EDISON

Barton Gold

JORC upgrades presage study gains

Tunkillia and Challenger resource upgrades

Metals and mining

16 November 2026

Since our last note, Barton has continued to aggressively explore its assets in pursuit of its ambition to produce 150koz gold per year in a two-stage 'hub and spoke' model at its Central Gawler Mill (CGM) and Tunkillia. After raising A$25.9m in June, it has expanded its exploration activities and announced JORC resource updates at three of its assets, delivering both on plan and to budget with the backing of some of the world's pre-eminent fund managers (eg Franklin Templeton, Aegis, the ASA Gold Fund, Ixios and Donald Smith & Co). With the majority of its drilling now completed, by Q1 CY27, we expect Barton to have completed a pre-feasibility study (PFS) at Tunkillia and a definitive feasibility study (DFS) at Challenger-CGM and (subject to a final investment decision) to have commenced early site works at the latter with a view to returning it to production in late CY27.

Year end	Revenue (AUDm)	PBT (AUDm)	EPS (AUD)	DPS (AUD)	P/E (x)	Yield (%)
6/25	8.9	(1.8)	(0.01)	0.00	N/A	N/A
6/26e	0.7	(19.6)	(0.08)	0.00	N/A	N/A
6/27e	23.4	(14.8)	(0.05)	0.00	N/A	N/A
6/28e	24.7	(25.6)	(0.07)	0.00	N/A	N/A

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles and exceptional items.

Implications of resource updates

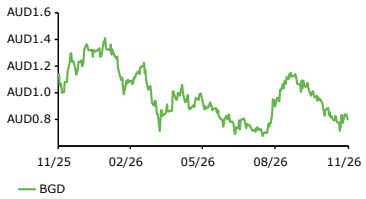
At Tunkillia, 24.0% of inferred resources (by tonnage) were promoted into the indicated category, at the same time as the May 2025 optimised scoping study was validated as a robust foundation for the ongoing PFS. At Challenger, an additional one year of feedstock for the CGM was delineated, but at substantially higher grades (eg +29.6% for shallow, underground material). At Tarcoola, substantially all stockpile material was promoted from inferred to indicated status to contribute to establishing a low-risk Stage 1 operation using only tailings and limited, near-surface materials to underwrite the restart of the CGM.

Valuation: A$2.38/share; c A$5.00/share possible

At an updated forex rate of A$1.4810/US$, we estimate that Tunkillia's (reported) optimised pre-tax $NPV_{7.5}$ of A$1,416m translates into a post-tax $NPV_{7.5}$ of A$894m, or A$3.29/share, plus A$0.12/share in end-FY26 net cash. This represents an 12.6% increase over our prior figure of A$3.02/share. Our risked valuations for Tunkillia have therefore risen by a similar amount to A$1.63–1.85/share (cf A$1.45–1.64/share previously) based on EV/project NPV multiples (see Exhibit 8). In the wake of its resource upgrades, the Challenger-CGM complex now adds a further c A$1.08/share to this valuation (cf A$0.81/share previously), albeit this manifests itself largely in terms of reduced future equity requirements. On this basis, we calculate that Barton can support an equity fund-raising for Tunkillia at the current share price of A$109.7m in FY28 (such that net debt:equity peaks at 2:1) and still return dividends to shareholders with an NPV_{10} of A$2.38/share fully diluted (cf A$2.22/share previously). **However, this is at a long-term gold price of only US$3,333/oz. At a long-term, real price of US$3,850/oz (ie the current price) this A$2.38/share valuation increases to A$3.75/share**. Similarly, if Barton is able to extend the lives of its operations indefinitely, we calculate that a valuation of almost A$5.00/share is possible.

Price	**AUD0.795**
Market cap	**AUD223m**
	A$1.4810/US$
Net cash at 30 June 2026	AUD17.2m
Shares in issue	271.9m
Free float	62.3%
Code	BGD
Primary exchange	ASX
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(18.8)	15.5	(28.1)
52-week high/low		AUD1.5	AUD0.7

Business description

Barton Gold is an Australian gold developer with 100% ownership of the only regional gold mill in the renowned central Gawler Craton of South Australia. Currently, it has JORC mineral resources of c 2.2Moz Au and is targeting future gold production of c 150,000oz annually.

Next events

Q227 quarterly cash flow report	January 2027
Tunkillia PFS	Q1 CY27
Challenger-CGM DFS	Q1 CY27
Tunkillia mining licence application	H1 CY27

Analyst

Lord Ashbourne +44 (0)20 3077 5700

mining@edisongroup.com

Edison profile page

Barton Gold is a research client of Edison Investment Research Limited

Three JORC resource updates

Barton has continued to make important progress in pursuit of its ambition to achieve production of 150koz per year in a regional hub-and-spoke model from two mills, with the second stage taking Barton to its target scale via bulk, lower-grade production from Tunkillia complemented by high-grade ore from Tarcoola. Intensive exploration at Tunkillia, Challenger-CGM and Tarcoola-Tolmer has resulted in the following announcements since our last note, on 24 August:

- Tunkillia drilling has confirmed new, high-grade mineralisation within a shallow zone of the existing, high-value 'starter pit' outlines.
- First step completed in the South Australian Mining Lease (ML) approvals process in the form of the acceptance of the Environmental Scoping Report relating to Tunkillia.
- Tunkillia assays confirm new, high-grade mineralisation within a shallow, central portion of existing, high-value 'starter pit' outlines.
- Final Tunkillia assays from completed 38,760m 'Phase 2' reverse circulation (RC) drilling programme among the best of the campaign, confirming multiple new, high-grade intersections within the 'starter pit' outlines.
- The doubling of the underground mineral resource estimate (MRE) at Challenger, to 230koz at a grade of 3.65g/t Au, such that 'Hub 1' resources at Challenger and Tarcoola now amount to 400koz.
- Following the JORC resource upgrade (above), the commencement of a scoping study to investigate the feasibility of feeding high-grade underground ore into the Central Gawler Mill (CGM).
- An upgraded mineral resource estimate at Tunkillia with 989koz Au now delineated within the measured and indicated categories (cf 896koz in the indicated category only, previously) validating the May 2025 optimised scoping study (OSS) as a robust foundation for the ongoing PFS.

The most consequential of these are the Tunkillia JORC upgrade, the Challenger-CGM JORC upgrade and the underground scoping study at CGM, which are analysed below.

Tunkillia update

Barton reported assays from its 'Phase 1' drilling campaign in December 2025 and January 2026, which filled in modelled mineralisation in the high-value S1 and S2 starter pits. The original 30,000m Phase 2 RC upgrade drilling programme was designed to convert all Tunkillia open-pit mineralisation in its optimised scoping study into the measured and indicated categories of resources in order to be eligible for subsequent upgrade into an ore reserve to be included in a PFS by the end of Q1 CY27 (to coincide with a mining licence application). Following analysis of the 'Phase 1' results, however, 'Phase 2' was expanded from 30,000m to 38,760m in 311 holes (average 125m/hole) in order to target further areas of interest within the existing pit outlines that indicated potential for a new domain of high-grade mineralisation. On 31 August, Barton reported that initial assays from the expanded 'Phase 2' campaign had confirmed this mineralisation within a shallow zone of the existing starter pit outlines, including:

- 6m at 6.61g/t Au from 70m depth, including 1m at 32.4g/t from 73m depth in hole TKB0639.
- 11m at 5.51g/t Au from 14m depth, including 2m at 24.7g/t from 16m depth in hole TKB0678.
- 7m at 4.10g/t Au from 65m depth, including 1m at 19.0g/t from 67m depth in hole TKB0681.
- 24m at 4.51g/t Au from 47m depth, including 2m at 16.7g/t from 53m depth in hole TKB0703.

These results were then corroborated by a further set of assays on 16 September, which provided support for the existence of a 'bonus' zone located atop the already modelled one, including:

- 21m at 3.62g/t Au from a depth of 57m, including 6m at 7.30g/t from 63m depth in hole TKB0667.
- 11m at 8.73g/t Au from a depth of 68m, including 2m at 36.9g/t from 71m depth in holeTKB0674.

Final assay results were released to the market on 7 October and were among the best of the campaign, demonstrating broad, high-grade intersections throughout the starter pit outlines, including:

- 26m at 2.79g/t Au from 126m depth, including 1m at 53.5g/t from 129m depth in hole TKB0724.
- 2m at 16.75g/t Au from 56m depth, including 1m at 32.4g/t from 56m depth in hole TKB0736.
- 21m at 4.13g/t Au from 61m depth, including 2m at 29.9g/t from 79m depth in hole TKB0742.
- 53m at 2.51g/t Au from 60m depth, including 2m at 18.25g/t from 72m depth and 1m at 26.3g/t from 92m depth in hole TKB0745.
- 17m at 2.26g/t Au from 116m depth, including 1m at 20.7g/t from 125m depth in holeTKB0746.

Drilling results in the main Area 223 pit indicated that oxidised mafic dyke mineralisation continues to within 18m of surface (often carrying elevated gold grades) and that shallow mineralisation is more likely to be vertically, than horizontally, controlled. At the same time, drilling in Area 223 North indicated significant mineralisation at (or beyond) the limits of the previous modelling cut-off and pit profile for the May 2025 OSS, while assays from Area 51 have confirmed a south plunging, thick higher-grade shoot of mineralisation that remains open to the south and to the west.

These compare to an average resource grade in Area 223 of 0.81g/t and an average grade in the starter pits of 1.05g/t and could potentially increase the grade profile of this mineralisation for Tunkillia's forthcoming PFS in Q127. Given that the starter pits account for nearly 50% of the project's life of mine operating cash flow within the first 27 months of its life, adding new gold and silver ounces within the existing pit outlines clearly has the potential to disproportionately add value to the project, with material implications for its economic returns.

Barton subsequently remodelled all of Tunkillia's mineralisation to include the data from the additional 57,653m Phase 1 and Phase 2 drilling since last year and consequently, on 11 November, announced a JORC resource update, of which the following is a summary:

Exhibit 1: Tunkillia updated and prior resource

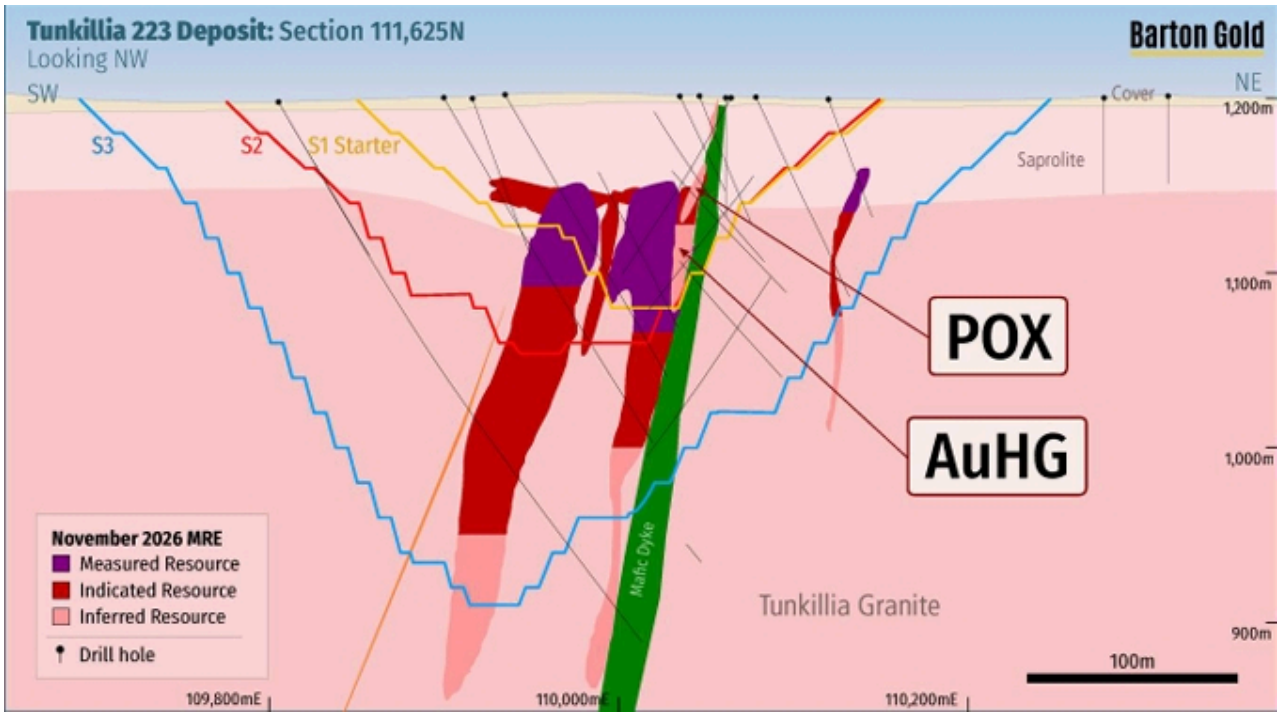
		Tonnes	Grade	Contained gold
		(Mt)	(g/t)	(koz)
Updated (November 2026)				
Tunkillia	Total (Area 223 and Area 51)			
	Measured	5.30	0.88	151.3
	Indicated	33.04	0.79	837.7
	Inferred	21.15	0.75	510.5
	Total	59.49	0.78	1,499.5
Previous (March 2025)				
Tunkillia	Total (Area 223 and Area 51)			
	Measured	0.00	0.00	0.0
	Indicated	30.57	0.91	896.0
	Inferred	32.38	0.69	717.0
	Total	62.95	0.80	1,613.0
Change (units)				
Tunkillia	**Total (Area 223 and Area 51)**			
	Measured	**5.30**	**0.88**	**151.3**
	Indicated	**2.47**	**(0.12)**	**(58.3)**
	Inferred	**(11.23)**	**0.06**	**(206.5)**
	Total	**(3.46)**	**(0.01)**	**(113.5)**
Change (%)				
Tunkillia	**Total (Area 223 and Area 51)**			
	Measured	**N/A**	**N/A**	**N/A**
	Indicated	**8.1**	**(13.5)**	**(6.5)**
	Inferred	**(34.7)**	**9.0**	**(28.8)**
	Total	**(5.5)**	**(1.6)**	**(7.0)**

Source: Barton Gold, Edison Investment Research. Note: Totals may not add up owing to rounding.

Relative to March 2025, the updated resource has been modelled to a more conservative standard, by constraining mineralisation to an optimised pit shell estimated by applying a revenue factor of 2.0 to the A$3,500/oz optimised pit shell of the May 2025 optimised scoping study. In effect, this limits the new mineral resource to only that which can be economically mined at a gold price of A$7,000/oz. Within this context, the major feature of the update was the promotion of 24.0% of inferred resources by tonnes (or 13.0% by ounces) into the indicated category, overall, driven by a 91.6% rate of promotion (104.6% by ounces – ie new material was also delineated) in the Area 51 fresh zone and a 43.5% promotion rate (29.0% by ounces) in the Area 223 transition zone. Consequently, 66.0% of total ounces now exist within the measured and indicated categories of resources and are therefore eligible for inclusion in reserves (cf 55.5% previously), which substantially validates the May 2025 optimised scoping study as a robust foundation for

the ongoing PFS, with only a ±2% variation of materials in the OSS pits reported relative to the March 2025 mineral resource estimate. Over 80% of all mineralisation (822koz) within the OSS pit shells is similarly reported to be in the measured and indicated categories, while over 150koz Au upgraded to the measured category – a material portion of which is reported to be within the S1 starter pit shell – provides material support for expedited project finance initiatives, as well as available low dilution funding pathways. In the meantime, an estimated 6.2Mt (131koz Au) of indicated resources remaining outside the May 2025 OSS pit shells suggests additional potential upside, as does high-grade mineralisation newly classified as inferred within the shallow areas of the S1 and S2 starter pit shells and associated with the weathered margins of a large mafic dyke that can be upgraded to indicated status. Note, these resources are reported to comprise c 80% (or 36koz) of those that remain classified as inferred with the S1 and S2 starter pits and are located in fresh and partially oxidised mineralisation in the hanging wall of the mafic dyke and the 'POX' domain shown in Exhibit 2, below.

Exhibit 2: Cross section showing priority resource upgrade/conversion targets at Tunkillia S1 and S2 starter pits



Source: Barton Gold

An updated silver mineral resource estimate for Tunkillia is anticipated to be reported in Q1 CY27. In the meantime, on 8 September, Barton further announced that Tunkillia's Environmental Scoping Report had been approved by the South Australian Department for Energy and Mines (DEM). This will establish the official terms of reference for the development approvals process. Agreeing this scope at an early stage will allow Barton to more confidently execute its plans and reduce cost and permitting risks, while simultaneously expediting the approvals' processes.

Challenger-Central Gawler Mill complex updates

While drilling results were being collated and analysed at Tunkillia, on 28 October, Barton announced resource upgrades at Challenger and Tarcoola.

Challenger

The Challenger upgrade was based upon the integration of 9,387m new RC and diamond (DD) drilling results and included the following updates and outcomes:

- The confirmation of a new open-pittable Challenger 3 deposit, along strike from the existing open pits.
- Remodelling of open pittable resources on a more conservative basis by constraining mineralisation to optimised open pit shells (based on a gold price of A$5,000/oz).
- Remodelling of underground mineralisation following an on-site review by third-party consultants, including some mineralisation previously modelled as Challenger Main open pit resources.

It followed the completion, announced on 6 January, of a 3,239 line-kilometre high-resolution, airborne gravity survey over the northern portion of exploration licence (EL) 6502 (which hosts Challenger) with the goal of using Xcalibur Smart Mapping software to identify analogous, near-mine structural targets similar to Challenger's existing high-grade gold lodes.

A summary of the change in Challenger's resources – in both absolute and percentage terms – is provided in Exhibit 3, below (albeit presented in a slightly different way to Barton's):

Exhibit 3: Challenger updated and prior resource

		Tonnes (Mt)	Grade (g/t)	Contained gold (koz)
Updated (October 2026)				
Challenger	Above 215 RL Fault			
	Measured	0.00	0.00	0.0
	Indicated	8.98	0.51	148.0
	Inferred	1.96	3.16	199.0
	Total	10.94	0.99	347.0
	Challenger Deeps (below 90m RL)			
	Measured	0.00	0.00	0.0
	Indicated	0.00	0.00	0.0
	Inferred	0.21	3.50	23.0
	Total	0.21	3.50	23.0
Challenger	Total			
	Measured	0.00	N/A	0.0
	Indicated	8.98	0.51	148.0
	Inferred	2.17	3.18	222.0
	Total	11.15	1.03	370.0
Previous (September 2025)				
Challenger	Above 215 RL Fault			
	Measured	0.00	0.00	0.0
	Indicated	8.49	0.45	122.0
	Inferred	1.88	2.78	168.0
	Total	10.37	0.79	290.0
	Challenger Deeps (below 90m RL)			
	Measured	0.00	0.00	0.0
	Indicated	0.00	0.00	0.0
	Inferred	0.21	3.50	23.0
	Total	0.21	3.50	23.0
Challenger	Total			
	Measured	0.00	N/A	0.0
	Indicated	8.49	0.45	122.0
	Inferred	2.09	2.84	191.0
	Total	10.58	0.92	313.0
Change (units)				
Challenger	**Above 215 RL Fault**			
	Measured	**0.00**	**0.00**	**0.0**
	Indicated	**0.49**	**0.06**	**26.0**
	Inferred	**0.08**	**0.38**	**31.0**
	Total	**0.57**	**0.20**	**57.0**
	Challenger Deeps (below 90m RL)			
	Measured	**0.00**	**0.00**	**0.0**
	Indicated	**0.00**	**0.00**	**0.0**
	Inferred	**0.00**	**0.00**	**0.0**
	Total	**0.00**	**0.00**	**0.0**
Challenger	**Total**			
	Measured	**0.00**	**N/A**	**0.0**
	Indicated	**0.49**	**0.07**	**26.0**
	Inferred	**0.08**	**0.34**	**31.0**
	Total	**0.57**	**0.11**	**56.9**
Change (%)				
Challenger	**Above 215 RL Fault**			
	Measured	**N/A**	**N/A**	**N/A**
	Indicated	**5.8**	**13.3**	**21.3**
	Inferred	**4.3**	**13.6**	**18.5**
	Total	**5.5**	**24.9**	**19.7**
	Challenger Deeps (below 90m RL)			
	Measured	**N/A**	**N/A**	**N/A**
	Indicated	**N/A**	**N/A**	**N/A**
	Inferred	**0.0**	**0.0**	**0.0**
	Total	**0.0**	**0.0**	**0.0**
Challenger	**Total**			
	Measured	**N/A**	**N/A**	**N/A**
	Indicated	**5.8**	**14.7**	**21.3**
	Inferred	**3.8**	**11.9**	**16.2**
	Total	**5.4**	**12.1**	**18.2**

Source: Barton Gold, Edison Investment Research. Note: Totals may not add up owing to rounding.

A number of features of the upgrade are noteworthy:

- The 29.6% increase in the average grade of underground material above 215m RL, from 2.84g/t to 3.68g/t and a 78.6% increase in the associated tonnage, such that it now amounts to almost three years of potential mill feed.
- The 24.9% increase in the average grade of all material above 215m RL (including open pit material), from 0.79g/t to 0.99g/t.
- The very high grade of Challenger West open pit material (6.09g/t).
- The definition of a new Challenger 3 deposit along strike from the Challenger SSW and the existing Challenger West and Challenger Main open pits. Note, given their proximity to the mill, CSSW and Challenger 3 represent ideal, low-risk sources of potential feedstock from satellite open pits with which to de-risk an operational restart at Challenger.
- The doubling of the total underground resource, from 112.4koz to 230.0koz, at a 24.1% higher grade at 3.65g/t.
- A material grade improvement where mineralisation was previously modelled as 'open pit', but has been reclassified to 'underground' with a view to more efficient and selective extraction.

All mineralisation is adjacent to the CGM and almost all is located in, on or adjacent to existing serviceable open-pit and underground developments. The update effectively adds one year to the potential life of Challenger material to be processed through the mill, albeit potentially at materially higher grades and, therefore, margins. The updated mineral resource estimate nevertheless excludes various lower-grade stockpiles and higher-grade mill residuals (eg ball mill rejects) that are located adjacent to the CGM on the run-of-mine pad. These materials will probably form a component of early mill feed as the hard rock crushing and grinding circuits are recommissioned for the start of fresh rock processing operations. In addition, preliminary modelling by SRK indicates the potential to bring additional high-grade mineralisation into a future mineral resource estimate or mine plan via further near-mine drilling as well as growth at Challenger 3 via extensional drilling along strike and infill drilling to upgrade unclassified mineralisation to classified status.

Tarcoola

The aim of Barton's resource upgrade drilling programme at Tarcoola, in particular, was to upgrade resources into at least the indicated category in order to contribute towards establishing a low-risk, viable, simplified three- to four-year 'baseline' Stage 1 operation at the DFS stage using only historical, higher-grade tailings (0.6–1.0g/t Au) from tailings storage facility 1 (TSF1) and limited, near-surface materials to underwrite the restart of the CGM and to maximise the three- to 10-year development optionality of its Challenger, Tarcoola, Wudinna and Tolmer assets without disturbing Challenger's historical, high-grade underground mine, its mineralisation or its infrastructure access. This operational model has the benefit of deferring the technical risk and cost of underground operations to a future date, while providing additional time to optimise development pathways. It may also allow scope to defer capital cost elements (eg crushing, grinding and gravity circuit refurbishment and upgrades) to a later date, which would reduce upfront capital requirements for the first 12–24 months of operation, with such works then being funded from operating cash flow before fresh ore supplies enter the mill feed schedule.

Following remodelling, the overall size of the Tarcoola resource is barely changed from its July 2024 level. However, whereas all the resources in the low-grade stockpiles had previously been classified as inferred, they have now been upgraded to indicated status:

Exhibit 4: Tarcoola stockpiles updated and prior resources

		Tonnes	Grade	Contained gold
		(Mt)	(g/t)	(koz)
Updated (October 2026)				
Tarcoola	Low grade stockpile (oxide)			
	Measured	0.00	0.00	0.0
	Indicated	0.16	1.20	6.4
	Inferred	0.00	0.00	0.0
	Total	0.16	1.20	6.4
	Low grade stockpile (fresh)			
	Measured	0.00	0.00	0.0
	Indicated	0.05	1.40	2.5
	Inferred	0.00	0.00	0.0
	Total	0.05	1.40	2.5
Previous (July 2024)				
Tarcoola	Low grade stockpile (oxide)			
	Measured	0.00	0.00	0.0
	Indicated	0.00	0.00	0.0
	Inferred	0.17	1.20	6.9
	Total	0.17	1.20	6.9
	Low grade stockpile (fresh)			
	Measured	0.00	0.00	0.0
	Indicated	0.00	0.00	0.0
	Inferred	0.06	1.40	2.7
	Total	0.06	1.40	2.7
Change (units)				
Tarcoola	**Low grade stockpile (oxide)**			
	Measured	**0.00**	**0.00**	**0.0**
	Indicated	**0.16**	**1.20**	**6.4**
	Inferred	**(0.17)**	**(1.20)**	**(6.9)**
	Total	**(0.01)**	**(0.00)**	**(0.5)**
	Low grade stockpile (fresh)			
	Measured	**0.00**	**0.00**	**0.0**
	Indicated	**0.05**	**1.40**	**2.5**
	Inferred	**(0.06)**	**(1.40)**	**(2.7)**
	Total	**(0.01)**	**0.00**	**(0.2)**
Change (%)				
Tarcoola	**Low grade stockpile (oxide)**			
	Measured	**N/A**	**N/A**	**N/A**
	Indicated	**N/A**	**N/A**	**N/A**
	Inferred	**(100.0)**	**(100.0)**	**(100.0)**
	Total	**(3.0)**	**(0.4)**	**(7.2)**
	Low grade stockpile (fresh)			
	Measured	**N/A**	**N/A**	**N/A**
	Indicated	**N/A**	**N/A**	**N/A**
	Inferred	**(100.0)**	**(100.0)**	**(100.0)**
	Total	**(8.5)**	**0.0**	**(8.5)**

Source: Barton Gold, Edison Investment Research.

A DFS on the Challenger-CGM restart is underway and is expected to be completed in Q1 CY27, with commissioning of the fully permitted CGM by the end of 2027. Among other things, the DFS is evaluating a range of potential scenarios including the optimal restart scale, potential expansion, staged development options, mill reconfigurations and different combinations of throughput feed sources. Following the completion of the individual constituent analyses comprising the DFS, Barton will then undertake a final scenario analysis to determine the optimal startup and development pathways for the CGM. All programmes are reported to be on track for a planned Q1 CY27 DFS completion. In the meantime, Barton has been in discussions with credit, minerals trading and other investment groups interested in providing finance to the Stage 1 operation.

In the aftermath of the resource upgrades at Challenger and Tarcoola and to complement the DFS, on 4 November, Barton announced the start of an expedited scoping study by SRK to investigate the introduction of high-grade, fresh, underground ore to the plant (Stage 2) where existing infrastructure allows low-cost access to high-grade ounces. This follows its announcement, on 21 July 2025, that preliminary engineering analysis had confirmed that the cost of full refurbishment of the CGM to its original 600ktpa specification was estimated at A$26m (±30%) and that the associated processing cost would be A$44.40/t (±30%), representing a material cost saving compared to either building a new mill

or using a third-party mill for toll milling.

In the meantime:

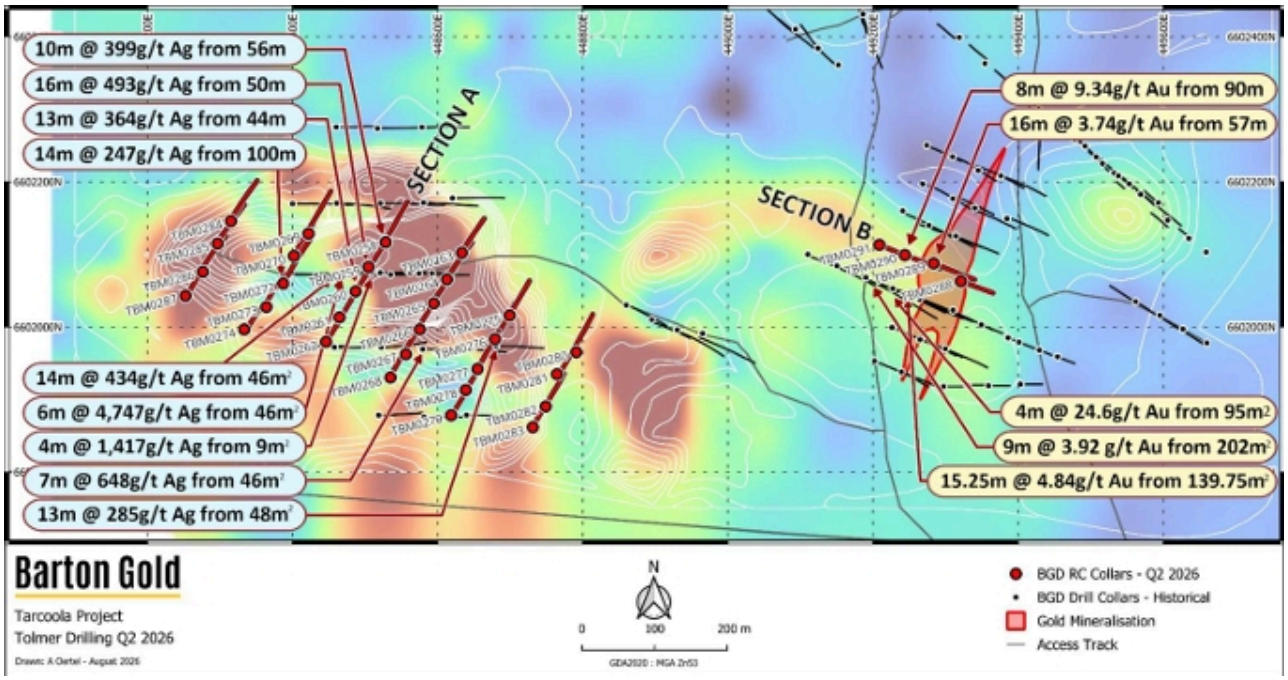
- **Permitting:** Challenger remains a fully approved mine site with an established Mining Program for Environmental Protection and Rehabilitation (M-PEPR) – ie a mining licence – which establishes the terms under which the site is permitted to operate. The existing M-PEPR permits mining from the existing open pit and underground mines and disposal of waste to tailings storage facility 2 (TSF2). In parallel with the completion of a DFS, Barton is applying for a new M-PEPR that will permit the mining and re-processing of historical tailings contained within TSF1, the mining of new open pits at Challenger SSW and Challenger 3 and the development of a new tailings storage facility 3 (TSF3). Application for the new mining licence is targeted in parallel with DFS completion by the end of Q1 CY27.
- **Water:** Challenger has established production bores, which have fully supported historical operations. They draw on a hyper-saline water source for mineral processing, and no further requirements for additional water are anticipated at the current time.
- **Power:** Challenger has traditionally operated with a remote diesel-generated power supply. Barton is evaluating multiple options to reduce the carbon footprint of Challenger through the integration of new, more efficient renewable energy solutions to mitigate total diesel power production, such as the sequential installation of incremental solar power capacity that could also have the added benefit of reducing exposure to diesel price volatility.

Tarcoola-Tolmer silver

On 11 June, Barton announced the completion of an expedited c 3,700m RC follow-up drill programme at its high-grade Tolmer silver prospect, located at Tarcoola. The programme followed preliminary metallurgical tests that yielded a high-grade concentrate over 100,000g/t (c 10%, or 3,215opt) silver and infilled the high-grade zone on a different orientation to test continuity and a potential new interpretation of local geological controls (and potential extensions to this mineralisation) along a newly interpreted strike axis.

The programme was designed to capitalise on Barton's March 2025 discovery at Tolmer of one of Australia's highest-grade modern silver prospects c 500m to the west of its August 2024 gold discovery and the results of three diamond drill holes completed on Tolmer's 'eastern gold zone', on 9 December, to evaluate local structural and stratigraphic controls and guide follow-up targeting. Multiple rounds of follow-up drilling in the main 'western silver zone' had identified a continuous footprint of silver dominant mineralisation where two shallow horizons host peak silver and gold grades up to 17,600g/t (565.9opt) Ag and 51.2g/t (1.6opt) Au less than 50m from surface. However, while the 'upper horizon' was open to the west, the 'lower horizon' was open to the east (while also extending south). In August 2025 therefore, Barton drilled three diamond drill holes across the 'eastern gold zone' to investigate local geological controls, with the aim of improving follow-up drill targeting in the western silver zone, where soil assays indicated extensions of mineralisation around high-grade drilling assays. Readers are directed towards Barton's full announcement for details of the results. In summary, the silver assays from the diamond holes in the 'eastern zone' were materially narrower and lower in grade than their RC counterparts in the western zone. By contrast, the gold assays demonstrated wider intervals of mineralisation at grades that were lower than their RC counterparts in the western zone, but still eminently economically viable (eg 12m at 3.2g/t Au interval-weighted average for the diamond drill holes, cf 3–4m at 4.8g/t for the RC holes). Perhaps more significantly, preliminary geological interpretation of the diamond cores in the 'eastern gold zone' indicated a steeply dipping zone of faulting and deformation, analogous in orientation to the eastern portion of the Tarcoola goldfield (which hosts Barton's open pit Perseverance Mine c 5km to the east). Structural logging of the drill core also confirmed significant rotation of the host stratigraphy within the structural corridor, with vein geometries being consistent with brittle deformation in a broader NNE-trending shear zone. Moreover, while gold mineralisation is hosted within quartz-pyrite±galena±sphalerite veins and veinlets within broader zones of quartz veining, sericite and silica alteration, within the diamond core, discrete and narrow intervals of silver mineralisation up to 465g/t Ag also accompany the gold mineralisation and were themselves accompanied by lead and zinc up to 2.1% and 5.6% respectively.

Exhibit 5: Tolmer map with lead (Pb) background, Ag contours (whilte), prior drilling (black) and new May-June 2026 drilling against the below targets (red)



Source: Barton Gold.

After defining local structural features and control for comparison with the 'gold zones' in the eastern portion of the Tarcoola goldfield therefore, as well as updating its interpretation of Tolmer's local geological model(s), with a particular focus on more precisely targeting the western silver zone to extend its defined area of mineralisation, Barton's c 3,700m RC follow-up drill programme was intended to determine whether these silver-rich zones represent a separate mineralised stage to the main gold mineralisation or simply a natural variation or zoning within a broader mineralised system. More generally, it was also intended to determine the relationship between the eastern and western zones, fill in data and test potential extensions indicated by soil assays around numerous drill intercepts exceeding 2,000m.g/t Ag.

Tolmer's (silver) discovery hole (which yielded a peak intersection of 6m at 4,747g/t Ag plus 13.2g/t Au) has been washed and panned to produce a concentrate for evaluation using a scanning electron microscope, which will assist in designing a comprehensive full, follow-up metallurgical testwork programme. This test – the results from which were announced on 5 May – produced a concentrate grading in excess of 100,000g/t (c 10%, or 3,215opt) Ag from a simple gravity process, without any grinding, roasting or the use of chemical reagents. As well as the c 3,700m RC drilling campaign therefore, Barton is undertaking preliminary metallurgical studies to understand the petrology and paragenesis of the Tolmer silver mineralisation, with metallurgical testwork to follow to determine the origins and formation of the Tolmer mineralisation and to evaluate the optimal routes for processing and recovery. In due course a full metallurgical testwork programme will ultimately be required to evaluate the potential commercial viability of the silver zone. However, the ability to produce exceptionally high-grade concentrates without hydrometallurgical or pyrometallurgical processes could have material implications in developing a low-cost, high-margin operation if the results to date prove to be representative of the deposit as a whole, to which end a geological interpretation of the silver emplacement at Tolmer is expected before the year's end.

Development timelines and milestones

Barton's ambition is to achieve production of 150koz per year in a regional hub-and-spoke model from two mills, with the second stage taking it to its target scale via bulk, lower-grade production from Tunkillia blended with complementary high-grade ore from Tarcoola. In the medium to longer term, the milestones implicit in achieving this ambition will involve:

- Starting initial site works at Challenger-CGM.
- Ramping up the CGM to an annual production rate of 10–20koz in the six to 12 months following the mill's recommissioning (ie CY27/28).

- Further ramping up CGM production to a production rate of 30–50koz per year via the addition of higher-grade regional blending materials from CY29/30.
- Accelerating Tunkillia development as soon as possible thereafter, aiming for development in c 2029 and 2030 and production in c 2030–31 at a rate of 125koz per year or more, to bring total group production to, or above, its target of 150koz per year.

Note that the opportunity to truck high-grade concentrates from Wudinna to either the CGM or Tunkillia presents an upside opportunity to the overall production profile.

More immediate milestones in order to achieve these goals are:

- At Tunkillia:
  - To delineate an ore reserve estimate and complete a PFS by the end of Q1 CY27.
  - To then proceed with a mining licence application following completion of the PFS.
- At Challenger-CGM:
  - To complete a DFS and ore reserve estimate.
  - To establish a low-risk, viable, simplified three- to four-year 'baseline' Stage 1 operation at DFS stage using only historical, higher-grade tailings (0.6–1.0g/t Au) from TSF1 and limited, near-surface materials to underwrite the restart of the CGM and to maximise the three- to 10-year development optionality of its Challenger, Tarcoola, Wudinna and Tolmer assets without disturbing Challenger's historical, high-grade underground mine, its mineralisation or its infrastructure access.
  - Barton then plans to commence early site works, by the end of the year, to establish a camp at Challenger ahead of bringing in bulk construction crews for the mill and plant.
- At Tarcoola-Tolmer:
  - To delineate a maiden resource or exploration target (ET); note that if acceptable continuity can be established within the silver zone, it holds out the possibility of delineating many millions of ounces of silver resources with a shallow profile within a relatively small footprint. The lower horizon may also carry a material gold credit.
  - To undertake a full metallurgical testwork programme at Tolmer's silver zone to assess its economic potential; if successful, it is also possible that Barton will commission an independent study into the deposit.
  - To evaluate commercialisation pathways, using either Barton's mill, the lead-zinc-silver smelter located along the highway at Port Pirie (South Australia) owned by Nyrstar/Trafigura or the concentrate export markets.

Valuation

Our method of valuing Barton remains unchanged relative to our August note, albeit with the following adjustments at Challenger-CGM:

- The grade of material processed has been increased to reflect the higher grades delineated in its updated JORC resource upgrades after the third year of operations.
- The start of operations has been delayed to H128 and the start of steady-state processing to H228 (ie January-June 2028); note that this affects the size of the equity fundraising in FY28 that we estimate Barton will require to bring Tunkillia into production.
- Unit costs have been modelled on a flat A$44.40/t basis, rather than the margin basis used previously.

Unrisked Tunkillia valuation

Barton's optimised scoping study calculated a pre-tax internal rate of return (IRR) on the Tunkillia project of 73.2% and a pre-tax $NPV_{7.5\%}$ of A$1,416m. Using the same gold price and silver prices of US$3,333/oz and US$50/oz, respectively, to mirror the optimised scoping study and an updated foreign exchange rate of A$1.4810/US$ (cf A$1.4070/US$ previously), we calculate an equivalent post-tax $NPV_{7.5}$ for Tunkillia of A$893.7m (cf A$789.6m previously), or A$3.29 per share. This is an increase of 12.7%.

Tunkillia valuation risked for two factors

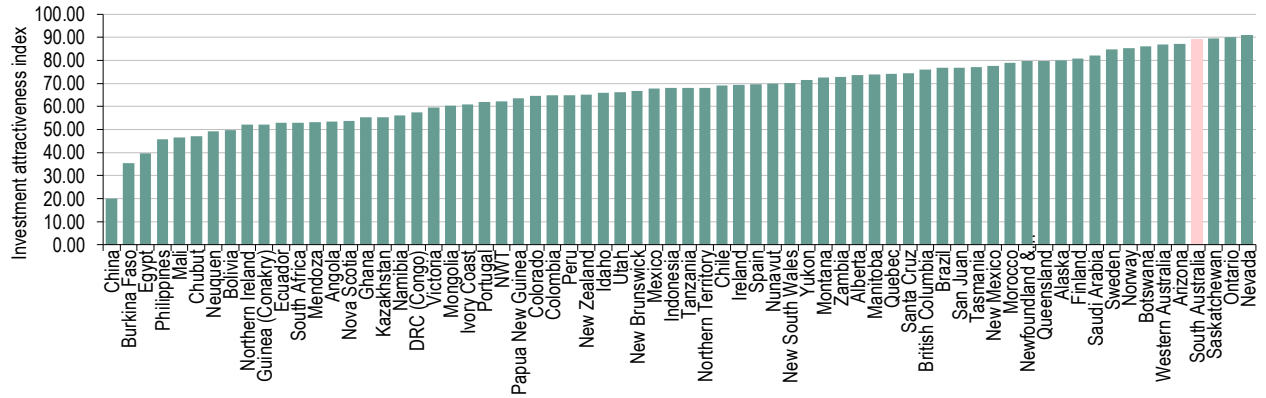
Risk associated with Tunkillia may be assumed to comprise sovereign risk, execution risk, geological risk, metallurgical risk, engineering risk, management risk (possibly also including funding risk) and an overall risk of 'commerciality'. Three of these risks – sovereign risk, execution risk (in the form of 'stage of development' risk, ie scoping study or preliminary economic assessment) and overall 'commerciality risk' – may immediately be adjusted for.

Sovereign risk

In our report Gold stars and black holes, published in January 2019, we calculated that companies with completed scoping studies commanded valuations between -4.8% and 50.7% of attributable project NPV, with an average of 11.7% (see Exhibit 166 on page 82 of the report).

According to the Fraser Institute's 2025 survey, South Australia ranks fourth in the world in terms of mining investment attractiveness, and is one of the 10 most improved jurisdictions since 2024:

Exhibit 6: Fraser Institute survey of mining investment attractiveness, by jurisdiction (2025)



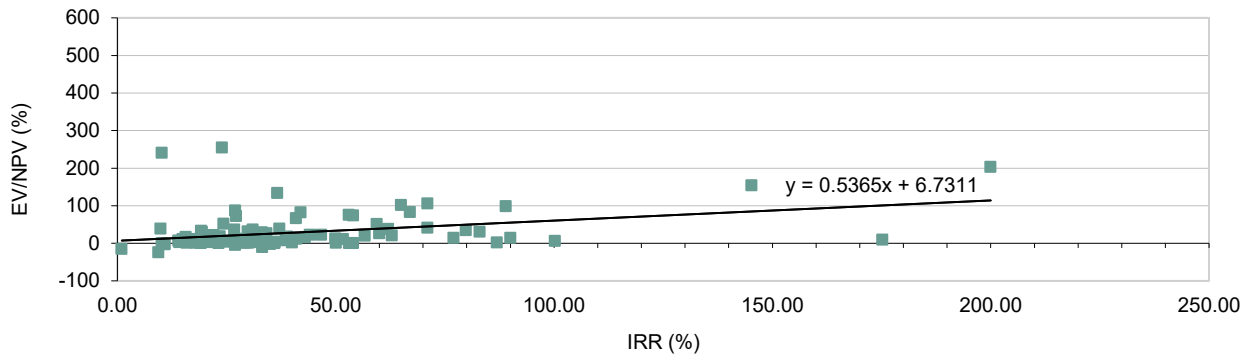
Source: Fraser Institute

The mean Fraser Institute investment attractiveness score for all jurisdictions is 66.80, which is between the scores for New Brunswick and Mexico in Exhibit 6 above. If this is deemed to attract an average valuation of 11.7% of attributable NPV, and the top and bottom halves of the sample are presumed to attract valuations with respect to the average and pro rata to their scores, then a company with an average project in South Australia may be expected to attract a valuation of 48.0% of attributable project NPV. For Barton, this would imply an updated valuation of A$1.58/share for Tunkillia alone (cf A$1.40/share previously), excluding any contribution from its other assets.

Tunkillia valuation risked for overall commerciality

In our *Gold stars and black holes* report, we similarly calculated a statistically significant relationship between the valuation of a company and its IRR, which is demonstrated in the exhibit below.

Exhibit 7: Company enterprise value as percent of attributable project NPV (%) versus project IRR (%)



Source: Edison Investment Research

On the basis of the Tunkillia project's scoping study pre-tax IRR of 73.2%, therefore, Barton could be expected to

command an updated valuation equivalent to 46.0% of its NPV, or A$1.51/share.

Alternatively, a multiple regression analysis between the IRR and Fraser Institute investment attractiveness scores and a company's enterprise value/NPV ratio suggests a 52.6% enterprise value/NPV ratio, which implies an updated valuation of A$1.73/share.

Adding end-FY26 net cash of A$0.12/share to these valuations, our updated, risked valuations of Barton, based on its ownership of Tunkillia alone, are as follows:

Exhibit 8: Tunkillia valuation summary

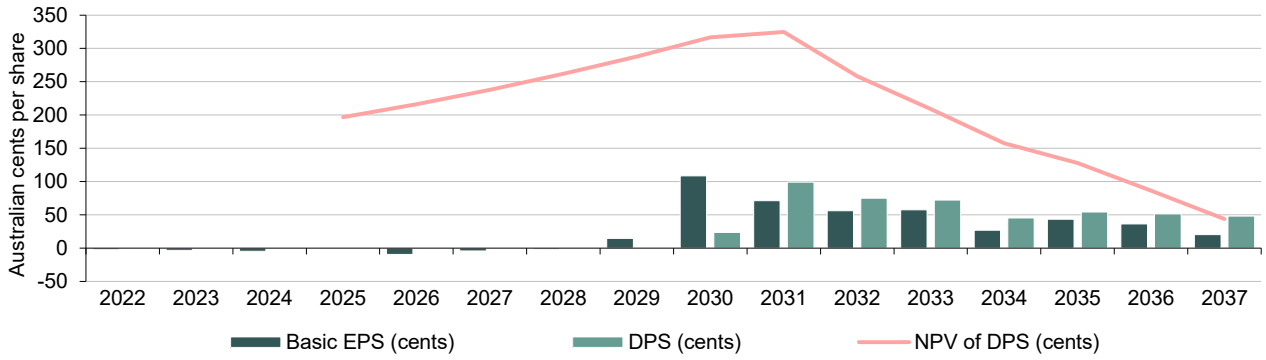
Scenario	Valuation (A$/share)	Previous valuation (A$/share)	Change (%)
Unrisked estimated post-tax $NPV_{7.5\%}$	3.40	3.02	12.6
Ditto adjusted for:			
– Sovereign risk	1.69	1.51	12.4
– IRR	1.63	1.45	12.4
– Sovereign risk and IRR	1.85	1.64	12.4

Source: Edison Investment Research. Note: Using optimised scoping study gold price of US$3,333/oz and 7.5% discount rate.

Barton valuation based on Edison assumptions

Our long-term, real gold price forecast remains unchanged at US$1,941/oz in late-FY26 terms, largely based on the assumption that meaningful positive real interest rates must return to western economies in general and the US economy in particular at some point. At this price and at the costs indicated in its optimised scoping study – Tunkillia is somewhat marginal in terms of returns to shareholders. However, at the price of US$3,333/oz used in the optimised scoping study, and including production from Challenger-CGM, we estimate that Barton could support a fund-raising of A$109.7m in FY28 at the current share price (such that the net debt:equity ratio peaks at 2:1 in FY29 when all capex has been expended) and return dividends to shareholders with an NPV_{10} of A$2.38/share (cf A$2.22/share previously) in 1 July 2026 money terms. At the current price of gold of US$3,850/oz, this valuation increases by 57.6%, to A$3.75/share.

Exhibit 9: Barton Gold EPS, maximum potential DPS and NPV of DPS, FY22-37 (Ac/share)

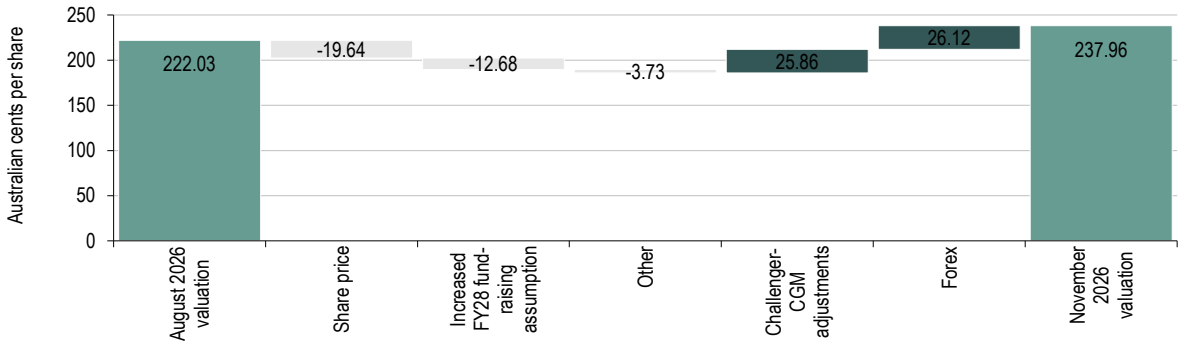


Source: Edison Investment Research. Note: Based on the execution of the Tunkillia project to the parameters set out in its initial scoping study, using a gold price of US$3,333/oz and a 10% discount rate.

From this level of A$2.38/share on 1 July 2026, we would expect the valuation of Barton to increase and to peak at A$3.25/share (also in 1 July 2026 money terms) on the cusp of the company's first material potential dividend to shareholders in FY31.

A bridge chart of the evolution of our valuation of Barton since our last note in August is as follows:

Exhibit 10: Barton Gold valuation evolution (November 2026 cf August 2026)



Source: Edison Investment Research.

In addition to Tunkillia and Challenger-CGM, Barton's other assets may prove significant multipliers of value. Although small in terms of ounces, Tarcoola boasts the Perseverance pit with a grade of 1.99g/t, which is significantly in excess of Tunkillia's average resource grade of 0.80g/t and its average life-of-mine head grade of 0.82g/t. In addition, Barton is targeting a further c 365koz gold in higher-grade zones to be fed into the mill in the first two to three years of operation and potentially as much as 120koz per year to be fed into the mill over its full eight-year processing life. Possible sources for such material include potentially extending the starter pits and deepening and/or smoothing the eventual main pit floor.

However, whether early or late in the life of the operation, we estimate that future exploration success and/or future optimisation studies have the potential to add materially to Barton's valuation. In our base case, we assume that the company will raise equity in FY28, pay off outstanding net debt in FY30 and then generate an average of A$254.8m (cf A$225.5m previously) per year for the remaining seven years of its life, which it would pay out as (maximum potential) dividends at an effectively unchanged average rate of c A$0.64/share per year. If it is able to extend its performance in its terminal year (FY37) into the future via exploration success, then our estimate of its valuation varies as shown in Exhibit 11, below.

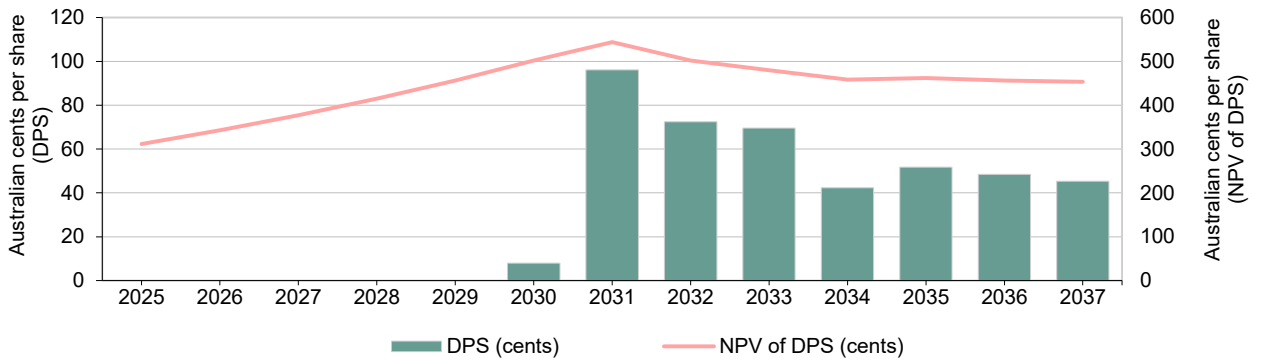
Exhibit 11: Barton Gold valuation sensitivity to operational life extensions (A$/share)

Scenario	Valuation (A$/share)	Incremental valuation change (A$/share)	Incremental valuation change (%)
Discounted dividend valuation*	2.38		
Discounted dividend valuation* (including exploration investment**)	2.18	(0.20)	(8.4)
+ five years	2.78	0.60	27.6
+10 years	3.16	0.37	13.4
+15 years	3.39	0.23	7.4
+20 years	3.53	0.14	4.3
Ad infinitum	3.77	0.24	6.7

Source: Edison Investment Research. Note: *Using a gold price of US$3,333/oz and a 10% discount rate. **Assumed at the rate of A $16.8m per year.

Moreover, while an extension of Barton's operations' lives indefinitely would increase our valuation of the company today by 58.4%, or A$1.39/share, from A$2.38/share to A$3.77/share, this valuation itself would continue to rise with time to peak at A$5.37/share in FY31, before settling out at a long-term, steady-state level of A$4.99/share (cum-div) or A$4.53/share (ex-div), as depicted in Exhibit 12 below:

Exhibit 12: Barton Gold maximum potential DPS and NPV of DPS, ad infinitum (Australian cents per share)



Source: Edison Investment Research. Note: Based on the ad infinitum extension of Barton's operations, with Tunkillia at its core, using a gold price of US$3,333/oz and a 10% discount rate.

Accepting the ad infinitum valuation shown in Exhibit 12, we calculate that Barton's P/E ratio in the years FY30–37 (ie those for which we have full financial forecasts) would range from 4.8x in FY30 to 25.9x in FY37. This compares with Capricorn Metals' current consensus forecast P/E range of 18.2–7.7x for FY26–28 (ie the same order of magnitude; source: LSEG Data & Analytics, 11 November 2026). Relative to its current share price, we calculate that its P/E ratio in the years FY30–37 will range from 0.8–4.5x, with an average of 2.1x (ie approximately one-third to one-tenth of Capricorn's rating).

A note on the gold price

The average gold price in CY25 was US$3,445/oz (source: Bloomberg) and the average in CY26 appears likely to be c US$4,401/oz. Our gold price forecast for CY27 now assumes that the current spot price of c US$3,850/oz will prevail until December 2027, before reverting to our long-term levels as follows:

Exhibit 13: Forecast Edison gold price, real and nominal (US$/oz)

Calendar year	2028	2029	2030
Real price (US$/oz)	1,938	1,796	*1,941
Nominal price (US$/oz)	2,098	2,023	2,274

Source: Edison Investment Research. Note: *Long-term price. Real US dollar expressed in H226 terms.

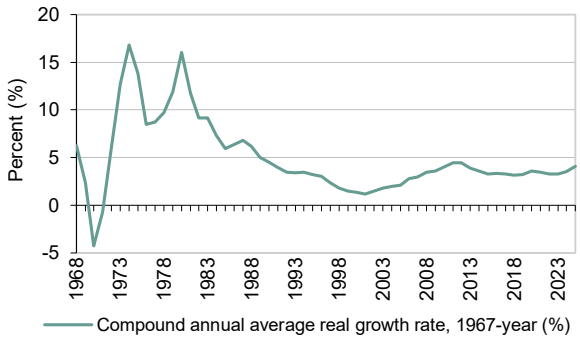
The gold prices in Exhibit 13 are derived with respect to historical precedent. However, almost the only modern precedent to today's market is that of 1970–81 when gold rose from its post-war currency peg of US$35/oz to a peak of US$850/oz in January 1980 before falling by more than 60% in the following two years. The analysis above implicitly assumes a repeat of the same pattern, with 2026–27 being an analogue to 1980–81 etc. However, there are material differences between the two periods of time. The most significant is that, in 1980 the US was still the world's largest creditor nation, and what suddenly reversed gold's fortunes was the policy adopted by the then-new Federal Reserve chairman, Paul Volcker, to 'defend the value of the US dollar'. That entailed sharply raising real interest rates from near zero to around 4% (among other things, causing a sharp recession in the US and many other western countries in the early 1980s), where they remained for most of the next two decades. However, now the US is the world's largest debtor nation and neither the US administration nor the Federal Reserve is talking about defence of the dollar. In fact, quite the opposite: what is being talked about is allowing the dollar to find a level at which US exports can compete on world markets and stimulating the domestic economy with real interest rates as low as possible. Hence, all the forces that pushed gold to its peak of over US$5,500/oz earlier this year remain in place.

President Trump's nomination of Kevin Warsh as chairman of the Federal Reserve appeared to be the catalyst for the start of gold's sell-off from its recent record highs since March. He is reported to be in alignment with Trump in wanting to shrink the Fed's balance sheet at the same time as cutting short-term rates, potentially steepening the yield curve. In themselves, neither a steepening of the yield curve nor cuts to the Fed's balance sheet are traditionally positive harbingers for gold. However, lower short-term rates (and lower short-term real rates, in particular) are potentially positive. In order to make bank reserves currently deposited with the Federal Reserve available for investment in Treasuries, Mr Warsh is assumed to be contemplating redefining inflation in such a manner as to obviate the traditional interest rate response, with a focus on trend rates, rather than the specific rate at any particular point in time. Notwithstanding the recent quarter point increase in the Fed funds rate and short-term market expectations, in the

medium to longer term, this should allow him to reduce (or maintain at lower levels) short-term interest rates even in circumstances in which inflation appears (temporarily) elevated, as long as the longer-term trend rate remains consistent with the target rate at some point in the future. In theory, this could stimulate a reallocation of bank reserves into longer-dated Treasuries. At the same time, management of the long end by means of a relaxation of the supplementary leverage ratio could limit the degree of steepening (and thereby rein in the cost of borrowing for the federal government).

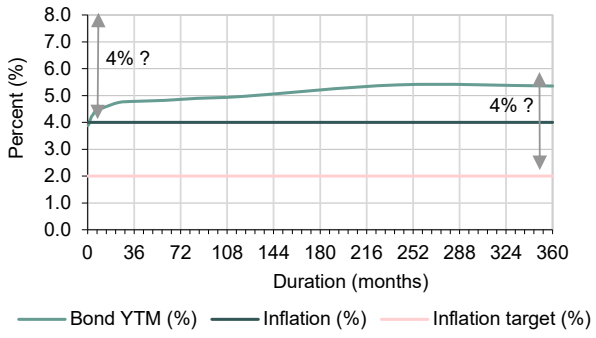
However, it remains to be seen whether cuts to short-term interest rates under a new Treasury-Fed accord can be achieved without reigniting inflation and whether the markets can be convinced that any apparent increase in prices is transient, rather than embedded. In the near-term, it appears likely that a period of heightened inflation beckons and much will depend on whether investors believe that the Federal Reserve will want to be seen to react hawkishly or to accept the risk of Mr Warsh's new, but relatively untested, theory. Currently, the market seems to be assuming that a hawkish response is inevitable and hence increases in inflation appear to correlate to increased interest-rate expectations and a lower gold price. However, this knee-jerk reaction may abate. In recent testimony, Mr Warsh vowed to deliver price stability at the same time as saying that he had 'no preferred inflation measure'. As such, the Fed may ultimately come to be seen as a dove in hawk's plumage. In the meantime, neither short-term real interest rates of minus 0.125% (a Fed Funds rate of 3.75–4.00% minus inflation of c 4.0%) nor long-term real interest rates of 1.345% are attractive relative to gold's compound average annual growth rate of 4.1% in real terms since 1967 (see Exhibits 14 and 15). If nothing else, this will continue to encourage holders of dollars (especially the world's central banks) to convert them into gold – a trend that appears to have reasserted itself after a brief, liquidity-driven interruption in March, at the start of the Iran war.

Exhibit 14: Gold price compound annual average growth rate, 1967–year (%)



Source: Edison Investment Research (underlying data: Bloomberg, South African Chamber of Mines, US Department of Labor, Bureau of Labor Statistics)

Exhibit 15: US yield curve vs US CPI-U inflation rate (%)



Source: Bloomberg, US Department of Labor, Bureau of Labor Statistics, Edison Investment Research

While it is tempting to look at recent graphs of the gold price and attempt to call a 'top', investors should beware as many of the forces that drive it are often self-reinforcing, especially the fact that above-ground stocks of gold of c 216,000 tonnes dwarf newly mined supply of c 3,700 tonnes per year. Hence, traditional supply and demand analysis often fails in the case of gold, where price discovery tends to occur among existing holders, rather than new buyers and sellers. This means, while the price has appreciated substantially (eg from below US$1,300/oz in May 2019), in the absence of a fundamental shift in macroeconomic policy, there is no reason to suppose that it cannot continue much higher. The following demonstrates the extent to which this is possible:

- The gold price required to cover the total US monetary base is US$20,837/oz (based on September's data). This is analogous to the classical gold standard, according to which the Federal Reserve was required to hold enough gold to redeem all of its liabilities (ie US dollars) that could be in circulation. Although President Nixon formally closed this dollar window in August 1971, in the era of a floating gold price, US gold reserves were nevertheless still able to cover the total US monetary base as recently as 1980.
- The US net international investment position (the difference between its external financial assets and its external liabilities and historically conceived of as being the sum of past current account deficits) was reported as US $22.42tn in Q226 (c 71% of GDP). Excluding monetary gold, it is US$23.47tr. As a result, the gold price required to cover the balance of the US net international investment position is US$89,758/oz – ie this is the price that would theoretically be required to enable the US to cover all of its accumulated deficits since c 1979 with its gold reserve.
- The gold price required to cover both the US net international investment position and its monetary base is thus US $110,592/oz.

While gold would need to increase c 29 times to get from its level now to US$110,592/oz, it is perhaps worth noting that it has already increased 110 times to get from its level of US$35/oz in 1967 to its current price and by approximately 15 times since as recently as 2001. Inevitably, few guarantees can be made regarding the future evolution of the world economy. However, the following conjectural sequence of events may demonstrate a mechanism by which these price levels could be achieved:

- First, the gold price reaches a level of US$20,837/oz, which fully covers the total US monetary base and is therefore comparable to the levels that it reached in 1980. At the current forex rate of CNY6.6681/US$ this would equate to a renminbi price of gold of CNY138,943/oz.
- At the current time, US GDP per capita is US$94,430 according to the International Monetary Fund, while China's is CNY95,749 per capita, which equates to c US$14,359 per capita at the current exchange rate.
- The Chinese renminbi then appreciates from CNY6.6681/US$ to near parity in the ensuing years (see paragraph below for sterling-dollar precedent). In this case, the renminbi price of gold needs only to be maintained at a flat CNY138,943/oz in order for the US dollar price of gold to reach US$138,943/oz (NB to reach US$110,592/oz the renminbi would only need to appreciate to CNY1.2564/ US$).
- At this point in time, not only would the US dollar gold price have reached the levels required to balance its negative net international investment position (as above), but Chinese GDP per capita would have increased to match that of the US. At some point in time, therefore, we think it likely that the People's Bank of China will abandon its currency peg to preserve its citizens' wealth as well as to manage the transition of China's workers from global producers to global consumers, albeit at the cost of accepting a much more competitive US dollar in world markets.

As a precedent to the above, we would point to the fact that the UK was the world's largest creditor nation prior to 1914 (akin to the US in 1980). At that time, the price of gold was £4.4s.11½d per ounce (effectively £4.25/oz in decimalised currency) and US$20.67 per ounce, such that the sterling-dollar (cable) rate was US$4.86/£. After sterling came off the gold standard in 1931 and the US devalued, this rate peaked at just over US$5.00/£ in 1934 during a rush to safety into the world's reserve currency (ie sterling). By 1945, the UK had become the world's largest debtor nation (c 15–25% of GDP), and, in just 40 years, sterling would test parity against the dollar in February/March 1985 (and then again in September 2022). The US, by contrast, became the world's largest debtor nation in 1990, in which case a similar 40-year gap would suggest that it could test parity with the renminbi as early as 2030. A further 37-year gap would see this extended to 2067.

Official financial agencies do not publish a single country's share of the US net international investment position, as complex corporate structures often make it difficult to determine the ultimate beneficial owners of diverse financial instruments. However, analysing the primary, tangible data components tracked by the US Department of the Treasury and the Bureau of Economic Analysis, China may be estimated to own c 3–6% (c US$3tn) of total foreign-owned assets in the US, while the US may be estimated to own c US$1tn in assets in China, to give the US a net international investment liability to China of US$2tn at current forex rates. To balance this position would therefore only require the renminbi to move from its current rate of CNY6.6681/US$ to CNY2.2227/US$ (in which case, the gold price would reach a level of US$62,511/oz in the framework outlined above).

As stated previously, few guarantees can be made regarding the future evolution of the world economy. Agreements similar to the 1985 Plaza Accord may attempt to manage global foreign exchange rates in an orderly fashion. However, the numbers calculated demonstrate the extent to which the world has financialised since 1971 to the detriment of real assets. At the same time, this analysis demonstrates that, in the absence of a major policy change from either China or the US, in particular, the bull market for gold may be very far from over.

Financials

In May/June, Barton raised A$25.9m via the issue of 30.5m shares at a price of A$0.85/share, backed by, among others, Franklin Templeton (which now has a 6.8% interest in the enlarged share capital of the company cf 3.8% previously) and Aegis (5.1% interest). As a result, we estimate that Barton is fully funded to complete the Challenger-CGM DFS and Tunkillia PFS programmes as well as its expanded exploration campaigns. Thereafter, it is targeting positive free cash flow as early as FY28, thus allowing it to raise a more modest amount of equity in order to develop Tunkillia.

Exhibit 16: Financial summary

A$'000s	2022	2023	2024	2025	2026	2027e	2028e	2029e
Year end 30 June	UK GAAP	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS								
Revenue	2,430	2,809	794	8,868	884	0	24,683	148,100
Cost of Sales	(6,250)	(8,039)	(9,389)	(10,207)	(23,154)	(28,254)	(46,674)	(62,270)
Gross Profit	(3,820)	(5,230)	(8,595)	(1,339)	(22,270)	(28,254)	(21,991)	85,830
EBITDA	(3,820)	(5,230)	(8,595)	(1,339)	(22,270)	(28,254)	(21,991)	85,830
Operating Profit (before amort. and except.)	(3,912)	(5,358)	(8,835)	(1,551)	(22,486)	(28,470)	(23,485)	76,863
Intangible Amortisation	0	0	0	0	0	0	0	0
Exceptionals	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Operating Profit	(3,912)	(5,358)	(8,835)	(1,551)	(22,486)	(28,470)	(23,485)	76,863
Net Interest	(193)	(320)	(568)	(288)	78	320	(2,093)	(10,110)
Profit Before Tax (norm)	(4,105)	(5,678)	(9,403)	(1,839)	(22,408)	(28,150)	(25,578)	66,753
Profit Before Tax (FRS 3)	(4,105)	(5,678)	(9,403)	(1,839)	(22,408)	(28,150)	(25,578)	66,753
Tax	0	0	0	0	0	0	0	(20,026)
Profit After Tax (norm)	(4,105)	(5,678)	(9,403)	(1,839)	(22,408)	(28,150)	(25,578)	46,727
Profit After Tax (FRS 3)	(4,105)	(5,678)	(9,403)	(1,839)	(22,408)	(28,150)	(25,578)	46,727
Average Number of Shares Outstanding (m)	175.6	176.0	200.5	219.2	239.8	275.2	349.4	418.8
EPS - normalised (c)	(2.3)	(3.2)	(4.7)	(0.8)	(9.3)	(10.2)	(7.3)	11.2
EPS - normalised and fully diluted (c)	(2.3)	(3.2)	(4.7)	(0.8)	(9.3)	(9.7)	(7.0)	10.8
EPS - (IFRS) (c)	(2.3)	(3.2)	(4.7)	(0.8)	(9.3)	(10.2)	(7.3)	11.2
Dividend per share (c)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET								
Fixed Assets	14,151	14,374	14,366	14,357	19,474	49,303	198,808	416,341
Intangible Assets	13,757	13,782	13,814	13,757	18,838	18,838	18,838	18,838
Tangible Assets	394	592	552	600	636	30,465	179,970	397,503
Investments	0	0	0	0	0	0	0	0
Current Assets	11,782	10,719	10,949	9,307	33,635	1,288	3,317	13,461
Stocks	0	0	0	0	483	0	2,029	12,173
Debtors	427	68	387	0	1,046	1,046	1,046	1,046
Cash	11,200	10,451	10,216	8,991	31,864	0	0	0
Other	155	200	346	316	242	242	242	242
Current Liabilities	(573)	(842)	(5,271)	(1,530)	(7,454)	(7,203)	(7,203)	(4,660)
Creditors	(573)	(789)	(5,213)	(1,456)	(7,383)	(7,383)	(7,383)	(4,840)
Short-term borrowings	0	(53)	(58)	(74)	(71)	180	180	180
Long-Term Liabilities	(15,091)	(15,548)	(13,715)	(13,273)	(11,889)	(31,091)	(103,972)	(287,465)
Long-term borrowings	0	(60)	(2)	(77)	(2)	(19,204)	(92,085)	(275,578)
Other long-term liabilities	(15,091)	(15,488)	(13,713)	(13,196)	(11,887)	(11,887)	(11,887)	(11,887)
Net Assets	10,269	8,703	6,329	8,861	33,766	12,297	90,950	137,677
CASH FLOW								
Operating Cash Flow	(4,174)	(4,540)	(5,950)	(4,464)	(17,312)	(27,771)	(24,019)	73,143
Net Interest	(193)	(320)	(568)	(288)	78	320	(2,093)	(10,110)
Tax	0	0	0	0	0	0	0	(20,026)
Capex	676	550	(23)	582	(481)	(30,045)	(151,000)	(226,500)
Acquisitions/disposals	0	0	0	0	0	0	0	0
Financing	0	3,609	6,358	3,000	40,666	6,681	104,231	0
Dividends	0	0	0	0	0	0	0	0
Net Cash Flow	(3,691)	(701)	(183)	(1,170)	22,951	(50,815)	(72,881)	(183,492)
Opening net debt/(cash)	(14,891)	(11,200)	(10,338)	(10,156)	(8,840)	(31,791)	19,024	91,905
HP finance leases initiated	0	0	0	0	0	0	0	0
Other	0	(161)	1	(146)	0	0	0	(0)
Closing net debt/(cash)	(11,200)	(10,338)	(10,156)	(8,840)	(31,791)	19,024	91,905	275,398

Source: Company sources, Edison Investment Research.

General disclaimer and copyright

This report has been commissioned by Barton Gold and prepared and issued by Edison, in consideration of a fee payable by Barton Gold. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of Liability: To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained on this note.

No personalised advice: The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Investment in securities mentioned: Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Copyright 2026 Edison Investment Research Limited (Edison).

Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or sol icitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.

London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom