



## Kenadyr Mining Corporation (KEN-V, \$0.84)

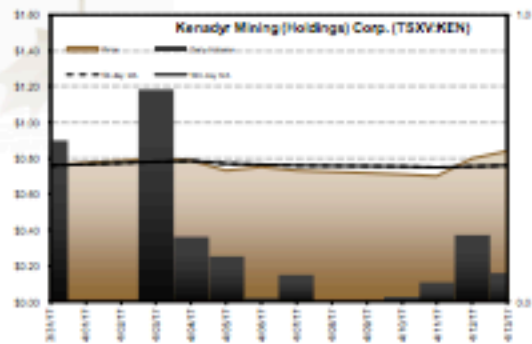
**Company Description:** Kenadyr Mining Corporation is involved in the exploration of the historical Borubai gold project located in the Kyrgyz Republic in Central Asia. Kenadyr Mining holds a 100% interest in the 164 km<sup>2</sup> Borubai Exploration Licence, which encircles Zijin's Taldybulak Levoberejnyi mine (TBL Mine), a recently built and producing mine containing 3.2 Moz in reserves and resources grading 7.2 g/t. We note that Zijin has been active in investing in a number of projects, including a 50% interest in Barrick's (ABX-T, Buy Rating, \$38.50 Target Price) Porgera mine for US\$298 million and Ivanhoe's (IVN-T, not rated) Kamo a copper project for US\$412 million. The Company listed on the Toronto Venture Exchange in March and currently has \$8.5 million in cash and no debt.

### Project #1: Borubai Gold Project, Kyrgyz Republic

- **Ownership:** 100%.
- **Exploration Target:** The Borubai gold project is proximal to Zijin's TBL mine. Of particular interest is the South Zone, which has an unclassified Soviet-era resource of 900,000 ounces grading 8.3 g/t gold (based on 24 holes) and extends along the southern border of Zijin's TBL licence. Kenadyr has a complete database from 410 drill holes, which includes drilling from the TBL deposit. Of these holes, 139 (81,000 metres) were drilled in the Borubai licence. A large coincident gold geochemical anomaly and IP anomaly to the Northwest of the historical resource remains untested. According to the Company, Soviet era drilling experienced low core recoveries; mineralization is associated with soft (clay) mineralized material, which likely was lost during drilling. Kenadyr suggests that there may be significant upside in terms of grade owing to this core loss. Gold mineralization at Borubi is described as structurally controlled (within shear zones); intrusive-related with quartz-sericite-tourmaline-pyrite-gold veining/ mineralization. The project area lies 100 kilometres away along a major highway from Biskkek, the capital of the Kyrgyz Republic. Two high-voltage power lines run through the property, which is also situated at low altitudes, providing easy year-round access.
- **Historical Work:** Borubai has been the subject of extensive historical exploration, including drilling (98,200 metres in 184 diamond-drill holes), trenching (13,800 cumulative metres), bulldozer cuts (33,400 cumulative metres), geologic mapping at 1:25,000 and 1:50,000 scales, ridge, spur, and grid soil geochemistry (14,200 samples), rock geochemical sampling (2,320 samples), pan concentrate sampling (790 samples), 100 metres of adits, and 184 metres of underground raises. Additionally, the entire area has been subject to airborne magnetic, radiometric, and gravity surveys, as well as ground-based resistivity and induced polarization surveys.
- **2017 Work Program:** The Company has outlined a \$3.9 million drill program in 2017. Initially, drilling will focus on twinning several holes from the South Zone for comparison with historical assay results. The twinning will involve 900 metres of diamond and 400 metres of RC drilling. After October, the program will depend on these results, plus trenching/channel sampling and soil geochemistry.
- **Resources/Reserves (100% basis):** N/A

### Financial Position:

- **Cash:** \$8.5 million.
- **Last Financing:** Private Placement: \$11.5 million at \$0.35 per share (no warrants).



Source: Capital IQ and Haywood Securities

Kenadyr Mining (Holdings) Corp. TSXV:KEN	
Shares I/O (M)	79.9
Shares F/D (M)	84.5
Market Cap (C\$M)	67.1
52 Week High/Low	\$1.00 / \$0.69
3 Month Performance	100.0%
Current Cash Est. (C\$M)	8.50
Debt	0.00
Enterprise Value (C\$M)	58.6
Estimated Burn (2017) (C\$M)	4.0
Company CEO	Alexander Becker
Reserve / Resource (attrib)	
	Grade (g/t) In Situ
Gold	2.3-4.7 6.00 Moz
EV / oz Au (US\$)	\$7
Peer Average EV / oz Au (US\$)	\$50
Catalysts	
<ul style="list-style-type: none"> <li>• Results from 2017 drill program H2/2017</li> <li>• Trenching/channel sampling and soil geochemistry results H2/2017</li> </ul>	