

## PILBARA MINERALS LTD (PLS)

### All systems go

Pilbara Minerals Ltd has released the DFS for the 2Mtpa spodumene mine and a PFS for an expansion to 4Mtpa. The Company anticipates it will commence construction later this year, with first spodumene concentrate deliveries by December 2017. Overall, the main drivers of capex, mine life, and recoveries are in-line or better than our modelling, however operating costs pre-credits seem higher.

### 2Mtpa start-up (DFS level)

The DFS has increased mine life at 2Mtpa to 36yrs (we had assumed 20yrs in our model). Capex is now \$214m (we had assumed \$206m). Spodumene sales are now 314ktpa (we expected 335ktpa) at US\$537/t (we assume US\$637/t). Tantalite sales are 321klbpa (which equates to ~A\$100/t cost credit). The Company has completed significant metallurgical work to improve the recoveries for the tantalite. However, it has also assumed a higher selling price of US\$73/t (we assumed US\$60/t). We are far more conservative on tantalite, concerned mainly that it could become a very oversupplied market if it is a by-product of new and/or expanding high margin spodumene mines. Hence, our credit is only A\$50/t.

### 4Mtpa expansion (PFS level)

The Company estimates that it could almost double spodumene production to ~564ktpa via additional capex of A\$128M to expand the backend of the plant (the start-up will already install 4Mtpa of crushing capability). In our model, we don't assume the expansion occurs (we will wait for the offtakes for the 2Mtpa operation to be confirmed). However, un-risked, the expansion could be worth almost as much as our base NPV. We attribute \$550m of exploration value, value for the expansion case and potential for downstream value.

### Offtake discussions continuing

The Company recently announced that it has re-submitted the terms of the General Lithium offtake to MIN.asx. Subsequently, it has received a notice from MIN.asx alleging that the Company's sale notice does not comply with the Agreement. PLS disagrees with MIN.asx's assertion. The dispute may be able to be resolved via the agreement, but it seems there is a possibility of proceeding through courts at some point. This could delay finalisation of the offtake, but optimistically we assume it will not delay financing. Note, the Company has also said that it is close to signing another offtake that could include a pre-payment, and if this a simpler agreement we hope it could progress quickly through the first right approval process.

### Retain Buy

We retain our Buy recommendation. On our estimates, which are more conservative on capex and tantalite sales but aggressive on spodumene prices, PLS trades on 4.4x 'year one' EBITDA. Note, on spot prices (we assume US\$750/t), our multiple estimate falls to 3.8x 'year one' EBITDA. Key risks are final spodumene selling prices.

We have increased our price target to \$1.01 (from 92cps).

Share Price	\$0.545
Valuation	\$1.02
Price Target (12 month)	\$1.01

#### Brief Business Description:

Very large spodumene development in WA

#### Hartleys Brief Investment Conclusion

Very large deposit that looks highly economic.

#### Chairman & MD

Tony Kiernan (Non-exec Chair.)

Ken Brinsden (MD)

#### Major Shareholders

Regal Fund (5.0% ord, 4.4% dil.)

General Lithium (0.0% ord, 4.5% dil.)

#### Company Address

130 Stirling Hwy,  
North Fremantle, WA, 6159

#### Issued Capital

	1150.4m
- fully diluted	1299.5m

#### Market Cap

	A\$626.9m
- fully diluted	A\$708.2m

#### Cash (31 Aug 16a)

	A\$96.0m
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#### Debt (30 Jun 16a)

	A\$0.0m
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#### EV

	A\$530.9m
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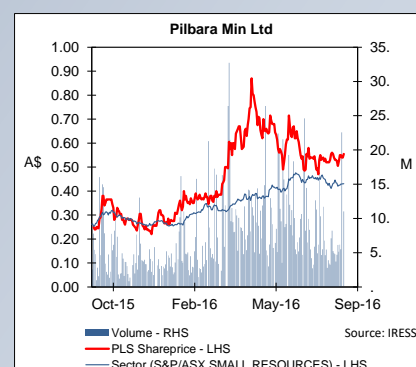
#### EV/Resource Spod.

	A\$20.2/t
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#### EV/Reserve Spod.

	A\$36.2/t
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	Prelim. (A\$m)	FY19e	FY20e	FY21e
Prod (Li Spod. eq)	0.350	0.353	0.355	
Op Cash Flw	156.9	147.4	115.9	
Norm NPAT	157.3	125.0	93.8	
CF/Share (cps)	12.4	9.7	7.2	
EPS (cps)	16.6	12.7	9.4	
P/E	4.4	5.6	7.5	
	Mt	LizO	Spod.	
Resources (Li:O)	128.6	1.23%	26.3	
Reserve (Li:O)	69.8	1.26%	14.7	



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Hartleys has assisted in the completion of part of a capital raising in the past 12 months for Pilbara Mines Limited.

Pilbara Min Ltd PLS						Share Price \$0.545		20 September 2016 Buy					
<b>Key Market Information</b>						<b>Company Information</b>							
Share Price						Company Information							
Market Capitalisation - ordinary						Tony Kiernan (Non-exec Chair.)							
Net cash						Ken Brinsden (MD)							
Market Capitalisation - fully diluted						Neil Biddle (Non-exec)							
EV						Robert Adamson (Non-exec)							
Issued Capital						John Young (Non-exec., Technical)							
						Brian Lynn (CFO)							
Options (inc General Lithium placement)						<a href="http://www.pilbaraminerals.com.au">www.pilbaraminerals.com.au</a>							
Issued Capital (diluted for options)													
Issued Capital (diluted inc. options and new capital)													
12month price target													
<b>P&amp;L</b>						<b>Reserves &amp; Resources</b>							
	Unit	30 Jun 17	30 Jun 18	30 Jun 19	30 Jun 20	30 Jun 21		Mt	Li %	Ta:O <sub>2</sub>			
Net Revenue	A\$m	0.0	239.1	374.2	324.0	275.9	Pilgangoora	M+I	83.6	1.27%	135		
Total Costs	A\$m	-2.4	-85.7	-136.8	-133.5	-130.4	Pilgangoora	Inf	45.0	1.15%	144		
EBITDA	A\$m	-2.4	153.4	237.4	190.5	145.5	Pilgangoora	<b>Total</b>	<b>128.6</b>	<b>1.23%</b>	<b>138</b>		
- margin		-	64%	63%	59%	53%	Pilgangoora	Reserve	69.8	1.26%	132		
Depreciation/Amort	A\$m	-9.0	-14.7	-16.1	-16.2	-16.2	<b>Global</b>	<b>Total</b>	<b>128.6</b>	<b>1.23%</b>	<b>138</b>		
EBIT	A\$m	-11.4	138.7	221.3	174.4	129.3	<b>Global</b>	<b>Reserve</b>	<b>69.8</b>	<b>1.26%</b>	<b>132</b>		
Net Interest	A\$m	-2.7	-5.0	-2.8	-0.7	1.0	<b>Production Summary</b>						
Pre-Tax Profit	A\$m	-14.1	133.7	218.5	173.6	130.3		Unit	Jun 17	Jun 18	Jun 19	Jun 20	Jun 21
Tax Expense	A\$m	0.0	-11.8	-61.2	-48.6	-36.5	Processed Mill Throughput	Mt		1.25	2.00	2.00	2.00
Normalised NPAT	A\$m	-14.1	121.9	157.3	125.0	93.8	Mined grade Li	%			1.3%	1.3%	1.3%
Abnormal Items	A\$m	0.0	0.0	0.0	0.0	0.0	Produced Spodumene - Technical	Mt		0.000	0.000	0.000	0.000
Reported Profit	A\$m	-14.1	121.9	157.3	125.0	93.8	Produced Spodumene - Battery	Mt		0.209	0.335	0.335	0.335
Minority	A\$m	0.0	0.0	0.0	0.0	0.0	Produced Tantalite	Mlb pa		0.125	0.201	0.201	0.201
Profit Attrib	A\$m	-14.1	121.9	157.3	125.0	93.8	Produced Spodumene - Battery Eq	Mt		0.219	0.350	0.353	0.355
<b>Balance Sheet</b>						<b>Costs</b>							
	Unit	30 Jun 17	30 Jun 18	30 Jun 19	30 Jun 20	30 Jun 21		Unit	Jun 17	Jun 18	Jun 19	Jun 20	Jun 21
Cash	A\$m	15.7	41.7	168.2	295.2	390.7	Cost per milled tonne	\$A/t	51.0	50.2	50.2	50.2	50.2
Other Current Assets	A\$m	0.2	29.6	46.3	40.1	34.2	EBITDA / tonne milled ore	\$A/t	122.7	118.7	95.3	72.7	
Total Current Assets	A\$m	15.9	71.3	214.5	335.3	424.9	Total cost per milled tonne		68.5	68.4	66.7	65.2	
Property, Plant & Equip.	A\$m	167.0	203.3	187.2	171.0	154.8	Total Cash Costs	\$A/t Spod. Batt. eq	391.3	390.7	378.7	367.3	
Exploration	A\$m	20.4	20.8	21.2	21.6	22.0	C1: Operating Cash Cost = (a)	\$A/t Spod. Batt. eq	291.4	287.0	284.9	282.9	
Investments/other	A\$m	1.2	1.2	1.2	1.2	1.2	(a) + Royalty = (b)	\$A/t Spod. Batt. eq	369.7	363.7	350.5	337.9	
Tot Non-Curr. Assets	A\$m	188.7	225.3	209.6	193.8	178.0	C2: (a) + depreciation & amortisation = (c)	\$A/t Spod. Batt. eq	358.7	333.1	330.8	328.5	
Total Assets	A\$m	204.5	296.7	424.1	529.1	602.9	(a) + actual cash for development = (d)	\$A/t Spod. Batt. eq	526.2	288.1	286.1	284.1	
Short Term Borrowings	A\$m	-	-	-	-	-	AISC: (c) + Royalty	\$A/t Spod. Batt. eq	437.0	409.8	396.4	383.5	
Other	A\$m	0.1	0.3	0.4	0.4	0.4	(d) + Royalty	\$A/t Spod. Batt. eq	604.5	364.9	351.6	339.0	
Total Curr. Liabilities	A\$m	0.1	0.3	0.4	0.4	0.4	<b>Price Assumptions</b>						
Long Term Borrowings	A\$m	100.0	70.0	40.0	20.0	-		Unit	Jun 17	Jun 18	Jun 19	Jun 20	Jun 21
Other	A\$m	-	-	-	-	-	AUDUSD	US\$/A\$	0.72	0.72	0.75	0.76	0.77
Total Non-Curr. Liabil.	A\$m	100.0	70.0	40.0	20.0	-	Spodumene - Chemical (ie Battery)	US\$/t	675	775	800	700	600
Total Liabilities	A\$m	100.1	70.3	40.4	20.4	0.4	Tantalite	US\$/t	60	60	60	60	60
Net Assets	A\$m	104.4	226.4	383.7	508.7	602.5	<b>Hedging</b>						
Net Debt	A\$m	84.3	28.3	-128.2	-275.2	-390.7		Unit	Jun 17	Jun 18	Jun 19	Jun 20	Jun 21
<b>Cashflow</b>						<b>Sensitivity Analysis</b>							
	Unit	30 Jun 17	30 Jun 18	30 Jun 19	30 Jun 20	30 Jun 21							
Operating Cashflow	A\$m	-2.4	124.2	220.9	196.7	151.4	<b>Valuation</b>						
Income Tax Paid	A\$m	0.0	-11.8	-61.2	-48.6	-36.5	<b>Base Case</b>						
Interest & Other	A\$m	-2.7	-5.0	-2.8	-0.7	1.0	Spot Prices						
Operating Activities	A\$m	-5.1	107.4	156.9	147.4	115.9	1.31 (28.6%)						
Property, Plant & Equip.	A\$m	-177.0	-51.0	0.0	0.0	0.0	Spot USD/AUD 0.75, Chemical Spod \$750/t, Tant. \$60/lb.						
Exploration and Devel.	A\$m	-0.4	-0.4	-0.4	-0.4	-0.4	AUDUSD +/-10%						
Other	A\$m	0.0	0.0	0.0	0.0	0.0	0.87 / 1.20 (-14.7% / 18.0%)						
Investment Activities	A\$m	-177.4	-51.4	-0.4	-0.4	-0.4	76.8 / 114.5 (-18.1% / 22.1%)						
Borrowings	A\$m	100.0	-30.0	-30.0	-20.0	-20.0	Spodumene - Technical +/-10%						
Equity or "tbc capital"	A\$m	0.0	0.0	0.0	0.0	0.0	1.02 / 1.02 (0.0% / 0.0%)						
Dividends Paid	A\$m	0.0	0.0	0.0	0.0	0.0	93.8 / 93.8 (0.0% / 0.0%)						
Financing Activities	A\$m	100.0	-30.0	-30.0	-20.0	-20.0	Spodumene - Chemical +/-10%						
Net Cashflow	A\$m	-82.5	26.0	126.5	127.0	95.5	1.17 / 0.86 (15.3% / -15.3%)						
<b>Shares</b>						<b>Unpaid Capital</b>							
	Unit	30 Jun 17	30 Jun 18	30 Jun 19	30 Jun 20	30 Jun 21							
Ordinary Shares - End	m	1211.1	1252.7	1284.2	1297.2	1297.2	Year Expires						
Ordinary Shares - W'ted	m	1179.6	1231.9	1268.4	1290.7	1297.2	No. (m)						
Diluted Shares - W'ted	m	1297.2	1297.2	1297.2	1297.2	1297.2	\$m						
<b>Ratio Analysis</b>						<b>Valuation</b>							
	Unit	30 Jun 17	30 Jun 18	30 Jun 19	30 Jun 20	30 Jun 21							
Cashflow Per Share	A\$ cps	-0.4	8.7	12.4	11.4	8.9	100% Pilgangoora (pre-tax NAV at disc. rate of 12%)						
Cashflow Multiple	x	-126.0	6.3	4.4	4.8	6.1	\$m						
Earnings Per Share	A\$ cps	-1.2	9.9	12.4	9.7	7.2	\$/shr						
Price to Earnings Ratio	x	-45.6	5.5	4.4	5.6	7.5	1089						
Dividends Per Share	AUD	-	-	-	-	-	516						
Dividend Yield	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.00						
Net Debt / Net Debt + Equity %		45%	11%	-50%	-118%	-184%	-73						
Interest Cover	X	na	27.9	78.5	236.3	na	96						
Return on Equity	%	na	54%	41%	25%	16%	-0.06						
Analyst: Trent Barnett						20 Sep 16							
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"tbc capital" could be equity or debt. Our valuation is risk-adjusted for how this may be obtained.													
Sources: IRESS, Company Information, Hartleys Research													

Fig. 1: Hartleys model changes

	Hartleys (base)	Hartleys (previous)	Difference
Mining inventory	71.75Mt	40Mt	79.4%
- grade Li2O	1.22%	1.34%	-8.8%
- grade Ta2O5	130	130	0.0%
Potential Mining inventory	71.75	40	79.4%
- grade Li2O	1.22%	1.34%	-8.8%
- grade Ta2O5	130	130	0.0%
Mine Life (yrs)	36.0yrs	20.0yrs	80.0%
Capex - Total	A\$229.8m	A\$205.8m	11.7%
Mined Ore + Waste (mt pa)	10.4mt pa	9.5mt pa	9.3%
Waste (mt pa)	8.4mt pa	7.5mt pa	11.7%
Strip Ratio (x)	4.2x	3.8x	11.7%
- first five years	2.9x	2.9x	0.0%
Mill Feed (mt pa)	2.0mt pa	2.0mt pa	0.0%
Spodumene Recoveries	75.0%	75.0%	0.0%
Tantalite Recoveries	35.0%	15.0%	133.3%
Spodumene Sold	304.3ktpa	334.7ktpa	-9.1%
- LCE (0.135x)	41.1ktpa	45.2ktpa	-9.1%
Tantalite Sold	200klb pa	86klb pa	132.5%
Construction date	Dec-16	Dec-16	0.0%
Commissioning date	Dec-17	Dec-17	0.0%
Revenue (US\$) - LOM	US\$7,144m	US\$4,266m	67.4%
- tantalite	US\$432m	US\$103m	318.5%
Costs (US\$) - LOM	-US\$3,342m	-US\$1,864m	79.3%
- / tonne	-US\$ 305 /t	-US\$ 278 /t	9.6%
EBITDA (US\$) - LOM	US\$3,802m	US\$2,402m	58.3%
EBITDA - A\$ pa	A\$136.2m pa	A\$155.5m pa	-12.4%
- first 5 years	A\$192.m pa	A\$189.1m pa	1.5%
EV/EBITDA (year 1)	4.4x	4.3x	1.4%
EV/EBITDA (lom)	6.2x	5.3x	17.5%

Source: PLS

Fig. 2: Pilgangoora study and Hartleys assumptions

	PFS (10 March 2016)	DFS (20 Sep 2016)	Change	Hartleys (base)	Difference	Hartleys (spot)	Hartleys (spot versus base)	
Mining inventory	29.5Mt	69.8Mt	136.6%	71.75Mt	2.8%			
- grade Li2O	1.31%	1.26%	-3.8%	1.22%	-3.1%			
- grade Ta2O5	134	132	-1.5%	130	-1.5%			
Potential Mining inventory	53.9	69.8Mt	29.5%	71.75	2.8%			
- grade Li2O	1.29%	1.26%	-2.3%	1.22%	-3.1%			
- grade Ta2O5	128	132	3.1%	130	-1.5%			
Mine Life (yrs)	15.0yrs	36.0yrs	140.0%	36.0yrs	0.0%			
Capex - Total	A\$184m	A\$214m	16.3%	A\$229.8m	7.4%			
Mined Ore + Waste (mt pa)	9.0mt pa	10.1mt pa	12.7%	10.4mt pa	2.4%			
Waste (mt pa)	7.0mt pa	8.1mt pa	16.3%	8.4mt pa	3.0%			
Strip Ratio (x)	3.5x	4.1x	16.3%	4.2x	3.0%			
- first five years	2.9x			2.9x				
Mill Feed (mt pa)	2.0mt pa	2.0mt pa	0.0%	2.0mt pa	0.0%			
Spodumene Recoveries	76.7%	77.5%	1.0%	75.0%	-3.2%			
Tantalite Recoveries	47.0%	60.0%	27.7%	35.0%	-41.7%			
Spudumene Sold	330.0ktpa	314.0ktpa	-4.8%	304.3ktpa	-3.1%			
- LCE (0.135x)	44.6ktpa	42.4ktpa	-4.8%	41.1ktpa	-3.1%			
Tantalite Sold	274klb pa	321klb pa	17.2%	200klb pa	-37.7%			
Construction date	Dec-16	Dec-16	0.0%	Dec-16	0.0%			
Commisioning date	Dec-17	Dec-17	0.0%	Dec-17	0.0%			
Revenue (US\$) - LOM	US\$2,257m	US\$6,071m	168.9%	US\$7,144m	17.7%	US\$8,647m	21.0%	
- tantalite	US\$245m	US\$848m	246.0%	US\$432m	-49.1%	US\$432m	0.0%	
Costs (US\$) - LOM	-US\$1,099m	-US\$2,804m	155.2%	-US\$3,342m	19.2%	-US\$3,373m	0.9%	
- / tonne	-US\$ 222 /t	-US\$ 248 /t	11.8%	-US\$ 305 /t	23.0%	-US\$ 308 /t	0.9%	
EBITDA (US\$) - LOM	US\$1,159m	US\$3,267m	181.9%	US\$3,802m	16.4%	US\$5,273m	38.7%	
EBITDA - A\$ pa	A\$103m pa	A\$121.0m pa	17.5%	A\$136.2m pa	12.5%	A\$194.m pa	42.5%	
- first 5 years	A\$120m pa	A\$136m pa	13.3%	A\$192.m pa	41.2%	A\$218.7m pa	13.9%	
EV/EBITDA (year 1)	6.6x	6.1x	-8.4%	4.4x	-27.8%	3.8x	-12.2%	
EV/EBITDA (lom)	7.7x	6.8x	-11.7%	6.2x	-9.4%	4.3x	-29.8%	
Life of mine avg selling price (Spodumene)	US\$ cfr	US\$ 456 /t	US\$ 537 /t	17.8%	US\$ 652 /t	21.4%	US\$ 789 /t	21.1%
Life of mine avg selling price (Tantalite)	US\$ fob	US\$ 60 /t	US\$ 73 /t	21.7%	US\$ 60 /t	-17.8%	US\$ 60 /t	0.0%

Source: Hartleys

Fig. 3: Pilgangoora expansion potential

<b>Summary of Key Parameters from PFS Financial Model</b>			
<b>Metric</b>	<b>Unit</b>	<b>2Mtpa</b>	<b>4Mtpa</b>
Life of Mine (LOM)	Years	36	19
LOM Ore Mined	Mt	69.8	69.8
LOM Waste Mined	Mt	284.3	284.3
LOM Strip Ratio	(waste:ore)	4.07	4.07
Plant Feed Rate	Mtpa	2.0	4.0
Average Lithium Head Grade	%	1.26	1.26
Average Lithium Recovery	%	77.5	77.5
Average Spodumene Concentrate Production	ktpa	314	564
Average Tantalite Production	k lbs pa	321	579
Average Realised Lithium Price	US\$/t CFR Real	537	539
Average Tantalite Forecast Price	US\$/lb FOB Real	73.0	66.2
Forecast FX Rate	AUD:USD	0.75	0.75
Initial Capital Costs <sup>2</sup> (incl. 20% contingency for incremental capital)	A\$M	214	342
Ave LOM Cash Operating Cost <sup>1</sup>	A\$/t product Real	276 (US\$207)	240 (US\$180)
Ave LOM Operating Cost <sup>1</sup> adj. for all royalty and native title costs	A\$/t product Real	344 (US\$258)	307 (US\$230)
Average Annual EBITDA (Real \$)	A\$M	121	245
NPV (10% Discount Rate, Post Tax)	A\$M	709	1,165
IRR	%	38.1	46.3
Payback	Years	~2.72	~3.05

1. Cash operating costs include all mining, processing, transport, port, shipping/freight, site based general and administration costs, and an allocation of corporate administration/overhead costs, are net of Ta<sub>2</sub>O<sub>5</sub> by-product credits, but exclude state and private royalties and native title costs.
2. Pre production capital costs exclude capitalised pre-production operating costs estimated to be \$10M.

Source: Hartleys

**Fig. 4: Key Assumptions and Risks for valuation**

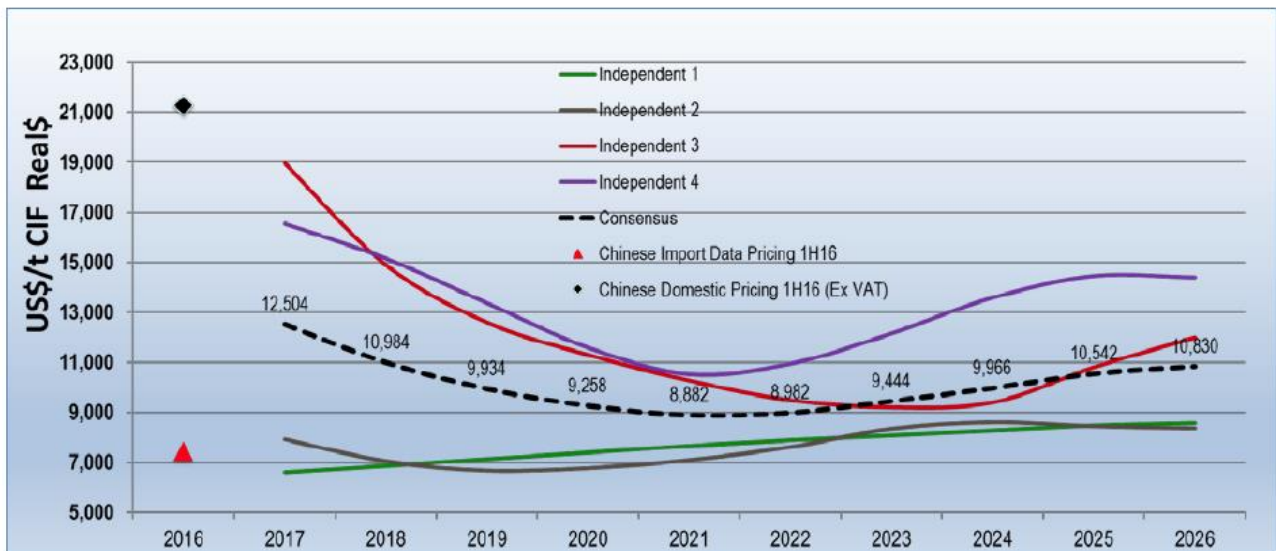
Assumption	Risk of not realising assumption	Downside risk to valuation if assumption is incorrect	Comment
~36 year mine life	Low	Meaningful upside	This appears reasonable based on current resources
2mtpa processing	Upside/downside	Moderate	We assume throughput in line with the DFS.
Capex slightly higher than DFS	Low	Upside / downside	We assume capex slightly higher than the DFS
Debt funding	Low	Upside / downside	We assume the project can have meaningful debt funding
Tantalite recoveries far lower than DFS	Low	Upside	We assume low recoveries in order to be conservative
Speculative value for expansion to 4Mtpa	Low	Upside	We do not model the expansion to 4mtpa explicitly, but do include some meaningful, albeit risked, value.
No value for downstream opportunities	Low	Upside	We assume no explicit value for potential downstream opportunities.
Exploration value	Moderate	Low	We assume modest exploration value.

*Conclusion*

*Spodumene selling prices are the most significant risk, and adjacent to this is signing the offtakes for product. Commissioning and financing are also risks to our valuation.*

Source: Hartleys

**Fig. 5: Company assumed LCE prices**



**Figure 6: Lithium Carbonate Price Forecast – Consensus Model**

Source: PLS

Fig. 6: Company assumed LCE prices

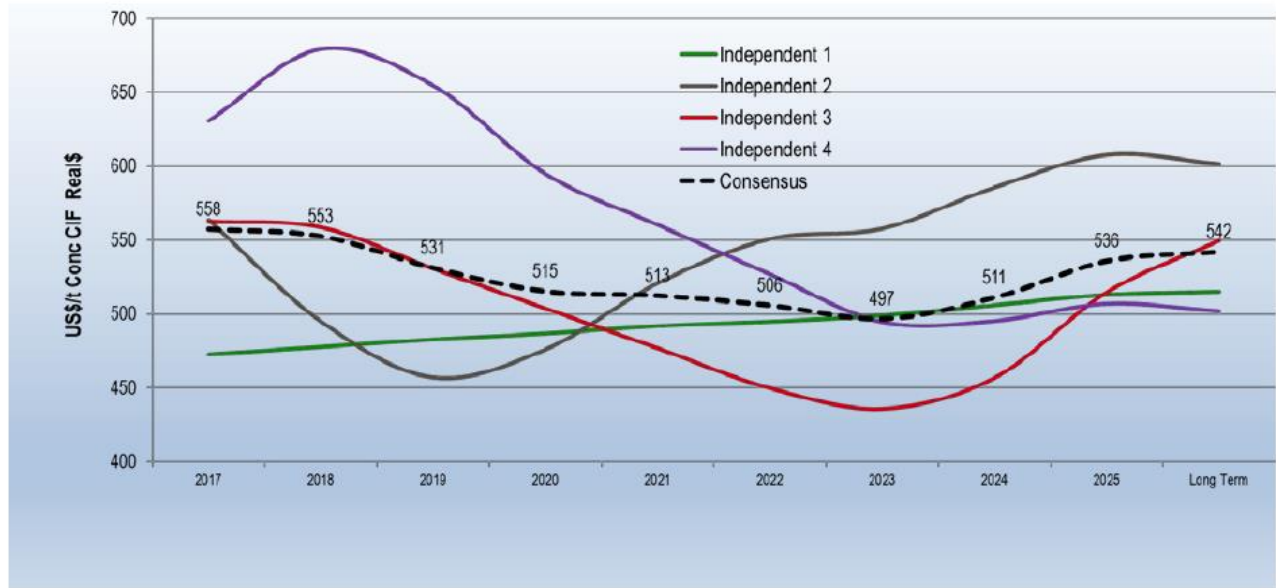
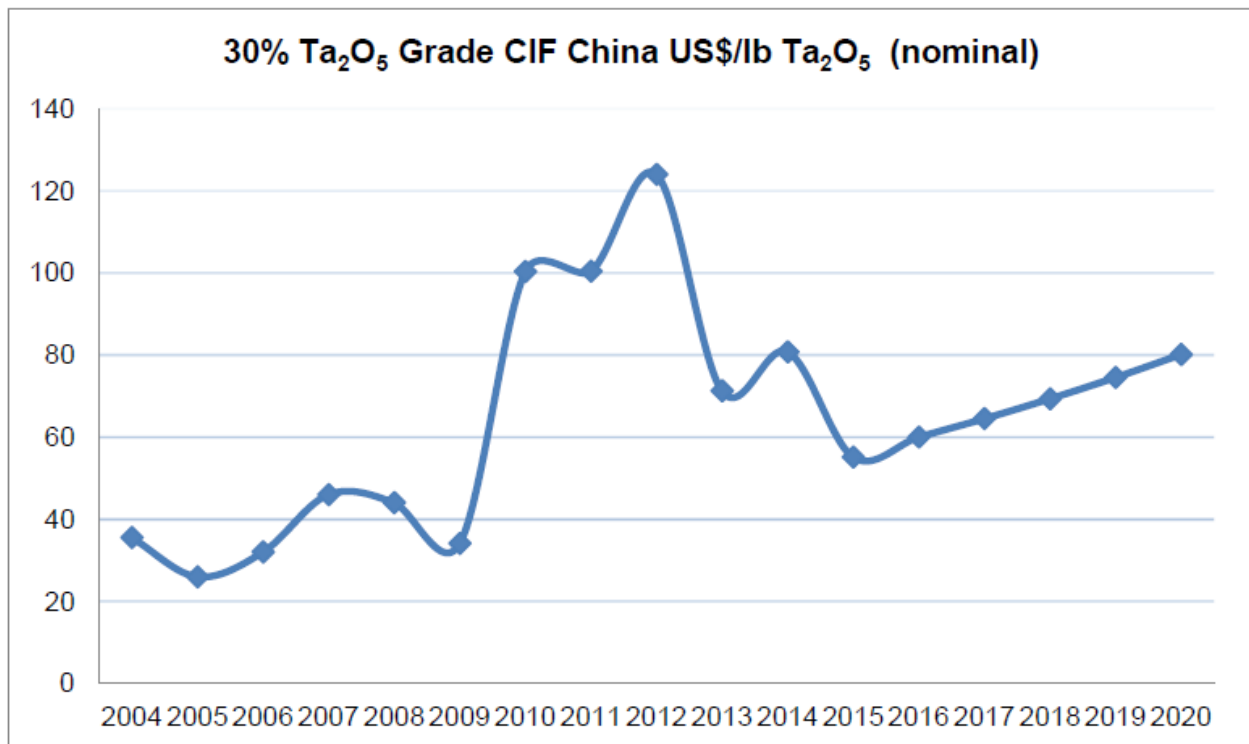


Figure 7: SC6.0 Spodumene Concentrate Price forecast – Consensus Model

Source: PLS

Fig. 7: Company assumed LCE prices



Ref: Roskill Forecast 2016 to 2020 and Asianmetal year end prices to 2015

Figure 9: Historic and Forecast tantalum prices, 2004 to 2020 for 30% Ta<sub>2</sub>O<sub>5</sub> grade CIF China US\$/lb CIF

Source: PLS

## PRICE TARGET

We have increased our price target to \$1.01 (from 92cps).

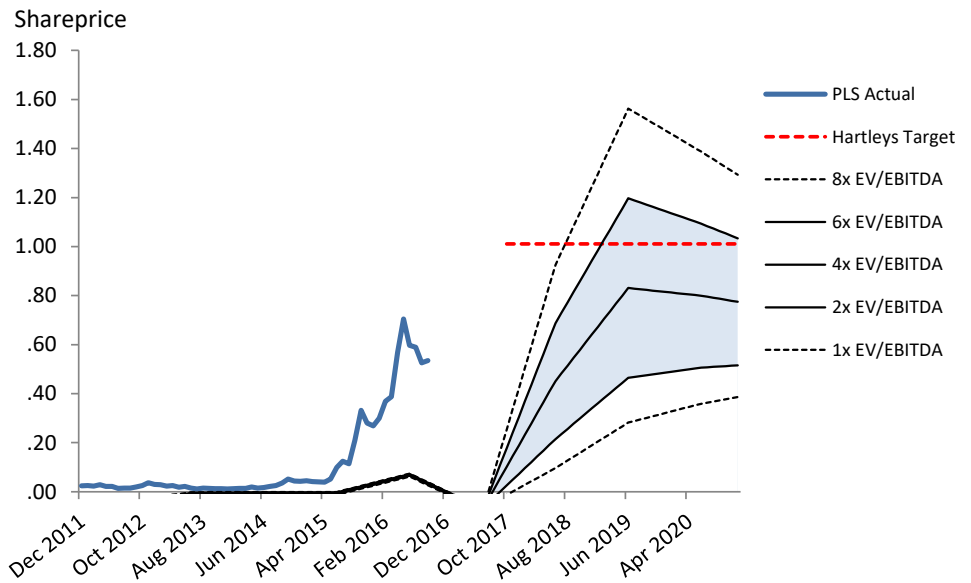
Price Target Methodology	Weighting	Spot	12 mth out
NPV base case	50%	\$1.02	\$1.12
NPV at spot commodity and fx prices	30%	\$1.31	\$1.44
Net cash	20%	\$0.08	\$0.08
<b>Risk weighted composite</b>		<b>\$0.92</b>	
<b>12 Months Price Target</b>		<b>\$1.01</b>	
Shareprice - Last		\$0.545	
<b>12 mth total return (% to 12mth target + dividend)</b>		<b>86%</b>	

Source: Hartleys Estimate



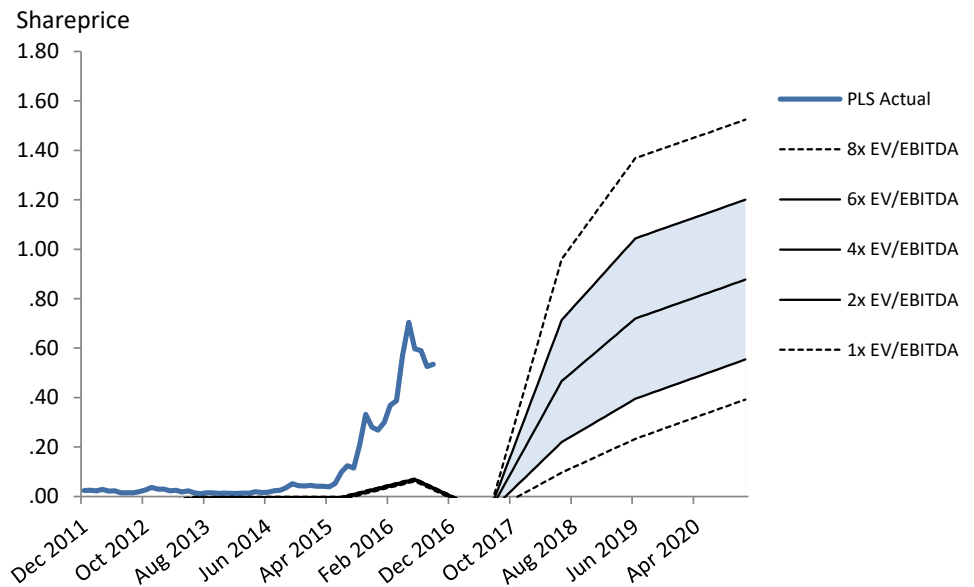
## EV/EBITDA BANDS

**Fig. 8:** *Using Hartleys base case commodity forecasts*



Source: Hartleys Estimates, IRESS

**Fig. 9:** *Using spot commodity prices*



Source: Hartleys Estimates

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## Hartleys Recommendation Categories

Buy	Share price appreciation anticipated.
Accumulate	Share price appreciation anticipated but the risk/reward is not as attractive as a "Buy". Alternatively, for the share price to rise it may be contingent on the outcome of an uncertain or distant event. Analyst will often indicate a price level at which it may become a "Buy".
Neutral	Take no action. Upside & downside risk/reward is evenly balanced.
Reduce / Take profits	It is anticipated to be unlikely that there will be gains over the investment time horizon but there is a possibility of some price weakness over that period.
Sell	Significant price depreciation anticipated.
No Rating	No recommendation.
Speculative Buy	Share price could be volatile. While it is anticipated that, on a risk/reward basis, an investment is attractive, there is at least one identifiable risk that has a meaningful possibility of occurring, which, if it did occur, could lead to significant share price reduction. Consequently, the investment is considered high risk.

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Hartleys has assisted in the completion of part of a capital raising in the past 12 months for Pilbara Mines Limited.

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