

28 March 2025

Aurum Resources Limited (AUE) BUY

Share Price: **A\$0.37**

Project best intercept of 83.0m @ 4.87g/t Au

Target Price: **A\$0.93**

AUE has reported its best drill result to date at the Boundiali Gold Project in Côte d'Ivoire with an impressive 83.0m @ 4.87g/t Au from 106m (DSDD0148) at BD Target 1 (BDT1). The intercept highlights the existence of high-grade zones within thicker packages of lower grade (1.0g/t Au) mineralisation. Further drilling is planned to better understand these plunging high-grade shoots, which indicate potential for higher resource grades. These results will be included in the next Resource update targeted for Jun. Q'25. AUE is trading cheaply at an EV/Resource of just A\$30/oz vs the peer average of A\$95/oz. BUY with PT of A\$0.93/share (unchanged, spot A\$1.72/share).

Thick high-grade mineralisation reported

- Best drill results at BDT1 (AUE 80-88%) comprise:
 - 83.0m @ 4.87g/t Au from 106m (DSDD0148)
 - 53.8m @ 0.8g/t Au from 55m (DSDD0141)
 - 43.5m @ 1.4g/t Au from 52m (DSDD0142)
 - 20.8m @ 2.6g/t Au from 117m (DSDD043)
 - 0.8m @ 172.4g/t Au from 15m (DSDD0141)
- True widths are estimated at 75% of downhole lengths.
- Further drilling is required to better delineate the high-grade zones.
- Results support Resource growth ahead.
- Current Resources are 1.59Moz (51Mt @ 1.0g/t Au) with potential to increase Resources >2.0Moz at the next update in Jun. Q'25.
- An additional Resource update is planned in Dec. Q'25.

Drilling and studies advancing

- Drilling is ongoing with eight diamond drill rigs at Boundiali, targeting 100,000m in CY25.
- Studies have commenced at Boundiali with PFS completion expected by the end of 2025.

Financial Summary

- Valuation – A\$0.93/sh (spot A\$1.72/sh), based on 11yr mine life, 107kozpa @ AISC US\$1,145/oz from FY30.
- Cash ~A\$18M (Petra estimate), nil debt, monthly spend ~A\$1.4M.

Key Dates Ahead

- Mar. Q'25 – Boundiali studies commenced.
- Jun. Q'25 – BST & Napie drilling approvals.
- Jun. Q'25 – Boundiali Resource update.
- Dec. Q'25 – Boundiali PFS.
- Dec. Q'25 – Boundiali and Napie Resource update.

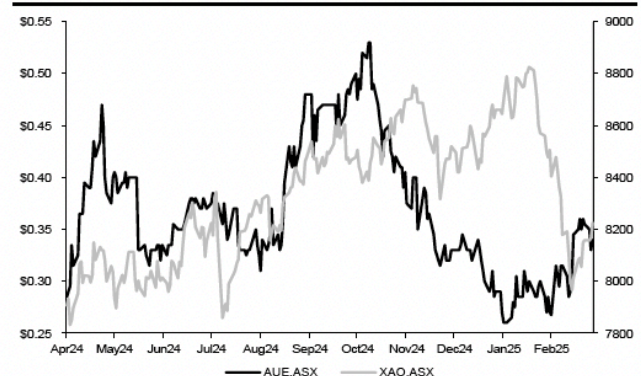
Company Data

Shares – ordinary (M)	226.6
Listed Options AUEO ex 22.5c (M)	7.3
Options / Performance Rights (M)	79.3
Total (fully diluted) (M)	317.7
Market capitalisation (\$M)	85.5
12 month low/high (\$)	0.24 / 0.55
Average monthly turnover (\$M)	9.3
GICS Industry	Metals & Mining

Financial Summary (fully diluted/normalised)

Year End Jun	FY28F	FY29F	FY30F	FY31F	FY32F
Revenue (\$M)	0.0	0.0	262.2	314.6	314.6
Costs (\$M)	4.0	4.0	141.7	156.4	156.4
EBITDA (\$M)	-4.0	-4.0	120.5	158.2	158.2
NPAT (A\$M)	-8.2	-15.2	70.4	101.4	106.4
EPS (cps)	-1.6	-3.0	13.9	20.1	21.1
EPS Growth (%)	54.6	84.9	>100	43.9	5.0
PER (x)	na	na	2.7	1.8	1.8
Cashflow (A\$M)	-6.2	-13.2	109.9	131.3	128.3
CFPS (c/sh)	-1.2	-2.6	21.7	26.0	25.4
PCFPS	na	na	1.7	1.4	1.5
EV	247	365	265	143	24
EV/EBITDA	na	na	2.2	0.9	0.2
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



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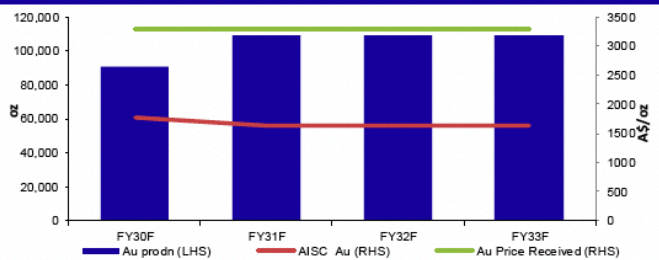
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Analysis

AURUM RESOURCES LIMITED (AUE)

27-Mar-25						Share Price	(\$)	0.370								
Year End June						Iss. Shares	(M)	231.2								
AS						Listed Options (AUEO)	(M)	7.3								
						Options / Perf Rights	(M)	79.3								
						Mkt Cap.	(\$M)	85.5								
PROFIT & LOSS						RESERVES & RESOURCES					FY28F	FY29F	FY30F	FY31F	FY32F	
		FY28F	FY29F	FY30F	FY31F	FY32F	Reserves									
Sales Revenue	\$M	0.0	0.0	262.2	314.6	314.6	Tonnes	Mt	0.0	30.0	27.5	24.5	21.5			
Other Income	\$M	0.0	0.0	0.0	0.0	0.0	Grade Au	g/t	0.0	1.2	1.2	1.2	1.2			
Operating Costs	\$M	4.0	4.0	141.7	156.4	156.4	Contained Au	Moz	0.00	1.16	1.06	0.95	0.83			
Exploration	\$M	0.0	0.0	0.0	0.0	0.0	Resources									
Other	\$M	0.0	0.0	0.0	0.0	0.0	Tonnes	Mt	30.0	30.0	27.5	24.5	21.5			
EBITDA	\$M	(4.0)	(4.0)	120.5	158.2	158.2	Grade Au	g/t	1.2	1.2	1.2	1.2	1.2			
Dep. & Amort.	\$M	2.0	2.0	15.9	19.6	20.1	Contained Au	Moz	1.16	1.16	1.06	0.95	0.83			
EBIT	\$M	(6.0)	(6.0)	104.5	138.6	138.1	PRODUCTION (100%)									
Net Interest	\$M	2.2	9.2	10.6	3.4	(3.9)	Ore Milled	Mt	0.00	0.00	2.50	3.00	3.00			
Pre-Tax Profit	\$M	(8.2)	(15.2)	93.9	135.2	141.9	Au Grade	g/t	0.00	0.00	1.20	1.20	1.20			
Tax	\$M	0.0	0.0	23.5	33.8	35.5	Recovery	%	0.00	0.00	94.0	94.0	94.0			
Minorities	\$M	0.0	0.0	0.0	0.0	0.0	Au Production	Moz	0.00	0.00	90,675	108,810	108,810			
Net Profit	\$M	(8.2)	(15.2)	70.4	101.4	106.4	REVENUE (attributable)									
Abnormal	\$M	0.0	0.0	0.0	0.0	0.0	Boundiali Gold	\$M	0.0	0.0	262.2	314.6	314.6			
Reported Profit	\$M	(8.2)	(15.2)	70.4	101.4	106.4	Other	\$M	0.0	0.0	0.0	0.0	0.0			
Dividends Paid	\$M	0.0	0.0	0.0	0.0	0.0	Total	\$M	0.0	0.0	262.2	314.6	314.6			
Adjustments	\$M	0.0	0.0	0.0	0.0	0.0	COSTS									
Retained Earnings	\$M	(25.3)	(40.5)	29.9	131.3	237.7	Au AISC (prodn)	A\$/oz	0.0	0.0	1,765	1,624	1,624			
CASH FLOW							Au AISC (prodn)	US\$/oz	0.0	0.0	1,236	1,137	1,137			
Revenue	\$M	0.0	0.0	262.2	314.6	314.6	Total costs	\$M	0.0	0.0	136.7	151.4	151.4			
Costs	\$M	(4.0)	(4.0)	(141.7)	(156.4)	(156.4)	Corp / Other	\$M	4.0	4.0	5.0	5.0	5.0			
Net Interest	\$M	(2.2)	(9.2)	(10.6)	(3.4)	3.9	Total	\$M	4.0	4.0	141.7	156.4	156.4			
Tax Paid	\$M	0.0	0.0	0.0	(23.5)	(33.8)	CAPEX									
Gross Cash Flow	\$M	(6.2)	(13.2)	109.9	131.3	128.3	Boundiali Gold	\$M	95.7	95.7	4.4	4.4	4.4			
Net Capex	\$M	(95.7)	(95.7)	(4.4)	(4.4)	(4.4)	Other	\$M	0.0	0.0	0.0	0.0	0.0			
Exploration	\$M	(10.0)	(10.0)	(5.0)	(5.0)	(5.0)	Total	\$M	95.7	95.7	4.4	4.4	4.4			
Dividends	\$M	0.0	0.0	0.0	0.0	0.0	DEPRECIATION									
Other	\$M	0.0	0.0	0.0	0.0	0.0	Boundiali Gold	\$M	2.0	2.0	15.9	19.6	20.1			
Free Cashflow	\$M	(111.9)	(118.8)	100.5	121.9	118.9	Other	\$M	0.0	0.0	0.0	0.0	0.0			
Equity Issues	\$M	47.5	0.0	0.0	0.0	0.0	Total	\$M	2.0	2.0	15.9	19.6	20.1			
Net Borrowings	\$M	65.0	125.0	(60.0)	(90.0)	(40.0)	EBITDA									
Net Investments	\$M	0.0	0.0	0.0	0.0	0.0	Boundiali Gold	\$M	-4.0	-4.0	120.5	158.2	158.2			
Surplus Cash Flow	\$M	0.6	6.2	40.5	31.9	78.9	Other (incl. w ritedown s)	\$M	0.0	0.0	0.0	0.0	0.0			
BALANCE SHEET							Total	\$M	-4.0	-4.0	120.5	158.2	158.2			
Cash	\$M	5.4	11.5	52.0	83.9	162.7	RATIO ANALYSIS									
Other Current	\$M	5.0	5.0	78.7	94.4	110.1	EPS	¢	(1.6)	(3.0)	13.9	20.1	21.1			
Total Current	\$M	10.4	16.5	130.6	178.3	272.9	PER	x	na	na	2.7	1.8	1.8			
Fixed Assets	\$M	94.3	188.0	176.4	161.2	145.5	EPS Growth	%	55	85	(564)	44	5			
Expl. & Evaluation	\$M	57.4	67.4	72.4	77.4	82.4	EBITDA per share	¢	(0.8)	(0.8)	23.8	31.3	31.3			
Intangibles	\$M	0.0	0.0	0.0	0.0	0.0	EBITDA Multiple	x	(46.7)	(46.7)	1.6	1.2	1.2			
Other	\$M	0.1	0.1	0.1	0.1	0.1	EV/EBITDA	x	(61.6)	(91.4)	2.2	0.9	0.2			
Total NC Assets	\$M	151.8	255.5	248.9	238.7	228.0	CFPS	¢	(1.2)	(2.6)	21.7	26.0	25.4			
TOTAL ASSETS	\$M	162.2	272.0	379.5	417.0	500.8	PCFR	x	na	na	1.7	1.4	1.5			
Total Debt	\$M	65.0	190.0	130.0	40.0	0.0	DPS	¢	0.0	0.0	0.0	0.0	0.0			
Current Liab	\$M	0.9	0.9	24.3	34.6	36.3	Yield	%	0.0	0.0	0.0	0.0	0.0			
Non Current Liab	\$M	2.0	2.0	75.6	91.4	107.1	Franking	%	0.0	0.0	0.0	0.0	0.0			
TOTAL LIAB	\$M	67.8	192.8	230.0	166.0	143.4	Payout Ratio	%	0.0	0.0	0.0	0.0	0.0			
NET ASSETS	\$M	94.3	79.1	149.6	250.9	357.4	Gearing NDVE	%	63	226	52	na	na			
SH/HLDRS FUNDS	\$M	94.3	79.1	149.6	250.9	357.4	Interest Cover	x	na	na	9.8	40.5	na			
RATIO ANALYSIS							EBITDA Margin	%	na	na	46.0	50.3	50.3			
EPS	¢	(1.6)	(3.0)	13.9	20.1	21.1	EBIT Margin	%	na	na	39.9	44.1	43.9			
PER	x	na	na	2.7	1.8	1.8	Return On Assets	%	(3.7)	(2.2)	27.5	33.2	27.6			
EPS Growth	%	55	85	(564)	44	5	Return On Equity	%	(8.7)	(19.2)	47.1	40.4	29.8			
EBITDA per share	¢	(0.8)	(0.8)	23.8	31.3	31.3	Eff Tax rate	%	0.0	0.0	25.0	25.0	25.0			
EBITDA Multiple	x	(46.7)	(46.7)	1.6	1.2	1.2	OTHER DATA									
EV/EBITDA	x	(61.6)	(91.4)	2.2	0.9	0.2	Share Price	\$/sh.	0.370	0.370	0.370	0.370	0.370			
CFPS	¢	(1.2)	(2.6)	21.7	26.0	25.4	Number of shares	M	505.2	505.2	505.2	505.2	505.2			
PCFR	x	na	na	1.7	1.4	1.5	Market Capitalisation	\$M	186.9	186.9	186.9	186.9	186.9			
DPS	¢	0.0	0.0	0.0	0.0	0.0	EV	\$M	246.6	365.4	265.0	143.1	24.2			
Yield	%	0.0	0.0	0.0	0.0	0.0	VALUATION (fully diluted)									
Franking	%	0.0	0.0	0.0	0.0	0.0	Boundiali Gold Project 88% (NPV10)	\$M						\$ 396.4	\$ 0.78	
Payout Ratio	%	0.0	0.0	0.0	0.0	0.0	Napie Gold Project 90% (0.781Moz @ A\$50/oz)	\$						\$ 39.1	\$ 0.08	
Gearing NDVE	%	63	226	52	na	na	Boundiali Exploration (1.0Moz @ A\$50/oz)	\$						\$ 50.0	\$ 0.10	
Interest Cover	x	na	na	9.8	40.5	na	Corporate / Other	\$						\$ (34.9)	\$ (0.07)	
EBITDA Margin	%	na	na	46.0	50.3	50.3	Net Cash (Debt) FY26	\$						\$ 18.2	\$ 0.04	
EBIT Margin	%	na	na	39.9	44.1	43.9	Total	\$						\$ 469.0	\$ 0.93	
Return On Assets	%	(3.7)	(2.2)	27.5	33.2	27.6	ASSUMPTIONS									
Return On Equity	%	(8.7)	(19.2)	47.1	40.4	29.8	Exchange Rate	A\$/US\$	0.69	0.70	0.70	0.70	0.70			
Eff Tax rate	%	0.0	0.0	25.0	25.0	25.0	Gold Price	US\$/oz	2,475	2,350	2,300	2,300	2,300			
							Gold Price	A\$/oz	3,587	3,357	3,286	3,286	3,286			



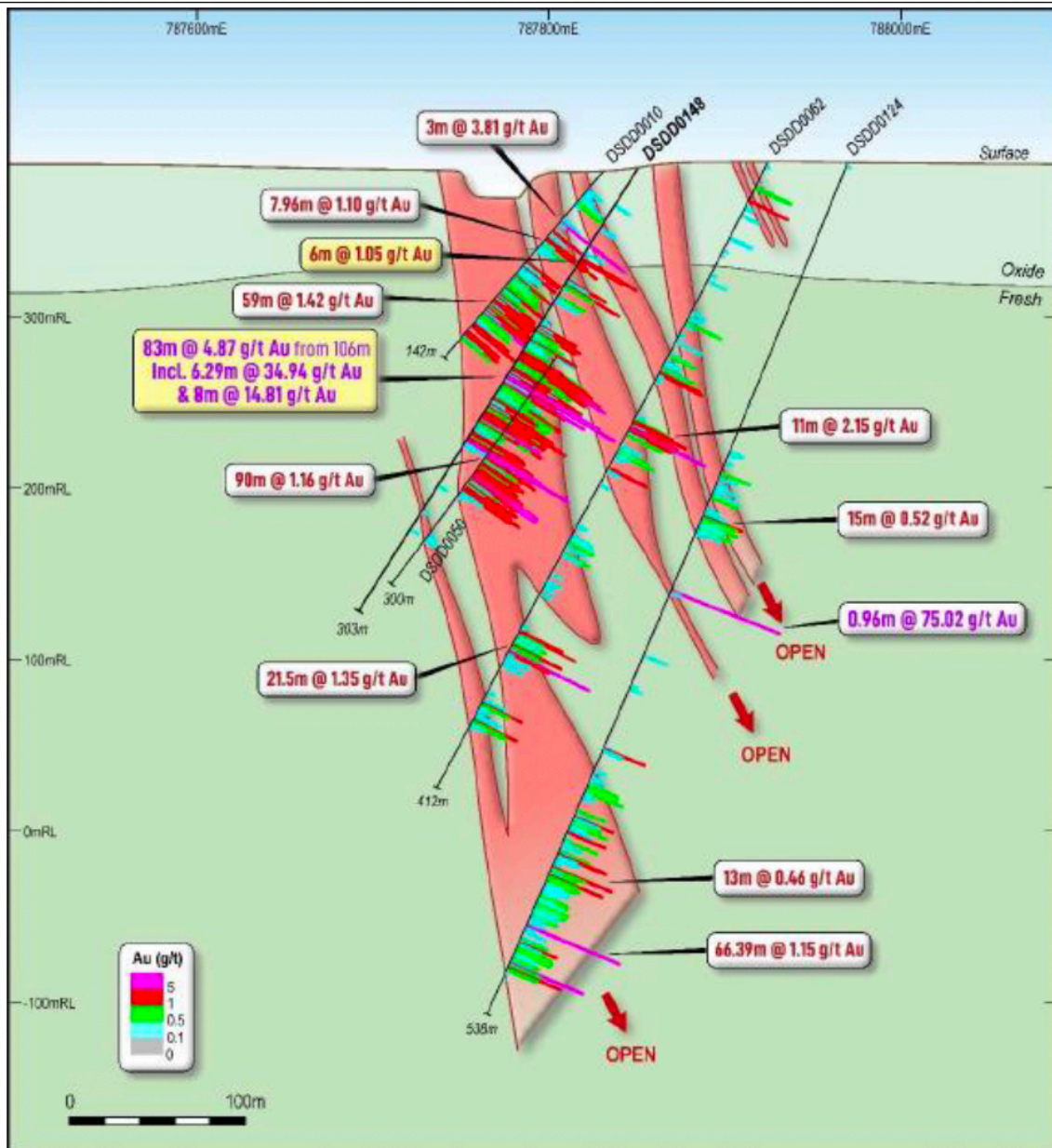
Source: Petra Capital. Assumes A\$25M equity raise in FY26 via 62.5M shares at 40c/share & A\$50M equity raise in FY28 via 125M shares at 40c/share.

Best high-grade intercept at Boundiali to date

AUE has reported further shallow, high-grade gold intercepts at BDT1 including a project best result to date in hole DSDD0148 (Figures 1-2). The high-grade intercept of 83m @ 4.87g/t Au from 106m highlights the existence of high-grade zones within thicker packages of lower grade (1.0g/t Au) mineralisation. Further drilling is planned to better delineate these high-grade shoots with the latest results to be incorporated in the next Resource update in Jun. Q'25.

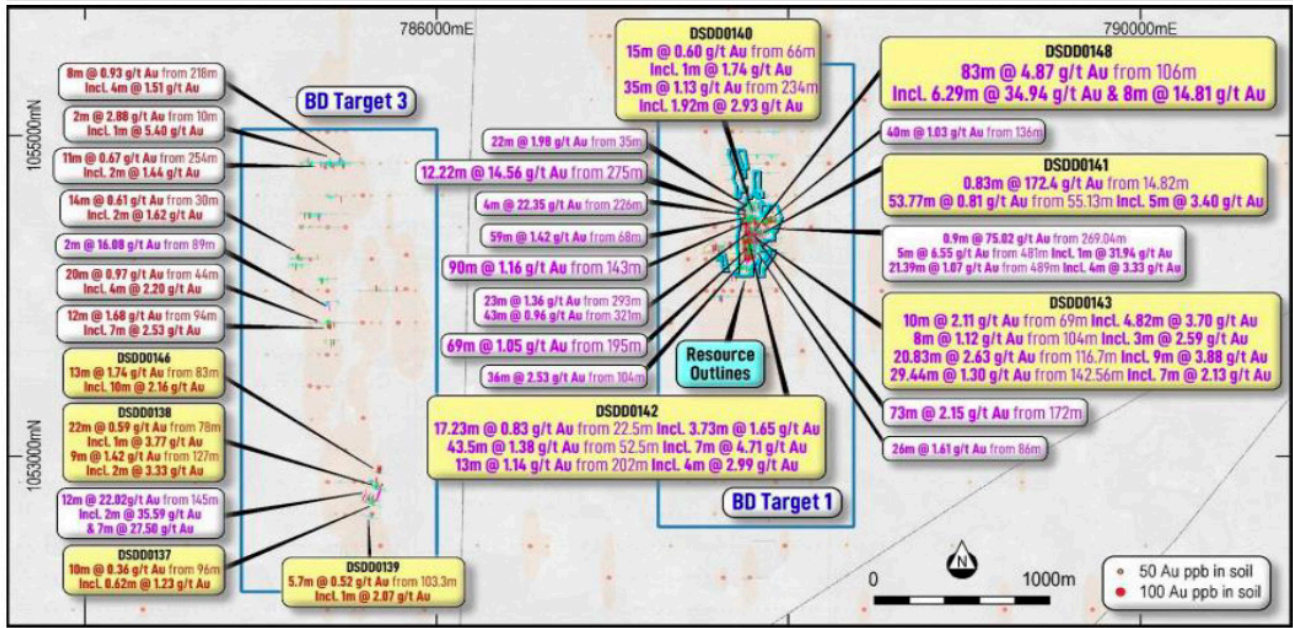
Managing Director Dr Caigen Wang commented, "Our diamond drilling at Boundiali continues to deliver high impact results with a project and tenement best result and comes from drilling designed to deliver Indicated Mineral Resources at BDT1. We knew there were high grades in among the thick zones of gold mineralisation at BDT1, with a previous result of 12.22m @ 14.56 g/t Au from 275m in DSDD0051 (~80m North of DSDD0148), and latest results further validate this and will help us better understand and target these plunging high-grade shoots with drilling; remembering that gold mineralisation is still open at BDT1."

Figure 1: BDT1 Cross Section showing the new thick, high grade intercept



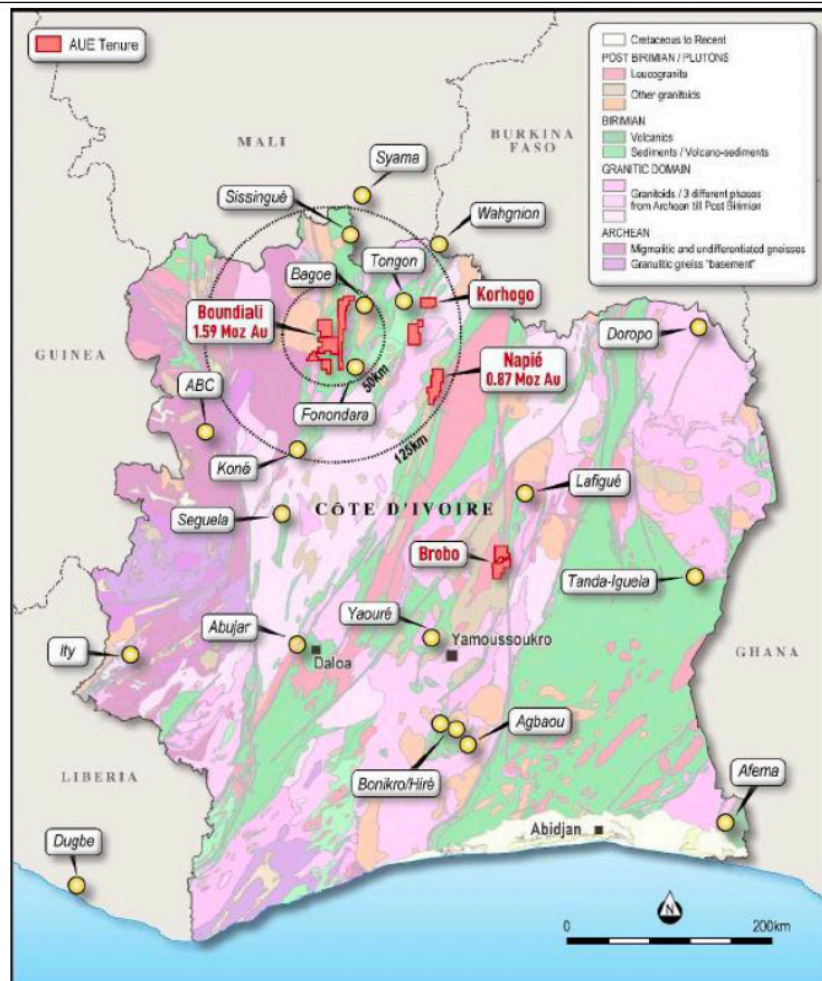
Source: AUE

Figure 2: BD Tenement plan showing new intercepts in yellow



Source: AUE.

Figure 3: Location map of AUE's tenements in Côte d'Ivoire



Source: AUE.

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