



## District Copper (TSXV: DCOP)—Chasing the next big porphyry discovery in British Columbia, Canada

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PLEASE REVIEW THE DISCLAIMER ON PAGE 26

### Investment Highlights

- ◆ **District Copper (“DCOP”, or “Company”)** is a copper exploration company with its flagship Copper Keg project in British Columbia in the early stages of exploration. The Company is in the process of refining its top exploration targets on the property for further investigation.
- ◆ **Exploration upside:** Central to the DCOP story is the hunt for the next copper porphyry deposit at Copper Keg. Initial studies and surveys are encouraging and indicate the presence of a porphyry system, but will require drilling to confirm the thesis. The area is highly prospective with the world-class Highland Valley copper mine located just 20 km to the South.
- ◆ **Exposure to other projects:** The firm maintains a 25% ownership in Stony Lake in Newfoundland, Canada and retains a 0.5% Net Smelter Royalty (NSR) in the Eaglehead property. Other companies are paying to advance these projects, while DCOP benefits from their success.
- ◆ **Supportive environment:** Copper is trading at high prices due to a global supply crunch; it remains on Canada’s critical minerals list, and the territory of B.C. is accustomed to exploration and mining operations.
- ◆ **We are maintaining a positive outlook for the company over the next 12-month period with a target price of \$0.30**

Key financial data (FYE Oct. 30, C\$)	Q2-2025	Q1-2025
Cash	\$ 261,184	\$ 138,089
Working capital	\$ 201,270	\$ 126,441
Mineral assets	\$ 909,508	\$ 931,425
Total assets	\$ 1,176,729	\$ 1,074,459
Net income (loss) for the 3M	\$ (132,188)	\$ (68,248)
EPS for the 3M	\$ (0.004)	\$ (0.002)

Current Price (C\$)*	0.09
Fair Value	0.30
Projected Upside	230%
Action Rating	BUY
Perceived Risk	VERY HIGH
Shares Outstanding	34,124,161
Market Cap. (C\$)	2,600,000
FYE	OCT 30
YoY Return	125.0%
YoY TSXV Return	55.49%

\* Note: all \$ amounts are C\$ unless otherwise stated

TSXV: DCOP Price and Volume History



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## CONTENTS

1	Overview	18	Company financials
2	Recent corporate history	20	Company ownership
4	Sale of Eaglehead property	21	ESG rating
6	Stony Lake property — Gold exposure	22	Conclusion
8	Copper Keg property	23	Risks
14	Jurisdiction overview	24	Appendix 1 — Management and board of directors biographies
15	What's next for District Copper?	26	Disclaimer
15	Peer comparison		

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## FIGURES

1	Figure 1: Map showing the location of the flagship Copper Keg property	10	Figure 6: Schematic representation of a copper porphyry
6	Figure 2: Location of Stony Lake property in Newfoundland	11	Figure 7: Main Gossan zone on the Copper Keg property
8	Figure 3: Location of Copper Keg property	12	Figure 8: Schematic representation of IP survey results
9	Figure 4: Fremont property in proximity to key infrastructure	21	Figure 9: ESG Rating
10	Figure 5: Map outlining the main geological units on the property		

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## TABLES

2	Table 1: Summary of 2020 news release	14	Table 11: Fraser Institute and World Bank ranking for top copper mining jurisdictions
2	Table 2: Summary of 2021 news releases	15	Table 12: Copper production and Fraser ranking of relevant Canadian Territories
3	Table 3: Summary of 2022 news releases	16	Table 13: Enterprise value calculation for peer group (as of 19.09.2025)
3	Table 4: Summary of 2023 & 2024 news releases	17	Table 14: EV/Land ratio calculation for the selected peer group
4	Table 5: Summary of 2025 news releases	18	Table 15: DCOP balance sheet since 2020
4	Table 6: Mineral resources estimate (MRE) for the Eaglehead property	19	Table 16: DCOP income statements since 2020
5	Table 7: NSR calculations based on the most recent MRE	20	Table 17: Holdings by investor type, float summary, and insider holdings
7	Table 8: Summary of 2021 & 2022 drilling highlights	20	Table 18: DCOP warrant and option schedule
13	Table 9: Historic MRE and nominal value of contained metals		
13	Table 10: Operational results from Teck's Highland Valley operation		

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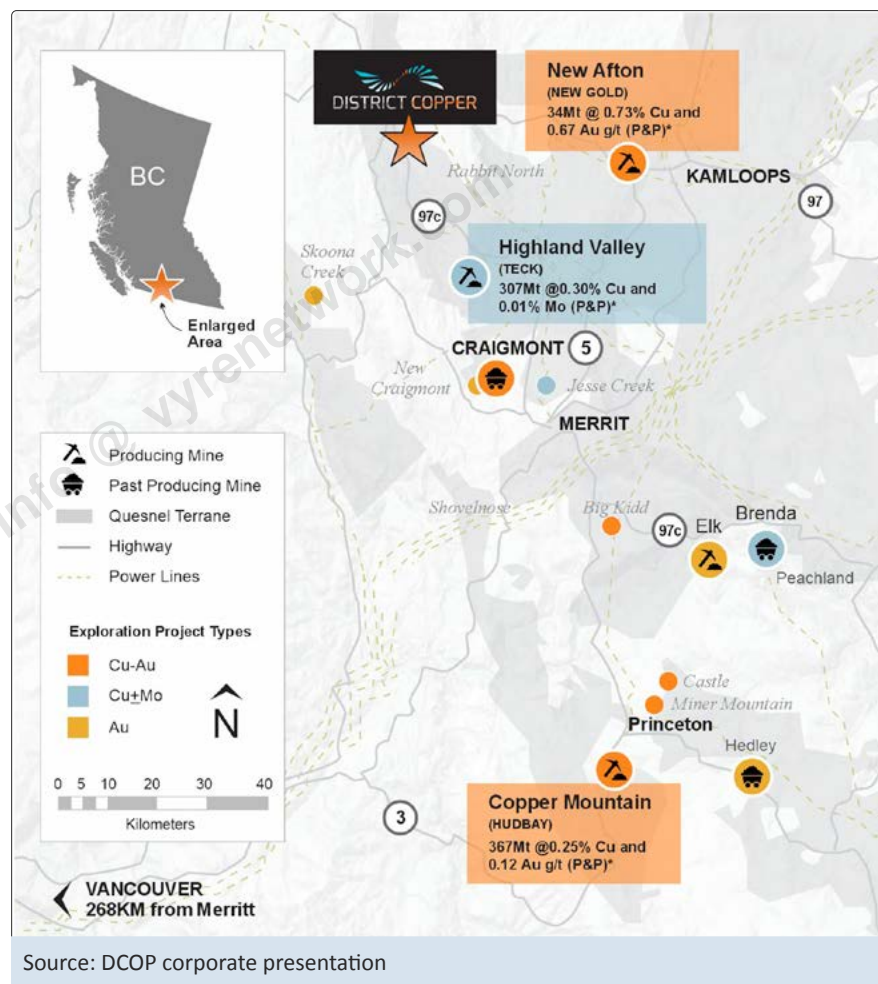
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## OVERVIEW

District Copper currently has two projects in its portfolio. The firm holds a 100% interest in Copper Keg in British Columbia, Canada, totalling 6,628.12 hectares and a 25% interest in Stony Lake in Newfoundland, Canada, totalling 13,625 hectares. Copper Keg was acquired in early 2021, and it is the Company's flagship asset where most of the resources and attention are focused.

Copper Keg is the firm's flagship asset where the resources are currently focused. The endeavour on the property is to discover the next copper porphyry deposit in the region, with exploration ongoing on the prospect. DCOP also enjoys upside from any exploration success on Stony Lake, which another company funds. It holds a 0.5% net smelter royalty on the Eaglehead project, which it previously sold to Copper Fox. District Copper is an early-stage exploration story, searching for the next copper discovery in a highly prospective region close to the world-class Highland Valley copper mine.

Figure 1: Map showing the location of the flagship Copper Keg property



## RECENT CORPORATE HISTORY

We review the DCOP history starting with the Eaglehead asset disposition to Copper Fox Metals in early 2020, as this event set in motion the subsequent focus of the firm on the Copper Keg project, which is now the Company's flagship asset. Following the sale, the firm continued exploration efforts on its Stony Lake prospect, where results from a field program and an airborne survey outlined a 2-3 km structural corridor, within which anomalous gold occurrences correlate with NE-trending fault zones. The analysis has outlined areas of interest for further follow-up investigation before the prospect was optioned from Global Vanadium Corp.

Table 1: Summary of 2020 news release

Year	Month	Day	News release
2020	OCT	29	Corporate changes and property disposition approved at AGM
	JUL	30	Newfoundland claims optioned to Global Vanadium Corp
	MAY	21	Conditional approval for sale of Eaglehead received
	MAR	5	Airborne survey outlines multiple gold targets at Stony Lake
	FEB	10	DCOP sells Eaglehead to Copper Fox Metals

Source: Company news releases

In 2021, the firm acquired the Copper Keg project in BC, Canada and concluded the sale of its Eaglehead property in February. Copper Keg became the flagship property of DCOP, with additional ground staked and a field program carried out that included an induced polarization (IP) survey along a 23 km line designed to investigate exploration targets at depths of 600-800 m, as well as a mapping program. DCOP successfully raised the funds to carry out its 2021 plans.

Table 2: Summary of 2021 news releases

Year	Month	Day	News release
2021	DEC	23	1.65 million stock options granted @ \$0.16 for 3 years to directors
	DEC	14	Additional land added to Copper Keg, IP survey completed
	NOV	23	PP closed for \$0.43 million
	NOV	3	Non-brokered private placement for \$0.43 million announced
	SEP	29	Field program announced for Copper Keg
	JUN	18	10 to 1 share consolidation, subject to TSX approval
	APR	9	Additional claims staked in Kamloops mining district surrounding Copper Keg
	FEB	10	Sale of Eaglehead to Copper Fox completed
	FEB	9	Copper Keg project acquired in BC, Canada

Source: Company news releases



The 2022 exploration plan for Copper Keg entailed flying airborne high-sensitivity magnetic and radio-metric surveys. The magnetic portion of the survey was expected to yield key information about the structural framework on the property, and all the information was to be combined with the results from the IP survey. The expected result was to outline the location and depth of suspected late-stage intrusive bodies with potassic alteration halos (related to magnetite content) to vector in on mineralized porphyry centres. The 2021 IP survey results indicated two large chargeability targets that merit further investigation, while the data from the 2022 survey was still being processed, and further mapping took place over the summer period.

Table 3: Summary of 2022 news releases

Year	Month	Day	News release
2022	OCT	27	Exercise of 3 million warrants amended from \$0.15 to \$0.10
	MAY	11	Stony Lake: Results of magnetic vector inversion announced
	MAY	4	Dillon Sharan appointed to the board
	APR	6	Corporate change and land addition at Copper Keg
	APR	5	Fieldwork for Copper Keg announced
	MAR	29	Results of airborne survey announced on Copper Keg
	MAR	21	Two large chargeability targets identified on Copper Keg + Airmag survey completed
	MAR	14	2022 Plans for Copper Keg announced
	FEB	23	Board change: Braden Jensen replaces Hrayr Agnerian

Source: Company news releases

Fieldwork entailed more mapping and sampling to collect additional information, supplementing previously collected geophysical data to define drill targets. The resource on the Eaglehead project was updated, in which DCOP retains a 0.5% NSR. The field program consisted mostly of soil sampling, which was possibly followed up by geophysics surveys, either on the ground or in the air. Anomalous copper values were returned for multiple samples on the newly acquired claims, and the areas from which these samples were drawn merit further follow-up investigation.

Table 4: Summary of 2023 & 2024 news releases

Year	Month	Day	News release
2024	OCT	31	Encouraging exploration results at Copper Keg
	JUN	13	Field work commenced at Copper Keg for the season
	JUN	12	More claims added to Copper Keg
Year	Month	Day	News Release
2023	AUG	31	Copper Fox updates the MRE for Eaglehead project
	AUG	15	Field season update for Copper Keg in 2023

Source: Company news releases

The outlined exploration plans for 2025 included the expansion of airborne radiometric/magnetic surveys to cover the newly acquired land, adding four new lines to the IP survey to extend coverage, 3D inversion of IP and all airborne data, and continued mapping with a focus on structure, alteration, and mineralization. The outcome of the most recent work was an improved understanding of the porphyry copper potential at Copper Keg. In the Gossan area of the property, a combination of alteration patterns, mineralized and unmineralized veinlets and the occurrence of porphyritic dikes has highlighted the porphyry potential to the DCOP exploration team. The outcome of petrographic and geochemical studies is currently being eagerly awaited.

Table 5: Summary of 2025 news releases

Year	Month	Day	News release
2025	JUL	24	Update on Cu-porphyry target at Copper Keg
	JUL	18	Investor relation services engaged
	JUL	3	\$0.541 million raised @ \$0.05 per share + \$0.075 3-year warrant
	MAY	15	Summer field program started at Copper Keg
	FEB	11	Copper Keg: Exploration plans for Cu-porphyry announced

Source: Company news releases

## SALE OF EAGLEHEAD PROPERTY

On February 10, 2020, DCOP sold its Eaglehead property to Copper Fox Metals. The sale was concluded for a total of \$1.2 million in cash payments, with \$0.05 million paid upon signing, \$0.15 million paid upon closing, and the balance paid on the three anniversaries following the closing. DCOP also retains a 0.5% net smelter royalty (NSR) on the property on any future production. At the time of the transaction, Copper Fox Metals already owned 24.4% of DCOP; therefore, the transaction was not considered to be at arm's length. Therefore, an independent valuation report was commissioned, which was completed by Evans & Evans LLC and valued the property at around \$1.2– \$1.7 million, assuming 100% ownership. Thus, DCOP appears to have realized a good cash sales price for its asset and even retains a 0.5% NSR, which allows it to benefit from exploration upside on its sold asset and any eventual production brought forward on the property.

Table 6: Mineral resources estimate (MRE) for the Eaglehead property

Class	NSR Cutoff [C\$/t]	Tonnage [kt]	NSR [\$/t]	CuEq [%]	Cu [%]	Mo [%]
Indicated	5.5	70810	24.74	0.326	0.221	0.0108
Inferred	5.5	242331	18.64	0.246	0.192	0.0035

Class	Au [g/t]	Ag [g/t]	Cu [Mlb]	Mo [Mlb]	Au [koz]	Ag [koz]
Indicated	0.061	0.9	345	16.9	139.6	2151
Inferred	0.043	0.6	1025	18.7	335.8	4971

Source: Technical report, August 2023

Copper Fox published its latest MRE on the property in August 2023. The Mineral Resource is reported within a conceptual pit shell reflecting reasonable prospects of eventual economic extraction, using 50° slope angles and metal prices of Cu US\$3.50/lb, Mo US\$20/lb, Au US\$1,750/oz, and Ag US\$20/oz at an exchange rate of US\$0.77 per C\$. Average metallurgical recoveries applied are 89.9% for Cu, 71.1% for Mo, 78.6% for Au, and 78.1% for Ag. Resources are reported above a C\$5.50/t NSR cut-off, inclusive of processing, general and administrative (G&A), and tailings costs. NSR assumptions include payabilities of 97% for Cu and Au, 90% for Ag, and 99% for Mo, with standard deductions, smelting, refining, and transport charges applied. Tonnages are stated in metric tonnes, with Cu and Mo grades reported as percentages, Au and Ag grades as grams per tonne, and contained metal in pounds (Cu, Mo) and troy ounces (Au, Ag). Totals may not reconcile due to rounding. Mineral Resources for the Eaglehead Project are reported on a 100% basis.

Based on the NSR calculated in the MRE and its underlying assumptions, one can project a total NSR in excess of \$6 billion, of which over \$300 million would accrue to the 0.5% NSR royalty holder, currently DCOP. This NSR provides shareholders in DCOP with significant indirect exposure to the Eaglehead property, which may result in substantial cash flows accruing to DCOP in the future, either through royalty payments received or potentially through the sale of the NSR royalty, offering a non-dilutive means of funding to advance its exploration assets.

Table 7: NSR calculations based on the most recent MRE

Class	NSR cutoff [C\$/t]	Tonnage [kt]	NSR [\$/t]	NSR [M\$]	0.5% NSR [M\$]
Indicated	5.5	70810	24.74	1752	88
Inferred	5.5	242331	18.64	4517	226
<b>Total</b>				<b>6269</b>	<b>313</b>

Source: Technical report, August 2023; Couloir Capital

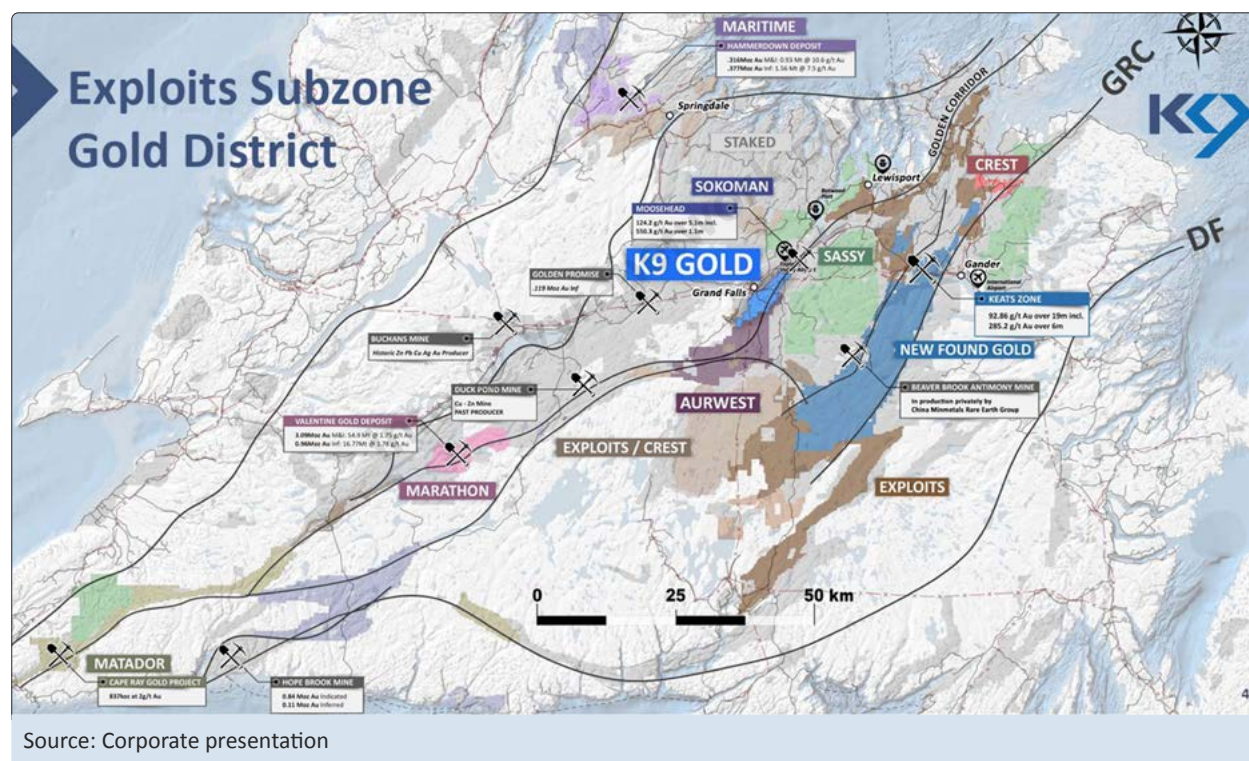


Source: DCOP

## STONY LAKE PROPERTY — GOLD EXPOSURE

In July 2020, the firm signed a land option agreement with Global Vanadium Corp (GLV), now renamed K9 Gold Corp, to earn up to a 100% interest in the eight claims comprising the Stony Lake property in central Newfoundland. Global Vanadium Corp could earn a 75% interest in the Property by making a series of payments, share issuances, and exploration commitments to District Copper. Within 15 business days of TSX Venture Exchange approval, GLV had to pay District \$75,000 in cash and issue 500,000 shares. By the 15-month anniversary, a further \$125,000 was to be paid, with at least \$150,000 spent on exploration, and 1.2 million shares were to be issued. By the second anniversary, GLV had to pay an additional \$150,000, increase total exploration spending to at least \$400,000, and issue another 1.6 million shares. The option to obtain a 75% interest in the property was exercised. DCOP retains a 25% interest in the property that the majority owner is actively exploring.

Figure 2: Location of Stony Lake property in Newfoundland



The property covers 13,625 hectares and is in an exploration district that hosts numerous large deposits. It has undergone a range of exploration work within its boundaries, including direct current induced polarization, soil sampling (over 3,000 samples), trenching, geological mapping, and drilling (6,865 m in 24 holes). Past drilling has intersected numerous intervals of gold-bearing rock within the property, highlighting the property's gold endowment. Further drilling, geophysical, and other investigations will be



required to follow up on areas of interest, such as Jumper's Pond, Moonlight, and Deliverance zones. The current arrangement effectively gives shareholders in DCOP a 25% carried interest in any exploration activities and the resulting upside from any favourable news linked to the property.

Table 8: Summary of 2021 & 2022 drilling highlights

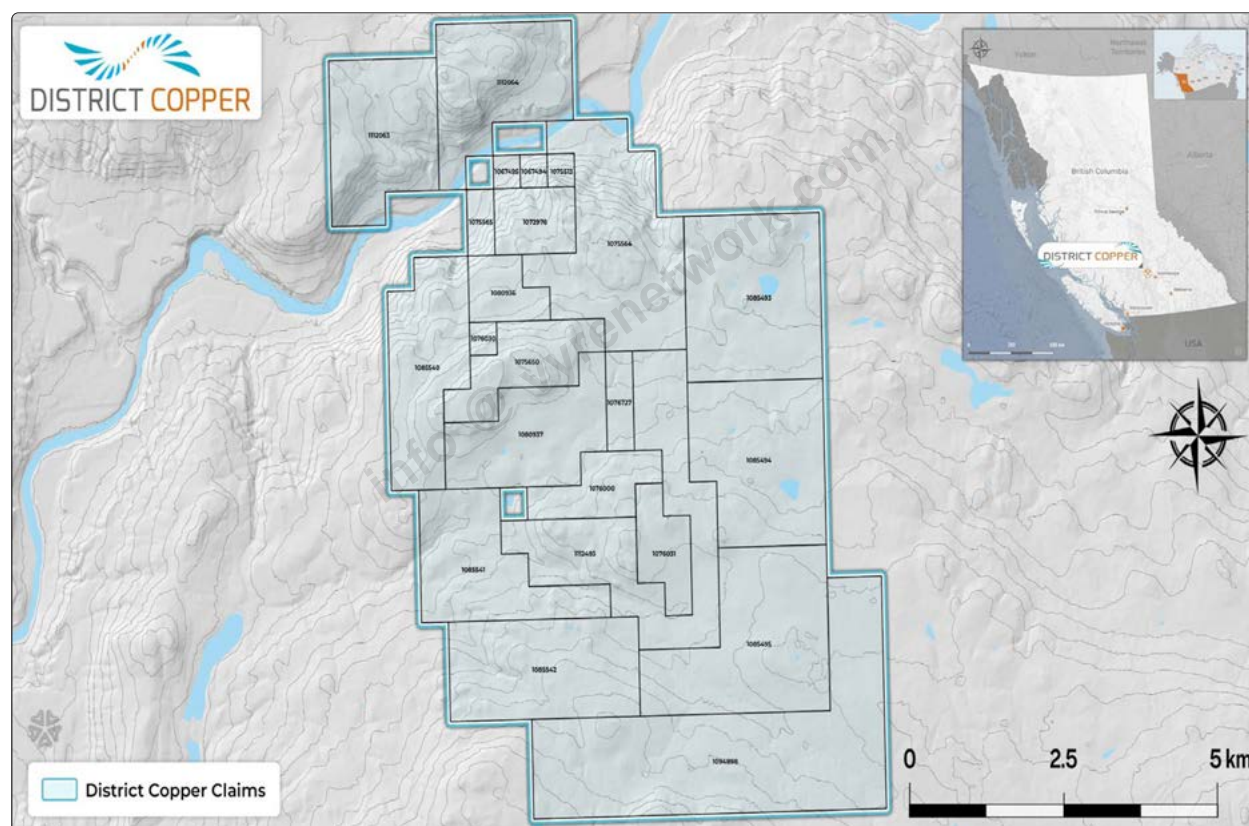
Year	DDH	From [m]	To [m]	Interval [m]	Au [g/t]
2021	JP21-012	175	197.2	23.2	0.77
		245	260	15	0.96
		297	317	20	0.94
	JP21-019	73.4	84.55	11.15	0.62
	JP21-022	32.15	81	48.85	0.28
		97	224.4	127.4	0.61
	incl.	98.5	150.9	52.4	0.93
	JP21-023	136.8	164.8	28	0.61
	JP21-024	20.85	35.6	14.75	0.4
		120.3	160.1	39.8	0.55
2022	JP22-025	343.45	349.9	6.45	0.33
	JP22-026	74.8	89	14.2	0.51
		105.5	115.7	10.2	0.8
	JP22-028	155.4	164.9	9.5	0.87
		202.8	204.25	1.45	1.23
		316.85	318.6	1.75	2.13
	JP22-029	238.75	270.5	31.75	1.52
	JP22-030	225	252.35	27.35	1.88
	incl.	229.5	244.35	14.85	3.18
	incl.	234.5	237.35	2.85	5.36
	JP22-031	149	155.8	6.8	1.71
		151	155.8	4.8	2.32
	JP22-032	180	183	3	1.18

Source: Corporate website

## PROPERTY HISTORY

The property was explored on and off between 1970 and 2021, with limited work carried out, including outcrop sampling, small-scale soil sampling, and geophysical surveys. In February 2021, the firm acquired the Copper Keg project in British Columbia, adding an exciting early-stage copper exploration play to its portfolio. It executed a purchase option agreement with a prospector to acquire a 100% interest in exchange for a \$105,000 payment (\$5,000 on signing, \$25,000 after 6 weeks and \$75,000 18 months after TSX acceptance), issuance of 7,500,000 shares (2,500,000 after six weeks, 5,000,000 after 18 months) and a \$200,000 expenditure (within 18 months) on the property.

Figure 3: Location of Copper Keg property

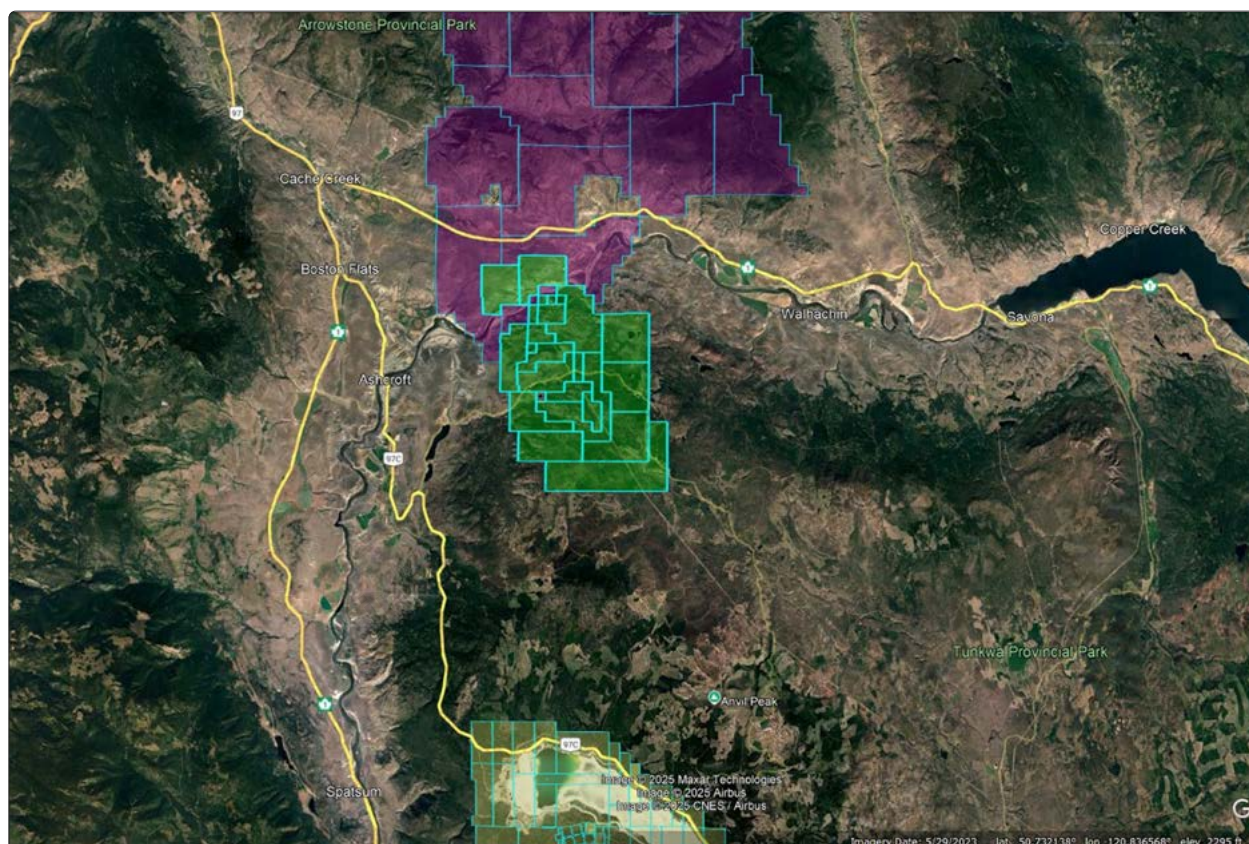


Source: Corporate presentation

## LOCATION AND INFRASTRUCTURE

The project is in British Columbia, Canada, with highways passing close by the property, small towns offering basic amenities and lodging nearby, and a grid line running directly through the property. Additionally, the property has access to gas and rail. All these features are meaningful advantages if a mineable deposit is found on the property, as they will help to reduce development costs. Having Anglo Teck's Highland Valley operation 20 km to the south helps ensure the availability of relevant, qualified personnel in the area to carry out work and access specialized equipment.

Figure 4: Fremont property in proximity to key infrastructure



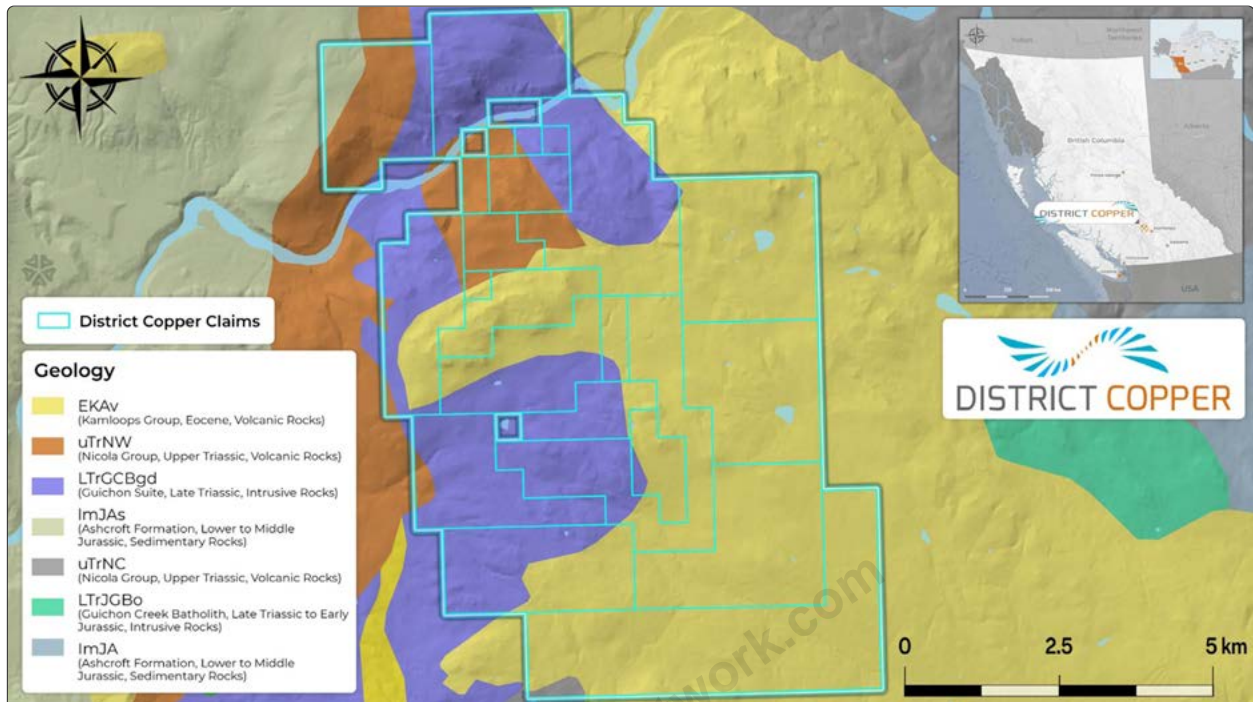
Source: Corporate website

## REGIONAL GEOLOGY

The Late Triassic Guichon Creek batholith hosts the world-class Highland Valley Cu-Mo porphyry system, which comprises at least seven well-explored mineralized centers (Valley, Bethlehem, Highmont, J.A., Getty North, Getty South, and Lornex). The batholith consists of five concentrically zoned intrusive rock bodies (Border, Highland Valley, Bethlehem, Skeena, and Bethsaida), with younger rocks towards the center. Near mineralized portions of the batholith, porphyry stocks and dikes are common, and the Bethlehem, Skeen, and Bethsaida rock bodies host porphyry Cu ( $\pm$  Mo) mineralization. At Copper Keg, the hunt is ongoing for the next Cu ( $\pm$  Mo) discovery.

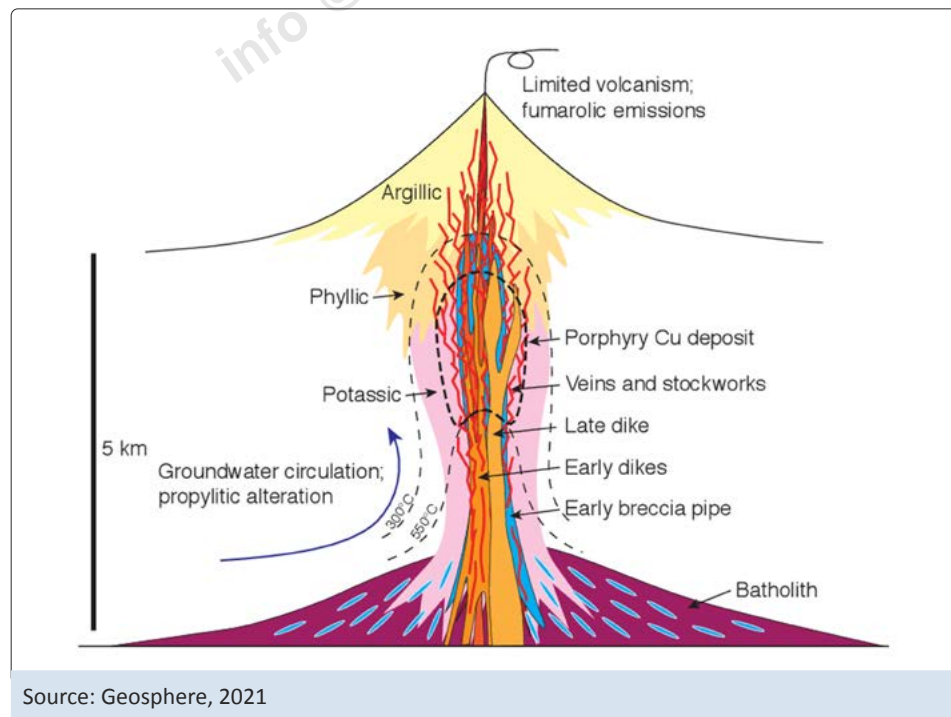


Figure 5: Map outlining the main geological units on the property



Source: Corporate website

Figure 6: Schematic representation of a copper porphyry



Source: Geosphere, 2021



## COPPER PORPHYRY

At Copper Keg, DCOP is exploring for a copper porphyry deposit, which tends to exhibit specific mineral alteration halos, allowing well-trained exploration teams to vector in on the zone where mineralization is most likely to occur. The 'Main Gossan' is a large pyritic zone on the property that is spatially associated with an argillic altered zone. This zone could be what is sometimes referred to as the 'pyrite shell.' Placing this zone in context with the diagram below of typical copper porphyry alteration reveals that it may indicate the presence of a porphyry copper deposit at depth. The presence of chalcopyrite and bornite, often the main copper-bearing minerals in mined deposits, and malachite (a secondary copper mineral precipitated from solution) hints at the copper endowment present on the property.

Figure 7: Main Gossan zone on the Copper Keg property

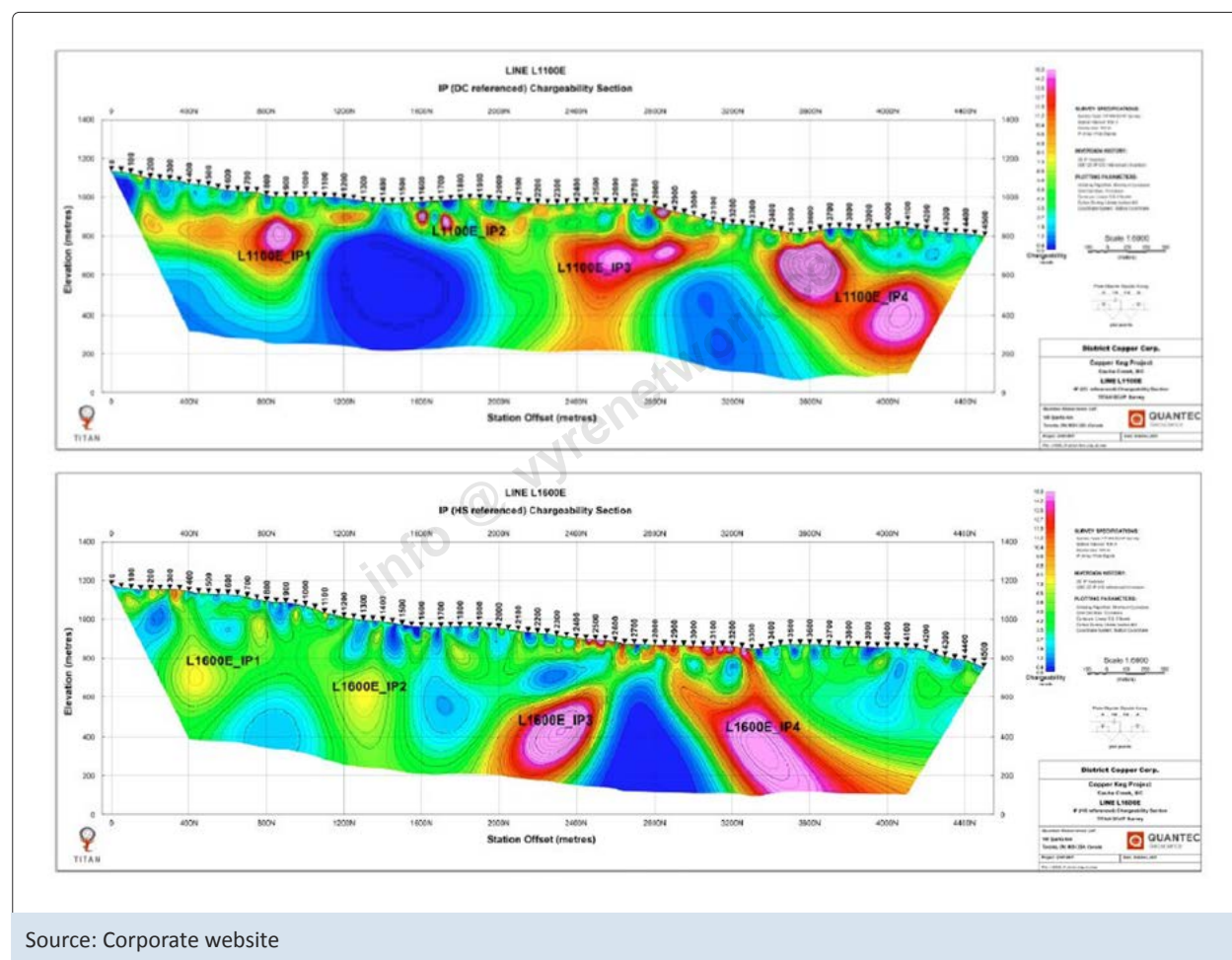


Source: Corporate website

## GEOPHYSICAL INVESTIGATIONS AT COPPER KEG

A geophysical survey using the induced polarization (IP) method has yielded some intriguing results. IP surveys are used to map the subsurface space in terms of resistivity and chargeability. When looking for copper mineralization, areas where low electrical resistivity (conductive zones) and high chargeability overlap are of particular interest. High chargeability is often associated with the presence of chargeable minerals, such as copper-bearing metal sulphides. The red/pink areas in the representations below highlight areas of particular interest that merit follow-up investigations.

Figure 8: Schematic representation of IP survey results



## HIGHLAND VALLEY OPERATION

20 km South of the Copper Keg project, Teck's Highland Valley operation continues to churn out large amounts of copper. A mineral resource estimate dating back to January 1995 outlined deposits containing over 2 million tons of copper and almost 40,000 tons of molybdenum, at today's prices, which equates to a nominal value of contained metal in excess of US\$43 billion.

Table 9: Historic MRE and nominal value of contained metals

MRE tonnage	Element	Grade	Contained metal	Value [US\$/t]	Nominal [MUS\$]
539,700,000	Cu	0.42%	2,266,740	9500	21,534,030
539,700,000	Mo	0.0073%	39,398	40000	1,575,924

Source: Teck corporate website

An announcement in 2025 outlined the extension of the mine's life to 2046, with an average annual production of 132,000 tons of copper. The operational results summarized in the table below demonstrate the potential for harnessing massive economic benefits from this type of porphyry deposit, located in the vicinity of the Copper Keg project.

Table 10: Operational results from Teck's Highland Valley operation

(\$ in millions)	2024	2023	2022
Revenue	\$1,303	\$1,125	\$1,454
Gross profit (loss)	\$221	\$237	\$580
Gross profit (loss) before depreciation and amortization	\$471	\$391	\$738
Production (thousand tonnes)	102	99	119
Sales (thousand tonnes)	103	98	127

Source: Teck corporate website

## JURISDICTION OVERVIEW

The annual mining survey conducted by the Fraser Institute ranks various jurisdictions (on a national and regional level) globally according to a set of criteria to determine an “Investment Attractiveness Index (IAI).” The IAI is determined by weighting the results of the Policy Perception Index (PPI) (a measure of mining policy attractiveness) with 40% and the Best Practices Mineral Potential Index (a measure for mineral potential) with 60%. The survey is carried out by gathering the views and perceptions of industry professionals regarding various criteria set forth by the institute, such as uncertainty regarding regulation, the legal system, and political stability, to name a few.

In the 2024 edition of the Fraser Institute’s Annual Survey of Mining Companies, Canada’s average rank (equal weights assigned to each ranked territory) was 28th out of 82. Canada ranks ahead of the world’s largest copper producer, Chile, and only second to the U.S., which comes 20th in the Fraser ranking. The country ranks third among major copper-producing countries in the World Bank’s Doing Business Index, behind the U.S. and Australia. Overall, Canada is viewed favourably as a mining jurisdiction due to its political stability, secure rule of law, well-established permitting systems, and a long-standing history of mining.

Table 11: Fraser Institute and World Bank ranking for top copper mining jurisdictions

Country	2023 Production	% of Total	Fraser	World Bank
Chile	5000	22.7%	29	59
Peru	2600	11.8%	40	76
DRC	2500	11.4%	77	183
China	1700	7.7%	NA	31
United States	1100	5.0%	20	6
Russia	910	4.1%	47	28
Indonesia	840	3.8%	36	73
Australia	810	3.7%	46	14
Zambia	760	3.5%	38	85
Mexico	750	3.4%	49	60
<b>Canada</b>	<b>508</b>	<b>2.3%</b>	<b>28</b>	<b>23</b>
RoW	4,522	20.6%		
<b>Total Mine Production</b>	<b>22,000</b>			
Recycling	4,500	17%		
<b>Total Cu Supply</b>	<b>26,500</b>			

Source: Couloir Capital

Copper Keg is located in the territory of British Columbia, which, as a standalone jurisdiction, ranks better than Canada as a whole and is the best-ranking Canadian territory, ahead of Ontario. British Columbia is already an established copper-producing region with multiple operating mines and numerous active exploration projects. Operating in an established mining jurisdiction is typically a significant benefit to an exploration company, as the local government and population are familiar with these types of undertakings



and often rely on the jobs and tax revenue they can generate, which is beneficial for obtaining the required permits to operate and also enables sourcing key personnel and equipment locally, which can help reduce exploration costs.

Table 12: Copper production and Fraser ranking of relevant Canadian territories

Territory	2023 Production	% of Total	Fraser
British Columbia (BC)	233	45.9%	13
Ontario	222	43.7%	15
Quebec	18	3.5%	22
Manitoba	12	2.4%	26
Others	23	4.5%	NA
<b>Total</b>	<b>508</b>		

Source: Couloir Capital

## WHAT'S NEXT FOR DISTRICT COPPER?

The company is currently awaiting the outcome of petrographic and geochemical studies to refine further its understanding of the porphyry potential at Copper Keg. Over the past few years, DCOP has worked on narrowing down targets for further investigation of the property. The likely next step for Copper Keg will be further geophysical investigation on the property, before initiating an initial drill program to test high-priority targets. Until then, we can expect news flow from ongoing exploration studies and the reinterpretation of existing data in light of new findings, which will help to outline future drill targets.

On the Eaglehead and Stony Lake properties, where DCOP retains an interest via NSR or partial ownership, the current operators continue to advance the assets. Any positive news from these projects will be a boost to DCOP as well, which benefits from any upside from either of the two properties.

## PEER COMPARISON

The analyst selected the peer group based on several criteria. Comparable firms need to have a focus on copper projects; their flagship copper asset(s) must be located in British Columbia, Canada. The comparable company is not yet generating cash flow from an operating asset, and its market capitalization is below \$150 million. District Copper's flagship asset is a copper porphyry project in B.C., which is still in the early stages of exploration. Therefore, selecting comparable firms with their flagship copper projects in the same jurisdiction is warranted. Companies that are already producing copper and generating cash flows were removed from the list, as it makes limited sense to compare an exploration-stage asset to a producing one. Finally, the analyst removed firms with a market capitalization exceeding \$150 million, as these firms often have significantly better access to capital than those with smaller market capitalizations (and usually more advanced projects), making them less suitable for comparison. The final list of peers counts 11 firms, including District Copper Corp.

As DCOP does not yet have a published mineral resource estimate (MRE), the metric chosen for comparison is enterprise value per hectare of exploration land. Enterprise value is calculated as the market capitalization plus the market value of total debt, minus cash and cash equivalents, as per the latest financial statement, adjusted for any new capital raised since the last reporting date. The hectares of land were determined by first adjusting the area of each project based on the level of advanced exploration on that property. Pre-MRE project areas were divided by 0.8 to increase the land size and lower the EV/Land ratio, reflecting the lower level of certainty associated with pre-MRE properties compared to more thoroughly explored land packages. Project areas with a preliminary economic assessment (PEA) were divided by 1.2 to decrease the land size and increase the EV/Land ratio, reflecting the higher certainty as compared to pre-MRE properties. For projects with an existing MRE, the land area was left unchanged.

Table 13: Enterprise value calculation for peer group (as of 19.09.2025)

Company	Market Cap [\$ million]	Total Debt [\$]	Cash + Cash Equiv. [\$]	PP [\$]	EV [\$]
<b>District Copper Corp.</b>	<b>2.6</b>	<b>65,951</b>	<b>261,184</b>	<b>-</b>	<b>2,404,767</b>
Kodiak Copper	69.46	4,870,965	4,871,261	-	69,459,704
Kobrea Exploration	13.37	139,612	3,292,693	-	10,216,919
Trailbreaker Resources	10.376	268,936	1,308,656	-	9,336,280
American Eagle	98.54	1,742,363	35,177,500	-	65,104,863
Quartz Mountain Resources	62.01	334,328	4,148,889	-	58,195,439
Surge Copper	71.92	4,482,042	1,060,737	5,900,000	69,441,305
Northwest Copper	74.44	1,908,413	265,731	4,100,000	71,982,682
Sun Summit Minerals	41.71	2,964,927	10,276,550	10,000,000	24,398,377
Vizsla Copper	27.38	1,087,737	463,128	5,600,000	22,404,609
Kingfisher Metals	27.53	5,815,179	9,858,997	-	23,486,182

Source: Couloir Capital

From the selected peer group, we exclude the top and bottom outliers to smooth out the data for our valuation. The average ratio of EV to Land in the peer group, excluding outliers, is 903. The DCOP EV/Land factor was adjusted by multiplying it by 0.7 to reflect the relatively lower cash balance compared to the peer group. Having a vast cash balance enables firms to conduct sizable exploration and drilling programs that can quickly add to a firm's market capitalization. A lower cash balance temporarily reduces the upside potential of a property for a firm and thus merits a discount versus cashed-up peers. The adjusted EV/Land ratio of 274 for DCOP, compared to the group average of 903, implies an upside of 230% or a share price of \$0.30 (at a current share price of \$0.09).

Table 14: EV/Land ratio calculation for the selected peer group

Company	Project	Location	Area	Ownership	Attributable	Stage	Adjusted	EV/Land
District Copper Corp.	Copper Keg	B.C.	6,628	100	6,628	Pre-MRE	8,285	192
	Stony Lake	B.C.	13,625	25	3,406	Pre-MRE	4,258	
Kodiak Copper	MPD	B.C.	34,400	100	34,400	MRE	34,400	598
	Mohave	AZ	1,040	100	1,040	Pre-MRE	1,300	
	Kahuna	NU	80,500	100	80,500	MRE	80,500	
Kobrea Exploration	Western Malargüe	Mendoza	73,334	15	11,000	Pre-MRE	13,750	501
	Upland	B.C.	5,300	100	5,300	Pre-MRE	6,625	
Trailbreaker Resources	Liberty	B.C.	9,453	100	9,453	Pre-MRE	11,816	130
	Coho	B.C.	8,000	100	8,000	Pre-MRE	10,000	
	Atsutla	B.C.	40,000	100	40,000	Pre-MRE	50,000	
American Eagle	NAK	B.C.	2,303	100	2,303	Pre-MRE	2,879	22,616
Quartz Mountain Resources	Jake	B.C.	6,731	100	6,731	Pre-MRE	8,414	5,150
	Maestro	B.C.	2,309	100	2,309	Pre-MRE	2,886	
Surge Copper	Berg - Ootsa	B.C.	141,699	100	141,699	PEA	118,083	588
Northwest Copper	Kwanika-Stardust	B.C.	47,000	100	47,000	PEA	39,167	456
	Lorraine-Top Cat	B.C.	65,000	100	65,000	MRE	65,000	
	East Niv	B.C.	43,000	100	43,000	Pre-MRE	53,750	
Sun Summit Minerals	JD-Theory	B.C.	25,000	100	25,000	Pre-MRE	31,250	290
	Buck	B.C.	52,957	100	52,957	MRE	52,957	
Vizsla Copper	Woodjam	B.C.	90,163	100	90,163	Pre-MRE	112,704	98
	Poplar	B.C.	47,000	100	47,000	Pre-MRE	58,750	
	Copperview	B.C.	37,466	100	37,466	Pre-MRE	46,833	
	Redgold	B.C.	8,278	100	8,278	Pre-MRE	10,348	
Kingfisher Metals	HWY 37	B.C.	84,900	25	21,225	Pre-MRE	26,531	222
	Goldrange	B.C.	51,100	100	51,100	Pre-MRE	63,875	
	Thibert	B.C.	12,400	100	12,400	Pre-MRE	15,500	
Average (incl. outlier)							2,804	
Average (excl. outlier)							903	
Discount for cash balance							0.7	
Adjusted EV/Land							274	
Group Ratio							3.2967	

Source: Couloir Capital

## COMPANY FINANCIALS

DCOP's balance sheet is typical of a junior exploration company, which often does not generate cash flow and relies on public equity markets to fund its exploration activities. As a result, cash balances are often limited, there are usually minor short-term debts, and little or no long-term debt. Exploration assets are commonly the largest asset and overall position on the balance sheet.

Table 15: DCOP balance sheet since 2020

Recommended: S&P Capital IQ - Standard	2020 FY	2021 FY	2022 FY	2023 FY	2024 FY	2025 Q1	2025 Q2	Total
<b>Current Assets</b>								
Cash and cash equivalents	26,799	174,762	367,554	322,086	234,098	138089	261184	1,524,572
Marketable securities	197,500	15,750	80,000	27,500	NA			320,750
Goods and services tax recoverable	3,926	5,429	4,354	3,261	3,516	4945	6037	31,468
Promissory notes	NA	340,000	330,000	330,000	NA			1,000,000
Prepaid expenses	NA	NA	458,182	65,455	NA			523,637
<b>Total current assets</b>	<b>228,225</b>	<b>535,941</b>	<b>1,240,090</b>	<b>748,302</b>	<b>237,614</b>	<b>143034</b>	<b>267221</b>	<b>3,400,427</b>
<b>Noncurrent assets</b>								
Exploration and evaluation assets	2,282,119	1,256,092	1,108,069	1,146,665	929,423	931425	909508	8,563,301
Promissory notes	NA	660,000	330,000	NA	NA			990,000
Reclamation deposit	212,000	NA	NA	NA	NA			212,000
<b>Total assets</b>	<b>2,722,344</b>	<b>2,452,033</b>	<b>2,678,159</b>	<b>1,894,967</b>	<b>1,167,037</b>	<b>1074459</b>	<b>1176729</b>	<b>13,165,728</b>
<b>Current liabilities</b>								
Accounts payable and accrued liabilities	249,243	130,401	88,043	46,803	40,923	16593	65951	637,957
<b>Total current liabilities</b>	<b>249,243</b>	<b>130,401</b>	<b>88,043</b>	<b>46,803</b>	<b>40,923</b>	<b>16593</b>	<b>65951</b>	<b>637,957</b>
<b>Noncurrent liabilities</b>								
Decommissioning provision	239,109	0	0	0	0			239,109
<b>Total non-current liabilities</b>	<b>239,109</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>239,109</b>
<b>Total liabilities</b>	<b>488,352</b>	<b>130,401</b>	<b>88,043</b>	<b>46,803</b>	<b>40,923</b>	<b>16,593</b>	<b>65,951</b>	<b>877,066</b>

Source: DCOP Financial Statements

The income statements indicate net losses for the previous periods, which is expected, as the company deploys its raised capital on its exploration assets to uncover hidden mineral deposits and generate shareholder value in the process and currently does not generate revenue. A very welcome aspect of the expenditures is that the vast majority of funds were spent on advancing the exploration assets. Consulting and professional fees make up over 73% of expenditures since 2020. These funds are allocated towards items such as geophysical and geological works carried out on respective properties, which help develop the exploration thesis, define drill targets, and ultimately lead to a mineral discovery, benefiting all shareholders.



Table 16: DCOP income statements since 2020

	2020 FY	2021 FY	2022 FY	2023 FY	2024 FY	2025 Q1	Total	% of Total
<b>Expenses</b>								
Rent	(9,000)	(5,730)	(7,200)	(5,344)	(745)		(28,019)	1.0%
Advertising and promotion	NA	NA	(52,364)	(78,545)	(13,091)	0	(144,000)	5.1%
Consulting	(206,750)	NA	NA	NA	NA	(60000)	(266,750)	9.5%
Directors' fee	(6,500)	NA	(3,000)	(6,000)	(6,000)	(1,500)	(23,000)	0.8%
Professional fees	(60,893)	(148,514)	(58,306)	(35,309)	(42,054)	(366)	(345,442)	12.3%
Consulting fees	NA	(204,000)	(437,599)	(517,909)	(287,818)		(1,447,326)	51.7%
Office and sundry	(13,559)	(18,018)	(24,356)	(23,441)	(20,115)	(5,182)	(104,671)	3.7%
Recovery of exploration expense	46,626	NA	NA	NA	NA		46,626	(1.7%)
Stock based compensation	NA	NA	(234,764)	NA	NA		(234,764)	8.4%
Other operating (expenses)/income	NA	239,582	NA	NA	NA		239,582	(8.6%)
Impairment of mineral property	(136,950)	NA	NA	NA	NA		(136,950)	4.9%
Impairment of property	NA	NA	NA	NA	(410,368)		(410,368)	14.7%
Gains on sales of marketable securities	NA	75,015	NA	NA	NA		75,015	(2.7%)
Gain/(loss) on sale of marketable securities	NA	NA	114,868	11,060	(41,842)		84,086	(3.0%)
Fair value adjustment of marketable securities	NA	(13,875)	(88,000)	NA	NA		(101,875)	3.6%
Shareholder communication	(12,268)	(17,859)	(43,195)	(45,779)	(15,939)		(135,040)	4.8%
Transfer agent and regulatory	NA	(13,011)	(8,560)	(13,185)	(16,835)		(51,591)	1.8%
Gain on sale of mineral property	NA	118,631	24,999	NA	NA		143,630	(5.1%)
Other	(27,440)	419	0	(27,500)	27,757	(1,200)	(27,964)	1.0%
Earnings before taxes	(426,734)	12,640	(817,477)	(741,952)	(827,050)		(2,800,573)	100.0%

Source: DCOP Financial Statements

## COMPANY OWNERSHIP

Currently, there are 34.12 million shares outstanding, with more than 65% held in public hands, which helps provide some liquidity for market participants to enter and exit positions. Individuals and insiders hold 24.91% of the outstanding shares, which helps align the interests of management and insiders with those of shareholders. A public corporation, Copper Fox, holds 9.75% in the company, which is a positive signal for retail investors. Copper Fox's (CUU) holding in DCOP shows that the team at CUU sees potential in both the management team and the assets of DCOP. Additionally, DCOP can benefit from the technical expertise and industry network of CUU, which will help the company maintain a clear exploration strategy and possibly make access to financial resources a bit easier.

Table 17: Holdings by investor type, float summary, and insider holdings

Type	Common stock equiv. held	% of Outstanding	Float summary	
Corporations (public)	3,328,326	9.75%	Float excluded shares	11,828,326
Individuals/insiders	8,500,000	24.91%	Free float shares	22,295,835
Public and other	22,295,835	65.34%	Shares outstanding	34,124,161
	<b>34,124,161</b>		Float %	65.34%
			Options outstanding	0
			Warrants outstanding	3,958,000
			Fully diluted	38,082,161

Name	Position	Owned	%
Jrevin Werbes	President, CEO & Director	272,543	0.80%
Braden Jensen	CFO & Director	100,000	0.29%
Christopher Healey	Chief Geologist & Director	12,000	0.04%

Source: Capital IQ; DCOP Guidance

The warrant and option schedule is very lean, with just under 4 million warrants issued and outstanding, due to expire at the end of April 2028. The securities are currently in the money and still have a considerable time to go before expiry, and therefore, exercise of the warrants is deemed likely. This will lead to minor shareholder dilution but also bring close to \$300k into the treasury, which the firm can use towards advancing Copper Keg.

Table 18: DCOP warrant and option schedule

Security Type	Number	Exercise Price	Expiry
Warrants	3,958,000	0.075	30 Apr 2028

Source: DCOP Financial Statements

## ESG RATING

District Copper's ESG profile reflects that of a small, early-stage explorer with experienced leadership, but limited scale. Management has multi-year continuity with President & CEO Jevin Werbes and senior technical staff showing long tenures and extensive exploration experience, which supports operational consistency. The corporate structure is straightforward, and governance is lean, with multiple board members also actively involved in management. Insider ownership appears to be strong (almost 25%), with Copper Fox holding a significant block. That ownership mix supports alignment but also means limited institutional governance pressure. Financial reporting quality is good, with a majority of relevant topics addressed and detailed reporting on expenditure of funds, allowing the public to track where the company spends the capital it has raised. As with all junior exploration companies, investors should monitor dilution risk.

Regarding community and environment, District Copper's activities to date are in the early stages: exploration programs emphasize targeted mapping and minimal surface disturbance, and the company has outlined a permitting and community engagement approach for future work. No public permitting violations or major local-impact incidents are evident in recent disclosures. Continued transparency on social license, baseline environmental studies, and clear permitting milestones will be key ESG priorities as the company advances.

Figure 9: ESG Rating

	ESG Rating Strength				
	Very Poor	Poor	Moderate	Good	Very Good
Management track record					
Corporate structure					
Insider ownership					
Institutional and HNW presence					
Board independence					
Financial reporting quality					
Shareholder dilution track record					
Local socioeconomic impact					
Minimal environmental disturbance					
Permitting track record					
<b>Overall</b>					

Source: Couloir Capital

## CONCLUSION

District Copper is advancing its early-stage Copper Keg project in British Columbia. Work in recent years has continuously refined the understanding of the property's geology, and exploration targets are being delineated for follow-up investigation. Management will determine the next exploration steps once the results of a recent petrographic and soil sampling study are received and interpreted. The company will likely conduct additional geophysical studies before proceeding to initial drill testing to confirm its exploration thesis. Based on our relative valuation approach and the positive outlook for copper, **we are initiating coverage on District Copper with a positive outlook over the next 12 months, assigning a BUY rating and a target price of \$0.30.** The company has several features that we see as supporting a higher share price:

The Copper Keg project is highly prospective for copper porphyry mineralization and is just 20 km North of the world-class Highland Valley copper mine. Initial geological, geophysical, and geochemical surveys, along with observable alteration patterns at the surface, indicate the presence of a mineralized porphyry. Additional work is required before drill testing priority targets to confirm the exploration thesis.

- ◆ DCOP retains upside in projects it previously operated. Copper Fox's Schaft Creek is being advanced by Teck, which has significant spending commitments on the property, where DCOP holds a 0.5% NSR. The firm also has a 25% in Stony Lake, which K9 Gold is advancing. Any positive developments on either project also benefit District Copper.
- ◆ The company operates in a jurisdiction that is mining-friendly, as evidenced by surveys and the current operation of multiple mines across the territory. This setting facilitates permitting, the availability of skilled labour and equipment, as well as communal support for exploration and mining. Additionally, copper is trading at high prices due to a tight supply, and it remains on Canada's critical minerals list, which can be advantageous for obtaining funding.
- ◆ Management and insiders hold a significant share of the company (approximately 25%), aligning their interests with those of shareholders, which is a key feature. Through its ownership stake in the company, management is incentivized to maximize shareholder wealth generation.
- ◆ Based on the valuation method used in this report and its underlying assumptions, we project a target price of \$0.30 per share. The company appears undervalued compared to its peers operating in the same jurisdiction.



## RISKS

The following outlines some of the key risk considerations that investors should keep in mind when evaluating DCOP as an investment opportunity:

- ◆ **Exploration and development risk:** The results from further exploration efforts and development studies on the projects may turn out to be less favourable than anticipated and could put downward pressure on the share price.
- ◆ **Commodity price risk:** The rise and fall of natural resource stocks, including junior mining companies, is usually tied to some degree to the price of the underlying commodity. In the case of DCOP, the principal underlying commodity is copper, for which we have outlined a long-term price floor in this report. The reader is cautioned, however, that prices may fall well below that level in the short and medium term and that the company is levered to the price of copper.
- ◆ **Wider market risk:** Like most other equities, DCOP will be at the mercy of broader market fluctuations and will be affected by the Fed's tapering, changes to the outlook for rate hikes and inflation, and lingering concerns surrounding a potential downturn in economic activity.
- ◆ **Dilution of existing shareholders:** If non-dilutive funding options are not available, the company may need to issue additional shares to cover expenditures, which may result in some degree of dilution for existing shareholders. If market developments are favourable, the impact may be diminished; if the market developments are adverse the impact may be accentuated.



Source: DCOP

## APPENDIX 1 — MANAGEMENT AND BOARD OF DIRECTORS BIOGRAPHIES

### MANAGEMENT AND BOARD

#### Jevin Werbes — President, CEO & Director

Jevin Werbes has served as Chief Executive Officer and President of District Copper Corp. (formerly Carmax Mining Corp.) since October 15, 2010. He previously held the same roles at Ansell Capital Corp. from April 2009 to May 30, 2014.

Mr. Werbes began his career in the mining industry as a field hand in exploration projects in British Columbia and later in Nevada. He went on to build a career in corporate development, finance, and investor relations, including as Principal of JMW Capital Corp. He has been particularly successful in supporting junior companies with venture capital financings.

In addition to his executive leadership, Mr. Werbes has held several board positions. He served as Chairman and Director of Power Group Projects Corp. (formerly Cobalt Power Group Inc.) from February 1, 2016, to February 16, 2018, and as a Director of Casa Minerals Inc. from January 14, 2011, to May 10, 2019. He has been a Director of District Copper Corp. since October 15, 2010, and of Plicit Capital Corp. since May 25, 2011. He also served as a Director of Ansell Capital Corp. from March 27, 2009, to May 30, 2014.

#### Braden Jensen, C.A. — CFO & Director

Braden Jensen, CPA, C.A., B.Comm, has served as Chief Financial Officer of Surge Battery Metals Inc. since June 30, 2023. He previously held the role of Chief Financial Officer at Copper Fox Metals Inc. from August 2, 2015, to April 23, 2021, and at Power Group Projects Corp. (formerly Cobalt Power Group Inc.) from August 10, 2015, to February 16, 2018.

He is also the Chief Financial Officer and a Director of District Copper Corp. (formerly Carmax Mining Corp.), a position he has held since February 23, 2022.

He began his career with KPMG LLP, gaining traditional training in public practice with a focus on commodities-based accounting and tax. He later transitioned into the mining industry, working with Wellgreen Platinum Ltd. in mineral exploration, construction, and operations reporting. Mr. Jensen is a Chartered Accountant and holds a Bachelor of Commerce degree from the University of Victoria.

#### Chris Healey, P.Geo — Chief Geologist & Director

Christopher Healey, BSc, P.Geo., is an experienced geologist and mining executive with decades in the natural resources sector, specializing in uranium exploration and extraction. He currently serves as Chief Geologist and Director at District Copper Corp., Chief Executive Officer and President of Rainmaker Resources Ltd., Chief Geologist and Director at K9 Gold Corp., and Principal Geologist of Healex Consulting.

Mr. Healey has held senior leadership roles including CEO and President of Global Copper Group Inc., Titan Uranium Inc., and Uranium Power Corp., as well as Vice President of Exploration at Power Group Projects

Corp. and Cue Resources Ltd. Earlier in his career, he worked more than 20 years with Cameco Corporation, managing U.S. operations and contributing to the discovery of world-class uranium deposits such as Cigar Lake and McArthur River.

He has extensive international experience, working on uranium projects across Canada, the U.S., Paraguay, Kazakhstan, Mongolia, Australia, and Malawi. In addition to executive roles, Mr. Healey has served on numerous boards, including Cobalt Power Group Inc., Cue Resources Ltd., Crosshair Energy Corp., Monster Uranium Corp., Jet Metal Corp., and others.

A licensed professional geologist in Wyoming, Mr. Healey was also National President of the Geological Society of the Canadian Institute of Mining, Metallurgy and Petroleum. He holds a Bachelor of Science in Geology from the University of Wales, Swansea, and has published several papers on resource and reserve evaluations.

## BOARD OF DIRECTORS

### Dillon Sharan — Director

Dillon Sharan has served as an Independent Director of District Copper Corp. since April 26, 2022, and was previously a Director of Pace Metals Ltd. (formerly Brigadier Gold Limited) from November 22, 2018. Based in Vancouver, British Columbia, he has worked as a real estate acquisitions analyst since 2017, following earlier roles in investment banking and mortgage financing. Mr. Sharan earned his Bachelor of Commerce from the Sauder School of Business at the University of British Columbia in 2017.

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## OVERALL RISK RATINGS

**Very High Risk:** Venture-type companies or more established micro, small, mid or large-cap companies whose risk profile parameters and/or lack of liquidity warrant such a designation. These companies are only appropriate for investors who have a very high tolerance for risk and volatility and who can incur a temporary or permanent loss of a very significant portion of their investment capital.

**High Risk:** Typically, micro or small-cap companies which have an above-average investment risk relative to more established or mid to large-cap companies. These companies will generally not form part of the broad senior stock market indices and often will have less liquidity than more established mid and large-cap companies. These companies are only appropriate for investors who have a high tolerance for risk and volatility and who can incur a temporary or permanent loss of a significant portion of their investment capital.

**Medium-High Risk:** Typically, mid to large-cap companies have a medium to high investment risk. These companies will often form part of the broader senior stock market indices or sector-specific indices. These companies are only appropriate for investors who have a medium to high tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

**Moderate Risk:** Large to very large cap companies with established earnings who have a track record of lower volatility when compared against the broad senior stock market indices. These companies are only appropriate for investors who have a medium tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

**COULOIR CAPITAL** is a research-driven investment dealer  
focused on emerging companies in the natural resources sector

**SUBSCRIBE TO RESEARCH**

We employ a fundamental-based analysis with the goal of discovering a company's fair value in the context of Macro factors facing each company. In doing so we generate actionable ideas in underfollowed companies where a small number of market participants can rapidly close the gap between price and fair value. Our research reports are disseminated through Bloomberg, S&P Capital IQ, Thomson Reuters, FactSet, and large email lists.

**RESEARCH DRIVEN**

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