

Bhakti Pavani,
 949-296-3196, BPavani@europac.net
 Sales & Trading 888-543-4448

Price	\$3.84
52 Week Range	(\$0.33 - \$7.02)
Price Target	\$6.00
Market Cap (mil)	\$91.55
Shares out (mil)	23.84
3-Mo Avg Vol	168,130
Cash per share	\$0.48
Total Debt (mil)	\$0.00

Price: Market price represents previous trading days close.

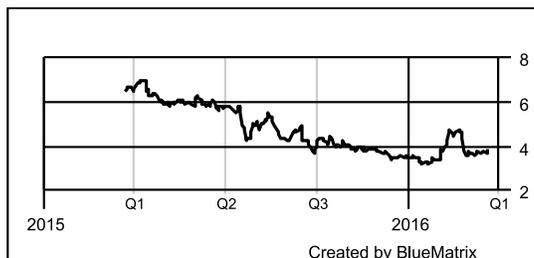
EPS

Yr Dec	2014A		2015E		2016E	
	Actual	Curr	Prev	Curr	Prev	
YEAR	(0.06)A	(0.04)E	-	(0.04)E	-	
P/E	NM	NM		NM		

Revenues (millions)

Yr Dec	2014A		2015E		2016E	
	Actual	Curr	Prev	Curr	Prev	
YEAR	0A	0E	-	0E	-	

PGLC is an exploration company with no revenue at this time. The Company should start generating revenue once its Relief Canyon mine becomes operational. Currently, we are expecting the production at the mine to begin as early as 1Q:17.



Pershing Gold

(Ticker: PGLC US — \$3.84)

Buy

Volatility: 4

Price Target Change

PGLC- Updating Estimates to Reflect Long-term Change in Commodity Prices

Revising PT upwards to \$6.00. We maintain our BUY rating on PGLC but are increasing the PT from \$4.10 to **\$6.00 per share**. An increase in the PT corresponds to our NAV, which has increased from \$120MM or \$4.11/share to \$195.1MM or \$5.96/share, following an increase in our long-term gold price. We have increased our long-term price deck for gold from \$1,200/oz to \$1,350/oz in 2016 and \$1,500/oz in 2017 and beyond. Our bullish stance on metal prices and industry fundamentals reflect the worsening of the global economy. With interventionist strategies implemented by the central bankers to revive the economies of China, Japan, and Europe, the U.S. is going to be challenged not to take similar measures, in our opinion. This has become increasingly evident from the Federal Open Market Committee (FOMC) meeting minutes on 15-16 March 2016, which now show the Fed is reversing its economic growth forecast in the U.S. from 1.375% to 0.9% and scaling down plans for a rate hike from four times to two times this year. Gold and silver seem to be a very good hedge against these interventionist policies, which after a prolonged period only seems to result in inflation and currency depreciation. Consequently, we expect the price of gold and silver to increase as investor demand grows for these metals.

PGLC Completes a \$6.9MM Private Placement. On 2/26, PGLC issued 2.13 million shares, including warrants to purchase 1.1 million shares for a period of 30-months at an exercise price of US\$5.06. The net proceeds of \$6.1MM will be used for advancing the Relief Canyon mine into production, working capital and general corporate purposes. With the closing of the private placement, the Company's cash position has increased from \$8.3 million (in 3Q:15) to \$15.7 million, adequate enough to fund the initial capital investment of \$11MM. However, we believe the Company might have to raise additional cash in case it decides to conduct an exploration drilling program in 2016. Our NAV of \$195.1MM reflects the private placement. Also, note that we have increased the discount rate from 5% to 9% to reflect our conservative modeling assumptions.

Investment Summary:

Pershing Gold Corporation is an emerging exploration and mining company focused on advancing its only asset "Relief Canyon Property" to production. Located in the prolific mining district of Nevada, Relief Canyon mine is a low-grade gold deposit with resource estimate of 37.3 million tonnes, sufficient enough for a starter pit with seven years of mine life. The property is located on the Pershing gold-silver trend amid several producing and past-producing mines. Over the years, the Company has successfully grown its land package and resource base by over 500%. In July 2015, the Company announced an updated resource estimate of 37.3 million tonnes with an average gold grade of 0.69 g/t. PGLC has a fully permitted and constructed heap leach facility that can hold 21 million tons of ore and a crushing plant with a capacity of processing 8 million tons of ore per year. Both can be readily expanded and can support production from other satellite deposits at a minimal capital investment. The Company has a majority of all the necessary permits to initiate production at the Relief Canyon mine. While some permits are currently being processed, we anticipate the production at the mine to begin as early as 1Q:17. We expect the mine to process 5 to 6 million tons of ore and produce an average of 80,000-85,000 ounces of gold each year. The Company recently uplisted from the OTC Bulletin Board to the Nasdaq giving PGLC access to a broader pool of investors.

Valuation:

We calculate the NAV of the Relief Canyon Project at \$195.1 MM or \$5.96/share. Our NAV is calculated on the assumption that the Company will produce an average of 82,000 oz gold (Au) each year. Also, we are using our long-term price deck for gold and silver of \$1,500/oz and \$20/oz, respectively and a discount rate of 9%. The sensitivity analysis below shows that for every \$50 increase/decrease in gold price per ounce, our PT increases/decreases an average of \$0.40. Alternatively, for a 1% increase/decrease in the discount rate our PT increases/decreases by an average of \$0.20.

Sensitivity Analysis		Discount Rate	
LT Gold Price			
1300 \$	4.70	5.0%	\$ 7.00
1350 \$	5.00	6.0%	\$ 6.70
1400 \$	5.30	7.0%	\$ 6.40
1450 \$	5.60	8.0%	\$ 6.20
1500 \$	6.00	9.0%	\$ 6.00
1550 \$	6.30	10.0%	\$ 5.70
1600 \$	6.60	11.0%	\$ 5.50
1650 \$	6.90	12.0%	\$ 5.30
1700 \$	7.30	13.0%	\$ 5.20
1750 \$	7.60	14.0%	\$ 5.00

Risks to achievement of target price:

Commodity Price Risk- Our NAV calculation is based on long term prices of gold at \$1,100/oz. A significant decline in commodity prices can severely impact our valuation and target price. If the weaker price environment prevails, the Company might chose to delay or cancel advancing its exploration stage Relief Canyon project to production. Additionally, the Company might be required to write down reserves and resources to reflect the weaker price environment. Any delay or termination of project exploration could have an adverse impact on the future financial position and profitability of the Company.

PGLC is a single asset company. The Relief Canyon property is the single asset of the Company. PGLC's future cash flows, profitability and valuation is dependent on this asset, hence advancing the asset from exploration to production is critical for the Company. If the Company is unable to advance the project into production for any reason then it will significantly impact the Company's valuation as it has no other source of revenue generation.

Limited History of Earnings. PGLC is an exploration company and has not generated any revenue to date. On the contrary, the Company has Net Operating Losses (NOLs) of ~\$40 million. Additionally, the Company reported a net loss in 3Q:15 and FY:14, and expects to incur operating losses for the foreseeable future. Given its limited history of earnings, there is a possibility that the Company might not be able to advance the asset and generate any meaningful cash flows in the future.

Political Risk- We believe Nevada is a mining friendly state and will continue to favor silver/gold miners. However, change in government reforms can significantly impact the Company's mining practices and eventually its financial stability.

Financial Risk. PGLC is still an exploration stage company and requires significant capital investment to advance the project to the production stage. In April 2015, the Company raised ~\$10.7 million in a private placement that are expected to used for drilling program, general corporate purposes and mining equipment. The Company's current cash position of ~\$8MM should suffice for the above mentioned activities. However, as the Company looks to initiate production, which we believe would require a capital investment of ~\$11MM, it will have to raise capital through equity or debt markets. If the metal prices continue to follow the downward momentum it might be difficult for the Company to raise money at favorable terms.

Company description:

Pershing Gold Corporation engages in the exploration, development, and mining of gold and precious metal properties primarily in Nevada. It focuses on the exploration of Relief Canyon properties covering an area of approximately 25,000 acres located in Pershing County in northwestern Nevada. The Relief Canyon properties include approximately 948 owned unpatented mining claims, 120 owned millsite claims, 172 leased unpatented mining claims, and 2,235 acres of leased and 2,770 acres of subleased private lands. The company was formerly known as Sagebrush Gold Ltd. and changed its name to Pershing Gold Corporation in February 2012. Pershing Gold Corporation is based in Lakewood, Colorado.

Pershing Gold NAV Model								
Relief Canyon Gold Project (All fig in US\$)	2015E	2016E	2017E	2018E	2019E	2020E	2021E	2022E
Total tonnes per day			14,000	15,000	16,000	16,000	14,000	12,000
Total Tonnes of ore processed (in '000s)		0	4,886	5,220	5,584	5,568	4,886	4,176
Gold recovery			73%	75%	78%	78%	73%	73%
Gold grade (g/t)		0.00	0.65	0.65	0.69	0.73	0.66	0.66
Annual gold production (000's oz)		0	75	82	96	102	75	64
% Growth				10%	17%	6%	-26%	-15%
Gold sales prices	\$ -	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Total Revenues ('000s)	\$ -	\$ 111,808	\$ 122,723	\$ 143,884	\$ 152,897	\$ 112,668	\$ 96,296	
Total Cash Cost (\$ per Ounce)		0	52,550	57,680	67,626	71,862	52,954	45,259
Gross profit (in '000s)		0	59,258	65,043	76,259	81,035	59,714	51,037
Initial CapEx (in '000s)	0	(11,000)	0	0	0	0	0	0
Sustaining CapEx (in '000s)	0	0	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Corporate Expenses	(8,500)	(8,500)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)
Exploration Expenses	(8,200)	(5,000)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Profit Before Tax	(16,700)	(24,500)	53,508	59,293	70,509	75,285	53,964	45,287
Tax (in '000s)	0	0	(3,728)	(5,753)	(9,678)	(11,350)	(8,887)	(15,850)
Royalty		0	(2,348)	(2,577)	(3,022)	(3,211)	(2,366)	(2,022)
Clean-up Cost		0	0	0	0	0	0	0
Operating cash flow	(16,700)	(24,500)	47,432	50,964	57,809	60,725	42,711	27,414
Cash flow discount rate	9.0%							
Present value of cash flow	(16,700)	(22,477)	39,923	39,353	40,953	39,467	25,467	14,996
Total current cash flow	177,683	\$ 5.43	<i>per diluted share</i>					
Plus cash & equivalents	15,689	\$ 0.48						
Plus Working Capital	1,744	\$ 0.05	<i>as of 3Q:15</i>					
Plus exploratory assets	0							
Less debt	0							
Total current value	195,116							
Common shares	24,198							
Warrants	4,088							
Options	4,433							
Fully diluted shares	32,719							
PGLC stock price	\$ 3.84							
PGLC NAV in US\$	\$ 5.96	35.61% discount to NAV						
NAV Premium for target price	0%							
Price target	\$ 6.00	36.00% discount to PT						

Important Research Disclosures



Distribution of Ratings/IB Services

Euro Pacific Capital

Rating	Count	Percent	IB Serv./Past 12 Mos.	
			Count	Percent
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SPECULATIVE BUY [SB]	1	3.85	0	0
HOLD [NEUTRAL]	7	26.92	3	42.86
SELL [SELL]	1	3.85	0	0
NOT RATED [NR]	1	3.85	1	100.00
UNDER REVIEW [UR]	0	0.00	0	0

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Ratings

Buy: Expected to materially outperform sector average over 12 months and indicates total return of at least 10% over the next 12 months.

Neutral: Returns expected to be in line with sector average over 12 months and indicates total return between negative 10% and 10% over the next 12 months.

Sell: Returns expected to be materially below sector average over 12 months and indicates total price decline of at least 10% over the next 12 months.

Speculative Buy: Expected to materially outperform sector average over 12 months and indicates total return of at least 25% if certain factors materialize, with potential for high return volatility and greater than average risk for lower or negative total annual returns over this time period.

Not Rated: We have not established a rating on the stock.

Under Review: The rating will be updated soon pending information disclosed from a near-term news event.

Volatility Index

1 (Low): Little to no sharp movement in stock price in a 12 month period

2 (Low to medium): Modest changes in stock price in a 12 month period

3 (Medium): Average fluctuation in stock price in a 12 month period

4 (Medium to High): Higher than average changes in stock price in a 12 month period

5 (High): Extremely sharp movements in stock price in a 12 month period

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