What's making waves
Company snapshot

Nova Minerals (ASX:NVA)

29th April 2024

CAPITAL STRUCTURE

Share Price (A$)	27cps
Performance, 12mths	0%
Shares on Issue	210.9M
Unquotd Options, Notes	33.0M
Cash	c.$5.5m
Enterprise Value	c.$52M

NVA KEY PERSONNEL

Richard Beazley
Non-Executive Chairman

Christopher Gerteisen
Executive Director / CEO

Louie Simens
Executive Director

Craig Bentley
Director of Finance, Compliance

Rodrigo Pasqua
Non Executive Director

Avi Geller
Non Executive Director

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Tier 1 gold in Alaska at A$6/oz

GBA caught up with Nova Minerals (ASX:NVA, MC c.A$66m). Nova is focused on large-scale gold and critical metal projects in North America. Its flagship, Estelle, hosts c.10Moz Au, all on State of Alaska mining claims. On an EV/resource basis, NVA is trading at a very inexpensive c.A$6/oz Au.

Estelle Gold Project: Spans 513km^2 in prolific Tintina Gold Belt, which has a gold endowment of c.220Moz Au, with Tier 1 gold deposits and mines including Donlin Creek (45Moz Au) Fort Knox (11Moz Au) and Pogo (6.9Moz). The project, 150km N-W of Anchorage, has multiple gold resources and exploration prospects along 35km strike. The **JORC resource base is 9.9Moz Au** (SK-1300 is 5.17Moz Au including pit design). Key areas:

- **RPM** - JORC resource of 1.24Moz @ 0.6g/t Au including high-grade Measured 180koz @ 4.1 g/t Au. Drill intercepts include 400m @ 3.5 g/t Au with 132m at 10.1 g/t Au.
- **Korbel** - a bulk tonnage JORC resource totaling 8.65Moz @ 0.3g/t. Drill intercepts include KBDH-012 with 429 meters at 0.6 g/t Au (including 101 meters at 1.3 g/t Au).

The project includes an 80-person winterised camp, airstrip and an on-site sample processing facility. Future access will benefit from the Federally approved Susitna access road to Port Mackenzie.

Scoping Study: (Phase 2, May'23) has proposed open pit mining to produce an **average 132kozpa Au for +17yrs with 363koz in year 1**; pre-tax NPV5 of US$654m at US$1800/oz gold price (note, NPV7.5 at US$2200/oz is US$983m). A **Pre-Feasibility Study (PFS)** reflecting updated costs and gold price is expected in 2025. There could be upside from process refinements (e.g. advanced ore sorting, heap leaching of lower grades) and metallurgical advances (e.g. **producing antimony as a credit**). NVA says Estelle has no concerns with Native Title or National Parks; approvals are via Alaska's DNR, not the Federal BLM, which should expedite permitting.

Corporate: Liquidity is c.A$8.5m (cash and facilities), after recently raising A$1m @ 25cps, sufficient for a US listing and the 2024 field program. The Board, including chair Richard Beazley, is experienced.

Competitive A$ EV/oz: The average EV/resource in A$/oz of ASX-listed gold stocks capped at <A$500m is $70/oz, so it's reasonable to say that **at $6/oz, NVA is trading at a discount to its peers** (Source: Gold Nerds). This is likely due to conservatism among ASX investors about large-scale open pit projects outside Australia – an opportunity if NVA can further improve project economics in the PFS.

Potential milestones in 2024: Drilling to expand resources and increase Measured and Indicated (M&I); testing of antimony potential; ongoing metallurgical and flow sheet work for PFS; regional exploration of priority targets (e.g. gold Train, Trumpet, Shoeshine; and antimony, Stibium, Styx); US listing.

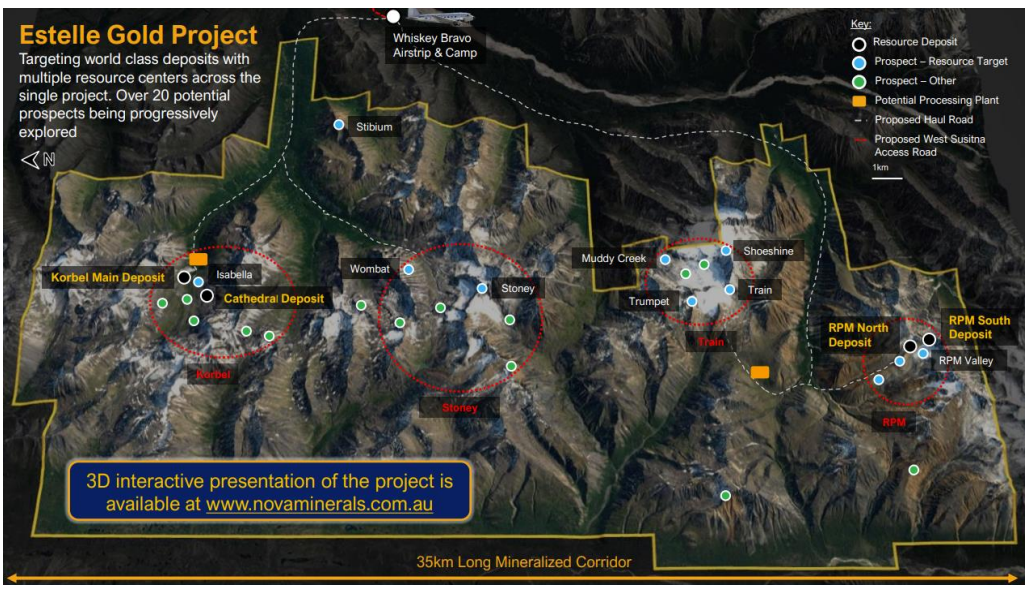
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Estelle is located in the Tintina Gold Province, Alaska, which hosts multi-million ounce gold resources. Deposit types vary from large-scale IRG that can be treated by heap leaching (Fort Knox) to high-grade narrow vein (Pogo)

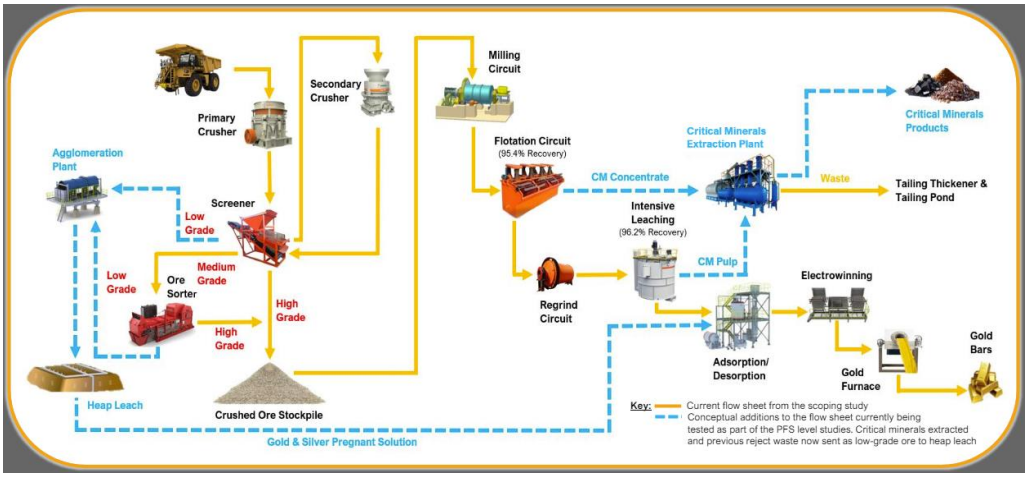
Source: Company Reports

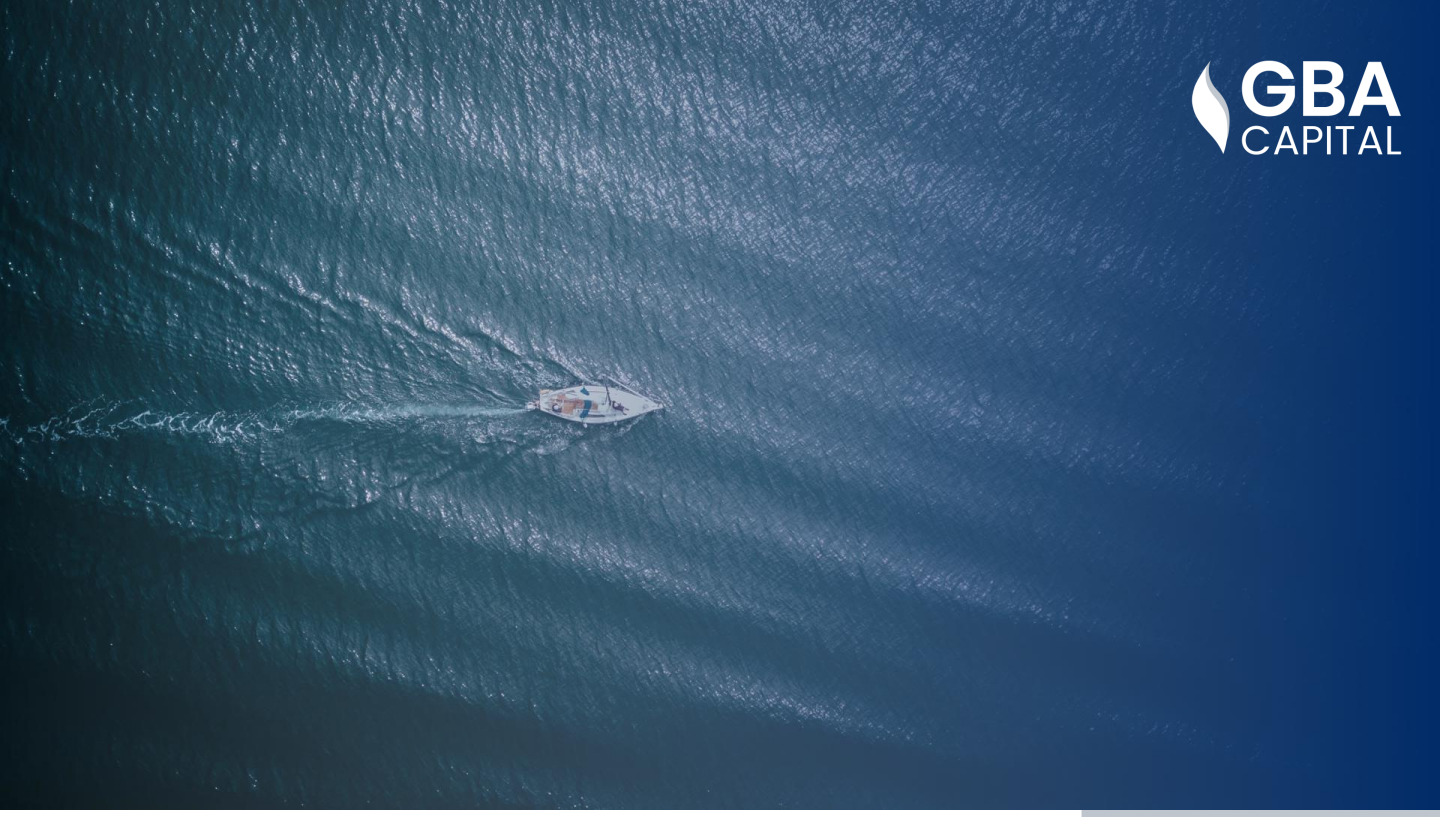


The Estelle JORC resource is 9.9Moz Au, in two main areas – RPM and Korbel. High-priority gold exploration targets for the current season include Train, Trumpet and Shoeshine. There is antimony potential at Stibium and Styx.



The Scoping Study (2022) of gold production is being updated to Pre Feasibility level (est. 2025). Refinements may include recovery of the critical mineral antimony, and advances in heap leach design to recover more lower-grade gold.





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