

## Gold & Precious Minerals

### Higher Gold Price Provides Mid-tiers a Strong Start to 2020

**OUR TAKE:** In a seasonally weaker quarter, we are expecting most of our coverage companies to report lower QoQ production and higher realized prices following a strong finish to 2019. We summarize all of our Q1/20 production and cost expectations relative to Q4/19 results in Ex 5, noting (1) six companies have higher QoQ output while 16 are flat or down, and (2) eight companies have lower all-in sustaining costs QoQ.

We are also publishing revised valuations and target prices (Ex 6) based on our new Scotiabank GBM gold and silver price forecasts (Ex 2), as well as updated NT F/X rate forecasts from Scotiabank Economics. Our new gold price forecast for 2020 has increased to \$1,652/oz (up 7%), followed by an increase in 2021 and 2022 to \$1,700/oz (up 15% and 19% respectively) and annual stepdowns through 2024 before reaching our LT gold price assumption of \$1,400/oz (previously \$1,300/oz) in 2025 and beyond. For additional information on our gold price change, please refer to Tanya Jakusconek's April 16, 2020, comment [here](#).

With this note we are upgrading ASR and OR to Sector Outperform and downgrading MMX to Sector Perform; details on p 5. Our top producer and royalty picks are ASR, BTO, DPM, EDV, EQX, KL, MAG, OR, and WPM.

**Silver price** – We are also raising our medium-term silver price forecasts in line with gold, while our LT silver price forecast remains unchanged at \$15.00/oz.

**Q1/20 metal prices:** Exhibit 1 details Q1/20 average metal prices and exchange rates. The gold price started the quarter at \$1,517/oz and rallied up to \$1,680 before closing at \$1,577. The average gold closing price was \$1,581/oz, up 7% compared with Q4/19 and up 21% compared with Q1/19. The average silver closing price was \$16.90/oz, down 2.5% compared with Q4/19 and down 9% compared with Q1/19. Copper and lead prices were down relative to Q4/20, and base metal prices were down across the board relative to Q1/19. Overall, the USD/CAD is relatively down with Q4/19.

#### Exhibit 1: Q/Q Change in Average Metal Prices

		Q1/20A	Q4/19A	%Δ QoQ	Q1/19A	%Δ YoY
Gold	US\$/oz	\$1,581	\$1,483	6.6%	\$1,304	21.3%
Silver	US\$/oz	\$16.90	\$17.33	-2.5%	\$15.58	8.5%
Copper	US\$/lb	\$2.56	\$2.67	-4.2%	\$2.82	-9.3%
Lead	US\$/lb	\$0.84	\$1.08	-22.8%	\$0.92	-9.4%
Zinc	US\$/lb	\$0.96	\$0.93	3.9%	\$1.23	-21.5%
USD/CAD		\$1.34	\$1.32	1.7%	\$1.33	1.0%
USD/MXN		\$19.98	\$19.24	3.9%	\$19.19	4.2%

Source: Bloomberg; Scotiabank GBM.

**2020 expectations** are detailed herein along with new projects and ramp-ups in the spotlight this year (see p.6).

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For Reg AC Certification and important disclosures see Appendix A of this report. Analysts employed by non-U.S. affiliates are not registered/qualified as research analysts with FINRA in the U.S. unless otherwise noted within this report. Scotia Capital Inc. is acting as financial advisor to Ascendant Resources Inc. in its announced silver stream transaction with Maverix Metals Inc.

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#### COVERAGE SUMMARY

	Rating	1-Yr. Target	Return
AGI-N*	SP	US\$8.50	29.2%
AG-N*	SP	US\$7.75	4.9%
AKG-T*	SP	C\$1.50	19.0%
ASR-T*	SO	C\$8.00	27.4%
BSX-T*	SP	C\$0.55	-6.8%
BTO-T*	SO	C\$7.75	21.3%
CG-T*	SP	C\$16.00	69.9%
DPM-T*	SO	C\$8.00	29.7%
EDV-T*	SO	C\$38.00	48.7%
EQX-T*	SO	C\$14.50	35.5%
FSM-N*	SP	US\$4.00	61.3%
GSS-A*	SO	US\$4.25	63.5%
HL-N*	SP	US\$3.00	35.0%
KL-T*	SO	C\$62.00	22.6%
LUG-T*	SP	C\$9.00	-7.2%
MAG-A*	SO	US\$16.00	62.3%
MMX-N*	SP	US\$4.50	15.5%
MOZ-T*	SO	C\$2.50	77.3%
NGD-A*	SP	US\$1.50	114.4%
OGC-T*	SO	C\$5.00	169.6%
OLA-T*	SO	C\$3.00	25.0%
OR-T*	SO	C\$16.50	39.5%
PAAS-Q*	SP	US\$22.00	15.1%
PG-T*	SO	C\$4.00	127.3%
PVG-T*	SP	C\$11.00	2.4%
SAND-A*	SP	US\$7.00	7.9%
SMF-T*	T	C\$3.50	-2.0%
SSRM-Q*	SP	US\$20.00	30.2%
TMR-T*	SP	C\$1.75	44.6%
TXG-T*	SP	C\$27.00	71.5%
WPM-N*	SO	US\$41.00	23.9%

\*Companies with pertinent revisions

## Updated Precious Metal Price Forecasts

We have updated our gold price forecasts incorporating updated interest rate forecasts (including real rates), U.S. dollar, and oil price as well as the massive amount of global stimulus being injected into the economy. In this environment we expect to see negative real rates for a longer period of time followed by rising inflation once the stimulus flows into the economy. This has resulted in a more positive outlook for the gold price. **Refer to Scotiabank GBM Gold and Precious Minerals Analyst Tanya Jakusconek's note "Higher for Longer: Producer Margins to Expand as Global Stimulus Sets Up Gold for a Sustained Rally" dated April 16, 2020, for further details.** Our new gold price forecast (Exhibit 2) for 2020 has increased to \$1,652/oz (up 7%), followed by an increase in 2021 and 2022 to \$1,700/oz (up 15% and 19% respectively) and annual stepdowns through 2024 before reaching our long-term gold price assumption of \$1,400/oz (previously \$1,300/oz) in 2025 and beyond.

We are raising our silver price forecasts to reflect higher gold price estimates. We are also calling for the silver-to-gold ratio to average slightly lower (better) than its current level of 112. By the second half of this year we estimate a silver-to-gold ratio of 100, further improving to 90 in 2022. Then as our gold price forecast begins to decline we see a weakening of the ratio to a long-term level of 93. It is worth noting that while we use a less bullish ratio than previously, the improving trend predicts silver will outperform gold as the silver-to-gold ratio declines.

With this note we have also incorporated **updates to our base metals price forecast and our CAD/USD estimates** while we maintain our 0.80 long-term forecast. Scotiabank GBM metal and currency forecasts are shown in Exhibit 2 below.

**Exhibit 2: Updated Precious Metal, Base Metal, and CAD/USD Price Forecasts**

Precious Metals		2020E	2021E	2022E	2023E	LT
Gold (US\$/oz)	New	\$1,652	\$1,700	\$1,700	\$1,600	\$1,400
	Prior	\$1,550	\$1,475	\$1,425	\$1,375	\$1,300
	% change	7%	15%	19%	16%	8%
Silver (US\$/oz)	New	\$16.48	\$18.00	\$19.00	\$17.25	\$15.00
	Prior	\$18.75	\$17.75	\$16.75	\$16.25	\$15.00
	% change	(12%)	1%	13%	6%	0%
Base Metals		2020E	2021E	2022E	2022E	LT
Copper (US\$/lb)	New	\$2.25	\$2.75	\$3.00	\$3.15	\$3.00
	Prior	\$2.80	\$3.00	\$3.25	\$3.25	\$3.00
	% change	(20%)	(8%)	(8%)	(3%)	0%
Lead (US\$/lb)	New	\$0.80	\$0.90	\$0.90	\$0.90	\$0.95
	Prior	\$0.90	\$0.95	\$0.95	\$0.95	\$0.95
	% change	(11%)	(5%)	(5%)	(5%)	0%
Zinc (US\$/lb)	New	\$0.90	\$1.00	\$1.00	\$1.00	\$1.00
	Prior	\$1.10	\$1.05	\$1.00	\$0.95	\$1.00
	% change	(19%)	(5%)	0%	5%	0%
Foreign Exchange Rates		Q2/20E	Q3/20E	2020E	2021E	LT
CAD/USD	New	0.71	0.71	0.72	0.74	0.80
	Prior	0.78	0.78	0.78	0.79	0.80
	% change	(8%)	(8%)	(7%)	(7%)	0%

Source: Scotiabank GBM estimates.

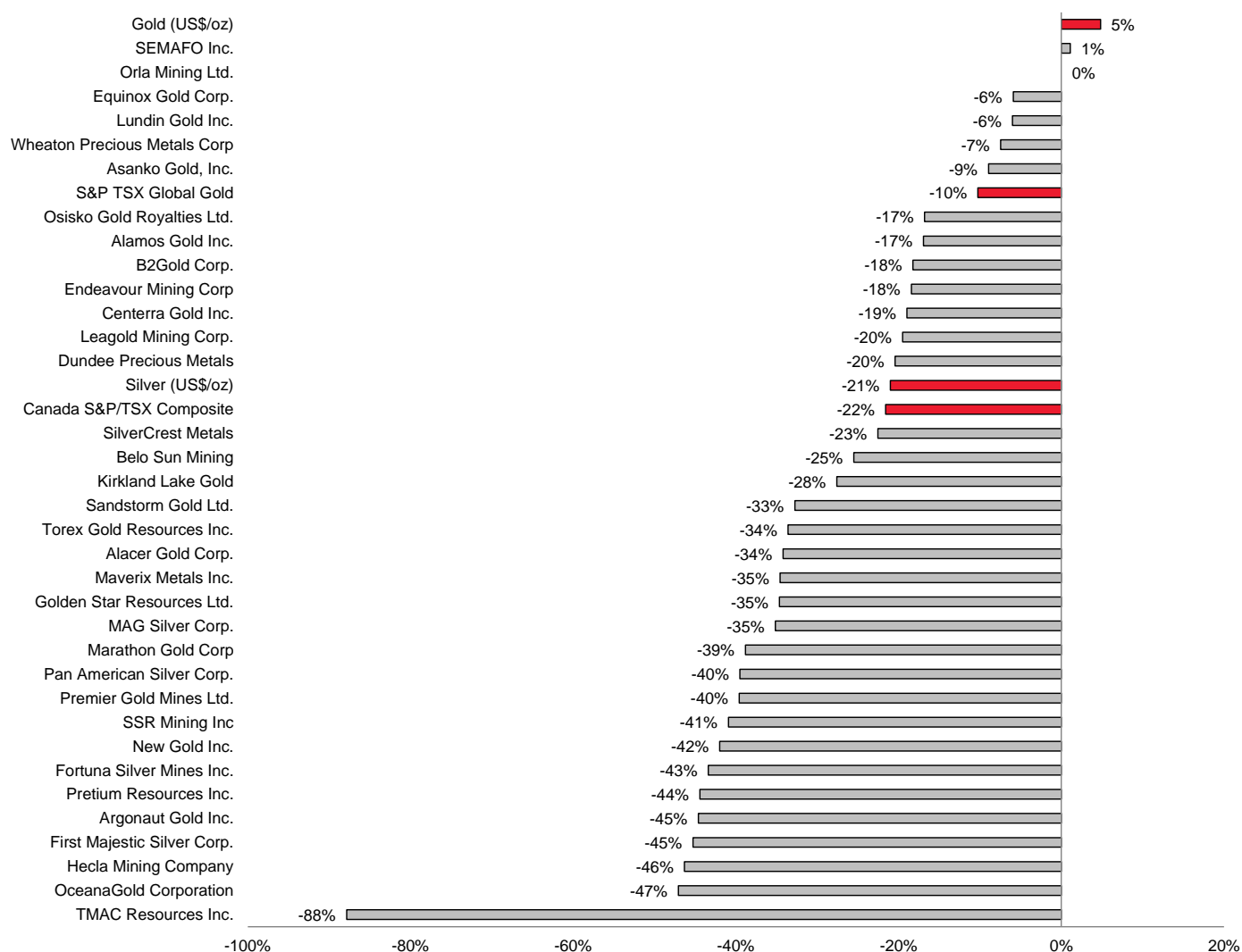
## A Review of Q1/20 Equity Performance

**Exhibit 3 highlights the YTD quarterly performance of our coverage universe and includes key commodities and indices for reference.** During the quarter, the average return for our coverage universe was down 29%, while the gold price was up 5%, and the S&P/TSX Global Gold Index was down 10%. A summary of Q1/20 returns is shown in Exhibit 3. Since the end of Q1/20, the gold equities have rallied with the gold up 18% YTD. A summary of YTD returns is shown in Exhibit 4

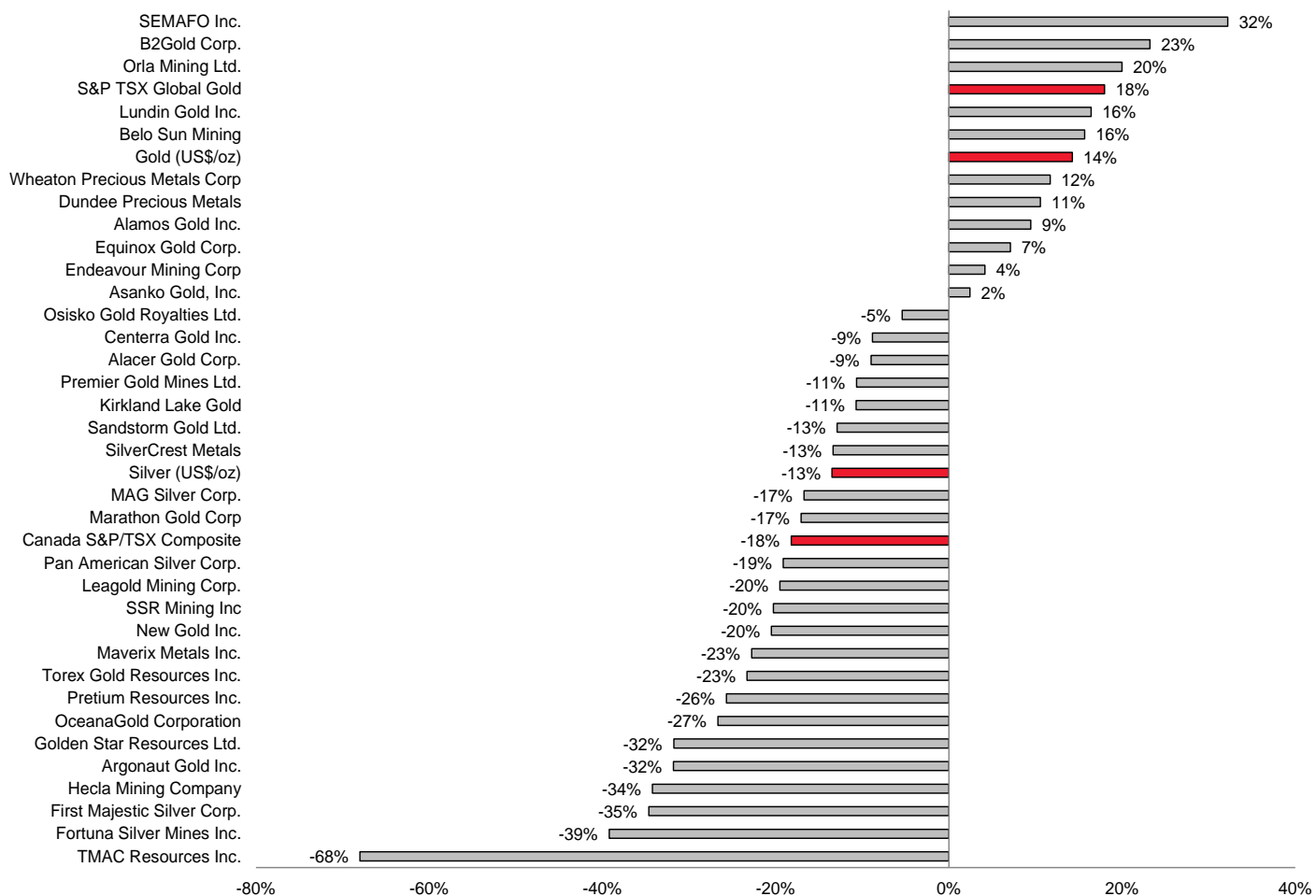
**Best Performers:** The top performers in Q1/20 were SEMAFO, Orla Mining, and Equinox Gold up 1%, flat, and down 6%, respectively.

**Worst Performers:** The worst performing stocks in our coverage universe Q1/20 included TMAC, OceanaGold, and Hecla which lost 88%, 47%, and 46%, respectively.

### Exhibit 3: Q1/20 Returns (%)



Source: FactSet; Scotiabank GBM. Note: Returns exclude dividends and currency effects.

**Exhibit 4: YTD Returns (%)**


Source: FactSet; Scotiabank GBM. Note: Returns exclude dividends and currency effects.

## Q1/20 Production and Cost Estimates

In Exhibit 5 we provide our Q1/20 and full-year production and cash cost estimates as compared to Q4/19.

**Exhibit 5: Quick Reference Table for Q1/20 – Key Operating Data**

Company	Primary Ticker	Production (koz Au or Moz Ag)				AISC (US\$/oz)			
		Actuals Q4/19A	GBM Q1/20A/E	GBM 2020E	Guidance 2020	Actuals Q4/19A	GBM Q1/20E	GBM 2020E	Guidance 2020
Precious Metals Producers									
Alacer Gold <sup>1</sup>	ASR	80.9	62.2	269	248-288	\$710	\$793	\$764	\$735-\$785
Alamos Gold	AGI	122.1	103.6	417	Withdrawn	\$972	\$1,215	\$1,054	Withdrawn
Argonaut Gold	AR	R	R	R	R	R	R	R	R
Asanko Gold	AKG	66.1	58.0	235	225-245	\$969	\$1,062	\$1,054	\$1040-\$1060
B2Gold <sup>6</sup>	BTO	234.6	262.4	1,034	1000-1055	\$869	\$788	\$801	\$780-\$820
Centerra Gold <sup>5</sup>	CG	194.5	181.3	801	730-765	\$992	\$912	\$947	\$713-\$743
Dundee Precious Metals <sup>6</sup>	DPM	69.5	73.0	284	200-247	\$679	\$701	\$723	\$675-\$820
Endeavour Mining Corporation	EDV	177.7	167.3	881	680-740	\$859	\$1,022	\$920	\$845-\$895
Equinox Gold Corp.	EQX	80.2	78.9	574	540-600	\$848	\$1,176	\$1,035	\$1000-\$1060
Golden Star Resources <sup>4</sup>	GSS	52.6	47.9	201	195-210	\$1,221	\$1,141	\$1,140	\$1080-\$1180
Kirkland Lake Gold <sup>6</sup>	KL	279.7	330.9	1,432	Withdrawn	\$516	\$737	\$778	Withdrawn
Lundin Gold	LUG	28.7	57.8	246	N.A.	\$0	\$737	\$685	N.A.
New Gold <sup>2,6</sup>	NGD	66.9	66.8	309	Withdrawn	\$1,863	\$1,524	\$1,468	Withdrawn
OceanaGold Corporation	OGC	108.0	82.8	373	360-380	\$1,058	\$1,189	\$1,104	\$1075-\$1125
Premier Gold Mines <sup>1</sup>	PG	16.9	22.3	89	Withdrawn	\$1,217	\$1,186	\$1,209	Withdrawn
Pretium Resources Inc.	PVG	96.2	85.1	343	325-365	\$866	\$1,007	\$1,012	\$910-\$1060
SSR Mining Inc. <sup>3,6,7</sup>	SSRM	106.2	106.9	397	Withdrawn	\$716	\$714	\$779	Withdrawn
TMAC Resources Inc.	TMR	24.7	32.4	161	N.A.	\$1,783	\$1,595	\$1,359	N.A.
Torex Gold Resources <sup>6</sup>	TXG	125.2	108.5	383	Withdrawn	\$767	\$1,052	\$1,025	Withdrawn
First Majestic Silver (Ag) <sup>6</sup>	AG	3.3	3.2	11.2	Withdrawn	\$12.25	\$10.48	\$12.75	Withdrawn
Fortuna Silver Mines (Ag) <sup>6,8</sup>	FSM	2.2	1.7	6.7	Withdrawn	\$12.58	\$13.97	\$14.77	Withdrawn
Hecla Mining (Ag) <sup>6,8</sup>	HL	3.4	3.0	12.1	Withdrawn	\$11.27	\$12.03	\$10.71	Withdrawn
Pan American Silver (Ag) <sup>8</sup>	PAAS	6.6	6.2	24.1	Withdrawn	\$1.04	\$7.27	\$5.89	Withdrawn
Royalty/Streaming Companies							Cash Cost (US\$/oz)		
Maverix Metals Inc.	MMX	7.9	6.4	26	Withdrawn	\$179	\$165	\$154	Withdrawn
Osisko Gold Royalties	OR	20.5	18.5	76	Withdrawn	\$37	\$41	\$40	Withdrawn
Sandstorm Gold Ltd. <sup>6,7</sup>	SAND	16.1	13.4	60	Withdrawn	\$324	\$314	\$253	Withdrawn
Wheaton Precious Metals <sup>7</sup>	WPM	185.1	172.1	646	Withdrawn	\$424	\$426	\$434	Withdrawn

n.a. - not applicable; n.m. - not meaningful; R - Restricted

- (1) Production numbers presented on an attributable basis
- (2) Reported as AISC for gold equivalent ounces
- (3) Actual and cost guidance is for Cash Cost
- (4) Cash costs exclude royalties, consistent with company guidance
- (5) Production estimates do not include copper production from Mt. Milligan
- (6) Production pre-reported
- (7) Figures are gold-equivalent calculated at GBM metal price estimates
- (8) Silver production is pre-payable

Source: Company reports; Scotiabank GBM estimates.

## 2020 – Outlook for the Year Ahead

**New projects coming online and ramping up in 2020.** We note that in 2020 a number of companies are bringing projects online or ramping up recently commissioned projects. A summary of these assets in our coverage universe is detailed below:

- B2Gold, Fekola expansion (54% of asset NAV); BTO is proceeding with an approved expansion at Fekola to increase annual throughput to 7.5Mtpa;
- Centerra Gold, commercial production at Oksut in 2020 (29% of asset NAV);
- Equinox Gold Corp, first gold pour is planned in Q3/2020 at the Phase 1 at Castle Mountain project (26% of asset NAV);
- Fortuna Silver, First gold (Q2/2020) and commercial production (2H/2020) at Lindero (57% of asset NAV);
- Lundin Gold, Fruta Del Norte (100% of asset NAV); continue ramp up to full production in 2020;
- Orla Mining, start of construction at Camino Rojo (70% of Asset NAV) is planned for 1H/2020;
- SEMAFO, restart of full operations at Boungou (50% of asset NAV) planned for 1H/2020.

## Rating and Notable Modeling Changes

**Alacer Gold (ASR-TSX)** – We are upgrading Alacer Gold (ASR) to Sector Outperform (from Sector Perform) as we see (1) decreasing risk profile with the ongoing successful ramp-up of the sulfide Pressure Oxidation (POX) circuit where a planned maintenance shutdown is currently underway (we expect further details to be provided with the upcoming Q1 financial results), (2) the company is realizing additional oxide potential through near-mine exploration with ~1Moz Au already delineated that can be mined using existing infrastructure and the new heap leach pad expansions underway, (3) the company is working on a Copler district study (due in 2H/2020) with a goal of sustaining ~350koz Au per year on average over a 10-year time horizon (up from ~250koz Au per year), and (4) at spot gold prices, we expect the company to generate a top-quartile FCF yield in excess of 20% in 2020 and 2021.

**Maverix Metals (MMX-NYSE)** – We are downgrading Maverix to Sector Perform due to share price appreciation and a limited implied return to our new one-year target price of US\$4.50 per share relative to other names in our coverage universe.

**Osisko Gold Royalties (OR-TSX)** – We are upgrading Osisko Gold to Sector Outperform as it stands out among its peers in the mid-sized royalty and streaming group. Specifically, the company leads with double-digit free cash flow yields this year and next. It has the largest predicted production growth at 22% for 2019 – 2021 and costs are expected to improve by 39% on a per ounce basis over the same period. On a valuation basis 0.98x, the lowest of its peers. Our new one-year target price is C\$16.50 per share indicating the best return to target of the group.

**New Gold (NGD-NYSE)** – We have fully incorporated the \$300 million investment from Ontario Teachers' Pension Plan. The company just announced cash on hand of \$390 million and total liquidity of \$590 million. We assume a line of credit draw of approximately \$50 million to achieve the cash and liquidity levels reported. With at least \$200 million in available capacity on its credit facility, we do not anticipate any concerns repaying the first tranche of senior unsecured notes in November 2022 or the second tranche in 2025. In our view the focus will shift from the balance sheet to operational execution at Rainy River and development of the underground mine there. As well, the successful development of the C-Zone at New Afton will be critical to its success.



**TMAC Resources (TMR-TSX)** – We have modeled the recently filed pre-feasibility study (PFS) for the development of a new Hope Bay mine plan. It is based on 3.5 million ounces of reserves (3.1 million ounces recoverable) and a replacement 4,000 tonne per day mill for the existing 2,000 tonne per day nameplate one. We have not added additional capital or operating costs to the PFS as we assume optimization and the weaker Canadian dollar could offset higher actual costs and the exchange rate used in the study. A strategic review continues and we expect TMAC to either find a buyer or investor as opposed to funding the new development plans itself. With this in mind we back into our C\$1.75 per share target price using a total acquisition price methodology.

## Valuations, Price Targets, and Ratings

In Exhibit 6, we provide our updated net asset valuation (NAV) estimates and target prices following the updated gold and silver price forecast, Q1/20 average metal prices, updated foreign exchange forecasts, and minor revisions to our production and cost estimates in advance of quarterly reporting.

**Exhibit 6: Changes to NAVs and Target Prices**

	NAVPS @ 5%			Target Price			Rating*	Analyst*
	New	Previous	% Change	New	Previous	% Change		
Precious Metals Producers								
Alacer Gold Corp.	C\$5.75	C\$4.94	16%	C\$8.00	C\$6.50	23%	SP	OH
Alamos Gold Inc.	\$8.92	\$7.28	23%	\$8.50	\$7.00	21%	SP	TT
Argonaut Gold Inc.	R	R	R	R	R	R	R	OH
Asanko Gold Inc.	C\$1.76	C\$1.77	-0%	C\$1.50	C\$1.50	-	SP	OH
B2Gold Corp.	C\$4.16	C\$3.56	17%	C\$7.75	C\$6.25	24%	SO	OH
Centerra Gold Inc.	C\$12.78	C\$10.58	21%	C\$16.00	C\$12.00	33%	SP	TT
Dundee Precious Metals Inc.	C\$6.88	C\$5.77	19%	C\$8.00	C\$7.00	14%	SO	TT
Endeavour Mining Corporation	C\$22.89	C\$20.38	12%	C\$38.00	C\$35.00	9%	SO	OH
Equinox Gold Corp.	C\$10.34	C\$8.12	27%	C\$14.50	C\$13.00	12%	SO	OH
First Majestic Silver Corp.	\$2.18	\$1.78	22%	\$7.75	\$7.25	7%	SP	OH
Fortuna Silver Mines Inc.	\$2.82	\$2.50	13%	\$4.00	\$3.00	33%	SP	TT
Golden Star Resources Ltd.	\$2.60	\$1.56	67%	\$4.25	\$4.00	6%	SO	OH
Hecla Mining Company	\$1.40	\$0.99	41%	\$3.00	\$2.00	50%	SP	TT
Kirkland Lake Gold Ltd.	C\$34.58	C\$27.20	27%	C\$62.00	C\$56.00	11%	SO	OH
Lundin Gold Inc.	C\$8.99	C\$6.63	36%	C\$9.00	C\$8.50	6%	SP	TT
New Gold Inc.	\$1.45	\$0.99	46%	\$1.50	\$1.00	50%	SP	TT
OceanaGold Corporation	C\$3.11	C\$2.51	24%	C\$5.00	C\$5.00	-	SO	OH
Pan American Silver Corp.	\$14.51	\$12.57	15%	\$22.00	\$14.00	57%	SP	TT
Premier Gold Mines Ltd.	C\$3.43	C\$3.28	4%	C\$4.00	C\$4.00	-	SO	OH
Pretium Resources Inc.	C\$8.47	C\$6.92	22%	C\$11.00	C\$9.75	13%	SP	OH
SEMAFO Inc.	C\$4.97	C\$4.27	16%	C\$3.50	C\$3.00	17%	T	OH
SSR Mining Inc.	\$16.47	\$13.80	19%	\$20.00	\$19.00	5%	SP	TT
TMAC Resources Inc.	C\$2.27	C\$4.98	-54%	C\$1.75	C\$1.50	17%	SP	TT
Torex Gold Resources Inc.	C\$23.45	C\$19.72	19%	C\$27.00	C\$26.00	4%	SP	TT
Royalty/Streaming								
Maverix Metals	\$2.44	\$2.25	9%	\$4.50	\$4.25	6%	SO	TT
Osisko Gold Royalties Ltd.	C\$12.19	C\$10.40	17%	C\$16.50	C\$15.00	10%	SP	TT
Sandstorm Gold Ltd.	\$4.76	\$4.43	7%	C\$7.00	C\$7.00	-	SP	TT
Wheaton Precious Metals	\$14.79	\$13.73	8%	\$41.00	\$38.00	8%	SO	TT
Developers								
Belo Sun Mining Corp.	C\$1.07	C\$0.75	41%	C\$0.55	C\$0.50	10%	SP	OH
MAG Silver Corp.	\$8.51	\$8.23	3%	\$16.00	\$15.00	7%	SO	TT
Marathon Gold Corp.	\$3.01	\$2.51	20%	\$2.50	\$2.00	25%	SO	OH
Orla Mining Ltd.	C\$2.74	C\$2.51	9%	C\$3.00	C\$2.75	9%	SO	OH
SilverCrest Metals Inc.	R	R	R	R	R	R	R	TT

(1) SO = Sector Outperform, SP = Sector Perform, SU = Sector Underperform, R = Restricted, T = Tender

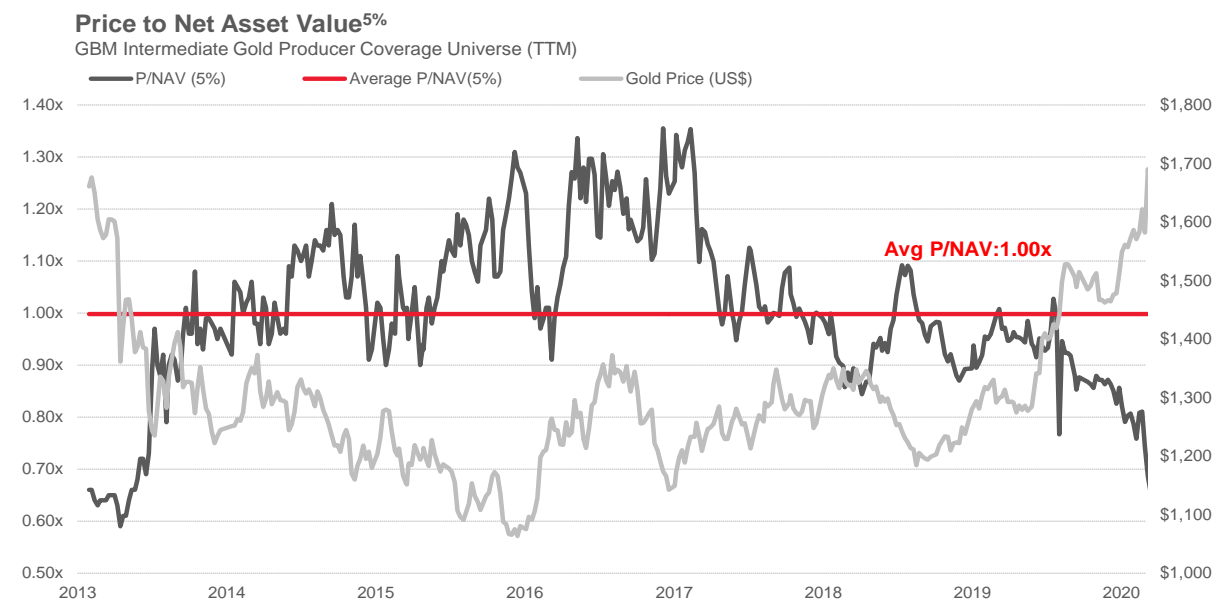
(2) TT = Trevor Turnbull, OH = Ovais Habib

Source: Scotiabank GBM estimates.

## A Word On Valuation

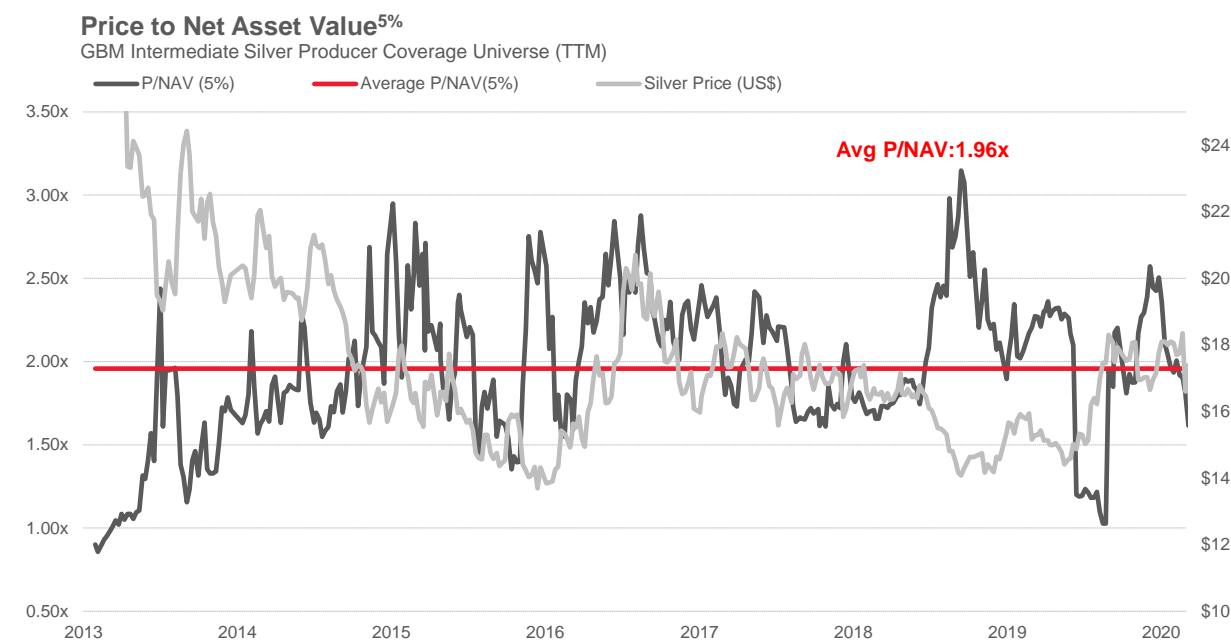
Exhibit 7 illustrates the P/NAV<sup>5%</sup> trading multiples (at spot prices) for our gold and silver producer coverage universe since January 2013. We highlight that valuations are currently 0.66x NAV, compared to the six-year average of 1.00x NAV. Exhibit 8 illustrates that silver producers are currently trading at 1.73x NAV, compared to the six-year average of 1.96x.

**Exhibit 7: Scotiabank GBM Intermediate Gold Producer Coverage Universe: P/NAV<sup>5%</sup> Since January 2013**



Source: FactSet; company reports; Scotiabank GBM estimates.

**Exhibit 8: Scotiabank GBM Silver Producer Coverage Universe: P/NAV<sup>5%</sup> Since January 2013**



Source: FactSet; company reports; Scotiabank GBM estimates.



## Upcoming Potential Catalysts

Company	Upcoming Catalysts	Details
Alacer Gold	<ul style="list-style-type: none"> <li>- Sulphide production updates</li> <li>- Updated Copler technical report</li> <li>- Exploration updates at Ardich, Gediktepe</li> </ul>	Ongoing 2020 Ongoing
Alamos Gold	<ul style="list-style-type: none"> <li>- Restart of Island Gold and Mulatos at following COVID-19 suspensions</li> <li>- Island Gold exploration update and Phase III expansion study</li> <li>- Renewal of mining concession in Turkey</li> <li>- Updates on underground expansion tie-in at Young-Davidson</li> <li>- Construction decision on La Yaqui Grande</li> </ul>	Ongoing Q2/2020 Ongoing Ongoing 1H/2020
Argonaut Gold	Restricted	
Asanko Gold	<ul style="list-style-type: none"> <li>- Operational updates</li> <li>- Exploration updates</li> </ul>	Ongoing Ongoing
B2Gold	<ul style="list-style-type: none"> <li>- Fekola expansion to 7.5Mtpa</li> <li>- Gramalote Project (JV with AngloGold) feasibility</li> <li>- Exploration updates</li> </ul>	Q3/2020 Late 2020/2021 Ongoing
Centerra Gold	<ul style="list-style-type: none"> <li>- Restart of Oksut at following COVID-19 suspension</li> <li>- Revised mine plan for Kumtor</li> <li>- Update and Resolution on Mount Milligan water shortage</li> </ul>	Ongoing 2020 Ongoing
Dundee Precious Metals	<ul style="list-style-type: none"> <li>- Exploration updates</li> </ul>	Ongoing
Endeavour Mining Corporation	<ul style="list-style-type: none"> <li>- Completion of SEMAFO acquisition</li> <li>- Maiden reserve Kari West &amp; Center at Hounde</li> <li>- Fetekro resource estimate and PEA</li> <li>- Fetekro exploration and resource estimate update</li> </ul>	Q2/2020 Q2/2020 Q2/2020 Q2/2020
Equinox Gold	<ul style="list-style-type: none"> <li>- Restart of Los Filos, Pilar following COVID-19 suspensions</li> <li>- Los Filos expansion updates (CIL, Guadalupe OP, Bermejil UG)</li> <li>- Aurizona exploration</li> <li>- First production at Castle Mountain</li> </ul>	May 2020 2020 Ongoing 2H/2020
Golden Star	<ul style="list-style-type: none"> <li>- Wassa exploration results</li> <li>- Prestea optimization work and new LOM plan</li> </ul>	Ongoing 2020
Kirkland Lake Gold	<ul style="list-style-type: none"> <li>- Restart of full ops at Holt, Detour, Macassa following COVID-19 reductions</li> <li>- Fosterville and regional exploration program results</li> <li>- Cost improvements at Macassa, Detour</li> </ul>	Ongoing Ongoing Ongoing
Lundin Gold	<ul style="list-style-type: none"> <li>- Restart of Operations following COVID-19 suspensions</li> <li>- Production ramp-up</li> <li>- Exploration updates</li> </ul>	Ongoing 1H/2020 Ongoing
Maverix Metals	<ul style="list-style-type: none"> <li>- Restart of Operations following COVID-19 suspensions</li> <li>- New royalty and streaming transactions</li> </ul>	Ongoing Ongoing
New Gold	<ul style="list-style-type: none"> <li>- Construction update at New Afton</li> </ul>	Ongoing
OceanaGold	<ul style="list-style-type: none"> <li>- Restart of full operations at Macraes following COVID-19 reductions</li> <li>- Exploration updates at Haile, Waihi and Macraes</li> <li>- Didipio FTAA renewal</li> <li>- Start of production from Martha underground project at Waihi</li> </ul>	May 2020 Ongoing Ongoing 2021
Osisko Gold Royalties	<ul style="list-style-type: none"> <li>- Restart of Operations following COVID-19 suspensions</li> <li>- New royalty and streaming transactions</li> <li>- Update formation of Northern Spirit Discovery</li> </ul>	Ongoing Ongoing Ongoing

Company	Upcoming Catalysts	Details
Premier Gold Mines Ltd.	<ul style="list-style-type: none"> <li>- Restart of Operations at Mercedes following COVID-19 suspensions</li> <li>- South Arturo production updates</li> <li>- McCoy-Cove - project work to evaluate underground potential</li> <li>- Results from exploration drilling at portfolio projects</li> </ul>	May 2020 2020 Ongoing Ongoing
Pretium Resources	<ul style="list-style-type: none"> <li>- Exploration results</li> </ul>	Ongoing
Sandstorm Gold	<ul style="list-style-type: none"> <li>- Restart of Operations following COVID-19 suspensions</li> <li>- Hod Maden feasibility report</li> <li>- New royalty and streaming transactions</li> </ul>	Ongoing 2020 Ongoing
SSR Mining	<ul style="list-style-type: none"> <li>- Restart of Seabee and Puna operations following COVID-19 suspensions</li> <li>- Exploration updates</li> </ul>	Ongoing Ongoing
TMAC Resources	<ul style="list-style-type: none"> <li>- Improvement to process plant and effective recovery rates</li> <li>- Results from strategic review</li> <li>- Exploration updates</li> </ul>	Ongoing Q2/2020 Ongoing
Torex Gold	<ul style="list-style-type: none"> <li>- Restart of Operations following COVID-19 suspensions</li> <li>- Muckahi proof of concept</li> <li>- Exploration updates</li> <li>- Media Luna Feasibility</li> </ul>	Ongoing Ongoing Ongoing 2021
Wheaton Precious Metals	<ul style="list-style-type: none"> <li>- Restart of Operations following COVID-19 suspensions</li> <li>- Salobo Expansion</li> <li>- New royalty and streaming transactions</li> </ul>	Ongoing Ongoing Ongoing

Company	Upcoming Catalysts	Expected Timing
First Majestic	<ul style="list-style-type: none"> <li>- Restart of operations following COVID-19 shutdowns</li> <li>- Exploration and project updates</li> </ul>	May 2020 Ongoing
Fortuna Silver	<ul style="list-style-type: none"> <li>- Restart of San Jose following COVID-19 suspensions</li> <li>- Exploration updates</li> <li>- Lindero first gold</li> </ul>	Ongoing Ongoing H1/2020
Hecla Mining	<ul style="list-style-type: none"> <li>- Ramp-up to full production at Lucky Friday</li> <li>- Analysis of potential mine life extension at San Sebastian</li> <li>- Exploration and optimization of Nevada Assets</li> </ul>	2020 Ongoing Ongoing
Pan American Silver	<ul style="list-style-type: none"> <li>- Restart of Operations following COVID-19 suspensions</li> <li>- Exploration updates</li> <li>- Escobal restart</li> <li>- Chubut open pit mining legislation update</li> </ul>	Ongoing Ongoing Ongoing Ongoing

Company	Upcoming Catalysts	Expected Timing
Belo Sun Mining	<ul style="list-style-type: none"> <li>- Resolution of the injunction orders and completion of indigenous studies</li> </ul>	Ongoing
MAG Silver	<ul style="list-style-type: none"> <li>- Exploration update</li> <li>- First ore to Fresnillo processing plant</li> </ul>	Ongoing 2H/2020
Marathon Gold	<ul style="list-style-type: none"> <li>- Exploration updates (pending exploration restart)</li> <li>- Feasibility Study</li> </ul>	Ongoing Late 2020/2021
Orla Mining Ltd.	<ul style="list-style-type: none"> <li>- Permitting updates Camino Rojo</li> <li>- Updated Cerro Quema PFS</li> </ul>	2020 Ongoing
SilverCrest Metals Inc.	Restricted	

Source: Company reports; Scotiabank GBM estimates.

**Risk/Reward Trade-Off: Alacer Gold Corp. (ASR-CA; Sector Outperform; One-Year Target: C\$8.00)**
**Investment Thesis**

Alacer Gold Corp. is a mid-tier gold producer with operations in Turkey. Alacer operates the 80%-owned Copler mine in Turkey, where the company produces from both oxide gold and sulfide gold using a recently-commissioned pressure-oxidation (POX) circuit.

**Key Risks**

-geologic risk, technical risk, geopolitical risk

**What's Likely Priced In?**

-smooth ramp up of Copler POX circuit; modest exploration success at nearby oxide targets

**Key Stock Catalysts**

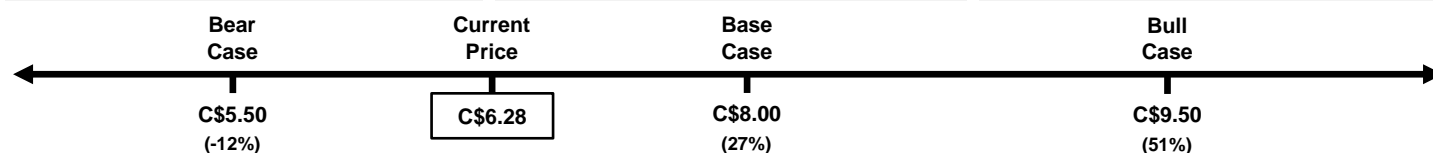
-POX production updates

-Exploration updates

**Timing**

**Q2, Q3, Q4**

**Ongoing**


**Bear Case**

- POX circuit ramp up experiences technical risk; oxide exploration targets deliver only minor resource gains

**Base Case**

- smooth ramp up of POX circuit, modest exploration success at near-mine oxide targets

**Bull Case**

- POX ramp up significantly exceeds expectations, oxide exploration targets deliver significant mineable resource additions

**Bear Case Valuation**

0.85x P/NAV and 5.0x 2021E P/CF

**Base Case Valuation**

1.1x P/NAV and 7.0x 2021E P/CF

**Bull Case Valuation**

1.2x P/NAV and 9.0x 2021E P/CF

## Risk/Reward Trade-Off: Maverix Metals (MMX; Sector Perform; One-Year Target: \$4.50)

### Investment Thesis

Maverix is a growing stream and royalty company founded in 2016. Since inception, Maverix has acquired three major royalty portfolios from senior mining companies, along with undertaking a series of smaller transactions with individual precious metal companies. Maverix holds 13 producing royalties and streams among over 100 holdings across 16 countries.

While we think Maverix has good assets and good track-record of consummating accretive deals, we feel the upside is limited at this point as the stock is quickly approaching our target price. We remain constructive on the name and look for more attractive entry point.

### Key Risks

Multiple contraction.

Commodity prices.

Geopolitical Risks.

### What's Likely Priced In?

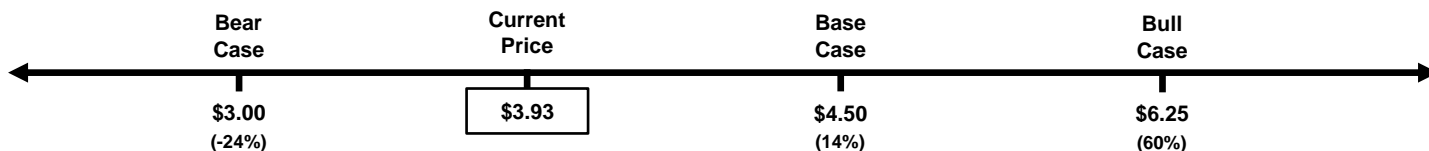
Spot metal prices and foreign exchange rates.

### Key Stock Catalysts

New Streams and Royalties

### Timing

Ongoing



### Bear Case: \$3.00

LT Gold Price: \$1,200/oz

### Base Case: \$4.50

LT Gold Price: \$1,400/oz

### Bull Case: \$6.25

LT Gold Price: \$1,600/oz

### Bear Case Valuation

Valuation: 1.50x P/NAV

### Base Case Valuation

Valuation: 1.86x P/NAV

### Bull Case Valuation

Valuation: 2.50x P/NAV

**Risk/Reward Trade-Off: Osisko Gold Royalties. (OR; Sector Outperform; One-Year Target: C\$16.50)**
**Investment Thesis**

Osisko Gold Royalties Ltd. is an intermediate precious metals royalty and streaming company with more than a dozen producing assets and over 120 other streams, royalties, and offtake agreements in exploration and development projects. The cornerstones of the company's portfolio consist of royalties on the Canadian Malartic and Éléonore gold mines.

**Key Risks**

Multiple contraction.

Commodity prices.

Technical and operating risks.

**What's Likely Priced In?**

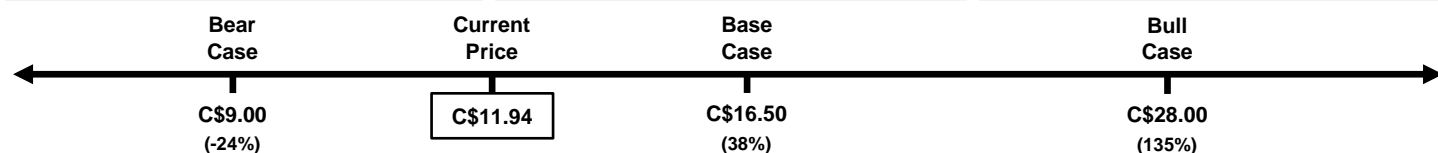
Spot metal prices and foreign exchange rates.

**Key Stock Catalysts**

New royalty and Stream deals

**Timing**

Ongoing


**Bear Case: C\$9.00**

Gold Price: \$1,200

**Base Case: C\$16.50**

Gold Price: \$1,400

**Bull Case: C\$28.00**

Gold Price: \$1,600

**Bear Case Valuation**

1.00x P/NAV

**Base Case Valuation**

1.35x P/NAV

**Bull Case Valuation**

2.00x P/NAV

## Pertinent Data and Revisions

	Price	Rating	1-Yr. Target	1-Yr. Return
AGI-N	US\$6.59	SP	US\$8.50	29.2%
AG-N	US\$7.39	SP	US\$7.75	4.9%
AKG-T*	C\$1.26	SP	C\$1.50	19.0%
ASR-T	C\$6.28	SO	C\$8.00	27.4%
BSX-T*	C\$0.59	SP	C\$0.55	-6.8%
BTO-T	C\$6.42	SO	C\$7.75	21.3%
CG-T	C\$9.42	SP	C\$16.00	69.9%
DPM-T	C\$6.17	SO	C\$8.00	29.7%
EDV-T	C\$25.55	SO	C\$38.00	48.7%
EQX-T	C\$10.70	SO	C\$14.50	35.5%
FSM-N	US\$2.48	SP	US\$4.00	61.3%
GSS-A*	US\$2.60	SO	US\$4.25	63.5%
HL-N	US\$2.23	SP	US\$3.00	35.0%
KL-T	C\$51.11	SO	C\$62.00	22.6%
LUG-T*	C\$9.70	SP	C\$9.00	-7.2%
MAG-A*	US\$9.86	SO	US\$16.00	62.3%
MMX-N	US\$3.93	SP	US\$4.50	15.5%
MOZ-T	C\$1.41	SO	C\$2.50	77.3%
NGD-A	US\$0.70	SP	US\$1.50	114.4%
OGC-T	C\$1.87	SO	C\$5.00	169.6%
OLA-T	C\$2.40	SO	C\$3.00	25.0%
OR-T	C\$11.94	SO	C\$16.50	39.5%
PAAS-Q	US\$19.16	SP	US\$22.00	15.1%
PG-T*	C\$1.76	SO	C\$4.00	127.3%
PVG-T*	C\$10.74	SP	C\$11.00	2.4%
SAND-A	US\$6.49	SP	US\$7.00	7.9%
SMF-T*	C\$3.57	T	C\$3.50	-2.0%
SSRM-Q	US\$15.36	SP	US\$20.00	30.2%
TMR-T*	C\$1.21	SP	C\$1.75	44.6%
TXG-T	C\$15.74	SP	C\$27.00	71.5%
WPM-N	US\$33.23	SO	US\$41.00	23.9%

\*Speculative risk ranking.

### Alacer Gold Corp. (ASR-T;C\$6.28)

Valuation: 50% 1.10x NAV and 50% 7.0x 2021E CFPS

Key Risks: Multiple contraction, commodity prices, technical and operational risks, and geopolitical risks

	New	Old
Rating	SO	SP
1-Yr. Target	C\$8.00	C\$6.50
Key Data	Adj EPS20E: \$0.55	Adj EPS20E: \$0.46
	Adj EPS21E: \$0.49	Adj EPS21E: \$0.33
	Adj EPS22E: \$0.53	Adj EPS22E: \$0.32
	NAVPS: C\$5.75	NAVPS: C\$4.94

### Alamos Gold Inc. (AGI-N;US\$6.59)

	New	Old
1-Yr. Target	US\$8.50	US\$7.00
Key Data	Adj EPS20E: \$0.44	Adj EPS20E: \$0.37
	Adj EPS21E: \$0.56	Adj EPS21E: \$0.32
	Adj EPS22E: \$0.74	Adj EPS22E: \$0.37
	NAVPS: \$8.92	NAVPS: \$7.28
Valuation	50% 0.93x NAV and 50% 7.0x 2021E CFPS	50% 0.91x NAV and 50% 8.0x 2021E CFPS

**Asanko Gold Inc. (AKG-T;C\$1.26)**

	New	Old
Key Data	Adj EPS20E: \$0.19	Adj EPS20E: \$0.15
	Adj EPS21E: \$0.23	Adj EPS21E: \$0.10
	NAVPS: C\$1.76	NAVPS: C\$1.77

**B2Gold Corp. (BTO-T;C\$6.42)**

Valuation: 50% 1.20x NAV and 50% 10.0x 2021E CFPS

Key Risks: Multiple contraction, commodity prices, technical and operational risks, and geopolitical risks

	New	Old
1-Yr. Target	C\$7.75	C\$6.25
Key Data	Adj EPS20E: \$0.43	Adj EPS20E: \$0.35
	Adj EPS21E: \$0.45	Adj EPS21E: \$0.34
	NAVPS: C\$4.16	NAVPS: C\$3.56

**Belo Sun Mining Corp. (BSX-T;C\$0.59)**

	New	Old
1-Yr. Target	C\$0.55	C\$0.50
Key Data	Adj EPS20E: C\$-0.02	Adj EPS20E: C\$-0.03
	Adj EPS21E: C\$-0.02	Adj EPS21E: C\$-0.03
	NAVPS: C\$1.07	NAVPS: C\$0.75
Valuation	0.80x NAV	0.70x NAV

**Centerra Gold Inc. (CG-T;C\$9.42)**

	New	Old
1-Yr. Target	C\$16.00	C\$12.00
Key Data	CFPS20E: \$2.08	CFPS20E: \$2.01
	CFPS21E: \$2.26	CFPS21E: \$1.77
	CFPS22E: \$3.03	CFPS22E: \$2.37
	NAVPS: C\$12.87	NAVPS: C\$10.58
Valuation	50% 0.95x NAV and 50% 6.0x 2021E CFPS	50% 0.90x NAV and 50% 6.0x 2021E CFPS

**Dundee Precious Metals Inc. (DPM-T;C\$6.17)**

Valuation: 50% 1.05x NAV and 50% 5.0x 2021E CFPS

Key Risks: Multiple contraction, commodity prices, as well as technical and operational risks

	New	Old
1-Yr. Target	C\$8.00	C\$7.00
Key Data	Adj EPS20E: \$0.39	Adj EPS20E: \$0.27
	Adj EPS21E: \$0.63	Adj EPS21E: \$0.47
	Adj EPS22E: \$0.67	Adj EPS22E: \$0.42
	NAVPS: C\$6.88	NAVPS: C\$5.77

**Endeavour Mining Corporation (EDV-T;C\$25.55)**

Key Risks: Multiple contraction, commodity prices, technical and operational risks, geopolitical risks

	New	Old
1-Yr. Target	C\$38.00	C\$35.00
Key Data	Adj EPS20E: \$1.72	Adj EPS20E: \$1.22
	Adj EPS21E: \$2.14	Adj EPS21E: \$1.33
	NAVPS: C\$22.89	NAVPS: C\$20.38
Valuation	50% 1.20x NAV and 50% 7.0x 2021E CFPS	50% 1.20x NAV and 50% 8.0x 2021E CFPS



**Equinox Gold Corp. (EQX-T;C\$10.70)**

Key Risks: Multiple contraction, commodity prices, technical and operational risks, and geopolitical risks

	New	Old
1-Yr. Target	C\$14.50	C\$13.00
Key Data	Adj EPS20E: \$0.81	Adj EPS20E: \$0.60
	Adj EPS21E: \$0.94	Adj EPS21E: \$0.55
	NAVPS: C\$10.34	NAVPS: C\$8.12
Valuation	50% 1.20x NAV and 50% 7.0x 2021E CFPS	50% 1.10x P/NAV and 50% 8.0x 2021E CFPS

**First Majestic Silver Corp. (AG-N;US\$7.39)**

	New	Old
1-Yr. Target	US\$7.75	US\$7.25
Key Data	Adj EPS20E: \$-0.08	Adj EPS20E: \$-0.03
	Adj EPS21E: \$0.27	Adj EPS21E: \$0.19
	NAVPS: \$2.18	NAVPS: \$1.78

**Fortuna Silver Mines Inc. (FSM-N;US\$2.48)**

	New	Old
1-Yr. Target	US\$4.00	US\$3.00
Key Data	CFPS20E: \$0.15	CFPS20E: \$0.38
	CFPS21E: \$1.05	CFPS21E: \$0.95
	CFPS22E: \$1.02	CFPS22E: \$0.76
	NAVPS: \$2.82	NAVPS: \$2.50

**Golden Star Resources Ltd. (GSS-A;US\$2.60)**

	New	Old
1-Yr. Target	US\$4.25	US\$4.00
Key Data	Adj EPS20E: \$0.27	Adj EPS20E: \$0.16
	Adj EPS21E: \$0.51	Adj EPS21E: \$0.34
	NAVPS: \$2.60	NAVPS: \$1.56
Valuation	50% 1.20x NAV and 50% 7.0x 2021E CFPS	50% 1.20x NAV and 50% 10.0x 2021E CFPS

**Hecla Mining Company (HL-N;US\$2.23)**

	New	Old
1-Yr. Target	US\$3.00	US\$2.00
Key Data	CFPS20E: \$0.25	CFPS20E: \$0.33
	CFPS21E: \$0.33	CFPS21E: \$0.27
	CFPS22E: \$0.37	CFPS22E: \$0.23
	NAVPS: \$1.40	NAVPS: \$0.99

**Kirkland Lake Gold Ltd. (KL-T;C\$51.11)**

Valuation: 50% 1.40x NAV and 50% 10.0x 2021E CFPS

Key Risks: Commodity prices; geologic risks; operations risks; environmental risks

	New	Old
1-Yr. Target	C\$62.00	C\$56.00
Key Data	CFPS20E: \$4.67	CFPS20E: \$4.27
	CFPS21E: \$5.57	CFPS21E: \$4.43
	CFPS22E: \$5.68	CFPS22E: \$4.41
	NAVPS: C\$34.58	NAVPS: C\$27.20

**Lundin Gold Inc. (LUG-T;C\$9.70)**

	New	Old
1-Yr. Target	C\$9.00	C\$8.50
Key Data	Adj EPS20E: \$0.22	Adj EPS20E: \$0.59
	Adj EPS21E: \$0.58	Adj EPS21E: \$0.54
	Adj EPS22E: \$0.60	Adj EPS22E: \$0.51
	NAVPS: C\$8.99	NAVPS: C\$6.63
Valuation	50% 1.00x NAV and 50% 9.5x 2021E CFPS	50% 1.40x NAV and 50% 8.0x 2021E CFPS

**MAG Silver Corp. (MAG-A;US\$9.86)**

Key Risks: Multiple contraction, commodity prices, technical and operational risks, and geopolitical risks

	New	Old
1-Yr. Target	US\$16.00	US\$15.00
Key Data	Adj EPS19E: \$-0.05	Adj EPS19E: \$-0.06
	Adj EPS20E: \$-0.15	Adj EPS20E: \$0.08
	Adj EPS21E: \$0.34	Adj EPS21E: \$0.38
	NAVPS: \$8.51	NAVPS: \$8.23
Valuation	50% 1.71x NAV and 50% 10x 2022E CFPS	50% 2.00x NAV and 50% 10.0x 2021E CFPS

**Marathon Gold Corporation (MOZ-T;C\$1.41)**

	New	Old
1-Yr. Target	C\$2.50	C\$2.00
Key Data	NAVPS: C\$3.01	NAVPS: C\$2.51

**Maverix Metals Inc. (MMX-N;US\$3.93)**

	New	Old
Rating	SP	SO
1-Yr. Target	US\$4.50	US\$4.25
Key Data	CFPS20E: C\$0.26	CFPS20E: C\$0.24
	CFPS21E: C\$0.36	CFPS21E: C\$0.29
	NAVPS: \$2.44	NAVPS: \$2.25
Valuation	1.87x NAV	1.84x NAV5%

**New Gold Inc. (NGD-A;US\$0.70)**

Key Risks: Multiple contraction, commodity prices, technical and operational risks, and geopolitical risks

	New	Old
1-Yr. Target	US\$1.50	US\$1.00
Key Data	Adj EPS20E: \$-0.16	Adj EPS20E: \$-0.07
	Adj EPS21E: \$-0.06	Adj EPS21E: \$-0.13
	Adj EPS22E: \$0.09	Adj EPS22E: \$-0.03
	NAVPS: \$1.45	NAVPS: \$0.99
Valuation	50% 1.13x NAV and 50% 4.0x 2021E CFPS	50% 1.00x NAV and 50% 4.0x 2021E CFPS

**OceanaGold Corporation (OGC-T;C\$1.87)**

	New	Old
Key Data	Adj EPS21E: \$0.37	Adj EPS21E: \$0.26
	NAVPS: C\$3.11	NAVPS: C\$2.51
Valuation	50% 1.20x NAV and 50% 7.0x 2021E CFPS	50% 1.20x NAV and 50% 10.0x 2021E CFPS

**Orla Mining Ltd. (OLA-T;C\$2.40)**

	New	Old
1-Yr. Target	C\$3.00	C\$2.75
Key Data	NAVPS: C\$2.74	NAVPS: C\$2.51

**Osisko Gold Royalties Ltd. (OR-T;C\$11.94)**

Key Risks: Multiple contraction, commodity prices, technical and operational risks, and geopolitical risks

	New	Old
Rating	SO	SP
1-Yr. Target	C\$16.50	C\$15.00
Key Data	Adj EPS20E: C\$0.50 Adj EPS21E: C\$0.70 Adj EPS22E: C\$0.71 NAVPS: C\$12.19	Adj EPS20E: C\$0.39 Adj EPS21E: C\$0.49 Adj EPS22E: C\$0.49 NAVPS: C\$10.40
Valuation	1.35x NAV	1.42x NAV

**Pan American Silver Corp. (PAAS-Q;US\$19.16)**

	New	Old
1-Yr. Target	US\$22.00	US\$14.00
Key Data	Adj EPS20E: \$0.66 Adj EPS21E: \$1.82 Adj EPS22E: \$2.05 NAVPS: \$14.51	Adj EPS20E: \$0.74 Adj EPS21E: \$1.45 Adj EPS22E: \$1.37 NAVPS: \$12.57

**Premier Gold Mines Limited (PG-T;C\$1.76)**

	New	Old
Key Data	Adj EPS20E: \$-0.10 Adj EPS21E: \$0.12 Adj EPS22E: \$0.17 NAVPS: C\$3.43	Adj EPS20E: \$-0.03 Adj EPS21E: \$0.04 Adj EPS22E: \$0.07 NAVPS: C\$3.28
Valuation	1.10x NAV	1.15x NAV

**Pretium Resources Inc. (PVG-T;C\$10.74)**

	New	Old
1-Yr. Target	C\$11.00	C\$9.75
Key Data	Adj EPS20E: \$0.68 Adj EPS21E: \$0.77 NAVPS: C\$8.47	Adj EPS20E: \$0.51 Adj EPS21E: \$0.44 NAVPS: C\$6.92
Valuation	50% 1.00x NAV and 50% 7.0x 2021 CFPS	50% 1.0x NAV and 50% 9.0x 2021E CFPS

**Sandstorm Gold Ltd. (SAND-A;US\$6.49)**

	New	Old
Key Data	Adj EPS21E: \$0.13 Adj EPS22E: \$0.12 NAVPS: \$4.76	Adj EPS21E: \$0.09 Adj EPS22E: \$0.06 NAVPS: \$4.43

**SEMAFO Inc. (SMF-T;C\$3.57)**

	New	Old
1-Yr. Target	C\$3.50	C\$3.00
Key Data	Adj EPS20E: \$0.34 Adj EPS21E: \$0.42 NAVPS: C\$4.97	Adj EPS20E: \$0.27 Adj EPS21E: \$0.24 NAVPS: C\$4.27

**SSR Mining Inc. (SSRM-Q;US\$15.36)**

	New	Old
1-Yr. Target	US\$20.00	US\$19.00
Key Data	CFPS20E: \$1.97 CFPS21E: \$2.53 CFPS22E: \$2.64 NAVPS: \$16.47	CFPS20E: \$1.87 CFPS21E: \$2.11 CFPS22E: \$2.07 NAVPS: \$13.80

**TMAC Resources Inc. (TMR-T;C\$1.21)**

Key Risks: Multiple contraction, commodity prices, technical and operational risks

	New	Old
1-Yr. Target	C\$1.75	C\$1.50
Key Data	Adj EPS20E: C\$0.24 Adj EPS21E: C\$-0.05 NAVPS: C\$2.27	Adj EPS20E: C\$0.48 Adj EPS21E: C\$0.64 NAVPS: C\$4.98
Valuation	0.78x NAV	0.30x NAV

**Torex Gold Resources Inc. (TXG-T;C\$15.74)**

	New	Old
1-Yr. Target	C\$27.00	C\$26.00
Key Data	CFPS20E: \$2.61 CFPS21E: \$3.78 CFPS22E: \$4.42 NAVPS: C\$23.79	CFPS20E: \$2.66 CFPS21E: \$3.20 CFPS22E: \$3.41 NAVPS: C\$19.72
Valuation	50% 1.00x NAV and 50% 6.0x 2021E CFPS	50% 1.00x NAV and 50% 7.0x 2021E CFPS

**Wheaton Precious Metals Corp. (WPM-N;US\$33.23)**

Key Risks: Multiple contraction, commodity prices, technical and operational risks, and geopolitical risks

	New	Old
1-Yr. Target	US\$41.00	US\$38.00
Key Data	Adj EPS20E: \$0.83 Adj EPS21E: \$1.00 Adj EPS22E: \$1.15 NAVPS: \$14.79	Adj EPS20E: \$0.86 Adj EPS21E: \$0.80 Adj EPS22E: \$0.79 NAVPS: \$13.73
Valuation	2.75x NAV	2.76x NAV

## Appendix A: Important Disclosures

Company	Disclosures (see legend below)*
Alacer Gold Corp.	VS0575
Alamos Gold Inc.	VS0445, VS0534, VS0603
Asanko Gold Inc.	VS0439, VS0505, VS0601
B2Gold Corp.	VS0126, VS0133, VS0448, VS0535, VS0600
Belo Sun Mining Corp.	VS0297
Centerra Gold Inc.	VS0216
Dundee Precious Metals Inc.	VS0330, VS0590
Endeavour Mining Corporation	HH, VS0436, VS0437, VS0508, VS0599
Equinox Gold Corp.	I, VS0651, VS0677
First Majestic Silver Corp.	VS0110, VS0536, VS0538
Fortuna Silver Mines Inc.	G, I, O3, U
Golden Star Resources Ltd.	VS0393, VS0440, VS0507
Hecla Mining Company	G, J, N1, U, VS0162, VS0341, VS0342
Kirkland Lake Gold Ltd.	VS0537, VS0576
Lundin Gold Inc.	I
MAG Silver Corp.	VS0130
New Gold Inc.	G, I, J, U, VS0220
OceanaGold Corporation	VS0309, VS0453, VS0556, VS0577, VS0641
Osisko Gold Royalties Ltd.	G, I, U
Premier Gold Mines Limited	G, J, U, VS0052, VS0197, VS0354, VS0431, VS0654
Pretium Resources Inc.	VS0406, VS0483
SEMAFO Inc.	VS0127, VS0426, VS0506
TMAC Resources Inc.	I, VS0555
Torex Gold Resources Inc.	VS0371, VS0676
Wheaton Precious Metals Corp.	O3, VS0383, VS0451, VS0572

We, Trevor Turnbull and Ovais Habib, certify that (1) the views expressed in this report in connection with securities or issuers that we analyze accurately reflect our personal views and (2) no part of our compensation was, is, or will be directly or indirectly, related to the specific recommendations or views expressed by us in this report.

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For additional questions, please contact Scotiabank, Global Banking and Markets Research, 4 King Street West, 12th Floor, Toronto, Ontario, M5H 1A1.

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**\*Legend**

- G** Scotia Capital (USA) Inc. or its affiliates has managed or co-managed a public offering in the past 12 months.
- HH** The Head of Equity Research or a Supervisory Analyst owns securities of this issuer in his or her own account or in a related account.
- I** Scotia Capital (USA) Inc. or its affiliates has received compensation for investment banking services in the past 12 months.
- J** Scotia Capital (USA) Inc. or its affiliates expects to receive or intends to seek compensation for investment banking services in the next 3 months.
- N1** Scotia Capital (USA) Inc. had an investment banking services client relationship during the past 12 months.
- O3** The Bank of Nova Scotia and its affiliates collectively have a net long position in excess of 0.5% of the total issued share capital of the issuer.
- U** Within the last 12 months, Scotia Capital Inc. and/or its affiliates have undertaken an underwriting liability with respect to equity or debt securities of, or have provided advice for a fee with respect to, this issuer.
- VS0052** Research Analyst Ovais Habib visited the Hardrock project and the Rahill-Bonanza JV, exploration/development sites, on July 25, 2013. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the sites.
- VS0110** Research Analyst Ovais Habib visited Encantada, La Parrilla, and Del Toro, silver producing mines, in June 2018. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the sites.
- VS0126** Research Analyst Ovais Habib visited the Otjikoto gold project, a mine under development, on January 29, 2014. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0127** Research Analyst Ovais Habib visited Mana, an operating mine, on February 3-4, 2014. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0130** Research Analyst Trevor Turnbull visited the Juanicipio project, an underground mine development, on February 5, 2014. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0133** Research Analyst Ovais Habib visited Masbate, an operating mine, on March 22, 2014, and March 20, 2015. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0162** Research Analyst Trevor Turnbull visited the Casa Berardi mine, an operating gold mine, on June 26, 2014. The issuer paid for all of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0197** Research Analyst Ovais Habib visited the McCoy-Cove project, an exploration and development site, on November 13, 2014. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0216** Research Analyst Trevor Turnbull visited the Kumtor mine, an operating mine, on June 15 to 17, 2009. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0220** Research Analyst Trevor Turnbull visited the New Afton mine, an operating mine, on April 17, 2012. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0297** Research Associate Eric Winmill visited Volta Grande, an exploration-stage asset, on December 2010. The issuer paid for a portion of the travel-related expenses incurred by the Research Associate to visit the site.
- VS0309** Research Analyst Ovais Habib visited the Didipio mine, an operating mine, on March 18, 2015. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0330** Research Analyst Trevor Turnbull visited the Tsumeb Smelter, a copper smelter, on June 5-6, 2014. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0341** Research Analyst Trevor Turnbull visited the Greens Creek mine, an underground silver-lead-zinc mine, on September 24, 2015. Partial payment was received from the issuer for the travel-related expenses incurred by the Research Analyst to visit this site.
- VS0342** Research Analyst Trevor Turnbull visited the Lucky Friday mine, an underground silver-lead-zinc mine, on September 25, 2015. No payment was received from the issuer for the travel-related expenses incurred by the Research Analyst to visit this site.
- VS0354** Research Analyst Ovais Habib visited the South Arturo project, a mine under development, on November 19, 2015. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0371** Research Analyst Trevor Turnbull visited the El Limon-Guajes (ELG) Mine, a gold mine and processing plant, on March 4, 2016. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.

- VS0383** Research Analyst Trevor Turnbull visited the Salobo copper mine, a copper-gold open pit mine, on May 13, 2016. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0393** Research Analyst Ovais Habib visited the Wassa gold mine, an operating mine, on May 13, 2016. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0406** Research Analyst Ovais Habib visited the Brucejack project, a mine under development, on August 23, 2016. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0426** Research Analyst Ovais Habib visited the Mana mine, an operating mine, on October 22, 2016. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0431** Research Associate Eric Winnill visited Cove-McCoy, Nevada, a gold exploration property, on November 10, 2016. The issuer paid for a portion of the travel-related expenses incurred by the Research Associate to visit the site.
- VS0436** Research Analyst Ovais Habib visited the Ity Mine, an operating gold mine in Cote d'Ivoire, on November 16, 2016. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0437** Research Analyst Ovais Habib visited the Agbaou Mine, an operating gold mine in Cote d'Ivoire, on November 17, 2016. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0439** Research Analyst Ovais Habib visited the Asanko Gold Mine, an operating gold mine in Ghana, on November 18, 2016. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0440** Research Analyst Ovais Habib visited Prestea, an operating gold mine in Ghana, on November 20, 2016. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0445** Research Analyst Trevor Turnbull visited Mulatos, an operating mine, on January 11, 2017. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0448** Research Analyst Ovais Habib visited Otjikoto, an operating mine in Namibia, on February 10, 2017. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0451** Research Analyst Trevor Turnbull visited the Antamina mine, an operating silver mine, on March 2, 2017. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0453** Research Analyst Ovais Habib visited the Haile mine, an operating mine, on March 3, 2017. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0483** Research Analyst Ovais Habib visited Brucejack, a producing gold mine, in July 2019. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0505** Research Analyst Ovais Habib visited the Asanko Gold Mine, an operating gold mine in Ghana, on November 9, 2017. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0506** Research Analyst Ovais Habib visited Boungou, a development gold project, on November 13, 2017. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0507** Research Analyst Ovais Habib visited Prestea and Wassa, operating gold mines in Ghana, on November 10-11, 2017. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0508** Research Analyst Ovais Habib visited Houndé and Karma, operating gold mines in Burkina Faso, on November 16-17, 2017. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0534** Research Analyst Trevor Turnbull visited the Island Gold Mine, an underground gold mine and processing plant in Dubreuilville, Ontario, on May 30, 2018. The issuer did not pay for any of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0535** Research Analyst Ovais Habib visited the Fekola site, an operating gold mine in Mali, on May 24, 2018. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0536** Research Analyst Ovais Habib visited the Santa Elena, La Encantada, and San Dimas sites, operating silver and gold mines in Mexico, on June 5-7, 2018. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0537** Research Analyst Ovais Habib visited the Macassa site, an operating gold mine in Kirkland Lake, Ontario, on May 29, 2018. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0538** Research Analyst Ovais Habib visited First Majestic's San Dimas operating silver and gold mine in Mexico, on September 18, 2014. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.



- VS0555** Research Associate James Huntington visited TMAC's Hope Bay mine, an operating gold mine, on August 15, 2018. The issuer paid for a portion of the travel-related expenses incurred by the Research Associate to visit the site.
- VS0556** Research Associate Eric Winmill visited OceanaGold Corp.'s Haile mine, an operating gold mine in South Carolina, USA on August 29, 2018. The issuer paid for a portion of the travel-related expenses incurred by the Research Associate to visit the site.
- VS0572** Research Analyst Trevor Turnbull visited Stillwater Mine and Metallurgical Complex, a PGM underground mine and smelter in Nye and Columbus, Montana, on September 27-28, 2018. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0575** Research Analyst Ovais Habib visited the Copler site, a gold mine in Turkey, on November 12, 2018. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0576** Research Analyst Ovais Habib visited the Fosterville, Cosmo site, a gold mine in Australia, on November 5-6, 2018. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0577** Research Analyst Ovais Habib visited the Macraes, Waihi site, a gold mine in New Zealand, on November 1-2, 2018. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0590** Research Analyst Trevor Turnbull visited Ada Tepe and Chelopech gold mines, an open gold mine and underground gold mine in Krumovgrad and Chelopech, Bulgaria, on April 12-13, 2019. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the sites.
- VS0599** Research Analyst Ovais Habib visited Endeavour Mining's Ity CIL operating gold mine on May 31, 2019. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0600** Research Analyst Ovais Habib visited B2Gold's Fekola operating gold mine on May 29, 2019. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0601** Research Analyst Ovais Habib visited Asanko Gold's Asanko Gold Mine, an operating gold mine in Ghana on June 5, 2019. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0603** Research Associate James Huntington visited Young Davidson and Island Gold, gold mines in Kirkland Lake and Wawa Ontario, on June 11-12, 2019. The issuer paid for a portion of the travel-related expenses incurred by the Research Associate to visit the site.
- VS0641** Research Analyst Ovais Habib visited OceanaGold Corporation's Haile mine, an operating gold mine in South Carolina, on September 14, 2019. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0651** Research Analyst Ovais Habib visited the Aurizona mine in Brazil on October 3, 2019. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0654** Research Analyst Ovais Habib visited Premier Gold Mines Limited's South Arturo mine, a producing gold mine in Nevada, on October 21, 2019. The issuer paid for a portion of the travel-related expenses incurred by the Research Analyst to visit the site.
- VS0676** Research Associate James Huntington visited Torex's ELG Complex in Guerrero, Mexico, on February 21, 2020. The issuer paid for a portion of the travel-related expenses incurred by the Research Associate to visit the site.
- VS0677** Research Associate James Huntington visited the Los Filos Mine Complex in Mexico on February 20, 2020. The issuer paid for a portion of the travel-related expenses incurred by the Research Associate to visit the site.

## Rating and Price Target History

### Alacer Gold Corp. (ASR-T) as of April 15, 2020 (in CAD)



\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

### B2Gold Corp. (BTO-T) as of April 15, 2020 (in CAD)

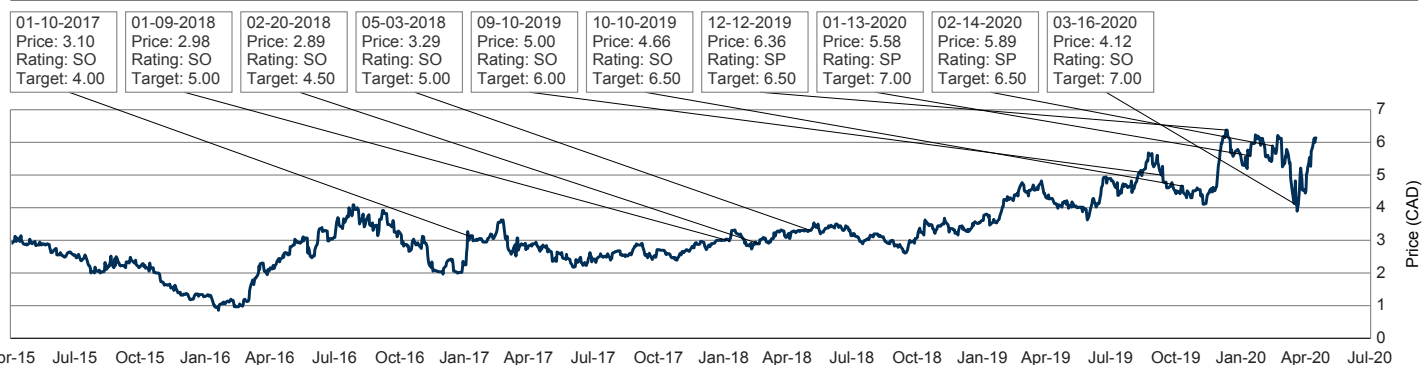


\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

### Dundee Precious Metals Inc. (DPM-T) as of April 15, 2020 (in CAD)



\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

**Endeavour Mining Corporation (EDV-T) as of April 15, 2020 (in CAD)**

01-10-2017 Price: 23.48 Rating: SO Target: 30.00	09-20-2017 Price: 23.13 Rating: SO Target: 31.00	10-03-2017 Price: 24.92 Rating: SO Target: 33.00	10-10-2019 Price: 24.52 Rating: SO Target: 35.00
-----------------------------------------------------------	-----------------------------------------------------------	-----------------------------------------------------------	-----------------------------------------------------------



\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

**Equinox Gold Corp. (EQX-T) as of April 15, 2020 (in CAD)**

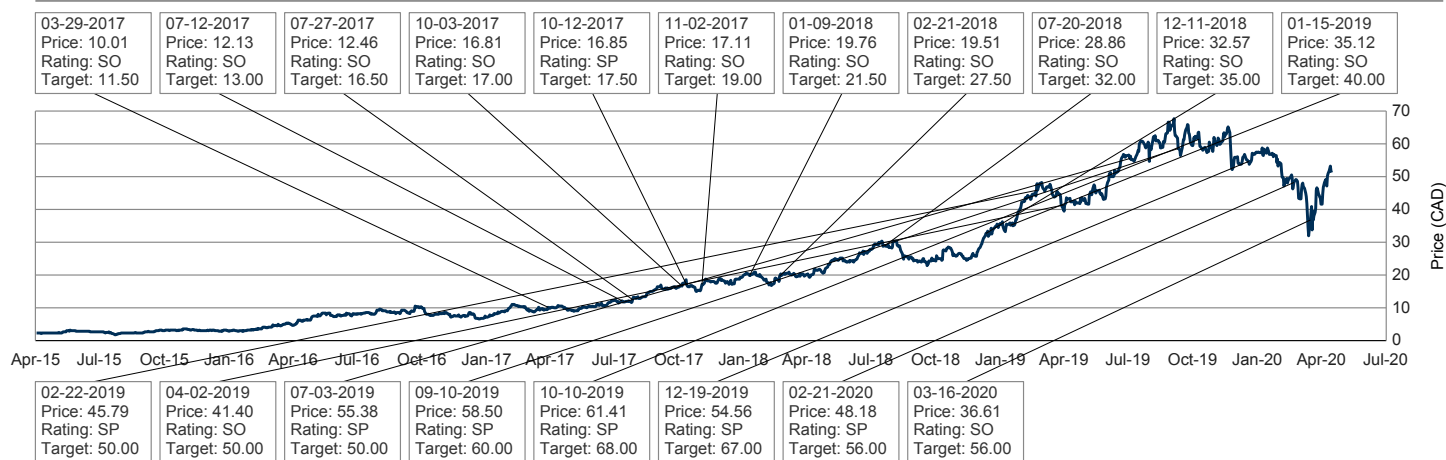
06-25-2019 Price: 6.45 Rating: SO Target: 2.00	08-23-2019 Price: 8.70 Rating: SO Target: 10.00	10-10-2019 Price: 7.52 Rating: SO Target: 11.00	01-28-2020 Price: 10.85 Rating: SO Target: 12.25	02-26-2020 Price: 11.92 Rating: SO Target: 13.00
---------------------------------------------------------	----------------------------------------------------------	----------------------------------------------------------	-----------------------------------------------------------	-----------------------------------------------------------



\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

**Kirkland Lake Gold Ltd. (KL-T) as of April 15, 2020 (in CAD)**


\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

**MAG Silver Corp. (MAG-A) as of April 15, 2020 (in USD)**


\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

**New Gold Inc. (NGD-A) as of April 15, 2020 (in USD)**


\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

**Osisko Gold Royalties Ltd. (OR-T) as of April 15, 2020 (in CAD)**


\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

**TMAC Resources Inc. (TMR-T) as of April 15, 2020 (in CAD)**


\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

**Wheaton Precious Metals Corp. (WPM-N) as of April 15, 2020 (in USD)**


\*Represents the value(s) that changed.

Ratings Legend: FS=Focus Stock; SO=Sector Outperform; SP=Sector Perform; SU=Sector Underperform; T=Tender; UR=Under Review; CS=Coverage Suspended; DC=Discontinued Coverage

Source: Scotiabank GBM estimates; FactSet.

## Definition of Scotiabank, Global Banking and Markets Equity Research Ratings

Scotiabank has a three-tiered rating system, with ratings of Sector Outperform, Sector Perform, and Sector Underperform. Each Research Analyst assigns a rating that is relative to his or her coverage universe or an index identified by the Research Analyst that includes, but is not limited to, stocks covered by the Research Analyst.

The rating assigned to each security covered in this report is based on the Scotiabank, Global Banking and Markets Research Analyst's 12-month view on the security. Research Analysts may sometimes express in research reports shorter-term views on these securities that may impact the price of the equity security in a manner directly counter to the Research Analyst's 12-month view. These shorter-term views are based upon catalysts or events that may have a shorter-term impact on the market price of the equity securities discussed in research reports, including but not limited to the inherent volatility of the marketplace. Any such shorter-term views expressed in research report are distinct from and do not affect the Research Analyst's 12-month view and are clearly noted as such.

### Ratings

#### Sector Outperform (SO)

The stock is expected to outperform the average 12-month total return of the analyst's coverage universe or an index identified by the analyst that includes, but is not limited to, stocks covered by the analyst.

#### Sector Perform (SP)

The stock is expected to perform approximately in line with the average 12-month total return of the analyst's coverage universe or an index identified by the analyst that includes, but is not limited to, stocks covered by the analyst.

#### Sector Underperform (SU)

The stock is expected to underperform the average 12-month total return of the analyst's coverage universe or an index identified by the analyst that includes, but is not limited to, stocks covered by the analyst.

#### Focus Stock (FS)

As of April 29, 2019, Scotiabank, Global Banking and Markets discontinued the Focus Stock rating. A stock assigned this rating represented an analyst's best idea(s); stocks in this category were expected to significantly outperform the average 12-month total return of the analyst's coverage universe or an index identified by the analyst that included, but was not limited to, stocks covered by the analyst.

#### Other Ratings

*Tender* – Investors are guided to tender to the terms of the takeover offer.

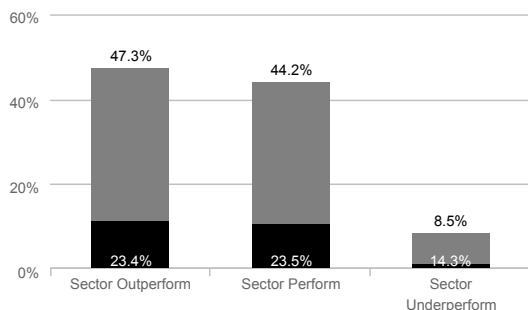
*Under Review* – The rating has been temporarily placed under review, until sufficient information has been received and assessed by the analyst.

#### Risk Ranking

The Speculative risk ranking reflects exceptionally high financial and/or operational risk, exceptionally low predictability of financial results, and exceptionally high stock volatility. The Director of Research and the Supervisory Analyst jointly make the final determination of the Speculative risk ranking.

### Scotiabank, Global Banking and Markets Equity Research Ratings Distribution\*

#### Distribution by Ratings and Equity and Equity-Related Financings\*



\* As of March 31, 2020.

Source: Scotiabank GBM.

For the purposes of the ratings distribution disclosure FINRA requires members who use a ratings system with terms different than "buy," "hold/neutral" and "sell," to equate their own ratings into these categories. Our Sector Outperform, Sector Perform, and Sector Underperform ratings are based on the criteria above, but for this purpose could be equated to buy, neutral and sell ratings, respectively.



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