

# North American Precious Metals Weekly

## Coverage of Detour Gold reinstated; thoughts on gold miner cost of capital

Estimate Change

Bank of America  
Merrill Lynch

Equity | 06 June 2016

### Detour Gold reinstated at Buy with a C\$35/sh PO

Earlier today, BofA Merrill Lynch Research analyst Mike Jalonen reinstated coverage of Detour Gold with a Buy rating and C\$35.00/sh price objective ([link to report](#)): Detour is trading at 1.25x our estimated NAV. This is at a 36% discount to the simple average of the peer mid-tier gold producers. Based on its rising gold output and robust free cash flow generating ability, we believe that Detour Gold should trade in line to the peer gold producers. Also, we could see additional positive pressure due to the press speculation around Detour as a possible acquisition target.

### A long life producer with very low political risk

Detour Gold is a Canadian-based gold mining company whose primary asset is the 100% owned Detour Lake mine, located in northeastern Ontario. Canada is considered a politically safe region for gold mining. For 2016, Detour Gold expects the Detour Lake mine to produce 540-590,000 ozs of gold, +12% yoy using the midpoint of guidance. For 2016, total cash costs and all in sustaining costs (AISC) are forecast to be \$675-\$750/oz and \$840-\$940/oz respectively. On January 25, 2016, Detour Gold unveiled a new life of mine (LOM) plan for the Detour Lake mine, which delivers a production profile above 650,000 ozs per annum at an LOM cash cost of \$690/oz over a 23-year mine life (the longest reserve life in our universe).

### Balance sheet – turning to net cash by late 2017

With the Detour Lake mine now delivering free cash flow, Detour is in a position to strengthen its balance sheet and focus on debt reduction. Our analysis indicates that Detour will have sufficient cash to fund forecast capital spending at the Detour Lake mine and repay the notes in late 2017. From net debt of \$187 million at year end 2015, we forecast Detour to be in a net cash position of \$109mn at year end 2017.

### Detour may be an acquisition target

There has been widespread press speculation that Detour Gold could be a possible acquisition takeover target due to its high quality gold mine. We can see the logic of Detour Gold being an attractive, potential, acquisition for the following reasons. The world class long-life Detour Lake gold mine has a production base in excess of 600,000 ozs per annum LOM, which could be attractive to the global senior gold producers. It is located in a politically secure jurisdiction, Ontario, Canada. And, Detour's P/NAV multiple is well below the P/NAV multiples of the North American senior gold producers. timate changes for Alacer and Eldorado

After factoring into our model the announced sales of the four Chinese mines, Jinfeng, Eastern Dragon, Tanjianshan and White Mountain, expected to close in H2'16, we have lowered our 2017 and 2018 EPS forecasts for Eldorado Gold to \$0.07 and \$0.24 from \$0.21 and \$0.39 respectively. For Alacer Gold, we have incorporated the new mine plan for Çöpler into our model, which has resulted in a reduction in our 2017 and 2018 EPS forecasts to \$0.05 and \$0.07 from \$0.06 and \$0.09. Under the new Çöpler mine plan vs. the old, gold production is 17% and 40% lower in 2017 and 2018, offset by increases of 9%, 17%, 20%, 18% and 50% for 2019, 2020, 2021, 2022 and 2023 respectively.

On **page 2** we discuss a recent report on gold producer cost of capital and P/NAV's.

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**Refer to important disclosures on page 47 to 50. Analyst Certification on page 46. Price Objective Basis/Risk on page 45.**

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Americas  
Gold & Precious Metals

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**Table 1: Weekly Market Statistics**

	Jun 3, 2016	May 27, 2016	%Change
Gold Price (US\$/oz)	1,244.20	1,212.38	2.6%
Silver Price (US\$/oz)	16.41	16.23	1.1%
Philadelphia Gold Index	89.06	79.41	12.2%
AMEX Gold Bugs Index	226.61	198.87	13.9%
S&P/TSX Global Gold Index	230.04	204.37	12.6%

Source: Bloomberg, BofA Merrill Lynch Global Research

**Table 2: Regional valuation comparables**

	2016 P/E	2016 P/CF	P/NAV
NA Senior Golds	38.2	8.1	2.21
NA Mid-Tier Golds	66.4	13.8	2.14
NA Intermediate/Jr Golds	30.5	9.4	1.52
NA Royalty/Streamers	52.0	21.6	2.33
Australian Golds	17.9	7.4	1.10
South African Golds	11.9	4.1	1.27
International Golds	24.0	13.6	1.82

Source: BofAML Global Research estimates, Bloomberg

**Table 3: Gold Indices and Closing Prices**

	3-Jun-16	Weekly	52 Week	
Gold Indices	Close	% Change	High	Low
Philadelphia Gold Index	89.06	12.2%	93.66	38.36
AMEX Gold Bugs Index	226.61	13.9%	236.23	99.19
S&P/TSX Global Gold Index	230.04	12.6%	234.23	114.48
FT Australasia Gold Index	7,654	3.0%	8,342	4,030
FT Africa Gold Index	1,762	8.8%	1,876	937
FT North American Gold Index	1,350	13.1%	1,375	597
FT All Gold Mines Index	1,663	10.9%	1,708	814
FTSE/JSE Africa Gold Mining Index	2,125	8.4%	2,280	741
<b>Precious Metal Prices</b>				
Gold Prices - US\$/oz	1,244.20	2.6%	1,303.82	1,046.44
Silver Price - US\$/oz	16.41	1.1%	18.01	13.65
Platinum Price - US\$/oz	987.03	1.1%	1,119.83	810.75
Palladium Price - US\$/oz	554.50	3.0%	758.41	451.85

Source: Bloomberg, BofA Merrill Lynch Global Research

## Precious metals – weak jobs report fuels bullion’s rise

Last week, gold rose 2.6% ending Friday at \$1,244/oz. The vast majority of the weekly gain was registered on Friday after a weaker than expected US employment report (the US created just 38,000 jobs in May). This gave rise to expectations that the Federal Reserve would not be increasing interest rates any time soon. Since achieving its year high of \$1,294/oz on April 29<sup>th</sup>, bullion had pulled back nearly \$90/oz on hawkish comments by Federal Reserve members. On Friday, bullion erased 1/3<sup>rd</sup> of that one month long period of weakness. While we had been calling for bullion to possibly slide below \$1,200/oz in the near term, the more likely scenario is now a bias to the upside (until the next FOMC meeting on June 14-15). The XAU Gold Index stormed ahead 12.2%, ending Friday at 89.06 points (just below its year high of 92.85 points set on April 29<sup>th</sup>). Year to date 2016, the Gold Index (+97.8% ytd 2016) has outperformed bullion (+17.3%) by a 5.65:1 ratio, nearly triple the historical average of 2:1 seen during bullish markets of the past. To put it into perspective, the Gold Index is nearly at the same level as when gold was nearly \$1,300/oz (+\$50/oz). Clearly bullion has some catching up to do!

## Why do gold companies often trade at a premium to NAV?

Last Friday our global precious metals mining research team attempted to answer this question. Three explanations we put forward are ([link to the report](#)):

- 1) We model gold companies based on proven and probable reserves but, as gold **companies continue to explore and replace/add to reserves**, such an approach understates the “going concern” value of the company; thus in practice, what we see is that companies with a record of replacing reserves as they are mined and, indeed, growing them, tend to trade on a bigger premium to DCF;
- 2) For higher cost miners, **equity is more like an option**, and if we break an option into two parts, we have the time value of volatility vs. price (extrinsic value) and then the “in-the-moneyness” (intrinsic value); the closer to breakeven a miner is, the less value may be associated with the intrinsic value of the asset and the more with the option value (to the upside). As such, at a low gold price level, we might expect a high cost gold miner to trade at a very high multiple of a low absolute “NPV” (i.e. intrinsic value); and
- 3) The 5% real discount rate we use in all of our DCF-based NAV estimates may be too high given that gold company Betas and risk free rates are near zero and have been since 2009 (some are just greater than zero and some are just less than zero); our analysis indicates that the 5% real **discount rate assumption is likely too high** and that current share prices are actually discounting negative discount rates for a majority of the gold companies we cover globally.

# Valuation overview

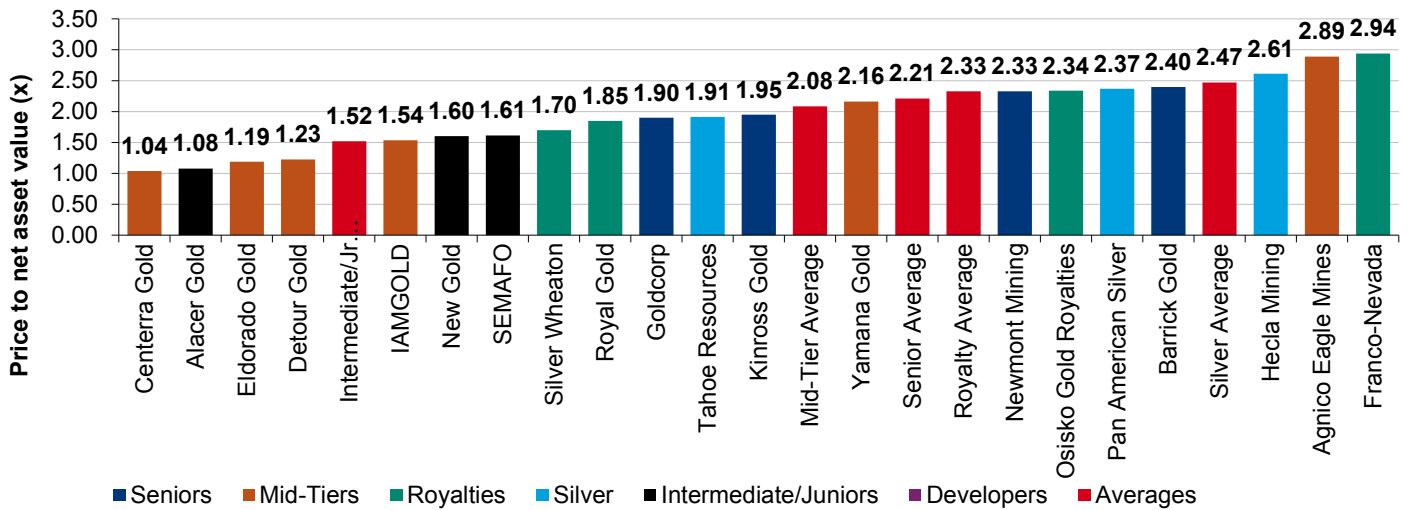
**Table 4: Valuation Comparables for North American Gold and Precious Metals Producers and Royalty Companies**

Priced as of June 3, 2016				Market Cap	EPS		P/E (x)		CFPS		P/CFPS (x)		Net			
	BofAML Sym	Share Price	Shares O/S	(USDmn)	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	DCF	Cash	NAV	P/NAV
<b>Senior Gold Producers<sup>(1)</sup></b>																
Barrick Gold	ABX	19.18	1,165	22,345	0.54	0.70	35.5	27.4	2.08	2.15	9.2	8.9	13.10	(5.10)	8.00	2.40
Goldcorp	GG	18.26	830	15,156	0.22	0.24	83.0	76.1	1.70	1.79	10.7	10.2	12.60	(3.00)	9.60	1.90
Kinross Gold	KGC	4.97	1,244	6,183	0.04	0.13	NA	38.2	0.89	0.94	5.6	5.3	3.65	(1.10)	2.55	1.95
Newmont Mining	NEM	35.40	530	18,762	1.30	1.72	27.2	20.6	4.49	5.43	7.9	6.5	21.70	(6.50)	15.20	2.33
<b>Market Cap Weighted Average</b>							<b>45.5</b>	<b>38.2</b>			<b>8.8</b>	<b>8.1</b>				<b>2.21</b>
<b>Mid-Tier Gold Producers</b>																
Agnico Eagle Mines <sup>(1)</sup>	AEM	50.16	220	11,035	0.30	0.93	NA	53.9	3.12	3.45	16.1	14.5	21.70	(4.35)	17.35	2.89
Centerra Gold <sup>(2)</sup>	YCG	7.25	236	1,322	0.24	0.34	23.3	16.5	1.07	1.11	5.2	5.1	3.90	1.55	5.45	1.04
Detour Gold <sup>(5)</sup>	YDGC	29.69	172	3,947	0.28	0.71	82.0	32.3	1.63	2.07	14.1	11.1	20.16	(1.75)	18.41	1.23
Eldorado Gold <sup>(1)</sup>	EGO	4.67	717	3,348	0.05	0.07	93.4	66.7	0.24	0.15	19.8	30.3	2.27	0.90	3.17	1.66
IAMGOLD <sup>(1)</sup>	IAG	3.76	406	1,527	(0.09)	(0.04)	NA	NA	0.57	0.64	6.6	5.9	2.35	0.15	2.50	1.54
Tahoe Resources <sup>(1)</sup>	TAHO	13.29	297	3,946	0.49	0.62	27.1	21.4	1.02	1.19	13.0	11.1	6.75	0.37	7.12	1.91
Yamana Gold <sup>(1)</sup>	AUY	4.80	927	4,450	0.06	0.12	80.0	40.0	0.55	0.79	8.8	6.1	3.87	(1.65)	2.22	2.16
<b>Market Cap Weighted Average</b>							<b>66.4</b>	<b>43.9</b>			<b>13.8</b>	<b>13.3</b>				<b>2.14</b>
<b>Intermediate/Junior Gold Producers</b>																
Alacer Gold <sup>(6)</sup>	ALIAF	3.04	292	686	0.07	0.05	33.6	47.0	0.23	0.20	10.3	11.9	2.18	0.00	2.18	1.08
New Gold <sup>(1)</sup>	NGD	4.09	509	2,082	0.00	(0.02)	NA	NA	0.46	0.45	8.8	9.1	3.45	(0.90)	2.55	1.60
SEMAFO <sup>(2)</sup>	YSMF	5.64	323	1,409	0.15	0.16	29.1	27.2	0.45	0.41	9.8	10.6	2.25	0.45	2.70	1.61
<b>Market Cap Weighted Average</b>							<b>30.5</b>	<b>33.7</b>			<b>9.4</b>	<b>10.1</b>				<b>1.52</b>
<b>Royalty Companies</b>																
Franco-Nevada <sup>(2)</sup>	YFNV	90.13	178	12,400	0.73	0.95	95.4	73.3	2.36	2.58	29.5	27.0	23.70	0.00	23.70	2.94
Osisko Gold Royalties <sup>(3)</sup>	YOR	17.01	106	1,394	0.31	0.35	54.9	48.6	0.44	0.46	38.4	37.4	4.95	5.44	10.39	2.34
Royal Gold <sup>(1)</sup>	RGLD	61.55	65	4,001	1.01	1.40	60.9	44.0	3.28	3.78	18.8	16.3	40.30	(7.00)	33.30	1.85
Silver Wheaton <sup>(1)</sup>	SLW	20.39	441	8,992	0.52	0.76	39.2	26.8	1.20	1.44	17.1	14.1	14.15	(2.15)	12.00	1.70
<b>Market Cap Weighted Average</b>							<b>69.3</b>	<b>52.0</b>			<b>24.2</b>	<b>21.6</b>				<b>2.33</b>
<b>Primary Silver Producers<sup>(1)</sup></b>																
Hecla Mining	HL	4.44	382	1,694	0.07	0.11	63.4	40.4	0.37	0.48	11.9	9.3	2.60	(0.90)	1.70	2.61
Pan American Silver	PAAS	15.49	152	2,347	(0.01)	0.23	NA	67.3	0.77	1.05	20.1	14.7	6.05	1.15	7.20	2.37
<b>Market Cap Weighted Average</b>							<b>63.4</b>	<b>56.0</b>			<b>16.6</b>	<b>12.5</b>				<b>2.47</b>

Source: Bloomberg, BofA Merrill Lynch Global Research estimates

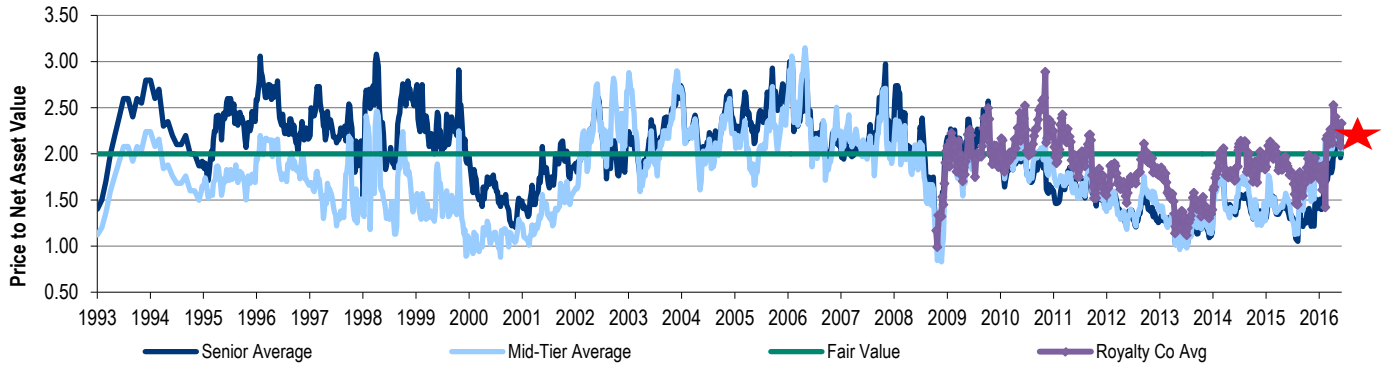
(1) USD (2) stock price and market cap in CAD; EPS, CFPS, NAV in USD (3) CAD (4) AUD (5) stock price, market cap and NAV in CAD; EPS and CFPS in USD (6) stock price, market cap, and NAV in AUD, EPS, and CFPS in USD (7) stock price and market cap in CAD; NAV in GBP, EPS and CFPS in USD. Gold price assumptions: 2016: \$1,232/oz, long-term: \$1,200/oz; Adjusted P/NAV = (share price - net cash and investments) / DCF of mining assets using a 5% discount rate..

Chart 1: Price to Net Asset Value (P/NAV) for North American Gold and Precious Metals Producers and Royalty Companies



Source: BofA Merrill Lynch Global Research estimates

Chart 2: North American senior and mid-tier gold producer P/NAV history



Source: BofA Merrill Lynch Global Research

**Table 5: Net asset value, reserves and resources**

Priced as of June 3, 2016	BofAML Sym	Share Price	Shares O/S	Market Cap	Gold Only Enterprise Value	DCF	Net Cash	NAV	P/NAV	P&P Primary Metal Reserves	Total Primary Metal Resources incl'dg P&P (mln oz)
										(million oz)	oz)
Senior Gold Producers <sup>(1)</sup>											
Barrick Gold	ABX	19.18	1,165	22,345	28,345	13.10	(5.10)	8.00	2.40	91.9	198.4
Goldcorp	GG	18.26	830	15,156	17,399	12.60	(3.00)	9.60	1.90	40.7	96.9
Kinross Gold	KGC	4.97	1,244	6,183	7,414	3.65	(1.10)	2.55	1.95	34.0	67.2
Newmont Mining	NEM	35.40	530	18,762	21,678	21.70	(6.50)	15.20	2.33	73.7	126.8
Market Cap Weighted Average										2.21	
Mid-Tier Gold Producers											
Agnico Eagle Mines <sup>(1)</sup>	AEM	50.16	220	11,035	12,015	21.70	(4.35)	17.35	2.89	19.1	50.7
Centerra Gold <sup>(2)</sup>	YCG	7.25	236	1,322	895	3.90	1.55	5.45	1.03	8.4	15.2
Detour Gold <sup>(3)</sup>	YDGC	29.69	114	2,611	2,199	20.16	(1.75)	18.41	1.56	16.4	
Eldorado Gold <sup>(1)</sup>	EGO	4.67	717	3,348	4,175	3.17	0.90	4.07	1.15	24.9	47.0
IAMGOLD <sup>(1)</sup>	IAG	3.76	406	1,527	1,642	2.35	0.15	2.50	1.50	7.7	30.2
Tahoe Resources <sup>(1)</sup>	TAHO	13.29	300	3,946	3,123	6.75	0.37	7.12	1.91	4.5	10.8
Yamana Gold <sup>(1)</sup>	AUY	4.80	927	4,450	6,108	3.87	(1.65)	2.22	2.16	15.9	69.4
Market Cap Weighted Average										2.12	
Intermediate/Junior Gold Producers											
Alacer Gold <sup>(4)</sup>	ALIAF	3.04	292	686	970	2.18	0.00	2.18	1.08	3.3	6.9
New Gold <sup>(1)</sup>	NGD	4.09	509	2,082	4,972	3.45	(0.90)	2.55	1.60	15.0	23.5
SEMAFO <sup>(2)</sup>	YSMF	5.64	323	1,409	1,301	2.25	0.45	2.70	1.61	3.3	8.4
Market Cap Weighted Average										1.52	
Royalty Companies											
Franco-Nevada <sup>(2)</sup>	YFNV	90.13	178	12,400	12,183	23.70	0.00	23.70	2.94	NA	NA
Osisko Gold Royalties <sup>(3)</sup>	YOR	17.01	323	1,398	1,094	4.95	5.44	10.39	2.34	NA	NA
Royal Gold <sup>(1)</sup>	RGLD	61.55	65	4,001	4,508	40.30	(7.00)	33.30	1.85	NA	NA
Silver Wheaton <sup>(1)</sup>	SLW	20.39	441	8,992	10,276	14.15	(2.15)	12.00	1.70	NA	NA
Market Cap Weighted Average										2.33	
Primary Silver Producers											
Fresnillo <sup>(6)</sup>	FNLPF	1123.00	737	12,012	12,309	364.71	0.00	364.71	3.08	477.2	2,225.6
Hecla Mining <sup>(1)</sup>	HL	4.44	382	1,694	2,078	2.60	(0.90)	1.70	2.61	175.4	698.7
Hochschild Mining <sup>(6)</sup>	HCHDF	151.00	503	1,102	1,430	76.19	0.00	76	1.98	80.6	447.3
Pan American Silver <sup>(1)</sup>	PAAS	15.49	152	2,347	2,210	6.05	1.15	7.20	2.15	280.1	1,251.6
Polymetal <sup>(1,15)</sup>	XPMYF	849.00	424	5,220	4,894	920.00	0.00	920.00	0.92	210.7	261.0
Market Cap Weighted Average										2.41	

Source: Bloomberg, BofA Merrill Lynch Global Research

(1) USD (2) stock price in CAD; NAV in USD (3) CAD (4) AUD (5) ZAR (6) stock price in pence; NAV in USD, (7) stock price and NAV in CAD; (8) silver reserves, silver resources and silver mined in model (9) palladium reserves, palladium resources and palladium mined in model; (10) Reserves and resources on a GEO basis; (11) stock price in CAD, NAV in GBP. Gold price assumptions: 2016: \$1,232/oz, long-term \$1,200/oz. Adjusted P/NAV = (share price - net cash and investments) / DCF of mining assets using a 5% discount rate.

# Mark-to-Market NA comparables

Table 6: Marked To Market –Valuation Comparables for North American Gold and Precious Metals Producers and Royalty Companies

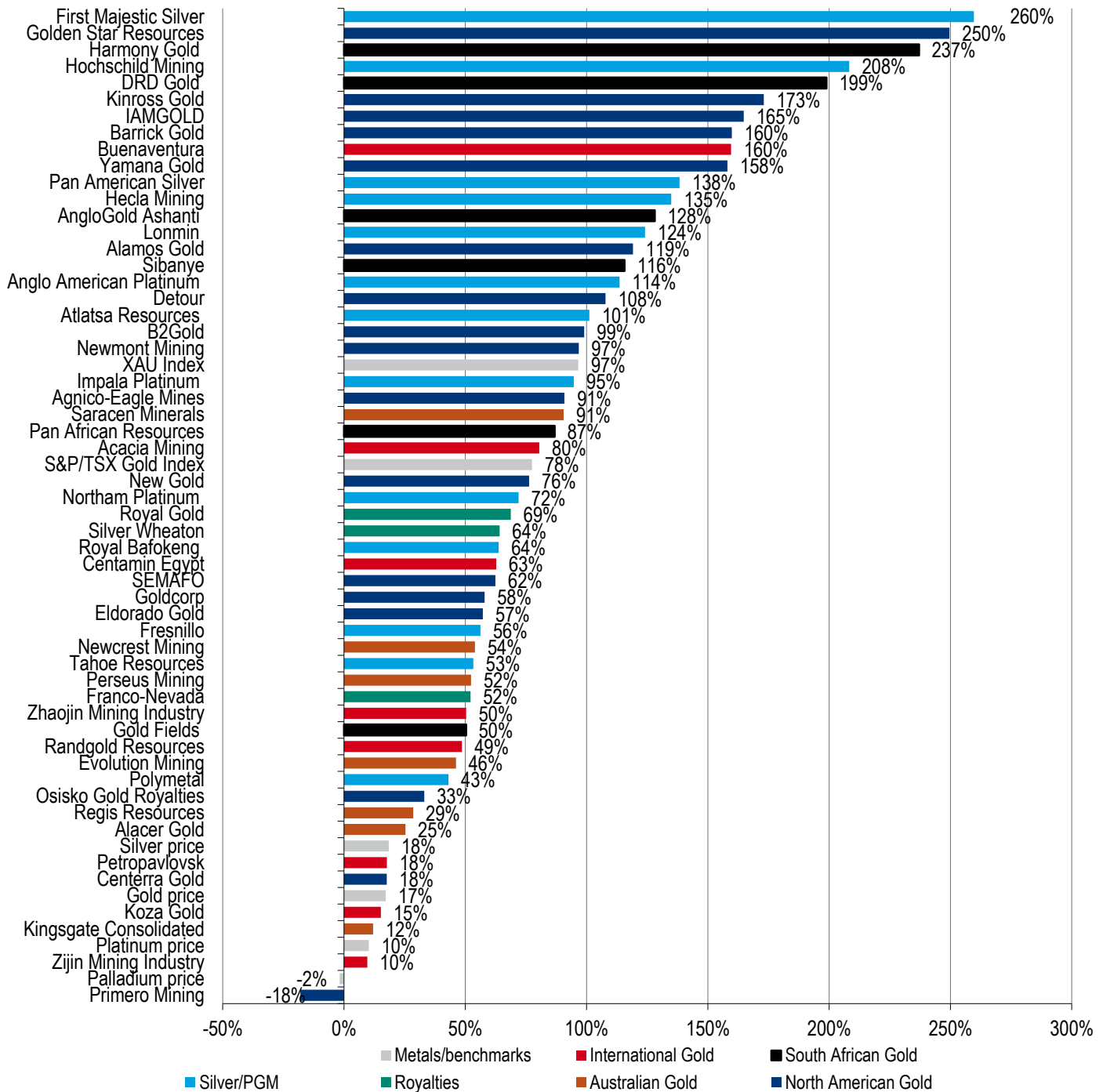
Priced as of June 3, 2016				Market Cap (USD mn)	EPS		P/E (x)		CFPS		P/CFPS (x)		Net			
	BofAML Sym	Share Price	Shares O/S		2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	DCF	Cash	NAV	P/NAV
<b>Senior Gold Producers<sup>(1)</sup></b>																
Barrick Gold	ABX	19.18	1,165	22,345	0.55	0.60	34.9	32.0	2.10	2.04	9.1	9.4	12.50	(5.10)	7.40	2.59
Goldcorp	GG	18.26	830	15,156	1.72	1.63	10.6	11.2	1.72	1.63	10.6	11.2	12.67	(3.00)	9.67	1.89
Kinross Gold	KGC	4.97	1,244	6,183	0.06	0.07	82.8	71.0	0.91	0.87	5.5	5.7	3.73	(1.10)	2.63	1.89
Newmont Mining	NEM	35.40	530	18,762	1.27	1.48	27.9	23.9	4.44	5.14	8.0	6.9	21.65	(6.50)	15.15	2.34
<b>Market Cap Weighted Average</b>							<b>31.6</b>	<b>28.4</b>			<b>8.8</b>	<b>8.7</b>				<b>2.27</b>
<b>Mid-Tier Gold Producers</b>																
Agnico Eagle Mines <sup>(1)</sup>	AEM	50.16	220	11,035	0.35	0.71	NA	70.6	3.17	3.23	15.8	15.5	22.32	(4.35)	17.97	2.79
Centerra Gold <sup>(2)</sup>	YCG	7.25	236	1,322	0.26	0.24	21.6	23.3	1.10	1.01	5.1	5.6	4.04	1.55	5.59	1.00
Detour Gold <sup>(5)</sup>	YDGC	29.69	172	2,345	0.31	0.55	74.0	41.7	1.66	1.89	13.8	12.1	20.99	(1.75)	19.24	1.19
Eldorado Gold <sup>(1)</sup>	EGO	4.67	717	3,348	0.05	0.07	92.1	63.0	0.24	0.15	19.8	30.3	1.89	0.82	2.71	1.72
IAMGOLD <sup>(1)</sup>	IAG	3.76	406	1,527	(0.05)	(0.17)	NA	NA	0.60	0.51	6.3	7.4	2.38	0.15	2.53	1.49
Tahoe Resources <sup>(1)</sup>	TAHO	13.29	297	3,946	0.51	0.58	26.1	22.9	1.04	1.15	12.7	11.6	6.82	0.37	7.19	1.85
Yamana Gold <sup>(1)</sup>	AUY	4.80	927	4,450	0.06	0.08	80.0	60.0	0.55	0.75	8.8	6.4	3.44	(1.65)	1.79	2.69
<b>Market Cap Weighted Average</b>							<b>60.9</b>	<b>57.2</b>			<b>13.5</b>	<b>14.3</b>				<b>2.32</b>
<b>Intermediate/Junior Gold Producers</b>																
Alacer Gold <sup>(6)</sup>	ALIAF	3.04	292	686	0.07	0.04	33.6	58.7	0.23	0.18	10.1	12.9	2.29	0.35	2.64	0.89
New Gold <sup>(1)</sup>	NGD	4.09	509	2,082	(0.01)	(0.04)	NA	NA	0.46	0.43	8.9	9.6	3.24	(0.90)	2.34	1.75
SEMAFO <sup>(1)</sup>	YSMF	5.64	323	1,409	0.15	0.13	29.1	33.5	0.45	0.38	9.8	11.4	2.31	0.45	2.76	1.58
<b>Market Cap Weighted Average</b>							<b>30.5</b>	<b>41.8</b>			<b>9.4</b>	<b>10.7</b>				<b>1.55</b>
<b>Royalty Companies</b>																
Franco-Nevada <sup>(2)</sup>	YFNV	90.13	178	12,400	0.75	0.87	NA	NA	2.38	2.50	29.2	27.9	24.05	0.00	24.05	2.90
Osisko Gold Royalties <sup>(3)</sup>	YOR	17.01	106	1,394	0.31	0.33	54.9	51.5	0.45	0.43	38.0	39.1	4.99	5.44	10.43	1.63
Royal Gold <sup>(1)</sup>	RGLD	61.55	65	4,001	1.01	1.25	60.9	49.2	3.27	3.63	18.8	17.0	40.91	(7.00)	33.91	1.82
Silver Wheaton <sup>(1)</sup>	SLW	20.39	441	8,992	0.51	0.74	40.0	27.6	1.19	1.42	17.1	14.4	14.27	(2.15)	12.12	1.68
<b>Market Cap Weighted Average</b>							<b>47.3</b>	<b>35.9</b>			<b>24.1</b>	<b>22.3</b>				<b>2.26</b>
<b>Primary Silver Producers<sup>(1)</sup></b>																
Hecla Mining	HL	4.44	382	1,694	0.06	0.05	74.0	88.8	0.37	0.39	12.1	11.5	2.41	(0.90)	1.51	2.94
Pan American Silver	PAAS	15.49	152	2,347	(0.02)	(0.04)	NA	NA	0.76	0.76	20.3	20.3	5.16	1.15	6.31	2.46
<b>Market Cap Weighted Average</b>							<b>74.0</b>	<b>88.8</b>			<b>16.9</b>	<b>16.6</b>				<b>2.66</b>

Source: Bloomberg, BofA Merrill Lynch Global Research estimates

(1) USD (2) stock price and market cap in CAD; EPS, CFPS, NAV in USD (3) CAD (4) AUD (5) stock price, market cap and NAV in CAD; EPS and CFPS in USD (6) stock price, market cap, and NAV in AUD, EPS, and CFPS in USD (7) stock price and market cap in CAD; NAV in GBP, EPS and CFPS in USD.

# Share price performance

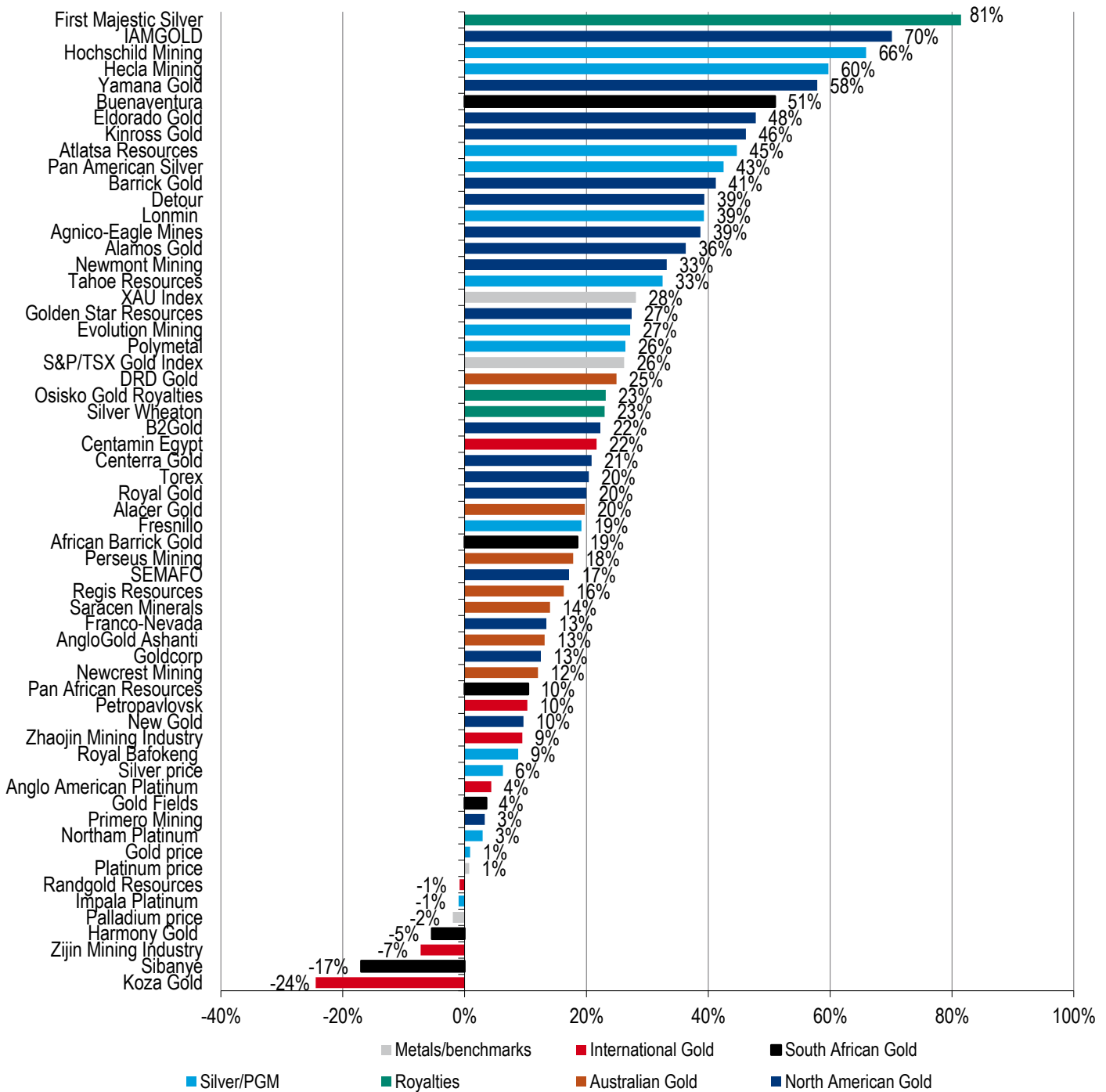
Chart 3: Year to date USD share price and metal price performance of our global precious metals coverage



Source: Bloomberg



Chart 4: Quarter to date USD share price and metal price performance of our global precious metals coverage



Source: Bloomberg



**Table 7: Share price performance – year and quarter to date**

Priced as of June 3, 2016	BofAML Sym	Share Price (local crncy)			Share performance (local crncy)		High - YTD	Low - YTD	Share Price (USD)			Share performance (USD)	
		Current	BOY	BOQ	YTD	QTD	local crncy	local crncy	Current	BOY	BOQ	YTD	QTD
Senior Gold Producers <sup>(1)</sup>													
Barrick Gold	ABX	19.18	7.38	7.38	160%	160%	19.73	7.29	19.18	7.38	7.38	160%	160%
Goldcorp	GG	18.26	11.56	11.56	58%	58%	20.24	9.46	18.26	11.56	11.56	58%	58%
Kinross Gold	KGC	4.97	1.82	1.82	173%	173%	5.82	1.31	4.97	1.82	1.82	173%	173%
Newmont Mining	NEM	35.40	17.99	17.99	97%	97%	35.75	16.05	35.40	17.99	17.99	97%	97%
Mid-Tier Gold Producers													
Agnico-Eagle Mines <sup>(1)</sup>	AEM	50.16	26.28	26.28	91%	91%	48.47	25.91	50.16	26.28	26.28	91%	91%
Centerra Gold <sup>(3)</sup>	YCG	7.25	6.59	6.59	10%	10%	7.98	5.64	5.60	4.76	4.76	18%	18%
Detour <sup>(3)</sup>	YDGC	29.63	14.41	14.41	106%	106%	30.50	14.30	21.82	10.50	10.41	108%	110%
Eldorado Gold <sup>(1)</sup>	EGO	4.67	2.97	2.97	57%	57%	5.16	1.87	4.67	2.97	2.97	57%	57%
IAMGOLD <sup>(1)</sup>	IAG	3.76	1.42	1.42	165%	165%	4.05	1.15	3.76	1.42	1.42	165%	165%
Yamana Gold <sup>(1)</sup>	AUY	4.80	1.86	1.86	158%	158%	5.19	1.38	4.80	1.86	1.86	158%	158%
Intermediate/Junior Gold Producers													
Alacer Gold <sup>(2)</sup>	XCWTF	3.05	2.46	2.46	24%	24%	3.70	2.07	2.25	1.79	1.79	25%	25%
Alamos Gold <sup>(3)</sup>	AGI	7.21	3.29	3.29	119%	119%	7.53	2.27	7.21	3.29	3.29	119%	119%
B2Gold <sup>(1)</sup>	BTG	2.03	1.02	1.02	99%	99%	2.31	0.60	2.03	1.02	1.02	99%	99%
Golden Star Resources <sup>(1)</sup>	GSS	0.58	0.17	0.17	250%	250%	0.84	0.14	0.58	0.17	0.17	250%	250%
New Gold <sup>(1)</sup>	NGD	4.09	2.32	2.32	76%	76%	4.85	1.76	4.09	2.32	2.32	76%	76%
Primero Mining <sup>(1)</sup>	PPP	1.87	2.28	2.28	-18%	-18%	2.73	1.41	1.87	2.28	2.28	-18%	-18%
SEMAFO <sup>(3)</sup>	YSMF	5.64	3.51	3.51	61%	61%	6.01	3.19	4.36	2.54	2.54	72%	72%
Royalty Companies													
Franco-Nevada <sup>(3)</sup>	YFNV	69.62	45.75	45.75	52%	52%	71.48	41.47	69.62	45.75	45.75	52%	52%
Osisko Gold Royalties <sup>(3)</sup>	YOR	17.01	13.67	13.67	24%	24%	17.22	12.58	13.15	9.88	9.88	33%	33%
Royal Gold <sup>(1)</sup>	RGLD	61.55	36.47	36.47	69%	69%	63.31	24.68	61.55	36.47	36.47	69%	69%
Silver Wheaton <sup>(1)</sup>	SLW	20.39	12.42	12.42	64%	64%	21.14	10.04	20.39	12.42	12.42	64%	64%
Gold developers													
Torex Gold Resources <sup>(3)</sup>	YTXG	2.18	1.26	1.26	73%	73%	2.32	1.15	1.68	0.91	0.91	85%	85%
Primary Silver Producers													
First Majestic Silver <sup>(1)</sup>	AG	11.76	3.27	3.27	260%	260%	12.23	2.40	11.76	3.27	3.27	260%	260%
Fresnillo <sup>(4)</sup>	FNLPF	1123.00	708.00	708.00	59%	59%	1171.00	632.50	16.30	10.43	10.43	56%	56%
Hecla Mining <sup>(1)</sup>	HL	4.44	1.89	1.89	135%	135%	4.73	1.45	4.44	1.89	1.89	135%	135%
Hochschild Mining <sup>(4)</sup>	HCHDF	151.00	48.25	48.25	213%	213%	162.25	38.75	2.19	0.71	0.71	208%	208%
Pan American Silver <sup>(1)</sup>	PAAS	15.49	6.50	6.50	138%	138%	16.49	5.38	15.49	6.50	6.50	138%	138%
Polymetal <sup>(4)</sup>	XOLPF	849.00	584.50	584.50	45%	45%	839.50	511.00	12.32	8.61	8.61	43%	43%
Tahoe Resources	TAHO	13.29	8.67	8.67	53%	53%	14.29	6.48	13.29	8.67	8.67	53%	53%
Australian Gold Producers <sup>(2)</sup>													
Evolution Mining	CAHPF	2.01	1.39	1.39	45%	45%	2.36	1.25	1.48	1.01	1.01	46%	46%
Kingsgate Consolidated	KSKGF	0.41	0.37	0.37	11%	11%	0.54	0.22	0.30	0.27	0.27	12%	12%
Newcrest Mining	NCMGF	19.76	12.97	12.97	52%	52%	21.63	12.55	14.55	9.45	9.45	54%	54%
Perseus Mining	PMNXF	0.49	0.33	0.33	51%	51%	0.68	0.27	0.36	0.24	0.24	52%	52%
Regis Resources	RGRNF	2.95	2.32	2.32	27%	27%	3.39	2.18	2.17	1.69	1.69	29%	29%
Saracen Minerals	XRHSF	1.15	0.61	0.61	89%	89%	1.37	0.60	0.85	0.44	0.44	91%	91%

Source: BofA Merrill Lynch Global Research, Bloomberg. Share prices in: (1) USD (2) AUD (3) CAD (4) GBP in pence (5) ZAR (6) TRY (7) HKD.

**Table 8: Share price performance – year and quarter to date cont'd**

Priced as of June 3, 2016		Share Price (local crncy)			Share performance (local crncy)		High - YTD	Low - YTD	Share Price (USD)			Share performance (USD)	
	BofAML Sym	Current	BOY	BOQ	YTD	QTD	local crncy	local crncy	Current	BOY	BOQ	YTD	QTD
<b>South African Gold Producers<sup>(5)</sup></b>													
AngloGold Ashanti	AULGF	23614.00	10626.00	10626.00	122%	122%	24444.00	10621.00	1,566.60	686.71	686.71	128%	128%
DRD Gold	DRDGF	760.00	261.00	261.00	191%	191%	949.00	257.00	50.42	16.87	16.87	199%	199%
Gold Fields	GFI OF	6180.00	4220.00	4220.00	46%	46%	7248.00	4157.00	409.99	272.72	272.72	50%	50%
Harmony Gold	HGMCF	5122.00	1560.00	1560.00	228%	228%	6289.00	1520.00	339.80	100.82	100.82	237%	237%
Pan African Resources <sup>(4)</sup>	PAFRF	14.75	7.78	7.78	90%	90%	15.75	7.25	0.21	0.11	0.11	87%	87%
Sibanye	XZLBF	4800.00	1356.00	2285.00	254%	110%	6352.00	2268.00	318.44	87.63	147.67	263%	116%
<b>International Gold Producers</b>													
African Barrick Gold <sup>(4)</sup>	XAFBF	329.80	180.00	180.00	83%	83%	354.70	154.30	4.79	2.65	2.65	80%	80%
Buenaventura <sup>(1)</sup>	BVN	11.11	4.28	4.28	160%	160%	10.66	3.30	11.11	4.28	4.28	160%	160%
Centamin Egypt <sup>(4)</sup>	XCNEF	106.40	64.40	64.40	65%	65%	130.60	61.55	1.54	0.95	0.95	63%	63%
Petropavlovsk <sup>(4)</sup>	PPLKF	7.79	6.52	6.52	19%	19%	9.04	5.12	0.11	0.10	0.10	18%	18%
Koza Gold <sup>(6)</sup>	XZKGF	14.08	12.28	12.28	15%	15%	19.69	11.26	4.85	4.21	4.21	15%	15%
Randgold Resources <sup>(4)</sup>	RGORF	6250.00	4143.00	4143.00	51%	51%	6885.00	4118.00	90.73	61.05	61.05	49%	49%
Zhaojin Mining Industry Co Ltd. <sup>(7)</sup>	ZHAOF	6.60	4.38	4.38	51%	51%	7.27	4.02	0.85	0.57	0.57	50%	50%
Zijin Mining Industry Co Ltd. <sup>(7)</sup>	ZIJMF	2.23	2.03	2.03	10%	10%	2.70	1.67	0.29	0.26	0.26	10%	10%
<b>Metals/benchmarks</b>													
Gold price	Bloomberg Sym												
	XAU Cumcy	1244.05	1061.10	1061.10	17%	17%	1303.82	1058.36	1,244.05	1,061.10	1,061.10	17%	17%
Silver price	XAG Cumcy	16.41	13.85	13.85	18%	18%	18.01	13.75	16.41	13.85	13.85	18%	18%
Platinum price	XPT Cumcy	983.05	891.55	891.55	10%	10%	1090.51	810.75	983.05	891.55	891.55	10%	10%
Palladium price	XPD Cumcy	553.12	562.98	562.98	-2%	-2%	635.41	451.85	553.12	562.98	562.98	-2%	-2%
S&P/TSX Global Gold Index	SPTSGD Index	229.95	129.53	129.53	78%	78%	234.23	122.78	229.95	129.53	129.53	78%	78%
Philadelphia Gold & Silver Index	XAU Index	89.06	45.30	45.30	97%	97%	93.66	38.36	89.06	45.30	45.30	97%	97%

Source: BofA Merrill Lynch Global Research. Share prices in: (1) USD (2 ) AUD (3) CAD (4) Gbp in pence (5) ZAR (6)TRY (7)HKD.

# Financial Comparables

Table 9: Financial Comparables for Global Gold and Precious Metal Producers and Royalty Companies

Priced as of June 3, 2016					EPS		P/E (x)		CFPS		P/CF (x)		Div/share		Dividend Yield
	BofAML Sym	Share Price	Shares O/S	Market Cap (USDmn)	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	2016E
<b>Senior Gold Producers<sup>(1,15)</sup></b>															
Barrick Gold	ABX	19.18	1,165	22,345	0.54	0.70	35.5	27.4	2.08	2.15	9.2	8.9	0.08	0.08	0.4%
Goldcorp	GG	18.26	830	15,156	0.22	0.24	83.0	76.1	1.70	1.79	10.7	10.2	0.08	0.08	0.4%
Kinross Gold	KGC	4.97	1,244	6,183	0.04	0.13	NA	38.2	0.89	0.94	5.6	5.3	0.00	0.00	0.0%
Newmont Mining	NEM	35.40	530	18,762	1.30	1.72	27.2	20.6	4.49	5.43	7.9	6.5	0.10	0.10	0.3%
<b>Market Cap Weighted Average</b>							<b>45.5</b>	<b>38.2</b>			<b>8.8</b>	<b>8.1</b>			
<b>Mid-Tier Gold Producers</b>															
Agnico Eagle Mines <sup>(1,15)</sup>	AEM	50.16	220	11,035	0.30	0.93	NA	53.9	3.12	3.45	16.1	14.5	0.32	0.32	0.6%
Centerra Gold <sup>(2,15)</sup>	YCG	7.25	236	1,322	0.24	0.34	23.3	16.5	1.07	1.11	5.2	5.1	0.16	0.16	2.2%
Detour Gold <sup>(2,15)</sup>	YDGC	29.69	114	2,611	0.28	0.71	82.0	32.3	1.63	2.07	14.1	11.1	0.00	0.00	0.0%
Eldorado Gold <sup>(1,15)</sup>	EGO	4.67	717	3,348	0.05	0.07	93.4	66.7	0.24	0.15	19.8	30.3	0.00	0.00	0.0%
IAMGOLD <sup>(1,15)</sup>	IAG	3.76	406	1,527	(0.09)	(0.04)	NA	NA	0.57	0.64	6.6	5.9	0.00	0.00	0.0%
Tahoe Resources <sup>(1)</sup>	TAHO	13.29	297	3,946	0.49	0.62	27.1	21.4	1.02	1.19	13.0	11.1	0.22	0.22	1.7%
Yamana Gold <sup>(1,15)</sup>	AUY	4.80	927	4,450	0.06	0.12	80.0	40.0	0.55	0.79	8.8	6.1	0.06	0.06	1.3%
<b>Market Cap Weighted Average</b>							<b>65.1</b>	<b>44.4</b>			<b>13.7</b>	<b>13.4</b>			
<b>Intermediate/Junior Gold Producers<sup>(15)</sup></b>															
Alacer Gold <sup>(4,16)</sup>	ALIAF	3.04	292	686	0.07	0.05	33.6	47.0	0.23	0.20	10.3	11.9	0.00	0.00	0.0%
New Gold <sup>(1)</sup>	NGD	4.09	509	2,082	0.00	(0.02)	NA	NA	0.46	0.45	8.8	9.1	0.00	0.00	0.0%
SEMAFO <sup>(2)</sup>	YSMF	5.64	323	1,409	0.15	0.16	29.1	27.2	0.45	0.41	9.8	10.6	0.00	0.00	0.0%
<b>Market Cap Weighted Average</b>							<b>30.5</b>	<b>33.7</b>			<b>9.4</b>	<b>10.1</b>			
<b>Royalty Companies</b>															
Franco-Nevada <sup>(2,15)</sup>	YFNV	90.13	178	12,400	0.73	0.95	95.4	73.3	2.36	2.58	29.5	27.0	0.87	0.88	1.0%
Osisko Gold Royalties <sup>(3,15)</sup>	YOR	17.01	106	1,398	0.31	0.35	54.9	48.6	0.44	0.46	38.4	37.4	0.16	0.16	0.9%
Royal Gold <sup>(1,15)</sup>	RGLD	61.55	65	4,001	1.01	1.40	60.9	44.0	3.28	3.78	18.8	16.3	0.90	0.92	1.5%
Silver Wheaton <sup>(1,15)</sup>	SLW	20.39	441	8,992	0.52	0.76	39.2	26.8	1.20	1.44	17.1	14.1	0.25	0.35	1.2%
<b>Market Cap Weighted Average</b>							<b>69.3</b>	<b>52.0</b>			<b>24.2</b>	<b>21.6</b>			
<b>Primary Silver Producers</b>															
Fresnillo <sup>(6)</sup>	FNLPF	1123	737	12,012	0.34	0.62	48.0	26.5	0.99	1.26	16.4	13.0	0.17	0.31	0.0%
Hecla Mining <sup>(1)</sup>	HL	4.44	382	1,694	0.07	0.11	63.4	40.4	0.37	0.48	11.9	9.3	0.01	0.00	0.2%
Hochschild Mining <sup>(6)</sup>	HCHDF	151.00	503	1,102	0.04	0.16	53.4	13.7	0.42	0.66	5.2	3.3	0.00	0.00	0.0%
Pan American Silver <sup>(1)</sup>	PAAS	15.49	152	2,347	(0.01)	0.23	NA	67.3	0.77	1.05	20.1	14.7	0.05	0.05	0.3%
Polymetal <sup>(6)</sup>	XPMYF	849.00	424	3,596	1.33	1.31	NA	NA	1.53	1.53	NA	NA	0.51	0.51	0.1%
<b>Market Cap Weighted Average</b>							<b>50.1</b>	<b>32.6</b>			<b>15.7</b>	<b>12.2</b>			

Source: Bloomberg, BofA Merrill Lynch Global Research estimates

(1) USD (2) stock price in CAD; EPS and CFPS in USD (3) CAD (4) AUD (5) ZAR (6) stock price in pence, market cap in GBP, EPS and CFPS in USD, (7) (8) share price and NAV in HKD, EPS and CFPS in RMB, (9) stock price, market cap, EPS and CFPS in TRY; (10) Estimates based on Bloomberg consensus; (11) June 30th year end; (12) stock price in ZAR, EPS and CFPS in USD (13) stock price in ZAR, EPS and CFPS in AUD; (14) stock price in ZAR, EPS and CFPS in CAD; (15) Real gold price deck (US\$/oz): 2016=\$1,232; 2017=\$1,293; 2018=1,285; 2019=\$1,256; 2020; \$1,227; 2021=\$1,199; 2022(LT) = 1,200; (16) Nominal LT gold price (US\$/oz) = \$1,392; (17) Nominal gold price deck based on June year end (US\$/oz). Adjusted P/NAV = (share price - net cash and investments) / DCF of mining assets using a 5% discount rate.

Table 10: Financial Comparables for Global Gold and Precious Metal Producers and Royalty Companies Cont'd

Priced as of June 3, 2016					EPS		P/E (x)		CFPS		P/CF (x)		Div/share		Dividend Yield
	BofAML Sym	Share Price	Shares O/S	Market Cap (USDmn)	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	2016E
Australian Gold Producers <sup>(4,11,17)</sup>															
Evolution Mining	CAHPF	2.01	1,468	2,173	0.18	0.24	11.0	8.4	0.37	0.48	5.4	4.2	0.06	0.12	3.0%
Newcrest Mining	NCMGF	19.76	765	11,139	0.32	0.64	44.9	22.8	1.43	1.67	10.2	8.7	0.00	0.16	0.0%
Northern Star Resources	NESRF	4.24	600	1,874	0.28	0.41	14.9	10.2	0.69	0.74	6.1	5.7	0.10	0.25	2.4%
OceanaGold	OGDCF	4.07	609	1,824	0.15	0.45	19.4	6.7	0.47	0.69	6.4	4.4	0.04	0.04	1.0%
Market Cap Weighted Average							34.5	17.9			8.7	7.4			
South African Gold Producers <sup>(15)</sup>															
AngloGold Ashanti <sup>(12)</sup>	AULGF	236.14	410	6,417	0.72	1.02	21.9	15.4	3.30	3.40	4.7	4.6	0.00	0.20	0.0%
Harmony Gold <sup>(11)</sup>	HGMCF	51.22	434	1,476	2.85	6.34	18.0	8.1	8.35	11.97	6.1	4.3	0.00	0.00	0.0%
Sibanye <sup>(5)</sup>	SBGLF	48.00	912	2,904	7.16	7.81	6.7	6.1	10.66	15.71	4.5	3.1	2.93	3.19	6.1%
Market Cap Weighted Average							17.0	11.9			4.6	4.0			
International Gold Producers															
Acacia Mining <sup>(6)</sup>	ABGLF	329.80	410	1,964	0.26	0.34	18.5	14.0	0.68	0.80	7.0	6.0	0.08	0.12	0.0%
Buenaventura <sup>(1)</sup>	BVN	11.11	254	2,825	0.20	0.53	55.6	21.0	0.68	1.03	16.3	10.8	0.12	0.14	1.1%
Centamin Egypt <sup>(6)</sup>	CELTF	106.40	1,144	1,768	0.12	0.10	12.7	15.4	0.22	0.18	7.0	8.4	0.03	0.04	0.0%
Petropavlovsk <sup>(6)</sup>	PPLKF	7.79	4,301	486	0.00	0.01	23.3	11.6	0.02	0.02	5.9	6.2	0.00	0.00	0.0%
Randgold Resources <sup>(6)</sup>	RGORF	6250.00	93	8,433	2.68	3.05	33.9	29.8	4.41	5.10	20.6	17.8	0.66	0.66	0.0%
Market Cap Weighted Average							30.8	22.2			15.2	12.8			
PGM Producers															
Anglo American Platinum <sup>(5)</sup>	AGPPF	385.59	270	6,899	16.53	18.97	23.3	20.3	29.26	34.11	NA	NA	0.00	5.69	0.0%
Impala Platinum <sup>(5)</sup>	IMPUF	47.50	735	2,315	0.93	2.36	51.2	20.1	3.32	4.84	14.3	9.8	0.00	0.00	0.0%
Lonmin <sup>(12)</sup>	LNMF	1.81	282	739	(0.01)	0.18	NA	14.9	0.37	0.75	7.0	3.5	0.00	0.00	0.0%
Northam Platinum <sup>(5)</sup>	NMPNF	44.21	510	1,495	1.52	1.97	29.0	22.4	2.26	2.82	19.6	15.7	0.00	0.00	0.0%
Royal Bafokeng <sup>(5)</sup>	XRVBF	42.51	194	546	0.89	0.33	47.9	NA	3.40	4.27	12.5	10.0	0.00	0.00	0.0%
Stillwater Mining <sup>(1)</sup>	SWC	10.52	121	1,270	0.05	0.46	NA	22.9	0.50	0.87	21.0	12.0	0.00	0.00	0.0%
Market Cap Weighted Average							31.0	20.5			15.9	10.9			

Source: Bloomberg, BofA Merrill Lynch Global Research estimates

(1) USD (2) stock price in CAD; EPS and CFPS in USD (3) CAD (4) AUD (5) ZAR (6) stock price in pence, market cap in GBP, EPS and CFPS in USD, (7) (8) share price and NAV in HKD, EPS and CFPS in RMB, (9) stock price, market cap, EPS and CFPS in TRY; (10) Estimates based on Bloomberg consensus; (11) June 30th year end; (12) stock price in ZAR, EPS and CFPS in USD (13) stock price in ZAR, EPS and CFPS in AUD; (14) stock price in ZAR, EPS and CFPS in CAD; (15) Real gold price deck (US\$/oz): 2016=\$1,232; 2017=\$1,293; 2018=1,285; 2019=\$1,256; 2020; \$1,227; 2021=\$1,199; 2022(LT) = 1,200; (16) Nominal LT gold price (US\$/oz) = \$1,392; (17) Nominal gold price deck based on June year end (US\$/oz). Adjusted P/NAV = (share price - net cash and investments) / DCF of mining assets using a 5% discount rate.

Table 11: Balance sheet highlights – Global gold and precious metals companies

Priced as of June 3, 2016	Cash (US\$ millions)								Total debt (US\$ millions)						Net cash (net debt) - US\$ millions						Total debt/equity (US\$ millions)						
3-Jun-16	BofAML Sym	Share Price	2012A	2013A	2014A	2015A	2016E	2017E	2012A	2013A	2014A	2015A	2016E	2017E	2012A	2013A	2014A	2015A	2016E	2017E	2012A	2013A	2014A	2015A	2016E	2017E	
Senior Gold Producers <sup>(1)</sup>																											
Barrick Gold	ABX	19.18	2,093	2,404	2,699	2,455	2,976	3,560	13,943	12,901	13,081	9,968	9,058	8,942	(11,850)	(10,497)	(10,382)	(7,513)	(6,082)	(5,382)	64%	95%	128%	139%	118%	106%	
Goldcorp	GG	18.26	757	625	482	326	494	1,023	783	2,314	3,592	2,688	2,476	2,476	(26)	(1,689)	(3,110)	(2,362)	(1,982)	(1,453)	3%	12%	21%	21%	19%	19%	
Kinross Gold	KGC	4.97	2,041	793	1,025	1,054	826	1,277	2,633	2,160	2,058	1,981	1,732	1,732	(592)	(1,366)	(1,033)	(927)	(905)	(455)	27%	36%	42%	51%	41%	40%	
Newmont Mining	NEM	35.40	1,561	1,555	2,403	2,782	2,782	4,357	6,298	6,740	6,646	6,236	5,121	4,972	(4,737)	(5,185)	(4,243)	(3,454)	(2,339)	(615)	47%	66%	65%	55%	42%	38%	
Mid-Tier Gold Producers																											
Agnico Eagle Mines <sup>(1)</sup>	AEM	50.16	332	139	178	124	311	431	898	1,017	1,351	1,171	1,147	1,032	(566)	(878)	(1,174)	(1,047)	(836)	(601)	26%	37%	33%	28%	27%	24%	
Centerra Gold <sup>(2)</sup>	YCG	7.25	382	501	300	361	78	56	0	11	12	9	9	9	382	491	288	351	69	46	0%	1%	1%	1%	1%	1%	
Detour <sup>(2)</sup>	YDGC	29.63	NA	88	133	161	263	109	NA	580	568	462	386	0	NA	(492)	(434)	(302)	(123)	109	NA	32%	31%	25%	20%	0%	
Eldorado Gold <sup>(1)</sup>	EGO	4.67	817	589	502	288	1,047	838	593	601	604	589	589	589	224	(12)	(102)	(301)	458	248	10%	12%	11%	16%	16%	15%	
IAMGOLD <sup>(1)</sup>	IAG	3.76	797	222	159	481	616	694	639	640	655	698	628	628	159	(418)	(497)	(217)	(12)	66	17%	23%	25%	37%	32%	32%	
Tahoe Resources <sup>(1)</sup>	TAHO	13.29	165	9	80	109	235	380	0	49	50	43	30	30	165	(41)	31	66	205	350	0%	6%	6%	3%	1%	1%	
Yamana Gold <sup>(1)</sup>	AUY	4.80	350	220	191	120	39	141	766	1,190	2,025	1,677	1,580	1,563	(416)	(970)	(1,834)	(1,557)	(1,541)	(1,422)	10%	17%	30%	35%	33%	32%	
Intermediate/Junior Gold Producers																											
Alacer Gold <sup>(3)</sup>	ALIAF	3.04	277	290	347	361	148	57	69	0	0	0	0	250	208	290	347	361	148	(193)	7%	0%	0%	0%	0%	37%	
New Gold <sup>(1)</sup>	NGD	4.09	688	414	370	335	86	69	848	863	874	788	888	888	(160)	(448)	(504)	(452)	(802)	(818)	32%	32%	38%	38%	42%	42%	
SEMAFO <sup>(2)</sup>	YSMF	5.64	139	82	128	154	292	319	0	0	0	88	59	59	139	82	128	66	233	260	0%	0%	0%	15%	8%	8%	
Royalty Companies																											
Franco-Nevada <sup>(2)</sup>	YFNV	90.13	632	770	593	149	179	321	0	0	0	457	0	0	632	770	593	(308)	179	321	0%	0%	0%	14%	0%	0%	
Osisko Gold Royalties <sup>(3)</sup>	YOR	17.01	NA	NA	151	222	406	433	NA	NA	0	0	4	4	NA	NA	151	222	402	429	NA	NA	0%	0%	4%	4%	
Royal Gold <sup>(1)</sup>	RGLD	61.55	375	664	659	743	166	252	296	302	312	322	622	622	79	362	348	421	(456)	(370)	16%	13%	13%	14%	28%	27%	
Silver Wheaton <sup>(1)</sup>	SLW	20.39	778	96	308	103	557	1,039	50	1,000	999	1,466	938	938	728	(904)	(690)	(1,363)	(381)	101	2%	30%	28%	35%	19%	19%	
Primary Silver Producers																											
Fresnillo <sup>(4)</sup>	FNLPF	1123.00	614	1,252	449	500	622	985	0	795	796	797	797	797	614	456	(347)	(297)	(175)	188	0%	35%	35%	34%	32%	30%	
Hecla Mining <sup>(1)</sup>	HL	4.44	191	212	210	155	148	201	0	499	508	503	503	523	191	(287)	(298)	(348)	(355)	(322)	0%	38%	36%	38%	37%	37%	
Hochschild Mining <sup>(4)</sup>	HCHDF	151.00	359	286	116	84	184	433	114	436	469	435	435	435	245	(149)	(353)	(351)	(250)	(1)	11%	50%	59%	64%	61%	53%	
Pan American Silver <sup>(1)</sup>	PAAS	15.49	542	423	330	227	159	256	78	60	52	56	86	186	464	363	278	171	73	70	3%	3%	3%	4%	7%	14%	
Polymetal <sup>(4)</sup>	XPMYF	849.00	19	66	157	52	156	198	864	1,111	1,323	1,350	1,400	1,400	NA	(1,046)	(1,165)	(1,298)	(1,244)	NA	NA	62%	152%	277%	182%	NA	

Source: Company reports, BofA Merrill Lynch Global Research estimates. Note: Share prices in (1)USD (2 )CAD (3)AUD (4)GBP in pence (5)ZAR (6)TRY (7)HKD

Table 12: Balance sheet highlights – Global gold and precious metals companies

Priced as of June 3, 2016	Cash (US\$ millions)								Total debt (US\$ millions)						Net cash (net debt) - US\$ millions						Total debt/equity (US\$ millions)						
	BofAML Sym	Share Price	2012A	2013A	2014A	2015A	2016E	2017E	2012A	2013A	2014A	2015A	2016E	2017E	2012A	2013A	2014A	2015A	2016E	2017E	2012A	2013A	2014A	2015A	2016E	2017E	
Australian Gold Producers <sup>(3)</sup>																											
Evolution Mining	CAHPF	0.41	NA	NA	30	159	42	104	NA	NA	152	18	239	18	NA	NA	(122)	140	(197)	86	NA	NA	21%	2%	19%	1%	
Newcrest Mining	NCMGF	19.76	NA	NA	133	198	417	865	NA	NA	3,839	3,087	2,634	2,284	NA	NA	NA	NA	(2,217)	(1,419)	NA	NA	NA	NA	52%	42%	
Northern Star Resources	NESRF	0.49	NA	NA	78	129	264	392	NA	NA	6	13	13	13	NA	NA	72	116	251	379	NA	NA	2%	5%	4%	3%	
OceanaGold	OGDCF	2.95	NA	NA	51	185	11	57	NA	NA	118	199	255	15	NA	NA	(67)	(13)	(244)	42	NA	NA	18%	23%	29%	1%	
South African Gold Producers <sup>(5)</sup>																											
AngloGold Ashanti	AULGF	236.14	105	62	40	42	71	103	423	371	322	237	217	198	(318)	(309)	(281)	(195)	(146)	(95)	65%	126%	131%	113%	92%	75%	
Harmony Gold	HGMCF	51.22	217	211	173	89	123	324	222	257	269	279	172	172	(5)	(45)	(96)	(190)	(49)	152	5%	8%	9%	13%	9%	8%	
Sibanye	SBGLF	48.00	34	108	49	62	295	569	295	190	274	329	718	718	(261)	(82)	(225)	(267)	(423)	(149)	27%	22%	21%	25%	44%	36%	
International Gold Producers																											
Acacia Mining <sup>(4)</sup>	ABGLF	329.80	401	284	294	233	300	399	0	142	142	128	99	71	401	142	152	105	200	328	0%	7%	7%	7%	5%	3%	
Buenaventura <sup>(1)</sup>	BVN	11.11	241	62	79	79	270	331	106	234	383	606	806	806	135	(172)	(305)	(527)	(536)	NA	3%	7%	11%	19%	25%	24%	
Centamin Egypt <sup>(4)</sup>	CELTf	106.40	147	106	126	200	283	349	0	0	0	0	0	0	147	106	126	200	283	349	0%	0%	0%	0%	0%	0%	
Petropavlovsk <sup>(4)</sup>	PPLKF	7.79	159	171	48	28	71	149	1,223	1,119	978	638	638	638	(1,063)	(948)	(930)	(610)	(568)	(490)	85%	130%	129%	130%	125%	115%	
Randgold Resources <sup>(4)</sup>	RGORF	6250.00	387	38	83	213	355	661	15	0	0	0	0	0	373	38	83	213	355	661	1%	0%	0%	0%	0%	0%	
PGM Producers <sup>(5)</sup>																											
Anglo American Platinum	AGPPF	385.59	NA	NA	NA	144	393	602	NA	NA	NA	1,239	1,239	1,239	NA	NA	NA	(1,094)	(845)	(636)	NA	NA	NA	35%	32%	30%	
Impala Platinum	IMPUF	47.50	NA	NA	NA	224	439	390	NA	NA	NA	698	698	698	NA	NA	NA	(474)	(258)	(308)	NA	NA	NA	16%	15%	14%	
Lonmin	LNMI	1.81	315	201	143	320	698	816	736	0	172	505	505	505	(421)	201	(29)	(185)	193	311	30%	0%	5%	31%	25%	25%	
Northam Platinum	NMPNF	44.21	NA	NA	NA	358	362	402	NA	NA	NA	683	683	683	NA	NA	NA	(326)	(321)	(281)	NA	NA	NA	86%	79%	72%	
Royal Bafokeng	XRVPF	42.51	NA	NA	NA	79	66	49	NA	NA	NA	32	130	263	NA	NA	NA	48	(64)	(214)	NA	NA	NA	3%	14%	27%	
Stillwater Mining <sup>(1)</sup>	SWC	10.52	380	287	280	147	119	164	293	309	294	259	278	296	87	(22)	(14)	(112)	(158)	(132)	27%	37%	32%	28%	30%	30%	

Source: Company reports, BofA Merrill Lynch Global Research estimates. Note: Share prices in (1)USD (2)CAD (3)AUD (4)GBP in pence (5)ZAR (6)TRY (7)HKD

**Table 13: Valuation Comparables for Global Gold and Precious Metal Producers and Royalty Companies**

Priced as of June 3, 2016	BofAML Sym	Share Price	Shares o/s (mn)	Market Cap		EPS		P/E (x)		CFPS		P/CFPS (x)					
				(USDmn)	Rating	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	DCF	Net Cash	NAV	P/NAV
Senior Gold Producers <sup>(1,19)</sup>																	
Barrick Gold	ABX	19.18	1,165	22,345	C-2-8	0.54	0.70	35.5	27.4	2.08	2.15	9.2	8.9	13.10	(5.10)	8.00	2.40
Goldcorp	GG	18.26	830	15,156	C-1-8	0.22	0.24	83.0	76.1	1.70	1.79	10.7	10.2	12.60	(3.00)	9.60	1.90
Kinross Gold	KGC	4.97	1,244	6,183	C-1-9	0.04	0.13	NA	38.2	0.89	0.94	5.6	5.3	3.65	(1.10)	2.55	1.95
Newmont Mining	NEM	35.40	530	18,762	B-2-8	1.30	1.72	27.2	20.6	4.49	5.43	7.9	6.5	21.70	(6.50)	15.20	2.33
Market Cap Weighted Average								45.5	38.2			8.8	8.1				2.21
Mid-Tier Gold Producers																	
Agnico Eagle Mines <sup>(1,19)</sup>	AEM	50.16	220	11,035	B-1-8	0.30	0.93	NA	53.9	3.12	3.45	16.1	14.5	21.70	(4.35)	17.35	2.89
Centerra Gold <sup>(2,19)</sup>	YCG	7.25	236	1,322	C-3-7	0.24	0.34	23.3	16.5	1.07	1.11	5.2	5.1	3.90	1.55	5.45	1.04
Detour Gold <sup>(7,19)</sup>	YDGC	29.69	172	3,947	C-1-9	0.28	0.71	82.0	32.3	1.63	2.07	14.1	11.1	20.16	(1.75)	18.41	1.23
Eldorado Gold <sup>(1,19)</sup>	EGO	4.67	717	3,348	C-3-9	0.05	0.07	93.4	66.7	0.24	0.15	19.8	30.3	2.27	0.90	3.17	1.66
IAMGOLD <sup>(1,19)</sup>	IAG	3.76	406	1,527	C-3-9	(0.09)	(0.04)	NA	NA	0.57	0.64	6.6	5.9	2.35	0.15	2.50	1.54
Tahoe Resources <sup>(1)</sup>	TAHO	13.29	297	3,946	C-1-7	0.49	0.62	27.1	21.4	1.02	1.19	13.0	11.1	6.75	0.37	7.12	1.91
Yamana Gold <sup>(1,19)</sup>	AUY	4.80	927	4,450	C-2-8	0.06	0.12	80.0	40.0	0.55	0.79	8.8	6.1	3.87	(1.65)	2.22	2.16
Market Cap Weighted Average								66.4	43.9			13.8	13.3				2.14
Intermediate/Junior Gold Producers <sup>(19)</sup>																	
Alacer Gold <sup>(10,20)</sup>	ALIAF	3.04	292	686	C-1-9	0.07	0.05	33.6	47.0	0.23	0.20	10.3	11.9	2.18	0.00	2.18	1.08
New Gold <sup>(1)</sup>	NGD	4.09	509	2,082	C-2-9	0.00	(0.02)	NA	NA	0.46	0.45	8.8	9.1	3.45	(0.90)	2.55	1.60
SEMAFO <sup>(2)</sup>	YSMF	5.64	323	1,409	C-1-9	0.15	0.16	29.1	27.2	0.45	0.41	9.8	10.6	2.25	0.45	2.70	1.61
Market Cap Weighted Average								30.5	33.7			9.4	10.1				1.52
Royalty Companies																	
Franco-Nevada <sup>(2,19)</sup>	YFNV	90.13	178	12,400	C-1-7	0.73	0.95	NA	73.3	2.36	2.58	29.5	27.0	23.70	0.00	23.70	2.94
Osisko Gold Royalties <sup>(3)</sup>	YOR	17.01	106	1,398	C-1-7	0.31	0.35	54.9	48.6	0.44	0.46	38.4	37.4	4.95	5.44	10.39	2.34
Royal Gold <sup>(1,19)</sup>	RGLD	61.55	65	4,001	C-1-7	1.01	1.40	60.9	44.0	3.28	3.78	18.8	16.3	40.30	(7.00)	33.30	1.85
Silver Wheaton <sup>(1)</sup>	SLW	20.39	441	8,992	C-1-8	0.52	0.76	39.2	26.8	1.20	1.44	17.1	14.1	14.15	(2.15)	12.00	1.70
Market Cap Weighted Average								46.8	52.0			24.2	21.6				2.33
Primary Silver Producers																	
Fresnillo <sup>(6)</sup>	FNLPF	1123.00	737	12,014	C-2-7	0.34	0.62	48.0	26.5	0.99	1.26	16.4	13.0	364.71	0.00	365	3.08
Hecla Mining <sup>(1)</sup>	HL	4.44	382	1,694	C-3-8	0.07	0.11	63.4	40.4	0.37	0.48	11.9	9.3	2.60	(0.90)	1.70	2.61
Hochschild Mining <sup>(6)</sup>	HCHDF	151.00	503	1,102	C-1-9	0.04	0.16	53.4	13.7	0.42	0.66	5.2	3.3	76.19	0.00	76	1.98
Pan American Silver <sup>(1)</sup>	PAAS	15.49	152	2,347	C-3-8	(0.01)	0.23	NA	67.3	0.77	1.05	20.1	14.7	6.05	1.15	7.20	2.37
Polymetal <sup>(6)</sup>	XPMYF	849.00	424	5,221	C-1-7	1.33	1.31	9.2	9.4	1.53	1.53	8.1	8.1	920.00	0.00	920.00	0.92
Market Cap Weighted Average								39.5	27.2			13.9	11.3				2.41

Source: Bloomberg, BofA Merrill Lynch Global Research estimates

(1) USD; (2) stock price and market cap in CAD\$, EPS, CFPS, NAV in USD\$; (3) CAD\$ (4) AUD\$ (5) ZAR (6) stock price, NAV in pence; market cap in GBP, EPS, CFPS in USD; (7) stock price, market cap and NAV in CAD\$; EPS and CFPS in USD\$; (8) share price and NAV in HKD; EPS and CFPS in CNY, market cap in USD; (9) stock price, NAV in pence; market cap in USD, EPS, CFPS in GBP; (10) stock price, market cap, NAV in AUD, EPS, and CFPS in USD; (11) stock price and market cap in CAD; NAV in GBP, EPS and CFPS in USD; (12) stock price, market cap, EPS, CFPS and NAV in TRY; (13) Estimates are based on Bloomberg consensus; (14) stock price, market cap and NAV in ZAR; EPS and CFPS in USD, (15) stock price, market cap in ZAR; NAV, EPS and CFPS in AUD (16) stock price and market cap in ZAR; EPS and CFPS in USD, NAV in GBP (17) stock price and market cap in ZAR; EPS, CFPS and NAV in CAD; (18) June 30th year end; (19) Real gold price deck (US\$/oz): 2016=\$1,232; 2017=\$1,293; 2018=\$1,285; 2019=\$1,256; 2020=\$1,227; 2021=\$1,199; 2022(LT) = 1,200; (20) Nominal LT gold price (US\$/oz)=\$1,392; (21) Nominal gold price deck based on June year end (US\$/oz); Adjusted P/NAV = (share price - net cash and investments) / DCF of mining assets using a 5% discount rate.



Table 14: Valuation Comparables for Global Gold and Precious Metal Producers and Royalty Companies Cont'd

Priced as of June 3, 2016	BofAML Sym	Share Price	Shares O/S	Market Cap (USDmn)	Rating	EPS		P/E (x)		CFPS		P/CFPS (x)		DCF	Net		
						2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E		Cash	NAV	P/NAV
Australian Gold Producers <sup>(4,13,21)</sup>																	
Evolution Mining	CAHPF	2.01	1,468	2,173	C-2-7	0.18	0.24	11.0	8.4	0.37	0.48	5.4	4.2	2.17	0.00	2.17	0.93
Newcrest Mining	NCMGF	19.76	765	11,139	C-2-9	0.32	0.64	44.9	22.8	1.43	1.67	10.2	8.7	15.41	0.00	15.41	0.94
Northern Star Resources	NESRF	4.24	600	1,874	C-3-7	0.28	0.41	14.9	10.2	0.69	0.74	6.1	5.7	2.35	0.00	2.35	1.81
OceanaGold	OGDCF	4.07	609	1,824	C-3-8	0.15	0.45	19.4	6.7	0.47	0.69	6.4	4.4	2.68	0.00	2.68	1.52
Market Cap Weighted Average								34.5	17.9			8.7	7.4				1.10
South African Gold Producers <sup>(19)</sup>																	
AngloGold Ashanti <sup>(14)</sup>	AULGF	236.14	410	6,417	C-1-9	0.72	1.02	21.9	15.4	3.30	3.40	4.7	4.6	143.46	0.00	143.46	1.65
Harmony Gold <sup>(14,18)</sup>	HGMCF	51.22	434	1,476	C-2-9	2.85	6.34	18.0	8.1	8.35	11.97	6.1	4.3	58.52	0.00	58.52	0.88
Sibanye <sup>(5)</sup>	SBGLF	48.00	912	2,904	C-1-7	7.16	7.81	6.7	6.1	10.66	15.71	4.5	3.1	74.61	0.00	74.61	0.64
Market Cap Weighted Average								17.3	11.9			4.9	4.1				1.27
International Gold Producers																	
Acacia Mining <sup>(6)</sup>	ABGLF	329.80	410	1,964	C-3-7	0.26	0.34	18.5	14.0	0.68	0.80	7.0	6.0	175	0.00	174.90	1.89
Buenaventura <sup>(1)</sup>	BVN	11.11	254	2,825	C-2-7	0.20	0.53	55.6	21.0	0.68	1.03	16.3	10.8	6.67	0.00	6.67	1.67
Centamin Egypt <sup>(6,18)</sup>	CELTF	106.40	1,144	1,768	C-2-7	0.12	0.10	12.7	15.4	0.22	0.18	7.0	8.4	76	0.00	76.36	1.39
Petropavlovsk <sup>(6)</sup>	PPLKF	7.79	4,301	486	C-1-9	0.00	0.01	23.3	11.6	0.02	0.02	5.9	6.2	15	0.00	15.02	0.52
Randgold Resources <sup>(6)</sup>	RGORF	6250.00	93	8,433	B-1-7	2.68	3.05	33.9	29.8	4.41	5.10	20.6	17.8	3,104	0.00	3,104	2.01
Market Cap Weighted Average								33.1	24.0			16.1	13.6				1.82
PGM Producers																	
Anglo American Platinum <sup>(5)</sup>	AGPPF	385.59	270	6,899	C-2-9	16.53	18.97	23.3	20.3	29.26	34.11	13.2	11.3	272	0.00	272.11	1.42
Impala Platinum <sup>(5)</sup>	IMPUF	47.50	735	2,315	C-3-9	0.93	2.36	51.2	20.1	3.32	4.84	14.3	9.8	34.78	0.00	34.78	1.37
Lonmin <sup>(16)</sup>	LNMF	1.81	282	739	C-3-9	(0.01)	0.18	NA	14.9	0.37	0.75	7.0	3.5	154.30	0.00	154.30	1.17
Northam Platinum <sup>(5)</sup>	NMPNF	44.21	510	1,495	C-3-9	1.52	1.97	29.0	22.4	2.26	2.82	19.6	15.7	25.97	0.00	25.97	1.70
Royal Bafokeng <sup>(5)</sup>	XRVPF	42.51	194	546	C-1-9	0.89	0.33	47.9	NA	3.40	4.27	12.5	10.0	46.39	0.00	46.39	0.92
Stillwater <sup>(1)</sup>	SWC	10.52	121	1,270	C-3-9	0.05	0.46	NA	22.9	0.50	0.87	21.0	12.0	6.10	0.00	6.10	1.72
Market Cap Weighted Average								31.0	20.5			14.5	11.1				1.44

Source: Bloomberg, BofA Merrill Lynch Global Research estimates

(1) USD; (2) stock price and market cap in CAD\$, EPS, CFPS, NAV in USD\$; (3) CAD\$ (4) AUD\$ (5) ZAR (6) stock price, NAV in pence; market cap in GBP, EPS, CFPS in USD; (7) stock price, market cap and NAV in CAD\$; EPS and CFPS in USD\$; (8) share price and NAV in HKD; EPS and CFPS in CNY, market cap in USD; (9) stock price, NAV in pence; market cap in USD, EPS, CFPS in GBP; (10) stock price, market cap, NAV in AUD, EPS, and CFPS in USD; (11) stock price and market cap in CAD; NAV in GBP, EPS and CFPS in USD; (12) stock price, market cap, EPS, CFPS and NAV in TRY; (13) Estimates are based on Bloomberg consensus; (14) stock price, market cap and NAV in ZAR; EPS and CFPS in USD, (15) stock price, market cap in ZAR; NAV, EPS and CFPS in AUD (16) stock price and market cap in ZAR; EPS and CFPS in USD, NAV in GBP (17) stock price and market cap in ZAR; EPS, CFPS and NAV in CAD; (18) June 30th year end; (19) Real gold price deck (US\$/oz): 2016=\$1,232; 2017=\$1,293; 2018=1,285; 2019=\$1,256; 2020; \$1,227; 2021=\$1,199; 2022(LT) = 1,200; (20) Nominal LT gold price (US\$/oz)=\$1,392; (21) Nominal gold price deck based on June year end (US\$/oz); Adjusted P/NAV = (share price - net cash and investments) / DCF of mining assets using a 5% discount rate.

**Table 15: Earnings per Share and Cash Flow per Share for Global and Precious Metal Producers**

Priced as of June 3, 2016			Earnings per Share (EPS)					Cash Flow per Share (CFPS)				
	BofAML Sym	Share Price	2013A	2014A	2015A	2016E	2017E	2013A	2014A	2015A	2016E	2017E
<b>Senior Gold Producers<sup>(1,16)</sup></b>												
Barrick Gold	ABX	19.18	2.49	0.68	0.29	0.54	0.70	4.07	1.97	1.87	2.08	2.15
Goldcorp	GG	18.26	0.76	0.61	(0.11)	0.22	0.24	1.91	1.71	1.73	1.70	1.79
Kinross Gold	KGC	4.97	0.28	0.11	(0.08)	0.04	0.13	0.76	0.85	0.57	0.89	0.94
Newmont Mining	NEM	35.40	2.51	1.09	0.71	1.30	1.72	5.33	4.29	4.84	4.49	5.43
<b>Mid-Tier Gold Producers</b>												
Agnico Eagle Mines <sup>(1,16)</sup>	AEM	50.16	0.75	0.93	0.42	0.30	0.93	2.88	3.22	3.05	3.12	3.45
Centerra Gold <sup>(2,16)</sup>	YCG	7.25	0.67	0.33	0.27	0.24	0.34	2.08	1.57	1.28	1.07	1.11
Detour Gold <sup>(2,16)</sup>	YDGC	29.69	(0.09)	(0.51)	(0.25)	0.28	0.71	(0.13)	0.69	0.95	1.63	2.07
Eldorado Gold <sup>(1,16)</sup>	EGO	4.67	0.27	0.19	0.02	0.05	0.07	0.53	0.47	0.35	0.24	0.15
IAMGOLD <sup>(1,16)</sup>	IAG	3.76	0.36	(0.04)	(0.43)	(0.09)	(0.04)	0.90	0.87	0.17	0.57	0.64
Tahoe Resources <sup>(1)</sup>	TAHO	13.29	(0.45)	0.61	0.48	0.49	0.62	(0.37)	0.99	0.86	1.02	1.19
Yamana Gold <sup>(1,16)</sup>	AUY	4.80	0.36	0.05	(0.08)	0.06	0.12	0.94	0.74	0.00	0.55	0.79
<b>Intermediate/Junior Gold Producers<sup>(16)</sup></b>												
Alacer Gold <sup>(17)</sup>	ALIAF	3.04	0.24	0.22	0.16	0.07	0.05	0.58	0.51	0.32	0.23	0.20
New Gold <sup>(1)</sup>	NGD	4.09	0.13	0.09	(0.02)	0.00	(0.02)	0.37	0.49	0.51	0.46	0.45
SEMAFO <sup>(2)</sup>	YSMF	5.64	0.04	0.07	0.14	0.15	0.16	0.28	0.43	0.46	0.45	0.41
<b>Royalty Companies</b>												
Franco-Nevada <sup>(2,16)</sup>	YFNV	90.13	0.94	0.92	0.55	0.73	0.95	1.88	2.20	1.99	2.36	2.58
Osisko Gold Royalties <sup>(3,16)</sup>	YOR	17.01	NA	(0.04)	0.30	0.31	0.35	NA	0.12	0.36	0.44	0.46
Royal Gold <sup>(1,16)</sup>	RGLD	61.55	1.28	0.96	1.07	1.01	1.40	2.66	2.50	2.49	3.28	3.78
Silver Wheaton <sup>(1,16)</sup>	SLW	20.39	1.06	0.74	0.53	0.52	0.76	1.52	1.20	1.08	1.20	1.44
<b>Primary Silver Producers</b>												
Fresnillo <sup>(6)</sup>	FNLPF	1123	0.38	0.07	0.07	0.34	0.62	0.61	0.17	0.74	0.99	1.26
Hecla Mining <sup>(1)</sup>	HL	4.44	(0.04)	0.01	(0.09)	0.07	0.11	0.31	0.37	0.27	0.37	0.48
Hochschild Mining <sup>(6)</sup>	HCHDF	151.00	(0.13)	(0.13)	(0.15)	0.04	0.16	0.16	0.22	0.30	0.42	0.66
Pan American Silver <sup>(1)</sup>	PAAS	15.49	(0.33)	(0.14)	(0.38)	(0.01)	0.23	0.79	0.78	(0.53)	0.77	1.05
Polymetal <sup>(1)</sup>	XPMYF	849.00	(0.51)	(0.53)	0.52	1.33	1.31	1.19	1.29	1.16	1.53	1.53

Source: Bloomberg, BofA Merrill Lynch Global Research estimates, Company reports

(1) USD (2) stock price in CAD; EPS and CFPS in USD (3) CAD (4) AUD (5) ZAR (6) stock price in pence; EPS and CFPS in GBP, (7) stock price in pence; EPS and CFPS in USD, (8) share price in HKD, EPS and CFPS in RMB, (9) stock price in AUD, EPS and CFPS in USD, (10) stock price, EPS, and CFPS in TRY, (11) Estimates based on Bloomberg consensus, (12) June 30th year end, (13) stock price in ZAR, EPS and CFPS in USD, (14) stock price in ZAR, EPS and CFPS in AUD, (15) stock price in ZAR, EPS and CFPS in CAD, (16) Real gold price deck (US\$/oz): 2016=\$1,232; 2017=\$1,293; 2018=1,285; 2019=\$1,256; 2020; \$1,227; 2021=\$1,199; 2022(LT) = 1,200; (17) Nominal LT gold price (US\$/oz) = \$1,392; (18) Nominal gold price deck based on June year end (US\$/oz).

**Table 16: Earnings per Share and Cash Flow per Share for Global and Precious Metal Producers**

Priced as of June 3, 2016				Earnings per Share (EPS)				Cash Flow per Share (CFPS)				
	BofAML Sym	Share Price	2013A	2014A	2015A	2016E	2017E	2013A	2014A	2015A	2016E	2017E
<b>Australian Gold Producers<sup>(4,12,18)</sup></b>												
Evolution Mining	CAHPF	2.01	NA	0.07	0.10	0.18	0.24	NA	0.28	0.29	0.37	0.48
Newcrest Mining	NCMGF	19.76	0.61	2.59	0.33	0.32	0.64	0.95	1.25	1.66	1.43	1.67
Northern Star Resources	NESRF	4.24	NA	0.05	0.20	0.28	0.41	NA	0.17	0.61	0.69	0.74
OceanaGold	OGDCF	4.07	NA	0.37	0.10	0.15	0.45	NA	0.71	0.28	0.47	0.69
<b>South African Gold Producers<sup>(16)</sup></b>												
AngloGold Ashanti <sup>(13)</sup>	AULGF	236.14	1.01	0.81	0.30	0.72	1.02	3.17	2.99	2.78	3.30	3.40
Harmony Gold <sup>(12, 13)</sup>	HGMCF	51.22	(6.17)	(2.93)	(10.44)	2.85	6.34	7.33	5.24	4.62	8.35	11.97
Sibanye <sup>(5)</sup>	SBGLF	48.00	2.62	1.86	0.79	7.16	7.81	10.26	6.07	4.58	10.66	15.71
<b>International Gold Producers</b>												
Acacia Mining <sup>(7)</sup>	ABGLF	329.80	0.26	0.21	0.02	0.26	0.34	0.46	0.71	0.38	0.68	0.80
Buenaventura <sup>(1)</sup>	BVN	11.11	(0.40)	(0.34)	(1.30)	0.20	0.53	1.74	1.06	0.41	0.68	1.03
Centamin Egypt <sup>(7)</sup>	CELTF	106.40	0.21	0.07	0.04	0.12	0.10	0.22	0.10	0.16	0.22	0.18
Petropavlovsk <sup>(7)</sup>	PPLKF	7.79	(0.00)	0.01	(0.07)	0.00	0.01	(0.12)	0.07	0.02	0.02	0.02
Randgold Resources <sup>(7)</sup>	RGORF	6250.00	3.02	2.54	2.04	2.68	3.05	5.04	3.43	4.27	4.41	5.10
<b>PGM Producers</b>												
Anglo American Platinum <sup>(5)</sup>	AGPPF	385.59	(5.25)	2.39	(46.38)	16.53	18.97	NA	17.79	31.61	29.26	34.11
Impala Platinum <sup>(5,12)</sup>	IMPUP	47.50	3.30	0.83	0.35	0.93	2.36	9.79	6.48	3.68	3.32	4.84
Lonmin <sup>(13)</sup>	LNMF	1.81	0.63	0.12	(1.08)	(0.01)	0.18	0.05	(0.41)	(0.04)	0.37	0.75
Northam Platinum <sup>(5,12)</sup>	NMPPF	44.21	1.43	0.02	(2.03)	1.52	1.97	1.37	2.14	0.87	2.26	2.82
Royal Bafokeng <sup>(5)</sup>	XRVBF	42.51	1.73	2.39	(0.83)	0.89	0.33	5.52	7.72	3.23	3.40	4.27
Stillwater Mining <sup>(1)</sup>	SWC	10.52	0.23	0.55	0.25	0.05	0.46	1.16	1.20	0.79	0.50	0.87

Source: Bloomberg, BofA Merrill Lynch Global Research estimates, Company reports.

(1) USD (2) stock price in CAD; EPS and CFPS in USD (3) CAD (4) AUD (5) ZAR (6) stock price in pence; EPS and CFPS in GBP, (7) stock price in pence; EPS and CFPS in USD,

(8) share price in HKD, EPS and CFPS in RMB, (9) stock price in AUD, EPS and CFPS in USD, (10) stock price, EPS, and CFPS in TRY, (11) Estimates based on Bloomberg consensus

(12) June 30th year end, (13) stock price in ZAR, EPS and CFPS in USD, (14) stock price in ZAR, EPS and CFPS in AUD (15) stock price in ZAR, EPS and CFPS in CAD, (16) Real gold price deck (US\$/oz):

2014=\$1,308; 2015=\$1,341; 2016=\$1,428; 2017=\$1,439; 2018=\$1,391; 2019=\$1,345; LT=\$1,300; (17) Nominal gold price deck (US\$/oz): 2014=\$1,308; 2015=\$1,375; 2016=\$1,500; 2017=\$1,550;

2018=\$1,536; 2019=\$1,522; LT=\$1,508; (18) Nominal gold price deck based on June year end (US\$/oz).

**Table 17: Price to Earnings and Cash Flow per Share ratios for Global Gold and Precious Metal Producers and Royalty Companies**

Priced as of June 3, 2016			Price to Earnings Ratio (P/E)				Price to Cash Flow Ratio (P/CF)			
	BofAML Sym	Share Price	2014A	2015A	2016E	2017E	2014A	2015A	2016E	2017E
<b>Senior Gold Producers<sup>(1)</sup></b>										
Barrick Gold	ABX	19.18	28.2	66.1	35.5	27.4	9.7	10.3	9.2	8.9
Goldcorp	GG	18.26	29.9	NA	83.0	76.1	10.7	10.6	10.7	10.2
Kinross Gold	KGC	4.97	45.2	NA	NA	NA	5.8	8.7	5.6	5.3
Newmont Mining	NEM	35.40	32.5	49.9	27.2	20.6	8.3	7.3	7.9	6.5
<b>Market Cap Weighted Average</b>			<b>31.6</b>	<b>58.7</b>	<b>45.5</b>	<b>38.2</b>	<b>9.1</b>	<b>9.3</b>	<b>8.8</b>	<b>8.1</b>
<b>Mid-Tier Gold Producers</b>										
Agnico Eagle Mines <sup>(1)</sup>	AEM	50.16	53.9	NA	NA	53.9	15.6	16.4	16.1	14.5
Centerra Gold <sup>(2)</sup>	YCG	7.25	17.0	20.8	23.3	16.5	3.6	4.4	5.2	5.1
Detour Gold <sup>(2)</sup>	YDGC	29.69	NA	NA	82.0	32.3	33.2	24.2	14.1	11.1
Eldorado Gold <sup>(1)</sup>	EGO	4.67	24.6	NA	93.4	66.7	9.8	13.3	19.8	30.3
IAMGOLD <sup>(1)</sup>	IAG	3.76	NA	NA	NA	NA	4.3	22.1	6.6	5.9
Tahoe Resources <sup>(1)</sup>	TAHO	13.29	21.8	27.7	27.1	21.4	13.4	27.7	27.1	21.4
Yamana Gold <sup>(1)</sup>	AUY	4.80	96.0	NA	80.0	40.0	NA	NA	8.8	NA
<b>Market Cap Weighted Average</b>			<b>50.3</b>	<b>25.9</b>	<b>65.1</b>	<b>44.4</b>	<b>14.9</b>	<b>18.4</b>	<b>15.7</b>	<b>16.4</b>
<b>Intermediate/Junior Gold Producers</b>										
Alacer Gold <sup>(3)</sup>	ALIAF	3.04	10.7	14.7	33.6	47.0	4.6	7.3	10.3	11.9
New Gold <sup>(1)</sup>	NGD	4.09	45.4	NA	NA	NA	8.4	8.1	8.8	9.1
SEMAFO <sup>(2)</sup>	YSMF	5.64	80.6	40.3	37.6	35.3	13.1	12.3	12.7	13.7
<b>Market Cap Weighted Average</b>			<b>51.6</b>	<b>31.9</b>	<b>43.5</b>	<b>36.0</b>	<b>9.8</b>	<b>9.8</b>	<b>10.1</b>	<b>10.2</b>
<b>Royalty Companies</b>										
Franco-Nevada <sup>(2)</sup>	YFNV	90.13	98.0	NA	NA	73.3	31.7	35.1	29.5	27.0
Osisko Gold Royalties <sup>(3)</sup>	YOR	17.01	NA	56.7	54.9	48.6	NA	47.2	38.4	37.4
Royal Gold <sup>(1)</sup>	RGLD	61.55	64.1	57.5	60.9	44.0	24.6	24.7	18.8	16.3
Silver Wheaton <sup>(1)</sup>	SLW	20.39	27.6	38.5	39.2	26.8	17.1	18.8	17.1	14.1
<b>Market Cap Weighted Average</b>			<b>67.7</b>	<b>45.5</b>	<b>46.8</b>	<b>52.0</b>	<b>25.4</b>	<b>28.7</b>	<b>24.2</b>	<b>21.6</b>
<b>Primary Silver Producers</b>										
Hecla Mining <sup>(1)</sup>	HL	4.44	NA	NA	63.4	NA	NA	NA	63.4	NA
Hochschild Mining <sup>(6)</sup>	HCHDF	151.00	NA	NA	53.4	13.7	9.8	7.4	5.2	3.3
Pan American Silver <sup>(1)</sup>	PAAS	15.49	NA	NA	NA	67.3	NA	NA	NA	67.3
Polymetal <sup>(6)</sup>	XPMYF	849.00	NA	NA	NA	NA	NA	NA	NA	NA
<b>Market Cap Weighted Average</b>			<b>NA</b>	<b>NA</b>	<b>59.5</b>	<b>50.2</b>	<b>9.8</b>	<b>7.4</b>	<b>40.5</b>	<b>46.9</b>

Source: Bloomberg, BofA Merrill Lynch Global Research estimates, Company reports

Share price in (1) USD (2) CAD (3) AUD (4) ZAR (5 ) pence (6) HKD (7) TRY

**Table 18: Price to Earnings and Cash Flow per Share ratios for Global Gold and Precious Metal Producers and Royalty Companies Cont'd**

Priced as of June 3, 2016			Price to Earnings Ratio (P/E)				Price to Cash Flow Ratio (P/CF)			
	BofAML Sym	Share Price	2014A	2015A	2016E	2017E	2014A	2015A	2016E	2017E
<b>Australian Gold Producers<sup>(3)</sup></b>										
Evolution Mining	CAHPF	2.01	27.6	19.9	11.0	8.4	7.1	7.0	5.4	4.2
Newcrest Mining	NCMGF	19.76	NA	NA	44.9	22.8	NA	NA	10.2	8.7
Northern Star	NESRF	4.24	84.5	21.3	14.9	10.2	24.9	7.0	6.1	5.7
OceanaGold	OGDCF	4.07	8.1	30.1	19.4	6.7	4.2	10.6	6.4	4.4
<b>Market Cap Weighted Average</b>			<b>39.7</b>	<b>23.5</b>	<b>34.5</b>	<b>17.9</b>	<b>11.9</b>	<b>8.1</b>	<b>8.7</b>	<b>7.4</b>
<b>South African Gold Producers<sup>(4)</sup></b>										
AngloGold Ashanti	AULGF	236.14	19.4	53.0	21.9	15.4	5.2	5.6	4.7	4.6
Harmony Gold	HGMCF	51.22	NA	NA	18.0	8.1	9.8	11.1	6.1	4.3
Sibanye	SBGLF	48.00	NA	61.1	6.7	6.1	NA	10.5	4.5	3.1
<b>Market Cap Weighted Average</b>			<b>30.1</b>	<b>62.8</b>	<b>17.0</b>	<b>11.9</b>	<b>5.8</b>	<b>7.1</b>	<b>4.6</b>	<b>4.0</b>
<b>International Gold Producers</b>										
Acacia Mining <sup>(5)</sup>	ABGLF	329.80	22.6	NA	18.5	14.0	6.8	12.6	7.0	6.0
Buenaventura <sup>(1)</sup>	BVN	11.11	NA	NA	55.6	NA	10.5	27.0	16.3	NA
Centamin Egypt <sup>(5)</sup>	CELTF	106.40	21.5	34.4	12.7	15.4	15.6	9.5	7.0	8.4
Petropavlovsk <sup>(5)</sup>	PPLKF	7.79	14.1	NA	23.3	11.6	1.7	6.7	5.9	6.2
Randgold Resources <sup>(5)</sup>	RGORF	6250.00	35.8	44.5	33.9	29.8	26.5	21.2	20.6	17.8
<b>Market Cap Weighted Average</b>			<b>27.4</b>	<b>42.7</b>	<b>30.8</b>	<b>22.4</b>	<b>18.2</b>	<b>17.8</b>	<b>15.2</b>	<b>13.3</b>
<b>South African Platinum Producers<sup>(4)</sup></b>										
Anglo American Platinum	AGPPF	385.59	NA	NA	23.3	20.3	NA	NA	NA	NA
Impala Platinum	IMPUF	47.50	57.4	NA	51.2	20.1	7.3	12.9	14.3	9.8
Lonmin	LMNIF	1.81	22.4	NA	NA	14.9	NA	NA	7.0	3.5
Northam Platinum	NMPNF	44.21	NA	NA	29.0	22.4	20.7	50.8	19.6	15.7
Royal Bafokeng	XRVBF	42.51	17.8	NA	47.9	NA	5.5	13.2	12.5	10.0
Stillwater Mining	SWC	10.52	19.1	42.1	NA	22.9	8.8	13.2	21.0	12.0
<b>Market Cap Weighted Average</b>			<b>37.7</b>	<b>42.1</b>	<b>31.0</b>	<b>20.5</b>	<b>11.0</b>	<b>23.1</b>	<b>15.9</b>	<b>10.9</b>

Source: Bloomberg, BofA Merrill Lynch Global Research estimates, Company reports

Share price in (1) USD (2) CAD (3) AUD (4) ZAR (5) pence (6) HKD (7) TRY

**Table 19: EV/EBIT and EV/EBITDA ratios for Global Gold and Precious Metal Producers and Royalty Companies**

Priced as of June 3, 2016				Market Cap	Debt	Cash	Enterprise	EBIT				EBITDA				
								(US\$mnn excpt YOR)		EV/EBIT (x)		(US\$mnn excpt YOR)		EV/EBITDA (x)		
	BofAML Sym	Share Price	Shares O/S	(USDmnn)	(USDmnn)	(USDmnn)	Value (EV) (USDmnn)	Rating	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E
Senior Gold Producers <sup>(1)</sup>																
Barrick Gold	ABX	19.18	1,165	22,345	9,126	2,323	29,148	C-2-8	2,125	2,478	13.7	11.8	3,897	4,104	7.5	7.1
Goldcorp	GG	18.26	830	15,156	3,201	458	17,899	C-1-8	204	245	87.8	73.1	1,427	1,522	12.5	11.8
Kinross Gold	KGC	4.97	1,244	6,183	1,982	750	7,414	C-1-9	161	361	46.2	20.6	1,191	1,342	6.2	5.5
Newmont Mining	NEM	35.40	530	18,762	5,704	2,488	21,978	B-2-8	1,613	2,054	13.6	10.7	2,984	3,733	7.4	5.9
Market Cap Weighted Average											34.9	27.2			8.6	7.7
Mid-Tier Gold Producers																
Agnico Eagle Mines <sup>(1)</sup>	AEM	50.16	220	11,035	1,089	234	11,890	B-1-8	195	407	60.9	29.2	813	955	14.6	12.5
Centerra Gold <sup>(2)</sup>	YCG	7.25	236	1,322	74	502	895	C-3-7	138	172	5.0	4.0	334	353	2.1	2.0
Detour Gold <sup>(2)</sup>	YDGC	29.69	114	2,611	448	214	2,845	C-1-9	86	150	25.6	14.7	279	355	7.9	6.2
Eldorado Gold <sup>(1)</sup>	EGO	4.67	717	3,348	590	263	3,675	C-3-9	100	108	36.9	34.1	224	162	16.4	22.7
IAMGOLD <sup>(1)</sup>	IAG	3.76	406	1,527	642	587	1,582	C-3-9	4	25	NA	64.5	268	301	5.9	5.3
Tahoe Resources <sup>(1)</sup>	TAHO	13.29	297	3,946	642	2,488	2,100	C-1-7	196	276	10.7	7.6	332	444	6.3	4.7
Yamana Gold <sup>(1)</sup>	AUY	4.80	927	4,450	1,733	125	6,058	C-2-8	154	239	39.5	25.4	624	880	9.7	6.9
Market Cap Weighted Average											41.0	25.8			11.3	10.3
Intermediate/Junior Gold Producers																
Alacer Gold <sup>(5)</sup>	ALIAF	3.04	292	686	0	346	340	C-1-9	37	28	9.2	12.0	77	65	4.4	5.2
New Gold <sup>(1)</sup>	NGD	4.09	509	2,082	788	298	2,572	C-2-9	22	25	NA	NA	235	226	10.9	11.4
SEMAFO <sup>(2)</sup>	YSMF	5.64	323	1,409	59	167	1,301	C-1-9	73	72	17.8	18.0	144	142	9.0	9.2
Market Cap Weighted Average											15.0	16.0			9.2	9.6
Royalty Companies																
Franco-Nevada <sup>(2)</sup>	YFNV	90.13	178	12,400	0	187	12,213	C-1-7	175	232	69.8	52.7	445	512	27.4	23.9
Osisko Gold Royalties <sup>(6)</sup>	YOR	17.01	106	1,398	35	338	1,094	C-1-7	32	36	44.5	39.5	32	40	43.7	35.5
Royal Gold <sup>(1)</sup>	RGLD	61.55	65	4,001	630	123	4,508	C-1-7	110	159	40.8	28.4	257	314	17.5	14.4
Silver Wheaton <sup>(1)</sup>	SLW	20.39	441	8,992	1,371	87	10,276	C-1-8	255	371	40.3	27.7	546	662	18.8	15.5
Market Cap Weighted Average											54.2	40.0			23.9	20.3
Primary Silver Producers <sup>(1)</sup>																
Hecla Mining	HL	4.44	382	1,694	518	134	2,078	C-3-8	51	91	40.5	23.0	167	208	12.4	10.0
Pan American Silver	PAAS	15.49	152	2,347	435	178	2,604	C-3-8	4	59	NA	44.0	124	181	21.0	14.4
Market Cap Weighted Average											40.5	35.2			17.4	12.6

Source: Bloomberg, BofA Merrill Lynch Global Research estimates, Company reports

(1) USD (2) stock price and market cap in CAD; EBIT, EBITDA in USD (3) CAD (4) AUD (5) stock price, market cap in AUD; Net Debt, EBIT, and EBITDA in USD (6) stock price, EBITDA, and EBIT in CAD, market cap in USD. Gold price assumptions: 2016: \$1,232/oz. Ten year average gold price assumption: \$1,230/oz

**Table 20: EV/EBIT and EV/EBITDA ratios for Global Gold and Precious Metal Producers and Royalty Companies**

Priced as of June 3, 2016				Market Cap	Debt	Cash	Enterprise	EBIT (US\$/C\$/ZAR /GBPmn)		EV/EBIT (x)		EBITDA (US\$/C\$/ZAR /GBPmn)		EV/EBITDA (x)		
	BofAML Sym	Share Price	Shares O/S	(USDmn)	(USDmn)	(USDmn)	Value (EV) (USDmn)	Rating	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E
Australian Gold Producers <sup>(4,12,18)</sup>																
Evolution Mining	CAHPF	2.01	1,468	2,173	110	43	2,240	C-2-7	312	372	9.7	8.2	635	715	4.8	4.3
Newcrest Mining	NCMGF	19.76	765	11,139	3,098	199	14,038	C-2-9	516	792	27.2	17.7	1,220	1,533	11.5	9.2
Northern Star Resources	NESRF	4.24	600	1,874	13	129	1,758	C-3-7	241	344	9.9	6.9	420	491	5.7	4.9
OceanaGold	OGDCF	4.07	609	1,824	99	46	1,877	C-3-8	156	399	12.1	4.7	338	550	5.6	3.4
											21.5	13.9			9.4	7.4
South African Gold Producers <sup>(16)</sup>																
AngloGold Ashanti <sup>(13)</sup>	AULGF	236.14	410	6,417	2,762	392	8,787	C-1-9	593	734	14.8	12.0	1,556	1,701	5.6	5.2
Gold Fields <sup>(5)</sup>	GFIOF	61.80	776	3,180	1,913	486	4,607	C-2-7	10,044	12,103	6.9	5.7	19,241	21,314	3.6	3.3
Harmony Gold <sup>(12, 13)</sup>	HGMCF	51.22	434	1,476	236	58	1,654	C-2-9	3,485	4,459	7.2	5.6	5,689	6,729	4.4	3.7
Sibanye <sup>(5)</sup>	SBGLF	48.00	912	2,904	274	49	3,130	C-1-7	8,891	9,809	5.3	4.8	12,810	17,246	3.7	2.7
											10.2	8.4			4.6	4.1
International Gold Producers																
Acacia Mining <sup>(7)</sup>	ABGLF	329.80	410	1,964	128	233	1,859	C-3-7	171	221	10.9	8.4	305	355	6.1	5.2
Buenaventura <sup>(1)</sup>	BVN	11.11	254	2,825	660	183	3,302	C-2-7	71	194	46.4	17.0	324	440	10.2	7.5
Centamin Egypt <sup>(7)</sup>	CELTF	106.40	1,144	1,768	0	235	1,533	C-2-7	139	113	11.1	13.5	244	227	6.3	6.8
Petropavlovsk <sup>(7)</sup>	PPLKF	7.79	4,301	486	638	29	1,096	C-1-9	105	115	10.4	9.5	233	259	4.7	4.2
Randgold Resources <sup>(7)</sup>	RGORF	6250.00	93	8,433	3	255	8,180	B-1-7	438	497	18.7	16.5	574	646	14.2	12.7
											21.6	15.0			11.3	9.8
PGM Producers																
Anglo American Platinum <sup>(5)</sup>	AGPPF	385.59	270	6,899	932	108	7,723	C-2-9	7,400	8,170	15.7	14.2	12,360	13,254	9.4	8.8
Impala Platinum <sup>(5,12)</sup>	IMPUF	47.50	735	2,315	665	217	2,763	C-3-9	975	2,373	42.7	17.6	4,097	5,708	10.2	7.3
Lonmin <sup>(13)</sup>	LNMIF	1.81	282	739	505	422	822	C-3-9	(18)	50	NA	16.4	136	190	6.1	4.3
Northam Platinum <sup>(5,12)</sup>	NMPNF	44.21	510	1,495	651	332	1,814	C-3-9	992	1,358	27.6	20.1	1,326	1,701	20.6	16.1
Royal Bafokeng <sup>(5)</sup>	XRVBF	42.51	194	546	0	59	487	C-1-9	501	553	14.7	13.3	975	1,138	7.5	6.5
Stillwater Mining <sup>(1)</sup>	SWC	10.52	121	1,270	260	452	1,078	C-3-9	21	97	50.6	11.2	76	152	14.1	7.1
Market Cap Weighted Average											25.6	15.3			11.0	8.8

Source: Bloomberg, BofA Merrill Lynch Global Research estimates, Company reports

(1) USD (2) stock price and market cap in CAD; EBIT, EBITDA in USD (3) CAD (4) AUD (5) stock price, market cap in AUD; Net Debt, EBIT, and EBITDA in USD (6) stock price, EBITDA, and EBIT in CAD, market cap in USD. Gold price assumptions: 2016: \$1,232/oz. Ten year average gold price assumption: \$1,230/oz



**Table 21: Net Debt/EBITDA ratios and Free Cash Flow yields for Global Gold and Precious Metal Producers and Royalty Companies**

Priced as of June 3, 2016				Market Cap	Debt	Cash	Net Debt	EBITDA (US\$m)		ND/EBITDA (x)		FCF (US\$m)		FCF yield	
	BofA Sym	Share Price	Shares O/S	(USDmn)	(USDmn)	(USDmn)	(USDmn)	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E
<b>Senior Gold Producers<sup>(1)</sup></b>															
Barrick Gold	ABX	19.18	1,165	22,345	9,126	2,323	6,803	3,897	4,104	1.7	1.7	914	793	4.1%	3.5%
Goldcorp	GG	18.26	830	15,156	3,201	458	2,743	1,427	1,522	1.9	1.8	446	595	2.9%	3.9%
Kinross Gold	KGC	4.97	1,244	6,183	1,982	750	1,232	1,191	1,342	1.0	0.9	356	451	5.8%	7.3%
Newmont Mining	NEM	35.40	530	18,762	5,704	2,488	3,216	2,984	3,733	1.1	0.9	981	1,839	5.2%	9.8%
<b>Market Cap Weighted Average</b>										<b>1.5</b>	<b>1.4</b>			<b>4.3%</b>	<b>5.9%</b>
<b>Mid-Tier Gold Producers</b>															
Agnico Eagle Mines <sup>(1)</sup>	AEM	50.16	220	11,035	1,089	234	854	813	955	1.1	0.9	186	294	1.7%	2.7%
Centerra Gold <sup>(2)</sup>	YCG	7.25	236	1,322	74	502	(428)	334	353	NA	NA	(169)	(85)	NA	NA
Detour Gold <sup>(2)</sup>	YDGC	29.69	114	2,611	448	214	234	279	355	0.8	0.7	196	247	7.5%	9.5%
Eldorado Gold <sup>(1)</sup>	EGO	4.67	717	3,348	590	263	327	224	162	1.5	2.0	(141)	(209)	NA	NA
IAMGOLD <sup>(1)</sup>	IAG	3.76	406	1,527	642	587	56	268	301	0.2	0.2	(5)	79	NA	5.1%
Tahoe Resources	TAHO	13.29	297	3,946	642	2,488	(1,846)	332	444	NA	NA	90	218	2.3%	5.5%
Yamana Gold <sup>(1)</sup>	AUY	4.80	927	4,450	1,733	125	1,608	624	880	2.6	1.8	69	176	1.5%	3.9%
<b>Market Cap Weighted Average</b>										<b>1.3</b>	<b>1.2</b>			<b>2.3%</b>	<b>4.2%</b>
<b>Intermediate/Junior Gold Producers</b>															
Alacer Gold <sup>(4)</sup>	ALIAF	3.04	292	686	0	346	(346)	77	65	NA	NA	(212)	(332)	NA	NA
New Gold <sup>(1)</sup>	NGD	4.09	509	2,082	788	298	490	235	226	2.1	2.2	(388)	(2)	NA	NA
SEMAFO <sup>(2)</sup>	YSMF	5.64	323	1,409	59	167	(108)	144	142	NA	NA	79	27	5.6%	1.9%
<b>Market Cap Weighted Average</b>										<b>2.1</b>	<b>2.2</b>			<b>4.6%</b>	<b>1.6%</b>
<b>Royalty Companies</b>															
Franco-Nevada <sup>(2)</sup>	YFNV	90.13	178	12,400	0	187	(187)	445	512	NA	NA	402	459	3.2%	3.7%
Osisko Gold Royalties <sup>(6)</sup>	YOR	17.01	106	1,398	35	338	(304)	32	40	NA	NA	46	48	2.5%	2.7%
Royal Gold <sup>(1)</sup>	RGLD	61.55	65	4,001	630	123	507	257	314	2.0	1.6	210	246	5.2%	6.1%
Silver Wheaton <sup>(1)</sup>	SLW	20.39	441	8,992	1,371	87	1,284	546	662	2.4	1.9	1,413	636	15.7%	7.1%
<b>Market Cap Weighted Average</b>										<b>2.2</b>	<b>1.8</b>			<b>7.7%</b>	<b>5.1%</b>
<b>Primary Silver Producers<sup>(1)</sup></b>															
Hecla Mining	HL	4.44	382	1,694	518	134	384	167	208	2.3	1.8	3	51	0.2%	3.0%
Pan American Silver	PAAS	15.49	152	2,347	435	178	257	124	181	2.1	1.4	(90)	5	NA	0.2%
<b>Market Cap Weighted Average</b>										<b>2.2</b>	<b>1.6</b>			<b>0.2%</b>	<b>1.0%</b>

Source: Bloomberg, BofA Merrill Lynch Global Research estimates, Company reports

(1) USD (2) stock price and market cap in CAD; EBIT, EBITDA in USD (3) CAD (4) AUD (5) stock price, market cap in AUD; Net Debt, EBIT, and EBITDA in USD (6) stock price, EBITDA, and EBIT in CAD, market cap in USD. Gold price assumptions: 2016: \$1,232/oz. Ten year average gold price assumption: \$1,230/oz

**Table 22: Consensus Price to Earnings and Price to Cash Flow for mid-tier and junior gold producers not under coverage**

Priced as of June 03, 2016		Share Price	Shrs. o/s (millions)	Market Cap (US\$M)	Consensus EPS			P/E (x)		Consensus CFPS			P/CF (x)	
Junior Gold Producers	Tickers				2014A	2015E	2016E	2015E	2016E	2014A	2015E	2016E	2015E	2016E
Argonaut Gold Inc. <sup>(2)</sup>	AR:TSX	C\$3.06	158.0	\$374	\$0.03	\$0.06	\$0.03	70.7	NA	\$0.37	\$0.29	\$0.28	13.6	14.2
Aura Minerals Inc. <sup>(3)</sup>	ORA:TSX	C\$0.24	286.0	\$53	NA	NA	NA	NA	NA	\$0.08	NA	NA	NA	NA
Banro Corporation	BAA:TSX	C\$0.39	302.3	\$90	NA	NA	NA	NA	NA	\$0.14	NA	NA	NA	NA
Beadell Resources	BDR:ASX	A\$0.29	1055.1	\$306	(\$0.03)	\$0.05	NA	5.7	NA	\$0.04	\$0.08	NA	3.5	NA
Claude Resources Inc. <sup>(3)</sup>	CRJ:TSX, CGR:NYSE-A	\$1.86	199.6	\$371	\$0.03	\$0.17	NA	8.5	NA	\$0.12	\$0.27	NA	5.4	NA
Dundee Precious Metals Inc. <sup>(1)</sup>	DPM:TSX	C\$2.71	140.5	\$294	\$0.00	(\$0.05)	\$0.06	NA	60.5	\$0.62	\$0.50	\$0.50	7.0	7.1
Endeavour Mining Corp <sup>(2)</sup>	EDV:TSX	C\$19.74	84.4	\$1,287	\$0.99	\$1.52	\$1.45	16.8	17.6	\$3.43	\$2.86	\$3.01	8.9	8.5
Gold Resource Corporation	GORO: NYSE	\$3.40	54.3	\$185	\$0.06	\$0.03	\$0.15	NA	22.7	\$0.37	NA	NA	NA	NA
Kirkland Lake Gold Inc. <sup>(1)(6)</sup>	KGI:TSX, AIM	C\$11.49	114.3	\$1,015	\$0.29	\$0.71	\$1.00	16.2	11.5	\$1.07	\$1.36	\$1.64	8.4	7.0
Luna Gold Corp.	LGC:TSX	C\$0.17	289.2	\$37	NA	NA	NA	NA	NA	\$0.02	NA	NA	NA	NA
McEwen Mining <sup>(2)</sup>	MUX:TSX	C\$3.15	277.0	\$674	(\$0.20)	\$0.08	NA	0.0	NA	(\$0.27)	NA	NA	NA	NA
MDN, Inc.	MDN:TSX	C\$0.05	114.7	\$4	(\$0.13)	NA	NA	NA	NA	(\$0.00)	NA	NA	NA	NA
Medusa Mining	MLL:TSX	\$0.65	207.8	\$134	(\$1.05)	\$0.29	NA	4.2	NA	\$0.31	NA	NA	NA	NA
Orvana Minerals Corp. <sup>(2)(7)</sup>	ORV:TSX	C\$0.19	136.6	\$20	NA	NA	NA	NA	NA	\$0.15	NA	NA	NA	NA
Richmont Mines <sup>(3)</sup>	RIC:TSX, NYSE-A	\$8.18	58.7	\$480	\$0.21	\$0.34	\$0.52	18.9	12.1	\$0.60	\$0.92	\$1.06	6.8	5.9
Starcore International Mines Ltd. <sup>(1)</sup>	SAM: TSX	C\$0.80	49.1	\$30	\$0.11	NA	NA	NA	NA	\$0.09	NA	NA	NA	NA
Teranga Gold <sup>(1)</sup>	TGZ:TSX, ASX	C\$1.02	392.0	\$309	\$0.05	\$0.06	\$0.09	22.0	14.5	\$0.08	\$0.17	\$0.20	7.7	6.7
Timmins Gold Corp <sup>(1)</sup>	TMM: TSX	C\$0.38	318.5	\$92	(\$0.17)	(\$0.06)	NA	NA	NA	\$0.05	\$0.07	NA	7.4	NA
Wesdome Gold Mines Ltd. <sup>(1)</sup>	WDO:TSX	C\$1.73	129.7	\$173	\$0.03	\$0.06	\$0.19	28.8	9.3	\$0.08	\$0.15	\$0.31	11.5	5.6
<b>Average</b>								<b>20.4</b>	<b>18.2</b>				<b>8.2</b>	<b>8.0</b>

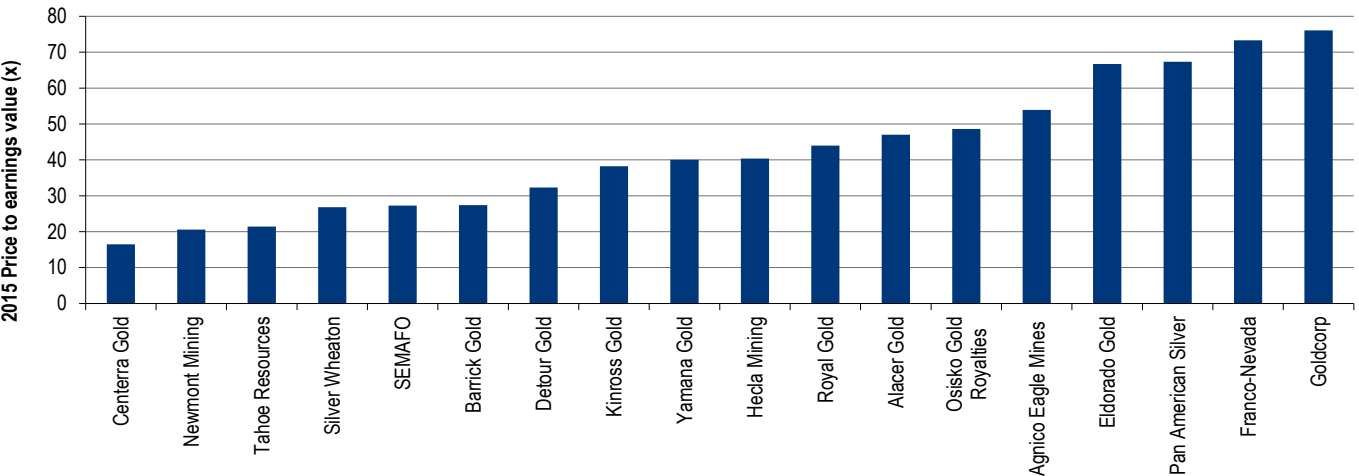
Source: Company reports, Bloomberg. BofA Merrill Lynch Global Research does not cover any of the above companies - all estimates are most recently available consensus figures, (1) share price, EPS and CFPS in CAD, (2) share price in CAD, EPS and CFPS in USD, (3) share price, EPS and CFPS in USD, (4) YE June 30, (5) YE July 31, (6) YE April 30, (7) YE Sept. 30, (8) share price in CAD, EPS and CFPS in GBP, (9) share price in CAD, EPS and CFPS in AUD.

**Table 23: Consensus Price to Earnings and Price to Cash Flow for junior silver producers and developers not under coverage**

Priced as of June 03, 2016		Share Price	Shrs. o/s (millions)	Market Cap (US\$M)	Consensus EPS			P/E (x)		Consensus CFPS			P/CF (x)	
Silver Producers/Developers	Tickers				2014A	2015E	2016E	2015E	2016E	2014A	2015E	2016E	2015E	2016E
Bear Creek Mining Corporation	BCM:TSX-V	C\$2.36	93.1	\$170	(\$0.16)	(\$0.05)	(\$0.05)	NA	NA	(\$0.14)	(\$0.05)	(\$0.05)	NA	NA
Coeur D'Alene Mines	CDM:TSX, CDE:NYSE	\$8.37	153.2	\$1,282	(\$0.75)	(\$0.07)	\$0.26	NA	32.7	\$0.88	\$0.79	\$1.21	10.5	6.9
MAG Silver Corp.	MAG:TSX, MVG:NYSE-A	\$13.40	79.9	\$1,071	(\$0.16)	(\$0.10)	(\$0.07)	NA	NA	(\$0.11)	(\$0.07)	(\$0.05)	NA	NA
Silver Standard	SSO:TSX, SSRI: NSDQ	\$10.13	118.4	\$1,199	\$0.00	\$0.35	\$0.33	29.0	30.8	\$0.07	\$1.39	\$1.09	7.3	9.3
<b>Average</b>								<b>29.0</b>	<b>31.8</b>				<b>9.0</b>	<b>8.1</b>

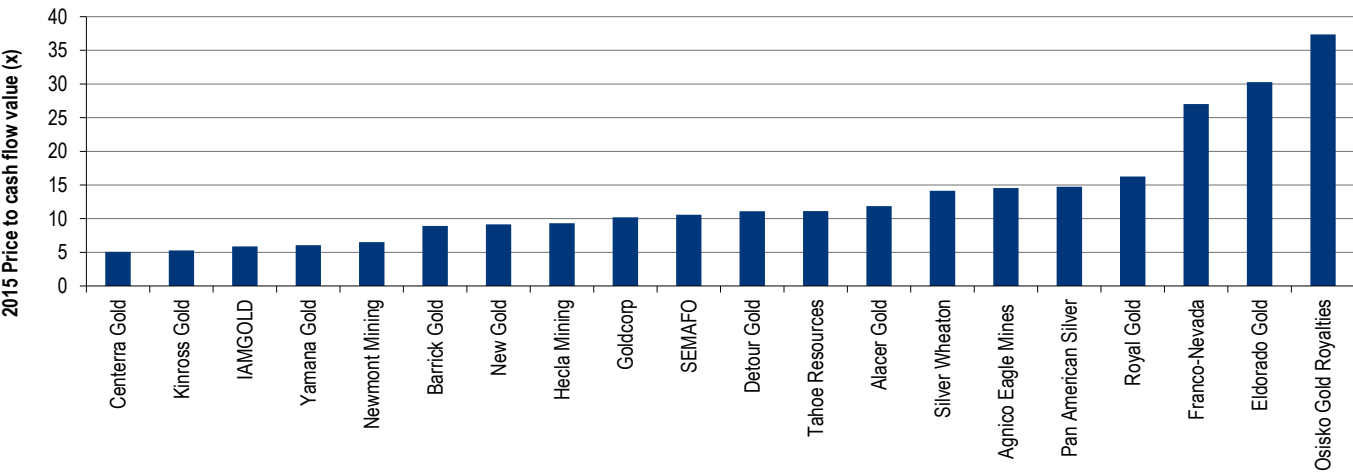
Source: Company reports, Bloomberg. BofA Merrill Lynch Global Research does not cover any of the above companies - all estimates are most recently available consensus figures, (1) share price, EPS and CFPS in CAD, (2) share price in CAD, EPS and CFPS in USD, (3) share price, EPS and CFPS in USD, (4) YE June 30, (5) YE July 31, (6) YE April 30, (7) YE Sept. 30, (8) share price in CAD, EPS and CFPS in GBP, (9) share price in CAD, EPS and CFPS in AUD.

Chart 5: 2016E Price to Earnings Ratio (P/E) for North American Gold and Precious Metal Producers and Royalty Companies



Source: BofA Merrill Lynch Global Research

Chart 6: 2016E Price to Cash Flow Ratio (P/CF) for North American Gold and Precious Metal Producers and Royalty Companies



Source: BofA Merrill Lynch Global Research

# Operating Comparables

## Production Comparables

Table 24: Production for Global Gold Precious Metal Producers

Priced as of June 3, 2016			Gold / Precious Metal Production ('000 oz)							
	BofAML Sym	Share Price	2010A	2011A	2012A	2013A	2014A	2015A	2016E	2017E
<b>Senior Gold Producers<sup>(1)</sup></b>										
Barrick Gold	ABX	19.18	7,765	7,676	7,421	7,166	6,235	6,120	5,264	5,177
Goldcorp	GG	18.26	2,520	2,515	2,396	2,667	2,871	3,464	2,989	2,891
Kinross Gold <sup>(3)</sup>	KGC	4.97	2,334	2,610	2,649	2,631	2,710	2,595	2,779	2,668
Newmont Mining	NEM	35.40	5,392	5,185	4,977	5,065	4,845	4,906	5,087	5,453
<b>Mid-Tier Gold Producers</b>										
Agnico Eagle Mines <sup>(1)</sup>	AEM	50.16	987	985	1,044	1,099	1,429	1,671	1,554	1,558
Centerra Gold <sup>(2)</sup>	YCG	7.25	679	642	387	691	621	537	509	563
Detour Gold <sup>(2)</sup>	YDGC	29.69	NA	NA	NA	232	457	506	579	617
Eldorado Gold <sup>(1)</sup>	EGO	4.67	633	659	656	721	789	724	551	338
IAMGOLD <sup>(1)</sup>	IAG	3.76	1,002	972	830	835	844	806	792	838
Tahoe Resources <sup>(1,3)</sup>	TAHO	13.29	NA	NA	NA	NA	NA	462	632	764
Yamana Gold <sup>(1,3)</sup>	AUY	4.80	865	1,102	1,201	1,198	1,397	1,404	1,375	1,403
<b>Intermediate/Junior Gold Producers</b>										
Alacer Gold <sup>(4)</sup>	ALIAF	3.04	NA	NA	NA	271	228	205	160	143
New Gold <sup>(1)</sup>	NGD	4.09	384	387	412	398	380	436	390	496
SEMAFO <sup>(2)</sup>	YSMF	5.64	NA	NA	236	159	236	256	241	232
<b>Primary Silver Producers<sup>(7)</sup></b>										
Fresnillo <sup>(6)</sup>	FNLPF	1123.00	38,520	37,900	36,945	38,709	40,349	42,821	45,887	55,836
Hecla Mining <sup>(1)</sup>	HL	4.44	10,566	9,484	6,394	8,920	11,065	11,575	14,921	14,876
Hochschild Mining <sup>(6)</sup>	HCHDF	151.00	26,431	22,617	20,260	24,246	22,240	24,740	29,105	35,005
Pan American Silver <sup>(1)</sup>	PAAS	15.49	24,286	21,854	25,075	26,394	26,519	26,528	25,454	23,763
Polymetal <sup>(1)</sup>	XPMYF	849.00	NA	NA	27,910	27,376	29,300	31,200	29,299	28,920
Silver Wheaton <sup>(1,3)</sup>	SLW	20.39	24,225	25,374	29,571	35,832	35,285	47,697	53,107	53,416

Source: BofA Merrill Lynch Global Research estimates, Company reports

(1) share price in USD (2) share price in CAD (3) gold/silver equivalent ounce production (4) share price in AUD (5) share price in ZAR (6) share price in pence, (7) silver production (8) palladium production, (9) share price in HKD, (10) share price in TRY, (11) June 30th year end, (12) platinum production.

**Table 25: Production for Global Gold Precious Metal Producers Cont'd**

Priced as of June 3, 2016		Gold / Precious Metal Production ('000 oz)								
	BofAML Sym	Share Price	2010A	2011A	2012A	2013A	2014A	2015A	2016E	2017E
<b>Australian Gold Producers<sup>(4)</sup></b>										
Evolution Mining	CAHPF	2.01	NA	NA	NA	NA	NA	NA	NA	NA
Newcrest Mining	NCMGF	19.76	1,692	2,541	2,238	2,110	637	674	2,521	2,719
Northern Star Resources	NESRF	4.24	NA	NA	NA	NA	NA	NA	NA	NA
OceanaGold	OGDCF	4.07	NA	NA	NA	NA	NA	NA	NA	NA
<b>South African Gold Producers</b>										
AngloGold Ashanti <sup>(5)</sup>	AULGF	236.14	4,599	4,515	3,871	4,040	4,401	3,944	3,751	3,858
Harmony Gold <sup>(5,11)</sup>	HGMCF	51.22	NA	NA	1,429	1,303	1,275	1,077	1,122	1,136
Sibanye <sup>(5)</sup>	SBGLF	48.00	NA	NA	NA	1,430	1,589	1,536	1,539	1,566
<b>International Gold Producers</b>										
Acacia Mining <sup>(6)</sup>	ABGLF	329.80	743	725	623	652	704	721	760	741
Buenaventura <sup>(1)</sup>	BVN	11.11	1,101	1,060	1,026	905	901	927	0	0
Centamin Egypt <sup>(6)</sup>	CELTf	106.40	150	203	263	357	377	439	480	516
Petropavlovsk <sup>(6)</sup>	PPLKF	7.79	507	630	710	741	624	504	476	521
Polymetal <sup>(1)</sup>	XPMYF	849.00	NA	NA	589	808	943	864	895	926
Randgold Resources <sup>(6)</sup>	RGORF	6250.00	413	719	794	921	1,135	1,211	1,234	1,281

Source: BofA Merrill Lynch Global Research estimates, Company reports

(1) share price in USD (2 ) share price in CAD (3) gold/silver equivalent ounce production (4) share price in AUD (5 ) share price in ZAR (6) share price in pence, (7) silver production (8) palladium production, (9) share price in HKD, (10) share price in TRY, (11) June 30th year end, (12) platinum production.

# Cash Cost Comparables

Table 26: Total Cash Costs for Global Gold and Precious Metal Producers

Priced as of June 3, 2016

			Gold / Precious Metal Total Cash Costs (\$US/oz)							
	BofAML Sym	Share Price	2010A	2011A	2012A	2013A	2014A	2015A	2016E	2017E
<b>Senior Gold Producers<sup>(1)</sup></b>										
Barrick Gold <sup>(9)</sup>	ABX	19.18	457	460	563	566	598	596	556	558
Goldcorp <sup>(3)</sup>	GG	18.26	274	223	279	538	542	605	541	552
Kinross Gold <sup>(11)</sup>	KGC	4.97	508	591	705	743	715	696	707	689
Newmont Mining <sup>(9)</sup>	NEM	35.40	506	597	698	768	706	633	661	672
<b>Mid-Tier Gold Producers</b>										
Agnico Eagle Mines <sup>(1,3)</sup>	AEM	50.16	451	580	640	672	637	567	588	609
Centerra Gold <sup>(2)</sup>	YCG	7.25	444	502	663	382	408	354	469	564
Detour Gold <sup>(2)</sup>	YDGC	29.69	NA	NA	NA	NA	928	775	681	664
Eldorado Gold <sup>(1)</sup>	EGO	4.67	423	472	558	529	563	557	625	609
IAMGOLD <sup>(1)</sup>	IAG	3.76	570	636	715	801	848	835	773	828
Tahoe Resources <sup>(9)</sup>	TAHO	13.29	NA	NA	NA	NA	NA	551	672	659
Yamana Gold <sup>(1,3)</sup>	AUY	4.80	50	45	230	410	478	597	578	576
<b>Intermediate/Junior Gold Producers</b>										
Alacer Gold <sup>(2)</sup>	ALIAF	3.04	NA	NA	375	429	524	480	600	672
New Gold <sup>(1,9)</sup>	NGD	4.09	428	446	421	377	313	443	415	442
SEMAFO <sup>(2)</sup>	YSMF	5.64	NA	NA	750	777	644	493	547	596
<b>Primary Silver Producers<sup>(7)</sup></b>										
Fresnillo <sup>(3,6)</sup>	FNLPF	1123.00	NA	NA	NA	NA	NA	NA	NA	NA
Hecla Mining <sup>(1,3)</sup>	HL	3.96	(1.46)	1.15	2.70	6.84	4.81	5.84	4.56	4.36
Hochschild Mining <sup>(3,6)</sup>	HCHDF	151.00	NA	NA	NA	NA	NA	NA	NA	NA
Pan American Silver <sup>(1,3)</sup>	PAAS	15.49	5.74	9.44	12.03	10.81	11.46	9.81	8.67	7.31
Polymetal <sup>(1,3,14)</sup>	XPMYF	849.00	NA	NA	NA	NA	NA	NA	NA	NA
Silver Wheaton <sup>(1,14)</sup>	SLW	20.39	4.04	4.09	4.30	4.65	4.55	4.58	4.41	4.63

Source: BofA Merrill Lynch Global Research estimates, Company reports

Total cash costs in US\$/oz. (1) share price in US\$ (2) share price in CAD\$ (3) by-product cash costs (4) share price in AUD\$ (5) share price in ZAR (6) share price in pence, (7) total cash costs / oz of silver (8) total cash costs / oz of palladium, (9) co-product cash costs, (10) share price in HKD (11) Cost per gold equivalent oz (12) Share price in TRY, (13) June 30th year end, (14) Forecasts based on management guidance (14) Cost per silver equivalent oz.

**Table 27: Total Cash Costs for Global Gold and Precious Metal Producers Cont'd**

Priced as of June 3, 2016			Gold / Precious Metal Total Cash Costs (\$US/oz)							
	BofAML Sym	Share Price	2010A	2011A	2012A	2013A	2014A	2015A	2016E	2017E
<b>Australian Gold Producers<sup>(4)</sup></b>										
Evolution Mining	CAHPF	2.01	NA	NA	NA	NA	0	0	0	0
Newcrest Mining	NCMGF	19.76	0	0	0	776	595	587	795	727
Northern Star	NESRF	4.24	NA	NA	NA	NA	0	0	0	0
OceanaGold	OGDCF	4.07	NA	NA	NA	NA	0	0	0	0
<b>South African Gold Producers</b>										
AngloGold Ashanti <sup>(5)</sup>	AULGF	236.14	NA	NA	841	833	731	663	751	747
Harmony Gold <sup>(5)</sup>	HGMCF	51.22	NA	NA	801	1,009	1,085	983	819	805
Sibanye <sup>(5)</sup>	SBGLF	48.00	NA	NA	NA	872	832	830	717	747
<b>International Gold Producers</b>										
Acacia Mining <sup>(6)</sup>	ABGLF	329.80	NA	NA	NA	NA	NA	NA	NA	NA
Buenaventura <sup>(1)</sup>	BVN	11.11	488	430	659	679	662	635	NA	NA
Centamin Egypt <sup>(6)</sup>	YCEE	106.40	369	603	719	705	767	748	707	666
Petropavlovsk <sup>(6)</sup>	PPLKF	7.79	555	665	872	1,016	862	745	692	696
Polymetal <sup>(1,11)</sup>	XPMYF	849.00	NA	NA	NA	NA	NA	NA	NA	NA
Randgold Resources <sup>(6)</sup>	RGORF	6250.00	NA	NA	NA	NA	NA	NA	NA	NA

Source: BofA Merrill Lynch Global Research estimates, Company reports

Total cash costs in US\$/oz. (1) share price in USD\$ (2) share price in CAD\$ (3) by-product cash costs (4) share price in AUD\$ (5) share price in ZAR (6) share price in pence, (7) total cash costs / oz of silver (8) total cash costs / oz of palladium, (9) co-product cash costs, (10) share price in HKD (11) Cost per gold equivalent oz (12) Share price in TRY, (13) June 30th year end, (14) Forecasts based on management guidance (14) Cost per silver equivalent oz.



# Production and reserves ratio Comparables

Table 28: Operating Forecasts for Global Gold and Precious Metal Producers

Priced as of June 3, 2016

							Production		Adj. Market Cap		Adj. Market Cap		Adj. Market Cap
	BofAML Sym	Share Price	Shares O/S	Adj. Mkt. Cap	P&P Gold Reserves	Total Gold Resources including P&P	2016E	2017E	Per Oz of Prod. (USD)		Per Oz of Reserves		Per Oz of Resources
					(million oz)	(mn oz)	('000 oz)	('000 oz)	2015E	2016E			
<b>Senior Gold Producers<sup>(1)</sup></b>													
Barrick Gold	ABX	19.18	1,165	28,345	91.9	198.4	5,264	5,177	5,384	5,475	309		143
Goldcorp	GG	18.26	830	17,399	40.7	96.9	2,989	2,891	5,821	6,018	427		179
Kinross Gold <sup>(7)</sup>	KGC	4.97	1,244	7,414	34.0	67.2	2,734	2,623	2,711	2,827	218		110
Newmont Mining	NEM	35.40	530	21,678	73.7	126.8	5,087	5,453	4,261	3,975	294		171
<b>Market Cap Weighted Average</b>									<b>4,896</b>	<b>4,905</b>	<b>323</b>		<b>156</b>
<b>Mid-Tier Gold Producers</b>													
Agnico-Eagle Mines <sup>(1)</sup>	AEM	50.16	220	12,015	19.1	50.7	1,554	1,558	7,734	7,713	630		NA
Centerra Gold <sup>(2)</sup>	YCG	7.25	236	895	8.4	15.2	509	563	1,758	1,589	106		59
Detour Gold	YDGC	29.69	114	2,845	16.4	16.4	579	617	4,913	4,611	174		174
Eldorado Gold <sup>(1)</sup>	EGO	4.67	717	4,175	24.9	47.0	551	338	7,583	12,357	168		89
IAMGOLD <sup>(1)</sup>	IAG	3.76	406	1,642	7.7	30.2	792	838	2,073	1,960	214		54
Tahoe Resources <sup>(1)</sup>	TAHO	13.29	297	3,123	4.5	10.8	632	764	4,938	4,087	700		290
Yamana Gold <sup>(1,7)</sup>	AUY	4.80	927	6,108	15.9	69.4	1,277	1,300	4,782	4,697	384		88
<b>Market Cap Weighted Average</b>									<b>6,134</b>	<b>6,648</b>	<b>452</b>		<b>129</b>
<b>Intermediate/Junior Gold Producers</b>													
Alacer Gold <sup>(4)</sup>	ALIAF	2.91	292	970	3.3	6.9	160	143	6,065	6,761	298		141
New Gold <sup>(1)</sup>	NGD	4.09	509	4,972	15.0	23.5	390	496	12,743	10,016	332		212
SEMAFO <sup>(2)</sup>	YSMF	5.64	323	1,301	3.3	8.4	241	232	5,391	5,601	399		156
<b>Market Cap Weighted Average</b>									<b>10,528</b>	<b>8,786</b>	<b>339</b>		<b>192</b>
<b>Royalty Companies</b>													
Franco-Nevada <sup>(2)</sup>	YFNV	90.13	178	12,183	NA	NA	NA	NA	NA	NA	NA		NA
Osisko Gold Royalties <sup>(3)</sup>	YOR	17.01	323	1,094	NA	NA	NA	NA	NA	NA	NA		NA
Royal Gold <sup>(1)</sup>	RGLD	61.55	65	4,508	NA	NA	NA	NA	NA	NA	NA		NA
Silver Wheaton <sup>(1)</sup>	SLW	20.39	441	10,276	NA	NA	53,107	53,416	193	192	NA		NA
<b>Primary Silver Producers</b>													
Fresnillo <sup>(6,8)</sup>	FNLPF	1123.00	737	12,309	477.2	2,225.6	45,887	55,836	268	220	25.80		5.53
Hecla Mining <sup>(1)</sup>	HL	4.44	382	2,078	175.4	698.7	14,921	14,876	139	140	11.85		2.97
Hochschild Mining <sup>(6,8)</sup>	HCHDF	151.00	503	1,430	80.6	447.3	29,105	35,005	49	41	17.75		3.20
Pan American Silver <sup>(1)</sup>	PAAS	15.49	152	2,210	280.1	1,251.6	25,454	23,763	87	93	7.89		1.77
Polymetal <sup>(1,8,11,12)</sup>	XPMYF	849.00	424	4,894	210.7	261.0	29,299	28,920	167	169	23.23		18.75
<b>Market Cap Weighted Average</b>									<b>181</b>	<b>179</b>	<b>20.49</b>		<b>7.17</b>

Source: BofA Merrill Lynch Global Research estimates, Company reports

(1) USD (2) stock price in CAD; NAV in USD (3) CAD (4) AUD (5) ZAR (6) stock price in pence; NAV in USD, (7) stock price and NAV in CAD; (8) silver reserves, silver resources and silver mined in model (9) palladium reserves, palladium resources and palladium mined in model; (10) Reserves and resources on a GEO basis; (11) stock price in CAD, NAV in GBP, (12) stock price and NAV in TRY; (13) June 30th year end; (14) Forecasts based on management guidance; (15) Reserves and resources on an SEO basis. Gold price assumptions: 2016: \$1,250/oz, long-term \$1,200/oz. Adjusted P/NAV = (share price - net cash and investments) / DCF of mining assets using a 5% discount rate.

**Table 29: Operating Forecasts for Global Gold and Precious Metal Producers Cont'd**

Priced as of June 3, 2016											
	BofAML Sym	Share Price	Shares O/S	Adj. Market Cap	P&P Gold Reserves	Total Gold Resources including P&P	Production		Adj. Market Cap		Adj. Market Cap
							2016E	2017E	Per Oz of Prod. (USD)	Per Oz of Reserves	Per Oz of Resources
<b>Australian Gold Producers<sup>(4)</sup></b>											
					(million oz)	(mn oz)	('000 oz)	('000 oz)	2015E	2016E	
Evolution Mining	CAHPF	2.01	1,468	2,241	5.2	12.7	NA	NA	NA	NA	431
Newcrest Mining	NCMGF	19.76	765	14,151	69.0	140.0	2,521	2,719	5,613	5,204	205
Northern Star	NESRF	4.24	600	1,758	1.5	8.9	NA	NA	NA	NA	NA
OceanaGold	OGDCF	4.07	609	1,902	0.0	0.0	NA	NA	NA	NA	NA
<b>Market Cap Weighted Average</b>									<b>5,613</b>	<b>5,204</b>	<b>236</b>
<b>South African Gold Producers</b>											
AngloGold Ashanti <sup>(5)</sup>	AULGF	236.14	410	8,697	57.5	232.0	3,751	3,858	2,319	2,254	151
Harmony Gold <sup>(13)</sup>	HGMCF	51.22	434	1,666	35.7	109.8	1,122	1,136	1,485	1,467	47
Sibanye <sup>(5)</sup>	SBGLF	48.00	912	850	28.4	103.9	1,539	1,566	552	543	30
<b>Market Cap Weighted Average</b>									<b>2,061</b>	<b>2,007</b>	<b>127</b>
<b>International Gold Producers</b>											
Acacia Mining <sup>(3)</sup>	ABGLF	329.80	410	1,859	4.5	15.5	760	741	2,445	2,510	413
Buenaventura <sup>(1)</sup>	BVN	11.11	254	3,528	8.9	19.0	0	0	NA	NA	399
Centamin Egypt <sup>(3)</sup>	CELTf	106.40	1,144	1,533	8.2	14.8	480	516	3,195	2,972	186
Petropavlovsk <sup>(3)</sup>	PPLKF	7.79	4,301	1,115	9.2	23.3	476	521	2,340	2,140	122
Polymetal <sup>(1,7,10)</sup>	XPMYF	849.00	424	4,894	17.8	30.4	1,376	1,440	3,557	3,398	275
Randgold Resources <sup>(3)</sup>	RGORF	6250.00	93	8,406	15.0	27.6	1,234	1,281	6,814	6,562	560
<b>Market Cap Weighted Average</b>									<b>3,987</b>	<b>3,841</b>	<b>406</b>

Source: BofA Merrill Lynch Global Research estimates, Company reports

(1) USD (2) stock price in CAD; NAV in USD (3) CAD (4) AUD (5) ZAR (6) stock price in pence; NAV in USD, (7) stock price and NAV in CAD; (8) silver reserves, silver resources and silver mined in model (9) palladium reserves, palladium resources and palladium mined in model; (10) Reserves and resources on a GEO basis; (11) stock price in CAD, NAV in GBP, (12) stock price and NAV in TRY; (13) June 30th year end; (14) Forecasts based on management guidance; (15) Reserves and resources on an SEO basis. Gold price assumptions: 2016: \$1,250/oz, long-term \$1,200/oz. Adjusted P/NAV = (share price - net cash and investments) / DCF of mining assets using a 5% discount rate.

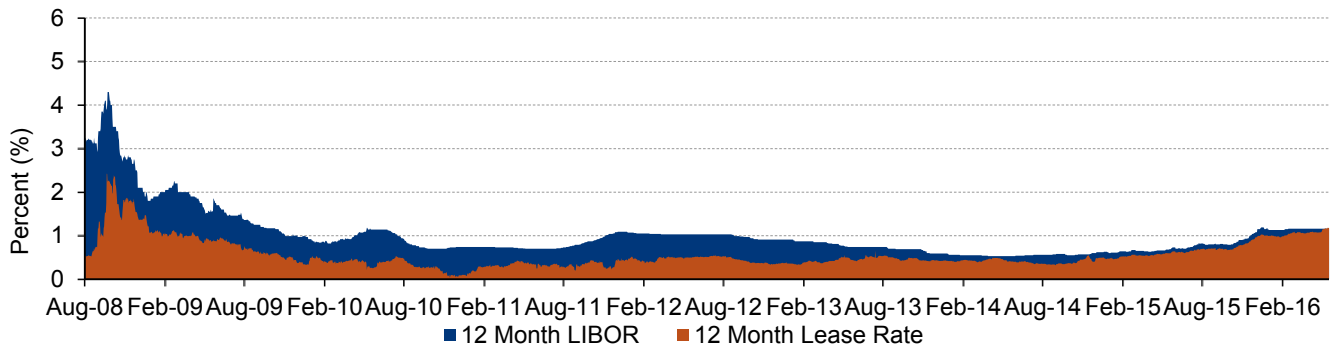
**Table 30: Historical gold proven and probable gold reserve trend**

<b>Seniors</b>		<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Barrick</b>	Tonnes (millions)	1,192	1,396	1,486	1,854	1,916	2,704	2,895	3,227	3,358	3,384	2,414	2,114	2,160
	Grade (g/t)	2.243	1.984	1.855	2.065	2.023	1.593	1.502	1.347	1.296	1.289	1.341	1.370	1.320
	Gold ounces (000's)	85,952	89,056	88,591	123,066	124,588	138,506	139,751	139,786	139,931	140,248	104,051	93,017	91,858
	Gold price (US\$/oz)	325	375	400	475	575	725	825	1,000	1,200	1,500	1,100	1,100	1,200
<b>Newmont</b>	Tonnes (millions)	2,124	2,304	2,491	2,510	2,412	2,456	2,877	2,970	3,226	3,211	2,684	2,437	2,158
	Grade (g/t)	1.337	1.248	1.166	1.163	1.116	1.076	0.992	0.979	0.950	0.960	1.020	1.040	1.060
	Gold ounces (000's)	91,300	92,430	93,240	93,850	86,530	84,960	91,780	93,500	98,750	99,170	88,350	81,610	73,720
	Gold price (US\$/oz)	325	350	400	500	575	725	800	950	1,200	1,400	1,300	1,300	1,200
<b>Goldcorp</b>	Tonnes (millions)	15	11	378	1,153	1,581	1,761	1,875	2,575	2,492	2,600	1,734	1,619	1,195
	Grade (g/t)	13.500	17.746	1.210	1.072	0.854	0.816	0.806	0.727	0.809	0.802	0.976	0.953	1.060
	Gold ounces (000's)	5,226	5,226	14,700	39,750	43,380	46,280	48,750	60,060	64,700	67,090	54,380	49,580	40,730
	Gold price (US\$/oz)	350	375	400	450	550	725	825	950	1,200	1,350	1,300	1,300	1,100
<b>Kinross</b>	Tonnes (millions)	512	914	1,518	1,683	2,556	2,611	2,711	2,737	2,656	2,554	1,744	1,490	1,479
	Grade (g/t)	0.860	0.660	0.510	0.510	0.570	0.540	0.580	0.710	0.730	0.730	0.760	0.720	0.700
	Gold ounces (000's)	14,131	19,410	24,749	27,851	46,597	45,928	50,950	62,439	62,568	59,599	42,781	34,416	33,955
	Gold price (US\$/oz)	325	350	400	475	550	725	800	900	1,200	1,200	1,200	1,200	1,200
<b>Mid-tier</b>		<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Agnico Eagle</b>	Tonnes (millions)	78	74	76	97	134	159	162	186	157	184	149	259	251
	Grade (g/t)	3.104	3.386	4.280	3.987	3.870	3.526	3.520	3.570	3.710	3.156	3.511	2.402	2.370
	Gold ounces (000's)	7,864	7,903	10,442	12,462	16,659	18,060	18,398	21,299	18,750	18,681	16,865	19,976	19,075
	Gold price (US\$/oz)	325	NA	405	486	583	725	848	1,024	1,255	1,255	1,200	1,150	1,100
<b>Centerra</b>	Tonnes (millions)	38	42	62	64	72	63	85	91	86	115	105	86	113
	Grade (g/t)	3.371	3.214	3.569	3.373	3.020	2.869	2.674	2.779	2.927	3.000	3.000	2.800	2.300
	Gold ounces (000's)	4,169	4,362	7,096	6,923	6,955	5,808	7,321	8,164	8,065	11,113	10,168	7,739	8,405
	Gold price (US\$/oz)	325	375	400	475	550	675	825	1,000	1,200	1,350	1,300	1,300	1,200
<b>Eldorado <sup>1</sup></b>	Tonnes (millions)	142	138	146	140	164	172	267	522	555	705	739	662	624
	Grade (g/t)	1.445	1.390	1.510	1.510	1.450	1.370	1.720	1.110	1.070	1.140	1.168	1.220	1.240
	Gold ounces (000's)	6,601	6,153	7,056	6,790	7,655	7,561	14,767	18,661	19,047	25,756	27,728	25,952	24,886
	Gold price (US\$/oz)	350	375	450	450	600	725	825	1,000	1,250	1,250	1,250	1,250	1,200
<b>IAMGOLD3</b>	Tonnes (millions)	61	82	82	202	165	239	313	373	329	309	265	213	185
	Grade (g/t)	1.767	1.570	1.704	1.492	1.500	1.616	1.441	1.372	1.258	1.140	1.186	1.258	1.300
	Gold ounces (000's)	3,445	4,131	4,478	9,695	7,975	12,408	14,508	16,431	13,300	11,327	10,127	8,608	7,690
	Gold price (US\$/oz)	325	350	400	500	600	650	850	975	1,249	1,263	1,400	1,300	1,200
<b>Yamana</b>	Tonnes (millions)	367	358	413	427	567	611	498	624	619	626	638	779	781
	Grade (g/t)	0.338	0.354	0.394	0.494	0.666	0.692	0.736	0.776	0.857	0.878	0.794	0.783	0.633
	Gold ounces (000's)	3,992	4,073	5,235	6,786	12,144	13,581	11,794	15,565	17,038	17,676	16,285	19,626	15,895
	Gold price (US\$/oz)	325	350	425	475	575	700	825	900	950	950	967	1,070	1,150
<b>Intermediate/Junior</b>		<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Alacer2</b>	Tonnes (millions)	NA	NA	NA	NA	NA	NA	NA	48	85	97	70	65	59
	Grade (g/t)	NA	NA	NA	NA	NA	NA	NA	1.511	1.664	1.700	1.610	2.060	2.150
	Gold ounces (000's)	NA	NA	NA	NA	NA	NA	NA	2,340	4,560	5,340	3,629	4,313	4,069
	Gold price (US\$/oz)	NA	NA	NA	NA	NA	NA	NA	1,038	1,350	1,079	977	1,200	1,200
<b>New Gold</b>	Tonnes (millions)	NA	NA	NA	NA	44	570	746	821	784	875	823	780	597
	Grade (g/t)	NA	NA	NA	NA	0.720	0.262	0.339	0.322	0.312	0.400	0.700	0.704	0.780
	Gold ounces (000's)	NA	NA	NA	NA	1,030	4,821	8,179	8,514	7,863	7,752	18,538	17,646	14,985
	Gold price (US\$/oz)	NA	NA	NA	NA	475	750	800	900	1,200	1,300	1,300	1,200	1,200
<b>SEMAFO</b>	Tonnes (millions)										37	26	23	31
	Grade (g/t)										2.080	2.810	3.010	3.320
	Gold ounces (000's)										2,450	2,303	2,240	3,265
	Gold price (US\$/oz)										1,300	1,100	1,100	1,100

Source: Company reports. 1. Reserves shown on a 100% ownership basis despite the existence of minority owners; 2. June year-end; 3. Contained gold reserves reported on attributable basis while tonnage and grade on a consolidated basis (except years 2012-2014 where all figures are reported on an attributable basis)

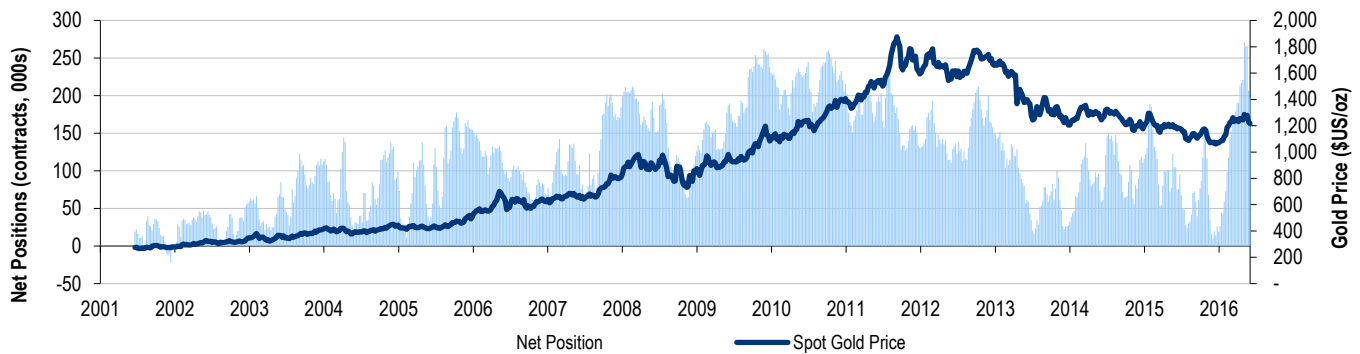
# Precious Metals Economics

Chart 7: Twelve month LIBOR vs. twelve-month gold lease rate



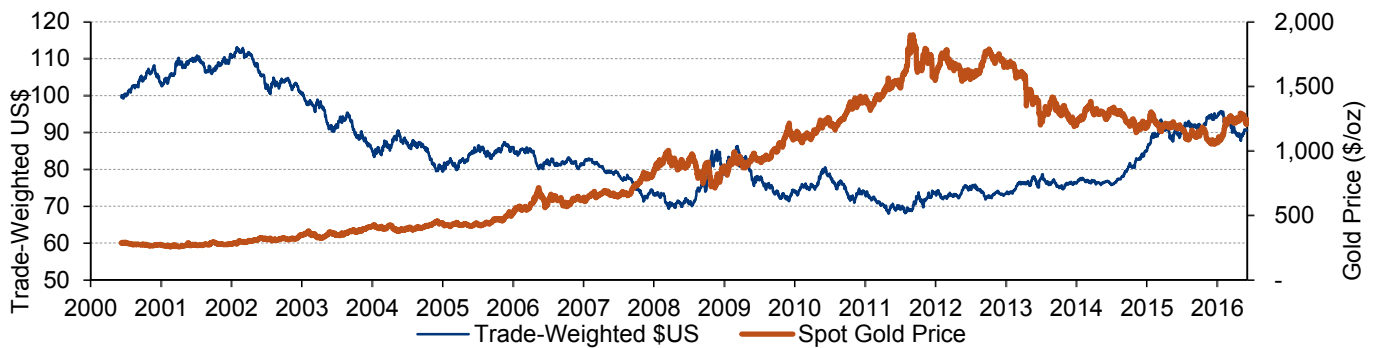
Source: Bloomberg, BofA Merrill Lynch Global Research

Chart 8: Non-commercial net positions



Source: Bloomberg, BofA Merrill Lynch Global Research

Chart 9: Trade-weighted USD vs. spot gold price



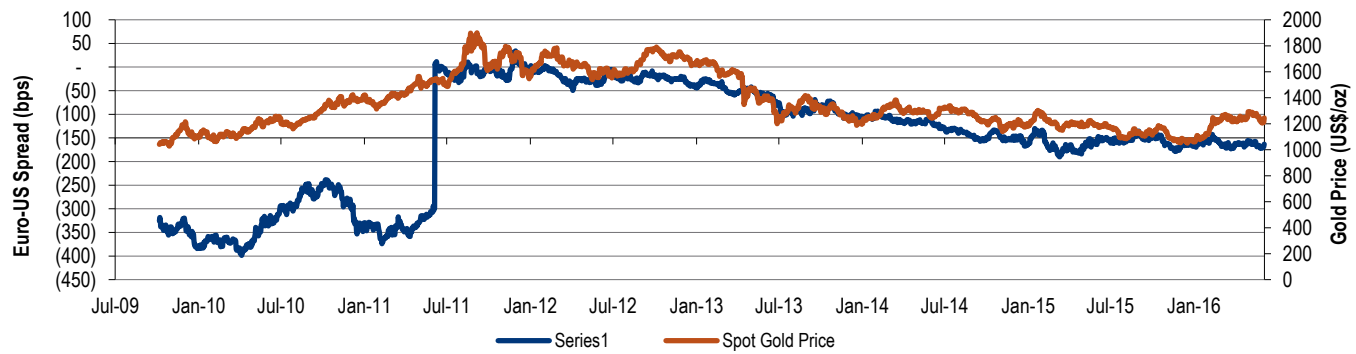
Source: Bloomberg, BofA Merrill Lynch Global Research

**Chart 10: Gold-to-oil price ratio**



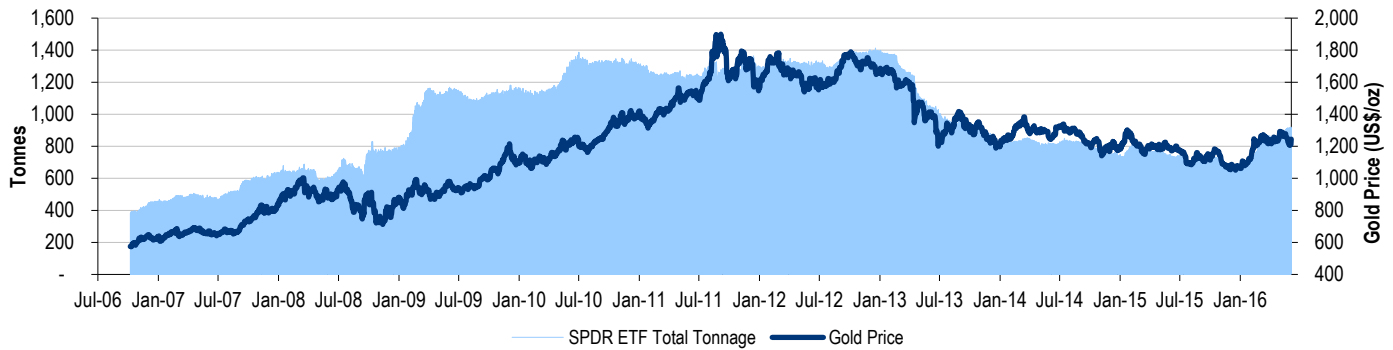
Source: Bloomberg, BofA Merrill Lynch Global Research

**Chart 11: Gold price vs. spread between Eurozone and US 10-year bond yields**



Source: Bloomberg, BofA Merrill Lynch Global Research

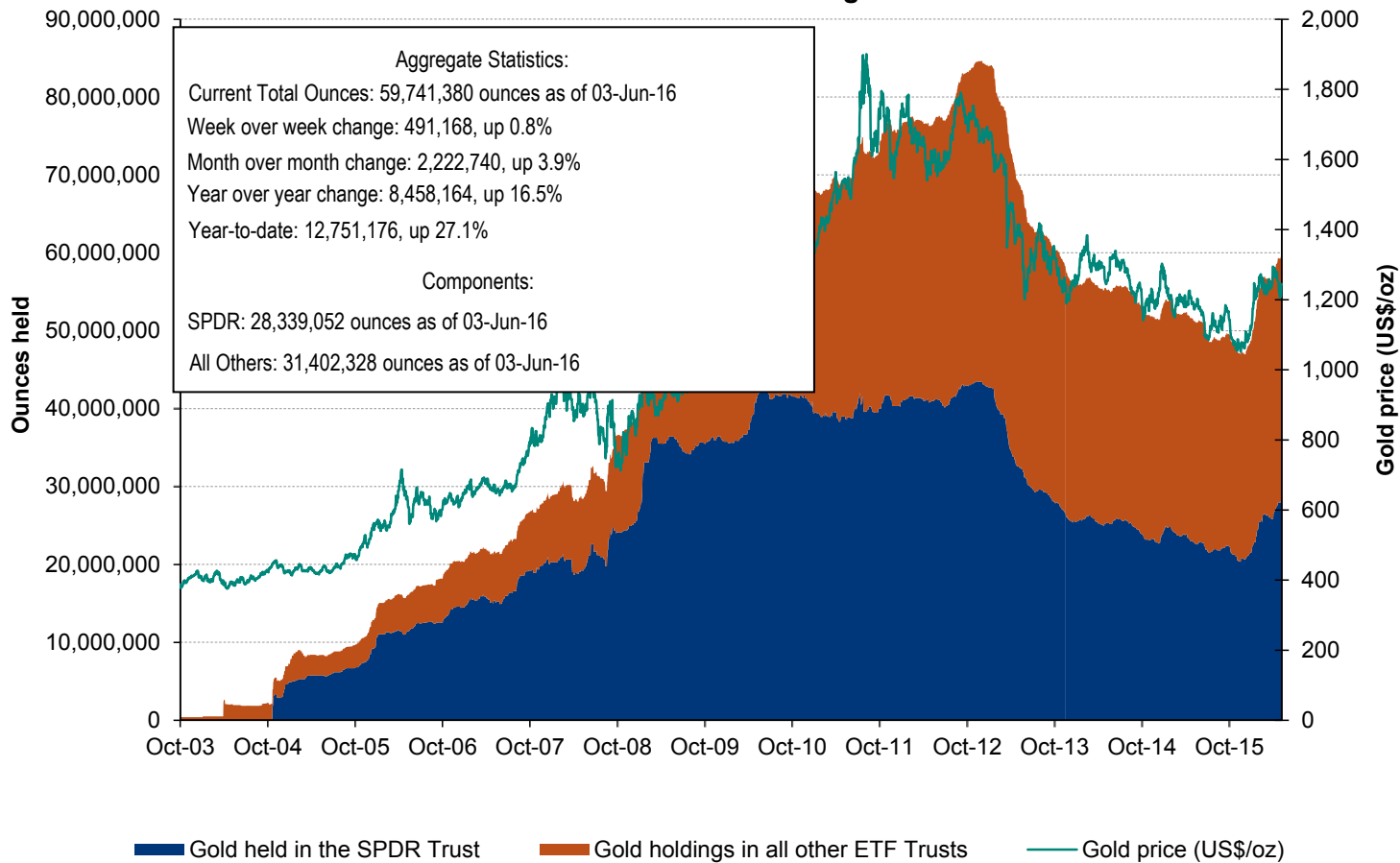
**Chart 12: SPDR Gold ETF total tonnage**



Source: Bloomberg, BofA Merrill Lynch Global Research

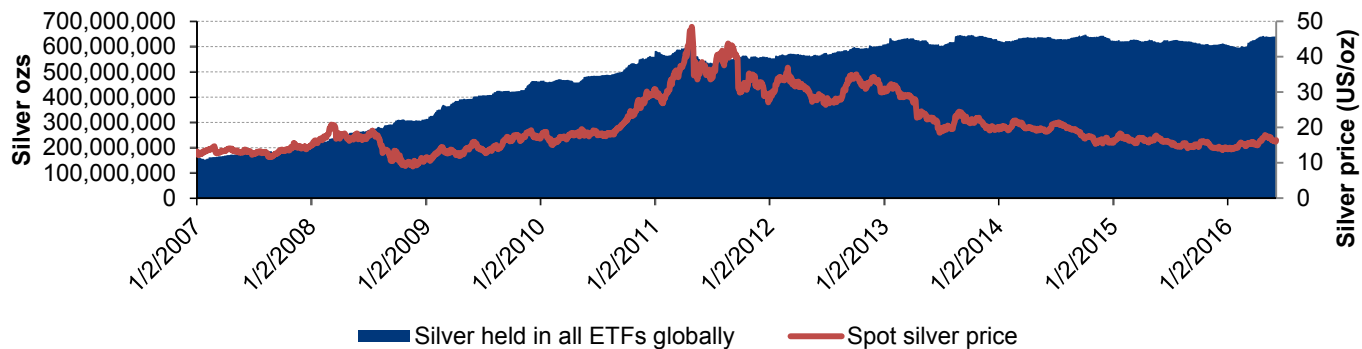
Chart 13: Global gold ETF total ounces and the gold price

### Gold ETF Holdings



Source: Bloomberg, BofA Merrill Lynch Global Research

Chart 14: iShares silver ETF total ounces



Source: Bloomberg, BofA Merrill Lynch Global Research

# Precious Metal Supply / Demand

**Table 31: Gold supply / demand (tonnes)**

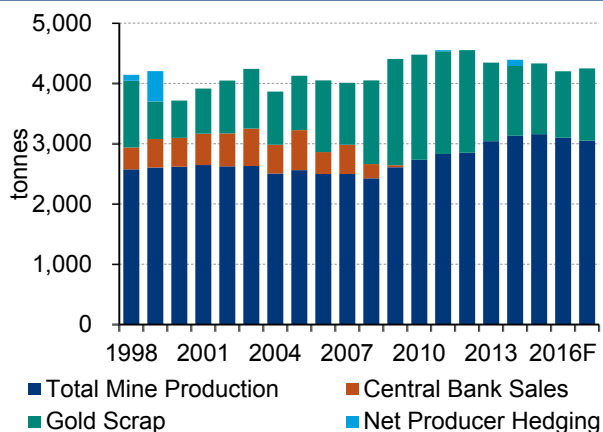
<b>Gold Supply (tonnes)</b>	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016F	2017F
Total Mine Production	2,574	2,602	2,618	2,646	2,625	2,631	2,504	2,561	2,497	2,498	2,427	2,608	2,734	2,829	2,850	3,042	3,132	3,158	3,100	3,050
Central Bank Sales	363	477	479	520	547	620	479	663	365	484	235	34	0	0	0	0	0	0	0	0
Gold Scrap	1,108	620	619	749	874	991	881	903	1,189	1,029	1,387	1,764	1,744	1,705	1,701	1,303	1,158	1,173	1,100	1,200
Net Producer Hedging	97	506	0	0	0	0	0	0	0	0	0	0	0	18	0	0	104	0	0	0
<b>Total Supply</b>	<b>4,142</b>	<b>4,205</b>	<b>4,016</b>	<b>3,915</b>	<b>4,045</b>	<b>4,241</b>	<b>3,961</b>	<b>4,633</b>	<b>4,052</b>	<b>4,010</b>	<b>4,049</b>	<b>4,406</b>	<b>4,478</b>	<b>4,551</b>	<b>4,551</b>	<b>4,345</b>	<b>4,394</b>	<b>4,331</b>	<b>4,200</b>	<b>4,268</b>

<b>Gold Demand (tonnes)</b>	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016F	2017F
Jewellery	3,169	3,139	3,204	3,009	2,662	2,484	2,619	2,722	2,334	2,458	2,338	1,849	2,064	2,064	2,036	2,470	2,242	2,166	2,300	2,400
Other Fabrication	567	592	557	474	481	519	565	603	674	688	733	706	763	794	731	799	649	624	620	620
Central Bank Purchases	0	0	0	0	0	0	0	0	0	0	0	0	77	457	544	409	466	483	500	500
Bar Hoarding	174	269	242	259	232	177	215	261	238	237	667	561	944	1,245	1,050	1,408	851	851	800	800
Net Producer De-Hedging	0	0	15	151	379	289	438	92	434	432	357	234	106	0	40	39	0	24	0	0
ETF inventory build	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Exchange inventory build	0	0	0	0	3	9	133	208	260	253	321	623	382	185	279	(880)	(157)	(124)	100	100
<b>Total demand</b>	<b>3,970</b>	<b>4,025</b>	<b>3,912</b>	<b>3,803</b>	<b>3,625</b>	<b>4,069</b>	<b>3,502</b>	<b>3,736</b>	<b>3,568</b>	<b>3,569</b>	<b>3,438</b>	<b>3,462</b>	<b>3,756</b>	<b>4,048</b>	<b>3,978</b>	<b>4,942</b>	<b>4,300</b>	<b>4,241</b>	<b>3,945</b>	<b>4,045</b>
<b>Gold Price (US\$/oz)</b>	<b>294</b>	<b>266</b>	<b>279</b>	<b>271</b>	<b>310</b>	<b>363</b>	<b>409</b>	<b>436</b>	<b>604</b>	<b>690</b>	<b>872</b>	<b>974</b>	<b>1,227</b>	<b>1,572</b>	<b>1,669</b>	<b>1,411</b>	<b>1,266</b>	<b>1,160</b>	<b>1,232</b>	<b>1,293</b>

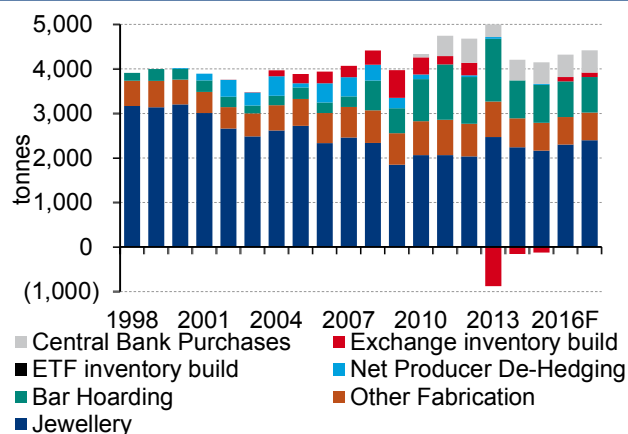
Source: GFMS, BofA Merrill Lynch Global Research

**Chart 15: Historical and forecast gold supply**



Source: GFMS, BofA Merrill Lynch Global Research

**Chart 16: Historical and forecast gold demand**



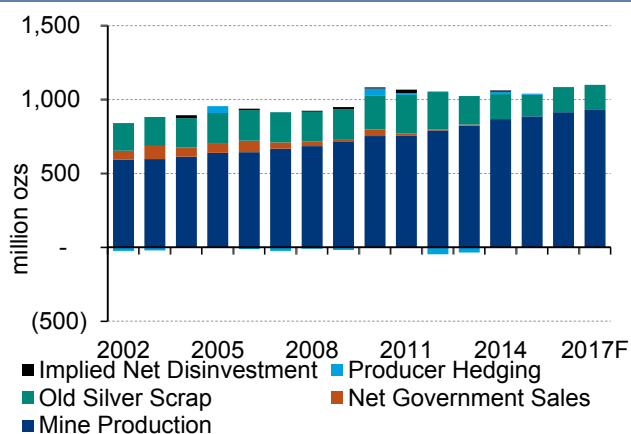
Source: GFMS, BofA Merrill Lynch Global Research



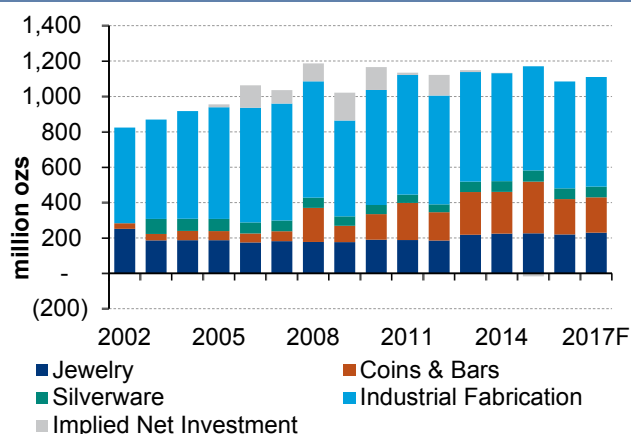
**Table 32: Silver supply / demand (million ounces)**

Supply (mn oz)	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016F
Mine Production	542.1	556.8	590.9	606.2	593.8	597.2	613.6	639.9	643.4	667.7	684.7	717.3	753.0	757.6	790.8	823.7	868.3	886.7	915.0
Net Government Sales	33.5	97.2	60.3	63.0	59.2	88.7	61.9	65.9	78.5	42.5	30.5	15.6	44.2	12.0	7.4	7.9	0.0	0.0	0.0
Old Silver Scrap	193.9	181.6	180.7	182.7	187.5	196.0	198.6	203.4	207.1	204.2	202.0	201.2	227.5	261.5	255.5	192.1	168.3	146.1	170.0
Producer Hedging	6.5	-16.0	-27.4	18.9	-24.8	-21.0	-2.0	45.9	-11.6	-24.1	-8.7	-17.4	50.4	12.2	-47.1	-34.8	16.8	7.8	0.0
Implied Net Disinvestment	0.0	0.0	0.0	0.0	0.0	0.0	20.3	0.0	9.0	0.0	7.1	15.3	7.4	24.0	0.0	0.0	8.8	0.0	0.0
<b>Total Supply</b>	<b>821.2</b>	<b>880.4</b>	<b>919.1</b>	<b>870.8</b>	<b>868.3</b>	<b>861.0</b>	<b>892.4</b>	<b>955.1</b>	<b>926.4</b>	<b>890.3</b>	<b>915.6</b>	<b>932.1</b>	<b>1,082.6</b>	<b>1,067.3</b>	<b>1,006.6</b>	<b>988.9</b>	<b>1,062.2</b>	<b>1,040.6</b>	<b>1,085.0</b>
Demand (mn oz)	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016F
Jewelry	313.2	339	374.2	349.7	251.5	186.8	187.1	187.6	174.5	182.3	177.6	176.9	190.0	187.9	185.4	217.8	224.0	226.5	220.0
Coins & Bars	225.4	227.9	218.3	213.1	31.6	35.7	53.0	51.6	50.7	56.1	192.3	91.6	144.4	210.4	160.5	242.1	236.1	292.3	200.0
Silverware	254.8	268.4	267	280.4	0.0	85.1	68.1	68.3	62.1	60.2	58.4	53.2	51.6	47.2	43.7	58.8	60.7	62.9	60.0
Industrial Fabrication	na	na	na	na	540.8	561.3	608.9	631.8	648.9	661.0	656.8	542.6	650.3	676.3	615.0	619.1	611.2	588.7	605.0
<b>Total Fabrication</b>	<b>821.2</b>	<b>864.4</b>	<b>891.7</b>	<b>873.6</b>	<b>823.9</b>	<b>868.9</b>	<b>917.1</b>	<b>939.3</b>	<b>936.2</b>	<b>959.6</b>	<b>1,085.1</b>	<b>864.3</b>	<b>1,036.3</b>	<b>1,121.8</b>	<b>1,004.6</b>	<b>1,137.8</b>	<b>1,132.0</b>	<b>1,170.4</b>	<b>1,085.0</b>
Implied Net Investment	0	0	0	3.6	0.0	0.0	0.0	15.9	126.8	76.3	101.3	156.9	129.5	12.2	117.5	11.3	1.5	-17.4	0.0
<b>Total Demand</b>	<b>821.2</b>	<b>880.4</b>	<b>919.1</b>	<b>870.8</b>	<b>868.3</b>	<b>868.8</b>	<b>917.1</b>	<b>955.2</b>	<b>1,063.0</b>	<b>1,036.0</b>	<b>1,186.3</b>	<b>1,021.2</b>	<b>1,165.8</b>	<b>1,134.0</b>	<b>1,122.0</b>	<b>1,149.1</b>	<b>1,133.5</b>	<b>1,153.0</b>	<b>1,085.0</b>
Silver Price (London US\$/oz)	5.544	5.22	4.951	4.37	4.60	4.88	6.66	7.31	11.55	13.38	14.99	14.67	20.19	35.12	31.15	23.79	19.08	15.68	16.47

Source: GFMS, BofA Merrill Lynch Global Research

**Chart 17: Historical and forecast silver supply**


Source: GFMS, BofA Merrill Lynch Global Research

**Chart 18: Historical and forecast silver demand**


Source: GFMS, BofA Merrill Lynch Global Research

# Gold Indices

Chart 19: Philadelphia Gold index (XAU Index)



Source: Bloomberg

Chart 20: S&P/TSX Global Gold Index (SPTSGD Index)



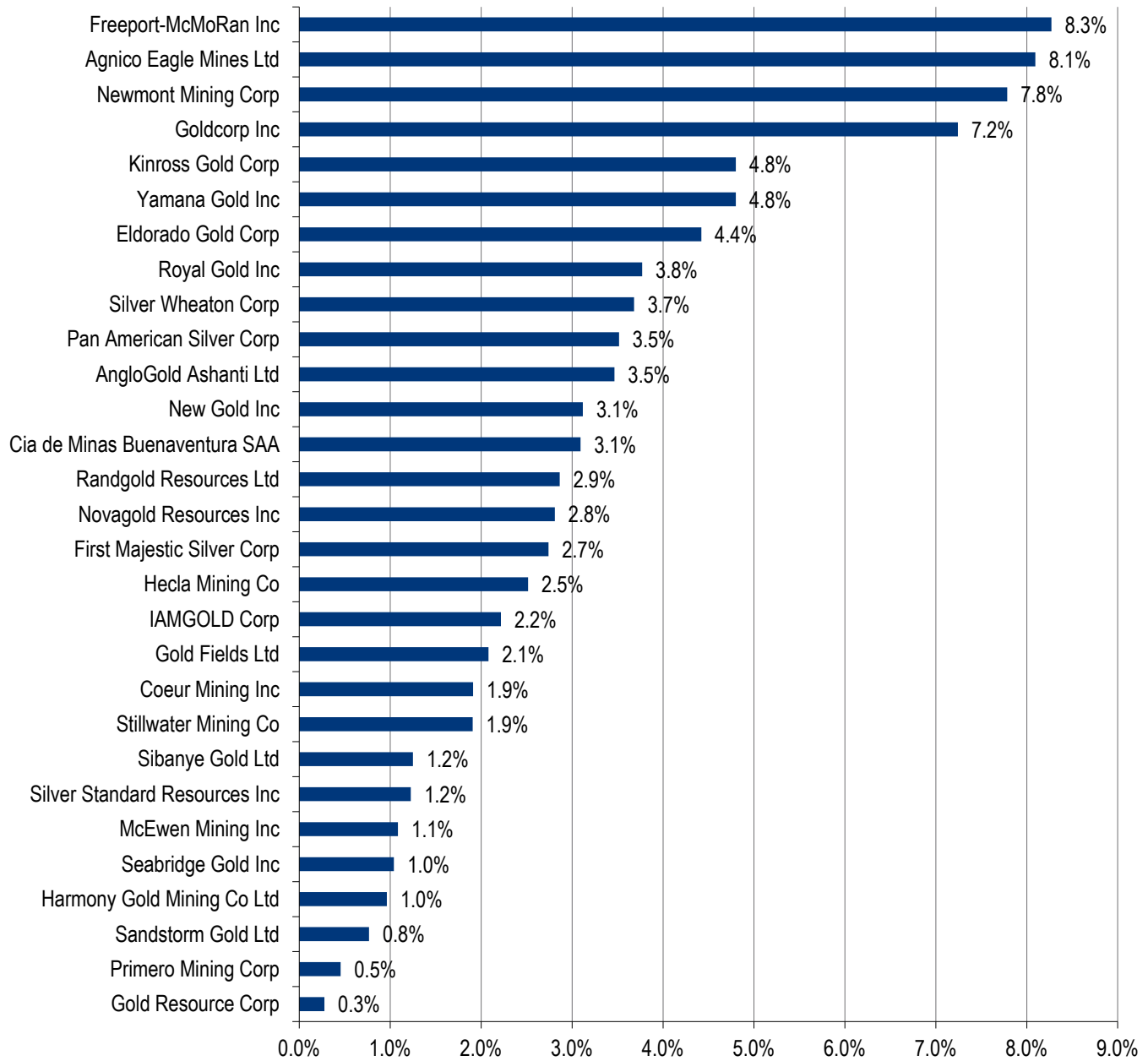
Source: Bloomberg

Chart 21: Amex Gold Bugs Index (HUI Index)



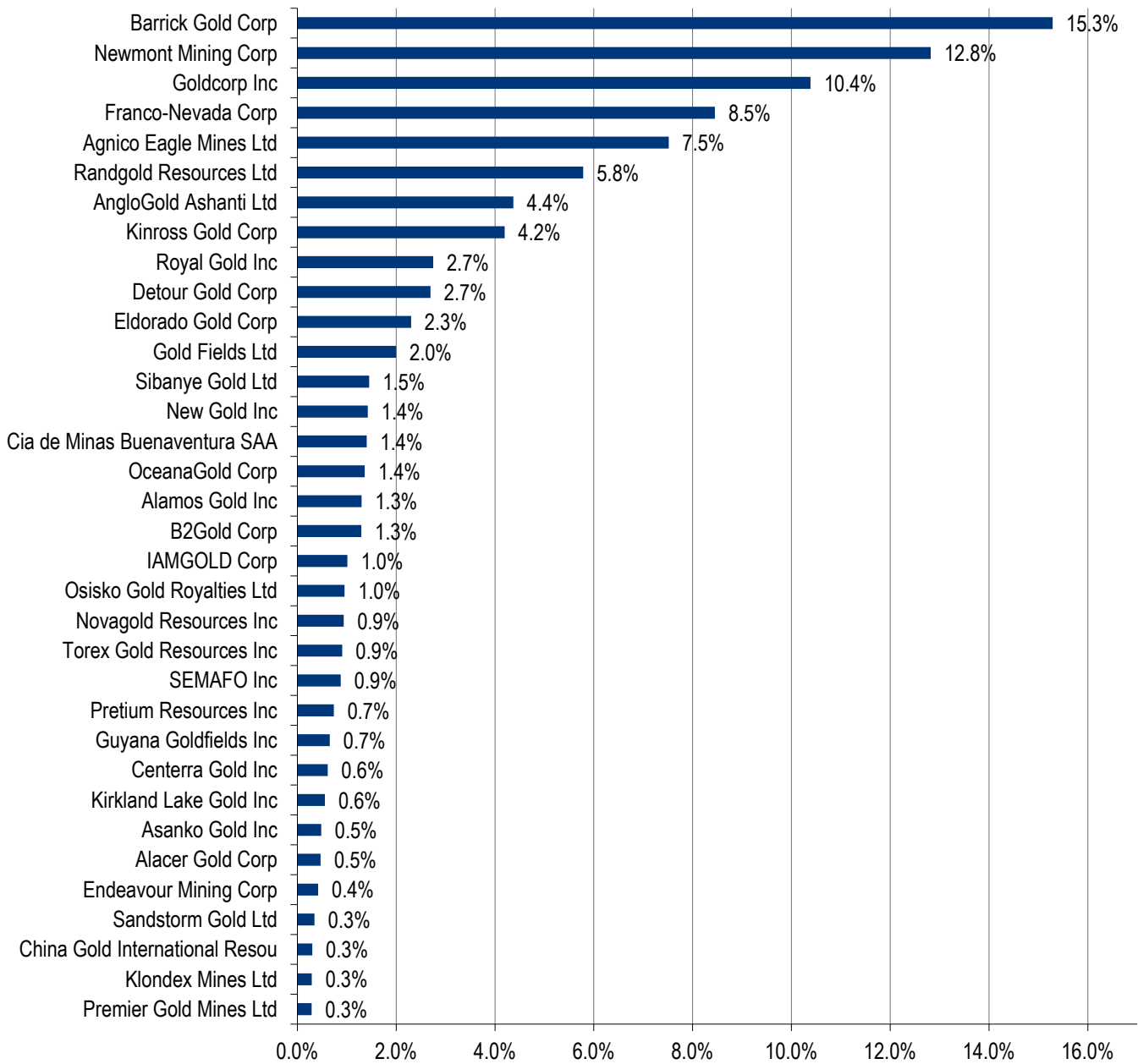
Source: Bloomberg

Chart 22: Component weights of the Philadelphia Gold Index



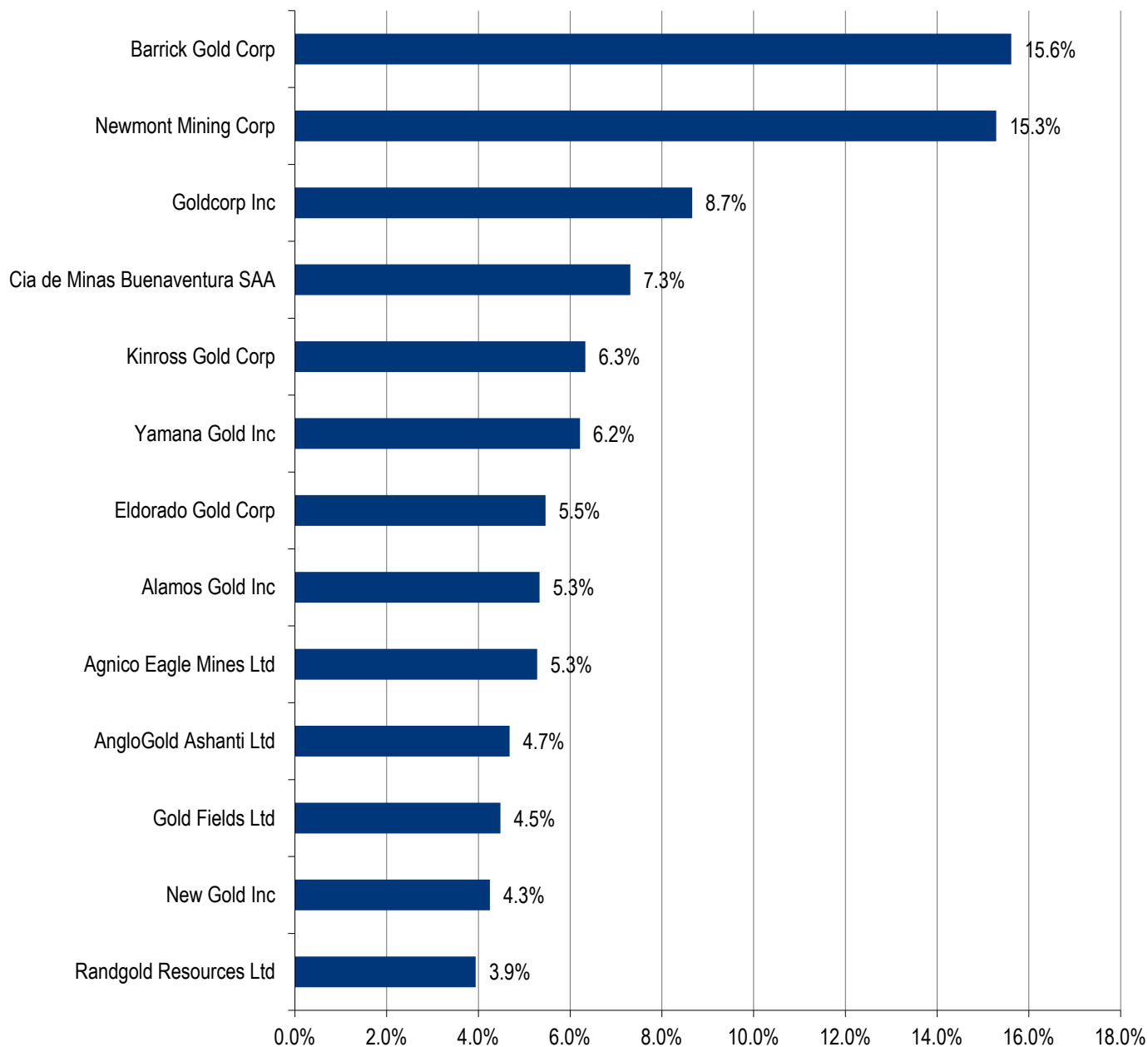
Source: Bloomberg

Chart 23: Component weights of the S&P/TSX Global Gold Index



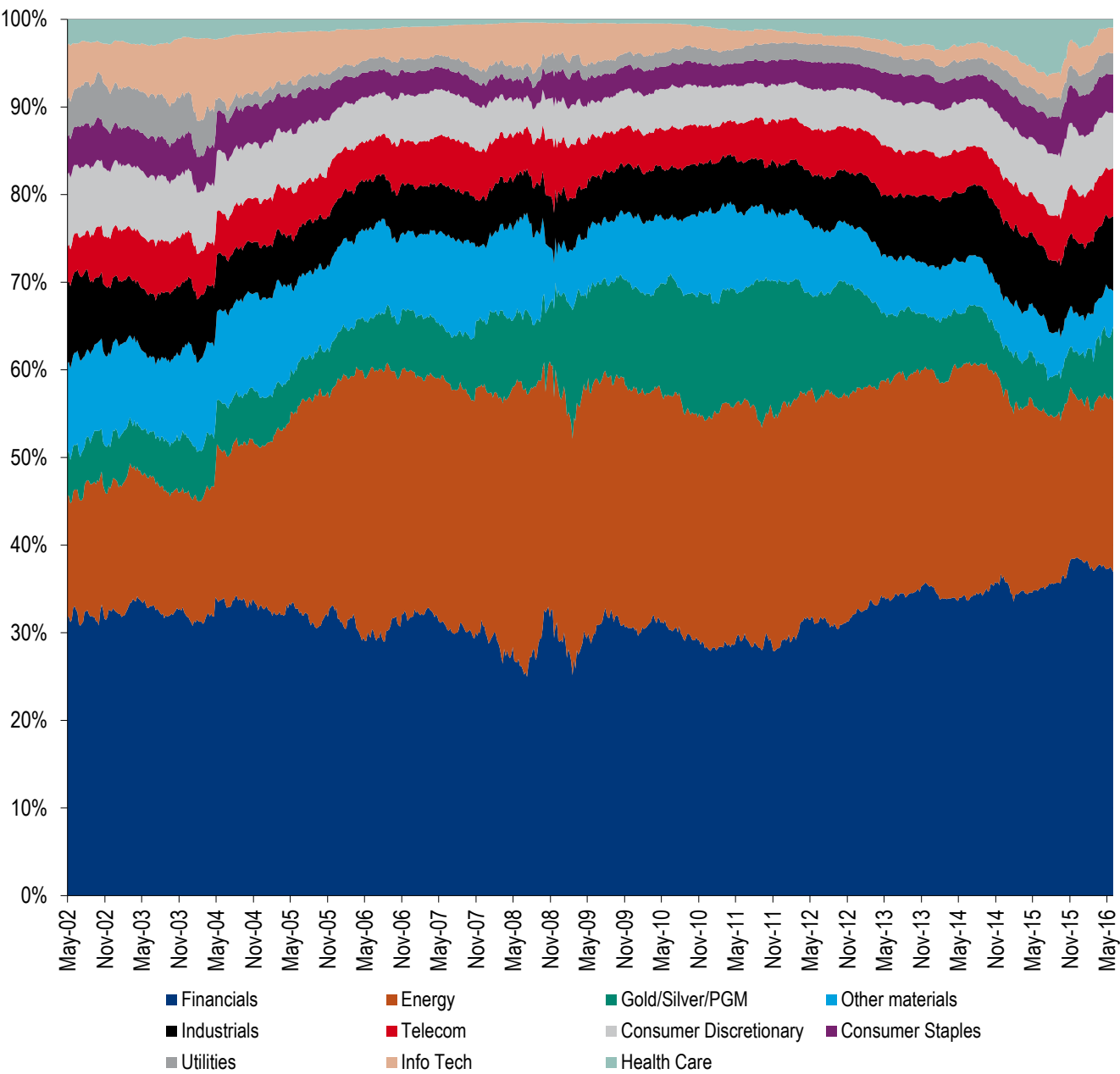
Source: Bloomberg

Chart 24: Component weights of the Amex Gold Bugs Index



Source: Bloomberg

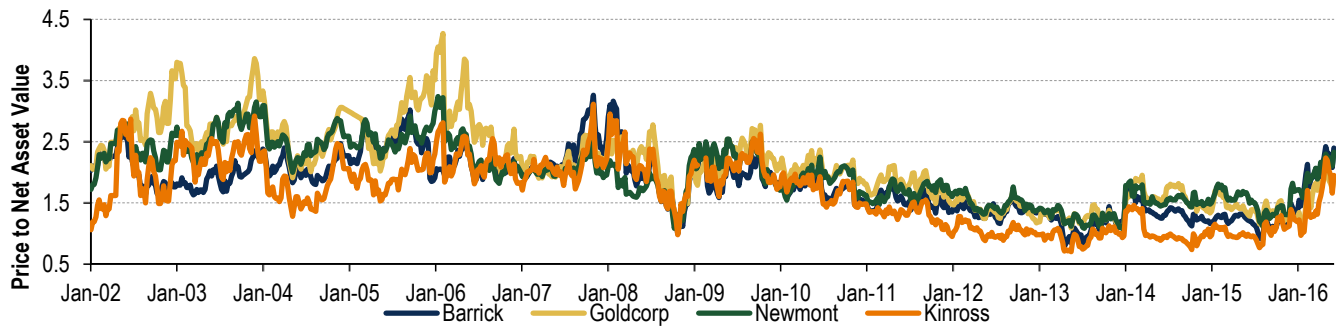
Chart 25: S&P/TSX historical sector weights (materials broken out between precious metals and other)



Source: Bloomberg

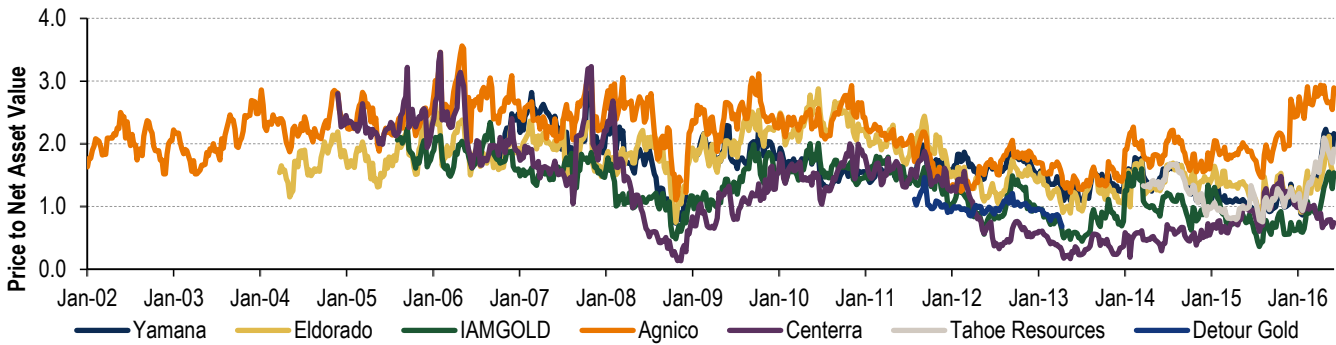
# Historical P/NAVs

Chart 26: Senior gold producers – cash adjusted price to net asset value multiple (P/NAV)



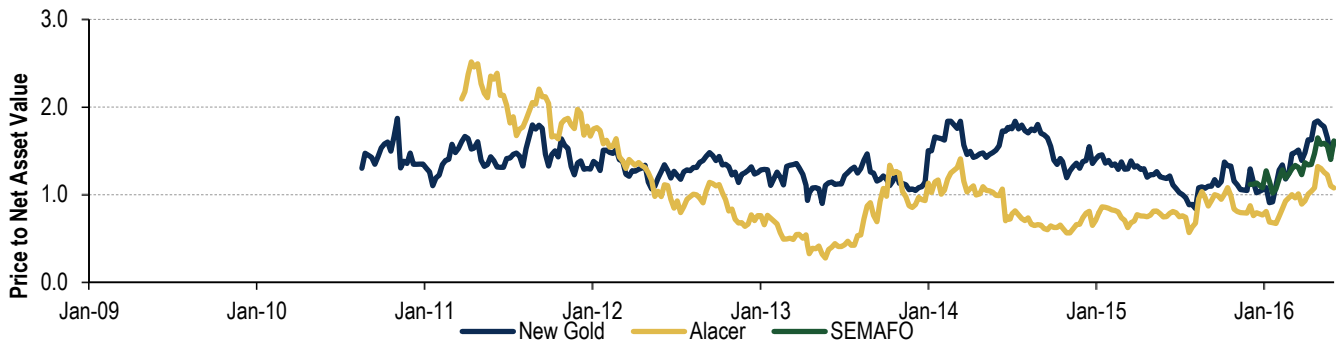
Source: BofA Merrill Lynch Global Research

Chart 27: Mid-tier gold producers – cash adjusted price to net asset value multiple (P/NAV)



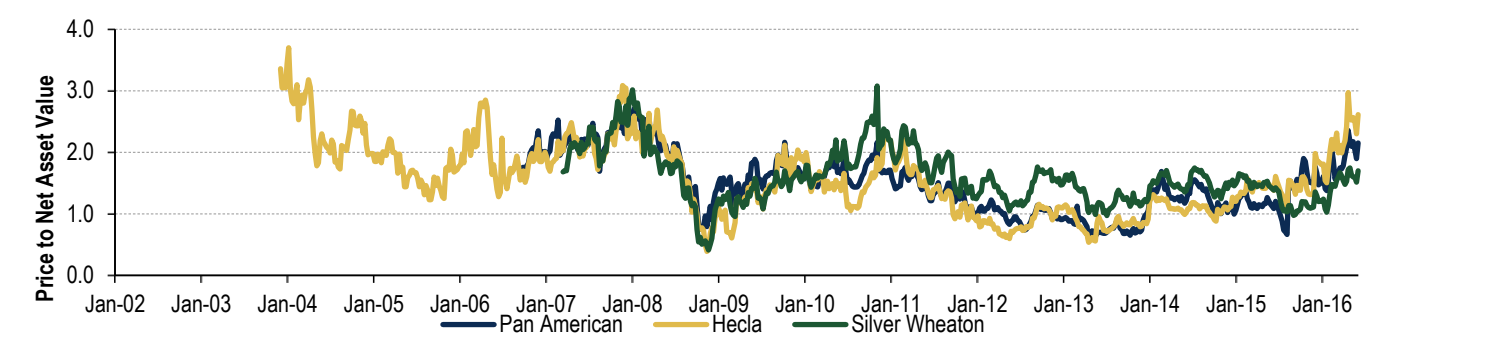
Source: BofA Merrill Lynch Global Research

Chart 28: Intermediate/Junior gold producers – cash adjusted price to net asset value multiple (P/NAV)



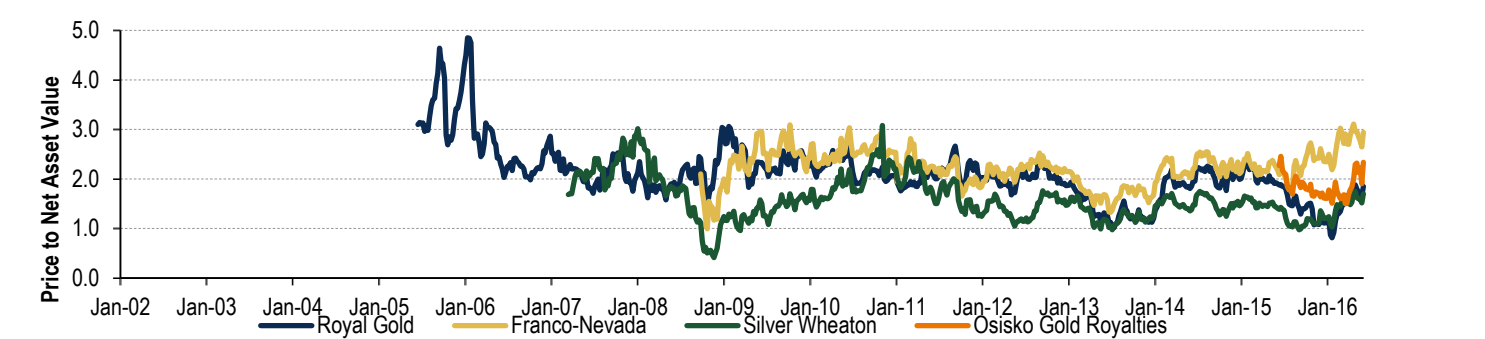
Source: BofA Merrill Lynch Global Research

Chart 29: Primary silver producers – cash adjusted price to net asset value multiple (P/NAV)



Source: BofA Merrill Lynch Global Research

Chart 30: Royalty companies – cash adjusted price to net asset value multiple (P/NAV)



Source: BofA Merrill Lynch Global Research



## Price objective basis & risk

### Alacer Gold (ALACF)

Our 12-month PO of C\$3.75/sh (AUD \$3.85/sh) is calculated using a 1.30x P/NPV after bringing in the sulfide growth option into our base-case NPV (note this is below average of the North American junior/mid tier producer group). We assume CAD and AUD exchange rates of 1.32 and 1.34 to convert our USD NAV to our two price objectives respectively. Our ten year average gold price assumption is \$1,230/oz.

Our base case modelling includes Copley heap leach (to 2019) and sulfide POx (to 2034). Our base NPV is based on the current known production profile and does not incorporate terminal values. We have applied a nominal real WACC of 5.0% across our valuation.

Upside risks to our price objective: Higher gold prices, lower AUDUSD FX rate, project risks and certainty as to growth projects.

Downside risks to our price objective: Lower gold prices, higher AUDUSD FX rate, and project risks and uncertainty as to growth projects.

### Alacer Gold (ALIAF)

Our 12-month PO of C\$3.75/sh (AUD \$3.85/sh) is calculated using a 1.30x P/NPV after bringing in the sulfide growth option into our base-case NPV (note this is below average of the North American junior/mid tier producer group). We assume CAD and AUD exchange rates of 1.32 and 1.34 to convert our USD NAV to our two price objectives respectively. Our ten year average gold price assumption is \$1,230/oz.

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Upside risks to our price objective: Higher gold prices, lower CADUSD FX rate, project risks and certainty as to growth projects.

Downside risks to our price objective: Lower gold prices, higher CADUSD FX rate, and project risks and uncertainty as to growth projects.

### Detour Gold (YDGC)

Our price objective (PO) for Detour Gold is C\$35.00, and is based on the stock trading at 1.50x our estimated net asset value (NAV) on a cash-adjusted basis, in line with the multiple we assign to single asset producers. Our NAV of \$18.40 per share is based on a 5% discount rate and 10 year average gold price and USD-CAD FX forecasts of US\$1,231/oz and 1.25 respectively. Historically, North American precious metal stocks have traded between 1 and 3 times NAV, with a median of 2 times, with unhedged, growth-oriented producers occupying the upper end of the range.

Downside risks to our PO for Detour Gold are gold price weakness, a strengthening CAD (vis-a-vis the USD), the failure to discover more gold reserves/resources at the Detour Lake project, and achieving the metrics set out in the new LOM plan.

### Eldorado Gold (EGO)

Our price objective for Eldorado Gold is \$4.10 per share, and is based on the stock trading at 1.30 times its estimated net asset value (NAV). Our NAV estimate of \$3.17 per share (\$2.27/sh DCF of mining assets and \$0.90/sh for net debt) is based on a 5 percent discount rate and a 10 year average gold price forecast of \$1,230 per ounce. Historically, North American precious metal stocks have traded between 1 and 3 times

NAV, with a median of 1.30 times over the last 3 years (and 2.00 times longer-term), and with unhedged, growth-oriented producers occupying the upper end of the range.

Risks to our price objective for Eldorado Gold are commodity price weakness, the inability to secure financing for expansion or development projects, unforeseen operating problems, political, legal or permitting challenges in the regions in which the company operates, rising capital and operating costs and delays in the development of its growth projects.

## Analyst Certification

I, Michael Jalonen, CFA, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

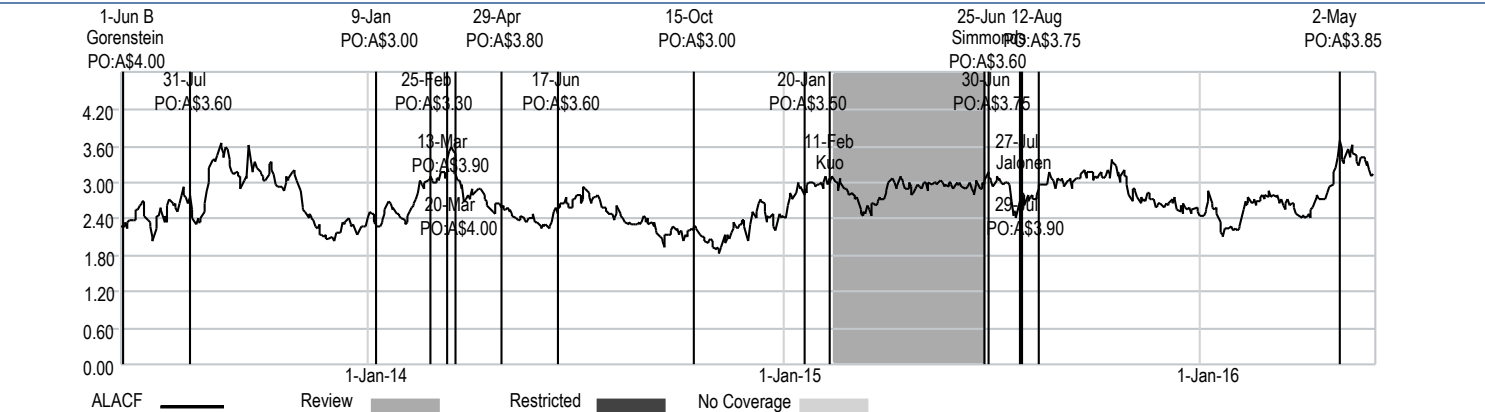
### Canada Metals and Mining Coverage Cluster

Investment rating	Company	BofA Merrill Lynch ticker	Bloomberg symbol	Analyst
<b>BUY</b>				
	Agnico Eagle Mines	AEM	AEM US	Michael Jalonen, CFA
	Alacer Gold	ALACF	AQG AU	Michael Jalonen, CFA
	Alacer Gold	ALIAF	ASR CN	Michael Jalonen, CFA
	Detour Gold	YDGC	DGC CN	Michael Jalonen, CFA
	Franco-Nevada Corporation	YFNV	FNV CN	Michael Jalonen, CFA
	Goldcorp	GG	GG US	Michael Jalonen, CFA
	Kinross Gold	KGC	KGC US	Michael Jalonen, CFA
	Osisko Gold Royalties	YOR	OR CN	Michael Jalonen, CFA
	Royal Gold	RGLD	RGLD US	Michael Jalonen, CFA
	SEMAFO	YSMF	SMF CN	Lawson Winder, CFA
	Silver Wheaton	SLW	SLW US	Michael Jalonen, CFA
	Tahoe Resources	YTHO	THO CN	Michael Jalonen, CFA
	Tahoe Resources	TAHO	TAHO US	Michael Jalonen, CFA
<b>NEUTRAL</b>				
	Barrick Gold	ABX	ABX US	Michael Jalonen, CFA
	New Gold Inc.	YNGD	NGD CN	Michael Jalonen, CFA
	New Gold Inc.	NGD	NGD US	Michael Jalonen, CFA
	Newmont Mining	NEM	NEM US	Michael Jalonen, CFA
	Yamana Gold	AUY	AUY US	Michael Jalonen, CFA
	Yamana Gold	YYRI	YRI CN	Michael Jalonen, CFA
<b>UNDERPERFORM</b>				
	Centerra Gold	YCG	CG CN	Michael Jalonen, CFA
	Eldorado Gold	EGO	EGO US	Michael Jalonen, CFA
	Hecla Mining	HL	HL US	Michael Jalonen, CFA
	IAMGOLD	YIMG	IMG CN	Michael Jalonen, CFA
	IAMGOLD Corp.	IAG	IAG US	Michael Jalonen, CFA
	Pan American Silver	PAAS	PAAS US	Lawson Winder, CFA

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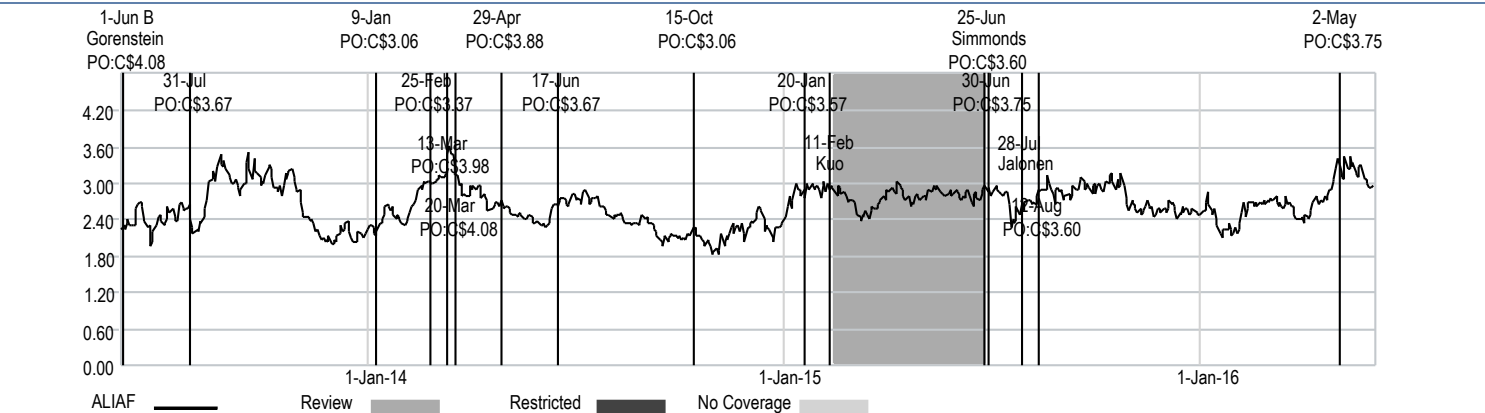
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ALACF Price Chart



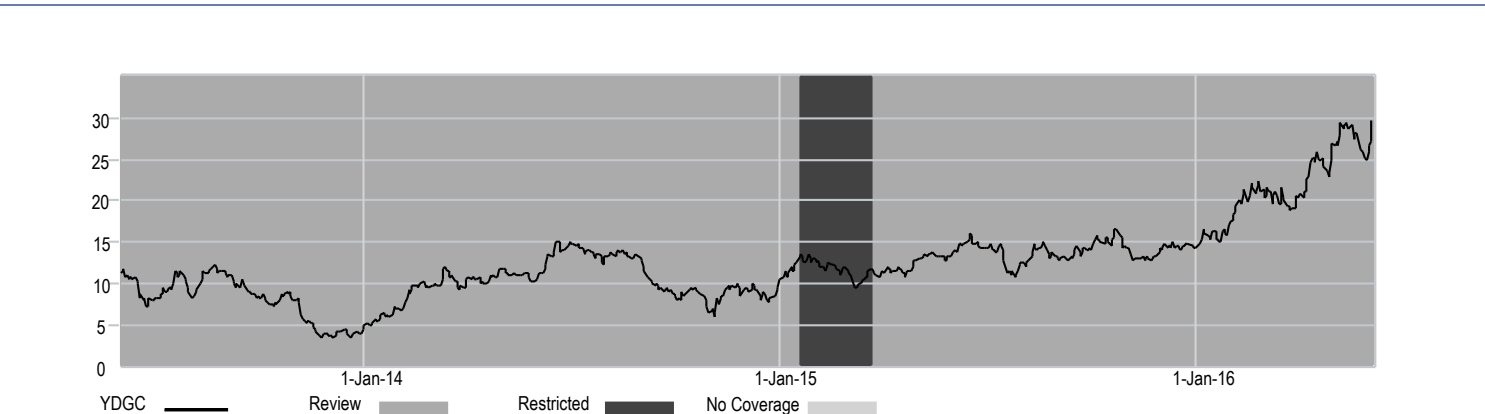
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ALIAF Price Chart



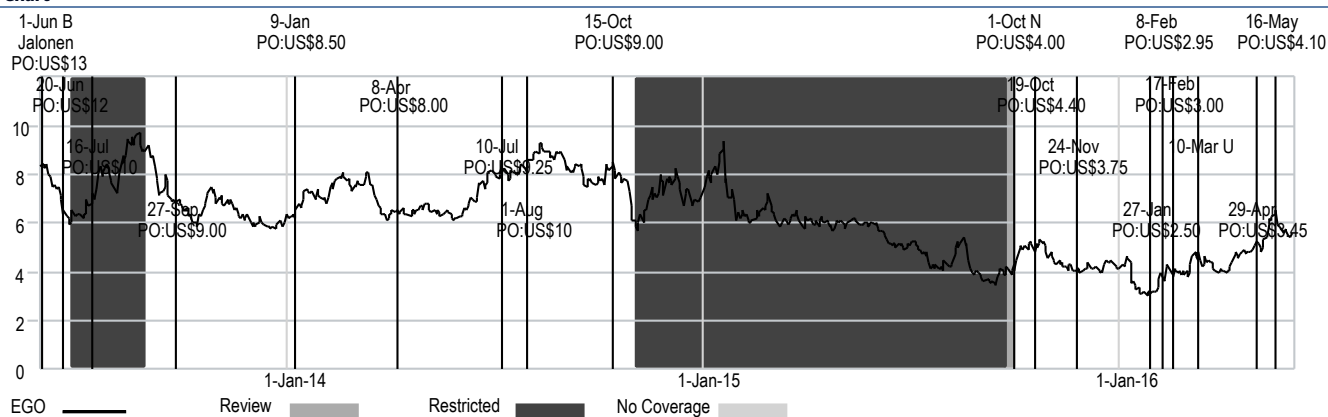
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YDGC Price Chart



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## EGO Price Chart



B: Buy, N: Neutral, U: Underperform, PO: Price Objective, NA: No longer valid, NR: No Rating

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## Equity Investment Rating Distribution: Non-Ferrous Metals/Mining & Minerals Group (as of 31 Mar 2016)

Coverage Universe	Count	Percent	Inv. Banking Relationships*	Count	Percent
Buy	31	27.93%	Buy	22	70.97%
Hold	32	28.83%	Hold	24	75.00%
Sell	48	43.24%	Sell	22	45.83%

## Equity Investment Rating Distribution: Global Group (as of 31 Mar 2016)

Coverage Universe	Count	Percent	Inv. Banking Relationships*	Count	Percent
Buy	1602	49.61%	Buy	1195	74.59%
Hold	754	23.35%	Hold	563	74.67%
Sell	873	27.04%	Sell	552	63.23%

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