

Research Note

BDC ASX

Bardoc Gold Limited is developing its 100% owned Bardoc Gold Project in the Eastern Goldfields, Western Australia. The March 2020 PFS supports 135kozpa gold production over a 7.75 year mine life, targeting initial production in September quarter CY2022.

Industry - Resources

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MRI Trading validates Aphrodite development

Binding Offtake terms signed with MRI Trading AG

Bardoc Gold Limited's (BDC) development strategy to produce a gold concentrate from the Aphrodite deposit has attracted global metals trader MRI Trading AG (MRI) as an offtaker.

Recoverable, payable gold increases from 85% to 92%

Recent metallurgical testwork across Aphrodite appears to have resulted in materially higher recoveries to concentrate (eg, perhaps from 80% to 90%). If combined with an increase in gold payability (eg from 91.5% in the PFS to 95% in the offtake terms; our estimates) the headline 92% could be achieved.

Treatment charges also lower vs PFS

BDC has indicated concentrate treatment charges are also below those assumed in the PFS, which totalled A\$537.20/t concentrate; this should also contribute to improved concentrate production economics in the DFS, due end March quarter 2021.

Offtaker should help to de-risk project financing

As a Swiss-based global independent trader, with over 20 years' experience dealing with concentrates produced by Australian miners including OZ Minerals, Sandfire Resources, and Silver Lake Resources, we expect the banks will view MRI as a creditworthy counterparty for project financing.

Significant news flow due through early 2021

Drilling results will continue to flow from the 40,000m drilling campaign into early 2021, followed by the full-form offtake agreement, environmental permitting, Ore Reserve and DFS at the end of the March Quarter, ahead of financing / FID mid-2021.

Valuation increases to A\$0.22/sh, target now A\$0.18/sh

The increase reflects our updated Aphrodite gold recoveries and payabilities, and on rolling forward the valuation to 31 December 2021. Our A\$0.18/sh target price (prev. A\$0.15/sh) is set below our valuation, continuing to reflect PFS-level and funding assumption risk, yet well above the current share price. BDC continues to de-risk the Bardoc Gold Project, and at some stage we expect the market will recognise it for what it is - one of the few remaining WA development opportunities with scale, transitioning to production in just over 18 months.

Company Data

Shares Outstanding (M)	1,730.9
Price (\$/sh)	0.074
Market Capitalisation (\$M)	128
Free Float (%)	90%
Free Float Market Capitalisation (\$M)	120
12 Month Low (\$/sh)	0.04
12 Month High (\$/sh)	0.11
Average Daily Volume ('000)	2,733.0

Source: ASX, Company

Earnings Summary (A\$M)

Year end June	FY21	FY22	FY23	FY24
Sales revenue	0	41.8	241.6	346.1
EBITDA	(2.4)	(1.9)	131.4	193.7
PBT	(2.4)	(21.1)	89.9	144.1
Underlying NPAT	(2.4)	(21.1)	89.9	119.4
Reported NPAT	(2.4)	(21.1)	89.9	119.4
Reported EPS (c)	(0.1)	(0.9)	3.3	5.1
Underlying EPS (c)	(0.1)	(0.9)	3.3	5.1

Share Price Chart



Source: IRESS

Directors & Management

Tony Leibowitz	Non-Executive Chairman
John Young	Non-Executive Director
Neil Biddle	Non-Executive Director
Rowan Johnston	Non-Executive Director
Peter Buttigieg	Non-Executive Director
Robert Ryan	Chief Executive Officer

Shareholders

Directors	10.1%
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Bardoc Gold Limited					BDC.ASX				
Share Price \$/sh	0.074				CASH FLOW A\$M Year Ending June				
Price Target \$/sh	0.180				FY21F	FY22F	FY23F	FY24F	
PROFIT & LOSS A\$M	FY21F	FY22F	FY23F	FY24F	Receipts from customers	0.0	41.8	241.6	346.1
Revenue	0.0	41.8	241.6	346.1	Receipts from corporate	0.3	0.0	0.0	0.0
COGS	0.0	-45.4	-118.6	-165.0	Interest received	0.0	0.0	0.0	0.0
Gross Profit	0.0	-3.6	123.1	181.1	Other receipts	0.0	0.0	0.0	0.0
Gross Profit Margin	0%	-9%	51%	52%	Payments to suppliers	0.0	-45.4	-118.6	-165.0
Corporate & Other Costs	-2.4	-2.4	-2.4	-2.4	Corporate Costs	-3.1	-2.4	-2.4	-2.4
EBITDA	-2.4	-6.0	120.7	178.7	Payments for E&E	0.0	0.0	0.0	0.0
D&A expense	0.0	-15.3	-38.6	-47.5	Tax paid	0.0	0.0	0.0	-15.7
EBIT	-2.4	-21.3	82.0	131.2	Other payments	0.0	0.0	0.0	0.0
Interest expense	0.0	-2.7	-4.6	-3.6	Net cash inflow from operating activities	-2.9	-6.0	120.7	163.0
Other finance costs	0.0	-1.5	0.0	0.0	Proceeds from disposal of PPE	0.0	0.0	0.0	0.0
Hedging gains (losses)	0.0	0.3	1.7	1.5	Payments for PPE	-33.5	-138.2	-65.0	-40.9
Finance income	0.0	0.0	0.0	0.0	E&E (capitalised)	-9.0	0.0	0.0	0.0
PBT	-2.4	-25.2	79.1	129.1	Payments for acquired E&E	0.0	0.0	0.0	0.0
Income tax expense	0.0	0.0	0.0	-15.7	Other	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	Net cash outflow from investing activities	-42.5	-138.2	-65.0	-40.9
NPAT	-2.4	-25.2	79.1	113.4	Proceeds from borrowings	0.0	100.0	0.0	0.0
Ordinary Shares	2,510.5	2,510.5	2,510.5	2,510.5	Proceeds from equity raised (net of costs)	104.3	0.0	0.0	0.0
EPS A cps	-0.1	-1.0	3.2	4.5	Proceeds from conversion of ITM options	0.0	0.0	0.0	0.0
EBITDA Margin	-	-	50%	52%	Hedging gains / (losses)	0.0	0.3	1.7	1.5
EPS Growth	-	-	132%	30%	Interest & other finance costs paid (borrowing)	0.0	-1.2	-4.6	-3.6
PER	-	-	2.3	1.6	Arranging Fees	0.0	-1.5	0.0	0.0
Book value A\$/sh	0.04	0.03	0.06	0.11	Repayment of borrowings	0.0	0.0	-18.6	-20.3
Price/Book	1.8	2.3	1.2	0.7	Other (Payment for interest rate derivs, loans)	-0.3	-0.3	0.0	0.0
Return on Equity	-2%	-31%	50%	41%	Other	0.0	0.0	0.0	0.0
Return on Invested Capital	-2%	-14%	32%	38%	Net cash inflow / outflow from financing activities	104.0	97.4	-21.5	-22.5
VALUATION A\$M	FY21F	FY22F	FY23F	FY24F	Net increase / decrease in cash and cash eq	58.7	-46.8	34.2	99.7
Bardoc Gold Project	352.9	566.3	586.8	544.2	FX movements on cash	0.0	0.0	0.0	0.0
Hedging	3.4	3.6	2.2	0.7	Cash and cash equivalents at period start	11.9	70.5	23.7	57.9
Corporate	-14.5	-13.1	-11.6	-10.1	Cash and cash equivalents at period end	70.5	23.7	57.9	157.6
Tax Shield	47.3	51.1	34.9	4.4	BALANCE SHEET A\$M Year Ending June	FY21F	FY22F	FY23F	FY24F
Debt	-1.3	-102.5	-84.0	-63.6	Cash and cash equivalents	70.5	23.7	57.9	157.6
Cash & Equivalents	70.5	23.7	57.9	157.6	Trade and other receivables	0.0	0.0	0.0	0.0
Exploration	30.0	30.0	30.0	30.0	Loan Receivables	0.0	0.0	0.0	0.0
Valuation A\$M	488.4	559.0	616.3	663.2	Other Assets	0.1	0.1	0.1	0.1
Valuation A\$/sh	0.191	0.218	0.241	0.259	Total Current Assets	70.6	23.8	58.1	157.7
OPERATING DATA	FY21F	FY22F	FY23F	FY24F	PPE	33.9	157.6	185.4	180.4
Total Ore Mined (kt)	0	816	1,597	3,094	Deferred E&E expenditure	9.0	8.2	6.7	5.1
Mined Grade (g/t Au)	0.00	1.12	1.77	2.06	Rights of use assets	0.2	0.2	0.2	0.2
Contained Gold (oz)	0	30,677	91,164	205,285	Total Non-Current Assets	43.1	166.0	192.3	185.7
Tonnes Milled (kt)	0	503	1,910	2,189	Total Assets	113.7	189.8	250.3	343.4
Treated Grade (g/t Au)	0.00	1.11	1.74	2.20	Payables	0.0	0.0	0.0	0.0
Contained Gold (oz)	0	18,626	105,296	153,346	Lease Liabilities	0.1	0.1	0.1	0.1
Gold Recovery	0%	93%	96%	95%	Borrowings	1.3	1.0	1.0	1.0
CIL Recovered Gold (oz)	0	17,401	98,235	122,144	Provisions	1.6	1.6	1.6	1.6
Gold in Concentrate (oz)	0	0	2,446	23,777	Total Current Liabilities	2.9	2.7	2.7	2.7
Gross Revenue	0.0	42.9	248.0	357.0	Lease Liabilities	0.1	0.1	0.1	0.1
Royalties	0.0	1.1	6.4	10.9	Borrowings	0.0	101.5	82.9	62.6
Net Revenue	0.0	41.8	241.6	346.1	Provisions	4.8	4.8	4.8	4.8
Open Pit Mining	0.0	31.0	39.3	42.5	Total Non-Current Liabilities	4.9	106.4	87.8	67.5
Underground Mining	0.0	0.5	28.4	49.6	Total Liabilities	7.8	109.1	90.5	70.2
Surface Haulage	0.0	0.0	0.2	3.1	Net Assets	105.9	80.7	159.8	273.2
Processing	0.0	7.8	32.6	46.4	Contributed Equity	233.4	233.4	233.4	233.4
SG&A	0.0	1.9	7.4	8.4	Reserves	3.2	3.2	3.2	3.2
Operating Costs	0.0	45.4	118.6	165.0	Retained Profits	-130.7	-155.9	-76.7	36.6
Cash Operating Costs (A\$/oz)	0	0	1,075	1,024	Total Equity	105.9	80.7	159.8	273.2
AISC Costs (A\$/oz)	0	0	1,525	1,301	ASSUMPTIONS	FY21F	FY22F	FY23F	FY24F
Total Feasibility & Dev Capex	6.0	0.0	0.0	0.0	Inflation	0%	0%	0%	0%
Total Pre-Production Capex	30.3	130.9	0.0	0.0	US\$ Gold Price	1,850	1,850	1,850	1,850
Total Post-Production Capex	0.0	19.2	65.0	40.9	AUDUSD	0.75	0.75	0.75	0.75
Exploration Capex	9.0	0.0	0.0	0.0	A\$ Gold Price	2,467	2,467	2,467	2,467
Total Capex	45.3	150.1	65.0	40.9	Corporate tax	30%	30%	30%	30%
					Cost of Debt	4.8%	4.8%	4.8%	4.8%

Aphrodite development supported by binding offtake terms with MRI Trading

MRI Trading AG (MRI), the world’s largest independent non-ferrous concentrate trader, has signed a binding term sheet for LOM production of gold concentrates from the Aphrodite deposit, one of four cornerstone deposits at BDC’s Bardoc Gold Project. Based on the PFS mine plan, gold concentrates produced from Aphrodite represent approximately half of gold production (475koz), and we estimate up to a further ~70koz could be recovered by CIL treatment of tailings from the flotation circuit.

Aphrodite’s total gold recovered and payable lifts from 85% to 92%

BDC’s metallurgical testwork on the Aphrodite deposit has confirmed bulk sulphide flotation can produce a consistent flotation response, and it would appear this has translated into higher gold recoveries to concentrate, and lower unit treatment costs. In Table 1 we demonstrate how this might be achieved. We would expect higher gold recoveries to concentrate would reduce the gold recovered from flotation tails (and possibly gold recovery from float tails) and may also come with increased production of concentrate due to higher mass pull. Notwithstanding, the increase lifts our valuation by 10%. In Table 2 we present sensitivities to both Aphrodite concentrate grade and gold payability.

Table 1. Increasing Total Gold Recovered and Payable at Aphrodite

Aphrodite Ore -	Unit	Offtake Release	PFS Estimates
Gold Recovered			
Tonnes Treated via Flotation	kt	5,484	5,484
Mass Pull	%	3.5%	3.5%
Concentrate Produced	kt	189	189
Contained Gold	oz	593,448	593,448
Gold Recovery (to concentrate)	%	90.00%	80.21%
Gold recovered to concentrate	oz	534,103	476,000
Gold contained in float tails	oz	59,345	117,447
Float tails gold recovery (CIL)	%	60.0%	60.0%
Gold recovered from float tails	oz	35,588	70,432
Total gold recovered from Aphrodite	oz	569,691	546,432
Aphrodite gold recovery	%	96.0%	92.1%
Gold Payable			
Gold in concentrate	%	95.0%	91.5%
Gold in float tails	%	100.0%	100.0%
Total Gold Recovery & Payable	%	91.5%	85.3%

Source: Rawson Lewis estimates.

Table 2. Sensitivity Analysis – Aphrodite Gold Recovery to Concentrate vs Gold Payability

NPV (A\$/sh)	Aphrodite – Gold Recovery to Concentrate (%)						
	80%	82%	84%	86%	88%	90%	92%
96%	0.214	0.216	0.218	0.220	0.222	0.223	0.225
95%	0.211	0.213	0.215	0.217	0.219	0.221	0.223
94%	0.209	0.211	0.213	0.214	0.216	0.218	0.220
93%	0.207	0.208	0.210	0.212	0.214	0.215	0.217
92%	0.204	0.206	0.208	0.209	0.211	0.213	0.214
91%	0.202	0.203	0.205	0.207	0.208	0.210	0.212
90%	0.199	0.201	0.203	0.204	0.206	0.207	0.209

Source: Rawson Lewis estimates.

Bardoc Gold Limited

MRI should add weight to the debt funding strategy

MRI is well-known in Australia, involved in offtake and marketing of metal concentrates produced by Australian miners including OZ Minerals (OZL.ASX), Sandfire Resources (SFR.ASX) and Silver Lake Resources (SLR.ASX). With a 20-year operating history, we anticipate project finance banks will view MRI's selection as the offtaker favourably. In addition, MRI could potentially assist with trade finance and / or other forms of finance which may help to reduce the equity funding task in due course.

Upcoming Newsflow / Timeline

December Quarter 2020: Continued resource and exploration drilling as part of the \$5 million, 40,000m drilling program should generate steady newsflow into the March quarter (Chart 1).

March Quarter 2021: Updated Ore Reserve, DFS completion and conclusion of environmental permitting, conclusion of full form MRI offtake agreement.

June / September Quarter 2021: Financing and Final Investment Decision (FID).

Chart 1. Project Development Timeline

	2020		2021				2022			
	September Q3	December Q4	March Q1	June Q2	September Q3	December Q4	March Q1	June Q2	September Q3	December Q4
GEOLOGY										
Resource Infill Drilling										
Resource Update	✓									
Exploration Drilling										
CONCENTRATE OFFTAKE										
Metallurgical Test-work										
Off-taker Shortlisting										
Off-take Agreement		*								
DEFINITIVE FEASIBILITY STUDY										
Mining & Processing Studies										
Financial Modelling										
Final Report			*							
ENVIRONMENTAL PERMITTING										
			*							
FINANCING										
Debt & Equity Funding					*					
CONSTRUCTION & MINING										
Road & Rail Realignment										
Open Pit Mining					*					
Processing Construction					*					
Project Commissioning									*	
Gold Production									*	

Source: BDC ASX Announcement 11 November 2020.

Valuation – lifts on higher Aphrodite recoveries, gold concentrate payability

We have increased our modelled Aphrodite gold recoveries to 90% (previously 80%), and gold concentrate payability to 95% (previously 91.5%) to achieve a total gold recovered and payable figure for Aphrodite of 91.5% (previously 85.3%). These changes together with rolling forward our valuation to 31 December 2021 have increased our Sum of the Parts valuation from A\$0.185/sh to A\$0.221/sh (fully diluted; Table 3). We have also increased our price target to A\$0.18/sh (from A\$0.15/sh), still reflecting PFS level and financing assumption risk, yet more than double the current share price.

Alternatively, at BDC's current A\$0.074/sh share price, the market is valuing BDC on its PFS operation only at ~US\$1,260/oz (A\$1,680/oz), with no exploration upside.

Table 3: Sum of Parts Valuation as at 30 December 2021

Sum of Parts Valuation 30-Dec-21	NPV A\$M	Undiluted A\$ps	Diluted A\$ps
Bardoc Gold Project	528.8	0.226	0.221
Hedging	3.5	0.001	0.001
Corporate	(13.8)	(0.006)	(0.006)
Tax Shield	48.9	0.021	0.020
Debt	(76.6)	(0.033)	(0.032)
Cash & Equivalents	6.6	0.003	0.003
Exploration	30.0	0.013	0.013
Total Value of Common Equity	527.3	0.225	0.221
Market Value of Common Equity	196.5		
Premium (Discount)	168%	205%	198%
Shares on Issue	million	2,340	2,390

Source: RL Estimates

We present a number of valuation sensitivities including gold price and AUDUSD in Table 4 to Table 7.

Table 4. Sensitivity Analysis - Gold Price vs AUDUSD

NPV (A\$/sh)	Gold Price (US\$/oz)							
	1,400	1,550	1,700	1,850	2,000	2,150	2,300	
AUDUSD	0.90	0.066	0.094	0.122	0.150	0.178	0.206	0.234
	0.85	0.082	0.111	0.141	0.170	0.200	0.230	0.261
	0.80	0.099	0.131	0.162	0.194	0.226	0.258	0.291
	0.75	0.119	0.153	0.187	0.221	0.255	0.290	0.325
	0.70	0.142	0.178	0.215	0.252	0.289	0.326	0.364
	0.65	0.168	0.208	0.247	0.287	0.328	0.369	0.411
	0.60	0.199	0.242	0.286	0.330	0.374	0.419	0.465

Source: Rawson Lewis estimates.

Table 5. Sensitivity Analysis - Construction Capex vs Operating Costs

NPV (A\$/sh)	Operating Cost							
	-20%	-10%	-5%	0%	5%	10%	20%	
Construction Capex	-20%	0.290	0.262	0.249	0.235	0.222	0.209	0.184
	-10%	0.279	0.253	0.240	0.228	0.215	0.203	0.180
	-5.0%	0.273	0.248	0.236	0.224	0.212	0.200	0.178
	0%	0.269	0.244	0.232	0.221	0.209	0.198	0.176
	5.0%	0.264	0.240	0.229	0.218	0.206	0.195	0.174
	10%	0.260	0.237	0.226	0.215	0.204	0.193	0.172
	20%	0.252	0.230	0.219	0.209	0.199	0.189	0.169

Source: Rawson Lewis estimates.

Table 6. Sensitivity Analysis - Processed Grade vs Recovery

NPV (A\$/sh)	Processed Grade (%)							
	-10%	-5.0%	-2.5%	0%	2.5%	5.0%	10%	
Gold Recovery (%)	-3.0%	0.161	0.185	0.197	0.210	0.222	0.235	0.260
	-2.0%	0.164	0.189	0.201	0.214	0.226	0.239	0.265
	-1.0%	0.167	0.192	0.204	0.217	0.230	0.243	0.269
	0%	0.170	0.195	0.208	0.221	0.234	0.247	0.273
	1.0%	0.173	0.199	0.211	0.224	0.237	0.250	0.277
	2.0%	0.176	0.202	0.215	0.228	0.241	0.254	0.281
	3.0%	0.179	0.205	0.218	0.231	0.244	0.258	0.285

Source: Rawson Lewis estimates.

Table 7. Sensitivity Analysis - Construction Equity Raise vs Raise Price

NPV (A\$/sh)	Size of Raise (A\$'000)							
	46,682	53,830	60,227	66,975	73,672	80,370	87,067	
Raise Price (A\$/sh)	0.065	0.203	0.198	0.192	0.188	0.183	0.179	0.175
	0.080	0.215	0.210	0.206	0.201	0.198	0.194	0.190
	0.095	0.223	0.219	0.216	0.212	0.209	0.206	0.203
	0.110	0.230	0.227	0.224	0.221	0.218	0.215	0.212
	0.125	0.236	0.233	0.230	0.228	0.225	0.223	0.221
	0.140	0.240	0.238	0.236	0.233	0.231	0.229	0.227
	0.155	0.244	0.242	0.240	0.238	0.237	0.235	0.233

Source: Rawson Lewis estimates.

Financials

Table 8. Profit & Loss Statement

Profit & Loss (A\$M)	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E	FY28E
Revenue	-	41.8	241.6	346.1	335.4	392.2	397.6	350.8
Other income	-	-	-	-	-	-	-	-
Total revenue and other income	-	41.8	241.6	346.1	335.4	392.2	397.6	350.8
Operating expenses	-	(41.3)	(107.8)	(150.0)	(167.3)	(187.3)	(165.6)	(87.0)
Corporate costs	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Exploration costs expensed	-	-	-	-	-	-	-	-
Share based payment expense	-	-	-	-	-	-	-	-
Other costs	-	-	-	-	-	-	-	-
EBITDA	(2.4)	(1.9)	131.4	193.7	165.7	202.5	229.6	261.5
D&A expense	-	(15.3)	(38.6)	(47.5)	(53.3)	(58.9)	(63.1)	(62.9)
EBIT	(2.4)	(17.2)	92.8	146.2	112.4	143.6	166.5	198.5
Interest expense	-	(2.7)	(4.6)	(3.6)	(2.6)	(1.7)	(0.5)	-
Other finance costs	-	(1.5)	-	-	-	-	-	-
Hedging gains (losses)	-	0.3	1.7	1.5	0.5	-	-	-
Finance income	-	-	-	-	-	-	-	-
Profit before income tax expense	(2.4)	(21.1)	89.9	144.1	110.2	142.0	166.0	198.5
Income tax expense	-	-	-	(24.7)	(33.1)	(42.6)	(49.8)	(59.6)
Extraordinary items	-	-	-	-	-	-	-	-
NPAT	(2.4)	(21.1)	89.9	119.4	77.2	99.4	116.2	139.0

Source: Rawson Lewis estimates

Table 9. Cash Flow Statement

Cash Flow (A\$M)	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E	FY28E
Receipts from customers	-	41.8	241.6	346.1	335.4	392.2	397.6	350.8
Receipts from Corporate	0.3	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-
Payments to suppliers	-	(41.3)	(107.8)	(150.0)	(167.3)	(187.3)	(165.6)	(87.0)
Corporate Costs	(3.1)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Payments for E&E (expensed)	-	-	-	-	-	-	-	-
Tax paid	-	-	-	(24.7)	(33.1)	(42.6)	(49.8)	(59.6)
Other payments	-	-	-	-	-	-	-	-
Net cash inflow from operating activities	(2.9)	(1.9)	131.4	169.1	132.7	159.9	179.8	201.9
Proceeds from disposal of PPE	-	-	-	-	-	-	-	-
Payments for PPE	(33.5)	(138.2)	(65.0)	(40.9)	(33.1)	(29.7)	(16.3)	(7.4)
Payments for E&E (capitalised)	(9.0)	-	-	-	-	-	-	-
Payments for acquired E&E	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Net cash outflow from investing activities	(42.5)	(138.2)	(65.0)	(40.9)	(33.1)	(29.7)	(16.3)	(7.4)
Proceeds from borrowings	-	100.0	-	-	-	-	-	-
Proceeds from equity raised (net of costs)	86.4	-	-	-	-	-	-	-
Proceeds from conversion of ITM options	-	-	-	-	-	-	-	-
Hedging gains / (losses)	-	0.3	1.6	1.5	0.5	-	-	-
Interest and other finance costs paid	-	(1.2)	(4.6)	(3.6)	(2.6)	(1.7)	(0.5)	-
Arranging Fees	-	(1.5)	-	-	-	-	-	-
Repayment of borrowings	-	-	(18.6)	(20.3)	(20.3)	(21.3)	(21.0)	-
Repayment of Franco Nevada Advance	(0.3)	(0.3)	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Net cash inflow / outflow from financing activities	86.2	97.4	(21.5)	(22.5)	(22.5)	(23.0)	(21.5)	-
Net increase / decrease in cash and cash equivalents	40.8	(42.7)	45.3	105.9	67.4	91.2	124.6	181.3
Effect of exchange rate movements on cash	-	-	-	-	-	-	-	-
Cash and cash equivalents at period start	-	52.7	10.0	55.0	160.7	237.8	345.1	487.1
Cash and cash equivalents at period end	52.7	10.0	55.0	160.7	237.8	345.1	487.1	681.6

Source: Rawson Lewis estimates

Table 10. Balance Sheet

Balance Sheet (A\$M)	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E	FY28E
Cash and cash equivalents	52.7	10.0	55.0	160.7	237.8	345.1	487.1	681.6
Trade and other receivables	-	-	-	-	-	-	-	-
Other Assets	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Current Assets	52.8	10.1	55.1	160.8	238.0	345.2	487.3	681.7
Property, Plant and Equipment	33.9	157.6	185.4	180.4	161.7	134.0	88.8	33.6
Deferred exploration and evaluation expenditure	9.0	8.2	6.7	5.1	3.5	2.0	0.4	-
Rights of use assets	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Other non-current assets	-	-	-	-	-	-	-	-
Total Non-Current Assets	43.1	166.0	192.3	185.7	165.4	136.2	89.3	33.8
Total Assets	95.9	176.1	247.4	346.5	403.3	481.4	576.6	715.6
Payables	-	-	-	-	-	-	-	-
Lease Liabilities	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Borrowings	1.3	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Provisions	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Total Current Liabilities	2.9	2.7	2.7	2.7	2.7	2.7	2.7	2.7
Lease Liabilities	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Borrowings	-	101.5	82.9	62.6	42.3	21.0	-	-
Provisions	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8
Total Non-Current Liabilities	4.9	106.4	87.8	67.5	47.2	25.9	4.9	4.9
Total Liabilities	7.8	109.1	90.5	70.2	49.9	28.6	7.6	7.6
Net Assets	88.1	67.0	156.9	276.3	353.4	452.8	569.0	708.0
Contributed Equity	215.5	215.5	215.5	215.5	215.5	215.5	215.5	215.5
Reserves	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Retained Profits	(130.7)	(151.7)	(61.8)	57.6	134.7	234.1	350.3	489.3
Total Equity	88.1	67.0	156.9	276.3	353.4	452.8	569.0	708.0

Source: Rawson Lewis estimates

Issued Capital

BDC has 1,731m shares on issue, with 115m options (weighted average strike A\$0.155/sh), and 46m performance rights, linked to development milestones and share price hurdles (Table 11). The top 50 shareholders currently hold 47.6%, with institutional ownership at 14%, and Directors holding 10% (undiluted basis).

Table 11. Issued Capital & Shareholders

Issued Capital (23/11/2020)	Number	Strike	Expiry Date	Conditions
Fully Paid Ordinary Shares	1,730,907,376			
Options				
	18,000,000	0.16	31/03/2021	
	7,900,000	0.16	31/03/2021	
	4,000,000	0.05	28/02/2021	
Vettersburg Acquisition	3,000,000	0.20	11/09/2022	
Free Attaching Options	75,880,000	0.16	15/12/2020	
Consultants	6,000,000	0.12	27/09/2022	
Total Options	114,780,000	0.16		
Performance Rights				
Class C	1,650,000		8/02/2022	5 day VWAP >0.20/sh, 12mth engagement
Class D	1,650,000		8/02/2022	5 day VWAP >0.25/sh, 24mth engagement
Class F	4,200,000		10/06/2023	3Moz Resource / 10 day VWAP >0.06/sh
Class G	20,300,000		10/06/2023	Decision to Mine / 10 day VWAP >0.08/sh
Class H	2,300,000		18/11/2023	PFS delivery / 10 day VWAP >0.14/sh
Class I	2,300,000		18/11/2023	Decision to Mine / 10 day VWAP >0.18/sh
Class J	1,500,000		21/10/2024	DFS by Q1 2021 / EPC by Q3 2021
Class K	2,500,000		21/10/2024	Commissioning
Class L	3,500,000		23/11/2024	DFS by Q1 2021 / 10 day VWAP >0.10/sh
Class M	6,000,000		23/11/2024	Commissioning / 10 day VWAP >0.12/sh
Total Performance Rights	45,800,000			
Fully Diluted Shares	1,891,487,376			

Source: BDC Announcement 4 September 2020.

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