

Company Research

11th December 2020

Prospech Limited (ASX:PRS)



PELTON
CAPITAL

Sector: Gold & Silver

Investment in shares of PRS should be considered speculative. Investors should seek appropriate advice before making a decision to invest in PRS (see Disclaimer page 10)

RECOMMENDATION

Recent IPO - Initiating Coverage

Speculative Buy

COMPANY STATISTICS

| | |
|----------------------------|-----------------|
| Share Price | \$0.225 |
| 12 Month Range | \$0.20 - \$0.25 |
| Market Cap (fully diluted) | \$23.7m |
| Enterprise Value | \$18.2m |
| Issued Shares | 88.3m |
| Options (various) | 17.0m |
| Cash Balance (30-Nov-20) | \$5.5m |
| Debt (30-Nov-20) | Nil |

MAJOR SHAREHOLDERS (30 Nov 2020)

| | |
|--|--------|
| Robust Resources Pte Ltd | 10.09% |
| Rosignol Pty Ltd <Rosignol Super Fund A/C> | 6.37% |
| 1147 Pty Ltd <TJ&CJ Mann S/F Pen A/C> | 5.00% |
| Jason Michael Beckton + Denise Lea Gledhill <Beckton Gledhill Family A/C> | 4.25% |

DIRECTORS & MANAGEMENT

| | |
|-----------------------|-------------------|
| Mr. Thomas Mann | Chairman |
| Mr. Jason Beckton | Managing Director |
| Mr. Peter Nightingale | Director & CFO |
| Mr John Levings | Director |

PROJECT LOCATION: SLOVAKIA



Slovakia: a mining supportive jurisdiction, within the European Union legal, accounting and political framework

Holding the Keys to the Hapsburg Empire Treasury

Investment Summary: Prospech Limited is a new ASX junior gold debutant. The Company has actually been in existence for over 6 years, quietly exploring with considerable success on its lead Slovakian project **Hodrusa-Hamre**.

Hodrusa-Hamre is an under explored low sulphidation epithermal gold-silver system, located within the largest extinct strato volcanic caldera in the region. The mineralisation has scale, with very similar area footprint to the likes of Lihir (PNG) and Emperor gold mines (Fiji). The currently producing goldfield, despite historical production >2.4Moz gold and 120Moz silver is largely unknown on the global stage despite its very strategic European location situated at the northern end of the prolifically well endowed Tethyan Mineral Belt and historically supplying the majority of the silver for the coins of the old Hapsburg Empire Treasury.

Complimenting what we believe to be a high quality exploration portfolio, we view PRS to be in experienced hands with key members of the board having had outstanding exploration and development success with Bolnisi Gold NL's Georgia and Palmarejo Mexico assets. Both projects are epithermal deposits recognised by PRS management as being very similar in mineralisation style to Hodrusa-Hamre.

Now controlling ~90% of the goldfield with some very compelling targets currently being drill tested, we anticipate the Company will deliver some exciting results starting at Bauch. At this moment we have confidence to rate the Company's shares as a Speculative **BUY**.

• Hodrusa-Hamre producing +2.4 Moz goldfield, Slovakia:

Large under explored epithermal gold project, located in a proven producing >2.4Moz Gold and 120Moz silver field, surrounding a currently operating mill ~90% of entire goldfield held and wholly owned by PRS

• Exciting mix of Brownfields & Greenfields drill ready targets to provide a strong pipeline of results:

Brownfields drilling targeting along strike and below existing high grade workings at Schopfer

Greenfields drilling targeting newly discovered visible gold occurrences at surface at Nova Bana & Pukanec

• Recent geological reinterpretation could prove to be a game changer

~90% of the adjacent mining operations high grade host mining unit is now believed to be located on PRS ground. Drilling at Bauch testing this new interpretation is underway following earlier success at Ignac

New interpretation recognises a low angle detachment fault host to the 11-16gpt lodes and a strong geological analogy to the Emperor Gold Mine in Fiji and Ada Tepe Mine Bulgaria

• Experienced management team – Outstanding track record in deriving value from epithermal projects (\$1.3B Bolnisi Gold N.L. takeover in 2007)

Key board members have experience in discovery & development of globally significant epithermal deposits (Bolnisi mine Georgia & Palmarejo, Mexico) culminating with Bolnisi Gold N.L. being taken over in 2007 for \$1.3 billion

• Targeting: 1Moz AuEq resource inventory by end 2021

Hadrusa-Hamre Exploration Target set at between 1.4 and 4Moz AuEq

Peloton Capital Pty Ltd

Level 8, 2 Bligh Street, Sydney NSW 200

T 02 8651 7800

www.pelotoncapital.com.au ABN 22 149 540 018



Standout European Gold Exploration in a Majority Owned +2.4 Million Ounce Goldfield, Located within the World Class Tethyan Mineral Belt

Company Overview

Prospech Limited (“Prospech” “PRS” or “the Company”) is a newly listed Australian junior resources company holding a portfolio of 6 highly prospective gold-silver tenements covering 204km² located in the Republic of Slovakia in Eastern Europe. The lead project named **Hodrusa-Hamre** is a very interesting project located within the crater-caldera of the regions largest extinct strato volcano, already boasting >2.4Moz gold and 120Moz silver production to date.

PRS now holds ~90% of the Hodrusa-Hamre goldfield surrounding the locally owned and currently operating Rozalia gold-silver mine, a modest size underground operation which currently produces circa 20 to 25Koz AuEq per annum at an impressive head grade ranging between 11 and 16gpt AuEq. Under Soviet control for decades the mines in the area had a directive to concentrate on exploring and extracting base metals only.

Whilst PRS has recently listed on the ASX, the Company has actually been in existence for over six years quietly acquiring and consolidating ground, processing data and exploring with notable success. Early drilling adjacent to Rozalia mine at Ignac and Bauch has provided significant encouragement and even fieldwork has proven fruitful, making new visible gold discoveries at surface at the nearby Nova Bana & Pukanec prospects located on the western flank of the caldera.

Prospech is not just about a portfolio of high quality projects. The Company owes its existence to seasoned experienced management with key current board members not only having significant experience relevant to recognising, exploring and developing quality epithermal projects but also having notable commercial transactional experience under their belt from the days of Bolnisi Gold NL. Bolnisi Gold NL was a highly successful explorer and developer involved with two successful mine transactions, the first being in 2000 following the sale of the Company’s Georgian gold assets and the second more higher profile one being the takeover sale of the Company and its Palmarejo silver mine in Mexico to US silver producer Coeur d’Alene Mines Corporation in 2007 for \$1.3 billion.

Following a gradual acquisition process, PRS has initially focused on undertaking a reinterpretation of the geology at Hodrusa-Hamre. Early on management picked up on a consultants report dating back to 2006 suggesting that whilst significant gold-silver mineralisation was directly related to the extensive conventional epithermal veins at the project, an additional low angle detachment structure (a Low Angle Normal Fault (LANF) was identified as the key structure being responsible for the high grade (11-16gpt) lodes at the next door Rozalia mine and believed to extend into PRS ground. Drilling to date has not only confirmed this but has indicated that ~90% of the LANF actually extends into PRS’ tenement holdings. Excitingly this type of structure seen as being of significant importance to the mineralisation controls at Hodrusa-Hamre is also recognised in other globally significant epithermal deposits notably the Emperor Gold Mine in Fiji and Dundee Precious Metals’ Ada Tepe gold mine in Turkey. This potential “Game Changing” discovery has subsequently been the focus of the most recent drilling to date at Bauch with results expected shortly following the IPO.

We believe the Company has a lot to offer investors in the near term, with an anticipated steady stream of drilling results sourced from a ranked selection of both brownfields and greenfields targets. The greenfields targets will test new visible gold discoveries from surface at Nova-Bana and Pukanec. The brownfields targets will drill test beneath historical workings and dilated vein intersections e.g. at Schopfer and drill test the LANF. With multiple targets drilling from surface and underground we anticipate no shortage of exciting news flow as the Company embarks upon targeting 1Moz AuEq by end of 2021.

Highly prospective portfolio of 6 Slovakian gold-silver projects

~90% of the producing Hodrusa-Hamre goldfield now controlled by PRS

Hodrusa -Hamre an unrecognised multi million ounce goldfield in its own right

Held for decades by the Soviets who’s directive was to ignore the precious metals and explore and extract base metals only

Key board members are ex-Bolnisi Gold N.L. experienced project developers & mine builders in this style of deposit

Key board members involved with USD 1 Billion takeover of Bolnisi Gold N.L. in 2007

Recent re-interpretation has identified the gold host Low Angle Normal Fault plane as being analogous to other international multi million ounce deposits such as Emperor in Fiji and ~90% of the LANF is located in PRS ground

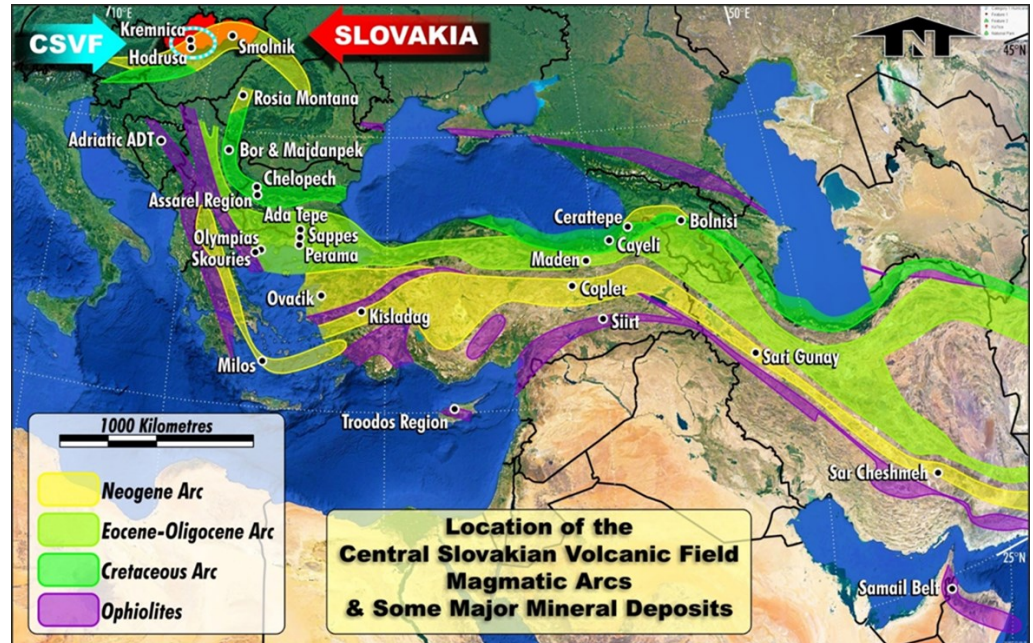
Drilling has been underway for some time

Watch closely for drilling results coming out of Bauch testing the LANF, Schopfer testing conventional veins beneath historical workings and results from Nova Bana and Pukanec testing view visible gold discoveries at surface.



Favourably Located within the Well Endowed Tethyan Mineral Belt Hosting multiple Multi Moz Gold Deposits

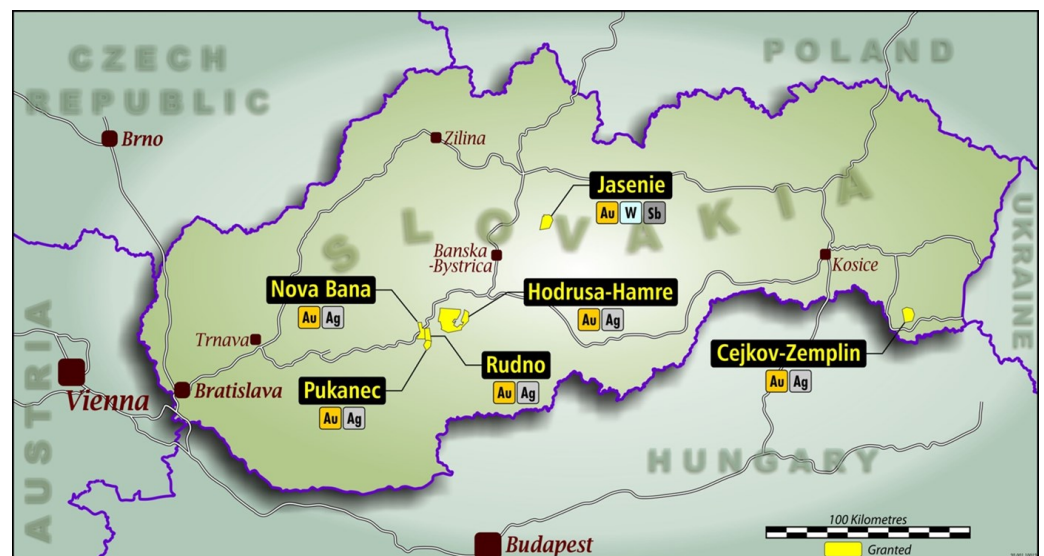
Project portfolio located within the Central Slovakian Volcanic Field considered an underexplored highly prospective part of the Tethyan Mineral Belt host to multiple multi million ounce deposits



Above: Map of the Central Slovakian Volcanic Field (CSVF) hosting Prospech's project portfolio, The CSVF is considered to be a geologically important part of the globally significant and well endowed Tethyan Mineral Belt and an excellent setting for the low cost discovery and delineation of significant gold deposits.

Tethyan Mineral Belt:
Proven substantially lower than average discovery cost

We note evidence of the regions standout prospectivity and low discovery cost, "Over the last decade the average cost of finding gold in the Tethyan Mineral belt was only \$29 per oz verses a world average of \$49 per oz" (Minex Consulting, 2016)



Above: Map of Slovakia showing PRS' portfolio of projects.



Hodrusa – Hamre

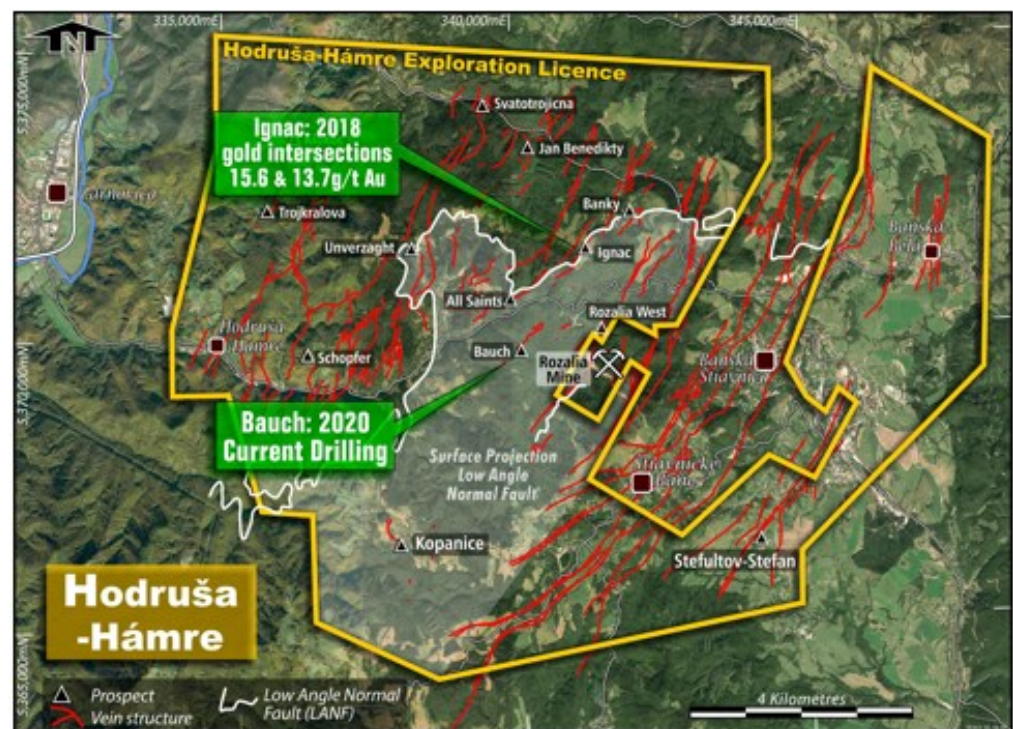
Location & Tenure

~90% of the Hodrusa - Hamre field is now controlled by PRS

The Hodrusa-Hamre goldfield is located approximately 200km east of Vienna, and 150km east of the Slovakian capital Bratislava. PRS's 102km² tenement holdings now cover approximately 90% of the currently known goldfields extent.

Despite its geological location and historical production the field has been largely overlooked

Despite gold, silver and base metal production occurring continuously for circa 1,000 years, recorded historical production of >2.4Moz gold and 120Moz silver to date and being located in a very prospective part of the Tethyan Mineral belt, the goldfield has a very low profile and we strongly share PRS view that its potential to host +1Moz or even multi million ounces of gold and silver mineralisation has been significantly overlooked.



Geological Setting & Mineralisation

Negligible modern exploration has been undertaken since the 1950's when focus then was on exploring for base metals and not gold and silver during the Russian occupation years.

We view Hodrusa-Hamre geologically as a classic "text book" style low sulphidation epithermal gold-silver project, located within the collapsed caldera of the regions largest extinct strato volcano (Stiavanica). With an areal extent of circa 100km² we are however immediately taken by the scale of the epithermal mineralising systems' surface expression. To give this perspective we note that the mineralisation currently in the form of over 120 known epithermal veins, some of the major ones having an impressive strike length of in excess of 6km, is comparable in areal size to the early mineralised footprint of the Lihir deposit in PNG.

The epithermal style of mineralisation at the project is not unique and presents itself largely as a series or swarm of NE-SW trending vein sets often dipping circa 45 degrees. A very good example of this from the field and an early target for PRS is Schopfer. These types of veins traditionally provide moderate to low tonnage but very high grade ore.

Very importantly though, PRS management has also recognised a second style of low angle detachment fault mineralisation within the field. This is very significant in that it may provide a game changing perspective on the project providing substantial tonnage with high grades.

Classic "Text Book" epithermal gold-silver mineralisation with notable size

Epithermal mineralisation not unique at all presenting as either swarms of 45 degree dipping veins

OR

As high tonnage potential mineralisation associated with LANF



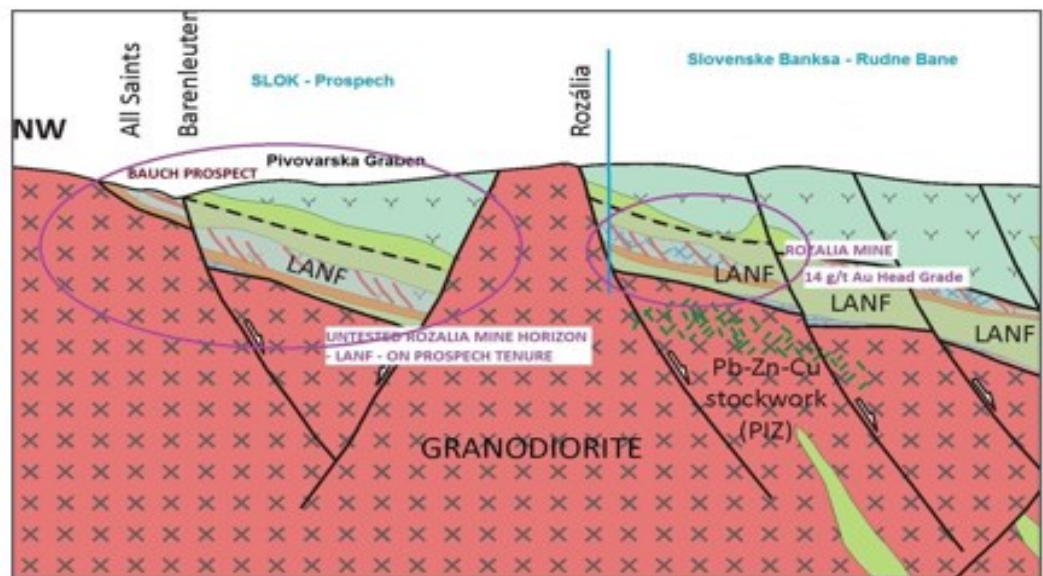
Low Angle Normal Fault (LANF) has Strong Potential to be a Game Changer

Recognition of LANF structure at Hodrusa-Hamre signifies the mineralisation is not by any means unique as previously believed by past owners but similar to that of some large commercial global epithermal deposits such as Emperor in Fiji and Ada Tepe in Turkey

LANF's in epithermal deposits usually provide significant tonnages of high grade feed to subsequent operations

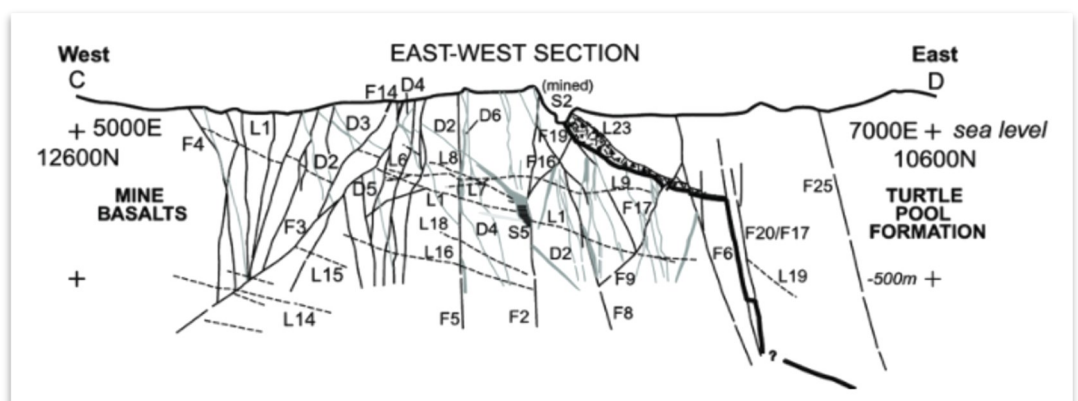
Drilling targeting LANF at Bauch currently underway. Expect early news post IPO

In 2006 an Irish structural geology consultant reported on his findings and observations on mineralisation style and controls at the adjacent Rozalia mining operation & surrounds. In summary he recognised the goldfield, whilst all part of the same Neogene “plumbing system”, presented itself in more than one style of mineralisation, the first being the traditional series of narrow veins and stockworks typical of epithermal deposits e.g. Schopfer. He also recognised for the first time however that the Rozalia mine’s mineralisation was also structurally controlled in the form of lodes associated with kinks on a low angle normal (detachment) fault (LANF) plane similar to that seen at the Emperor Gold Mine in Fiji which is responsible for providing that mine with substantial tonnages of ore. This discovery was overlooked at the time until PRS management in 2017, having had exposure to similar international epithermal deposits, recognised this work and made further compelling comparisons with the low angle detachment faulting present at Dundee Precious Metals’ Ada Tepe Gold Mine in Turkey. PRS has now subsequently set out to test this with a series of drill holes initially at Ignac with initial success and now Bauch located adjacent to the Rozalia operations to the NW. We anticipate early news from the recent drilling at Bauch will be announced to the market shortly after listing.



Above : Diagrammatic cross section through the Hodrusa–Hambre Caldera highlighting the LANF structure present at Rozalia Mine continuing into PRS ground where PRS is drill testing at Bauch prospect to the NW.

Below: Detailed structural cross section through Emperor Mine in Fiji highlighting the presence of a number of LANF planes which are an important control on gold mineralisation at that project.





Schopfer Vein: Early Surface & Underground Target

Schopfer identified as a prime early drill target

Observed as having the same gold to silver ratio (~1:100) as Palmarejo, Mexico

No shortage of targets targeting dilation zones, intersections of other veins and known unmined high grade shoots beneath existing underground workings

Excellent accessibility for drilling rigs both on surface and from underground will allow for all year round drilling and a strong flow of assay results

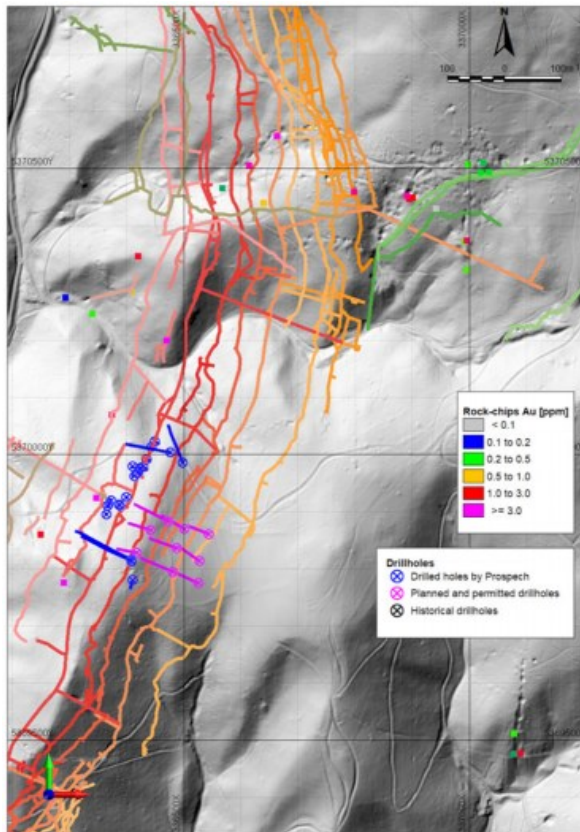
Exploration target modelled by independent expert

Most of the modelled vein has no grade assigned to it currently due to lack of drill data

One very notable planned early drill target will be the Schopfer.

The Schopfer Vein was mined up to the 1950's with latter production years actually focussed on base metals under Soviet directive.

Historical production has been documented at 1Mt grading 4gpt gold and 400 to 500gpt silver for 130,000oz gold and 13 to 17.5 Moz of silver.



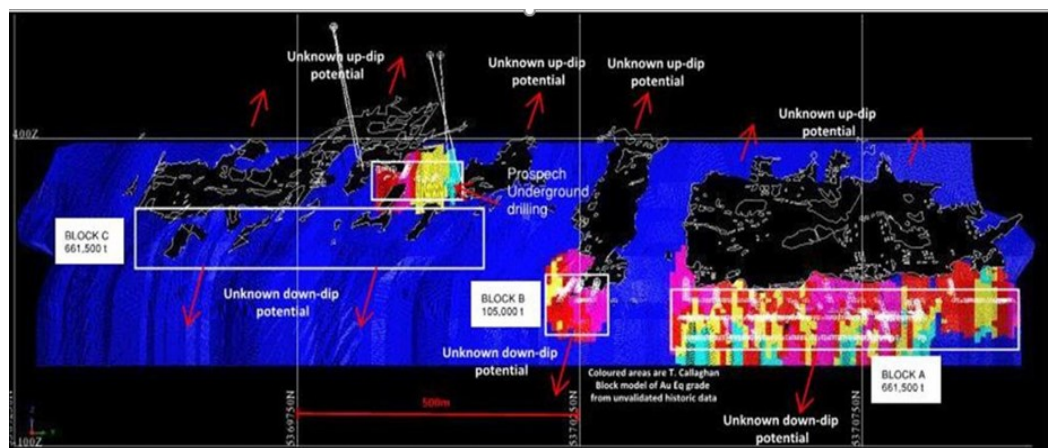
Schopfer vein
Workings, Drillholes, Rock-chips

Schopfer as an early target is attractive for a number of reasons. Firstly we note the gold to silver grade tenure ratio i.e. circa 1:100 is interestingly very similar in tenure to that of Palmarejo. Secondly, several specific drill targets have been identified particularly associated with dilative zones which has caused thickening and high grade concentrations of mineralisation. In addition, the intersection of the Schopfer vein with other veins such as Keleti and Klement-Stefan veins are high priority drill targets. A third reason for the attractiveness of Schopfer is the openness of known high grade lodes beneath the current workings.

Access is also a very strong attribute of Schopfer with the majority of the underground workings still accessible with minimal water pumping and ventilation requirements to get into most headings. The fact the Company is able to drill from both surface and underground positions with little preparation and all year round

regardless of weather conditions should not be underestimated, and bodes well for a year round results news flow.

The Schopfer exploration target has been set at 1 to 2Mt grading 2.5 to 3.5gpt gold and 300 to 400 gpt silver. Whilst we view this target as conservative, it is based on an external independent review of currently available information and is a very valid one. We anticipate news of the commencement of drilling key targets at Schopfer in the near term.



Schopfer vein blockmodel. Most of the vein has no interpolated grade due to the lack of data.



Nova Bana, Rudno & Pukanec: Western Flank

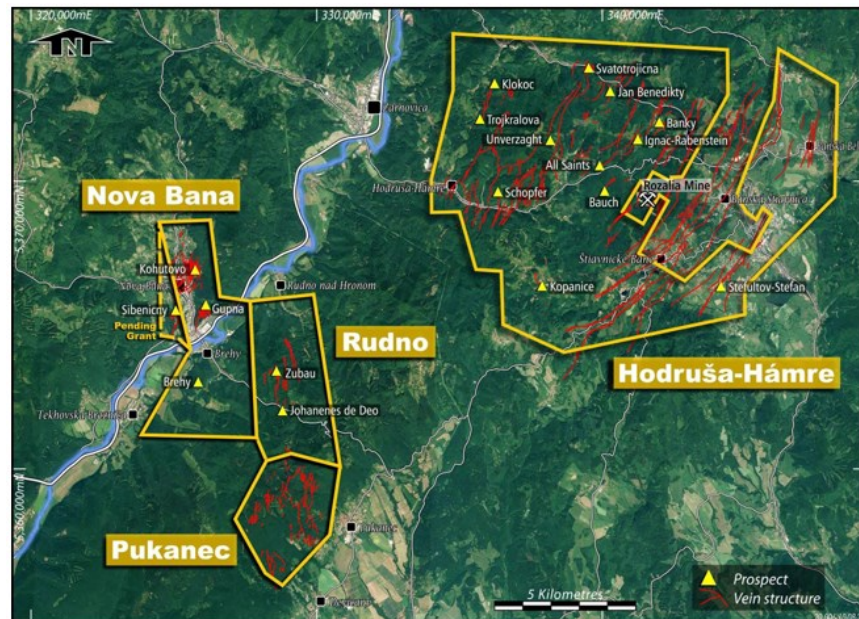
Significant Potential Not Limited to Hodrusa-Hamre

Location & Tenure

Gold-silver mineralising systems of the area are by no means limited to within the Hodrusa-Hamre volcanic caldera. Located only 6km to the west of Hodrusa-Hamre interpreted as being located on the western flank of the extinct volcano are the Company's Nova Bana, Pukanec and Rudno tenements.

Located only 6km to west of Hodrusa-Hamre on western flank of the caldera

Considered to be part of the same underlying epithermal "plumbing system"



Geological Setting, Mineralisation & Historical Production

Interpreted as being part of the same underlying district mineralising system as that of Hodrusa-Hamre, the three tenements contain a wealth of gold-silver mineralised veins some of which have seen small but significant historical production in their own right, particularly on the Nova Bana licence.

Historical production, some of it dating back to ceasing due to the Black Death (1346-1353) was small but was significant in its day

Standout Prospectivity Highlighted by Recent Visible Gold Discoveries at Surface from Field Mapping

Nova Bana—Sibenicny-Krakauer New Visible Gold Discovery at Surface

During recent fieldwork PRS's technical team made a new discovery of a 2.5 metre wide vein outcropping at surface. The vein named Krakauer is an important discovery. With the classic colloform epithermal vein textures present the occurrence indicates the vein is preserved in its entirety, highlighting the standout prospectivity of the area which has been largely untouched by modern exploration techniques. Prospectivity is further highlighted by the discovery of visible gold within the vein at surface. With the tenement very recently granted, Krakauer will be an early drill target for PRS.

Early exploration success in the form of the discovery of outcropping veins at surface with visible gold provides solid evidence of the standout prospectivity of the tenement holdings

Nova Bana-Gupna is another very interesting prospect. Covered by workings in some places 100m wide, the prospect was drill tested by PRS in 2016 with success interpreting the mineralisation being related to a significant fault structure which has acted as a feeder zone for mineralisation in the area. Gupna will be an early follow up target.

Pukanec Licence

Additional visible gold at surface occurrences have been identified which will also be followed up.



Rozalia Mine: Strategic Commercial Opportunities Aplenty

PRs now surrounds the Rozalia mining operation on 3 sides

PRs has now largely consolidated the Hodrusa-Hambre goldfield to an overwhelmingly dominant holding. The Company's tenements now surround the currently operating underground Rozalia mine tenements and infrastructure on three sides. Rozalia is the only operating facility in the area.

Rozalia, is a locally owned private operation, currently producing approximately 20-25Koz AuEq at a grade of between 11 and 16 gpt AuEq. The mine started out as a high grade copper mine in 1950's but subsequently switched to predominantly gold and silver following the exhaustion of the copper bearing vein the mine was established on.

We understand the current owners have set up the operation well with a modern crushing and flotation/concentrate recovery circuit producing a high grade concentrate which is then trucked to Belgium twice a week for processing. Gold, silver and base metals are recovered from the concentrate.

Its only a matter of time (>2years) before the Rozalia operation runs out of ore reserves

The operation is locally known to be considerably profitable generating on average between 10 and 15 million Euros profit after tax per annum from processing circa 50,000tpa. The terminal problem the operation faces with its existing owners who are not explorers, is that the mine is now rapidly running out of mining reserves to pull on and is very close to mining up to the PRs tenement boundary.

Relations with the owners has been good and PRs plans to re-engage discussion in regard to the potential of utilising the operation following exhaustion of the mines current mining reserves

We estimate that the current operations probably have a remaining mine life of approximately two years and with no reserves left to mine beyond that, PRs is clearly in the "box seat" to engage and come to an agreement with the current owners regarding utilising the underground mining operation and associated processing infrastructure for near term future production.

We note the relationship between the owners and PRs is good, with both parties in the past having had friendly discussions and cooperation around sharing technical data.

Plant Throughput can be Substantially Expanded

With an upgraded front end crushing circuit it is believed the operation could potentially quadruple throughput

At a concentrate production rate of circa 20-25koz per annum from annual throughput production of only 50,000tpa (2 shifts a day, 5 days a week) there is no doubt the plant is currently running significantly below its potential full capacity. Whilst details on the plant still need to be fully established, it is generally believed that with a newly upgraded "front end", i.e. a new crusher at a modest capital cost, throughput could be significantly increased as much as fourfold which, dependent on feed grade, could potentially see the operations annual production increase to a very respectable 80 to 100Kozpa AuEq over time.



Strong balanced board with key seats occupied by ex-Bolnisi Gold N.L. executives with a proven track record of building mines

Outstanding value creator through exploration & development success at Palmarejo Prior to the \$1.3Billion Takeover of Bolnisi Gold N.L. in 2007

Board & Management

Thomas Mann – Chairman

Mr Mann has over 30 years' experience in financial markets and global trade having established a global trading corporation with offices in North America and the Asia-Pacific. Mr Mann remains actively involved in capital raising and strategic development initiatives for public and private companies. He was previously Chairman of ASX listed Aeon Metals Limited until November 2016.

Jason Beckton – Managing Director

Mr Beckton has over 20 years of geological and corporate experience throughout Australia, North & South America, China and Albania.

Very relevant to his role at Prospech, we particularly highlight his experience as Project Manager for Bolnisi Gold N.L.'s Palmarejo silver gold project in Mexico overseeing the growth of that epithermal resource base from zero to 3.1 million ounces gold equivalent.

Jason also managed the discovery of Exeter Resource Corporation's 30 million ounce gold equivalent Caspiche Porphyry prospect in the Maricunga Gold Copper Belt of Chile. He was also previously Managing Director for ASX listed Chinalco Yunnan Copper Resources Limited (now renamed Auking Mining Limited) exploring in the Mt Isa, Lao and Chilean copper districts.

Jason has a Bachelor of Science (Hons) degree from Melbourne University and a Masters of Economic Geology from the University of Tasmania.

Peter Nightingale – Executive Director & CFO

Mr Nightingale is a chartered accountant with over 25 years experience in directorship and company secretary roles responsible for the financial control, administration, secretarial and in-house legal functions of a number of private and public listed resources companies in Australia, the USA and Europe including Pangea Resources Limited, Timberline Minerals Inc., Perseverance Corporation Limited, Valdora Minerals N.L., Mogul Mining N.L. and Bolnisi Gold N.L. Mr Nightingale is currently a director of ASX listed Alpha HPA Limited and Nickel Mines Limited. He holds a Bachelor of Economics degree from the University of Sydney and is a member of the Institute of Chartered Accountants in Australia.

John Levings – Non Executive Director

Mr Levings is a consultant geologist and geophysicist working for Anglo American Limited in his early career. In 1985, as Chief Geologist for Australian Development Limited (later re-named Normandy Gold Limited), he was responsible for the discovery of the high-grade White Devil gold deposit (760,000 ounces of gold at 14.6 grams per tonne) in Tennant Creek. More recently John, as a director of the company, identified the Romang Island polymetallic acquisition opportunity for Robust Resources Limited. John holds a Bachelor of Science degree from the University of Tasmania and is a Fellow of the Australasian Institute of Mining & Metallurgy.

Corporate & Finance

As at the completion of the Company's recent Initial Public Offering and listing on 1 December 2020, PRS had no debt and cash reserves of \$5.5 million (est.). Currently with activities associated with drilling and assaying linked to Bauch and soon Schopfer and Nova Bana prospects, we estimate the Company's cash burn rate to be around \$1 million per month. Whilst PRS remains well funded at the moment (we estimate PRS has circa \$5 million cash on hand), a capital raising may need to occur around Q3 2021 assuming exploration activities accelerate on the delivery of favourable exploration results.



Risks Associated with Investing in Prospech Limited

Potential investors need to be aware that investment in Prospech Limited, like all investments in junior resource companies, is of a highly speculative nature. Normal share market risk conditions apply including commodity prices, currency fluctuations, sentiment, supply and demand and general economic outlook. Normal exploration, development and production risks also apply as well as operating, environmental, native title risks.

Disclaimer & Disclosure

Disclaimer & Disclosure of Interests: This report is provided by Peloton Capital Pty Ltd (Peloton) (ABN 22 149 540 018, AFSL 406040) and is general in nature. It is intended solely for the use of wholesale clients, within the meaning of the Australian *Corporations Act 2001*. This report must not be copied or reproduced, or distributed to any person, unless otherwise expressly agreed by Peloton. This document contains only general securities information or general financial product advice. The information contained in this report has been obtained from sources that were accurate at the time of issue, including the company's ASX releases which have been relied upon for factual accuracy. The information has not been independently verified. Peloton does not warrant the accuracy or reliability of the information in this report. The report is current as of the date it has been published.

In preparing the report, Peloton did not take into account the specific investment objectives, financial situation or particular needs of any specific recipient. The report is published only for informational purposes and is not intended to be personal financial product advice. This report is not a solicitation or an offer to buy or sell any financial product. Peloton is not aware whether a recipient intends to rely on this report and is not aware of how it will be used by the recipient. Before acting on this general financial product advice, you should consider the appropriateness of the advice having regard to your personal situation, investment objectives or needs. Recipients should not regard the report as a substitute for the exercise of their own judgment.

Peloton may assign ratings as 'speculative buy', 'buy' and 'sell' to securities from time to time. Securities not assigned are deemed to be 'neutral'. Being assigned a 'speculative buy', 'buy' or 'sell' is determined by a security total return potential, with the total return potential being aligned to the upside or downside differential between the current share price and the targeted price within a specified time horizon, if deemed appropriate.

The views expressed in this report are those of the analyst/author named on the cover page. No part of the compensation of the analyst is directly related to inclusion of specific recommendations or views in this report. The analyst/author receives compensation partly based on Peloton revenues as well as performance measures such as accuracy and efficacy of both recommendations and research reports.

Peloton believes that the information contained in this document is correct and that any estimates, opinions, conclusions or recommendations are reasonably held or made at the time of its compilation in an honest and fair manner that is not compromised. However, no representation is made as to the accuracy, completeness or reliability of any estimates, opinions, conclusions or recommendations (which may change without notice) or other information contained in this report. To the maximum extent permitted by law, Peloton disclaims all liability and responsibility for any direct or indirect loss that may be suffered by any recipient through relying on anything contained in or omitted from this report. Peloton is under no obligation to update or keep current the information contained in this report and has no obligation to tell you when opinions or information in this report change.

Peloton does and seeks to do business with companies covered in research. As a result, investors should be aware that the firm may have a conflict of interest which it seeks to manage and disclose.

Peloton and its directors, officers and employees or clients may have or had interests in the financial products referred to in this report and may make purchases or sales in those the financial products as principal or agent at any time and may affect transactions which may not be consistent with the opinions, conclusions or recommendations set out in this report. Peloton and its Associates may earn brokerage, fees or other benefits from financial products referred to in this report. Furthermore, Peloton may have or have had a relationship with or may provide or has provided, capital markets and/or other financial services to the relevant issuer or holder of those financial products.

Specific Disclosure: The analyst does have a small holding of securities in PRS.

Specific Disclosure: The report has been reviewed by PRS for factual accuracy.

Specific Disclosure: As of 11th December 2020, Peloton Capital or its employees held 165,000 shares in PRS. This position may change at any time and without notice, including on the day that this report has been released. Peloton and its employees may from time to time own shares in PRS, and trade them in ways different from those discussed in research. Peloton Capital may arrange the buying and selling of securities on behalf of clients.

Specific Disclosure: PRS securities are currently restricted (not tradeable on the personal accounts) of employees of Peloton Capital as at the date of this research publication.