

31 January 2025

Aurum Resources Limited (AUE) BUY Share Price: A\$0.26

New high grade gold mineralisation at BM Target Price: A\$0.59

AUE has released new high-grade intercepts from drilling at the Boundiali Gold Project in Côte d'Ivoire. Results continue to demonstrate the growing potential of the Boundiali project following the 1.59Moz Maiden Resource announced in December. AUE anticipates strong resource growth in 2025 with an ambitious 100,000m drill program at Boundiali supporting a Pre-Feasibility Study by year end. We expect ongoing value creation at AUE as drilling and studies accelerate this year. AUE is trading cheaply at an EV/Resource of just A\$16/oz vs peer average of A\$80/oz (Figure 6). BUY with PT of A\$0.59/share (unchanged).

New high-grade intercepts

- Best results from BM (AUE 80-88%) comprise:
 - 23m @ 2.0g/t Au from 118m (MBDD123)
 - 4m @ 4.2g/t Au from 142m (MBDD125A)
 - 3m @ 50.6g/t Au from 124m (MBDD130)
 - 2m @ 63.6g/t Au from 11m (MBDD123)
 - 1m @ 58.4g/t Au from 71m (MBDD121)
- True widths estimated at 70-80% of downhole lengths.
- Further drilling is required to prove up the best zones and determine continuity

A busy year ahead

- AUE has reached >90% of MKG and moved to compulsory acquisition.
- Ongoing drilling with six diamond drill rigs at Boundiali targeting 100,000m in CY25.
- Two additional rigs planned to commence in Feb. drilling at Napie (868koz) targeting 30,000m in CY25.
- Studies to commence this quarter at Boundiali with PFS completion by end of 2025.
- Resource updates expected Jun. Q'25 and Dec. Q'25.

Financial Summary

- Valuation – A\$0.59/sh (spot A\$1.47/sh), based on 11yr mine life, 107kozpa @ AISC US\$1,117/oz from FY30.
- Cash ~A\$22.0M. Nil debt. Monthly spend at ~A\$1M.

Key Dates Ahead

- 31 Jan. 2025 – MKG offer closes; AUE has moved to compulsory acquisition. MKG to delist Monday Feb.3rd.
- Mar. Q'25 – BST tenement drilling approval.
- Mar. Q'25 – Boundiali studies commence.
- Jun. Q'25 – Boundiali Resource update.
- Dec. Q'25 –Boundiali PFS.
- Dec. Q'25 – Boundiali and Napie Resource update.

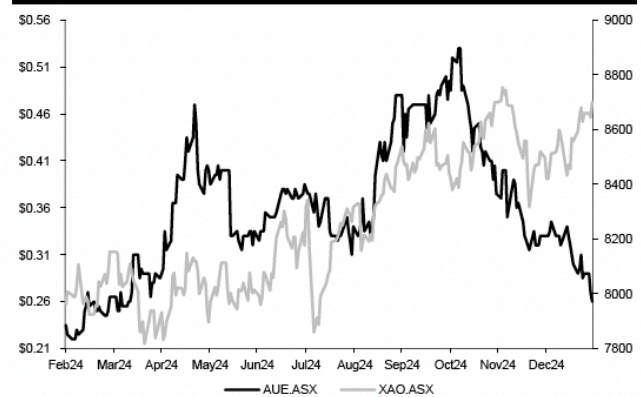
Company Data

Shares – ordinary (M)	231.2
Listed Options AUEO ex 22.5c (M)	7.3
Options / Performance Rights (M)	82.4
Total (fully diluted) (M)	320.8
Market capitalisation (\$M)	60.1
12 month low/high (\$)	0.20/ 0.55
Average monthly turnover (\$M)	10.8
GICS Industry	Metals & Mining

Financial Summary (fully diluted/normalised)

Year End Jun	FY28F	FY29F	FY30F	FY31F	FY32F
Revenue (\$M)	0.0	0.0	228.0	273.6	253.1
Costs (\$M)	4.0	4.0	139.5	153.7	152.4
EBITDA (\$M)	-4.0	-4.0	88.5	119.8	100.6
NPAT (A\$M)	-8.2	-15.2	45.9	71.0	60.3
EPS (cps)	-1.6	-3.0	9.0	14.0	11.9
EPS Growth (%)	54.9	84.9	>100	54.6	-15.1
PER (x)	na	na	2.9	1.9	2.2
Cashflow (A\$M)	-6.2	-13.2	77.2	99.0	76.9
CFPS (c/sh)	-1.2	-2.6	15.2	19.5	15.1
PCFPS	na	na	1.7	1.3	1.7
EV	192	311	243	153	86
EV/EBITDA	na	na	2.7	1.3	0.9
Payout ratio (%)	na	na	na	na	na
DPS	0.0	0.0	0.0	0.0	0.0
Yield (%)	0.0	0.0	0.0	0.0	0.0
Franking (%)	0.0	0.0	0.0	0.0	0.0

AUE – performance over one year



Disclosure and Disclaimer

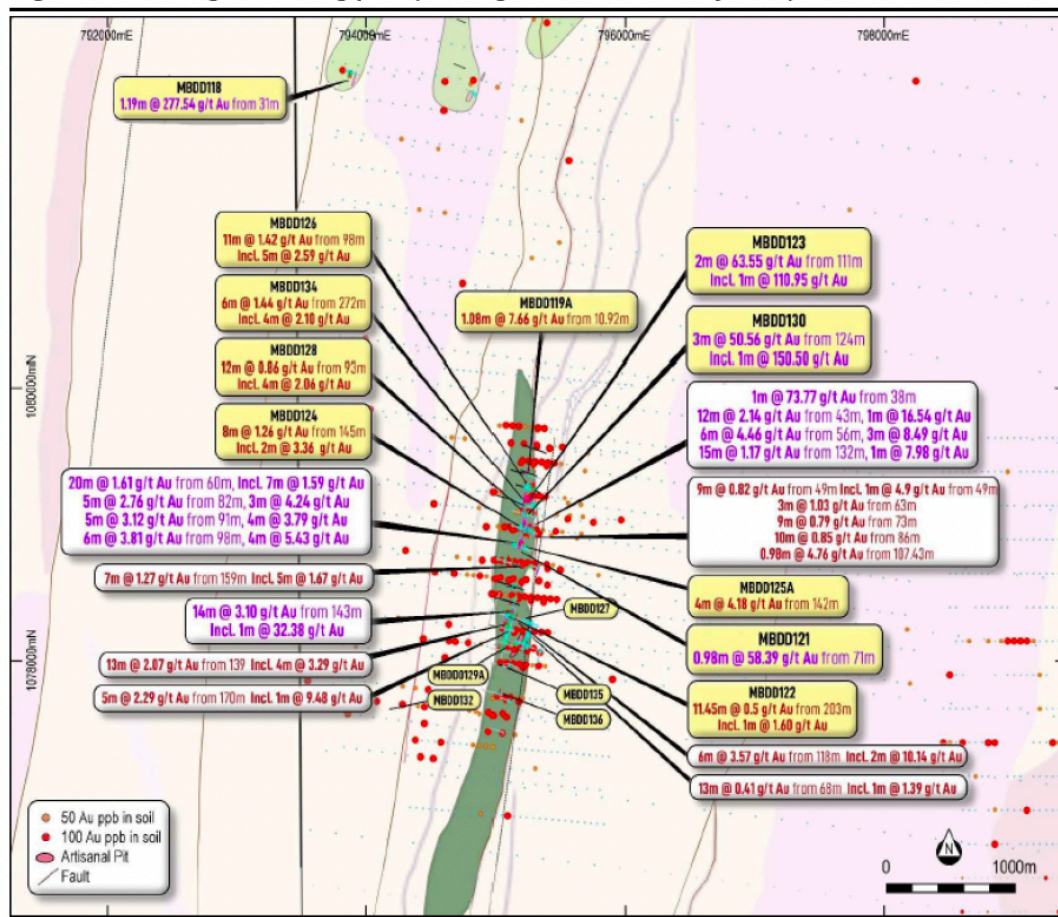
This report must be read with the disclosure and disclaimer on the final page of this document. Petra Capital was Joint Lead Manager for this company's placement to raise \$10.0m by way of a placement at A\$0.35/sh on 6th Dec. 2024, for which fees were received.

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New high-grade mineralisation at BM

AUE has released new high-grade intercepts (Figs. 1 & 3) from diamond drilling (17 holes for 4,550m) targeting multiple prospects on the Boundiali BM tenement. Results demonstrate the emerging potential and continued upside of the Boundiali Gold Project with mineralisation remaining open and along strike. The latest results will be incorporated into the next Resource updated expected in Jun. Q'25.

Figure 1: BM Target 3 drilling plan (new significant results in yellow).



Source: AUE.

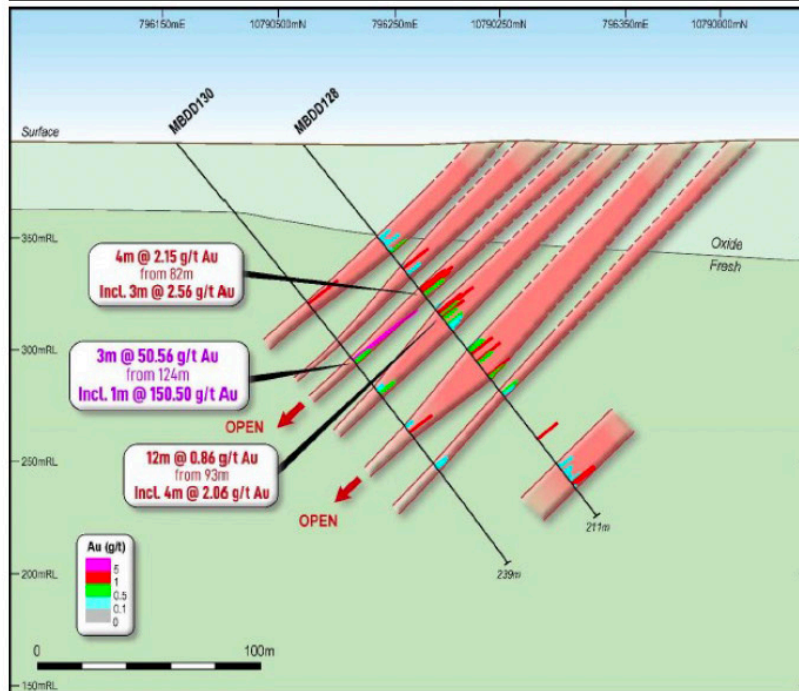
We expect the current Mineral Resource of 1.59Moz (Figure 2) to grow as drilling continues. The Boundiali Resource supports AUE’s hub and spoke strategy with five deposits located within a 40km radius of a potential central processing hub (Figure 4).

Figure 2: Boundiali JORC Mineral Resource Estimate (100% basis)

Deposit	Tonnes (MT)	Gold Grade (g/t)	Gold Ounces (koz)
BST Nyangboue (100%)	11.0	1.0	360.0
BDT1 (80-88%)	11.9	0.9	340.0
BDT2 (80-88%)	16.3	0.8	440.0
BMT1 (80-88%)	7.5	1.2	300.0
BMT3 (80-88%)	4.2	1.1	150.0
Total	50.9	1.0	1,590.0

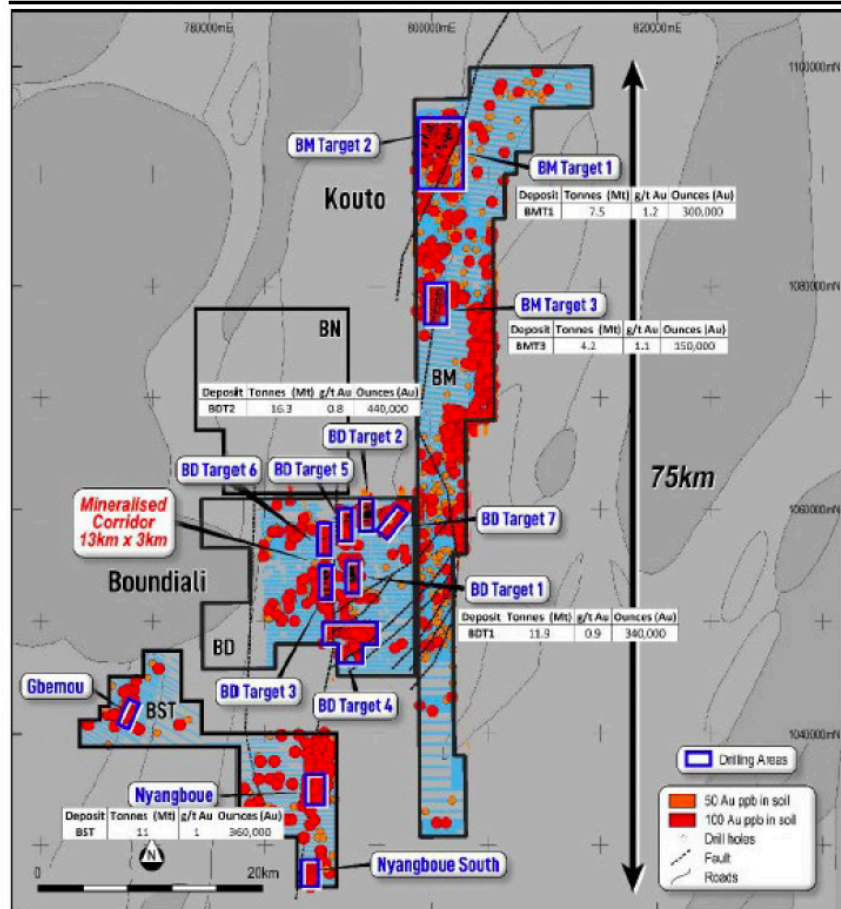
Source: AUE.

Figure 3: BM Target 3 Cross Section looking northeast



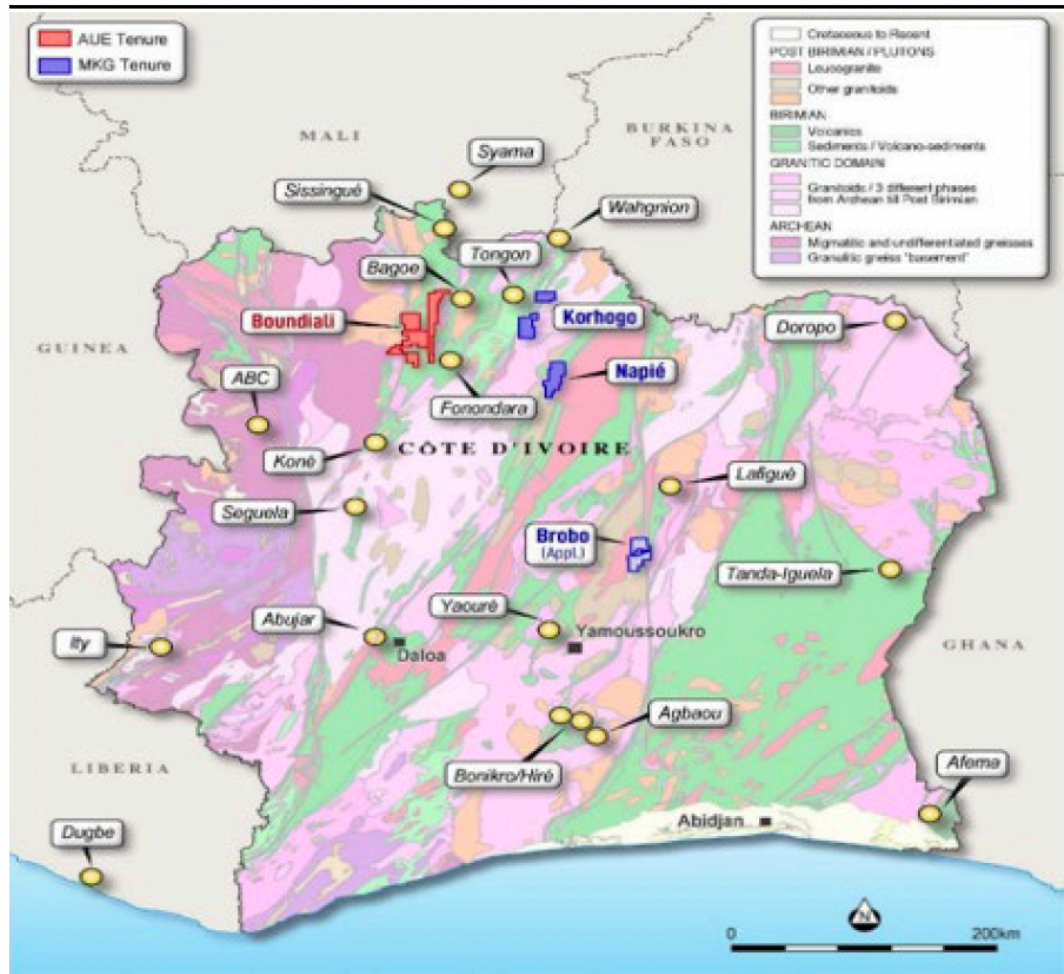
Source: AUE.

Figure 4: AUE's Boundiali Deposits with Resource Estimates



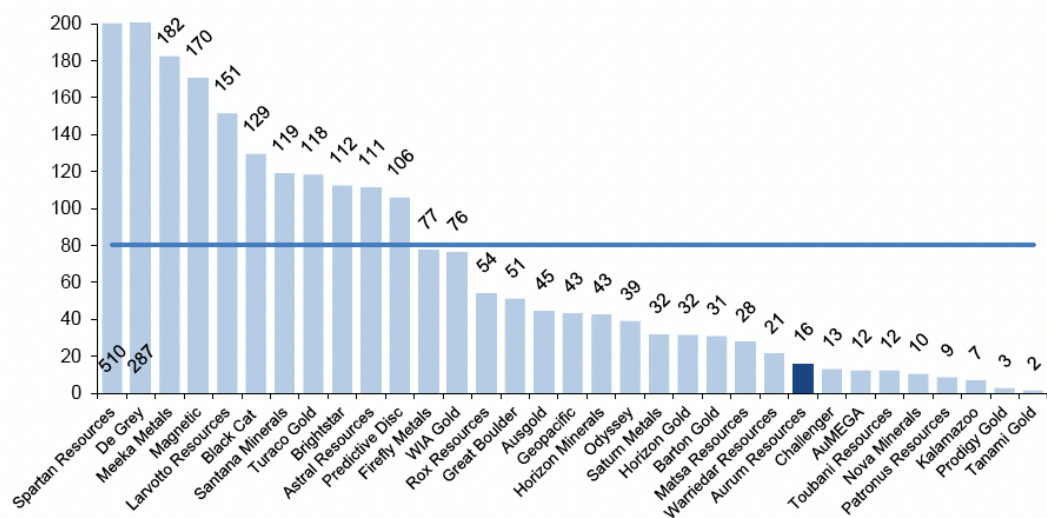
Source: AUE.

Figure 5: Location map of combined AUE (red) and MKG (blue) tenements



Source: AUE.

Figure 6: ASX Gold Developers – EV/Resource (A\$/oz)



Source: Iress, Companies, compiled by Petra Capital.

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