



May 20, 2022

## Maple Gold Mines

Nat Resources

### Stepping Out and Drilling Deep

**MGMLF**

OTCQB

**Exploration to include deep drilling programs.** The joint venture between Maple Gold and Agnico Eagle Mines Limited will increase its 2022 exploration budget by C\$4.8 million to support a deep drilling program at the Douay and Joutel Gold projects in Quebec. Goals for the more aggressive step-out and deep drilling program include defining a larger gold system at Douay and extending higher-grade mineralization along the entire past-producing Eagle-Telbel mine trend at Joutel. The deep drilling program is expected to include four to six drill holes and/or drill hole extensions totaling roughly 10,000 meters across Douay and Joutel.

Rating

**Outperform**

Initiation

Current Price

**\$0.15**

Target Price

**\$0.30**

**Updating estimates.** The C\$4.8 million supplemental exploration budget provides additional funding beyond Agnico's second year JV spending commitment of C\$4 million. Therefore, the partners will each contribute C\$2.4 million on a pro-rata basis. While our per share estimates are unchanged, we have increased our 2022 and 2023 exploration expenditure estimates to C\$10.4 million and C\$10.65 million, respectively, from C\$8.0 million and C\$8.25 million.

Market Capitalization

**51.33M**

Shares Outstanding

**335.6M**

**Fully funded in 2022.** Maple Gold benefits from a strong balance sheet and ended the first quarter of 2022 with C\$19.9 million in cash. The strength of Maple Gold's balance sheet, along with the strategic partnership with Agnico that includes technical support and C\$18 million of JV funding, provides the requisite financial and technical strength to advance the Douay-Joutel properties into a project with district-scale potential.

Float

**335.05M**

Institutional Holdings

**13%**

**Rating is Outperform.** Since March 31, Maple Gold's stock price has declined ~40% compared to declines of 16.2% and 15.6%, respectively, for the VanEck Vectors Gold Miners (GDX) and Junior Gold Miners (GDXJ) ETFs. The futures price of gold has only declined 5.7% during the same period. Considering the company's competitive advantages, including a large land package in a prime location, a growing gold resource with significant expansion potential, an industry-leading joint venture partner, strong balance sheet, and experienced management team, we think the shares offer an exceptional value at the current price.

12-Month Low/High

**\$0.12/\$0.42**

Average 90-Day Volume

**315990**

Fiscal Year End

**12/31/2022**

#### Revenues (\$ MIL)

| Period | 2020A  | 2021A  | 2022E  |
|--------|--------|--------|--------|
| Q1     | \$0.0A | \$0.0A | \$0.0A |
| Q2     | \$0.0A | \$0.0A | \$0.0E |
| Q3     | \$0.0A | \$0.0A | \$0.0E |
| Q4     | \$0.0A | \$0.0A | \$0.0E |
|        | \$0.0A | \$0.0A | \$0.0E |

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#### EPS (\$)

| Period | 2020A     | 2021A     | 2022E     |
|--------|-----------|-----------|-----------|
| Q1     | \$0.00A   | \$(0.00)A | \$(0.01)A |
| Q2     | \$0.00A   | \$(0.00)A | \$(0.01)E |
| Q3     | \$0.00A   | \$(0.00)A | \$(0.01)E |
| Q4     | \$(0.01)A | \$(0.01)A | \$(0.01)E |
|        | \$(0.02)A | \$(0.02)A | \$(0.04)E |

**Refer to the last two pages for  
Analyst Certification & Disclosures**

## Joint Venture with Agnico Eagle Mines Limited

In February 2021, Maple Gold Mines Ltd. and Agnico Eagle Mines Limited signed a 50/50 joint venture agreement that consolidates Maple Gold's Douay Gold Project and Agnico's Joutel Gold Project into a JV property package. The Douay and Joutel projects, the latter hosting Agnico's past-producing Telbel Mine, are contiguous properties located in Northern Quebec. The terms of the JV agreement provide: 1) Agnico will fund C\$16 million in exploration expenses at the joint Douay and Joutel properties, and fund C\$2 million in exploration expenses over the same four-year period with each company proportionately funding expenditures thereafter, 2) Maple Gold will fund C\$2 million in exploration expenses over the same four-year period and contributed property and equipment at the Douay Gold Project, 3) the companies will jointly fund an additional C\$500,000 in exploration for VMS targets within the western half of the Douay Gold project, and 4) Maple Gold and Agnico each retain a 2% net smelter return (NSR) royalty on the Douay Gold Project with aggregate buyback provisions of C\$40 million. In addition to funding JV expenses and contributing the Joutel Project to the joint venture, Agnico is providing technical expertise as an explorer, developer, and operator with extensive experience in the Abitibi region. Agnico will also support Maple Gold in its pursuit of third-party financing for the development phase.

In May, Maple Gold Mines announced that the 50/50 joint venture between Maple Gold and Agnico Eagle Mines Limited agreed to increase the joint venture's year two exploration budget by C\$4.8 million to support a deep drilling program at the Douay and Joutel Gold projects in Quebec. Goals for the more aggressive step-out and deep drilling program include defining a larger gold system at Douay and extending higher-grade mineralization along the entire past-producing Eagle-Telbel mine trend at Joutel. The deep drilling program is expected to include four to six drill holes and/or drill hole extensions totaling roughly 10,000 meters across Douay and Joutel. We have increased our 2022 and 2023 exploration expenditure estimates to C\$10.4 million and C\$10.65 million, respectively, from C\$8.0 million and C\$8.25 million. While the supplemental spending pulls forward expenditures associated with Agnico's JV commitment, it represents additional funding by Maple Gold.

The Abitibi Greenstone Belt is known for its deep-rooted gold systems. The expanded second year drill program will specifically target Douay's depth potential and will also lead off maiden JV drilling at Joutel, where historical intercepts and initial three-dimensional modeling underscore the potential for extensions of high-grade gold mineralization at depth. Drill programs at Eagle and Douay are underway.

As of May 15th, 13,176 meters have been drilled to date this year and the company expects to keep at least one rig active throughout 2022 with total drilling currently anticipated to reach up to 30,000 meters. Eleven holes have been drilled at Douay representing 7,136 meters, while ten holes have been drilled at Eagle representing 6,040 meters. Strategic goals for 2022 are to demonstrate the potential for a larger mineralized system at Douay and define extensions of higher-grade mineralization along the entire past-producing Eagle-Telbel mine trend by drilling more aggressive step-outs and testing greater depths at all three of its projects.

## Douay Gold Project

In March 2022, Maple Gold Mines Ltd. released an updated mineral resource estimate for Douay consisting of 511 thousand ounces of gold in indicated mineral resources and 2.5 million ounces of gold in inferred resources. The 2022 mineral resource estimate reflected new data from the 2020 and 2021 drill programs, along with optimizing complementary open-pit and underground scenarios.

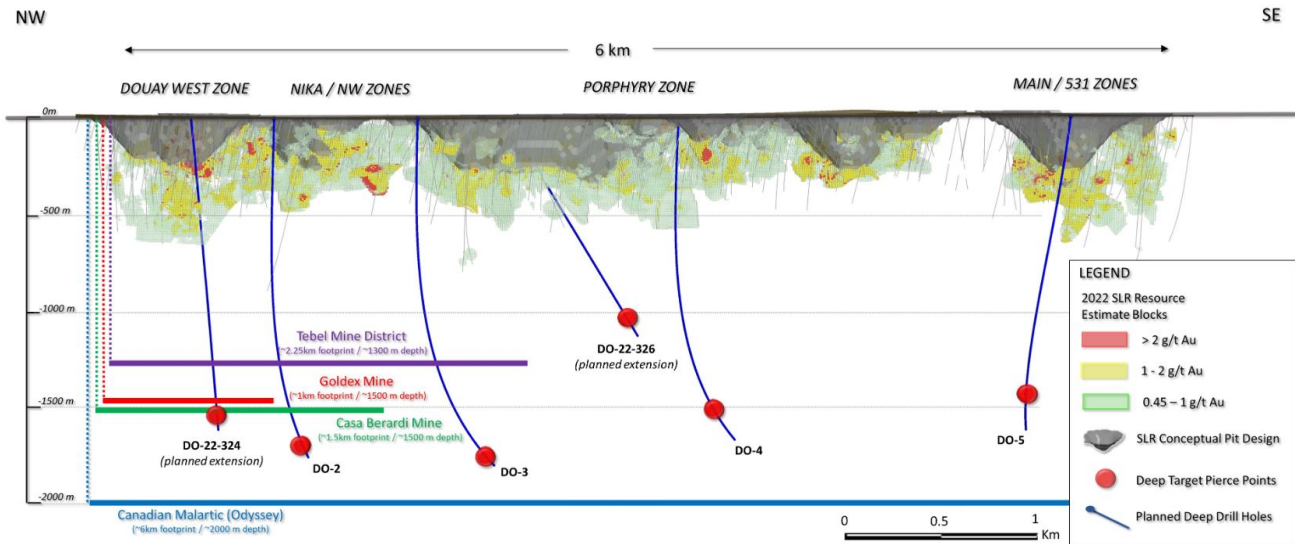
Two modest drill programs in 2020 were followed by a 10,000-meter maiden JV drill campaign in 2021 that successfully converted inferred to indicated ounces and increased the overall gold endowment at Douay. Targeted infill drilling demonstrates the potential for future resource conversion within the currently defined mineralized zones and continues to de-risk the deposit. The company is targeting larger step-out and deeper drilling along the full extent of the Douay resource area.

Maple Gold resumed drilling at the company's Douay Gold Project. Mineral resources at Douay extend along a 6.1 kilometer corridor. The Douay Project is currently composed of nine mineralization zones, including: 1) Porphyry, 2) Douay West, 3) Zone 531, 4) Main Zone, 5) North-West (NW), 6) Nika, 7) Central Zone, 8) Zone 10, and 9) Zone 20. Douay West and the 531 Zone tend to be higher grade zones, while the NW, Nika, Porphyry Zone, and Zone 20 tend to be lower grade zones. An established

gold resource at Douay and opportunities to expand the system's boundaries with step-out drilling, along with aggressive regional exploration has the potential to deliver successful exploration outcomes across the consolidated property package.

Drilling in 2022 includes more aggressive lateral step-out, discovery, and deeper drilling designed to test multiple horizons with the goal of making new discoveries and achieving significant resource gains. The current phase of drilling at Douay included an additional 867-meter drill hole at the 531 Zone designed to test the intersection of easterly-plunging mineralization from the Porphyry Zone and the westerly plunging mineralization from the 531 Zone. The joint venture has completed two holes at the NE IP Discovery target, where a large sulfide system with gold showings was encountered during 2020-2021 drilling.

**Figure 1: Proposed Deep Drill Holes at Douay**



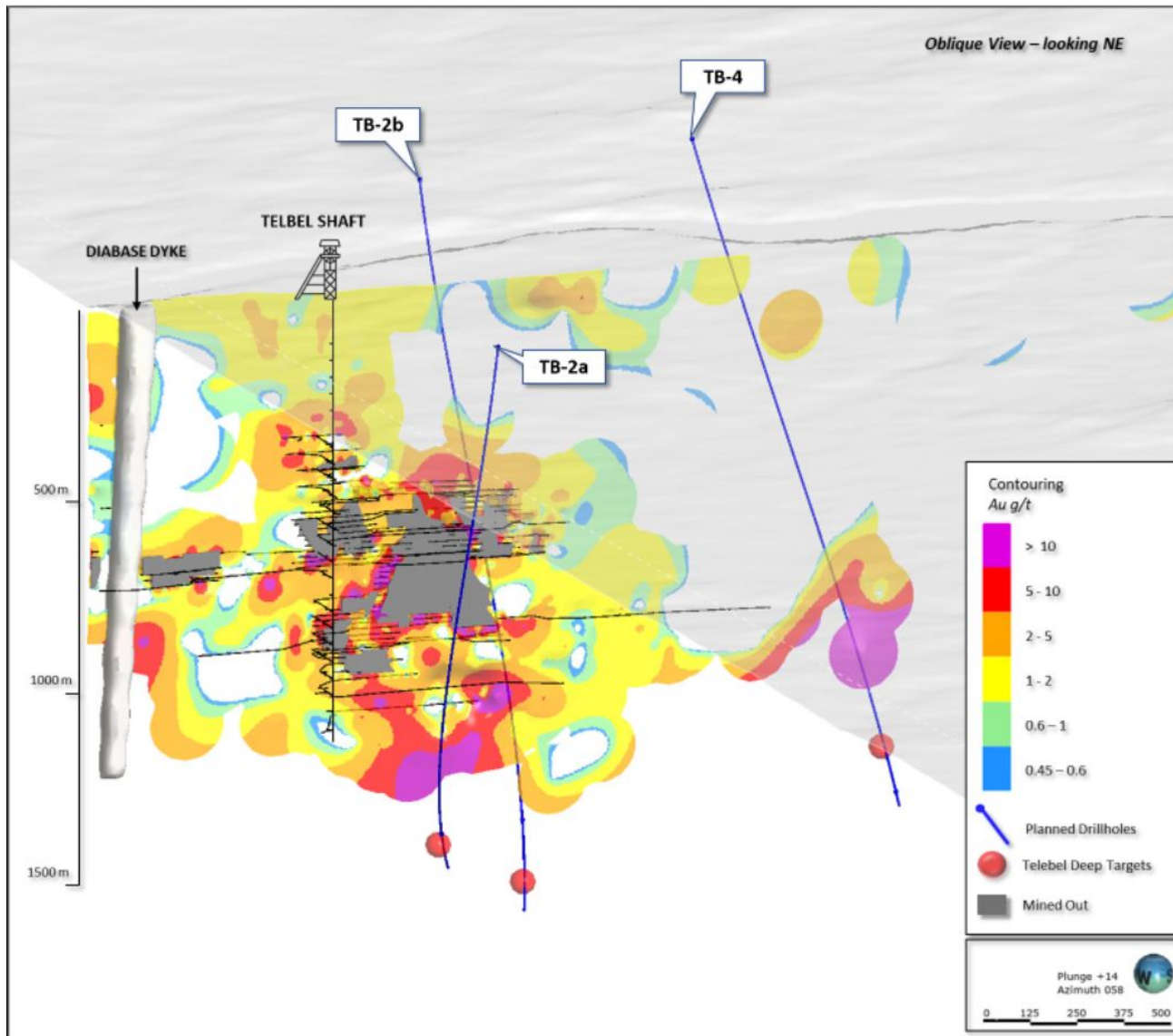
Source: Maple Gold Mines Ltd.

The average vertical depth of the drill hole database at Douay is less than 300 meters. Select deeper drilling has been completed, including the first two 1,000+ meter drill holes completed at Douay during the Winter 2022 campaign. Limited drill data exists below 500 meters vertical depth and no data exists below 800 meters vertical depth. The additional funding will be used for additional deep, 1,500-meter to 2,000-meter, drill holes or drill hole extensions at Douay. Planned deep drill holes at Douay are designed to reach the Casa Berardi North Fault at depth and will test the full extent of the mineralized system, from the Douay West Zone to the Main Zone, all well below conceptual pits in these areas.

**Joutel Gold Project**

Drilling at Joutel will include three drill holes beneath the historical underground mine workings at Telbel, which extend to roughly 1,200 meters below surface. Past gold production at Telbel focused on a single zone between 600 meters and 1,200 meters. The joint venture's data digitalization and three-dimensional modeling have identified significant gold intercepts up to 1,400 meters below surface.

Figure 2: Proposed Deep Drill Holes at the Telbel Mine (Joutel)



Source: Maple Gold Mines Ltd.

The initial phase of deep drilling at Telbel will begin to test the continuity and associated gold mineralization at greater depth. At least one hole is expected to be drilled from the south and at least two holes from the north to test the full stratigraphy for the main Telbel mine horizon and potential sub-parallel gold trends.

### Eagle Mine Property

Initial assay results from the Phase I program at Eagle are expected to be released in the second quarter and the company is in the process of permitting sites corresponding to an additional ~4,000-meter Phase II program that will include deeper drill holes, up to 1,400 meters, to test the main trend at depth below the historical workings. The Phase I campaign included eight drill holes designed to test a possible secondary shoot of mineralization adjacent to the main shoot that was historically mined at Eagle starting in the 1970s during a significantly lower gold price environment. The deepest hole drilled so far at Eagle, Hole EM-22-009, was 1,009 meters. Three additional deeper sites, up to 1,350 meters, are currently being permitted.

## Summary of First Quarter 2022 Financial Performance

During the first quarter of 2022, Maple Gold Mines Ltd. reported a net loss of C\$2,608,358, or C\$(0.01) per share, compared to a net loss of C\$1,462,062, or C\$(0.00) per share, during the prior year period. Compared to the first quarter of 2021, exploration and evaluation expenses increased to C\$1,627,054 from C\$170,255, while general and administrative expenses increased to C\$1,460,902 compared to C\$1,381,718 during the prior year period. The company realized finance income of C\$96,473 versus C\$132,932 during the prior year. The increase in expenditures are associated with the company's growth and exploration activity which has accelerated. Weighted shares outstanding increased to 335,234,898 compared to 321,067,848 during the first quarter of 2021.

From a cash flow perspective, cash flow used in operating activities amounted to C\$1,918,815, cash flow used in investing activities were C\$0, while cash flow used in financing activities amounted to C\$53,113 which represented a repayment of lease liabilities. The company ended the quarter with a cash balance of C\$19,933,153.

## Capital Structure and Liquidity

As of March 31, the company reported cash and cash equivalents in the amount of C\$19,933,153. Liabilities included a loan payable of C\$40,000. Shares outstanding were 335.4 million and 424.7 million on a fully diluted basis, including 56.9 million warrants and 25.9 million options.



## Company Profile

Maple Gold Mines Ltd. is an advanced exploration company in a 50/50 joint venture with Agnico Eagle Mines Limited to jointly advance the district-scale Douay and Joutel gold projects located in the Abitibi Greenstone Belt of Quebec, Canada. The projects represent a large and highly prospective land package encompassing 400 square kilometers, including an existing gold resource with significant expansion potential at Douay, along with the past producing Telbel and Eagle mines at Joutel. Maple Gold controls 100% of the Eagle mine. The company's shares are listed on the TSX Venture Exchange under the symbol MGM, on the OTCQB under the symbol MGMLF, and on the Frankfurt Stock Exchange under the symbol M3G.

## Fundamental Analysis – 4.0/5.0 Checks

Our fundamental assessment rating, separate from our investment rating and valuation, is based on five attributes. We assign 4.0 checks out of 5.0, which falls within our “Above Average” range of 3.5 to 4.0 checks. In our opinion, the company's corporate governance practices are shareholder friendly, including a five-member board comprised of mostly independent directors, including the chairperson. Maple Gold operates in the mining friendly jurisdiction of Quebec which ranked sixth out of 84 jurisdictions in terms of investment attractiveness in the Fraser Institute's Annual Survey of Mining Companies 2021. The company benefits from a strong balance sheet with its 2022 exploration program fully funded.

## Valuation Summary

Our investment rating is Outperform and our price target is C\$0.40 per share or US\$0.30 per share. Compared to our previous price targets of C\$0.50 or US\$0.40 per share, the reduction in our price target is largely a function of changes in comparable group valuations which have declined, along with the comparable group average enterprise value per gold ounce. Additionally, the exchange rate moved to US\$0.77 per C\$1.00 from C\$0.80 per C\$1.00 when we last published. As a mid-stage exploration company, Maple Gold Ltd. cannot be valued based on revenues, EBITDA, earnings, or cash flow. For our valuation, we have employed an Enterprise Value/Resources method. As of the market close on May 19, Maple Gold Ltd. had an enterprise value of C\$40.5 million. Based on Maple Gold's 50% joint venture interest in the 2022 NI 43-101 indicated and inferred resource of 3.0 million gold ounces, enterprise value per gold ounce is C\$29.98 or US\$23.38, and below the comparable group average of C\$53.56 or US\$41.78.

In our view, we think the company should trade in line with or at a premium to the comparable group due to Maple Gold's large land package within the Abitibi Greenstone Belt which supports district-scale potential, strong balance sheet, and partnership with a leading senior gold producer. Additionally, given the abundance of historical data and work-to-date, we think the company's projects have been significantly de-risked.

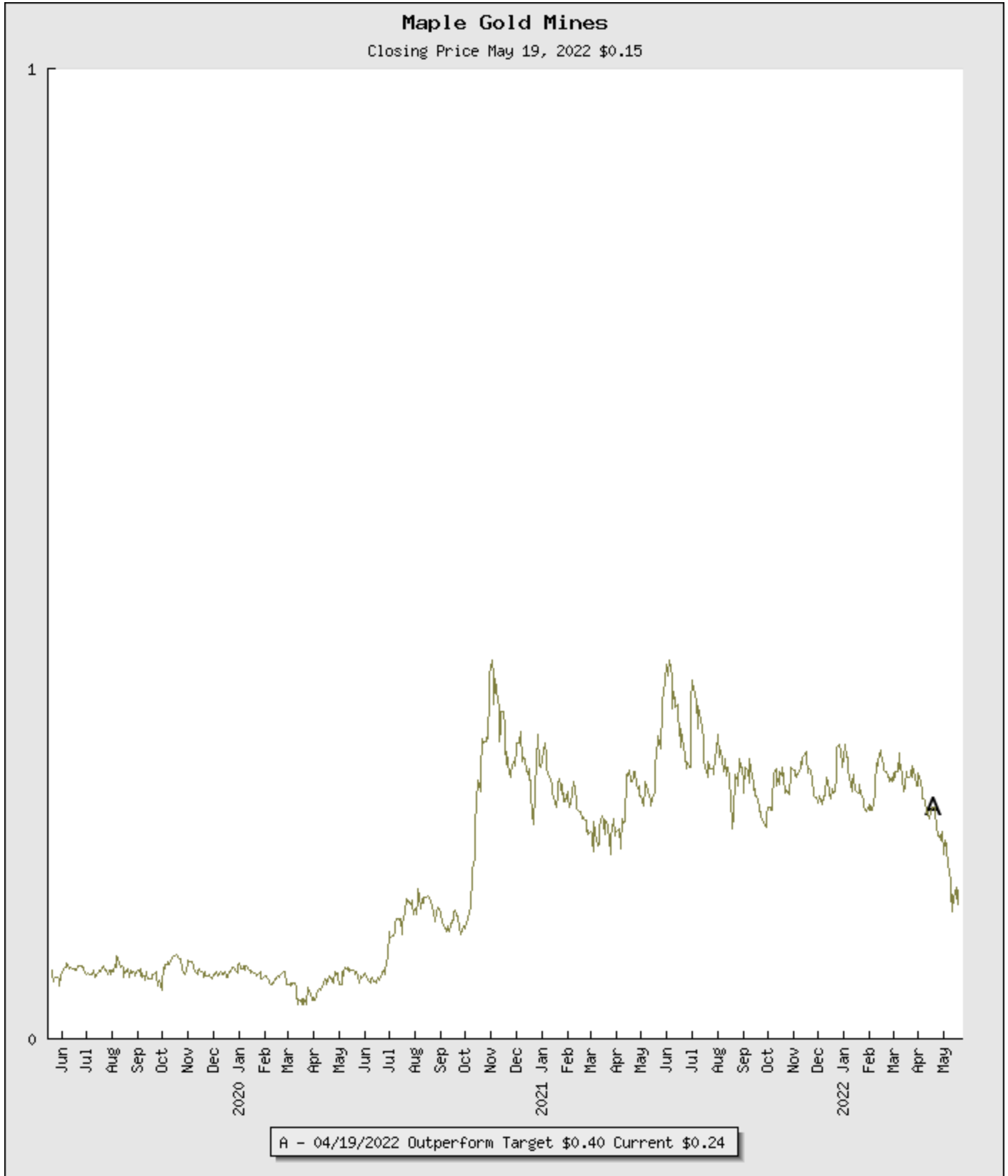
Assuming the company's 50% interest in the Douay project is valued at the comparable group average of C\$53.56 or US\$41.78 per gold ounce, near-term fair value for the project is at least C\$81.3 million or US\$63.4 million. Ascribing a conservative value of C\$40.0 million or US\$31.2 million to Maple Gold's interests in Telbel and Eagle, adding back cash of C\$19.9 million or US\$15.5 million and subtracting debt leaves a fair market of C\$141.2 million or US\$110.1 million. Rounding to the nearest \$0.05, our price target of C\$0.40 or US\$0.30 is based on 335.4 million shares outstanding as of March 31.

## Investment Risks

Investment risks include but are not limited to: 1) Maple Gold's failure to commercialize economic mineral resources, 2) uncertainties associated with the availability and costs of future financing, 3) changes in capital market and macroeconomic environments, 4) fluctuations in exchange rates, 5) changes in supply and demand fundamentals for minerals, including gold, 6) delays in the development of projects, and 7) the potential for operating costs and financing costs to vary from management expectations.

Maple Gold Mines (MGMLF) | Current Price: \$0.15 | Outperform | May 20, 2022

| Maple Gold Mines Ltd.<br>Fiscal Year End - December<br>(CAD\$) | 2019A       | 2020A       | 1Q2021A     | 2Q2021A     | 3Q2021A     | 4Q2021A     | 2021A       | 1Q2022A     | 2Q2022E     | 3Q2022E     | 4Q2022E     | 2022E        | 1Q2023E     | 2Q2023E     | 3Q2023E     | 4Q2023E     | 2023E        |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|--------------|
| <b>Income Statement</b>  |             |             |             |             |             |             |             |             |             |             |             |              |             |             |             |             |              |
| Operating Expenses (income)                                    |             |             |             |             |             |             |             |             |             |             |             |              |             |             |             |             |              |
| Mining Expenses  |             |             |             |             |             |             |             |             |             |             |             |              |             |             |             |             |              |
| Depreciation and amortization                                  |             |             |             |             |             |             |             |             |             |             |             |              |             |             |             |             |              |
| Exploration and evaluation                                     | (2,155,378) | (2,460,519) | (119,377)   | (201,324)   | (115,997)   | (998,966)   | (1,435,664) | (1,627,054) | (2,924,316) | (2,924,315) | (2,924,315) | (10,400,000) | (2,662,500) | (2,662,500) | (2,662,500) | (2,662,500) | (10,650,000) |
| General and administrative                                     | (1,829,704) | (3,013,895) | (1,432,596) | (1,133,307) | (893,082)   | (1,439,892) | (4,898,877) | (1,460,902) | (1,475,511) | (1,490,266) | (1,505,169) | (5,931,848)  | (1,520,220) | (1,535,423) | (1,550,777) | (1,566,285) | (6,172,705)  |
| Finance income   | 249,584     | 286,702     | 132,932     | 253,184     | 84,563      | 31,256      | 501,935     | 96,473      | 187,706     | 128,372     | 110,530     | 523,081      | 167,752     | 150,709     | 133,129     | 115,404     | 566,994      |
| Finance expense  | (320,678)   | (81,608)    | (24,832)    | (18,109)    | (15,122)    | (42,629)    | (100,692)   | (26,762)    | (26,829)    | (26,896)    | (26,963)    | (107,450)    | (27,031)    | (27,098)    | (27,166)    | (27,234)    | (108,529)    |
| Amortization of flow-through share premium                     | 392,623     | 800,428     | 0           | 0           | 0           | 0           | 0           | 409,887     | 743,771     | 743,771     | 743,771     | 2,641,200    | 0           | 0           | 0           | 0           | 0            |
| Loss on disposition of property and equipment                  | (5,269)     | 0           | 18,189      | 0           | 0           | (18,189)    | 0           | 0           | 0           | 0           | 0           | 0            | 0           | 0           | 0           | 0           | 0            |
| Loss and comprehensive loss for the year                       | (3,668,622) | (4,468,892) | (1,425,684) | (1,099,556) | (939,638)   | (2,468,420) | (5,933,298) | (2,608,358) | (3,495,179) | (3,569,334) | (3,602,146) | (13,275,017) | (4,041,999) | (4,074,312) | (4,107,314) | (4,140,615) | (16,364,239) |
| Basic and diluted income (loss) per share                      | (0.02)      | (0.02)      | (0.00)      | (0.00)      | (0.00)      | (0.01)      | (0.02)      | (0.01)      | (0.01)      | (0.01)      | (0.01)      | (0.01)       | (0.04)      | (0.01)      | (0.01)      | (0.01)      | (0.01)       |
| Weighted average shares outstanding                            | 223,584,588 | 256,443,259 | 321,067,848 | 321,258,223 | 321,457,920 | 324,953,009 | 322,184,250 | 335,234,898 | 340,211,072 | 373,545,278 | 378,313,004 | 366,326,063  | 378,494,569 | 380,387,042 | 382,288,977 | 410,039,243 | 387,802,458  |





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The fundamental assessment rating system is designed to provide insights on the company's fundamentals both on a macro level, which incorporates a company's market opportunity and competitive position, and on a micro/company specific level. The micro/company specific attributes include operating & financial leverage, and corporate governance/management. The number of check marks that a company receives is designed to provide a quick reference and easy determination of the company's fundamentals based upon the following five attributes of the company (weighting reflects the importance of each attribute in the overall scoring of company's fundamental analysis):

| Attribute                       | Weighting |
|---------------------------------|-----------|
| Corporate Governance/Management | 20%       |
| Market Opportunity Analysis     | 20%       |
| Competitive Position            | 20%       |
| Operating Leverage              | 20%       |
| Financial Leverage              | 20%       |

For each attribute, the analysts score the company from a low of zero to a high of ten based upon the analysis described below. The final rating and resulting check marks is a result of dividing the overall score (out of 100%) by ten.

| Rating        | Score     | Checks                |
|---------------|-----------|-----------------------|
| Superior      | 9.1 to 10 | Five Checks           |
| Superior      | 8.1 to 9  | Four & A Half Checks  |
| Above Average | 7.1 to 8  | Four Checks           |
| Above Average | 6.1 to 7  | Three & A Half Checks |
| Average       | 5.1 to 6  | Three Checks          |
| Average       | 4 to 5    | Two & A Half Checks   |
| Below Average | 3 to 3.9  | Two Checks            |
| Below Average | 2 to 2.9  | One & A Half Checks   |
| Low Quality   | 0 to 1.9  | One Check             |

While these are the attributes currently used for the analyst's fundamental analysis, the attributes and weighting may be reviewed, updated with additional attributes, and/or changed in the future based on discussions with the analysts and recommendations from the Director of Research.

Following is the description of each attribute in the fundamental analysis.

### Corporate Governance/Management

We believe that a review of corporate governance and assessment of the senior management are important tools to determine investment merit. Good corporate governance aligns management with the interests of stakeholders. As such, analysts are to rank the company on the basis of good corporate governance principles that may include rules and procedures, board composition and staggered term limits, rights and responsibilities, corporate objectives, monitoring of actions and policies, and accountability. In addition, analysts will assess issues with controlling shareholders and whether decisions have been made in the past that were in the interests of all shareholders. In addition, management will be assessed based on industry experience, expertise, and/or track record.

High ranking example: Board and management that is aligned with the interests of shareholders with incentives based on stock price appreciation and with an experienced management team known for exceptional shareholder returns.

Low ranking example: Concentrated ownership without independent directors that do not necessarily align with all shareholders' interests.

### The Market Opportunity Analysis

In this review, the analyst assesses the company's macro environment as a measure of understanding the industry. Factors considered include the size and growth potential of the industry under various economic conditions, the emerging demands in the market, technological benefits/disruptions, competition, geographical opportunities, and customer demands/needs, and an assessment of supply and distribution channels. In addition, the analyst will review legal and regulatory trends, as well as potential shifts in consumer or social behavior and natural environment changes.

High rank example: A company in an industry that is growing revenues well above GDP rates (which are on average 2% plus) and/or may have unmet or underserved needs in a rapidly growing market opportunity.

Low rank example: A mature industry that is in secular decline and likely to grow below GDP rates.

## Competitive Position

The evaluation of the company's competitive position is another macro environment attribute designed to measure the relevance, market share, position and value proposition, and sustainable differentiations of the company and its products/services within its industry. Ease of entry into the industry and the ability of other well-funded players to potentially enter the market would be determined. As such, the assessment would consider the company's strengths and advantages of its products/services against weaknesses and limitations. This may include the company's current brand awareness, pricing and cost structure, current market strategies and geographic penetration that may affect demand for its products/services. In addition, the company's competitors would be evaluated.

High rank example: An analyst would consider the company's product to be superior to its competitors and that should allow the company to gain market share.

Low rank example: A company with a "me-too" product that does not have any significant technology advantages in an industry that has low barriers to entry.

## Operating Leverage

Simplistically, operating leverage is determined by the operating income relative to changes in revenue. The analyst will calculate the impact on sensitivity on gross margins and variable costs to determine operating leverage. The analyst will take into account the ability of the company to cut fixed and variable costs in a challenged revenue environment and technological changes that may impact operating expenses. In addition, the analyst is to assess corporate strategies that include capital investment, which may be required for sustainable revenue growth, marketing expenses, and the company's ability to attract and retain talent and/or employees. The analyst should focus on the revenue opportunity and determine the price elasticity of demand for the company's products or services. In other words, the analyst is to rank the company based on improved operating margins going forward on an absolute and relative basis.

High rank example: A company that has improving margins for the foreseeable future, with significant price elasticity.

Low rank example: A company that is in a challenged revenue environment with a fixed cost structure and limited ability to cut costs, indicating an outlook for declining margins.

## Financial Leverage

A strict definition of financial leverage is total debt divided by total shareholder's equity. Financial leverage analysis is to determine the company's ability to improve shareholder value by means of utilizing its balance sheet to grow organically or to acquire assets. Analysts may look at the company's debt to cash flow leverage ratio, interest coverage ratios, or debt to equity ratios. In addition, the interest rate environment and the outlook for interest rates are a factor in determining the company's ability to manage financial leverage. Finally, the analyst is expected to determine the ability to service the debt given the industry and/or company profile, such as cyclical, barriers to entry, history of bankruptcy, consistency in revenue and profit growth, or predictability in sales and profits and large cash reserves. The analyst is expected to take into account capital intensity of the company and the anticipated of capital allocation decisions.

High rank example: A company with predictable and growing revenue and cash flow with modest debt levels. This may indicate that the company could improve shareholder value through growth investments, including acquisitions, using debt financing.

Low rank example: A company in a cyclical industry in a late stage economic cycle that has above average debt leverage and is in an industry that has a history of financial challenges, including bankruptcies.

## ANALYST CREDENTIALS, PROFESSIONAL DESIGNATIONS, AND EXPERIENCE

Senior Equity Analyst focusing on Basic Materials & Mining. 20 years of experience in equity research. BA in Business Administration from Westminster College. MBA with a Finance concentration from the University of Missouri. MA in International Affairs from Washington University in St. Louis.

Named WSJ 'Best on the Street' Analyst and Forbes/StarMine's "Best Brokerage Analyst."

FINRA licenses 7, 24, 63, 87.

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## CONTINUING COVERAGE

Unless otherwise noted through the dropping of coverage or change in analyst, the analyst who wrote this research report will provide continuing coverage on this company through the publishing of research available through Noble Capital Market's distribution lists, website, third party distribution partners, and through Noble's affiliated website, channelchek.com.

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All views expressed in this report accurately reflect my personal views about the subject securities or issuers.

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No part of my compensation was, is, or will be directly or indirectly related to any specific recommendations or views expressed in the public appearance and/or research report.

**Ownership and Material Conflicts of Interest**

Neither I nor anybody in my household has a financial interest in the securities of the subject company or any other company mentioned in this report.

| NOBLE RATINGS DEFINITIONS  | % OF SECURITIES COVERED | % IB CLIENTS |
|--|-------------------------|--------------|
| Outperform: potential return is >15% above the current price         | 94%                     | 27%          |
| Market Perform: potential return is -15% to 15% of the current price | 6%                      | 3%           |
| Underperform: potential return is >15% below the current price       | 0%                      | 0%           |

**NOTE:** On August 20, 2018, Noble Capital Markets, Inc. changed the terminology of its ratings (as shown above) from "Buy" to "Outperform", from "Hold" to "Market Perform" and from "Sell" to "Underperform." The percentage relationships, as compared to current price (definitions), have remained the same.

Additional information is available upon request. Any recipient of this report that wishes further information regarding the subject company or the disclosure information mentioned herein, should contact Noble Capital Markets, Inc. by mail or phone.

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Report ID: 24882