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Research Note

Borealis Mining – FY26 Marks Transition to Commercial Production; Baseline for FY27

Rating	Target Price
BUY	**C$2.70**
Unchanged	*Unchanged*

November 11, 2026

Disseminated on Behalf of Borealis Mining Company

All figures in USD unless otherwise stated

Borealis Mining Company Ltd.	**BOGO:TSXV**
Rating	BUY
Target Price	C$2.70
Return to Target	270%

Market Data	
Share Price	C$0.73
Average Daily TSXV Volume (K)	212.9
FD ITM Shares (M)	148.9
Market Cap ($M)	$75.9
Cash ($M)	$16.3
Debt ($M)	$0.0
Enterprise Value ($M)	$59.6

Estimates (FYE Jul 31)	**2026A**	**2027E**	**2028E**
AuEq Production (Koz)	3.0	18.3	35.9
Revenue ($M)	$12.6	$75.5	$151.2
Operating Cash Flow ($M)	($9.2)	$14.1	$53.5
Free Cash Flow ($M)	($9.8)	($0.2)	($1.4)

Valuation	
NAVPS	5.02
P/NAV	0.10x
2027E P/CF	7.71x

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



Borealis Mining is a gold mining and exploration company focused on the advancement of its Nevada-based assets, including ongoing mining and production activities at the Borealis Gold Mine and the development of its Sandman Gold Project. Borealis is led by a strong board and management team, many of whom have founded, managed, and sold highly successful mining and exploration companies.

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What you need to know:

- BOGO reported its FYQ4 and FY2026 operating and financial results for the period ending July 31st.
- Following the restart of mining operations YoY financials have improved significantly, a trend we expect to accelerate in FY2027.
- QoQ gold sales and profit margins improved, which was offset by a lower realized gold price.
- FY2027 production guidance of 15.25-19.25Koz was previously reported, positioning BOGO to begin generating positive cash.

Yesterday, Borealis Mining (BOGO:TSXV, BORMF:OTCQB, L4B0:FSE) reported its FYQ4 and full-year FY26 financial and operating results. FY26 was a transition year for BOGO, with the resumption of open-pit mining and commercial production (progress pictures below) delivering strong YoY increases in financials vs. FY2025. Given the ramp-up is ongoing, this was largely H2-weighted, and we see FYQ4 as a solid baseline looking ahead to FY27. After producing ~3Koz of gold in FY26, the Company has already guided for 15.25-19.25Koz this fiscal year, which we anticipate will drive a step change in cash generation. **We are maintaining our BUY rating and target price of C$2.70/share on BOGO.**

FY26 Highlights

- Revenue of $12.6M increased +234% YoY from $3.8M in FY25.
- Gross profit of $4.9M rose +904% vs. $0.5M in FY25, highlighting a YoY improvement in gross margin from 13.0% to 39.1%.
- Net loss was significantly reduced YoY from $14.9M to $4.7M.
- Year-end cash balance of $16.3M reflects a ~C$23M bought deal financing, positioning BOGO for the ongoing ramp-up at Borealis, and advancement of Sandman.

FYQ4 Highlights

- Revenue of $3.6M decreased QoQ from $6.1M. While gold sales increased from 0.7Koz to 0.9Koz, realized gold prices declined from $4,869/oz to $4,056/oz.
- Gross profit of $1.6M (44.2% margin) vs. $1.8M (30.3% margin) in FYQ3 displays improving unit costs, translating to higher margins.
- Net loss of $0.13M narrowed from $0.78M in FYQ3.

We will be watching for positive cash generation going forward. Given FY26 ended July 31st and the ramp-up has continued over the last ~3.5 months, financials are largely backward-looking. That said, FYQ4's (May to July) operating cashflow of (-$1.6M) was approaching breakeven, and is a solid baseline looking ahead. FYQ1 (August to October) is already complete, and delivering another quarter of incremental progress will be key when BOGO reports next month. The Company has already provided FY27 guidance of 15.25-19.25Koz (read here) vs. ~3Koz produced in FY2026, setting the stage for a step change in cash generation.

Our Take

Following the first production blast at the end of January, mining has progressed across the East Ridge and Deep Ore Flats pit areas, and BOGO continues to incrementally expand production levels. We are encouraged by the YoY improvements reflected in FY26 financials outlining the first ~6 months of the restart and will be paying particular attention in the coming quarters for BOGO to deliver upon guidance and generate positive cashflow. Given we have already updated our model for FY27 guidance, our production forecast remains unchanged; however, we have updated our costs and gold price expectations. We are forecasting FY27 gold production of 17.7Koz, delivering operating cashflow of $14.1M.

	Q4/26A	Q3/26A	QoQ	2026A	2025A	YoY
Revenue ($M)	$3.6	$6.1	-40%	$12.6	$3.8	234%
Gross Profit ($M)	$1.6	$1.8	-12%	$4.9	$0.5	904%
OCF ($M)	($1.6)	($2.2)	NA	($9.2)	($6.3)	NA
Net Income ($M)	($0.13)	($0.78)	NA	($4.74)	($14.87)	NA

Figure 1: Q4 and FY 2026 Financial Highlights

Q4 Operational Results

During FYQ4, BOGO mined 250Kt of ore at a strip ratio of 3.1:1. 150Kt of material was stacked on the pad, 138Kt of which was crushed, while ~10Kt was directly stacked on the leach pad in July as ROM. We discussed the Company's decision to begin ROM stacking in our October note (read here), which is expected to account for ~60% of material stacked in FY27. Q4's average stacked grade was 0.41 g/t, and the Company poured 0.9Koz of gold and 1.4Koz of silver, which were sold at realized prices of $4,056/oz and $57.87/oz, respectively.

Since the start of operations through the fiscal quarter end, BOGO has stacked 540Kt at an average grade of 0.50 g/t on the active leach pad (HLP6), and as of July 31st, estimates ~2.6Koz of recoverable gold remains in the leach pads, which we expect will be incrementally recovered in subsequent quarters. In addition, 131Kt at a grade of 0.60 g/t Au (~1.7Koz) remains in a high-grade ore stockpile providing operational flexibility. BOGO has made significant progress since restarting operations, which can be seen below in Figures 2-4.



July 2nd 2025:
Crusher mobilized, initial lift being built on NW corner of Phase 2 leach pad.



July 31st 2026:
Cells 1 though 7 on leach pad completed, finishing last cell of lift, Cell 8.
Lime silo installed in crusher area.

Figure 2: Heap Leach Progress FY26 (Source: Company Documents)



January 2026- Pre-mining:
Lowest bench level- 7400RL. Significant step out in ore left on east wall.



July 2026:
7400 bench mined out. Step-out on east wall sloped down and ore mined out. Mining progressed to 7390RL.

Figure 3: East Ridge Mining Progress FY26 (Source: Company Documents)



March 2026- Pre-mining:
Area cleared of vegetation for initial stripping. Dump condemnation drilling identified shallower ore zone at western end of DOF pit and pit design expanded westwards.



July 2026:
Ore zone exposed and mining underway after one bench of stripping on westernmost pit of Deep Ore Flats. Stripping underway on upper benches.

Figure 4: Deep Ore Flats Mining Progress (Source: Company Documents)

Catalysts

- Borealis Ramp Up – Ongoing
- Borealis Cash Generation – FY27
- Sandman Advancement – FY27

Tear Sheet

Production Estimates (FY)	2025A	Q1/26A	Q2/26A	Q3/26E	Q4/26E	2026E	Q1/27E	Q2/27E	Q3/27E	Q4/27E	2027E	2028E
Borealis Mine												
Gold Production (Koz)	1.3	0.4	0.3	1.2	0.9	2.9	3.0	4.0	4.9	5.9	17.7	26.8
AISC (US$/oz)	$2,479	$1,500	$2,894	$6,066	$2,533	$3,475	$2,797	$2,709	$2,531	$2,353	$2,556	$2,287
Sandman Project												
Gold Production (Koz)	-	-	-	-	-	-	-	-	-	-	-	8.1
AISC (US$/oz)	-	-	-	-	-	-	-	-	-	-	-	$1,692

Financial Estimates (FY)	2025A	Q1/26A	Q2/26A	Q3/26A	Q4/26E	2026A	Q1/27E	Q2/27E	Q3/27E	Q4/27E	2027E	2028E
Gold Price (US$/oz)	**$2,904**	$3,694	$4,380	$4,869	$4,056	**$4,250**	$4,278	$4,150	$4,150	$4,150	**$4,182**	**$4,250**
Revenue ($M)	**$3.8**	$1.5	$1.4	$6.1	$3.6	**$12.6**	$13.0	$16.8	$20.5	$25.2	**$75.5**	**$151.2**
Net Income ($M)	**($14.9)**	($0.9)	($3.0)	($0.8)	($0.1)	**($4.7)**	$0.1	$1.4	$3.3	$5.7	**$10.5**	**$44.0**
EPS (Basic)	***($0.15)***	*($0.01)*	*($0.02)*	*($0.01)*	*($0.00)*	***($0.04)***	*$0.00*	*$0.01*	*$0.02*	*$0.04*	***$0.07***	***$0.30***
Operating Cash Flow ($M)	**($6.3)**	($2.6)	($2.9)	($2.2)	($1.6)	**($9.2)**	$0.7	$2.2	$4.2	$6.9	**$14.1**	**$53.5**
Capex ($M)	**$0.2**	-	$0.2	$0.1	$0.3	**$0.6**	$2.8	$3.3	$3.8	$4.4	**$14.3**	**$55.0**
Free Cash Flow ($M)	**($6.5)**	($2.6)	($3.0)	($2.3)	($1.9)	**($9.8)**	($2.0)	($1.1)	$0.5	$2.5	**($0.2)**	**($1.4)**

Figure 5: Tear Sheet

Estimate Revision

	Q1/27E		Q2/27E		Q3/27E		Q4/27E		FY 2027E	
	New	Previous	New	Previous	New	Previous	New	Previous	New	Previous
Revenue ($M)	**13.0**	13.7	**16.8**	18.3	**20.5**	22.4	**25.2**	27.5	**75.5**	82.0
Gross Profit ($M)	**$5.5**	$7.6	**$7.2**	$10.1	**$9.7**	$12.3	**$12.9**	$15.1	**$35.3**	$45.1
Op. Profit ($M)	**$1.5**	$3.3	**$3.2**	$5.8	**$5.7**	$8.1	**$8.9**	$10.9	**$19.3**	$28.1
OCF ($M)	**$0.7**	$2.0	**$2.2**	$4.1	**$4.2**	$6.0	**$6.9**	$8.3	**$14.1**	$20.5

Figure 6: Estimates Revision

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