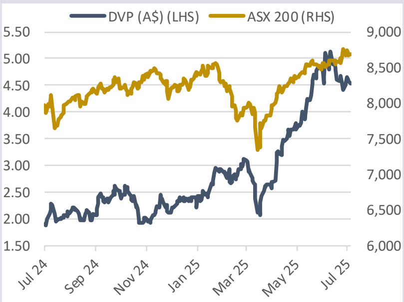
BUY

Current Price	A$4.50
Price Target	A$6.00
TSR	33%

Ticker			DVP ASX
Sector:			Metals & Mining
Shares on issue (m)			328
Market Cap (A$m)			1,478
Net cash (debt) (A$m)			(11)
Enterprise Value (A$m)			1,488
52 Week High			5.13
52 Week Low			1.88
ADTO (A$m)			1.6
Key Metrics	**FY25E**	**FY26E**	**FY27E**
P/E (x)	nm	14.6	10.0
EV/Ebit (x)	nm	8.7	6.7
EV/Ebitda (x)	nm	6.1	5.0
FCF yield (%)	(5.1%)	4.6%	(10.0%)
Dividend yield (%)	0.0%	0.0%	0.0%
Financial Summary	**FY25E**	**FY26E**	**FY27E**
Revenue (A$m)	212	527	645
Ebitda (A$m)	29	210	284
Ebit (A$m)	(1)	148	215
Earnings (A$m)	(6)	101	148
Op cash flow (A$m)	24	188	223
Capex (A$m)	(73)	(116)	(337)
Free CF (A$m)	(75)	68	(148)
Debt (cash) (A$m)	48	(193)	(42)
Gearing (%)	14%	(46%)	(6%)
Production			
Copper (kt)	1.1	8.4	10.1
Zinc (kt)	2.3	25.4	38.3
Lead (kt)	0.5	5.8	7.0
Gold (koz)	0.8	4.9	5.9
Silver (koz)	68.4	590.6	712.1

Share price performance vs ASX 200



Source: Bloomberg, Argonaut, July 2025

Please refer to important disclosures from page 6

Monday, 28 July 2025

Develop Global (DVP)

Woodlawn delivers maiden result

Analyst | Hayden Bairstow

Quick Read

DVP's Woodlawn mine has reported its maiden production result, with metal contained in concentrates marginally lower than we had expected but within normal tolerance levels as the mine is in the early phase of the ramp up. We expected Woodlawn to report a material lift in production in the next six months, and the progress of the ramp up presents a key catalyst for DVP. Mining Services revenue was also marginally lower than we had expected, but in line with the previous period as operations at the Bellevue Gold mine have started to stabilise. The completion of the A$180m capital raising has enabled DVP to accelerate the development of Sulphur Springs, with an updated definitive feasibility study due by the end of the year. We have made only minor adjustments to our forecasts for DVP after incorporating the 4QFY25 result and reiterate our BUY rating and A$6.00 price target.

Key points

Maiden production result from Woodlawn: DVP has reported its maiden production result from Woodlawn, with the mine still in the early phase of ramp up. Total concentrate production was 12.7kt, containing 969t of copper, 2,340t of zinc, 545t of lead, 68koz of silver and 0.8koz of gold. The reported metal contained was produced in three separate concentrates, copper, zinc and lead. Metal production was marginally lower than we had expected, but within tolerance levels given the early phase of the ramp up.

Mining Services revenue marginally weaker than we expected: Mining Services revenue for the 4QFY25 of A$51m was 7% lower than we had expected but broadly in line with the previous period. We note that the Mining Services revenue was sourced from the underground contract with Bellevue Gold (BGL AU, BUY, A$1.35 Price Target).

Early works at Sulphur Springs underway: Substantial earthworks at Sulphur Springs commenced during the 4QFY25 and DVP has accelerated the timeline for the project, with decline development commencing in the current quarter. Early engineering works for the process plant are also now underway. DVP plans to release an updated Definitive Feasibility Study (DFS) for Sulphur Springs by the end of the year.

Valuation & recommendation

We keep our A$6.00 price target unchanged after incorporating the 4QFY25 result. Our price target is derived from a 50/50 weighting between our NPV calculated using Argonaut commodity price forecasts and current spot prices. Progress on the ramp up at Woodlawn and the release of the Sulphur Springs definitive feasibility study present key near-term catalysts for DVP. A continued recovery in spodumene prices could see additional value ascribed to DVP's Pioneer Dome asset.

Figure 1 - Earnings and valuation summary

Develop Global Limited

ASX: DVP	Share price (A$)	A$4.50
	Market Cap (A$m)	1,478
Analyst: Hayden Bairstow	Shares (m)	328
www.argonaut.com		

Recommendation	**BUY**
Price Target (A$)	A$6.00
TSR (%)	33%

Key metrics	FY24	FY25E	FY26E	FY27E	FY28E	FY29E
EPS (Ac)	(5.4)	(2.4)	30.7	45.0	53.3	64.1
DPS (Ac)	0.00	0.00	0.00	0.00	0.00	0.00
P/E (x)	nm	nm	14.6	10.0	8.4	7.0
EV/Ebit (x)	nm	nm	8.7	6.7	4.9	3.3
EV/Ebitda (x)	nm	nm	6.1	5.0	3.5	2.2
EV/Production (x)	nm	nm	nm	nm	nm	nm
Free cash flow yield (%)	(1.4%)	(5.1%)	4.6%	(10.0%)	13.3%	18.7%
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net debt (cash) (A$m)	(41.5)	47.7	(193.2)	(41.7)	(235.4)	(508.4)
Gearing (%)	(13%)	14%	(46%)	(6%)	(35%)	(83%)

Profit & Loss	FY24	FY25E	FY26E	FY27E	FY28E	FY29E
Sales revenue (A$m)	**147.2**	**212.3**	**527.4**	**644.7**	**790.1**	**1,053.3**
Operating costs (A$m)	(134.5)	(166.2)	(305.3)	(347.7)	(426.8)	(592.4)
Exploraton expense (A$m)	0.0	0.0	0.0	0.0	0.0	0.0
Corporate overhead (A$m)	2.5	(16.7)	(12.1)	(12.5)	(12.9)	(13.3)
Ebitda (A$m)	**15.2**	**29.4**	**210.0**	**284.4**	**350.4**	**447.6**
Depreciation (A$m)	(24.7)	(30.9)	(61.7)	(69.6)	(96.0)	(150.2)
Ebit (A$m)	**(9.5)**	**(1.5)**	**148.3**	**214.9**	**254.4**	**297.5**
Net interest (A$m)	(2.2)	(4.0)	(4.1)	(3.7)	(4.4)	3.1
Pre-tax profit (A$m)	**(11.7)**	**(5.5)**	**144.2**	**211.2**	**249.9**	**300.5**
Tax (A$m)	(0.1)	(0.2)	(43.3)	(63.4)	(75.0)	(90.2)
Underlying earnings (A$m)	**(11.8)**	**(5.7)**	**100.9**	**147.8**	**175.0**	**210.4**
Exceptional items (A$m)	(0.1)	0.0	0.0	0.0	0.0	0.0
Reported Earnings (A$m)	**(12.0)**	**(5.7)**	**100.9**	**147.8**	**175.0**	**210.4**

Cash flow statement	FY24	FY25E	FY26E	FY27E	FY28E	FY29E
Net profit (A$m)	(11.8)	(5.7)	100.9	147.8	175.0	210.4
Depreciation (A$m)	24.7	30.9	61.7	69.6	96.0	150.2
Exploration, interest and tax (A$m)	3.5	3.1	45.6	9.4	16.2	1.3
Working Capital (A$m)	(13.8)	(0.2)	(19.9)	(3.6)	(16.4)	(6.1)
Other (A$m)	8.4	(3.8)	0.0	0.0	0.0	0.0
Operating cash flow (A$m)	**11.0**	**24.3**	**188.4**	**223.2**	**270.8**	**355.8**
Capital expenditure (A$m)	(27.2)	(73.0)	(116.0)	(337.0)	(69.4)	(75.2)
Exploration (A$m)	(3.5)	(1.8)	(4.0)	(4.2)	(4.3)	(4.4)
Other (A$m)	(1.5)	(24.2)	0.0	(30.0)	0.0	0.0
Free cash flow (A$m)	**(21.1)**	**(74.7)**	**68.4**	**(148.0)**	**197.0**	**276.1**
Dividends (A$m)	0.0	0.0	0.0	0.0	0.0	0.0
Equity (A$m)	61.0	17.0	176.4	0.0	0.0	0.0
Debt draw / (repay) (A$m)	(20.1)	73.9	(4.5)	(3.6)	(3.3)	(107.8)
Net cash flow (A$m)	**19.7**	**16.2**	**240.3**	**(151.5)**	**193.7**	**168.2**

Balance sheet	FY24	FY25E	FY26E	FY27E	FY28E	FY29E
Current assets						
Cash at bank (A$m)	41.5	57.7	298.0	146.5	340.2	508.4
Receivables (A$m)	22.3	37.5	106.9	119.4	176.7	197.8
Inventories (A$m)	7.6	6.7	19.0	21.3	31.5	35.2
Other (A$m)	2.3	2.6	2.6	2.6	2.6	2.6
Current assets (A$m)	**73.7**	**104.5**	**426.5**	**289.7**	**550.9**	**744.1**
Non-Current assets						
PP& E and Development (A$m)	173.5	242.4	296.6	564.1	537.6	462.6
Exploration & evaluation (A$m)	217.0	218.7	222.7	226.7	230.7	234.7
Other (A$m)	7.0	6.9	6.9	6.9	6.9	6.9
Non-Current assets (A$m)	**397.6**	**468.0**	**526.2**	**797.7**	**775.2**	**704.2**
Total assets (A$m)	**471.2**	**572.5**	**952.7**	**1,087.4**	**1,326.1**	**1,448.3**
Current liabilities						
Payables (A$m)	26.3	39.7	113.0	126.2	186.8	209.2
Short-term debt (A$m)	22.2	31.1	30.2	29.4	28.8	7.2
Other (A$m)	8.3	7.1	7.5	7.8	8.2	8.6
Current Liabilities (A$m)	**60.7**	**83.5**	**156.4**	**169.2**	**229.6**	**230.8**
Non-current liabilities						
Long-term debt (A$m)	0.0	84.3	83.8	83.8	83.8	0.0
Lease liabilities (A$m)	18.7	39.9	36.8	33.9	31.3	28.9
Provisions (A$m)	16.8	40.2	42.3	44.4	46.6	48.9
Contract liabilities(A$m)	25.5	19.2	19.2	19.2	19.2	19.2
Other (A$m)	0.0	0.0	0.0	0.0	0.0	0.0
Non-Current liabilities (A$m)	**61.1**	**183.8**	**182.2**	**181.5**	**181.0**	**97.1**
Total liabilities (A$m)	**121.8**	**267.3**	**338.6**	**350.7**	**410.6**	**327.9**
Net assets (A$m)	**349.4**	**305.2**	**614.2**	**736.7**	**915.5**	**1,120.4**
Equity						
Contributed equity (A$m)	565.1	577.8	754.2	754.2	754.2	754.2
Accumulated earnings (losses)	(215.8)	(273.1)	(140.5)	(18.0)	160.8	365.8
Total attributable equity	**349.3**	**304.8**	**613.8**	**736.3**	**915.1**	**1,120.0**
Minorities (A$m)	0.2	0.4	0.4	0.4	0.4	0.4
Total Equity (A$m)	**349.4**	**305.2**	**614.2**	**736.7**	**915.5**	**1,120.4**

Commodity price assumptio	FY24	FY25E	FY26E	FY27E	FY28E	FY29E
Copper price (US$/lb)	3.94	4.22	4.69	4.95	4.78	4.54
Zinc price (US$/lb)	1.16	1.28	1.40	1.40	1.48	1.47
Lead price (US$/lb)	0.97	0.90	0.98	1.08	1.13	1.13
Gold price (US$/oz)	2,080	2,821	3,406	3,750	3,850	3,450
Silver price (US$/oz)	24.77	31.58	38.00	41.50	42.50	38.50
Spot A$/US$ (x)	0.66	0.65	0.64	0.65	0.65	0.65

Mining Services	FY24	FY25E	FY26E	FY27E	FY28E	FY29E
Revenue (A$m)	147.2	212.3	214.9	227.2	228.5	236.1

Mine production details	FY24	FY25E	FY26E	FY27E	FY28E	FY29E
Woodlawn						
Copper (kt)	0.0	1.1	8.4	10.1	10.1	10.1
Zinc (kt)	0.0	2.3	25.4	38.3	34.4	28.7
Lead (kt)	0.0	0.5	5.8	7.0	7.0	7.0
Gold (koz)	0.0	0.8	4.9	5.9	5.9	5.9
Silver (koz)	0.0	68.4	590.6	712.1	712.1	712.1
AISC (A$/lb)	0.00	0.00	1.43	0.20	0.60	1.86
Sulphur Springs						
Copper (kt)	0.0	0.0	0.0	0.0	5.1	11.1
Zinc (kt)	0.0	0.0	0.0	0.0	25.7	56.3
Lead (kt)	0.0	0.0	0.0	0.0	0.9	1.9
Gold (koz)	0.0	0.0	0.0	0.0	1.1	2.5
Silver (koz)	0.0	0.0	0.0	0.0	312.4	684.3
AISC (A$/lb)	0.00	0.00	0.00	0.00	0.00	1.14
Pioneer Dome						
Spodumene (kt)	0.0	0.0	0.0	0.0	0.0	0.0
AISC (A$/t)	0	0	0	0	0	0

Reserves

Project	Ore (mt)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)
Woodlawn	6.0	1.48%	1.27%	3.58%	0.43	28.95
Sulphur Springs	8.8	1.14%	0.25%	5.44%	0.13	20.56
Total	**14.8**	**1.27%**	**0.66%**	**4.69%**	**0.25**	**23.96**

Project	Ore (mt)	Li2O (%)	Li2O (kt)	Spod (kt)	LCE (kt)
Pioneer Dome	0.0	0.00%	0.0	0	0
Total	**0.0**	**0.00%**	**0.0**	**0**	**0**

Resources

Project	Ore (mt)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)
Woodlawn	11.3	1.78%	2.13%	5.82%	0.49	45.96
Sulphur Springs	13.8	1.10%	0.32%	5.68%	0.11	23.49
Kangaroo Caves	3.6	0.76%	0.34%	5.99%	0.00	15.19
Total	**28.7**	**1.32%**	**1.03%**	**5.77%**	**0.24**	**31.27**

Project	Ore (mt)	Li2O (%)	Li2O (kt)	Spod (kt)	LCE (kt)
Cade	8.2	1.20%	98.5	1,728	244
Davy	2.2	1.03%	22.7	397	56
Heller	0.7	1.02%	7.2	125	18
Total	**11.1**	**1.16%**	**128.3**	**2,251**	**318**

Board and Management	
Michael Blakiston	Non-Executive Chairman
Bill Beament	Managing Director
Justine Magee	Non-Executive Director
Shirley In't Veld	Non-Executive Director

Substantial shareholders	Shares (m)	Stake (%)
Bill Beament	64.5	19.6%
Copia Investment Partners	18.9	5.7%
Top 20	162.8	49.6%

Valuation	Spot Prices		Argonaut forecasts	
Asset	A$m	A$sh	A$m	A$sh
Woodlawn	945.0	2.65	750.6	2.11
Sulphur Springs	459.2	1.29	253.3	0.71
Pioneer Dome	65.8	0.18	145.3	0.41
Mining Services	291.6	0.82	291.6	0.82
Resources	345.3	0.97	413.4	1.16
Exploration	0.0	0.00	0.0	0.00
Hedge book	0.0	0.00	0.0	0.00
Corporate overhead	(54.2)	(0.15)	(54.2)	(0.15)
Unpaid capital	12.0	0.03	12.0	0.03
Cash	297.8	0.84	300.7	0.84
Debt	(151.7)	(0.43)	(151.7)	(0.43)
Total	**2,291.6**	**6.44**	**1,961.0**	**5.51**
Price Target (50/50 spot/base case)				**6.00**

Source: DVP, Argonaut Research, July 2025

Eight Key Charts

Figure 2: Mining Services Revenue

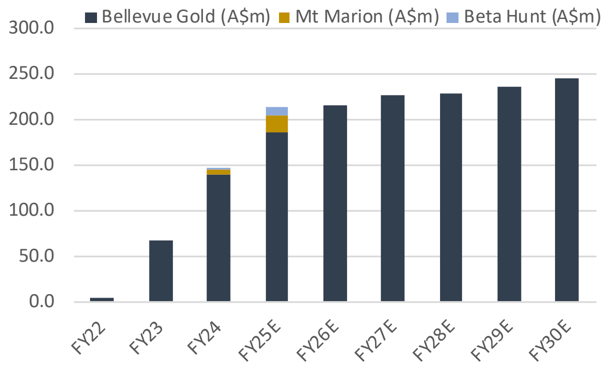


Figure 3: Woodlawn production and cost outlook

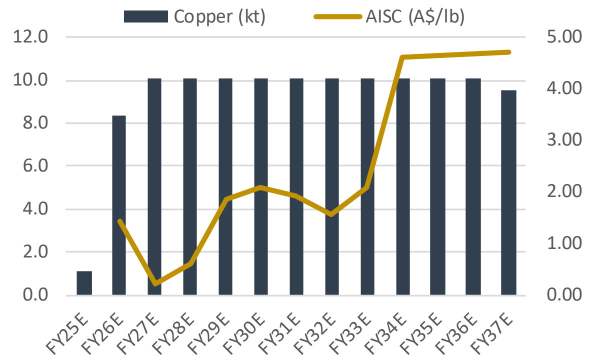


Figure 4: Pioneer Dome production and cost outlook

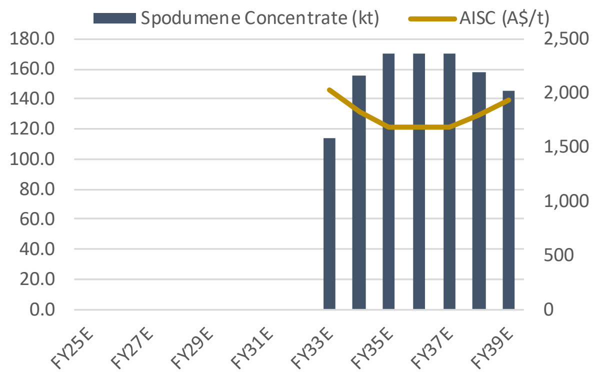


Figure 5: Sulphur Springs production and cost outlook

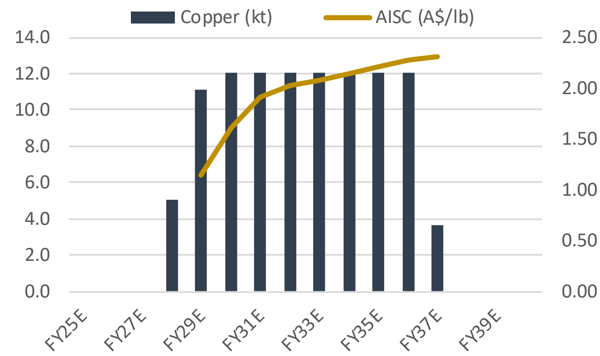


Figure 6: Copper reserves by project

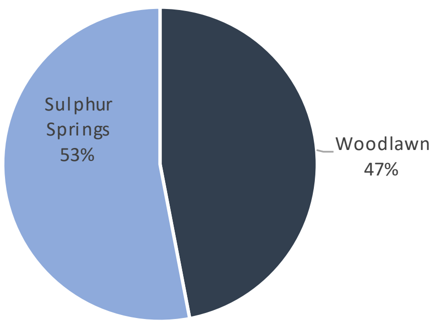


Figure 7: Copper resources by project

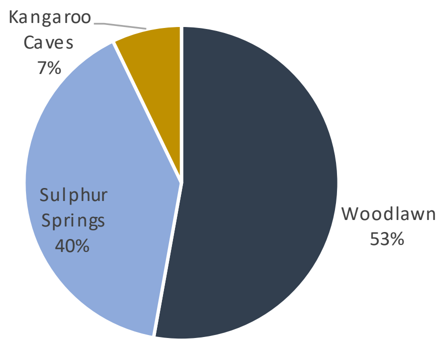


Figure 8: Net cash build vs market cap

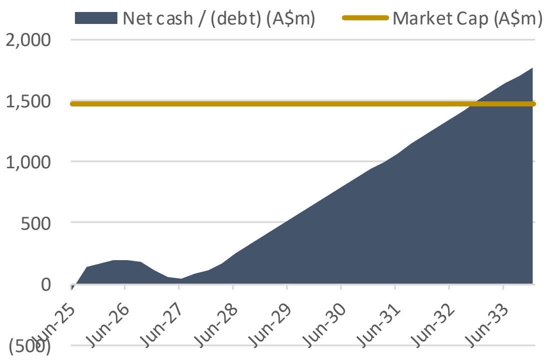
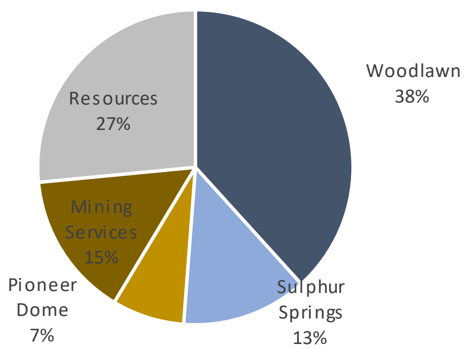


Figure 9: NPV Breakdown



Source: DVP, Argonaut Research, July 2025

First production reported at Woodlawn

Woodlawn reported maiden production

Maiden production result from Woodlawn

DVP has reported its maiden production result from Woodlawn, with the mine still in the early phase of ramp up. Total concentrate production was 12.7kt, containing 969t of copper, 2,340t of zinc, 545t of lead, 68koz of silver and 0.8koz of gold.

The reported metal contained was produced in three separate concentrates, copper, zinc and lead. Metal production was marginally lower than we had expected, but within tolerance levels given the early phase of the ramp up.

Figure 10: Woodlawn 4QFY25 result

Woodlawn	Argonaut	Actual	Variance	QoQ	YoY
Ore Mined (kt)	90.0	106.3	18%	nm	nm
Ore Milled (kt)	160.0	163.6	2%	nm	nm
Copper Produced (kt)	1.0	1.0	(7%)	nm	nm
Zinc Produced (kt)	2.4	2.3	(1%)	nm	nm
Lead Produced (kt)	0.6	0.5	(3%)	nm	nm
Silver Produced (koz)	74.5	68.4	(8%)	nm	nm
Gold Produced (koz)	0.9	0.8	(9%)	nm	nm

Source: DVP, Argonaut Research, July 2025

Mining Services revenue was softer than we expected

Mining Services revenue marginally weaker

DVP reported Mining Services revenue for the 4QFY25 of A$51m, 7% lower than we had expected but broadly in line with the previous period. We note that the Mining Services revenue was sourced from the underground contract with Bellevue Gold (BGL AU, BUY, A$1.35 Price Target).

Figure 11: Mining Services result

Revenue	Argonaut	Actual	Variance	QoQ	YoY
Mining Services (A$m)	55.0	51.0	(7%)	1%	25%

Source: DVP, Argonaut Research, July 2025

Minor changes to earnings

Minor changes to earnings forecasts

We make only modest changes to our earnings forecasts after incorporating the 4QFY25 result. Our forecast loss for FY25 widens while we trim FY26 earnings by 4%. Our forecasts for FY27 and beyond are largely unchanged

Figure 12: Earnings changes

Y/E June	FY25E	FY26E	FY27E	FY28E	FY29E	FY30E
Earnings (A$m) - old	(2)	106	147	175	211	200
Earnings (A$m) - new	(6)	101	148	175	210	200
Change	nm	(4%)	0%	(0%)	(0%)	(0%)

Source: DVP, Argonaut Research, July 2025

Valuation and risks

Price target and valuation

Price target is unchanged

We keep our A$6.00 price target unchanged after incorporating the 4QFY25 result. Our price target methodology assumes a 50/50 Blend of our NPV using Argonaut commodity price forecasts and at spot prices.

Our NPV is dominated by discounted cash flow valuations of our development scenario for the Woodlawn project, with lesser contributions from Pioneer Dome and Sulphur Springs. We also capture resources not incorporated into our production forecasts at 5.0% of in ground value. Our NPV also factors in current cash and debt balances and corporate overhead costs.

Figure 13: Price target is a 50/50 blend of spot and Argonaut NPV

Valuation	Spot Prices		Argonaut forecasts	
Asset	**A$m**	**A$sh**	**A$m**	**A$sh**
Woodlawn	945.0	2.65	750.6	2.11
Sulphur Springs	459.2	1.29	253.3	0.71
Pioneer Dome	65.8	0.18	145.3	0.41
Mining Services	291.6	0.82	291.6	0.82
Resources	345.3	0.97	413.4	1.16
Exploration	0.0	0.00	0.0	0.00
Hedge book	0.0	0.00	0.0	0.00
Corporate overhead	(54.2)	(0.15)	(54.2)	(0.15)
Unpaid capital	12.0	0.03	12.0	0.03
Cash	297.8	0.84	300.7	0.84
Debt	(151.7)	(0.43)	(151.7)	(0.43)
Total	**2,291.6**	**6.44**	**1,961.0**	**5.51**
Price Target (50/50 spot/base case)				**6.00**

Source: DVP, Argonaut Research, July 2025

Key risks to our base case

Variances in commodity prices that differ from our base case forecasts present the most material risk to our earnings and valuation for DVP and we outline the potential impact on earnings above. Our forecasts DVP's Mining Services assume the company secures extensions to the current contract at the Bellevue Gold Mine. Should this not occur there is downside risk to our medium-term earnings forecasts for the Mining Services business.

Our development scenario for Woodlawn is based on the updated mine plan released in September 2023. Variances in the timing of the development, capital and operating costs present key risks to our earnings forecasts for DVP.

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