



Flash Research Note

Many Peaks Minerals (ASX:MPK)

Following footsteps of giants

Price: \$0.20 | Valuation: \$0.40 | Implied Return: 100% | 3 December, 2024

Cote d'Ivoire is Elephant Country

Many Peaks Minerals (ASX: MPK) has four gold projects in Côte d'Ivoire, with total area of around 1,919km². The Company is currently undertaking a 10,000m drilling campaign across its flagship Ferke and Odiene projects.

Ferke is a 300km² tenement with a previous drilling history comprising reconnaissance (RC) and diamond drill holes. The previous 18 diamond holes for 2,718m returned lengthy gold intercepts which confirmed an outcropping zone of gold mineralisation. This extends to a vertical depth of over 140m, including sections of true widths up to 30m where the mineralisation transects a granite intrusion. The drilled mineralisation demonstrates continuity for over 300m (within a >12.5km north-south anomaly). Shear-hosted mineralization on narrower intercepts extends outside the granitic host to the south and mineralisation is open for further drilling (to both north and south). Current exploration activity includes a 5,000m drill program at Ferke, targeting undrilled extensions to mineralisation along a 9km stretch of the north-south gold anomaly already defined, with diamond drill tests on open gold mineralisation to immediately follow in the new year.

Odiene comprises two permits for 758km² in a largely unexplored region bordering Guinea. The project is situated in the same high-strain corridor as the 5.4Moz Bankan gold deposit (ASX:PDI) and recent gold discoveries by Awale-Newmont JV (TSX.V: ARIC). MPK completed 8,810m of reconnaissance drilling earlier in 2024 and defined three zones of gold anomaly where 5,000m of air core drill follow-up is planned across priority targets.

Key Points

- Previous drilling at Ferke has shown strong results with multiple intercepts from surface including:
 - 47m @ 3.7g/t Au and
 - 15m @ 2.06g/t Au (followed by 116.5m @ 0.98g/t Au).
- Intercepts at depth include:
 - 77.6m @ 2.33g/t Au from 45.9m and
 - 38.2m @ 3.66g/t Au from 51.4m.
- Ferke results highlight open ended mineralisation ready for follow-up work within an extensive corridor predominantly untested (Less than 1.5km of the 12.5km north-south corridor has been drilled to date).
- 5,000m auger drilling at Ferke will cover 9km of gold anomalism with follow up diamond and RC drilling planned through the 2024/25 season.
- Air core drilling at Odiene to commence over coming weeks.
- Steady flow of results expected over first half of 2025
- Well-funded for current drill program and beyond; more than \$6m cash in the bank.
- Experienced board and exploration team.
- Turaco Gold (ASX:TCG) capped at \$240m holds a 6.14% stake.

Valuation of \$0.40 and upside potential

MPK has four gold projects in elephant country, where MPK is in the process of conducting a 10,000m drill program which will lead into RC/DD drill programs to test both extensional targets. Initial auger/aircore drill has shown promising gold intercepts at Odiene and Ferke diamond drilling confirms significant grade potential on bulk tonnage type targets requiring success in expansion drilling to advance to maiden resource. Compared to peers, MPK is 50% undervalued and we see additional upside given the scale of nearby gold tenements and apply a \$0.40 valuation to MPK at drilling.

Company Data

Recommendation: Speculative Buy

Current Price: \$0.20

ASX Code: MPK

Shares on Issue: 81.48m

Market capitalization: \$15.5m

Enterprise Value: \$9m

12-month price range: 0.05-0.29

Board Structure

Francis Harper: Non-Exec Chairman

Travis Schwertfeger: Managing Director

Ben Phillips: Non-Exec Director

Marcus Harden: Non-Exec Director

Major Shareholders

Turaco Gold: 6.14%

BNP Paribas Nominees: 4.24%

Total Top 20: 48.19%

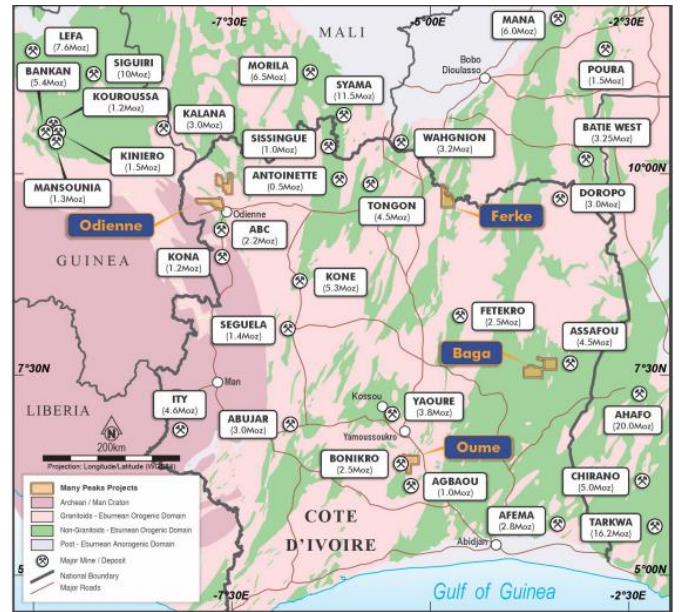
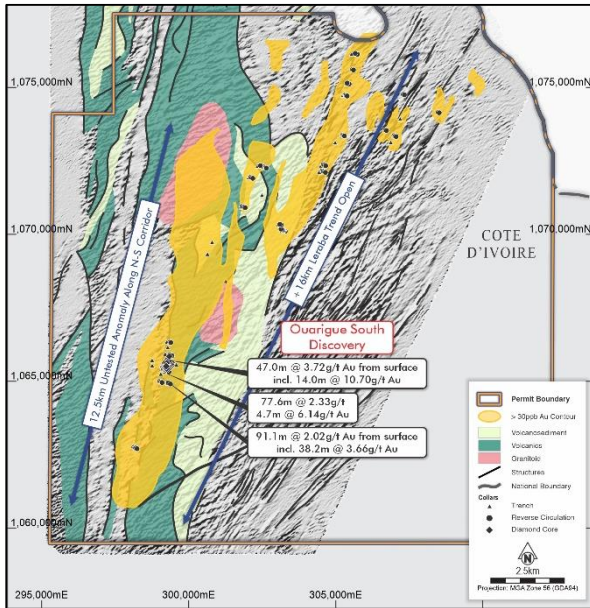
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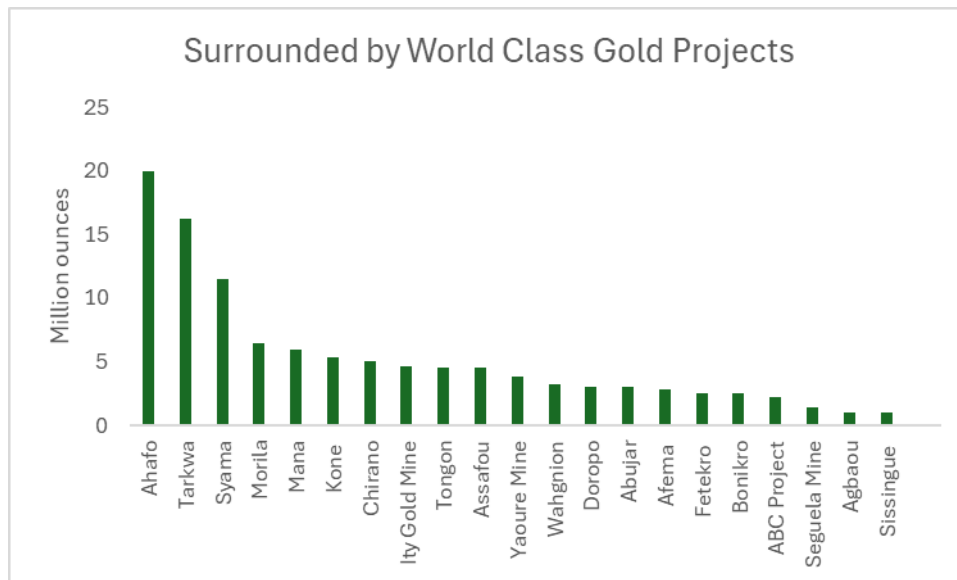
Source: Iress

MPK also have a pipeline of earlier stage projects for future growth, including the Oume gold project, located in central Cote d'Ivoire, and the Baga gold project, located about 200km north-east of Oume. Soil sampling and geochemistry are planned for the next calendar year.

Cote d'Ivoire is a well-known gold destination with many large-scale mines in the vicinity, including neighboring Mali, Guinea, Ghana and Burkina Faso. However, the country doesn't have the sovereign risks currently associated with some of its neighbors. Cote d'Ivoire is a well-known mining destination, with multiple operating mines and development projects in progress and legislation includes a 4-year tax holiday on mining activities.



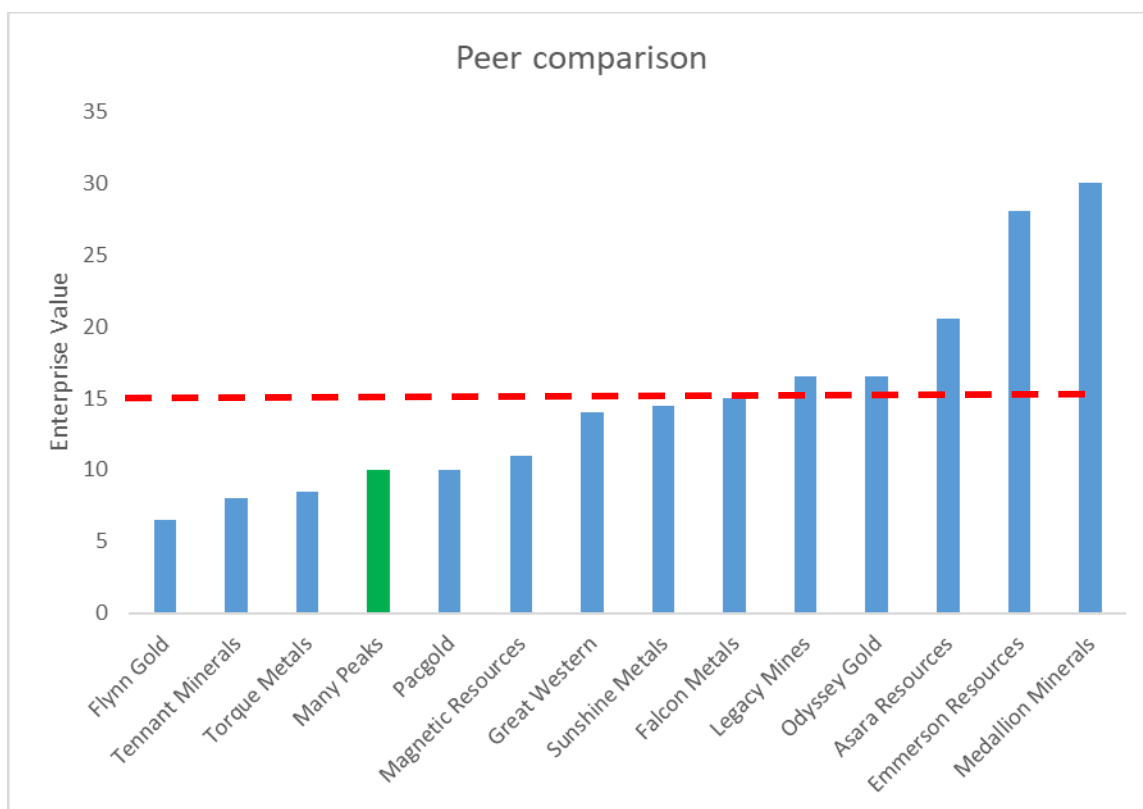
MPK's tenements surrounded by giants. Source: Spatial Dimension, MPK



The potential for more large-scale discoveries remains. Source: Lodge

Comparables & Valuation

As a relatively early-stage exploration company, we have valued MPK by comparing it to a basket of other gold exploration companies who are at pre-JORC stage. As seen in the chart below, MPK compares favorably against peers who hold an average EV of ~\$15m. This gives MPK a 50% upside pre-JORC. However, given the large scale of its gold tenements in Cote d'Ivoire, we have applied an additional upside of 30%. Previous exploration activities at Ferke and Odienne have shown promising potential for a gold system and the upcoming drilling program should see a re-rating as the confidence level grows. As such, we have valued MPK at \$0.40 per share with further drill results potentially adding to the valuation.



Compared to peers MPK sits on the lower, providing valuation upside. Source: Lodge

Rating

BUY – anticipated stock return is greater than 10%

SELL – anticipated stock return is less than -10%

HOLD - anticipated stock return is between -10% and +10%

SPECULATIVE BUY – high risk stock with price likely to fluctuate by 50% or more and anticipated return is greater than 10%

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