

# New World Resources Ltd

## Advancing the Antler copper deposit in northern Arizona

New World Resources Ltd (ASX:NWC) is developing the Antler copper deposit in northern Arizona and the earlier-stage Javelin copper project which lies about 75kms to the south-east of Antler. The company has recently released an updated scoping study (May 2023) in which it upgraded the production profile by 30% to 15.4Mt at 1.3Mtpa for 13 years at an average grade of 3.0% copper equivalent (Cu Eq.) for capex of US\$252m to deliver 381,400 tonnes of Cu Eq metal. The study identified that over the life of the project, Antler should produce US\$3.0bn in revenue and US\$1.5bn in free cashflow with a pre-tax IRR of 40.2%. New World is also undertaking a pre-feasibility study on the project and intends submitting mine permit applications in Q3 2023.

### Project description

New World Resources is developing the Antler copper project in Arizona and is currently undertaking a pre-feasibility study. It intends submitting its mine permit applications in Q3. The Antler copper project has a JORC mineral resource estimate of 11.4Mt at 4.1% copper equivalent comprising 11.4Mt at 2.1% copper, 5.0% zinc, 0.9% lead, 32.9g/t silver and 0.36g/t gold (at a 1.0% Cu Eq cut off). The JORC estimate was increased by 48% in late 2022. New World is contemplating an underground operation using a single decline and longhole stoping. The Antler Deposit is located on privately-owned land in a sparsely-populated part of northern Arizona (where 70% of all US copper is currently produced). As a consequence, the project will have access to excellent regional infrastructure as it is located 15km from rail, 15km from an interstate highway and 55km by road to the nearest regional centre, Kingman, which has a population of 30,000. In addition to Antler, New World Resources is developing its 100%-owned Javelin VMS project which lies 75km south-east of Antler. The company is currently undertaking IP surveying over strong soil geochemical anomalies at the project, which it expects to complete in early July with the view to commencing its maiden drilling programme shortly thereafter.

### Aiming for a definitive feasibility study by end of CY2024

The Antler project could potentially be in construction by early CY2026, pending mine permit approvals, the definitive feasibility study and financing. The company plans to submit its mine permit applications during Q3 CY2023 with the process likely to take around 24 months for approvals. A pre-feasibility study is under way and is expected to be completed by the end of this calendar year followed by a definitive feasibility study which is slated for completion by the end of CY2024. In the meantime, the company is planning resource-to-reserve drilling and additional regional drilling to the north-east of Antler at Roadrunner. This untested area lies within 6km of strike of Antler so the potential for any economic mineralisation discovered regionally, could extend the potential mine life of the Antler project.

### Well positioned to deliver into US demand for copper

The Antler project is positioned in the US copper belt, where of all US copper is produced. The project is shaping up to be a low-cost, high-margin operation with ready access to infrastructure and markets. Relative to its ASX-listed peers, New World Resources' Antler project represents the highest copper equivalent grade prospect in the market. There are still a number of stages to production but continued demonstration of project development should result in investor interest.

### Share Details

ASX code	NWC
Share price (28-Jun)	\$0.031
Market capitalisation	\$65.3M
Number of shares	2,106M
Options on issue	63.25M
Performance rights	22.7M
Net cash at 31-Mar-2023	\$5.5M

### Share Price Performance (12 months)



### Upside Case

- Well placed to bring on the Antler copper project in 2024, following mine approvals
- Faster electrification of vehicles exceeds current demand expectations of 36.6m tons by 2031
- Drill programmes at Javelin and Roadrunner exceed expectations

### Downside Case

- Fails to secure mining application approvals in a timely fashion
- Copper price collapses changing the project's economics
- Javelin and Roadrunner drilling fails to yield significant high-grade potential

### Catalysts

- Release of Pre-Feasibility Study on Antler
- Drilling at Javelin and accompanying results
- Drilling at Roadrunner, to the north-east of Antler
- DFS completed by end of CY2024

### Comparative Companies (Australia & NZ)

CBY, HCH, CAE, CYM, KCC, MAG

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## FINANCIAL SERVICES GUIDE

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