

Fury Gold Mines

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Fury Gold Mines receives 'Buy' rating from Roth following Auryn-Eastmain merger; gets \$5 price target from Beacon

Fury Gold Mines Ltd (TSE:FURY) (NYSEAMERICAN:FURY), a new Canadian explorer, which was formed when Auryn Resources Inc reorganized and merged with Eastmain Resources Inc, has earned a 'Buy' rating from Roth Capital markets.

The firm converted its coverage of Auryn into coverage of Fury Gold following the transaction and tagged the company with an inaugural price target of C\$2.70, implying 41% upside on Thursday's closing price of C\$1.91.

"While technically Fury Gold is a name and ticker change from its predecessor company Auryn Resources, we believe the significant changes to the company make a comparison to our prior estimates unjustified," Roth wrote. "Instead, we have completed a sum of the parts analysis on Fury's assets and are issuing an initial price target of \$2.70 and a Buy rating."

READ: Fury Gold Mines launches following Auryn Resources' acquisition of Eastmain Resources

The move saw Auryn spin out two private companies for its Peruvian assets, undergo a 7:10 reverse stock split, acquire Eastmain and subsequently complete a C\$23 million equity offering.

"We assign a value of \$49.8 million to [Fury's] Committee Bay [in Nunavut] based on a valuation of \$40 per ounce of resource," the firm wrote. "We assign a value of \$75 million to Homestake Ridge [in British Columbia], or approximately 43% of the project's [net present value] in its latest financial study.

"We assign a value of \$125 million to Eau Claire [in Quebec], or approximately 41% of its most recent financial study NPV. We then add \$20 million for Gibson MacQuoid, \$23.8 million for cash as of Q2 2020 plus the recently completed equity funding, and \$40 million for exploration potential in the next 24 months. Thus, we arrive at a total value of \$333.5 million or \$2.65 per fully diluted share. We round this up to reach our \$2.70 price target."

Fury, which has a footprint in three prolific mining regions, has said it will aggressively grow its multi-million-ounce gold platform through project development and potential new discoveries.

Beacon Securities Limited

On Wednesday, Beacon increased its rating for Fury Gold to Buy from Speculative Buy and set its price target at C\$, which represents 161% upside, or more than double, Thursday's closing price of C\$1.91.

"We view Fury Gold as an attractive speculative play for development success in Canada with Eau Claire (Quebec) and Homestake Ridge (BC)," Beacon wrote. "We also believe that exploration success could boost existing resources and

Price: 1.5

Market Cap: \$176.63 m

1 Year Share Price Graph



October 2020 October 2020 October 2020

Share Information

Code: FURY

Listing: TSX

52 week High Low
2.35 1.49

Sector: Gold & silver

Website: furygoldmines.com

Company Synopsis:

Fury Gold Mines is a Canadian-focused exploration and development company strategically positioned in three prolific gold mining regions. Led by management with proven success in financing and developing mining assets, Fury will advance its multi-million-ounce gold platform through potential discovery and acquisition.

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potentially deliver larger mining operations than outlined in the [preliminary economic assessments]."

PI Financial

On Tuesday, PI Financial upped its own rating for Fury Gold to Buy from Neutral and shifted its price target to C\$2.75 from C\$3.10.

The firm pointed to the potential of Fury's Eau Claire project.

"We anticipate Fury to commence a 50,000m drill program at Eau Claire in the near term by targeting zones for improved geologic modelling and resource growth," the firm wrote. "Considering Fury's strong technical acumen and their exploration ability, we foresee ample opportunity to build on what already appears to be a solid data and geologic model that contained 96% of resources in M&I is the basis for a PEA completed in 2018."

Cantor Fitzgerald

On Thursday, Cantor Fitzgerald reiterated its Buy rating and held its target price of C\$2.60/C\$3.50.

"Fury now stands out as a Canadian gold developer platform with an aggressive growth strategy," Cantor Fitzgerald wrote.

—Updated to include info from additional analyst notes—

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