

**Lake Victoria Gold – Mining License Transfer + 10-Year Renewal**

**Rating**  
**BUY**  
Unchanged

**Target Price**  
**\$0.45**  
Unchanged

**November 7, 2024**

All figures in CAD unless otherwise stated

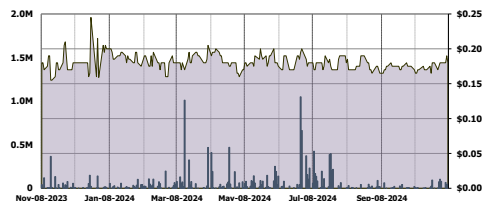
Lake Victoria Gold Ltd.	LVG:TSXV
Rating	BUY
Target Price	\$0.45
Return to Target	150%

Market Data	
Share Price	\$0.180
Average Daily Volume (K)	46.8
PF FD ITM Shares (M)	167.1
Market Cap (\$M)	\$30.1
PF Cash (\$M)	\$7.8
Debt (\$M)	\$1.2
Enterprise Value (\$M)	\$23.4

Estimates	2024E	2025E	2026E
Gold Production (Koz)	0.0	11.5	12.5
Net Revenue (\$M)	\$0.0	\$26.0	\$28.0
Cash Flow (\$M)	N/A	\$9.6	\$9.1
CFPS	N/A	\$0.06	\$0.05
Cash Costs (US\$/oz)	N/A	\$836	\$849
AISC (US\$/oz)	N/A	\$1,095	\$1,169

Valuation	
NAV (\$M)	\$132.4
NAVPS	\$0.79
P/NAV	0.2x
2026E P/CF	3.3x

Please refer to the applicable disclosures on the back page  
Disseminated on behalf of Lake Victoria Gold Ltd.  
Source: Atrium Research, CapitalIQ, Company Documents



Lake Victoria Gold is a rapidly growing gold exploration and development company listed. Leveraging its unique position and experience, the Company is principally focused on growth and consolidation in the highly prolific and prospective Lake Victoria Goldfield in Tanzania.

**Ben Pirie** | Equity Research Analyst | bpirie@atriumresearch.ca | 647-688-9661  
**Nicholas Cortellucci, CFA** | Equity Research Analyst | ncortellucci@atriumresearch.ca | 647-391-3314

**What you need to know:**

- LVG announced the completion of the 10-year renewal and authorization to transfer the Imwelo Mining Licence to LVG.
- This major milestone significantly de-risks the Company as it progresses with development plans of the Imwelo Project and looks to take advantage of the elevated gold price in the near-term.
- Upon certain conditions, this announcement triggers the second tranche of the financing involving Taifa Group (at a significant premium to market, \$3.8M at \$0.24/share)

This morning, Lake Victoria Gold (LVG:TSXV) announced the Tanzanian Mining Commission has officially completed the 10-year renewal and authorization to transfer the Imwelo Mining License to LVG. This announcement solidifies LVG’s long-term rights to the Imwelo Project and marks a major step towards the Company’s growth and development goals within the Lake Victoria Goldfield region. Despite the lengthy delay, we are excited by this release as the Company can now begin to execute on its development plans. This includes exploration, site preparation, and development/construction activities. **We are maintaining our BUY rating and \$0.45/share target price on Lake Victoria Gold Ltd.**

We remind readers of the significance of the partnership with the Taifa Group as the Group is owned by Tanzanian billionaire, Rostam Aziz and is the largest locally owned mining contracting business in the country. Taifa works with prominent partners including Petra, De Beers, and Barrick. Rostam, showing his heightened involvement with LVG, was quoted in today’s release stating his strong support for the Company and his eagerness to move forward with the project development.

**Funding Negotiations**

Within today’s press release, the Company announced that it is in advanced negotiations with non-dilutive funding sources to fully fund the capex portion of the development costs for the Imwelo Project. As the project is now de-risked from a permitting perspective, we expect this process to move quickly, and announcements be made in the near term.

Additionally following certain conditions for the acquisition of the license, today’s announcement triggers the second tranche of equity investment from the Taifa Group. As a reminder (announced August 10, 2023), upon final engineering and closing of the acquisition, Taifa will have 20 days to complete a second private placement of 16M units at a price of \$0.24/unit for gross proceeds of \$3.84M. Each unit consists of one common share and one warrant exercisable for two years at \$0.26/share. The agreement also states that six months after the Company breaks ground on the Project, Taifa will have 20 days to exercise the warrants listed above which will provide an additional \$4.16M.

**Imwelo Project Refresher**

The Imwelo Project is LVG’s main focus as it transitions from an explorer into a developer and ultimately a gold producer in late 2025. With a historical resource and pre-feasibility study completed on the project (and now a 10-year mining license), LVG will progress with project construction and plans to be in production in the near term. Find more information on our production estimates in our initiation report [here](#).

**Catalysts**

- Taifa Financing & Non-Dilutive Funding Announcement – Q4/24
- M&A and 2024 Drill Results - Ongoing
- Key Development Milestones for Imwelo Project – FY25

### Why We Like Lake Victoria Gold

- Path to Profitability – Imwelo Production (H2/25)
- Strategic Partnerships to Provide Cash – Barrick & Taifa Partnerships
- Exploration Upside Across all Projects – Imwelo & Tembo
- Motivated Management - Significant Insider Ownership

### Valuation

We value LVG's ownership of the Imwelo Gold Project at \$0.12/share, the Tembo Gold Project at \$0.11/share, the Dora Project at \$0.09/share, the Barrick agreement at \$0.14/share, and the PF cash balance at \$0.04/share. We use a conservative 0.3x NAV multiple and 8% discount rate for the Imwelo Project as the Company has yet to complete construction and produce any gold, thus, there is a sizeable upside to our \$0.45/share target price of LVG executes.

Valuation	Amount (C\$)	Per Share (C\$/share)
<b>Mining Assets</b>		
Imwelo Gold Project (8%)	66,905,455	0.40
P/NAV Multiple		<b>0.30x</b>
	20,071,636	0.12
Tembo Gold Project	19,512,195	0.12
Dora Gold Project	15,453,000	0.09
<b>Total Projects Valuation</b>	<b>55,036,832</b>	<b>0.33</b>
<b>Valuation After Tanzanian Interest (16%)</b>	<b>46,230,938</b>	<b>0.28</b>
<b>Corporate Adjustments</b>		
(+) Barrick Payout (1.0 Moz)	23,897,946	0.14
(+) PF Cash	7,813,367	0.05
(-) Debt	1,174,006	0.01
<b>Total NAV</b>	<b>76,768,246</b>	<b>0.46</b>
<b>Current Share Price</b>		<b>\$0.180</b>
<b>Target Price (Rounded)</b>		<b>\$0.45</b>
<b>Upside</b>		<b>150%</b>

Figure 1: Valuation Summary

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**HOLD:** The stock is expected to generate returns of 0-20% over the next 24 months.

**SELL:** The stock is expected to generate negative returns over the next 24 months.

**NOT RATED (N/R):** Atrium does not provide research coverage on the respective company.

RATING	COVERED COMPANIES
BUY	19
HOLD	0
SELL	0

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