

Welcome to this quarter's edition of our quarterly AUDGold Hedge Book Summary.

It has to finish eventually, but not last quarter. "**Another quarter, another record high close**", and a continued reduction in hedge book size for most Australian producers. There has been a notable migration away from forward sales, with the only hedging added being comprised of collars or bought Put options. Most hedge books were reduced by deliveries not being replaced.

Since March 2024, the delta of the Australian Dollar Hedge book has declined from 3.095m ozs to 2.256m ozs, but, importantly, the composition has changed dramatically. In March 2024, the book was almost exclusively forward sales. **In March 2025, the delta of 2.256m ozs is made up of 2.159m ozs of forward sales AND new Put Option purchases (either as part of collar structures or as outright Puts) of 0.584m ozs. The changing composition does not mean that producers have stopped hedging as much as they have changed how they hedge.** The higher gold price means that those Put options now have a very low delta as producers allow them to expire and deliver into the higher spot price.

The only increases in hedge books were as a result of the impact of the higher gold price on the sold call option leg of collars previously executed.

We hope you find the attached informative and ultimately helpful in equipping you to live by Noah's Rule.

The Team at Noah's.

## Quarterly A\$Gold Price Q2 2011 to Q1 2025

AUDGold had another great quarter - making yet another all-time high and high close. The closing price was a massive 760 AUD/oz higher than December, with the average price for the quarter 470 AUD/oz higher. We're old enough to remember when the price was lower than either of those quarterly moves. Since January 2024, that makes a gain of just under 2,000 AUD/oz (or 65%) over the 5 quarters.



## Net Hedge Levels Decreased

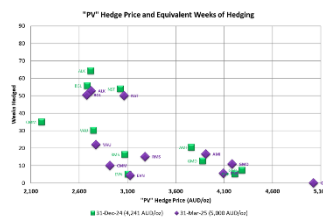


A net reduction of 274k ozs over the quarter - with NST again having the lion's share of that reduction at 135k ozs.

The disciplined approach to deliveries into hedging saw the weighted average present value of the book continue to increase. That average currently sits around 3,050 AUD/oz - a further increase of 70 AUD/oz since the previous quarter's end.

*[For more information, click on the chart]*

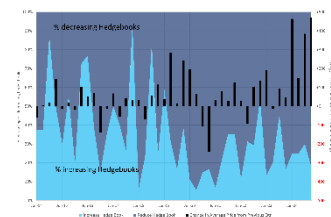
## Books Generally Increasing in Price



As with last quarter, the main change in the landscape is that all producers who have added to hedging this quarter did so using collars or bought put options. The use of derivative products that enable greater upside participation means that the scale needs to continue to stretch in line with the rising gold price. Most other books continue to move down (fewer weeks hedged) and to the right (higher NPV).

*[For more information, click on the chart]*

## Most Producers Reduced Hedge Books



In March, the only increases in hedge books were as a result of the higher price increasing the delta on the sold call portion of collar structures. No producers increased their hedge books apart from this impact.

*[For a closer look at the chart, click on the chart]*