



INVESTOR ALERT: Given significant near term catalysts, we felt it necessary to introduce our readers to Steppe Gold ahead of our in depth research report coming later this summer.

STEPPE GOLD CORP

Current Price: \$ 0.62

Target Price \$1.80 – 2.30

Market Statistics in CAD (post acquisition)

Price:	0.62
52 week range	0.51 - 0.90
Ave Daily \$Vol (6mo ave)	100K
Market Cap (M)	152
Enterprise Value (M)	213
Shares Outstanding (M)	257

Financial Projections

FYE:	2024E	2025E	2026E	2027E	LOM.E
Au Koz	56.9	85.7	105.1	139.4	1,445.3
Rev M	130.9	197.2	241.6	320.7	3,324.3
EBITDA	102.3	81.9	114.3	133.1	1,566.0
A.Tax CF	27.3	44.9	71.5	84.1	1,002.2

Risks

Several risks are inherent with mines and mining companies, the following are some of the more noteworthy risks but are by no means exhaustive:

Reserve/Resource - Tonnage and grades are estimates only and actual results and quantities to differ from those estimated

Dilution/Financing - Although the mines have a history of net income and cash flow. There can be no assurance that the Company will be profitable going forward. In the case that the Company cannot create enough revenue to sustain on-going business activities, Steppe's only source of financing will be through the sale of existing securities, high cost borrowing, or sale of its mineral properties

Geopolitical - The Company operates in Mongolia and Mongolia is an emerging economy with all of the risks associated. There are no guarantees that changes in the political landscape won't have adverse effects on Steppe Gold and its mines

Commodity Prices - Projections are based on specific commodity prices and they have a significant impact on profitability and can be subject to significant price movements in short periods of time

Our Criteria:

- ✓ Clear shared vision
- ✓ Minimum 3X upside potential based on EV/oz (or equivalent) or P/NAV
- ✓ Sufficient capital or access to it to achieve near term value milestones
- ✓ Commitment to getting the story out to the investment community

Company Description

Steppe Gold is an emerging gold producer with a clear vision and plan to become Mongolia's leading gold producer. Steppe has advanced from:

- an IPO in 2018,
- to commercial production of the oxide zone of its ATO gold mine in 2020,
- to securing \$150M to fully finance the Phase 2 expansion of its ATO mine - set to begin producing Au from the sulphide zone in July 2026,
- to successfully negotiating to acquire the Boroo Gold mine - set to close in July 2024

Recent changes to management have reduced overhead by over 45%, further confirming the Company's vision

The acquisition of the Boroo Mine is a very important step in the transformation of Steppe to a proven junior gold producer, given:

- Immediately established Steppe with over 70Koz annual Au production
- Provides immediate significant positive cash flows during the construction of ATO Phase2
- When Phase 2 comes on line, the Company will average over 125Koz Au annual production and cash flows from operations of \$85M per year at \$2300/oz Au
- Cash flows will be used to further increase shareholder value through:
 - near mine exploration to expand current Resource and Reserve base
 - evaluation and acquisition of additional advanced stage projects
 - possible dividends

Value Proposition

Significant re-rating potential:

- Post closing Reserves of 2.373Moz AuEq
- Post closing enterprise value of C\$213M at today's prices gives EV/oz of C\$90
- Current median peer EV/oz of C\$224 with a benchmark target of C\$275

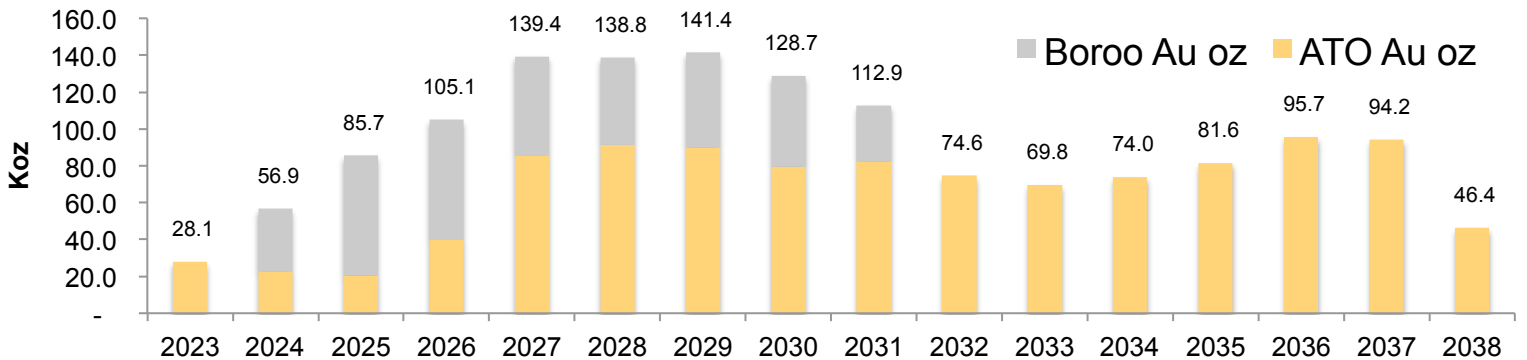
EV/oz P&P	EV	Net Debt	MC	Shares	P/share
Median Target (224)	532	61	471	257	1.83
Target Target (275)	653	61	592	257	2.30

- Post closing NAV(NPV(7.5%)) of C\$802M
- Post closing enterprise value of C\$213M at today's prices gives EV/NAV of 0.26
- Current median peer EV/NAV of 0.63 with a consensus target of 0.79

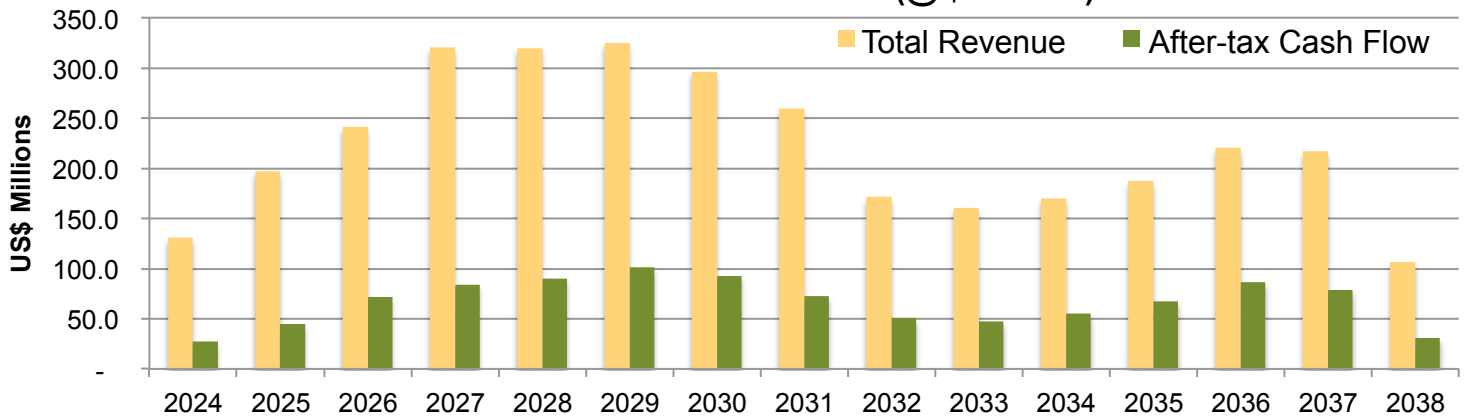
P/NAV	EV	Net Debt	MC	Shares	P/share
Median Target (0.63)	514	61	453	257	1.76
Target Target (0.79)	634	61	573	257	2.23



Production Schedule



Revenue and After-tax CF (@ \$2300 Au)



Operations

Steppe Gold is poised to become a very noteworthy junior gold producer. With high quality operations that are projected to generate 30% in after-tax cash flow margin, this is a company to take notice of. With average annual after-tax cash flows of over \$75 M for the LOM (13+yr), Steppe should have ample cash to continue significant organic growth.

We expect Steppe to use its cash for near mine high probability exploration to expand reserves and resources and extend the life of both mines. We also expect Steppe will identify additional late stage projects for acquisition followed by development to ensure a steady state of growth. Depending on the cash requirements to fund its growth, Steppe could be in a position to return capital to shareholders via dividends or share buy-backs.

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