



Cambria Gold Mines (TSXV:CAMB)

Bulk Mineable Potential Grows with New Drill Results

SUMMARY

Cambria released the first batch of 2026 assays from definition drilling at the Silver Coin deposit. The results show consistent widths which will be critical to assuring the market the mill can stay filled on restart. Another 14,000 meters of results from Silver Coin are still to come in Q4 2026 and Q1 2027.

BOTTOM LINE

- In our view the most important result from these new drill holes is that five intervals carry estimated true widths of 10 to 31 m at 1.7 to 4.6 g/t Au. That is the bulk-mineable, longhole-stoping tonnage the prior operator never developed to feed the mill.
- Silver Coin is now central to the restart: Management says Silver Coin will provide initial feed for the 2,500 tpd Premier mill alongside high-grade material from Premier-Northern Lights. With more than 14,000 meters of Silver Coin assays due over the coming weeks, Cambria will potentially derisk much of the mill feed question in time for the release of the Feasibility Study targeted for H1 2027.
- **Valuation:** We estimate Cambria currently trades at 0.19x the Net Present Value of the upcoming mine restart. Producing peers trade at 0.60x. With production set to restart within 18 months, we see upside to \$2.00/sh as the company transitions from developer to producer over this time period.

RATING: **BUY**
 TARGET: **C\$2.00**
 POTENTIAL RETURN: **182%**

October 20th, 2026
 Metals & Mining

*Distributed on behalf of
 Cambria Gold Mines*

KEY STATISTICS

Market Cap (C\$M): 300M
 Enterprise Value (C\$M): 201M
 Common Shares (M): 422M
 Diluted Shares (M): 608M
 Inst. Ownership (%): 32%
 Avg Volume (30 Days): 200k shares

VALUATION

EV/Oz (AuEq): C\$62
 P/NPV: 0.19x

FINANCIALS

Cash: C\$132 million
 Debt: C\$33 million

KEY ASSETS

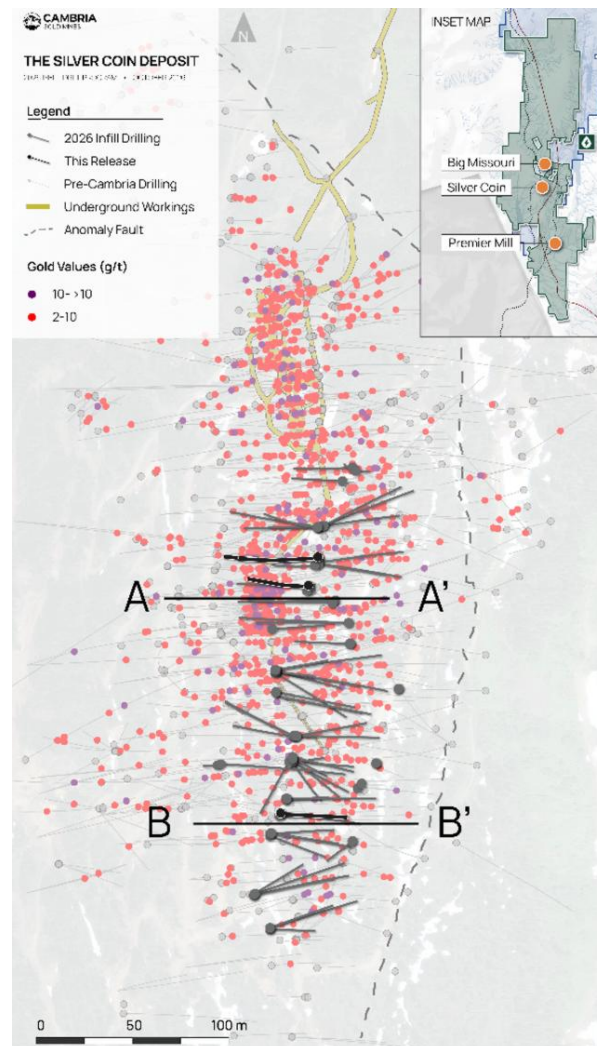


Silver Coin to Become Cambria's Workhorse Deposit

These infill results from Silver Coin, give investors a better look at the deposit we believe will do the heavy lifting in Cambria's restart. Four holes totalling 657 metres returned a headline 98.56 g/t Au over 8.2 m in SC26-2714. In our opinion, the more important number is the width: five intervals carry estimated true widths of 10 to 31 metres at 1.7 to 4.6 g/t Au. That is the bulk-mineable, longhole-stoping tonnage the prior operator was looking for but was never able to develop in time. The shortage of these consistent intervals is what pushed the prior operator Ascot Resources into a restructuring.

In the press release management made it explicit that Silver Coin, together with high-grade material from Premier-Northern Lights, is now expected to provide the initial feed for the 2,500 tpd Premier mill, with Red Mountain following once its construction is complete. With more than 14,000 metres of Silver Coin assays still pending and an updated Feasibility Study targeted for H1 2027, we see potential for a rerating as the feed plan is de-risked through H1 2027.

Historical Drill Results at Silver Coin Deposit



Source: Cambria

Reading the Numbers: A High-Grade Headline but a Bulk-Tonnage Story

Investors should focus more on the continuity of grade vs the headline numbers in our view. Across all ten reported intercepts the length-weighted average is 8.94 g/t over 145.6 m. Excluding the one meter of bonanza grades at 794 g/t Au the remaining 144.6 m average 3.51 g/t.

This is typical of an epithermal system with visible gold, and it is why the updated NI 43-101 resource will cap outlier assays. What gives us confidence is the consistency of the lower-grade envelope. SC26-2711 returned 1.66 g/t over 42.0 m (30.7 m true width), SC26-2719 returned 2.32 g/t over 30.0 m (29.1 m) and SC26-2710 returned 3.75 g/t over 20.0 m (16.4 m). Widths like these suit longhole stoping, the method Westmin and Tenajon used at Silver Coin in the 1990s. In our view, width will be critical to keep the mill filled on restart.

Silver Coin 2026 Infill Drilling: Significant Intersections

Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Est. true width (m)	Gram-metres
SC26-2710							
SC26-2710	91.6	96.0	4.4	22.62	15.1	3.61	99.5
SC26-2710	123.0	143.0	20.0	3.75	12.3	16.40	75.0
SC26-2711							
SC26-2711	81.0	82.0	1.0	19.10	61.3	0.73	19.1
SC26-2711	120.0	162.0	42.0	1.66	6.9	30.66	69.7
SC26-2714							
SC26-2714	73.7	81.9	8.2	98.56	55.5	5.58	808.2
SC26-2714	105.0	121.0	16.0	4.61	8.8	10.88	73.8
SC26-2714	128.2	135.6	7.4	3.10	26.2	5.03	22.9
SC26-2714	150.0	156.0	6.0	2.54	3.1	5.82	15.2
SC26-2719							
SC26-2719	81.0	111.0	30.0	2.32	3.4	29.10	69.6
SC26-2719	115.0	125.6	10.6	4.55	6.2	10.28	48.2
Weighted total			145.6	8.94	11.3	118.09	1,301.3

Source: Cambria Gold Mines news release, October 19, 2026; Capital10X calculations. Weighted total = length-weighted Au and Ag grades; true widths and gram-metres summed. True width = down-hole interval × the company's estimated true-width percentage (68% to 97%). Gram-metres = interval × grade. Composites calculated at a 1 g/t Au cut-off with a maximum 3 m of internal waste.

Solving the Mill-Feed Problem

As we set out in [our initiation report](#), Ascot's failure came down to one thing: not enough ore to feed the mill. In our view, Silver Coin is the most direct answer to that problem on the Premier property. It sits five kilometres north of the mill on an existing haul road. It was also the largest contributor to Premier's Indicated resource in the 2020 Feasibility Study, at 1,597 kt grading 7.61 g/t Au for 390 koz, or 37% of the 1,066 koz PGP Indicated total. At the 2,000 tpd and 260 operating days per year in our model, that tonnage alone represents about three years of mill feed.

History is a useful reminder of the scale required. Silver Coin's 1991 campaign produced 102,500 tonnes at 8.88 g/t Au, roughly 41 days of the mill's 2,500 tpd nameplate. Cambria needs Silver Coin to perform at a scale it never reached historically, which is why we believe these widths matter more than the headline grade. Management's October 5 update says Silver Coin carries higher grades than Big Missouri, can be mined with productive longhole methods, and will be the primary restart focus alongside Premier.

The Development Strategy: A Premier-First Restart

We believe management may now be running a staggered, Premier-first restart. The plan is to start the mill on Premier-complex feed, build cash flow and an operating record, then bring in Red Mountain should the access road and plant additions take a bit more time. We believe the company has clearly laid out the sequence in recent disclosures:

1. **Q4 2026: complete the Silver Coin dataset and prepare PNL.** More than 14,000 m of Silver Coin assays are due over the coming weeks. PNL underground infrastructure is to be finished by year-end, with stope-access development starting this quarter.
2. **Spring 2027: open Silver Coin underground.** Access will come from the Big Missouri workings 700 m to the north or from a new, closer portal, depending on permitting. A second phase of underground drilling begins in early 2027.
3. **H1 2027: updated resource and Feasibility Study,** with SLR Advisors as primary author.
4. **Q4 2027: commission the mill on Premier feed.** Upgrades for Premier material, including a new primary jaw crusher and a pre-leach thickener, are to be completed in 2027. Ramp-up continues through 2028.
5. **After start-up: add Red Mountain.** The alpine road is a 2027 construction-season job, and a fine-grinding mill and second detox tank must be installed before Red Mountain feed arrives. Material would be trucked about 50 km; an aerial tramline or rope conveyor is under study for after the first year.

Commissioning has moved one quarter to Q4 2027, and the Feasibility Study has moved from Q1 2027 to H1 2027. In our opinion the resequencing is the right call: the Premier-complex deposits sit within five kilometres of the mill, while Red Mountain material must travel roughly 50 km by truck. We will rebuild our early-year production schedule once the Feasibility Study is published; though we do not see a remodeling negatively impacting our C\$2.00 target. We already model in enough grade and timing uncertainty that we think a slight delay to production timelines does not change the medium term value of the restart.

The drill results will continue to be important for funding purposes. Cambria has received C\$45.9 million from warrant exercises as of October 5, against the C\$144.5 million of in-the-money warrant proceeds in our initiation framework, leaving up to C\$98.6 million still to collect. However, at the C\$0.71 close on October 16th, the C\$0.75 and C\$0.85 warrants sit out of the money, and the large majority expire on December 30, 2026. Holders will only exercise if the shares trade above their strike. In our view, a strong run of Silver Coin results over the next ten weeks is the most direct route to keeping the restart largely funded with minimal new equity needed.

The Rerating Path on the Lassonde Curve

Cambria sits at the hinge between the Feasibility and Development phases of the Lassonde Curve. The Feasibility Study is not yet complete, but roads are being built, a mining fleet has been purchased and the mill is being upgraded. Infill results like these are not meant to drive a discovery-style spike, their job is to retire feed risk, which in our view is the main reason for the discount the market applies today.

At the C\$0.71 close on October 19, Cambria trades at 0.19x our after-tax NPV of C\$3.38 per fully diluted share, against an average of 0.60x for producing peers. **We see significant potential for a rerating as the remaining Silver Coin data and the H1 2027 Feasibility Study confirm that the mill can be filled. Our C\$2.00 target implies 182% upside from that price.**

We Estimate the Mine Restart is Worth up to C\$3.38/sh

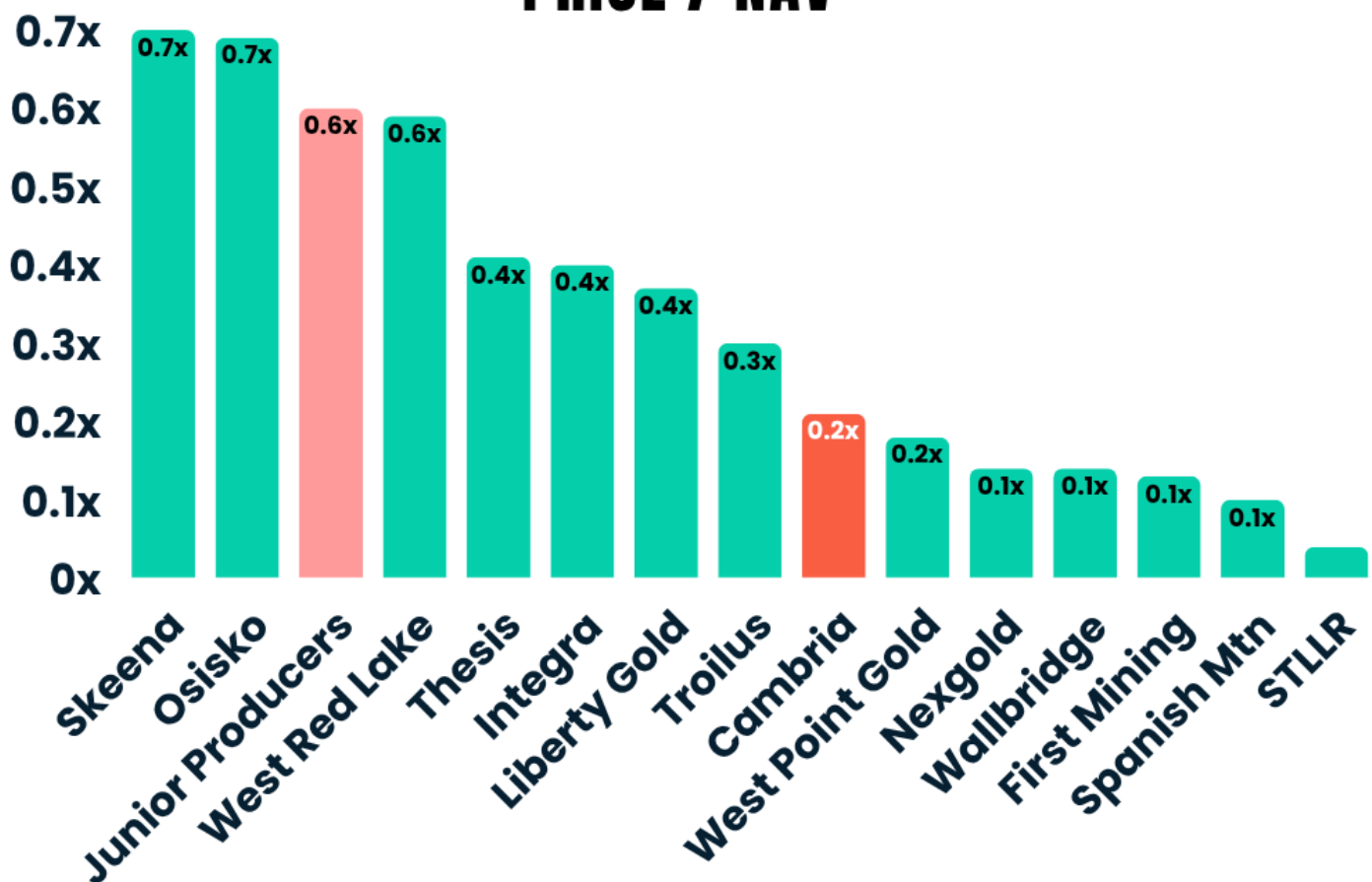
Under our base case assumptions — US\$3,500 per ounce gold, US\$50 per ounce silver, a 6% discount rate, and a 27% statutory Canadian tax rate — we calculate an after-tax net present value of approximately C\$2.06Bn, or C\$3.38 per fully diluted share (608.25 million shares).

On a pre-tax basis, the equivalent figures are approximately C\$2.4Bn, or C\$3.97 per fully diluted share.

Against the current share price of C\$0.71/sh, our after-tax NPV of C\$3.38 per fully diluted share implies the stock is trading at only 0.19x net asset value. With peer producers trading for 0.60x on average we believe Cambria has a credible path to trade up in line with peers over the next 12-18 months leading to restart.

Our price target of C\$2.00/sh is equal to 0.60x NAV and offers investors a 50% CAGR assuming the discount closes by the time production has reached 2,000 tpd.

PRICE / NAV



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