



ATLANTIC CAPITAL MARKETS



GREATLAND GOLD

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Greatland Gold have seen an impressive few weeks of trading and over the last 12 months have posted gains of over 130% in their share price. With moves like this it is easy to think you may have missed it but share price movements in the AIM's market are seldom civilised or steady. But who are they and why is this happening? There are several catalysts moving shares here now but before we get to that lets have a look at who they are, what they do and what is triggering the moves.

A Brief History

The principal activity of Greatland Gold, as the name suggests is to explore and develop natural resources, with a primary focus on discovering gold. The Company was established in London in 2005 and was admitted to trading on the AIM market in July 2006. The company has a well-diversified portfolio of projects in highly prospective geological areas with pre known reserves and deposits of gold and nickel. The Company is actively developing projects in under-explored parts of these known mineralised systems.

The business' current activities include, mapping, soil sampling, geophysical surveys and drilling on target areas. They are constantly reviewing historic data and combine this with regional geophysics and combine this with analysis of incoming geochemical and geotechnical data, allowing projects to develop and progress towards realising resources and reserves.

The board seeks to increase shareholder value by the systematic evaluation of its existing resource assets, as well as the acquisition of suitable exploration and development projects and producing assets. The company has an industry focused, skilled and experienced board and management team with a track record of delivering high quality exploration results and project development at low costs.

Current Projects

It is widely accepted in the exploration and mining industry that the next generation of large deposits will come from areas under cover that have not been subject to significant exploration in the past. Greatland understand this concept and has focused recent ground acquisition on this principle and in these targeted areas. They have a range of projects with a brief introduction below.

Paterson

The Paterson Project includes the Havieron, Black Hills and Paterson Range East licences, covering over 385 square km of under-explored ground in the Paterson Province in Western Australia.

The region is highly prospective for intrusion related gold-copper systems such as the Telfer deposit. Greatland has identified multiple targets across its licences and recent drilling has demonstrated the potential for one such target, Havieron, to represent a very large mineralised system. The region hosts several large gold and/or copper deposits such as Nifty, Winu and Newcrest's Telfer.



The Havieron prospect is strategically located 45km east of the major Telfer gold mine, and 500km east of rail and port infrastructure at Port Hedland. There have been several new exploration licence applications made across the region and high levels of exploration activity from key regional players

Following a review of regional geophysical and geochemical data with approximately fifty targets identified in the broader region, with around half held by Greatland themselves.

Panorama

The Panorama project consists of three adjoining exploration licences, covering 155 square km, located in the Pilbara region of Western Australia, in an area that Greatland considers to be highly prospective for gold and cobalt. The Pilbara region is currently experiencing a surge in gold exploration activity. Greatland has recently identified potential gold targets on both the north-western and southern licence areas.

Geology of the area is predominantly greenstone and granite of the Archean Pilbara Craton in northern Western Australia, and younger overlying sedimentary and volcanic sequences.

Warrentinna

The Warrentinna project is located 60km North-East of Launceston in North-Eastern Tasmania and covers an area of 37sq km with 15km of strike prospective for gold. Greatland believe Its location provides excellent infrastructure and access to a skilled local labour force giving them the edge to explore and extract. The host rocks are equivalent to those found in the goldfields in Victoria, south-eastern Australia which have to date produced over 50million oz of gold.

Drilling results show gold mineralization is from surface, providing potential for an open pitable gold resource.

There is exploration potential for the discovery of high-grade shoots beneath known shallow historical workings and within unmined quartz-lodes. There is also potential for the discovery of larger tonnages of lower-grade mineralisation adjacent to quartz lodes.

Firetower

Located just 65km west of Launceston and 35km south of Devonport in northern Tasmania, the Firetower project consists of 62sq km of stratigraphically equivalent Mt. Read Volcanic Sequence rocks. Firetower consists of one 100% owned tenement with gold and copper targets within approximately 12km of strike of prospective rocks throughout the area.

Its location provides excellent infrastructure and access to a skilled local labour force.

Ernest Giles

The Ernest Giles project is located 250km north-east of Laverton in the Yilgarn in central Western Australia. The project covers approximately 1,370sq km of unexplored Yilgarn Craton hosting greenstone belts and intrusives with over 180km of strike of prospective rocks. Greatland believes the project has the potential to deliver significant shareholder



value with the discovery of upto five million oz of gold deposits.

Bromus

The Bromus project is located 25km south-west of Norseman and 65km south of the historic Chalice gold mine in the southern Yilgarn region of Western Australia. The Bromus exploration licence covers 52sq km of under-explored greenstone & intrusive granites of the Archean Yilgarn Block at the southern end of the Kalgoorlie-Norsman Belt, host to over 120mln oz of gold and numerous nickel deposits. Its location provides access to a skilled local labour force, excellent infrastructure & transport links with highways & a railway line running to the south-east of the licence.

Greatland Gold has identified several geochemical targets over 10km of strike prospective for nickel and gold.

Key Fundamentals

Key Fundamentals	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19
Revenue (£ m)	n/a	n/a	n/a	n/a	n/a
Pre-Tax (£ m)	-1.08	-0.66	-1.25	-1.84	-3.26
EPS	-0.15p	-0.06p	-0.07p	-0.07p	-10.00p
PE	n/a	n/a	n/a	n/a	n/a
PEG	n/a	n/a	n/a	n/a	n/a
EPS Growth	n/a	n/a	n/a	n/a	n/a
Dividend Cover	n/a	n/a	n/a	n/a	n/a
Dividend Yield	n/a	n/a	n/a	n/a	n/a

Recent Share Price Catalysts and Announcements

Haveiron

Momentum really started to come into play in December 2019 after they announced strong progress in Australia. The announcement highlights outstanding, high-grade results from the joint venture with Newcrest, drilling campaign at Haveiron which has led to significantly extended zones of high-grade mineralisation. Greatland announced, to the north, in one hole they found 107 metres at 2.2 grams of gold per tonne of ore, including 21 metres at 10 grams. Following this announcement

Newcrest Mining Ltd (who work with Greatland in this area) and which carried out the work at Haveiron, has finished a \$10mn first stage of a farm-in agreement, and a second stage also worth \$10mn of expenditure has now begun.

Paterson

Within a couple of weeks of the initial announcements from the Haveiron area the firm then also announced Positive Results from a Geochemical Survey at the Paterson Range East. The survey at Paterson Range East builds on existing targets and identifies multiple new targets.



A comprehensive Mobile Metal Ion (“MMI”) geochemical surface soil survey has been completed at Paterson Range East.

Highlights of Results from MMI Survey:-

Widespread geochemical response, including gold and copper, enhances the prospectivity of multiple targets at Paterson Range East.

Goliath target upgraded:

- Significant geochemical response identified at Goliath
- Goliath represents a large ‘bulls-eye’ magnetic anomaly with
- Semi-coincident gravity anomaly and is a high-priority target
- Three new additional targets identified (G1, G2, G3):
- New targets are geochemical anomalies with favourable geology and/or
- Geophysical characteristics

Gervaise Heddle, Chief Executive Officer, commented: “We are encouraged by the results of our recent geophysical and geochemical studies which have identified a range of exciting, high-priority targets. The Goliath target, which displays very similar characteristics to Havieron, has emerged as one of our highest priorities for 2020 as we look to fast track exploration across the Paterson region.”

Firetower - Tasmania

Within a few weeks of the announcements from Australia, the firm also reported mineralization at another site over in Tasmania. The firm said that further drilling at its wholly owned Firetower project in Tasmania confirmed the presence of additional broad widths of shallow gold mineralization. Greatland also said they have completed a systematic grid-based drilling programme at Firetower, comprising 14 diamond holes with depths from 50 metres to 160 metres, for a total of approximately 1,530 metres.

The program was designed to test the main zone of gold mineralization and results to date have confirmed broad widths of gold mineralization.

The Road Ahead

Most mining stocks in the AIM market tend to have “flash in the pan” moves but already analysts are stepping up and pointing out that Greatland’s prospects are different. Greatland itself has got a large footprint in the Havieron region and it’s got a track record of success. The company has identified several high priority targets close by as well. Scallywag for one, an area only a short distant from Havieron, and the preliminary work at Goliath is now also showing similar geophysical and geochemical signatures to those seen in the early work at Havieron. Havieron prospects are becoming clearer and the overall opportunity works out at more than 100mln tonnes of mineralised rock, leading to even the most conservative grading putting the deposit at more than 4mln ounces.



Broker's Numis, which has just upgraded its price target for Greatland have said there could be upwards of 5.5mln ounces at Havieron, and that's before considering the as yet unexplored areas to the northwest which are thought to contain significant further mineralisation.

"Whilst the shares have performed strongly and are up 60% in the year-to-date, we believe that this is just the market beginning to catch up with the very positive drill results generated over the past 12 months."

Numis also made a very bold statement,

"We retain the view that Greatland Gold is one of the most exciting exploration projects globally."

Summary

The AIM market is a fickle environment and moves are fleeting, largely due to a lack of volumes and a lack of reporting clarity. However, I am in agreement with Numis on this one. Greatland's prospects look to be far superior than other miners in this market. The reality is that the prospects for Greatland gold are high quality and if it can be pulled out of the ground also of a significant quantity. There is also significant strong noise from Newcrest who are the joint venture partners over in Australia. In fact they have been so impressed with the prospects that they have opened the taps to drilling in the region in an effort to have resources moving out of the ground by the end of the year. And let's be clear on this, Newcrest is no minnow with a market cap of \$20bn+

However, if you have been around the markets as long as I, then you will surely know it is never as simple as it might seem. It takes more than just numbers to really make a difference and with the only target price out in the market being 6p the short-term upside is stunted. That being said, the price of gold also plays its part and any drop in gold could temporarily weigh on the share price and give investors the entry level required. This year is going to be an interesting year for the company and if all goes to plan, we could be looking at a significantly different price by the end of the year.

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