

GoldMining, Inc. (GLDG)
Rating: Buy

 Heiko F. Ihle, CFA
 212-356-0510
hihle@hcvresearch.com

 Marcus Giannini
 212-916-3978
mgiannini@hcvresearch.com

La Mina Sees Strong Growth Through Updated MRE and Inclusion of La Garrucha; Appointment of New Co-Chair; Reiterate Buy

Stock Data		01/23/2023	
Price			\$1.29
Exchange			NYSE
Price Target			\$5.25
52-Week High			\$2.02
52-Week Low			\$0.76
Enterprise Value (M)			\$208
Market Cap (M)			\$204
Shares Outstanding (M)			158.5
3 Month Avg Volume			1,365,040
Short Interest (M)			3.70
Balance Sheet Metrics			
Cash (M)			\$3.0
Total Debt (M)			\$7.0
Total Cash/Share			\$0.02
EPS (\$) Diluted			
Full Year - Nov	2020A	2021A	2022E
FY	(0.06)	0.49	(0.05)
Revenue (\$M)			
Full Year - Nov	2020A	2021A	2022E
FY	0.0	0.0	0.0

EPS converted to USD using current exchange rate.



Large-scale growth of Mineral Resource Estimate (MRE) for La Mina. On January 23, GoldMining announced an updated MRE for its La Mina project that is located in Antioquia, Colombia. Notably, the new estimate includes the novel La Garrucha discovery, which added 0.20M gold equivalent ounces (GEOs) in the Indicated category, as well as 1.02M GEOs in the Inferred category. In turn, we highlight La Mina's combined MRE containing 1.15M GEOs in the Indicated category (+16%) grading at 1.06 grams per tonne (gpt) on a GEO basis (-3%). Additionally, we stress that the project's Inferred resources grew 215% to 1.45M GEOs, as the average grade in this category grew 24% to 0.80 gpt. In our view this should bode well for future resource improvements going forward. Lastly, we emphasize GoldMining's ability to grow La Mina in a cost-effective manner, with the firm having spent just under \$1.2M to define and improve its La Garrucha resource.

Appointment of Mr. David Garofalo as Co-Chair. On January 9, GoldMining announced the appointment of Mr. Garofalo as Director and Co-Chair of the company. Notably, Mr. Garofalo brings over 30 years of experience, with an expertise in M&A in the metals and mining industry. Importantly, Mr. Garofalo previously served as CEO of Goldcorp Inc., driving the largest merger in the gold industry with Newmont (NEM; not rated). We have known Mr. Garofalo for many years and believe that he brings a strong M&A skill set to GoldMining. Going forward, we expect him to help the company create shareholder value throughout its impressive portfolio of mining assets in the Americas.

We are reiterating our Buy rating on GoldMining and our PT of \$5.25. Our valuation remains based on a DCF of operations at São Jorge while utilizing an unchanged 10% discount rate on the asset. We add an estimated in situ value to the company's other advanced assets, including Titiribi, La Mina, Almaden, and Yarumalito, at valuations of \$15-20/oz for Indicated resources and \$6-10/oz for Inferred resources, respectively. We continue to value Measured and Indicated gold resources for Yellowknife at \$25/oz, with Inferred gold resources at the site currently valued at \$10/oz, to account for their slightly more favorable geopolitical location. Lastly, we assign a value of \$25/oz for Whistler's Measured and Indicated gold, in addition to our prior value of \$12.50/oz for Inferred gold.

Near-term catalysts. GoldMining's management team intends to publish a Preliminary Economic Assessment for La Mina, that should build on the recent MRE for the project, in mid-2023. In our view, the site should see meaningful economic benefit from the inclusion of La Garrucha given its bulk tonnage potential based on its porphyry-style mineralization. Further, we anticipate the firm to unlock additional shareholder value with the creation of U.S. GoldMining, which is expected to be operated as a separate public company. Longer-term, U.S. GoldMining should serve as a vehicle for unlocking value at the Whistler project, which remains fully permitted for exploration within a top-tier mining jurisdiction.

Risks. (1) Gold price risk; (2) operating and (3) technical risks.

H.C. Wainwright 1868

GoldMining Inc.	2022E	2023E	2024E	2025E	2026E	2027E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
São Jorge													
Tonnes Processed (000's)			1,250	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Gold grade (g/t)			1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Gold Recovery			85.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Annual gold production			49,572	104,977	104,977	104,977	104,977	104,977	104,977	104,977	104,977	104,977	104,977
Gold sales price	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750
Total gold equivalent produced (000's oz)			49,572	104,977	104,977	104,977	104,977	104,977	104,977	104,977	104,977	104,977	104,977
Total revenue			\$86,752	\$183,709	\$183,709	\$183,709	\$183,709	\$183,709	\$183,709	\$183,709	\$183,709	\$183,709	\$183,709
Cost per tonne milled			\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Total operating costs			\$ (37,500)	\$ (75,000)	\$ (75,000)	\$ (75,000)	\$ (75,000)	\$ (75,000)	\$ (75,000)	\$ (75,000)	\$ (75,000)	\$ (75,000)	\$ (75,000)
Gross profit (in 000's)			\$ 49,252	\$ 108,709	\$ 108,709	\$ 108,709	\$ 108,709	\$ 108,709	\$ 108,709	\$ 108,709	\$ 108,709	\$ 108,709	\$ 108,709
CapEx (in 000's)	\$ (1,000)	\$ (75,000)	\$ (25,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)
(Tax) / Tax Benefit (in 000's)		30.0%				\$ (32,013)	\$ (32,013)	\$ (32,013)	\$ (32,013)	\$ (32,013)	\$ (32,013)	\$ (32,013)	\$ (32,013)
Operating cash flow	\$ (1,000)	\$ (75,000)	\$ 24,252	\$ 106,709	\$ 106,709	\$ 74,696	\$ 74,696	\$ 74,696	\$ 74,696	\$ 74,696	\$ 74,696	\$ 74,696	\$ 74,696
Total gold production			49,572	104,977	104,977	104,977	104,977	104,977	104,977	104,977	104,977	104,977	104,977
Cash costs per gold ounce produced			\$ 756	\$ 714	\$ 714	\$ 714	\$ 714	\$ 714	\$ 714	\$ 714	\$ 714	\$ 714	\$ 714
AISC per gold ounce produced			\$ 1,261	\$ 733	\$ 733	\$ 733	\$ 733	\$ 733	\$ 733	\$ 733	\$ 733	\$ 733	\$ 733
Cash flow discount rate		10.0%											
	\$ (1,000)	\$ (68,182)	\$ 20,043	\$ 80,172	\$ 72,884	\$ 46,381	\$ 42,164	\$ 38,331	\$ 34,846	\$ 31,679	\$ 28,799	\$ 26,181	\$ 23,801
Current value of cash flow	\$ 376,098												
Plus cash & equivalents	\$ 2,986												
Plus ownership in NevGold Corp. (NAU.V; not rated)	\$ 1,684												
Plus Whistler	\$ 155,400												
Plus Titiribi & La Mina	\$ 165,870												
Plus Yellowknife Gold Project	\$ 32,387												
Plus Almaden	\$ 19,800												
Plus Yarumalito	\$ 12,016												
Plus Big Sky, ML, & NL	\$ 5,651												
Plus Crucero	\$ 4,700												
Plus other assets	\$ 50,000												
Less debt	\$ (7,010)												
Total current value	\$ 873,799												
Shares outstanding	158,473												
Warrants, options, and RSUs	9,940												
Fully diluted shares	168,413												
								0.7478					
GLDG share price	\$ 1.29												
GLDG NAV in US\$	\$ 5.19												
Rounded (\$0.25) price target	\$ 5.25												
Source: H.C. Wainwright & Co. estimates.													

Important Disclaimers

This material is confidential and intended for use by Institutional Accounts as defined in FINRA Rule 4512(c). It may also be privileged or otherwise protected by work product immunity or other legal rules. If you have received it by mistake, please let us know by e-mail reply to unsubscribe@hwcwresearch.com and delete it from your system; you may not copy this message or disclose its contents to anyone. The integrity and security of this message cannot be guaranteed on the Internet.

H.C. WAINWRIGHT & CO, LLC RATING SYSTEM: H.C. Wainwright employs a three tier rating system for evaluating both the potential return and risk associated with owning common equity shares of rated firms. The expected return of any given equity is measured on a RELATIVE basis of other companies in the same sector. The price objective is calculated to estimate the potential movements in price that a given equity could reach provided certain targets are met over a defined time horizon. Price objectives are subject to external factors including industry events and market volatility.

RETURN ASSESSMENT

Market Outperform (Buy): The common stock of the company is expected to outperform a passive index comprised of all the common stock of companies within the same sector.

Market Perform (Neutral): The common stock of the company is expected to mimic the performance of a passive index comprised of all the common stock of companies within the same sector.

Market Underperform (Sell): The common stock of the company is expected to underperform a passive index comprised of all the common stock of companies within the same sector.



Investment Banking Services include, but are not limited to, acting as a manager/co-manager in the underwriting or placement of securities, acting as financial advisor, and/or providing corporate finance or capital markets-related services to a company or one of its affiliates or subsidiaries within the past 12 months.

Distribution of Ratings Table as of January 20, 2023

Ratings	Count	Percent	IB Service/Past 12 Months	
			Count	Percent
Buy	583	86.76%	129	22.13%
Neutral	71	10.57%	12	16.90%
Sell	0	0.00%	0	0.00%
Under Review	18	2.68%	4	22.22%

H.C. Wainwright & Co, LLC (the "Firm") is a member of FINRA and SIPC and a registered U.S. Broker-Dealer.

I, Heiko F. Ihle, CFA and Marcus Giannini, certify that 1) all of the views expressed in this report accurately reflect my personal views about any and all subject securities or issuers discussed; and 2) no part of my compensation was, is, or will be directly or indirectly related to the specific recommendation or views expressed in this research report; and 3) neither myself nor any members of my household is an officer, director or advisory board member of these companies.

None of the research analysts or the research analyst's household has a financial interest in the securities of GoldMining, Inc. (including, without limitation, any option, right, warrant, future, long or short position).

As of December 31, 2022 neither the Firm nor its affiliates beneficially own 1% or more of any class of common equity securities of GoldMining, Inc..

Neither the research analyst nor the Firm knows or has reason to know of any other material conflict of interest at the time of publication of this research report.

The research analyst principally responsible for preparation of the report does not receive compensation that is based upon any specific investment banking services or transaction but is compensated based on factors including total revenue and profitability of the Firm, a substantial portion of which is derived from investment banking services.

The Firm or its affiliates did not receive compensation from GoldMining, Inc. for investment banking services within twelve months before, but will seek compensation from the companies mentioned in this report for investment banking services within three months following publication of the research report.

The Firm does not make a market in GoldMining, Inc. as of the date of this research report.

The securities of the company discussed in this report may be unsuitable for investors depending on their specific investment objectives and financial position. Past performance is no guarantee of future results. This report is offered for informational purposes only, and does not constitute an offer or solicitation to buy or sell any securities discussed herein in any jurisdiction where such would be prohibited. This research report is not intended to provide tax advice or to be used to provide tax advice to any person. Electronic versions of H.C. Wainwright & Co., LLC research reports are made available to all clients simultaneously. No part of this report may be reproduced in any form without the expressed permission of H.C. Wainwright & Co., LLC. Additional information available upon request.

H.C. Wainwright & Co., LLC does not provide individually tailored investment advice in research reports. This research report is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of any specific person. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies discussed or recommended in this research report.

H.C. Wainwright & Co., LLC's and its affiliates' salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies that reflect opinions that are contrary to the opinions expressed in this research report.

H.C. Wainwright & Co., LLC and its affiliates, officers, directors, and employees, excluding its analysts, will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives (including options and warrants) thereof of covered companies referred to in this research report.

The information contained herein is based on sources which we believe to be reliable but is not guaranteed by us as being accurate and does not purport to be a complete statement or summary of the available data on the company, industry or security discussed in the report. All opinions and estimates included in this report constitute the analyst's judgment as of the date of this report and are subject to change without notice.

Securities and other financial instruments discussed in this research report: may lose value; are not insured by the Federal Deposit Insurance Corporation; and are subject to investment risks, including possible loss of the principal amount invested.