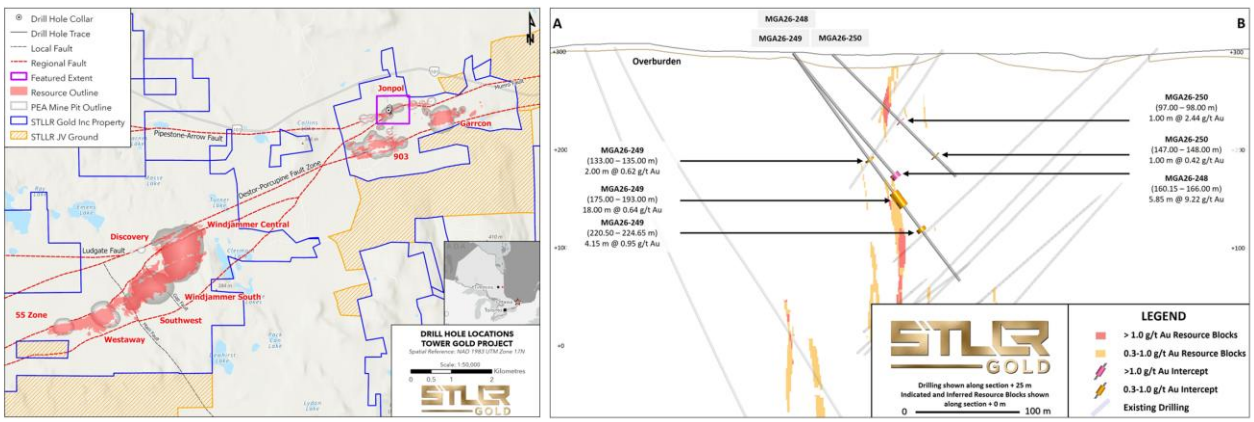
SCP EQUITY RESEARCH

STLLR Gold, 07 April 2026

Ticker: STLR CN	**4Q25 cash:** C$34.4m	**Project**: Tower Gold; Hollinger / Colomac
Market cap: C$233m	**Price:** C$1.54/sh	**Country:** Canada (Timmins / NWT)
REC. (unc): BUY	*TARGET (unc): C$4.55/sh*	*RISK RATING (unc): HIGH*

We view today's initial drilling at Jonpol as an encouraging first step towards unlocking previously excluded ounces. Recall, the last Tower MRE/PEA removed ~200–250koz Au due to unverifiable historical assays, materially reducing Jonpol. Reinstating this alone could ~double the current Jonpol OP/UG resource (232koz @ 1.55g/t), before considering ~3x strike upside outlined today (400m to ~1,200m), supporting SCPe 500koz–1.0Moz LT potential. Digging in, today's results averaged 7.8m @ 2.21g/t (4.5m TT) from ~139m depth—well above the current OP 107koz @ 1.12g/t MRE—with standout intercepts including ***5.85m @ 16.52g/t*** *(9.22g/t cut). Importantly, all drilling sits above ~230m. While continuity remains key, the near-term opportunity is clear: define higher-grade shallow ounces to support a starter pit (vs SCPe 312koz @ 1.05g/t mined in Y1). Reincorporating Jonpol's lost ounces alone could drive ~10% uplift to Garrison (903, Jonpol, Garrcon), ahead of further expansion. For now,* ***we maintain our BUY rating and our C$4.55/sh price target*** *based on 0.1xNAV for Tower Gold and Colomac and 0.2xNAV for Hollinger. Stepping back, STLLR trades critically low at US$7/oz M&I&I for its large 16.6Moz global MRE vs pre-PFS peer developers at US$60/oz, a gap we think closes as Tower Gold derisks to PFS in 2027.*

Figure 1. (A) Tower Gold Project drill location map and (B) Jonpol Deposit drilling cross section



Source: STLLR Gold, SCPe

Jonpol back in play: 5.9m @ 16.5g/t recaptures 'lost' ounces + opens strike runway

Today, STLLR Gold reported 4 drillholes from its 2026 (8,000m in 1H26) Jonpol Deposit drilling program (Garrison within Tower) in Timmins, Canada. Highlights include **5.85m (3.30m TT) @ 16.52g/t Au uncut (9.22g/t cut)** from 160m, **22.65m (14.31m TT) @ 1.46g/t** (incl. 3.15m (1.98m TT) @5.27g/t) from 50m, and **17.80m (10.92m TT) @ 1.13g/t** from 95m. The objectives of the 2026 Jonpol Deposit include strike extension possibly expanding strike from 400m to ~1,200m and infill and de-risking, confirming the block model and supporting potential expansion of higher-grade mineralization to incorporate into the Tower MRE.

Why we like STLLR

1. Large 16Moz global resource endowment in Canada across two assets
2. Flagship Tower Gold: 5.2Moz PEA inv. / 273koz pa, on infrastructure near Timmins ON
3. Colomac PEA: 2.6Moz @ 1.3g/t OP pittable / 782koz @ 4.1g/t UG for >300koz pa in NWT
4. Control >1,000km^2 in prime underexplored Archean greenstone belts
5. Hollinger Tailings opportunity 505koz @ 0.35g/t ready to mill in Timmins

Catalysts

- 2026: Drilling at Tower incl. Jonpol and Garrcon

- 2026: Permitting progress at Tower and Colomac
- 2026: Hollinger Tailings permitting and technical progress
- 2027: Tower PFS

Research

Brandon Gaspar (Toronto) m +1 437 533 3142 bgaspar@scp-rf.com
Ken Ilodibe (Toronto) m +1 204 963 3423 kilodibe@scp-rf.com
Omeet Singh (Toronto) m +1 647 527 7509 osingh@scp-rf.com
Moatasm Almaouie (Toronto) m +1 780 299 5151 malmaouie@scp-rf.com

Ticker:	STLR CN	**Price / mkt cap:**	C$1.54/sh, C$233m	**Project PNAV today:**	0.04x	**Asset:**	Tower,Hollinger/Coloma
Author:	B Gaspar	**Rec / 0.1xNAV PT:**	BUY, C$4.55/sh	**1xNAV today, FD:**	C$43.87/sh	**Country:**	Canada: ON / NWT

Commodity price	**CY24A**	**CY25E**	**CY26E**	**CY27E**	**CY28E**
Gold price	2,387	3,441	4,050	3,800	3,600

Project* SOTP valuation	**C$m**	**O/ship**	**NAVx**	**C$/sh**
Tower Gold proj @ build start	**3,778**	100%	0.1x	2.12
Colomac project @ build start	**3,700**	100%	0.1x	2.07
4Q25 cash	34.4	100%	0.1x	0.02
Cash from options	40.2	100%	0.1x	0.02
SCPe Hollinger Tailings NPV	282	100%	0.2x	0.32
Asset NAV5% US$3600/oz	**7,835**		PT:	**4.55**
**Diluted for options but not mine build*		Market P/NAV$_{5\%\ 4Q25}$		0.04x

Asset value: 1xNPV project @ build start (C$m, ungeared)*					
Combined Project NPV (C$m)*	$3100oz	$3600oz	$4300oz	$5000oz	$5700oz
10.0% discount	2,624	4,248	6,497	8,741	10,986
7.5% discount	3,693	5,625	8,299	10,967	13,636
5.0% discount	5,141	**7,478**	10,711	13,937	17,163
Ungeared project IRR:	18%	23%	30%	36%	42%
0.1xNAV (C$/sh) *	$3100oz	$3600oz	$4300oz	$5000oz	$5700oz
10.0% discount	1.85	2.75	4.00	5.25	6.50
7.5% discount	2.45	3.50	5.00	6.50	8.00
5.0% discount	3.25	**4.55**	6.35	8.15	9.95

**Project level NPV, excl finance costs and central SGA, discounted to build start*

Share data	**Basic**	**FD**	**FF FD**
Basic in issue (m)	151.4	178.6	223.0

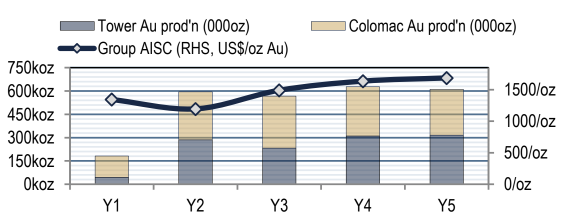
***Group* valuation over time^**	**Mar-26**	**Mar-27**	**Mar-28**	**Mar-29**	**Mar-30**
Tower Gold Project NPV (C$m)	3,426	3,426	4,073	3,778	4,073
Colomac Project NPV (C$m)	2,154	2,606	3,079	3,233	3,700
G&A and finance costs (C$m)	(647)	(660)	(677)	(695)	(695)
Net cash prior qtr (C$m)	34	42	26	764	106
Cash from options (C$m)	40	40	40	40	40
NAV FF FD (C$m)	5,008	5,455	6,542	**7,120**	7,225
Shares in issue (m)	*151.4*	*151.4*	*151.4*	*194.1*	*194.1*
1xNAV5%/sh FF FD (C$/sh)	33.08	36.03	43.21	**36.69**	37.23
Equity ROI from spot (% pa)	364%	2240%	430%	188%	122%

Company value: Geared NAV diluted for mine build, net G&A and finance costs					
1xNAV FF FD (C$/sh)^	$3100oz	$3600oz	$4300oz	$5000oz	$5700oz
10.0% discount	2,574	4,091	6,191	8,287	10,383
7.5% discount	3,548	5,374	7,901	10,422	12,944
5.0% discount	4,886	**7,120**	10,210	13,292	16,375
Geared project IRR:	16%	21%	27%	32%	38%
1xNAV FF FD (C$/sh)^	$3100oz	$3600oz	$4300oz	$5000oz	$5700oz
10.0% discount	9.77	18.26	30.93	44.05	57.41
7.5% discount	15.16	25.92	41.58	57.61	73.84
5.0% discount	23.02	**36.69**	56.22	76.05	96.06

*^Project NPV incl grp SG&A & fin. cost, +net cash; *diluted for mine build equity*

Production	**Y1**	**Y2**	**Y3**	**Y4**	**Y5**
Tower Au production (000oz)	43	286	233	310	316
Colomac Au production (000oz)	139	309	335	318	295
Group Au production (000oz)	**182**	**595**	**568**	**628**	**611**
Tower AISC cost (US$/oz)	1,913	1,271	1,622	1,498	1,509
Colomac AISC cost (US$/oz)	1,167	1,125	1,400	1,770	1,876
Group AISC cost (US$/oz)	**1,344**	**1,195**	**1,491**	**1,636**	**1,686**

AISC = C1 + ug sustaining capex, Y1 = CY31



Source: SCP estimates

Resources	**Au (koz)**	**Au (g/t)**	**%M&I**
Tower Gold MRE	10,963koz	1.19g/t	37%
Colomac MRE	5,089koz	1.68g/t	67%
Hollinger Tailings MRE	505koz	0.35g/t	82%
Global resource	**16,557koz**	**1.07g/t**	**47%**

PEA INVENTORY	**Au (koz)**	**Au (g/t)**
Tower OP inventory	3,638koz	0.75g/t
Tower UG inventory	2,011koz	2.35g/t
Colomac OP inventory	2,600koz	1.32g/t
Colomac UG inventory	782koz	4.12g/t

Funding: uses		**Funding: sources**	
Mine build capex	C$1873m	Cash + ITM options	C$75m
SCPe G&A to 1st Au	C$56m	DFS / Mine build equity (C$m)	C$779m
SCPe pre-production expl'n	C$22m	Build debt @ 60% of PP&E (C$m)	C$1124m
SCPe fin. costs + wkg cap	C$303m	Total proceeds	C$1978m
Total uses	C$2254m		

Ratio analysis	**CY24A**	**CY25E**	**CY26E**	**CY27E**	**CY28E**
Average shares out (m)	100.6	127.5	151.4	151.4	194.1
EPS (C$/sh)	-	-	-	-	-
CFPS (C$/sh)	-	-	-	-	-
EV (C$m)	122.7	161.9	187.5	202.9	(327.8)
FCF yield (%)	-	-	-	-	-
PER (x)	-	-	-	-	-
P/CF (x)	-	-	-	-	-
EV/EBITDA (x)	-	-	-	-	-

Income statement	**CY24A**	**CY25E**	**CY26E**	**CY27E**	**CY28E**
Net revenue (C$m)	-	-	-	-	-
COGS (C$m)	-	-	-	-	-
Gross profit (C$m)	**-**	**-**	**-**	**-**	**-**
D&A, attrib (C$m)	-	0.3	-	-	-
Group G&A (C$m)	7.1	7.0	9.4	9.4	9.4
Finance cost (C$m)	-	(0.9)	-	-	25.0
Taxes (C$m)	-	-	-	-	-
Net income (C$m)	**(7.1)**	**(6.4)**	**(9.4)**	**(9.4)**	**(34.4)**
EBITDA (C$m)	*(21.0)*	*(26.3)*	*(18.9)*	*(15.4)*	*(9.4)*

Cash flow, attrib.	**CY24A**	**CY25E**	**CY26E**	**CY27E**	**CY28E**
EBIT (C$m)	(7.1)	(7.3)	(9.4)	(9.4)	(9.4)
Add back D&A (C$m)	-	0.3	-	-	-
Less tax (C$m)	-	(0.9)	-	-	25.0
Change in wkg cap (C$m)	1.6	(0.2)	(0.1)	-	-
Add back other (C$m)	(19.3)	(17.0)	(9.3)	(6.0)	(50.0)
Cash flow ops (C$m)	**(24.8)**	**(25.1)**	**(18.8)**	**(15.4)**	**(34.4)**
PP&E - build + sust. (C$m)	(0.1)	(0.2)	-	-	(103.0)
PP&E - expl'n (C$m)	(0.0)	0.1	-	-	-
Cash flow inv. (C$m)	**(0.1)**	**(0.1)**	**-**	**-**	**(103.0)**
Share issue (C$m)	23.3	34.6	30.0	-	-
Debt draw (repay) (C$m)	-	-	-	-	700.0
Cash flow fin. (C$m)	**23.3**	**34.6**	**30.0**	**-**	**700.0**
Net change in cash (C$m)	*(1.6)*	*9.4*	*11.2*	*(15.4)*	*562.6*

Balance sheet	**CY24A**	**CY25E**	**CY26E**	**CY27E**	**CY28E**
Cash (C$m)	32.3	34.4	45.6	30.2	1,326.7
Acc rec., inv, prepaid (C$m)	1.3	8.8	7.0	7.0	7.0
PP&E + other (C$m)	95.3	96.4	96.4	96.4	199.4
Total assets (C$m)	**129.0**	**139.5**	**149.0**	**133.6**	**1,533.1**
Debt (C$m)	-	-	-	-	700.0
Accounts payable (C$m)	2.4	3.1	1.3	1.3	1.3
Others (C$m)	8.1	8.4	8.4	8.4	8.4
Total liabilities (C$m)	10.4	11.5	9.8	9.8	709.8
Sh'hlds equity + wrnts (C$m)	236.8	269.8	299.8	299.8	1,049.0
Retained earn'gs + rsvs (C$m	(118.3)	(141.8)	(160.6)	(176.0)	(225.7)
Liabilities + equity (C$m)	**129.0**	**139.5**	**149.0**	**133.6**	**1,533.1**

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Summary of Recommendations as of April 2026	
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HOLD:	0
SELL:	0
UNDER REVIEW:	0
TENDER:	0
NOT RATED:	0
TOTAL	60

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