



# Seale & Associates

MINING INDUSTRY  
Q2 2023  
VALUATION UPDATE

# Introduction

We are pleased to share our Mining Industry Multiples Valuation Update for Q2 2023.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our clients' strategic objectives in a range of transactions including Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures, among other corporate finance and strategy consulting services.

Over the course of 23+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our mining industry clients that are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms and family-owned businesses across a wide range of industries.



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SEALE & ASSOCIATES' SECTOR RELEVANT EXPERIENCE

# Harrison Gypsum, LLC

**TARGET:** Harrison Gypsum, LLC

**TRANSACTION TYPE:** Sell-side advisory

**INDUSTRIES:** Distribution & Supply Chain Management; Non-metallic Mining and Minerals

**GEOGRAPHY:** Florida, Oklahoma, and Texas, USA

## SITUATION

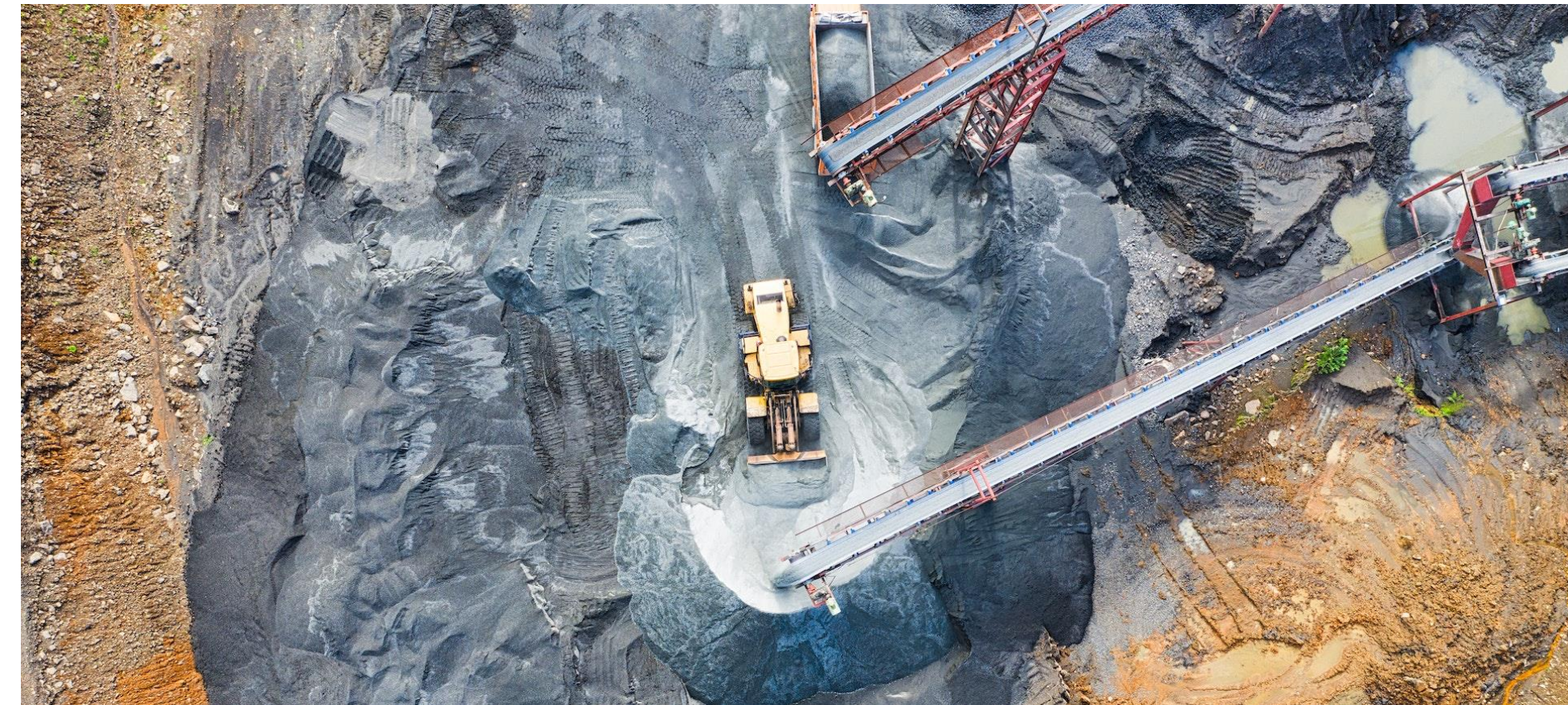
Seale & Associates was retained by the family owners to advise on a recapitalization of Harrison Gypsum as part of a succession planning and wealth diversification strategy, as well as an investment in additional gypsum reserves, equipment, and add-on acquisitions. The majority owner wanted to continue but have a partial liquidity event. Harrison Gypsum is a leading gypsum mining and processing company.

## SEALE & ASSOCIATES' APPROACH

Seale professionals ran a competitive auction process, managing multiple strategic and private equity investors with experience in the mining space, in order to identify a partner with the capital and shared vision of the owner/management.

## OUTCOME

The process resulted in a majority recapitalization by H.I.G. Capital, a Miami, Florida-based private equity investment firm with over \$10 billion of equity capital under management. Russ Harrison, founder/owner and CEO, remained a significant shareholder and continued to lead the company.





*has been  
recapitalized by*



*"I had very specific demands when it came time to consider a private equity-led leverage recapitalization transaction and I was looking for a trusted advisor to make sure my demands were met and that I was protected. Seale delivered on every promise they made and patiently worked with me throughout the process until I got the deal I wanted and deserved.*












*Seale's experience and credibility was of the utmost importance during the negotiation process with the private equity firm and they knew how to manage and resolve each challenge."*

**Russ Harrison, Founder/Owner and Chief Executive Officer, Harrison Gypsum, LLC**
































## Mining Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Anglo American plc	 ANGLO AMERICAN	GBR	\$34,420	\$48,450	\$32,681	37.3%	5.4x	3.3x	3.3x	1.3x
Antofagasta plc	 ANTOFAGASTA PLC	GBR	\$18,304	\$22,420	\$6,224	47.1%	8.1x	4.9x	7.6x	3.6x
Barrick Gold Corporation	 BARRICK	CAN	\$29,708	\$38,908	\$10,777	54.4%	6.3x	6.3x	6.5x	3.5x
BHP Group Limited	 BHP	AUS	\$151,647	\$162,368	\$54,184	57.6%	7.1x	4.3x	4.9x	2.7x
China Shenhua Energy Company Limited	 中国神华 CHINA SHENHUA	CHN	\$80,245	\$72,212	\$50,613	35.9%	4.4x	4.5x	3.9x	1.4x
Fortescue Metals Group Limited	 FMG Fortescue The New Force in Iron Ore	AUS	\$45,408	\$47,444	\$17,100	60.4%	4.1x	3.3x	4.8x	2.8x
Freeport-McMoRan Inc.	 FREEPORT McMoRAN COPPER & GOLD	USA	\$57,331	\$69,705	\$21,887	40.9%	11.1x	5.9x	8.5x	3.2x
Fresnillo plc	 FRESNILLO	MEX	\$5,714	\$6,285	\$2,517	30.8%	7.5x	7.0x	7.9x	2.4x
Glencore plc	 GLENCORE	CHE	\$69,921	\$94,387	\$228,964	12.2%	12.8x	5.6x	2.6x	0.3x
Grupo México, S.A.B. de C.V.	 GrupoMéxico	MEX	\$37,415	\$42,459	\$14,219	49.9%	6.1x	4.7x	5.8x	2.9x
Industrias Peñoles, S.A.B. de C.V.	 PEÑOLES	MEX	\$5,573	\$8,697	\$32,681	19.0%	5.0x	4.7x	6.7x	1.4x

## Mining Global Comparable Public Companies (Continued)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		Second Quarter Jun. 30, 2023	
						2021	2022	EV/EBITDA	EV/Revenue
Kinross Gold Corporation	 CAN	\$5,859	\$8,232	\$3,954	36.3%	4.4x	5.4x	6.6x	2.2x
Newcrest Mining Limited	 AUS	\$15,680	\$17,149	\$4,508	43.6%	7.2x	7.1x	8.0x	3.8x
Newmont Corporation	 USA	\$33,954	\$36,484	\$11,196	30.2%	7.7x	10.3x	9.0x	3.2x
Nucor Corporation	 USA	\$41,196	\$44,318	\$37,458	23.6%	7.8x	3.3x	4.3x	1.1x
Rio Tinto Group	 GBR	\$107,499	\$113,261	\$52,446	35.7%	5.2x	3.7x	4.6x	1.9x
Saudi Arabian Mining Company (Ma'aden)	 SAU	\$41,536	\$51,047	\$9,198	32.7%	17.5x	12.9x	11.4x	4.9x
Sociedad Minera Cerro Verde S.A.A.	 PER	\$10,064	\$9,203	\$4,066	41.8%	5.7x	5.0x	5.3x	2.3x
Southern Copper Corporation	 USA	\$55,462	\$60,170	\$10,072	51.8%	11.4x	7.7x	11.5x	6.0x
Teck Resources Limited	 CAN	\$21,898	\$28,764	\$11,104	39.7%	8.9x	4.3x	5.0x	2.3x
Vale S.A.	 BRA	\$59,136	\$72,420	\$42,578	40.8%	4.0x	2.8x	3.6x	1.6x
Zijin Mining Group Company Limited	 CHN	\$40,695	\$60,936	\$39,740	13.3%	15.1x	9.8x	10.5x	1.5x
					<b>Mean</b>	8.1x	5.8x	6.5x	2.6x
					<b>Median</b>	7.3x	5.0x	5.3x	2.3x

# Mining – Q2 Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Jul-23	 MARA	ARG	Owns and operates a copper and gold project	GLENCORE	 PAN AMERICAN SILVER	56.3%	\$475.0	-	-
Jul-23	Agua de la Falda, S.A.	CHL	Owns and operates a gold and copper exploration company	RioTinto	 PAN AMERICAN SILVER	57.8%	\$45.6	-	-
Jul-23	Energy Transition Metals	BRA	Produces nickel, copper, cobalt and platinum group metals (PGM)	 MANARA MINERALS	 VALE	13.0%	\$3,400.0	-	-
Jul-23	 ROYAL BAFOKENG PLATINUM	ZAF	Mines and produces PGM	 IMPLATS	 NORTHAM	41.8%	\$737.1	13.6x	2.1x
Jul-23	 RAMADAS MINERALS PVT LTD	IND	Processes and benefits baryte ores	 VISHNU CHEMICALS LTD	-	100.0%	\$3.2	-	12.2x
Jul-23	 POLYMET MINING	USA	Owns copper, nickel, cobalt and PGM deposits	GLENCORE	-	17.8%	\$74.1	NM	-
Jun-23	Non-core Mines	BFA	Owns and operates interests in non-core mines in Boungou and Wahgnion	Lilium Mining	 ENDEAVOUR MINING	90.0%	\$300.0	-	-
Jun-23	 DDH 1 LIMITED	AUS	Provides specialized drilling services for the exploration, mining, and energy industries	 Perenti	-	100.0%	\$273.9	4.2x	0.9x
Jun-23	 MINERAÇÃO VALE VERDE	BRA	Produces copper concentrate Produces nickel concentrate	 ACG	 APPIAN CAPITAL ADVISORY LLP	100.0%	\$1,000.0	3.8x	1.8x
May-23	Cangrejos Project	ECU	Owns and operates a gold project in El Oro Province	 WHEATON	 LUMINA GOLD CORP	100.0%	\$300.0	-	-
May-23	 CELSIUS RESOURCES	AUS	Explores and extracts mineral properties	 SILVERCORP METALS INC.	-	100.0%	\$37.5	NM	NM
May-23	La Preciosa Silver Project	MEX	Owns and operates a development stage mineral property	 TRIDENT ROYALTIES PLC	 AVINO	100.0%	\$8.0	-	-
May-23	 resources	AUT	Processes, and trades mineral resources	 AFARAK	-	100.0%	\$64.6	2.6x	0.1x
May-23	 Livent	USA	Manufactures and sells performance lithium compounds	 Allkem	-	100.0%	\$10,006.0	8.3x	5.3x
May-23	 CHESSEY RESOURCES	AUS	Owns and operates as an exploration company	 FORTUNA SILVER MINES INC.	-	100.0%	\$60.4	NM	NM
May-23	Windfall Gold Project	CAN	Owns and operates a gold project	 GOLD FIELDS	 OSISKO MINING	50.0%	\$440.1	-	-

Sources: Capital IQ, Merger Market, TTR

NM: Not Mesurable

Mean 6.5x  
Median 4.2x

# Representative Global Engagements

 has acquired 	 has acquired 	 has sold Triumph Processing - Embee Division to 	 has sold Triumph Air Repair & Triumph Engines businesses to 	 has acquired unified brands from 	 has partnered with  a company backed by 	 has acquired 	 has sold the North American guarding business of  to 	 has sold  to 	 has sold  to 	 a subsidiary of  has sold  to 
 has sold  to Daives Baird Pty Ltd a sister company of 	 has acquired 	 has sold  to Code Flower Inc.	 has sold its GRACE Membranes Business  a subsidiary of 	 has sold  and  to 	 has sold a controlling interest to 	 has been acquired by 	 has sold SENSI CARE and ALOE+VESTA to 	 has sold their Sanitaryware Manufacturing Plant to 	 has acquired Multiple snack companies   	 has sold  to 
 has sold Commercial Flight Training Business to 	 has been acquired by 	 has sold Oxbow Sulphur, Inc. to 	 has been acquired by 	 has sold  to 	 Engineers & Constructors has acquired 	 has acquired 	 has acquired 	 has sold its SYCAR Resins business to 	 has sold  to Private Equity Partners	 has been acquired by 
 has sold  to 	 has acquired  KFC Costa Rica from 	 has been acquired by 	 has sold  to 	 has sold the Films Business of  to 	 has been acquired by 	 has sold  to 	 Oxbow's Senior Subordinated debt issued by  was refinanced by 	 has sold  to 	 has acquired  from THE MOORE COMPANY	 sold its concrete pumping business to 

# Advisor to Leading Companies Worldwide



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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

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**Creative Solutions. Trusted Advice.**

For over 20 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

**SERVICES AND SOLUTIONS**

**25**  
YEARS OF EXPERIENCE

**\$50B+**  
CLOSED TRANSACTIONS  
GLOBALLY

Mergers & Acquisitions  
Divestitures  
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Recapitalizations

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**Trusted Advisor to Leading Companies Worldwide**

We have worked repeatedly with many of the most well-known companies in the world...

...as well as with reputable funds, family-offices and privately held companies.



# Seale & Associates

Creative Solutions. Trusted Advice.