

**U.S. GoldMining Inc. (USGO)**  
**Rating: Buy**

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**2023 Drilling Program Includes Highest Drill Intercept to Date;  
 Outlook For Whistler Gold-Copper Project; Reiterate Buy**

Stock Data		3/7/2024		
Price		\$5.76		
Price Target		\$23.00		
52-Week High		\$17.24		
52-Week Low		\$4.91		
Enterprise Value (M)		\$60.5		
Market Cap (M)		\$72		
Shares Outstanding (M)		12.4		
3 Month Avg Volume		5,741		
Short Interest (M)		0.01		
Balance Sheet Metrics				
Cash (M)		\$11.4		
Total Debt (M)		\$0.0		
Total Cash/Share		\$0.92		
EPS (\$) Diluted				
Full Year - Dec	2022A	2023A	2024E	
FY	(0.17)	(0.82)	(0.46)	
FY P/E	NM	NM	NM	
Revenue (\$M)				
Full Year - Dec	2022A	2023A	2024E	
FY	0.0	0.0	0.0	

**Phase 1 assay results.** On January 16, U.S. GoldMining announced additional assay results from its 2023 drilling program at the Whistler Gold-Copper Project in Alaska. Overall, this drilling program consisted of 2,234 meters (m) that were drilled from mid-August to mid-September. In short, the work confirmed high-grade potential of the deposit through infill drilling. Additionally, step-out drilling at site extended the deposit beyond what was believed to be capable. As an example, we highlight hole WH23-03, which intersected 600 meters (m) at 0.99g/t AuEq from surface and included 547 meters at an average grade of 1.06g/t AuEq. The hole also featured a higher-grade intercept of 176.00m at 1.55 g/t AuEq. Importantly, hole WH23-04 tested the Rainmaker South target, a prospect that we anticipate may present additional potential for substantial tonnage within the property. Finally, we note that a visual examination of the core suggests an absence of both veining and alteration, which is often associated with a porphyry intrusion.

**Favorable outlook for the Whistler Gold-Copper Project.** We expect USGO to begin a drilling program spanning approximately 10,000m once the 2024 field season begins. In addition, we note that the Alaska Industrial Developmental and Export Authority (AIDEA) is conducting a study on the West Susitna Access Road. In short, West Susitna should provide a direct route from Whistler to Port Mackenzie. Looking ahead, the Department of Transportation (DOT) plans to build the first 15 miles and the Susitna River bridge, with a proposed construction date of 2025. Lastly, the company has been collaborating with resource developers to create stakeholder engagement.

**We are reiterating our Buy rating on USGO and our PT of \$23.** Unsurprisingly, our valuation of the firm remains predominantly based on the Whistler project. We continue to derive our valuation on the asset from a dollar value per GEO that is based on an average enterprise value per GEO across a basket of comparable gold companies that are located throughout other favorable mining jurisdictions. In turn, we apply a \$23.10/GEO value to the company's resources, while utilizing a 0.9x multiple on this figure for Inferred ounces. This yields a total asset value of \$203.2M, or \$14.28 per share. We then add \$110.0M in value (\$7.73 per share) for Muddy Creek and other development prospects, plus \$11.4M in cash. The company has no debt. This calculation yields our overall firm NAV of \$324.6M, or \$22.82 per share, which provides our rounded price target of \$23.00.

**Near-term catalysts.** Looking ahead, we expect the firm's geological team to scan for and prioritize a number of the most worthwhile targets for its 2024 drilling initiative. This is crucial given the large amount of potential options available on-site. In the intermediate term, we expect USGO to pursue an updated resource statement (later this year or in early 2025) following additional drilling at Whistler throughout the year. Finally, we stress that the strong balance sheet of the company leaves management in a strong position to expand future exploration of various porphyry-style targets on-site.

**Risks.** (1) Metal price risk; (2) exploration risk; (3) and financial risk.



U.S. GoldMining Inc.										
Note: Figures below in \$000's unless otherwise indicated.										
<b>Value of resources at the Whister project</b>	\$	203,151	\$	14.28	per share	Valued at	\$	23.10	per GEO	0.9x Multiple utilized for Inferred Ounces
Value for Muddy Creek and other prospects	\$	110,000	\$	7.73	per share					
Plus cash and equivalents	\$	11,408	\$	0.92	per share	as of November 30, 2023.				
Less debt	\$	-	\$	-	per share	as of November 30, 2023.				
<b>Total current value</b>	\$	<b>324,559</b>	\$	<b>22.82</b>	per share					
Common shares		12,399		as of 11.30.23						
Options and Warrants		1,824		as of 11.30.23						
Fully diluted shares		14,223		as of 11.30.23						
U.S. GoldMining share price	\$	5.80		as of 3.07.24		<b>75% discount to price target</b>				
U.S. GoldMining Net Asset Value	\$	22.82								
<b>Rounded (\$0.50) price target</b>	\$	<b>23.00</b>								
<b>Comparable companies and associated Ev/GEO values.</b>										
Company Name	Share Price (USD)	Shares Out. (M)	Market Cap. (\$M)	Debt	Cash (\$M)	EV (\$M)	Mineral Resources (GEOs Moz)	EV/GEO		
International Tower Hill (THM; not rated)	\$ 0.58	199.69	\$ 78.94	\$ -	\$ 4.80	\$ 74.14	13.60	\$ 5.45		
HighGold (HIGH.V; not rated)	\$ 0.28	87.76	\$ 41.25	\$ -	\$ 5.97	\$ 35.28	1.16	\$ 30.39		
Heliostar (HSTR.V; not rated)	\$ 0.22	184.29	\$ 44.23	\$ -	\$ 5.07	\$ 39.16	3.26	\$ 12.02		
Grande Portage Resources (GPG.V; not rated)	\$ 0.20	119.80	\$ 22.76	\$ -	\$ 0.32	\$ 22.44	1.52	\$ 14.75		
First Mining (FF.TO; Buy)	\$ 0.11	917.06	\$ 132.97	\$ -	\$ 13.56	\$ 119.42	10.71	\$ 11.15		
Probe Gold (PRB.TO; not rated)	\$ 1.32	166.71	\$ 261.73	\$ -	\$ 25.37	\$ 236.36	4.74	\$ 49.84		
Ascot Resources (AOT.TO; not rated)	\$ 0.65	558.37	\$ 301.52	\$ -	\$ 154.00	\$ 147.52	3.10	\$ 47.62		
Troilus Gold (TLG.TO; not rated)	\$ 0.56	277.61	\$ 116.60	\$ -	\$ 5.13	\$ 111.47	8.11	\$ 13.74		
							<b>Average EV/GEO (rounded)</b>	<b>\$ 23.10</b>		
Source: H.C. Wainwright & Co. estimates.										

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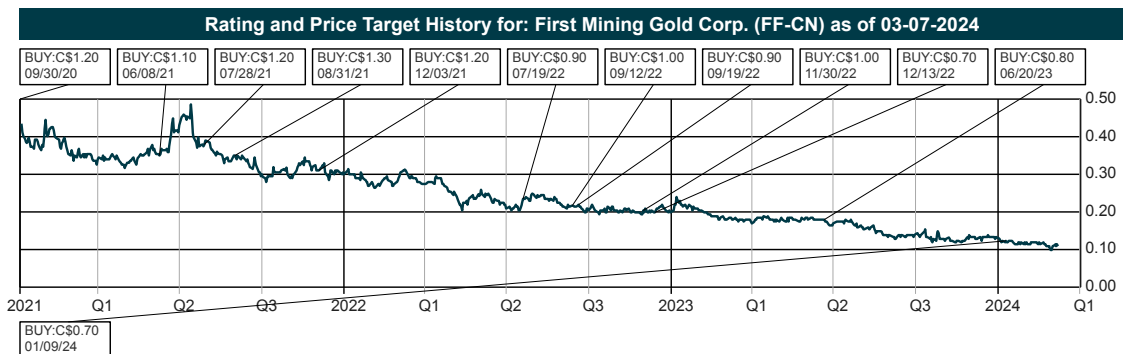
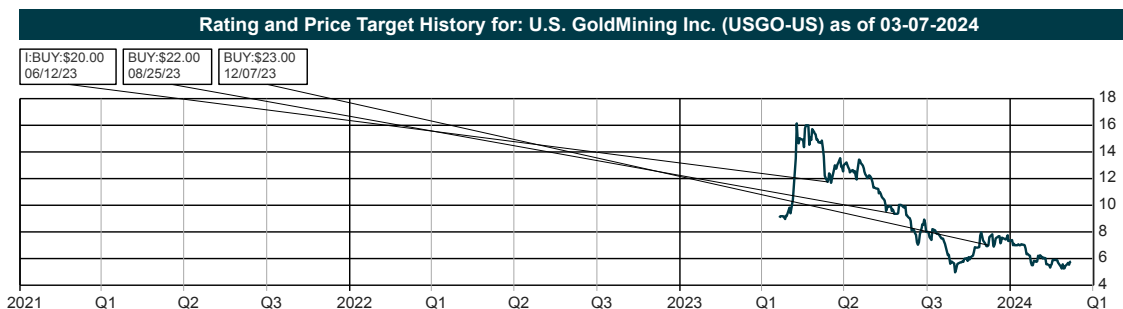
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Related Companies Mentioned in this Report as of March/7/2024					
Company	Ticker	H.C. Wainwright Rating	12 Month Price Target	Price	Market Cap
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First Mining Gold Corp.	FF-CN	Buy	C\$0.70	C\$0.11	C\$91

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Ratings	Count	Percent	IB Service/Past 12 Months	
			Count	Percent
Buy	558	88.71%	143	25.63%
Neutral	59	9.38%	5	8.47%
Sell	2	0.32%	0	0.00%
Under Review	10	1.59%	5	50.00%

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