

# Boss Energy Ltd

## Specialty Minerals and Metals

22 June 2021

**Rating**  
**SPECULATIVE BUY**  
unchanged

**Price Target**  
**A\$0.23↑**  
from A\$0.21

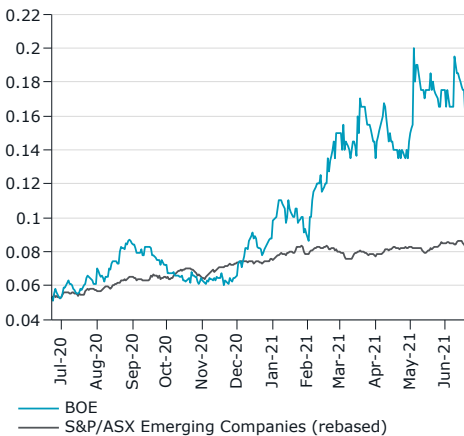
**BOE-ASX**

**Price**  
**A\$0.16**

### Market Data

52-Week Range (A\$) :	0.05 - 0.21
Market Cap (A\$M) :	253.5
Shares Out. (M) :	1,584.4
Dividend /Shr (A\$) :	0.00
Dividend Yield (%) :	0.0
Net Debt (Cash) (A\$M) :	(75.0)
Enterprise Value (A\$M) :	184
NAV /Shr (A\$) :	0.11

FYE Jun	2020A	2021E	2022E	2023E
EBITDA (A\$M)	(5.1)	(3.3)	(3.2)	13.6↑
Previous	-	-	-	(1.6)
Net Debt (Cash) (A\$M)	(4)	(70)	(12)↓	43↑
Previous	-	-	(2)	42



Priced as of close of business 21 June 2021

Boss Resources (BOE-ASX) are an Australian-based uranium developer with its main asset being the Honeymoon in-situ leach project located in South Australia.

Canaccord Genuity (Australia) Limited has received a fee as Lead Manager to the Boss Energy Ltd Capital Raising announced 29 September 2020.

Canaccord Genuity (Australia) Limited has received a fee as Joint Lead Manager to the Boss Energy Limited Capital Raising announced 25 March 2021.

**James Bullen** | Analyst | Canaccord Genuity (Australia) Ltd. | jbullen@cgf.com | +61.2.9263.2728

## Enhanced - a bigger better Honeymoon

BOE has released its enhanced restart study for its fully permitted Honeymoon Uranium project in South Australia. This represents the second detailed study on the asset in 18 months and reinforces the projects technical and economic merits.

The study has met or exceeded our estimates at every level; we increase our price target to \$0.23ps (from \$0.21) and retain our SPEC BUY rating.

### Study highlights

- Name plate production capacity rises 22.5% to 2.45Mlb of U3O8 (CG at 2.2Mlb prior).
- All-In Costs fall 11% to US\$31.86/lb; All-In-Sustaining Costs fall 16% to US\$25.62/lb (CG at US\$27.5/lb prior); with Cash Costs falling 21% to US\$18.46/lb.
- Capital cost of restart has fallen to US\$60mn (down from US\$70mn) but upfront capex has increased to US\$80mn as a consequence of the capacity increase, which is in line with CG.
- Accuracy of -10/+15%.
- EFS is based on only 36Mlbs of the total JORC Resource of 71.6Mlbs; there remains scope for further capacity increases and life extensions beyond 12 years, in our view.
- Honeymoon remains fully permitted for production, storage and export of U3O8 (up to 3.3Mlb).

Post this study, we believe that the risk profile associated with Honeymoon is a lot lower than its green and in some cases brownfield peers, a position further strengthened by BOE's acquisition of ~1.25Mlb of physical. Furthermore, with an ~12-month lead time to first production, bottom quartile capital intensity and low AISC of US\$26/lb, we remain confident that Honeymoon will be one of the first projects to restart as the market tightens.

We now model a breakeven price of <US\$35/lb for Honeymoon.

### Moving straight to ion-exchange (IX)

The detailed design and test work conducted by the company as part of this study has confirmed that significant benefits can be achieved by replacing the existing solvent extraction columns (SX) on the Honeymoon mine site with new NIMCIX ion-exchange columns (NIMCIX IX).

As a reminder, IX is used for ~50% of global uranium supply and has enjoyed significant advancement over recent years, which allows it to be more chlorine tolerant (a key criterion for Honeymoon where chloride tenors in groundwater are in excess of 8,500mg/l).

### Spot prices are rising (modestly) and more physical is being purchased

The spot market experienced a strong start to June with prices up ~5% to US\$32.5/lb despite only moderate activity on the spot market. While pricing is nowhere near sufficient to facilitate restarts, let alone greenfield developments, it highlights that the wave of announced physical purchases from uranium developers and holding companies (17.5Mlb and counting) is driving further tightness in an already tight market.

With uncovered utility demand in the US estimated to rise to 50% in the next three years, we believe this increasing spot market activity will not go unnoticed and could result in earlier market entry than previously planned by utilities.

The next major potential market catalyst remains likely activity by Uranium Participation Corp once it has transitioned into the Sprott Physical Uranium Trust.

Figure 1: Financial summary

FY Jun 30	2019	2020	2021E	2022E	2023E		2019	2020	2021E	2022E	2023E
<b>PROFIT &amp; LOSS (A\$mn)</b>						<b>KEY ASSUMPTIONS</b>					
Revenue	0.0	0.0	0.0	0.0	37.1	U3O8 (US\$/lb)	26.5	32.0	38.3	40.2	52.5
Operational Costs	0.1	0.0	0.0	0.0	-17.1	A\$/US\$	0.68	0.68	0.73	0.75	0.75
Royalty	0.0	0.0	0.0	0.0	-2.8	<b>REALISED PRICES</b>					
Other Income	5.9	0.4	0.1	0.1	0.1	U3O8 (A\$/lb)	0.0	0.0	0.0	0.0	60.0
Business Devt & Expl	-5.9	-3.4	-0.4	0.0	0.0	<b>PRODUCTION FORECASTS</b>					
Corporate & Other	-1.4	-2.1	-3.1	-3.3	-3.7	U3O8 (klbs)	0.0	0.0	0.0	0.0	617.5
<b>EBITDA</b>	<b>-1.2</b>	<b>-5.1</b>	<b>-3.3</b>	<b>-3.2</b>	<b>13.6</b>	<b>Total (klbs)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>617.5</b>
DD&A	-0.1	-0.1	0.0	0.0	-8.5	<b>RESERVES AND RESOURCES</b>					
Other	0.0	0.0	0.0	0.0	0.0	Honeymoon (M+I) (Mlbs)				26.6	
<b>EBIT</b>	<b>-1.4</b>	<b>-5.2</b>	<b>-3.3</b>	<b>-3.2</b>	<b>5.1</b>	Greater Honeymoon (M+I+I) (Mlbs)				71.6	
Net Financing	0.1	0.1	0.2	1.3	-2.1	<b>PER SHARE DATA</b>					
<b>NPBT</b>	<b>-1.2</b>	<b>-5.1</b>	<b>-3.1</b>	<b>-2.0</b>	<b>3.0</b>	Average Shares (Diluted, M)	1318	1586	1781	2260	2260
Tax	0.0	0.0	0.0	0.3	-0.9	EOP Shares (Diluted, mn)	1584	1587	2260	2260	2260
<b>Normalised NPAT</b>	<b>-1.2</b>	<b>-5.1</b>	<b>-3.1</b>	<b>-1.7</b>	<b>2.1</b>	Normalised EPS (A¢/sh)	-0.1	-0.3	-0.2	-0.1	0.1
Sig Items, Discon Ops & Mins	0.0	0.0	0.0	0.0	0.0	CF PS (A¢/sh)	-0.5	-0.2	-0.2	0.0	0.5
<b>Reported NPAT</b>	<b>-1.2</b>	<b>-5.1</b>	<b>-3.1</b>	<b>-1.7</b>	<b>2.1</b>	FCF PS (A¢/sh)	0.3	-0.2	-0.2	-2.5	-2.4
Effective income tax rate	0.0	0.0	0.0	0.2	30%	<b>RATIOS</b>					
<b>CASHFLOW (A\$mn)</b>						Dividend Yield	0%	0%	0%	0%	0%
Cash receipts	0.0	0.0	0.0	0.0	37.1	PE	n/a	n/a	n/a	n/a	169.5
Payments to suppliers	-6.0	-2.7	-3.4	-3.3	-23.6	PCF (Debt Adj)	n/a	n/a	n/a	n/a	28.6
Interest received	0.0	0.0	0.2	1.3	-0.2	EV / EBITDA	n/a	n/a	n/a	n/a	30
Interest paid	0.0	0.0	0.2	1.3	-2.1	Gearing (ND / ND + E)	n/a	n/a	n/a	n/a	35%
Other	-0.4	0.0	0.1	0.0	0.0	Net Debt / EBITDA	5.2x	0.8x	20.9x	4x	3x
<b>Operating Cashflow</b>	<b>-6.4</b>	<b>-2.7</b>	<b>-3.0</b>	<b>-0.8</b>	<b>11.2</b>	Interest Cover	0.0x	0.0x	0.0x	0.0x	2.5x
Payments for PP&E	0.0	0.0	0.0	0.0	0.0	ROE (Reported Profit / Av Equity)	n/a	n/a	n/a	n/a	3%
Payments for Development	0.0	0.0	-0.5	-56.4	-66.3	ROIC	n/a	n/a	n/a	n/a	2%
Payments for Exploration	0.0	0.0	0.0	0.0	0.0	ROACE	n/a	n/a	n/a	n/a	2%
Asset Sales / (Purchases)	0.0	0.0	0.0	0.0	0.0	FCF Yield	2%	-1%	-1%	-16%	-15%
Other	9.8	0.0	0.0	0.0	0.0	<b>DIVIDEND AND FRANKING</b>					
<b>Investing Cashflow</b>	<b>9.8</b>	<b>0.0</b>	<b>-0.6</b>	<b>-56.4</b>	<b>-66.3</b>	Dividend (A¢/sh)	0	0	0	0	0
Share Issuance / (Buyback)	0.0	0.0	74.5	0.0	0.0	Payout ratio	0%	0%	0%	0%	0%
Drawdown / (Repayment) of Debt	0.0	0.0	0.0	0.0	48.0	Franking Balance (A\$mn)	0	0	0	0	0
Dividends	0.0	0.0	0.0	0.0	0.0	<b>VALUATION</b>					
Other	0.2	-4.0	-0.4	0.0	0.0	<b>Risked</b>		<b>Unrisked</b>			
<b>Financing Cashflow</b>	<b>0.2</b>	<b>-4.0</b>	<b>74.1</b>	<b>0.0</b>	<b>48.0</b>	Honeymoon Stage 1	0.00	0.00			
Surplus / Defecit	3.6	-6.7	70.6	-57.2	-7.1	Honeymoon Stage 1	0.17	0.18			
<b>BALANCE SHEET (A\$mn)</b>						Exploration	0.02	0.02			
Current Assets	11.8	3.9	69.5	12.3	5.2	EV adjustments	0.05	0.05			
Non-Current Assets	17.9	17.9	18.6	75.0	132.8	<b>TOTAL</b>	<b>0.23</b>	<b>0.25</b>			
<b>Total Assets</b>	<b>29.7</b>	<b>21.7</b>	<b>88.2</b>	<b>87.3</b>	<b>138.0</b>	<b>PREMIUM/(DISCOUNT)</b>	<b>0.0</b>				
Current Liabilities	4.9	0.8	0.2	0.2	2.6	<b>PRICE TARGET</b>	<b>0.23</b>				
Non-Current Liabilities	8.7	8.8	8.8	8.8	54.4						
<b>Total Liabilities</b>	<b>13.6</b>	<b>9.6</b>	<b>9.0</b>	<b>9.0</b>	<b>57.1</b>						
<b>Net Assets</b>	<b>16.1</b>	<b>12.1</b>	<b>79.1</b>	<b>78.3</b>	<b>81.0</b>						
Total Cash	10.5	3.8	69.5	12.3	5.2						
Total Debt	4.0	0.0	0.0	0.0	48.0						
<b>Net Debt</b>	<b>-6.5</b>	<b>-3.8</b>	<b>-69.5</b>	<b>-12.3</b>	<b>42.8</b>						

Source: Company Reports, Canaccord Genuity estimates

**Figure 2: Valuation build-up**

Asset	Equity %	Net Capacity ktpa	NPV A\$m	Risking %	Riskd NPV A\$m	Riskd NPV A\$ps
<b>PRODUCTION ASSETS</b>		<b>0</b>	<b>0</b>	<b>0%</b>	<b>0.0</b>	<b>0.00</b>
Honeymoon Stage 1	100%	2450	415.6	90%	374.1	0.17
<b>DEVELOPMENT ASSETS</b>		<b>2450</b>			<b>374.1</b>	<b>0.17</b>
<b>RESEOURCES</b>		<b>0</b>			<b>0.0</b>	<b>0.00</b>
Nearfield exploration - Gould's Dam etc					40.0	0.02
<b>EXPLORATION</b>					<b>40.0</b>	<b>0.02</b>
<b>Net Debt, Balance sheet adj. &amp; corp. overhead</b>						<b>0.05</b>
Premium / (Discount)						0.00
<b>Price Target</b>						<b>0.23</b>

Source: Company Reports, Canaccord Genuity estimates

## Appendix: Important Disclosures

### Analyst Certification

Each authoring analyst of Canaccord Genuity whose name appears on the front page of this research hereby certifies that (i) the recommendations and opinions expressed in this research accurately reflect the authoring analyst's personal, independent and objective views about any and all of the designated investments or relevant issuers discussed herein that are within such authoring analyst's coverage universe and (ii) no part of the authoring analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the authoring analyst in the research, and (iii) to the best of the authoring analyst's knowledge, she/he is not in receipt of material non-public information about the issuer.

Analysts employed outside the US are not registered as research analysts with FINRA. These analysts may not be associated persons of Canaccord Genuity LLC and therefore may not be subject to the FINRA Rule 2241 and NYSE Rule 472 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

### Sector Coverage

Individuals identified as "Sector Coverage" cover a subject company's industry in the identified jurisdiction, but are not authoring analysts of the report.

### Investment Recommendation

Date and time of first dissemination: June 21, 2021, 16:31 ET

Date and time of production: June 21, 2021, 06:30 ET

### Target Price / Valuation Methodology:

Boss Energy Ltd - BOE

We have based our valuation for BOE primarily on a DCF analysis (WACC 8%) of the Honeymoon project.

### Risks to achieving Target Price / Valuation:

Boss Energy Ltd - BOE

### Financing risks

Our analysis suggests that BOE could require additional capital to fund the development costs for the Honeymoon project for which we have risked our valuation. As a pre-cashflow company, BOE is reliant on equity/debt/external capital to fund capital commitments, and there is no guarantee that accessing these markets will be achieved without dilution to shareholders.

Furthermore, accurate estimates of capital costs for the project remain subject to completion of pre-feasibility and feasibility studies, which may see capital requirements exceed our model assumptions. There is no guarantee that studies will result in a positive investment decision for the project.

### Operational risks

Once in production, the company will be subject to risks such as plant/equipment breakdowns, metallurgical (noting flowsheet changes to address previous challenges), geological and other technical issues. An increase in operating costs could reduce the profitability and free cash generation from the operating assets and negatively impact valuation.

Further, the yellow cake product specifications may differ from initial test work interpretations which can also materially impact product acceptance by customers and therefore earnings from forecast production.

### Implementation risks

We note the compressed development schedule will require concurrent plant commissioning of Stage 1 followed soon after by the installation of Stage 2 equipment. This sequence presents a natural risk that delays in Stage 1 could impact Stage 2 and present downside risk to our cash flow projections.

### Market risks

BOE's sales revenue is dependent on being able to secure term contracts for its proposed level of production and priced with the required mechanisms that will enable proactive capital and budgetary management. We note the protracted nature of negotiating uranium product offtake with the potential that timelines could be prolonged to ensure than an acceptable order book is agreed on.

### Commodity price and currency fluctuation

The company as a near-term uranium producer is exposed to commodity price and currency fluctuations, often driven by macro-economic forces including inflationary pressure, interest rates and supply and demand of commodities. These factors are external and could reduce the profitability, costing and prospective outlook for the business.

**Distribution of Ratings:**

**Global Stock Ratings (as of 06/21/21)**

Rating	Coverage Universe		IB Clients
	#	%	%
Buy	621	64.69%	40.90%
Hold	169	17.60%	24.85%
Sell	9	0.94%	22.22%
Speculative Buy	149	15.52%	66.44%
	960*	100.0%	

\*Total includes stocks that are Under Review

**Canaccord Genuity Ratings System**

**BUY:** The stock is expected to generate risk-adjusted returns of over 10% during the next 12 months.

**HOLD:** The stock is expected to generate risk-adjusted returns of 0-10% during the next 12 months.

**SELL:** The stock is expected to generate negative risk-adjusted returns during the next 12 months.

**NOT RATED:** Canaccord Genuity does not provide research coverage of the relevant issuer.

"Risk-adjusted return" refers to the expected return in relation to the amount of risk associated with the designated investment or the relevant issuer.

**Risk Qualifier**

**SPECULATIVE:** Stocks bear significantly higher risk that typically cannot be valued by normal fundamental criteria. Investments in the stock may result in material loss.

**12-Month Recommendation History** (as of date same as the **Global Stock Ratings** table)

A list of all the recommendations on any issuer under coverage that was disseminated during the preceding 12-month period may be obtained at the following website (provided as a hyperlink if this report is being read electronically) <http://disclosures-mar.canaccordgenuity.com/EN/Pages/default.aspx>

**Required Company-Specific Disclosures (as of date of this publication)**

Boss Energy Ltd currently is, or in the past 12 months was, a client of Canaccord Genuity or its affiliated companies. During this period, Canaccord Genuity or its affiliated companies provided investment banking services to Boss Energy Ltd.

In the past 12 months, Canaccord Genuity or its affiliated companies have received compensation for Investment Banking services from Boss Energy Ltd .

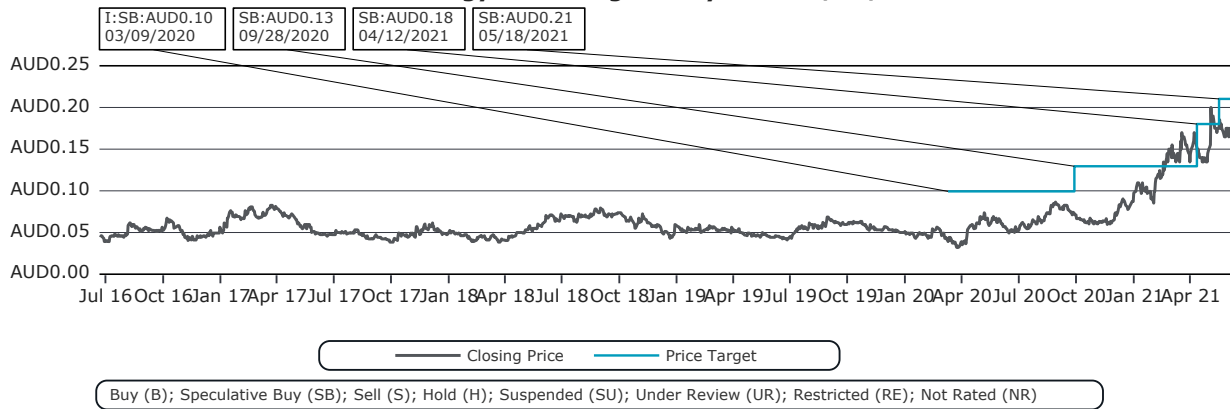
In the past 12 months, Canaccord Genuity or any of its affiliated companies have been lead manager, co-lead manager or co-manager of a public offering of securities of Boss Energy Ltd or any publicly disclosed offer of securities of Boss Energy Ltd or in any related derivatives.

Canaccord Genuity or one or more of its affiliated companies intend to seek or expect to receive compensation for Investment Banking services from Boss Energy Ltd in the next three months.

Canaccord Genuity (Australia) Limited has received a fee as Lead Manager to the Boss Energy Ltd Capital Raising announced 29 September 2020.

Canaccord Genuity (Australia) Limited has received a fee as Joint Lead Manager to the Boss Energy Limited Capital Raising announced 25 March 2021.

**Boss Energy Ltd Rating History as of 06/18/2021**



**Required Company-Specific Disclosures (as of date of this publication)**

**Past performance**

In line with Article 44(4)(b), MiFID II Delegated Regulation, we disclose price performance for the preceding five years or the whole period for which the financial instrument has been offered or investment service provided where less than five years. Please note price history refers to actual past performance, and that past performance is not a reliable indicator of future price and/or performance.

**Online Disclosures**

Up-to-date disclosures may be obtained at the following website (provided as a hyperlink if this report is being read electronically) <http://disclosures.canaccordgenuity.com/EN/Pages/default.aspx>; or by sending a request to Canaccord Genuity Corp. Research, Attn: Disclosures, P.O. Box 10337 Pacific Centre, 2200-609 Granville Street, Vancouver, BC, Canada V7Y 1H2; or by sending a request by email to [disclosures@cgf.com](mailto:disclosures@cgf.com). The reader may also obtain a copy of Canaccord Genuity's policies and procedures regarding the dissemination of research by following the steps outlined above.

**General Disclaimers**

See "Required Company-Specific Disclosures" above for any of the following disclosures required as to companies referred to in this report: manager or co-manager roles; 1% or other ownership; compensation for certain services; types of client relationships; research analyst conflicts; managed/co-managed public offerings in prior periods; directorships; market making in equity securities and related derivatives. For reports identified above as compendium reports, the foregoing required company-specific disclosures can be found in a hyperlink located in the section labeled, "Compendium Reports." "Canaccord Genuity" is the business name used by certain wholly owned subsidiaries of Canaccord Genuity Group Inc., including Canaccord Genuity LLC, Canaccord Genuity Limited, Canaccord Genuity Corp., and Canaccord Genuity (Australia) Limited, an affiliated company that is 80%-owned by Canaccord Genuity Group Inc.

The authoring analysts who are responsible for the preparation of this research are employed by Canaccord Genuity Corp. a Canadian broker-dealer with principal offices located in Vancouver, Calgary, Toronto, Montreal, or Canaccord Genuity LLC, a US broker-dealer with principal offices located in New York, Boston, San Francisco and Houston, or Canaccord Genuity Limited., a UK broker-dealer with principal offices located in London (UK) and Dublin (Ireland), or Canaccord Genuity (Australia) Limited, an Australian broker-dealer with principal offices located in Sydney and Melbourne.

The authoring analysts who are responsible for the preparation of this research have received (or will receive) compensation based upon (among other factors) the Investment Banking revenues and general profits of Canaccord Genuity. However, such authoring analysts have not received, and will not receive, compensation that is directly based upon or linked to one or more specific Investment Banking activities, or to recommendations contained in the research.

Some regulators require that a firm must establish, implement and make available a policy for managing conflicts of interest arising as a result of publication or distribution of research. This research has been prepared in accordance with Canaccord Genuity's policy on managing conflicts of interest, and information barriers or firewalls have been used where appropriate. Canaccord Genuity's policy is available upon request.

The information contained in this research has been compiled by Canaccord Genuity from sources believed to be reliable, but (with the exception of the information about Canaccord Genuity) no representation or warranty, express or implied, is made by Canaccord Genuity, its affiliated companies or any other person as to its fairness, accuracy, completeness or correctness. Canaccord Genuity has not independently verified the facts, assumptions, and estimates contained herein. All estimates, opinions and other information contained in this research constitute Canaccord Genuity's judgement as of the date of this research, are subject to change without notice and are provided in good faith but without legal responsibility or liability.

From time to time, Canaccord Genuity salespeople, traders, and other professionals provide oral or written market commentary or trading strategies to our clients and our principal trading desk that reflect opinions that are contrary to the opinions expressed in this

research. Canaccord Genuity's affiliates, principal trading desk, and investing businesses also from time to time make investment decisions that are inconsistent with the recommendations or views expressed in this research.

This research is provided for information purposes only and does not constitute an offer or solicitation to buy or sell any designated investments discussed herein in any jurisdiction where such offer or solicitation would be prohibited. As a result, the designated investments discussed in this research may not be eligible for sale in some jurisdictions. This research is not, and under no circumstances should be construed as, a solicitation to act as a securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on the business of a securities broker or dealer in that jurisdiction. This material is prepared for general circulation to clients and does not have regard to the investment objectives, financial situation or particular needs of any particular person. Investors should obtain advice based on their own individual circumstances before making an investment decision. To the fullest extent permitted by law, none of Canaccord Genuity, its affiliated companies or any other person accepts any liability whatsoever for any direct or consequential loss arising from or relating to any use of the information contained in this research.

### **Research Distribution Policy**

Canaccord Genuity research is posted on the Canaccord Genuity Research Portal and will be available simultaneously for access by all of Canaccord Genuity's customers who are entitled to receive the firm's research. In addition research may be distributed by the firm's sales and trading personnel via email, instant message or other electronic means. Customers entitled to receive research may also receive it via third party vendors. Until such time as research is made available to Canaccord Genuity's customers as described above, Authoring Analysts will not discuss the contents of their research with Sales and Trading or Investment Banking employees without prior compliance consent.

For further information about the proprietary model(s) associated with the covered issuer(s) in this research report, clients should contact their local sales representative.

### **Short-Term Trade Ideas**

Research Analysts may, from time to time, discuss "short-term trade ideas" in research reports. A short-term trade idea offers a near-term view on how a security may trade, based on market and trading events or catalysts, and the resulting trading opportunity that may be available. Any such trading strategies are distinct from and do not affect the analysts' fundamental equity rating for such stocks. A short-term trade idea may differ from the price targets and recommendations in our published research reports that reflect the research analyst's views of the longer-term (i.e. one-year or greater) prospects of the subject company, as a result of the differing time horizons, methodologies and/or other factors. It is possible, for example, that a subject company's common equity that is considered a long-term 'Hold' or 'Sell' might present a short-term buying opportunity as a result of temporary selling pressure in the market or for other reasons described in the research report; conversely, a subject company's stock rated a long-term 'Buy' or "Speculative Buy" could be considered susceptible to a downward price correction, or other factors may exist that lead the research analyst to suggest a sale over the short-term. Short-term trade ideas are not ratings, nor are they part of any ratings system, and the firm does not intend, and does not undertake any obligation, to maintain or update short-term trade ideas. Short-term trade ideas are not suitable for all investors and are not tailored to individual investor circumstances and objectives, and investors should make their own independent decisions regarding any securities or strategies discussed herein. Please contact your salesperson for more information regarding Canaccord Genuity's research.

### **For Canadian Residents:**

This research has been approved by Canaccord Genuity Corp., which accepts sole responsibility for this research and its dissemination in Canada. Canaccord Genuity Corp. is registered and regulated by the Investment Industry Regulatory Organization of Canada (IIROC) and is a Member of the Canadian Investor Protection Fund. Canadian clients wishing to effect transactions in any designated investment discussed should do so through a qualified salesperson of Canaccord Genuity Corp. in their particular province or territory.

### **For United States Persons:**

Canaccord Genuity LLC, a US registered broker-dealer, accepts responsibility for this research and its dissemination in the United States. This research is intended for distribution in the United States only to certain US institutional investors. US clients wishing to effect transactions in any designated investment discussed should do so through a qualified salesperson of Canaccord Genuity LLC. Analysts employed outside the US, as specifically indicated elsewhere in this report, are not registered as research analysts with FINRA. These analysts may not be associated persons of Canaccord Genuity LLC and therefore may not be subject to the FINRA Rule 2241 and NYSE Rule 472 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

### **For United Kingdom and European Residents:**

This research is distributed in the United Kingdom and elsewhere Europe, as third party research by Canaccord Genuity Limited, which is authorized and regulated by the Financial Conduct Authority. This research is for distribution only to persons who are Eligible Counterparties or Professional Clients only and is exempt from the general restrictions in section 21 of the Financial Services and Markets Act 2000 on the communication of invitations or inducements to engage in investment activity on the grounds that it is being distributed in the United Kingdom only to persons of a kind described in Article 19(5) (Investment Professionals) and 49(2) (High Net Worth companies, unincorporated associations etc) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. This material is not for distribution in the United Kingdom or elsewhere in Europe to retail clients, as defined under the rules of the Financial Conduct Authority.

### **For Jersey, Guernsey and Isle of Man Residents:**

This research is sent to you by Canaccord Genuity Wealth (International) Limited (CGWI) for information purposes and is not to be construed as a solicitation or an offer to purchase or sell investments or related financial instruments. This research has been produced by an affiliate of CGWI for circulation to its institutional clients and also CGWI. Its contents have been approved by CGWI and we are providing it to you on the basis that we believe it to be of interest to you. This statement should be read in conjunction with your client agreement, CGWI's current terms of business and the other disclosures and disclaimers contained within this research. If you are in any doubt, you should consult your financial adviser.

CGWI is licensed and regulated by the Guernsey Financial Services Commission, the Jersey Financial Services Commission and the Isle of Man Financial Supervision Commission. CGWI is registered in Guernsey and is a wholly owned subsidiary of Canaccord Genuity Group Inc.

**For Australian Residents:**

This research is distributed in Australia by Canaccord Genuity (Australia) Limited ABN 19 075 071 466 holder of AFS Licence No 234666. To the extent that this research contains any advice, this is limited to general advice only. Recipients should take into account their own personal circumstances before making an investment decision. Clients wishing to effect any transactions in any financial products discussed in the research should do so through a qualified representative of Canaccord Genuity (Australia) Limited or its Wealth Management affiliated company, Canaccord Genuity Financial Limited ABN 69 008 896 311 holder of AFS Licence No 239052.

**For Hong Kong Residents:**

This research is distributed in Hong Kong by Canaccord Genuity (Hong Kong) Limited which is licensed by the Securities and Futures Commission. This research is only intended for persons who fall within the definition of professional investor as defined in the Securities and Futures Ordinance. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. Recipients of this report can contact Canaccord Genuity (Hong Kong) Limited. (Contact Tel: +852 3919 2561) in respect of any matters arising from, or in connection with, this research.

**Additional information is available on request.**

Copyright © Canaccord Genuity Corp. 2021 – Member IIROC/Canadian Investor Protection Fund

Copyright © Canaccord Genuity Limited. 2021 – Member LSE, authorized and regulated by the Financial Conduct Authority.

Copyright © Canaccord Genuity LLC 2021 – Member FINRA/SIPC

Copyright © Canaccord Genuity (Australia) Limited. 2021 – Participant of ASX Group, Chi-x Australia and of the NSX. Authorized and regulated by ASIC.

All rights reserved. All material presented in this document, unless specifically indicated otherwise, is under copyright to Canaccord Genuity Corp., Canaccord Genuity Limited, Canaccord Genuity LLC or Canaccord Genuity Group Inc. None of the material, nor its content, nor any copy of it, may be altered in any way, or transmitted to or distributed to any other party, without the prior express written permission of the entities listed above.

**None of the material, nor its content, nor any copy of it, may be altered in any way, reproduced, or distributed to any other party including by way of any form of social media, without the prior express written permission of the entities listed above.**