

Genesis Minerals Limited

Good day to be a gold stock

1Q25 result was broadly in line with our expectations for production (~36koz) with cash (A\$160m) ahead on deferred transaction costs (vs. OMLe). GMD's growth program (+50% by FY28) continues apace with the restart of the Laverton mill (OMLe: 9koz DecQ) and development of the Hub OP (3.4 g/t reserve). We believe investors will continue to favour the name as sentiment towards longer term gold prices improve and growth is rewarded. Our Target Price increases to A\$2.50/sh as we roll forward our model and we reaffirm our Accumulate rating, balancing sector-leading growth against a high valuation (1.4x P/NAV).

1Q25 result broadly in line with 36koz production

- The 1Q result has come broadly in-line with our expectations. Production metrics of 36koz were in line (pre-released), though sales were higher (+3% to OMLe) and AISC's came in slightly lower (-4% vs OMLe) on non-cash inventory adjustments.
- Cash of ~A\$160m was higher (+A\$29m vs OMLe) with deferred transaction costs (~A\$41m due H2FY25) and working capital (+\$11m).

Momentum building for GMD's growth program

GMD's growth/accelerate program (+50% by FY28) continues to gather momentum following the September guidance upgrade (prod. +14% to 190-210koz). Processing of stockpiles (3.2Mt ore) has begun at the Laverton mill with the first gold pour now expected in November (DecQ: 9koz). First ore from the Hub OP (3.4 g/t reserve grade) has been received, Tower Hill is advancing (i.e. Native Title, environmental approvals, rail agreements) and Westralia's 10Mt resource at 3.3 g/t could have open pit potential. This gives us more confidence that management is on track to deliver their growth target (OMLe: 312koz at \$1900/oz in FY28) with upside potential should approvals for Tower Hill be fast tracked.

Valuation and earnings impact

We incorporate the 1Q25 result, roll forward our model and revise our FY25 production profile for the Leonora operations. Our Target Price increases to \$2.50/sh (+6%) as we capture higher cash-flow with our model rolling forward. We retain our Accumulate Rec. on the name (~8% TSR)

Key Financials

Year-end June (\$)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue (\$m)	77.0	438.6	771.4	857.6	887.2
EBITDA (\$m)	(41.0)	141.6	378.4	391.2	387.1
EBIT (\$m)	(65.1)	67.3	316.2	317.1	302.0
Reported NPAT (\$m)	(117.2)	82.8	224.0	225.7	215.2
Reported EPS (c)	(16.3)	8.1	21.8	21.9	20.9
Normalised NPAT (\$m)	(62.7)	105.6	224.0	225.7	215.2
Normalised EPS (c)	(8.7)	10.3	21.8	21.9	20.9
EPS Growth (%)	-	-	112.2	0.8	(4.7)
Dividend (c)	-	-	-	-	-
Net Yield (%)	-	-	-	-	-
Franking (%)	-	-	-	-	-
EV/EBITDA (X)	-	15.6	5.7	5.3	5.1
Normalised P/E (x)	-	22.6	10.7	10.6	11.1
Normalised ROE (%)	-	11.5	21.2	18.9	16.2

Source: OML, Iress, Genesis Minerals Limited

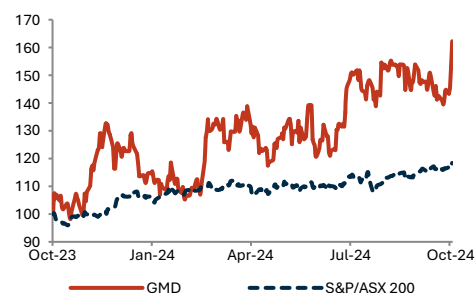
17 October 2024

Last Price
A\$2.32
 Target Price
A\$2.50 (Previously A\$2.35)
 Recommendation
Accumulate
 Risk
Higher

Gold

ASX Code	GMD
52 Week Range (\$)	1.41 - 2.32
Market Cap (\$m)	2,653.9
Shares Outstanding (m)	1,143.9
Av Daily Turnover (\$m)	26.8
3 Month Total Return (%)	7.4
12 Month Total Return (%)	62.2
Benchmark 12 Month Return (%)	18.4
NTA FY25E (¢ per share)	109.1
Net Cash FY25E (\$m)	226.3

Price performance



Source: FactSet

Consensus Earnings

	FY25E	FY26E
NPAT (C) (\$m)	170.4	208.8
NPAT (OM) (\$m)	224.0	225.7
EPS (C) (c)	13.2	18.6
EPS (OM) (c)	21.8	21.9

Source: OML, Iress, Genesis Minerals Limited

Paul Kaner
 Senior Research Analyst
 (07) 3214 5514
pkaner@ords.com.au

Tim Elder
 Research Associate
 (07) 3214 5565
telder@ords.com.au

Figure 1: GMD operating and financial summary

All AUD unless noted						Year End June 30						
Key Details						Ratio Metrics						
Target Price	\$/sh	2.50				Earnings - Adjusted	\$/sh	FY24	FY25E	FY26E	FY27E	
Recommendation		Accumulate				P/E Multiple	x	\$0.10	\$0.22	\$0.22	\$0.21	
Risk Assessment		Higher				CFPS (CFO)	\$/sh	22.6x	10.7x	10.6x	11.1x	
Share Price	\$/sh	\$2.32				FCFPS (CFO-capex-expl.)	\$/sh	\$0.13	\$0.31	\$0.28	\$0.30	
2023E Dividend	\$/sh	\$0.00				P/CF Multiple	x	(\$0.01)	\$0.09	\$0.09	\$0.10	
NAV	\$/sh	\$1.65				FCF Yield	%	17.5x	7.4x	8.3x	7.9x	
Implied Total Return	%	8%				Dividends Per Share	\$/sh	(0.6%)	3.8%	4.0%	4.2%	
P/NAV	x	1.40x				Dividend Yield	%	\$0.00	\$0.00	\$0.00	\$0.00	
No Shares	m	1144				Gearing (ND: ND+E)	%	0.0%	0.0%	0.0%	0.0%	
Market Cap	M \$	\$2,654				Return on Equity (ROE)	%	(20.9%)	(25.2%)	(34.2%)	(43.7%)	
Enterprise Value	M \$	\$2,473				Return on Capital (ROIC)	%	10.6%	19.9%	17.9%	15.5%	
								8.7%	16.3%	15.0%	13.2%	
Prices & Exchange Rates						P&L Statement						
Gold Price	US\$/oz	1882	2575	2478	2250	2250	Revenue	M \$	FY24	FY25E	FY26E	FY27E
Exchange rate	AUD:USD	0.67	0.69	0.72	0.72	0.72	Operating Costs	M \$	\$439	\$771	\$858	\$887
Production, Costs & Guidance						EBITDA						
Leonora Hub	koz Au	134	162	181	192	192	D&A	M \$	(\$297)	(\$393)	(\$466)	(\$500)
Mt Morgan Hub	koz Au	0	45	66	92	120	EBITDA	M \$	\$142	\$378	\$391	\$387
Total Gold Production	koz Au	134	207	247	284	312	D&A	M \$	\$74	\$62	\$74	\$85
<i>Guidance</i>	<i>koz Au</i>	<i>130-140</i>	<i>190-210</i>	<i>~235</i>	<i>~275</i>	<i>~300</i>	EBIT	M \$	\$67	\$316	\$317	\$302
Total C1 Cash Cost	\$/oz	1843	1818	1833	1716	1658	Other Income/Expenses	M \$	\$3	\$4	\$5	\$5
Leonora Hub	\$/oz	2352	2406	2078	2038	1939	EBT	M \$	\$71	\$320	\$322	\$307
Mt Morgan Hub	\$/oz	n.a.	n.a.	2505	2065	1879	Taxes	M \$	(\$35)	\$96	\$97	\$92
Total All-in Sustaining Cash Cost	\$/oz	2380	2263	2193	2046	1916	Net Income - Adjusted	M \$	\$106	\$224	\$226	\$215
<i>Guidance</i>	<i>\$/oz</i>	<i>2300-2400</i>	<i>~2300</i>	<i>~2250</i>	<i>~2100</i>	<i>~1900</i>	Adjustments	M \$	\$23	\$0	\$0	\$0
Capex Breakdown (attrib)		FY24	FY25E	FY26E	FY27E	FY28E	Net Income - Reported	M \$	\$83	\$224	\$226	\$215
Sustaining Capex	M \$	78.2	90.7	76.2	80.9	67.9	Weighted average diluted shares	M	1,029	1,029	1,029	1,029
Expansionary Capex	M \$	49.8	124.1	100.0	110.0	130.0	Cash Flow Statement					
Exploration	M \$	14.7	19.6	16.0	12.0	8.0	Cash Flows from Operating Activities					
Total	M \$	142.7	234.3	192.2	202.9	205.9	Net Income	M \$	\$106	\$224	\$226	\$215
Attributable Reserves & Resources (incl. 100% Dacian)						Cash Flows from Investing Activities						
		Au	EV									
		Moz	\$/oz									
Proven/Probable Reserve (P&P)		3.9	\$639									
Measured/Indicated (MM&I) - Inclusive		11.3	\$219									
Inferred		14.7	\$168									
Group All-In Sustaining Costs, Production and NAV Breakdown						Cash Flows from Financing Activities						
Net Asset Value (Attrib)						Net Operating Cash flow						
	DR (%)	(\$m)	A\$/Sh	NAV (%)		M \$	FY24	FY25E	FY26E	FY27E		
Operating Value						Cash Flows from Investing Activities						
Leonora Hub	9%	\$615	\$0.54	64%		M \$	(\$128)	(\$215)	(\$176)	(\$191)		
Mt Morgan Hub	9%	\$345	\$0.30	36%		M \$	(\$49)	(\$54)	(\$15)	(\$12)		
Total		\$961	\$0.84	100%		M \$	(\$177)	(\$268)	(\$192)	(\$202)		
Listed investments		\$0	\$0.00			Net Investing Cash Flow						
Exploration (assets)		\$830	\$0.73			M \$	\$11	\$0	\$0	\$0		
Cash & Bullion		\$181	\$0.16			Cash Flows from Financing Activities						
Corporate G&A		(\$82)	(\$0.07)			Equity Issues (net of costs)	M \$	\$24	\$0	\$0	\$0	
Debt		\$0	\$0.00			Net Borrowings	M \$	(\$4)	\$0	\$0	\$0	
Other		\$0	\$0.00			Dividends Paid & Other	M \$	\$31	\$0	\$0	\$0	
Total Net Asset Value		\$1,889	\$1.65			Net Financing Cash Flow	M \$	(\$10)	\$55	\$96	\$101	
P/NAV			1.40x			Increase (Decrease) in Cash	M \$	(\$10)	\$55	\$96	\$101	
						Cash at End of Year						
						Operating Free Cash Flow						
						Free Cash Flow						
						M \$						
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Result reconciliation

- **Production, costs and balance sheet (Table 1):** On balance, the 1Q result has come broadly in-line with our expectations.
 - Production metrics of 36koz were in line (pre-released), though sales were higher (+3% to OMLe) and AISC's came in slightly lower (-4% vs OMLe) on non-cash inventory adjustments.
 - This represents a +4% increase in production QoQ, and management expects this to continue to ramp up over the course of the year (OMLe: 42koz by 4Q25; +17%), supported by the recent restart of the Laverton mill with first gold expected in November (OMLe: 9.4koz DecQ24).
 - Cash of ~A\$160m was significantly higher (+A\$29m vs OMLe) on deferral of transaction costs (~A\$41m now due June 2025 Half) and a positive working capital movement (+\$11m).
- **FY25 Guidance (Table 2):** We currently forecast GMD to deliver FY25 production at ~207koz at A\$2,274/oz in line with guidance (~200koz at ~A\$2,300/oz AISC).

Figure 2: Result Summary

Production & Sales	Unit	Sep-23	Dec-23	Actual		OMLe	Actual	Beat / Miss (%)	Cons. (VA)	Beat / Miss (%)
				Mar-24	Jun-24	Sep-24	Sep-24			
Leonora Hub	Koz	34	35	30	35	36	36	1%	35	3%
Total	Koz	34	35	30	35	36	36	1%	35	3%
Gold Sales	Koz	31	39	29	36	36	37	3%	35	6%
Achieved Gold Price	A\$/oz	2944	3070	3124	3548	3701	3723	1%	3701	1%
All-in Sustaining Cost										
Leonora Hub	A\$/oz	2088	2141	2497	2698	2729	2628	-4%	2841	-7%
Total	A\$/oz	2088	2141	2497	2698	2729	2628	-4%	2841	-7%
Capex breakdown										
Capital expenditure (sustaining + growth)	A\$m	22	50	33	23	49	52	7%	51	2%
Exploration	A\$m	3	4	4	12	5	5	-4%	5	-8%
Balance sheet										
Cash (excl. bullion)	A\$m	160	190	176	171	131	160	22%	170	-6%
Debt	A\$m	0	0	0	0	0	0	n.a.	0	n.a.
Net Debt (Cash)	A\$m	-160	-190	-176	-171	-131	-160	22%	(170)	-6%

Source: Company reports, OMLe, Note consensus estimates are based on Visible Alpha data, and may not be additive.

Key takeaways:

- **1Q25 production:** 36koz (in line with OMLe) as slightly higher grades (3.7 g/t vs. 3.5 g/t OMLe) offset lower throughput (310kt vs. 330kt OMLe)
- **Sales:** 37koz (+3% to OMLe) were slightly higher than we expected
- **AISC:** \$2,628/oz (-4% to OMLe) due to the slightly higher sales result and inventory adjustments (-152/oz vs. nil OMLe)
- **Capex:** \$52m (+7%) was slightly higher than we expected with accelerated delivery of growth capex (\$43m vs. \$30m OMLe).
- **Balance sheet:**
 - **Cash:** Cash of \$160m was slightly ahead of our expectations with the higher sales results, positive working capital movement (+\$11m vs. nil OMLe) and no payment of outstanding transaction costs (\$41m OMLe; now due 2H25).

- **Debt:** Nil as per our expectations, and GMD continues to advance discussions with lenders to establish a corporate facility.
- **Outlook:** This result represents a +4% increase in production and -3% improvement in AISC QoQ, and management expect production to continue to increase over the course of the year (OMLe: 42koz by 4Q25; +17%).
 - The Laverton mill was restarted in October 2024 and the first gold pour is expected in early November.
 - Tower Hill development is on track to commence in FY27 and deliver first ore in FY28.
 - GMD plans to submit a Stage 1 Mining Proposal in the current December quarter.
 - Shortening of the rail line is supported by all key stakeholders and approvals processes continue to advance. GMD is targeting definitive agreements with key stakeholders by JunQ25.

Figure 3: Guidance

Guidance	Unit	FY25 Guidance		Change (%)	OMLe	vs OMLe (%)
		Prev	New			
Gold Production	Koz Au	190-210	190-210	0%	134	49%
AISC	A\$/oz	2200-2400	2200-2400	0%	2380	-3%

Source: OMLe, Visible Alpha consensus.

Earnings and valuation impact

We incorporate the 1Q25 result, roll forward our model and moderate the ramp up profile at Laverton slightly. Our estimates are broadly unchanged as the higher sales result is offset by higher direct operating costs this quarter.

However, our Target Price increases to \$2.50/sh (+6%) as our rolled-forward DACF multiple captures higher cash flows. We reaffirm our Accumulate Recommendation as we balance forecast production growth (+37% by FY27) with elevated valuation (1.4x P/NAV) and with moderate TSR (8%).

Figure 4: Our changes

		FY24		FY25E		FY26E			FY27E		
		Actual	Current	Previous	Change	Current	Previous	Change	Current	Previous	Change
Underlying Net Profit	A\$m	105.6	224.0	224.9	(0%)	225.7	225.7	0%	215.2	215.1	0%
Underlying EPS	¢	10.3	21.8	21.9	(0%)	21.9	21.9	0%	20.9	20.9	0%
CFPS	¢	13.2	31.4	30.9	2%	27.9	28.1	(1%)	29.5	29.5	0%
Dividend	¢	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.	207	207	(0%)	247	247	0%	284	284	0%
AISC	A\$/oz Au	n.a.	2263	2274	(0%)	2193	2193	0%	2046	2046	0%
NAV	A\$/share		1.65	1.62	2%						
12 Month TP:	A\$/share		2.50	2.35	6%						

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 positive news flow surrounding the evaluation of additional resources found along strike or through step out drilling is likely to be well received.

Comps

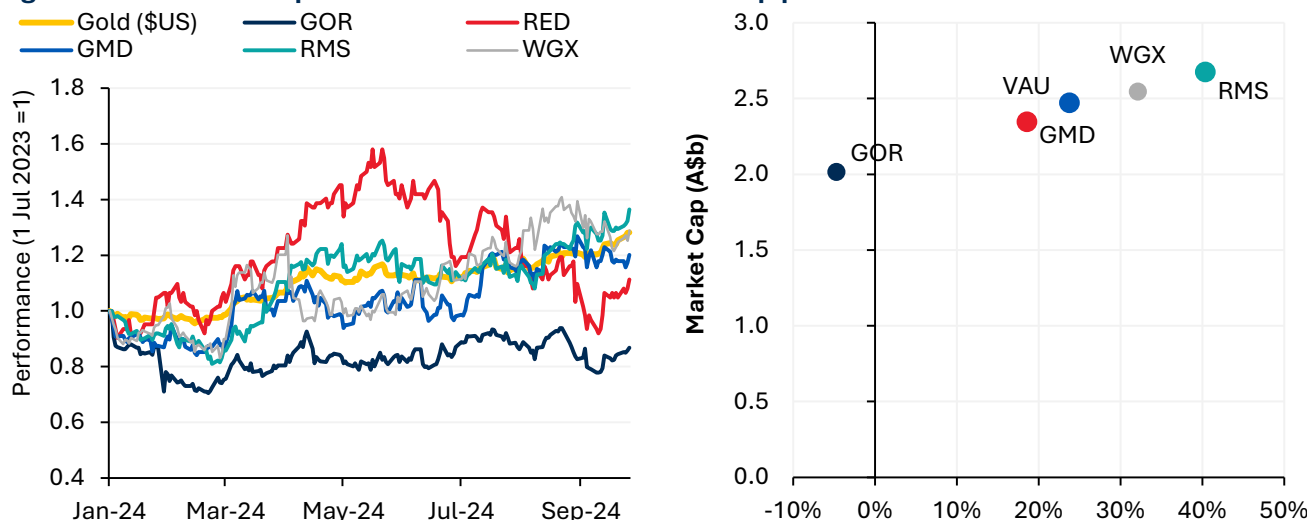
Figure 5: GMD comps across our coverage list

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) FY25e	P/E (x) FY25e	P/CF (x) FY25e	FCF yield (%) FY25e
Gold Comps															
Red 5 Limited	RED	PK	2552	Buy	Higher	0.38	0.47	25%	0.0%	0.4	0.9	4.6	22.4	5.4	7.8%
Ramellus Resources	RMS	PK	2727	Buy	Medium	2.41	2.65	13%	3.3%	2.1	1.2	3.9	9.7	4.7	16.5%
Gold Road Resources*	GOR	PK	2036	Buy	Higher	1.90	2.10	12%	1.6%	1.7	1.1	5.5	9.8	6.7	8.0%
Pantoro Limited	PNR	PK	807	Spec. Buy	Higher	0.13	0.12	-2%	0.0%	0.1	1.3	4.5	9.0	4.7	10.5%
Evolution Mining	EVN	PK	10049	Hold	Medium	5.05	4.60	-6%	2.6%	2.7	1.9	6.5	14.1	7.3	5.1%
Genesis Minerals Limited	GMD	PK	2654	Accumulate	Higher	2.32	2.50	8%	0.0%	1.7	1.4	6.6	11.8	8.2	3.4%
Northern Star Resources	NST	PK	19584	Hold	Medium	17.03	16.20	-2%	2.7%	10.1	1.7	6.3	17.3	7.4	2.8%
Alkane Resource	ALK	PK	326	Hold	Higher	0.54	0.55	2%	0.0%	0.6	0.9	2.6	5.9	3.6	-19.2%
Westgold Resources	WGX	PK	2816.1	Accumulate	Medium	2.98	3.85	29%	0.0%	2.6	1.1	3.9	6.2	4.4	9.4%
St Barbara Limited	SBM	PK	359	Hold	Higher	0.44	0.34	-23%	0.0%	0.3	1.3	7.2	28.8	7.6	-2.2%
Average									1.0%	2.2	1.2	4.6	12.3	5.5	4.2%

Source: Company reports, OMLe

Relative performance (6-months)

Figure 6: GMD relative performance vs domestic small-cap peers



Source: Company reports, OMLe.

Valuation and risks

Valuation

Our A\$2.50/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 ~9% 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.

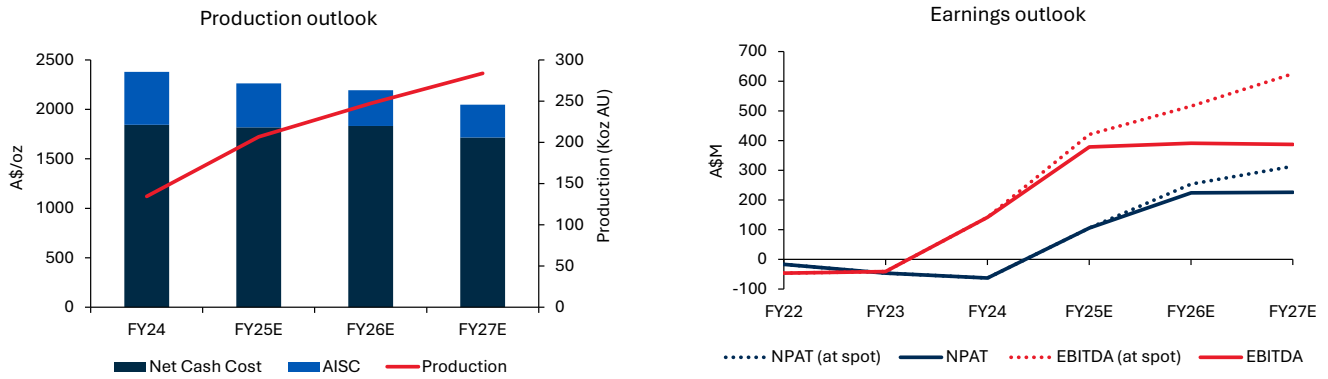
Risks

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, as well as the restart of the Laverton operations.
- **Resource/reserve delivery:** We have assigned a material value of \$830m (~44% 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.

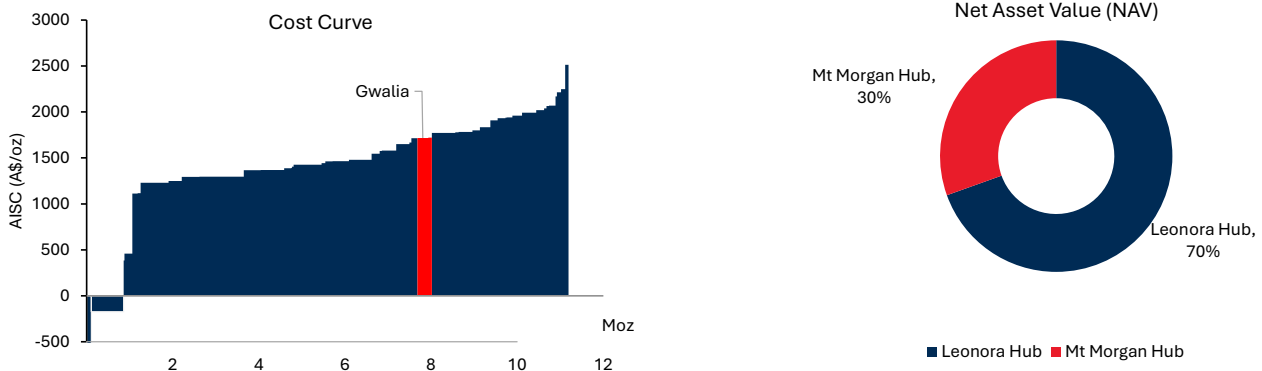
GMD key charts

Figure 7: Production and earnings outlook



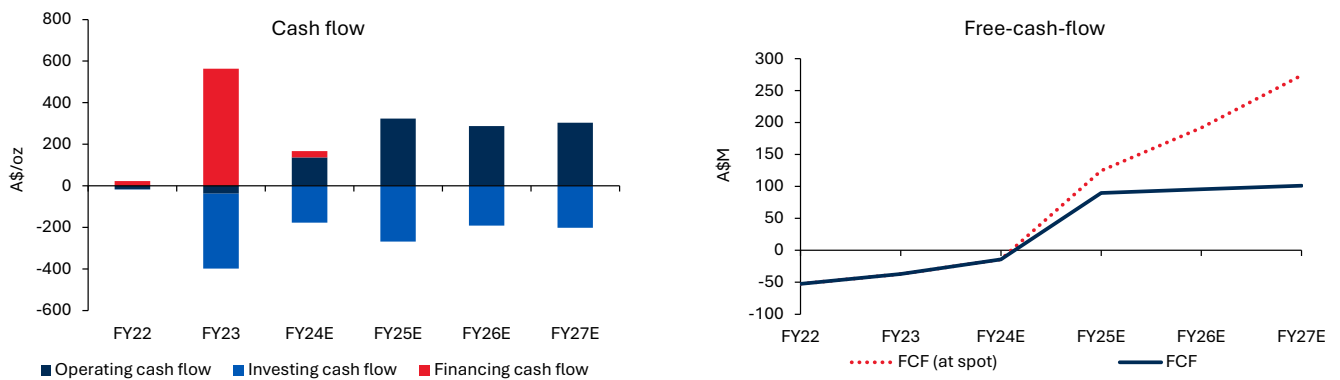
Source: Company reports, OML. Note that GMD did not have any production prior to 1 July 2023.

Figure 8: GMD cost curve distribution of assets (LHS) and OML current NAV assumptions (RHS)



Source: Company reports, OML.

Figure 9: OML Cash flow outlook



Source: Company reports, OML

Genesis Minerals Limited

PROFIT & LOSS (A\$m)	2023A	2024A	2025E	2026E	2027E
Revenue	77.0	438.6	771.4	857.6	887.2
Operating costs	117.9	297.0	393.0	466.4	500.1
Operating EBITDA	(41.0)	141.6	378.4	391.2	387.1
D&A	24.1	74.3	62.3	74.1	85.1
EBIT	(65.1)	67.3	316.2	317.1	302.0
Net interest	2.4	3.4	3.8	5.4	5.4
Pre-tax profit	(62.7)	70.7	320.0	322.5	307.4
Net tax (expense) / benefit	-	(34.8)	96.0	96.7	92.2
Normalised NPAT	(62.7)	105.6	224.0	225.7	215.2
Reported NPAT	(117.2)	82.8	224.0	225.7	215.2
Normalised dil. EPS (cps)	(8.7)	10.3	21.8	21.9	20.9
Reported EPS (cps)	(16.3)	8.1	21.8	21.9	20.9
Effective tax rate (%)	-	(49.2)	30.0	30.0	30.0
DPS (cps)	-	-	-	-	-
Dividend yield (%)	-	-	-	-	-
Payout ratio (%)	-	-	-	-	-
Franking (%)	-	-	-	-	-
Diluted # of shares (m)	720.4	1,028.8	1,028.8	1,028.8	1,028.8

CASH FLOW (A\$m)	2023A	2024A	2025E	2026E	2027E
Net Interest (paid)/received	2.4	3.4	3.8	5.4	5.4
Income tax paid	-	-	(63.0)	(109.5)	(89.0)
Other operating items	(27.7)	0.6	3.4	(0.6)	(0.5)
Operating Cash Flow	(37.6)	136.2	323.5	287.1	303.5
Other investing items	(345.0)	(28.0)	(34.7)	-	-
Investing Cash Flow	(360.3)	(177.1)	(268.4)	(191.6)	(202.4)
Inc/(Dec) in borrowings	-	24.4	-	-	-
Dividends paid	-	-	-	-	-
Other financing items	(3.0)	(4.4)	-	-	-
Financing Cash Flow	563.3	30.6	-	-	-
FX adjustment	-	-	-	-	-
Net Inc/(Dec) in Cash	165.4	(10.2)	55.0	95.5	101.1

BALANCE SHEET (A\$m)	2023A	2024A	2025E	2026E	2027E
Cash	181.5	171.3	226.3	321.9	423.0
Receivables	4.0	11.9	11.9	11.9	11.9
Inventory	31.9	41.6	41.6	41.6	41.6
Other current assets	-	-	34.7	34.7	34.7
PP & E	594.8	649.8	705.7	722.7	741.2
Investments	195.3	287.9	306.7	322.1	333.6
Financial Assets	8.9	1.9	1.9	1.9	1.9
Intangibles	-	-	-	-	-
Other non-current assets	-	-	-	-	-
Total Assets	1,016.5	1,209.0	1,373.5	1,501.4	1,632.6
Short term debt	4.4	-	-	-	-
Payables	66.4	87.3	87.3	87.3	87.3
Other current liabilities	-	12.9	12.9	12.9	12.9
Long term debt	7.0	-	-	-	-
Other non-current liabilities	83.1	112.5	145.6	132.8	136.0
Total Liabilities	164.7	217.6	250.7	237.9	241.1
Total Equity	851.8	991.4	1,122.9	1,263.5	1,391.5
Net debt (cash)	(170.2)	(171.3)	(226.3)	(321.9)	(423.0)

Accumulate

DIVISIONS	2023A	2024A	2025E	2026E	2027E
KEY METRICS (%)	2023A	2024A	2025E	2026E	2027E
Revenue growth	-	469.9	75.9	11.2	3.5
EBITDA growth	-	-	167.3	3.4	(1.0)
EBIT growth	-	-	369.7	0.3	(4.7)
Normalised EPS growth	-	-	112.2	0.8	(4.7)
EBITDA margin	-	32.3	49.1	45.6	43.6
OCF / EBITDA	30.0	93.4	100.2	100.2	100.1
EBIT margin	-	15.3	41.0	37.0	34.0
Return on assets	-	9.0	17.1	15.4	13.5
Return on equity	-	11.5	21.2	18.9	16.2

VALUATION RATIOS (x)	2023A	2024A	2025E	2026E	2027E
Reported P/E	-	28.8	10.7	10.6	11.1
Normalised P/E	-	22.6	10.7	10.6	11.1
Price To Free Cash Flow	-	-	26.6	25.0	23.6
Price To NTA	2.0	2.4	2.1	1.9	1.7
EV / EBITDA	-	15.6	5.7	5.3	5.1
EV / EBIT	-	32.9	6.8	6.5	6.5

LEVERAGE	2023A	2024A	2025E	2026E	2027E
ND / (ND + Equity) (%)	(25.0)	(20.9)	(25.2)	(34.2)	(43.7)
Net Debt / EBITDA (%)	415.3	(121.0)	(59.8)	(82.3)	(109.3)
EBIT Interest Cover (x)	26.9	-	-	-	-
EBITDA Interest Cover (x)	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 (%)	9.5
Equity NPV Per Share (\$)	1.65
Multiples valuation method	P/DACF
Multiples	10.0
Multiples valuation	3.06
Multiples valuation method	P/NAV
Multiples	1.3
Multiples valuation	1.93
Target Price (\$)	2.50
Valuation disc. / (prem.) to share price (%)	7.8

Institutional Research

Alastair Hunter	Head of Institutional Research	+61 3 9608 4168	ahunter@ords.com.au
Malcolm Wood	Macro Strategy Analyst	+61 2 8216 6777	mwood@ords.com.au
Lindsay Bettiol	Senior Research Analyst	+61 3 9608 4179	lbettiol@ords.com.au
Nicolas Burgess	Senior Research Analyst	+61 3 9602 9379	nburgess@ords.com.au
James Casey	Senior Research Analyst	+61 3 9602 9265	jamescasey@ords.com.au
Phillip Chippindale	Senior Research Analyst	+61 2 8216 6346	pchippindale@ords.com.au
Tom Godfrey	Senior Research Analyst	+61 7 3214 5587	tgodfrey@ords.com.au
Matthew Hope	Senior Research Analyst	+61 2 8916 0151	mhope@ords.com.au
Paul Kaner	Senior Research Analyst	+61 7 3214 5514	pkaner@ords.com.au
John Lawlor	Senior Research Analyst	+61 7 3214 5506	jlawlor@ords.com.au
Ian Munro	Senior Research Analyst	+61 3 9608 4127	ian.munro@ords.com.au
John O'Shea	Senior Research Analyst	+61 3 9608 4146	joshea@ords.com.au
Leanne Truong	Senior Research Analyst	+61 2 8216 6367	ltruong@ords.com.au
Milo Ferris	Research Analyst	+61 2 8216 6691	mferris@ords.com.au
Rushil Paiva	Research Analyst	+61 3 9608 4155	rpaiva@ords.com.au
Oliver Burston	Research Associate	+61 2 8216 6641	oburston@ords.com.au
Patrick Cockerill	Research Associate	+61 3 9608 4186	pcockerill@ords.com.au
Tim Elder	Research Associate	+61 7 3214 5565	telder@ords.com.au
Rushil Vaghani	Research Associate	+61 3 9602 9209	rvaghani@ords.com.au
Patrick Wilson	Research Associate	+61 2 8216 6376	pwilson@ords.com.au
Benjamin Yun	Research Associate	+61 2 8216 6646	byun@ords.com.au

Institutional Sales (Australia)

Angus Esslemont	Head of Institutional Equities	+61 2 8216 6363	aesslemont@ords.com.au
Jim Bromley	Institutional Equities Sales	+61 2 8216 6343	jbromley@ords.com.au
Stephen Jolly	Institutional Equities Sales	+61 2 8216 6424	sjolly@ords.com.au
Isaac Morris	Institutional Equities Sales	+61 2 8216 6370	imorris@ords.com.au
Scott Ramsay	Institutional Equities Sales	+61 3 9608 4100	sramsay@ords.com.au
Matt White	Institutional Equities Sales	+61 3 9608 4133	mwhite@ords.com.au
Zac Whitehead	Institutional Equities Sales	+61 2 8216 6350	zwhitehead@ords.com.au
Trent Stewart	Institutional Derivatives Sales	+61 2 8216 6622	trent.stewart@ords.com.au
Brendan Sweeney	Operator	+61 2 8216 6781	bsweeney@ords.com.au

Institutional Sales (Hong Kong)

Chris Moore	Institutional Equities Sales	+61 2 8216 6362	cmoore@ords.com.hk
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Ord Minnett Offices

Adelaide

Level 5
100 Pirie Street
Adelaide SA 5000
Tel: (08) 8203 2500

Brisbane

Level 34
71 Eagle Street
Brisbane QLD 4000
Tel: (07) 3214 5555

Buderim (Sunshine Coast)

1/99 Burnett Street
Buderim QLD 4556
Tel: (07) 5430 4444

Canberra

101 Northbourne Avenue
Canberra ACT 2600
Tel: (02) 6206 1700

Geelong

Office 3, Suite 4
200 Malop Street
Geelong VIC 3220
Tel: (03) 4210 0200

Gold Coast

Level 7
50 Appel Street
Surfers Paradise QLD 4217
Tel: (07) 5557 3333

Hobart

Ground Floor
85 Macquarie Street
Hobart TAS 7000
Tel: (03) 6161 9300

Mackay

45 Gordon Street
Mackay QLD 4740
Tel: (07) 4969 4888

Mildura

128 Lime Avenue
Mildura VIC 3500
Tel: (03) 9608 4111

Melbourne

Level 22
35 Collins Street
Melbourne VIC 3000
Tel: (03) 9608 4111

Newcastle

426 King Street
Newcastle NSW 2300
Tel: (02) 4910 2400

Perth

Level 27
108 St Georges Terrace
Perth WA 6000
Tel: (02) 4910 2400

Head Office

Sydney
Level 18, Grosvenor Place
225 George Street
Sydney NSW 2000
Tel: (02) 8216 6300
www.ords.com.au

International Hong Kong

1801 Ruttonjee House
11 Duddell Street
Central, Hong Kong
Tel: +852 2912 8980

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SPECULATIVE BUY	We expect the stock's total return (nominal yield plus capital appreciation) to exceed 20% over 12 months. The investment may have a strong capital appreciation but also has high degree of risk and there is a significant risk of capital loss.
BUY	The stock's total return (nominal dividend yield plus capital appreciation) is expected to exceed 15% over the next 12 months.
ACCUMULATE	We expect a total return of between 5% and 15%. Investors should consider adding to holdings or taking a position in the stock on share price weakness.
HOLD	We expect the stock to return between 0% and 5%, and believe the stock is fairly priced.
LIGHTEN	We expect the stock's return to be between 0% and negative 15%. Investors should consider decreasing their holdings.
SELL	We expect the total return to lose 15% or more.
RISK ASSESSMENT	Classified as Lower, Medium or Higher, the risk assessment denotes the relative assessment of an individual stock's risk based on an appraisal of its disclosed financial information, historical volatility of its share price, nature of its operations and other relevant quantitative and qualitative criteria. Risk is assessed by comparison with other Australian stocks, not across other asset classes such as Cash or Fixed Interest.

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