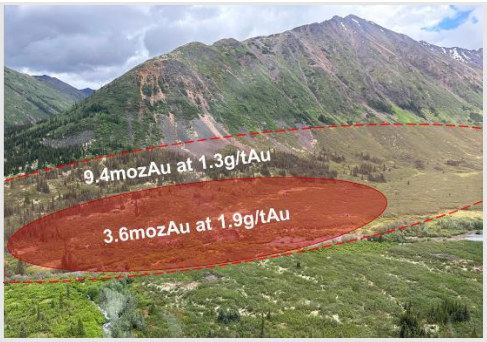

Snowline Gold Corp.
SGD CN

Site Visit – Multiple Completed

Price	*C$*	$4.02
Shares on Issue	*m*	140.2
Market Cap	*C$m*	$563.5
Working Capital	*C$m*	$36.5
Total Debt	*C$m*	-
Avg, Daily Volume	*3mo*	111,687
Valuation	*C$/sh*	$17.02
P / NAV	*x*	0.24x

All figures in USD unless noted.

SGD vs GDXJ (rebased)

Source: FactSet, Agentis Capital research.

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17 July 2023
Agentis Capital Mining Partners
("Agentis Capital")

Snowline Gold (SGD CN)

Initiating Coverage: Valley +9mozAu Disruptive Discovery with +500kozAupa Production Potential – Could be the Tip of the Iceberg in the District?

Key Points

- ⇒ We derive a sum-of-parts 12mo NAV of **$1.9bn (C$17.02/sh)** underpinned by our Valley DCF$_{5\%}$ model – after-tax $1,757m NPV$_{5\%}$ & 40% IRR
- ⇒ 9.4mozAu Valley discovery has "Super Tier 1" +500kozAupa potential
- ⇒ Wealth of RIRGS & epizonal orogenic gold targets across the permissive Selwyn Basin – a potential new world-class gold camp in Yukon, Canada

Valley Discovery has +9mozAu scale, high grades & continuity

Through one season of drilling at Rogue, SGD uncovered the bulk-tonnage Valley Disruptive Discovery at surface. On Jun 20/23, we published our proprietary 9.4mozAu at 1.3g/tAu mineral inventory estimate for the Valley discovery with a 3.6mozAu at 1.9g/tAu starter pit. We consider Valley to be a "beast" of a reduced intrusion-related gold system (RIRGS), returning intervals grading 2-10x higher than typical RIRGS, with frequent VG hosted in intense, multi-stage sheeted quartz veins.

Potential +500kozAupa production profile at $680/oz AISC

Our conceptual open pit mine with a 30ktpd CIL processing plant + 6ktpd ROM heap leach for Valley yields an after-tax NPV$_{5\%}$ of $1,757m and IRR of 40.0%, with average annual FCF of $280mpa. Over its 17.5yr LOM, our mine plan for Valley delivers avg annual production of 500kozAupa at a $680/oz AISC with avg annual production of 624kozpaAu at a $408/oz AISC for the first 5.5 years via the 2g/tAu starter pit. We think the +500kozAupa potential will be highly sought after by seniors.

M&A outlook: B2Gold investment solidifies Tier 1 potential

On Mar 14/23, SGD announced a strategic endorsement from senior gold producer B2Gold (BTO CN), via a C$19.2m equity placement for 5.0% of SGD (from a 2.5% stake acquired on open market; now 9.9%) with anti-dilution rights. Following BTO's acquisition of Sabina Gold & Silver for Back River (NU, Canada) in Apr/23, we think BTO, among other senior gold producers, is increasing its focus on Canada & Yukon as a safe mining jurisdiction. We think SGD is in the *Takeover Sweetspot*, with its multi-million oz potential, 100% ownership & district-scale land position in Yukon. We see M&A on the horizon as senior producers are now assessing the discovery potential and known discoveries within the potential Tier 1 district controlled by SGD.

+30 RIRGS targets within unexplored district-scale land position

SGD has consolidated a commanding +333.9kha land package in the Tintina Gold Belt, hosting +30 RIRGS targets in the region. We think many key geologic features of Valley are shared by other RIRGS targets at Rogue and in the district. We believe the potential for another Disruptive Discovery at Rogue is under the market's radar.

Key go-forward catalysts

- +15km Rogue exploration drill program – with potential to expand scope (ongoing)
- Yukon Mining Alliance (YMA) conference & site visit (17-21 July 2023)
- +3km regional Yukon exploration drill program (2H23)

Valuation (p15-18)

- We derive a $1.9bn NAV (C$17.02/sh) via our sum-of-parts fully funded 12mo corporate NAV approach, underpinned by our DCF$_{5\%}$ model for Valley yielding an after-tax $1,757 NPV$_{5\%}$ & 40.0% IRR ($1950Au, 0.75FX). SGD trades at an attractive P/NAV of 0.24x vs the Tier 1 developer peer group avg 0.48x (Fig 29).

Company Overview

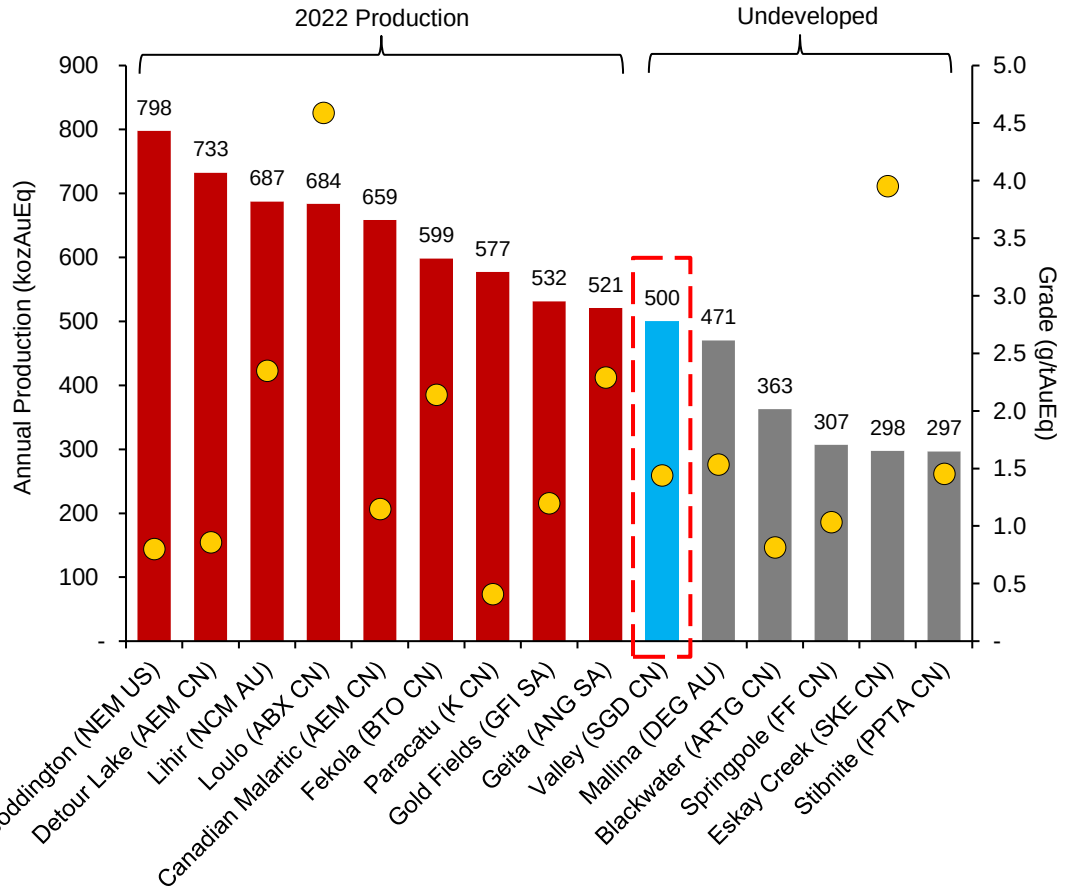
Snowline Gold Corp. (Snowline, SGD) is a Yukon-focused greenfield gold explorer that has made a major Disruptive Discovery at its Valley target. Valley is located at SGD's flagship 100% Rogue project, Na-Cho Nyak Dun Traditional Territory, eastern Yukon. Valley is one of many highly prospective targets across SGD's district-scale 333.9kha land position of raw, greenfield gold projects in the Tintina Gold Belt within the permissive Selwyn Basin, Yukon, Canada. Snowline's extensive portfolio of mineral properties was spun out from a family-owned private prospecting company in Yukon.

SGD has a competitive advantage exploring in the Yukon as management brings to bear extensive Yukon exploration experience, datasets and has the acknowledged global expert on Reduced Intrusive-Related Gold Systems (RIRGS) in its Chairman Dr. Craig Hart.

Snowline trades in Canada on the TSXV under the ticker SGD. The Company has 140.2m shares i/o and we estimate has ~C$36.5m in working capital (as at Jun 30/23). SGD has a FDITM share capital of 159.0m based on 8.2m options ITM (weighted avg strike of C$1.44/sh; expiry Feb/26 to Feb/28; C$11.7m total proceeds) and 1.5m warrants ITM (weighted avg strike of C$1.73/sh; expiry Jul/23 to Aug/24; C$18.5m total proceeds).

Corporate ownership includes strategic investor B2Gold (BTO CN) at 9.9%. Institutional shareholders include Crescat Capital (7.3%), 1832 Asset Management (2.7%) and Van Eck (1.1%). Management and directors own ~8% of the Company. Other insiders include 18526 Yukon (Berdahl family-owned; 19.6%), Alex Gubbins (7.9%) and Keith Neumeyer (6.0%).

Fig 1 Gold production in 2022 from 100%-controlled +500kozAupa mines (red) operated by seniors and average annual production for undeveloped gold assets in the Tier 1 pipeline 100% controlled by juniors. We highlight how thin the gold development pipeline is globally, with six assets meeting our criteria – one of which is Valley, based on our conceptual mine plan. We think Valley has Super Tier 1 +500kozAupa potential that could move the needle in the hands of a senior gold producer.



Source: Company disclosure; Agentis Capital research. Note: +500kozpaAu assets in JVs are excluded.

Introduction & Report Layout

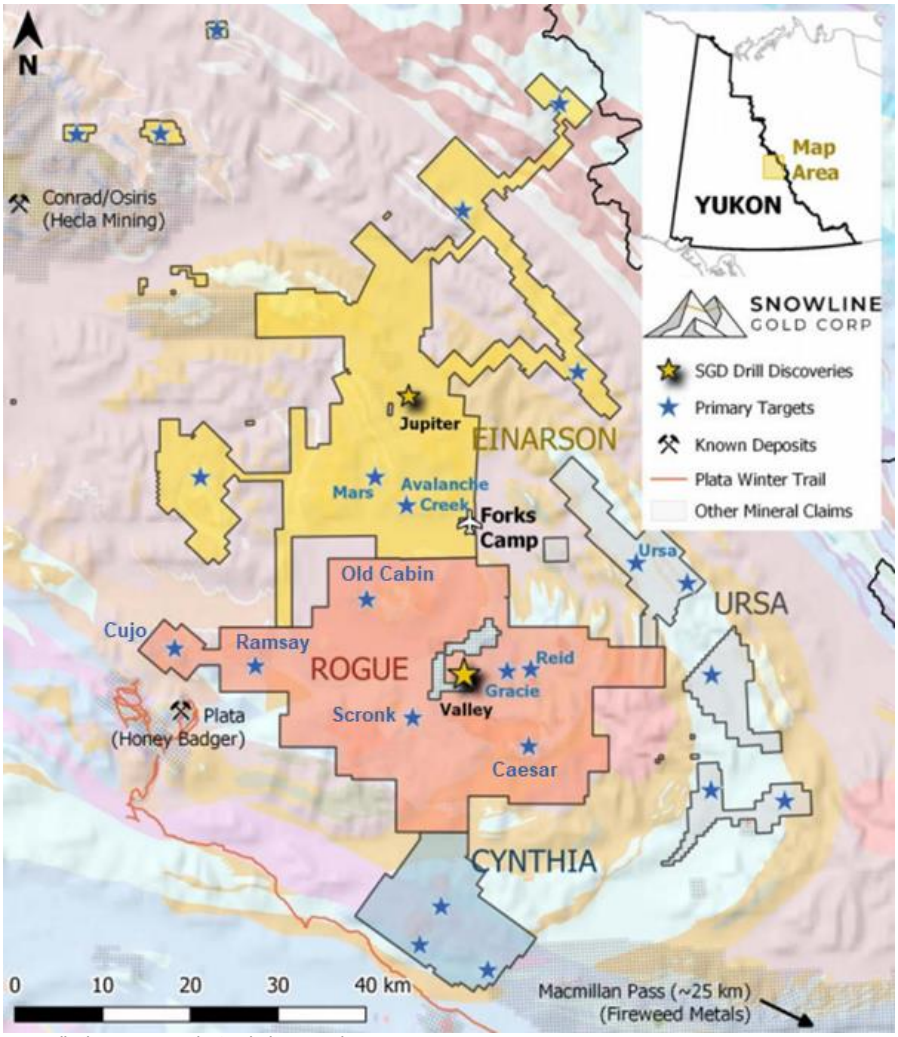
In this Initiation Report on SGD, we provide our $DCF_{5\%}$ model valuation for the Valley discovery and take a deeper dive into the numerous RIRGS & epizonal orogenic gold targets across SGD's district-scale land package (Fig 2). We have a high conviction that the Disruptive Valley Discovery is a potential "tip of the iceberg" discovery with respect to mineralization potential in the geologically-endowed Selwyn Basin region of the eastern Yukon – we do not believe the discovery upside beyond Valley is broadly appreciated in the market yet.

We have linked to our Aug 11/22 SGD Gray's Prospect Addition note and our Jun 20/23 proprietary mineral inventory estimate note for additional key takeaways on Valley geology and its potential endowment. We are initiating full coverage of Snowline Gold, elevating it from previous "Gray's Prospects" level coverage, with a $1.9bn (C$17.02/sh) 12mo corporate NAV.

In this Initiating Coverage report we:

- Provide context of the Valley discovery and our proprietary mineral inventory estimate (p4-5)
- Conduct analysis and discussion of our potential OP mine development scenario (p6-7)
- Highlight key attributes of SGD's +28 greenfield RIRGS targets across its district-scale land package that have "Valley-like" Disruptive Discovery potential (p8-14)
- Provide a sum of parts NAV valuation as underpinned by our Valley $DCF_{5\%}$ model (p15-18)
- We provide M&A outlook discussion & compare SGD against Au developer peers (p19-21)
- Highlight Key Catalysts and analyse potential Risks & Sensitivities (p22-23)

Fig 2 Plan view, SGD's east-central Yukon project portfolio in the Selwyn Basin: Rogue (red), Einarson (yellow), Ursa (grey), Cynthia (blue) & Olympus (green). SGD has a large pipeline of +30 priority RIRGS & epizonal orogenic gold targets (stars).



Source: Company disclosure; Agentis Capital research.

Valley Discovery – Path to Production

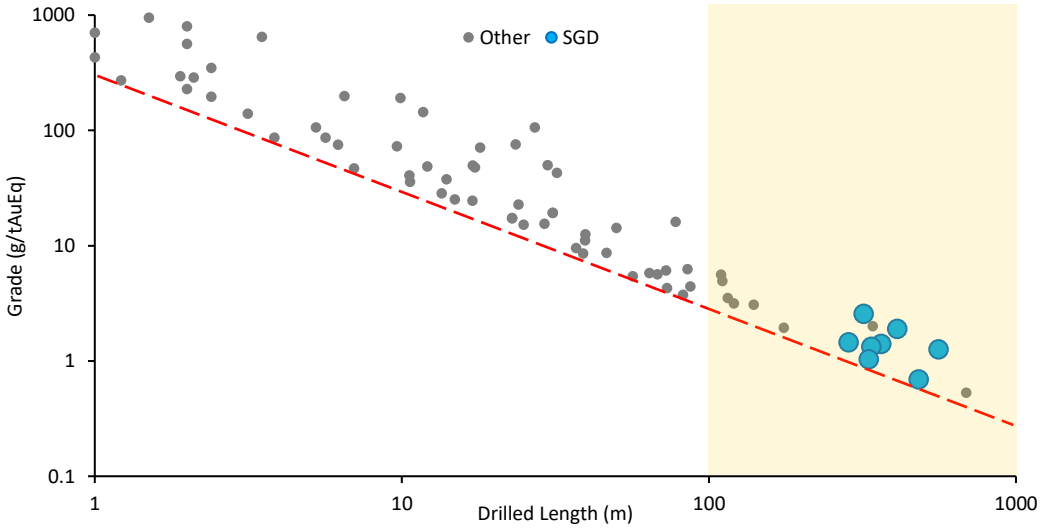
Our focus to date has been on the geology and endowment potential of the Valley discovery, however, in this Initiation Report, we provide our interpretation of Valley as a Super Tier 1 discovery from a development perspective, underpinned by our proprietary mineral inventory estimate. Despite Valley being at an early stage with only ~12km of drilling, we think we can be bold with our views given the exceptional grades, continuity and scale of the RIRGS.

We note it is still early innings for exploration at Valley, with assays from only 32 holes released to date. SGD has generally delineated the intrusion via large step-out holes; however, we note there is significant expansion potential of higher-grade zones within the intrusion.

Synoptic History of the Valley Discovery

- 18526 Yukon Inc. (Berdahl family-owned) staked the Rogue mineral claims in 2008, 2010 & 2020 with a +30yr history as one of the few groups prospecting in the region. Large zones of anomalous gold in grab samples were identified, connected by a ~9km E-W trend of hornfels (identified as related to the Tombstone plutonic suite).
- In 2021, SGD conducted a tight drone mag survey over an 800m x 1km ZTEM target coincident with 2011 work by Golden Predator including soil anomalies & the discovery of a showing in the creek. Drill targets were designed for an initial 2021 drilling program where a greenfield discovery was made at the Valley target. Cutting hornfels confirmed the presence of an auriferous RIRGS intrusive stock with the first hole on the project.
    - Hole 1 returned 186.0m at 0.9g/tAu along with RIRGS-diagnostic Bi+Te.
- In June 2022, SGD made a Disruptive Discovery when it reported visual results from hole 7 (Jun 30/22 news release), displaying intense sheeted quartz+/-carb veins in the Valley intrusion, with much higher vein densities than are typical of a RIRGS (see our Aug 11/22 SGD Prospect Addition). We were particularly compelled by Dr Craig Hart's quote in that news release: *"I've seen a lot of rocks and a lot of drill core from many intrusion-related gold systems, but these Valley intersections have the most intense vein densities I've ever seen. There are overprinting vein generations and varying vein orientations which is unusual and further indicates a very robust mineralizing system."*
    - Hole 7 delivered **1.9g/tAu over 410.0m (775g-m)** from surface incl **3.2gtAu over 146.0m**, defying the <1g/t conventions of a RIRGS, solidifying Valley as a Disruptive Discovery in the first full drill season (see our Sep 1/22 SGD note).
- SGD continued to release +300g-m drill results from Valley from the 2022 program, expanding mineralization in multiple directions. We highlight Valley was a globally significant discovery over the last 12mo with 8 of 77 global +300g-m intercepts (Fig 3).

Fig 3 Global non-infill gold drill intersections completed in the past 12mo returning +300g-m (grade x thickness) intercepts. We highlight SGD returned 8 of the 77 +300g-m intersections that were drilled, all of which were over broad +300m drilled lengths. We think this speaks to the scale and continuity of the Valley system.



Source: S&P Capital IQ Pro; Agentis Capital research. Note: Infill holes for resource-stage and development-stage assets have been omitted. Data collected from Jul 1/22 to Jul 1/23 on a best-efforts basis by Agentis Capital.

Agentis' Proprietary Mineral Inventory Estimate for Valley

We held the strong view that there was the need for more quantitative analysis of the resource potential and in June/23 underpinned our endowment estimate with our proprietary pit-constrained mineral inventory estimate (MIE) for Valley (see our Jun 20/23 SGD note for a detailed breakdown of assumptions & input parameters). We used data from 31 SGD holes completed at Valley (as reported in news releases), with 19 holes ultimately used for our MIE block model (Fig 5). Our MIE is shown with cut-off grade (CoG) sensitivity in Fig 4.

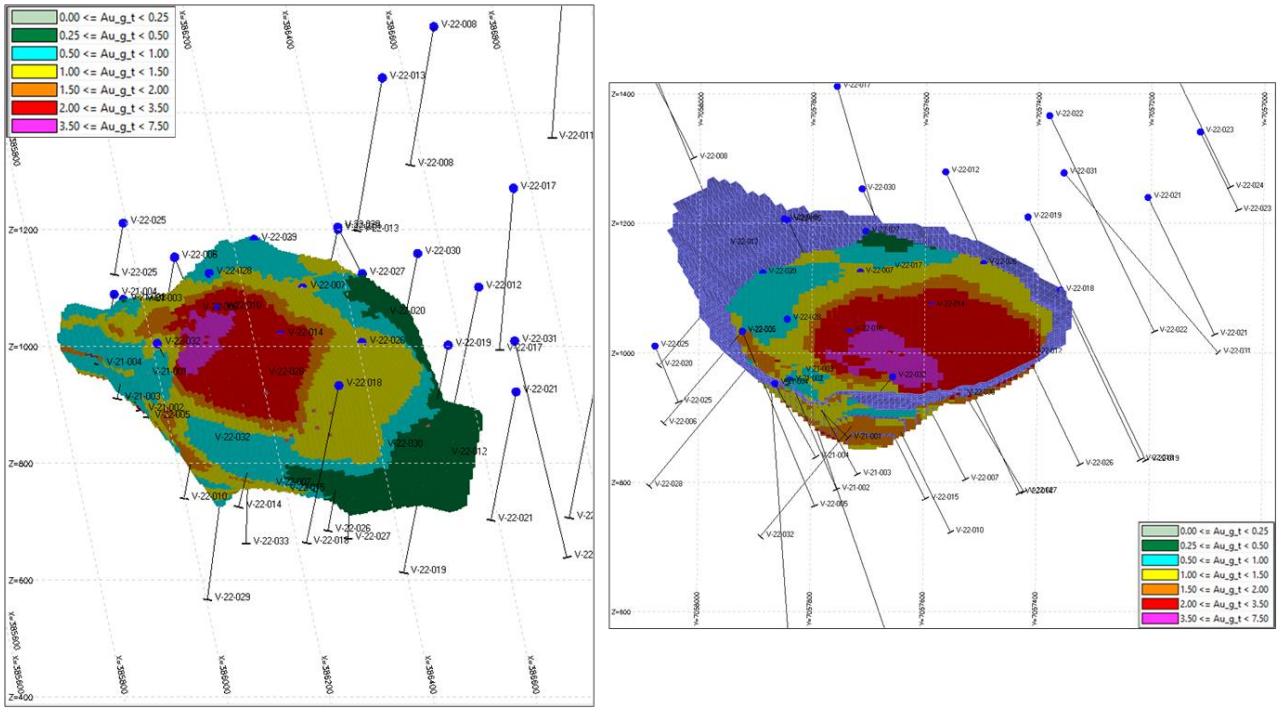
- **Conservative pit-constrained estimate** – We constrained the overall & starter pits at 48° slope angles via Whittle. We consider this a conservative pit slope angle vs the ~50-55° slopes typical at the Eagle & Fort Knox mines for similar Tombstone granite rocks.
- **+9mozAu contained** – Based on our assumptions and methodologies, we estimate Valley hosts **9.4mozAu at 1.28g/tAu** with a starter pit containing **3.6mozAu at 1.94g/tAu**. The residual grade of the deposit outside the starter pit is 5.8moz at 1.06g/t. We highlight the excellent continuity of Valley, reflected by low sensitivity to CoG (Fig 4).

Fig 4 Cut-off grade sensitivity for the Valley pit mineral inventory and Valley starter pit mineral inventory estimates.

Mineral Inventory				Mineral Inventory Starter Pit			
Cut-off *g/tAu*	Tonnes	Grade *g/tAu*	Contained *ozAu*	Cut-off *g/tAu*	Tonnes	Grade *g/tAu*	Contained *ozAu*
0.1	228,268,164	1.28	9,397,578	0.1	57,999,814	1.94	3,616,658
0.2	228,268,164	1.28	9,397,578	0.2	57,999,814	1.94	3,616,658
0.3	225,714,734	1.29	9,375,910	0.3	57,999,814	1.94	3,616,658
0.4	217,269,777	1.33	9,276,591	0.4	57,796,266	1.95	3,614,185
0.5	212,421,823	1.35	9,206,192	0.5	57,525,407	1.95	3,610,379
0.6	206,731,782	1.37	9,105,151	0.6	57,255,439	1.96	3,605,401
0.7	188,407,476	1.44	8,723,320	0.7	56,034,726	1.99	3,579,516
0.8	168,413,083	1.52	8,245,362	0.8	54,779,571	2.02	3,549,354
0.9	153,525,821	1.59	7,838,319	0.9	53,566,005	2.04	3,516,017
1.0	140,338,604	1.65	7,434,858	1.0	52,136,519	2.07	3,472,138

Source: Agentis Capital research.

Fig 5 Left: Oblique view, Valley zone block model (looking NW) – Showing the Valley zone block model (10m cubic blocks) by grade (coloured). We note the cohesive high-grade area (+1.5g/t - orange, +2g/t - red, +3.5g/t - pink) at surface. Right: Oblique view, Valley starter pit (looking E) – Showing the high-grade optimized starter pit (purple).



Source: Agentis Capital research; Whittle Software.

OP Mine Production Scenario – Conventional Mill & CIL plant + ROM HL

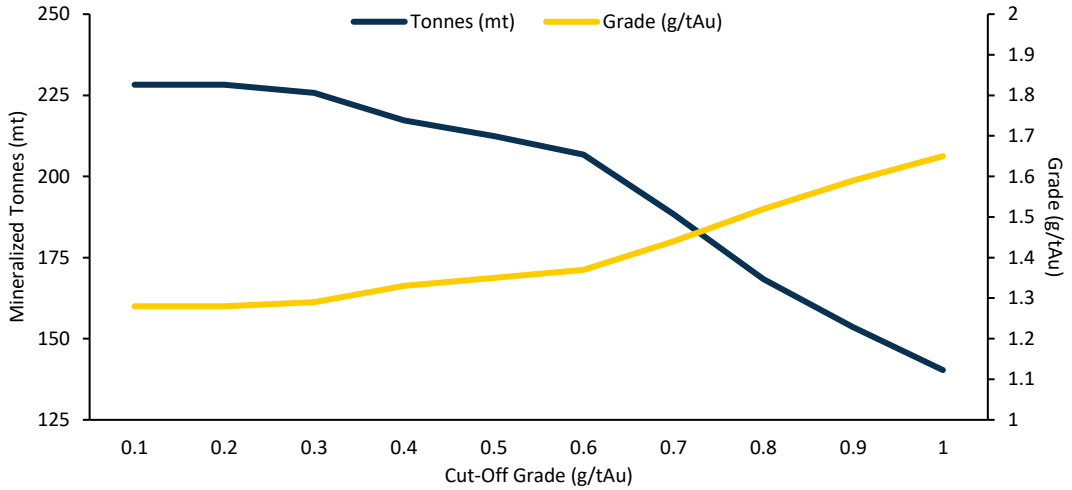
We see Valley as a globally rare Super Tier 1 asset with potential for a +500kozAupa production profile over 17.5 years. Our model contemplates an open pit mining scenario with a conventional 30ktpd mill & carbon-in-leach (CIL) plant, with low-grade material processed via a small (~6ktpd) run-of-mine (ROM) heap leach pad once the starter pit is depleted (from year 6 onwards).

We think the high-grade of our MIE (2-4x the reserve grades of VGCX's Eagle [0.6g/tAu] & K's Fort Knox [0.3g/tAu] mines) could make Valley a high-margin operation relative to RIRGS peers.

We think Valley could advance along a realistic development timeline to commence production in 2036 (6-7 years of engineering to FS, 3-4 years of permitting & 2 years of construction).

- **OP ultimate reserves predicated on our proprietary mineral inventory estimate** – The mineable ultimate reserve for our Valley $DCF_{5\%}$ model is 228.3mt at 1.28g/tAu containing 9.4mozAu including a starter pit of 58.0mt at 1.94g/tAu containing 3.6mozAu.
  - **Ultra-low strip ratio** – Our MIE implies the starter pit strip ratio will be 0.3:1 waste:ore and overall pit strip ratio will be 1.3:1 w:o. We highlight the global rarity of bulk-tonnage gold deposits outcropping at surface.
  - **Early cash flow via a starter pit** – We estimate starter pit production of 56.0mt at 2.0g/tAu (3.6mozAu contained) for the first 5.5 years of Valley's conceptual 17.5yr mine life. This high-grade material yields high-margin production for elevated early cash flow, which we think is a key differentiator vs other bulk-tonnage gold assets.
  - **Cut-off grades (Fig 6)** – We use a CoG of 0.7g/tAu for our 30ktpd CIL processing plant, encapsulating 188.4mt at 1.44g/tAu containing 8.7mozAu (93% of mineable inventory). All other mineralized material, 39.9mt at 0.52g/tAu containing 637kozAu (7% of mineable inventory), is processed on a low-cost 6ktpd ROM heap leach pad beginning in year 6.

Fig 6 Grade-tonnage sensitivity chart for our proprietary MIE at varying CoG.

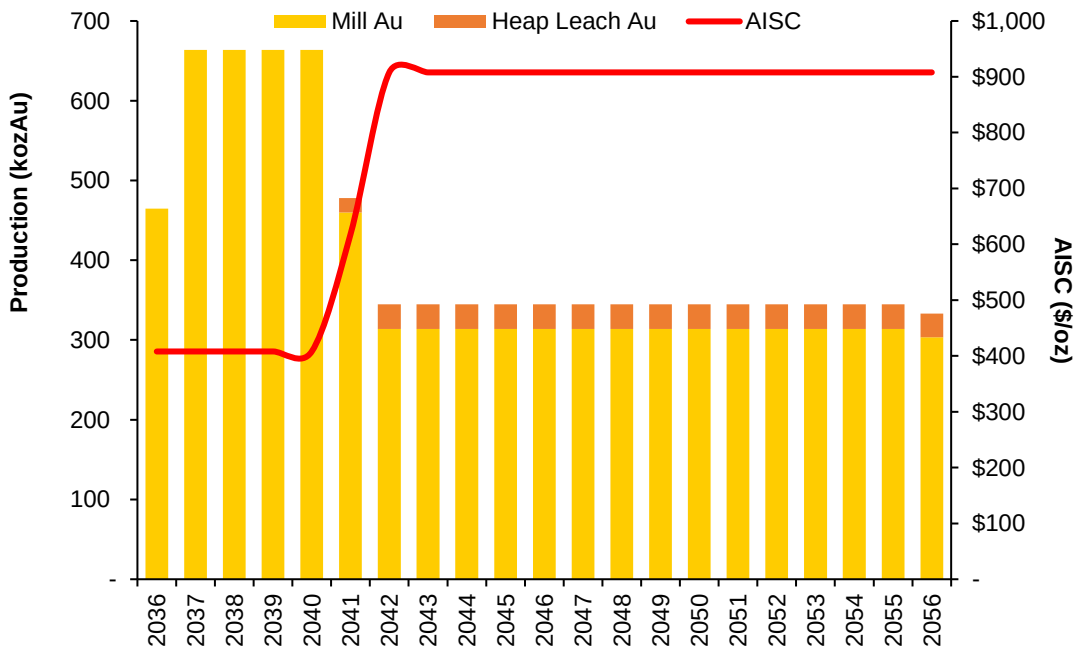


Source: Agentis Capital research.

- **Processing** – We highlight the non-refractory nature of mineralization at Valley, with very fine to coarse-grained VG hosted in quartz veins and with minimal sulphides. We model a 30ktpd conventional crushing, grinding & CIL processing plant as the primary method for processing Valley mineralization to produce gold dore.
  - **Low-risk conventional CIL plant** – We note CIL bottle roll testing at 75 microns yielded the highest gold recoveries (average 95.7%) in SGD's preliminary non-optimized metallurgical testing program for Valley mineralization (see our Jun 14/23 SGD note). We model 95% recovery for the 30ktpd CIL processing method.
  - **ROM dump leach** – SGD subjected Valley samples to prolonged cyanidation bottle roll testing for 336 hours (two weeks) at a coarse 1.0mm crush size, yielding 87.6% recovery. We think Valley low-grade (0.1-0.7g/tAu) mineralization could be amenable to ROM heap leaching, similar to the Eagle and Fort Knox mines, providing upside for material that would otherwise be waste. We model 75% recovery for the 6ktpd heap leach processing (Fort Knox average is ~70%).

- **Cost assumptions** – We model flat operating costs of C$5.00/t mining cost, C$14.70/t milled CIL processing cost, C$2.70/t processed HL processing cost and C$5.70/t processed site G&A costs. We estimate initial capex of C$1.6bn ($1.2bn), expansion capex of C$93m ($70m), LOM sustaining capex of C$609m ($466m) and C$67m ($50m) in closure costs. Our capex estimates account for cost inflation but are subject to uncertainty as our model is a highly conceptual outlook for mine development at Valley.
  - **Access** – We envision a ~100km access road at a C$200m cost, constructed from the North Canol road, which is being upgraded as a component of the C$360m Yukon Resource Gateway program (see our Dec 15/22 Yukon Thematic). SGD may also be able to upgrade the existing Plata trail near Rogue (Fig 2).
  - **Power & site infrastructure** – We model C$525m in infrastructure construction, including a 138kV transmission line along the 100km access road from the North Canol road and electrical substation on site, assuming the existing distribution line is extended from Ross River. Other site infrastructure includes key maintenance shops, buildings and a 400-man camp.
  - **Mine development** – We estimate C$400m related to developing the crushing circuit, grinding circuits, CIL plant and associated infrastructure. We estimate C$470m for other mine development costs including equipment purchases, pre-stripping, tailings facility construction and stream diversion. We model C$93m in expansion capex related to heap leach pad construction to be incurred in year 5 ahead of heap leaching commencing in year 6.
- **"Super Tier 1" production profile** – We envision Valley reaching first production in 2036, with a ramp-up year operating at 70% of nameplate capacity, producing 465kozAu. Over the 17.5yr LOM, our conceptual mine plan for Valley delivers average annual production of **500kozAupa at a $680/oz AISC** with average annual production of **624kozpaAu at a $408/oz AISC for the first 5.5 years** while mining the high-grade, high-margin starter pit. Production from year 6 and onwards is 333kozAupa at a $908/oz AISC (Fig 7). We think Valley's +500kozAupa potential will be highly sought after by senior gold producers.

Fig 7 Production profile & AISC over the 17.5yr LOM. Our model for Valley delivers avg annual production of 500kozAupa at a $680/oz AISC with avg annual production of 624kozpaAu at a $408/oz AISC for the first 5.5 years while mining the starter pit.



Source: Agentis Capital research.

- **Economics** – Our conceptual mine plan for Valley yields an **after-tax NPV$_{5\%}$ of $1,757m** and **IRR of 40.0%**, with **average annual FCF of $280mpa**. The outputs of our Valley DCF$_{5\%}$ model are further discussed in our Valuation section (p15-18).

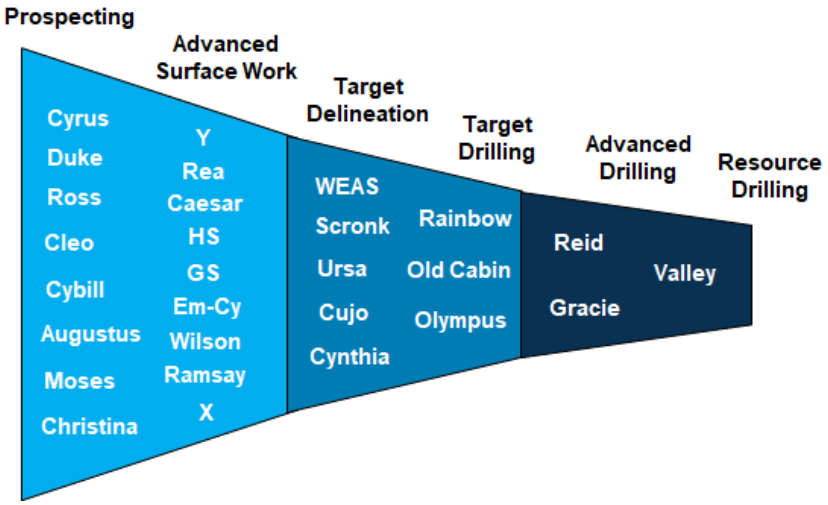
Analysis of SGD's Pipeline of RIRGS Targets

Following the first full drill season at Valley in 2022, our second site visit to SGD's Rogue asset in Jun/23 gave us new insights into the geology and exploration potential of the proto-district. With multiple site visits now completed, we see a number of RIRGS targets in SGD's exploration pipeline with "Valley-like" attractive features relating to mag signatures, ZTEM lows, hornfels country rock, geochemical signatures (Bi-Te±As±W), key structures and metal zonation (Fig 9).

We think this section on the pipeline of RIRGS targets is important to our valuation and understanding the scope of the opportunity of SGD shares. We believe this is the first time a breakdown of the main targets at Rogue (outside of Valley) has been conducted.

We see significant upside for further RIRGS discoveries within SGD's commanding land position in the Selwyn Basin – we ascribe $158m value for SGD's 315kha attributable land position (see Valuation section). We believe Valley is potentially the tip of the iceberg of a new Tier 1 mining camp in the Yukon. We highlight key features of some of SGD's compelling RIRGS targets below.

Fig 8 SGD's enviable RIRGS target pipeline (Agentis' best-efforts ranking). We highlight most juniors may only have 1-3 targets of this calibre (excluding Valley). SGD has consolidated a district of +28 RIRGS targets that have high discovery potential.



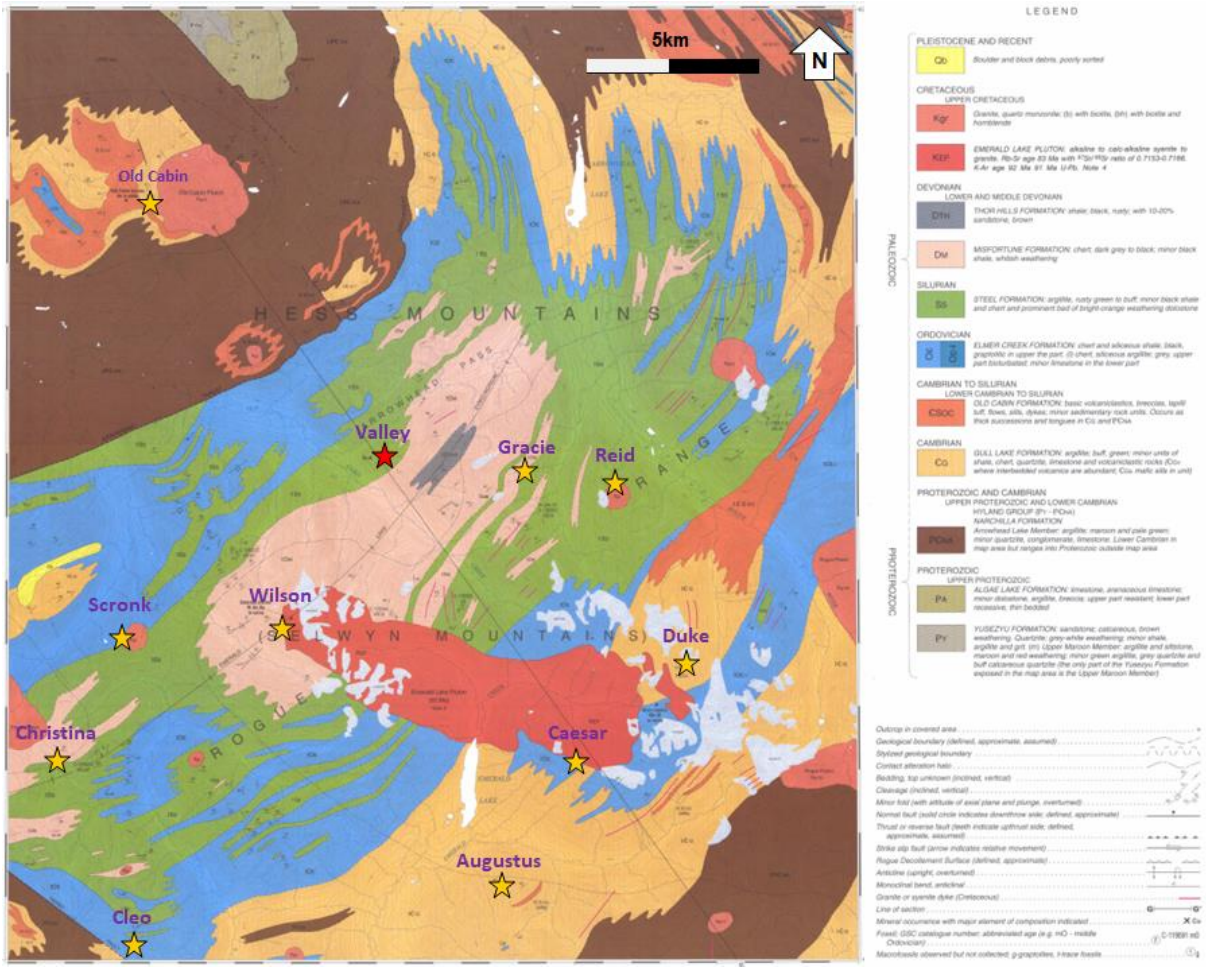
Source: Agentis Capital research.

Fig 9 RIRGS target attractiveness ranking heat map matrix. Green = currently defined, orange = uncertain (possibly partially evidenced), red = undefined at this point.

Target	Stage	Mapped Intrusion	Mapped Hornfels	Te-Bi Signature	Geophys Anomaly	Sheeted Qtz Veins	W Signature
Valley (Rogue)	Advanced Drilling						
Gracie (Rogue)	Target Drilling						
Reid (Rogue)	Target Drilling						
Old Cabin (Rogue)	Target Delineation						
Scronk (Rogue)	Target Delineation						
Cujo (Rogue)	Target Delineation						
WEAS	Target Delineation						
Rainbow	Target Delineation						
Olympus (7 targets)	Target Delineation						
Cynthia	Target Selection						

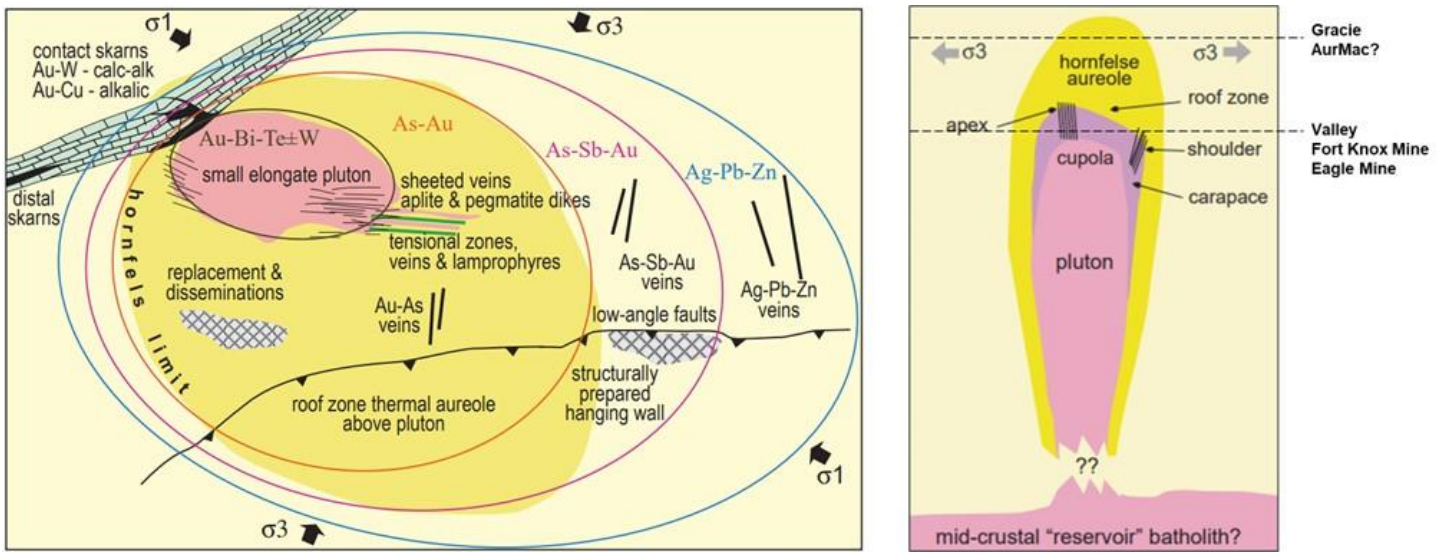
Source: Agentis Capital research.

Fig 10 Geologic map, Rogue property, annotated with 9 of the +20 RIRGS targets relatively proximal to Valley. We highlight the multiple ~100m to ~5km diameter plutons, which we consider optimal geometries for forming RIRGS. We highlight buried intrusions can be located via ZTEM low anomalies and geochemical signatures (Fig 11).



Source: Cecile, M.P. (1998) Geology of Arrowhead Lake; Agentis Capital research.

Fig 11 <u>Left</u>: Plan view, RIRGS model – Highlighting the laterally-zoned mineralization & geochemical signatures from Au-Bi-Te (pluton-proximal), As-Au (hornfels), As-Sb-Au (distal), Ag-Pb-Zn (very distal). <u>Right</u>: Schematic section, RIRGS model – Optimal high-grade gold settings are the brittle carapace (purple) & cupola. We believe Valley was partially eroded through the carapace. The smaller, lower-grade Fort Knox & Eagle deposits may have been formed from deeper mid-crustal reservoir magmas. SGD thinks the crustal block at Rogue may have similar erosion levels, therefore, discovery potential for preserved carapaces (per comm. SGD Chairman Dr. Craig Hart).



Source: Hart, C. (2007) Reduced Intrusion-Related Gold Systems; Agentis Capital research.

Valley (Rogue Project)

SGD's greenfield Disruptive Discovery at Valley demonstrates the fertility of the underexplored Tombstone Gold Belt at SGD's Rogue asset (Fig 10). Valley is an intrusive granodiorite stock with gold in sheeted quartz veins (including VG) and in sulphide veins within the surrounding hornfels. We think many key geologic features of Valley are shared by other RIRGS targets in the district.

Key Features

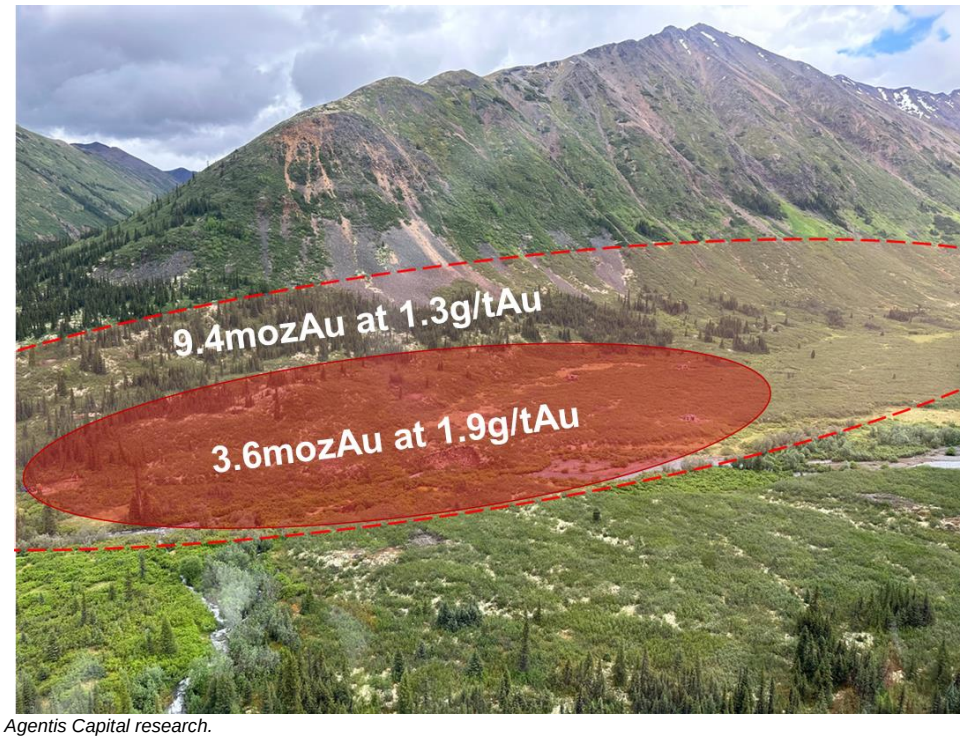
- **Standout vein density** – Mineralization at Valley hosted in intense, sheeted quartz veins within a large, reduced granodiorite stock. Valley shares similarities to other textbook RIRGS deposits (Fort Knox - K CN; Eagle - VGCX CN); however, we consider Valley a Disruptive Discovery because it hosts significantly higher grades, driven by its incredibly high quartz vein volume (10-20+ veins/m) hosting VG (Fig 12). Like other textbook RIRGS, Au is associated with pathfinder mineral bismuthinite (Bi + Te). We consider this key for understanding metal association and zonation at other SGD targets (Fig 9 & 11).

Fig 12 Core photo, Valley hole 10 (~240-252m downhole) – Highlighting the intense, sheeted quartz veining with VG (orange flags) in the granodiorite. We note the incredible multi-phase (at least three orientations) veining that hosts continuous mineralization over the entire 2.2g/tAu over 401.0m (874g-m) intercept.

Source: Agentis Capital research.

- **Multiple controls on mineralization** – On our second Rogue site visit, we became aware Valley grades are typically highest in zones near lithological contacts and major structures. We highlight the high-grade gold "leakage" into the surrounding hornfels with VG – we think this is indicative of a very robust system, with distal As and proximal Au-Bi-Te±W. Regional depth of magma emplacement is likely a key driver of fertility across the Rogue Plutonic Complex (per comm. Dr. Craig Hart). There are also multiple enigmatic mineralized biotite-feldspar porphyry dikes cutting the intrusion, with quartz veins (fewer than in the Valley intrusion) hosted in various orientations but with a predominate NW trend. We highlight Valley hosts pervasive, modestly calcareous microfractures (associated with higher grades?), which responded strongly to acid throughout the core when we tested it on site. We highlight geologic complexity and the hardness of the granodiorite to effectively "crack" during the mineralizing event may be key to providing pathways for mineralizing fluids.
- **Large scale & excellent continuity established via step-out drilling (Fig 14)** – Sheeted vein mineralization at Valley has a footprint of ~800m along strike by ~600m wide to a +400m vertical extent (Fig 13). The intrusion contains a high-grade core with a footprint of ~350m by ~350m and ~250m vertical extent. We note not all the intrusion is well mineralized – we think this suggests that other RIRGS targets may need to be explored via multiple widely spaced holes. Mineralization at Valley has shown excellent grade continuity to date, with minimal impacts of grade capping and few assays within the core of the deposit yielding <0.5g/tAu results (see our Jul 5/23 SGD note).

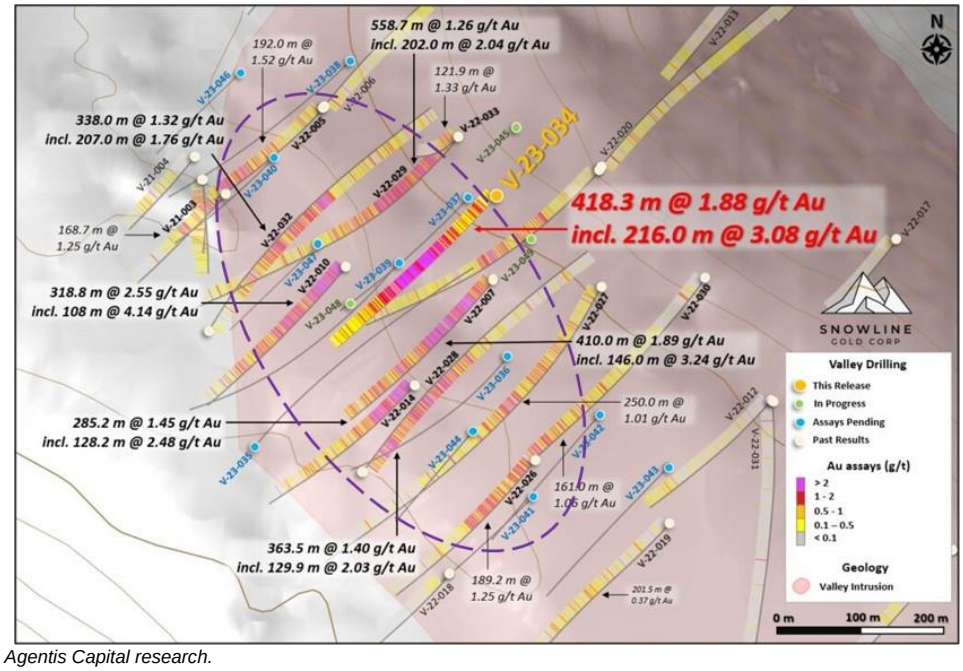
Fig 13 Site visit photo from helicopter, Valley intrusion footprint (looking NE) – Highlighting the high-grade corridor footprint of ~400m along strike by ~350m wide to ~250m vertical extent (red), within a larger mineralized intrusive body (light red).



Source: Agentis Capital research.

- **High-grade core despite partially eroded carapace (roof of the intrusion)** – It is rare for a RIRGS to exceed 1g/tAu grades. Valley hosts a high-grade (~2-4g/tAu) core outcropping at surface & shallowly dipping NE to ~250m depth. We note that buried RIRGS intrusion targets at Rogue could potentially host higher grades, as the brittle carapace of Valley was partially (~100m) eroded, with a large portion still intact. We think vertical (& lateral) metal zonation is a key consideration for RIRGS exploration (Fig 11).

Fig 14 Plan view, Valley Zone – Highlighting assay results from drilling at Valley from 2021 to date. We highlight the consistent high-grade mineralization through the central corridor (dashed purple). We note SGD has completed 13 holes (5.8km) in 2023 to date (assays pending) and has another three in progress.



Source: Agentis Capital research.

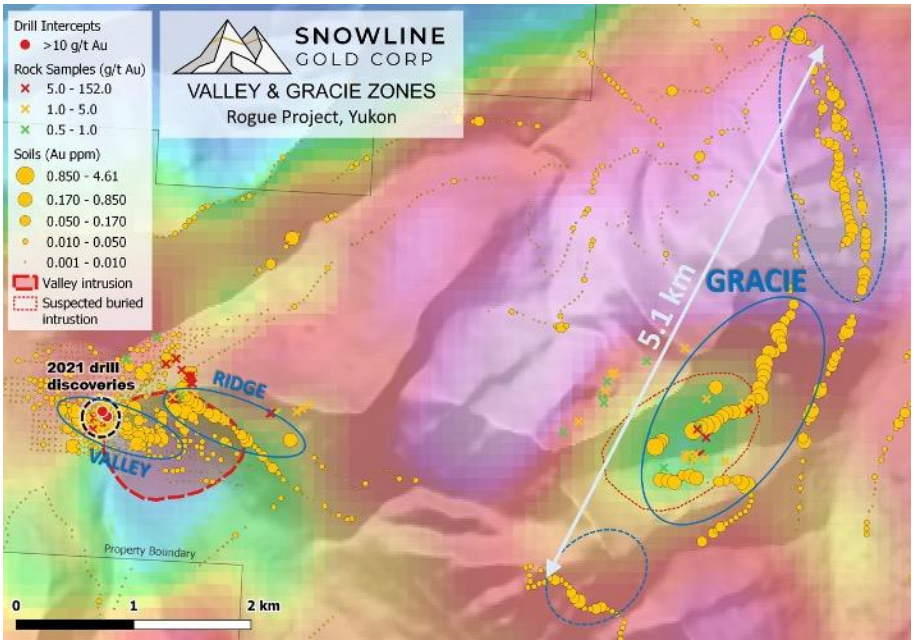
Gracie (Rogue Project)

Gracie is a "blind" target at Rogue, interpreted to be a buried intrusion ~4km E of Valley (Fig 10). It is a high-priority target for its proximity to the Valley deposit & attractive features that suggest a potentially buried robust mineralized system. We anticipate that Gracie could be a bulk UG target.

Key Features

- **High-grade grab samples** – Prospecting work at Gracie yielded anomalous high-grade grab samples grading 57.0g/tAu, 20.1g/tAu & 15.1g/tAu along a 5.1km trend. We think the gold-in-soil anomaly & ZTEM low show compelling similarities to Valley (Fig 15).

Fig 15 Plan view, Valley & Gracie targets – Highlighting the +5km gold-in-soil anomaly at Gracie near the ZTEM low (blue) interpreted to be the buried intrusion.



Source: Company disclosure; Agentis Capital research.

- **Potentially intact carapace is an attractive target** – RIRGS mineralization is typically most intense at the top of the intrusion, suggesting Gracie has potential to host very high-grade mineralization within the brittle carapace (Fig 11). We think Gracie could be a bulk tonnage UG mining target as drilling to date has not reached an intrusive source despite drilling to a vertical depth of ~500m. SGD may also need to vector laterally.
- **Phase 1 drilling yielded smoke** – SGD drilled five holes in 2022, four of which intersected high-grade gold as hosted in hornfels sediments: i) hole 4 yielded 19.5g/tAu over 0.9m (Fig 16); hole 5 returned 6.0g/tAu over 1.5m; and hole 3 intersected 5.7g/tAu over 1.0m. We highlight the four holes that intersected hornfels sediments have trace VG associated with strong Bi & Te signatures, which we believe confirms the presence of a RIRGS. Similar Au-Bi-Te "leakage" was observed in the Valley hornfels.

Fig 16 Core photo, Gracie hole 4 (347-350m downhole) – Showing hornfels with some quartz veining & instances of trace VG (orange). We think high-grade gold with Bi & Te in the hornfels suggests a potentially robust mineralizing system to depth.

Source: Agentis Capital research.

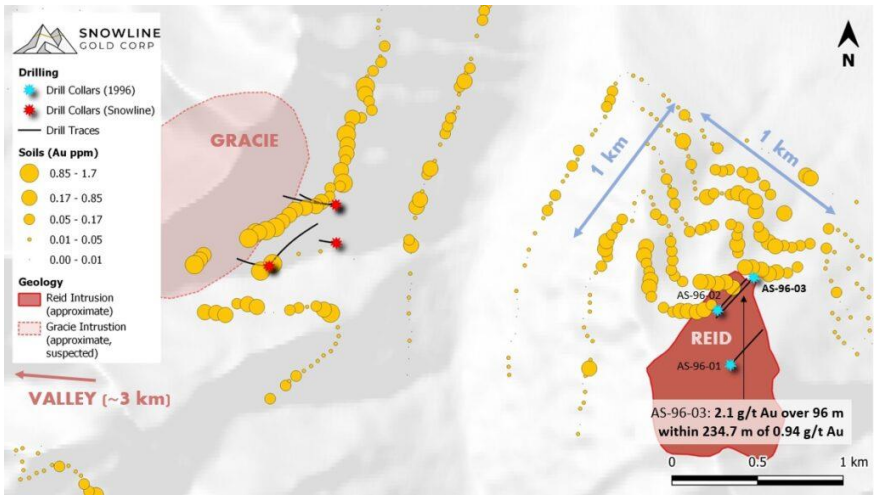
Reid (Rogue Project)

SGD recently acquired the Reid claims, on trend ~8km E of Valley (see our Jun 1/23 SGD note).

Key Features

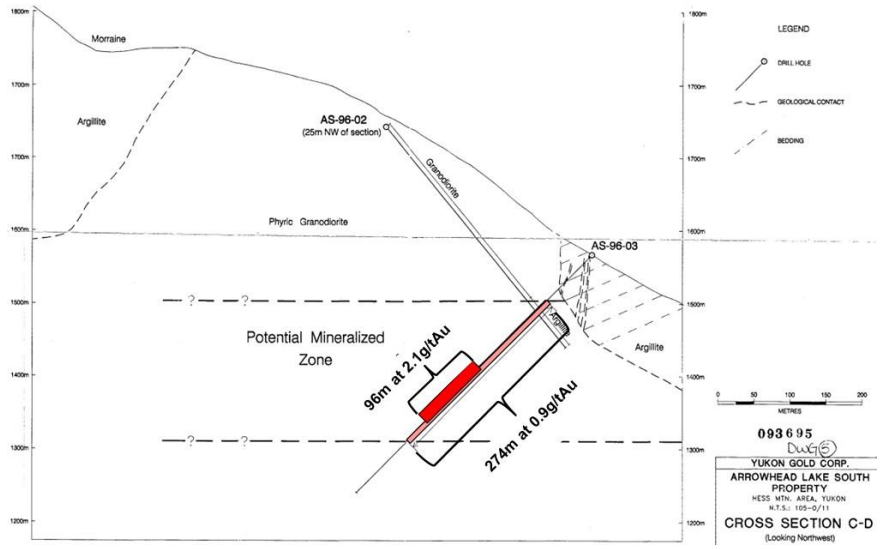
- **Large gold-in-soil anomaly near mapped intrusion (Fig 17)** – Reid has delivered high gold-in-soil anomalies over a +1km^2 area slightly north of the Reid intrusion, coincident with what we understand to be a potential carapace breccia at surface (Fig 10).
- **Historic drilling confirms RIRGS with high-grade potential (Fig 18)** – Historical hole 3 yielded **2.1g/tAu over 96.0m within 0.9g/tAu over 234.7m** hosted in granodiorite, with VG in sheeted quartz veins at the same orientation as primary Valley veins. We think the broad intercept of +2g/tAu mineralization (rare in RIRGS) indicates high potential for a Valley-like high-grade zone. Core geochemistry indicated key pathfinders Bi & Te as highly anomalous, coincident with anomalous Au – a key part of the Valley fingerprint.
- **Key drill target** – SGD plans to conduct a ~1km drill program (3 holes) at Reid in 2023. We think SGD has the Valley playbook to effectively and successfully explore Reid.

Fig 17 Plan view, Reid target (~4km E of Gracie) – Showing soil anomalies & drill hole traces at Reid (1.3km – 3 holes) & Gracie (2.2km – 5 holes). We highlight the multi-km trend of +0.9g/tAu gold in grab samples. We note Reid is a ~1km^2 granodiorite intrusion mapped at surface, whereas Gracie is interpreted as buried.



Source: Company disclosure; Agentis Capital research.

Fig 18 Cross section, Reid historical hole – Highlighting the intersection of 2.1g/tAu over 96.0m (red) within 274.0m at 0.9g/tAu (pink) in qtz veins in the granodiorite.



Source: Government of Yukon; Agentis Capital research.

Old Cabin (Rogue Project)

Old Cabin, ~7km NW of Valley, covers a suspected buried intrusive stock to the N of the Arrowhead thrust fault (Fig 10). Old Cabin has never been drill tested.

Key Features

- **Large ZTEM anomaly; multiple intrusions?** – Old Cabin covers a ~2.5km diameter granodiorite intrusion(s?) coincident with a 2km by 4km ZTEM low. The Old Cabin pluton is surrounded by magnetite-bearing hornfels defined by a ZTEM high. SGD management interprets there could be a buried intrusion at Old Cabin that may have an intact carapace. SGD conducted a 769 line-km magnetics & radiometric survey over Old Cabin in 2022. We highlight the ZTEM anomaly is larger than those of Valley, Gracie & Reid.
- **Geologic complexity & high-grade qtz veins** – Narrow (~1cm) qtz-carb veins with arsenopyrite-pyrite-pyrrhotite±molybdenite have been documented with grab samples up to 10.0g/tAu. Historic work revealed a mineralized 100m by 50m skarn on the W edge of the pluton with po-rich mineralization, potentially similar to BYN's 6.2mozAu AurMac.

Scronk (Rogue Project)

Scronk is an early-stage target ~7km SW of Valley (Fig 10).

Key Features

- **Ag-rich base metal veins associated with syenite porphyry** – A series of subparallel (sheeted?) quartz veins extends outward from a small outcropping porphyritic syenite intrusion into the surrounding argillite. The syenite porphyry hosts abundant subparallel qtz-asp veining up to 0.5m thick. Qtz-asp veins have returned up to 21.0g/tAu in grab samples and polymetallic py-po-gn-sl-sb-cp veins in historical grab samples returned up to 36.0g/tAu associated with Bi. Galena is very argentiferous, with a sample of 416g/tAg.
- **Metal paragenesis indicates proximity to intrusion** – We think there is potential for a RIRGS intrusion nearby, possibly at depth. We believe the base metal vein mineralization is likely distal to the intrusion, the result of cooler (~250°C) hypothermal fluid activity, potentially analogous to a RIRGS-proximal Keno Hill style (Ag-Pb-Zn). We think a RIRGS stock, where Au-Bi-Te±W mineralization typically precipitates at ~330°C, could be proximal to the syenite porphyry with qtz-asp veins (~310°C).

Cujo (Rogue Project)

Cujo is ~25km W of Valley, along the intrusive trend of Valley, Gracie, Reid & Ramsay (Fig 2).

Key Features

- **2km by 1km intrusion mapped** – Cujo covers a biotite-bearing granodiorite with local hornfels & skarn coincident with a magnetic high anomaly. Mineralization includes quartz-carbonate veins & qtz flooding in the hornfels. Like Valley, sulphide content is low.
- **Historic drilling yielded smoke** – Six holes were drilled at Cujo in 1996, targeting the west edge of the intrusion, yielding one mineralized interval of 1.0g/tAu over 13.6m.

Rainbow Project

Rainbow is a 1,225ha early-stage property located in central Yukon ~100km W of Rogue.

Key Features

- **Overlapping magnetic & gold-in-soil anomalies** – Rainbow hosts a 1km by 300m Au-Bi-Te±W soil anomaly coincident with the eroded edge of a 2km by 3km magnetic anomaly. Grab samples have yielded up to 8.0g/tAu and outcrop samples up to 4.1g/tAu.
- **Clear peripheral zone of anomalous antimony & arsenic** – The soil sampling program defined a zone of anomalous As & Sb peripheral to the gold zone. We highlight this is a known characteristic of RIRGS and we think the clear distinction of the gold zone will drive initial targeting, potentially as part of SGD's +3km greenfield drilling program (LF).

Valuation

Methodology

We value SGD using a sum-of-parts 12-month corporate NAV approach, underpinned by our $DCF_{5\%}$ model leveraging our proprietary mineral inventory estimate for Valley, using the methods and assumptions in Fig 19. Our Valley $DCF_{5\%}$ model uses Agentis long-term price assumptions of $1,950Au & 0.75FX (CAD/USD). See our Jan 16/23 PTW Thematic for our price rationale.

We ascribe valuation credits to the rest of SGD's district-scale land position in the Selwyn Basin, as we believe SGD has a first-mover advantage to explore for greenfield RIRGS discoveries that could unravel into a new gold camp in the Yukon.

Valley $DCF_{5\%}$

Our Valley $DCF_{5\%}$ model with ultimate reserves of 226mt is based on our proprietary MIE of 9.4mozAu at 1.3g/tAu (see our Jun 20/23 note). We assume a two-year initial construction period ahead of OP mining starting in 2036. As outlined previously in the report via the key assumptions that drive our mine plan and $DCF_{5\%}$ model, we assume an initial capex of $1.2bn incurred over a 24-month period to build the 100km access road, 30ktpd mill and site infrastructure. We model $80m in expansion capex incurred in year 5 to construct the 6ktpd ROM heap leach pad to process <0.7g/tAu material after depletion of the 3.6mozAu at 2.0g/tAu starter pit in year 6.

Based on our estimates, Valley has a potential production profile of 500kozAupa over a 17.5yr LOM at a $680/ozAu AISC. Our model for Valley yields an after-tax **$1,757m $NPV_{5\%}$ and 40.0% IRR**, with average annual FCF of $280mpa. We believe that Valley is the tip of the iceberg of a potential new gold camp – we see significant upside potential for blue-sky targets at Rogue to become satellite mines feeding a central processing plant.

Fig 19 Valley DCF5% – Agentis LOM model assumptions & parameters

	Agentis Base Case
Model Basis	Agentis' proprietary mineral inventory estimate
Ultimate Reserve	226.3mt @ 1.3g/tAu – 9.36mozAu
Mine Life	17.5yrs
Mine Start Year	2036
Throughput	CIL mill: 30ktpd ROM heap leach: 6ktpd
Recoveries	CIL mill: 95% ROM heap leach: 75%
Avg Annual Production	500kozAu (624kozAu years 1-5)
Mining Cost	C$5.00/t mined
Processing Cost	CIL mill: C$14.70/t milled ROM heap leach: C$2.70/t leached
Site G&A Cost	C$5.70/t processed
Transport & TCRCs	$10/ozAu
Cash Cost	$595/ozAu
AISC	$651/ozAu
Royalties	2% NSR – 1% buyback right for 1kozAu
Taxes	15% Federal, 12% Yukon, $1/t processed Carbon Tax
Metal Prices	$1,950Au
FX (CADUSD)	0.75
Initial Capex *Initial Mine Development* *Processing Plant* *Site Development & Equipment* *Offsite Infrastructure*	C$1,595m ($1,200m) *C$525m* *C$400m* *C$470m* *C$200m*
Expansion Capex	C$93m
Sustaining Capex	C$609m
Reclamation Capex	C$67m
NPV5% (After Tax)	$1,757m
IRR (After Tax)	40.0%
Payback (After Tax)	2.9yrs

*Source: Agentis Capital research. *Note: See p24 for additional disclosure.*

Sum of Parts 12mo Corporate NAV

We derive a sum-of-parts NAV of $1,946m (C$17.02/sh) for SGD based on the methodologies and assumptions presented throughout this report (Fig 20). Our valuation is predicated on our preliminary OP mine development scenario focused on Valley feeding our initial 17.5yr mine life in our $DCF_{5\%}$, yielding an after-tax $1,757m $NPV_{5\%}$ and 40.0% IRR with a payback period of 2.9 years.

We ascribe valuation credits of $3,750/ha for blue-sky exploration potential across 33% of the 94,397ha district-scale Rogue land package ($117m) and $570/ha for the remainder of SGD's attributable 221kha land in Yukon, 33% of which we consider prospective ($42m).

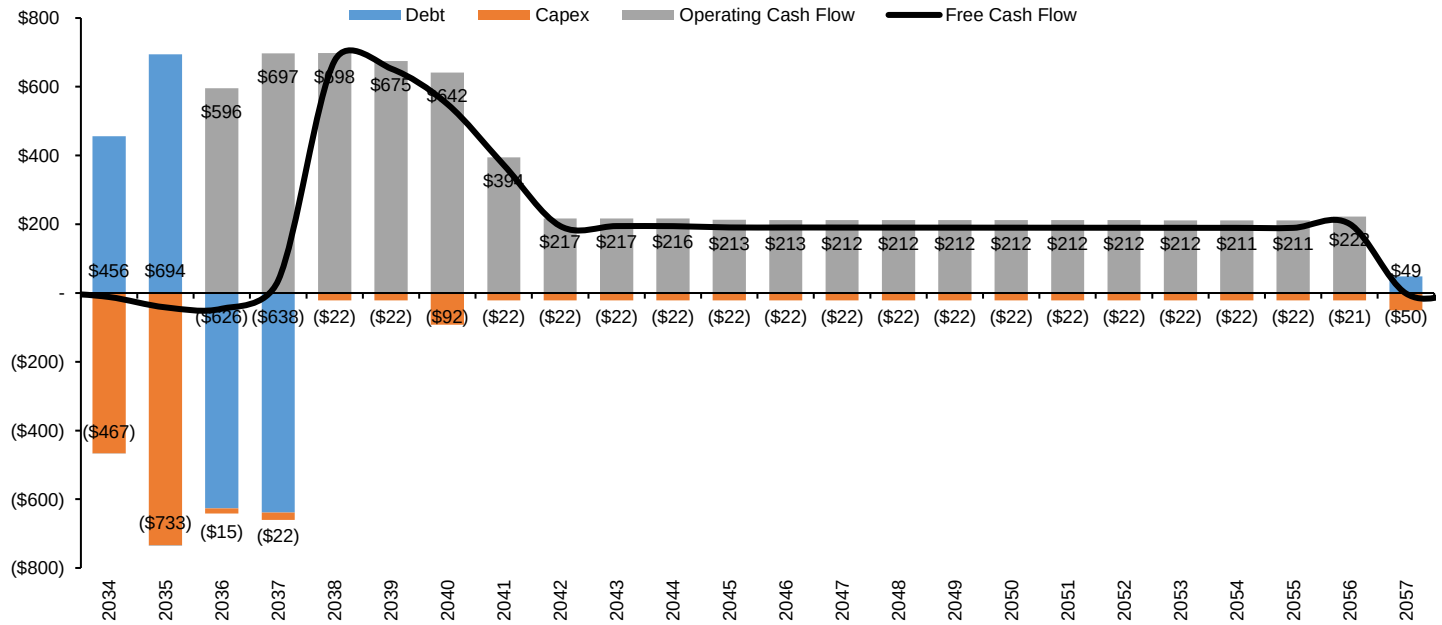
We have provided our asset level FCF profile in Fig 21, sensitivity analysis in Fig 22 and comparative analysis in Fig 23-24, relative positioning vs peers in Fig 26-30.

Fig 20 SGD 12-month corporate NAV breakdown.

NAV Breakdown	US$m	C$m	US$/sh	C$/sh	% Total
DCF					
Valley - DCF5%	$1,757	$2,342	$11.53	$15.37	91.7%
Comparative Analysis					
Rogue - 94397ha @ $3750/ha	$117	$156	$0.77	$1.02	6.1%
Attributable Yukon Portfolio – 220,996ha @ $570/ha	$42	$55	$0.27	$0.36	2.2%
Total Mineral Asset NAV	**$1,915**	**$2,553**	**$12.57**	**$16.76**	100.0%
Working Capital	$30	$41	$0.20	$0.27	
LT Debt	-	-	-	-	
Total Non-Operating NAV	**$30**	**$41**	**$0.20**	**$0.27**	
Net Asset Value	**$1,946**	**$2,594**	**$12.77**	**$17.02**	

Source: Agentis Capital research.
Note: Assumed SGD i/o shares as of Dec 31/23 incl FDITM securities: 152.4m

Fig 21 Cash flow profile including FCF (black line) that averages $280mpa and $375 during peak production from year 1 to year 5 while mining the 3.6mozAu at 2.0g/tAu starter pit. We think upside exists for processing plant expansion in year 6 if it is warranted via the incrementally expansion of Valley mineralization as SGD continues the second full season of drilling at Rogue.



Source: Agentis Capital research.

Fig 22 SGD C$NAVPS sensitivity analysis (Au price vs head grade, recovery, capex, opex, discount rate and mine start year).

Valley Project NAVPS (C$) Sensitivity - Head Grade Δ (%) vs Au Price (US$/oz)								
		Au Price (US$/oz)						
		$1,400	$1,550	$1,800	$1,950	$2,100	$2,250	$2,400
Head Grade Δ (%)	20.0%	$7.94	$10.70	$15.26	$17.99	$20.73	$23.46	$26.19
	10.0%	$7.68	$10.39	$14.90	$17.59	$20.28	$22.97	$25.66
	-	$7.31	$9.96	$14.37	$17.02	$19.67	$22.31	$24.96
	(10.0%)	$6.76	$9.36	$13.68	$16.27	$18.86	$21.45	$24.03
	(20.0%)	$6.03	$8.55	$12.74	$15.26	$17.77	$20.28	$22.80

Valley Project NAVPS (C$) Sensitivity - Recovery Δ (%) vs Au Price (US$/oz)								
		Au Price (US$/oz)						
		$1,400	$1,550	$1,800	$1,950	$2,100	$2,250	$2,400
Recovery Δ (%)	5.0%	$8.53	$11.32	$15.95	$18.73	$21.51	$24.29	$27.07
	2.5%	$7.92	$10.64	$15.16	$17.88	$20.59	$23.30	$26.01
	-	$7.31	$9.96	$14.37	$17.02	$19.67	$22.31	$24.96
	(2.5%)	$6.69	$9.28	$13.58	$16.17	$18.75	$21.33	$23.91
	(5.0%)	$6.08	$8.60	$12.79	$15.31	$17.83	$20.34	$22.85

Valley Project NAVPS (C$) Sensitivity - CAPEX Δ (%) vs Au Price (US$/oz)								
		Au Price (US$/oz)						
		$1,400	$1,550	$1,800	$1,950	$2,100	$2,250	$2,400
CAPEX Δ (%)	(30.0%)	$9.01	$11.66	$16.07	$18.72	$21.36	$24.01	$26.66
	(15.0%)	$8.16	$10.81	$15.22	$17.87	$20.52	$23.16	$25.81
	-	$7.31	$9.96	$14.37	$17.02	$19.67	$22.31	$24.96
	15.0%	$6.45	$9.10	$13.52	$16.17	$18.82	$21.47	$24.11
	30.0%	$5.58	$8.25	$12.67	$15.32	$17.97	$20.62	$23.26

Valley Project NAVPS (C$) Sensitivity - OPEX Δ (%) vs Au Price (US$/oz)								
		Au Price (US$/oz)						
		$1,400	$1,550	$1,800	$1,950	$2,100	$2,250	$2,400
OPEX Δ (%)	(20.0%)	$9.86	$12.51	$16.92	$19.57	$22.22	$24.86	$27.51
	(10.0%)	$8.58	$11.23	$15.65	$18.30	$20.94	$23.59	$26.24
	-	$7.31	$9.96	$14.37	$17.02	$19.67	$22.31	$24.96
	10.0%	$6.02	$8.68	$13.10	$15.75	$18.39	$21.04	$23.69
	20.0%	$4.73	$7.40	$11.82	$14.47	$17.12	$19.77	$22.41

Valley Project NAVPS (C$) Sensitivity - Discount Rate (%) vs Au Price (US$/oz)								
		Au Price (US$/oz)						
		$1,400	$1,550	$1,800	$1,950	$2,100	$2,250	$2,400
Discount Rate (%)	0.0%	$18.42	$25.72	$37.88	$45.18	$52.47	$59.77	$67.07
	5.0%	$7.31	$9.96	$14.37	$17.02	$19.67	$22.31	$24.96
	7.0%	$5.33	$7.16	$10.21	$12.04	$13.87	$15.70	$17.52
	8.0%	$4.61	$6.14	$8.70	$10.23	$11.76	$13.29	$14.82
	10.0%	$3.56	$4.65	$6.46	$7.54	$8.62	$9.71	$10.79

Valley Project NAVPS (C$) Sensitivity - Mine Start Year vs Au Price (US$/oz)								
		Au Price (US$/oz)						
		$1,400	$1,550	$1,800	$1,950	$2,100	$2,250	$2,400
Mine Start Year	2032	$8.53	$11.76	$17.13	$20.35	$23.57	$26.78	$30.00
	2034	$7.89	$10.82	$15.69	$18.61	$21.53	$24.45	$27.36
	2036	$7.31	$9.96	$14.37	$17.02	$19.67	$22.31	$24.96
	2038	$6.77	$9.17	$13.17	$15.58	$17.98	$20.38	$22.78
	2040	$6.27	$8.40	$11.96	$14.09	$16.23	$18.36	$20.49

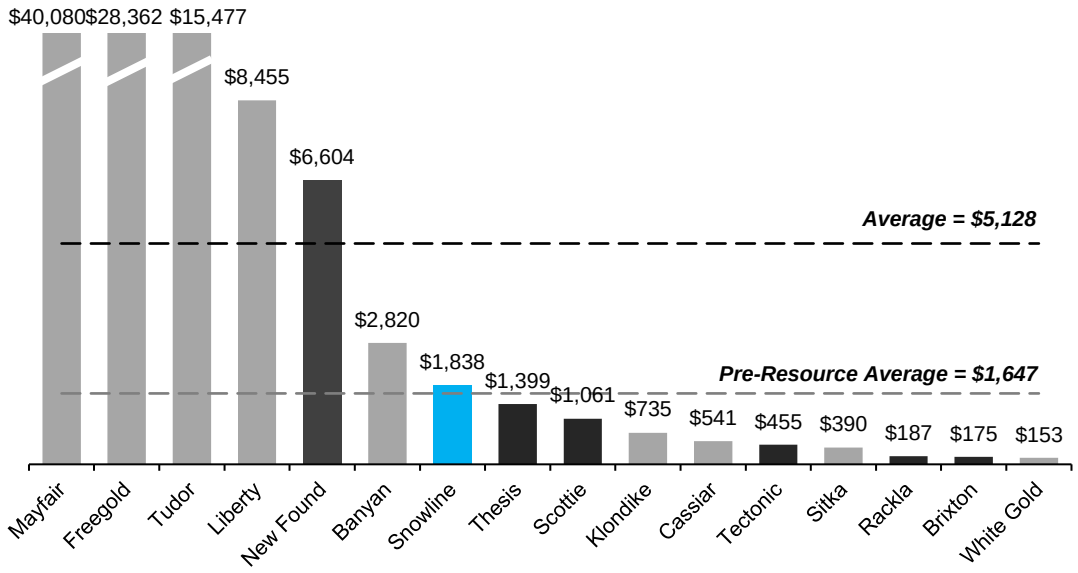
Source: Agentis Capital research.

Comparative Analysis

In our valuation, to account for the underexplored land tenure prospective for Valley-like RIRGS discoveries at Rogue, we attribute $3,750/ha for blue-sky exploration potential across 33% of the district-scale Rogue (in line with the northern explorer peer group avg) for $117m (Fig 23).

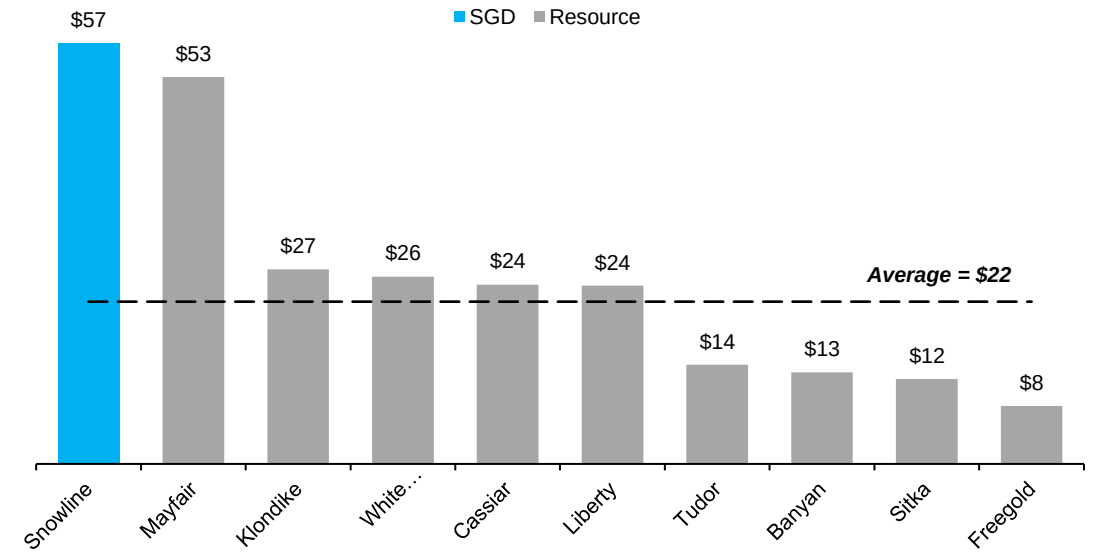
We apply the EV / land package average for pre-resource explorers of C$760/ha ($570/ha) to 33% of the rest of SGD's attributable 221kha regional land position in Yukon.

Fig 23 EV / Land Package (C$/ha) for northern gold explorer peers. SGD's entire 315kha attributable land package falls below the peer group average of C$5,128/ha at C$1,838/ha (although C$6,141/ha for only Rogue). SGD currently trades approximately in line with the pre-resource peer average of C$1,647/ha. We apply $3,750/ha to 33% of Rogue as we believe it warrants a premium for its high discovery potential in addition to the +9mozAu we believe Valley contains.



Source: Company disclosure; FactSet; Agentis Capital Research

Fig 24 EV / Resource (C$/ozAu) for northern gold explorer peers. Our MIE for Valley of 9.4mozAu implies a C$58/ozAu market valuation, significantly above the peer group average of C$22/ozAu. We believe SGD warrants a premium valuation. We highlight that our DCF5% valuation of C$2.3bn equates to ~45mozAu contained at a C$58/ozAu EV / Resource valuation.



Source: Company disclosure; FactSet; Agentis Capital Research

M&A Outlook: SGD vs Tier 1 Developers

Global Scarcity of Tier 1 Gold Assets

We think M&A transactions in the gold sector have been driven by scale via mergers of producers in the past few years due to the inability for seniors to grow traditionally via junior consolidation (Apr/19 $10bn GG/NEM, Sep/21 $9.7bn KL/AEM, Nov/22 $5.4bn YRI/PAAS+AEM, pending $21bn NCM/NEM). With BTO's $824m acquisition of Sabina closing in Apr/23 (Back River asset, NU, Canada), we think producers are looking at the increasing scarcity of large-scale gold assets in the development pipeline and will be hungry to transact on new Tier 1 discoveries (Fig 25).

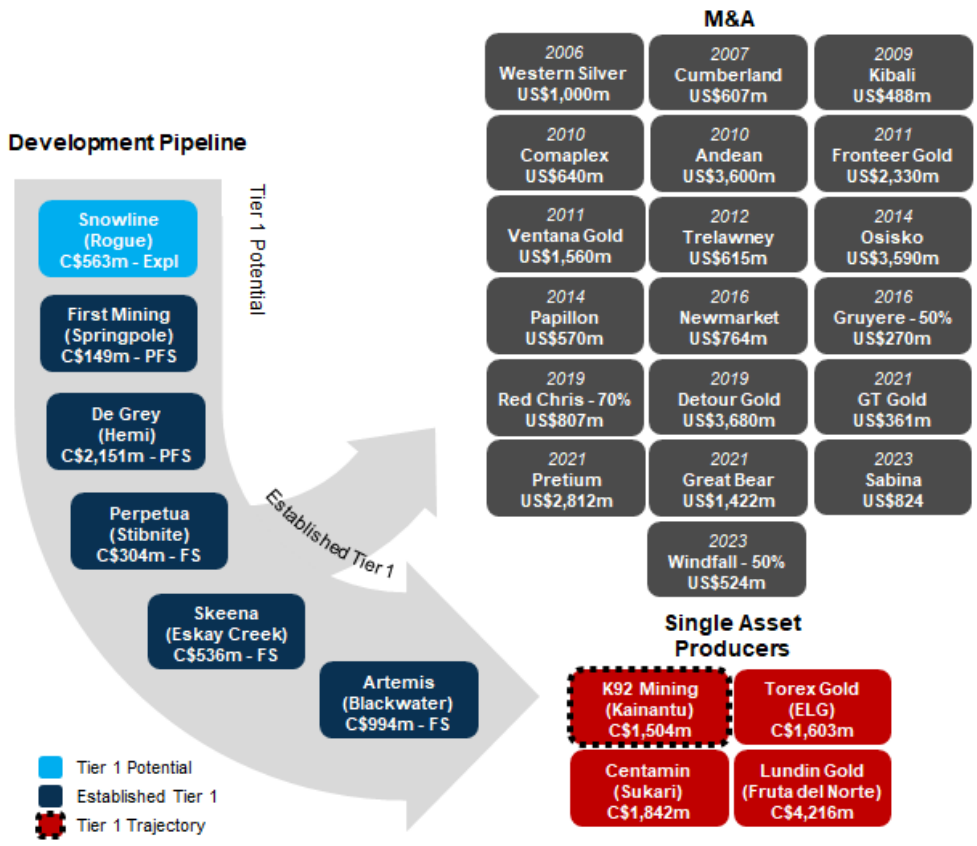
Our Conviction on the Valley Discovery & Proto-District Potential

We think Valley is a tip of the iceberg discovery of a potential new gold camp in the Yukon. Given our conviction Valley has ultra-rare 500kozAupa production potential, it would not be surprising to see SGD receive an unsolicited bid (which would likely need to reflect a strong premium) before the next drilling season. Despite the early innings of exploration with ~15km drilling completed to date by SGD at Rogue, we believe SGD is knocking on the door of a proto-district involving a series of discoveries. We highlight that control of Rogue is not only control of the potential +9mozAu Disruptive Valley Discovery but also control of the district-scale exploration potential for +28 Valley-like RIRGS targets and any undiscovered orebodies.

We see strong potential for a competitive bidding environment for SGD and that despite only drilling another ~15-30km in 2023, there could be significant growth via the drill bit at Valley, visibility on new greenfield targets and potential additional Disruptive Discoveries.

In our view, the takeover prize would be Rogue. We think there is potential for shareholder value creation via spin-out of the rest of SGD's prospective portfolio which includes Einarson (70%), Rainbow, WEAS, Cynthia, Olympus, Ursa, Tosh & Cliff – a 221kha attributable land package.

Fig 25 Outcome of Tier 1 gold assets in the last 17 years, single asset companies (mainly explorers & developers). We highlight how thin the Tier 1 development pipeline is globally, with six assets meeting our criteria, including Rogue based on our 500kozAupa conceptual mine plan for Valley.

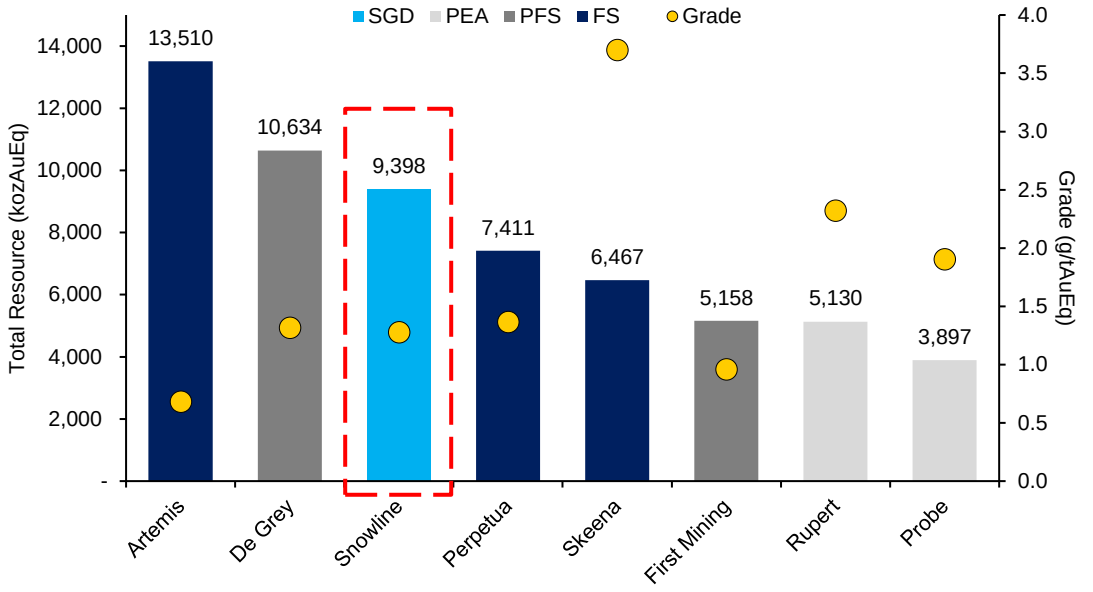


Source: Company disclosures; Agentis Capital research.

Valley is a Potential Super Tier 1 Gold Asset

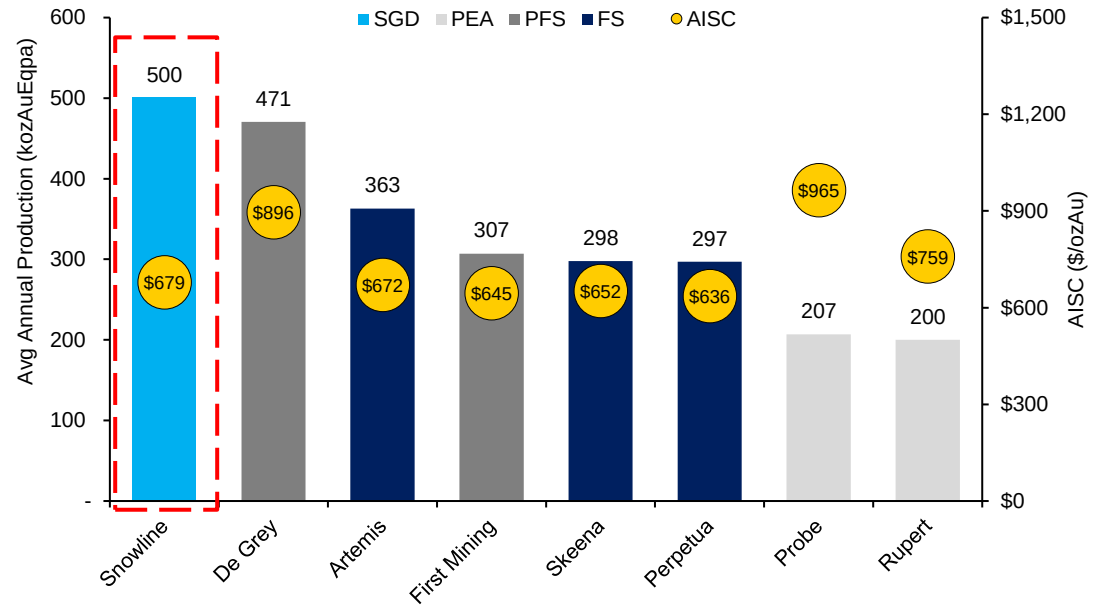
In our view, Valley could already have critical mass to become a +500kozAupa producer. We think it is a globally rare asset with outstanding development potential that should make SGD coveted by senior producers. In Figs 26-30, we compare SGD's Valley relative to Tier 1 development assets (and those that we think have Tier 1 upside potential) in safe jurisdictions.

Fig 26 Total resources for the assets of Tier 1 gold developers vs Agentis' proprietary MIE for Valley – Highlighting the +9mozAu potential of Valley, placing it in the upper echelon of gold discoveries after just one full season of drilling.



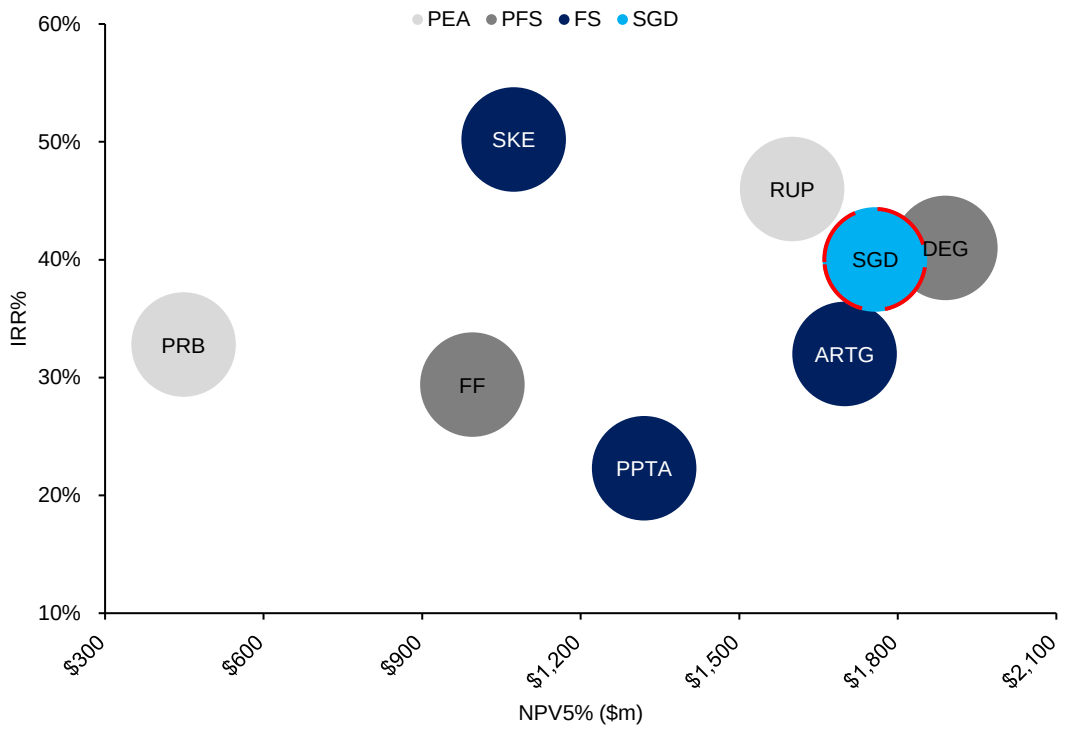
Source: Company disclosures; Agentis Capital research.

Fig 27 Average annual production (kozAuEqpa) and AISC ($/ozAuEq) for Tier 1 gold developers. We think Valley is a highly desirable asset with +500kozAupa potential at relatively high margins.



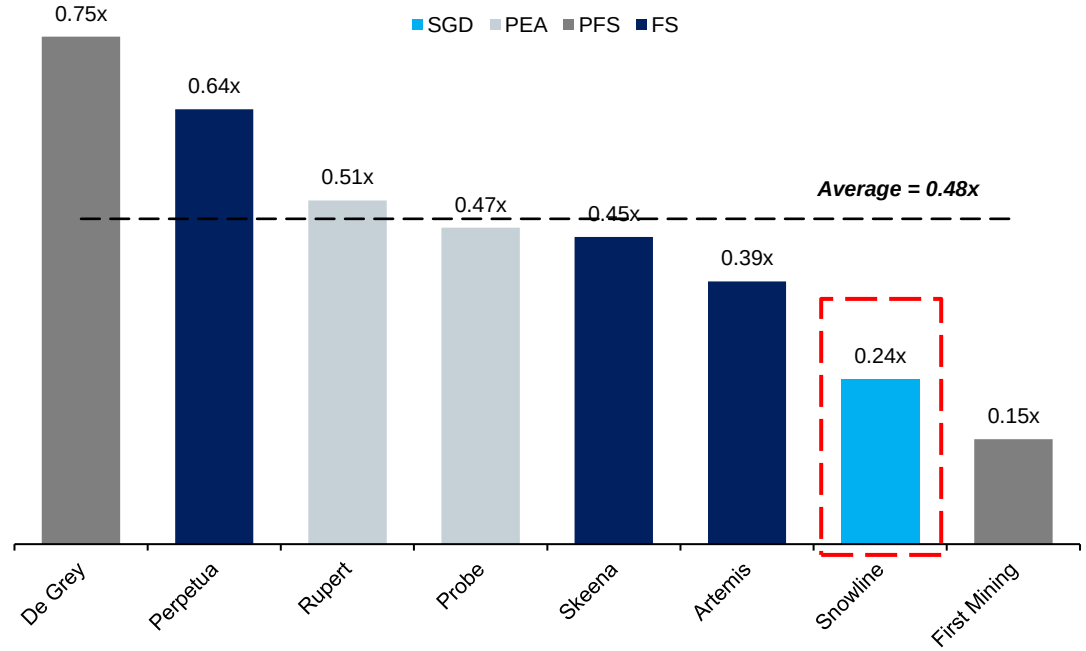
Source: Company disclosures; Agentis Capital research.

Fig 28 $NPV_{5\%}$ vs IRR for Tier 1 gold developers. While we understand our model is based on a conceptual mine plan using early-stage data, we think Valley has the potential for robust economics via an NI 43-101 engineering study.



Source: Company disclosures; Agentis Capital research.

Fig 29 P/NAV of Tier 1 gold developers peers. SGD trades at nearly half the peer group average multiple of 0.48x, given there is no NI 43-101 resource or economic study to date (Agentis view); however, we have a high conviction that SGD deserves a premium multiple due to its high Super Tier 1 500kozAupa potential.



Source: Company disclosures; Agentis Capital research.

Multiple Key Catalysts – Next 18 Months

We think there are a series of key catalysts that will be important in driving SGD's valuation over the next 12-18 months and beyond (Fig 30).

Fig 30 SGD, Rogue project focus – Key catalysts, next 18mo

Catalyst	Description & Potential Impact	Target Date
Valley Deposit Drilling	SGD has budgeted a +10km infill & expansion drill program at Valley for 2023. Drilling at Valley will focus on sketching-in the high-grade (+2g/tAu) zone at surface and advance the geological understanding of the system. SGD is conducting infill and expansionary drilling at ~50m spacing along a NE-SW trend to also provide key data for geostatistical analyses and metallurgical testing. **Very Positive:** We think there is potential for significant torque and growth via the drill bit at Valley. The most recent results from Jul 5/23 delivered the second-best hole to date – hole 34 returned 1.9g/tAu over 418m incl 3.1g/tAu over 216m.	**Ongoing**
Rogue Exploration Drilling	5km of the +18km drill program budgeted for 2023 will be conducted at Rogue using three rigs, 10km of which will target Valley, +2km to advance a Phase II program at Gracie and ~3km to test other high-priority targets at Rogue. **Very Positive:** We think another Disruptive Discovery at Rogue would be transformative for SGD as it would validate district upside. We have a high conviction that at least one of the +20 untested RIRGS targets proximal to Valley could potentially be Valley-like in scale and grade.	**Ongoing**
Regional Exploration Drilling	SGD plans to conduct drill programs on three (or more) additional epizonal orogenic gold/reduced intrusion related gold system (RIRGS) projects with +3km via a fourth drill rig. Potential targets include Rainbow (central Yukon), Olympus (east-central Yukon), Tosh (SW Yukon) and Cliff (SW Yukon). Very few of the targets been previously drill tested (historical drilling at 2 of 7 targets at Olympus). We think SGD will be able to use the geological understanding methods developed at Einarson (orogenic discovery) and Rogue (RIRGS discovery) to efficiently explore the rest of the Yukon portfolio. **Positive:** We think success at one of SGD's other Yukon targets would add significant value & create potential to realize underappreciated assets via a SpinCo.	**2H23**
Grassroots Exploration Work	We highlight SGD has a first-mover advantage in the eastern Yukon. Valley was discovered in 2012 by Golden Predator by following-up on a silt anomaly from 2011 sampling, which led to discovery of the mineralized intrusion simply by walking up a creek that had never been prospected. We see significant potential for discovery at Rogue and elsewhere in SGD's Yukon portfolio via early-stage exploration. **Positive:** We think value creation through the exploration target pipeline will continue to be integral to SGD's go-forward performance.	**Ongoing**
High-Resolution Airborne Surveys	A 3,000 line-km aerial ZTEM survey is planned for Rogue, with potential for other large or target-scale geophysical programs. We highlight small-scale drone magnetic surveys are used by SGD for precise drill targeting at known targets. We think Reid, Scronk and Cujo are potential candidates for drone surveys in 2023. **Positive:** High-precision target delineation allows SGD to drill at a relatively low discovery cost per metre. We think identifying precise magnetic targets with Valley-like Disruptive Discovery potential could allow for torquey results from initial drill holes.	**Ongoing**
Initial Resource Estimate?	With the size potential of Valley underpinned by our 9.4mozAu MIE, we think infill drilling could be conducted at relatively wide spacing to constrain an initial resource estimate. We think the scale and continuity of mineralization is already well defined; however, SGD may want to further expand the high-grade core and delineate the extents of economic mineralization before committing to an NI 43-101 resource. **Positive:** We believe the size of Valley is becoming more understood by the market; however, underpinning the scale and grade of Valley via an initial mineral resource estimate could move the needle by quantifying the discovery.	**1H24?**
M&A?	We highlight that control of Rogue means control of the +9mozAu Valley discovery and control of the proto-district with exploration potential for +28 RIRGS targets. **Very Positive:** We think despite its early stage, SGD could find itself the subject of an early competitive bidding environment. We think this could result in a strong premium.	**?**

Source: Agentis Capital research.

Risks & Sensitivities

We have analysed the key risks and sensitivities for SGD & its flagship Rogue asset in Fig 31.

Fig 31 Rogue project – Risks & sensitivities with mitigating factors.

Risk/Sensitivity	Description	Mitigating Factors
Permitting	• Should SGD advance Valley through FS, YESAA review follows an extensive permitting process to complete. • Water is always a key issue – Valley would draw on water near river headwaters and need to ensure no contamination of drainages. • Exploration permits require ongoing environmental stewardship.	• Despite a long permitting process, YESAB process does an excellent job of integrating the First Nations into the process. • SGD has CSR expert Sarah Weber on its BOD. • Baseline environmental studies have commenced. • Testing defined mineralization as non-acid generating (NAG) • SGD conducts ongoing reclamation of drill sites.
First Nations	• The NNDFN Traditional Territory is where the Valley deposit footprint is situated. It will be critical to collaborate and work effectively with the NNDFN on any exploration programs and project design initiatives. There will eventually need to be binding agreements signed including IBA that meets NNDFN communities needs. • Any access road infrastructure will be from the south and, therefore, via the Ross River Kaska Dene Traditional Territory. The RRKD are pro-development, however, have not got a settled land claim. • Although bringing jobs into First Nations communities is intuitively a positive from our perspective, we are aware that there are negative collateral impacts that can result.	• SGD has taken steps with NNDDC contractor companies for its solar panels, seed & restoration program & heli partners. • The Eagle HL OP gold mine & the Keno Hill UG silver mine are both located on NNDFN Territory and there are IBAs in place with Victoria Gold and Keno Hill respectively. • We see First Nations gaining economic benefits from responsible mining. The NNDFN work with Victoria Gold on its Eagle mine, providing socio-economic opportunities. • The YT Govt has been on its front foot engaging with First Nations with respect to the substance abuse crisis. Premier Pillai (late May/23) visited communities to discuss potential programs. We think mining cos should involve themselves.
Road Access	• Valley development would require a ~100km access road to Rogue via the North Canol Road. It could require significant time to permit such a road. The North Canol road requires upgrading & a bridge at Ross River. • The valleys in the Rogue area likely require multiple stream crossings.	• A potential access road would traverse over the NNDFN Traditional Territory (settled claims) then onto the RRKD Traditional Territory (unsettled claims) – if the road location is agreed on it could represent new FN driven infrastructure. • FWZ critical minerals assets further justify a resource district road along the N Canol Road – jointly-funded access? • Resource Gateway project has C$71m for the N Canol road.
Conceptual Mine Development Scenario & DCF	• Agentis has developed a very conceptual mine plan based on ultimate reserves from our MIE and have used best efforts capex & cost assumptions related to similar operations. We may have underestimated such costs given the remote nature of the project and visibility for future potential cost inflation.	• We put a safety factor on many of our cost assumptions and attempted to factor for inflation. • We did not assume any government funding for infrastructure aside from that already in place.
Agentis MIE	• We highlight that our proprietary Mineral Inventory Estimate for the Valley gold discovery is based on public domain data and was estimated on a best-efforts basis.	• Exceptional continuity – we consider sample variance low. • We used Whittle software to pit-constrain our estimate.
Metallurgical Process Needs More Test Work	• Although the preliminary metallurgical test work for Valley mineralization was very positive, we need to see larger-scale optimized testing conducted to firmly assert recovery estimates.	• Valley shares a very similar style of mineralization to other fresh rock RIRGS mines (Eagle & Fort Knox) which respond well to heap leaching & CIL mill processing.
Tailings Management Facility (TMF)	• Although early to consider, it is a paramount issue that any TMF location be acceptable and be world class in its design.	• We think Best Available Tailings Technology (BATT) will be used (similar to the Casino FS). • Early met test work suggests that the waste rock is NAG; if true, the self buffering could mean waste piles and tailings are easier to manage during operations to closure.
Electrification of YT	• Agentis has the major thesis that the Yukon may be linked to grid power from BC within the next 10 years. Low-cost green power is key to developing mines with large milling plants in the YT such as Casino (LNG planned currently) and our proto-Valley production scenario. There are no assurances that such power infrastructure will be built.	• We think there is some short-term momentum on discussions between the YT and BC based on Natural Resources Ministery Strieker's statements that he has been given a mandate to investigate such options by Premier Palli. • LNG fired plant is a relatively low-cost option. • YT could separately build its own hydroelectric power capacity via an array of clean energy facilities
M&A Risk	• Our investment thesis is that SGD will receive a takeover bid in either 2H23 or 1H24. There is some risk that we are not correct in this time frame & that there is no bid for SGD.	• We think it could be a competitive bidding environment for SGD as we think Valley has reached critical mass for visibility of a Super Tier 1 deposit (despite only drilling another 15km to 30km in the 2023 drilling season). There is potential additional Disruptive Discoveries.
Commodity Prices	• Explorer/early developers share prices can be negatively impacted by decrease in commodity prices (Au).	• According to our analysis, Valley is a potential high margin deposit that could withstand a depressed commodity price. highlight that most costs are likely in CAD, therefore, the production scenario would have asymmetric leverage to FX.

Source: Company disclosure; Agentis Capital research.

Appendix A – Management & BOD

Senior Management Team

Scott Berdahl, MSc, MBA, PGeo - CEO & Director, Co-Founder – Mr. Berdahl is a geologist with +15 years' industry experience with a history of prospecting & discovery-stage geology in Yukon. He has experience in business development with gold & base metal exploration companies. He achieved a BSc in Geology from the Massachusetts Institute of Technology, an MSc in Earth Science & Engineering from KAUST in Saudi Arabia and an MBA from INSEAD in Singapore.

Matthew Roma - CFO – Mr. Roma is a Chartered Professional Accountant with experience as CFO for numerous companies in the mining sector. Mr. Roma previously articled at Deloitte LLP.

Sergio Gamonal, MSc - Chief Geologist – Mr. Gamonal brings +15 years' experience with majors as Exploration Manager for Argentina & Chile for Barrick and Sr Specialized Geologist for Kinross. Mr. Gamonal holds an MSc in Geology from the MDRU at the University of British Columbia.

Thomas Branson, MSc, PGeo - VP Exploration – Mr. Branson is a professional geologist with +15 years' experience from greenfield exploration to feasibility-level studies. He holds a BSc in Earth and Ocean Science from the University of British Columbia and an MSc in Exploration Geology from Rhodes University in South Africa.

Zoe Goodyear - Database Manager – Ms. Goodyear is a geologist & database manager with +10 years' experience of geoscience experience in Canada.

Steve Rennalls, MSc - Director of Operations – Mr. Rennalls is experienced in exploration management in Canada's north. He holds a BComm from McMaster University and an MSc Admin from the John Molson School of Business.

Stephanie Hansen - Director of Marketing & Investor Relations – Ms. Hansen brings 10 years' experience in marketing, branding and communications from various industries.

Board of Directors

Dr. Craig Hart, PhD - Independent Chairman – Dr. Hart is a geologist with a strong academic background, having served as Director of the Mineral Deposit Research Unit at the University of British Columbia. He has published +150 academic papers and spent 14 years with the Yukon Geological Survey. He is renowned for his knowledge on RIRGS geology and exploration - he is considered a global expert on RIRGS deposits.

Sarah Weber, MBA, PGeo - Independent Director – Ms. Weber is a professional geologist with +20 years' experience in the resource sector. She has extensive experience in Indigenous Community engagement and consultation in Canada. She is President & CEO of C3 Alliance Corp. She holds a BSc in Geology from the University of British Columbia and an MBA from Simon Fraser University.

Gunther Roehlig - Independent Director – Mr. Roehlig has +25 years' experience in the financial industry with a focus on junior public companies. He has successfully completed +20 RTOs and IPOs on the TSX-V & CSE.

Calum Morrison - Independent Director – Mr. Morrison has +20 years' experience in mining M&A, business development and capital markets. He was previously President & CEO of Great Bear Royalties which was acquired by Royal Gold for $200m and former CFO of Great Bear Resources which was acquired by Kinross for $1.4bn.

Scott Berdahl – See management bio above.

Back sheet – Financial statements and DCF model outputs

Snowline Gold

TSXV: SGD

NAVPS C$17.02/sh
Market Cap C$563m
P/NAV 0.24x

Agentis Capital

Michael Gray +1 778 952 0978
Jake Savage +1 604 989 1269

All currencies in USD unless noted — *Year ended Dec 31*

Income Statement		2022A	2023E	2024E	2025E
Revenue	C$m	-	-	-	-
Cost of Sales	C$m	-	-	-	-
EBITDA	C$m	($16.4)	($22.8)	($22.8)	($22.8)
D&A	C$m	($0.1)	-	-	-
EBIT	C$m	($16.5)	($22.8)	($22.8)	($22.8)
Other Expenses	C$m	$3.7	$0.0	$0.0	$0.0
EBT	C$m	($12.8)	($22.8)	($22.8)	($22.8)
Taxes	C$m	-	-	-	-
Net Income	C$m	($12.8)	($22.8)	($22.8)	($22.8)
EPS	C$/sh	($0.11)	($0.16)	($0.15)	($0.15)

Cash Flow Statement		2022A	2023E	2024E	2025E
Net Income	C$m	($12.8)	($22.8)	($22.8)	($22.8)
D&A	C$m	$0.1	$0.0	$0.0	$0.0
Other	C$m	($2.2)	$0.1	$0.1	$0.1
Operating Cash Flow	**C$m**	**($14.9)**	**($22.8)**	**($22.8)**	**($22.8)**
Working Capital Changes	C$m	($0.6)	$0.5	$0.0	$0.0
Net Operating Cash Flow	**C$m**	**($15.4)**	**($22.3)**	**($22.8)**	**($22.8)**
Capital Expenditures	C$m	($0.5)	$0.0	$0.0	$0.0
Property Expenditures	C$m	($0.6)	$0.0	$0.0	$0.0
Other	C$m	($0.3)	($0.0)	($0.0)	($0.0)
Net Investing Cash Flow	**C$m**	**($1.3)**	**($0.0)**	**($0.0)**	**($0.0)**
Equity Issues	C$m	$29.9	$42.6	$5.0	$10.0
Long Term Debt	C$m	$0.0	$0.0	$0.0	$0.0
Other	C$m	$0.0	$0.0	$0.0	$0.0
Net Financing Cash Flow	**C$m**	**$29.9**	**$42.6**	**$5.0**	**$10.0**
Cash - End of Year	**C$m**	**$21.9**	**$42.2**	**$24.4**	**$11.6**

Balance Sheet		2022A	2023E	2024E	2025E
Cash & Cash Equivalents	C$m	$21.9	$42.2	$24.4	$11.6
Other Current Assets	C$m	$1.0	$0.0	$0.0	$0.0
Properties & PP&E	C$m	$8.9	$8.9	$9.0	$9.0
Other Non-Current Assets	C$m	$0.1	$0.1	$0.1	$0.1
Total Assets	**C$m**	**$32.0**	**$51.3**	**$33.6**	**$20.8**
Current Liabilities	C$m	$2.1	$1.6	$1.6	$1.6
Long Term Debt	C$m	$0.0	$0.0	$0.0	$0.0
Other Non-Current Liabilities	C$m	$0.5	$0.5	$0.5	$0.5
Total Liabilities	**C$m**	**$2.6**	**$2.1**	**$2.1**	**$2.1**
Shareholder Equity	C$m	$29.3	$49.2	$31.5	$18.7
Liabilities + SH Equity	**C$m**	**$32.0**	**$51.3**	**$33.6**	**$20.8**

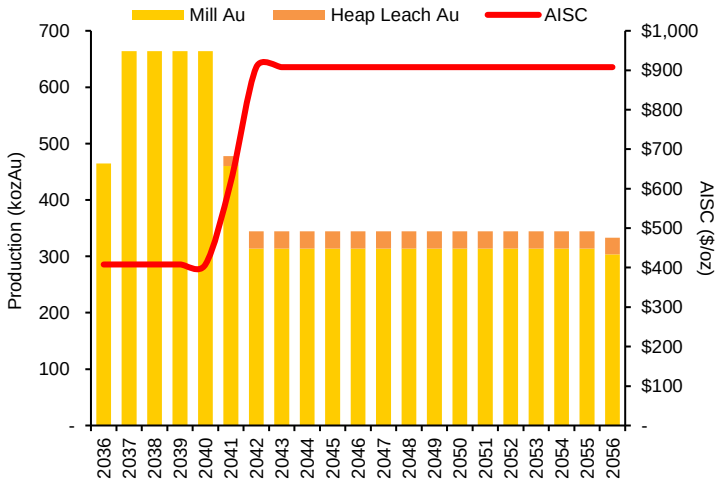
Share Capital		2022A	2023E	2024E	2025E
Shares Outstanding EOY	mm	132.2	152.4	153.8	156.3
Assumed Share Issuances	mm	29.5	20.2	1.5	2.5

All currencies in USD unless noted — *Year ended Dec 31*

Price Deck	Au	FX
	($/oz)	*C$/US$*
Agentis LT Price Assumptions	$1,950	0.75

Mineral Inventory Estimate in DCF5% Mine Plan	Au - Mill	Au - Heap Leach	Grade
Category	*koz*	*koz*	*g/tAu*
Starter Pit	3,580	0	2.0
Residual Pit	5,144	637	1.1
Valley Total	8,724	637	1.3

Conceptual Production & Cash Cost		2036E	2037E	2038E	2039E
Gold - Mill	koz	465	664	664	664
Gold - Heap Leach	koz	-	-	-	-
Cash Cost	$/ozAu	$364	$364	$364	$364
AISC	$/ozAu	$408	$408	$408	$408



Net Asset Value	US$m	C$m	US$/sh	C$/sh	%
Valley - DCF5%	$1,757	$2,342	$11.53	$15.37	91.7%
Rogue Land Package	$117	$156	$0.77	$1.02	6.1%
Yukon Land Package	$42	$55	$0.27	$0.36	2.2%
Total Mineral Asset NAV	**$1,915**	**$2,553**	**$12.57**	**$16.76**	**100%**
Working Capital	**$30**	**$41**	**$0.20**	**$0.27**	
LT Debt	**-**	**-**	**-**	**-**	
Net Asset Value	**$1,946**	**$2,594**	**$12.77**	**$17.02**	

Share Capital		
Basic Shares Outstanding	mm	140.2
ITM Dilutives	mm	18.8

Source: Agentis Capital research.

Important Disclosures:

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The Author/Analyst of the report will not purchase or sell any securities within 48 hours of publishing a report.

Company specific disclosure details

Company Name	***Symbol***	***Disclosures***
Ascot Resources Ltd.	*AOT CN*	***1,2,3,4,8***
Defense Metals Corp.	*DEFN CN*	***1,2,3,4,8***
Imperial Metals Corporation	*III CN*	***1,2,3,4***
K92 Mining Inc.	*KNT CN*	***1,4,8***
NorthIsle Copper and Gold Inc.	*NCX CN*	***1,4,8***
Skeena Resources Limited	*SKE CN*	***1,2,3,4,8***
Snowline Gold Corp.	*SGD CN*	***1,4,8***
Vizsla Silver Corp.	*VZLA CN*	***1,2,3***
Western Copper and Gold Corporation	*WRN CN*	***1***
Arizona Metals Corp.	*AMC CN*	***1,4,8***
Capitan Silver Corp.	*CAPT CN*	***1,2,3***
Dakota Gold Corp.	*DC US*	***1***
Dolly Varden Silver Corporation	*DV CN*	***1***
Endurance Gold Corporation	*EDG CN*	***1,4,8***
Gold Terra Resource Corp.	*YGT CN*	***1,2,3***
Inflection Resources Ltd.	*AUCU CN*	***1,4,8***
Maple Gold Mines Ltd.	*MGM CN*	***1,2,3,4,8***
Mayfair Gold Corp.	*MFG CN*	***1,4***
Northern Superior Resources Inc.	*SUP CN*	***n/a***
Rockhaven Resources Ltd.	*RK CN*	***1,4,8***
Southern Cross Gold Ltd.	*SXG AU*	***1,4,8***
Western Alaska Minerals Corp.	*WAM CN*	***1,2,3,4,8***

1. *A member of Agentis Capital has visited/viewed material operations of the issuer*
2. *In the last 12 months, Agentis Capital has been retained under a service or advisory agreement by the issuer*
3. *In the last 12 months, Agentis Capital has received compensation for investment banking services*
4. *Agentis Capital or a member of the Agentis Capital team or household, has a long position in the shares and/or the options of the issuer*
5. *Agentis Capital or a member of the Agentis Capital team or household, has a short position in the shares and/or the options of the issuer*
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8. *The Author/Primary Analyst owns a position of less than 1% of any class of common equity of the issuer*
9. *The Author/Primary Analyst owns more than 1% of any class of common equity of the issuer*