

## Crowning a New Prince

### New Murchison Gold

We initiate coverage on **New Murchison Gold Ltd (ASX:NMG)** with a 12-month target price of A\$0.11/sh, implying a total shareholder return of 156%.

The Garden Gully Gold Project is in the prolific Murchison goldfield near Meekatharra, Western Australia. Through an Ore Purchase Agreement (OPA) with Westgold Resources (ASX:WGX), NMG has monetised its Crown Prince Deposit, successfully moving from exploration to producer - generating significant revenues in a record gold price environment.

#### Investment Thesis

**Base Case Economics:** ~7-year LOM, 3.11Mt inventory at 4.80 g/t Au for ~485koz across five ore sources (Crown Prince OP & UG, Crown Prince East & Lydia North & South). Average gold production of 66kozpa, pre-tax NPV<sub>8</sub> of A\$1,277m at A\$5,750/oz gold. Peak EBITDA of A\$290m in 2030 driving ~63% margin.

**Spot Economics:** At spot (~A\$6,250/oz), NPV<sub>8</sub> increases to A\$1,422m with EBITDA of A\$235m – positioning NMG to trade on an attractive forward looking (CY2027) EV/EBITDA multiple of ~1.33x, confirming strong re-rate potential.

**Strong Cashflow Generation under OPA:** First full quarter post-production (Dec-25) delivered 22,766oz (184,746t @ 4.0 g/t, 95.9% recovery) processed via Westgold's Bluebird Plant, generating ~A\$111m revenue and +A\$72m QoQ cash uplift. Pro-forma cash estimated at ~A\$155m following January 2026 quarter, positioning NMG to accelerate exploration and growth initiatives.

**Crown Prince Underground:** With a PFS planned for H2 CY2026, we expect this to confirm a significant orebody with a robust cashflow profile. A low-capex pathway is forecasted to bring the first UG stopes online due to the decline being established at the bottom of the open pit, minimising required development metres and associated infrastructure.

**Additional Open Pits:** Our base case assumes a Crown Prince East OP (50koz at 3.5 g/t) alongside Lydia North (50koz at 4 g/t) & Lydia South (50koz at 3.5 g/t), with regional exploration confirming the strong potential of these deposits in extending project life.

**Prime Mining Jurisdiction:** The project sits near major mines including the Bluebird-South Junction complex, Paddy's Flat, Andy Well and the historic Reedys district, highlighting the region's capacity to host sizeable gold systems. NMG also benefits from nearby processing infrastructure, established roads, power and mining services, materially lowering development risk.

**Management with Mining & Corporate Pedigree:** CEO Alex Passmore is a qualified geologist with over 20 years' experience across geology, capital markets and ASX-listed company leadership. He is supported by Chairman Rick Crabb, an experienced company director and mining lawyer with over three decades in the resources sector.

#### Evolution Capital's Internal Garden Gully Gold Project Model

Parameter	Base Case
<b>Resource Base</b>	3.11Mt
<b>Grade</b>	4.80 g/t
<b>Contained Au</b>	485koz
<b>LOM</b>	7 Years
<b>LOM Avg. Production</b>	66kozpa
<b>LOM Avg. EBITDA</b>	A\$239m p/a
<b>NPV<sub>8</sub> (Pre-Tax)</b>	A\$1,277m
<b>12-month Target Price (@ A\$6,000/oz)</b>	A\$0.11/sh
<b>TSR</b>	156%

<b>Recommendation</b>	<b>Spec. Buy</b>
<b>Share Price</b>	<b>A\$0.043/sh</b>
<b>12m Target Price</b>	<b>A\$0.11/sh</b>
<b>TSR</b>	<b>156%</b>

#### Company Profile

Market Cap	A\$467M
Enterprise Value	A\$312M
Pro-Forma Cash (Est.)	~A\$155M
52-Week Range	A\$0.009- A\$0.077

#### Price Performance



#### Company Overview

**New Murchison Gold Ltd (ASX:NMG)** is an ASX-listed, fully funded gold producer and exploration company in the prolific Murchison Goldfield near Meekatharra, Western Australia. The Company's flagship asset is the Garden Gully Gold Project, anchored by the Crown Prince Gold Mine – its most advanced deposit.

Following a Maiden Ore Reserve Statement & Feasibility Study in early 2025, NMG completed its first blast at Crown Prince in June 2025 and commenced production in September 2025.

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#### Majority Shareholders

Westgold Resources Ltd	14.33%
Philip Crabb	5.67%
Franklin Resources Inc.	4.07%
Yoon Chin Chong	2.79%
Alexander Passmore	1.82%

#### Upcoming Catalysts

Exploration Results	Q2 CY2026
January Quarter Update	Q2 CY2026
MRE & Reserves Update	H2 CY2026
Crown Prince UG PFS	H2 CY2026



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# 1. Valuation Summary

## 1.1 Thesis

NMG is entering a period where it offers a blend of operational and exploration success, positioning the company for significant cashflow generation while also delineating additional deposits to extend the Garden Gully Project beyond the Crown Prince Open Pit. We view NMG as transitioning into a derisked gold producer, offering a 12-month re-rate based on the following factors:

- **Success at Crown Prince Open Pit**, with the first full quarter of production delivering ~22,766 ounces delivered to the Bluebird mill under the existing OPA with Westgold Resources (ASX:WGX). This resulted in revenue of ~A\$111m and increased cash balances by ~A\$72m from the previous quarter – upon completion of the January 2026 quarter, pro-forma cash is estimated at A\$155m. With spot gold at ~A\$6,250/oz, we expect significant cashflow generation in subsequent quarters.
- **Completion of the Crown Prince UG PFS**, with this set to confirm the economics and technical validity of an additional resource beyond the existing open pit. With forecasted capex of A\$20m required to access first UG stopes due to development of the decline at the bottom of the existing open pit, this offers a low-cost pathway to a high-grade gold deposit (3m at 43.1 g/t Au, 36.3m at 2.22 g/t Au).
- **Strong resource growth potential** through the emergence of additional deposits, with the Lydia Gold Prospect confirmed as a highly prospective mineralised system (3m at 32.9 g/t Au, 9.1m at 10.3 g/t Au). Located on a granted mining lease near Crown Prince, Lydia could leverage existing infrastructure and permitting to fast-track development and support future resource and reserve growth. These results underpin our modelled base case scenario, with NMG demonstrating a clear pathway towards a 500koz resource.

## 1.2 Valuation Target Summary

We value New Murchison Gold using a project-level DCF based on free cash flow to the firm (FCFF). Cash flows from the Garden Gully Gold Project are modelled on a before tax ungeared basis, and after sustaining/expansion capex – discounted at a Weighted Average Cost of Capital (WACC) of 8%. On this basis, the Garden Gully Gold Project generates an NPV<sub>8</sub> of A\$1,277m (100% basis), utilising a projected MRE of 3.1Mt at 4.80 g/t Au for ~485koz.

Applying a 90% risking factor results in a project level NPV<sub>8</sub> of A\$1,149m. We add pro-forma cash and deduct corporate adjustments/exploration costs to derive an equity NAV of A\$1,242m, equivalent to A\$0.11/sh on a fully diluted in-the-money share count of 11.39Bn shares. This implies a total shareholder return (TSR) of 156% from the current share price of A\$0.043/sh and underpins our Speculative Buy recommendation.

Sum of the Parts Valuation	Method	Risking	Value (A\$M)	NAV/Share (A\$)
<b>Garden Gully Gold Project - NPV<sub>8</sub></b>	DCF @ 8% (Pre-tax)	90%	1,149	0.101
<b>+ Other Projects</b>	N/A	N/A	—	—
<b>+ Net Cash (PF)</b>	—	—	155	0.014
<b>- PV Exploration</b>	—	—	(53)	(0.005)
<b>- PV Corporate G&amp;A</b>	—	—	(9)	(0.001)
<b>Total NAV (Equity Value - Fully Diluted)</b>			<b>1,242</b>	<b>0.11</b>

Table 1.1 - Sum of the Parts Valuation

### 1.3 Garden Gully Project Valuation

Our modelling is anchored by our projected MRE, continued toll treatment at Westgold Resources Bluebird Processing Plant and a conservative long run gold price of A\$5,750/oz. We target a 80kozpa operation from 2030-2031 with a maximum throughput of ~570ktpa in 2031-2032.

Garden Gully Project MRE Inventory			
Orebody	Tonnes (kt)	Grade (g/t Au)	Contained Gold (koz)
Crown Prince OP	640	5.1	105
Crown Prince UG	1192	6	230
Crown Prince East OP	444	3.5	50
Lydia South OP	389	4	50
Lydia North OP	444	3.5	50
<b>Total</b>	<b>3,110</b>	<b>4.80</b>	<b>~485</b>

Table 1.2 - Projected Garden Gully MRE Inventory

**Timeline and ramp up:** With mining currently underway at The Crown Prince Deposit, we project this to continue for ~24 months, concluding in March 2028. A decline for underground operations at Crown Prince will be developed at the bottom of the open pit, with ~4 months of development time required before accessing the first stopes. Production during construction of the decline will continue with open pit mining at Lydia/Crown Prince East, with these pits being mined alongside the underground operation from 2028-2032.

- **Revenue/AISC/EBITDA:** EBITDA is initially lower in 2026 due to the assumption of the completion of the January 2026 quarter – with our modelling only forecasting production from April-December 2026. EBITDA remains steady in 2027/28 at ~A\$211m while mining Crown Prince open pit, before reducing slightly in 2028 due to higher costs when transitioning to underground mining at Crown Prince and bringing Lydia/Crown Prince Open Pit online. EBITDA then remains strong from 2030-32 averaging A\$275m p/a. AISC averages A\$2,175/oz throughout the mine life, with this providing a robust average EBITDA margin of 63% against the modelled gold price of A\$5,750/oz.
- **Cash Flow:** Free cash flow is strong over the entire forecast period, with cumulative FCF >A\$1.6Bn in 2032, representing 1.42x of risked NPV (\$1,149m).
- **Production:** Output rises from 57koz in 2027 to 80koz in 2030, which is then largely maintained until 2032 (dropping to 68koz due to modelled resource depletion). We anticipate successful exploration across the NMG tenements or acquisitions would extend the cashflow profile beyond the forecast period.

Garden Gully Project	Avg. LOM AISC	Average Gold Production	Average EBITDA	Pre-Tax NPV <sub>e</sub>
Base Case - 500koz	A\$/oz	kozpa	A\$m p/a	A\$m
	2,175	66	239	1,277

Table 1.3 - Garden Gully Project Design Summary

Our base case assumes ~485koz at 4.80 g/t Au, reflecting the potential of additional deposits being brought online at Garden Gully. We forecast 95% CIL recovery and 17% margin paid to Westgold as part of the Ore Purchase Agreement.

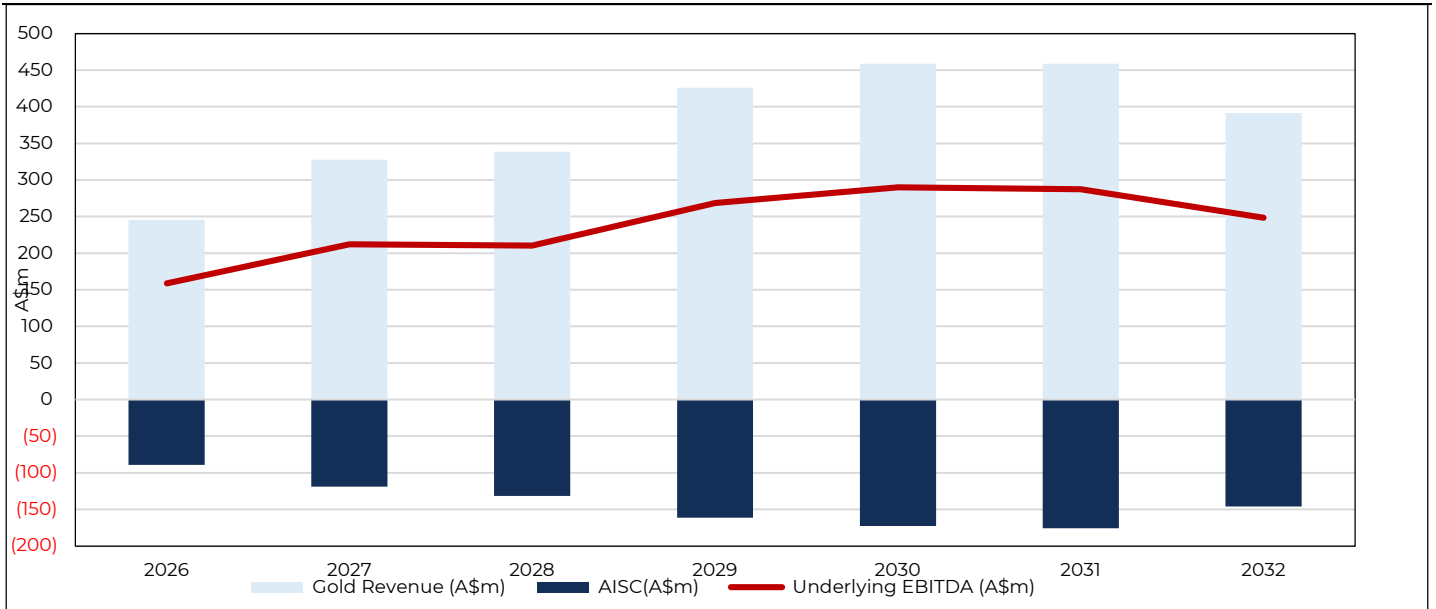


Figure 1.1 - Garden Gully Revenue, AISC and EBITDA Profile (2026-2033)

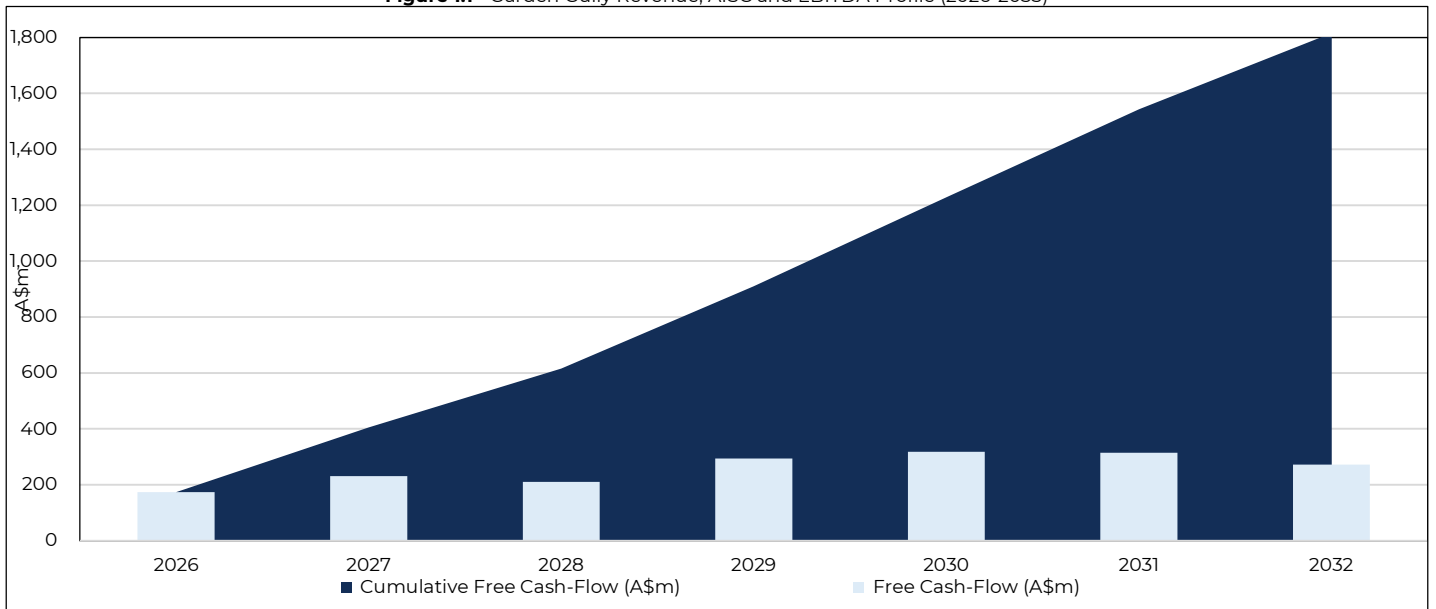


Figure 1.2 - Garden Gully Cash Flow Summary (2026-2033)

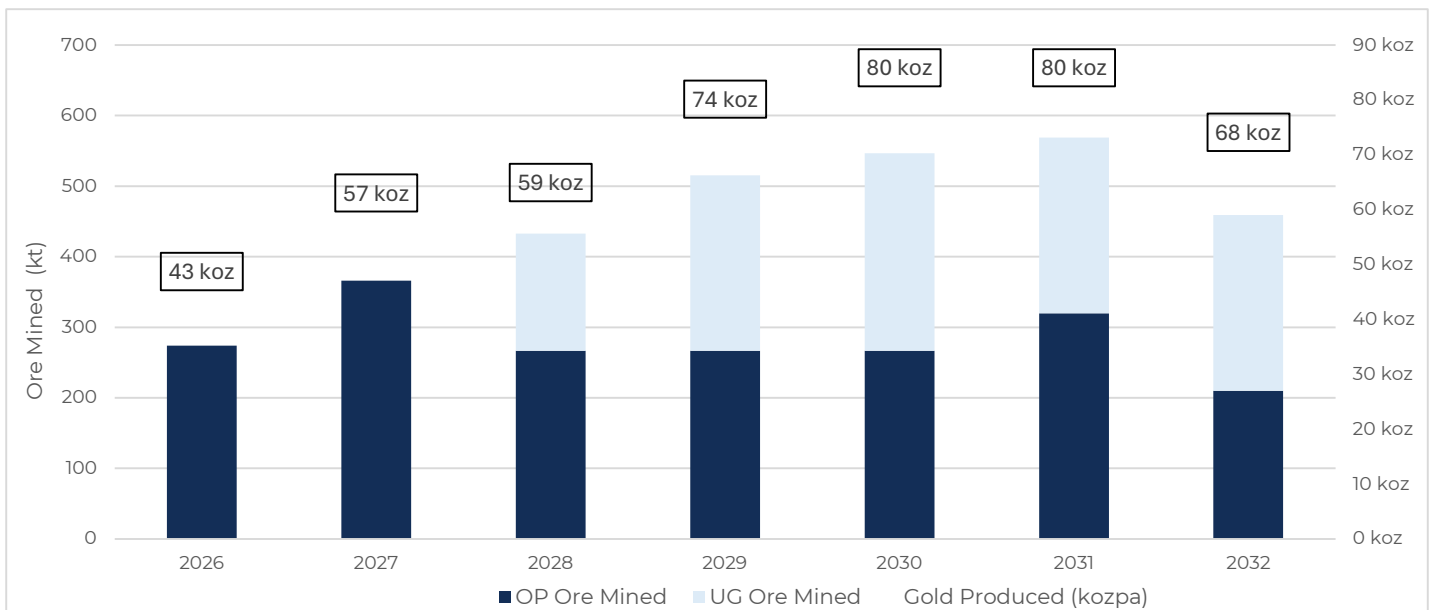


Figure 1.3 - Garden Gully Production Summary (2026-2033)



### 1.4 Sensitivity Analysis – NPV & NAV/Sh

The sensitivity analysis indicates valuation is primarily driven by leverage against gold price & grade rather than operating inputs. Gold price is the dominant lever – a ±15% move swings NPV by ±A\$311m, which positions the project well given a ~10% discount has been applied to gold price in our base case. Grade is the second biggest driver, with a ±5% change in grade swinging NPV by ±A\$90m. A ±5% change in discount rate drives a ±A\$26m change in NPV – confirming the importance of derisking the project as it matures into steady state production.

Remaining factors are tertiary with the following marginal sensitivities:

- Recovery: A ±1% change in recovery swings NPV by ±A\$17m.
- Mining cost: A ±15% change in mining cost moves NPV by ±A\$14m.
- Process & crushing cost: A ±15% change in processing cost moves NPV by ±A\$12m.

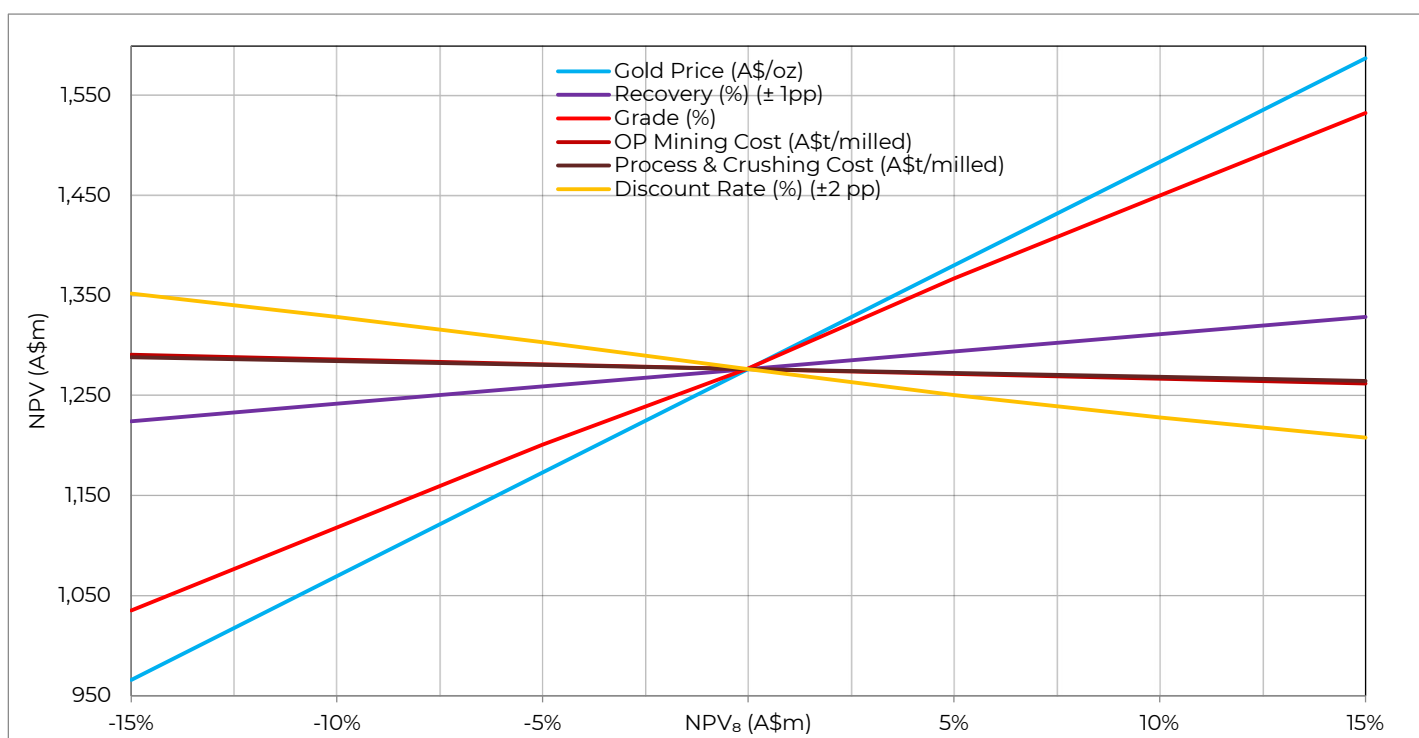


Figure 1.4 - Sensitivity Analysis Graph

Δ (%)	-15%	-10%	-5%	NPV <sub>8</sub> (A\$M)	5%	10%	15%	Range (±Δ) (A\$M)
<b>Gold Price (A\$/oz)</b>	966	1,069	1,173	1,277	1,380	1,484	1,588	311
<b>Grade (%)</b>	1,035	1,118	1,201	1,277	1,367	1,450	1,533	249
<b>Discount Rate (%) (±2 pp)</b>	1,352	1,329	1,303	1,277	1,251	1,228	1,208	72
<b>Recovery (%) (± 1pp)</b>	1,224	1,242	1,259	1,277	1,294	1,311	1,329	52
<b>Mining Cost (A\$/milled)</b>	1,291	1,286	1,281	1,277	1,272	1,267	1,262	14
<b>Process &amp; Crushing Cost (A\$/milled)</b>	1,288	1,284	1,281	1,277	1,273	1,269	1,265	12

Table 1.4 - NPV Sensitivity Output

Gold Price	A\$/oz	5,750 (Base-Case)	6,000	6,250	6,500	6,750
<b>Pre Tax NPV<sub>8</sub></b>	<b>A\$m</b>	1,277	1,349	1,422	1,494	1,567
<b>Fully Diluted NAV/sh</b>	<b>A\$/sh</b>	0.11	0.115	0.121	0.127	0.132
<b>P/NAV</b>	<b>x</b>	0.39x	0.37x	0.35x	0.34x	0.33x
<b>Discount to P/NAV</b>	<b>%</b>	61%	63%	65%	66%	67%

Table 1.5 - Gold Price Sensitivity - NPV & NAV/sh

## 2. New Murchison Gold

### 2.1 Company Overview

New Murchison Gold is an ASX listed, fully funded gold producer and exploration company holding a substantial tenement package covering 677km<sup>2</sup> in the Murchison goldfield near Meekatharra, Western Australia. The Company’s flagship asset is the Garden Gully Gold Project, anchored by the Crown Prince Gold Mine—its most advanced deposit.

Following a Maiden Ore Reserve Statement & Feasibility Study in early 2025, NMG approved development of Crown Prince, completed first blast in June 2025 and commenced production in September 2025.

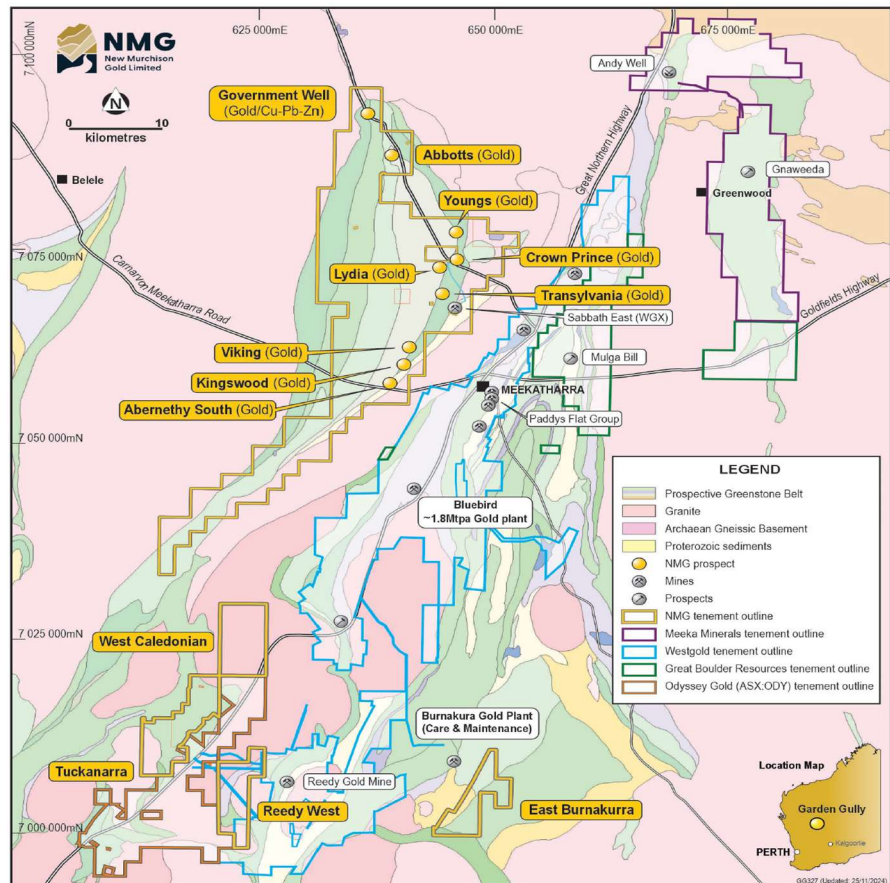


Figure 2.1 - Garden Gully Gold Project

#### 2.1.1 Local Geology

The Crown Prince deposit sits on the eastern limb of the Abbotts Greenstone Belt within Archaean rocks of the Greensleeves Formation, a bimodal volcanic sequence comprising komatiitic mafics and ultramafics overlain by felsic volcanics, volcanoclastic sediments and black shales, intruded by mafic-ultramafic sills. The belt forms part of a complex structural setting featuring a N-NE-trending synclinal succession with later fold closures and multiple NE-trending shear zones. Surface geology is largely obscured by alluvial cover and lateritic duricrust.

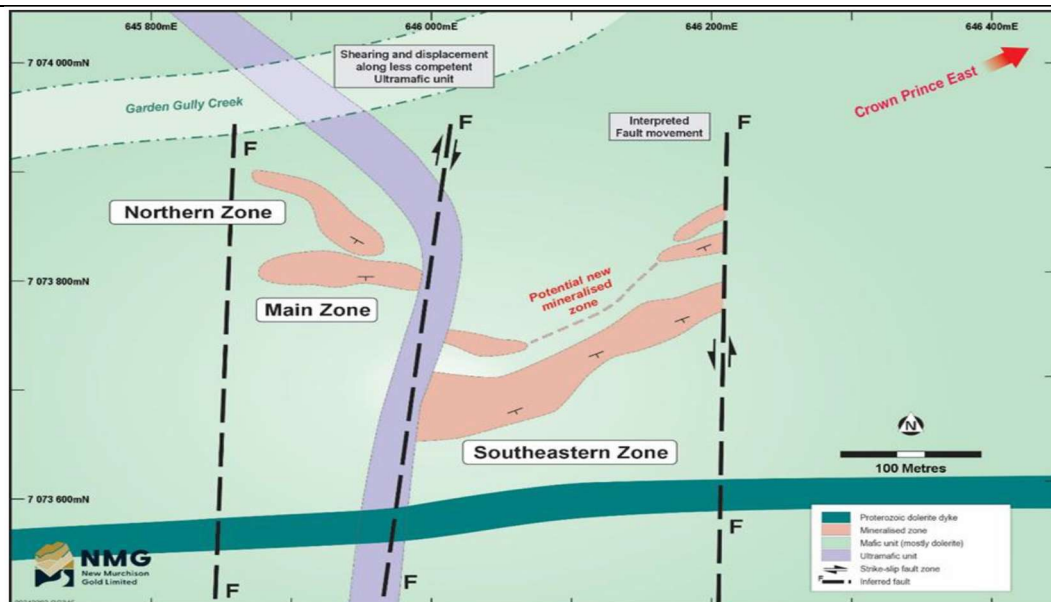


Figure 2.2 - Local Geology Plan of Crown Prince Showing Ore Zones

Gold mineralisation occurs in well-defined lodes hosted by steep west-dipping north-south shear zones with subsidiary NE-, NW- and NNE-oriented structures. Mineralisation is characterised by quartz-carbonate veining, silica alteration and sulphide development, with lode widths ranging from ~0.5m to 12m. Gold is present as fine free gold and within sulphides—primarily pyrite, pyrrhotite and chalcopyrite—within gangue assemblages of quartz, chlorite, biotite, albite and hornblende. This structural-lode style mineral system is consistent with classic Archean orogenic gold deposits typical of the Murchison province.

## 2.2 Crown Prince Project

The Crown Prince deposit forms part of the Garden Gully Gold Project in Western Australia’s Murchison district, located ~18km north-north-west of Meekatharra. The project benefits from good access via the sealed Great Northern Highway and the well-maintained Mount Clere Road, supporting straightforward logistics.

Geologically, Crown Prince is positioned on the eastern margin of the Archean Abbots Greenstone Belt, a highly prospective and well-endowed gold belt in the North Murchison. Gold mineralisation is defined across three closely related zones—the Main Zone (MZ), Northern Zone (NZ) and Southeastern Zone (SEZ)—which share consistent geological characteristics.

Strong drilling results to date have returned the following exceptional grades:

- 20m at 277 g/t Au from 40m including 4m at 1,368 g/t Au from 52m,
- 15m at 14.7 g/t Au from 152m,
- 9m at 21.44 g/t Au from 28m including 2m at 77.8 g/t Au from 31m, and
- 7m at 11.74 g/t Au from 132m.



**Figure 2.3** - Progression of Stage 1 Pit Inside Larger Stage 2 Pit Boundary

Importantly, mineralisation at the Main and Northern Zones remains open down-dip, while the Southeastern Zone is open both down-dip and along strike to the northeast, highlighting clear potential for resource expansion through further drilling.

Crown Prince currently hosts total ore reserves of 920kt at 4.6 g/t Au for 135.6koz & an MRE of 2.25Mt at 3.8 g/t Au for 276.9koz, with this underpinning the early production of gold for NMG.

Crown Prince Ore Reserve Estimate					
Deposit	Category	Tonnes (kt)	Gold Grade (g/t Au)	Contained Gold (koz)	Cut-Off Grade (g/t Au)
Crown Prince	Probable	790	5.1	130	0.7
Crown Prince Stockpiles	Proven	130	1.4	5.6	0.7
<b>Total</b>		<b>920</b>	<b>4.6</b>	<b>135.6</b>	0.7

**Table 2.1** - Crown Prince Ore Reserve Estimate

Crown Prince MRE				
Orebody	Category	Tonnes (kt)	Grade (g/t Au)	Contained Gold (koz)
Main Zone	Indicated	411	3.8	50.7
	Inferred	318	3.1	31.3
	<b>Total</b>	<b>729</b>	<b>3.5</b>	<b>82</b>
Southeastern Zone	Indicated	1,015	5.1	168.1
	Inferred	180	1.8	10.6
	<b>Total</b>	<b>1,196</b>	<b>4.6</b>	<b>178.7</b>
Other (Laterite, East)	Indicated	4	1.5	0.2
	Inferred	186	1.8	10.5
	<b>Total</b>	<b>190</b>	<b>1.7</b>	<b>10.7</b>
Stockpiles	<b>Measured</b>	<b>130</b>	<b>1.4</b>	<b>5.6</b>
<b>Total</b>	Measured	130	1.4	5.6
	Indicated	1,430	4.8	218.9
	Inferred	684	2.4	52.4
	<b>Total</b>	<b>2,245</b>	<b>3.8</b>	<b>276.9</b>

**Table 2.2** - Crown Prince MRE

## 2.2.1 Early Production Success

NMG has delivered a strong and disciplined ramp-up at the Crown Prince Gold Mine since commencing production in September 2025, with operations rapidly transitioning from initial ore mining into stable production and strong ore sales under the Ore Purchase Agreement (OPA) with Westgold.

- Production commenced in September 2025, delivering 31,000 dry tonnes at 3.23 g/t Au (~3,231 recoverable ounces), while establishing ROM and crushed ore inventories to support a rapid ramp-up in subsequent months.
- By October 2025, operations accelerated materially, reaching 60,877 dry tonnes at 3.95 g/t Au (~7,285 recoverable ounces), effectively completing the initial ramp-up phase as mining and crushing exceeded early expectations.
- Performance strengthened further through the December 2025 quarter, representing the first full quarter of production. NMG sold 184,746 tonnes of crushed ore at an average grade of 4.0 g/t Au and 95.9% recovery, equating to ~22,766 ounces delivered to Westgold's Bluebird Processing Plant. Notably, ore sales exceeded the 150kt tonnage contemplated under the OPA for the period, reflecting strong mining performance and available processing capacity.

Overall, Crown Prince has demonstrated a highly successful ramp-up, transitioning from first ore to stable production within months. Mining from the Stage 1 pit has delivered early access to high-grade ore and supported strong operational performance, with the mine now generating substantial cash flow and positioning NMG as an emerging gold producer with growing operational momentum.



Figure 2.4 - Crown Prince ROM & Crusher Pad

## 2.2.2 Underground Potential

Recent drilling at NMG’s Crown Prince Gold Project has demonstrated strong potential for a sizeable underground operation beneath the planned open pit, with multiple high-grade intercepts and persistent mineralised structures recorded well outside the current Mineral Resource envelope. Diamond drilling targeting the South-Eastern Zone (SEZ) has returned exceptionally high grades, including:

- 3m at 43.1 g/t Au from 245m,
- 36.3m at 2.22 g/t Au from 367.5m – extending the known SEZ lode 75–200m below the pit floor and confirming the orebody’s continuity at depth,
- 0.28m at 17,240 g/t Au within 1.64m at 3,090 g/t Au & visible gold recorded at 568m, representing the deepest mineralisation intersected to date and demonstrating that both the SEZ and Main Zone (MZ) structures continue well beneath current mine designs.

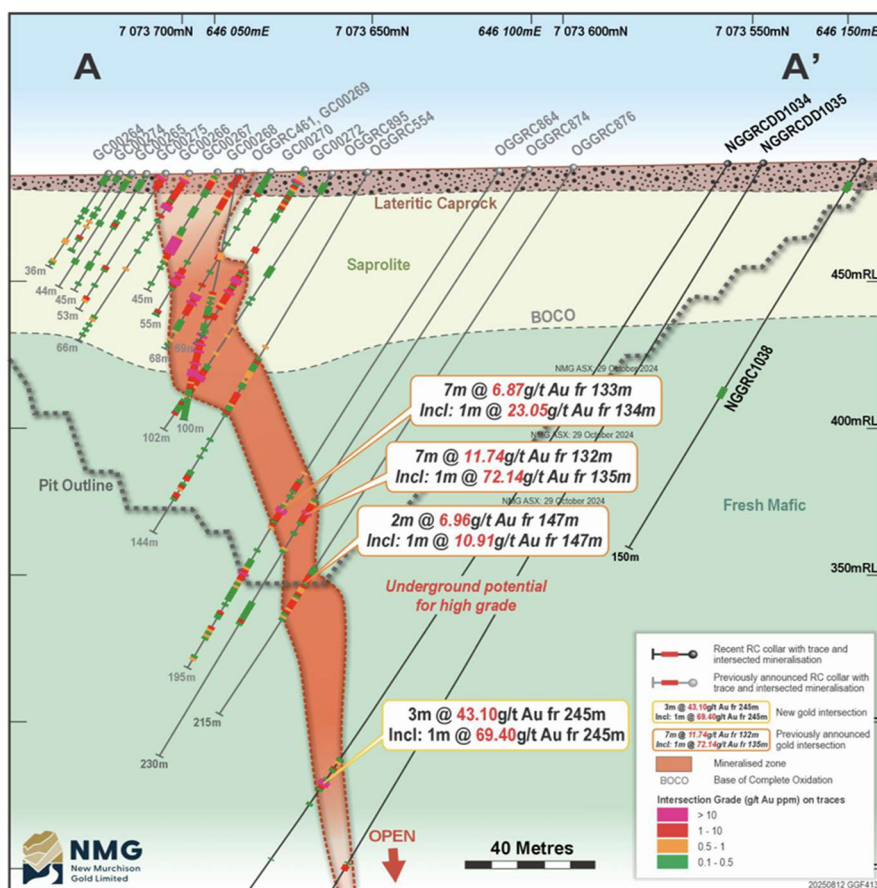


Figure 2.5 - Cross Section Over Southeastern Zone Confirming Mineralisation at Depth

Geological interpretation from long sections and 3D wireframes shows that the SEZ forms a steeply plunging, persistent high-grade shoot with widths and geometries highly amenable to underground mining. This provides a strong foundation for an underground development case, with NMG already signalling that results will feed into a dedicated underground resource update and feasibility study. Collectively, the drilling confirms a multi-level underground mining opportunity that could significantly extend mine life and enhance production optionality at Crown Prince.

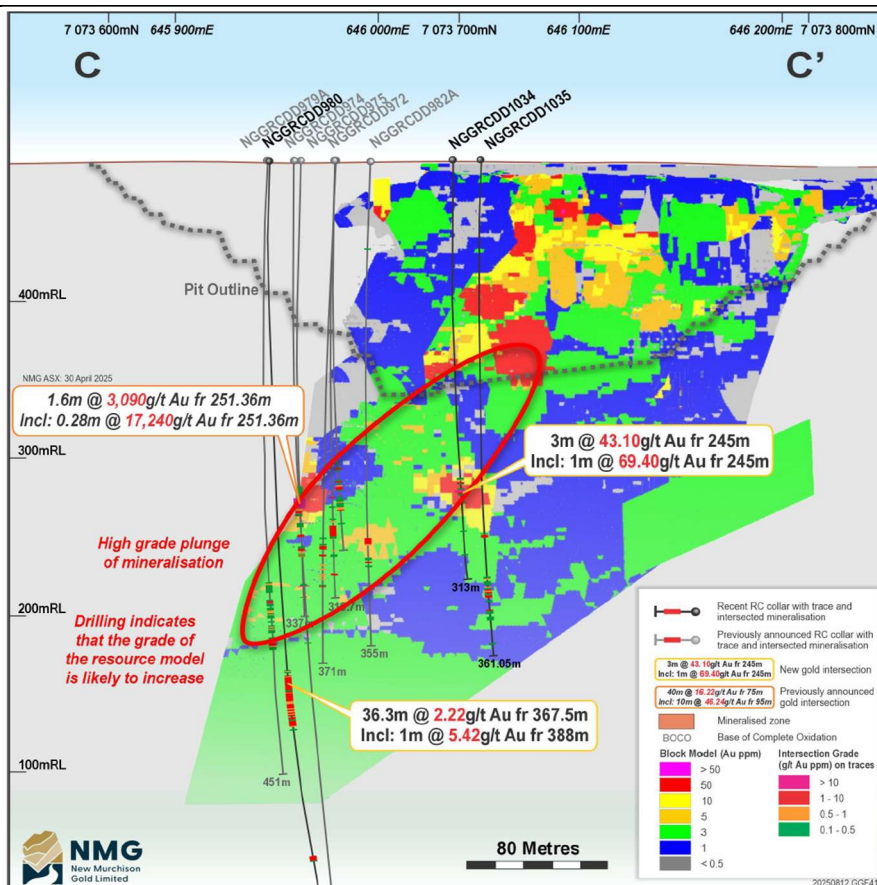


Figure 2.6 - Long Section Showing Diamond Hole Trace & Resource Block Model at Southeastern Zone

### 2.2.3 Ore Purchase Agreement with Westgold Resources

In December 2024, NMG entered into an Ore Purchase Agreement (OPA) with Westgold Resources, representing a material de-risking milestone for NMG. The OPA provides a clear, capital-efficient pathway to first production from the Crown Prince deposit – which was achieved in CY2025.

By securing access to Westgold’s nearby Bluebird processing plant under a transparent, formula-based pricing and cost framework, the agreement removes processing and funding risk while anchoring Crown Prince within an established operating hub, supporting a near-term transition from developer to producer.

#### Key OPA Terms:

- **Defined throughput profile:** Sale of ore in certified parcels totalling 30–50kt per month over an initial 24-month period, providing production visibility and scale sufficient to underpin meaningful cash flow.
- **Market-linked gold pricing:** Ore purchased based on contained gold at the prevailing monthly AUD gold price, ensuring direct leverage to spot gold prices rather than fixed or discounted pricing.
- **Transparent and capped processing costs:** Processing costs calculated on a pass-through basis with a defined range of \$30–45 per dry tonne, plus a clearly specified capital recovery charge (15% of processing cost), improving margin predictability.
- **Structured margin and recovery framework:** Westgold margin set at 8.5% during the initial three-month establishment period, stepping up to 17% thereafter, while gold recoveries are agreed bench-by-bench using test work replicating the Bluebird circuit—reducing metallurgical risk.

## 2.3 Regional Exploration

### 2.3.1 Lydia Prospect – Potential Addition to Production Line

Lydia is a promising early-stage target located on a smaller shear zone between two major regional structures. Drilling has confirmed shallow gold in this shear, showing that the system may continue at depth. While work is still at an early stage, the results suggest a continuous gold-bearing structure worth following up with deeper drilling.

Impressive shallow drill hits at Lydia include:

- 7m at 116 g/t Au from 7m incl. 1m at 794.20 g/t Au from 9m,
- 3m at 32.9 g/t Au from 46m, incl. 1m at 62.4 g/t Au, and
- 3m at 39.71 g/t Au from 12m, incl. 1m at 111.71 g/t Au.

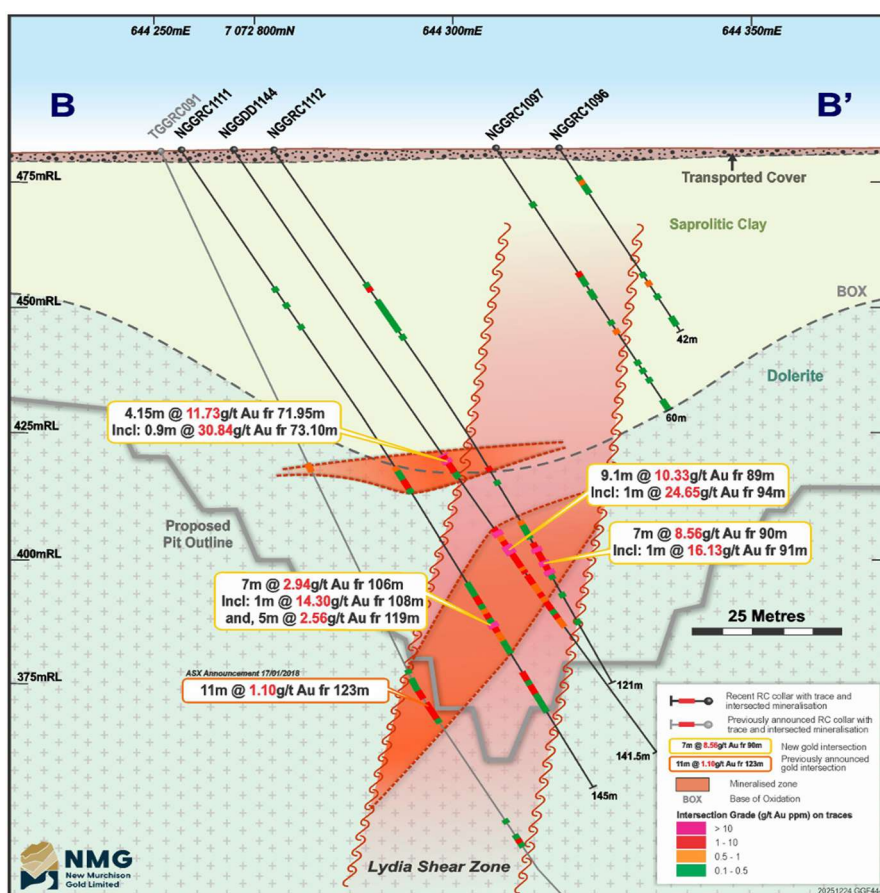


Figure 2.7 - Lydia Deposit Cross Section

The Lydia Prospect demonstrates clear open-pit development potential, supported by consistent high-grade gold mineralisation at shallow depths, a thick (20–25m) mineralised shear zone, and strong strike continuity within a designed conceptual pit shell. Recent RC and diamond drilling returned multiple bonanza and bulk-grade intercepts from surface to ~120m depth (including multi-metre zones grading >5–10 g/t Au), while geotechnical drilling has already been completed within planned pit walls, materially de-risking surface mining assumptions.

Importantly, Lydia sits on a granted mining lease, only ~800m from the Crown Prince operation, allowing potential rapid, low-capex integration using existing infrastructure, reinforcing its credibility as a near-term open-pit feed source.

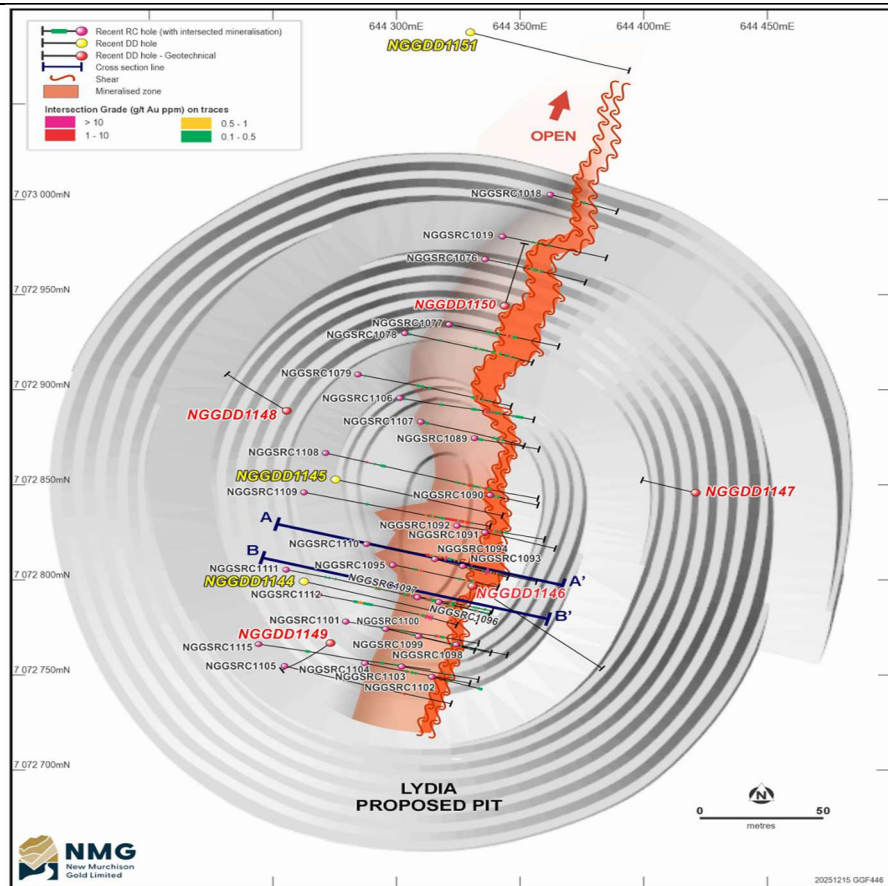


Figure 2.8 - Proposed Lydia Open Pit

### 2.3.2 Crescent Prospect

Crescent sits on a strong north-trending shear zone and has delivered several encouraging gold intercepts from shallow drilling. Results show multiple gold zones that appear to stack together, with the system still open along strike. This area has potential to grow into a small-scale deposit with further drilling.

Drilling at Crescent has returned the following:

- 7m at 2.98 g/t Au, incl. 1m at 6.20 g/t Au,
- 1m at 12.23 g/t Au from 31m, and
- 1m at 3.42 g/t Au from 62m.

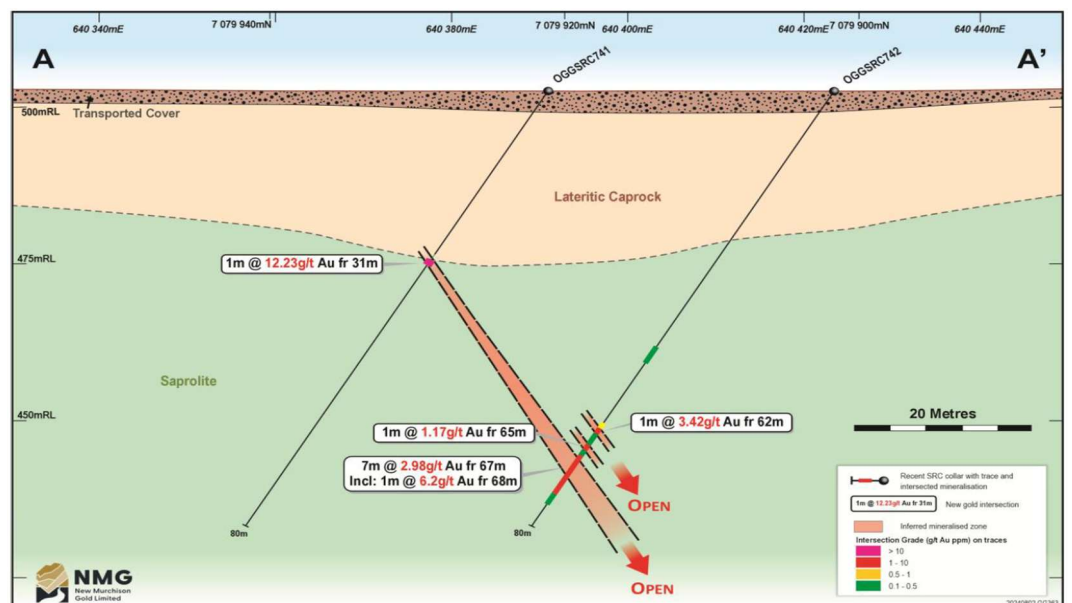


Figure 2.9 - Crescent Prospect Cross Section



### 2.3.3 Additional Targets

Battery is an older discovery that NMG has revisited using modern geophysics and drilling. Recent work has confirmed a high-grade gold zone on the western side of the prospect, showing that earlier explorers may have only tested the edges of the system. Battery remains an underexplored target with potential for higher-grade shoots at depth.

Intercepts at Battery include:

- 4m at 13 g/t Au from 43m incl. 1m at 45.35 g/t Au from 44m,
- 2m at 1.03 g/t Au from 18m, and
- 3m at 0.94 g/t Au from 29m.

### Airstrip Prospect

Airstrip sits on the southern edge of the belt near a major shear zone and has returned some of the strongest early-stage gold hits across two parallel structures—the Western Shear and the Eastern Shear. The Eastern Shear hosts two continuous mineralised zones that remain open along strike and warrant follow-up drilling.

Airstrip has returned some of the strongest regional hits:

- 20m at 3.36 g/t Au from 49m, incl. 1m at 39.37 g/t Au,
- 5m at 5.95 g/t Au from 41m, incl. 1m at 18.74 g/t Au, and
- 3m at 8.50 g/t Au from 18m, incl. 1m at 23.08 g/t Au.

### Abbotts Prospect

Abbotts lies within a historical mining centre that produced high-grade gold in the early 1900s. Modern drilling has confirmed the same high-grade shear zone continues below the old workings, with several impressive intercepts indicating strong potential for a new high-grade resource. The main gold zone dips shallowly to the east and appears to plunge southeast, offering a clear drill target for depth extensions.

Key intercepts at Abbotts include:

- 2m at 36.92 g/t Au from 131m, incl. 1m at 67.97 g/t Au,
- 7m at 8.75 g/t Au from 133m, incl. 1m at 33.08 g/t Au, and
- 2m at 5.80 g/t Au from 109m.

## 2.4 Resource Growth Upside

NMG offers clear and credible resource growth potential underpinned by a producing high-grade asset, open-ended mineralisation, and a pipeline of underexplored regional targets.

At Crown Prince, gold mineralisation remains open down dip in the Main and Northern Zones and both down dip and along strike in the Southeastern Zone, providing straightforward extension targets. The deposit sits within a classic Archean orogenic gold setting where steep shear-hosted lodes commonly demonstrate strong depth continuity. Exceptional drilling grades confirm the system's ability to host high-grade shoots, supporting efficient resource expansion and reserve conversion.

Importantly, recent deep diamond drilling beneath the open pit confirms mineralisation continues well below current resource limits, defining a steeply plunging, high-grade shoot with geometry suitable for underground mining. This establishes a credible second phase of mine life beyond the open pit, with scope to materially extend production duration and increase contained ounces.



Operationally, Crown Prince has achieved a rapid and stable ramp-up to steady-state production, de-risking execution and strengthening NMG's capacity to fund ongoing drilling and studies from cash flow rather than equity.

Beyond Crown Prince, the Garden Gully regional portfolio provides additional upside, with multiple prospects (Lydia, Crescent, Battery, Airstrip and Abbotts) already delivering high-grade intercepts on coherent shear structures. Several of these targets remain open at depth and along strike, offering potential for repeat discoveries and future satellite feed.

Overall, NMG combines near-term cash generation with meaningful brownfields and regional exploration upside, positioning the company to grow resources, extend mine life and expand NAV over time.

## **2.5 Project Risks**

### **Exploration Risk**

Our base case assumes an inventory of 485koz, exceeding the current identified resource of ~277koz and ~136koz of Reserves. Although drilling has identified prospectivity for Crown Prince Underground as well as additional open pits (Crown Prince East, Lydia North & South), converting the drill results into a resource and subsequently a mineable deposit remains subject to uncertainty.

### **Commodity Price Risk**

With gold spot prices of ~A\$6,250/oz, a reversion to the long run average growth rate or a drop in spot price may cause investors to consider the opportunity cost of holding a small-cap gold producer, as mature gold miners are currently leveraging the current gold price resulting in record free cash flows.

### **Operational Risk**

Although successfully ramping up operations at Crown Prince, NMG is subject to execution risks associated with small-scale mining. This includes but is not limited to fleet availability, grade control, cost management and labour force productivity.

### **Toll Treatment Risk**

The OPA between NMG & Westgold Resources covers the first 2.5 years of production at Crown Prince. In the absence of NMG building their own processing plant or securing additional OPAs or toll treatment agreements, cashflows beyond 2.5 years are contingent upon extensions of the OPA. Our base case assumes continual processing through the Bluebird Processing Plant over the forecast period – if this is not extended or alternative arrangements are not signed, this will result in significant downside to our valuation.

### **Market Risk**

NMG is exposed to systemic risks that may impact its share price and investor sentiment – such as interest rate changes, global conflicts and equity market volatility – all of which may disincentivize investment in junior miners.

### 3. Management

#### **Alex Passmore**, Chief Executive Officer

Mr Passmore is a qualified geologist and seasoned resources executive with over 20 years' experience spanning geology, capital markets and corporate leadership. He began his career with WMC before moving into senior finance roles, including Head of Research at Patersons Securities and Executive Director in CBA's Institutional Banking & Markets division. Mr Passmore has since held multiple ASX company leadership positions, including Managing Director of Rox Resources, Chairman of Cannon Resources and CEO of Draig Resources (now Bellevue Gold), and currently serves as a director of Pearl Gull Iron, Uvre and London-listed Blencowe Resources.

#### **Rick Crabb**, Non-Executive Chairman

Mr Crabb is an experienced company director and strategic investor with more than 30 years' involvement in public companies across Australia and Asia. With a legal background specialising in mining, corporate and commercial law, he spent over two decades as a solicitor and partner at leading firms advising on major resource projects domestically and overseas. A former WA Councillor of the Australian Institute of Company Directors, he was awarded the AICD Gold Medal in 2021 for his contribution to the business community. Mr Crabb holds degrees in Jurisprudence (Hons), Law and an MBA from the University of Western Australia.

#### **Malcolm Randall**, Non-Executive Director

Mr Randall is an experienced resources executive with a Bachelor of Applied Chemistry and is a Fellow of the Australian Institute of Company Directors. He brings more than 25 years with the Rio Tinto group and a broad background across corporate management and marketing in commodities including iron ore, diamonds, base metals, coal, uranium, rare earths and industrial minerals, both in Australia and internationally. He currently serves as a director of Argosy Minerals Limited and Hastings Technology Metals Limited.

#### **Joanne Palmer**, Independent Non-Executive Director

Ms Palmer is a highly experienced finance and accounting executive with 28 years' experience, including as an assurance partner at EY and Executive Director at Pitcher Partners. She previously led EY's Financial Accounting Advisory Services team in Perth, specialising in the resources sector and advising companies on audits, technical accounting, regulatory matters, M&A and transaction support. She holds an Honours degree in Mathematics and Statistics from the University of Birmingham and is a Fellow of both Chartered Accountants ANZ and the ICAEW, as well as a graduate of the Australian Institute of Company Directors and a former ASIC-registered company auditor.

#### **Derek Humphry**, Chief Financial Officer & Company Secretary

Mr Humphry is a finance executive with 25 years' experience in the resources sector, having held CFO and Company Secretary roles with gold producers and developers including Dacian Gold and Nusantara Resources. He most recently served as CFO of Karora Resources, where he played a key role in the company's merger with Westgold Resources. His background spans corporate strategy, M&A, equity markets and regulatory compliance, bringing strong financial stewardship and governance capability as NMG advances toward development and production. Mr Humphry holds a Bachelor of Commerce and Economics and is an Associate of Chartered Accountants Australia and New Zealand.



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### Recommendation Structure

- **Buy:** The stock is expected to generate a total return of >10% over a 12-month horizon. For stocks classified as 'Speculative', a total return of >30% is expected.
- **Hold:** The stock is expected to generate a total return between -10% and +10% over a 12-month horizon.
- **Sell:** The stock is expected to generate a total return of <-10% over a 12-month horizon.

### Risk Qualifier

- **Speculative:** This qualifier is applied to stocks that bear significantly above-average risk. These can be pre-cash flow companies with nil or prospective operations, companies with only forecast cash flows, and/or those with a stressed balance sheet. Investments in these stocks may carry a high level of capital risk and the potential for material loss.

### Other Ratings:

- **Under Review (UR):** The rating and price target have been temporarily suppressed due to market events or other short-term reasons to allow the analyst to more fully consider their view.
- **Suspended (S):** Coverage of the stock has been suspended due to market events or other reasons that make coverage impracticable. The previous rating and price target should no longer be relied upon.
- **Not Covered (NC):** Evolution Capital does not cover this company and provides no investment view.

*Expected total return represents the upside or downside differential between the current share price and the price target, plus the expected next 12-month dividend yield for the company. Price targets are based on a 12-month time frame.*

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