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

A$Gold made another new all-time high last quarter, although it surrendered the bulk of those gains by the quarter's end. It was still a positive quarter, but only just. The price action might get chart watchers very excited about a potential retracement, but we will have to wait and see.

The delta[1] of the Australian Dollar Hedge book has now declined since March 2024 from 3.095m ozs to 1.966m ozs, a decline of 36%, but, importantly, the composition continues to change significantly with almost all new hedging since Sep-24 being either collars or bought Put options. As we noted last month, "**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".

Probably the other noteworthy element last quarter, given the size of the hedge position, was the NST announcement that they would not continue to add to their hedgebook. We note that the hedge position hasn't been added to since Sep-24 and has steadily decreased each quarter, from 1,822,500 ounces in Sep-24 to 1,432,500 ounces in Jun-25.

This quarter, we've included a chart highlighting the changing composition of the hedge book for ASX-listed producers. The shift to ASX-listed from A$Gold allows us to include the Perseus hedge book. Even if we excluded the Perseus book and just considered the A$Gold hedges, while the delta of $AGold hedges has fallen by just under 900k ozs from Jun-24 to Jun-25 (from 2.82m ozs to 1.96m ozs), the overall level of hedge cover represented by forwards and puts, either outright or within collars, still sits at 2.5m ozs.

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

The Team at Noah's.

[1] *Delta is an expression of the underlying relationship to changes in the gold price. As a very simple rule of thumb, forward sales have a delta of 1, Puts, unless they are deeply in the money, will have a delta less than one, often much less, and a collar will sit somewhere in the middle of puts and forward.*

Quarterly A$Gold Price
Q2 2011 to Q2 2025

AUDGold had another positive quarter, making yet another all-time high and high close. The closing price was a meagre 19 AUD/oz higher than March, which was well the below the average gain of 500 AUD/oz for the previous 3 quarters. The average price for the quarter of 5,130 AUD/oz was still 578 AUD/oz higher than the March quarter, demonstrating the impact of sustained higher prices for the quarter.

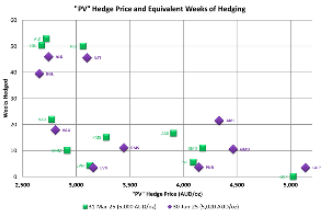
Net Hedge Levels Decreased

A net reduction of another 290k ozs over the quarter - with NST again having the lion's share of that reduction at 135k ozs. The rest of the reduction was accounted for by delivering into hedges and not replacing them, or the higher price and reduced tenor, reducing the delta on the bought put option cover.

The weighted average present value of the book continues to increase, although the rate of increase is slowing as hedges mature and are generally replaced with Put options.
The average currently sits around 3,100 AUD/oz - a further increase of 50 AUD/oz since the previous quarter's end.

[For more information, click on the chart]

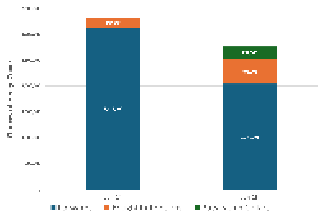
Books Generally Increasing in Price



As with last quarter, the main change in the landscape is that almost all producers who have added to hedging this quarter did so using collars or bought put options. Aurelia was the one exception with their forward position increasing marginally. 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]

The Changing Shape of the Hedge Book



The chart above illustrates how gold producers are transitioning from committed products, such as forward sales, to either committed products like collars that offer greater upside participation or uncommitted products like bought options that provide cover against adverse price moves while allowing maximum participation if the price continues higher. The high gold spot price presents a rare opportunity to purchase cover at levels significantly above the cost of production, even after factoring in the option cost.

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