX:ORE Price \$0.45 Rating: BUY Risk: Very High
 23-Jan-15 Shares O/S (M) 96 MCap (C\$) (M) \$43 Target: \$1.10 Return: 144%

Orezone gold is a development stage gold company aiming to exploit a shallow oxidized gold mineralized blanket in a heap leach processing operation at its cornerstone Bomboré gold project in Burkina Faso. The oxidized resources are open along strike, and overlie hypogene sulfide-bearing gold mineralization and together contain 5.3 Moz gold.

Investment Highlights
 • Orezone Gold engages in the acquisition, exploration, and development of gold properties in Burkina Faso, West Africa. It primarily holds interest in the Bomboré gold project that covers an area of 168 square kilometers, located in the Ganzourgou province; and the Bondi project, which covers an area of 168 square kilometers in the Bougouriba province. The Company is actively engaged in advancing the Bomboré gold project through to an investment decision in H2/15 via the completion of a DFS in Q4/14. We expected permitting to be completed in mid 2015.

- Catalysts:**
 1) Definitive Feasibility Study - Q1/15
 2) Resource Estimate Update - Q1/15
 3) Financing - Q1/15
 4) Permitting - H2/15

Bomboré Project Summary

Minable Resource	LOM	Production	LOM	Costs	LOM	CAPEX	LOM
Tonnes (Mt)	44.7	Recoveries (% Au)	89%	Op Costs (US\$/t)	14.70	Pre-Production (US\$M)	210
Grade (g/t Au)	0.88	Gold (koz/yr)	133	Total Costs (US\$/t)	16.10	Sustaining (US\$M)	59
Strip Ratio	1.6	Gold (koz)	1,131	Cash Costs (US\$/oz Au)	637	Total (US\$M)	269

Financials

	2013A	2014E	2015E	2016E	2017E	2018E
Commodity & Exchange Rate I						
Forecast Gold Price, US\$/oz	\$1,414	\$1,280	\$1,250	\$1,250	\$1,250	\$1,250
C\$/US\$ FX Rate	1.01	1.10	1.17	1.17	1.12	1.08

Income Statement

	2013A	2014E	2015E	2016E	2017E	2018E
Net Revenue, \$M	-	-	-	-	13.9	183.9
EBITDA, \$M	(1.7)	(8.9)	(3.2)	(3.2)	(2.0)	93.3
Net Income, \$M	(22.0)	(7.8)	(3.2)	(3.2)	(14.3)	28.1
Net Income per share	(0.25)	(0.08)	(0.03)	(0.02)	(0.06)	0.11

Balance Sheet

	2013A	2014E	2015E	2016E	2017E	2018E
Cash & Equiv, \$M	9.5	3.2	5.1	74.6	8.2	52.9
Working Capital, \$M	9.9	2.7	4.6	74.1	(9.2)	40.2
Total Debt (LT + ST), \$M	-	-	-	-	126.0	104.9
Shares Outstanding (M)	87.0	95.7	115.7	162.6	259.7	259.7

Cash Flow

	2013A	2014E	2015E	2016E	2017E	2018E
OCF before Δ in WC, \$M	(10.8)	(8.3)	(3.2)	(3.2)	(1.8)	78.0
OCF before Δ in WC per share	(0.12)	(0.09)	(0.03)	(0.02)	(0.01)	0.30
Cash flow from Operations, \$M	(11.8)	(7.4)	(3.2)	(3.2)	(6.0)	71.5
Cash Flow From Investing, \$M	0.2	1.4	(3.4)	(25.0)	(186.4)	(5.7)
Cash Flow From Financing, \$M	4.8	-	8.5	97.7	126.0	(21.1)

Ratios

	NMF	NMF	NMF	NMF	NMF	3x
P/E						
P/OCF						1x

* All figures presented in thousands of US dollars unless noted Spot Exchange Rate (C\$/US\$): 1.24

Production Profiles

Bomboré

	2017	2018	2019	2020	2021	2022	2023	2024
Throughput (tpd)	-	-	-	5,326	15,068	-	-	-
Ore Mined (kt)	-	-	-	490	5,500	-	-	-
Mined Grade (g/t Au)	-	-	-	0.83	0.94	-	-	-
Strip Ratio	-	-	-	6.11	1.60	-	-	-
Ounces Placed on Pad (koz)	-	-	-	13.1	166.8	-	-	-
Ounces Recovered (koz)	-	-	-	11.2	148.0	-	-	-
Payable Gold Production (koz)	-	-	-	11.2	147.8	-	-	-
Operating costs (US\$/t milled)	-	-	-	30.73	15.99	-	-	-
Cash Operating Cost, US\$/oz Au	-	-	-	1,293	540	-	-	-

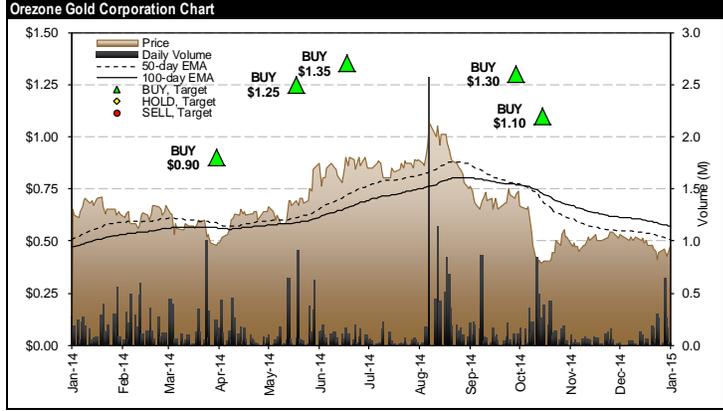
Metal Inventory

	Mine Life	Category	Tonnes (M)	Au (g/t)	Au Moz
Bomboré	8.5 yrs	P&P	-	-	-
		M&I	139.8	1.02	4.56
		Inferred	18.4	1.22	0.72
Open Pit Heap Leach	8.5 yrs	Modelled	44.7	0.88	1.27
Bondi	-	M&I	4.1	2.12	0.28
		Inferred	2.5	1.84	0.15

Resources inclusive of reserves

Bomboré Timelines

	Q1/14	Q2/14	Q3/14	Q4/14	Q1/15	Q2/15	Q3/15	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16
Permitting												
Financing												
Construction												
Production												



Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$1.07 / \$0.37	Average Daily Vol (M)	0.17
Ownership (M)	Shares O/S, M	% O/S	Major Shareholder (%)
Institutional	51.13	53%	Van Eck Associates Corporation 18%
Management & Insiders	6.68	7%	Sun Valley Gold LLC 17%
			1832 Asset Management L.P. 6%
			Beutel Goodman & Company Ltd. 4%
			Halvorson, Michael H. 3%

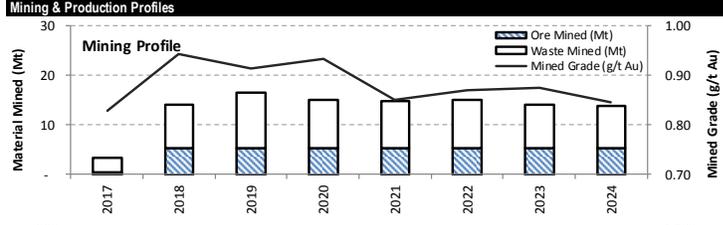
Last Financing

13-Nov-13	C\$5 million	Private Placement	10.0M shares at C\$0.50/sh	
Shares O/S - Basic, F.D.		95.7	104.5	
(C\$) (M)	Av Strike	Basic	ITM	Proceeds
Cash & Equiv				\$9
Options	\$0.36 - \$2.35	8.8	3.2	\$1
Warrants	N/A	-	-	-
Total Cash & ITM		8.8	3.2	\$10
Market Cap				\$43

Corporate NAV Summary

Per Share	C\$M	NAV 10% C\$/share	C\$M	NAV 8% C\$/share	C\$M	NAV 6% C\$/share
Project NAV						
Bomboré	83	\$0.29	110	\$0.39	142	\$0.51
Exploration & Resource Credit	10	\$0.10	10	\$0.10	10	\$0.10
Project NAV	93	\$0.39	120	\$0.49	152	\$0.61
Corporate Adjustments	132	\$0.57	131	\$0.57	129	\$0.56
Corporate NAV	225	\$0.96	251	\$1.06	281	\$1.17

Current Share Base: 96 M shares FFD Share Base: 265 M shares



Corporate Contact

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Source: Haywood Securities



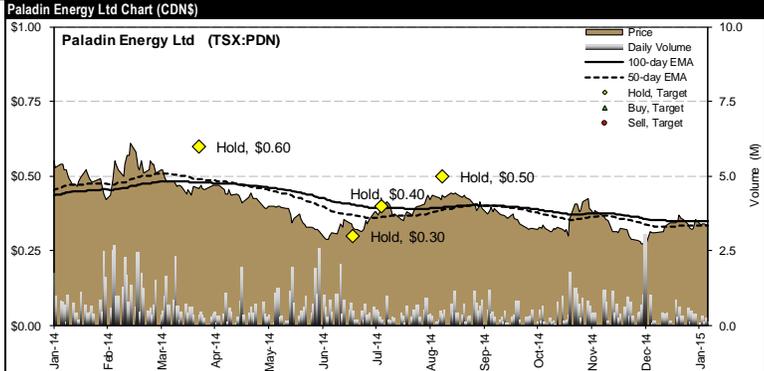
Paladin Energy Ltd TSX:PDN Price: CDN \$0.330 Shares O/S (M) 1,667 Rating: Hold
 January 23, 2015 ASX:PDN Price: AU \$0.325 MCAP (CDN\$ M) 550 Target (CDN \$): \$0.50 Return: 52%

Alpha: Paladin is in the exclusive group of active uranium producers, producing uranium from their cornerstone Langer Heinrich mine in Namibia (expected life of 20+ years) along with their Kayelekera mine in Malawi (expected life of 10+ years).

Investment Highlights

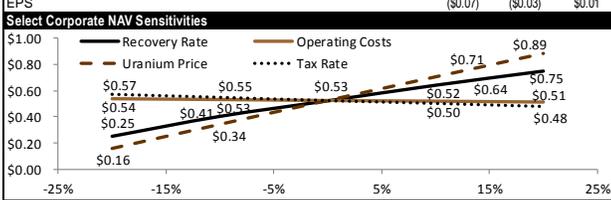
- Paladin's current production comes from their 75% owned* Langer Heinrich (pending sale) open-pit mine in Namibia, and 85% owned Kayelekera mine in Malawi. The Company, on a 100%-basis, is currently guiding for 5.4-5.8 Mb U₃O₈ for production for FY 15 (ending June '15). *Closed sale of 25% stake in LHM to Chinese group for \$190 million in July '14.
- Paladin's Langer Heinrich mine in Namibia has a Stage III capacity of 5.2 Mb U₃O₈ per annum with FQ4'14 (ending 30 June 2014) C1 production costs of US\$31 lb⁻¹ U₃O₈.
- Kayelekera (Malawi) has a nameplate capacity of 3.3 Mb U₃O₈ per annum with FQ3'14 (ending 31 March 2014) C1 production costs of US\$32.9 lb⁻¹ U₃O₈ (\$44.7/lb costs in FQ4'14 not indicative of operation, as mine is on standby).
- Paladin recently closed the sale of a 25%-interest in its flagship Langer Heinrich mine to China Uranium Corporation Limited, a wholly-owned subsidiary of China National Nuclear Corp. (CNNC) in consideration of US\$190M. CNNC recently paid the balance owing of US\$170M to Paladin upon closing of the transaction in late July 2014. We look for Paladin to use the proceeds to de-lever.

Catalysts: 2015: Further success in cost reduction initiatives



Financials	2012A	2013A	2014E	2015E	2016E
Forecast U3O8 Spot Price, US\$/lb	\$52	\$44	\$39	\$36	\$46
Forecast U3O8 LT Contract Price, US\$/lb	\$63	\$58	\$50	\$52	\$61
C\$/US\$ FX Rate	1.02	1.05	1.10	1.17	1.17
A\$/US\$ FX Rate	0.98	1.09	1.10	1.25	1.26
Shares O/S, millions	835.6	858.1	964.1	1,315.6	1,666.9
Revenue, US\$M	\$367.4	\$411.5	\$329.5	\$216.1	\$266.9
Mine Site Expense	\$301.7	\$386.5	\$394.6	\$251.2	\$257.7
Corporate G&A	\$57.0	\$37.6	\$20.3	\$13.0	\$23.0
EBITDA	\$114.6	(\$239.7)	(\$349.3)	\$22.2	\$42.4
EV / EBITDA	7.6x	-3.6x	-2.5x	39.2x	20.5x
DD&A	\$51.4	\$52.1	\$51.0	\$83.3	\$83.3
Earnings	(\$172.8)	(\$420.9)	(\$338.4)	(\$85.4)	(\$67.4)
Adjusted Earnings Per Share, US\$	(\$0.17)	(\$0.24)	(\$0.35)	(\$0.06)	(\$0.04)
Current Price / EPS	-	-	-	-	-
Target Price / EPS	-	-	-	-	-
Cash Flow	(\$125.8)	\$194.5	\$10.1	(\$21.6)	\$13.3
CFPS, US\$	(\$0.15)	\$0.23	\$0.01	(\$0.02)	\$0.01
Current Price / CFPS	-	1.4x	28.6x	-	35.4x
Target Price / CFPS	-	2.1x	43.4x	-	53.6x
Financing Cash Flow	\$201.5	(\$181.5)	\$26.3	(\$49.3)	(\$18.3)
Investing Cash Flow	(\$82.2)	(\$46.2)	(\$25.3)	(\$7.7)	(\$7.7)
Change in Cash	(\$5.3)	(\$33.2)	\$11.1	(\$78.7)	(\$12.7)
Current Ratio	1.5x	2.5x	4.4x	4.9x	1.0x
LT Debt, US\$M	\$655.1	\$614.2	\$686.2	\$375.7	\$120.8
Debt as % of Capitalization	27.9%	33.4%	43.8%	32.8%	11.4%

Bloomberg Consensus Data (excluding Haywood estimates)	2014E	2015E	2016E
OCFPS	\$0.01	\$0.02	\$0.04
EPS	(\$0.07)	(\$0.03)	\$0.01



Production Profile	2012A	2013A	2014E	2015E	2016E
Financial Year-ended (June)					
Attrib. Langer Heinrich U ₃ O ₈ Production (Mlb)	4.4	5.3	5.2	3.9	3.9
Operating Cost, US\$/tonne milled	\$43.6	\$43.1	\$40.7	\$42.7	\$44.1
U ₃ O ₈ Realized Price, US\$/lb	\$54.6	\$49.5	\$40.9	\$41.7	\$51.5
U ₃ O ₈ Cash Cost, US\$/lb	\$30.1	\$28.7	\$27.1	\$28.5	\$29.4
U ₃ O ₈ Production Cost, US\$/lb	\$38.1	\$36.3	\$42.9	\$44.2	\$45.4
Attrib. Kayelekera U ₃ O ₈ Production (Mlb)	2.5	2.5	2.3	-	-
Operating Cost, US\$/tonne milled	\$128.3	\$100.5	\$74.0	\$0.0	\$0.0
U ₃ O ₈ Realized Price, US\$/lb	\$57.1	\$54.0	\$42.5	\$0.0	\$0.0
U ₃ O ₈ Cash Cost, US\$/lb	\$59.5	\$46.7	\$34.3	\$0.0	\$0.0
U ₃ O ₈ Production Cost, US\$/lb	\$72.0	\$54.1	\$36.2	\$0.0	\$0.0
Attrib. Corporate Average Production (Mlb)	6.9	7.8	7.5	3.9	3.9
Operating Cost, US\$/tonne milled	\$74.0	\$61.6	\$50.9	\$42.7	\$44.1
U ₃ O ₈ Realized Price, US\$/lb	\$55.5	\$50.9	\$41.4	\$41.7	\$51.5
U ₃ O ₈ Cash Cost, US\$/lb	\$40.7	\$34.5	\$29.3	\$28.5	\$29.4
U ₃ O ₈ Production Cost, US\$/lb	\$50.3	\$42.0	\$40.8	\$44.2	\$45.4

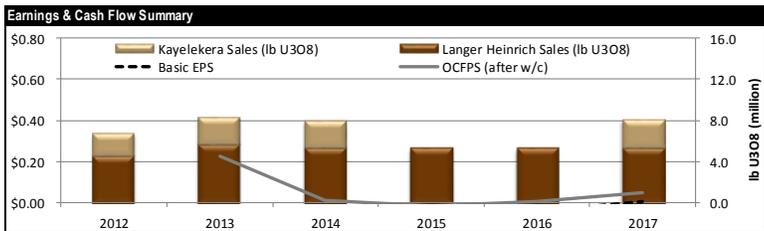
52 Week High/Low	\$0.61 / \$0.27	Average Daily Volume (90 day)	562,371
Ownership (M)	Management/ Institutional	Major Shareholders	
Shares	37.39	668.06	HOPU Jinghua (Beijing) Investment Consultancy 15.0%
% O/S	2.2%	40.1%	FIL Limited 5.0%
Last Financing	2-Aug-13 C\$81 million - 125.6 million shares priced at C\$0.65 per share		
Shares O/S - Basic, F.D.	1666.9		1852.4
(AUS\$M)	Av Strike (AUS)	Units (M)	ITM Units (M)
Working Capital			\$193
Options	\$5.14	17.95	0.00
Convertible Bonds	\$8.83	81.85	
Total Cash & ITM		99.80	\$193
Market Cap (AUS)			\$542

NAV Summary and Sensitivity	Base	-20%	-10%	+10%	+20%
Average Realized U3O8 (US\$/lb)	\$57	\$46	\$52	\$63	\$69
Langer Heinrich DCF (CDN\$M) (@10.0%)	\$896.2				
Kayelekera DCF (CDN\$M) (@10.0%)	\$162.6				
NPV of Corporate CF (@10.0%)	\$642.2				
Total NAV - U Projects	\$416.6	-\$217.44	\$91.2	\$698.4	\$997.7
Other Projects (CDN\$M)	\$100.0	\$100.0	\$100.0	\$100.0	\$100.0
Project NAV (CDN\$)	\$516.6	-\$117.4	\$191.2	\$798.4	\$1,097.7
Working Capital	\$378.7				
Dilutive Capital	\$0.0				
Corporate G&A	\$20.0				
LT Debt (est. Sept 2014)	\$699.0				
Corporate NAV (CDN\$)	\$875.3	\$241.2	\$549.9	\$1,157.1	\$1,456.4
Corporate NAVPS	\$0.53	\$0.14	\$0.33	\$0.69	\$0.87
Current P/NAV	0.6x	2.3x	1.0x	0.5x	0.4x

Operating Cash Flow	Base	-20%	-10%	+10%	+20%
Current Price / C\$ 2016 CFPS	35.4x	-12.7x	-30.4x	19.5x	11.0x
Target Price / C\$ 2016 CFPS	53.6x	-19.2x	-46.0x	29.6x	16.7x
Target Price	Base	-20%	-10%	+10%	+20%
Target (CDN\$) (1.0x NAV10%)	\$0.50	\$0.14	\$0.33	\$0.69	\$0.87

Peer Group Comparables	Symbol	Price (C\$)	M.CAP C\$	EV C\$	EV / lb Res ₍₁₎	EV/EBITDA ₍₂₎	EV/lb Prod ₍₃₎
Paladin Energy Ltd	ASX:PDN	\$0.32	\$534	\$1,054.0	\$2.06	-4.4x	141.1x
Cameco Corporation	TSX:CCO	\$17.80	\$7,045	\$8,029.1	\$8.06	10.7x	347.6x
Average					\$3.69	-4.4x	222.6x

(1) Reported or Haywood estimate of resource, (2) Capital IQ Consensus except PDN (Haywood), and (3) FY2014 estimated production



Corporate Contact

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 Tel: 61 8 9381 4366
 Managing Director: John Borshoff
 Colin Healey, MBA - Research Analyst
 chealey@haywood.com 604-697-6089

Source: Haywood Securities



Pilot Gold (PLG-TSX,\$1.13)
Rating: Buy
Risk: Very High

Target Price (C\$) \$ 1.60
Return (%) 42%
52 Week High/Low (C\$) \$1.77/\$0.64
Daily Volume (3-month avg) 150,600

Market Cap, C\$M \$ 121.2
Company CEO Matt Lennox King
Company Website www.pilotgold.com

CAPITAL STRUCTURE	
(As of November 2014)	Shares Millions
Shares	107.2
Options & Warrants	16.3
Fully Diluted Shares	123.5

OWNERSHIP (Source: Bloomberg - Jan 2015)		
	Shares O/S (M)	% O/S
Newmont Mining	13.8	12.8%
Royce and Associates Inc.	3.8	3.6%
LB Swiss Investment AG	3.3	3.1%
Global Strategy Financial	1.6	1.5%
Beutel Goodman	1.4	1.3%
Fidelity Management	1.4	1.3%
Management and Insiders	3.2	3.0%

FINANCIAL SUMMARY (US\$)				
Year-end December 31	2013A	2014E	2015E	2016E
FD Shares, M	111.3	123.5	121.3	130.2
EPS	(0.10)	(0.06)	(0.05)	(0.04)
Op. CFPS	(0.03)	(0.03)	(0.04)	(0.03)

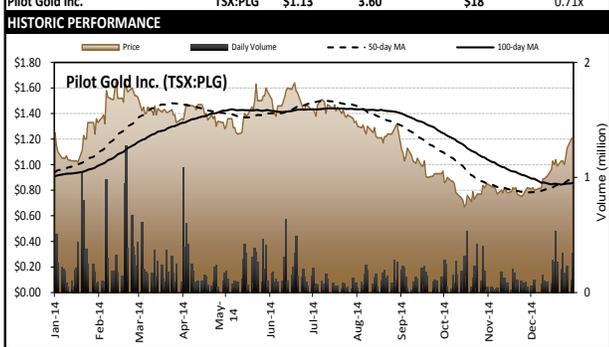
Income Statement (US\$M)				
Revenue	0.0	0.0	0.0	0.0
Operating Expenses	0.0	0.0	0.0	0.0
Depreciation	(0.2)	(0.2)	(0.2)	(0.2)
General & Admin	(7.8)	(4.8)	(5.2)	(5.3)
Net Income	(12.5)	(5.8)	(5.5)	(5.7)

Balance Sheet (US\$M)				
Cash & Equivalents	19.1	19.1	0.3	(1.1)
Debt	0.0	0.0	0.0	0.0

Cash Flow (US\$M)				
Op. CF (before W/C)	(3.1)	(3.4)	(4.3)	(4.3)
Financing CF	(0.0)	17.98	0	14.1
Investing CF	(15.9)	(13.2)	(14.5)	(11.2)
Change in Cash	(0.0)	1.4	(18.8)	(1.4)

NET ASSET VALUE		
	C\$M	C\$/sh
Halilaga	48	0.37
TV Tower*	64	0.49
Kinsley Mountain**	52	0.40
Project Pipeline	35	0.27
Corporate Adjustments	-15	(0.12)
Cash and Cash from Options & Warrants	22	0.17
Total	207	1.59

COMPARABLES					
Company	Ticker	Price	Total Resources (Au Moz)	EV/ Oz (US\$/oz)	P/NAV
Chesher Resources Limited	ASX:CHZ	0.03	0.86	\$5/oz	-
Corvus Gold Inc.	TSX:KOR	1.09	3.12	\$20/oz	0.47x
Dalradian Resources Inc.	TSX:DNA	0.93	2.70	\$26/oz	0.54x
Lydian International Limited	TSX:LYD	0.50	4.10	\$11/oz	0.39x
Gold Standard Ventures Corp	TSXV:GSV	0.64	0.25	\$252/oz	0.09x
Selected Company Average				\$63	0.37x
Pilot Gold Inc.	TSX:PLG	\$1.13	3.60	\$18	0.71x



*TV Tower gold resource represents gold equivalent resources calculated at Haywood long-term metal prices, attributable valuation reflects payments to Metc
 **Kinsley attributable valuation reflects project interest and Pilot's equity interest in JV partner
 Source: Haywood Estimates, Pilot Gold, Capital IQ, Bloomberg, Metals Economics Group

ASSET DESCRIPTION - TV TOWER

Project Interest: 40%, earning-in to additional 20%
 Location: Biga District, Turkey
 Deposit Type: High-Sulphidation Au-Ag-Cu/
 Low Sulphidation Epithermal Au-Ag
 Cu-Au Porphyry

2014 Program: US\$4.1M budget on drilling at K2 targets

Primary Targets:
KCD: Outcropping Au-Ag-Cu; silver blanket overlies Au/Cu core.
K2: High Sulphidation, epithermal zone between Kayali and Karaayi; +4 km strike length.

Drill Highlights
 15.9 g/t Au over 3 m, within interval of 1.35 g/t Au over 45 m in KYD-46
 1.96 g/t Au over 33.1 m, incl. 3.42 g/t Au over 17.4 m in KYD-51
 0.87 g/t Au over 114.5 m, incl. 3.0 g/t Au over 13.4 m in KYD-001

Valley Porphyry: Discovery announced in June 2014, marking the 3rd Cu porphyry discovery in region. First drill result intercepted:

Drill Highlights
 0.99 g/t Au and 0.39% Cu over 153.1 m in KR-D010

ASSET DESCRIPTION-KINSLEY MOUNTAIN

Project Interest: 79%
 Location: Long Canyon Trend
 North eastern Nevada
 Sediment hosted

Deposit Type :
 Historic Production (Koz Au): 138 (1994-1999)

2012 - 2013 Drill Highlights:
 5.91 g/t Au over 18.4 m, incl. 11.93 g/t Au over 7.8 m
 6.75 g/t Au over 7.5 m, incl. 13.52 g/t Au over 3.2 m
 10.5 g/t Au over 42.7 m, including, 18.3 g/t Au over 22.9 m in PK131C
 7.53 g/t Au over 53.3 m, including 14.9 g/t Au over 22.9 m in in PK132C

2013 Program: 14,200 m program complete

2014 Program: US\$6 million as of June 2014

Phase II program:
 12,500 m of core and RC drilling for the Western Flank target
 3,000 m RC drilling for the Right Spot target
 2,000 m RC drilling for the Secret Spot target

ASSET DESCRIPTION - HALILAGA

Project Interest: 40%
 Location: Biga District, Turkey
 Deposit Type : Cu-Au Porphyry
 Drilling to Date (m) : +50,000
 Number of Targets: 7
 Total resource (Attributable) :
 Au (M oz) 1.4
 Cu (B lb) 0.8

2012 Program: +6,000 m drill program, PEA
 PEA Highlights: After-tax NPV7% of US\$474M, a 2.7 year payback, and 20% IRR at (US\$2.90/lb Cu and US\$1,200/oz Au)

EARLY STAGE NEVADA PROJECT PIPELINE

Viper	Brik	New Boston	Easter	Anchor	Cold Springs
Gold Springs 2	Bucksin North	Baxter Springs	Stateline	Sandy	Gold Bug

NEVADA PROJECT PIPELINE

Griffon:
 At south end of Battle Mountain- Eureka trend, historic producer (90 Koz in 1997-1999). Focus to be on geological mapping, geochemical and geophysical surveys.

Goldstrike: (Acquired June 2014)
 Property covers 4,800 acres, located at Southwestern Utah on SE margin of Great Basin. Produced 209 koz (1998-1996) in an open pit heap leach operation at 1.2 g/t Au.

CATALYST CALENDAR

Event	Q1/15	Q2/15	2016
TV Tower Drill Results			
Porphyry Resource Estimate			
Kinsley Mountain			
Kinsley Mountain Drill Results			
Initial Resource Estimate			
Halilaga			
PEA Update			

Source: Haywood Securities



Rio Alto Mining Ltd. (RIO-T, \$3.23)
Rating (Risk): BUY (MODERATE)
Target Price Metric: 10.5x EV/2015E-2016E CFPS

Target Price, C\$ \$4.25
32%
52-Week High / Low, C\$ \$3.53 / \$1.74
Daily Volume (3-month avg) 2,631,680

Shares O/S, millions 332.2
 Shares F/D, millions 359.8
 Shares F/F, millions 359.8
 Market Cap, US\$M \$866
 Company CEO Alex Black
 Company Web Site www.rioalto.com

Balance Sheet and Capitalization

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$865.8	\$2.61	\$1,073.0	\$3.23
Current Cash	\$38.6	\$0.12	\$47.8	\$0.14
F/D Cash Adds	\$61.8	\$0.19	\$76.6	\$0.23
Working Capital	\$14.8	\$0.04	\$18.4	\$0.06
Long-term Debt	\$0.0	\$0.00	\$0.0	\$0.00
Book Value	\$677.0	\$2.04	\$839.0	\$2.53
Enterprise Value (EV)	\$850.9	\$2.56	\$1,054.6	\$3.17

EV = Market Capitalization - Working Capital + Long-term Debt
 Spot C\$/US\$ FX Rate: 1.24

Share Capital Dilution

	Number	Price	Proceeds	Expiry
Warrants	9.9M	CS2.39	CS23.7M	April 12, 2015
Options	17.7M	CS2.70	CS47.7M	Various
	27.6M		CS71.4M	

Spot C\$/US\$ FX Rate: 1.24

Major Shareholders

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Van Eck Associates	60.6	18.2%	60.6	16.8%
Sentry Select	27.0	8.1%	27.0	7.5%
IG Investment Management	14.0	4.2%	14.0	3.9%
Blackrock	10.4	3.1%	10.4	2.9%

Financial Forecast

	2013	2014	2015	2016	2017	2018
Forecast Gold Price, US\$/oz	\$1,337	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
Forecast Silver Price, US\$/oz	\$23.85	\$19.07	\$18.00	\$18.00	\$18.00	\$18.00
C\$/US\$ FX Rate	1.03	1.10	1.17	1.17	1.12	1.08
Shares O/S, millions	176.3	332.2	339.4	347.3	355.1	357.8
Revenue, US\$M	\$285.1	\$281.4	\$276.9	\$316.2	\$345.9	\$429.7
Mine Site Expense, US\$M	(\$149.4)	(\$152.1)	(\$118.8)	(\$145.5)	(\$180.5)	(\$195.7)
Corporate G&A, US\$M	(\$4.7)	(\$6.0)	(\$6.0)	(\$6.0)	(\$6.0)	(\$6.0)
EBITDA, US\$M	\$127.5	\$120.9	\$149.8	\$162.4	\$157.1	\$225.7
EV / EBITDA	6.7x	7.0x	5.7x	5.2x	5.4x	3.8x
DD&A, US\$M	(\$35.8)	(\$29.0)	(\$33.2)	(\$37.9)	(\$41.5)	(\$51.6)
Earnings, US\$M	\$30.8	\$91.0	\$65.6	\$81.2	\$70.6	\$110.1
EPS, US\$	\$0.17	\$0.27	\$0.19	\$0.23	\$0.20	\$0.31
Current Price / EPS	18.0x	10.7x	14.3x	11.9x	14.5x	9.7x
Cash Flow Before W/C Changes, US\$M	\$77.4	\$122.3	\$101.2	\$121.4	\$114.4	\$164.0
CFPS, US\$	\$0.44	\$0.37	\$0.30	\$0.35	\$0.32	\$0.46
Current Price / CFPS	7.1x	8.0x	9.3x	7.9x	8.9x	6.5x
Target Price / CFPS	-	-	12.2x	10.4x	11.7x	8.6x
CFPS Sensitivity, US\$	-	-	\$0.02	\$0.01	\$0.02	\$0.02
CAPEX, US\$M	(\$74.3)	(\$63.1)	(\$106.1)	(\$23.8)	(\$55.0)	(\$22.7)
Proceeds from Equity Financing, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from Debt Financing, US\$M	\$0.0	\$35.0	\$25.0	\$0.0	\$0.0	\$0.0
Debt Repayment, US\$M	(\$10.1)	(\$3.0)	\$0.0	\$30.0	\$30.0	\$0.0
Free Cash Flow, US\$M	(\$11.5)	\$43.3	\$20.0	\$67.6	\$29.4	\$141.3
FCPS, US\$	(\$0.07)	\$0.13	\$0.06	\$0.19	\$0.08	\$0.39

CFPS sensitivity based on a US\$50/oz change in forecast gold price

Corporate NAV Summary and Sensitivity

	Base Case*	\$1,100	\$1,200	\$1,300	\$1,400	\$1,295
Forecast Gold Price, US\$/oz						
Corporate Adjustments, US\$M	\$67	\$67	\$67	\$67	\$67	\$67
La Arena After-Tax Project NAV ₂₀₁₅ , US\$M	\$228	\$156	\$204	\$252	\$301	\$250
Shahuindo After-Tax Project NAV ₂₀₁₅ , US\$M	\$375	\$304	\$351	\$399	\$451	\$397
Additional Exploration Credit, US\$M	\$60	\$60	\$60	\$60	\$60	\$60
Corporate NAV, US\$M	\$731	\$586	\$682	\$779	\$878	\$774
Corporate Adjustments, C\$ / F/D share	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22
La Arena After-Tax Project NAV ₂₀₁₅ , C\$ / F/D share	\$0.74	\$0.51	\$0.66	\$0.82	\$0.98	\$0.81
Shahuindo After-Tax Project NAV ₂₀₁₅ , C\$ / F/D share	\$1.22	\$0.99	\$1.14	\$1.30	\$1.47	\$1.29
Additional Exploration Credit, C\$ / F/D share	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Corporate NAV, C\$ / F/D share	\$2.38	\$1.91	\$2.22	\$2.53	\$2.86	\$2.52
Current Price / Corporate NAV	1.4x	1.7x	1.5x	1.3x	1.1x	1.3x
Target Price / Corporate NAV	1.8x	2.2x	1.9x	1.7x	1.5x	1.7x
2015E CFPS, US\$	\$0.30	\$0.24	\$0.28	\$0.32	\$0.36	\$0.32
2016E CFPS, US\$	\$0.35	\$0.32	\$0.34	\$0.36	\$0.39	\$0.36
Implied Target Price, C\$ @ 10.5x EV/2015E-2016E CFPS	\$4.25	\$3.60	\$4.00	\$4.40	\$4.80	\$4.30

Base case based on a gold and silver price assumptions of US\$1,250/oz and US\$18/oz respectively
 Additional exploration credit includes credit for inferred gold resource
 Fully Diluted Shares, millions: 359.8
 2015E C\$/US\$ FX Rate: 1.17

Production Profile

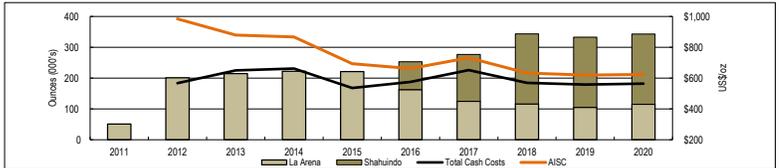
	2014	2015	2016	2017	2018	2019	LOM
La Arena (100%, open pit)							
Ore Tonnes, millions	15.27	14.00	11.81	13.19	10.48	9.11	11.16
Gold Grade, g/t	0.52	0.59	0.51	0.35	0.41	0.43	0.49
Metallurgical Gold Recovery, %	84%	83%	84%	84%	84%	84%	83%
Gold Production, oz 000's	220	220	165	125	115	105	955
Cash Cost, US\$/oz	\$455	\$510	\$570	\$780	\$680	\$660	\$625
Total Cash Cost, US\$/oz	\$660	\$535	\$595	\$800	\$700	\$680	\$650
AISC, US\$/oz	\$870	\$695	\$670	\$905	\$815	\$800	\$765
Shahuindo (100%, open pit)							
Ore Tonnes, millions	-	-	3.65	7.30	10.95	10.95	9.13
Gold Grade, g/t	-	-	1.00	0.84	0.84	0.84	0.85
Metallurgical Gold Recovery, %	-	-	77%	77%	77%	77%	77%
Gold Production, oz 000's	-	-	90	150	230	230	1,160
Cash Cost, US\$/oz	-	-	\$520	\$510	\$480	\$480	\$490
Total Cash Cost, US\$/oz	-	-	\$545	\$530	\$500	\$505	\$510
AISC, US\$/oz	-	-	\$645	\$590	\$540	\$535	\$555
Total							
Gold Production, oz 000's	222	220	255	275	345	335	2,115
Cash Cost, US\$/oz	\$454	\$510	\$550	\$635	\$550	\$535	\$550
Total Cash Cost, US\$/oz	\$662	\$535	\$575	\$650	\$570	\$560	\$575
AISC, US\$/oz	\$868	\$695	\$660	\$730	\$635	\$620	\$650

2015 Guidance: 210K-220K oz at adjusted operating costs of US\$570-US\$600/oz, and AISC of US\$730-US\$765/oz.

Gold Inventory - Model Mineable, Reserve, and Resource

	Tonnes (000's)	Au Grade (g/t)	Ag Grade (g/t)	Gold (Koz)	Silver (Moz)	EV/AuEqz (US\$/oz)	Mine Life (years)
La Arena (100%)							
Haywood Model Mineable (100%)	78,100	0.49	0.00	1,145	0.0	7.0	7.0
Haywood Model Recoverable (100%)				956	0.0	7.0	7.0
Company Reported P&P Oxide Reserves	78,200	0.43	0.50	1,078	0	-	7.0
Company Reported M&I Oxide Resources	22,000	0.35	0.00	0.2	0.0	-	-
Company Reported Inferred Oxide Resources	300	0.20	0.70	0.0	0.0	-	-
Company Reported Total Oxide Reserves and Resources	100,500	0.41	0.39	1,078	0	-	9.0
Company Reported Total Oxide and Sulphide Reserves and Resources	694,700	0.24	0.08	5,274	0	-	-
Shahuindo (100%)							
Haywood Model Mineable (100%)	50,000	0.85	9.5	1,498	16,724	5.5	5.5
Haywood Model Recoverable (100%)				1,159	2,509	5.5	5.5
Company Reported P&P Oxide Reserves	37,589	0.84	9.40	1,015	11,404	4.1	4.1
Company Reported M&I Oxide Resources	107,751	0.40	5.8	1,375	20,206	-	-
Company Reported Inferred Oxide Resources	9,570	0.40	4.30	124	1,330	-	-
Company Reported Total Oxide Reserves and Resources	154,910	0.50	6.60	2,514	32,940	-	17
Company Reported Total Oxide and Sulphide Reserves and Resources	218,310	0.58	11.38	4,066	79,930	-	-
Total Reported Oxide Reserves and Resources	255,410	0.47	4.16	3,592	32,940	-	-
Total Reported Reserves and Resources	913,010	0.32	2.78	9,340	79,930	-	-

Mineral resources are inclusive of reserves



Historical Quarterly Results

	Q3/13A	Q4/13A	Q1/14A	Q2/14A	Q3/14A	Q4/14A
Throughput, tonnes per day of ore	54,300	44,323	38,870	43,300	48,300	48,300
Ore Tonnes Mined, 000's	4,996	4,078	3,498	3,943	4,443	3,390
Strip Ratio, waste/ore	1.12	1.27	1.69	1.01	0.86	1.08
Gold Grade, g/t	0.58	0.59	0.52	0.54	0.47	0.60
Total Gold Production, ounces	54,923	70,551	53,463	54,517	56,368	57,908
Total Gold Sales, ounces	59,309	70,588	53,463	54,517	56,368	57,908
Total Cash Cost, US\$/oz	\$568	\$567	\$651	\$569	\$538	\$538
All-In Sustaining Cash Cost, US\$/oz	\$806	\$786	\$773	\$772	\$723	\$723
Average Realized Gold Price, US\$/oz	\$1,313	\$1,240	\$1,283	\$1,234	\$1,221	\$1,221
Average LME Gold Price, US\$/oz	\$1,330	\$1,275	\$1,293	\$1,288	\$1,282	\$1,282
Capex, US\$M	\$19.40	\$19.10	\$11.80	\$12.10	\$19.80*	\$19.80*
Cash Flow, US\$M	\$27.34	\$21.52	\$16.18	\$19.18	\$20.98	\$20.98
CFPS, US\$	\$0.15	\$0.12	\$0.09	\$0.11	\$0.08	\$0.08

*Excluding \$34.1M cost associated with acquisition of Sulliden Gold

Rio Alto Mining Ltd. Consensus Estimate Summary (Reuters data sourced from Capital IQ)

	Analysts	Mean EPS	High / Low vs. Cons.	Mean CFPS	High / Low vs. Cons.
2015 Consensus Estimate	8	US\$0.20	US\$0.1 / US\$0.14 -3%	US\$0.30	US\$0.31 / US\$0.23 0%
2016 Consensus Estimate	6	US\$0.24	US\$0.3 / US\$0.11 -3%	US\$0.36	US\$0.47 / US\$0.26 -3%
2017 Consensus Estimate	3	US\$0.17	US\$0.2 / US\$0.13 20%	US\$0.31	US\$0.37 / US\$0.29 4%

Consensus Valuation	Analysts	SO Rating	SP Rating	SU Rating	Mean Target	High / Low	High/Low vs. Cons.
	8	7	1	-	C\$4.01	5 / 3.25	-

- Near Term Catalysts**
- Exploration results - ongoing
 - La Arena (Phase I) resources and reserves update - February 2015
 - La Arena Phase II Feasibility Study (18,000 tonnes per day) - Q1/15
 - Shahuindo construction and mining permits - Q1/15
 - Shahuindo resources and reserves update - Q3/15
 - Shahuindo 2016 production guidance - Q3/15
 - Shahuindo first gold pour - January 2016

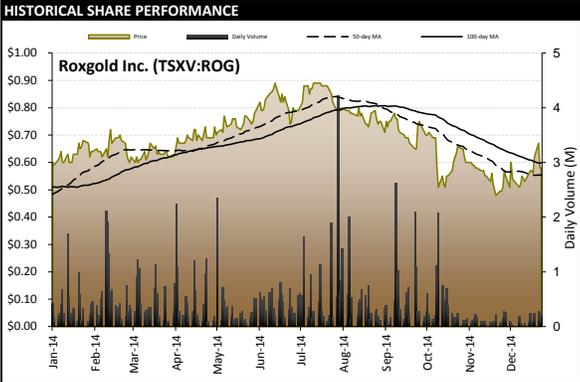
Peer Group Comparables

	NAV US\$	P/NAV	2015 CFPS	2016 CFPS	P/2015 CFPS	EV/2015 CFPS	EV/2016 CFPS	EV/15-16 CFPS
Rio Alto Mining (RIO-T, C\$3.23)	US\$2.69	1.0x	US\$0.30	US\$0.36	8.7x	8.6x	7.1x	7.8x
Alacer Gold (ASR-T, C\$2.89)	US\$2.55	0.9x	US\$0.30	US\$0.10	7.8x	3.8x	11.1x	5.6x
Alamos Gold (AGI-T, C\$7.5)	US\$9.42	0.6x	US\$0.35	US\$0.50	17.2x	7.8x	5.5x	6.4x
Argonaut Gold (AR-T, C\$2.53)	US\$4.38	0.5x	US\$0.36	US\$0.62	5.7x	3.4x	2.0x	2.5x
Aurico Gold (AUG-T, C\$4.73)	US\$3.61	1.1x	US\$0.36	US\$0.51	10.7x	12.3x	8.7x	10.2x
B2Gold (BTO-T, C\$2.52)	US\$1.96	1.0x	US\$0.23	US\$0.29	8.9x	9.8x	7.6x	8.6x
Primero Mining (P-T, C\$5.13)	US\$5.07	0.8x	US\$0.62	US\$0.86	6.7x	7.2x	5.1x	6.0x
SEMAFO (SMF-T, C\$4.03)	US\$2.77	1.2x	US\$0.50	US\$0.47	6.5x	5.4x	5.8x	5.6x
Timmins Gold (TMM-T, C\$1.33)								

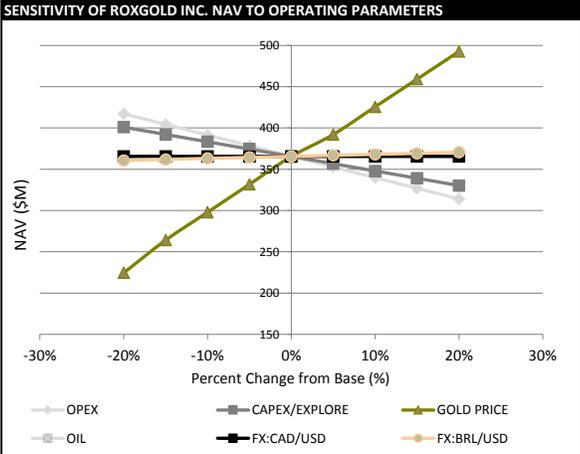


	ROXGOLD INC. (TSXV:ROG \$0.64)	Target Price (\$)	\$1.00	Market Cap, C\$M	\$184	
	Rating:	Buy	Return (%)	56%	Company CEO	John Dorward
	Risk:	Very High	52 Week High/Low (\$)	\$0.93/\$0.39	Company Website	www.roxgold.com
			Daily Volume (3-month avg)	224,940		

CAPITAL STRUCTURE	
(As of November 2014)	Shares (Millions)
Shares Outstanding	287.7
Options	6.4
Warrants	27.5
Fully Diluted Shares	328.8
OWNERSHIP (Source: Bloomberg - Jan 2015)	
	Shares (M) % O/S
Appian Natural Resources Fund	47.0 16.3%
1832 Asset Management	36.9 12.8%
Vanguard	25.4 8.8%
PPM America	24.3 8.4%
Management	17.3 6.0%



FINANCIAL SUMMARY					
Year-end December 31 (C\$)	2013A	2014E	2015E	2016E	2017E
FD Shares, million	191.5	263.3	322.4	323.1	324.2
Adj. EPS	(0.03)	(0.02)	(0.03)	0.12	0.09
CFOPPS	(0.02)	(0.02)	(0.02)	0.13	0.19
Income Statement (C\$millions)					
Revenue	0.0	0.0	0.0	80.5	122.3
Cost of Goods Sold	0.0	0.0	0.0	(26.7)	(42.8)
Depreciation	(0.1)	(0.2)	(0.2)	(0.2)	(29.9)
General & Admin	(3.3)	(4.4)	(4.4)	(4.5)	(4.6)
Net Income	(5.3)	(5.3)	(8.4)	39.3	30.5
Balance Sheet (C\$millions)					
Cash & Equivalents	17.7	43.7	36.9	60.0	92.1
Debt	0.0	0.0	87.8	70.3	52.7
Cash Flow (C\$millions)					
Op. CF (before W/C)	(3.6)	(4.5)	(7.1)	40.7	61.5
Financing CF	20.1	58.5	82.6	3.2	(16.7)
Investing CF	(9.4)	(27.6)	(82.2)	(20.8)	(12.7)
Change in Cash	9.2	25.9	(6.8)	23.1	32.1



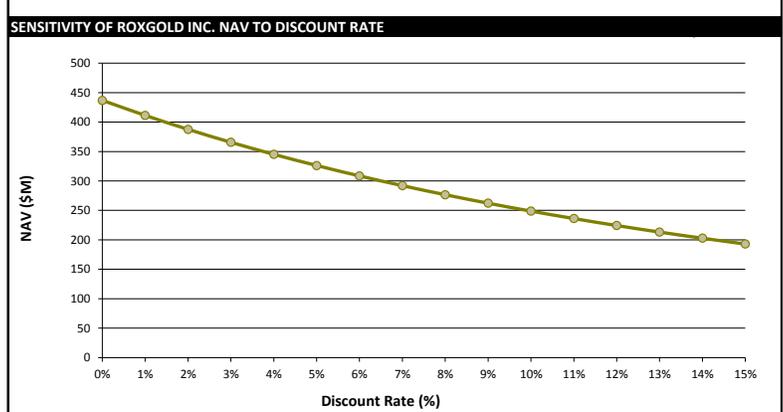
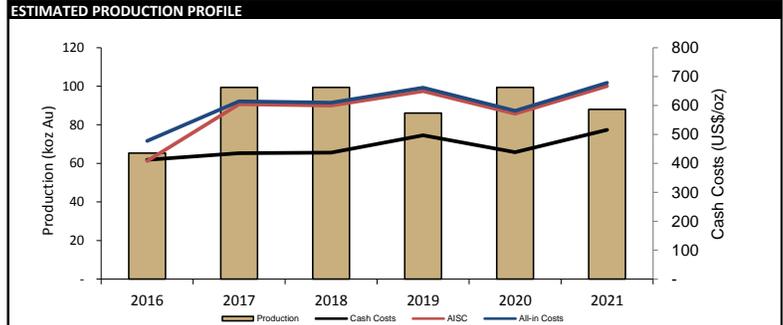
TECHNICAL ASSUMPTIONS					
	2014E	2015E	2016E	2017E	2018E
Gold (US\$/oz)	\$1266	\$1250	\$1250	\$1250	\$1250
Silver (US\$/oz)	\$19.07	\$18.00	\$18.00	\$18.00	\$18.00
Exchange Rate (C\$/US\$)	1.10	1.17	1.17	1.12	1.08
Exchange Rate (EUR\$/US\$)	0.75	0.85	0.87	0.82	0.78

PRODUCTION ESTIMATES					
	2015E	2016E	2017E	2018E	2019E
Production (Koz Au)*	0	65	99	99	86
Average Cash Costs (US\$/oz sold)	\$0	\$412	\$435	\$437	\$497
Capex Spending (US\$ M)*	\$82.2	\$20.8	\$12.7	\$11.9	\$8.8

RESERVES & RESOURCES				
	Tonnes (000)	Grade (g/t Au)	Gold (000 oz)	Mine Life (years)
Company Reported P&P Reserves	1,996	11.83	759	8
Company Reported M&I Resources (Incl. Reserves)	1,600	15.80	810	6
Company Reported Inferred Resources	840	10.26	278	3
Total	2,440	13.89	1,088	9
Haywood Total Mineable Resources	2,504	11.70	942	10

NET ASSET VALUATION				
Operations	US\$m	C\$/sh	Multiple	Adjusted Per Sh. (C\$)
Yaramoko	\$283	\$1.02	0.90x	\$0.92
Net Cash	\$29	\$0.10		\$0.10
Other Adjustments (Warrants & Options, G&A)	(\$5)	(\$0.02)		(\$0.02)
Net Asset Value	\$307	\$1.11		\$1.01

COMPARABLES						
Company	Ticker	Share Price	EV	Resources	EV/oz	P/NAV
		C\$	US\$m	Moz Au	US\$	
Aureus Mining Inc.	TSX:AUE	C\$ 0.42	\$128	1.4	\$93	0.48x
Continental Gold Limited	TSX:CNL	C\$ 2.15	\$149	5.4	\$27	0.34x
Klondex Mines Ltd.	TSX:KDX	C\$ 2.62	\$257	1.4	\$188	1.25x
Orbis Gold Limited	ASX:OBS	C\$ 0.62	\$124	2.5	\$50	0.59x
Midway Gold Corp.	TSX:MDW	C\$ 0.91	\$116	4.8	\$24	0.95x
True Gold Mining Inc.	TSXV:TGM	C\$ 0.18	(\$0)	4.1	-	0.27x
Selected Company Average			\$129		\$77	0.65x
Roxgold Inc.	TSXV:ROG	C\$ 0.64	\$87	1.1	\$77	0.46x



Source: Haywood Securities



Royal Nickel Corp. (RNX-T)
 Rating: BUY
 Target Price: C\$0.60
 Target Price Metric: 1.0x After-Tax Corporate NAV10%

January 26, 2015

Target Price, C\$	\$0.60	Shares O/S, million	109.6
Current Price, C\$	\$0.33	Shares F/D, million	134.9
Return, %	82%	Market Capitalization, US\$M	\$30.9
52-Week High / Low, C\$	\$0.75 / \$0.29	Company CEO	Mark Selby
Daily Volume (100-day avg)	87,343	Company Web Site	www.royalnickel.com

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$30.9	\$0.28	\$36.2	\$0.33
Current Cash	\$5.2	\$0.05	\$6.1	\$0.06
F/D Cash Adds	\$11.1	\$0.10	\$13.0	\$0.12
Working Capital	\$3.6	\$0.03	\$4.2	\$0.04
Long-term Debt	\$0.0	\$0.00	\$0.0	\$0.00
Book Value	\$56.3	\$0.51	\$65.9	\$0.60
Enterprise Value (EV)	\$27.3	\$0.25	\$32.0	\$0.29

EV = Market Capitalization + Working Capital + Long-term Debt
CS/US\$ FX Rate: 1.17

	Number	Price	Proceeds	Expiry
Warrants	6.3M	C\$0.95	US\$5.1M	July 8, 1905
Options	10.0M	C\$0.71	US\$6.0M	2018 - 2019
Warrants + Options	16.3M	C\$0.80	US\$11.1M	

CS/US\$ FX Rate: 1.17

July 17, 2014 - \$5.8M marketed public offering (9.6M units @ \$0.60 per unit, 1 unit = 1 share + 0.5 warrant @ \$0.80 for 2 years)
March 7, 2013 - \$2.0M flow-through private placement (4.0M flow-through shares @ \$0.50)
January 13, 2011 - \$6.6M over-allotment of IPO (2.9M shares @ \$2.25; 1 unit = 1 share + 0.5 warrant @ \$3.00 for 2 years)
December 16, 2010 - \$45.0M initial public offering (14.5M units @ \$2.25; 1 unit = 1 share + 0.5 warrant @ \$3.00 for 2 years)

	2014	2015	2016	2017	2018	2019
Forecast Nickel Price, US\$/lb	\$7.66	\$7.00	\$8.00	\$9.00	\$9.00	\$9.00
Forecast Cobalt Price, US\$/oz	\$14.42	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50
C\$/US\$ FX Rate	\$1.10	\$1.17	\$1.17	\$1.12	\$1.08	\$1.08
Shares O/S, millions	102	501	557	898	953	954
Gross Sales Revenue, US\$M	\$0	\$0	\$0	\$105	\$359	\$470
Net Revenue, US\$M	\$0	\$0	\$0	\$89	\$307	\$406
Cost of Sales, US\$M	\$0	\$0	\$0	(\$55)	(\$153)	(\$167)
Corporate G&A, US\$M	(\$5)	(\$5)	(\$5)	(\$5)	(\$5)	(\$5)
EBITDA, US\$M	(\$5)	(\$5)	(\$5)	\$26	\$136	\$217
EV / EBITDA	-	-	-	1.1x	0.2x	0.1x
DD&A, US\$M	\$0	(\$3)	(\$16)	(\$16)	(\$39)	(\$66)
Gain on Derivative Instruments, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Earnings, US\$M	(\$5)	(\$8)	(\$21)	(\$27)	\$24	\$58
EPS, US\$	(\$0.04)	(\$0.02)	(\$0.04)	(\$0.03)	\$0.03	\$0.06
Current Price / EPS	-	-	-	-	-	5.0x
Target Price / EPS	-	-	-	-	22.1x	9.1x
Cash Flow Before W/C Changes, US\$M	(\$5)	(\$7)	(\$19)	(\$13)	\$91	\$189
CFPS, US\$	(\$0.04)	(\$0.01)	(\$0.03)	(\$0.01)	\$0.10	\$0.20
Current Price / CFPS	-	-	-	-	3.2x	1.5x
Target Price / CFPS	0.0x	0.0x	0.0x	0.0x	5.8x	2.8x
CAPEX, US\$M	\$0	(\$75)	(\$617)	(\$235)	(\$82)	(\$65)
Proceeds from Equity Financing, US\$M	\$5	\$157	\$0	\$150	\$0	\$0
Proceeds from Debt Financing, US\$M	\$0	\$438	\$0	\$0	\$0	\$0
Debt Repayment, US\$M	\$0	\$0	\$0	\$0	(\$44)	(\$44)
Free Cash Flow, US\$M	(\$1)	\$802	(\$636)	(\$98)	(\$43)	\$80
FCPS, US\$	(\$0.01)	\$1.60	(\$1.14)	(\$0.11)	(\$0.05)	\$0.08

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
RAB Special Situations	18.5	17%	18.5	14%
Marbaw	4.7	4%	4.7	3%
RBC Global Investment	1.1	1%	1.1	1%
Management and Directors	6.5	6%	6.5	5%
Total	109.6	28%	134.9	23%

	Haywood	\$6.00	\$9.00	\$12.00	\$15.00	Spot
Forecast Long-term Nickel Price, US\$/lb	Model	\$12.00	\$15.00	\$18.00	\$21.00	\$14.43
Forecast Long-term Cobalt Price, US\$/oz	1.17	1.10	1.05	1.00	0.95	1.24
Forecast Long-term C\$/US\$ FX Rate						
Corporate Adjustments, US\$M	(\$288)	(\$288)	(\$288)	(\$288)	(\$288)	(\$288)
Dumont After-Tax Project NAV(10%), US\$M	\$607	(\$408)	\$602	\$1,317	\$2,010	(\$154)
Additional Exploration Credit, US\$M	\$249	\$249	\$249	\$249	\$249	\$249
Corporate NAV, US\$M	\$567	(\$447)	\$563	\$1,278	\$1,971	(\$193)
Corporate Adjustments, C\$ / F/D share	(\$0.30)	(\$0.28)	(\$0.27)	(\$0.26)	(\$0.25)	(\$0.32)
Dumont After-Tax Project NAV(10%), C\$ / F/D share	\$0.64	(\$0.40)	\$0.57	\$1.18	\$1.71	(\$0.17)
Additional Exploration Credit, C\$ / F/D share	\$0.26	\$0.25	\$0.23	\$0.22	\$0.21	\$0.28
Corporate NAV, C\$ / F/D share	\$0.60	(\$0.44)	\$0.53	\$1.15	\$1.68	(\$0.22)
Current Price / Corporate NAV	0.6x	-	0.6x	0.3x	0.2x	-1.5x
Target Price / Corporate NAV	1.0x	-	1.1x	0.5x	0.4x	-2.8x
2018E CFPS, US\$	\$0.10	(\$0.02)	\$0.10	\$0.22	\$0.34	\$0.00
2019E CFPS, US\$	\$0.20	\$0.05	\$0.21	\$0.36	\$0.43	\$0.07

Model shares F/D (fully financed): 1,116M

	RLOM	2015	2016	2017	2018	2019
Ore Tonnes Mined, millions	1,179	3	13	12	29	52
Waste Mined, millions	1,335	3	20	34	37	26
Strip Ratio	1.1	1.1	1.5	2.8	1.3	0.5
Ore Tonnes Milled, millions	1,179	-	-	7	19	19
Ore Tonnes Milled, tonnes per day	105,000	-	-	19,800	52,600	52,600
Nickel Grade Milled, %	0.27%	-	-	0.26%	0.30%	0.36%
Cobalt Grade Milled, %	0.01%	-	-	0.01%	0.01%	0.01%
Nickel Recovery, %	43%	-	-	46%	50%	53%
Cobalt Recovery, %	42%	-	-	42%	42%	42%
Nickel production (in concentrate), Mlb	2,983	-	-	19	64	79
Cobalt production (in concentrate), Mlb	115.0	-	-	0.7	1.8	2.0
Payable Nickel Production, Mlb	2,774	-	-	18	59	74
Payable Cobalt Production, Mlbs	57.5	-	-	0.3	0.9	1.0
Operating Cost, US\$/tonne milled	\$9.50	-	-	\$13.00	\$13.00	\$13.00
Nickel Cash Cost (on-site, net of credits), US\$/lb	\$3.50	-	-	\$5.00	\$4.00	\$3.00
Total Nickel Cash Cost (net of credits, incl. royalties), US\$/lb	\$5.50	-	-	\$6.50	\$5.50	\$4.50

	Tonnes (000's)	Ni Grade (%)	NiEq Grade (%)	Nickel (Mlb)	NiEq (Mlb)	EV/NiEq (US\$/lb)
Haywood Model Mineable (100%)	1,178,993	0.27%	0.29%	6,940	7,477	-
Haywood Model Payable (100%)	-	-	-	2,774	2,920	-
Proven and Probable Reserve (100%)	1,178,600	0.27%	0.29%	6,942	7,485	\$0.004
Measured & Indicated Resource (100%)	487,000	0.28%	0.30%	2,977	3,208	-
Inferred Resource (100%)	499,800	0.26%	0.28%	2,862	3,067	-
Total Reserve and Resource (100%)	2,165,400	0.27%	0.29%	12,779	13,760	\$0.002
Attributable Reserve (100%)	1,178,600	0.27%	0.29%	6,942	7,485	-
Attributable Reserve and Resource (100%)	2,165,400	0.27%	0.29%	12,779	13,760	\$0.002

Measured & indicated resource is additional to proven and probable reserve.

	Analysts	Mean EPS	High / Low	Haywood Cons.	Mean CFPS	High / Low	Haywood Cons.
2014 Consensus Estimate	2	(US\$0.10)	(US\$0.10 - US\$0.10)	(56%)	(US\$0.01)	(US\$0.01)	302%
2015 Consensus Estimate	1	(US\$0.03)	(US\$0.03 - US\$0.03)	(49%)	(US\$0.03)	(US\$0.03)	(55%)
Consensus Valuation	1	-	-	-	US\$1.44	US\$2.00 / US\$0.75	(58%)

	RLOM	2015	2016	2017	2018	2019
Forward Nickel Sales, Mlb	-	-	-	-	-	-
Forward Nickel Sales Price, US\$/lb	-	-	-	-	-	-
Forward Cobalt Sales, Mlb	-	-	-	-	-	-
Forward Cobalt Sales Price, US\$/lb	-	-	-	-	-	-

	Share Price	Corp NAV	Price / NAV	2014E CFPS	Price / CFPS	2015E CFPS	Price / CFPS
Royal Nickel Corp. (RNX-T)	C\$0.33	US\$0.51	0.6x	(US\$0.05)	-	(US\$0.04)	-
Capstone Mining Corp. (CS-T)	C\$1.23	US\$4.44	0.3x	US\$0.60	1.8x	US\$0.50	2.1x
Copper Mountain Mining Corp. (CMM-T)	C\$1.10	US\$0.55	1.8x	US\$0.40	2.5x	US\$0.62	1.5x
Coro Mining Corp. (COP-T)	C\$0.03	US\$0.43	0.1x	(US\$0.02)	-	(US\$0.02)	-
First Quantum Minerals Ltd. (FM-T)	C\$12.67	US\$22.45	0.5x	US\$2.45	4.7x	US\$3.40	3.2x
Foran Mining Corp. (FOM-V)	C\$0.22	US\$0.07	2.8x	(US\$0.02)	-	(US\$0.01)	-
HudBay Minerals Inc. (HBM-T)	C\$9.12	US\$10.44	0.8x	US\$0.15	56.1x	US\$0.75	10.3x
Lundin Mining Corp. (LUN-T)	C\$4.63	US\$6.50	0.6x	US\$0.72	5.9x	US\$1.20	3.3x
Navsun Resources Ltd. (NSU-T)	C\$4.36	US\$4.67	0.8x	US\$0.60	6.7x	US\$0.65	5.7x
Novacopper Inc. (NCQ-T)	C\$0.68	US\$1.73	0.4x	(US\$0.16)	-	(US\$0.33)	-
Surridge Gold Corp. (SGC-V)	C\$0.15	US\$0.30	0.5x	(US\$0.02)	-	(US\$0.01)	-
Talon Metals Corp. (TLO-T)	C\$0.23	US\$0.42	0.5x	(US\$0.05)	-	(US\$0.03)	-
Trevi Mining Corp. (TV-T)	C\$1.06	US\$1.15	0.8x	US\$0.05	21.2x	US\$0.10	9.0x
Zazu Metals Corp. (ZAZ-T)	C\$0.31	US\$0.58	0.5x	(US\$0.04)	-	(US\$0.02)	-
Peer-Group Average (producers)			0.8x		12.4x		4.4x
Peer-Group Average (all)			0.8x		14.1x		5.0x

2014E CS/US\$ FX Rate: 1.10
2015E CS/US\$ FX Rate: 1.17

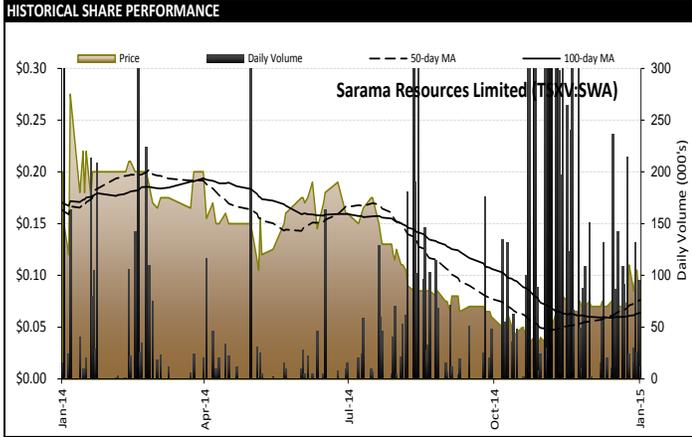
	Year	Quarter	Amount (US\$M)	Price (C\$/share)	Shares (millions)
Current O/S Share Capital					110
Current F/D Share Capital					135
Equity Financing (Dumont construction)	2015	Q1	\$157	C\$0.35	447
Equity Financing (working capital top-up)	2017	Q1	\$150	C\$0.45	390
Equity Financing (Dumont expansion)	2020	Q1	\$75	C\$0.55	136
Modelled Fully Financed F/D Share Capital					1,116

Haywood model assumes a 50:50 debt-equity structure to fund Dumont's US\$1.25 billion initial capital cost.
Haywood model assumes the sale of a 30% project interest for US\$290M to a strategic partner.



	Sarama Resources Limited (TSXV:SWA,\$0.10)	Target Price (C\$)	\$0.25	Market Cap, C\$M	\$8.3
	Rating: Buy	Return (%)	163%	Company CEO	Andrew R. Dinning
	Risk: Very High Risk	52 Week High/Low (C\$)	\$0.28/\$0.03	Company Website	www.saramaresources.com
		Daily Volume (3-month avg)	98,500		

CAPITAL STRUCTURE	
(As of June 2014)	Shares (Millions)
Shares Outstanding	87.2
Warrants	10.5
Options	6.5
Fully Diluted Shares	104.1
OWNERSHIP (Source: Bloomberg - November 2014)	
	Shares (mln) % O/S
Sun Valley Gold LLC	12.6 14.5%
JP Morgan	8.2 9.4%
1832 Asset Management	7.8 8.9%
Andrew R. Dinning	6.3 7.2%
Jack Hamilton	4.0 4.5%

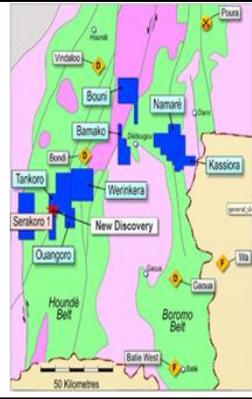


FINANCIAL SUMMARY					
Year-end December 31 (US\$)	2013A	2014E	2015E	2016E	2017E
FD Shares, million	81.6	104.2	138.2	170.0	168.3
EPS	0.01	(0.02)	(0.01)	(0.01)	(0.01)
CFOPPS	(0.03)	(0.01)	(0.01)	(0.01)	(0.01)
Income Statement (US\$000's)					
Revenue	0	0	0	0	0
Cost of Goods Sold	0	0	0	0	0
Depreciation	35	31	31	31	31
General & Admin	2,572	1,606	1,503	1,841	1,707
Net Income	503	(2,145)	(1,534)	(1,872)	(1,738)
Balance Sheet (US\$000's)					
Cash & Equivalents	4,201	2,028	1,109	3,339	1,709
Debt	0	0	0	0	0
Cash Flow (US\$000's)					
Op. CF (before W/C)	(2,056)	(1,540)	(1,439)	(1,530)	(1,629)
Financing CF	0	2,794	2,820	3,760	0
Investing CF	(8,137)	(3,041)	(2,373)	0	0
Change in Cash	(10,193)	(2,041)	(992)	2,230	(1,629)

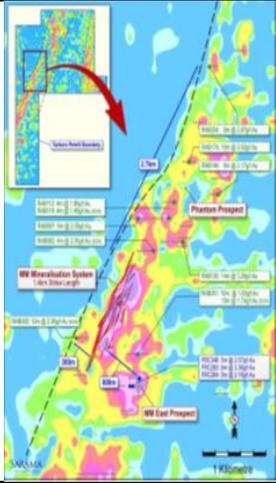
COMPARABLES*						
Company	Ticker	Share	EV Cdn\$	Resources US\$m	EV/oz US\$	P/NAV
Asanko Gold Inc.	TSX:AKG	C\$ 1.99	\$78	5.3	\$15	0.55x
Aureus Mining Inc.	TSX:AUE	C\$ 0.42	\$128	1.4	\$93	0.48x
Gryphon Minerals Ltd.	ASX:GRY	C\$ 0.08	-\$3	5.0	-	0.28x
Orezone Gold Corporation	TSX:ORE	C\$ 0.45	\$29	5.3	\$5	0.38x
Roxgold Inc.	TSXV:ROG	C\$ 0.64	\$134	1.1	\$120	0.47x
Selected Company Average					3.6	0.43x
Sarama Resources Limited	TSXV:SWA	C\$ 0.10	\$4	1.5	\$3	0.34x

Notes: *R=Haywood Research Restricted, Remainder of Comparables based on Capital IQ Consensus Estimates

ASSET DESCRIPTION - SOUTH HOUNDE	
Projects Interest:	Multiple option agreements and 100% Interests in exploration permits
Location:	Burkina Faso, Liberia and Mali
Total Claims Area:	+7,000km
Flagship Project:	South Houndé
Location:	Hounde Greenstone Belt, Burkina Faso
Total Claims Area:	+3,127km ²
Work performed to date:	Scout RC drilling, airborne geophysical and soil geochemical surveys, RC, RAB and diamond drilling
Key Anomalies:	Tankoro Permit 1) 20km x 4km gold-in-soil anomaly 2) 10km long gold-in-soil anomaly
Drill Targets:	Tankoro (MM, Guy, Phantom) and Serakoro 1 Permit Two 14km and 24km long (both 1-2km wide) anomalies



SOUTH HOUNDE - TANKORO SOIL ANOMALY	
Project Interest:	Multiple options agreements
Location:	Burkina Faso
Number of Targets drilled:	3
Main Target:	MM, Phantom
Target Strike Length:	drilled over 1.8-1.9 km for each remain open for expansion
Drilling to Date (m):	+60,000m
Drill Highlights (MM target):	18.3m of 7.09 g/t Au @ hole DDH010A 10.2m of 14.85 g/t Au @ hole DDH025 incl. 0.6m of 62.9 g/t Au 4.3m of 42.8 g/t Au @ hole DDH043 incl. 3.1 m of 59.17 g/t Au
2012 Program - Completed:	35,000m RC 11,000m DD 14,000m RAB
2013 Program:	55,000 m drilling (RAB, RC, DD) Mapping Sampling Metallurgy



RESERVE & RESOURCES	Tonnes (000)	Grade (g/t Au)	Gold (000 oz)	Mine Life (years)
Tankoro (90% Owned)				
Company Reported P&P Reserves	0	0.00	0	0
Company Reported M&I Resources	0	0.00	0	0
Company Reported Inferred Resources	29,130	1.60	1,503	8
Total	29,130	1.60	1,503	8

NET ASSET VALUATION				
Operations	US\$m	Per Sh.	Multiple	Adjusted Cdn\$/Sh.
Tankoro In-Situ	\$38	\$0.26	1.00x	\$0.26
Burkina Portfolio	\$4	\$0.03	1.00x	\$0.03
Exploration Properties	\$3	\$0.02	1.00x	\$0.02
Net Cash	\$1	\$0.01		\$0.01
Other Adjustments (Wrnts, Optns, Co)	(\$9)	(\$0.06)		(\$0.06)
Net Asset Value	\$36	\$0.25		\$0.25

Source: Haywood Securities



SEMAFO Inc. (SMF-T, \$4.03)
 Rating (Risk): Buy (Medium-High)
 Target Price Metric: 8x EV/2015E CFPS

Target Price, C\$ \$5.75
 Return, % 43%
 52-Week High / Low, C\$ \$5.48 / \$2.39
 Daily Volume (3-month avg) 2,370,906

Shares O/S, millions 277.7
 Shares F/D, millions 283.1
 Market Capitalization, US\$M \$900.7
 Company CEO Benoit Desormeaux
 Company Web Site www.semafo.com

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$900.7	\$3.24	\$1,119.1	\$4.03
Current Cash	\$128.0	\$0.46	\$159.1	\$0.57
F/D Cash Adds	\$13.6	\$0.05	\$17.0	\$0.06
Working Capital	\$160.2	\$0.58	\$199.1	\$0.72
Long-term Debt	\$0.0	\$0.00	\$0.0	\$0.00
Book Value	\$540.3	\$1.95	\$671.3	\$2.42
Enterprise Value (EV)	\$740.4	\$2.67	\$920.0	\$3.31

EV = Market Capitalization + Working Capital + Long-term Debt
 C\$/US\$ FX Rate: 1.24

	Number	Price	Proceeds	Average Residual Life Span
Warrants	0.0M	C\$0.00	US\$0.0M	-
Options	5.4M	C\$2.96	US\$12.9M	5.25 Years
Warrants + Options	5.4M	C\$2.96	US\$12.9M	

C\$/US\$ FX Rate: 1.17

Recent Financings
 June 2010 - C\$119.9M financing: 17.3M common shares @ C\$6.95
 June 2009 - C\$40.6M financing: 17.9M common shares @ C\$2.27

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Van Eck Associates Corp.	41.2	14.8%	41.2	14.6%

	2013	2014	2015	2016	2017	2018
Forecast Gold Price, US\$/oz	\$1,405	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
Realized Gold Price, US\$/oz	\$1,405	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
C\$/US\$ FX Rate	1.03	1.10	1.17	1.17	1.12	1.08
Shares O/S, millions	277.7	277.7	277.7	277.7	279.1	282.7
Revenue, US\$M	\$226.6	\$289.0	\$328.3	\$344.7	\$240.0	\$295.3
Mine Site Expense, US\$M	(\$125.4)	(\$152.3)	(\$140.7)	(\$148.9)	(\$143.8)	(\$148.5)
Corporate G&A, US\$M	(\$20.0)	(\$17.0)	(\$17.0)	(\$17.0)	(\$17.0)	(\$17.0)
EBITDA, US\$M	\$100.5	\$114.3	\$165.2	\$173.4	\$73.8	\$124.5
EV / EBITDA	7.4x	6.5x	4.5x	4.3x	10.0x	5.9x
DD&A, US\$M	(\$44.2)	(\$70.3)	(\$78.8)	(\$82.7)	(\$57.6)	(\$70.9)
Earnings, US\$M	\$9.2	\$29.2	\$58.9	\$61.8	\$9.8	\$35.9
EPS, US\$	\$0.10	\$0.15	\$0.21	\$0.22	\$0.05	\$0.15
Current Price / EPS	39.1x	24.4x	16.2x	15.5x	71.8x	24.9x
Target Price / EPS	55.8x	34.8x	23.2x	22.2x	102.4x	35.5x
Cash Flow Before W/C Changes, US\$M	\$77.6	\$105.7	\$147.0	\$154.2	\$71.4	\$113.7
CFPS, US\$	\$0.28	\$0.40	\$0.53	\$0.56	\$0.26	\$0.41
Current Price / CFPS	14.0x	9.2x	6.5x	6.2x	13.8x	9.1x
Target Price / CFPS	19.9x	13.1x	9.3x	8.9x	19.7x	13.0x
CFPS Sensitivity, US\$	-	-	\$0.03	\$0.04	-	-
CAPEX and Total Exploration, US\$M	(\$114.2)	(\$79.0)	(\$55.0)	(\$46.0)	(\$36.0)	(\$31.0)
Proceeds from Equity Financing, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from Debt Financing, US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Debt Repayment, US\$M	(\$0.2)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Free Cash Flow, US\$M	(\$25.3)	\$26.7	\$92.0	\$108.2	\$35.4	\$82.7
FCPS, US\$	(\$0.10)	\$0.05	\$0.30	\$0.35	\$0.10	\$0.29

CFPS sensitivity is based on a US\$/oz change in forecast gold price.
 2014 Company Guidance: 230,000-235,000 ounces of gold at a TCC of US\$660-US\$675/oz.
 2015 Company Guidance: 245,000-275,000 ounces of gold at a TCC of US\$575-US\$605/oz and AISC of US\$715-US\$750/oz.

	2013	2014	2015	2016	2017	LOM
Wona Kona, Fofina (90% owned, open pit)						
Tonnes Milled, millions	2.80	1.87	1.67	1.54	1.54	20.10
Gold Grade, g/t	2.10	1.85	2.30	2.78	2.25	2.25
Metallurgical Gold Recovery, %	86%	85%	84%	84%	84%	83%
Strip Ratio	5.0	8.0	7.3	9.4	7.7	7.7
Gold Production (100%), ounces 000's	163	94	104	116	93	1,201
Siou (90% owned, open pit)						
Tonnes Milled, millions	-	0.93	0.83	0.96	0.96	4.06
Gold Grade, g/t	-	4.90	6.25	5.45	3.35	4.85
Metallurgical Gold Recovery, %	-	95%	95%	95%	95%	95%
Strip Ratio	-	14.8	14.8	14.8	14.8	12.5
Gold Production (100%), ounces 000's	-	140	159	160	99	601
Total - Mana (90% owned, open pit)						
Tonnes Milled, millions	2.80	2.75	2.50	2.50	2.50	20.10
Gold Grade, g/t	2.10	2.90	3.62	3.81	2.67	2.29
Metallurgical Gold Recovery, %	86%	91%	90%	90%	89%	83%
Strip Ratio	5.0	8.0	7.3	9.4	7.7	7.8
Gold Production (100%), ounces 000's	165	235	265	275	190	1,820
Total Cash Cost, US\$/oz	765	650	550	545	750	760
Total Production (100%), ounces 000's	165	235	265	275	190	1,820
Total Attributable Production, ounces 000's	215	235	265	275	190	1,820
Cash Cost, US\$/oz	\$750	\$615	\$485	\$480	\$690	\$700
Total Cash Cost, US\$/oz	\$820	\$650	\$550	\$545	\$750	\$760
AISC, US\$/oz	\$1,140	\$805	\$760	\$725	\$1,010	\$975

	Q3/13A	Q4/13A	Q1/14A	Q2/14A	Q3/14A	Q4/14A
Tonnes of Ore Crushed, 000's	714	696	642	724	750	638
Total Gold Production, ounces	38,700	35,700	35,100	72,700	64,700	61,800
Total Gold Sales, ounces	36,900	40,100	29,400	68,200	67,100	65,500
Cash Cost, US\$/oz	\$746	\$890	\$952	\$475	\$549	
Cash Oper. Cost, US\$/tonne processed	\$41	\$45	\$52	\$48	\$47	
Total Cash Cost, US\$/oz	\$799	\$935	\$1,088	\$602	\$555	\$600
Average Realized Gold Price, US\$/oz	\$1,341	\$1,266	\$1,309	\$1,287	\$1,260	
Average LME Gold Price, US\$/oz	\$1,326	\$1,272	\$1,293	\$1,288	\$1,282	
Cash Flow before W/C changes, US\$M	\$16.2	\$16.2	\$2.1	\$37.6	\$40.6	
CFPS, US\$	\$0.06	\$0.06	\$0.01	\$0.14	\$0.15	
Reported Earnings, US\$M	(\$0.8)	(\$7.1)	(\$12.9)	\$13.0	\$11.2	
EPS, US\$	(\$0.00)	(\$0.03)	(\$0.05)	\$0.05	\$0.04	
Capex, US\$M	\$22.2	\$30.6	\$17.7	\$18.1	\$18.5	

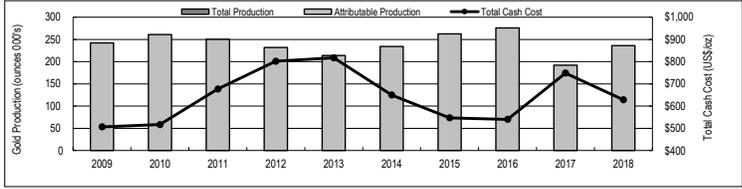
Kerry Smith, P.Eng. - Research Analyst
 ksmith@haywood.com 416-507-2306

	Base Case	\$1,100	\$1,200	\$1,400	\$1,295
Corporate Adjustments, US\$M	\$42.6	\$42.6	\$42.6	\$42.6	\$42.6
Mana After-Tax Project NAV _{25%} , US\$M	\$447.2	\$264.5	\$386.9	\$629.4	\$508.9
Samira Hill After-Tax Project NAV _{25%} , US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Kiniero After-Tax Project NAV _{15%} , US\$M	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Additional Exploration Credit, US\$M	\$205.5	\$205.5	\$205.5	\$205.5	\$205.5
Corporate NAV, US\$M	\$695.3	\$512.6	\$634.9	\$877.4	\$757.0
Corporate Adjustments, C\$ / F/D share	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Mana After-Tax Project NAV _{25%} , C\$ / F/D share	\$1.85	\$1.10	\$1.60	\$2.60	\$2.10
Samira Hill After-Tax Project NAV _{25%} , C\$ / F/D share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Kiniero Lake After-Tax Project NAV _{15%} , C\$ / F/D share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Exploration Credit, C\$ / F/D share	\$0.85	\$0.85	\$0.85	\$0.85	\$0.85
Corporate NAV, C\$ / F/D share	\$2.90	\$2.15	\$2.65	\$3.65	\$3.15
Current Price / Corporate NAV	1.4x	1.9x	1.5x	1.1x	1.3x
Target Price / Corporate NAV	2.0x	2.7x	2.2x	1.6x	1.8x
2014E CFPS, US\$	\$0.40	\$0.39	\$0.39	\$0.40	\$0.40
2015E CFPS, US\$	\$0.53	\$0.43	\$0.49	\$0.63	\$0.56
Implied Target Price, C\$ @ 8x EV/2015E CFPS	\$5.75	\$4.75	\$5.50	\$6.75	\$6.00

Base case gold price assumption of US\$1,250/oz.
 Shares F/D, millions: 283.1
 2015E C\$/US\$ FX Rate: \$1.17

	Tonnes (000's)	Au Grade (g/t)	Gold (Moz)	EV/oz (US\$/oz)	Mine Life (years)	Peer Group EV/oz (US\$/oz)
Mana						
Haywood Model-Mineable (100%)	20,101	2.29	1.48	-	7.3	
Wona-Kona	17,535	2.20	1.24	-	-	
Nyafe	267	5.84	0.05	-	-	
Fofina	2,757	2.68	0.24	-	-	
Siou	4,843	4.94	0.77	-	-	
ROM pad	114	1.50	0.01	-	-	
Company Reported Proven and Probable Reserve (100%)	25,516	2.81	2.30	-	9.3	
Company Reported M&I Resource (100%)	35,875	2.12	2.45	-	13.0	
Company Reported Inferred Resource (100%)	14,712	3.06	1.45	-	5.3	
Total Company Reported Reserve and Resource (100%)	76,103	2.53	6.19	\$120	27.6	

Measured and indicated resources are additional to reserves.



	Analysts	Mean EPS	High / Low	vs. Cons.	Mean CFPS	High / Low	vs. Cons.
2014 Consensus Estimate	13	US\$0.12	US\$0.12 / US\$0.06	28%	US\$0.40	US\$0.48 / US\$0.3	1%
2015 Consensus Estimate	14	US\$0.24	US\$0.38 / US\$0.14	-12%	US\$0.51	US\$0.62 / US\$0.4	5%
2016 Consensus Estimate	13	US\$0.20	US\$0.31 / US\$0.1	12%	US\$0.48	US\$0.61 / US\$0.29	17%

	Analysts	SO Rating	SP Rating	SU Rating	Mean Target	High / Low	Haywood vs. Cons.
Consensus Valuation	16	12	4	-	C\$5.14	US\$6.68 / US\$3.90	12%

	Price C\$	2014 CFPS (US\$)	2014 P/CF	2015 CFPS (US\$)	2015 P/CF	2014 EV/CF	2015 EV/CF
SEMAFO	\$4.03	\$0.40	8.2x	\$0.51	6.4x	6.9x	5.4x
Alacer Gold	\$2.89	\$0.41	5.7x	\$0.30	7.8x	2.8x	3.8x
Alamos Gold	\$7.50	\$0.38	15.9x	\$0.35	17.2x	7.2x	7.8x
Aurico Gold	\$4.73	\$0.25	15.3x	\$0.36	10.7x	17.6x	12.3x
Argonaut Gold	\$2.53	\$0.34	6.0x	\$0.36	5.7x	3.6x	3.4x
B2Gold	\$2.52	\$0.18	8.1x	\$0.23	9.0x	12.1x	9.8x
Golden Star Resources	\$0.40	\$0.02	15.9x	\$0.13	2.4x	35.2x	5.3x
Parsec Mining	\$0.34	\$0.01	23.2x	\$0.04	7.6x	8.4x	2.7x
Peer Group Average			12.9x		8.6x	12.4x	6.4x
Peer Group Average (excluding high/low)			12.2x		8.2x	9.8x	6.0x

CFPS estimates sourced from Capital IQ

Source: Haywood Securities



SilverCrest Mines Inc. TSX:SVL AMEX:SVLC Price \$1.73 Rating: BUY
 23-Jan-15 Shares O/S (M) 119 MCap (C\$) (M) \$205 Target: \$1.90 Return: 10%

SilverCrest offers investors exposure to a precious metal producer with an increasing exposure to silver, along with gold and copper. SilverCrest has two principal projects in Mexico, the Santa Elena mine in Sonora and La Joya project in Durango.

Investment Highlights

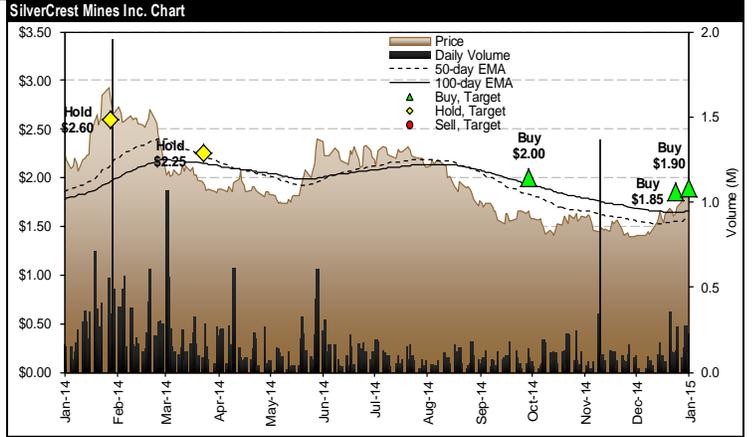
- SilverCrest Mines has two principal projects in Mexico: the Santa Elena mine in Sonora and the La Joya project in Durango.
- The Santa Elena mine is currently an open-pit heap-leach operation that is transitioning into an underground mine with mill.
- The La Joya project is a near-surface bulk-tonnage exploration project which will be evaluated on a stand-alone basis.

2015 Guidance

- Santa Elena: Production of 4.0 - 4.4 Moz silver-equivalent at a cash cost of US\$10.00 - 11.00 / oz AgEq. A capital budget of US\$10.5 million plus US\$4.8M in brownfield and adjacent property exploration.
- La Joya: Exploration expenditures of US\$0.5 million plus US\$0.6 million in property payments

Catalysts

- Ramp-up of underground production to 1,500 tpd by mid-2015
- Operating cost optimization - H1/15
- Results from exploration drilling – ongoing



Financials

	2010A	2011A	2012A	2013A	2014E	2015E
	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15
Forecast Gold Price, US\$/oz	\$1,226	\$1,572	\$1,669	\$1,414	\$1,266	\$1,250
Forecast Silver Price, US\$/oz	\$20.18	\$35.30	\$31.17	\$23.83	\$19.08	\$18.00
Forecast Copper Price, US\$/lb	\$3.42	\$4.01	\$3.61	\$3.31	\$3.15	\$2.50
C\$/US\$ FX Rate	1.03	0.99	1.00	1.01	1.10	1.17

Commodity & Exchange Rate Forecasts

	2010A	2011A	2012A	2013A	2014E	2015E
	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15
Forecast Gold Price, US\$/oz	\$1,226	\$1,572	\$1,669	\$1,414	\$1,266	\$1,250
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Income Statement

	2010A	2011A	2012A	2013A	2014E	2015E
Revenues, \$M	-	41.9	70.5	54.9	43.3	75.7
Total Operating Expenses, \$M	-	12.9	24.2	26.3	30.1	60.0
Mine Operating Profit, \$M	-	29.0	46.3	28.6	13.2	15.6
EBITDA, \$M	-	26.6	44.0	25.8	14.9	23.5
Net Income (Loss), \$M	-	9.5	30.5	8.5	3.3	8.0
Net Income (Loss) per share	-	0.12	0.33	0.08	0.03	0.07

Balance Sheet

	2010A	2011A	2012A	2013A	2014E	2015E
Cash & Equiv, \$M	9.0	9.7	28.1	14.4	38.4	38.9
Long-Term Debt, \$M	-	-	-	-	15.0	-
Basic Shares Outstanding, M	-	78.9	92.0	108.3	117.0	119.5

Cash Flow

	2010A	2011A	2012A	2013A	2014E	2015E
OCF before Δ in WC, \$M	-	14.7	40.1	23.0	7.0	21.3
OCF before Δ in WC per share	-	0.19	0.44	0.21	0.06	0.18
Cash flow from Operations, \$M	-	9.3	29.1	22.0	15.6	30.9
Cash Flow From Investing, \$M	-	(20.7)	(26.6)	(37.9)	(26.9)	(16.4)
Cash Flow From Financing, \$M	-	14.1	13.9	2.5	35.2	(14.0)

Production

Santa Elena	2010A	2011A	2012A	2013A	2014E	2015E
Tonnes processed (Kt)	336	1,008	1,157	1,074	727	1,095
Throughput (tpd)	922	2,761	3,170	2,944	1,993	3,000
Silver head grade (g/t)	34	45	48	73	100	83
Gold head grade (g/t)	0.6	1.8	1.4	1.6	1.2	1.3
Silver production (Koz)	-	377	580	779	1,157	1,795
Gold production (Koz)	-	27.0	33.0	31.1	27.6	39.0
Silver equivalent production (Koz)	-	1,618	2,346	2,596	2,900	4,501
Cash Costs (US\$/t milled)	-	9	16	19	29	41
Cash Cost (US\$/oz Ag net)	-	(27.1)	(45.8)	(21.3)	(8.7)	(2.0)
Cash Cost (US\$/oz AgEq)	-	5.89	7.80	7.78	8.93	10.01

Corporate Contact

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 CEO: Scott J. Drever

Benjamin Asuncion - Mining Analyst
 basuncion@haywood.com 604-697-6149

Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$3.05 / \$1.31	Average Daily Vol (M)	0.16
Ownership (M)	Shares O/S, M	% O/S	Major Shareholder (%)
Institutional	38	32%	Sprott Asset Management, LP 7%
Management & Insiders	8	7%	AGF Management Limited 5%
			Libra Advisors, LLC 5%
			RBC Global Asset Management Inc. 4%

Last Financing

13-Mar-14	\$23.0 million	Prospectus Offering	8,855 M shares at \$2.60/sh
Shares O/S - Basic, F.D.		118.8	126.5

(C\$) (M)

	Av Strike	Basic	ITM	Proceeds
Cash & Equiv				\$38
Options	\$1.05 - \$2.6	7.8	5.3	\$9
Warrants	\$0.00 - \$0.00	0.0	0.0	\$0
Total Cash & ITM		7.8	5.3	\$46
Market Cap				\$205

NAV Valuation

Projects	NAV8%		NAV6%		NAV5%	
	C\$M	C\$/sh	C\$M	C\$/sh	C\$M	C\$/sh
Santa Elena	124	1.01	135	1.09	141	1.14
La Joya (@ 10%)	25	0.21	25	0.21	25	0.21
Project NAV	149	1.22	160	1.31	166	1.35
Corporate Adjustments	(15)	(0.11)	(18)	(0.14)	(20)	(0.15)
Corporate NAV	135	1.11	142	1.17	146	1.20

Current share base: 119M Fully diluted share base: 127M

Metal Inventory

Mine Life	Category	Tonnes (k)	Ag (g/t)	Ag (koz)	Au (g/t)	Au (koz)
Santa Elena (incl. Cruz de Mayo)						
7.5 yrs	P&P	8,192	75	19,735	1.2	327
3.0 yrs	M&I	3,284	88	30,691	0.6	204
6.9 yrs	Inf.	7,555	84	20,420	0.4	85
17.4 yrs	Global	19,030	82	50,426	0.9	531
12.0 yrs	Modeled	12,569	81	32,556	1.3	535
La Joya (AgCu Rich Zone & Contact Zone)						
AgCu Rich Zone						
	Category	Tonnes (k)	Ag (g/t)	Ag (koz)	Cu (%)	Cu (klbs)
70.4 yrs	M&I	-	-	-	-	-
70.4 yrs	Inf.	126,700	24	95,727	0.2%	530,719
70.4 yrs	Global	126,700	24	95,727	0.2%	530,719
0.0 yrs	Modeled	-	-	-	-	-
Contact Zone						
	Category	Tonnes (k)	WO3 (%)	Mo (%)	WO3 (klbs)	Mo (klbs)
70.4 yrs	M&I	-	-	-	-	-
70.4 yrs	Inf.	44,600	0.08%	0.02%	74,728	15,732
70.4 yrs	Global	44,600	0.08%	0.02%	74,728	15,732
0.0 yrs	Modeled	-	-	-	-	-

Note: Santa Elena modeled incorporates reprocessing of heap leach tailings Resources are exclusive of reserves

Source: Haywood Securities



Sunridge Gold Corp. (SGC-V)
Rating: BUY
Target Price: C\$0.35
 Target Price Metric: 1.0x After-Tax Corporate NAV10%

Target Price, C\$ \$0.35 Shares O/S, million 209.9
 Current Price, C\$ \$0.15 Shares F/D, million 308.4
 Return, % 133% Market Capitalization, US\$M \$26.9
 52-Week High / Low, C\$ \$0.31 / \$0.12 Company CEO Michael Hopley
 Daily Volume (100-day avg) 144,531 Company Web Site www.sunridgegold.com

	US\$M	US\$ / O/S Share	CSM	C\$ / O/S Share
Market Capitalization	\$26.9	\$0.13	\$31.5	\$0.15
Current Cash	\$1.5	\$0.01	\$1.7	\$0.01
F/D Cash Adds	\$48.3	\$0.23	\$56.5	\$0.27
Working Capital	\$7.4	\$0.04	\$8.6	\$0.04
Long-term Debt	\$0.0	\$0.00	\$0.0	\$0.00
Book Value	\$24.0	\$0.11	\$28.1	\$0.13
Enterprise Value (EV)	\$19.5	\$0.09	\$22.9	\$0.11

EV = Market Capitalization + Working Capital + Long-term Debt
 CS/US\$ FX Rate: 1.17

	Number	Price	Proceeds	Expiry
Warrants	82.0M	C\$0.60	US\$41.7M	2015 - 2017
Options	16.5M	C\$0.47	US\$6.6M	2015 - 2019
Warrants + Options	98.5M	C\$0.57	US\$48.3M	

CS/US\$ FX Rate: 1.17

October 22, 2010 - \$5.8M back-end and non-backed private placement (30.3M units @ \$0.19 per unit, 1 unit = 1 share + 1 warrant at \$0.35 for 4 years)
October 29, 2012 - \$10.8M non-backed private placement (49.2M units @ \$0.22 per unit, 1 unit = 1 share + 1/2 warrant at \$0.35 for 5 years)
July 6, 2012 - \$2.0M non-backed private placement (5.4M units @ \$0.37 per unit, 1 unit = 1 share + 4/5 warrant at \$0.55 for 1 year)
November 17, 2010 - \$16.7M non-backed private placement (18.9M units @ \$0.90 per unit, 1 unit = 1 share + 1 warrant at \$1.40 for 5 years)
October 26, 2010 - \$10.0M non-backed private placement (20.0M units @ \$0.50 per unit, 1 unit = 1 share + 1/2 warrant at \$0.75 for 2 years)

	2014	2015	2016	2017	2018	2019
Forecast Copper Price, US\$/lb	\$3.11	\$2.50	\$2.75	\$3.00	\$3.25	\$3.25
Forecast Zinc Price, US\$/lb	\$0.98	\$1.10	\$1.20	\$1.20	\$1.15	\$1.15
Forecast Gold Price, US\$/oz	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Forecast Silver Price, US\$/oz	\$19.07	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
CS/US\$ FX Rate	1.10	1.17	1.17	1.12	1.08	1.08
Shares O/S, millions	210	312	1,045	1,148	1,148	1,148
Consolidated Gross Sales Revenue, US\$M	\$0	\$0	\$0	\$14	\$184	\$327
Consolidated Net Revenue, US\$M	\$0	\$0	\$0	\$13	\$162	\$294
Consolidated Cost of Sales, US\$M	\$0	\$0	\$0	\$1	\$25	(\$99)
Corporate G&A, US\$M	(\$4)	(\$4)	(\$4)	(\$4)	(\$4)	(\$4)
Consolidated EBITDA, US\$M	(\$4)	(\$4)	(\$4)	\$10	\$180	\$188
EV / Consolidated EBITDA	-	-	-	1.9x	0.1x	0.1x
Consolidated DDA, US\$M	\$0	\$0	\$0	(\$5)	(\$19)	(\$38)
Consolidated Gain on Derivative Instruments, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Consolidated Earnings, US\$M	(\$4)	(\$4)	(\$4)	\$2	\$78	\$73
Consolidated EPS, US\$	(\$0.02)	(\$0.01)	(\$0.00)	\$0.00	\$0.07	\$0.06
Current Price / Consolidated EPS	-	-	-	-	2.1x	2.2x
Consolidated Cash Flow Before W/C Changes, US\$M	(\$4)	(\$4)	(\$4)	\$4	\$71	\$125
Consolidated CFPS, US\$	(\$0.02)	(\$0.01)	(\$0.00)	\$0.00	\$0.06	\$0.11
Current Price / Consolidated CFPS	-	-	-	-	2.3x	1.3x
Attributable Earnings, US\$M	(\$4)	(\$4)	(\$4)	(\$0)	\$36	\$34
Attributable EPS, US\$	(\$0.02)	(\$0.01)	(\$0.00)	(\$0.00)	\$0.03	\$0.03
Current Price / Attributable EPS	-	-	-	-	4.4x	4.7x
Target Price / Attributable EPS	-	-	-	-	10.3x	11.1x
Attributable Cash Flow Before W/C Changes, US\$M	(\$4)	(\$4)	(\$4)	\$1	\$40	\$70
Attributable CFPS, US\$	(\$0.02)	(\$0.01)	(\$0.00)	\$0.00	\$0.03	\$0.06
Current Price / Attributable CFPS	-	-	-	-	4.0x	2.3x
Target Price / Attributable CFPS	-	-	-	-	9.4x	5.3x
Attributable CAPEx (incl. capitalized exploration), US\$M	\$0	\$0	(\$66)	(\$371)	(\$49)	(\$5)
Proceeds from Equity Financing, US\$M	\$0	\$15	\$175	\$0	\$0	\$0
Proceeds from Debt Financing, US\$M	\$0	\$0	\$0	\$291	\$0	\$0
Attributable Debt Repayment, US\$M	\$0	\$0	\$0	\$0	(\$29)	(\$29)
Attributable Free Cash Flow, US\$M	\$2	\$12	\$106	(\$69)	(\$36)	\$36
Attributable FCPS, US\$	\$0.01	\$0.04	\$0.10	(\$0.06)	(\$0.03)	\$0.03

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
US Global Investors	15.7	7%	15.7	5%
Blackrock	9.1	4%	9.1	3%
Global Strategic	3.4	2%	3.4	1%
TD	3.2	2%	3.2	1%
Management and Directors	1.0	0%	1.0	0%
Total	209.9	15%	308.4	11%

	Haywood Model	\$1.50	\$2.50	\$3.50	\$4.50	Spot
Forecast Copper Price, US\$/lb		\$0.20	\$0.80	\$1.40	\$2.00	\$0.95
Forecast Zinc Price, US\$/lb		\$5.00	\$1,000	\$1,500	\$2,000	\$1,295
Forecast Gold Price, US\$/oz		\$5.00	\$15.00	\$25.00	\$35.00	\$18.32
Forecast Silver Price, US\$/oz		1.17	1.30	1.15	1.00	0.85
Forecast CS/US\$ FX Rate		(\$140)	(\$140)	(\$140)	(\$140)	(\$140)
Corporate Adjustments, US\$M		\$389	(\$295)	\$151	\$497	\$779
Attrib. Asmara Project After-Tax Project NAV(10%), US\$M		\$127	\$127	\$127	\$127	\$127
Additional Exploration Credit, US\$M		\$376	(\$307)	\$138	\$484	\$768
Corporate NAV, US\$M		\$0.13	(\$0.15)	(\$0.13)	(\$0.11)	(\$0.10)
Corporate Adjustments, C\$ / F/D share		\$0.37	(\$0.31)	\$0.14	\$0.40	\$0.53
Attrib. Asmara Project After-Tax Project NAV(10%), C\$ / F/D share		\$0.12	\$0.13	\$0.12	\$0.10	\$0.09
Additional Exploration Credit, C\$ / F/D share		\$0.35	(\$0.32)	\$0.13	\$0.39	\$0.52
Corporate NAV, C\$ / F/D share		0.4x	-	1.2x	0.4x	0.7x
Current Price / Corporate NAV		1.0x	-	2.8x	0.5x	0.7x
Target Price / Corporate NAV		\$0.00	\$0.00	\$0.00	\$0.01	\$0.00
2017E Attributable CFPS, US\$		\$0.03	\$0.00	\$0.02	\$0.05	\$0.08
2018E Attributable CFPS, US\$						

Model shares F/D (fully financed): 1,245M

	Tonnes (000s)	Cu Grade (%)	Co/Cu Grade (%)	Copper (Mlb)	Co/Cu (Mlb)	EWt/CuEq (US\$/lb)
Asmara Project Model Mineable (100%)	56,583	0.8%	1.8%	1,012	2,207	-
Asmara Project Model Payable (100%)	-	-	-	767	1,455	-
Asmara Project Proven and Probable Reserve (100%)	56,584	0.80%	1.76%	1,003	2,191	-
Asmara Project Measured & Indicated Resource (100%)	19,501	0.59%	1.10%	256	475	-
Asmara Project Inferred Resource (100%)	34,300	0.61%	1.06%	464	804	-
Total Reserve and Resource (100%)	110,384	0.71%	1.43%	1,723	3,470	-
Attributable Reserve and Resource (80%)	66,231	0.71%	1.43%	1,034	2,082	\$0.009

Measured & indicated resource is additional to proven and probable reserve.

	Analysts	Mean EPS	High / Low	Reported vs Cons.	Mean CFPS	High / Low	Reported vs Cons.
2014E Consensus Estimate	1	(US\$0.02)	(US\$0.02) - (US\$0.02)	158%	(US\$0.02)	(US\$0.02) - (US\$0.02)	391%
2015E Consensus Estimate	1	US\$0.00	US\$0.01 - US\$0.01	(767%)	US\$0.03	US\$0.01 - US\$0.05	(167%)
Consensus Valuation	1	1	-	-	\$0.55	US\$0.51 - US\$0.55	(36%)

	Share Price	Corp NAV	Price / NAV	2014E CFPS	Price / CFPS	2015E CFPS	Price / CFPS
Sunridge Gold Corp. (SGC-V)	C\$0.15	US\$0.30	0.5x	(US\$0.06)	-	(US\$0.02)	-
Capstone Mining Corp. (CS-T)	C\$1.25	US\$4.44	0.3x	US\$0.60	1.9x	US\$0.50	2.2x
Copper Mountain Mining Corp. (CMM-T)	C\$1.10	US\$0.55	1.8x	US\$0.40	2.5x	US\$0.62	1.5x
Coro Mining Corp. (COP-T)	C\$0.04	US\$0.43	0.1x	(US\$0.02)	-	(US\$0.02)	-
First Quantum Minerals Ltd. (FQM-T)	C\$12.29	US\$22.45	0.5x	US\$2.45	4.6x	US\$3.40	3.1x
Foran Mining Corp. (FOM-V)	C\$0.22	US\$0.07	2.8x	(US\$0.02)	-	(US\$0.01)	-
Hudbay Minerals Inc.	C\$9.10	US\$10.44	0.8x	US\$0.15	56.0x	US\$0.75	10.3x
Lundin Mining Corp. (LUN-T)	C\$4.59	US\$6.50	0.6x	US\$0.72	5.8x	US\$1.20	3.3x
Nevsun Resources Ltd. (NSU-T)	C\$4.37	US\$4.67	0.9x	US\$0.60	6.7x	US\$0.65	5.8x
NovaCopper Inc. (NCQ-T)	C\$0.68	US\$1.73	0.4x	(US\$0.16)	-	(US\$0.33)	-
Royal Nickel Corp. (RNXT)	C\$0.34	US\$0.64	0.5x	(US\$0.04)	-	(US\$0.02)	-
Talon Metals Corp. (TLO-T)	C\$0.00	US\$0.00	-	US\$0.00	-	US\$0.00	-
Trevali Mining Corp. (TV-T)	C\$1.06	US\$1.15	0.8x	US\$0.05	21.2x	US\$0.10	9.0x
Zenith Metals Corp. (ZAZ-T)	C\$0.31	US\$0.58	0.5x	(US\$0.04)	-	(US\$0.02)	-
Peer-Group Average (producers)			0.8x		14.1x		5.0x
Peer-Group Average (all)			0.8x		14.1x		5.0x

2014E CS/US\$ FX Rate: 1.10
 2015E CS/US\$ FX Rate: 1.17

	RLOM	2015	2016	2017	2018	2019
Open Pit Ore Mined, Mt	54.9	-	-	0.7	2.8	4.1
Strip Ratio (excluding pre-strip)	2.7	-	-	22.3	6.6	4.3
Underground Ore Mined, Mt	1.7	-	-	-	-	-
DSO Production, Mt	0.1	-	-	-	0.1	-
DSO Copper Grade, %	15.6%	-	-	-	15.6%	-
DSO Contained Copper Production, Mlb	40	-	-	-	40	-
One Milled, Mt	56.5	-	-	0.4	1.4	2.7
One Milled, tonnes per day	9,000	-	-	1,000	4,000	7,500
Copper Grade Milled, %	0.7%	-	-	-	-	1.8%
Zinc Grade Milled, %	1.7%	-	-	-	-	-
Gold Grade Milled, g/t	0.42	-	-	2.00	1.60	0.87
Silver Grade Milled, g/t	12.6	-	-	12.3	10.8	19.5
Copper Recovery, %	86%	-	-	-	-	86%
Zinc Recovery, %	86%	-	-	-	-	86%
Copper Production (in concentrate), Mlb	799	-	-	-	-	94
Zinc Production (in concentrate), Mlb	1,807	-	-	-	-	-
Payable Copper Production, Mlb	805	-	-	-	37	90
Payable Zinc Production, Mlb	1,536	-	-	-	-	-
Payable Silver Production, ounces 000's	359	-	-	10	45	45
Payable Gold Production, Moz	8.8	-	-	0.0	0.3	0.6
Operating Cost, US\$/tonne milled	\$40	-	-	\$15	\$15	\$35
Copper Cash Cost (on-site, net of credits), US\$/lb	(\$0.20)	-	-	-	(\$1.10)	\$0.30
Total Copper Cash Cost (before credits), US\$/lb	\$3.95	-	-	-	\$1.45	\$1.55
Total Copper Cash Cost (net of credits), US\$/lb	\$1.00	-	-	-	(\$0.30)	\$0.80

	RLOM	2015	2016	2017	2018	2019
Forward Copper Sales, Mlb	-	-	-	-	-	-
Forward Copper Sales Price, US\$/lb	-	-	-	-	-	-

	Year	Quarter	Amount (US\$M)	Price (C\$/share)	Shares (millions)
Current O/S Share Capital					210
Current F/D Share Capital					308
Modelled Interim Equity Financing	2015	Q1	\$15	\$0.15	117
Modelled Project Equity Financing	2016	Q1	\$175	\$0.25	821
Modelled Fully Financed F/D Share Capital					1,246

Haywood model assumes a 60:40 debt/equity structure to fund the Asmara Project's US\$727M capital cost (100% basis).

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Source: Haywood Securities



Tahoe Resources Inc. TSX:THO NYSE:TAHO Price \$17.73 Rating: Sell Risk: High
 23-Jan-15 Yield 1.81% Shares O/S (M) 148 MCap (C\$) (M) \$2,617 Target: \$14.50 Return (excl. dist'n): -18%

While we view Escobal as a top-tier primary silver asset that has been in commercial production for almost a year. We believe the premium ascribed by the market is premature and does not adequately capture the risks associated with attaining steady-state production while attempting to optimize operating margins to drive free cash flow generation.

Investment Highlights

- Tahoe Resources Inc. engages in production of silver, gold, lead and zinc from the Escobal Ag-Au-Pb-Zn mine in Guatemala.
- Tahoe's primary asset is the Escobal project, which hosts >400 Million ounces silver, as well as appreciable gold, lead, and zinc within a silver deposit. The company declared commercial production at the beginning of this year, and announced its maiden dividend distribution for December 2014.
- Tahoe Resources Inc. was incorporated in 2009 and is headquartered in Reno, Nevada.

Catalysts:
 1) Expansion to 4,500 tpd - H2/2015

Escobal Project Summary

Minable Resource	LOM	Recoveries	LOM	Payable Production	LOM	Costs	LOM	CAPEX	LOM
Tonnes (Mt)	32.2	Silver (%) 88%		Silver (Moz/yr)	15.0	Op Costs (US\$/t)	80	Pre-Production (US\$M)	298
Grade (g/t Ag)	354	Gold (%) 74%		Gold (koz/yr)	10.5	Total Costs (US\$/t)	125	Expansion (US\$M)	60
Grade (g/t AgEq)	461	Lead (%) 80%		Lead (Mlb/yr)	18.8	Cash Costs (US\$/oz Ag)	9.21	Sustaining (US\$M)	298
		Zinc (%) 82%		Zinc (Mlb/yr)	25.3	Cash Costs (US\$/oz AgEq)	10.85	Total (US\$M)	656

Financials

	2012A	2013A	2014E	2015E	2016E
Commodity & Exchange Rate Forecasts					
Forecast Silver Price, US\$/oz	\$31.17	\$23.83	\$17.77	\$18.00	\$18.00
Forecast Gold Price, US\$/oz	\$1,669	\$1,414	\$1,280	\$1,250	\$1,250
Forecast Lead Price, US\$/lb	\$0.94	\$0.96	\$0.97	\$1.00	\$1.10
Forecast Zinc Price, US\$/lb	\$0.88	\$0.86	\$1.00	\$1.10	\$1.20
C\$/US\$ FX Rate	1.00	1.01	1.10	1.17	1.17

Income Statement

	2012A	2013A	2014E	2015E	2016E
Net Revenue, \$M	-	-	361.7	367.1	361.0
EBITDA, \$M	(93.7)	(57.0)	174.5	149.8	145.4
Net Income, \$M	(93.5)	(65.6)	95.9	77.4	76.0
Net Income per share	(0.65)	(0.45)	0.65	0.52	0.51

Balance Sheet

	2012A	2013A	2014E	2015E	2016E
Cash & Equiv, \$M	164.6	8.8	80.4	74.3	146.8
Working Capital, \$M	149.3	(69.2)	51.5	102.6	171.6
Shares Outstanding (M)	144.6	145.8	146.9	148.0	148.3

Cash Flow

	2012A	2013A	2014E	2015E	2016E
OCF before Δ in WC, \$M	(84.5)	(54.3)	153.2	131.5	126.8
OCF before Δ in WC per share	(0.58)	(0.37)	1.04	0.89	0.86
Cash flow from Operations, \$M	(87.8)	(65.5)	118.4	124.0	130.4
Cash Flow From Investing, \$M	(107.9)	(140.6)	(48.5)	(49.2)	(22.3)
Cash Flow From Financing, \$M	5.0	50.4	2.3	(80.9)	(35.6)

Ratios

	2012A	2013A	2014E	2015E	2016E
P/E	NMF	NMF	21.9x	27.4x	27.9x
P/CF	NMF	NMF	13.7x	16.1x	16.7x

* All figures presented in United States dollars unless noted Spot Exchange Rate (C\$/US\$): 1.24

Production Profiles

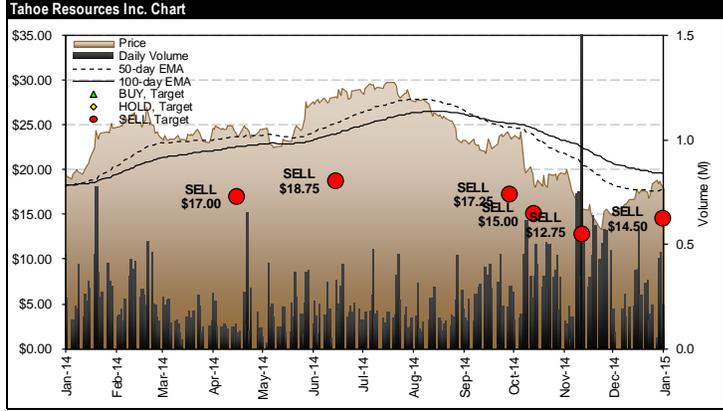
Escobal (Guatemala)

	2013	2014	2015	2016	2017
Throughput (tpd)	-	1,730	3,413	4,028	4,500
Head Grade (g/t Ag)	-	483	585	500	443
Head Grade (g/t AgEq)	-	564	706	633	544
Silver Prod (Moz)	-	2.1	20.4	20.8	20.6
Lead Prod (Mlb)	-	1.8	22.4	23.3	18.9
Zinc Prod (Mlb)	-	1.9	29.4	45.2	34.0
Payable Silver Prod (Moz)	-	2.0	19.3	19.6	19.4
Payable Silver Equiv Prod (Moz)	-	2.2	22.5	23.5	22.7
Operating costs (US\$/t milled)	-	126	104	90	80
Cash Cost, US\$/oz Ag	-	10.79	6.69	7.86	7.99
Cash Cost, US\$/oz AgEq	-	11.87	8.26	9.55	9.46
All-In Cost, US\$/oz AgEq	-	23.22	13.41	14.49	13.39

All-In Cost: Total Cash Op Costs plus Corp G&A (cash basis), exploration, interest, taxes and CAPEX

Quarterly Estimates

	Q4/13	Q1/14	Q2/14	Q3/14	Q4/14
Tonnes Milled (kt)	159	274	311	341	320
Head Grade (g/t Ag)	483	551	657	547	585
Head Grade (g/t AgEq)	564	653	780	663	726
Payable Silver Prod (Moz)	1.974	3.918	5.495	4.896	4.981
Payable Silver Equiv Prod (Moz)	2.212	4.529	6.345	5.752	5.878
Operating costs (US\$/t milled)	126	102	110	100	103
Cash Cost, US\$/oz Ag	10.79	7.07	5.58	7.27	7.05
Cash Cost, US\$/oz AgEq	11.87	8.83	7.63	8.48	8.27



Trading Statistics (C\$) / Capital Structure

52 Week High/Low	\$30.15 / \$13.19	Average Daily Vol (M)	0.25
Ownership (M)	Shares O/S, M	% O/S	Major Shareholder (%)
Institutional	81.71	55%	Goldcorp Inc. 39%
Management & Insiders	5.46	4%	Fidelity Investments 13%
			BMO Investments Inc. 4%
Last Financing	23-Dec-10	\$351 million	Brokered Bought Deal
			25M shares @ \$14.10/sh
	Shares O/S - Basic, F.D.	147.6	149.4
(C\$) (M)	Av Strike	Basic	(C\$) ITM
Cash & Equiv			\$79
Options	\$6.40 - \$29.74	1.8	0.8
Warrants	N/A	-	-
Total Cash & ITM		1.8	0.8
Market Cap			\$2,617

Corporate NAV Summary

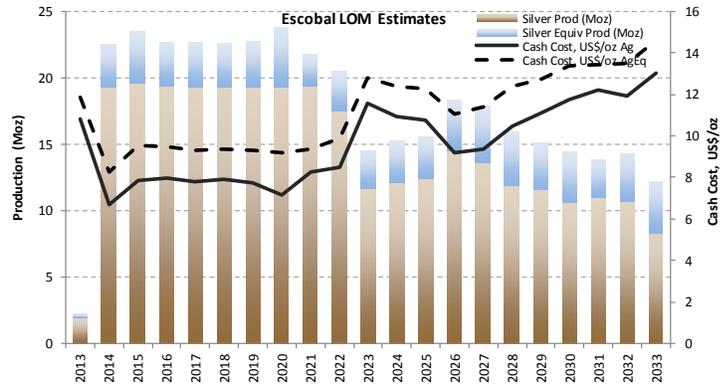
Per Share	NAV 10%		NAV 8%		NAV 6%	
	C\$M	C\$/share	C\$M	C\$/share	C\$M	C\$/share
Escobal	953	\$6.42	1,055	\$7.11	1,177	\$7.93
Project NAV	953	\$6.42	1,055	\$7.11	1,177	\$7.93
Corporate Adjustments	(267)	(\$1.80)	(314)	(\$2.12)	(374)	(\$2.52)
Corporate NAV	686	\$4.63	741	\$4.99	803	\$5.41

Current Share Base: 148 M shares FFD Share Base: 148 M shares

Metal Inventory

	Mine Life	Category	Tonnes (M)	Ag (g/t)	Ag Moz	Pb (%)	Zn (%)
Escobal		P&P	31.4	347	350.3	0.74%	1.21%
Underground mine		M&I	39.0	346	433.8	0.72%	1.20%
		Inferred	1.4	224	10.1	0.25%	0.47%
	20 yr	Modelled	32.2	354	366.1	0.75%	1.24%

Note: Mine life figures incorporate production growth Resources inclusive of reserves



Corporate Contact

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Source: Haywood Securities



<p>Talon Metals Corp. (TLO-T) Rating: BUY Target Price: C\$0.50 Target Price Metric: 1.0x After-Tax Corporate NAV10%</p>	Target Price, C\$	\$0.50	Shares O/S, million	106.8
	Current Price, C\$	\$0.23	Shares F/D, million	129.3
	Return, %	117%	Market Capitalization, US\$M	\$21.0
	52-Week High / Low, C\$	\$0.58 / \$0.17	Executive Chairman	Warren Newfield
	Daily Volume (100-day avg)	250,944	Company Web Site	www.talonmetals.com

January 26, 2015

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$21.0	\$0.20	\$24.6	\$0.23
Current Cash	\$10.1	\$0.09	\$11.9	\$0.11
F/D Cash Adds	\$9.3	\$0.09	\$10.9	\$0.10
Working Capital	\$9.2	\$0.09	\$10.8	\$0.10
Long-term Debt	\$0.0	\$0.00	\$0.0	\$0.00
Book Value	\$33.3	\$0.31	\$38.9	\$0.36
Enterprise Value (EV)	\$11.8	\$0.11	\$13.8	\$0.13

EV = Market Capitalization - Working Capital + Long-term Debt
 CS/US\$ FX Rate: 1.17

	Number	Price	Proceeds	Expiry
Warrants	8.5M	C\$0.43	US\$3.2M	Nov 2016 - Nov 2017
Options	14.0M	C\$0.51	US\$6.2M	May 2015 - July 2019
Warrants + Options	22.5M	C\$0.48	US\$9.3M	

CS/US\$ FX Rate: 1.17

November 6, 2014 - \$4.4M BD private placement (14.8M units @ \$0.30 per unit; 1 unit = 1 share + 12 warrant @ \$0.45 for 3 years)
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	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Sea Shell	4.8	5%	4.8	4%
TD Asset Management	1.1	1%	1.1	1%
Matrix	0.5	0%	0.5	0%
Management and Directors	13.0	12%	13.0	10%
Total	106.8	14%	129.3	11%

	2018	2019	2020	2021	2022	2023
Forecast Nickel Price, US\$/lb	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00
Forecast Copper Price, US\$/lb	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25
CS/US\$ FX Rate	1.08	1.08	1.08	1.08	1.08	1.08
Shares O/S, millions	813	863	863	863	863	863
Consolidated Revenue, US\$M	\$0	\$0	\$353	\$429	\$429	\$429
Consolidated Net Revenue, US\$M	\$0	\$0	\$330	\$401	\$401	\$401
Consolidated Cost of Sales, US\$M	\$0	\$0	(\$120)	(\$146)	(\$146)	(\$146)
Corporate G&A, US\$M	(\$5)	(\$5)	(\$5)	(\$5)	(\$5)	(\$5)
Consolidated EBITDA, US\$M	(\$5)	(\$5)	\$171	\$209	\$209	\$209
EV / Consolidated EBITDA	-	-	0.1x	0.1x	0.1x	0.1x
Consolidated DD&A, US\$M	\$0	\$0	(\$60)	(\$73)	(\$73)	(\$73)
Consolidated Gain on Derivative Instruments, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Consolidated Earnings, US\$M	(\$0)	(\$0)	\$79	\$80	\$84	\$89
Consolidated EPS, US\$	(\$0.00)	(\$0.00)	\$0.09	\$0.09	\$0.10	\$0.10
Current Price / Consolidated EPS	-	-	2.4x	2.3x	2.2x	2.1x
Target Price / Consolidated EPS	-	-	5.2x	5.1x	4.6x	4.6x
Consolidated Cash Flow Before WC Changes, US\$M	(\$0)	\$0	\$143	\$153	\$157	\$161
Consolidated CFPS, US\$	(\$0.00)	\$0.00	\$0.16	\$0.17	\$0.18	\$0.18
Current Price / Consolidated CFPS	-	-	1.3x	1.2x	1.2x	1.2x
Target Price / Consolidated CFPS	-	-	2.9x	2.7x	2.6x	2.5x
Attributable CAPEX (incl. capitalized exploration), US\$M	(\$150)	(\$350)	\$0	(\$14)	(\$14)	(\$14)
Proceeds from Equity Financing, US\$M	\$240	\$0	\$0	\$0	\$0	\$0
Proceeds from Debt Financing, US\$M	\$360	\$0	\$0	\$0	\$0	\$0
Attributable Debt Repayment, US\$M	\$0	\$0	\$0	(\$45)	(\$45)	(\$45)
Attributable Free Cash Flow, US\$M	\$350	(\$350)	\$143	\$94	\$98	\$103
Attributable FCPS, US\$	\$0.43	(\$0.40)	\$0.16	\$0.11	\$0.11	\$0.12

	RL0M	2019	2020	2021	2022	2023
Ore Tonnes Milled, millions	15.0	-	1.5	1.8	1.8	1.8
Ore Tonnes Milled, tonnes per day	5,000	-	4,100	5,000	5,000	5,000
Nickel Grade Milled, %	1.5%	-	1.5%	1.5%	1.5%	1.5%
Copper Grade Milled, %	0.9%	-	0.9%	0.9%	0.9%	0.9%
Nickel Recovery, %	78%	-	78%	78%	78%	78%
Copper Recovery, %	75%	-	75%	75%	75%	75%
Payable Nickel Production, Mlb	298	-	30	36	36	36
Payable Copper Production, Mlb	241	-	24	29	29	29
Payable Nickel Equivalent Production, Mlb	392	-	39	48	48	48
Total On-Site Operating Cost, US\$/tonne milled	\$90	-	\$90	\$90	\$90	\$90
Total Nickel Cash Cost (IR), US\$/lb	\$6.00	-	\$6.25	\$6.00	\$6.00	\$6.00
Total Nickel Cash Cost (NoC; IR), US\$/lb	\$3.25	-	\$3.50	\$3.25	\$3.25	\$3.25

Nickel equivalence is calculated using Haywood's formal long-term metal price forecasts.
 NoC = net of credits; ER = excluding royalties; IR = including royalties.

	RL0M	2019	2020	2021	2022	2023
Forward Nickel Sales, Mlb	-	-	-	-	-	-
Forward Nickel Sales Price, US\$/lb	-	-	-	-	-	-
Forward Copper Sales, Mlb	-	-	-	-	-	-
Forward Copper Sales Price, US\$/lb	-	-	-	-	-	-

	Year	Quarter	Amount (US\$M)	Price (C\$/share)	Shares (millions)
Current O/S Share Capital					107
Current F/D Share Capital					129
Modelled Interim Equity Financing No. 1	2015	Q1	\$15	\$0.25	70
Modelled Interim Equity Financing No. 2	2016	Q1	\$20	\$0.30	78
Modelled Interim Equity Financing No. 3	2017	Q1	\$20	\$0.35	67
Modelled Tamarack Equity Financing	2018	Q1	\$240	\$0.50	562
Modelled Fully Financed F/D Share Capital					906

	Haywood Model	\$3.00	\$6.00	\$9.00	\$12.00	\$6.48
Forecast Nickel Price, US\$/lb		\$1.50	\$2.50	\$3.50	\$4.50	\$2.52
Forecast Copper Price, US\$/lb		1.20	1.10	1.00	0.90	1.24
Forecast CS/US\$ FX Rate						
Corporate Adjustments, US\$M	(\$196)	(\$196)	(\$196)	(\$196)	(\$196)	(\$196)
Tamarack After-Tax Project NAV12%, US\$M	\$567	(\$77)	\$273	\$583	\$866	\$322
Additional Exploration Credit, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Corporate NAV, US\$M	\$371	(\$274)	\$77	\$386	\$669	\$126
Corporate Adjustments, C\$/F/D share	(\$0.25)	(\$0.25)	(\$0.24)	(\$0.22)	(\$0.20)	(\$0.27)
Tamarack After-Tax Project NAV12%, CS / F/D share	\$0.73	(\$0.10)	\$0.33	\$0.64	\$0.86	\$0.44
Additional Exploration Credit, C\$/F/D share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Corporate NAV, C\$/F/D share	\$0.48	(\$0.36)	\$0.09	\$0.43	\$0.67	\$0.17
Current Price / Corporate NAV	0.5x	-	2.5x	0.5x	0.3x	1.3x
Target Price / Corporate NAV	1.0x	-	5.4x	1.2x	0.8x	2.9x
2020E CFPS, US\$	\$0.16	(\$0.04)	\$0.08	\$0.19	\$0.31	\$0.09
2021E CFPS, US\$	\$0.17	(\$0.07)	\$0.08	\$0.20	\$0.35	\$0.09

Model shares F/D (fully financed): 906M

	Tonnes (000's)	Ni Grade (%)	NiEq Grade (%)	Nickel (Mlb)	NiEq (Mlb)	EV/NiEq (US\$/lb)
Haywood Model Mineable (100%)	15,000	1.5%	2.1%	510	689	\$0.017
Haywood Model Payable (100%)	-	-	-	298	392	\$0.030
Total Proven and Probable Reserve (100%)	-	-	-	-	-	-
Tamarack M&I Resource (100%)	3,751	1.8%	2.4%	150	200	-
Tamarack Inferred Resource (100%)	3,119	1.2%	1.7%	84	116	-
Total Reserve and Resource (100%)	6,870	1.5%	2.1%	234	316	\$0.037
Haywood Model Attributable Reserve and Resource (100%)	6,870	1.5%	2.1%	234	316	\$0.037

Measured and indicated resource is additional to proven and probable reserve.

	Analysts	Mean EPS	High / Low	Haywood Cons.	Mean CFPS	High / Low	Haywood Cons.
2014 Consensus Estimate	1	(US\$0.06)	(0.08 - 0.05)	(25%)	(US\$0.06)	(0.06 - 0.06)	(19%)
2015 Consensus Estimate	1	(US\$0.03)	(0.03 - 0.03)	(13%)	(US\$0.03)	(0.03 - 0.03)	(23%)
	Analysts	SO Rating	SP Rating	SU Rating	Mean Target	High / Low	Haywood Cons.
Consensus Valuation	2	2	-	-	US\$0.50	(US\$0.10) / (US\$0.90)	-

	Share Price	Corp NAV	Price / NAV	2014E CFPS	Price / CFPS	2015E CFPS	Price / CFPS
Talon Metals Corp. (TLO-T)	C\$0.23	US\$0.44	0.5x	(US\$0.04)	-	(US\$0.05)	-
Capstone Mining Corp. (CS-T)	C\$1.25	US\$4.49	0.3x	US\$0.60	1.9x	US\$0.50	2.0x
Copper Mountain Mining Corp. (CUM-T)	C\$1.09	US\$0.55	1.8x	US\$0.40	2.5x	US\$0.62	1.2x
Coro Mining Corp. (COP-T)	C\$0.04	US\$0.39	0.1x	(US\$0.02)	-	(US\$0.02)	-
First Quantum Minerals Ltd. (FM-T)	C\$12.28	US\$22.45	0.5x	US\$2.45	4.6x	US\$3.40	3.1x
Foran Mining Corp. (FOM-V)	C\$0.22	US\$0.07	2.8x	(US\$0.02)	-	(US\$0.01)	-
Highland Copper Co. (HI-V)	C\$0.39	US\$0.64	0.5x	(US\$0.02)	-	(US\$0.02)	-
HudBay Minerals Inc. (HBM-T)	C\$9.08	US\$10.48	0.8x	US\$0.15	54.2x	US\$0.75	10.4x
Lundin Mining Corp. (LUN-T)	C\$4.58	US\$6.50	0.6x	US\$0.72	5.8x	US\$1.20	3.3x
Nevsun Resources Ltd. (NSU-T)	C\$4.37	US\$4.48	0.9x	US\$0.65	6.1x	US\$0.65	5.7x
NovaCopper Inc. (NCQ-T)	C\$0.68	US\$1.73	0.4x	(US\$0.16)	-	(US\$0.33)	-
Royal Nickel Corp. (RNX-T)	C\$0.34	US\$0.64	0.5x	(US\$0.04)	-	(US\$0.02)	-
Sunridge Gold Corp. (SGC-V)	C\$0.15	US\$0.30	0.5x	(US\$0.02)	-	(US\$0.01)	-
Trevall Mining Corp. (TV-T)	C\$1.06	US\$1.15	0.8x	US\$0.05	21.2x	US\$0.10	9.0x
Zacui Metals Corp. (ZAZ-T)	C\$0.31	US\$0.58	0.5x	(US\$0.04)	-	(US\$0.02)	-
Peer-Group Average (producers)			0.8x		13.7x		5.0x
Peer-Group Average (developers)			0.7x		-		-
Peer-Group Average (all)			0.8x		13.7x		5.0x

2014E CS/US\$ FX Rate: 1.10

2015E CS/US\$ FX Rate: 1.17

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Source: Haywood Securities



Teck Resources (TCK.B-T, \$15.48)
Rating (Risk): HOLD (MEDIUM-HIGH)
Target Metric: 8x EV/2015E CFPS

Target Price, C\$ \$16.25
 Return, % 5%
 52-Week High / Low, C\$ \$28.18 / \$12.46
 Daily Volume (3-month avg) 2,755,740

Shares O/S, millions 576.2
 Shares F/D, millions 587.0
 Market Cap, US\$M \$7,197
 Company CEO Don Lindsay
 Company Web Site www.teck.com

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$7,196.6	\$12.49	\$8,920	\$15.48
Current Cash	\$1,613.7	\$2.80	\$2,000	\$3.47
F/D Cash Adds (ITM)	\$11.0	\$0.02	\$14	\$0.02
Working Capital	\$2,685.9	\$4.66	\$3,329	\$5.78
Long-term Debt	(\$6,494.2)	(\$11.27)	(\$8,049)	(\$13.97)
Book Value	\$14,953.8	\$25.95	\$18,534	\$32.17
Enterprise Value (EV)	\$11,004.8	\$19.10	\$13,640	\$23.67

EV = Market Capitalization - Working Capital + Long-term Debt
 Spot C\$/US\$ FX Rate: 1.24

	Number	Avg. Price	Proceeds	Expiry
Warrants	0.0M	C\$0.00	US\$0.0M	-
Options	10.8M	C\$31.90	US\$278.0M	May 2016 - April 2019
Warrants + Options	10.8M	C\$31.90	US\$278.0M	-

Spot C\$/US\$ FX Rate: 1.24

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Fulbloom Investment	101.3	17.6%	101.3	17.3%
RBC Global Asset Management	27.1	4.7%	27.1	4.6%
CIBC	21.4	3.7%	21.4	3.6%

	2012	2013	2014	2015	2016	2017
Realized Coal Price, US\$/tonne	\$193	\$149	\$119	\$109	\$121	\$135
Forecast Copper Price, US\$/lb	\$3.61	\$3.32	\$3.12	\$2.50	\$2.75	\$3.00
Forecast Zinc Price, US\$/lb	\$0.88	\$0.87	\$0.98	\$1.10	\$1.20	\$1.20
Forecast Lead Price, US\$/lb	\$0.94	\$0.97	\$0.95	\$1.00	\$1.10	\$1.10
C\$/US\$ FX Rate	1.00	1.03	1.10	1.17	1.17	1.12
Weighted Avg. Shares O/S, millions	585.5	578.3	576.2	576.2	576.2	576.2
Shares O/S, millions	582.3	577.5	576.2	576.2	576.2	576.2

	Base Case	\$100	\$120	\$160	Spot
Forecast Coal Price, US\$/tonne		\$100	\$120	\$160	\$110
Forecast Copper Price, US\$/lb		\$0.85	\$0.90	\$1.05	\$0.95
Forecast Zinc Price, US\$/lb		\$0.85	\$0.90	\$1.05	\$0.83
Forecast Lead Price, US\$/lb		\$2.25	\$2.75	\$3.25	\$2.52
Corporate Adjustments, CSM	(\$6.034)	(\$6.034)	(\$6.034)	(\$6.034)	(\$6.034)
Corporate After-Tax Project NAV(10%), CSM	\$20,522	\$1,426	\$8,112	\$20,058	\$8,246
Additional Exploration Credit, CSM	\$0	\$0	\$0	\$0	\$0
Corporate NAV, CSM	\$14,487	(\$4,608)	\$2,078	\$14,024	\$212
Corporate Adjustments, C\$/ F/D share	(\$10.30)	(\$10.30)	(\$10.30)	(\$10.30)	(\$10.30)
Corporate After-Tax Project NAV(10%), C\$/ F/D share	\$34.95	\$2.45	\$13.80	\$34.15	\$10.65
Additional Exploration Credit, C\$/ F/D share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Corporate NAV, C\$/ F/D share	\$24.65	(\$7.85)	\$3.50	\$23.85	\$0.35
Current Price / Corporate NAV	0.6x	-	4.4x	0.6x	44.2x
Target Price / Corporate NAV	0.7x	-	4.6x	0.7x	46.4x
2014E CFPS, C\$	\$3.40	-	-	-	-
2015E CFPS, C\$	\$3.00	\$2.25	\$3.15	\$4.80	\$2.90
Implied Target Price, C\$ @ 8x EV/2015E CFPS	\$16.25	\$10.25	\$17.50	\$31.25	\$16.00

Base case assumes a US\$/t coal price in '15, US\$/lb in '16, US\$/lb in '17, US\$/lb in '18, and US\$/lb thereafter.
 Base case assumes copper price of US\$/lb in '15, US\$/lb in '16, US\$/lb in '17, and US\$/lb thereafter.
 Base case assumes zinc price of US\$/lb in '15, US\$/lb in '16, US\$/lb in '17, and US\$/lb thereafter.
 Base case assumes nickel price of US\$/lb in '15, US\$/lb in '16, US\$/lb in '17, and US\$/lb thereafter.
 Shares F/D, millions: 587.0

Revenue, CSM	\$10,343	\$9,382	\$8,478	\$8,451	\$9,058	\$9,326
% from Coal	45%	45%	42%	40%	41%	46%
% from Copper	30%	27%	27%	24%	22%	21%
% from Zinc and Other	25%	27%	31%	36%	36%	34%
Operating Expense, CSM	(\$6,326)	(\$5,723)	(\$6,072)	(\$6,414)	(\$6,413)	(\$6,349)
G&A/Expl./R&D CSM	(\$257)	(\$233)	(\$240)	(\$264)	(\$264)	(\$264)
EBITDA, CSM	\$2,819	\$3,153	\$2,172	\$1,793	\$2,401	\$2,733
EV / EBITDA	3.9x	3.5x	5.1x	6.1x	4.6x	4.0x
DD&A, CSM	(\$951)	(\$1,233)	(\$1,215)	(\$1,191)	(\$1,152)	(\$1,163)
Earnings, CSM	\$814	\$1,002	\$375	\$86	\$519	\$749
EPS, C\$	\$1.39	\$1.74	\$0.65	\$0.15	\$0.90	\$1.30
Current Price / EPS	11.1x	8.9x	23.8x	103.2x	17.2x	11.9x
Target Price / EPS	11.7x	9.3x	25.0x	108.3x	18.1x	12.5x
Cash Flow Before W/C Changes, CSM	\$3,183	\$2,643	\$1,959	\$1,729	\$2,074	\$2,247
CFPS, C\$	\$5.44	\$4.57	\$3.40	\$3.00	\$3.60	\$3.90
Current Price / CFPS	2.8x	3.4x	4.6x	5.2x	4.3x	4.0x
Target Price / CFPS	3.0x	3.6x	4.8x	5.4x	4.5x	4.2x
CFPS Sensitivity to Copper (US\$/lb), C\$	\$0.11	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
CFPS Sensitivity to Zinc (US\$/lb), C\$	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03
CFPS Sensitivity to 1% Chg to C\$/US\$ FX Rate	\$0.13	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
CAPEX, CSM	(\$1,809)	(\$1,858)	(\$2,191)	(\$1,924)	(\$2,049)	(\$3,139)
Free Cash Flow, CSM	\$1,374	\$785	(\$232)	(\$195)	\$26	(\$892)
FCFS, C\$	\$2.35	\$1.36	(\$0.40)	(\$0.34)	\$0.04	(\$1.57)

	Tonnes (000's)	Zn (%)	Pb (%)	Zn (Mlb)	Pb (Mlb)	Mine Life (years)
Antamina	220,100	2.0%	-	9,705	-	19.1
Red Dog	50,700	16.1%	4.1%	17,996	4,583	15.6
Duck Pond	1,900	3.9%	-	163	-	6.5
Pend Oreille	1,900	6.1%	1.2%	256	50	-
Proven and Probable Reserve (100%)	274,600	4.8%	0.8%	26,119	4,633	-
Additional Measured & Indicated Resource (100%)	178,100	1.6%	0.2%	6,102	675	-
Inferred Resource (100%)	189,400	1.5%	0.1%	6,226	270	-
Total Reserve and Resource (100%)	642,100	2.9%	0.4%	40,447	5,578	-
Attributable Reserve	104,023	9.0%	2.0%	20,598	4,633	-
Attributable Reserve and Resource	180,958	6.6%	1.4%	26,194	5,578	-

	2012	2013	2014	2015	2016	2017
Coal Sales, 000's tonnes	23,989	26,911	27,500	26,500	26,500	26,000
Copper Sales, 000's tonnes						
Highland Valley (97.5% owned, open pit)	114	109	110	125	125	125
Antamina (22.5% owned, open pit)	101	98	78	93	93	93
Quebrada Blanca (76.5% owned, open pit)	48	42	46	40	23	0
Andacollo (90% owned, open pit)	66	71	72	72	72	68
Duck Pond (100% underground + open pit)	15	15	15	11	0	0
Total Copper Sales	343	335	320	341	313	286
Total Copper Sales (100%)	369	355	345	360	330	295
Zinc Sales in Con, 000's tonnes						
Refined Zinc Sales from Trail, 000's tonnes	287	294	280	295	295	295
Red Dog (100% open pit)	510	504	535	535	535	535
Antamina (22.5% owned, open pit)	52	58	50	50	50	50
Duck Pond (100% underground + open pit)	17	16	15	9	0	0
Pend Oreille (100%)	0	0	0	30	44	44
Total Zinc Concentrate Sales	578	578	600	624	629	629
Lead Sales, 000's tonnes						
Refined Lead Sales from Trail, 000's tonnes	88	86	90	90	90	90
Red Dog (100% open pit)	95	100	90	90	90	90
Total Lead Concentrate Sales	98	100	90	90	90	90
Moly Sales, 000's pounds	12,788	8,141	11,120	11,120	11,120	7,090

2014 Company Guidance: Coal production of 26.0 - 27.0 million tonnes

	Tonnes (000's)	Cu (%)	Mo (%)	Cu (Mlb)	Mo (Mlb)	Mine Life (years)
Antamina	565,300	1.0%	0.028%	11,964	349	13.2
Highland Valley	673,300	0.3%	0.008%	4,305	119	16.3
Quebrada Blanca	108,000	0.4%	-	929	-	8.1
Andacollo - Supergene	7,200	0.3%	-	54	-	0.3
Andacollo - Hypogene	476,000	0.4%	-	3,673	-	21.3
Duck Pond	2,200	2.9%	-	142	-	4.6
Proven and Probable Reserve (100%)	1,832,000	0.5%	0.012%	21,067	468	-
Additional Measured & Indicated Resource (100%)	2,797,600	0.6%	0.0%	34,752	71	-
Inferred Resource (100%)	2,178,930	0.4%	0.0%	16,991	77	-
Total Reserve and Resource (100%)	6,808,530	0.5%	-	72,810	616	-
Attributable Reserve	1,303,366	0.4%	0.0%	11,096	194	-
Attributable Reserve and Resource	5,013,666	0.4%	0.003%	46,583	301	-

	Q2'13A	Q3'13A	Q4'13A	Q1'14A	Q2'14A	Q3'14A
Coal Sales, 000's tonnes	6,285	7,568	6,480	6,168	6,800	6,700
Copper Sales, 000's tonnes	87	95	99	-	-	-
Zinc Sales, 000's tonnes	167	269	239	210	183	266
Lead Sales, 000's tonnes	21	83	62	19	22	19
Realized Coal Price, US\$/tonne	\$156	\$139	\$142	\$131	\$111	\$110
LME Copper Price, US\$/lb	\$3.24	\$3.21	\$3.24	\$3.19	\$3.08	\$3.17
LME Zinc Price, US\$/lb	\$0.83	\$0.84	\$0.86	\$0.92	\$0.94	\$1.05
LME Lead Price, US\$/lb	\$0.93	\$0.95	\$0.96	-	-	-
Adjusted FX Rate, C\$/US\$	1.02	1.04	1.05	1.10	1.09	1.09
Realized Earnings, CSM	\$197	\$252	\$227	\$105	\$72	\$159
Adjusted Earnings per Share, CSM	\$0.34	\$0.44	\$0.39	\$0.18	\$0.12	\$0.28
Cash Flow, CSM	\$584	\$647	\$636	\$470	\$520	\$492
CFPS, C\$	\$1.01	\$1.12	\$1.10	\$0.82	\$0.90	\$0.85
Capex, CSM	\$443	\$486	\$541	\$400	\$335	\$343

	Analysts	Mean EPS	High / Low	Haywood vs. Cons.	Mean CFPS	High / Low	Haywood vs. Cons.
2014 Consensus Estimate	19	C\$0.69	C\$0.88/C\$0.46	-6%	C\$3.28	C\$3.73/C\$2.67	4%
2015 Consensus Estimate	17	C\$0.97	C\$1.48/C\$0.28	-85%	C\$3.67	C\$4.81/C\$2.80	-18%
2016 Consensus Estimate	10	C\$1.40	C\$1.82/C\$0.89	-36%	C\$4.24	C\$5.37/C\$3.19	-15%
Consensus Valuation	19	13	18	3	C\$20.63	C\$28.00/C\$10.90	-21%

	Date	Sh. Price	Sh. O/S	Sh. Owned	Ownership	BV	CV
Midas Gold Corp.	July-13	C\$0.55	141.7	12.7	9.0%	\$9.8	\$7.0
True Gold Mining Inc.	May 9/13	C\$0.18	398.8	30.3	7.6%	\$10.0	\$5.5
Northern Shield Resources Inc.	April 22/13	C\$0.03	152.4	24.5	16.1%	\$2.7	\$0.7
Erdene Resource Development Corp	April 11/13	C\$0.12	82.6	15.0	18.2%	\$3.0	\$1.7
Pilot Gold Inc.	Oct. 17/12	C\$1.13	107.2	1.2	1.1%	\$2.0	\$1.4
Total Value, CSM:						\$27.5	\$16.3

	Price	EVPS	14 CFPS	15 CFPS	Px/15 CFPS	EV/14 CF	EV/15 CF
Teck Resources (TCK.B-T)	C\$15.48	C\$23.67	C\$3.26	C\$3.67	4.2x	5.9x	5.2x
BHP Billiton (BHP-AU)	US\$23.35	US\$28.46	US\$4.12	US\$3.58	6.5x	6.8x	7.8x
Vale (VALE-US)	US\$7.85	US\$12.42	US\$2.47	US\$1.89	4.2x	5.5x	7.3x
Freeport McMoRan (FCX-US)	US\$						

Metals and Mining – Target & Commodity Price Revisions

January 27, 2015



Trevali Mining Corp. (TV-T)
Rating: **BUY**
Target Price: **CS1.35**
Target Price Metric: 1.0x After-Tax Corporate NAV10%

Target Price, CS \$1.35
Current Price, CS \$1.02
Return % 27%
52-Week High / Low, CS \$1.41 / \$0.91
Daily Volume (100-day avg) 694,187

Shares O/S, million 281.4
Current FID, million 299.3
Market Capitalization, US\$M \$236.0
Company CEO Mark Cruise
Company Web Site www.trevali.com

	US\$M	US\$ / O/S Share	CSM	CS / O/S Share
Market Capitalization	\$255.0	\$0.91	\$298.3	\$1.06
Current Cash	\$32.1	\$0.11	\$37.5	\$0.13
FID Cash Adds	\$12.9	\$0.05	\$15.1	\$0.05
Working Capital	\$38.7	\$0.14	\$45.3	\$0.16
Long-term Debt	(\$56.7)	(\$0.20)	(\$66.3)	(\$0.24)
Book Value	\$23.8	\$0.08	\$26.8	\$0.09
Enterprise Value (EV)	\$273.0	\$0.97	\$319.4	\$1.13

EV = Market Capitalization - Working Capital + Long-term Debt
CS/US\$ FX Rate: 1.17

	2014	2015	2016	2017	2018	2019
Forecast Zinc Price, US\$/lb	\$0.98	\$1.10	\$1.20	\$1.20	\$1.15	\$1.15
Forecast Lead Price, US\$/lb	\$0.95	\$1.00	\$1.10	\$1.10	\$1.05	\$1.05
Forecast Silver Price, US\$/oz	\$19.07	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
CS/US\$ FX Rate	1.10	1.17	1.17	1.12	1.08	1.08
Shares O/S, millions	280	281	281	281	281	281
Gross Sales Revenue, US\$M	\$83	\$131	\$274	\$355	\$346	\$346
Net Revenue, US\$M	\$68	\$107	\$223	\$289	\$281	\$280
Cost of Sales, US\$M	(\$42)	(\$64)	(\$118)	(\$144)	(\$150)	(\$150)
Corporate G&A, US\$M	(\$6)	(\$6)	(\$6)	(\$6)	(\$6)	(\$6)
EBITDA, US\$M	\$28	\$39	\$99	\$134	\$123	\$120
EV / EBITDA	9.8x	7.0x	2.8x	2.0x	2.2x	2.3x
DDA, US\$M	(\$9)	(\$13)	(\$22)	(\$37)	(\$37)	(\$37)
Gain on Derivative Instruments, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Earnings, US\$M	\$8	\$9	\$38	\$49	\$46	\$46
EPS, US\$	\$0.03	\$0.03	\$0.14	\$0.17	\$0.16	\$0.16
Current Price / EPS	33.3x	27.0x	6.7x	5.5x	6.0x	5.9x
Target Price / EPS	42.4x	34.4x	8.5x	6.9x	7.6x	7.6x
Operating Cash Flow, US\$M	\$18	\$27	\$69	\$83	\$83	\$83
CFPS, US\$	\$0.07	\$0.10	\$0.25	\$0.30	\$0.30	\$0.30
Current Price / CFPS	14.6x	8.5x	3.7x	3.2x	3.3x	3.3x
Target Price / CFPS	18.6x	12.6x	4.7x	4.1x	4.2x	4.2x
DACF, US\$M	\$23	\$22	\$74	\$88	\$80	\$85
Current EV / DACF	11.8x	8.6x	3.7x	3.1x	3.1x	3.2x
Implied EV / DACF Target Price Multiple	15.7x	10.8x	4.6x	4.1x	4.2x	4.3x
CAPEX, US\$M	(\$39)	(\$38)	(\$38)	(\$43)	(\$23)	(\$143)
Proceeds from Equity Financing, US\$M	\$0	\$10	\$0	\$0	\$0	\$0
Proceeds from Debt Financing, US\$M	\$53	\$0	\$0	\$0	\$0	\$0
Debt Repayment, US\$M	(\$38)	(\$8)	(\$10)	\$0	\$0	(\$53)
Free Cash Flow, US\$M	\$5	(\$18)	\$11	\$20	\$60	(\$111)
FCPS, US\$	\$0.02	(\$0.06)	\$0.04	\$0.07	\$0.21	(\$0.39)

Operating Cash Flow and Debt Adjusted Cash Flow (DACF) excludes working capital changes.

	Number	Price	Proceeds	Expiry
Warrants	9.5M	CS1.19	US\$9.7M	July 2014 - May 2019
Options	4.3M	CS0.89	US\$3.8M	Sept 2014 - June 2019
Warrants + Options	13.8M	CS1.10	US\$12.9M	

CS/US\$ FX Rate: 1.17

November 28, 2013 - CS4.0M bought deal private placement (5.4M sh @ CS1.03 per sh)
June 12, 2013 - CS10.9M bought deal private placement (18.2M sh @ CS0.60 per sh)
March 28, 2013 - CS8.0M bought deal FT private placement (5.0M FT sh @ CS1.00 per sh)
July 25, 2012 - CS15.5M bought deal FT private placement (15.0M FT sh @ CS1.03 per sh)
March 2, 2012 - US\$19M non-brokered private placement to Glencore (12.9M sh @ CS1.42 per sh)

	O/S (millions)	O/S (%)	FID (millions)	FID (%)
IA Michael Investments	33.3	12%	33.3	11%
MIMC Holding	18.7	7%	18.7	6%
Blackrock	12.8	5%	12.8	4%
CIBC	6.0	2%	6.0	2%
Management and Directors	3.0	1%	3.0	1%
Total	281.4	26%	299.3	29%

	Haywood	Model	\$0.80	\$1.00	\$1.20	\$1.40	\$1.07
Forecast Zinc Price, US\$/lb			\$0.80	\$1.00	\$1.20	\$1.40	\$0.83
Forecast Lead Price, US\$/lb			\$0.80	\$1.00	\$1.20	\$1.40	\$0.83
Forecast Silver Price, US\$/oz			\$12.50	\$15.00	\$17.50	\$20.00	\$18.32
Forecast CS/US\$ FX Rate			1.20	1.10	1.00	0.90	1.24
Corporate Adjustments, US\$M	(\$84)	(\$84)	(\$84)	(\$84)	(\$84)	(\$84)	(\$84)
Santander Alter-Tax Project NAV10%, US\$M	\$199	(\$21)	\$96	\$182	\$264	\$116	
Caribou Alter-Tax Project NAV10%, US\$M	\$108	\$3	\$58	\$103	\$142	\$87	
Halmille/Stratmat Alter-Tax Project NAV10%, US\$M	\$26	(\$182)	(\$59)	\$34	\$95	\$5	
Additional Exploration Credit, US\$M	\$133	\$133	\$133	\$133	\$133	\$133	
Corporate NAV, US\$M	\$342	(\$191)	\$144	\$388	\$540	\$257	
Corporate Adjustments, CS / FID share	(\$0.29)	(\$0.33)	(\$0.36)	(\$0.27)	(\$0.25)	(\$0.36)	
Santander Alter-Tax Project NAV10%, CS / FID share	\$0.60	(\$0.08)	\$0.34	\$0.59	\$0.77	\$0.47	
Caribou Alter-Tax Project NAV10%, CS / FID share	\$0.41	\$0.01	\$0.21	\$0.33	\$0.41	\$0.35	
Halmille/Stratmat Alter-Tax Project NAV10%, CS / FID share	\$0.10	(\$0.71)	(\$0.21)	\$0.11	\$0.28	\$0.02	
Additional Exploration Credit, CS / FID share	\$0.50	\$0.52	\$0.47	\$0.43	\$0.39	\$0.54	
Corporate NAV, CS / FID share	\$1.30	(\$0.59)	\$0.51	\$1.19	\$1.60	\$1.04	
Current Price / Corporate NAV	0.8x	-	2.1x	0.9x	0.7x	1.0x	
Target Price / Corporate NAV	1.0x	-	2.6x	1.1x	0.8x	1.3x	
2014 CFPS, US\$	\$0.07	\$0.00	\$0.07	\$0.12	\$0.17	\$0.08	
2015 CFPS, US\$	\$0.10	\$0.03	\$0.15	\$0.24	\$0.31	\$0.18	

Model shares FID (fully financed): 309M

	2014	2015	2016	2017	2018	RLOM
Ore Tonnes Milled, millions	0.7	0.7	0.7	1.5	1.5	12.3
Ore Tonnes Milled, tonnes per day	1,950	2,000	2,000	4,000	4,000	4,000
Zinc Grade Milled, %	4.2%	4.2%	4.0%	3.6%	3.6%	4.2%
Lead Grade Milled, %	1.9%	1.8%	1.8%	1.3%	1.3%	0.8%
Zinc Recovery, %	88%	87%	87%	85%	85%	85%
Lead Recovery, %	85%	85%	85%	85%	85%	85%
Payable Zinc Production, Mlb	50	50	48	84	84	834
Payable Lead Production, Mlb	23	23	23	34	34	184
Payable Silver Production, Moz	0.9	0.9	0.9	1.3	1.3	8.4
Total On-Site Operating Cost, US\$/tonne milled	\$60	\$55	\$55	\$40	\$40	\$45
Total Zinc Cash Cost (NoC, IR), US\$/lb	\$0.55	\$0.50	\$0.50	\$0.50	\$0.50	\$0.65

NoC = net of credits; ER = excluding royalties; IR = including royalties.

	2014	2015	2016	2017	2018	RLOM
Ore Tonnes Milled, millions	-	0.3	1.0	1.1	1.1	6.2
Ore Tonnes Milled, tonnes per day	-	700	2,700	3,000	3,000	3,000
Zinc Grade Milled, %	-	5.8%	6.0%	6.2%	6.1%	6.1%
Lead Grade Milled, %	-	2.5%	2.5%	2.6%	2.5%	2.5%
Zinc Recovery, %	-	80%	84%	84%	84%	84%
Lead Recovery, %	-	60%	65%	65%	65%	65%
Payable Zinc Production, Mlb	-	22	94	107	104	590
Payable Lead Production, Mlb	-	8	34	38	37	208
Payable Silver Production, Moz	-	0.2	0.7	0.8	0.8	4.4
Total On-Site Operating Cost, C\$/tonne milled	-	\$95	\$90	\$85	\$85	\$85
Total Zinc Cash Cost (NoC, IR), US\$/lb	-	\$0.65	\$0.58	\$0.55	\$0.55	\$0.55

NoC = net of credits; ER = excluding royalties; IR = including royalties.

	RLOM	2015	2016	2017	2018	2019
Ore Tonnes Milled, millions	18.2	-	-	-	-	-
Ore Tonnes Milled, tonnes per day	40.0	-	-	-	-	-
Zinc Grade Milled, %	6.2%	-	-	-	-	-
Lead Grade Milled, %	2.1%	-	-	-	-	-
Zinc Recovery, %	85%	-	-	-	-	-
Lead Recovery, %	70%	-	-	-	-	-
Payable Zinc Production, Mlb	1,793	-	-	-	-	-
Payable Lead Production, Mlb	563	-	-	-	-	-
Payable Silver Production, Moz	4.4	-	-	-	-	-
Total On-Site Operating Cost, C\$/tonne milled	\$108	-	-	-	-	-
Total Zinc Cash Cost (NoC, IR), US\$/lb	\$0.75	-	-	-	-	-

NoC = net of credits; ER = excluding royalties; IR = including royalties.

	2014	2015	2016	2017	2018	RLOM
Zinc Production (in concentrate), Mlb	58	84	166	225	222	3,784
Lead Production (in concentrate), Mlb	25	32	60	76	75	1,005
Payable Zinc Production, Mlb	50	72	141	191	189	3,217
Payable Lead Production, Mlb	23	31	57	72	71	955
Zinc Sales, Mlb	47	72	142	188	189	3,222
Lead Sales, Mlb	22	31	57	71	71	957
Total Zinc Cash Cost (net of credits), US\$/lb	\$0.55	\$0.55	\$0.50	\$0.50	\$0.55	\$0.70

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	Tonnes (000's)	2a Grade (%)	Zinc Grade (%)	Zinc (Mlb)	Zinc (Moz)	2c6a Grade (%)	2c6a Grade (Mlb)	2c6a Grade (Moz)
Santander Model Mineable (100%)	13,187	4.25%	6.07%	1,234	1,785	-	-	-
Santander Model Reserve (100%)	-	-	-	900	1,246	-	-	-
Caribou Model Mineable (100%)	6,152	6.11%	12.24%	608	1,680	-	-	-
Caribou Model Reserve (100%)	-	-	-	590	923	-	-	-
Halmille/Stratmat Model Mineable (100%)	18,271	6.17%	9.43%	2,485	3,799	-	-	-
Halmille/Stratmat Model Reserve (100%)	-	-	-	1,795	2,591	-	-	-
Total Model Mineable	37,609	5.48%	8.71%	4,547	7,224	0.03%	-	-
Total Model Reserve	-	-	-	3,286	4,760	0.05%	-	-
Santander P&P Reserve (100%)	-	-	-	-	-	-	-	-
Caribou P&P Reserve (100%)	-	-	-	-	-	-	-	-
Halmille/Stratmat P&P Reserve (100%)	-	-	-	-	-	-	-	-
Total P&P Reserve	-	-	-	-	-	-	-	-
Santander M&I Resource (100%)	7,230	3.44%	5.31%	600	927	-	-	-
Caribou M&I Resource (100%)	7,230	6.95%	14.22%	1,114	2,266	-	-	-
Halmille/Stratmat M&I Resource (100%)	6,282	8.13%	11.81%	1,122	1,630	-	-	-
Total M&I Resource	21,412	6.01%	10.22%	2,837	4,823	-	-	-
Santander Inferred Resource (100%)	13,845	4.62%	5.78%	1,410	1,763	-	-	-
Caribou Inferred Resource (100%)	3,660	6.95%	14.16%	561	1,142	-	-	-
Halmille/Stratmat Inferred Resource (100%)	11,603	6.41%	10.46%	1,641	2,676	-	-	-
Total Inferred Resource	46,256	4.13%	7.36%	4,216	7,591	-	-	-
Santander Reserve and Resource (100%)	21,765	4.19%	5.61%	2,010	2,690	-	-	-
Caribou Reserve and Resource (100%)	10,890	6.95%	14.20%	1,675	3,409	-	-	-
Halmille/Stratmat Reserve and Resource (100%)	17,865	7.02%	10.94%	2,763	4,307	-	-	-
Total Reserve and Resource	67,888	4.73%	8.26%	7,653	12,224	0.02%	-	-

Measured and indicated resource a additional to proven and probable reserves.

	Analysts	Mean EPS	High/Low	High/Low	Mean CFPS	High/Low	High/Low
2014 Consensus Estimate	7	US\$0.00	US\$0.00 - US\$0.00	-	US\$0.06	US\$0.00 - US\$0.00	20%
2015							



<p>True Gold Mining Inc. (TSXV:TGM, \$0.18) Rating: Buy Risk: Very High</p>	Target Price (C\$)	\$0.55	Market Cap, C\$M	\$72
	Return (%)	206%	Company CEO	Dwayne L. Melrose
	52 Week High/Low (C\$)	\$0.48/\$0.15	Company Website	www.truegoldmining.com
	Daily Volume (3-month avg)	232,780		

CAPITAL STRUCTURE

(As of Sept 2014)

	Shares (Millions)
Shares Outstanding	397.6
Warrants	0.0
Options	20.2
Fully Diluted Shares	417.7

OWNERSHIP (Source: Bloomberg - Jan 2015)

	Shares (mln)	% O/S
Liberty Metals & Mining	77.5	19.5%
Teck Resources Ltd.	45.5	11.5%
M&G Investment Management	13.0	3.3%
Vanguard	14.3	3.6%
Mark O'Dea	10.1	2.5%



FINANCIAL SUMMARY

Year-end December 31	2013A	2014E	2015E	2016E	2017E
FD Shares, million	281.9	450.6	513.2	541.8	541.0
Adj. FDEPS	(0.10)	(0.03)	(0.02)	0.13	0.03
CFOPPS (FD)	(0.10)	(0.04)	(0.02)	0.14	0.03

Income Statement (C\$million)

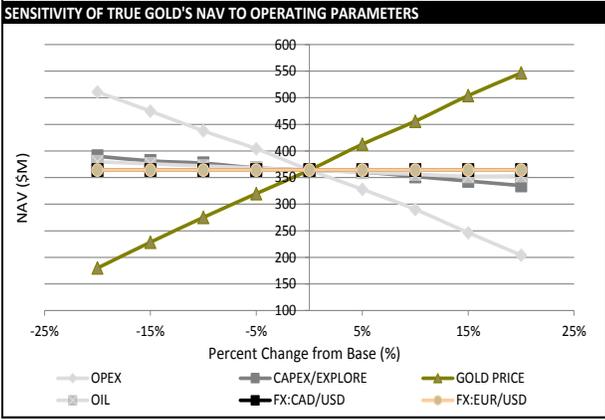
	2013A	2014E	2015E	2016E	2017E
Revenue	0.0	0.0	0.0	176.6	122.0
Cost of Goods Sold	0.0	0.0	0.0	(84.6)	(84.3)
Depreciation	0.0	0.0	0.0	(10.4)	(7.8)
General & Admin	(9.4)	(8.6)	(8.9)	(9.0)	(9.1)
Net Income	(29.3)	(15.7)	(8.9)	72.5	14.3

Balance Sheet (C\$million)

	2013A	2014E	2015E	2016E	2017E
Cash & Equivalents	3.0	57.4	5.1	73.9	84.7
Debt	0.0	0.0	0.0	0.0	0.0

Cash Flow (C\$million)

	2013A	2014E	2015E	2016E	2017E
Op. CF (before W/C)	(28.9)	(18.9)	(8.0)	73.5	15.5
Financing CF	27.9	110.0	78.8	0.0	0.0
Investing CF	(11.6)	(38.8)	(118.1)	(4.7)	(4.7)
Change in Cash	(12.1)	49.3	(47.2)	68.9	10.8



TECHNICAL ASSUMPTIONS

	2014E	2015E	2016E	2017E	2018E
Gold (US\$/oz)	\$1,266	\$1,250	\$1,250	\$1,250	\$1,250
Silver (US\$/oz)	\$19.07	\$18.00	\$18.00	\$18.00	\$18.00
Exchange Rate (Cdn\$/US\$)	1.10	1.17	1.17	1.12	1.08
Exchange Rate (EUR\$/US\$)	0.75	0.85	0.87	0.82	0.78

PRODUCTION ESTIMATES

	2014E	2015E	2016E	2017E	2018E
Production (Koz Au)*	0	0	135	104	91
Average Cash Costs (US\$/oz sold)	\$0	\$0	\$601	\$866	\$892
Capex Spending*	\$32	\$101	\$4	\$4	\$4

*Based on 100% Basis

RESERVES & RESOURCES

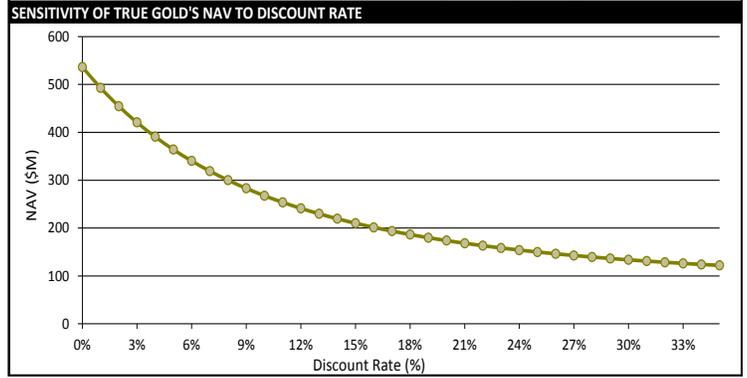
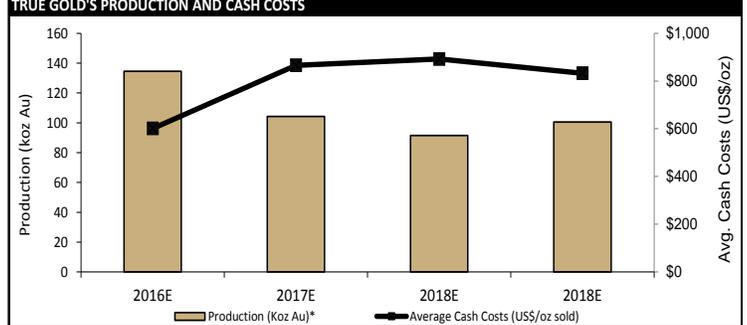
	Tonnes (000)	Grade (g/t Au)	Gold (000 oz)	Mine Life (years)
Karma (90% Owned, Open-Pit, in-pit resources only)				
Company Reported P&P Reserves	33,200	0.89	949	10
Company Reported M&I Resources	32,331	0.92	961	9
Company Reported Inferred Resources	22,699	0.78	571	7
Total	55,030	0.87	1,532	16
Haywood Total Mineable Resources	64,935	0.85	1,775	17

NET ASSET VALUATION

Operations	US\$m	Per Sh. (C\$)	Multiple	Adjusted Per Sh. (C\$)
Karma	\$209	\$0.45	0.70x	\$0.32
Liguidi in-situ	\$30	\$0.06	1.00x	\$0.06
Net Cash	\$100	\$0.22		\$0.22
Other Adjustments (Wrnts, Optns, Corp.)	(\$29)	(\$0.06)		(\$0.06)
Net Asset Value	\$311	\$0.67		\$0.54

COMPARABLES*

Company	Ticker	Share Cdn\$	EV US\$m	Resources Moz	EV/oz US\$	P/NAV
Amara Mining PLC	AIM:AMA	C\$ 0.31	\$71	3.1	\$10	0.13x
Asanko Gold Inc.	TSX:AKG	C\$ 1.99	\$78	2.3	\$9	0.44x
Gryphon Minerals Ltd.	ASX:GRY	C\$ 0.08	-\$3	0.7	\$4	0.28x
Orezone Gold Corporation	TSX:ORE	C\$ 0.45	\$29	0.8	\$5	0.41x
Midway Gold Corp.	TSX:MDW	C\$ 0.91	\$116	1.1	\$5	0.75x
Selected Company Average				1.6	\$7	0.40x
True Gold Mining Inc.	TSXV:TGM	C\$ 0.18	\$20	0.0	\$4	0.27x



Source: Haywood Securities

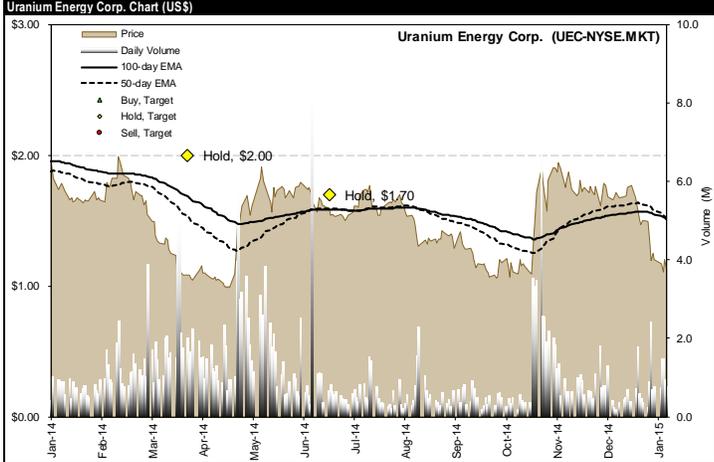
Uranium Energy Corp. NYSE.MKT:UEC Price: **\$1.13** Shares O/S (M) **91.7** Rating: **Hold**
 January 23, 2015 MCap (US\$ M) **\$104** Target (US\$): **\$1.70** Return: **50%**

Alpha: Uranium Energy Corp (AMEX: UEC) is a uranium producer from the Hobson ISR Plant in South Texas, USA. Palangana production is expected to be augmented by output from the Goliad project that is forecast for production commencement in fiscal 2015.

Investment Highlights

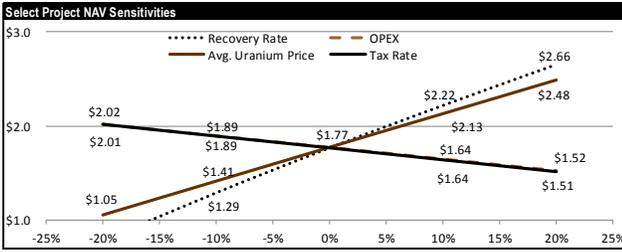
- Uranium producer via ISR mining with a strategic collection of uranium resources throughout United States (e.g., Hobson Uranium ISR Plant, Palangana satellite ISR facility)
- Specialized technical team that has permitted and constructed Uranium ISR facilities
- Goliad property: NI 43-101 indicated resource of 5.48 million pounds at 0.05 % U₃O₈, and inferred resource of 1.50 million pounds at 0.05 % U₃O₈.
- Nichols property: NI 43-101 inferred resource of 1.31 million pounds at 0.07 % U₃O₈.
- La Palangana property: NI 43-101 M&I resources of 1.05 million pounds at 0.134 % U₃O₈
- Seager-Salvo property: NI 43-101 inferred resources of 2.84 million pounds at 0.08 % U₃O₈
- Burke Hollow property: NI 43-101 inferred resources of 2.89 million pounds at 0.047 % U₃O₈
- Hobson ISR Uranium plant, South Texas (~3.0 Mlb U₃O₈ Yr⁻¹ capacity)
- Potential to expand uranium resource base around known resources in Texas

Catalysts:
 CO1'15: Production decision leading to completion of development of Goliad
 Late 2015: Final Permits for Burke Hollow

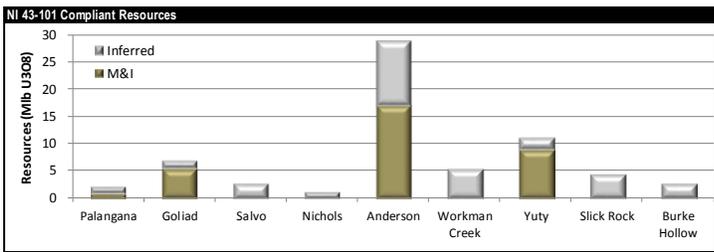
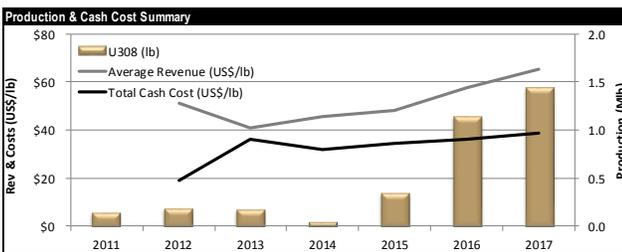


Financials & Assumptions	F'11A	F'12A	F'13A	F'14E	F'15E	F'16E	F'17E
(Year-End Jul-31)	31-Jul-11	31-Jul-12	31-Jul-13	31-Jul-14	31-Jul-15	31-Jul-16	31-Jul-17
Spot Uranium (US\$ / lb)	\$57	\$51	\$43	\$35	\$37	\$47	\$59
Long-term Uranium (US\$ / lb)	\$66	\$51	\$58	\$50	\$53	\$62	\$68
C\$/US\$ FX Rate	\$1.00	\$1.03	\$1.02	\$1.07	\$1.14	\$1.17	\$1.14
AS/US\$ FX Rate	\$1.01	\$1.08	\$1.01	\$1.07	\$1.19	\$1.25	\$1.23
Revenue (US\$M)	\$0.0	\$13.8	\$9.0	\$1.6	\$16.8	\$66.1	\$94.7
Cost of Goods Sold (US\$M)	\$0.0	\$8.1	\$8.4	\$1.5	\$8.4	\$28.4	\$36.9
Corporate G&A (incl. stock based comp) (US\$M)	\$15.2	\$14.0	\$10.8	\$9.5	\$9.7	\$9.9	\$10.1
EBITDA (US\$M)	(\$26.0)	(\$22.8)	(\$19.1)	(\$19.0)	(\$1.6)	\$17.6	\$46.3
EV / EBITDA					5.0x	1.9x	
DD&A (US\$M)	\$1.2	\$2.2	\$2.8	\$2.2	\$1.7	\$2.2	\$2.4
Earnings (US\$M)	(\$27.4)	(\$25.1)	(\$21.9)	(\$21.5)	(\$7.2)	\$1.5	\$23.5
Adjusted EPS (US\$)	(\$0.40)	(\$0.32)	(\$0.26)	(\$0.23)	(\$0.06)	\$0.01	\$0.24
Current Price / EPS	-	-	-	-	-	61.1x	3.9x
Target Price / EPS	-	-	-	-	-	91.9x	5.8x
Cash Flow Before W/C Changes (US\$M)	(\$26.0)	(\$22.9)	(\$19.1)	(\$19.3)	(\$5.5)	\$3.7	\$29.9
Shares O/S, millions	73	78	85	94	94	100	100
CFPS, US\$	(\$0.34)	(\$0.25)	(\$0.23)	(\$0.20)	(\$0.05)	\$0.05	\$0.27
Current Price / CFPS	-	-	-	-	-	19.3x	3.4x
Target Price / CFPS	-	-	-	-	-	29.1x	5.1x
Operating Cash Flow (US\$M)	(\$23.7)	(\$19.2)	(\$19.3)	(\$18.4)	(\$4.5)	\$4.7	\$26.9
Financing Cash Flow (US\$M)	\$37.1	\$20.2	\$9.4	\$18.2	(\$0.2)	\$10.2	(\$18.5)
Investing Cash Flow (US\$M)	(\$3.8)	(\$6.7)	(\$0.9)	\$1.1	\$0.1	\$1.3	\$0.3
Change in Cash (US\$M)	\$9.7	(\$5.7)	(\$10.8)	\$0.9	(\$4.6)	\$16.1	\$8.6
Working Capital (US\$M)	\$30.0	\$22.5	\$10.9	\$12.8	\$6.5	\$5.9	\$33.2

Trading Statistics (CS); Capital Structure		Ownership (M)		Last Financing	
52 Week High/Low	\$2.02 / \$0.94	Management / Institutional	Average Daily Volume (90 day)		1,116,879
Shares	4,370,224	22,444,652	Global X Management Company LLC		8.7%
% O/S	4.8%	24.5%	BlackRock, Inc.		2.6%
31-Jul-13	\$20.00 million - Senior secured loan facility @ 8% interest rate				
10-Apr-12	\$22.49 million - Brokered Placement 6.25 M shared @ \$3.60 incl. known over allotment				
Shares O/S (million) - Basic / FD	91,742,000	106,322,768			
(C\$M)	Av Strike (C\$)	Units (M)	ITM Units (M)	Proceeds (C\$)	
Working Capital				\$4.4	
Options	\$2.01	8.79		0.00	
Warrants	\$2.38	5.01		0.00	
Total Cash & ITM	\$2.14	13.80		0.00	



NAV Summary, Target Generation and Sensitivity	Base	-20%	-10%	+10%	+20%
Average Realized Uranium Price (US\$/lb)	\$98	\$55	\$62	\$75	\$82
US\$ millions					
Goliad/Hobson DCF (CSM)	(\$215.3)				
NPV of Corporate CF	(\$103.6)				
Total NAV (CSM)	\$111.7	\$121.1	\$158.6	\$233.4	\$270.7
Other Texas Assets (US\$M)	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0
Ex-Texas (US\$M)	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0
Corporate NAV (unadjusted) (US\$M)	\$171.7	\$181.1	\$218.6	\$293.4	\$330.7
Working Capital (est July 2014)	\$12.8	\$34.3	\$34.3	\$34.3	\$34.7
Dilutive Capital	\$11.9	\$11.9	\$11.9	\$11.9	\$11.9
Total Corporate NAV (US\$M)	\$196.4	\$227.3	\$264.8	\$339.6	\$377.4
Corporate NAV/PS	\$1.77	\$1.05	\$1.41	\$2.13	\$2.48
Current P/NAV	0.6x	1.1x	0.8x	0.5x	0.5x
Target P/NAV	1.0x	1.0x	1.0x	1.0x	1.0x
Target (US\$)	\$1.70	\$1.00	\$1.40	\$2.10	\$2.50



Production Profile	31-Jul-11	31-Jul-12	31-Jul-13	31-Jul-14	31-Jul-15	31-Jul-16	31-Jul-17
Total U308 Production (Mlb)	0.2	0.2	0.2	0.1	0.4	1.2	1.5
Uranium - Realized Price, US\$/lb	\$51	\$41	\$46	\$48	\$58	\$65	\$65
Cash Operating Cost, US\$/lb sold	\$18	\$26	\$19	\$19	\$19	\$19	\$19
Total Cash Cost, US\$/lb sold	\$19	\$36	\$32	\$34	\$36	\$39	\$39
Total Production Cost, US\$/lb sold	\$30	\$38	\$41	\$35	\$37	\$40	\$40

Peer Group Comparables (Haywood Securities estimates & Bloomberg Consensus Data)							
Company Name	Price (LoC)	MCAP C\$M	EV C\$M	2014 CFPS*	P/CFPS*	Cons. Target*	Implied Return
UR-Energy Inc. (URE-T)	\$0.97	\$125	\$169	\$0.05	21.1x	\$2.00	106%
Uranium Energy (UEC-AMEX)	\$1.13	\$128	\$147	\$0.02	49.1x	\$2.53	123%
Uranium Resources, (URRE-US)	\$1.78	\$56	\$51	(\$0.04)		\$3.50	97%
Alliance Resources (AGS-AU)	\$0.07	\$24	\$8	(\$0.31)			
* Bloomberg Consensus Data					Average:	35.1x	94%

Corporate Contact
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 Key Executive: Amir Adnani, Co-Founder, Chief Executive Officer, President and Executive Director
 Colin Healey, MBA - Research Analyst
 chealey@haywood.com 604-697-6089

Source: Haywood Securities



Uranium Participation Corp. TSX:U Price: CDN \$5.21 Shares O/S (M) 116.9 Rating: Buy
 January 23, 2015 Mcap (C\$ M) \$608.9 Target: \$6.20 +19%

Comment: Uranium Participation Corp (TSX:U) is a uranium inventory fund holding physical natural uranium (e.g., U₃O₈ and uranium hexafluoride) with the objective of increasing the value of its uranium holdings, and offers investors indirect exposure to unhedged uranium commodity.

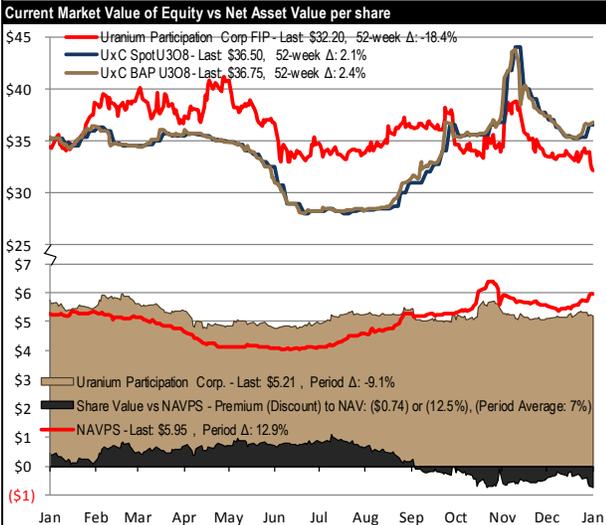
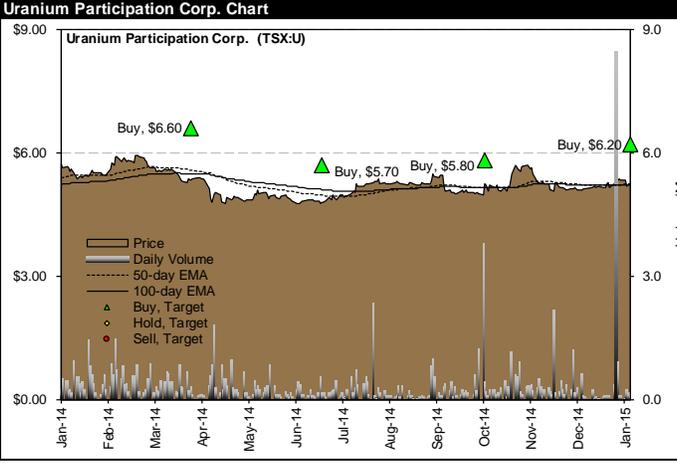
Investment Highlights
 - Uranium Participation offers a two-fold opportunity for return:
 1) Current market valuation based on US\$32.20 per pound U3O8
 2) Our spot uranium price forecast is US\$39.5 per pound U₃O₈ for 2015, offering great upside to uranium commodity holders based on the present spot price

Our uranium spot forecast reflects our belief in strong long-term fundamentals in the uranium sector, with increasing global demand spurred on by developing countries (e.g., China, Russia, India) expanding nuclear power generation capacity, and finite secondary sources gradually diminishing. In addition, several production delays and successively reduced production guidance from several uranium producers and near-term producers further stimulates support for the uranium commodity market price.

Furthermore, plans for 'proposed' reactors in the developed world (e.g., USA) will continue through the protracted licensing process, with the eventual commissioning of new reactors, further stimulating future demand.

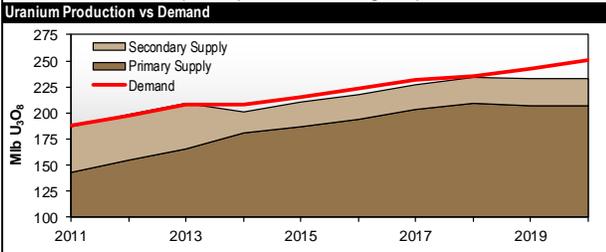
Catalysts:

- Uranium spot price movement: our Avg. 2015 U₃O₈ spot price is US\$39.50/lb.
- Currency exchange variations between Canadian and United States dollars.
- HF₆ conversion rate changes (e.g., U₃O₈ to UF₆) due to bottle necks.
- Additional natural uranium purchases (U₃O₈ to UF₆): via equity raising.
- Major production delays, or changes in hedge fund purchasing mentality.



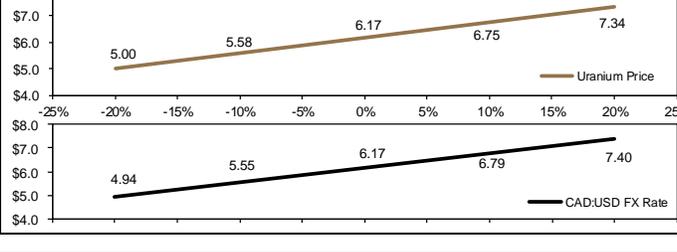
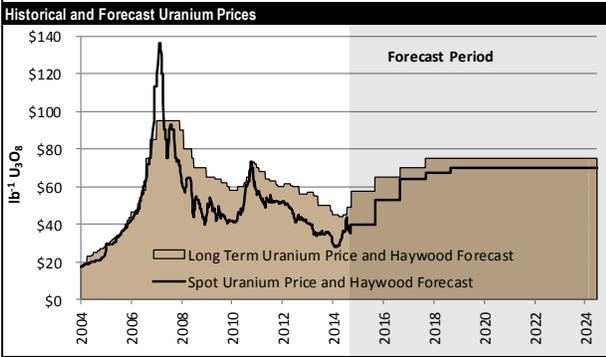
Trading Statistics (C\$); Capital Structure

52 Week High / Low	\$5.99 / \$4.72	Average Daily Vol ('000)	433,979		
Ownership (M)					
Management	Institutional	Major Shareholders			
Shares	0.07	66.42	Wellington Management Company, LLP		
% O/S	0.1%	56.8%	West Face Capital Inc		
Last Financings					
6-Feb-14	\$57.6 million	Bought Deal	10.5 M common shares @ \$5.47 (includes full over-allotment)		
6-May-09	\$90.1 million	Bought Deal	11.6 M units @ \$7.75 + 1.7 M units @ \$7.75 over-allotment		
Shares O/S - Basic, F.D.		116.9	116.9		
(C\$) (M)					
Cash & Equiv.			\$11.2		
Options		0.00	0.00		
Warrants		0.00	0.00		
Total Cash & ITM		0.00	\$11.2		
Correlation (weekly)					
Peer Group Companies		Price (\$)	52-week Ret	Price to Spot	Returns to Spot
TSX:U	Uranium Participation Corp.	\$5.21	-9.1%	83.4%	24.2%
TSX:CCO	Cameco Corporation	\$17.80	-27.5%	48.7%	15.1%
ENXTPA:AREVA	Areva S.A.	€ 9.90	-	-	-
ASX:ERA	Energy Resources of Australia I	\$1.31	4.8%	84.0%	16.2%
ASX:PDN	Paladin Energy Ltd	\$0.33	-42.0%	77.8%	29.9%



Summary, Target Generation and Sensitivity

Uranium Spot Price	Base	-20%	-10%	+10%	+20%
\$US lb U ₃ O ₈	\$53.0	\$42	\$48	\$58	\$64
NAV (C\$ M)	\$721	\$584	\$653	\$789	\$858
NAV per share	\$6.17	\$5.00	\$5.58	\$6.75	\$7.34
P / NAV	1.0 x				
NAVPS Target	\$6.20	\$5.00	\$5.60	\$6.80	\$7.30
CAD:USD FX Rate	Base	-20%	-10%	+10%	+20%
C\$	\$1.17	\$0.94	\$1.05	\$1.29	\$1.40
NAV (C\$ M)	\$721	\$577	\$649	\$793	\$865
NAV per share	\$6.17	\$4.94	\$5.55	\$6.79	\$7.40
P / NAV	1.0 x				
NAVPS Target	\$6.20	\$4.90	\$5.60	\$6.80	\$7.40



Corporate Contact
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Source: Haywood Securities

UR-Energy Inc.

TSX:URE Price: **\$0.97**

Shares O/S (M) **129.3**

Rating: **Buy**

January 23, 2015

NYSE_MKT:URG Price: **\$0.78**

MCap (C\$ M) **\$125**

Target (C\$): **\$1.70**

Return: **75%**

Alpha: Ur-Energy Inc. (TSX:URE) is a new ISR uranium producer in the United States beginning with the Lost Creek Project in Wyoming. The Company has acquired and is advancing a portfolio of US and Canadian uranium properties. Management is experienced in developing ISR facilities in Wyoming, USA.

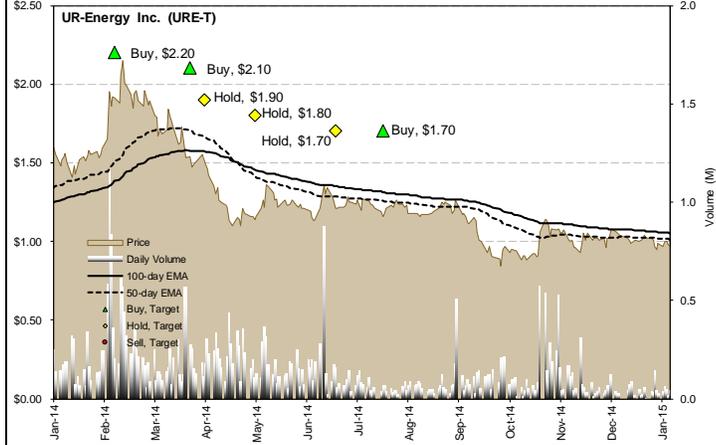
Investment Highlights

- Emerging uranium producer via ISR mining in Wyoming at their Lost Creek Project site, with a strategic collection of uranium properties within the USA and Canada.
- Management team has a protracted history of experience in uranium mining, exploration and development, having taken ISR uranium projects into production within Wyoming in the past.
- Lost Creek Project: NI 43-101 measured and indicated resource of 8.33 million tonnes at 0.052% U3O8, equating to 8.7 million pounds U3O8, with an additional 4.7 million pounds U3O8 inferred
- Lost Soldier Project: NI 43-101 measured and indicated resource of 9.4 million tonnes at 0.065% U3O8, equating to 12.2 million pounds U3O8, with an additional 1.8 million pounds U3O8 inferred
- Strategic holdings include uranium prospects in Wyoming, South Dakota, Arizona, (>130,000 acres across USA) and a number of properties in Canada.
- The company owns a significant collection of earlier uranium exploration, development and production data which will enable a more effective expansion of its future exploration and development pipeline

Catalysts:

2014: ISR uranium production ramp up at Lost Creek with evidence of water disposal capacity (completion of DDW 3, installation in process) to support increased production rates at declining head grades and/or reduction in water disposal requirements with plant process optimization.

UR-Energy Inc. Chart (CDNs)

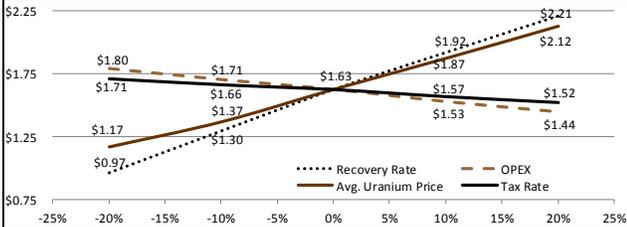


Financials & Assumptions	F'12A	F'13A	F'14E	F'15E	F'16E	F'17E	F'18E
(Year-End Dec-31)	31-Dec-12	31-Dec-13	31-Dec-14	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18
Spot Uranium (US\$/lb)	\$49	\$38	\$33	\$40	\$53	\$64	\$68
Long-term Uranium (US\$/lb)	\$61	\$54	\$47	\$58	\$65	\$70	\$75
C\$/US\$ FX Rate	1.01	0.95	1.10	1.17	1.17	1.12	1.08
AS/US\$ FX Rate	1.04	0.92	1.10	1.25	1.26	1.21	1.18
Revenue (US\$M)	\$0.0	\$7.6	\$28.9	\$34.7	\$61.4	\$68.1	\$72.8
Cost of Goods Sold (US\$M)	\$0.0	\$3.1	\$16.4	\$18.4	\$26.3	\$26.3	\$26.3
Corporate G&A (incl. stock based comp) (US\$M)	\$6.1	\$5.6	\$6.1	\$6.1	\$6.2	\$6.2	\$6.3
EBITDA (US\$M)	(\$17.8)	(\$23.7)	\$2.1	\$13.6	\$33.7	\$40.4	\$44.9
EV / EBITDA			59.5x	9.2x	3.7x	3.1x	2.8x
DD&A (US\$M)	\$0.5	\$0.5	\$5.1	\$6.2	\$8.8	\$8.8	\$8.8
Earnings (US\$M)	(\$17.6)	(\$30.4)	(\$7.3)	\$1.9	\$15.3	\$20.8	\$24.8
Adjusted EPS (US\$)	(\$0.15)	(\$0.25)	(\$0.05)	\$0.01	\$0.10	\$0.14	\$0.15
Current Price / EPS	-	-	-	62.8x	8.2x	6.4x	5.1x
Target Price / EPS	-	-	-	110.0x	14.4x	11.2x	10.2x
Cash Flow Before WC Changes (C\$M)	(\$17.0)	(\$29.8)	(\$2.2)	\$8.1	\$24.1	\$29.6	\$33.6
Shares O/S, millions	119	122	145	146	151	154	161
CFPS, US\$	(\$0.12)	(\$0.23)	(\$0.00)	\$0.06	\$0.16	\$0.19	\$0.21
Current Price / CFPS	-	-	-	14.9x	5.2x	4.5x	4.3x
Target Price / CFPS	-	-	-	26.2x	9.1x	7.9x	7.6x
Operating Cash Flow (US\$M)	(\$14.7)	(\$27.8)	(\$0.2)	\$8.1	\$24.1	\$29.6	\$33.6
Financing Cash Flow (US\$M)	\$16.3	\$43.8	\$13.1	(\$6.8)	\$3.0	(\$2.5)	\$3.4
Investing Cash Flow (US\$M)	(\$6.0)	(\$25.7)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Change in Cash (US\$M)	(\$4.3)	(\$9.9)	\$12.9	\$1.3	\$27.1	\$27.1	\$37.0
Working Capital (US\$M)	\$15.5	\$2.3	\$13.0	\$16.5	\$44.2	\$71.0	\$107.4

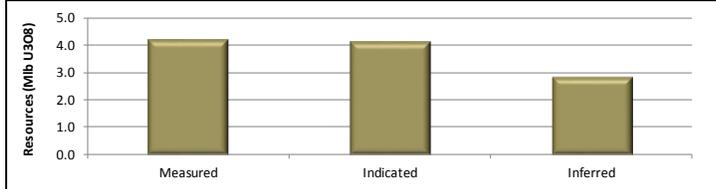
Trading Statistics (C\$); Capital Structure		52 Week High/Low		\$2.21 / \$0.83		Average Daily Volume (90 day)		94,845	
Ownership (M)		Management / Institutional				Major Shareholders			
Shares	3,729,174	37,890,553	Global X Management Company LLC		8.2%				
% O/S	2.9%	29.3%	Lazarus Management Company LLC		7.4%				
Last Financing									
June-13	\$20 million secured loan facility @ LIBOR plus 7.5% per annum								
May-13	\$5 million bridge loan facility @ 7.5% per annum								
Shares O/S (million) - Basic / FD	129,284,000	/	145,212,900						
(C\$M)		Av Strike (C\$)		Units (M)		ITM Units (M)		Proceeds (C\$)	
Working Capital									
Options		\$1.20	7.55		3.40				\$2.5
Warrants		\$1.19	8.37		0.08				\$0.1
Total Cash & ITM		\$1.20	15.93		3.48				\$6

NAV Summary, Target Generation and Sensitivity	Base	-20%	-10%	+10%	+20%
Average Realized Uranium Price (US\$/lb)	\$89	\$55	\$62	\$75	\$82
C\$ millions					
Lost Creek DCF (C\$M)	@(8.0%)	\$217.7			
NPV of Corporate CF	@(8.0%)	-\$54.0			
Total NAV (C\$M)		\$163.7	\$182.0	\$214.7	\$292.6
Exploration Credit (C\$M)		\$75.0	\$75.0	\$75.0	\$75.0
Other Projects (C\$M)		\$0.0	\$0.0	\$0.0	\$0.0
Corporate NAV (unadjusted) (C\$M)		\$238.7	\$257.0	\$289.7	\$367.6
Working Capital (est Dec 2014)		\$13.0	\$7.8	\$7.8	\$7.8
Dilutive Capital		\$2.6	\$2.6	\$2.6	\$2.6
Total Corporate NAV (C\$M)		\$254.2	\$267.4	\$300.0	\$377.9
Corporate NAVPS		\$1.63	\$1.17	\$1.37	\$1.87
Current P/NAV		0.6x	0.8x	0.7x	0.5x
Target Price / NAV		1.0x	1.0x	1.0x	1.0x
Target (C\$)		\$1.70	\$1.20	\$1.40	\$1.90

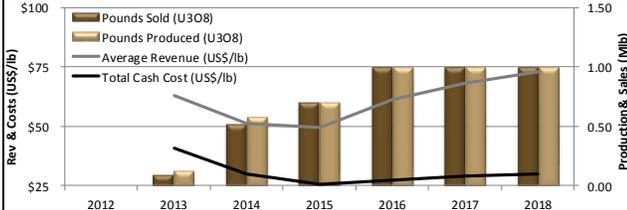
Select Project NAV Sensitivities



Ur-Energy Lost Creek NI 43-101 Compliant Resource Base



Production & Cash Cost Summary



Production Profile	31-Dec-12	31-Dec-13	31-Dec-14	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18
Total U ₃ O ₈ Production (Mlb)	-	0.1	0.6	0.7	1.0	1.0	1.0
Total U ₃ O ₈ Sales (Mlb)	-	0.1	0.5	0.7	1.0	1.0	1.0
Uranium - Realized Price, US\$/lb	-	\$63	\$51	\$50	\$61	\$68	\$73
Cash Operating Cost, US\$/lb sold	-	\$17	\$22	\$18	\$18	\$18	\$18
Total Cash Cost, US\$/lb sold	-	\$22	\$30	\$25	\$28	\$29	\$30
Total Production Cost, US\$/lb sold	-	\$34	\$40	\$34	\$36	\$38	\$39

Peer Group Comparables (Haywood Securities estimates & Bloomberg Consensus Data)									
Company Name	Price (LoC)	MCAP C\$M	EV C\$M	2014 CFPS*	P/CFPS*	Cons. Target*	Implied Return		
UR-Energy Inc. (URE-T)	\$0.97	\$125	\$169	\$0.02	48.5x	\$2.00	106%		
Uranium Energy (UEC-AMEX)	\$1.13	\$128	\$147	(\$0.16)		\$2.53	123%		
Uranerz Energy (URZ-AMEX)					RESTRICTED				
Peninsula Energy (PEN-AU)	\$0.02	\$108	\$116	(\$0.00)		\$0.05	172%		
Uranium Resources, (URRE-US)	\$1.78	\$56	\$51	(\$0.53)		\$3.50	97%		
Azarga Uranium (AZZ-T)	\$0.41	\$24	\$28			\$1.00	144%		
Anatolia Energy (AEK-AU)	\$0.08	\$24	\$23			\$0.24	208%		
Alliance Resources (AGS-AU)	\$0.07	\$24	\$8						
* Bloomberg Consensus Data				Average:		48.5x	129%		

Corporate Contact	
Website:	www.ur-energy.com Tel: 720-981-4588
Key Executive:	Wayne Heili, Chief Executive Officer, President, Director and Member of Technical Committee
Colin Healey, MBA - Research Analyst chealey@haywood.com 604-697-6089	

Source: Haywood Securities



Zazu Metals Corp. (ZAZ-T)
Rating: BUY
Target Price: C\$0.50
 Target Price Metric: 1.0x Interim Financed After-Tax Corporate NAV10%

Target Price, C\$	\$0.50	Shares O/S, million	47.9
Current Price, C\$	\$0.31	Shares F/D, million	52.3
Return, %	61%	Market Capitalization, US\$M	\$12.7
52-Week High / Low, C\$	\$0.69 / \$0.27	Company CEO	Gil Atzmon
Daily Volume (100-day avg)	17,825	Company Web Site	www.zazumetals.com

	US\$M	US\$ / O/S Share	C\$M	C\$ / O/S Share
Market Capitalization	\$12.7	\$0.26	\$14.9	\$0.31
Current Cash	\$0.6	\$0.01	\$0.7	\$0.02
F/D Cash Adds	\$2.5	\$0.05	\$3.0	\$0.06
Working Capital	\$0.6	\$0.01	\$0.7	\$0.01
Long-term Debt	\$0.0	\$0.00	\$0.0	\$0.00
Book Value	\$15.4	\$0.32	\$18.1	\$0.38
Enterprise Value (EV)	\$12.1	\$0.25	\$14.2	\$0.30

EV = Market Capitalization - Working Capital + Long-term Debt
C\$/US\$ FX Rate: 1.17

	Number	Price	Proceeds	Expiry
Warrants	0.0M	C\$0.00	US\$0.0M	-
Options	4.4M	C\$0.67	US\$2.9M	May 2018 - November 2018
Warrants + Options	4.4M	C\$0.67	US\$2.9M	

C\$/US\$ FX Rate: 1.17

February 10, 2011 - C\$8.0M private placement (8.65M shares @ C\$0.90)
January 28, 2011 - C\$2.25M private placement (5.0M shares @ C\$0.45)
December 19, 2007 - C\$4.4M IPO (2.5M units @ C\$1.75; incl. 1/2 5-year warrant @ C\$2.25 per share)

	2014	2015	2016	2017	2018	2019
Forecast Zinc Price, US\$/lb	\$0.98	\$1.10	\$1.20	\$1.20	\$1.15	\$1.15
Forecast Lead Price, US\$/lb	\$0.95	\$1.00	\$1.10	\$1.10	\$1.05	\$1.05
C\$/US\$ FX Rate	\$1.10	\$1.17	\$1.17	\$1.12	\$1.08	\$1.08
Average Shares O/S, millions	48	89	207	394	394	394
Gross Sales Revenue, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Net Revenue, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Cost of Sales, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Corporate G&A, US\$M	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)
EBITDA, US\$M	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)
EV / EBITDA	-	-	-	-	-	-
DD&A, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Gain on Derivative Instruments, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Earnings, US\$M	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)
EPS, US\$	(\$0.02)	(\$0.01)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)
Current Price / EPS	-	-	-	-	-	-
Target Price / EPS	-	-	-	-	-	-
Cash Flow Before W/C Changes, US\$M	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)
CFPS, US\$	(\$0.02)	(\$0.01)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)
Current Price / CFPS	-	-	-	-	-	-
Target Price / CFPS	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
CAPEX, US\$M	(\$1)	(\$5)	(\$5)	(\$7)	(\$15)	(\$16)
Proceeds from Equity Financing, US\$M	\$0	\$10	\$138	\$0	\$0	\$0
Proceeds from Debt Financing, US\$M	\$0	\$0	\$0	\$0	\$192	\$0
Debt Repayment, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Free Cash Flow, US\$M	(\$2)	\$4	\$132	(\$8)	\$40	(\$170)
FCPS, US\$	(\$0.05)	\$0.05	\$0.64	(\$0.02)	\$0.10	(\$0.43)

	O/S (millions)	O/S (%)	F/D (millions)	F/D (%)
Zebra Holdings (Lundin family affiliated trust)	8.9	18%	8.9	17%
TD Asset Management	0.8	2%	0.8	2%
AGF Investments	0.3	1%	0.3	1%
Management and Directors	16.3	34%	16.3	31%
Total	47.9	65%	52.3	50%

	Haywood Model	\$0.75	\$1.00	\$1.25	\$1.50	\$0.95
Forecast Zinc Price, US\$/lb	\$0.75	\$1.00	\$1.25	\$1.50	\$0.95	\$0.95
Forecast Lead Price, US\$/lb	\$0.75	\$1.00	\$1.25	\$1.50	\$0.83	\$0.83
Forecast C\$/US\$ FX Rate	1.20	1.10	1.00	0.90	1.24	1.24
Corporate Adjustments, US\$M	\$8	\$8	\$8	\$8	\$8	\$8
Lik After-Tax Project NAV10%, US\$M	\$46	(\$196)	(\$19)	\$111	\$240	(\$59)
Additional Exploration Credit, US\$M	\$0	\$0	\$0	\$0	\$0	\$0
Corporate NAV, US\$M	\$54	(\$188)	(\$11)	\$119	\$248	(\$51)
Corporate Adjustments, C\$ / F/D share	\$0.07	\$0.07	\$0.07	\$0.06	\$0.06	\$0.08
Lik After-Tax Project NAV10%, C\$ / F/D share	\$0.41	(\$1.77)	(\$0.16)	\$0.83	\$1.63	(\$0.56)
Additional Exploration Credit, C\$ / F/D share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Corporate NAV, C\$ / F/D share	\$0.48	(\$1.70)	(\$0.09)	\$0.90	\$1.68	(\$0.48)
Current Price / Corporate NAV	0.6x	-	-	0.3x	0.2x	-
Target Price / Corporate NAV	1.0x	-	-	0.6x	0.3x	-
2014E CFPS, US\$	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)
2015E CFPS, US\$	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)

Model shares F/D (interim financed): 133M

	Haywood Model	\$0.75	\$1.00	\$1.25	\$1.50	\$0.95
Forecast Zinc Price, US\$/lb	\$0.75	\$1.00	\$1.25	\$1.50	\$0.95	\$0.95
Forecast Lead Price, US\$/lb	\$0.75	\$1.00	\$1.25	\$1.50	\$0.83	\$0.83
Forecast C\$/US\$ FX Rate	1.20	1.10	1.00	0.90	1.24	1.24
Corporate Adjustments, US\$M	(\$63)	(\$63)	(\$63)	(\$63)	(\$63)	(\$63)
Lik After-Tax Project NAV(10%), US\$M	\$238	(\$4)	\$173	\$303	\$432	\$133
Additional Exploration Credit, US\$M	\$28	\$28	\$28	\$28	\$28	\$28
Corporate NAV, US\$M	\$204	(\$38)	\$139	\$268	\$398	\$99
Corporate Adjustments, C\$ / F/D share	(\$0.17)	(\$0.17)	(\$0.16)	(\$0.15)	(\$0.13)	(\$0.18)
Lik After-Tax Project NAV(10%), C\$ / F/D share	\$0.65	(\$0.01)	\$0.44	\$0.70	\$0.90	\$0.38
Additional Exploration Credit, C\$ / F/D share	\$0.08	\$0.08	\$0.07	\$0.07	\$0.06	\$0.08
Corporate NAV, C\$ / F/D share	\$0.55	(\$0.11)	\$0.35	\$0.62	\$0.83	\$0.28
Current Price / Corporate NAV	0.6x	-	0.9x	0.5x	0.4x	1.1x
Target Price / Corporate NAV	0.9x	-	1.4x	0.8x	0.6x	1.8x
2020E CFPS, US\$	\$0.06	(\$0.09)	\$0.02	\$0.11	\$0.21	(\$0.01)
2021E CFPS, US\$	\$0.16	\$0.01	\$0.14	\$0.28	\$0.43	\$0.11

Model shares F/D (fully financed): 432M

	RLOM	2015	2016	2017	2018	2019
Ore Tonnes Mined, millions	17.1	-	-	-	-	-
Waste Tonnes Mined (incl. pre-strip), millions	87.0	-	-	-	-	0.2
Strip Ratio (excl. pre-strip)	5.1	-	-	-	-	-
Ore Tonnes Milled, millions	17.1	-	-	-	-	-
Ore Tonnes Milled, tonnes per day	5,200	-	-	-	-	-
Zinc Grade Milled, %	7.7%	-	-	-	-	-
Lead Grade Milled, %	2.5%	-	-	-	-	-
Zinc Recovery, %	85%	-	-	-	-	-
Lead Recovery, %	70%	-	-	-	-	-
Zinc production (in concentrate), Mib	2,458	-	-	-	-	-
Lead production (in concentrate), Mib	671	-	-	-	-	-
Payable Zinc Production, Mib	2,089	-	-	-	-	-
Payable Lead Production, Mib	638	-	-	-	-	-
On-Site Operating Cost, US\$/tonne milled	\$70	-	-	-	-	-
Zinc Cash Cost (excl. NoC, ER), US\$/lb	\$0.25	-	-	-	-	-
Total Zinc Cash Cost (NoC, IR), US\$/lb	\$0.65	-	-	-	-	-

NoC = net of credits; ER = excluding royalties; IR = including royalties.

	Analysts	Mean EPS	High / Low	Reported Cons.	Mean CFPS	High / Low	Reported Cons.
2014 Consensus Estimate	1	(US\$0.02)	5%	(US\$0.02)	5%	(US\$0.02)	5%
2015 Consensus Estimate	1	(US\$0.01)	13%	(US\$0.01)	13%	(US\$0.01)	13%

	Analysts	SO Rating	SP Rating	US Rating	Mean Target	High / Low	Reported Cons.
Consensus Valuation	3	2	1	-	US\$2.17	US\$1.61 / US\$3.07	(77%)

	RLOM	2015	2016	2017	2018	2019
Forward Zinc Sales, Mib	-	-	-	-	-	-
Forward Zinc Sales Price, US\$/lb	-	-	-	-	-	-
Forward Lead Sales, Moz	-	-	-	-	-	-
Forward Lead Sales Price, US\$/oz	-	-	-	-	-	-

	Tonnes (000's)	Zn Grade (%)	ZnEq Grade (%)	Zinc (Mib)	ZnEq (Mib)	EVib ZnEq (US\$/lb)
Haywood Model Mineable (100%)	17,130	7.66%	11.03%	2,892	4,196	-
Haywood Model Payable (100%)	-	-	-	2,089	2,688	-
Proven and Probable Reserve (100%)	-	-	-	-	-	-
Measured & Indicated Resource (100%)	18,740	8.08%	11.64%	3,338	4,808	-
Inferred Resource (100%)	6,410	9.10%	12.93%	1,286	1,827	-
Total Reserve and Resource (100%)	25,150	8.34%	11.97%	4,625	6,634	\$0.002
Attributable Reserve (80%)	-	-	-	-	-	-
Attributable Reserve and Resource (80%)	20,120	8.34%	11.97%	3,700	5,308	\$0.002

Measured & indicated resource is additional to proven and probable reserve.

	Share Price	Corp NAV	Price / NAV	2014E CFPS	Price / CFPS	2015E CFPS	Price / CFPS
Zazu Metals Corp. (ZAZ-T)	C\$0.31	US\$0.44	0.6x	(US\$0.02)	-	(US\$0.02)	-
Capstone Mining Corp. (CS-T)	C\$1.21	US\$4.44	0.2x	US\$0.60	1.8x	US\$0.50	2.1x
Copper Mountain Mining Corp. (CMM-T)	C\$1.08	US\$0.55	1.8x	US\$0.40	2.4x	US\$0.62	1.5x
Coro Mining Corp. (COP-T)	C\$0.03	US\$0.43	0.1x	(US\$0.02)	-	(US\$0.02)	-
First Quantum Minerals Ltd. (FM-T)	C\$12.52	US\$22.45	0.5x	US\$2.45	4.6x	US\$3.40	3.1x
Foran Mining Corp. (FOM-V)	C\$0.22	US\$0.07	2.8x	(US\$0.02)	-	(US\$0.01)	-
HudBay Minerals Inc. (HBM-T)	C\$9.06	US\$10.44	0.8x	US\$0.15	55.8x	US\$0.75	10.3x
Lundin Mining Corp. (LUN-T)	C\$4.57	US\$6.50	0.6x	US\$0.72	5.8x	US\$1.20	3.3x
Nevsun Resources Ltd. (NSU-T)	C\$4.27	US\$4.67	0.8x	US\$0.60	6.5x	US\$0.65	5.6x
NovaCopper Inc. (NCQ-T)	C\$0.68	US\$1.73	0.4x	(US\$0.16)	-	(US\$0.33)	-
Royal Nickel Corp. (RNK-T)	C\$0.34	US\$0.64	0.5x	(US\$0.04)	-	(US\$0.02)	-
Sunnidge Gold Corp. (SGC-V)	C\$0.15	US\$0.30	0.5x	(US\$0.02)	-	(US\$0.01)	-
Talon Metals Corp. (TLO-T)	C\$0.00	US\$0.42	-	(US\$0.05)	-	(US\$0.03)	-
Trevali Mining Corp. (TV-T)	C\$1.06	US\$1.15	0.8x	US\$0.05	21.2x	US\$0.10	9.0x

Peer-Group Average (producers) 0.8x 14.0x
 Peer-Group Average (developers) 0.8x -
 Peer-Group Average (all) 0.8x 14.0x 5.0x

2014E C\$/US\$ FX Rate: 1.10
 2015E C\$/US\$ FX Rate: 1.17

	Year	Quarter	Amount (US\$M)	Price (C\$/share)	Shares (millions)
Current O/S Share Capital	-	-	-	-	48
Current F/D Share Capital	-	-	-	-	52
Modelled Interim Equity Financing No. 1	2015	Q1	\$10	C\$0.25	47
Modelled Interim Equity Financing No. 2	2016	Q1	\$10	C\$0.35	33
Modelled Project Equity Financing	2016	Q3	\$128	C\$0.50	300
Modelled Fully Financed F/D Share Capital	-	-	-	-	432

Haywood fully financed model assumes a 80:40 debt:equity structure to fund Lik's US\$400M initial capital cost (100% basis).

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Ticker	Company	1	2	3	4	5	6	7	8
TSX:AGI	Alamos Gold Inc.			X					
TSX:AKG	Asanko Gold Inc.		X	X	X				
TSX:BTO	B2Gold Corp.			X					
TSX:ABX	Barrick Gold Corporation			X					
TSX:CS	Capstone Mining Corp.			X					
TSXV:CMM	Castle Mountain Mining Company	X		X	X				
TSX:CUM	Copper Mountain Mining Corp.			X					
TSX:COP	Coro Mining Inc.	X	X	X			X		
TSX:DML	Denison Mines Corp.			X			X		
TSX:DGC	Detour Gold Corporation	X		X	X				
TSX:ELD	Eldorado Gold Corporation	X		X					
TSX:EDV	Endeavour Mining Corp.	X		X					
TSX:EDR	Endeavour Silver Corp.			X					
TSX:EFR	Energy Fuels Inc.			X			X	X	
TSX:FM	First Quantum Minerals Ltd.			X					
TSXV:FOM	Foran Mining Corp.			X					X
TSX:FVI	Fortuna Silver Mines Inc.			X					
TSXV:HI	Highland Copper Company Inc	X		X		X			
TSX:HBM	Hudbay Minerals, Inc.	X		X	X				
TSX:KDX	Klondex Mines Ltd.			X	X				
TSX:LSG	Lake Shore Gold Corp.	X		X					
TSX:LGC	Luna Gold Corp.			X	X				
TSX:LUN	Lundin Mining Corporation	X		X	X				
TSX:LYD	Lydian International Ltd.				X				
TSX:MND	Mandalay Resources Corp.			X					
TSX:MAX	Midas Gold Corp.	X	X	X		X			
TSXV:MDW	Midway Gold Corp.	X		X	X		X		
TSX:ME	Moneta Porcupine Mines Inc.			X					
TSX:NSU	Nevsun Resources Ltd.			X					
TSX:NCQ	NovaCopper Inc.	X		X	X				
TSX:OGC	OceanaGold Corporation			X					
ASX:OBS	Orbis Gold Limited			X	X				
TSX:ORE	Orezone Resources Inc.			X					
TSX:PDN	Paladin Energy Limited			X					
TSX:PLG	Pilot Gold Inc.			X	X		X		
TSX:RIO	Rio Alto Mining Ltd.			X					
TSXV:ROG	Roxgold Inc.	X		X	X		X		
TSX:RNX	Royal Nickel Corporation			X	X				
TSXV:SWA	Sarama Resources Ltd.	X							
TSX:SMF	SEMAFO Inc.			X					
TSXV:SVL	SilverCrest Mines Inc.			X	X				
TSXV:SGC	Sunridge Gold Corp.			X					
TSX:THO	Tahoe Resources Inc.			X					
TSX:TLO	Talon Metals Corp.	X		X	X				
TSX:TCK.B	Teck Resources Limited			X					
TSX:TV	Trevali Resources Corp.	X		X					
TSXV:TGM	True Gold Mining Inc.		X	X	X				
TSX:URE	Ur-Energy Inc.			X					



	TSX:URZ	Uranerz Energy Corporation			X	X	X		X	
	AMEX:UEC	Uranium Energy Corp.			X					
	TSX:U	Uranium Participation Corporation	X							
	TSX:ZAZ	Zazu Metals Corp.		X	X					
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Very High Risk: Venture type companies or more established micro, small, mid or large cap companies whose risk profile parameters and/or lack of liquidity warrant such a designation. These companies are only appropriate for investors who have a very high tolerance for risk and volatility and who are capable of incurring temporary or permanent loss of a very significant portion of their investment capital.

High Risk: Typically micro or small cap companies which have an above average investment risk relative to more established or mid to large cap companies. These companies will generally not form part of the broad senior stock market indices and often will have less liquidity than more established mid and large cap companies. These companies are only appropriate for investors who have a high tolerance for risk and volatility and who are capable of incurring a temporary or permanent loss of a significant loss of their investment capital.

Medium-High Risk: Typically mid to large cap companies that have a medium to high investment risk. These companies will often form part of the broader senior stock market indices or sector specific indices. These companies are only appropriate for investors who have a medium to high tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital

Moderate Risk: Large to very large cap companies with established earnings who have a track record of lower volatility when compared against the broad senior stock market indices. These companies are only appropriate for investors who have a medium tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

Risk Profile Parameters – Mining and Minerals Sector

Forecast Risk: High (7-10) – The Company's primary project(s) is at an earlier stage of exploration and/or resource delineation whereby grades, tonnages, capital and operating costs, and other economic/operational parameters are not yet reliably established. **Moderate (4-6)** – The Company has taken steps to de-risk its primary producing, or soon to be producing project(s) and has established reasonably reliable operational and economic parameters. **Low (1-3)** – The Company has de-risked the majority of its primary project(s) through operational history and established production profile(s).

Financial Risk: High (7-10) – The Company's near- and medium-term (capital) expenditure considerations, including the current year or next forecast year, are not fully funded through a combination of established debt facilities, cash on hand, and/or anticipated cash flow from existing operations—successful project execution depends, in part, on future (equity) financing(s). Existing and/or forecast levels of leverage are above average relative to the Company's peer group. The risk of a significant capital cost overrun(s) is high given the early stage of project development. **Moderate (4-6)** – The Company's near-term (capital) expenditure program, in the current year or next forecast year, is fully funded through a combination of established debt facilities, cash on hand, and/or anticipated cash flow from existing operations. Medium-term funding requirements will likely require additional financing consideration, but should be achievable assuming no significant uncontrollable events impede access to capital. Existing and/or forecast levels of leverage are in-line with the Company's peer group. The risk of a significant capital cost overrun(s) is moderate given the advanced stage of project development. **Low (1-3)** – the Company's near- and medium-term (capital) expenditure program is fully funded through a combination of established debt facilities, cash on hand, and/or anticipated cash flow from existing operations. Existing and/or forecast levels of leverage are below average relative to the Company's peer group.

Valuation Risk: High (7-10) – The current valuation is at a premium to peers. The valuation reflects considerable future exploration success and/or commodity appreciation. Where applicable, the current capitalization exceeds the "DCF" evaluation by more than 50%. **Moderate (4-6)** – The current valuation is within historic ranges and generally consistent with peers. The valuation reflects reasonable exploration success and/or commodity appreciation. Where applicable, the current capitalization exceeds the DCF valuation by 15% to 50%. **Low (1-3)** – The current valuation is at the low end of historic ranges



and at a discount to peer valuations. The valuation reflects limited new exploration success and no commodity appreciation. Where applicable, the current capitalization exceeds the DCF valuation by less than 15% or falls below the current market value.

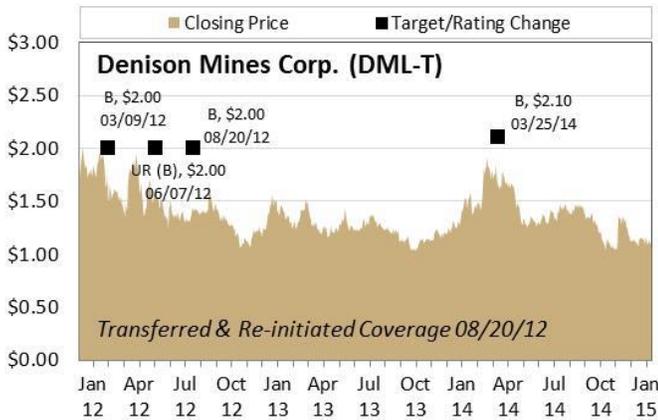
Political Risk: High (7-10) –Obtaining permits is challenging. Properties are located in an area(s) with high geo-political uncertainty, limited access, and/or have significant new infrastructure requirements. **Moderate (4-6)** – Properties are located in an area(s) with moderate geo-political risk, reasonable or manageable access, and some established infrastructure. **Low (1-3)** – Properties are located in areas with a manageable geo-political risk profile and established access/infrastructure.

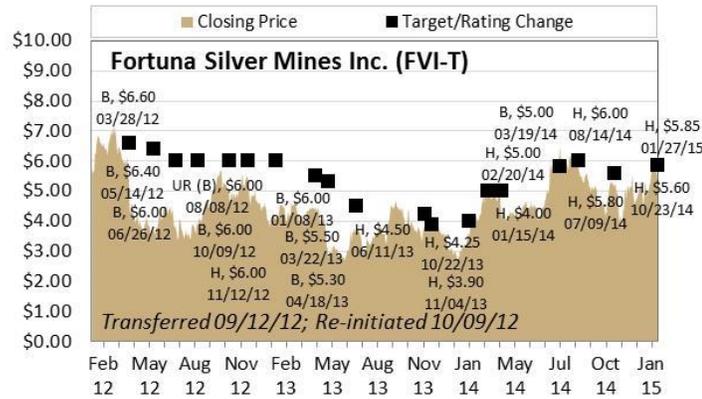
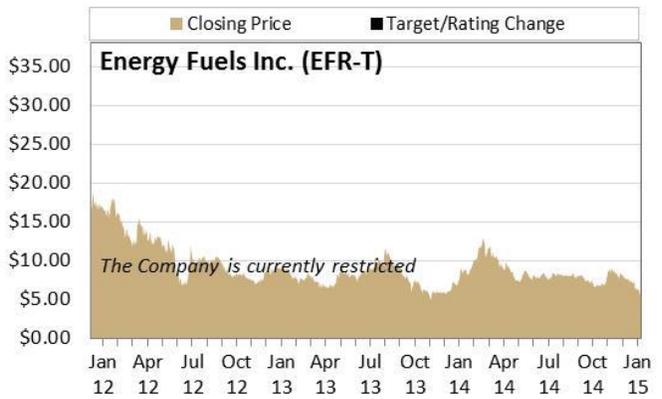
Distribution of Ratings (as of January 27, 2015)

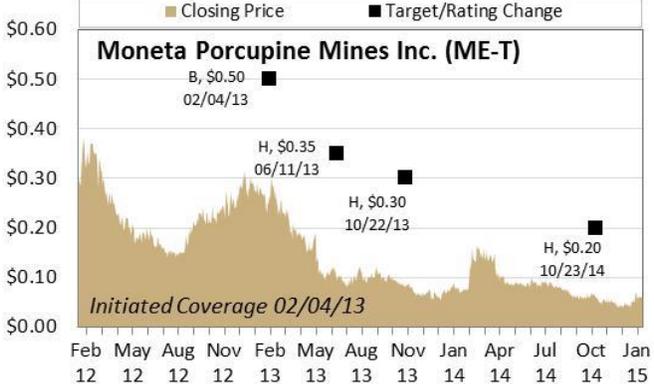
	Distribution of Ratings		IB Clients (TTM)
	%	#	
Buy	49.6%	70	87.5%
Hold	8.5%	12	6.3%
Sell	2.1%	3	6.3%
Tender	0.7%	1	0.0%
UR (Buy)	0.7%	1	0.0%
UR (Hold)	0.0%	0	0.0%
UR (Sell)	0.0%	0	0.0%
dropped (TTM)	38.3%	54	0.0%

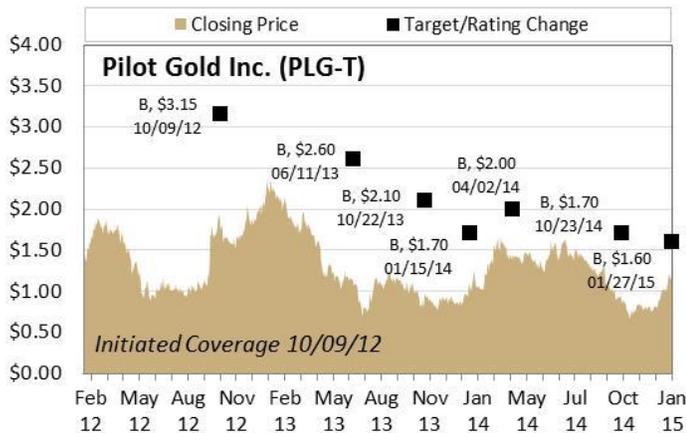
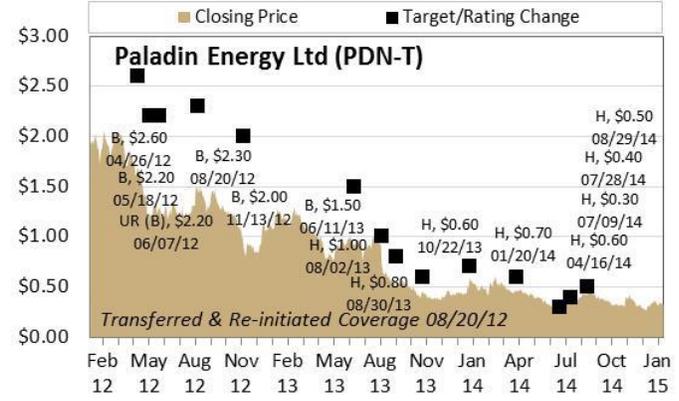
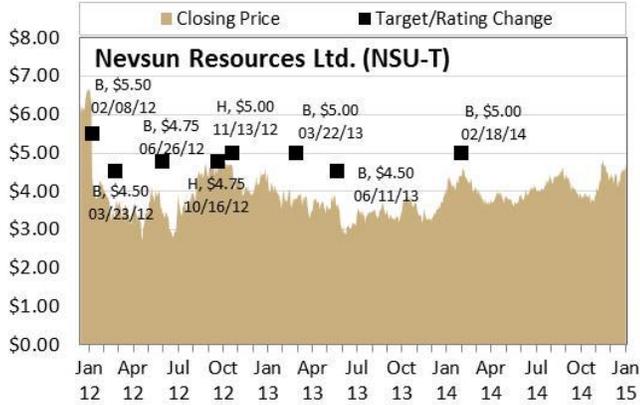
Price Chart, Rating and Target Price History (as of January 27, 2015)

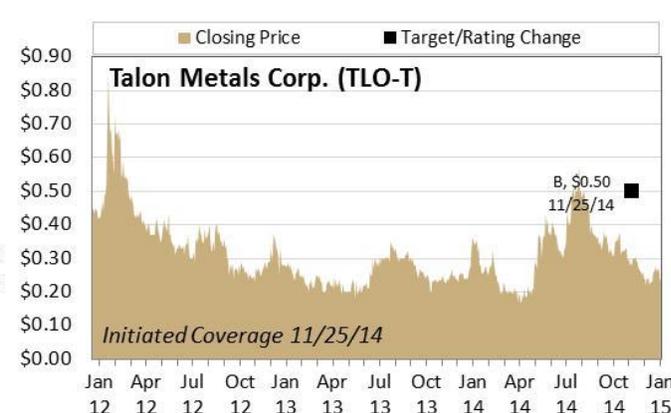
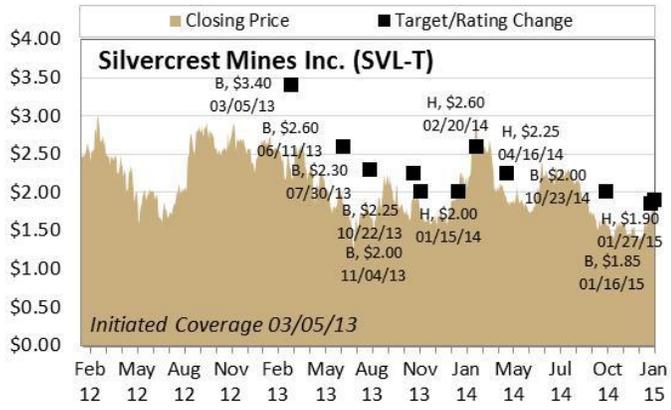
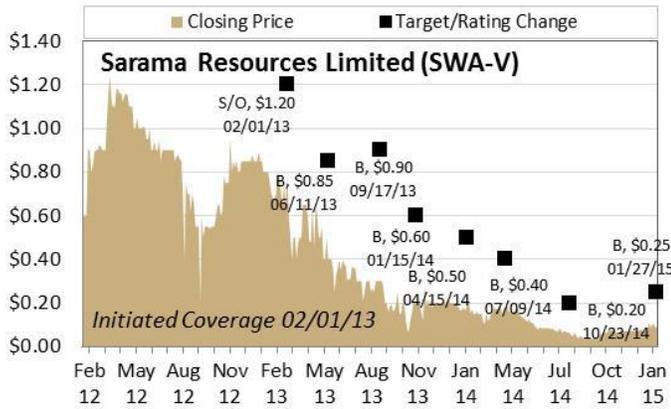
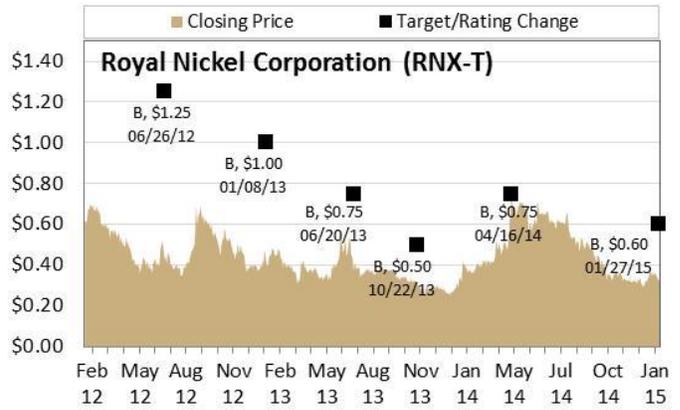
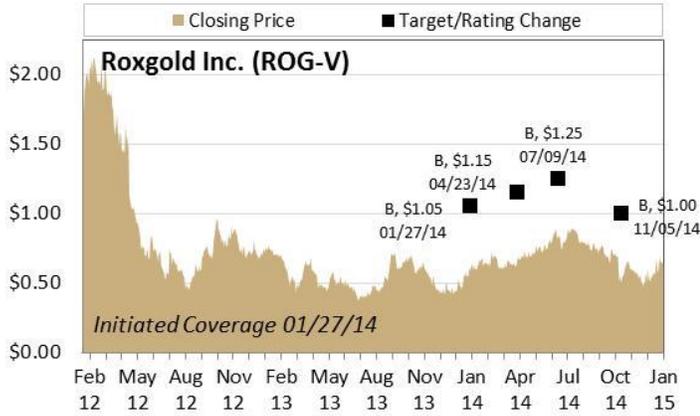


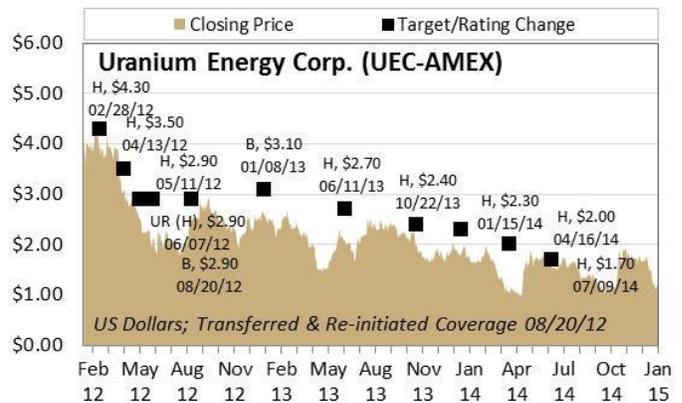
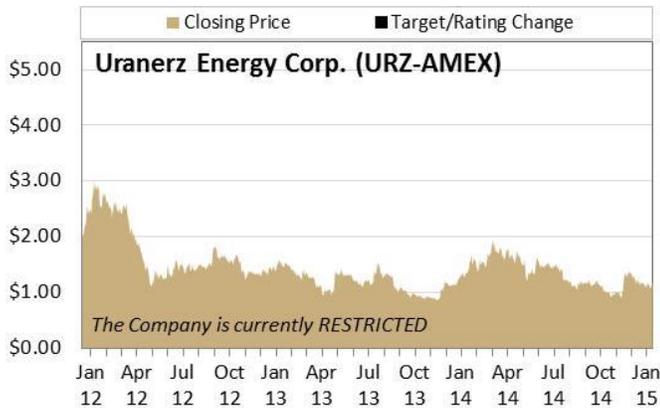
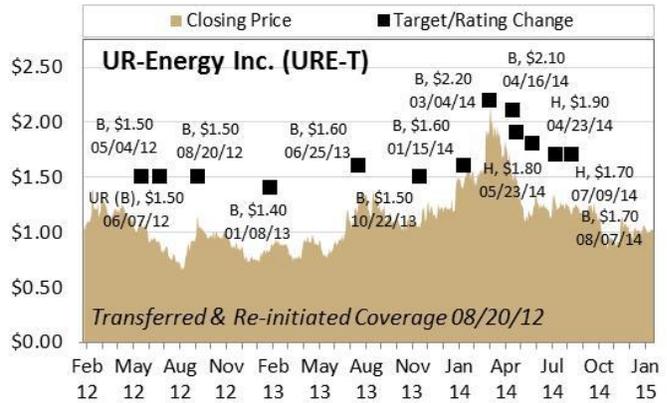
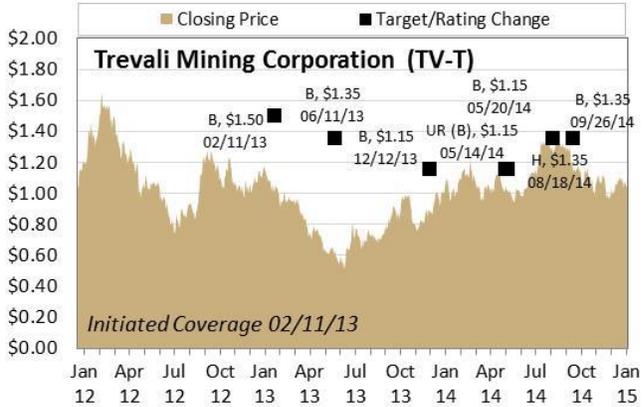
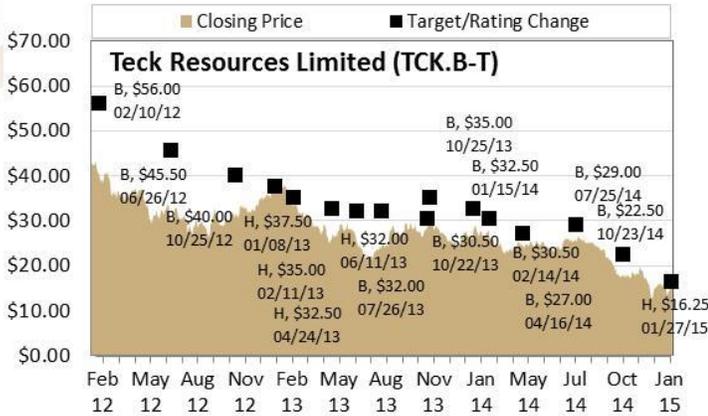












B: Buy; H: Hold; S: Sell; T: Tender; UR: Under Review
 Source: Capital IQ and Haywood Securities