

# Fury Gold Mines

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## Auryn Resources on the hunt for the next globally significant metal deposit

- Junior exploration company backed by leading investors and a proven management team
- Major copper and gold discovery opportunities in Canada and Peru
- Multi-project portfolio that provides optionality and mitigates risk

### What Auryn Resources does:

Auryn Resources Inc (TSE:AUG) (NYSE:AUG) is betting that somewhere in the Americas lies the world's next globally-significant metal deposit.

The junior exploration company is advancing a portfolio of six assets across North and South America with a highly-skilled team and some impressive investors at its back - Newmont Goldcorp owns nearly 12% of the company.

Two projects stand out in Auryn's portfolio: the high-grade Committee Bay gold property in Nunavut, Canada, and the Sombrero copper and gold asset in Ayacucho, Peru.

Sombrero is part of an emerging copper-gold district in southern Peru in an area surrounded by major projects from Glencore, Barrick and BHP. The highly prospective property is home to seven copper-gold targets with geological formations that are analogous to the major mines in the area.

At Committee Bay, high-grade gold deposits weave throughout the property. The most significant is the Three Bluffs deposit that contains a resource of 524,000 ounces at 7.9 grams per ton gold in the indicated category and 720,000 ounces at 7.6 grams per ton in the inferred category. The project also benefits from existing infrastructure, including bulk storage fuel facilities, five high-efficiency drill rigs and a 100-person camp.

And Auryn's wholly-owned Homestake Ridge project covers approximately 7,500 hectares within the Golden Triangle of British Columbia. More than 275 holes, totalling more than 90,000 meters, have been completed on the property and multiple exploration targets remain to be tested.

### How is it doing:

Auryn recently unveiled positive exploration results from its Curibaya project in Peru, where it believes it is onto a robust precious metals system. The presence of high-grade silver-gold veins across a 4 by 4 kilometer alteration system demonstrates "robust metal endowment", according to Auryn.

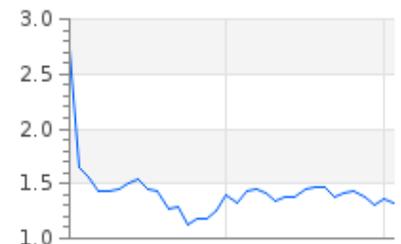
Other highlights from recent exploration include the discovery of a new zone of mineralization with grades of up to 946 grams per ton (g/t) silver and 1.96 g/t gold located around 1 km to the northeast of previous sampling.

Early results look promising. A total of 12 new targets were generated and a third structure measuring 15 kilometres of strike length was also identified.

**Price:** 1.78

**Market Cap:** \$209.73 m

#### 1 Year Share Price Graph



October 2020 November 2020 November 2021

#### Share Information

**Code:** FURY

**Listing:** TSX

**52 week** **High** **Low**  
2.35 1.44

**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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The company also hit a major milestone at its Homestake Ridge project in British Columbia when it unveiled a new preliminary economic assessment (PEA) that outlined a high-grade, low-cost operation.

Highlights include a net present value of US\$108 million with an internal rate of return of 23.6% at an all-in sustaining cost of US\$670 per ounce using a US\$1,350 per ounce gold price scenario.

The company took a conservative approach to the gold price in the PEA, but with gold currently hovering around US\$1,650, the project's net present value becomes over US\$173 million with an internal rate of return of 32%.

Other high points from the PEA include pre-production capital costs of US\$88 million and 900-ton-per-day operation over a 13 year mine life.

Auryn will also be releasing revised targets at the Committee Bay project in Nunavut based on a break-through in geophysical targeting in differentiating low-grade versus high-grade gold responses in conductivity data.

### **Inflection points:**

- Peru: Additional surface access at Sombrero; drill permits anticipated in 2020 at Curibaya; evaluating potential new acquisitions
- Canada: Committee Bay drill results

### **What the broker says:**

"While our valuation of \$75 million for Homestake represents only 43% of the NPV at \$1,620 per ounce of gold, we believe there remains significant upside to this valuation," according to analysts Joe Reagor at Roth Capital, who maintained a Buy rating and a US\$3.25 price target on Auryn's stock.

"We note that the current gold price of \$1,715 per ounce is significantly above the gold price used in the PEA. Additionally, we believe that AUG is likely to either sell Homestake or spin it out and merge it with a junior producer. Each of these outcomes would likely result in a premium valuation compared to what we have chosen to assign at this time."

### **What the boss says:**

"A lot of companies chase ounces and tonnage, but in the case of Homestake Ridge, we wanted to chase profitability to make a better environment for finding a mine," Ivan Bebek, Auryn's chairman has noted.

"There's a lot of room to expand this at depth and along strike. It's non-core to us but extremely valuable and a very big complement to our asset base."

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