Barton Gold Holdings Ltd

BGD.AX

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Building South Australia's Gold Hub

NEED TO KNOW

- Tier-1 mining address and exploration upside
- Central Gawler Mill (CG Mill) – existing hub and spoke
- Tunkillia Project – second hub and long-term production

Multiple gold projects in tier-1 region; exploration upside abounds: Barton Gold's (BGD's) portfolio of gold assets is situated in South Australia's Gawler Craton, an area that hosts significant mining operations (e.g. BHP's large Olympic Dam Copper). The region offers established infrastructure, transparent permitting processes and a skilled workforce in one of the world's most stable, mining-friendly jurisdictions, significantly de-risking project development. All four of BGD's projects have exploration upside; the recent Tolmer prospect discovery (within the Tarcoola Project) is a prime example, shaping up particularly well with ultra-high-grade gold and silver intercepts.

CG Mill anchors 'hub-and-spoke' strategy: The CG Mill is a fully permitted 600ktpa mill with surrounding infrastructure and historical gold recoveries of ~94.5%. The mill anchors a hub to restart operations on a derisked model initially targeting baseline gold production of ~15kozpa from reprocessing tailings from the adjacent Challenger Gold Mine. BGD targets late CY26 for the start of site works. The CG Mill also has the capacity to process ore from BGD's Tarcoola and Wudinna projects and to toll-treat third party ore unlocking regional value and potential further regional consolidation.

Tunkillia Project – hub #2: Tunkillia, ~200km southeast of the CG Mill, hosts a 1.6Moz Au/3.1Moz Ag resource. BGD is targeting a 5Mtpa plant to produce 120kozpa of Au and 250kozpa of Ag with a payback of ~6 months.

Investment Thesis

Low-capex CG Mill restart delivers near-term cashflow: With a DFS due mid-CY26, BGD targets site works for late CY26, with tailings reprocessing and first cashflow generation in CY27.

Springboard for long-term growth via production expansion, regional consolidation and exploration: The CG Mill is BGD's first processing hub; the adjacent Challenger Mine will provide more ore, and Tarcoola and Wudinna will generate further long-term cashflow. Tunkillia is set to be the second hub and we forecast potential EBITDA of >A$400mpa at >50% margins from that project. We see further potential cashflow via third-party tolling and regional consolidation with stranded regional deposits. Exploration at all BGD's assets adds more growth potential.

Precious gold + silver exposure: Gold is one of the world's deepest and most continuous markets. Prices have been strong recently due to geopolitical instability and burgeoning US debt. Silver is both a precious metal and an industrial metal; this dual demand and persistent supply deficits have repositioned it as a critical strategic commodity.

Valuation - Sum of the parts (A$2.58) and Risks

Our A$2.58/share valuation adds the risked NPV of the CG Mill／Challenger Mine and Tunkillia to our estimate for the remaining projects. We see BGD shares as substantially undervalued. Key risks include gold and silver prices, project execution, exploration disappointment and funding.

Equity Research Australia

Materials

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Barton Gold

Barton Gold is an Australian gold developer with a ~2.25Moz Au resource, targeting future gold production of ~150kozpa and has 100% ownership of the only regional gold mill in the renowned central Gawler Craton of South Australia. Barton is focused on 'Stage 1' production at its existing Central Gawler Mill, and exploration and development in two large-scale mineral systems at the Tarcoola Project and the Tunkillia Project, where the Company's latest technical work demonstrates significant upside opportunities in historically under-invested assets.

Valuation	**A$2.58**
Current price	**A$1.10**
Market cap	**A$263m**
Cash on hand	**A$17.2m** *(31 Dec 2025)*

Interview with Alexander Scanlon - BGD MD

Click here - catch up with Alexander Scanlon.

Upcoming Catalysts / Next News

Period	
1QCY26	Challenger Mine MRE upgrade
Mid CY26	CG Mill DFS
1HCY26	Tolmer high grade silver drilling
2QCY26	Tunkillia MRE upgrade drilling

Share Price (A$)

Source: FactSet. MST Access.

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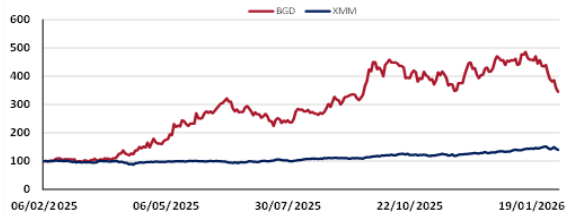
Financial Summary

Figure 1: Financial summary

Year Ending 30 June						BARTON GOLD HOLDINGS LIMITED	BGD-AU
MARKET DATA							
Share Price	A$/sh					1.10	
52 week high/low	A$/sh					1.45-0.27	
Valuation	A$/sh					2.58	
Market Cap (A$m)	A$m					263	
Net Cash / (Debt) (A$m)	A$m					20	
Enterprise Value (A$m)	A$m					243	
Shares on Issue	m					239	
Options/Performance shares	m					17	
Other Equity	m					34	
Potential Diluted Shares on Issue	m					290	
INVESTMENT FUNDAMENTALS		**FY24A**	**FY25A**	**FY26E**	**FY27E**	**FY28E**	
Reported NPAT	A$m	(9)	(2)	(8)	1	20	
Underlying NPAT	A$m	(9)	(2)	(8)	1	20	
Reported EPS	¢ps	(4.3)	(0.8)	(3.5)	0.2	7.9	
Underlying EPS	¢ps	(4.3)	(0.8)	(3.5)	0.2	7.9	
Underlying EPS Growth	%	n/m	n/m	n/m	n/m	3098.5%	
P/E Reported (undiluted)	x	n/m	n/m	n/m	446.7	14.0	
P/E Underlying (undiluted)	x	n/m	n/m	n/m	446.7	14.0	
Operating Cash Flow / Share	A$	0.00	0.01	(0.01)	0.03	0.11	
Price / Operating Cash Flow	x	598.3	185.0	n/m	39.5	9.9	
Free Cash Flow / Share	A$	(0.03)	(0.02)	(0.03)	(0.09)	0.07	
Price / Free Cash Flow	x	n/m	n/m	n/m	n/m	15.6	
Free Cash Flow Yield	%	n/m	n/m	n/m	n/m	6.4%	
Book Value / Share	A$	0.03	0.04	0.09	0.20	0.36	
Price / Book	x	38.00	27.71	12.03	5.45	3.07	
NTA / Share	A$	0.03	0.04	0.09	0.20	0.36	
Price / NTA	x	38.00	27.71	12.03	5.45	3.07	
Year End Shares	m	219	223	235	251	257	
Market Cap (spot)	A$m	241	246	258	277	283	
Net Cash / (Debt)	A$m	10	9	16	18	46	
Enterprise Value	A$m	230	237	242	258	237	
EV / EBITDA	x	n/m	n/m	n/m	n/m	7.4x	
Net Debt / Enterprise Value	x	(0.0)	(0.0)	(0.1)	(0.1)	(0.2)	
Dividend per share	c	0.00	0.00	0.00	0.00	0.00	

12-Month Relative Performance vs S&P/ASX Metals & Mining



Profit & Loss (A$m)	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue	0	9	-	18	73
Expenses (inc. exploration)	(10)	(10)	(9)	(18)	(40)
EBITDA	**(9)**	**(2)**	**(9)**	**(0)**	**33**
D&A	-	-	-	-	-
EBIT	**(9)**	**(2)**	**(9)**	**(0)**	**33**
Interest	(0)	(0)	1	1	(4)
Tax	-	-	-	(0)	(9)
Underlying NPAT	**(9)**	**(2)**	**(8)**	**1**	**20**
Exceptionals	-	-	-	-	-
Reported Profit	**(9)**	**(2)**	**(8)**	**1**	**20**
Net profit before tax	(9)	(1)	(9)	1	29

Balance Sheet (A$m)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash	10	9	16	18	46
Receivables	5	4	4	1	6
Inventory	-	-	-	1	4
PP&E	0	0	6	36	46
Exploration	9	9	9	9	9
Other	0	0	0	0	0
Total Assets	**25**	**24**	**36**	**66**	**112**
Creditors	1	1	1	1	6
Debt	-	-	-	-	-
Leases	0	0	0	0	0
Provisions	14	13	13	13	13
Other	5	0	0	0	0
Total Liabilities	**19**	**15**	**15**	**15**	**20**
Net Assets	**6**	**9**	**21**	**51**	**92**

Cashflow (A$m)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash From Operations	0	1	(3)	6	41
Interest	0	0	1	1	(4)
Tax	-	-	-	(0)	(9)
Net Cash From Operations	**0**	**1**	**(2)**	**7**	**28**
Capex	0	1	-	(25)	(5)
Exploration	(7)	(6)	(5)	(5)	(5)
Investments	(0)	0	-	-	-
Free Cash Flow	**(7)**	**(4)**	**(8)**	**(23)**	**18**
Equity	6	3	15	25	10
Borrowings	-	-	-	-	-
Dividend	-	-	-	-	-
Net Increase / (Decrease) in Cash	**(0)**	**(1)**	**7**	**2**	**28**

Source: Company data, MST Access.

Overview of Projects

Building a South Australian precious metals empire

BGD has accumulated a quality portfolio of precious metal assets in South Australia. Below we discuss the four key projects:

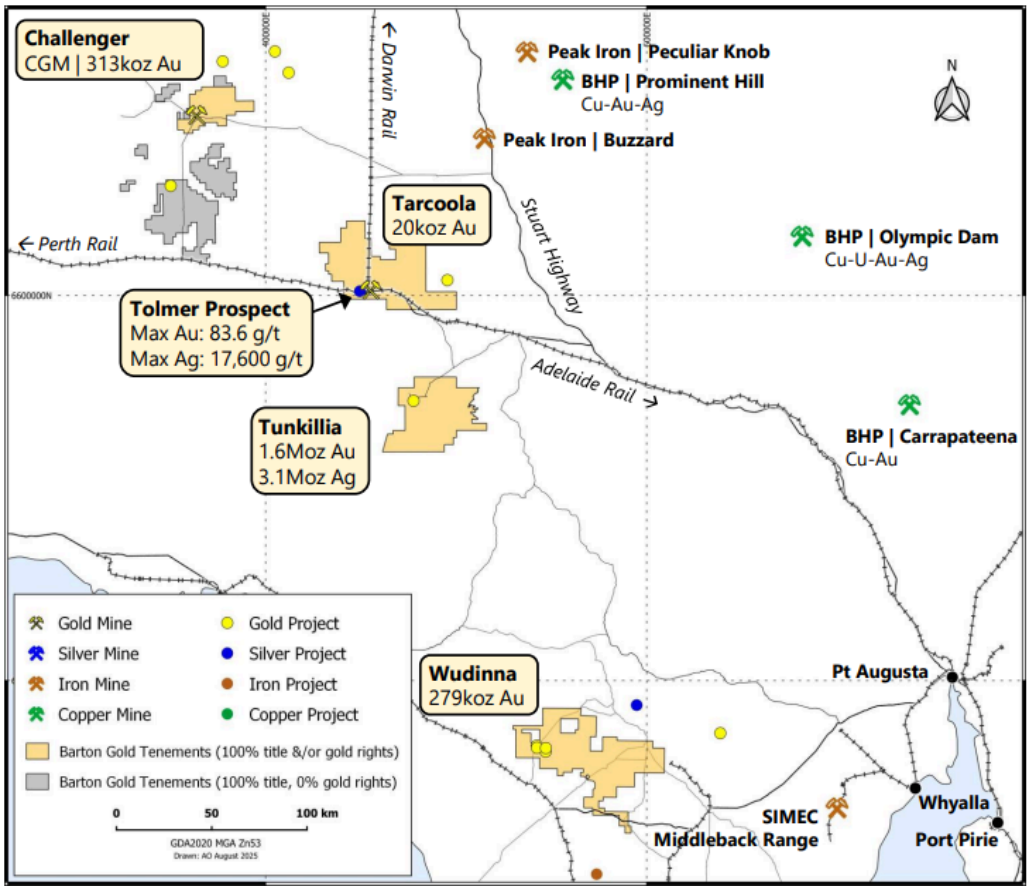
- Central Gawler Mill (CG Mill)／Challenger Gold Mine
- Tunkillia
- Wudinna
- Tarcoola ／ Tolmer

Tier-1 location – South Australia's Gawler Craton

Barton Gold's (BGD) portfolio of gold assets is situated in South Australia's (SA's) Gawler Craton (see Figure 2). This region hosts significant mining operations (such as BHP's large Olympic Dam Copper) and lies within one of the world's most stable, mining-friendly jurisdictions. The region offers established infrastructure, transparent permitting processes and a skilled workforce, significantly de-risking project development.

BGD's combination of grade, scale, jurisdiction and multi-asset optionality makes it an attractive proposition for investors and industry, positioning the company to progress partnerships, consolidation and funding options as the projects advance toward production and development studies.

Figure 2: Location of BGD's assets in South Australia's Gawler Craton – a tier-1 location



Source: BGD.

Overview of BGD's 3-stage execution plan

2026 is a crucial year for BGD with work continuing on multiple fronts. The key focus is to commence production at the Central Gawler Mill (the CG Mill) in the shortest possible time frame, while continuing to work on the development of Tunkillia.

Stage 1: CG Mill – utilising established infrastructure for low-cost start up

Strategy: BGD's immediate focus is to establish a Stage 1 operation utilising its fully permitted CG Mill. BGD estimates full reinstatement to the mill's original design capacity at A$26m (±30%). BGD anticipates some additional capex to further enhance the camp and surrounding infrastructure.

BGD has commenced a Definitive Feasibility Study (DFS) (targeted for completion in mid-year CY2026) for a phased restart of production utilising the CG Mill. Phase 1 operations will reprocess higher-grade tailings materials for 2-3 years, while Phase 2 will introduce low- to moderate-grade (but lower-risk) fresh ore from open-pit mineralisation at the Challenger Gold Mine.

This strategy provides a de-risked pathway to a stable operating platform. BGD then plans to introduce higher-grade (+3 g/t Au) mineralisation from Challenger's established underground (UG) mine and other surrounding assets.

BGD aims to start site works for the initial Phase 1 operations by the end of CY2026.

Funding: BGD is in early discussions with credit financiers. The company has proven adept at raising equity capital at minimal discounts (or at a premium – twice over the past 12 months) and with low shareholder dilution.

Stage 2: Tunkillia – large scale targeted

Strategy: Tunkillia has scale with an MRE of 1.6Moz Au and 3.1Moz Ag plus 20km of untested shear.

An Optimised Scoping Study shows a standard processing and bulk open-pit project targeting 121kozpa Au and 259kozpa Ag. The project targets a ‘starter pit’ to produce 206koz of Au and 491koz of Ag during the first year, with BGD estimating the generation of more than A$800m in operating free cash assuming gold and silver prices of A$5,000/oz and A$50/oz, respectively.

BGD forecasts A$399m in capex for up-front development (inclusive of mining pre-strip).

Resource upgrade drilling and environmental programs are underway, targeting MRE upgrades, a Pre-Feasibility Study (PFS) and a Mining Licence (ML) application by the end of CY2026.

Funding: We expect that the generation of early cashflow from the CG Mill will see a re-rating of BGD's creditworthiness and equity capital, generate free cash, and provide a potential opportunity for BGD to optimise its debt/equity funding mix.

Stage 3: Unlock regional foothold

Wudinna: A 279koz MRE gives the project a strong initial base, with exploration upside and options to blend Wudinna-sourced materials with the CG Mill in the shorter term, or with Tunkillia in the longer term, or even to direct ship concentrates. BGD continues to review options funded by existing cash reserves.

Tarcoola / Tolmer: Tolmer is a new discovery with high-grade shallow gold and silver. Initial diamond drilling has given initial indications of structure. Further drilling will target a 1.5km wide footprint of shallow, high-grade mineralisation, funded by existing cash reserves.

Details of each stage of the plan and key upcoming milestones

Stage 1 (first hub): Central Gawler Mill + Challenger Gold Mine

Central Galwer Mill (the CG Mill) – fully approved processing

The CG Mill is an existing fully permitted mill; alongside the Challenger Gold Mine, with MLs and Native Title Mining Agreements, these assets make up a key 'hub' in BGD's portfolio.

The CG Mill has a 600ktpa processing plant, an integrated mine village, and supporting infrastructure including an unpaved airstrip suitable for large turboprop aircraft.

Full reinstatement to the CG Mill's original 600ktpa fresh rock design capacity has been estimated by BGD at just A$26m (mill only; additional costs are expected to be incurred to refresh the mine village and other supporting infrastructure).

A DFS is underway for a phased restart of production, with 'Phase 1' operations reprocessing higher-grade tailings, and 'Phase 2' introducing low- to moderate-grade (but lower-risk) fresh ore from open-pit mineralisation at the Challenger Gold Mine. BGD's objective is to pursue a staged and lower-risk restart pathway that will provide a stable platform and optionality to then introduce higher-grade (+3g/t Au) mineralisation from Challenger's established underground (UG) mine and other surrounding assets.

Challenger Gold Mine (Challenger Mine) – first gold to be processed

The Challenger Mineral Resource Estimate (MRE) includes open pits, historical Tailings Storage Facilities (TSFs) and the historical Challenger UG mine. All mineralisation is adjacent to the CG Mill.

The Challenger MRE is 313koz Au (10.6Mt @ 0.92 g/t), including 194koz Au (1.87Mt @ 3.23 g/t) in existing open-pit and UG mines.

Upcoming Stage 1 milestones: starting CG Mill site works in December 2026

Key milestones for the CG Mill include:

- February 2026: JORC upgrade drilling
- February 2026: airborne gravity survey and drilling results
- March 2026: JORC mineral resources upgrade; Phase 1 DFS progress update (for tailings component of operations restart)
- Mid 2026: completion of DFS, including for Phase 2 (initial hard rock component of restart)
- July/August 2026: credit financing
- December 2026: start of site works.

Stage 2 (second hub): Tunkillia – gold & silver drives high-value project

The Tunkillia Project is a ~1,360km^2 tenement package approximately 200km southeast of the CG Mill which hosts a 1.6Moz gold/3.1Moz silver MRE. The company plans for Tunkillia to serve as its second hub in the Gawler Craton, enable large-scale regional production, and further enhance BGD's regional growth and consolidation options.

BGD has completed an Optimised Scoping Study (OSS) for Tunkillia with compelling metrics including:

- new ~5Mtpa pit + mill
- 120kozpa Au + 250kozpa Ag production
- pre-tax net present value to year 5 (NPV_5) of A$1.4 bn
- payback period of 8 years.

Phase 1 of the project involves central higher-grade 'starter pits', which the company has estimated will pay back development 2–3X before BGD progresses to Phase 2: a longer-term, large pit configuration.

Upcoming Stage 2 milestones: working towards a PFS in late CY2026

Key drilling and works programs for Stage 2 (BGD's second hub) are planned for CY2026, culminating in the delivery of a PFS in October 2026. Further Phase 1 MRE drilling results were already announced on 21 January 2026. Upcoming milestones include:

- February 2026: start of development drilling programs, including water and geotechnical
- March–June 2026: Phase 2 Tunkillia MRE upgrade drilling
- August 2026: updated Tunkillia MRE
- November 2026: PFS and Ore Reserve; submission of ML application.

Stage 3 (spokes): Adding more regional presence

Spoke #1: Wudinna – opens options to CG Mill, Tunkillia or direct export

In July 2025, BGD acquired the Wudinna Gold Project, which is approximately 400km southeast of the CG Mill, with an MRE of 279koz Au (5.81Mt @ 1.5 g/t Au).

The deposit has attractive characteristics with shallow mineralisation for open-pit mining, 97–99% gravity/CIL leach recoveries, and potential to produce a concentrate for trucking grading 20–25 g/t Au.

The project demonstrates significant optionality to send such concentrates for processing at either the CG Mill and/or the future Tunkillia Mill, or to any of 3 ports within 250km for direct export to market.

Spoke #2: Tarcoola/Tolmer – upside abounds

The Tarcoola Project is 130km southeast of the CG Mill and has over 600 historical workings across its existing ML, which contains the Perseverance open-pit mine (current MRE of 20koz Au). The deposit is complex and historically under-explored.

BGD's regional work has identified multiple targets on the ML and neighbouring exploration lease (EL), most notably the Tolmer prospect silver discovery which features grades up to 83.6 g/t Au and 17,600g/t Ag.

Upcoming Stage 3 milestones: regional enhancement

Wudinna and Tarcoola/Tolmer represent key growth options in BGD's regional enhancement strategy, with focus to be placed in 2026 on Tolmer's exploration options. Upcoming milestones include:

- March–June 2026: Tolmer high-grade silver drilling
- ongoing: potential further M&A, toll treating options; any potential monetisation of assets.

Further optionality

Exploration adds some cream

Challenger: looking for repeats of high-grade quartz zones

BGD has recently completed a high-resolution airborne gravity survey over the northern portion of EL6502, surrounding the Challenger Mine, targeting gravity anomalies indicative of structures similar to Challenger's high-grade quartz gold lodes. These produced some 1.2Moz Au from high-grade feed between 2002 and 2018, at which time the mine went into care and maintenance. Data analysis will commence shortly.

Tunkillia: potential large-scale extensions

Tunkillia holds significant potential for large-scale extensions and discovery of new mineralisation. Current JORC Resources have a strike length of ~4.5km, and are open to depth and along strike. There are several advanced satellite targets in the immediate vicinity of the current Mineral Resources. BGD has some 20km+ of unexplored share zone along strike of the present 1.6Moz Au MRE.

Tarcoola: massive high-grade gold and silver potential

August 2024 saw the discovery of the Tolmer 'eastern gold zone' (up to 83.6 g/t Au), followed by the March 2025 discovery of the 'western silver zone' (up to 17,600g/t Ag, with accompanying gold up to 13 g/t Au).

The Tolmer prospect within the Tarcoola Project presents enormous possible exploration upside with potential to be an ultra-high-grade gold and silver resource. There are significant high-grade Au and Ag intersections across a 1.5km footprint, and expansive Au-Ag-Pb soil anomalies indicate potential material extensions.

Wudinna: open in all directions

Wudinna deposits remain open to depth and along strike with multiple untested exploration targets.

Other options – regional consolidation, ore purchases, toll milling

BGD's purchase of Wudinna in 2025, bringing all of the major gold assets in the Gawler Craton under the company's control, showed its willingness to undertake strategic regional consolidation.

Its ownership of existing processing infrastructure at the CG Mill gives BGD a 'head start' when it comes to regional consolidation, and on a more operational basis, provides potential for de-risked cash flow from processing third-party ores as the only potential regional provider of such services. The region hosts many aspiring gold explorers and producers, but so far no competitor can match BGD's infrastructure, capacity or critical mass of mineralisation in order to develop of such capacity.

Financials

Short-term funding: cash at ~A$17m

BGD raised A$15.66m @ A$1.25/share in October 2025, and has since executed a large (~19,000 metre) Tunkillia MRE upgrade drilling program.

The company reported cash of ~A$17m as of 31 December 2025. BGD is well capitalised to continue to advance to Stages 1 (the CG Mill) and 2 (moving the Tunkillia Project toward an ML application).

EBITDA of up to ~A$190 pa from CG Mill

In the first campaign of processing CG Mill tailings, approximately 9kozpa will be processed over 3.5 years, generating ~A$25m EBITDA at margins of 50% and then moving on to processing fresh ore for 3 years at an average rate of 40kozpa LOM average, generating an average of ~A$190mpa EBITDA at margins of ~70%.

Regulatory: strong support; permitting in parallel with studies

Operating in SA provides BGD with strong jurisdictional advantages. The state government actively supports minerals projects, and the regulatory framework ensures both environmental protection and project certainty. BGD is engaging closely with regulators and stakeholders to ensure best-practice development outcomes.

The CG Mill is a fully approved processing facility with the Challenger Mine on fully approved MLs, allowing a relatively smooth transition to production.

Required permitting is being advanced in lockstep with the programs at the CG Mill and Tunkillia to shorten the development timeline. Discussions with the SA Government on the Mining Lease Applications (MLAs) at Tunkillia have commenced, ensuring study scopes are aligned with regulatory expectations. Concurrent preparation of the Program for Environment Protection and Rehabilitation (PEPR) reduces the risk of rework post-PFS and DFS and allows approvals to track alongside study completions. This proactive engagement de-risks one of the most common bottlenecks in project development, positioning BGD for a smoother transition into construction.

Peer comparison: BGD stacks up

BGD compares favourably against its peers in terms of grade, production, costs and capex and sits on average in the second quartile of its peers.

Market overview: strong fundamentals for gold and silver

Gold – a precious metal with many strings to its bow

Gold is liquid, and enjoys universal recognition and a dual position at the intersection of commodity and money. It is accepted across all major financial systems and cultures, functioning as an investment asset, a reserve instrument, and a trusted medium of exchange. This creates one of the deepest and most continuous markets in the world, supported by central banks, institutional investors, and private capital. It also holds consumption value through jewellery and limited industrial applications. Gold prices have been particularly strong recently based on geopolitical instability and burgeoning US debt.

Silver prices driven by dual demand, tight supply

Silver is both a precious and industrial metal, prized for its unique physical and chemical properties. Its two-pronged nature supports demand. As an investment asset, the environment for silver is favourable, given current geopolitical uncertainty and its historical link to gold. Moreover, silver has entered a fundamental re-rating phase, with its demand profile underpinned by non-substitutable, high-growth applications aligned with the global green energy transition. Persistent supply deficits make silver a critical strategic commodity: global mine supply remains constrained, with ~72% of output being a by-product of base metals and gold, leaving production largely unresponsive to higher silver prices.

Recent milestones

- January 2026: Challenger high-resolution gravity survey completed, targeting near-mine repeats of high-grade zones
- December 2025: Shallow, high-grade assays infill Northern Tunkillia; Tolmer diamond assays – peak assays of 465 g/t Ag and 20.2 g/t Au
- November 2025: Tunkillia MRE upgrade drilling – 18,900m Phase 1 complete; tailings facility geotechnical drilling for CG Mill complete
- October 2025: BGD raises A$15.66m through placement and SPP
- September 2025: DFS begins for Stage 1 production – CG Mill; BGD joins ASX All Ordinaries Index; Wudinna testwork indicates gold recoveries of up to 99.3%; Stage 1 resources at CG Mill pass 300koz Au
- August 2025: Tolmer high-grade silver extended, high-grade gold emerges
- July 2025: Wudinna rights acquisition completed; CG Mill refurbishment estimated at A$26m
- June 2025: BGD raises A$3m

Valuation

We value BGD via a sum-of-the-parts methodology, adding the risked NPV_{10} of the CG Mill and Tunkillia Silver Project to our estimate for the remaining projects. Our blended valuation is A$2.58 per share.

We consider BGD to be substantially undervalued by the market and also believe that there is significant potential upside to our current valuation through delivery of the CG Mill, further project enhancements and sustained elevated gold and silver prices.

Key risks

Key risks in the short term include delays in the delivery of CG Mill production, delays to the Tunkillia PFS, extended approval processes, funding, gold and silver prices and project execution.

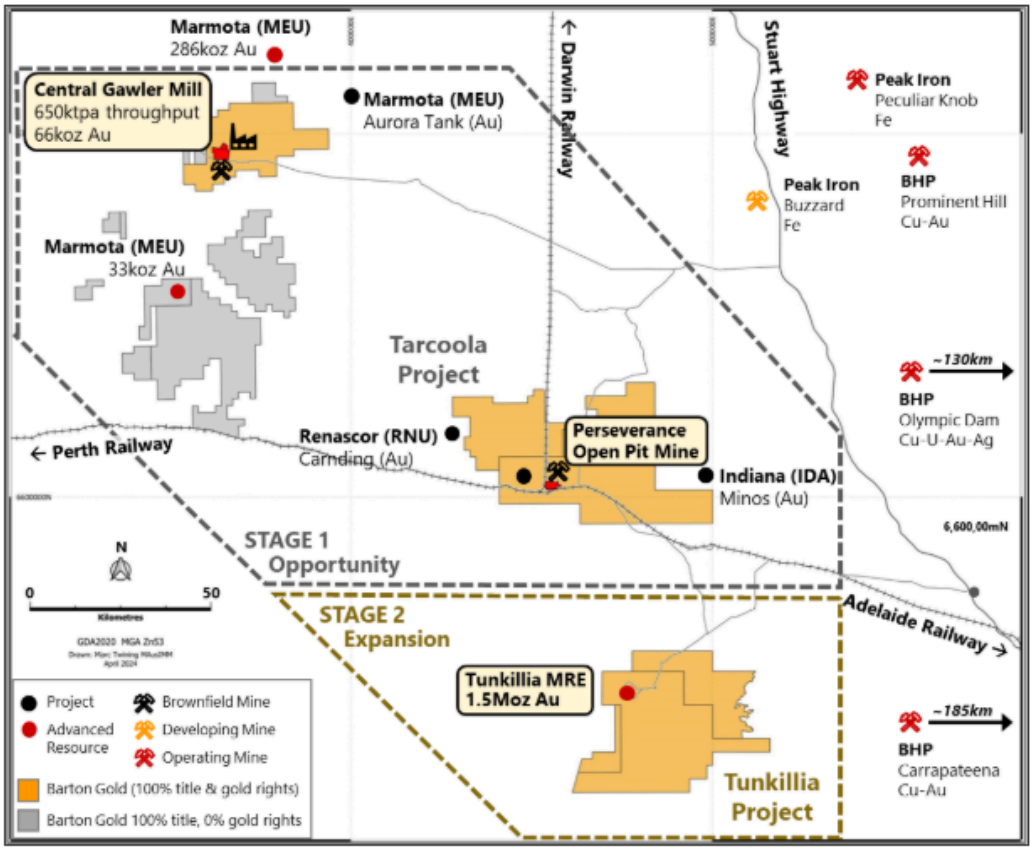
A Detailed Look at BGD's Projects

Company history – a key to understanding BGD's strategy

BGD is an Australian precious metals developer focused on building a regional, hub-and-spoke production platform in SA's Gawler Craton, one of the country's most prospective and underexplored mineral provinces, especially for precious metals. Since listing on the ASX in 2021, BGD has pursued a deliberate strategy of consolidating brownfields assets, upgrading their MRE and leveraging existing infrastructure to reduce capital intensity and execution risk.

As at September 2025, BGD reports a consolidated ~2.25Moz Au JORC (2012) Mineral Resource, reflecting a transition from explorer to developer toward commercialisation beginning in CY2026.

Figure 3: BGD's tenements and sequential staged opportunities



Source: BGD.

The strategic foundation: CG Mill + Challenger

The foundation of BGD's platform is its ownership of the CG Mill at the historic Challenger Mine, which operated from 2002 to 2018 and produced ~1.2Moz of gold. The acquisition of Challenger provided BGD with a fully permitted processing hub, associated infrastructure and MLs, enabling a staged pathway to production without the need for an initial greenfield plant build. Since acquisition, BGD has refocused Challenger as a regional processing centre rather than as a deep UG redevelopment, positioning it as the company's Stage 1 operating platform.

The flagship growth asset: Tunkillia Gold Project

Building around this hub, BGD has assembled a large tenement footprint exceeding 5,000km², securing control of multiple gold systems with varying development horizons. BGD's flagship growth asset is the Tunkillia Gold Project, located ~200km southeast of Challenger. BGD acquired Tunkillia in 2019, recognising its scale potential following limited historical exploration during periods of lower gold prices. Since then, systematic drilling, geological reinterpretation and optimisation work have expanded the resource base from ~0.6Moz Au to ~1.6Moz Au, with mineralisation thus far extending to only a short portion of a ~30km shear zone which lies on BGD's tenement, and which remains open along strike and at depth. Tunkillia now underpins BGD's Stage 2 development strategy, supported by an OSS demonstrating scale efficiencies, robust economics and rapid capital payback.

The exploration opportunity: Tarcoola/Tolmer

In parallel, BGD has advanced the Tarcoola Project, which hosts the historic Perseverance Mine and the emerging Tolmer silver-gold discovery. Perseverance operated as a small open-pit mine as recently as 2017–2018, providing BGD with a brownfield asset base and immediate exploration context. More recently, drilling at Tolmer has identified distinct gold- and silver-dominant zones over an expanding footprint, delivering in particular some of the highest-grade silver intersections reported globally in 2025. While Tarcoola currently contributes a modest gold resource, it is BGD's most material near-term exploration upside target with significant potential for an exciting silver asset to take shape at Tolmer.

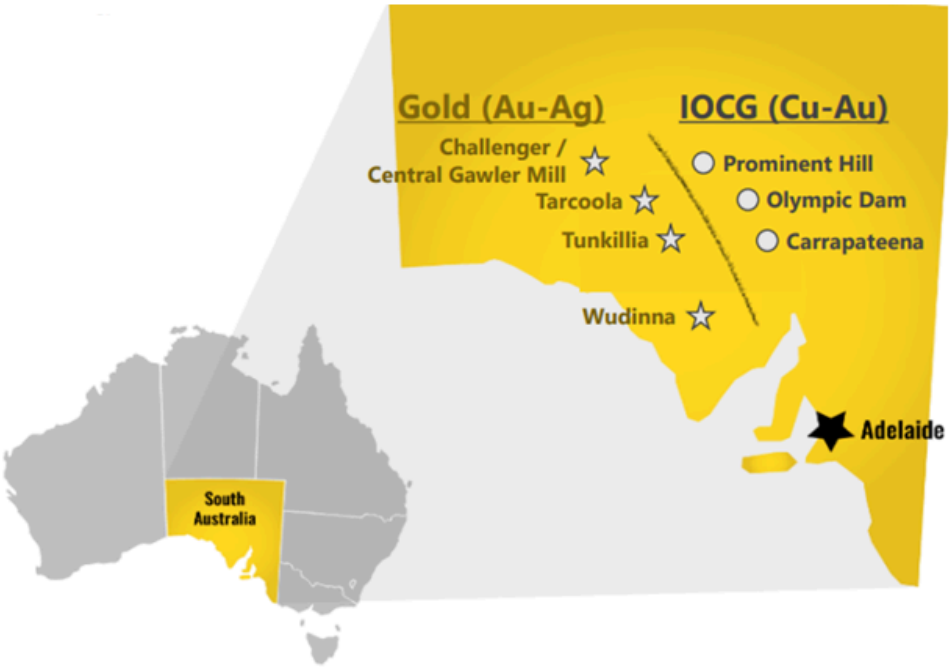
The regional leverage: Wudinna Gold Project

The portfolio was further consolidated in 2025 through the acquisition of the Wudinna Gold Project, adding ~279koz Au and multiple open targets within trucking distance of BGD's infrastructure. Wudinna provides additional regional leverage through blending, toll-treatment or standalone development optionality, consistent with BCG's hub-and-spoke strategy.

The big plus to all BGD's projects: a tier-1 location

BGD's projects are all located in SA's Gawler Craton (see Figure 4), a tier-1 mining jurisdiction globally recognised for geological prospectivity, stability, and transparent regulation. The eastern portion of the central Gawler Craton hosts BHP's consolidated iron oxide–copper–gold (IOCG) province which directly mirrors BGD's distribution of gold assets in deeper, more copper-enriched mineralisation hosted within the same geology.

Figure 4: Location of BGD's key assets



Source: BGD.

The CG Mill (see Figure 5) will anchor BGD's Stage 1 plans, providing the company's initial hub in which it can process ore initially from the adjacent Challenger Mine and potentially the Tarcoola and Wudinna projects. The CG Mill also has the capacity to toll-treat third party ore, unlocking regional value and potentially acting as a catalyst for regional consolidation.

Figure 5: Central Gawler Mill

Source: BGD.

The Tunkillia Project, BGD's second hub planned for Stage 2, is targeting a 5Mtpa plant to produce 120kozpa of Au and 250kozpa of Ag with a payback period of only ~6 months.

Synergies and infrastructure advantage

BGD benefits from immediate access to regional infrastructure, including sealed roads, regional access roads and tracks, and a position immediately straddling Australia's transnational rail line. The region has access to a skilled local workforce and strong community engagement, and SA provides a clear and efficient permitting process.

Mineral Resources: precious Au with Ag – gold the focus

Mineral Resource Estimate methodology

A Mineral Resource Estimate (MRE) is an assessment of the quantity and quality of mineral deposits within a specified area. It provides an in-depth understanding of the potential economic viability of extracting minerals from a particular area.

An MRE is classified based on data quality, spacing, and geological and grade continuity. Measured and Indicated Mineral Resources are more certain and confined to closer-spaced drilling areas, while Inferred Mineral Resources are less certain and are restricted to blocks within a certain distance of drill holes.

Updated MRE (September 2025) grows to ~2.25Moz across the company

In September 2025, BGD upgraded the resource for Challenger Mine to 313koz Au, lifting its consolidated JORC (2012) MRE across the company's entire portfolio to ~2.25Moz of gold. The resource base is distributed across four key projects (Challenger, Tunkillia, Wudinna and Tarcoola), providing a balanced portfolio of near-term development opportunities and longer-dated growth optionality. See Appendix 4 for a more detailed MRE breakdown.

Figure 6: JORC Mineral Resources Estimate by project: Au and Ag

Project (100%)	Au (Mt)	Au (g/t)	Contained Au (koz)	Ag (Mt)	Ag (g/t)	Contained Ag (koz)
Challenger	10.6	0.92	313	-	-	-
Tunkillia	62.9	0.80	1,612	34.5	2.80	3,070
Wudinna	5.8	1.50	279	-	-	-
Tarcoola	0.5	1.70	30	-	-	-

Source: Company data.

Figure 7: JORC Mineral Resources Estimate by classification: Au and Ag

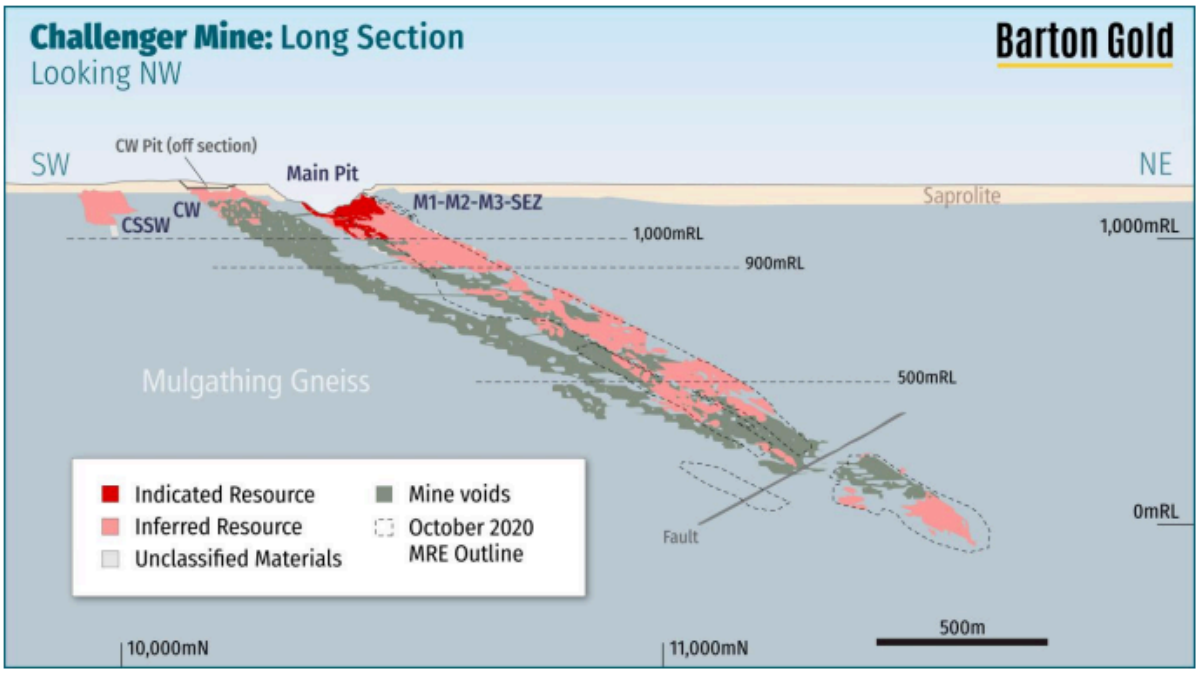
Classification	Au (Mt)	Au (g/t)	Contained Au (koz)	Ag (Mt)	Ag (g/t)	Contained Ag (koz)
Indicated	39.7	0.82	1,049	-	-	-
Inferred	40.2	0.92	1,186	34.5	2.80	3,070
Total	79.9	0.87	2,234	34.5	2.80	3,070

Source: Company data.

Challenger

At the Challenger Mine, which forms the basis of BGD's proposed Stage 1 restart of the CG Mill, the September 2025 MRE increased contained gold to 313koz. This upgrade materially improved the scale and confidence of the resource, with a meaningful proportion of early mine tonnes classified as Indicated, supporting near-term mine planning and reducing execution risk at first production. Challenger is viewed as a capital-efficient feed source that leverages existing, fully permitted processing infrastructure.

Figure 8: Challenger Mine – Mineral Resource

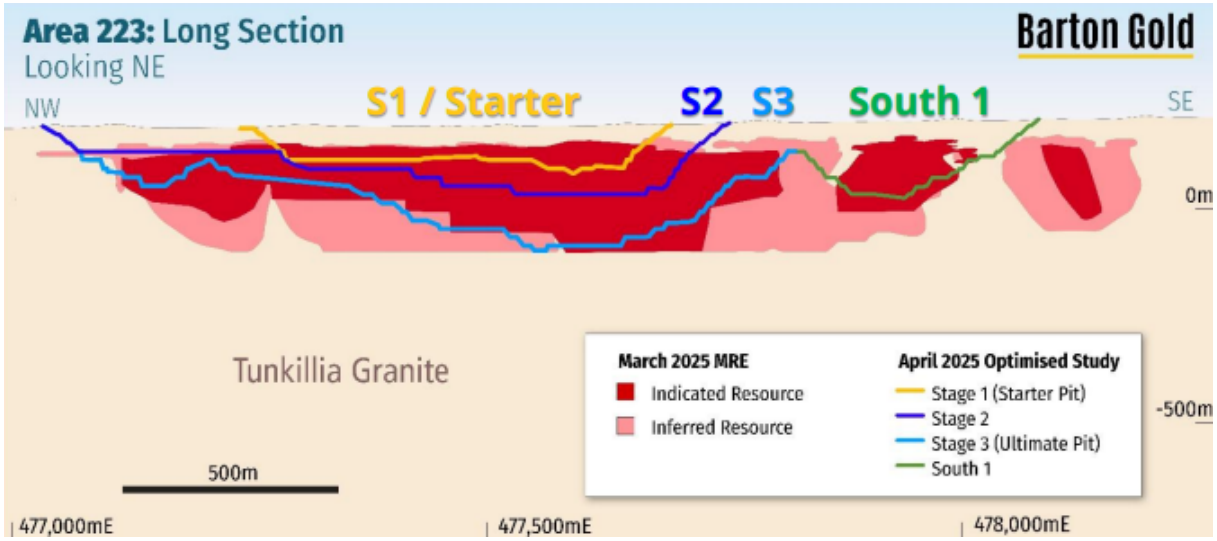


Source: Company data.

Tunkillia

The Tunkillia Gold Project represents the cornerstone of BGD's resource base, accounting for ~1.6Moz of contained gold (around 70% of BGD's total inventory), based on the most recently reported MRE as at September 2025. In addition to gold, Tunkillia hosts ~3.1Moz of silver, reported as a by-product. The scale, shallow open-pit geometry and conventional metallurgy underpin BGD's long-term development strategy, with the asset supported by a May 2025 Optimised Scoping Study demonstrating strong economics and rapid capital payback.

Figure 9: Tunkillia – gold resource overlaid with Indicated and Inferred resource plus proposed pit stages



Source: Company data.

Wudinna

The Wudinna Gold Project contributes a further 279koz of gold to BGD's consolidated resource base. The deposit is characterised by shallow, open-pittable mineralisation and favourable metallurgical characteristics, and is strategically located along a main highway which connects to BGD's two planned processing hubs. There are also potential regional access tracks which could possibly be upgraded to provide a more direct haulage route from Wudinna to Tunkillia. While not central to the initial development plan, Wudinna provides meaningful regional leverage through a wide range of blending, toll-treatment or standalone development options.

Tarcoola

Finally, the Tarcoola Project hosts a smaller gold resource of approximately 30koz (within the existing Perseverance Mine, and in a lower-grade ~1.3 g/t Au stockpile of existing materials), alongside emerging high-grade gold and silver discoveries at Tolmer which have caught the market's attention. While currently a minor contributor to BGD's total resource inventory, Tarcoola provides longer-term exploration upside and optionality that is not yet reflected in development plans.

Exploration: regional scale and discovery upside

Across its tenure, BGD controls multiple underexplored corridors with demonstrated gold and silver endowment, providing clear potential for resource expansion beyond the existing MRE. BGD's overall exploration strategy is focused on resource growth near existing infrastructure, prioritising targets capable of enhancing early mine life, improving grades or extending project duration.

With multiple advanced targets already identified and active drilling programs underway or planned, exploration success represents a key upside lever to BGD's development and valuation thesis, beyond the current ~2.25Moz Au resource base.

Challenger: looking for repeats of high-grade quartz zones

BGD has completed a high-resolution airborne gravity survey over the northern portion of EL6502, which surrounds the historical Challenger Mine, targeting gravity anomalies indicative of structures similar to Challenger's high-grade quartz gold lodes. Analysis of data will commence shortly.

Challenger was developed and expanded during a period of low gold prices, and as such historical investment favoured rapid development to depth over local surface exploration for analogous structured which by their nature are difficult to identify on surface. With existing infrastructure, new discoveries could be highly valuable.

Tunkillia

At Tunkillia, the defined 1.6Moz Au resource sits within a broader mineralised system extending over more than 20km of largely untested shear zones. Recent drilling has confirmed depth extensions below existing pit designs and along strike. The same geotechnical tools which identified new zones of mineralisation have identified multiple similar signatures along strike. With the recent focus upon rapid growth of Tunkillia and upgrading of its MRE, these targets have not yet been tested.

Other potential extensions of mineralisation have not yet been incorporated into the current MRE, highlighting potential for both incremental resource growth and improved mine scheduling through higher-grade additions closer to planned infrastructure. As a case in point, recent drilling results (published 21 January 2026) highlighted hole TKB0422 which intersected 24m @ 4.49 g/t Au and 22m @ 3.17 g/t Au within a 51m interval of mineralisation. These intersections lay entirely outside the current optimised open pit design published in the May 2025 Optimised Scoping Study.

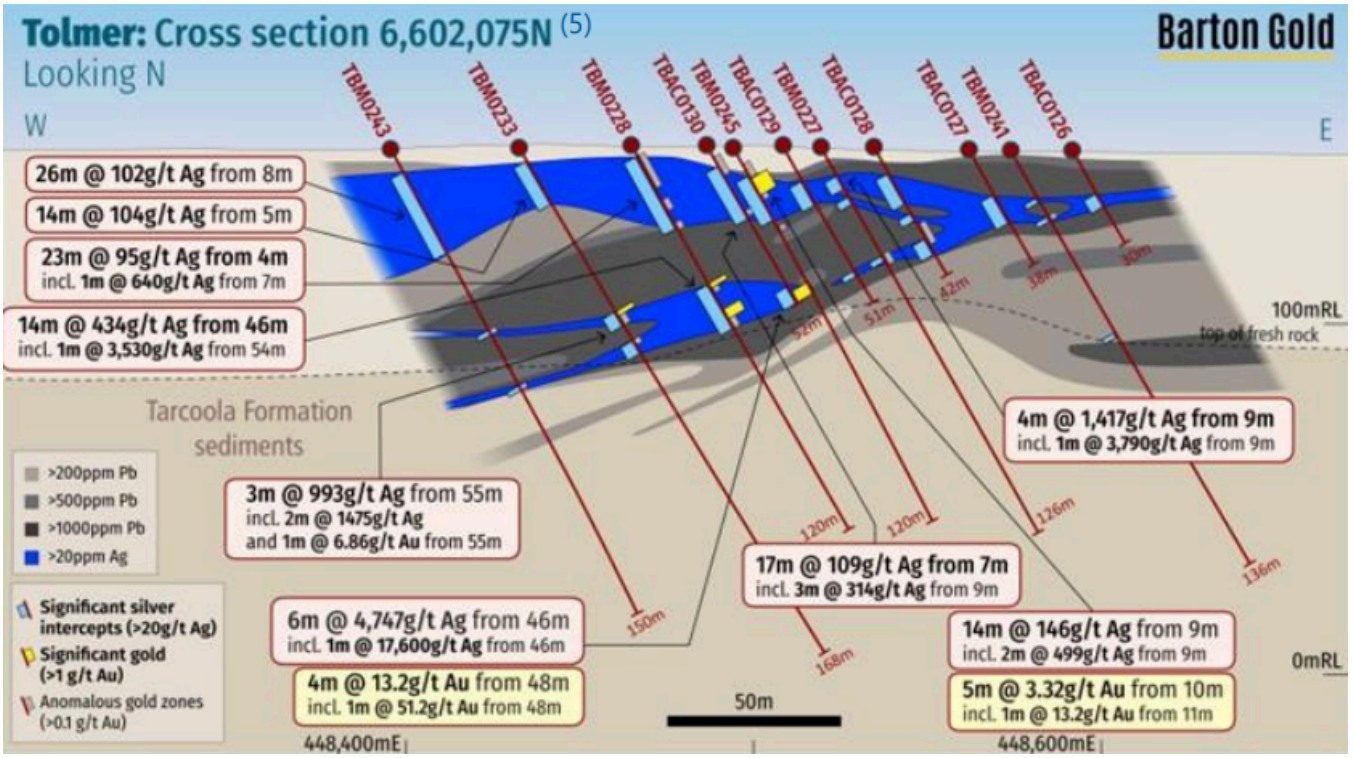
Wudinna

Additional regional leverage exists at Wudinna, where the current 279koz Au resource is open along strike and at depth, supported by multiple untested targets within trucking distance of BGD's infrastructure. The project also benefits from favourable metallurgy and shallow mineralisation, providing optionality for future expansion through targeted drilling.

Tarcoola

The Tarcoola Project represents BGD's most material near-term exploration upside, with the emerging Tolmer Ag-Au discovery now defined over a footprint of approximately 1.5km and continuing to grow. Tolmer hosts two distinct silver-dominant zones, with the westernmost of the two including some of the highest-grade silver intercepts reported globally in 2025. While Tarcoola currently contributes only a modest gold resource, ongoing drilling, structural modelling and soil geochemistry point to the potential for a materially larger system that could ultimately support standalone development or satellite feed to BGD's processing hubs. Currently modelled mineralisation remains open to drill extensions.

Figure 10: Tolmer prospect cross-section shows high-grade drill holes across a 1.5km footprint and is pursuing extensions



Source: Company data.

Bonus – there is also silver: world-class intersections

A handy by-product at Tunkillia …

While BGD is primarily advancing a gold-led development strategy, it also holds meaningful silver exposure, providing additional optionality to project economics and exploration upside. Silver is currently reported as a by-product at the Tunkillia Gold Project, where the MRE includes ~3.1Moz of contained silver (as a subset of the gold block model). This silver contribution enhances project margins through by-product credits, as reflected in the Optimised Scoping Study economics.

… but bonanza grades at Tolmer

Beyond Tunkillia by-product silver, BGD has delivered globally significant high-grade silver intersections through exploration at Tarcoola. Drilling in 2024–2025 defined a distinct silver-dominant mineralised zone (the 'western silver zone') associated with anomalous lead, with intercepts ranking among the highest-grade silver results reported globally during CY2025, including multiple high-grade intervals. Tolmer's discovery hole reported during March 2025 included an assay of 6m @ 4,747 g/t Ag from 46m depth, with accompanying gold of 4m @ 13.2 g/t Au (from 48m). These results point to the presence of a high-grade primary silver system that is not yet captured in any MRE.

Importantly, the Tolmer silver mineralisation remains outside the current JORC resource inventory, with ongoing drilling, structural modelling and geophysical surveys indicating a growing mineralised footprint of approximately 1.5km. The silver system sits within trucking distance of BGD's planned processing hubs, providing potential optionality for future satellite development or blending scenarios should a standalone resource be defined.

Mining and development approach

Geology

BGD's asset portfolio is located within central SA's Gawler Craton, a globally recognised mineral province renowned for its geological endowment, stability and long-lived mining systems. Gold mineralisation across BGD's projects is hosted within a range of Archean to Proterozoic lithologies, including sheared granitoids, metasediments and greenstone sequences, and is structurally controlled by major regional shear zones. Mineralisation styles range from broad, disseminated and stockwork-hosted systems to more structurally focused, higher-grade lodes, providing flexibility across development and mining approaches.

Challenger

The Challenger Mine and CG Mill district hosts structurally controlled gold mineralisation associated with high-grade lodes and surrounding alteration halos, reflecting its history as a long-life underground operation.

Tunkillia

At the flagship Tunkillia Project, gold mineralisation occurs within a major regional shear zone (the Yarlbrinda Shear Zone) with a strike length exceeding 20km contained within BGD's tenements. The system is characterised by shallow, laterally extensive mineralisation with oxide, transitional and fresh material present from near surface (~35m depth), supporting large-scale bulk open-pit mining as indicated in the May 2025 Optimised Scoping Study. Mineralisation remains open along strike and at depth, with recent drilling confirming mineralised intercepts beyond existing pit designs, and regional geophysics identifying district scale geology with multiple prospective regional targets.

Tarcoola

At Tarcoola, gold and silver mineralisation is associated with structurally complex zones and intrusive contacts, with the emerging Tolmer discovery defining two distinct silver-dominant zones in the ‘eastern gold zone’ and the ‘western silver zone’ – the latter being the more significantly silver-dominant zone.

Wudinna

Wudinna hosts shallow, open-pittable mineralisation with favourable metallurgical characteristics, consistent with intrusive-related and structurally controlled gold systems.

Mining methodology

The development strategy at BGD is built around a staged open-pit mining methodology that prioritises shallow, open-pittable mineralisation and leverages existing and planned processing infrastructure to reduce capital intensity and execution risk.

Challenger – commence project via mining of tailings dam

A Definitive Feasibility Study (DFS) is underway for a phased restart of production, with Phase 1 operations reprocessing higher-grade tailings, and Phase 2 introducing low-to-moderate grade (but lower-risk) fresh ore from open-pit mineralisation at the Challenger Gold Mine.

BGD's objective is a lower-risk restart pathway providing optionality to then introduce higher-grade (+3 g/t Au) mineralisation from Challenger’s established UG mine and other surrounding assets.

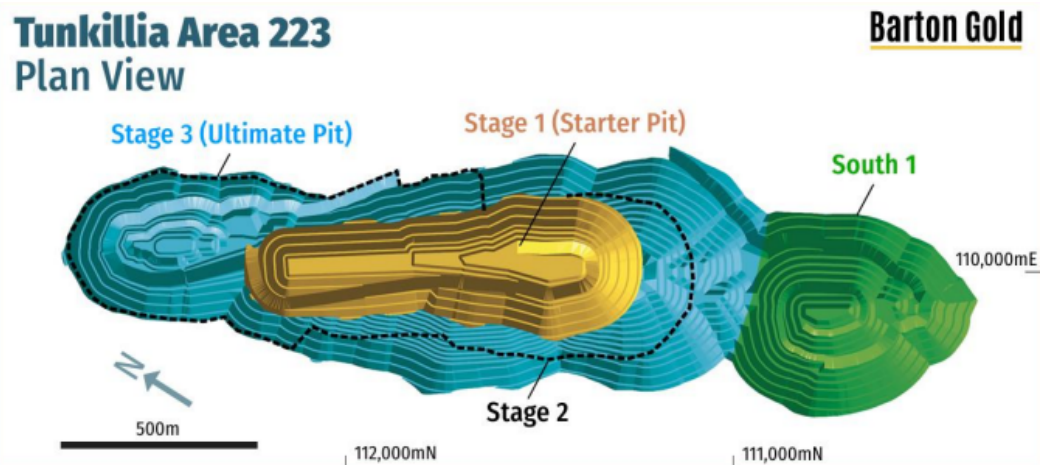
Fresh rock mining is designed to commence with near-surface, lower-strip open pits, particularly at Challenger and associated satellite deposits, where mineralisation begins close to surface. This supports conventional drill-and-blast mining and simple material handling in the early years, without the need for complex underground development until after the site is operating on a simple, steady-state basis.

Tunkillia

At Tunkillia, BGD is advancing a large-scale bulk open-pit mining approach underpinned by shallow, laterally extensive mineralisation hosted within multiple shear zones. Mining is planned to be undertaken in stages, beginning with higher-value starter pits that target improved grades and lower strip ratios, before progressively expanding pit shells as confidence increases and capital is repaid. Oxide, transitional and fresh material are present from surface, enabling continuous open-pit mining through the life of mine and supporting a conventional carbon-in-leach (CIL) processing flowsheet.

Ongoing geotechnical assessment and pit optimisation have identified scope to expand pit shells, steepen pit walls and refine mine sequencing, allowing BGD to prioritise higher-margin material earlier in the mine life. This staged mining methodology lowers upfront pre-strip requirements, accelerates cash flow generation and provides flexibility to adapt mine plans as additional resources are converted or new deposits are incorporated.

Figure 11: Plan view demonstrating the main open pit area and subsequent stages



Source: BGD.

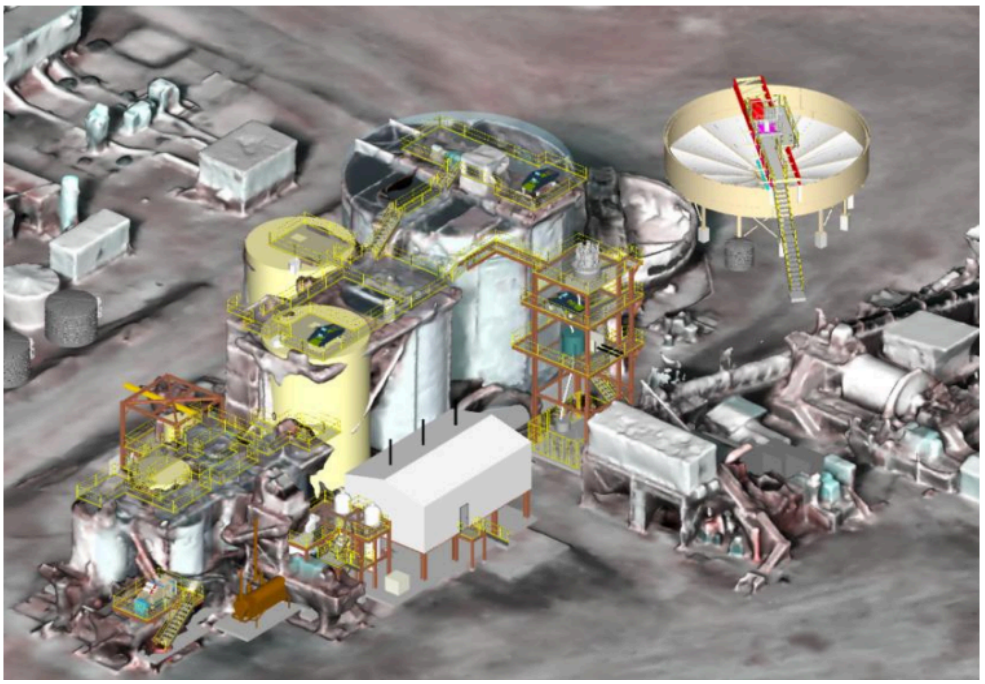
Processing: production of gold doré - a final product sold to refineries

BGD's processing strategy is designed to be conventional, low-risk and scalable, aligned with its staged open-pit mining approach and focus on early cash flow. Processing is centred on the production of gold doré, a final on-site product sold directly to refineries, avoiding downstream complexity, concentrates logistics and other associated counterparty or payability risks.

Challenger

Stage 1 processing is anchored by the CG Mill. This existing fully permitted facility has a demonstrated operating history and historically strong recoveries. Current development planning is focused on a capital-efficient refurbishment and restart, using conventional crushing, grinding and CIL circuits to minimise execution and commissioning risk. Historical performance supports robust recoveries of ~94–95% for Challenger ore sources, providing a technically proven baseline for early operations.

Figure 12: 3D image of CG Mill processing plant

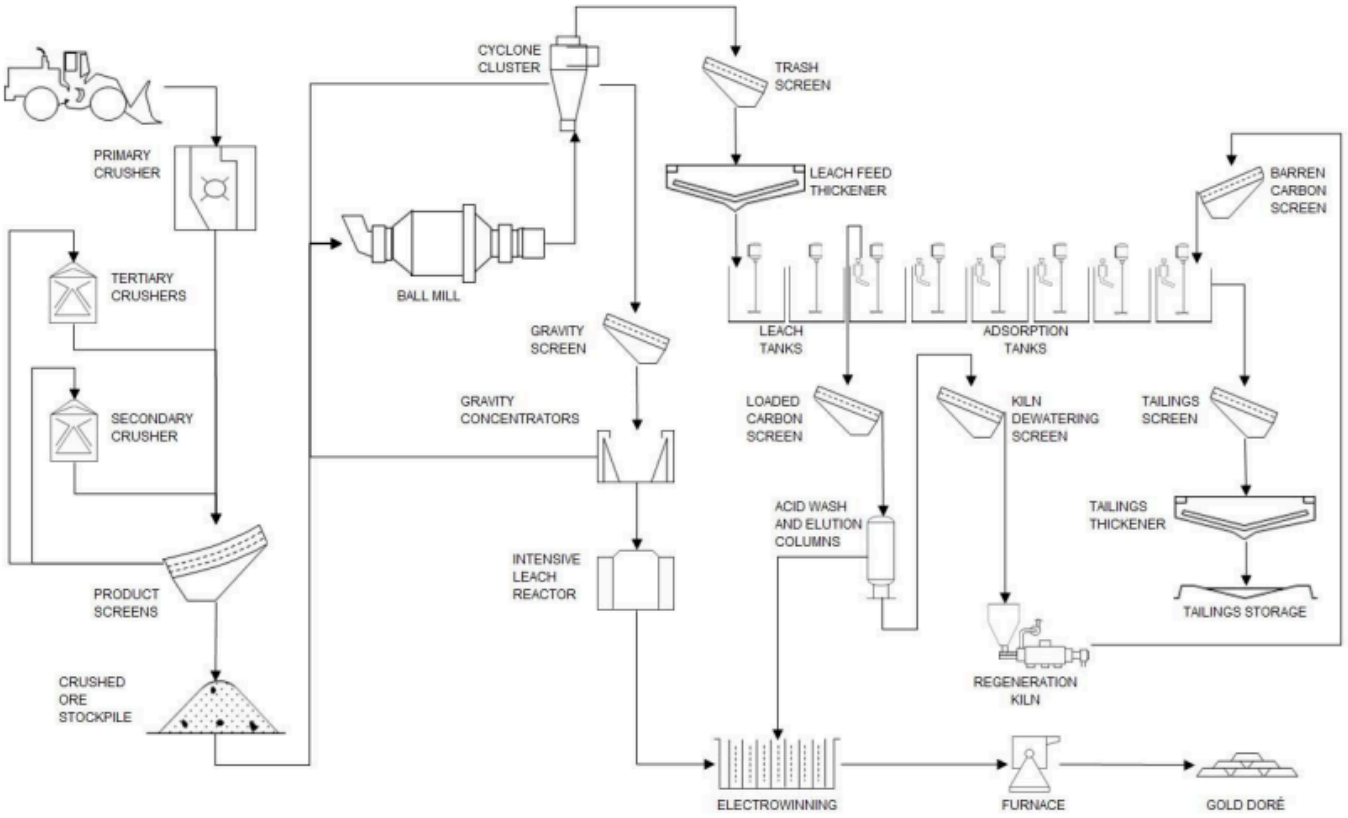


Source: BGD.

Tunkillia

At Tunkillia, processing is planned around a standard large-scale CIL flowsheet consistent with metallurgical testwork and the shallow, laterally extensive nature of the mineralisation. The Optimised Scoping Study incorporates a three-stage crushing and ball milling circuit, delivering materially lower comminution energy requirements and supporting higher effective throughput for oxide material (~5.5Mtpa) relative to fresh ore (~5.0Mtpa). Historical and recent test work supports robust gold recoveries of approximately 94.7% for oxide materials and ~90% for fresh ore materials. Silver is recovered as a by-product through the CIL circuit, with silver recoveries of ~80%, providing meaningful cost credits that underpin competitive AISC.

Figure 13: Simplified processing flowsheet from the Optimised Scoping Study (2025)



Source: Company data.

Infrastructure: a key advantage

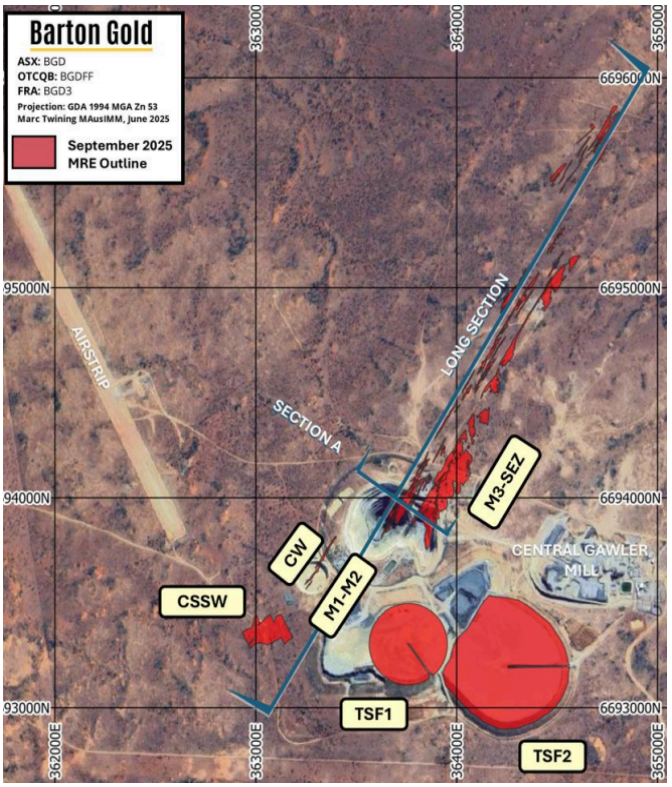
BGD's projects benefit from their location in central SA, a well-established mining jurisdiction with strong existing infrastructure and a long operating history. The asset portfolio is anchored by ownership of the CG Mill at Challenger, providing a fully permitted processing hub and materially de-risking BGD's development pathway by removing the need to construct a greenfield plant for initial production.

Regional: Regionally, BGD's projects benefit from proximity to established transport corridors, with road and rail access linking central SA to Port Augusta, Whyalla and Port Pirie (SA), and Darwin (Northern Territory), providing export routes, bulk supply access and skilled labour pools. The broader Gawler Craton hosts multiple operating and historic mines, underpinning workforce availability and contractor capability.

The combined CG Mill and Challenger site is supported by sealed highway access to within 160km of site, established regional road access from the highway to site, its own remote power infrastructure and established saline water bores which supply both process water (in saline form) and potable water (following onsite desalination). Historical operations demonstrate the adequacy of this infrastructure to support mining and processing activities. Existing site infrastructure includes the processing plant, tailings storage facilities, workshops, offices, power reticulation, accommodation and ancillary services, enabling a capital-efficient restart strategy focused on refurbishment rather than new build. Notably, BGD is off-grid, and development of its regional power solutions (both at Challenger and beyond) presents opportunities to provide off-grid power solutions to other miners at a cost.

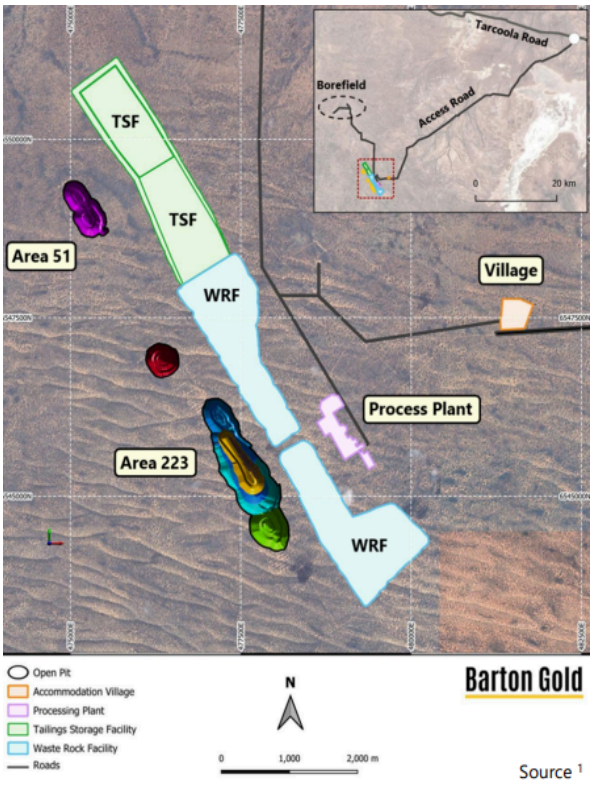
Tunkillia: At Tunkillia, BGD has completed detailed infrastructure planning through its Optimised Scoping Study, including a defined plant site layout for a large-scale bulk open-pit operation. Planned facilities include a conventional CIL processing plant, power generation and distribution infrastructure (including renewable microgrid options), reagent and fuel storage, workshops, laboratories, administration facilities, accommodation village, tailings storage facility and associated water management infrastructure. The project is accessible via existing station tracks (which will be upgraded to haul road capability) connecting to regional roads and the Stuart Highway, supporting construction and operational logistics.

Figure 14: Challenger site map



Source: BGD.

Figure 15: Tunkillia site map



Source: BGD.

Approvals: permitting in parallel

Permitting for BGD's projects is governed by the established and transparent mining regulatory framework for SA, which is widely regarded as one of the most stable jurisdictions globally. BGD benefits from a strong permitting foundation, underpinned by existing MLs and approvals at the CG Mill and Challenger, which materially de-risk the near-term development pathway.

CG Mill: For Stage 1 operations at the CG Mill, BGD holds the required MLs and environmental approvals associated with historical production, enabling a focus on refurbishment, restart activities and incremental approvals rather than a full greenfield permitting process. This significantly shortens timelines and reduces regulatory risk relative to new-build developments, even where permitting variations are required.

An existing Native Title Mining Agreement (NTMA) for mining is also in place.

Tunkillia: At the Tunkillia Gold Project, BGD is actively advancing the key approvals required to transition the project from study phase toward development. This includes preparation of the Mining Lease Application (MLA), which represents the primary statutory approval for mine development in SA, alongside the Program for Environment Protection and Rehabilitation (PEPR). The PEPR defines how mining and processing activities will be managed in accordance with environmental, safety and rehabilitation standards. Progressing this work in parallel with the MLA is intended to minimise rework and streamline the overall approvals timeline, including as it relates to stakeholder engagement processes.

BGD also maintains ongoing engagement with Traditional Owners across its project areas, building on relationships established through exploration and drilling programs. NTMAs for exploration are in place across all exploration areas. Moreover, an NTMA for mining will be progressed following submission of the MLA to provide clear tenure pathways and formalise this key long-term engagement.

Feasibility Studies Seeking Further Uplift

Definitive Feasibility Study nears at CG Mill; Optimised Scoping Study done at Tunkillia

CG Mill DFS – low-capex start up

In parallel with advancing its growth portfolio, BGD is progressing a Definitive Feasibility Study (DFS) at the Challenger Mine and the CG Mill. The DFS, is targeted for completion in mid CY2026 and forms the foundation of BGD's near-term development strategy. The study is focused on the refurbishment and restart of existing, fully permitted processing infrastructure, providing a capital-efficient pathway to near-term production and early cash flow without the need for a greenfield plant build. Challenger is being progressed independently but in a complementary manner to BGD's longer-dated development options, enabling Stage 1 cash flow from the CG Mill to support the funding and execution of subsequent growth.

Full reinstatement to the CG Mill's original design capacity has been preliminarily estimated at only A$26m (±30%); however, BGD consider that there may be additional capex for infrastructure enhancements. BGD will look to reinstate tailings processing by deferring the refurbishment of the crushing and grinding circuit until the time that fresh rock is fed to the mill. This reduction may offset the additional costs that would be expected from a tertiary or fine grinding unit to maximise tailings recoveries.

Tunkillia – OSS shows highly valuable project

In May 2025, BGD released an Optimised Scoping Study (OSS) for the Tunkillia Gold Project, confirming its status as a large-scale, capital-efficient gold development and outlining a conventional, low-risk pathway to production. The OSS reflects a material optimisation over earlier studies, incorporating updated mine designs, processing improvements, energy savings and a staged mining approach.

The study models a bulk open-pit mining operation supported by a conventional CIL processing flowsheet to produce gold doré. Mining inventory is drawn from the current MRE and is weighted toward shallow, open-pittable material in the early years of operation. At conservative gold price assumptions, the OSS demonstrates strong economics characterised by rapid capital payback, robust margins and low capital intensity, positioning Tunkillia as a competitive Australian gold development ahead of progressing to a Pre-Feasibility Study (PFS).

Key financial highlights (OSS market case; A$5,000/oz Au and A$50/oz Ag)

- Average annual production of ~120koz Au and ~250koz Ag
- Competitive life-of-mine AISC of A$2,222/oz Au
- Operating cash flow of ~A$2,829/oz Au, underpinning strong free cash generation
- Strong pre-tax NPV_5 of A$1,416m, reflecting robust margins at conservative pricing
- Capital-efficient development profile, with total development capital of ~A$399m (including pre-strip) and total LoM project capital of ~A$520m (including all contingencies, sustaining capital and mine closure and rehabilitation), favourable relative to greenfield projects of comparable scale
- Rapid payback of ~0.8 years from first gold production, with approximately A$825m in operating profit generated during the first ~13 months, and approximately A$1.3 bn in operating profit generated during the first ~27 months of operations

Costs (operating and capital)

Tunkillia is positioned as a cost-competitive, large-scale gold development, underpinned by the OSS. The study outlines a staged open-pit development with capital intensity and operating costs materially lower than a comparable greenfield project, reflecting shallow mineralisation, simple mine layouts and a conventional processing flowsheet with efficiencies of scale.

The OSS demonstrates robust project economics at a conservative gold price, supported by competitive LoM AISC costs and strong operating margins. Importantly, the project delivers rapid capital payback and attractive returns without reliance on aggressive throughput assumptions or the conversion of Inferred resources, highlighting resilience under downside scenarios.

Ongoing optimisation work continues to focus on reducing both upfront capital and unit operating costs as the project advances toward feasibility. Key initiatives include staged mine development to minimise pre-strip, value-engineering of plant layouts to reduce steel and concrete intensity, optimisation of comminution and energy consumption, and alignment of initial throughput with financing requirements.

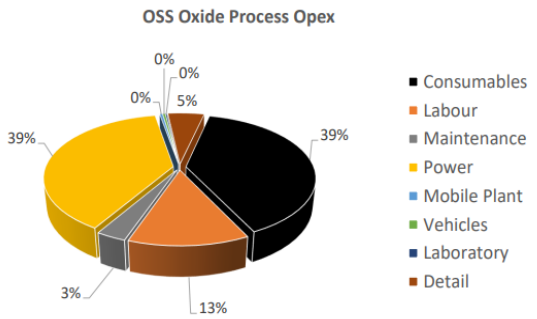
The competitive cost and return profile reflects Tunkillia's shallow, laterally extensive geometry, favourable strip ratios and a simple, energy-efficient processing flowsheet. Metallurgical testwork supports strong recoveries across oxide and fresh material, while silver recovered as a by-product provides additional cost credits and margin resilience, with significant upside at current spot gold and silver prices.

Figure 16: Cost profile from the Tunkillia Optimised Scoping Study

Operating Costs	ISS	ISS Adjusted	OSS (Base)	OSS (Market)
LoM C1 Cash Cost	A$1,874/oz Au	A$1,696/oz Au	A$2,121/oz Au	A$2,171/oz Au
LoM AISC	A$1,917/oz Au	A$1,737/oz Au	A$2,172/oz Au	A$2,222/oz Au
Capital Costs	**ISS**	**ISS Adjusted**	**OSS (Base)**	**OSS (Market)**
LoM Total	A$546m	A$546m	A$520m	A$520m

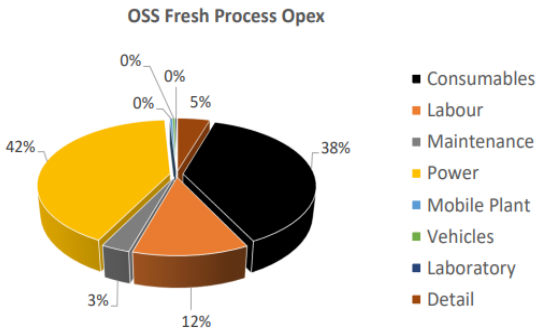
Source: Company data.

Figure 17: Processing cost breakdown – oxide materials



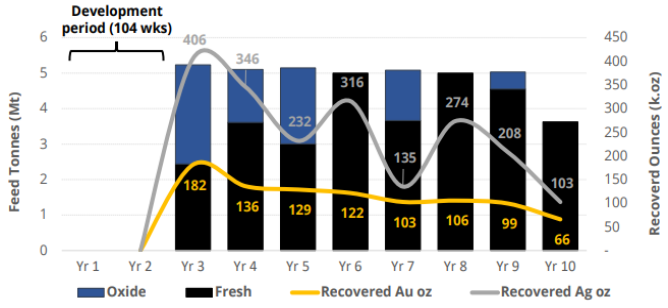
Source: Company data.

Figure 18: Processing cost breakdown – fresh materials



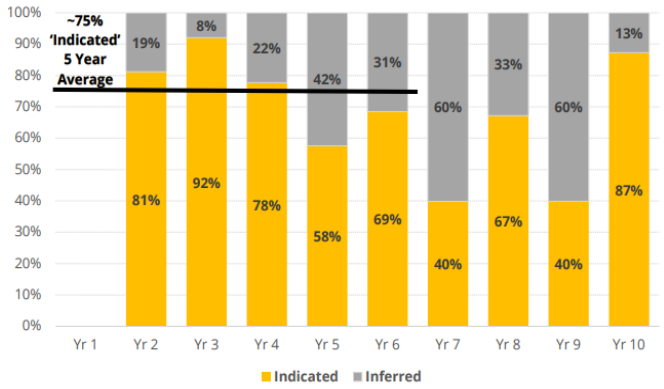
Source: Company data.

Figure 19: Mill throughput and recovered ounces



Source: Company data.

Figure 20: Mined materials by JORC MRE category



Source: Company data.

Figure 21: Summary of economic assumptions from the May 2025 Optimised Scoping Study

Metric	Units	ISS (July 2024)[6]	OSS (Base Case)	OSS (Market Case)
Project				
Project Life	Years	7.7	10	10
Development Period	Weeks	104	104	104
Processing Duration	Years	6.4	7.8	7.8
Mining Optimisation				
Assumed LoM Gold Price	A$/oz	$3,000	$3,500	$3,500
Assumed LoM Silver Price	A$/oz	$37.50	$40.00	$40.00
Mining Duration	Years	6.4	8.0	8.0
Waste & Low-Grade Mined	Mt	191.5	268.7	268.7
Mineral Resources Mined	Mt	30.7	39.2	39.2
Project Strip Ratio	waste:ore	6.23	6.85	6.85
Initial Pre-Strip	Mt	29.0	21.9	21.9
Operating Strip Ratio	waste:ore	5.29	6.32	6.32
Processing Physicals				
Plant Throughput Capacity (Oxide)	Mtpa	5.0	5.5	5.5
Plant Throughput Capacity (Fresh)	Mtpa	5.0	5.0	5.0
Total Material Processed	Mt	30.7	39.2	39.2
Bond Ball Mill Work Index (Oxide)	kWh/t	25.5	16.9	16.9
Bond Ball Mill Work Index (Fresh)	kWh/t	26.7	20.7	20.7
Gold Recoveries (Oxide Materials)	%	92.00%	94.65%	94.65%
Gold Recoveries (Fresh Materials)	%	90.00%	90.00%	90.00%
Silver Recoveries (All Materials)	%	80.00%	80.00%	80.00%
Average LoM Gold Grade	g/t Au	0.93	0.82	0.82
Average LoM Silver Grade	g/t Ag	2.52	2.00	2.00
Processing Costs				
Oxide Materials	A$/t	$23.57	$17.82	$17.82
Fresh Materials	A$/t	$25.57	$20.98	$20.98
Royalties (Public & Private)	%	6.0%	6.0%	6.0%
Selling Costs	A$/oz Au	$37.32	$7.50	$7.50
General & Administrative	A$/t	$2.56	$2.84	$2.84
Financial Assumptions				
Discount Rate	%	7.5%	7.5%	7.5%
Gold Price	A$/oz	$3,500	$4,000	$5,000
Silver Price	A$/oz	$45.00	$45.00	$50.00

Source: Company data

Figure 22: LoM production and financial outcomes summary

Metric	Units	ISS[7]	ISS Adjusted	OSS (Base)	OSS (Market)
Mining Production					
Contained Gold	oz Au	919,868	919,868	1,035,158	1,035,158
Contained Silver	oz Ag	2,491,148	2,491,148	2,523,738	2,523,738
Metal Production					
Payable Gold	oz Au	832,852	832,852	942,247	942,247
Payable Silver	oz Ag	1,992,919	1,992,919	2,019,151	2,019,151
Avg Gold Production (Processing Period)	oz Au	130,133	130,133	120,800	120,800
Avg Silver Production (Processing Period)	oz Ag	311,394	311,394	258,865	258,865
Operating Financials (excl. initial pre-strip)					
LoM Revenues	A$m	3,005	3,005	3,860	4,812
LoM Cash Operating Costs	A$m	1,710	1,562	2,089	2,146
LoM Operating Cashflow (EBITDA)	A$m	1,295	1,443	1,771	2,666
LoM Operating Margins (excl. initial pre-strip, net of Ag)					
Silver By-Product Credit	A$/oz Au	108	108	96	107
Cash Operating Cost	A$/oz Au	1,874	1,696	2,121	2,171
All-in Sustaining Cost (AISC)	A$/oz Au	1,917	1,737	2,172	2,222
Operating Cashflow	A$/oz Au	1,626	1,804	1,879	2,829
LoM Capital Costs					
Processing & Infrastructure	A$m	374	374	341	341
Capitalised pre-strip	A$m	60	60	58	58
Owner's Costs	A$m	9	9	8	8
Owner's Contingency	A$m	18	18	16	16
Design Growth Contingency	A$m	32	32	30	30
Sustaining Capital	A$m	34	34	48	48
Mine Closure & Rehabilitation	A$m	20	20	20	20
Total	**A$m**	**546**	**546**	**520**	**520**
Project Returns (Unlevered, Pre-Tax)					
Project Free Cash Flow (undiscounted)	A$m	806	956	1,245	2,140
Project NPV(7.5)	A$m	512	625	781	1,416
Project IRR	%	40%	46.4%	48.3%	73.2%
Payback Period (from start of gold production)	Years	1.9	1.7	1.1	0.8

Source: Company data.

Commercial and financing outlook: CG Mill and Tunkillia bankability in focus

Finance-first development strategy

BGD is advancing its development portfolio with a finance-first execution philosophy, prioritising capital discipline, staged delivery and resilience under downside scenarios rather than maximising scale at the outset. This approach has been consistently reflected in the company's funding history, with BGD avoiding highly dilutive equity raises and instead progressing its assets through staged technical work, selective capital deployment and the leverage of existing infrastructure. Preserving equity value remains central as BGD transitions from study phase to development.

This philosophy underpins BGD's staged execution strategy across Stage 1 at Challenger and the CG Mill plus Stage 2 at Tunkillia, where mine plans, processing configurations and throughput assumptions are designed to meet lender and equity investor requirements under conservative pricing and cost assumptions.

Stage 1: Challenger and CG Mill

At Challenger, the ongoing DFS is focused on the refurbishment and restart of existing, fully permitted processing infrastructure. This approach materially reduces upfront capital intensity and execution risk relative to a greenfield build. The objective is to establish near-term production and early cash flow using modest initial throughput and staged expansion, providing a robust foundation for project finance discussions while limiting the need for near-term equity dilution.

Development scenarios are being stress-tested to ensure that cash flow is durable and that debt-service metrics remain robust under conservative price and cost assumptions, reinforcing the risk-mitigated, finance-first nature of the development pathway.

Stage 2: Tunkillia Gold Project

At Tunkillia, the OSS demonstrates strong economics across a range of throughput and cost scenarios, underpinned by shallow mineralisation, favourable strip ratios and a conventional CIL flowsheet. Importantly, the study highlights flexibility to stage development and capital deployment, allowing BGD to align project scale and timing with funding capacity rather than pursuing maximum theoretical NPV at the expense of financing resilience.

With gold and silver prices materially above OSS assumptions, Tunkillia offers meaningful upside at spot while maintaining a conservative base case. BGD expects onoing technical work to further refine efficiencies and execution certainty as the project progresses toward PFS.

Capital requirements and balance sheet discipline

BGD's staged development model is deliberately structured to moderate capital requirements and reduce funding risk, particularly in the early phases of execution. Leveraging sunk infrastructure and existing permits at the CG Mill materially lowers initial capital intensity, while optimisation and value-engineering at Tunkillia aim to deliver a capital-efficient large-scale development without front-loading expenditure.

Recent equity raisings have been measured and targeted, defying recent market trends to place capital at slim margins (or at a premium). This has strengthened the balance sheet while preserving shareholder value. Management has also indicated that potential divestment of non-core assets could further bolster the cash position over time, providing additional flexibility as feasibility work advances.

Funding pathways and share register support

While no binding financing arrangements have yet been announced, BGD anticipates pursuing a balanced mix of project debt and equity once feasibility studies are completed. The combination of near-term cash flow potential at Challenger and long-life scale at Tunkillia supports a staged financing pathway, with Stage 1 production intended to de-risk and support Stage 2 funding, reducing reliance on large, upfront equity raises.

BGD is supported by a stable and experienced share register, including long-term institutional and strategic investors. This provides credibility in financing discussions and underpins management's ability to access capital on disciplined terms. Together, a risk-mitigated approach, finance-first execution, capital discipline, staged growth and shareholder support underpin a credible, financeable pathway toward final investment decisions across the portfolio.

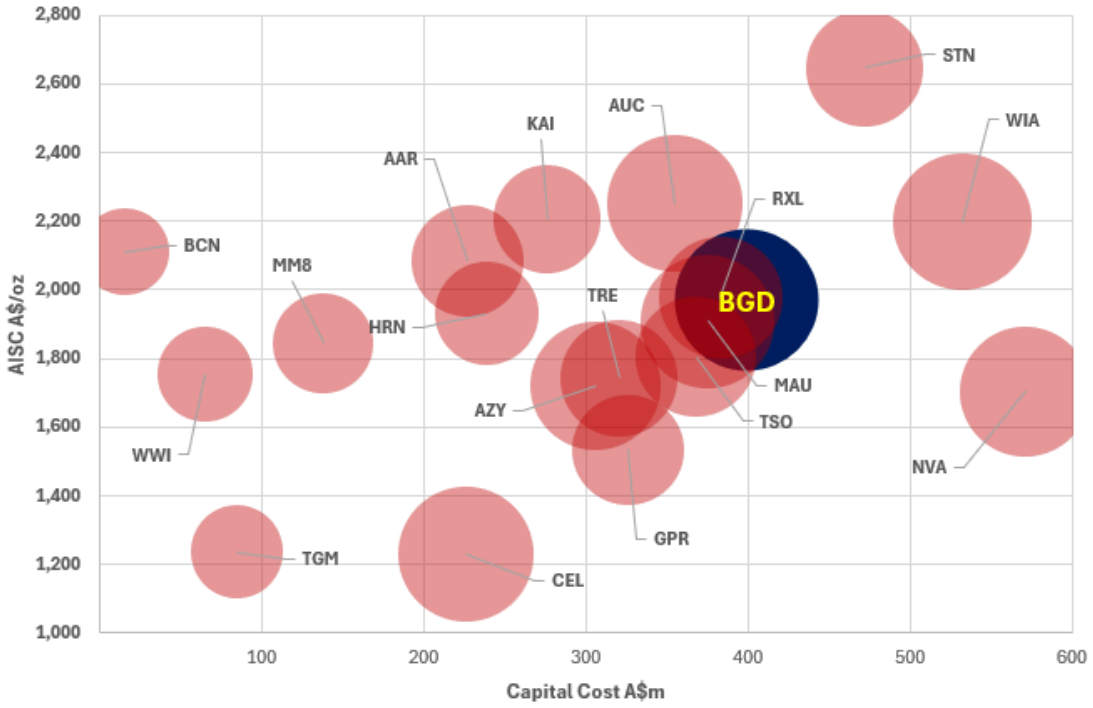
BGD has appointed Bedrock Advisory Partners to manage the credit portion of the financing process for targeted 'Stage 1' operations at the CG Mill and Challenger Gold.

Peer Comparison: BGD Lines Up

BGD sits in the second quartile of its peers when taking into consideration capex, production potential, resource size, grade and AISC.

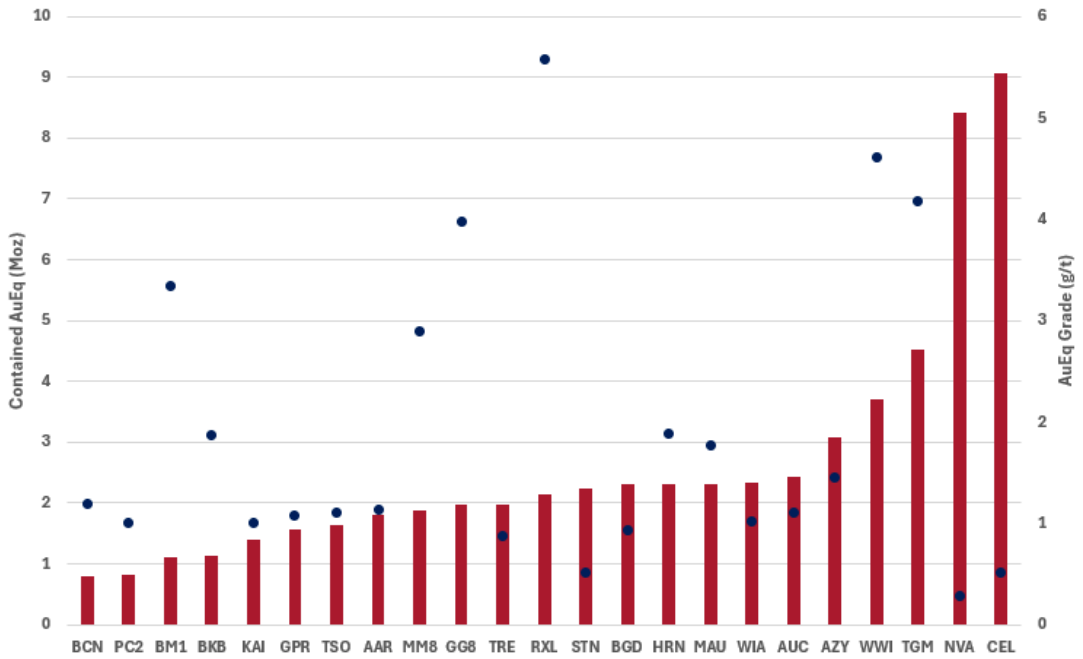
BGD is a significant sized future producer, sitting in the top half of its peers. The AISC is competitive with peers, while the capex for the CG Mill plus Tukillia is relatively similar to a significant group of comparables. Grade sits at around about the average of peers while contained gold resource sits in the top half of peers.

Figure 23: Capex, AISC and Production (bubble size = production size)



Source: Company data, MST, Goldnerds

Figure 24: Contained AuEq and grade



Source: Company data, MST.

Valuation: Premium Location; High-Value Projects

We see BGD as substantially undervalued

Our base-case valuation for BGD is A$2.58 per share, representing significant potential upside from the current share price. In our view, the share price does not factor in the value of the projects given their premium location and tier-1 jurisdiction, established infrastructure, low environmental risk, strong government support, exploration potential, scale potential for significant improvements to the economic fundamentals of the projects from the revised DFS and the underlying gold and silver price.

We also consider that our valuation is relatively conservative and has strong potential for further upgrades.

We believe that the exposure to gold and silver is positive given the strong short- and medium-term fundamentals for the commodities.

Figure 25: Valuation Scenarios

Valuation Scenario	A$ Valuation per share
Base Case - Risked NPV	2.58
Unrisked NPV	3.50
Spot price valuation NPV	5.78
EV/Resources	1.27

Source: MST

Figure 26: Valuation – sum of the parts (base case)

NPV_{10} OF PROJECTS	A$m	Ownership	Probability Risk Weighting	A$m Valuation	A$/share Valuation
CG Mill and Challenger Mine Project	246	100%	80%	197	0.68
Tunkillia Gold/Silver Project	727	100%	70%	509	1.76
Exploration & Investments	50	100%	100%	50	0.17
Corporate Costs	(30)	100%	100%	(30)	(0.10)
Net Cash (Debt)	20.0	100%	100%	20	0.07
Total	**1,013**			**746**	**2.58**
WACC					10.0%
AUDUSD					0.65
Shares on issue (Undiluted) m					238.7
Options & Performance Rights m					16.9
Additional Equity Required m					33.9
Shares on issue (Fully Diluted) m					289.5

Source: MST Access.

Base case: A$2.58 per share (fully diluted)

Methodology: sum of the parts with risked NPV_{10} for CG Mill/Challenger Mine and Tunkillia

For our base-case valuation, we value BGD using sum of the parts (SOTP), combining:

- **A$0.68 NPV_{10} for the CG Mill and Challenger Mine.** We consider that the project has a strong chance of proceeding to development and thus allocate a probability risk weighting of 80% to the project.
- **A$1.76 NPV_{10} for the Tunkillia Project.** We also believe that this project, the company's main value driver, has a strong chance of proceeding to development but that it is slightly higher risk than CG Mill/Challenger. We thus allocate a probability risk weighting of 70% to Tunkillia.
- **A$0.17 for Tarcoola & Wudinna and exploration upside.** We believe that the potential for Tarcoola and Wudinna development is strong but that it is at too early a stage to develop a production profile. We also see further potential exploration upside across the portfolio.

Assumptions on CG Mill/Challenger Mine and Tunkillia: the core of our valuation

We have completed an NPV assessment of the CG Mill/Challenger Mine and Tunkillia Projects. Our assumptions are outlined in Figure 27, with further details discussed below.

CG Mill/Challenger Mine

CG Mill/Challenger Mine is a brownfield project which incorporates an existing mill with a known capacity of 600ktpa as well as an existing resource (a combination of tailings and underground).

- Our valuation is based on the existing resource converted to a mining inventory, utilising approximately 50% of that resource and developing a 7-year mine life as a result.
- The refurbishment of the mill has been estimated by BGD at A$26m. However, we have taken a more conservative outlook, and taken into consideration that BGD have stated that they will look to improve camp facilities and surrounding infrastructure; we assume capex of A$50m as a result.
- Our valuation assumes that BGD retains 100% of the project and funds the development via a mix of 80% debt and 20% equity. We have conservatively assumed the equity raising to be at A$1.75 per share.
- We note a DFS is due mid-year 2026. This will give us a far more detailed assessment of the project and allow more accurate modelling. We see strong potential for improvements to mine life, opex and capex, as well as the potential for further valuation upgrades.
- We have risked our valuation at an 80% probability.

Tunkillia

- Our valuation is based on the OSS.
- Our valuation assumes that BGD retains 100% of the project and funds the development via cash flow and debt.
- We have risked our valuation at a 70% probability.

Figure 27: Assumptions for CG Mill and Tunkillia NPV_{10} calculation

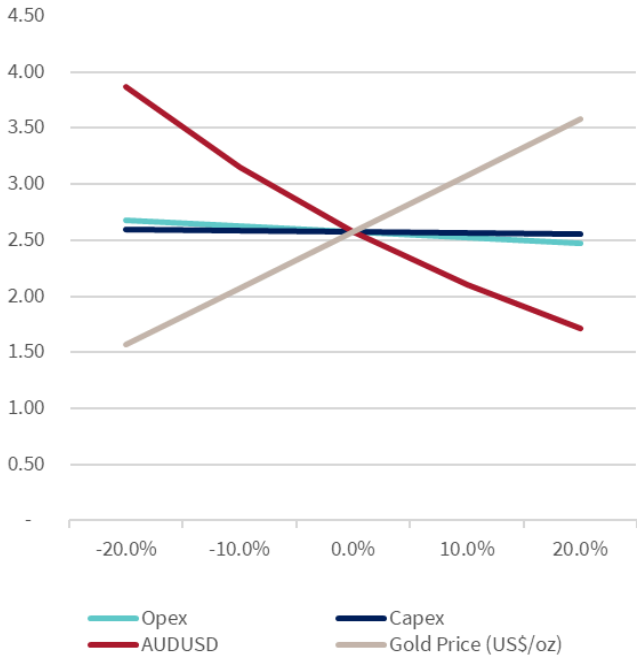
Assumptions	CGM	Tunkilia
PROJECT ASSUMPTIONS		
Project Ownership (%)	100%	100%
First production	FY27	FY31
Annual Gold Production (koz) LOM Avge	22	103
Annual Silver Production (koz) LOM Avge		224
Mine Life (years)	7	9
Pre Production Capex (A$m, real)	50	453
AISC cost (A$/oz , real)	1,775	2,202
FINANCIAL ASSUMPTIONS		
Discount Rate (%)	10%	10%
Inflation Rate (%)	2.5%	2.5%
Probability / Risk Assumption %	80%	70%
Funding Debt / Equity %	80%/20%	Cashflow + Debt
Share price assumption cap raise (A$/s) (Project)	1.75	N/A
PRICING & TAX ASSUMPTIONS		
Gold (US$/oz) -real	3,500	3,500
Royalty Rate (%)	4%	4%
Corporate Tax Rate (%)	30%	30%

Source: MST Access.

Sensitivity analysis

The key sensitivities for our valuation are shown in Figure 28, with the gold price and currency being the key drivers.

Figure 28: Sensitivity analysis



Source: MST estimates.

Alternative valuation scenarios

We have run additional valuation scenarios to demonstrate that the project stacks up under all scenarios and to highlight the undervalued nature of BGD.

Unrisked base-case valuation – A$3.50/share

Figure 29: Valuation – sum of the parts (unrisked base case)

NPV_{10} OF PROJECTS	A$m	Ownership	Probability Risk Weighting	A$m Valuation	A$/share Valuation
CG Mill and Challenger Mine Project	246	100%	100%	246	0.85
Tunkillia Gold/Silver Project	727	100%	100%	727	2.51
Exploration & Investments	50	100%	100%	50	0.17
Corporate Costs	(30)	100%	100%	(30)	(0.10)
Net Cash (Debt)	20.0	100%	100%	20	0.07
Total	**1,013**			**1,013**	**3.50**
WACC					10.0%
AUDUSD					0.65
Shares on issue (Undiluted) m					238.7
Options & Performance Rights m					16.9
Additional Equity Required m					33.9
Shares on issue (Fully Diluted) m					289.5

Source: MST Access.

Unrisked spot price valuation – A$5.78/share

Figure 30: Valuation – sum of the parts (unrisked, spot price)

NPV_{10} OF PROJECTS	A$m	Ownership	Probability Risk Weighting	A$m Valuation	A$/share Valuation
CG Mill and Challenger Mine Project	373	100%	100%	373	1.29
Tunkillia Gold/Silver Project	1,260	100%	100%	1,260	4.35
Exploration & Investments	50	100%	100%	50	0.17
Corporate Costs	(30)	100%	100%	(30)	(0.10)
Net Cash (Debt)	20.0	100%	100%	20	0.07
Total	**1,673**			**1,673**	**5.78**
WACC					10.0%
AUDUSD					0.70
Shares on issue (Undiluted) m					238.7
Options & Performance Rights m					16.9
Additional Equity Required m					33.9
Shares on issue (Fully Diluted) m					289.5

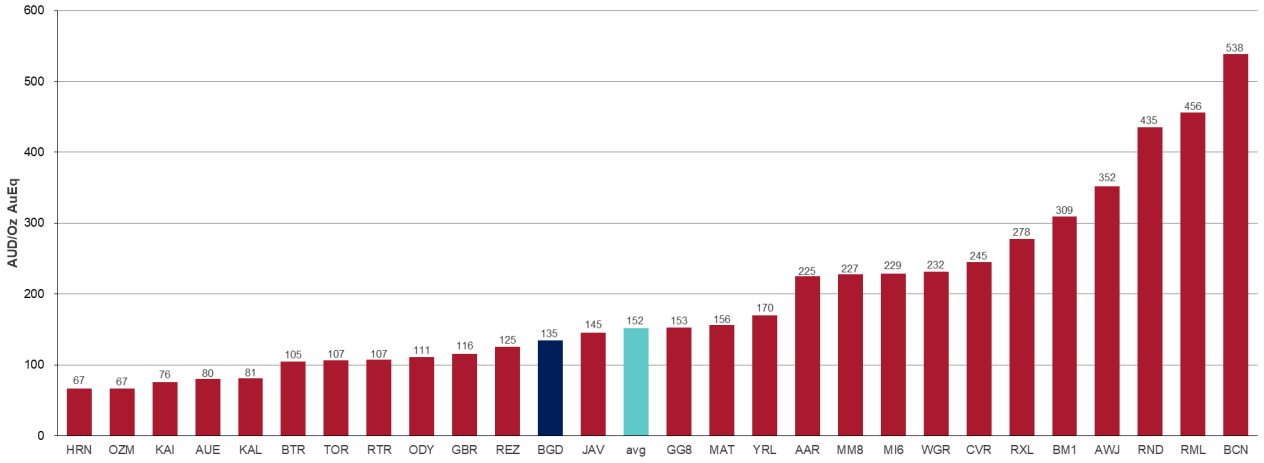
Source: MST Access.

EV/Resources: an alternative 'cross-check' valuation of A$1.27 per share

An additional check on our valuation is to observe how the market values the resources of BGD and its ASX-listed gold peers using EV/Resources (see Figure 31). This valuation metric shows the relative value the market attributes to the company's reserve and resource base.

BGD has an EV/Resource value of A$135/oz of contained gold equivalent. The average of BGD's peer group is A$152/oz of contained gold equivalent, 1.12x that of BGD. If we apply the market valuation to BGD, this implies that the stock is worth A$1.27 per share.

Figure 31: EV/Resource, contained gold equivalent – peer comparison



Source: MST, company data.

Positive catalysts for share price/valuation

We believe that BGD has significant potential for further share price upside and capacity to move towards our valuation. Above that, further development of the projects and significant funding for them could potentially move the share price beyond our current valuation as the risks of the projects being delivered reduce. We highlight a number of key milestones/catalysts which may deliver share price upside over the near term and move the stock price towards our valuation.

Gold and silver pricing

The gold (primarily) and silver (by-product) prices are key inputs to the revenue/AISC for the projects, and positive pricing is a strong driver of the stock price.

CG Mill – DFS then progression towards first production

The CG Mill is the first project delivering production and cash flow for BGD. Key catalysts for the project will be completion of the DFS, funding, start of site works and first production.

Tunkillia – working toward a PFS

Tunkillia is working towards a PFS in October 2026, which will give details of key inputs such as capex, opex and production forecasts. There are a number of key catalysts leading to the delivery of the PFS, including further upgrade drilling results and upgraded MRE and delivery of a maiden reserve along with the PFS.

Further exploration – all 4 assets

All of BGD's projects have exploration upside. There will be key drilling results over the next 6–12 months with particular focus on the ultra-high-grade Tolmer prospect. Further success would be positive for the share price.

Funding

BGD may attract strategic interest, which may be in the form of direct project interest, equity participation or offtake funding, royalties or metals streaming agreements in addition to project finance and equity finance. Delivery of funding solutions for projects is a major catalyst for the stock.

Project execution

Final execution and delivery of production and cashflow act as major catalysts for project-based stocks such as BGD.

Risks to share price and valuation

BGD's location in SA with beneficial access to existing critical infrastructure, as well as its tier-1 location and strong fundamentals, are all notable positives for the projects. We believe these factors partially offset the risk inherent to a mining development in general as well as project-specific risks which we identify below.

Project development risks

BGD, like all mining developers, faces typical schedule and cost risks as it works to advance its project and transition into construction and production. This is particularly in focus during the construction and ramp-up phase which BGD will be approaching at the end of 2026.

Funding

Funding remains a risk for BGD. BGD has ~A$17.2m in the bank at 31 Dec 25, so is funded to advance the CG Mill to production and Tunkillia to PFS. The key funding of the projects remains a risk.

Exploration success

BGD will continue to explore the projects. Adding scale to the existing resource base will require ongoing success with drilling. The work done to date is very encouraging; however, there is no guarantee ongoing exploration will be successful.

Gold and silver price

BGD's primary revenue is from gold with secondary revenue from silver. Any movements in these commodity prices will have an impact on valuation and potential earnings. Investor sentiment remains the key risk to both gold and silver prices.

Leadership Team: Deep Mining Expertise

BGD's highly credentialed leadership team has experience in mineral exploration, project development, corporate governance and capital markets. Collectively, the team brings decades of experience across precious metals and mineral systems in Australia and internationally. All of BGD's executive team and employees are SA-based, providing a depth of local relationships and experience that supports its local development ambitions. The team's expertise, strong capital markets capability and governance experience position BGD well to advance its projects in SA. Key appointments are detailed below.

Board

Kenneth Williams – Non-Executive Chairman has over 30 years' corporate and financial experience, including over 20 years as a director of resource exploration companies and 9 years as director and chair of AWE, providing a solid grounding in ASX-listed resource company governance and strategy. Previous roles as Group Treasurer, CFO and Group Finance Executive at Normandy Mining (later Newmont Australia) give him relevant gold sector finance, capital management and risk oversight experience. He is currently a director of SA Water and was formerly Chair of Statewide Super, gaining additional prominent board-level governance and stakeholder experience.

Alexander Scanlon – MD & CEO, BGD's founder, has ~20 years' experience in financial analysis, structured finance, principal investments and mining investment and advisory, supporting the commercial and capital allocation framework for BGD's gold strategy. He has led BGD as MD and CEO since 2019, providing continuity from pre-IPO project consolidation through to the company's current transition to gold project development and financing. He previously led PARQ Capital Management, worked as a Director at Lusona Capital on corporate advisory and principal investments in natural resources, and held a role in the Principal Investments Area of Barclays Capital, giving him exposure to transaction structuring and capital markets in the mining and international financial sectors.

Christian Paech – Non-Executive Director is a corporate lawyer with more than 25 years' experience, including as General Counsel and Company Secretary of Santos, where he advised the board on M&A, major transactions, litigation, risk management and continuous disclosure. His earlier work as a partner at Piper Alderman and as a lawyer at Herbert Smith Freehills and Ashurst involved complex project, regulatory and commercial matters across energy & resources. This supports BGD's approach to project agreements, permitting, risk management and disclosure for its gold projects.

Graham Arvidson – Non-Executive Director is a mechanical engineer and mining executive with around 20 years' experience in project studies, design, construction, commissioning and operations in mineral processing environments. As CEO of Australian Vanadium and former GM of Operations and Maintenance at Primero Group, he has worked on project development, operational improvement and plant optimisation, experience that is applicable to BGD's processing and restart options in the Gawler Craton. His technical and operational perspective helps the board assess study results, capital requirements and execution risks for BGD's gold development plans.

Key management

Nicola Frazer – Chief Financial Officer & Company Secretary is a finance executive and Chartered Accountant with over 25 years' experience in mining and oil & gas in SA, including ~20 years in senior roles at Normandy Mining (Newmont Australia) and Beach Energy. She has experience in corporate finance, accounting, investor relations, commercial development and government grant and incentive programs. This supports BGD's financial management, treasury, governance obligations and investor engagement as its gold projects progress.

Marc Twining – General Manager Exploration is a geologist with more than 25 years' global experience in resource discovery and development, with a particular focus on SA gold, copper and copper-gold systems. He has held roles with Normandy Mining and Newmont as an exploration geologist, worked as Exploration Manager for junior companies and served as Senior Principal Geoscientist at the Geological Survey of SA, involved in discovery work, feasibility assessments and permitting for significant deposits. His regional and technical experience is central to BGD's plans for exploration, resource growth and advancement of prospects through studies and approvals.

Kim Russell – General Manager Development is a mining engineer with ~30 years' experience in developing and operating large-scale open pit gold, iron ore, base and specialty metal projects, with a focus on feasibility studies and new mine development. He has served as Head of Mining Operations for Rex Minerals' SA greenfields Hillside copper-gold project and as Manager of Technical Services at Harmony Gold, working on technical planning and performance for gold operations. He has also been involved in feasibility and implementation for Pilbara Minerals' Pilgangoora lithium project and worked as an Associate Director at PCF Capital (Argonaut), gaining project evaluation and financing experience.

ESG: Advancing its Commitment in South Australia

BGD is advancing its projects while embedding a commitment to long-term sustainability. The company's positive approach to environmental, social and governance (ESG) issues is evident in its planning, development activities, and broader corporate objectives.

Environment – responsible development that is fit-for-purpose

The projects – risk and regulation

All of BGD's projects are located in SA's Gawler Craton mining district, a jurisdiction known for its strong environmental oversight and community engagement standards. BGD is at the development stage, with comprehensive environmental baseline studies and impact assessments underway to inform the forthcoming studies. Gold and silver mining projects present inherent environmental challenges, particularly around water usage, tailings management, and land disturbance. BGD recognises these risks and is committed to mitigation through modern processing technologies, progressive rehabilitation, and adherence to SA's strict regulatory frameworks.

BGD benefits from operating in one of Australia's most established mining jurisdictions, where transparent environmental standards and permitting processes have guided resource development for decades. BGD has engaged independent environmental consultants to advise on flora, fauna, groundwater, and cultural heritage, ensuring best practice from exploration through to project delivery.

The products: gold and silver – critical in many ways

By responsibly developing its projects, BGD can contribute to a secure supply of gold as a monetary instrument, and silver as a future-facing metal central to renewable infrastructure, advanced manufacturing, and global supply chains.

Gold

Gold retains its central role as a long-term store of value and is rapidly re-emerging as the geopolitically neutral reserve asset of choice following rising tensions between post-WWII competitors and allies alike. BGD's operations at the CG Mill and Tunkillia are designed to produce high-purity gold doré through a conventional process. The company aims to maximise metallurgical recoveries while minimising reagent, water, and energy consumption, aligning operational efficiency with responsible and sustainable mining practices.

Silver

Silver is critical in clean energy. It is essential for solar panels, electronics, and high-efficiency electrical applications due to its unmatched conductivity. Its role in renewable energy generation and electrification aligns both the Tunkillia Gold Project (where it is a by-product) and the Tolmer prospect (where it may feature as the primary metal of value) with the global energy transition.

Social – regional engagement and shared value

BGD is committed to building positive, enduring relationships with stakeholders in SA, including local communities, landholders, and Indigenous groups. The company recognises the importance of cultural heritage and conducts consultation to ensure exploration and development respect traditional landowners and community values. BGD expects that project development will create regional employment opportunities, supply chain activity, and skills transfer, contributing to SA's critical minerals strategy and the economic growth of the Eyre Peninsula, Upper Spencer Gulf and Central Gawler regions.

Governance – strong leadership and accountability

ASX Corporate Governance Principles and Recommendations

BGD has adopted the *Corporate Governance Principles and Recommendations* issued by the ASX Corporate Governance Council, reinforcing its commitment to transparency, accountability, and effective oversight.

Board of Directors

The Board is responsible for BGD's corporate governance framework, setting and reviewing strategic objectives, overseeing risk management, and monitoring performance against shareholder and stakeholder expectations. The Board's specific roles and responsibilities are detailed in BGD's Corporate Governance Statement.

BGD's board comprises 4 experienced members. Collectively, they bring a strong and complementary mix of technical, financial, managerial, and governance expertise. Their backgrounds span geology and exploration, mining operations, corporate finance, and government advisory, providing BGD with the depth of leadership required to advance its projects through feasibility, approvals, and development.

The board consists of 3 independent directors, therefore conforming to the ASX Corporate Governance guidelines of at least 50% independent director representation.

Figure 32: Board experience and skill matrix

Experience Skills and Attributes	Board Members			
	Kenneth Willaims	Alexander Scanlon	Christian Paech	Graham Arvidson
Professional and Tertiary Skills				
Commerce and Business	✓	✓	✓	✓
Law			✓	
Financial/Accounting and Governance	✓	✓		
Members of professional body in field of expertise	✓	✓	✓	✓
Industry Experience				
Resource industry (resources, mining, exploration)	✓	✓	✓	✓
Risk management and compliance	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓
Capital raising	✓	✓	✓	✓
Financial acumen	✓	✓	✓	
Safety, environment and community relations		✓		✓
Strategy	✓	✓	✓	✓
Politics/regulatory			✓	
Leadership	✓	✓	✓	✓

Source: MST Access, BGD.

Appendix 1: Gold – Detailed Market Update

The golden hour – time to shine

What is gold?

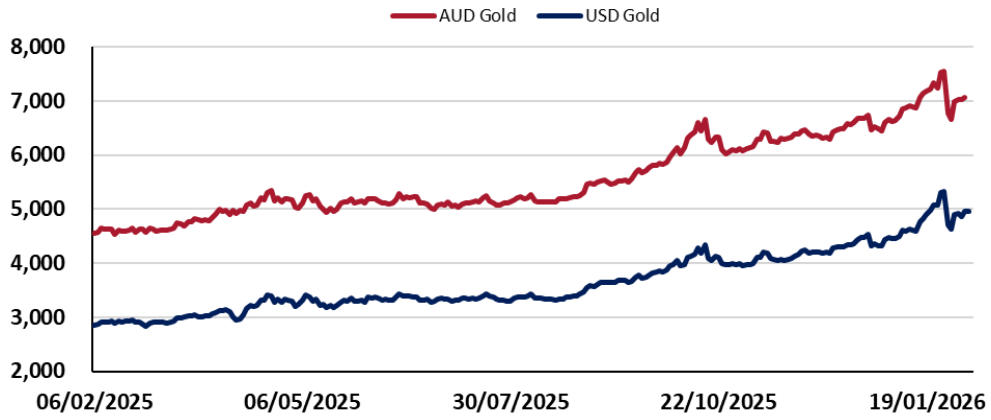
Gold has long been recognised as a strategic commodity, valued for its rare combination of physical resilience and financial permanence. Unlike ordinary base metals, gold is chemically inert and physically indestructible. It does not oxidise, corrode, or degrade under normal environmental conditions. Once refined, it maintains its form and purity indefinitely, a defining attribute that underpins its reputation as humanity's most reliable store of value and collateral asset across economic cycles.

Gold's scarcity reinforces this role. Global supply is structurally constrained, with annual mine production typically in the low thousands of tonnes and new large-scale, low-cost discoveries increasingly uncommon. Meanwhile, refined gold is perfectly homogenous: a one-ounce London Good Delivery bar from any accredited refiner is identical to another, ensuring full fungibility and transparency across global markets.

Another hallmark is gold's liquidity and universal recognition. It has no counterparty risk, and is therefore accepted across all major financial systems and cultures, functioning simultaneously as an investment asset, a reserve instrument, and a trusted medium of exchange. This universal acceptance creates one of the deepest and most continuous markets in the world, supported by central banks, institutional investors, and private capital.

Ultimately, gold occupies a dual position at the intersection of commodity and money. It holds some consumption value through jewellery and limited industrial applications, but its core investment appeal lies in wealth preservation. Its durability, homogeneity, and international acceptance allow it to maintain purchasing power and act as a hedge against inflation, currency debasement, and geopolitical uncertainty. Overall, gold is best described as a finite, indestructible, and liquid asset with intrinsic transactional utility and enduring strategic relevance in modern portfolios.

Figure 33: Gold spot price (US$/oz and A$/oz)



Source: Factset

Monetary metal

Gold's role as a monetary metal underpins its enduring relevance and distinguishes it from ordinary commodities. For millennia, gold has served as money or as the foundation of global monetary systems. Although fiat currencies now dominate, gold continues to exhibit monetary characteristics functioning as a durable store of value, universally accepted medium of exchange, and effective hedge against currency debasement. This perception sustains deep, structural demand from both sovereign and private investors.

Unlike fiat currency, gold's supply growth is fundamentally constrained. Global mine production has risen only modestly over the past decade, reaching new highs only in small increments as declining ore grades, limited discoveries and permitting challenges cap expansion. This slow, structurally inelastic supply contrasts sharply with periods of rapid monetary expansion, reinforcing gold's scarcity value and its role as a durable hedge against inflation and currency debasement.

Central bank behaviour continues to validate gold's monetary status. The World Gold Council's 2025 survey indicates that a majority of central banks plan to increase gold reserves over the next 12 months, primarily to diversify holdings and reduce reliance on the US dollar. Sustained official-sector buying has been a defining driver of gold prices in recent years, contributing to record net purchases and underscoring gold's appeal as a politically neutral and credit-risk-free reserve asset.

Importantly, gold is also a counterparty-risk-free asset when held physically, underscoring its strategic value to sovereign holders of the metal. Unlike bonds, equities, or deposits, its value does not depend on any issuer's solvency or contractual payment obligation. This independence becomes especially valuable during periods of financial stress or waning institutional trust.

Here, gold functions as both a monetary anchor and a portfolio hedge, retaining its relevance across economic regimes. Its finite supply, sustained sovereign accumulation, and absence of counterparty exposure anchor its position as a strategic reserve asset, offering diversification, liquidity, and protection against systemic risk.

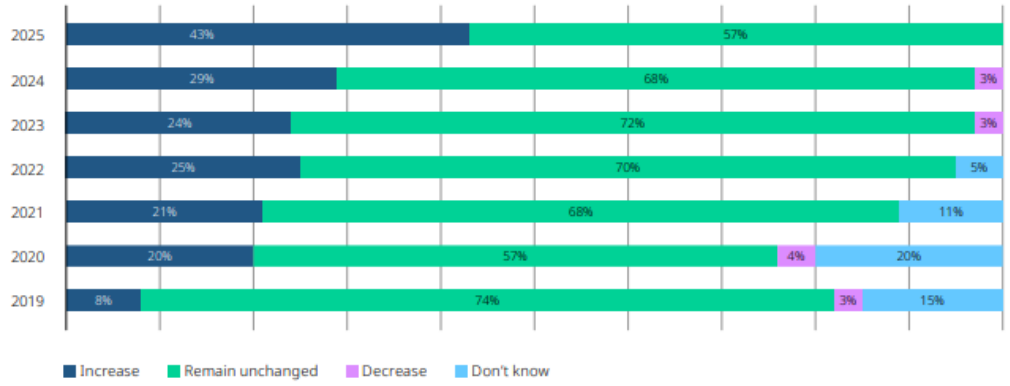
Macro catalysts for gold

Gold's long-term investment case is being reinforced by a convergence of structural macroeconomic, geopolitical, and institutional trends. While near-term price movements often reflect inflation expectations or interest-rate shifts, the deeper drivers of demand are increasingly strategic, long-duration, and global in nature.

Institutional portfolio reallocation

Institutional investors are reassessing traditional portfolio construction as the 60/40 equity-bond model faces persistent drawdown risk in a higher-for-longer rate environment. An assortment of institutional investors are revising their long-term recommended allocation framework to 60% equities, 20% bonds and 20% gold, signalling a paradigm shift and repositioning gold from a tactical hedge to a core portfolio component. Widespread adoption of similar models across the global asset-management industry could translate into significant incremental inflows, given the trillions of dollars managed under institutional mandates which are currently more aligned to the traditional 60/40 model.

Figure 34: Expectation on change in institutional gold reserves over next 12 months

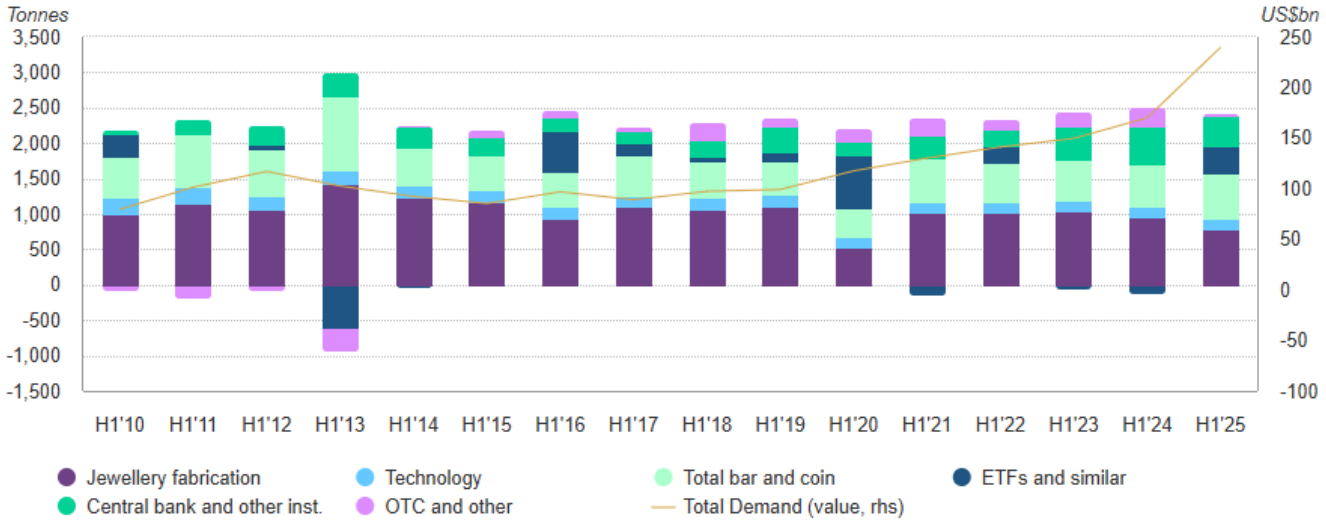


Source: World Gold Council.

Supply constraints amid rising demand

Gold's supply base remains structurally inelastic. According to the US Geological Survey 2024, global mine output was at 3,300t in 2024, reflecting minimal year-on-year growth from 3,250t. Declining ore grades, higher input costs, and prolonged development timelines continue to limit new project delivery. Recycling volumes provide only partial relief, while official-sector demand continues to strengthen. It has been noted that most reserve managers intend to increase gold holdings over the next 5 years, reinforcing a persistent supply-demand imbalance that supports a structurally bullish outlook.

Figure 35: Historical supply and demand dynamics of gold

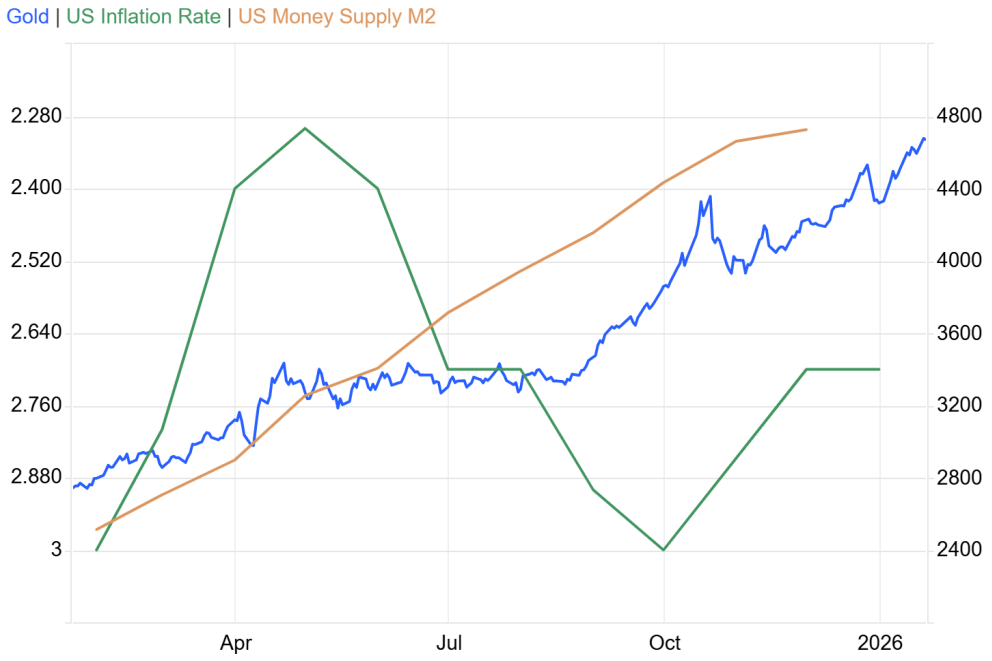


Source: World Gold Council.

Inflation, real yields and monetary policy

Gold typically performs best when inflation is elevated or accelerating, and real yields (nominal rates minus inflation) are low or negative. Under these conditions, the opportunity cost of holding non-interest-yielding gold declines, driving portfolio reallocation. While inflation has moderated from its 2022 peaks, disinflationary plateaus combined with ongoing fiscal expansion in developed economies suggest that real yields may remain volatile, an environment historically favourable for gold.

Figure 36: Gold price (US$/oz, RHS) versus the US inflation rate and US M2 supply

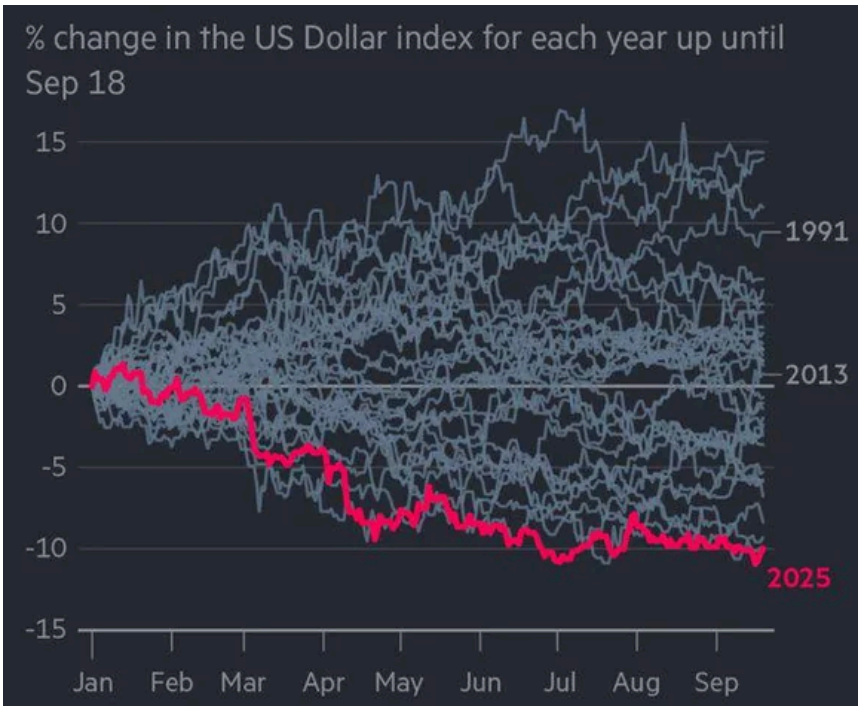


Source: Trading Economics.

Geopolitical and currency risks

Heightened geopolitical tension, trade fragmentation, and the weaponisation of reserve currencies have further strengthened gold's appeal as a neutral store of value. Episodes such as sanctions, trade disputes, and regional conflicts have prompted sovereign and private investors alike to diversify away from fiat assets and hedge against systemic risk. Additionally, a weaker US dollar amplifies gold demand in non-USD markets by improving affordability and encouraging reserve diversification.

Figure 37: The US dollar index (negatively correlated to gold) is weak in 2025

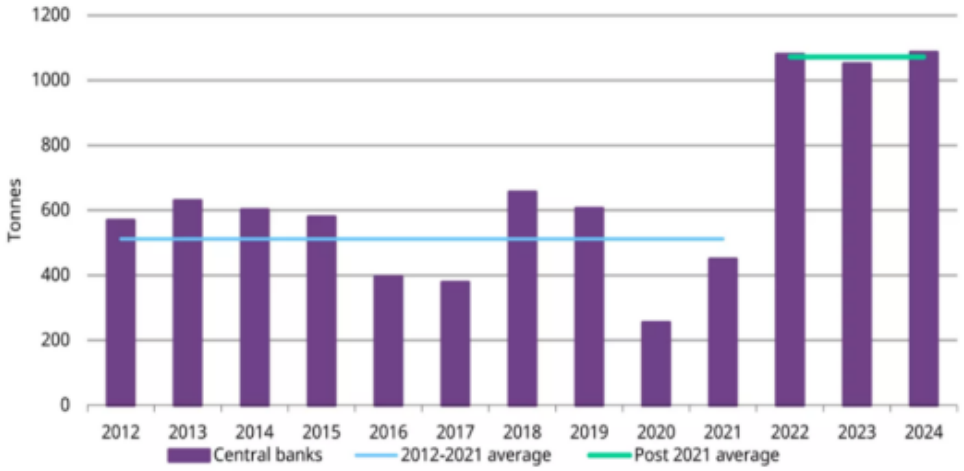


Source: The Financial Times.

Reserve diversification and de-dollarisation

The global trend toward de-dollarisation continues to reshape reserve-management strategies. A 2025 Reuters survey found that 76% of central banks expect to increase gold reserves within 5 years, while nearly 75% plan to reduce exposure to the US dollar. This strategic rebalancing reflects growing caution over US fiscal sustainability, sanctions risk, and over-concentration in dollar-denominated assets, thereby positioning gold as the preferred reserve diversification instrument for both emerging and developed economies over the coming years.

Figure 38: Central banks are adding to their precious metal reserves

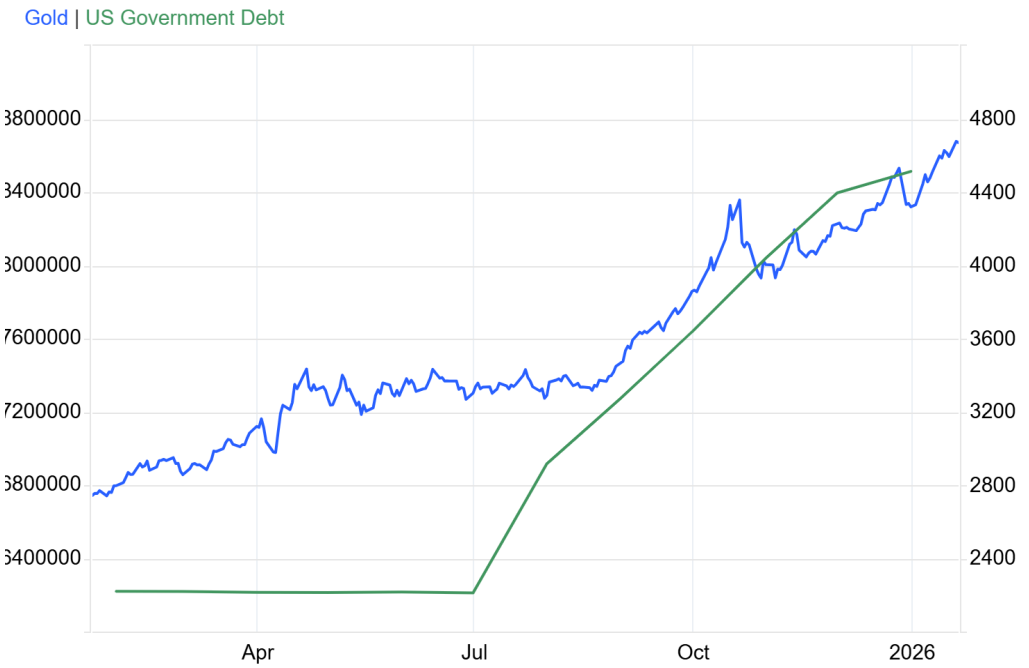


Source: Metals Focus, World Gold Council.

Excessive debt and fiscal fragility

US fiscal dynamics remain a central tailwind. The US debt-to-GDP ratio exceeded 125% in 2025, with federal debt approaching US$38tn. Rising deficits and expanding debt issuance have begun to erode confidence in the long-term sustainability of fiat currency systems. In response, central banks have accelerated gold accumulation: US Treasury gold holdings now exceed US$1tn at mark-to-market value, and global official reserves continue to grow. These conditions reaffirm gold's historical role as a store of value amid fiscal stress and a hedge against sovereign credit risk.

Figure 39: Gold price (US$/oz, RHS) versus US Government debt (LHS)

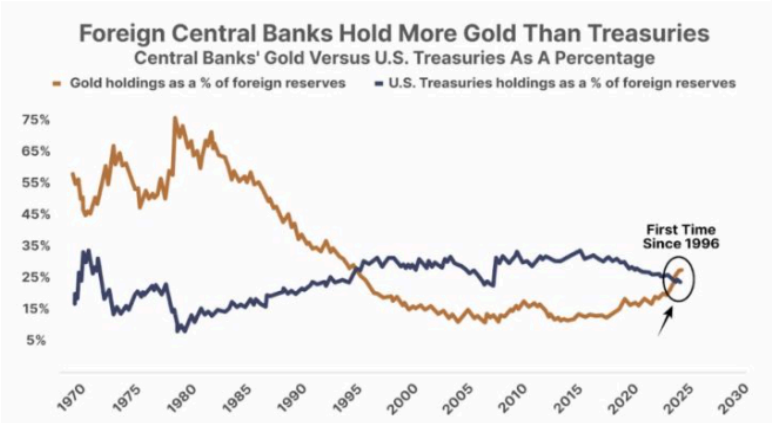


Source: Trading Economics.

Global monetary demand heating up

For the first time since 1996, foreign central banks collectively hold more gold than US Treasuries as a share of foreign reserves, an inflection point reflecting a material strategic rotation away from the US dollar and toward real, inflation-hedged assets. This shift evokes parallels with the 1970s era of monetary turbulence, when gold regained prominence amid inflationary shocks, currency instability, and declining confidence in the US dollar (most notably after President Richard Nixon broke the US dollar gold peg in 1971). With global monetary authorities reweighting toward real reserves, structural demand for gold continues to build, reinforcing its status as a cornerstone of both sovereign balance sheets and institutional portfolios.

Figure 40: Central banks are ramping up purchases of gold over US Treasuries



Source: Bloomberg.

Supply, recycling and industry dynamics

A clear understanding of supply fundamentals is central to evaluating the strength and sustainability of the gold market. While demand-side catalysts often dominate short-term sentiment, long-term price support is also shaped by structurally constrained supply, limited recycling elasticity, and disciplined industry behaviour.

Mine production

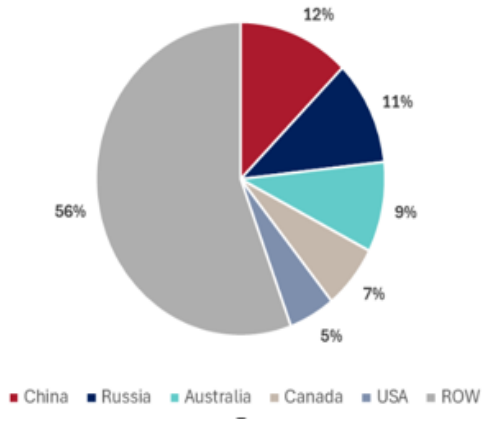
Global gold mine output remains broadly flat, underscoring the inelastic nature of supply. Industry estimates of worldwide mine production was approximately 3,300t in 2024, up only marginally from around 3,250t in 2023.

At the country level, China remained the largest producer in 2024, with output of roughly 380t, representing about 12% of global supply. Russia, Australia, Canada, and the US followed, collectively accounting for approximately 44% of global mine production (including China).

Key structural features

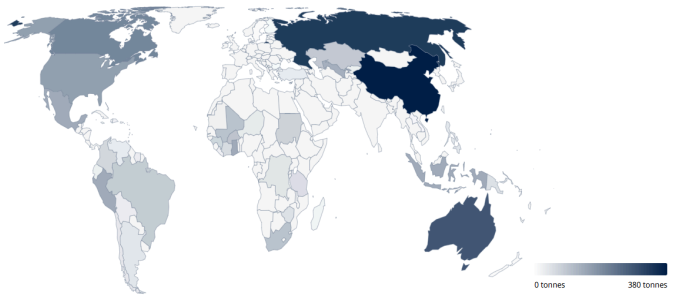
- Despite elevated gold prices, mine supply continues to grow only marginally. The discovery and development of new large-scale, low-cost deposits are increasingly difficult, capital-intensive, and time-consuming.
- Geographical diversification is improving, with producing assets on every continent except Antarctica. However, the industry has seen fewer tier-1 discoveries in recent years, and project lead times continue to lengthen.
- Rising input costs, declining ore grades, tightening ESG standards, and slower permitting cycles have further constrained supply elasticity, even amid strong price environments.

Figure 41: 2024 global production volumes by %



Source: Metals Focus, World Gold Council.

Figure 42: World map of global gold producers



Source: Metals Focus, World Gold Council.

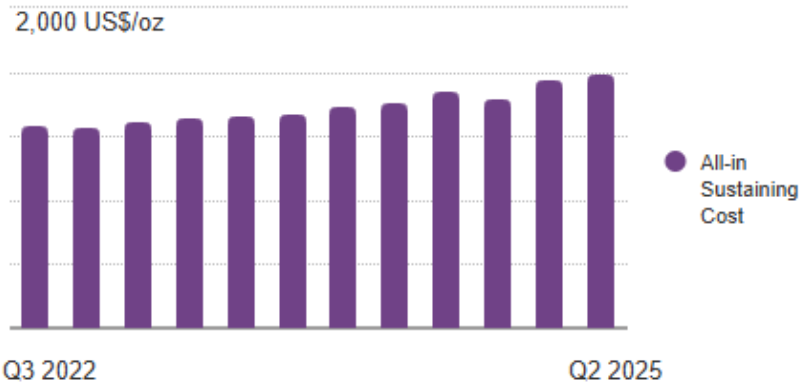
Recycling and secondary supply

Recycled gold (from jewellery, electronic scrap, bullion sales) remains an important but limited secondary source, typically providing the balance of supply after mine production's roughly 75% share. Its response to price signals is muted. Even in periods of elevated prices, consumers (especially those in cultures and monetary systems where gold remains centrally accepted as the purest form of money) may hesitate to sell gold viewed as a store of value. In 1Q2025, global supply rose about 1% year-on-year to ~1,206t, driven by record mine output of ~856t, while recycling actually slipped 1% to ~345t. Recycling tends to function more as a stabiliser than a growth engine, expanding modestly during distress or sharp price spikes and contracting when investors favour long-term holding. In a bullish cycle, this inelasticity tightens the market balance and supports higher prices.

Cost curves, margins and producer implications

Industry AISCs rose steadily through 2Q2025, reinforcing that margin leverage matters most for low-cost gold producers. With revenue tied to USD gold prices and many costs incurred in AUD, Australian producers benefit from both strong bullion prices and a weaker AUD/USD. Higher prices accelerate project payback and expand strategic options such as M&A, though cost inflation in labour and consumables can erode some of that upside. Sustained value creation depends on keeping cost discipline as the gold price lifts.

Figure 43: Gold mining AISCs are continuing to increase



Source: World Gold Council.

Demand by use case

While institutional investment and central bank accumulation often dominate market narratives, physical consumption through jewellery and technology remains a critical pillar of global gold demand. These segments provide consistent baseline demand, anchoring the market through cyclical fluctuations in investment sentiment.

Figure 44: End-use cases of gold

Source: Government of South Australia.

Jewellery demand

Jewellery continues to represent the largest single source of annual physical gold demand, typically accounting for 51% of total global consumption. However, this segment is highly price-sensitive. At elevated gold price levels, purchasing volumes in major consumer markets such as India and China tend to decline as affordability pressures mount, particularly in lower-income and rural segments.

Despite this sensitivity, cultural and seasonal drivers remain powerful. Weddings, festivals, and long-standing traditions ensure a resilient base level of demand across South and East Asia. Jewellery serves a dual function (as adornment and a form of wealth storage), which helps maintain stability in this segment even during periods of price volatility.

Technology and industrial demand

Gold's industrial applications form a smaller but stable portion of total demand. Its superior conductivity, corrosion resistance, and reflectivity make gold unique in high-reliability industries such as electronics, medical devices, aerospace, and emerging clean energy technologies. Although the tonnage is modest relative to jewellery or investment demand, this steady consumption adds to the market's structural resilience. Technological miniaturisation and the expansion of advanced manufacturing applications continue to underpin long-term relevance in this category.

Investment demand

Investment demand encompassing exchange-traded funds (ETFs), bars and coins is the most cyclically volatile component of the gold market, often responding rapidly to changes in macroeconomic sentiment. During periods of heightened uncertainty, inflation concerns, or financial stress, ETF inflows and physical bar and coin purchases tend to surge, amplifying price momentum.

While jewellery and technology consumption provide foundational, price-insensitive demand, it is investment flows and central bank buying that typically generate the incremental 'surge' demand driving gold price rallies. The interaction between these stable and cyclical demand sources creates a balanced but dynamic market structure, supporting the role of gold as both a strategic financial asset and consumption commodity.

Outlook and forecasts

The near-to-medium-term outlook for gold remains constructively bullish, supported by structural demand strength, constrained supply, and persistent macro uncertainty. While short-term corrections are possible, the balance of indicators continues to favour higher average prices relative to historical norms.

Appendix 2: Silver – A Strategic & Precious Metal

Now more important than ever

What is silver, and why is it important?

Silver (Ag) is both a precious and industrial metal, prized for its unique physical and chemical properties. It is the most conductive (electrical and thermal) and most reflective of all metals, making it a critical component in modern technology. Historically valued as a monetary asset, being a store of wealth and medium of exchange, silver's dual role as both currency and industrial input has long set it apart from other commodities.

In recent years, silver has entered a fundamental re-rating phase. Once dismissed as 'poor man's gold', its demand profile has shifted decisively toward industrial fabrication, which now represents the majority of consumption. This is underpinned by non-substitutable, high-growth applications aligned with the global green energy transition, including:

- **photovoltaics (PV):** silver paste in solar cells
- **electric vehicles (EVs):** connectors, battery systems, sensors
- **5G infrastructure & IoT devices:** ensuring high-frequency signal integrity
- **electronics and electrical uses:** switches, semiconductors, consumer electronics
- **emerging technologies:** from data centres to advanced medical devices.

The convergence of price-inelastic industrial demand with persistent supply deficits has repositioned silver as a critical strategic commodity. Global mine supply remains constrained, with ~72% of output being a by-product of base metals and gold, leaving production largely unresponsive to higher silver prices. Moreover, silver's monetary anchor persists, with investors viewing it as a hedge against inflation, currency debasement, and geopolitical risk.

Demand is now dominated by industrial uses

Industrial fabrication has become the defining driver of the silver market, now accounting for more than half of global consumption. This represents a structural break from its historical balance between monetary and ornamental uses, and firmly anchors silver's value in its physical utility rather than its precious metal status.

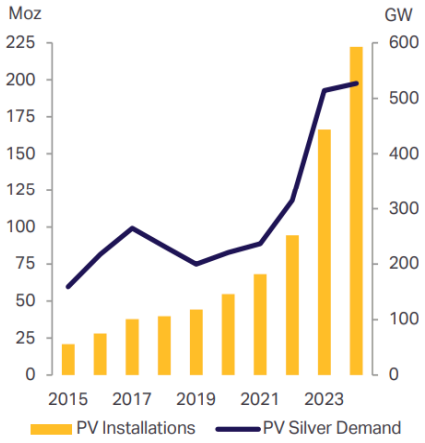
Solar PV represents 19% of demand – and climbing

The solar PV sector is the focal application of this transformation (see Figure 45). PV consumed ~232Moz of silver in 2024, representing ~19% of global demand and a fourfold increase in just ten years. Industry forecasts suggest annual PV demand for silver could climb to ~380Moz by 2030 as installed solar capacity triples. The shift to higher-efficiency solar cells is increasing silver intensity per panel, offsetting industry thrifting efforts. With no viable substitute at scale, silver has become a critical bottleneck in solar deployment.

Automotive electrification – another key engine of demand

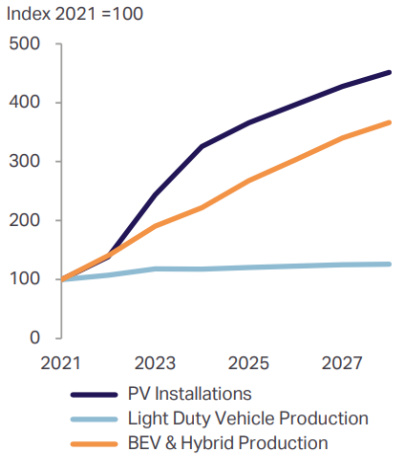
Automotive electrification is emerging as the second key growth engine (see Figure 46). Whereas a conventional internal combustion vehicle contains 15-28g of silver, an EV requires 25-50g. Silver is deployed across EV systems, from battery management and inverters to charging infrastructure and autonomous driving sensors. Industry estimates forecast global EV sales to exceed 30m units annually by 2030, and automotive silver demand is set to expand by ~40% this decade. Critically, this demand is price-inelastic as silver's conductivity and reliability deliver efficiency and safety advantages that cannot be replicated by copper or other alternatives.

Figure 45: Global PV installations (RHS) and silver demand (LHS), 2015–2024



Source: BNEF, Metals Focus.

Figure 46: Silver is leveraged to PV and EV production



Source: GTM, Metals Focus, LMC Automotive, A GlobalData Company.

Other industrial demand drivers

Beyond PV and EVs, silver remains indispensable across the broader electronics and electrical sector, which accounts for ~22-23% of demand. Applications include semiconductors, consumer devices, and high-reliability components for 5G and IoT infrastructure. Growth is also underpinned by the build-out of AI-driven data centres, where silver ensures power efficiency and signal integrity. Silver's antimicrobial properties further extend its industrial relevance into healthcare, supporting applications from wound dressings to hospital equipment.

Crucially, this industrial demand is structural and policy-driven. Unlike traditional industrial commodities, silver consumption is increasingly decoupled from cyclical consumer spending. Government decarbonisation mandates, renewable energy subsidies, and corporate net-zero commitments provide a durable demand floor. Together, these forces are re-rating silver as a cornerstone material of the energy transition and digital economy, embedding long-term, price-inelastic demand growth.

Silver's role as a monetary anchor remains important

While industrial fabrication has become the dominant driver of silver demand, its role as a monetary asset remains a critical function for stability. Investment demand spanning coins, bars, and exchange-traded funds (ETFs) typically represents ~20-25% of annual consumption, providing a countercyclical anchor during periods of macroeconomic stress or geopolitical uncertainty.

In 2025, silver ETFs reached a record 1.1bn ounces at ~US$40bn, highlighting the scale of institutional participation. These inflows have been reinforced by expectations of US Federal Reserve rate cuts, which lower the opportunity cost of holding non-yielding assets, and by a weaker US dollar, which boosts affordability for non-dollar investors. Together, these factors have strengthened silver's global investment case and added momentum to the ongoing rally.

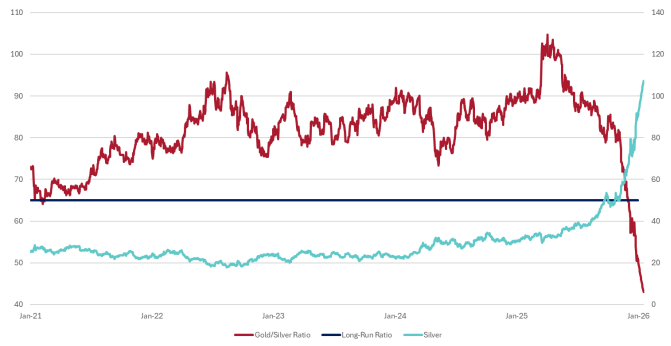
The gold-silver ratio remains a key valuation signal. At ~51:1 in January 2025 it stands below its long-term average of ~65:1 since the abolition of the gold standard in 1971, implying silver may be materially re-rating relative to gold. A reversion toward historical norms would suggest silver could pull back to ~US$72/oz, still an elevated spot price compared to historical norms.

Analogous to gold, silver acts as a hedge against inflation, currency debasement, and systemic risk, which are attributes increasingly relevant amid heightened geopolitical tensions. Unlike gold, silver also benefits from non-discretionary industrial demand. This creates a two-pronged investment case that offers downside protection through monetary demand, and upside potential through further green-technology adoption.

Macro headwinds further support this thesis. US government debt has surged to US$38tn (doubling in the last decade), raising concerns about long-term fiscal sustainability. Silver has historically tracked debt accumulation while moving inversely to the US dollar index (DXY). Over the last 2 years, accelerating de-dollarisation has prompted investors and sovereigns to diversify away from US Treasuries into precious metals. Silver, with its hybrid monetary-industrial profile, stands to benefit considerably from this realignment, as its higher volatility relative to gold should amplify the upside.

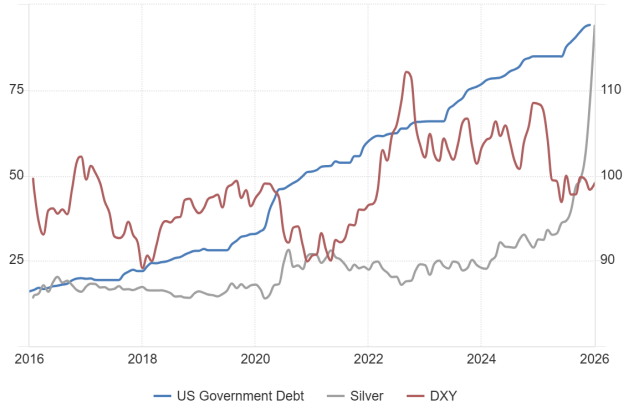
Central banks are reinforcing the shift, consistently purchasing over 1,000t of gold in 2022, 2023 and 2024, which are the highest annual totals in decades. While silver is not typically included in official reserves, these flows reflect a broader rotation away from fiat assets toward tangible stores of value. With central bank balance sheets still elevated, their capacity to redirect capital into precious metals remains substantial, adding further support to the sector.

Figure 47: The current 43x gold/silver ratio indicates a potential re-rating with the long-run average at 65x



Source: Silver and Gold Bullion Spot Price, MSTe.

Figure 48: Silver versus US government debt and USD



Source: Trading Economics.

Traditional sectors in transition

Although silver's industrial and monetary roles now dominate, traditional demand sectors including jewellery, silverware, and photography still remain meaningful, although these are in steady decline as a share of global consumption.

Jewellery and silverware together account for ~15-20% of demand, but are highly price sensitive. When prices spike, consumers in India and Southeast Asia, the largest markets, tend to defer purchases, substitute with lower-value products, or recycle holdings. For example, this year's silver rally has already driven early signs of contraction in Indian demand. Despite this, cultural and ceremonial uses in Asia underpin a resilient base level, ensuring these sectors persist but remain cyclical and less reliable than structural industrial drivers.

Photography, once a cornerstone of silver demand, has undergone a long-term structural decline following the adoption of digital imaging. Today, photography represents <0.5% of total demand, limited to niche applications in analogue film, specialised medical imaging, and select industrial processes. With digitisation continuing to advance, we expect this trend to persist, leaving photography as a marginal contributor to global silver demand.

Supply inelasticity is entrenched; dominated by a few suppliers

Most silver output is as a by-product

Silver's supply profile remains structurally constrained, a key driver of the market's persistent deficit. Unlike bulk commodities such as copper or iron ore, where higher prices typically incentivise production, silver supply is largely insulated from its own fundamentals. Here, ~72% of global mine output comes as a by-product of copper, lead/zinc, and gold mining. These projects are financed and operated based on the economics of their primary metals, with silver treated as a secondary credit. As a result, even a sustained silver rally provides little incentive to accelerate production, as operators will not commit billions in capex to boost the output of a by-product stream.

Primary silver mines account for only ~28% of production, but this segment has seen more than a decade of chronic underinvestment. Following the post-2011 price collapse, exploration budgets were cut sharply, and few new projects advanced through feasibility. Today, the project pipeline is sparse, and greenfield developments typically require 7-10 years of permitting, construction, and capital build-out. In practice, any meaningful new supply response to current price levels is unlikely before the next decade.

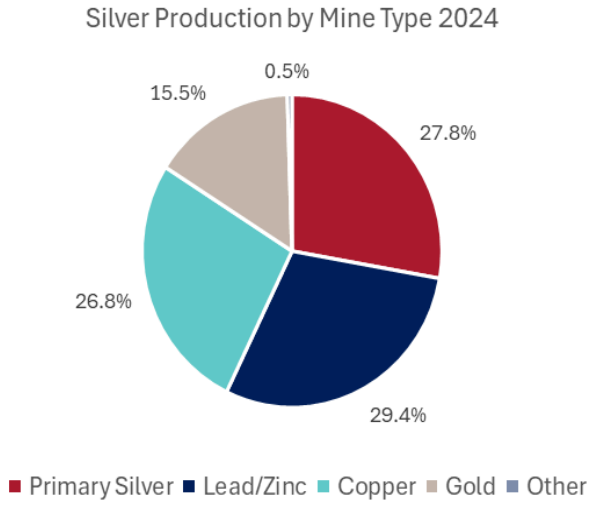
Output is hard to scale

Global mine output in 2025 is projected by industry analysts at ~840Moz, around 7% below the 2016 peak. This decline reflects structural rather than cyclical pressures. Average ore grades have fallen by ~30% over the past decade, while all-in sustaining costs (AISCs) continue to rise, driven by deeper deposits underground, higher energy intensity, and elevated input costs. Even where mines remain profitable, these headwinds restrict the ability to materially scale output.

Recycling helps, but doesn't fix supply constraints

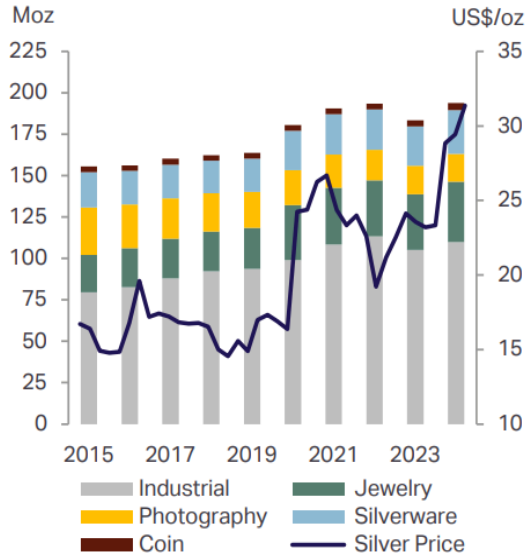
Secondary supply from recycling has expanded with higher prices, contributing 195-200Moz in 2025 (~19% of supply). Most recoverable volumes come from jewellery, silverware, and select industrial scrap. However, modern end-uses are increasingly dissipative, that is, small amounts of silver are dispersed across billions of solar cells, electronics, EV components, and IoT devices. Recovery from these products is technically challenging, energy-intensive, and often uneconomic. To summarise, recycling can provide a buffer but cannot resolve the structural supply deficit.

Figure 49: Primary silver mines comprise ~28% production



Source: Metals Focus.

Figure 50: Global recycling of silver only remains incremental



Source: Metals Focus, Bloomberg.

Market dynamics: structural deficits and inventory drawdowns

Shortfalls should continue

The silver market has entered a prolonged phase of structural deficits, unprecedented in both scale and duration. By 2025, it is expected that the market will post its fifth consecutive annual shortfall, highlighting the chronic imbalance between surging, policy-driven industrial demand and inelastic supply. Unlike past cyclical deficits caused by temporary disruptions, today's shortfalls are the result of durable demand growth colliding with stagnant production capacity.

Above-ground inventories have absorbed the gap but are being rapidly eroded. Industry analysts estimate that global stocks have declined by ~800Moz since 2020, equivalent to nearly an entire year of mine supply. Drawdowns span both visible holdings including the COMEX and LBMA vaults, and less transparent private and industrial stockpiles. The pace and scale of this depletion underline two critical points: mine supply and recycling cannot meet incremental industrial demand, and the market's buffer capacity is diminishing.

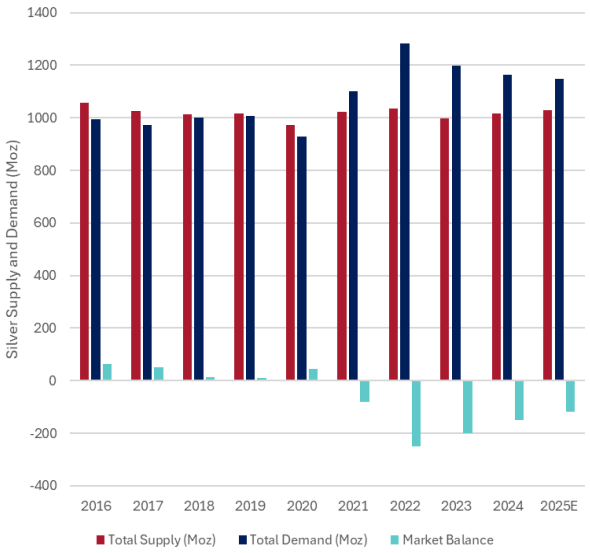
Physical tightness has become a defining feature of the silver market. With inventories depleted, marginal ounces are commanding rising premiums, particularly in Asia where industrial demand is accelerating. For investors, this dynamic creates a durable price floor, as periods of weakness are quickly met with restocking demand that limits retracement. At the same time, the lack of surplus provides upside torque, with incremental shocks such as an accelerated solar build-out, faster EV adoption, or renewed ETF inflows capable of triggering disproportionate price gains.

Unlike gold, silver inventories are shrinking – just as industrial uses grow

The comparison with gold is instructive. While gold enjoys over 200,000t and growing of above-ground reserves, silver's inventories are small and shrinking owing to industrial demand growth, leaving it uniquely exposed to scarcity. This asymmetry reinforces silver's dual identity as a monetary hedge like gold with the added dimension of industrial use that exposes buyers to physical scarcity risk; this is increasingly reflected in price dynamics.

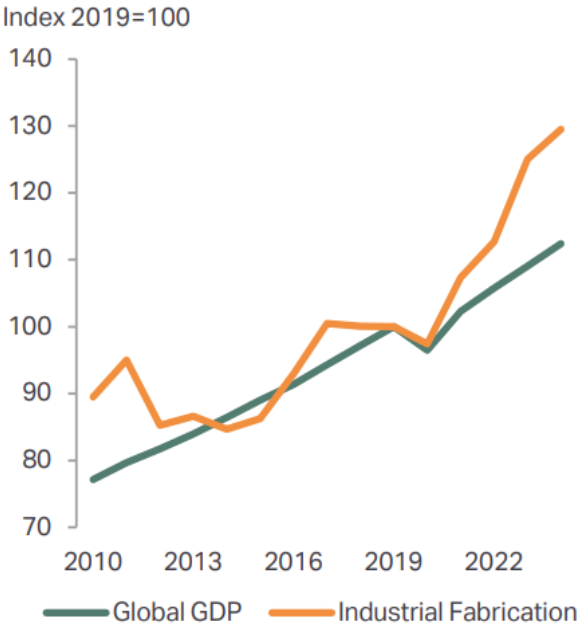
Looking ahead, unless there is a significant increase in mine development that would take years to deliver, we expect that silver deficits will persist and inventories will continue to fall. The market is shifting from one previously balanced by surplus to one defined by structural scarcity, a transition that underpins the current bull cycle and supports a higher long-term price regime.

Figure 51: Silver has been in a deficit since 2021



Source: Metals Focus.

Figure 52: Silver has decoupled from global GDP post-2019

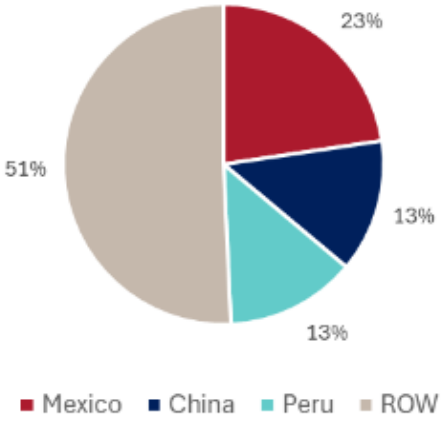


Source: IMF, Metals Focus.

Geographically concentrated – supply risk

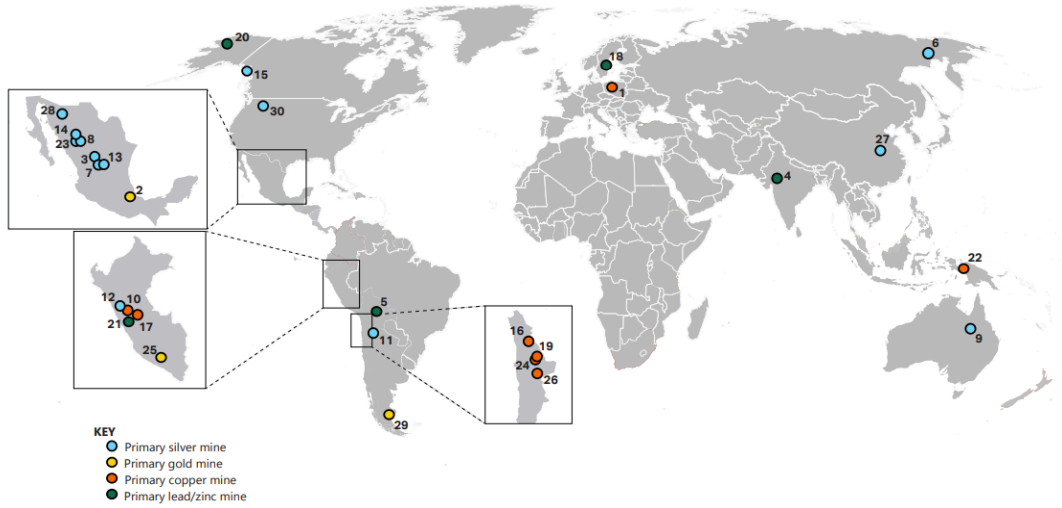
Geographically, silver supply remains highly concentrated and exposed to jurisdictional risk where Mexico alone accounts for ~23% of mined supply. This increases vulnerability to political instability, fiscal regime changes, labour disputes and security concerns.

Figure 53: Mexico, China and Peru dominate ~49% of supply



Source: Metals Focus.

Figure 54: Top 30 silver producing mines globally



Source: Company reports, Metals Focus.

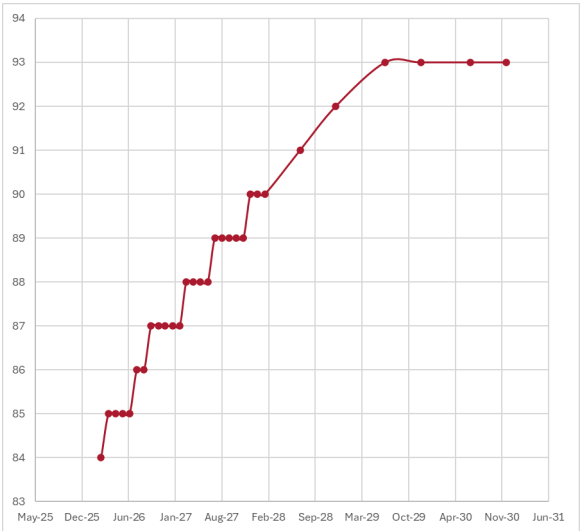
Price momentum and outlook

Silver was one of the standout commodities of 2025, continuing its run into 2026 extending gains and trading above US$90/oz, its highest level since 2011. This surge has consistently outpaced institutional forecasts, with consensus targets for CY2025 exceeded months ahead of schedule. The velocity of the move indicates the market is repricing silver's long-term fundamentals, rather than simply reacting to short-term sentiment.

A key distinction must be drawn with the last major rally in 2011, when silver briefly approached US$50/oz. That cycle was driven largely by speculative investment flows in the aftermath of the Global Financial Crisis, and prices collapsed once sentiment turned. In contrast, we believe that today's rally is anchored in durable structural forces being defined by policy-driven growth in photovoltaics and EVs, supply inelasticity, and persistent inventory drawdowns. Together these drivers establish a higher structural price floor and reduce downside risk, in our view.

Consensus forecasts for 2026 imply average silver prices of US$50–65/oz, suggesting some scope for normalisation from current spot levels. Nevertheless, prices remain structurally elevated relative to the US$15–25/oz range that characterised much of the 2010s. Longer-term outlooks point to a long-run price of ~US$80/oz by 2030, with upside to >US$100/oz under scenarios of accelerated decarbonisation, electrification and sustained structural supply deficits. These bullish outcomes are supported by International Energy Agency projections for a tripling of global solar capacity over the next decade and rising EV penetration, both of which are materially silver-intensive demand drivers

Figure 55: Silver futures indicate further upside out to 2030 (US/oz, LHS)



Source: CME.

M&A activity

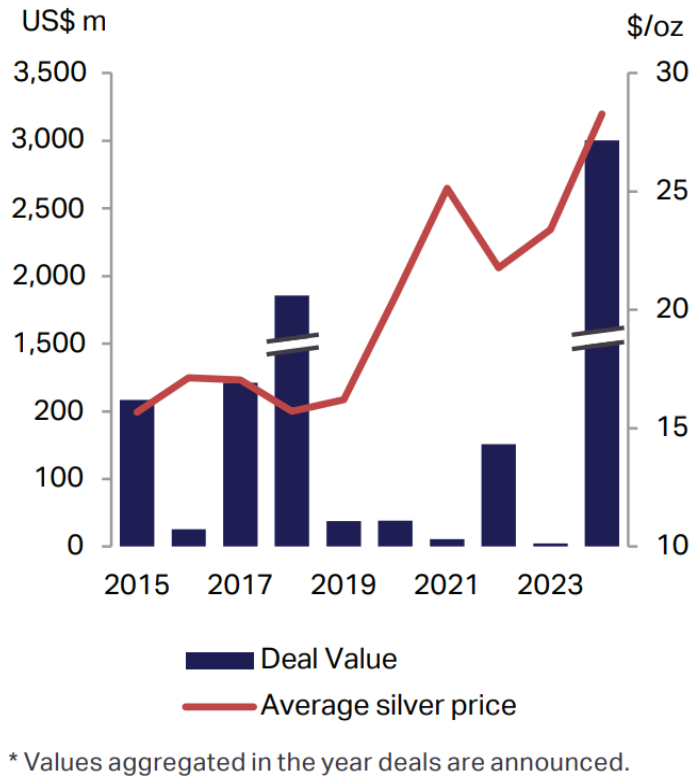
2024 was a record year for consolidation, with 32 deals announced totalling US$3.0bn – the highest since records began in 2006 and well above the previous peak of US$1.9bn in 2018. The surge reflected both elevated silver prices and intensifying competition to secure high-quality, long-life assets. Highlights included:

- **Silvercorp Metals' acquisition of Adventus Mining for US$120m**, gaining the El Domo copper-gold project (currently under construction) and the earlier-stage Condor project, which hosts ~30.9Moz of silver resources
- **Coeur Mining's acquisition of SilverCrest Metals for US$1.7bn**, adding the low-cost La Chispas mine in Mexico, expected to contribute 4.25-5.25Moz of silver in 2025 and 42–52koz of gold
- **First Majestic Silver's US$970m acquisition of a 70% interest in Gatos Silver**, bringing the Las Gatos mine into its portfolio. The asset is forecast to contribute 4.25-5.25Moz of silver in 2025, supported by significant lead and zinc by-product credits

The momentum continued into 2025. Highlights include:

- **Pan American Silver's announcement of a US$2.1bn acquisition of MAG Silver,** securing its 44% interest in the high-grade Juanicipio mine in Mexico, projected to deliver 6.5-7.3Moz of silver in 2025 at very low costs
- **Dundee Precious Metals' agreement to acquire Adriatic Metals for US$1.3bn**, gaining full ownership of the Vareš mine in Bosnia & Herzegovina. The asset, which came online in late 2023, is expected to contribute 5.5-5.7Moz of silver annually, supported by strong polymetallic credits (Au, Pb, Zn, Cu), making it one of Europe's most significant new silver developments

Figure 56: M&A deals made a return in 2024 after a muted period in 2019–2023

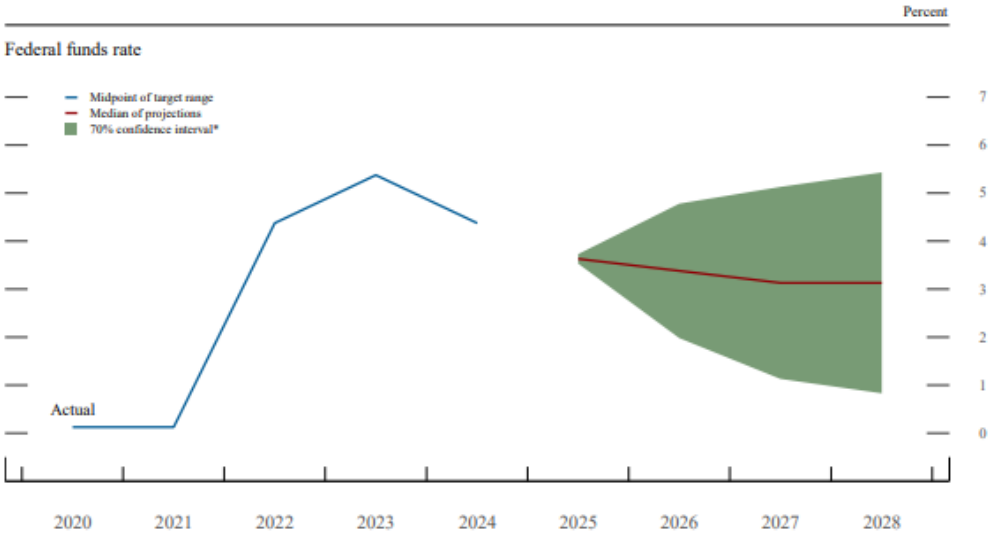


Source: Bloomberg.

Macro and geopolitical tailwinds

The macro backdrop is amplifying silver's structural fundamentals. Prospective US Federal Reserve rate cuts reduce the opportunity cost of holding non-yielding assets, reinforcing silver's appeal as a monetary hedge. Simultaneously, US dollar weakness enhances affordability for non-dollar investors, broadening the buyer base and lifting physical demand. Elevated geopolitical risks from US-China trade relations to conflicts in Eastern Europe and the Middle East add further impetus to safe-haven flows, complementing the momentum already provided by industrial demand. This confluence creates a uniquely supportive environment in which cyclical macro drivers reinforce, rather than offset, structural industrial growth.

Figure 57: Federal Funds Rate forecast to trend lower



Source: US Federal Reserve.

Appendix 3: Top 20 and Substantial Shareholders

Figure 58: Shareholder register at 26 September 2025 (annual report date)

Substantial Shareholders

	Number of Ordinary Shares	Percentage (%)
Gocta Holdings Pty Ltd; Alexander Scanlon; Claudia Garcia Holguin	46,199,846	20.45
Collins St Asset Management ATF Collins St Value Fund; Collins St Asset Management ATF Collins St Special Situation Fund No. 2; Vaspip Pty Ltd ATF Vaspip Investment Trust	30,796,765	13.62

Top 20 Shareholders

Rank	Name	Number of Ordinary Shares	Percentage (%)
1	GOCTA HOLDINGS PTY LTD	43,611,459	19.30
2	BELL POTTER NOMINEES LTD <BB NOMINEES A/C>	18,898,244	8.36
3	CITICORP NOMINEES PTY LIMITED	13,174,135	5.83
4	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	12,225,952	5.41
5	SANDHURST TRUSTEES LTD <COLLINS ST VALUE FUND A/C>	11,226,908	4.97
6	PRIMERO GROUP LTD	7,481,250	3.31
7	BNP PARIBAS NOMS PTY LTD	4,952,595	2.19
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,624,282	1.60
9	JUAN HERRAEZ BALANZAT	3,311,981	1.47
10	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2,571,547	1.14
11	FINCLEAR SERVICES PTY LTD <SUPERHERO SECURITIES A/C>	2,348,881	1.04
12	MR ANDREW CAMPBELL BALES	1,720,400	0.76
13	MISS CLAUDIA ELIZABETH GARCIA HOLGUIN	1,703,317	0.75
14	MR HUGH CHARLES GORDON	1,665,286	0.74
15	MR JOHN MOSEGAARD NORUP	1,544,452	0.68
16	MR ANTHONY MARK VAN DER STEEG	1,212,666	0.54
17	I & C HARTMANN INVESTMENTS PTY LTD <I & C HARTMANN FAMILY A/C>	1,200,000	0.53
18	LADY ALICE MINES PTY LTD <LADY ALICE MINES A/C>	1,025,619	0.45
19	MR PETR TURCOVSKY	1,025,000	0.45
20	DPS INVESTMENT MANAGEMENT PTY LTD <PJW SUPER FUND A/C>	1,000,000	0.44
20	PJW CAPITAL PTY LTD <PJW FAMILY A/C>	1,000,000	0.44
	Total	136,523,974	60.42

Source: BGD FY2025 annual report.

Appendix 4: Detailed Mineral Resources

Figure 59: JORC (2012) Mineral Resources

Gold JORC Resources	Zone	Indicated			Inferred			TOTAL		
Project		MT	g/t Au	koz Au	MT	g/t Au	koz Au	MT	g/t Au	koz Au
Tunkillia (100%)*	Area 223 Oxide	0.73	1.09	26	0.53	0.72	12	1.26	0.93	38
	Area 223 Transitional	3.13	1.07	108	3.70	0.77	92	6.83	0.91	200
	Area 223 Fresh	25.6	0.89	733	20.7	0.72	479	46.3	0.81	1,212
	Area 51 Oxide	--	--	--	0.19	0.86	5	0.19	0.86	5
	Area 51 Transitional	--	--	--	1.45	0.64	30	1.45	0.64	30
	Area 51 Fresh	1.11	0.80	29	5.81	0.53	99	6.92	0.57	128
	Total Tunkillia	30.6	0.91	896	32.4	0.69	717	62.9	0.80	1,612
Tarcoola (100%)*	Perseverance Mine Oxide	--	--	--	0.00	0.62	--	0.00	0.62	0
	Perseverance Mine Transitional	0.01	1.34	0	0.01	1.00	0	0.01	1.14	1
	Perseverance Mine Fresh	0.18	2.12	12	0.11	1.89	7	0.30	2.03	19
	Stockpiles Oxide	--	--	--	0.17	1.20	7	0.17	1.20	7
	Stockpiles Fresh	--	--	--	0.06	1.40	3	0.06	1.40	3
	Total Tarcoola	0.19	2.10	13	0.35	1.48	17	0.54	1.70	30
Challenger (100%)*	Challenger Main Open Pit	0.17	2.69	15	0.48	3.61	55	0.65	3.36	70
	Challenger Underground (above 215mRL)	--	--	--	0.98	2.84	89	0.98	2.84	89
	Challenger Deeps (below 90mRL)	--	--	--	0.21	3.50	23	0.21	3.50	23
	Challenger West Open Pit	--	--	--	0.03	10.7	12	0.03	10.7	12
	SSW Deposit	--	--	--	0.40	0.95	12	0.40	0.95	12
	Tailings Storage Facility 1	3.19	0.54	56	--	--	--	3.19	0.54	56
	Tailings Storage Facility 2	5.13	0.31	52	--	--	--	5.13	0.31	52
	Total Challenger	8.49	0.45	122	2.09	2.84	191	10.6	0.92	313
Wudinna (100%)*	Barnes	0.44	1.30	18	2.19	1.60	116	2.63	1.58	134
	White Tank	--	--	--	0.33	1.50	16	0.33	1.50	16
	Baggy Green	--	--	--	2.12	1.40	96	2.12	1.40	96
	Clarke	--	--	--	0.73	1.40	33	0.73	1.40	33
	Total Wudinna	0.44	1.27	18	5.37	1.51	261	5.81	1.50	279
TOTAL		39.7	0.82	1,049	40.2	0.92	1,186	79.9	0.87	2,234

Silver JORC Resources	Zone	Indicated			Inferred			TOTAL		
Project		MT	g/t Ag	koz Ag	MT	g/t Ag	koz Ag	MT	g/t Ag	koz Ag
Tunkillia (100%)*	Area 223 Oxide	--	--	--	1.24	1.10	40	1.24	1.10	40
	Area 223 Transitional	--	--	--	5.32	1.30	230	5.32	1.30	230
	Area 223 Fresh	--	--	--	28.0	3.10	2,800	28.0	3.10	2,800
TOTAL		--	--	--	34.5	2.80	3,070	34.5	2.80	3,070

Source: Company presentation.

Personal disclosures

Michael Bentley received assistance from the subject company or companies in preparing this research report. The company provided them with communication with senior management and information on the company and industry. As part of due diligence, they have independently and critically reviewed the assistance and information provided by the company to form the opinions expressed in this report. They have taken care to maintain honest and fair objectivity in writing this report and making the recommendation. Where MST Financial Services or its affiliates has been commissioned to prepare content and receives fees for its preparation, please note that NO part of the fee, compensation or employee remuneration paid has, or will, directly or indirectly impact the content provided in this report.

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