

# Analyste-Minier

Eric Lemieux

Valeurs mobilières Banque Laurentienne

SÉMINAIRE SUR LE FINANCEMENT MINIER

UQAM 2 décembre 2013

*« I think gold is a great thing to sew in to your garments if you're a Jewish family in Vienna in 1939 but I think civilized people don't buy gold ».*

Charlie Munger, Berkshire Hathaway, 2012 :



- Pour qui travaille un analyste minier ?



- Quel est son rôle au sein de la firme ?



Detour Gold Corporation is followed by the following analysts. Please note that any opinions, estimates or forecasts regarding Detour Gold's performance made by these analysts are theirs alone and do not represent opinions, forecasts or predictions of Detour Gold or its management. Detour Gold does not by its reference below or distribution imply its endorsement of or concurrence with such information, conclusions or recommendations.

<b>Firm</b>	<b>Initiating Coverage</b>	<b>Analyst</b>	<b>Telephone</b>
Haywood Securities Inc.	June 11, 2007	Kerry Smith	(416) 507-2306
BMO Capital Markets	June 27, 2007	John Hayes	(416) 359-6189
Paradigm Capital Inc.	July 9, 2007	Don Blyth Don MacLean	(416) 360-3461 (416) 360-3459
Raymond James	August 8, 2007	Phil Russo	(416) 777-4917
National Bank	November 26, 2007	Steve Parsons	(416) 869-6766
Macquarie Research	December 20, 2007	Michael Siperco	(416) 848-3520
Canaccord Adams	January 14, 2008	Rahul Paul	(416) 869-7289
TD Securities	July 14, 2008	Daniel Earle	(416) 308-7906
RBC Capital Markets	September 4, 2008	Dan Rollins	(416) 842-9893
Laurentian Bank Securities	June 17, 2009	Éric Lemieux	(819) 472-5635
CIBC World Markets	May 19, 2010	Cosmos Chiu	(416) 594-7106
Credit Suisse	July 22, 2010	Anita Soni	(416) 352-4587
Scotia Capital	April 16, 2013	Leily Omoumi	(416) 945-4527
Desjardins Capital Markets	August 14, 2013	Mike Parkin	(416) 607-3001
Beacon Securities	November 12, 2013	Michael Curran	(416) 507-3950



- Pour qui travaille un analyste minier ?

*Analyste Buy-side / Analyste Sell side.*

Firmes d'investissement / Firmes de courtage

## Analyste *Sell side* :

- Maison de courtage ou firme qui offre des services de courtage aux clients institutionnels (Fiera, SIDEX, CDPQ, Pembroke, PSP Investments, FTQ, SIPAR-Eterna, SODEMEX, Pyramis Global Advisor, Ressources-Québec, Investors, Montrusco Bolton, etc.);
- Recommandations aux clients de l'entreprise (i.e: masse générale des clients de la firme et pas un client en particulier);
- « Buy », « Hold », ou « Sell » avec prix cible.



**Equity Research Coverage Universe**

Research Analyst	Coverage	Ticker	Rating	Risk Rating	Mkt Cap (\$M)	Price	Target	Div. Yield	1-Yr RoR
<b>Éric Lemieux, MSc, P. Geo</b> Mining <i>LemieuxE@LB-Securities.ca</i> (514) 350-2874 (819) 472-8037	Adventure Gold Inc.	AGE-V	Spec. Buy	High	\$8.0	\$0.12	\$0.65	na	441.7%
	Azimut Exploration Inc.	AZM-V	Spec. Buy	High	\$5.0	\$0.15	\$0.60	na	300.0%
	Balmoral Resources Ltd.	BAR-T	Spec. Buy	High	\$31.0	\$0.32	\$1.00	na	212.5%
	Comstock Metals Ltd.	CSL-V	Not Rated	Not Rated	\$3.0	\$0.04	Not Rated	na	na
	Detour Gold Corp.	DGC-T	Buy	High	\$569.0	\$4.12	\$9.50	na	130.6%
	Eastmain Resources Inc.	ER-T	Spec. Buy	High	\$30.0	\$0.28	\$0.80	na	185.7%
	Junex Inc.	JNX-V	Spec. Buy	High	\$32.0	\$0.48	\$2.00	na	316.7%
<b>Elizabeth Johnston</b> Associate <i>JohnstonE@LB-Securities.ca</i> (514) 350-2949	Midland Exploration Inc.	MD-V	Spec. Buy	High	\$22.0	\$0.75	\$1.65	na	120.0%
	Petrolia Inc.	PEA-V	Spec. Buy	High	\$45.0	\$0.64	\$1.65	na	157.8%
	Premier Gold Mines Ltd.	PG-T	Spec. Buy	High	\$247.0	\$1.63	\$4.00	na	145.4%
	Stornoway Diamond Corporation	SWY-T	Buy	High	\$113.0	\$0.80	\$2.10	na	162.5%
	Stratco Resources Inc.	RSC-T	Suspended	Suspended	\$9.0	\$0.05	Suspended	na	na
Virginia Mines Inc.	VGQ-T	Top Pick	High	\$357.0	\$10.82	\$13.75	na	27.1%	

T - Toronto Stock Exchange, V - Toronto Stock Exchange Venture.

Source: ThomsonONE; LBS estimates.

Last Update: 2013-11-29




## Analyste *Buy side* :

- Fond commun de placement (exemple : un fond de retraite, un « hedge fund », caisse d'investissement et etc.);
- Effectuent des recherches et formulent des recommandations exclusivement pour les gestionnaires qui les emploient;
- Déterminera comment un investissement semble promettant et la façon dont il coïncide avec la stratégie d'investissement du fond;
- Utilisent souvent les rapports préparés par les analystes *sell side* pour compléter l'étude (processus d'analyse).





- Le métier d'analyste minier...  
dans l'industrie des valeurs mobilières



**Laurentian Bank Securities**  
**Equity Research**  
Action Note

**Eastmain Resources Inc.**  
(ER-T – \$0.27)  
Buy (S) – Target Price: \$0.80

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November 28, 2013

**Company Profile**

Eastmain Resources Inc. is focused on exploration in the James Bay area of Northern Quebec. The company's primary focal point is gold exploration within the emerging Eastmain/Opinaca mining district. Eastmain owns 100% of the Eau Claire gold deposit (Clearwater Project) and has

**Dilution from Equity Raise; Decreasing TP to \$0.80**

On November 27, 2013, Eastmain Resources announced the closing of a ~\$5M private placement of flow through and non-flow through units at \$0.40 and \$0.30, respectively. Each unit contains 1 common share and ½ common share purchase warrant (\$0.45 exercise price, expiry May 27, 2015). Proceeds will be used for continued exploration on projects located in Québec, as well as for

## « Économie minérale »

- Caractère souvent inconnu du bien (i.e. : dépôt),
- Taille fixe (donc non renouvelable),
- Qualité variable (teneur non constante) et
- Géographiquement fixe.

(En Anglais : *Initially unknown, fixed in size, variable in quantity, fixed in location*).

Industrie de l'exploration minière un peu différente des autres activités industrielles...

« recherche et développement ».



## Quel est son rôle au sein de la firme :

- Trouver des idées d'investissement générant des rendements financiers supérieurs aux clients institutionnels et corporatifs;
- Identifier les sociétés qui offrent le meilleur profil de rendement par rapport au risque;
- Critère #1: Management, Management, Management
- Bonnes connaissances de l'industrie.





- Formation académique (P. Geo, Ing., MBA, CFA et etc.)
- Expérience de travail (industrie)

exploration → production

- Visites de sites



- Localisation
- Accessibilité
- Topographie
- Équipe technique
- Décapages
- Core shack
- Sites de forage
- Géologie
- QC/QA
- etc





# Laurentian Bank Securities Equity Research Action Note

Virginia Mines Inc.

(VGQ-T – \$10.60)

Top Pick – Target Price: \$13.75

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October 24, 2013

## Important Disclosures

Company	Ticker	Disclosures*
Virginia Mines Inc.	VGQ-T	A, U, V

The analyst(s) certify that (1) the views expressed in this report in connection with securities or issuers they analyze accurately reflect their personal views and (2) no part of their compensation was, is, or will be directly or indirectly, related to the specific recommendations or views expressed by them in this report.

The Research Analyst's compensation is based on various performance and market criteria and is charged as an expense to certain departments of Laurentian Bank Securities (LBS), including investment banking.

### \* Legend

- A** The Analyst, in his/her own account or in a related account, owns securities of this issuer.
- L** LBS collectively beneficially owns in excess of 1% of one or more classes of the issued and outstanding equity securities of this issuer.
- O** The Director of Equity Research, in his/her own account or in a related account, owns securities of this issuer.
- U** Within the last 24 months, LBS has undertaken an underwriting liability with respect to equity securities of, or has provided advice for a fee with respect to, this issuer.
- V** The Analyst has visited material operations of this issuer, notably company HQ in Quebec City, the Coulon and Wabamisk projects.
- P** This issuer paid a portion of the travel-related expenses incurred by the Analyst to visit material operations of this issuer.

- Analyste minier travaille aussi avec l'équipe de financement des sociétés (« corporate banking »);
- Rôle de soutien dans les transactions pour ébaucher des stratégies de financement efficaces tenant compte des conditions qui prévalent sur les marchés des capitaux et de l'industrie minière.



**EXPLORATION MIDLAND COMPLÈTE  
UN PLACEMENT PRIVÉ DE 2,8 \$ MILLIONS**

Montréal, 21 décembre 2012. Exploration Midland inc. (“Midland”) (TSX-V : MD) est heureuse d'annoncer qu'elle a complété le placement privé annoncé précédemment avec Valeurs mobilières Banque Laurentienne inc. (le “placeur pour compte”) par l'émission à des investisseurs qualifiés de 769 264 unités à un prix de 1,30 \$ par unité et par l'émission de 1 105 882 actions accréditatives à un



- Finalement vendre ses idées d'investissement (Sell side)



**Laurentian Bank Securities**

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October 24, 2013

### Company Profile

Virginia Mines is among the most active mining exploration companies in Quebec. It has a strong focus on the vast unexplored regions of northern Quebec and a particularly large land position in the James Bay area. Virginia discovered the Roberto gold deposit in 2004, where Goldcorp (Les Mines Opinaca Ltée) is defining and developing a gold deposit with more than 7M oz. Au (Measured, Indicated and Inferred resources), which is slated for production by 2015. We highlight that Virginia holds a sliding-scale royalty stream on

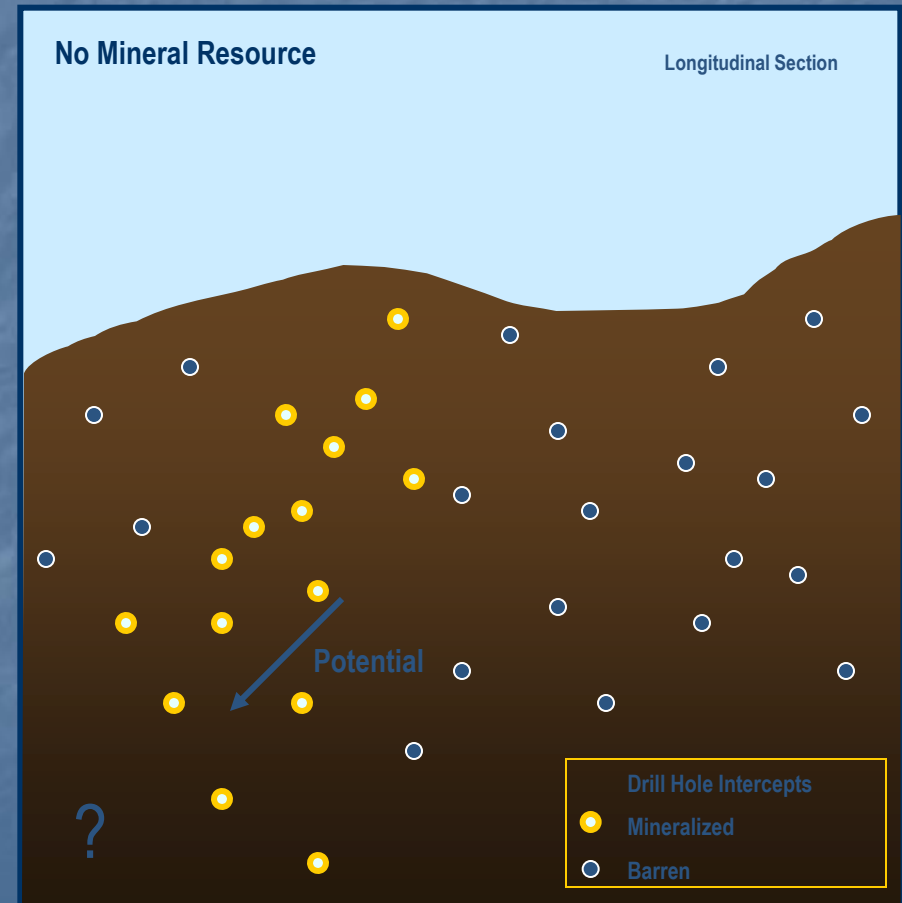
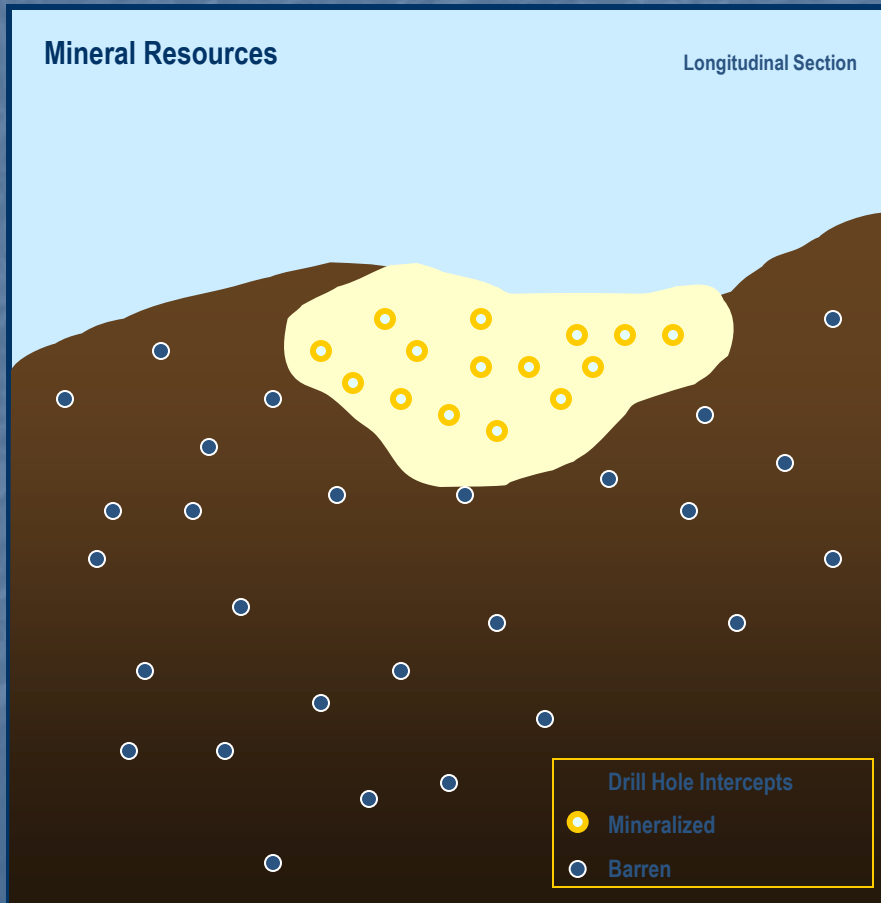
### Marketing Highlights: Focus and Expertise

On October 21-23, we held institutional investor meetings in Montreal and Toronto with Virginia Mines. Management (André Gaumond) provided an update on their recent activities and outlined some of their plans over the next year.

Key takeaways:

- **Éleonore Royalty - At the cusp of a re-rating:** Goldcorp (G-T; not rated) is continuing development work underground with first gold production slated to begin in one year (Q4/14). There is good potential to expand the deposit as grade x thickness appears to increase with depth (please refer to our Action

# Évaluation du Potentiel? (What Has More Potential?)



# Merci!

**Éric Lemieux, MSc., P.Geo**

Analyste, Métaux et mines | Metals & Mining Analyst

**Valeurs mobilières Banque Laurentienne | Laurentian Bank Securities**

Institutionnel actions | Institutional Equity

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