



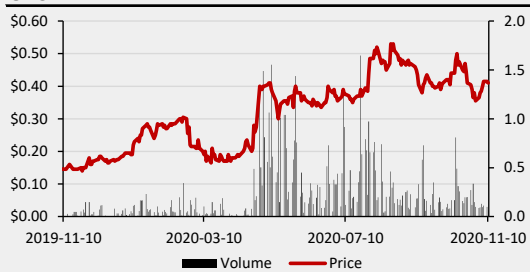
Mawson Gold Ltd. (TSX:MAW)
Discovery of High-Grade Gold at Joki East

Exploration Update
November 11, 2020

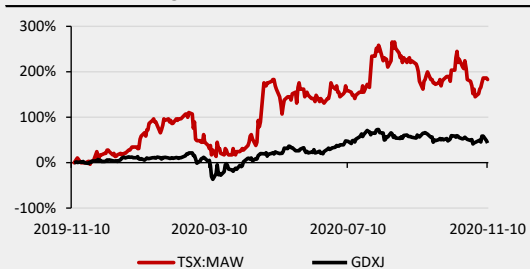
(Currency is CAD\$ unless noted otherwise)

Closing Price (\$/sh)	\$0.41
Rating	BUY
Target (\$/sh)	\$0.90
Return to Target	120%
52 Week Low / High	\$0.14 / \$0.57
CAPITALIZATION	Basic Diluted
Shares Outstanding (M)	255.0 321.6
Market Capitalization (\$MM)	\$104.5
Enterprise Value (\$MM)	\$88.5
Last Reported Quarter Cash (\$MM)	\$16.0
Total Debt (\$MM)	\$0.0

STOCK CHART



RELATIVE PERFORMANCE



RELATIVE VALUATION

	US\$EV/oz AuEq
Peer Group Average*	\$77
Mawson Gold Limited	\$95

*Capital IQ Consensus

MAJOR SHAREHOLDERS

Management (3.9%), Sentient Group Limited (19.7%),
Newmont Corp. (9.4%), 888 Capital Corp. (0.6%)

DISCLOSURE CODE: 1,2,3,4,5

(Please refer to the disclosures listed on the back page)

Source: RCS, Company Information, Capital IQ

Company Description

Mawson Gold Limited is an exploration and development company. Mawson has distinguished itself as a leading Nordic Arctic exploration company with a focus on the flagship Rompas-Rajapalot gold cobalt project in Finland. The company also recently acquired several assets in the Victorian Goldfields region in Australia.

Impact: Positive

Mawson Gold announced assay results from two holes completed at its Joki East prospect, part of its 100%-owned Rajapalot project in Finland. We view the discovery of high-grade gold at another prospect positively, as it indicates the potential expansion of mineralization present at the Rajapalot project. **Exploration success leading to the discovery of additional resource areas at Rajapalot, could warrant an increase in the ~C\$196M value (C\$0.71/sh) we ascribe to Mawson's Finnish assets.**

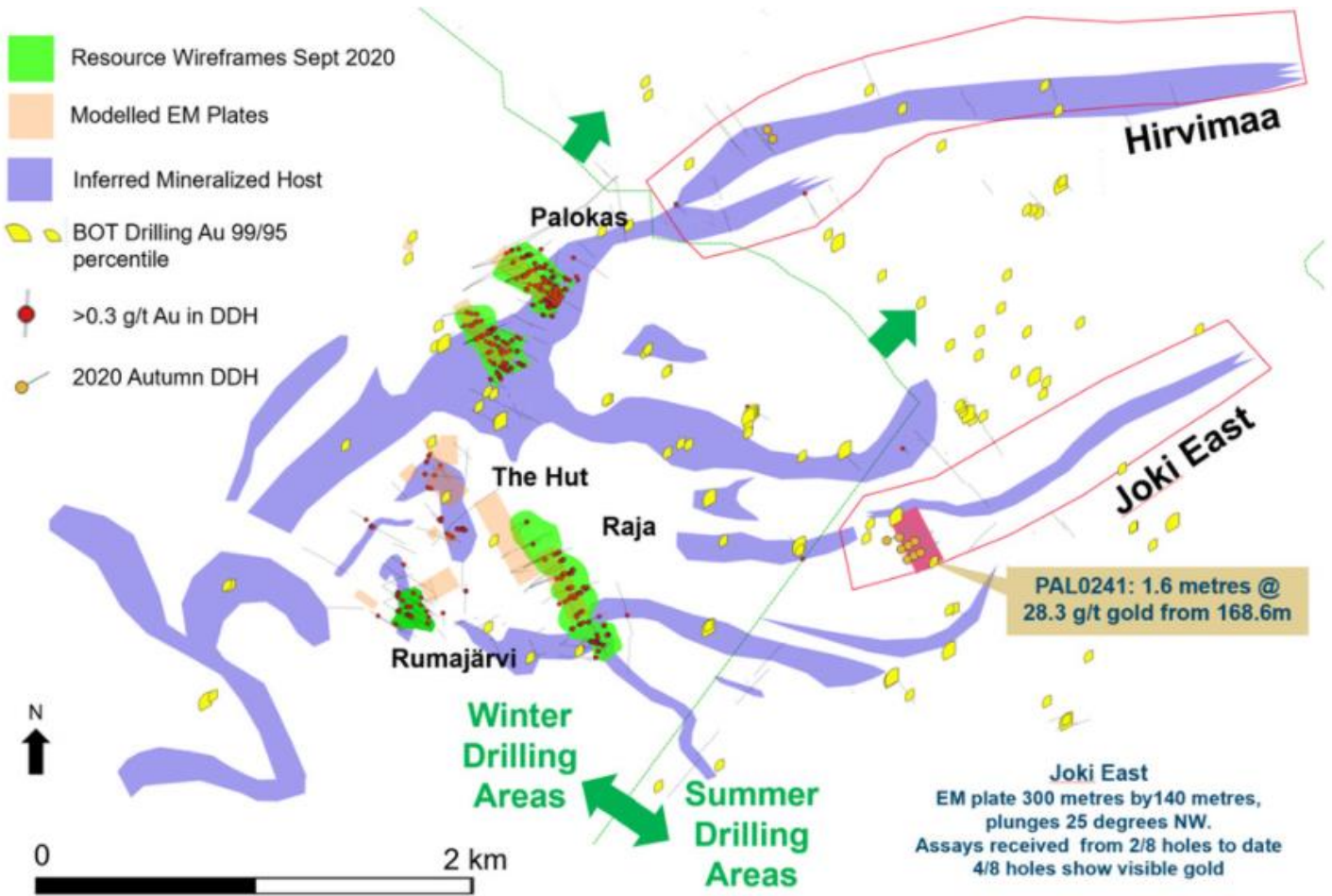
Highlights:

- **Discovery of high-grade gold.** Joki East is located 1,600m NE of the Raja resource area (Figure 1) and is permitted for year-round drill access. A total of eight holes have been completed at the prospect so far, with two holes returning: **1) 28.3 g/t Au over 1.6m (PAL0241) and 2) 0.9 g/t Au over 1.0m (PAL0240).** Moreover, from the eight holes drilled to date, visible gold has been identified in four holes. Drilling however has been paused for a period of four weeks, in order to assess results and undertake electromagnetic geophysical surveys.
- **Mineralization is thin but high-grade.** Drilling to date has defined a body of 50-60m across strike and 120m down plunge, with mineralization remaining open in all directions. The host rocks to the gold mineralization at Joki East are similar to the mineralization observed at the Raja and Palokas resource areas, indicating the potential to expand the resource estimate at Rajapalot. An 18km drill program is planned to commence at the project in late November to expand the mineral resource estimate released by Mawson in September.
- **Steady flow of drill results expected for the next several months.** Mawson currently has three drill rigs turning in Australia (one at Sunday Creek, one at Red Castle and one in Queensland) and is expected to ramp-up drilling in Finland to five rigs by late- December. With multiple rigs turning on multiple projects we expect a steady flow of drill results to be released in the coming months.

Valuation:

A steady stream of drill results could re-rate Mawson towards our C\$0.90/sh target. Mawson currently trades at a modest premium to peers (US\$95/oz, peers at US\$77/oz), suggesting the market is pricing in limited value for the company's Australian projects and the resource expansion we see as probable in Finland. We are maintaining our BUY rating and target of C\$0.90/sh for Mawson. Our target is based on a sum of the parts valuation ([see previous note](#)). **Upcoming Catalysts:** 1) Drill results from Australia - Redcastle and Sunday Creek (Q4/20) and 2) Exploration results from Finland (Q4/20).

Figure 1: Plan of the Rajapalot project showing the location of the drill holes



Source: Company Reports



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Company Name	Ticker Symbol	Disclosures
Mawson Gold Ltd.	TSX:MAW	1,2,3,4,5

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