

## Mawson resources Ltd. (TSX:MAW) *Raja Prospect has the Potential to Double*

## Exploration Update

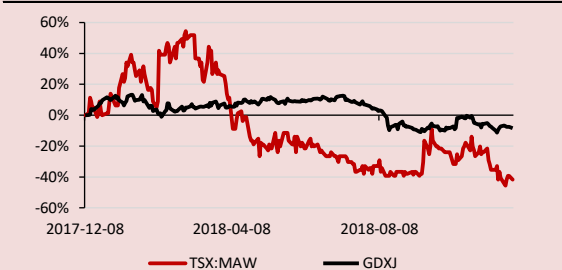
(Currency is CAD\$ unless noted otherwise)

Closing Price	\$0.23	
Consensus NAVPS	NA	
52 Week Low / High	\$0.22 / \$0.63	
Consensus P/NAV	NA	
<b>CAPITALIZATION</b>	Basic	Diluted
Shares Outstanding (M)	141.6	172.0
Market Capitalization (\$MM)	\$32.6	
Enterprise Value (\$MM)	\$24.1	
Last Reported Quarter Cash (\$MM)	\$8.5	
Total Debt (\$MM)	\$0.0	

### STOCK CHART



### RELATIVE PERFORMANCE



RELATIVE VALUATION	US\$EV/oz	P/NAV
Peer Group Average*	\$38	0.45x
Mawson Resources Limited	NA	NA

\*Capital IQ Consensus

### MAJOR SHAREHOLDERS

Management (4.15%), Sentient Group Limited (26.67%), Goldcorp Inc. (12.71%), 888 Capital Corp. (0.35%)

DISCLOSURE CODE: 1,2,3,4

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

Source: RCKS, Company Information, Capital IQ

### Company Description

Mawson Resources Limited is an exploration and development company. Mawson has distinguished itself as a leading Nordic Arctic exploration company with a focus on the flagship Rompas-Rajapalot gold cobalt project in Finland. MK Core Drilling of Ranua, Finland will be conducting the diamond drilling producing oriented NQ diameter (46.7 mm) core.

### Impact: Mildly Positive

Mawson has announced geophysical survey results at its Raja prospect, which have highlighted the potential doubling of its mineralized footprint. **These results as well as exploration to date continue to support our thesis that the Rompas-Rajapalot project hosts a sizeable high-grade mineralized system in a tier one mining jurisdiction.**

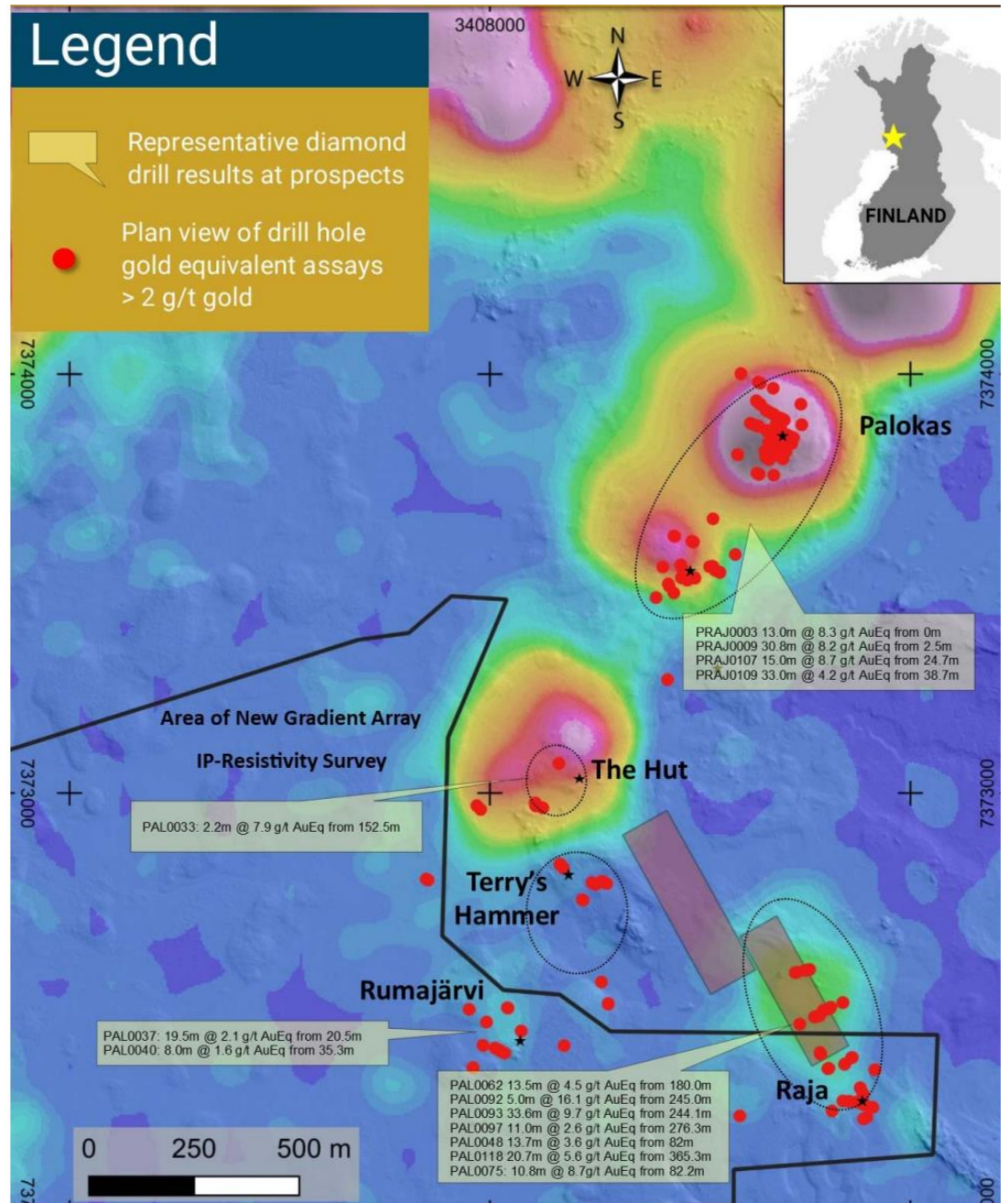
### Highlights:

- Doubling the mineralized footprint.** TEM surveying across the northern region of the Raja prospect suggests the mineralization extends 450m down plunge from the current drilled area to >1km down-plunge, which could double the known footprint. The survey results confirm recent finding from **drillhole PAL0093**, which returned 33.6m grading 9.4 g/t AuEq (Figure 1). The depth potential at the Raja prospect could represent significant exploration upside.
- Increasing confidence with drilling.** The Au-Co mineralized zones on the property form excellent conductive targets, allowing the company to use geophysics to increase drilling hit rates (Figure 2). We expect ongoing geophysics along the 3.5km Rajapalot mineralized trend to further highlight the prospectivity of the property ahead of the 15,000m winter drill campaign scheduled to start in January 2019 (drilling subject to final permits).
- Maiden resource expected by year-end.** The current enterprise value implies a maiden resource of ~440k oz (using US\$40/oz). Based on our recent site visit, we expect the high-grade resource to be roughly in line to slightly larger than the implied size. However, in our view the current drilling defined strike length implies a potential size of up to 1Moz, and the above geophysics suggests there is room to grow. With C\$8.5M in cash, the company is well funded for ongoing resource expansion drilling.

### Valuation:

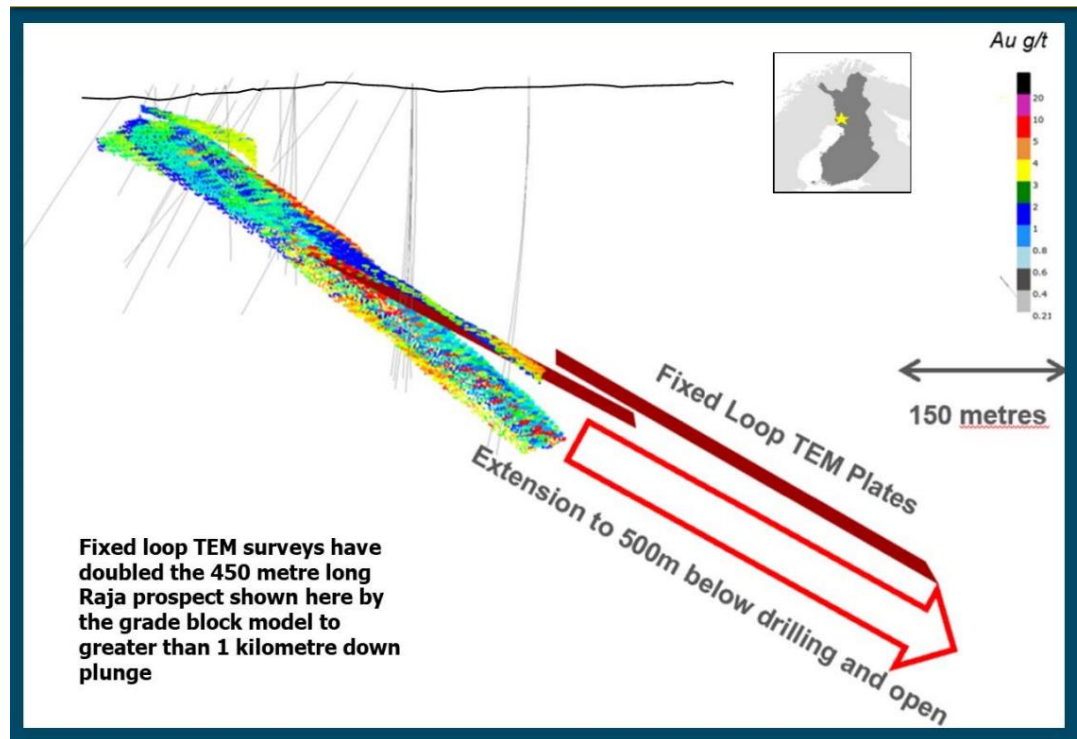
**Maiden resource appears to be partially priced in, upside excluded.** With the current market cap only implying a small resource, there remains upside for investors as the company demonstrates the potential of the high-grade, Au-Co Rajapalot project. We believe Mawson is well positioned as a top explorer in Finland with the added benefit from Co content improving continuity and grade throughout the mineralization. **Upcoming catalysts** include 1) Results from ongoing drilling 2) Drill permits for winter Rajapalot program and 3) Maiden Resource estimate on Rompas-Rajapalot (Q4 2019).

Figure 1: Plan of Rajapalot with TEM conductors



Source: Company Reports

Figure 2: Raja Prospect long Section Showing Extensions



Source: Company Reports

Figure 3: Comparable companies

Company	Ticker	Price (C\$/sh)	YTD Perf.	Shares (M)	Mkt. Cap C\$M	Cash C\$M	Debt C\$M	EV C\$M	US\$EV/oz	Consensus P/NAV
Mawson Resources Limited	TSX:MAW	\$0.23	-49%	142	\$33	\$9	\$0	\$24	NA	NA
Osisko Mining Inc.	TSX:OSK	\$2.53	-25%	263	\$664	\$102	\$0	\$563	\$56	0.64x
Marathon Gold Corporation	TSX:MOZ	\$0.67	-42%	165	\$110	\$6	\$0	\$104	\$24	0.35x
IDM Mining Ltd.	TSXV:IDM	\$0.06	-48%	520	\$29	\$4	\$0	\$25	\$24	0.33x
Radisson Mining Resources Inc.	TSXV:RDS	\$0.11	-46%	134	\$15	\$0	\$0	\$14	\$26	NA
Victoria Gold Corp.	TSXV:VIT	\$0.37	-16%	786	\$287	\$58	\$13	\$241	\$40	0.42x
Bonterra Resources Inc.	TSXV:BTR	\$2.90	-50%	46	\$133	\$12	\$0	\$121	\$62	0.48x
<b>Median</b>									\$33	0.42x
<b>Average</b>									\$38	0.45x

Source: Capital IQ, RCKS Estimates

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Company Specific Disclosure Details

Company Name	Ticker Symbol	Disclosures
Mawson Resources Ltd	TSX:MAW	1,2,3,4

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