

Doré Copper Mining Corp. (TSXV:DCMC) Doré Delivers More High Grades at Cedar Bay

Exploration Update
September 16, 2020

(Currency is US\$ unless noted otherwise)

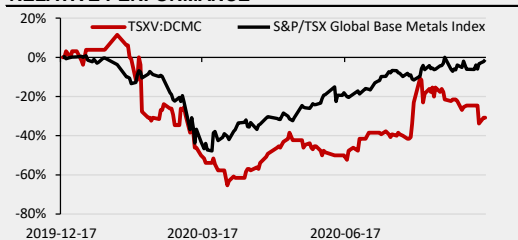
Closing Price (C\$/sh)	\$0.90
Rating	BUY
Target (C\$/sh)	\$2.65
Return to Target	194%
P/NAV	0.17x
NAVPS (C\$/sh)	\$5.26
52 Week Low / High (C\$/sh)	\$0.45 / \$1.65

CAPITALIZATION	Basic	Diluted
Shares Outstanding (M)	31.6	36.2
Market Capitalization (C\$M)	\$28.5	
Enterprise Value (C\$M)	\$25.2	
Cash and Cash Equivalents (C\$M)	\$3.3	
Total Debt (C\$M)	\$0.0	

STOCK CHART



RELATIVE PERFORMANCE



VALUATION	EV/lb CuEq	P/NAV
Doré Copper Mining Corp.	\$0.032	0.17x
Peers	\$0.076	0.44x*

* S&P Capital IQ consensus

MAJOR SHAREHOLDERS

Management (23.96%), Ocean Partners Investments Limited (18.71%), Orion Resource Partners (9.89%), RCF Management, LLC (9.58%)

DISCLOSURE CODE

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(Please refer to the disclosures listed on the back page)

Source: RCS, Company Information, S&P Capital IQ

Company Description

Doré Copper is engaged in the acquisition, exploration and evaluation of mineral properties. Doré Copper completed a qualifying transaction on December 13, 2019 establishing itself as a copper – gold explorer and developer in the Chibougamau area of Québec, Canada. Doré Copper, through its wholly-owned subsidiary CBAY Minerals Inc., holds a 100% interest in the exploration-stage Corner Bay Project and the exploration-stage Cedar Bay Project, both located in the vicinity of Chibougamau, Québec, as well as the 2,700-tpd Copper Rand mill. Doré Copper has an option to earn a 100% interest in the Joe Mann property.

Impact: Positive

Doré Copper released drill results from its ongoing exploration program at its 100%-owned Cedar Bay project, located near Chibougamau, Quebec. The results show further extensions of the Cedar Bay Central, 10_20 A and B veins. **We maintain that Doré has positioned itself to become a consolidator in the Chibougamau region. Drilling shows positive results thus far, and as outlined in our [last report](#), we believe the company has begun to daylight the potential of this mining camp.**

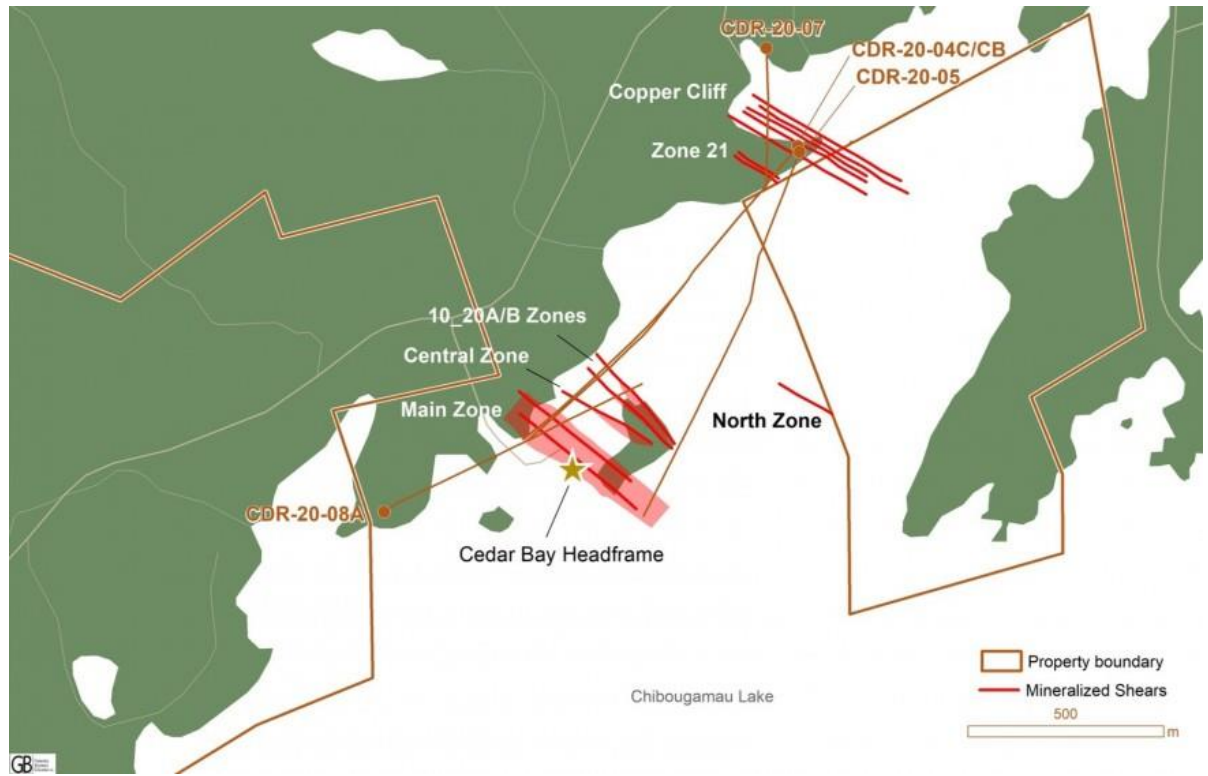
Highlights:

- High-grade Cu extends mineralization.** Five parallel zones were previously identified at Cedar Bay – Main 1&2, Central, and 10_20 A&B (Figure 1). Hole CDR 20-08A was drilled from the west to intersect these parallel structures, notably 10_20A&B. Hole CDR-20-08AW1 was then wedged at 700m depth, targeting the Main and Central structures (Figure 2). Both holes intersected high-grade mineralization within their targets: 1) **6.92% Cu and 3.10 g/t Au over 3.4m** (CRD-20-08AW1) and 2) 1.65% Cu and 7.57 g/t Au over 1.7m (CDR-20-08A). The results suggest large vertical extensions of the 10_20A&B structures by ~250m down-dip.
- Growth potential continues.** Cedar Bay's current resource consists of 130,000 tonnes at 1.55% Cu and 9.44 g/t Au indicated, and 230,000 tonnes at 2.13% Cu and 8.32 g/t Au within the 10_20A&B and Central structures. We highlight that both holes contain intervals with Cu intercepts **above the current resource grade** and expect these holes to support an updated resource estimate (H1/21). Further testing is anticipated with results from a second wedge hole (CDR-20-08AW2) expected near-term (Figure 2).
- More news underway.** Doré's fully funded exploration program consists of 35,000m of drilling and is expected to extend into 2021. The program is focused on resource growth at its Cedar Bay, Corner Bay and Joe Mann projects. Results are expected to support an updated resource estimate in H1/2021, followed by a PEA (2021). As described in a [recent note](#), the company announced its intention to deploy two drills at its Joe Mann Mine. We believe Doré is not receiving any value from the market for the high-grade Au potential of Joe Mann.

Valuation:

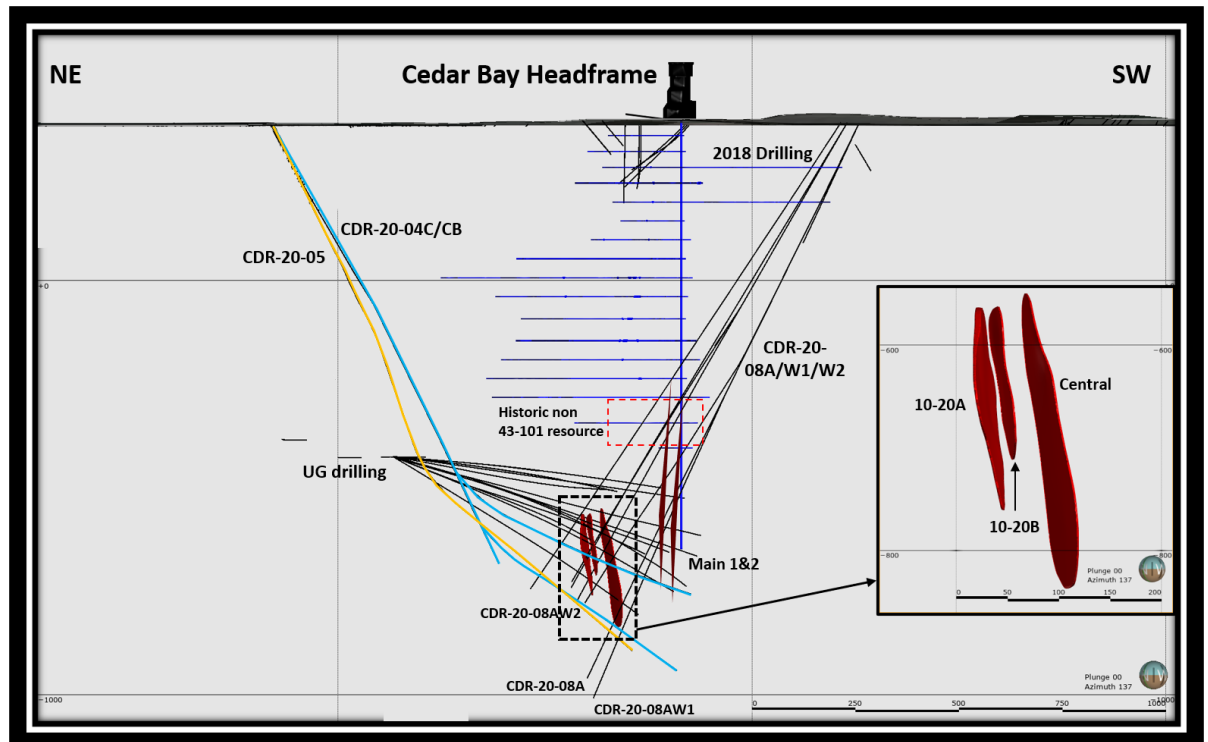
We are maintaining our BUY rating and C\$2.65 price target. Our price target is based on a 0.5x multiple of our blended sum-of-parts derived NAV and NPV valuation of Corner Bay of C\$5.26 (unchanged). We note that Doré trades at \$0.032/lb. Cu Eq and 0.17x NAV, a large discount to peers at \$0.076/lb. Cu Eq and 0.44x NAV. **Upcoming Catalysts:** 1) 2020 Drill results (ongoing), 2) Updated resource estimate (H1/2021), 3) Evaluation and further drilling of Lac Doré targets (2020-21) and 4) PEA for Cedar Bay, Corner Bay and Joe Mann (H1/2021).

Figure 1: Plan view of Cedar Bay showing mineralized shears with overlain 2020 drill holes



Source: Company reports

Figure 2: Section view looking NW showing drill hole traces of directional holes drilled from Copper Cliff



Source: Company Reports

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Company Name	Ticker Symbol	Disclosures
Doré Copper Mining Corp.	TSXV:DCMC	3

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