

Genesis Minerals Limited

Taking a breather

GMD's recent 4Q result highlighted their ability to fast track the 5-year ('Scorched Earth') plan. On balance, production was broadly as expected, however, mining costs / growth spend was slightly higher (+A\$3.3m / +A\$21m vs OMLe) as some costs were brought forward. We await updated FY25 guidance (currently ~175koz at A\$2,300/oz AISC with A\$100m growth spend) due in September. We believe this will reflect the Laverton / Ulysses acceleration (OMLe: 194koz at A\$2,220/oz AISC with ~A\$126m growth spend). GMD's share price has increased +25% since its Aspire 400 outlook released in early May. In our view, this highlights the improved sentiment towards gold where GMD has outperformed given their envious growth pipeline (Figure 6). However, on our estimates, GMD are pricing in A\$3,100/oz in into perpetuity (+A\$500/oz vs peers). As a result, we downgrade to Hold (from Accumulate) with an A\$2.00/sh Target Price.

4Q fine, Laverton / Ulysses acceleration unfolding

- Production came in slightly better than anticipated (+3% vs OMLe) which was offset by slightly higher ASIC's (A\$2,698/oz vs OMLe: A\$2,436/oz). Cash (A\$171m) was +A\$21m higher than our expectations – which is largely driven by the non-payment of transaction costs (~A\$41m).
- The company will provide an update in Sep on FY25 guidance.

Strong growth and high(er) costs = leverage

Sentiment towards gold has been more positive recently with investors more prepared to drag higher prices into perpetuity. In our view, this is one of the reasons why GMD has performed so well (+25% since the Aspire 400 outlook was released in early May) as it has the best growth profile within our mid-cap cohort (Figure 6). This, combined with a relatively higher cost base sees the company highly leveraged to gold price movements (1.9x beta). Whilst we'd expect GMD to continue to outperform in an improving pricing environment, we see valuation as a stretch too far (1.5 P/NAV, 7.6x EV/EBITDA, 2.2% FCF yield vs 1.1x, 3.8x and 8% for peers respectively) even with our optimistic estimates relative to consensus and guidance – see Figure 7.

Earnings and valuation impact – Figure 5

We incorporate the result which drives lower earnings in FY24 (mining costs, toll treatment and inventory adjustment. We accelerate production / costs at Laverton / Ulysses further and adjust our hedging assumptions – this drives incremental earnings / cash flow improvements for FY25/6. Our Target Price increases to A\$2.00/sh and we downgrade our Rec. to Hold with a -6% TSR.

Year-end June (\$)	FY22A	FY23A	FY24E	FY25E	FY26E
Revenue (\$m)	-	77.0	435.1	647.8	749.6
EBITDA (\$m)	(46.3)	(41.0)	135.4	295.7	281.1
EBIT (\$m)	(46.4)	(65.1)	59.7	237.6	206.0
Reported NPAT (\$m)	(46.4)	(117.2)	40.6	168.4	146.8
Reported EPS (c)	(6.3)	(16.3)	3.9	16.4	14.3
Normalised NPAT (\$m)	(46.3)	(62.7)	48.8	168.4	146.8
Normalised EPS (c)	(6.3)	(8.7)	4.7	16.4	14.3
EPS Growth (%)	-	-	-	245.0	(12.9)
Dividend (c)	-	-	-	-	-
Net Yield (%)	-	-	-	-	-
Franking (%)	-	-	-	-	-
EV/EBITDA (X)	-	-	15.1	6.9	7.2
Normalised P/E (x)	-	-	44.7	13.0	14.9
Normalised ROE (%)	-	-	5.6	18.1	14.6

Source: OML, Iress, Genesis Minerals Limited

Last Price

A\$2.12

Target Price

A\$2.00 (Previously A\$1.90)

Recommendation

Hold (Previously Accumulate)

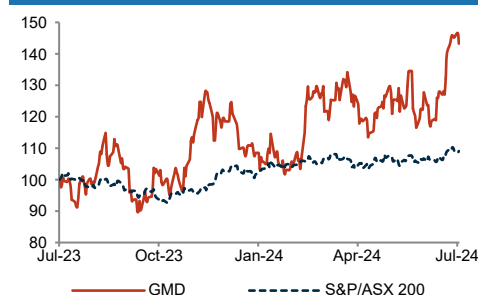
Risk

Higher

Gold

ASX Code	GMD
52 Week Range (\$)	1.33 - 2.17
Market Cap (\$m)	2,425.1
Shares Outstanding (m)	1,143.9
Av Daily Turnover (\$m)	13.6
3 Month Total Return (%)	21.5
12 Month Total Return (%)	46.2
Benchmark 12 Month Return (%)	9.0
NTA FY24E (¢ per share)	85.8
Net Cash FY24E (\$m)	135.6

Relative Price Performance



Source: FactSet

Consensus Earnings

	FY24E	FY25E
NPAT (C) (\$m)	68.4	62.3
NPAT (OM) (\$m)	48.8	168.4
EPS (C) (c)	8.2	6.8
EPS (OM) (c)	4.7	16.4

Source: OML, Iress, Genesis Minerals Limited

Paul Kaner

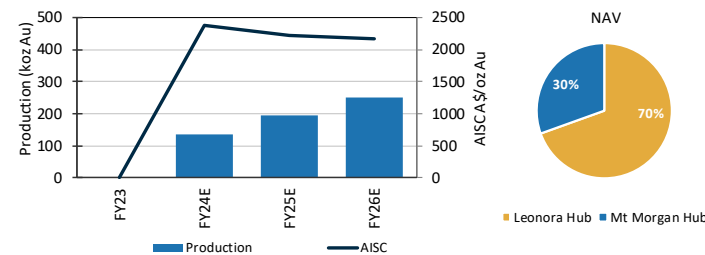
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Figure 1: GMD operating and financial summary

All AUD unless noted							Year End June 30					
Key Details							Ratio Metrics					
Target Price	\$/sh	2.00					Earnings - Adjusted	\$/sh	(\$0.09)	\$0.05	\$0.16	\$0.14
Recommendation		Hold					P/E Multiple	x	-24.4x	44.7x	13.0x	14.9x
Risk Assessment		Higher					CFPS (CFO)	\$/sh	(\$0.04)	\$0.15	\$0.24	\$0.21
Share Price	\$/sh	\$2.12					FCFPS (CFO-capex-expl.)	\$/sh	(\$0.05)	(\$0.01)	\$0.03	\$0.03
2023E Dividend	\$/sh	\$0.00					P/CF Multiple	x	-58.0x	14.6x	8.9x	10.1x
NAV	\$/sh	\$1.42					FCF Yield	%	(2.4%)	(0.7%)	1.6%	1.4%
Implied Total Return	%	(6%)					Dividends Per Share	\$/sh	\$0.00	\$0.00	\$0.00	\$0.00
P/NAV	x	1.50x					Dividend Yield	%	0.0%	0.0%	0.0%	0.0%
No Shares	m	1144					Gearing (ND: ND+E)	%	(27.1%)	(24.0%)	(20.3%)	(23.3%)
Market Cap	M\$	\$2,425					Return on Equity (ROE)	%	(7.4%)	5.5%	17.3%	14.2%
Enterprise Value	M\$	\$2,252					Return on Capital (ROIC)	%	(6.2%)	4.4%	13.9%	11.6%
Prices & Exchange Rates							P&L Statement					
Gold Price	US\$/oz	1831	1882	2275	2100	1950	Revenue	M\$	\$77	\$435	\$648	\$750
Exchange rate	AUD:USD	0.67	0.67	0.68	0.71	0.72	Operating Costs	M\$	(\$118)	(\$300)	(\$352)	(\$469)
Production, Costs & Guidance							EBITDA					
Leonora Hub	koz Au	n.a.	134	172	181	192	M\$	(\$41)	\$135	\$296	\$281	
Mt Morgan Hub	koz Au	n.a.	0	22	69	92	M\$	\$24	\$76	\$58	\$75	
Total Gold Production	koz Au	n.a.	134	194	250	284	EBIT	M\$	(\$65)	\$60	\$238	\$206
<i>Guidance</i>	<i>koz Au</i>		<i>130-140</i>	<i>~175</i>	<i>~235</i>	<i>~275</i>	Other Income/Expenses	M\$	\$2	\$4	\$3	\$4
Total C1 Cash Cost							EBT					
Leonora Hub	\$/oz	n.a.	1843	1743	1820	1700	M\$	(\$63)	\$63	\$241	\$210	
Mt Morgan Hub	\$/oz	n.a.	2352	2176	2057	2019	Taxes	M\$	\$0	\$15	\$72	\$63
Mt Morgan Hub	\$/oz	n.a.	n.a.	2538	2484	2047	Net Income - Adjusted	M\$	(\$63)	\$49	\$168	\$147
Total All-in Sustaining Cash Cost	\$/oz	n.a.	2380	2217	2175	2028	Adjustments	M\$	\$55	\$8	\$0	\$0
<i>Guidance</i>	<i>\$/oz</i>		<i>2300-2400</i>	<i>~2300</i>	<i>~2250</i>	<i>~2100</i>	Net Income - Reported	M\$	(\$117)	\$41	\$168	\$147
Capex Breakdown (attrib)							Weighted average diluted shares					
Sustaining Capex	M\$	6.2	48.4	77.6	76.1	80.1	M	720	1,029	1,029	1,029	
Expansionary Capex	M\$	4.6	102.8	126.3	100.0	110.0	Cash Flow Statement					
Exploration	M\$	0.0	14.7	8.0	8.0	8.0	Cash Flows from Operating Activities					
Total	M\$	10.8	165.9	211.8	184.1	198.1	Net Income	M\$	(\$63)	\$49	\$168	\$147
Attributable Reserves & Resources (incl. 100% Dacian)							D&A					
			Au	EV			M\$	\$24	\$76	\$58	\$75	
			Moz	\$/oz			Taxes Paid	M\$	\$0	\$0	\$72	\$63
Proven/Probable Reserve (P&P)			3.9	\$582			Non Recurring/Other	M\$	(\$28)	(\$7)	(\$0)	(\$0)
Measured/Indicated (MM&I) - Inclusive			11.3	\$199			Operating Cash Flow	M\$	(\$66)	\$117	\$298	\$284
Inferred			14.7	\$153			Changes in Working Capital	M\$	\$29	\$32	(\$52)	(\$69)
Group All-In Sustaining Costs, Production and NAV Breakdown							Net Operating Cash Flow					
							M\$	(\$38)	\$149	\$246	\$215	
							Cash Flows From Investing Activities					
							Capital Expenditure	M\$	(\$11)	(\$151)	(\$204)	(\$176)
							Other	M\$	(\$350)	(\$42)	(\$49)	(\$8)
							Net Investing Cash Flow	M\$	(\$360)	(\$194)	(\$252)	(\$184)
							Cash Flows From Financing Activities					
							Equity Issues (net of costs)	M\$	\$566	\$13	\$0	\$0
							Net Borrowings	M\$	\$0	\$24	\$0	\$0
							Dividends Paid & Other	M\$	(\$3)	(\$4)	\$0	\$0
							Net Financing Cash Flow	M\$	\$563	\$34	\$0	\$0
							Increase (Decrease) in Cash	M\$	\$165	(\$11)	(\$6)	\$31
							Cash at End of Year	M\$	\$182	\$171	\$165	\$196
							Operating Free Cash Flow	M\$	(\$48)	(\$2)	\$42	\$39
							Free Cash Flow	M\$	(\$398)	(\$44)	(\$6)	\$31
Net Asset Value (Attrib)							Balance Sheet					
	DR (%)		(\$m)	A\$/Sh	NAV (%)		FY23	FY24E	FY25E	FY26E		
Operating Value							Cash & Equivalents	M\$	\$182	\$171	\$165	\$196
Leonora Hub	10%		\$489	\$0.43	70%		Other Current Assets	M\$	\$36	\$43	\$84	\$84
Mt Morgan Hub	10%		\$215	\$0.19	30%		PP&E & Mining Interests	M\$	\$595	\$640	\$711	\$726
Total			\$704	\$0.62	100%		Other Long Term Assets	M\$	\$204	\$246	\$254	\$261
Listed investments			\$0	\$0.00			Total Assets	M\$	\$1,016	\$1,101	\$1,214	\$1,268
Exploration (assets)			\$830	\$0.73			Current Liabilities	M\$	\$75	\$88	\$88	\$88
Cash & Bullion			\$173	\$0.15			Long Term Debt	M\$	\$7	\$29	\$29	\$29
Corporate G&A			(\$85)	(\$0.07)			Other Long Term Liabilities	M\$	\$83	\$100	\$120	\$114
Debt			\$0	\$0.00			Total Liabilities	M\$	\$165	\$218	\$238	\$231
Other			\$0	\$0.00			Shareholder Equity	M\$	\$852	\$882	\$976	\$1,037
Total Net Asset Value			\$1,622	\$1.42			Total Liabilities & Shareholder Equity	M\$	\$1,016	\$1,101	\$1,214	\$1,268
P/NAV				1.50x								



Source: Company reports, OML.

Result reconciliation

- On balance, the 4Q result has come broadly in-line with our expectations.
- Production / sales came in slightly better than anticipated (+3% / +7% vs OMLe – higher grades at Gwalia), which was offset by slightly higher ASIC's (A\$2,698/oz vs OMLe: A\$2,436/oz – mining costs).
- Cash (A\$171m) has come in +A\$21m higher than our expectations – which is largely driven by the non-payment of transaction costs (~A\$41m).
- On the outlook, the company will provide an update in September on FY25 guidance (which is currently 175koz at A\$2,300/oz AISC).
 - We are broadly in line with the current FY25 guidance and expect production of 172koz at an AISC of A\$2,277/oz.
- As highlighted in their recent presentation (6th May) the Company will look to re-start the 3mtpa Laverton plant earlier than originally expected. The impact of this will likely be reflected in the new guidance (i.e. costs brought forward to accelerate production growth).

Figure 2: Result summary of the quarter vs our previous period estimates

Production & Sales	Unit	Actual			OMLe Jun-24	Actual Jun-24	Beat / Miss (%)
		Sep-23	Dec-23	Mar-24			
Leonora Hub	Koz	34	35	30	34	35	3%
Total	Koz	34	35	30	34	35	3%
Gold Sales	Koz	31	39	29	34	36	7%
Achieved Gold Price	A\$/oz	2944	3070	3124	3515	3548	1%
All-in Sustaining Cost							
Leonora Hub	A\$/oz	2088	2141	2737	2436	2698	11%
Total	A\$/oz	2088	2141	2737	2436	2698	11%
Capex breakdown							
Capital expenditure (sustaining + growth)	A\$m	22	50	40	34	60	75%
Exploration	A\$m	3	4	4	2	3	35%
Balance sheet							
Cash (excl. bullion)	A\$m	160	190	169	150	171	14%
Debt	A\$m	0	0	0	0	0	n.a.
Net Debt (Cash)	A\$m	-160	-190	-169	-150	-171	14%

Source: Company reports, OMLe.

Key takeaways from the result

- Q4 Production:** 35koz (+3% to OMLe) with slightly higher throughput (310kt vs. 300kt OMLe) and grades 3.7 g/t Au (vs. 3.6 g/t Au).
- Gold sales:** 36koz (+7% to OMLe) at an average gold price of A\$3,548/oz in line with OMLe.
- AISC:** A\$2,698/oz (+11% to OMLe) due to higher mining costs (A\$1,480/oz vs. \$1,180/oz OMLe) with higher ore production from the Admiral open pit (263kt vs. 120kt OMLe).
- Capital expenditure:** \$60m (vs. OMLe: \$34m) was substantially higher than we expected with progress on the Ulysses UG (decline to 646m; ahead of schedule in 5-year plan 412m at 30 June).

- Capital spend due the quarter also included Hub open pit development assets and \$7.5m on the Leonora Lodge accommodation village.
- **Exploration spend:** \$3m was broadly in line with OMLe (\$2m).
- **Cash:** \$171m was higher than we expected due to the higher sales figure (+7%) and slightly higher realised pricing (+1%), which offset higher costs and capital spend.
 - GMD has no bank debt as of 30 June 2024 in line with our expectations.
- **Hedging:** During the quarter, GMD entered into hedges for 18koz of production at an average gold price of \$3,666/oz from DecQ24 to SepQ25, which is a materially higher price than our forecast (+12% to OMLe ~\$3,260/oz), albeit it is only for ~9% of forecast production.
 - GMD also entered into 18koz of zero cost collars from DecQ25 to SepQ26 with a put strike price of \$3,500/oz and a call strike price of \$4,235/oz. The puts provide downside protection to the gold price, at a price that is materially higher than our numbers (~A\$2870/oz).
- **FY25 Guidance** is currently for 175koz at an AISC of ~\$2,300/oz, which is expected to be updated in September. We are broadly in line with the current FY25 guidance and expect production of 172koz at an AISC of A\$2,277/oz.
- **Tower Hill:** is expected to commence development in FY27 and deliver first ore in FY28.
- **Laverton Mill:** grant of water licences and early approval of site earthworks for open pit development have the potential to catalyse an earlier restart of the 3Mtpa Laverton mill (i.e. in advance of the late FY25 start-up flagged in the March 2024 Five-year plan).

Figure 3: FY24 Guidance

Guidance	Unit	FY24 Guidance		Change (%)	OMLe	vs OMLe (%)
		Prev	Actual			
Gold Production	Koz Au	130-140	130-140	0%	134	1%
AISC	A\$/oz	2300-2400	2300-2400	0%	2363	-1%
Non-sustaining capital	A\$m	70-75	70-75	0%	81	-10%

Source: Company reports, OMLe.

Figure 4: FY25 Guidance

Guidance	Unit	FY25 Guidance	OMLe	vs OMLe (%)
		Prev		
Gold Production	Koz Au	~175	172	2%
AISC	A\$/oz	~2300	2277	1%

Source: Company reports, OMLe.

Earnings and valuation impact

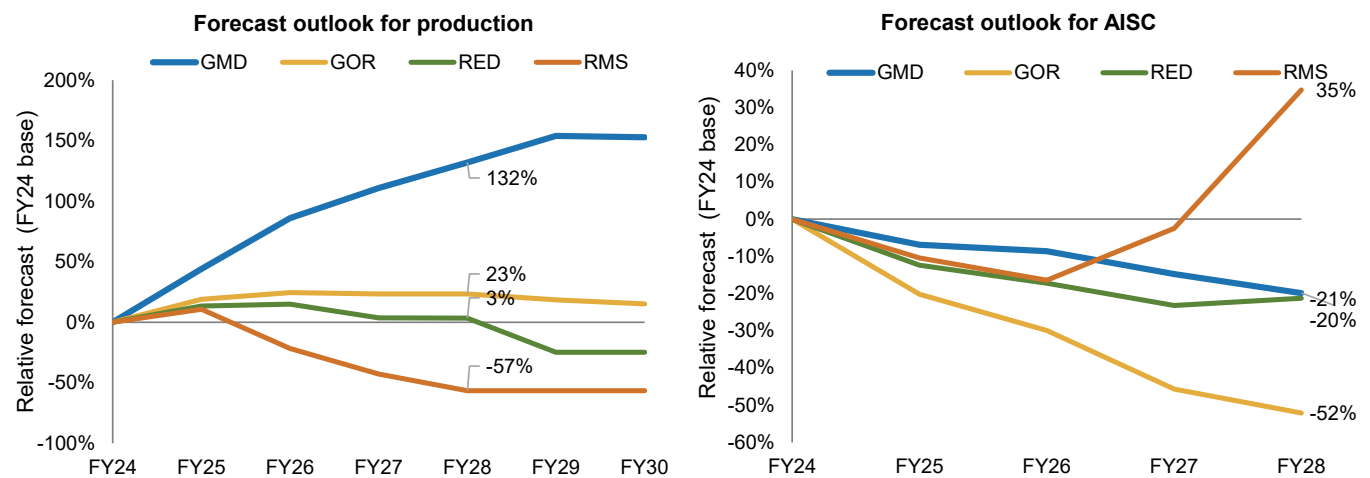
We incorporate the 4Q24 result, update our hedge profile and accelerate our assumptions at Ulysess and Laverton. This drives FY25/26 earnings improvements (20% / 5%) and we increase our Target Price to A\$2.00/sh (from A\$1.90). We downgrade our Recommendation to Hold (from Accumulate) on valuation grounds and with minimal TSR (-8%)

Figure 5: Our changes

		FY23 Actual	Current	FY24E Previous	Change	Current	FY25E Previous	Change	Current	FY26E Previous	Change
Underlying Net Profit	A\$m	-62.7	48.8	68.7	(29%)	168.5	140.9	20%	147.0	139.9	5%
Underlying EPS	c	-8.7	4.7	6.7	(29%)	16.4	13.7	20%	14.3	13.6	5%
CFPS	c	-3.7	14.5	15.4	(6%)	23.9	20.5	17%	20.9	20.3	3%
Dividend	c	0.0	0.0	0.0	n.a.	0.0	0.0	n.a.	0.0	0.0	n.a.
Gold Production	koz Au	n.a.	134	134	1%	194	172	13%	250	250	0%
AISC	A\$/oz Au	n.a.	2380	2363	1%	2217	2277	(3%)	2175	2173	0%
NAV	A\$/share		1.42	1.38	3%						
12 Month TP:	A\$/share		2.00	1.90	5%						

Source: Company reports, OMLe.

Figure 6: GMD's production and AISC should continue trending in the right direction relative to peers.



Source: Company reports, OMLe

Figure 7: Risks to FY25 Guidance update in September 2024

Metric	Unit	GMD Guidance	OMLe	Difference to Guidance	VA Consensus	Difference to Guidance
Production	Koz	175	194	11%	188	8%
AISC	A\$/oz	2300	2217	-4%	2364	3%
Capex	A\$m	100	126	26%	83	-18%

Source: Company reports, OMLe

Catalysts, comps and relative performance

Catalysts

The following catalysts are expected could potentially have a positive impact on the share price over the next 12 months.

- **Successful ramp-up of Admiral open pit:** The Admiral open pit is a shallow, high-grade (1.6 g/t Au) resource that contains 120koz Au. Admiral could potentially provide 2.3Mt of ore (based on reserves) to help fill the 1.4Mtpa Leonora mill.
- **Tower Hill permitting:** GMD are yet to receive permitting for development of Tower Hill (1,000koz reserve at 2.0 g/t Au), which will require relocation of the rail line. Receipt of necessary approvals would provide investors with a positive indication of the restart of the Mt Morgans mill and more clarity regarding potential timeframes (OMLe: late FY27).
- **Ongoing exploration results** from the Company’s interests in the minerally-endowed Leonora and Mt Morgans regions. This would provide investors with confidence of likely reserve and resource additions / replenishment. Any news flow surrounding the evaluation of additional resources found along strike or through step out drilling is likely to be well received as it improves ore source optionality.

Comps

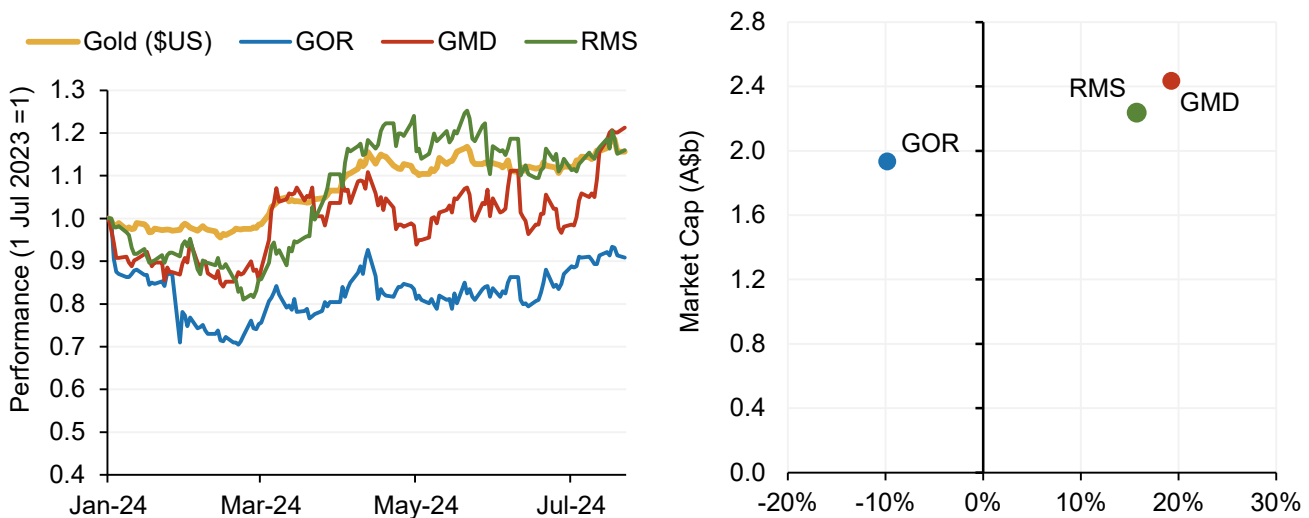
Figure 8: GMD comps across our coverage list

Company	Ticker	Analyst	Market Cap (\$m)	OML Estimates					OML Valuation													
				Recommendation	Risk	Price (\$/sh)	Target price (\$/sh)	Implied TSR (%)	Dividend yield (%)	NAV (\$/sh)	P/NAV (x)	EV/EBITDA (x) FY24e	P/E (x) FY25e	P/CF (x) FY25e	FCF yield (%) FY25e							
Gold Comps																						
Red 5 Limited	RED	PK	2654	Buy	Higher	0.39	0.55	41%	0.0%	0.4	1.0	4.8	13.0	4.6	13.3%							
Ramelius Resources	RMS	PK	2167	Buy	Medium	1.92	2.30	24%	3.5%	1.8	1.1	2.8	6.8	4.1	17.5%							
Gold Road Resources*	GOR	PK	1891	Buy	Higher	1.76	1.95	12%	1.1%	1.7	1.0	5.6	10.8	7.3	6.3%							
Pantoro Limited	PNR	PK	523	Spec. Buy	Higher	0.08	0.11	33%	0.0%	0.1	1.0	3.3	5.9	3.2	13.7%							
Genesis Minerals Limited	GMD	PK	2425	Accumulate	Higher	2.12	2.00	-6%	0.0%	1.4	1.5	7.6	14.4	9.8	2.2%							
Evolution Mining	EVN	PK	7841	Accumulate	Medium	3.94	4.00	4%	2.7%	2.2	1.8	5.7	10.9	6.3	5.3%							
Northern Star Resources	NST	PK	16122	Hold	Medium	14.02	14.80	8%	2.7%	9.3	1.5	5.9	13.7	7.1	3.4%							
Alkane Resource	ALK	PK	305	Hold	Higher	0.51	0.55	9%	0.0%	0.5	0.9	2.6	7.5	3.7	-30.6%							
St Barbara Limited	SBM	PK	184	Hold	Higher	0.23	0.24	7%	0.0%	0.3	0.8	0.2	17.5	5.0	12.3%							
Average									1.1%	2.0	1.1	3.8	10.0	5.1	4.8%							

Source: Company reports, OML

Relative performance (6-months)

Figure 9: GMD relative performance vs domestic small-cap peers



Source: Company reports, OML

Valuation and risks

Valuation

Our A\$2.00/share Target Price is based on a 50:50 blended DACF and NAV valuation. Our target multiples of 10x DACF and 1.3x NAV are higher than other emerging producers commensurate with our view on management, mine life, margin and overall risk profile.

- **NAV:** Sum-of-the-parts (SOTP) NAV incorporates life-of-mine DCFs on Gwalia and Gwalia discounted at a ~10% WACC. Additional SOTP items include: exploration value, cash and bullion and corporate G&A. We utilise a 1.3x P/NAV multiple, which is higher than our ASX emerging peers coverage, and apply no risk weighting to any of the projects.
- **DACF:** Debt-adjusted cash flow multiple of 10x which is higher than our ASX emerging peers coverage when considering production, mine life and reserve growth potential.

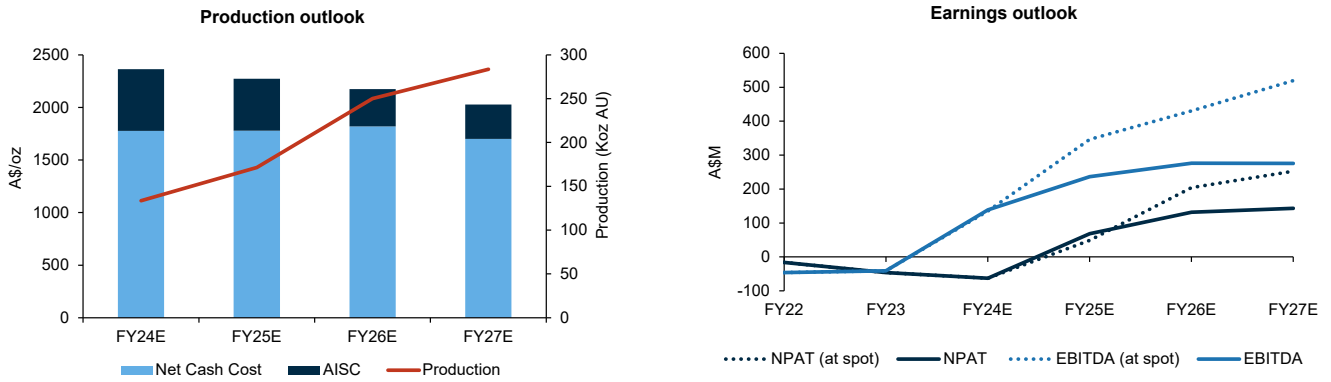
Risks

Key risks to our view include the following:

- **Gold price and currency:** The most significant risk to our forecasts remains the gold price. Our estimates assume a long-term price of ~US\$1,800/oz, with LT USD:AUD to average ~72c.
- **Risks to ramp up.** There are material deliverability risks with starting new mines and ramping up production. Potential challenges could include permitting, grade reconciliation, labour availability, design failures or malfunctioning equipment. However, we note that delivery risks are somewhat mitigated by the GMD's strong balance sheet (i.e. no debt).
- **Single asset risks:** GMD has concentrated exposure to the performance of a single operating asset. Any underperformance at Gwalia could potentially result in significant downside to its financial performance. However, we note this risk is somewhat mitigated through the expected ore source optionality provided by Admiral and other surrounding deposits.
- **Resource/reserve delivery:** We have assigned a material value of \$830m (~51% of NAV) to residual resources. Most of this relates to resources at Gwalia and adjacent deposits that could potentially be produced beyond our life of mine of 13 years. There is a risk that this value is not realised given uncertainty as to whether it could be extracted economically, but we take confidence from Gwalia's location in a known high-grade gold field and the success of GMD's recent exploration.
- **Other operational disruptions:** There are a range of other operational disruptions that could adversely affect mining and processing activities including labour availability, COVID-19, weather and other factors.

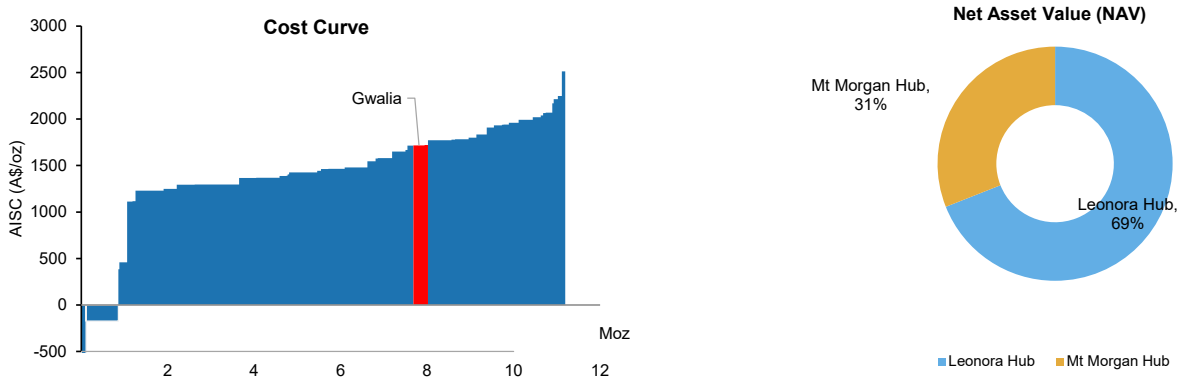
GMD key charts

Figure 10: Production and earnings outlook



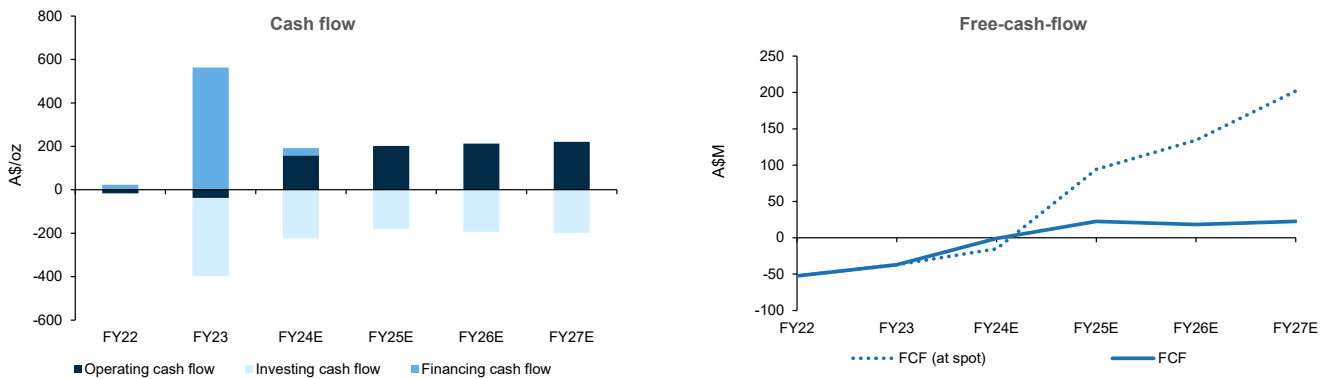
Source: Company reports, OML. Note that GMD did not have any production prior to 1 July 2023.

Figure 11: GMD cost curve distribution of assets (LHS) and OML current NAV assumptions (RHS)



Source: Company reports, OML.

Figure 12: OML Cash flow outlook



Source: Company reports, OML

Genesis Minerals Limited

PROFIT & LOSS (A\$m)	2022A	2023A	2024E	2025E	2026E
Revenue	-	77.0	435.1	647.8	749.6
Operating costs	46.3	117.9	299.7	352.2	468.5
Operating EBITDA	(46.3)	(41.0)	135.4	295.7	281.1
D&A	0.1	24.1	75.7	58.1	75.1
EBIT	(46.4)	(65.1)	59.7	237.6	206.0
Net interest	0.0	2.4	3.7	3.0	3.7
Pre-tax profit	(46.3)	(62.7)	63.4	240.6	209.7
Net tax (expense) / benefit	-	-	14.6	72.2	62.9
Normalised NPAT	(46.3)	(62.7)	48.8	168.4	146.8
Reported NPAT	(46.4)	(117.2)	40.6	168.4	146.8
Normalised dil. EPS (cps)	(6.3)	(8.7)	4.7	16.4	14.3
Reported EPS (cps)	(6.3)	(16.3)	3.9	16.4	14.3
Effective tax rate (%)	-	-	23.0	30.0	30.0
DPS (cps)	-	-	-	-	-
DPS (cps)	-	-	-	-	-
Dividend yield (%)	-	-	-	-	-
Payout ratio (%)	-	-	-	-	-
Franking (%)	-	-	-	-	-
Diluted # of shares (m)	737.7	720.4	1,028.8	1,028.8	1,028.8

CASH FLOW (A\$m)	2022A	2023A	2024E	2025E	2026E
Net Interest (paid)/received	0.0	2.4	3.4	3.0	3.7
Income tax paid	-	-	-	(52.5)	(69.5)
Other operating items	(13.4)	(27.7)	(7.5)	(0.3)	(0.3)
Operating Cash Flow	(16.8)	(37.6)	149.4	246.2	215.3
Other investing items	-	(345.0)	(29.0)	(41.0)	-
Investing Cash Flow	(1.1)	(360.3)	(193.6)	(252.5)	(183.8)
Inc/(Dec) in borrowings	-	-	24.4	-	-
Dividends paid	-	-	-	-	-
Other financing items	(0.4)	(3.0)	(3.6)	-	-
Financing Cash Flow	23.1	563.3	33.7	-	-
FX adjustment	-	-	-	-	-
Net Inc/(Dec) in Cash	5.2	165.4	(10.6)	(6.3)	31.5

BALANCE SHEET (A\$m)	2022A	2023A	2024E	2025E	2026E
Cash	16.1	181.5	171.0	164.7	196.1
Receivables	0.2	4.0	13.6	13.6	13.6
Inventory	-	31.9	29.6	29.6	29.6
Other current assets	-	-	-	41.0	41.0
PP & E	0.4	594.8	640.3	711.1	726.4
Investments	22.0	195.3	237.8	245.4	253.1
Financial Assets	-	8.9	8.3	8.3	8.3
Intangibles	-	-	-	-	-
Other non-current assets	-	-	-	-	-
Total Assets	38.7	1,016.5	1,100.5	1,213.6	1,268.1
Short term debt	0.2	4.4	6.0	6.0	6.0
Payables	3.2	66.4	77.8	77.8	77.8
Other current liabilities	-	-	-	-	-
Long term debt	-	7.0	29.4	29.4	29.4
Other non-current liabilities	6.7	83.1	100.4	120.1	113.5
Total Liabilities	10.1	164.7	218.1	237.7	231.1
Total Equity	28.6	851.8	882.5	975.9	1,037.0
Net debt (cash)	(15.9)	(170.2)	(135.6)	(129.3)	(160.8)

Hold

DIVISIONS	2022A	2023A	2024E	2025E	2026E
KEY METRICS (%)	2022A	2023A	2024E	2025E	2026E
Revenue growth	-	-	465.3	48.9	15.7
EBITDA growth	-	-	-	118.4	(4.9)
EBIT growth	-	-	-	298.1	(13.3)
Normalised EPS growth	-	-	-	245.0	(12.9)
EBITDA margin	-	-	31.1	45.6	37.5
OCF /EBITDA	7.5	30.0	113.4	100.1	100.1
EBIT margin	-	-	13.7	36.7	27.5
Return on assets	-	-	4.3	14.4	11.6
Return on equity	-	-	5.6	18.1	14.6

VALUATION RATIOS (x)	2022A	2023A	2024E	2025E	2026E
Reported P/E	-	-	53.7	13.0	14.9
Normalised P/E	-	-	44.7	13.0	14.9
Price To Free Cash Flow	-	-	-	62.9	69.3
Price To NTA	54.6	1.8	2.5	2.2	2.1
EV / EBITDA	-	-	15.1	6.9	7.2
EV / EBIT	-	-	34.3	8.6	9.8

LEVERAGE	2022A	2023A	2024E	2025E	2026E
ND / (ND + Equity) (%)	(125.2)	(25.0)	(18.2)	(15.3)	(18.3)
Net Debt / EBITDA (%)	34.4	415.3	(100.2)	(43.7)	(57.2)
EBIT Interest Cover (x)	1,449.2	26.9	-	-	-
EBITDA Interest Cover (x)	1,446.8	16.9	-	-	-

SUBSTANTIAL HOLDERS	m	%
Australian Super Pty Ltd	195.5	18.8%
Van Eck Associates Corporation	94.0	9.1%
State Street Global Advisors	80.4	7.8%

VALUATION	
WACC (%)	9.9
Equity NPV Per Share (\$)	1.42
Multiples valuation method	P/DACF
Multiples	10.0
Multiples valuation	2.33
Multiples valuation method	P/NAV
Multiples	1.3
Multiples valuation	1.62
Target Price (\$)	2.00
Valuation disc. / (prem.) to share price (%)	(5.7)

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