

Exploration Momentum & First Gold Pour Drive Re-Rating Potential

We update Adelong Gold Limited (ASX: ADG) with a revised Target Share Price of \$0.030, this represents a total upside potential of 168.5%, reflecting a significant increase from the current share price of \$0.011 and a 5.5% increase from the previous Target Share Price of \$0.028 from our [re-initiation report from May this year](#). This re-rating potential is underpinned by ADG's string of pivotal milestones in recent months, positioning the company for a significant re-rating. The successful first gold pour at the Challenger Gold Mine (49% JV interest) transitions ADG into near-term producer status. Meanwhile, the maiden drilling program at the Apollo Gold Project in Victoria delivered strong high-grade intercepts and confirmed continuity of mineralisation in the Dig Fault Zone, validating the company's exploration model. At the same time, ADG has launched drilling at the high-grade gold-antimony Lauriston Gold Project, securing access to both gold and critical minerals upside.

Exploration Momentum Builds Across Apollo and Lauriston Projects

ADG has maintained strong exploration momentum, highlighted by robust assay results from Apollo, including 10.9m @ 3.26 g/t Au and 27.0m @ 1.69 g/t Au, confirming extensive gold mineralisation within the Dig Fault Zone. The company has also commenced regional soil sampling across an 11km strike along the Strathbogie Granite contact to identify new mineralised structures. In parallel, diamond drilling has begun at the Lauriston Gold-Antimony Project, targeting the Comet and Yankee prospects, where early sampling confirmed stibnite veining linked to gold mineralisation, reinforcing geological similarities to Fosterville and Costerfield.

Strong Financial Position Enables Acceleration of Exploration Programs

ADG maintained a robust cash position of A\$4.23 million, providing a solid financial foundation to advance its near-term exploration and development initiatives. The company's balance sheet was strengthened by recent capital inflows, including A\$750,000 from the sale of Sarama Resources shares and A\$1.25 million raised through the strategic placement to Nova Minerals. This strong cash position ensures ample funding flexibility to support upcoming drilling, sampling, and exploration programs across the Apollo and Lauriston projects, while also enabling ADG to pursue potential new opportunities within its growing gold-antimony portfolio. The combination of liquidity, strategic partnerships, and active exploration programs positions ADG well for continued operational progress and future value creation.

Updated Valuation and Price Target

We update our valuation for ADG to \$0.027 per share in the base case and \$0.032 in the upside case with a Price/NAV of 0.37x. ADG offers a compelling valuation opportunity, underpinned by its transition to production at the Challenger Mine and continued exploration success across its high-grade Victorian portfolio. The gold market remains resilient, with prices trading above A\$6,000/oz, supported by global macroeconomic uncertainty, sustained central bank accumulation, and robust safe-haven demand. Despite this strength, our model applies conservative price assumptions below A\$5,000/oz to maintain a conservative valuation. ADG's diversified exposure to both gold and antimony also provides a strategic advantage, aligning the company with the global critical minerals supply chain and emerging downstream opportunities. With ADG's strong balance sheet, strategic partnerships, and a pipeline of near-term catalysts, the company is positioned for meaningful re-rating potential as production stabilises, and exploration continues to deliver results.

Metals & Mining

Date	30 Oct 2025
Current Price (A\$)	0.011
Target Price (A\$)	0.030
Market Cap (A\$ m)	28.23
52-week L/H (A\$)	0.004/0.019
Free Float (%)	57.06%
Bloomberg	ADG AU
Reuters	ADG.AX

Price Performance (in A\$)



Source CapIQ

Business Description

Adelong Gold Limited (ASX: ADG) is an Australian exploration and development company focused on high-grade gold and antimony projects across Victoria and New South Wales. The company's strategy is centred on unlocking value through targeted exploration, resource growth, and sustainable project development within some of Australia's most prospective gold belts.

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Disclosure - Readers should note that East Coast Research has been engaged and paid by the company featured in this report for ongoing research coverage.

Table of Contents

First Gold Pour at Challenger Marks Major Milestone for Adelong Gold	3
<i>Maiden Drilling Confirms High-Grade Gold Potential at Apollo</i>	3
<i>Exploration Upside and Next Steps</i>	6
<i>Commencement of Regional Soil Sampling at Apollo</i>	6
<i>Lauriston Drilling Program Initiated to Test High-Grade Gold-Antimony Targets</i>	7
<i>Operational Dispute Under the Challenger JV Agreement</i>	8
<i>Strategic Investment from NVA</i>	8
<i>Sale of Assets</i>	9
Valuation: Revised to \$0.027 - \$0.032 per share	10
<i>Changes in Key Modelling Assumptions -</i>	10
<i>Changes in Key Peer Comparison -</i>	11
<i>Equity Valuation</i>	13
<i>The catalysts for a re-rating of ADG</i>	13
Key Risks	14
Appendix I: ADG SWOT Analysis	15
Appendix II: ADG's Leadership	16
Appendix III: Analyst's Qualifications	17
General Advice Warning, Disclaimer & Disclosures	18

First Gold Pour at Challenger Marks Major Milestone for Adelong Gold

Adelong Gold Limited (ASX: ADG) has achieved a major operational milestone, successfully delivering its first gold pour at the Challenger Gold Mine in partnership with Great Divide Mining Limited (ASX: GDM) (**Figure 1**). The achievement signifies ADG's formal transition from an explorer to a gold producer, underscoring steady operational progress across its growing project portfolio.

Figure 1: Gold Pour at Challenger Gold Mine, July 2025



Source: Company

This milestone follows several months of careful recommissioning and staged restart activities led by JV partner and project operator, GDM. The team successfully reactivated the mine's gravity-based gold recovery plant, utilising a chemical-free, cyanide-free process that employs recycled water and minimal infrastructure, a cost-efficient and environmentally responsible approach.

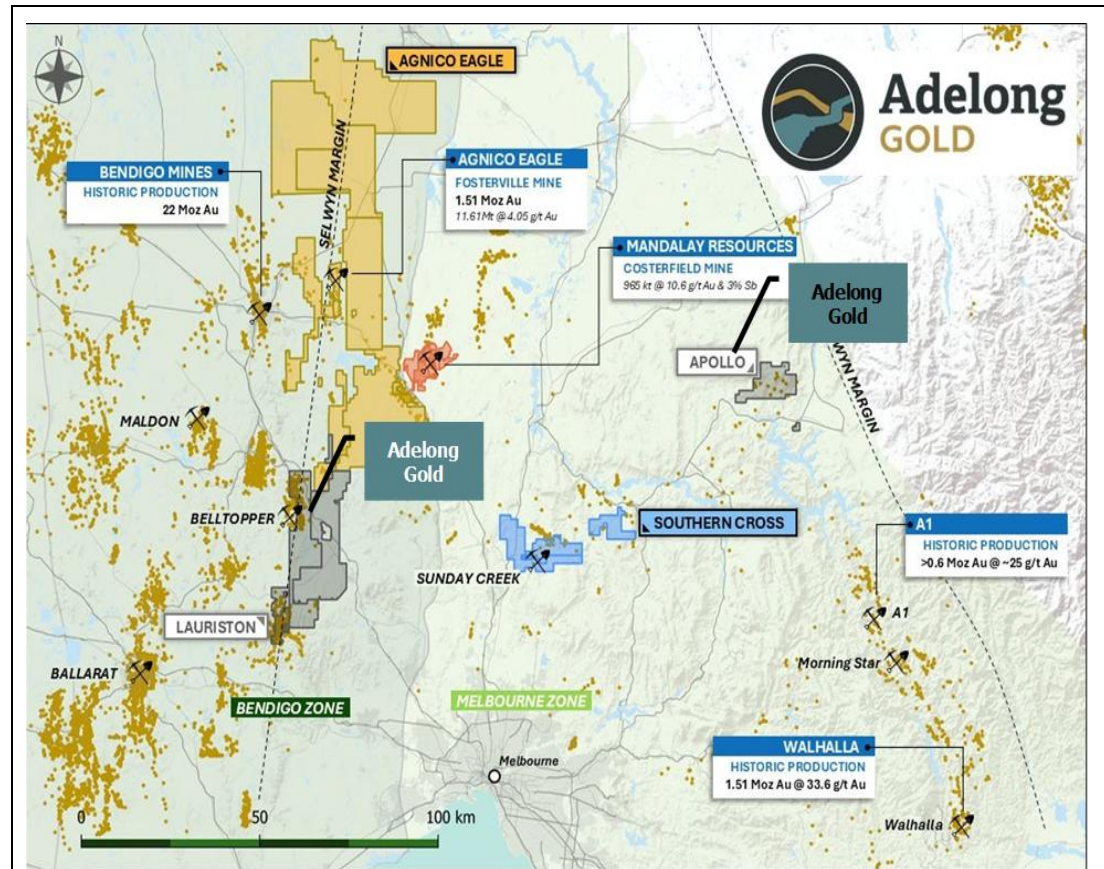
With gold production now underway at Challenger, ADG is turning greater focus toward its Apollo and Lauriston Gold Project in central Victoria.

Maiden Drilling Confirms High-Grade Gold Potential at Apollo

The Apollo Gold Project (EL006430) (**Figure 2**), acquired in 2025, is strategically located within Victoria's renowned Walhalla Gold Belt, part of the highly prospective Melbourne Zone, a region synonymous with high-grade gold discoveries. This belt also hosts Southern Cross Gold's flagship Sunday Creek Project (ASX: SX2), one of Australia's standout epizonal gold systems. Notably, the mineralisation style observed at Apollo exhibits key structural and geological parallels with Sunday Creek, positioning the project for similar exploration upside and strong investor interest.

Following the commencement of its maiden diamond drilling program in May 2025, ADG set out to complete approximately 2,000 metres targeting both infill and extensional zones within the high-grade Dig Fault Zone. The campaign aimed to build on the strong historical intercepts and unlock further resource growth potential across the project. Drilling was successfully completed by late July 2025, marking a major milestone in advancing ADG's Victorian gold portfolio and setting the stage for the highly anticipated assay results released in early October.

Figure 2: ADG Victorian Project Locations

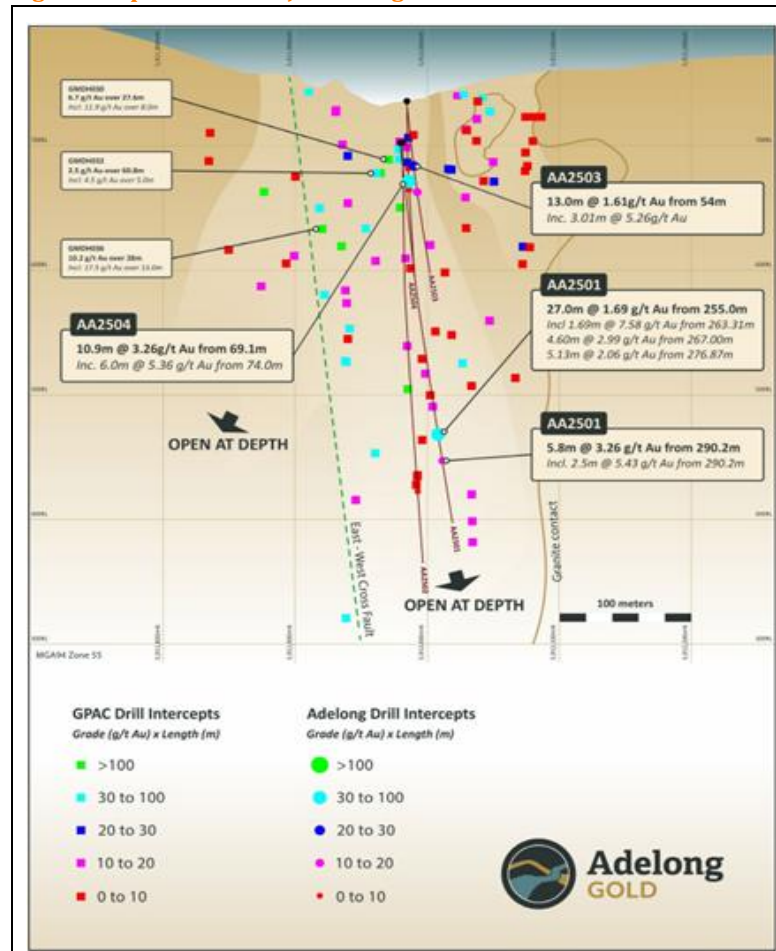


Source: Company

In early October 2025, ADG announced the results from its maiden diamond drilling program at the Apollo Gold Project, marking a key milestone in its Victorian exploration strategy. The campaign comprised four diamond drill holes for a total of 1,054.1 metres (Figure 3), primarily targeting the Meade's Mine area within the high-grade Dig Fault Zone, validating the exploration model.

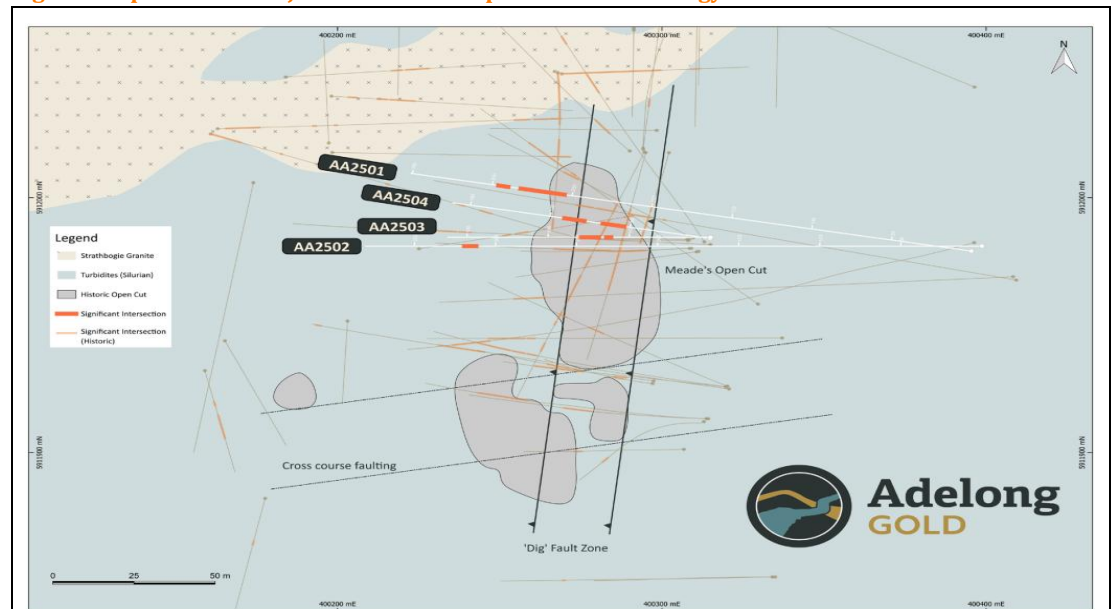
Mineralisation at Apollo (Figure 4) is hosted within strongly faulted and fractured metasediments along a near-vertical, north-south-trending structure known as the Dig Fault. Gold is predominantly contained in electrum and calaverite (AuTe_2), occurring as fine-grained ($\approx 15 \mu\text{m}$) disseminations within host rocks, as well as free gold grains ($10\text{--}50 \mu\text{m}$) associated with quartz-muscovite veins and stockwork stringers. Notably, the gold appears largely independent of sulphides such as pyrrhotite, pyrite, and chalcopyrite.

Figure 3: Apollo Gold Project – Long Section



Source: Company

Figure 4: Apollo Gold Project – Drill Intercepts and Local Geology



Source: Company

Results reported that the close association between gold and tellurium suggests an (alkalic) intrusive-related system, similar to other notable deposits across Victoria, such as Belltopper (Malmsbury), Mt Piper, and Myrtle Creek. These systems differ from traditional vein-hosted orogenic gold deposits, highlighting Apollo's potential to emerge as a new style of high-grade discovery within the region.

Exploration Upside and Next Steps

Building on the promising maiden results, ADG is preparing an expanded exploration program designed to test the scale and continuity of mineralisation across the project area. Key growth opportunities include -

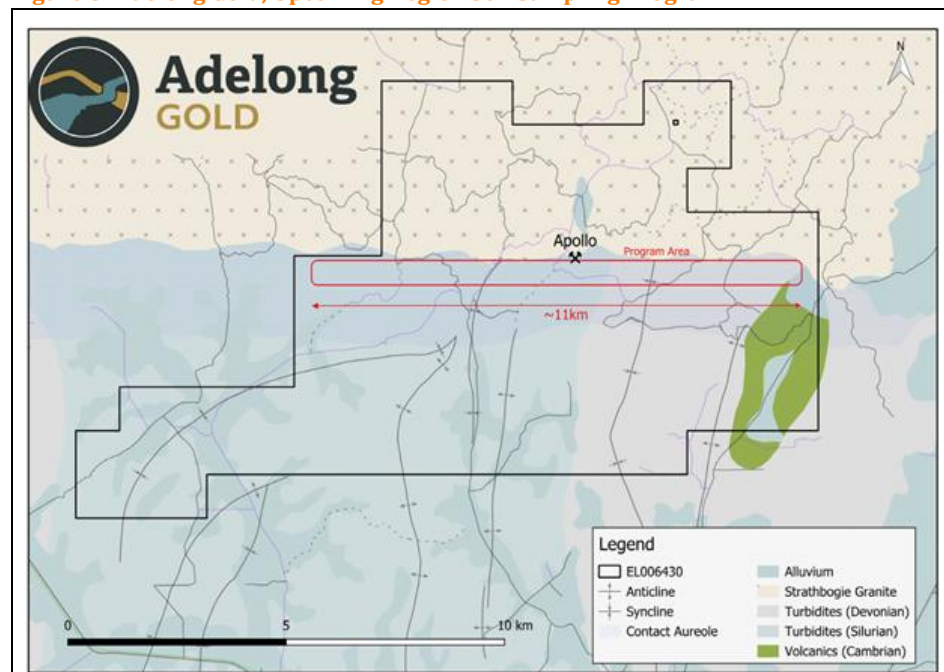
- **Granite Contact Extensions** - Recent work has confirmed gold-bearing shoots extending along the Strathbogie Granite contact. This corridor remains largely untested and will be a priority focus for upcoming drilling.
- **Strike Length Expansion** - A new exploration licence application lodged in August 2025 extends Apollo's prospective strike to the south, enlarging the exploration footprint and adding multiple new drill-ready targets.
- **Heyfield Reef Program** - Future drilling will test antimony–gold mineralisation at Heyfield Reef, where historical sampling identified stibnite associated with gold, pointing to the potential for Apollo to host polymetallic systems comparable to Sunday Creek and Costerfield.

Future drilling at Apollo will focus on infill areas to support the development of an initial resource model, as well as testing down-dip and along-strike extensions of known mineralisation, reinforcing the project's growing potential within Victoria's emerging high-grade gold belt.

Commencement of Regional Soil Sampling at Apollo

Building on the strong momentum from recent drilling success at Apollo, ADG has launched a new soil sampling program designed to test approximately 11 kilometres of strike along the Strathbogie Granite contact within EL006430 (**Figure 5**). The initiative targets crown land areas considered highly prospective for structures analogous to those hosting gold mineralisation at Apollo. Any geochemical anomalies identified will be followed up with detailed soil and rock-chip sampling to refine future drill targets.

Figure 5: Adelong Gold, Upcoming Region Soil Sampling Program



Source: Company

This regional program complements the recently lodged (August 2025) exploration licence application EL008789, which adds a further 18 kilometres of granite contact and expands the total project footprint to roughly 220km². Together, these initiatives underscore ADG's disciplined, methodical approach to growing a pipeline of large-scale, high-priority targets across Victoria's emerging gold corridor.

The commencement of this work follows on from significant milestones achieved at Apollo in recent months. The maiden diamond drilling program, completed in July 2025, successfully

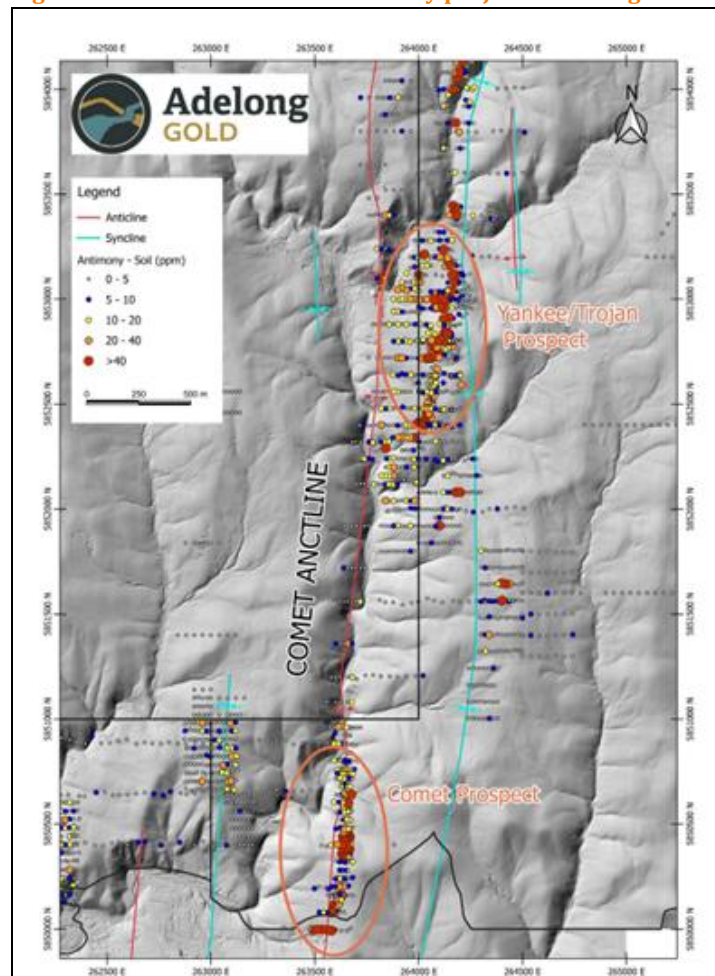
validated ADG's geological model and confirmed the continuity of mineralisation beneath and along strike from historical workings at Meade's Mine. Subsequent assay results, reported in October, highlighted broad zones of gold mineralisation within the Dig Fault Zone, including 10.9m at 3.26 g/t Au (with 6.0m at 5.36 g/t Au) and 27.0m at 1.69 g/t Au with sub-intervals up to 7.58 g/t Au.

As regional exploration gathers pace, ADG is concurrently finalising plans for the next phase of drilling at Apollo. This upcoming campaign will include infill drilling to underpin a maiden resource model and step-out drilling aimed at testing depth and strike extensions, advancing the company's vision of unlocking a district-scale gold system in the Walhalla Gold Belt.

Lauriston Drilling Program Initiated to Test High-Grade Gold-Antimony Targets

ADG continues to strengthen its Victorian gold portfolio with the Lauriston Gold-Antimony Project (Figure 6), acquired earlier in 2025. Covering 28,700 hectares directly adjacent to the world-class Fosterville Mine, Lauriston hosts the high-grade Comet discovery, where historical drilling returned standout intercepts such as 8.0m at 104 g/t Au and 5.9m at 15.3 g/t Au. Despite limited previous exploration, the project shares a structural setting comparable to Fosterville's Swan Zone, positioning Lauriston as a compelling near-term growth opportunity.

Figure 6: Lauriston Gold and Antimony project- including the Comet and Yankee/Trojan Prospects



Source: Company

Recent work has focused on advancing the Comet and Yankee prospects, with diamond drilling now underway following encouraging gold and antimony sampling results. These assays confirmed stibnite veining directly associated with gold mineralisation, the first systematic evidence of this style at Lauriston.

Adding to the strong outlook, assays from historical diamond drill hole CND03 have returned highly encouraging results, including 0.89m @ 2.24% Sb and 1.00 g/t Au from 177.24m, with narrower high-grade intervals up to 10.3% Sb and 3.22 g/t Au. These intersections provide direct confirmation of a fertile mineral system and reinforce the Company's confidence in Lauriston's potential for a significant discovery.

Geologically, Lauriston displays many hallmarks of the nearby Costerfield deposit, including structurally controlled, high-grade gold–antimony mineralisation hosted in Paleozoic sediments. Mineralisation is concentrated along the Comet Fault Zone and adjacent anticline, reflecting brittle–transpressional fault structures akin to those controlling Costerfield's high-grade lodes. Importantly, the system is interpreted as exhibiting epizonal gold–antimony (Au–Sb) characteristics similar to those observed at Fosterville and Costerfield, reinforcing the project's strong discovery potential. Core processing and sampling are currently in progress, with initial assay results anticipated in the December quarter. ADG has sufficient funding secured to support an expanded drilling program should early results justify further work.

Operational Dispute Under the Challenger JV Agreement

On 15 August 2025, ADG issued a Deadlock Notice to GDM under the terms of their Joint Venture Shareholders' and Funding Agreement (for the Challenger Gold Mine in NSW), citing what ADG considers a "fundamental disagreement" over the first annual programme and budget for the JV.

ADG's concerns centred on GDM's claim that the plan had been validly approved, which ADG disputes, particularly regarding technical justification and cost assumptions.

GDM, however, responded by asserting that there is no contractual basis for the Deadlock Notice and that no deadlock has arisen under the JV Agreement.

The notice triggered the formal dispute-resolution process under the JV Agreement, with the next step being mediation or senior-representative discussions if no agreement is reached within the specified timeframe.

Strategic Investment from NVA

In September 2025, ADG successfully completed a \$1.25 million strategic placement to Nova Minerals Limited (ASX: NVA) and clients of Barclay Wells, strengthening its balance sheet and aligning with a long-term strategic partner.

Under the placement terms, NVA subscribed for 200 million fully paid ordinary shares in Adelong at \$0.005 per share, representing a total investment of \$1 million. In addition, NVA received 200 million listed options (ASX: ADGOA) on a one-for-one basis, exercisable at \$0.008 and expiring in 2029. Clients of Barclay Wells subscribed for a further 50 million shares, contributing \$250,000 to the total raise.

The partnership with NVA was designed to support ADG's growth and exploration strategy, with key terms reflecting a strong foundation for long-term collaboration. NVA was granted a First Right of Refusal (FROR) over any future antimony offtake agreements and the right to appoint one Director to ADG's Board. NVA also received 50 million listed options as an incentive for introducing a potential North American antimony project to Adelong and agreed to a 12-month voluntary escrow on its shares. Additionally, NVA was granted FROR participation rights in future capital raisings, up to the legal maximum.

ADG stated that the \$1.25 million raised has been directed toward advancing key near-term priorities, including -

- Meeting JV funding obligations for the Adelong Gold Project in NSW, in partnership with GDM.
- Preserving a strong cash balance while focusing on the Lauriston drilling program and interpretation of Apollo drilling results.
- Conducting sampling and fieldwork across the expanded footprint at Apollo, including 18km of the Strathbogie Granite contact.

- Advancing the targeting of antimony–gold zones at Apollo as part of Adelong’s broader critical minerals strategy.
- Evaluating potential antimony project acquisitions in the USA, supporting the North American domestic supply initiative.

This successful placement strengthened ADG’s financial position, enhanced its exposure to the critical minerals thematic, and solidified a strategic partnership with NVA to accelerate exploration and development across its growing Victorian and NSW project portfolio.

Sale of Assets

In August 2025, ADG further strengthened its financial position through the sale of 25,000,000 ordinary shares in Sarama Resources Ltd (ASX: SRR) at A\$0.03 per share, generating total proceeds of A\$750,000.

These funds added to recent cash inflows, including A\$455,000 from the sale of a non-core property in Adelong and approximately A\$3 million raised from professional and sophisticated investors during the June quarter. As of 30 June 2025, ADG held A\$3.09 million in cash, which was subsequently bolstered by the Sarama sale proceeds.

The Sarama shares were originally received in December 2024, along with 7,500,000 options exercisable at A\$0.05 within two years, as consideration for settling outstanding amounts owed to ADG by Cosmo Gold Ltd. The company continues to retain its holding of 7,500,000 Sarama options.

The completion of this sale further enhanced ADG’s already solid cash balance to A\$4.226 million, providing a strong financial foundation to accelerate exploration activities across its high-grade Apollo and Lauriston gold projects in Victoria.

Valuation: Revised to \$0.027 - \$0.032 per share

We have adopted a blended Discounted Cash Flow (DCF) and EV/Resource Multiples approach to value ADG, maintaining a conservative framework that reflects both the Company's operational milestones and residual project risks.

In our previous valuation, we applied a 70:30 probability weighting, where the base case assumed a 70% likelihood of GDM successfully achieving gold production and a 30% downside scenario where production was delayed or not achieved. Following the announcement in July 2025 of the first gold pour at the Challenger Mine, which confirms ADG's 49% economic interest, our revised model now increases confidence in the project's cash flow potential.

In the updated model, we apply a 90% weighting to the DCF valuation and 10% to the multiples-based valuation, reflecting stronger visibility on production outcomes and cash generation.

Despite this improvement, we maintain a prudent stance by applying a 10% probability to multiples-based valuation, as a proxy to account for the risk of a Deadlock Notice issued to GDM under the terms of the ADG Venture Shareholders and Funding Agreement continuing across the forecast period (unlikely). This notice highlights a fundamental disagreement between the parties regarding the approval of the first annual program and budget for the Challenger Mine, introducing a measure of uncertainty around near-term operations.

Overall, our valuation approach captures both the tangible progress made. Notably, the commencement of gold production and the expansion of ADG's Victorian exploration portfolio, and the need for measured caution while governance matters are resolved. With this balance of prudence and upside recognition, we believe ADG remains strategically well positioned to deliver material shareholder value as production at Challenger stabilises and exploration across Apollo and Lauriston advances.

Changes in Key Modelling Assumptions -

Gold Prices

Gold continues to perform strongly in 2025, supported by persistent macroeconomic uncertainty, resilient central bank buying, and geopolitical tensions that have sustained investor demand for safe-haven assets.

Despite spot prices recently hovering above A\$6,000/oz, we maintain a conservative approach in our valuation model, using A\$4,600/oz in the base case and A\$4,800/oz in the bull case. This ensures our forecasts remain grounded and resilient even under potential price corrections, while still capturing the robust fundamentals underpinning the current gold market.

Total Costs

To maintain consistency and prudence in our assumptions, we have retained the structured cost framework used in our [May 2025 Initiation Report](#), which applied a 25% premium to the original Scoping Study estimates. These allowances included -

- 15% for estimation uncertainty typical at the Scoping Study stage,
- 5% to reflect inflationary pressures on mining and operating costs, and
- 5% as a contingency buffer for potential execution overruns.

For this update, we have added an additional 2.5% inflationary adjustment to account for rising input costs, ensuring continued conservatism in our model.

In the bull case, where production is assumed to increase by 35%, we apply a 30% uplift to the cost base, along with a further 2% inflation adjustment, reflecting the scalability of operations and prevailing cost pressures.

Discount Rate

We have maintained a discount rate of 11% (base case) and 9.5% (bull case), consistent with our prior model. These rates appropriately capture the project's risk profile and jurisdictional exposure while aligning with prevailing discount rates used for comparable ASX-listed gold developers.

Figure 7: ADG Step 1: NPV + Residual

\$M	Base Case	Upside Case
ADG Unlevered After Tax NPV	118.06	151.88
Total MRE	0.188	0.188
Mine Plan Production Target	0.105	0.105
Residual Value	0.083	0.083
EV/Resource AVG	292.58	292.58
ADG Multiple	24.16	20.30
ADG Stage 1	142.22	172.18
Weight @ 90%	- 14.22	- 17.21
ADG NPV + Residual	128.00	154.96
Equity Value @ 49%	62.72	75.93

Source: East Coast Research

Changes in Key Peer Comparison -

In our [Initiation Report \(May 2025\)](#), the peer-based valuation contributed 30% of the total probability weighting within our blended model. Given the recent transition to production at the Challenger Mine, we have now reduced this weighting to 10%, placing greater emphasis on our DCF valuation to reflect improved cash flow visibility.

We continue to benchmark ADG against the same peer group (**Figure 8**) used in our previous analysis, a basket of ASX-listed junior and mid-tier gold producers and developers operating within Australia. These comparables provide a relevant framework for assessing ADG's relative positioning and potential re-rating as production matures and exploration advances.

In our previous model, we applied a 20% premium to peer multiples to capture the upside potential from the Apollo Gold Project. With the Company's continued success at Apollo and the addition of the Lauriston Gold-Antimony Project, where diamond drilling has recently commenced, we have increased this premium to 35% resulting in a peer Average value of 292.5 A\$/oz.

This adjustment reflects ADG's strengthened asset base, diversified exposure across multiple high-grade Victorian projects, and growing potential for both production growth and resource expansion.

The updated peer weighting and premium together ensure our valuation remains both anchored in market comparables and responsive to ADG's evolving project pipeline, capturing the upside potential inherent in its expanding Victorian portfolio.

Figure 8: ADG Step 2: Peers Comparable Analysis

Company	ASX	Market Cap (m)^	Enterprise Value (m)	Total Resources (Moz)	Grade (g/t)	Total Resources/EV	Inferred Resources (Moz)	Weighted Average Comparable Total Resources (Moz)	EV/Weighted Average Comparable Total Resources (A\$m/Moz)
Astral Resources	AAR	351.9	333.5	1.761	1.10	189.38	0.502	1.51	220.86
Horizon Gold	HRN	108.6	108.6	2.137	1.50	50.80	0.791	1.74	62.34
Odyssey Gold	ODY	43.7	39.5	0.407	2.50	97.05	0.345	0.23	168.44
Yandal Resources	YRL	105.1	100.6	0.470	1.40	213.98	0.379	0.28	358.54
Vertex Minerals	VTX	91.2	91.5	0.483	3.56	189.62	0.296	0.33	273.45
Adelong Gold	ADG	25.7	24.8	0.188	3.21	131.76	0.096	0.14	176.61
Estimates									
Peer Median									298.16
Peer Average									292.58
Premium inc.									30%
Total Resources (M\$)									55.00

^As of 22 Oct 2025

Source: S&P Capital IQ and East Coast Research

Figure 9: ADG Step 2: Peers Value

\$M	Base Case	Upside Case
EV/Resource AVG	292.58	292.58
ADG MREs	0.188	0.188
Multiples Value	55.00	55.00
Weight @ 10%	- 49.50	- 49.50
Peers Value @ 10%	5.50	5.50

Source: East Coast Research

Apollo and Lauriston Exploration Costs

In our previous model, we assumed A\$1.25 million per annum in exploration expenditure, discounted at 5% to reflect the timing and ongoing nature of these costs. Given ADG's expanded exploration activities, particularly the commencement of drilling and regional programs at the Lauriston Gold-Antimony Project, we have increased our assumption to A\$1.75 million per annum over the next two years.

This adjustment more accurately captures the near-term capital requirements associated with advancing both Lauriston and Apollo, including drilling, sampling, and geological evaluation programs. The discounted value of these exploration costs equates to approximately A\$3.25 million, which we deduct from the total valuation derived from our blended DCF and peer multiples framework.

This ensures that our model remains conservative and fully accounts for the ongoing reinvestment necessary to unlock the long-term resource and development potential of ADG's Victorian gold portfolio.

Figure 10: ADG Step 3: Apollo and Lauriston Exploration Costs

\$M	Base Case	Upside Case
Total of all Stages	68.22	81.43
Apollo Exploration Expense over 2 years	- 3.25	- 3.25
ADG Total	64.97	78.18

Source: East Coast Research

Equity Valuation

Based on our updated blended DCF and peer multiples valuation, we derive a Base Case target price of A\$0.027 per share, representing an upside potential of 145.06% from the current market price of A\$0.011. Under the Bull Case, our valuation increases to A\$0.032 per share, implying a total upside of 191.85%. This results in a mid-point valuation of A\$0.030 per share, offering investors an attractive potential return of 168.46%, and marking a 5.47% increase from our previous target price of A\$0.028.

At the asset level, the model yields a Final Net Enterprise Value (NEV) of approximately A\$64.97 million under the Base Case and A\$78.18 million under the Bull Case. These figures incorporate ADG's most recent cash balance of A\$4.23 million, as reported in the September 2025 quarterly update, ensuring consistency with the company's current financial position.

Since our last valuation, ADG has reported the issuance of approximately 1.02 billion new shares, bringing the total shares on issue to 2,566.84 million. The updated capital structure has been fully reflected in our per-share valuation metrics, maintaining a conservative yet realistic assessment of the company's intrinsic value.

Overall, the revised valuation highlights ADG's significant re-rating potential driven by the transition to production at Challenger, continued progress at Apollo, and the addition of the high-grade Lauriston Project, positioning the company for meaningful value creation as exploration and development milestones continue to unfold.

Figure 11: ADG Valuation

Adelong's Equity valuation (A\$ m)	Base Case	Upside Case
Adelong's Final Net Enterprise Value	64.97	78.18
Cash [^]	4.23	4.23
Debt *	-	-
Total Market value of Equity	69.19	82.40
Total No. of Outstanding Shares (m)	2,566.84	2,566.84
Implied price (A\$)	0.027	0.032
Current price (A\$)	0.011	0.011
Upside (%)	145.06%	191.85%
Mid-point Target Price (A\$)	0.030	
Price / NAV (x)	0.37x	

[^] Based on cash balance as of 30 Sept 2025

^{**} Shares Outstanding as of 30 Sept 2025

Source: East Coast Research

The catalysts for a re-rating of ADG

Strong Drilling Results at Apollo

Continued high-grade gold intercepts from the Apollo Gold Project, particularly along the Dig Fault Zone and granite contact extensions, would validate the geological model and support the potential for a maiden resource estimate.

Drilling Progress at Lauriston

Successful assays from the ongoing diamond drilling campaign at the Comet and Yankee prospects could confirm extensions of high-grade gold-antimony mineralisation and highlight the project's similarities to Fosterville and Costerfield.

First Gold Pour at Challenger (via GDM JV)

The commencement of production and cash flow generation from the Challenger Mine (49% owned by ADG) marks a transformational step toward becoming a self-funded explorer, reducing capital risk and enhancing valuation multiples.

Rising Gold Prices

Sustained strength in global gold prices, supported by inflation resilience, central bank buying, and safe-haven demand, provides a favourable backdrop for ADG's production and exploration assets, amplifying leverage to metal prices.

Resource Definition and Growth

Delivery of maiden resource estimates at Apollo and Lauriston, or extensions to known mineralisation, would add tangible asset value and improve market visibility of ADG's underlying resources.

Resolution of GDM Deadlock Notice

A constructive resolution to the shareholder and funding agreement dispute would remove a key overhang and restore investor confidence in the Challenger joint venture's stability.

Key Risks

Operational and Development Risk

ADG's exposure to the Challenger Mine through its JV interest with GDM introduces operational risk, including delays, cost overruns, or lower-than-expected production rates. Any disruption in mine performance could impact ADG's cash flow and valuation.

JV and Governance Risk

The Deadlock Notice issued to GDM highlights governance and alignment challenges within the joint venture. Prolonged disputes or unresolved disagreements over budgets and operations could hinder project execution or delay further development decisions.

Exploration and Geological Risk

Despite encouraging early results, Apollo and Lauriston remain exploration-stage projects. There is no guarantee that ongoing drilling will define economic mineral resources or convert exploration success into mineable reserves.

Funding and Dilution Risk

As ADG continues to advance multiple exploration programs, additional capital raisings may be required. Market conditions or lower share prices could lead to shareholder dilution if future funding is sought through equity issuance.

Commodity Price Volatility

ADG's valuation is highly sensitive to movements in gold prices. A sustained decline in gold prices below current assumptions (A\$4,600–A\$4,800/oz) would negatively affect project economics and investor sentiment.

Appendix I: ADG SWOT Analysis

Figure 12: SWOT analysis

Strengths	Weakness
Transition to Gold Production ADG has successfully transitioned from an explorer to a producer following the first gold pour at the Challenger Gold Mine (via its 49% JV interest with GDM). This milestone provides tangible proof of execution capability and the potential for near-term cash flow generation. Strategic and Diversified Asset Portfolio The company holds a diversified Victorian gold portfolio, including the Apollo and Lauriston Gold-Antimony Projects, both of which lie within proven, high-grade gold belts near world-class operations such as Fosterville and Costerfield. These projects offer exposure to both gold and critical minerals (antimony), positioning ADG within two high-value commodities. High-Grade Exploration Success Early drilling at Apollo has confirmed strong gold mineralisation with high-grade intercepts (e.g., 10.9m @ 3.26 g/t Au and 27.0m @ 1.69 g/t Au), validating ADG's geological model and supporting the potential for a maiden resource.	JV Governance and Alignment Challenges The Deadlock Notice issued to GDM under the Challenger Gold Mine joint venture agreement highlights underlying governance and alignment risks. Disagreements over budgets and operational control create uncertainty around near-term production stability and cash flow visibility. Early-Stage Exploration Assets Both Apollo and Lauriston remain in early exploration phases, with no defined JORC-compliant resource estimates yet. The projects' valuation is therefore heavily reliant on exploration success and forward-looking assumptions, increasing risk relative to peers with established resources.
Opportunities	Threats
Leveraging the Nova Minerals Partnership The strategic alliance with Nova Minerals (ASX: NVA) not only provides financial backing but also technical expertise, operational synergies, and potential access to North American critical minerals networks, particularly as Nova holds a US\$43.4 million U.S. Department of Defense grant related to gold-antimony development. Exposure to the Critical Minerals Market With antimony gaining strategic importance under U.S. and Australian government critical minerals lists, ADG is well-positioned to benefit from policy support, grant opportunities, and potential downstream partnerships, especially if it advances a North American antimony project via the Nova collaboration. Favourable Gold Market Outlook Gold prices remain strong above A\$6,000/oz, supported by macroeconomic uncertainty, inflation resilience, and continued central bank demand. This provides a robust backdrop for gold producers and developers, with any further price appreciation likely to enhance ADG's project economics and valuation.	Commodity Price Volatility ADG's valuation is highly sensitive to fluctuations in gold and antimony prices. A sustained downturn in metal prices or a strong Australian dollar could compress margins, reduce project NPV, and delay capital allocation for exploration. Funding and Dilution Risk Continued exploration and project advancement will require additional capital over time. Should market conditions weaken or share prices decline, ADG could face dilutive capital raises or delayed development schedules. Regulatory and Environmental Risks Exploration and mining operations are subject to stringent regulatory approvals, heritage considerations, and environmental standards. Any delays or policy changes, particularly within Victoria's sensitive environmental framework, could disrupt timelines or increase compliance costs.

Source: East Coast Research

Appendix II: ADG's Leadership

ADG's board and management team bring together a highly skilled group of professionals, ensuring expertise across all aspects of the business.

Figure 13: ADG's leadership team

Name and Designation	Profile
Mena Habib Chairman Non-Executive Director	- Mena Habib is a mining executive with extensive experience in management, sales, and marketing, having successfully run multiple businesses with multimillion-dollar turnovers. He has a strong background in investment markets, particularly in emerging companies within the mineral resource sector. - Mr Habib has played a key role in mergers and acquisitions, facilitating the acquisition and advancement of projects across Australia, South America, and North America. He has also raised significant capital through strategic investment networks in Asia and North America. - He currently serves as a Managing Director of Power Minerals (ASX: PNN) and as a Non-Executive Director of AustChina Holdings (ASX: AUH).
Ian Holland Executive Director	- Mr Holland has more than 25 years' experience in the mining industry and was recently the Managing Director of Navarre Minerals Limited. He was responsible for acquiring the Mt. Carlton Mine and Cush Creek project and transitioning the company from explorer to producer. - Mr Holland is qualified geologist and holds a Masters of Minerals Geoscience and a Graduate Diploma of Applied Finance and Investment in addition to a Degree in Geology, and has experience at the Mount Isa Mines, Mount Gordon Copper Mine and Renison Tin Mine in addition to the Fosterville Gold Mine. - Mr Holland formerly held directorship at Navarre Minerals (ASX: NML).
Kurt Longohr Non-Executive Director	- Mr Longohr brings over 30 years of experience in business strategy, marketing, and product development, with a track record that includes two significant financial exits. - Mr Longohr is a graduate from Monash University with a Bachelor of Business Systems. - Mr Longohr regularly participates in Australian mining investor conferences, where he has developed an extensive professional network and gained in-depth expertise in all aspects of investing and value creation, particularly in understanding the market dynamics and drivers behind investor interest in junior exploration stocks.
Louie Simens Non-Executive Director	- Mr Simens brings over 20 years of experience in the building, mining and civil construction sectors across both private and public companies. - Mr Simens has a strong record of success, including more than a decade of owning and operating contracting businesses. - Mr Simens has extensive experience in capital markets, corporate restructuring, due diligence, mergers and acquisitions, governance, and project management. - Mr Simens currently holds directorship at Nova Minerals Limited (ASX: NVA) - Mr Simens formerly held directorships at Asra Minerals Limited (ASX: ASR) and Snow Lake Resources (NASDAQ: LITM)

Source: Company

Appendix III: Analyst's Qualifications

Riddhesh Chandwadkar

The lead analyst on this report, is an equity research analyst at Shares in Value (East Coast Research). Riddhesh has a Bachelor's degree from the University of Mumbai and a Master's in Commerce (Finance and Strategy) from the University of Sydney. He has passed Level 1 of the CFA Program. Riddhesh has experience working across Equity Capital Markets as an investment analyst looking at Capital Raising and Mergers and Acquisitions for ASX listed companies.

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