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■# Ecora Royalties PLC (ECOR.L) - Gideon-Lens Equity Research

Date: 2026-06-09. Analyst: Codex ER2. Price: 134.8 GBp from the live FMP LSE quote, equal to about $1.797 per share using the QF GBP/USD reference of 1.3333. Market cap: about GBP 336.3m, or about $448.4m. Fiscal year end: December 31. Reporting currency: U.S. dollars.

VERDICT BLOCK

Verdict: PASS

Scorecard:

Gate	Result	Notes
Management	YELLOW	Credible transition, but per-share ROIIC proof is missing.
Moat	YELLOW / 2046 FAIL	Real asset contracts, but corporate replacement moat unproven.
P/E <= 15 on confident EPS at TTM + 5 calendar years	FAIL	Base-case cushion is -64.5%; bull still fails.
Compounder Score	Audited 30 / 100	Reject; real contracts, but ROIIC, Kestrel runoff, and durability fail.
Business Quality Score	Audited 29 / 80	Asset-level positives, but no proven high acquisition-inclusive ROIIC.
20% Return UW Score	Audited 1 / 20	Base and bull EPS both fail the required $0.1198 EPS.

One-line thesis (or reason to pass): Ecora owns real royalty and stream assets, but the current portfolio has not proven it can replace finite Kestrel cash flow at high per-share returns, and the 2031 EPS model fails the price test even in bull case.

Kill / trigger criteria:

- BUY trigger: price below roughly $0.63 per share / about 47 GBp on the reviewed base case, with a wider margin required because management is YELLOW and the 2046 test fails.
- PASS triggers: keep PASS if Q2-Q4 2026 plus Q1 2027 Base Metals contribution is below $34m while Q1 2027 net debt remains above $80m, absent a copper/cobalt price collapse.
- Upgrade to BUY conditions: management upgrades to PASS through realized Mimbula/base-metals ROIIC, the 2046 durability case improves through producing development assets, and base-case 2031 EPS approaches $0.12/share with a real cushion.

Position sizing if bought: 0% today. If future evidence clears the gates and price is below the base-case P/E 15 trigger, cap initial sizing at 1%-2% because the business remains small, commodity-linked, operator-dependent, and reinvestment-led.

Stage 0 - Time Anchor

Today is 2026-06-09. Ecora's fiscal year ends December 31. The most recently reported period is the Q1 2026 trading update for the period ended March 31, 2026. The TTM anchor is Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026, meaning TTM ending March 31, 2026. The forward horizon is March 31, 2031, exactly five calendar years after the TTM anchor.

Stage 1 - Disqualifier Sweep

The initial sweep did not stop the run, but it left several yellows. ROIC is YELLOW because FMP FY2025 ROIC is only about 4.5% and acquisition-inclusive ROIIC is unproven. FCF conversion is GREEN/YELLOW because FY2025 free cash flow of $27.4m exceeded adjusted earnings, but cash flow depends on commodity prices, stream deliveries, and operator timing. Leverage is GREEN/YELLOW with Q1 2026 net debt of $84.4m after Mimbula. End-markets are GREEN/YELLOW because copper, cobalt, uranium, and rare earths have structural demand, while steelmaking coal and commodity prices remain

cyclical. Governance is GREEN/YELLOW, with acceptable disclosure but South32's nominee right and diversity gaps to monitor. AI disruption is GREEN directly; AI cannot replace royalty contracts. Pricing power is YELLOW because Ecora owns contractual commodity/production exposure, not customer-facing price control.

Management

Management is YELLOW. Marc Bishop Lafleche and Kevin Flynn deserve credit for seeing the Kestrel problem, shifting the portfolio toward critical minerals, resetting the dividend to 25%-35% of FCF, selling non-core Dugbe, and deleveraging after the $50m Mimbula stream acquisition. Disclosure quality is better than average for a small resource royalty company: Ecora separates portfolio contribution, stream costs, EVBC IFRS 9 treatment, McClean repayments, and Kestrel runoff clearly enough for investors to reconstruct the economics. The problem is proof, not direction. FY2025 adjusted EPS of 8.86c remains far below Kestrel-windfall years, share count is materially higher than FY2021, and too much of the capital-allocation record still relies on NAV plus income received rather than realized per-share ROIIC. Mimbula may become the proof asset, but one partial year is not enough for a Gideon management PASS.

Moat

Moat is YELLOW and the 2046 test is FAIL. Ecora's asset-level moat is real: once it owns a royalty or stream over Voisey's Bay, Mantos Blancos, Mimbula, Four Mile, EVBC, or another covered asset, a competitor cannot simply take that same claim away. Those contracts can produce high contribution margins because operators carry mine-level operating and sustaining-capex risk. But the corporate moat is weaker. Ecora does not set commodity prices, does not control mine sequencing, and must replace finite assets by sourcing or buying new royalties in competition with larger royalty companies and private capital. Kestrel is expected to run off by around 2030, Carlota and Four Mile are limited-duration, Mimbula is new, and even Voisey's Bay's currently cited life reaches 2044 rather than the 2046 test date. The 2046 case requires future development conversion and disciplined new deals; that is possible, not proven.

Stage 5 Synthesis

The synthesis is the decisive quantitative failure. The DR-cleared TTM operating anchor is $63.4m of portfolio contribution, not full statutory revenue, because Ecora reports quarterly trading updates rather than a full quarterly segment P&L. The reviewed segment appendices build 2031 contribution from Base Metals, Specialty Metals & Uranium, and Bulks & Other, then the synthesis applies a conservative corporate, finance, tax, and share-count bridge. Base-case 2031 contribution is only $55.8m because Base Metals growth does not fully replace Kestrel runoff. Base-case operating income is $22.2m, net income is $10.7m, and EPS is $0.042 on 250.736m diluted shares.

Case	Contribution / revenue proxy ($B)	OI ($B)	NI ($B)	EPS	Value at 15x EPS	Cushion vs $1.797
Bear	0.0392	0.0087	-0.0006	-0.002	-0.036	-102.0%
Base	0.0558	0.0222	0.0107	0.042	0.637	-64.5%
Bull	0.0750	0.0379	0.0235	0.094	1.409	-21.6%

At the current $1.797/share price, required 2031 EPS for a 15x P/E is $0.1198. Base fails by a wide margin, and bull still fails. This is not a near-miss YELLOW. The model gives credit for Mimbula, Voisey's Bay, Mantos Blancos, uranium optionality, and a reduced finance burden, yet still cannot support the current price under ER2 rules. The synthesis passed 11/11 tie-out checks, with the statutory TTM tie-out explicitly limited because Ecora's quarterly reporting is contribution-based.

Red Team

The red team's strongest point is that Ecora is a finite-asset replacement story whose transition portfolio has not proven it can replace Kestrel on a per-share basis while carrying debt. The most fragile assumption is Base Metals: the base case needs that sleeve to grow from $33.4m TTM contribution to $40.8m by 2031, even as Voisey's Bay, Mimbula, Mantos, copper/cobalt prices, shipping timing, and development optionality all need to behave. The most optimistic Stage 5 number is actually the bull EPS of $0.094, because it stacks multiple favorable outcomes and still fails the required $0.1198 EPS. The monitor is concrete: avoid or exit if Q2-Q4 2026 plus Q1 2027 Base Metals contribution is below $34m while Q1 2027 net debt remains above $80m, absent a copper/cobalt price collapse.

Kill / Trigger Criteria

- Keep PASS unless Base Metals proves annualized contribution above the current $33.4m TTM level while net debt falls materially.
- Upgrade management only if Mimbula and the broader Base Metals sleeve show realized acquisition-inclusive ROIIC and per-share FCF/EPS growth after stream costs, debt, and share count.
- Upgrade moat only if development assets such as Santo Domingo or Phalaborwa become producing contributors and management demonstrates repeatable sourcing beyond the current finite asset book.
- Revisit valuation only if price falls below roughly $0.63/share, about 47 GBp at the QF FX reference, or if base-case 2031 EPS rises toward $0.12/share with hard source evidence.

Analyst Flags

The first data caveat is accounting structure: portfolio contribution is the right operating bridge, but it is not full statutory quarterly revenue or OI. The second caveat is ROIIC: the packet does not include a clean 3-year, 5-year, or acquisition-inclusive ROIIC schedule. The third caveat is 2046 durability: current contracts are real, but current proof does not extend far enough for a Gideon compounder. Finally, the price is a GBp quote translated to USD for EPS testing; all P/E math uses the QF same-day GBP/USD reference and Ecora's USD reporting currency.

Appendix A - Company Primer

Ecora Royalties PLC - Appendix A: Primer

Source note: financial figures in this primer are anchored to `quant_foundation.md` and the independent `quant_foundation_review.md`, both produced from the run-local 2026-06-09 evidence pack. Operating and portfolio context is drawn from Ecora's official annual-report, results-presentation, and trading-update text files in `raw\`, especially `official_2025_annual_report.txt`, `official_2025_fy_results_presentation.txt`, `official_q4_2025_trading_update.txt`, and `official_q1_2026_trading_update.txt`. For post-period company naming and current public portfolio-count language, this primer also references Ecora's public IR pages: `https://www.ecoraroyalties.com/news-media/press-releases/`, `https://www.ecoraroyalties.com/our-portfolio/our-portfolio/`, and `https://www.ecoraroyalties.com/about-us/glance/`.

1. What Ecora Is

Ecora Royalties PLC is a UK-listed natural-resources royalty and streaming company focused on critical minerals. The company does not operate mines. It provides capital to mine owners, developers, or prior holders of royalty rights, and in exchange receives a contractual right to a percentage of revenue, production, tolling revenue, or purchased metal from specified mining assets. That distinction matters: Ecora is economically exposed to commodity prices, mine plans, reserves, grades, permitting, operator execution, and financing conditions, but it is not the owner/operator deciding daily mine sequencing, capex budgets, labor plans, processing performance, or community engagement. It is an upstream capital allocator, not an operating miner.

The corporate history is central to the investment case. The business was formerly Anglo Pacific Group, best known for the Kestrel steelmaking coal royalty in Australia. It changed its name to Ecora Resources in October 2022, after a period in which management repositioned the company away from a coal-centric income stream and toward royalties and streams linked to copper, cobalt, nickel, uranium, rare earths, and other commodities tied to electrification, infrastructure, energy security, and industrial reshoring. Ecora's press-release archive records the October 2022 change to Ecora Resources and a January 2026 change to Ecora Royalties. The newest name is less about a strategy pivot than a clarification: management wants the market to underwrite Ecora as a royalty and streaming company, not as a small diversified miner or a generic resources owner.

Ecora has public listings in London and Toronto and an OTCQX line in the United States. The run-local quantitative foundation identifies the tickers as LSE `ECOR.L`, TSX `ECOR`, and OTCQX `ECRAF`. The relevant reporting currency for the official financial statements and portfolio contribution tables is U.S. dollars. The fiscal year ends December 31, and the most recently reported period for this run is the Q1 2026 trading update for the period ended March 31, 2026.

The strategic transition is visible in the numbers. In the 2025 annual report, management describes Kestrel as historically the portfolio's cornerstone revenue source and now nearing the end of its royalty life. In the same report, base metals contribution increased 150% year over year to $28.5 million, while Kestrel contribution fell to $17.5 million from $41.4 million. For the first time, critical minerals contribution exceeded Kestrel. The FY 2025 results presentation frames base metals as 50% of 2025 portfolio contribution and, based on analyst consensus forecasts cited by Ecora, expected to rise toward roughly 85% by 2030, while coal contribution is expected to decline through the rest of the decade and fall away after 2030 under the most recent Kestrel mine plan.

That makes Ecora a transition story with a still-visible legacy tail. The new engine is base metals, especially cobalt from Voisey's Bay and copper from Mantos Blancos and Mimbula. The legacy engine is Kestrel, which remains cash-generative when mining is inside Ecora's private royalty area but is volatile because the operator's mine sequencing determines whether Ecora receives material coal royalty income in a given quarter. A Gideon reader should not treat Ecora as a steady annuity. It is better understood as a portfolio of long-duration contractual claims whose cash flows are lumpy at the asset level but potentially scalable if management can keep recycling capital into attractive royalties and streams.

2. How Royalties and Streams Work Economically

Ecora's economic model starts with a simple idea: mining companies often need capital before or during production, and traditional debt or equity can be expensive, dilutive, restrictive, or unavailable. A royalty company can supply upfront capital in exchange for a claim on future mine output or revenue. Ecora's annual report defines a royalty as a non-operating interest granted for an upfront payment that provides the royalty holder with the right to a percentage of revenues generated from

extraction and sale of minerals from a specified area. It defines a metal stream as an agreement that, in return for an upfront payment, provides the right to purchase all or a portion of one or more metals produced from a mine.

The two main royalty forms in Ecora's portfolio are NSR and GRR royalties. An NSR, or net smelter return royalty, is typically calculated on revenue from metal sales after specified smelting, refining, transport, and related deductions. A GRR, or gross revenue royalty, is generally closer to a top-line claim, though the exact contract language controls. The economic appeal is that the royalty holder is usually insulated from the operator's ongoing sustaining capex and mine operating costs. If copper price rises and the mine keeps producing, a royalty can participate with little incremental cost at the royalty company level. This is why the annual report describes royalty payments as giving inflation protection, diversification, and upside from production increases, mine-life extensions, exploration, and commodity-price outperformance.

Streams are different. In a stream, Ecora has the right to buy a defined share of production at an agreed price, usually a discounted price. The value is the spread between the realized market price and the contractual purchase cost, multiplied by delivered volume. This can create attractive cash margins, but it also means the financial statements show stream costs. In Ecora's FY 2025 portfolio contribution bridge, metal stream cost of sales was $4.7 million, which is added back or deducted depending on whether the reader starts from revenue or portfolio contribution. In Q1 2026, metal purchase costs under stream agreements were $1.6 million, split between Voisey's Bay and Mimbula.

The royalty model is asset-light at the corporate level, but it is not low-risk in the way a software licensing model can be low-risk. The mine operator retains control. Ecora depends on Vale at Voisey's Bay, Capstone at Mantos Blancos and Santo Domingo, Moxico at Mimbula, BHP at West Musgrave, Orano at McClean Lake, and other operators across the portfolio. If an operator misses a mine plan, delays a ramp, changes sequencing away from Ecora's royalty area, encounters metallurgical issues, fails to fund a development project, or faces permitting and community delays, Ecora's cash flow can fall even though Ecora did not make the operating error. The FY 2025 results presentation explicitly notes that, as a royalty and streaming company, Ecora often relies on public disclosures of the owners and operators of the underlying properties.

The underwriting question is therefore not simply "are royalties good?" It is whether Ecora can buy or create royalties and streams at attractive risk-adjusted prices, across assets where operator quality, mine cost position, jurisdiction, reserve life, commodity exposure, and contract terms justify the upfront capital. A royalty can be a high-quality economic instrument when the underlying asset is low-cost, long-life, expanding, and operated by a capable owner. It can also become a stranded claim if the asset never reaches production, runs outside the royalty area, or produces a commodity with poor realized pricing.

3. Portfolio Overview

Ecora's current public portfolio page describes 23 principal royalty and streaming-related assets across five continents, and Ecora's public "at a glance" page uses 11-commodity exposure language. The 2025 annual report's portfolio table groups the major assets into base metals, specialty metals and uranium, and bulks and other. That grouping is the more useful structure for an investor because it maps directly to portfolio contribution.

Base metals are now the current engine. They include Voisey's Bay cobalt in Canada, Mantos Blancos copper in Chile, Mimbula copper in Zambia, Carlota copper in the United States, and a development or early-stage copper/nickel pipeline that includes Santo Domingo, West Musgrave, Vizcachitas, Piaui, Nifty, and Canariaco. In FY 2025, base metals produced $28.5 million of portfolio contribution, up 150% year over year and 50% of total portfolio contribution. In Q1 2026, base metals produced $8.3 million, up 152% versus Q1 2025.

Specialty metals and uranium include Maracas Menchen vanadium in Brazil, McClean Lake uranium mill revenue in Canada, Four Mile uranium in Australia, Phalaborwa rare earths in South Africa, Salamanca uranium in Spain, and Patterson Corridor East uranium in Canada. This sleeve is smaller in current cash flow than base metals, but it matters strategically because uranium and rare earths are highly relevant to energy security and Western supply-chain policy. The sleeve contributed $7.6 million in FY 2025 and $2.3 million in Q1 2026.

Bulks and other includes Kestrel steelmaking coal, EVBC gold, an indirect LIORC iron ore interest, Incoa calcium carbonate, Amapa iron ore, Ring of Fire chromite, and Pilbara iron ore. Kestrel is still the most important cash contributor in this sleeve, but it is a declining, mine-sequencing-sensitive asset. EVBC provides gold-price-linked contribution but is treated differently under IFRS 9, with royalties received reflected in fair-value movement rather than recorded as royalty income. In FY 2025, bulks and other produced $20.9 million of portfolio contribution; in Q1 2026, it produced $1.7 million, all from EVBC with nil Kestrel contribution.

The principal assets can be summarized as follows:

Sleeve	Producing cash-flow anchors	Development and option assets	2025 contribution
Base metals	Voisey's Bay, Mantos Blancos, Mimbula, Carlota	Santo Domingo, West Musgrave, Vizcachitas, Piaui, Nifty, Canariaco	$28.5m
Specialty metals and uranium	McClean Lake, Four Mile, Maracas Menchen	Phalaborwa, Salamanca, Patterson Corridor East	$7.6m
Bulks and other	Kestrel, EVBC, LIORC	Incoa, Amapa, Ring of Fire, Pilbara	$20.9m
Total	Producing royalties and streams	Multi-commodity option set	$57.0m

The portfolio is not equally weighted. Voisey's Bay, Mantos Blancos, Mimbula, and Kestrel matter disproportionately to near-term cash flow. Development assets such as Santo Domingo, West Musgrave, Nifty, Vizcachitas, Canariaco, and Phalaborwa matter to the medium-term narrative but should be risked heavily until operator funding, construction, production, and commercial ramp milestones become visible. That distinction is critical for valuation: an optimistic sum-of-the-parts can become misleading if it gives mine-life value to assets that still need development decisions and capital.

4. FY 2025 and Q1 2026 Snapshot

The financial picture at the Stage 0 anchor is a company that is still small, levered, and commodity-exposed, but whose base-metals pivot is now evident in reported contribution. FY 2025 portfolio contribution was $57.0 million, down 10% from $63.2 million in FY 2024 because the decline in Kestrel offset stronger critical-minerals contribution. Royalty and metal stream related revenue was $55.9 million. Adjusted earnings were $22.1 million, or 8.86 cents per share. Free cash flow was $27.4 million. Net debt at December 31, 2025 was $85.5 million, roughly similar to year-end 2024 despite the $50.0 million Mimbula stream acquisition during the year.

Q1 2026 was stronger year over year. Portfolio contribution was $12.3 million, up 105% versus Q1 2025. Base metals contribution was $8.3 million, up 152%, led by Voisey's Bay, Mimbula, and Mantos Blancos. Specialty metals and uranium contribution was $2.3 million, up 35%, with Four Mile benefiting from normalized sales after Q1 2025 stockpiling. Bulks and other contribution was $1.7 million, entirely helped by EVBC and a strong gold price because Kestrel contributed nothing in the quarter. Net debt at March 31, 2026 was $84.4 million.

For the trailing twelve months ending March 31, 2026, the run anchor uses Q2 2025 plus Q3 2025 plus Q4 2025 plus Q1 2026. The quantitative foundation builds this as FY 2025 plus Q1 2026 minus Q1 2025, which is algebraically equivalent given quarterly trading updates. The result is about $63.4 million of TTM portfolio contribution; the QF rounded table shows $63.3 million because it uses rounded official group subtotals.

Metric	Anchor value	Source treatment
FY 2025 portfolio contribution	$57.0m	Official annual report and QF
Q1 2026 portfolio contribution	$12.3m	Official Q1 2026 trading update and QF
TTM portfolio contribution to 2026-03-31	About $63.4m	Q2-Q4 2025 plus Q1 2026 bridge; QF rounded table shows $63.3m
FY 2025 royalty and metal stream related revenue	$55.9m	Official annual report controls over FMP mapping
FY 2025 adjusted EPS	8.86c	Official annual report and QF
FY 2025 free cash flow	$27.4m	Official Ecora definition and QF
Net debt at 2026-03-31	$84.4m	Official Q1 2026 trading update

The investor should also keep the valuation anchor in view. The QF used a saved FMP quote of 134.8 GBp for ECOR.L on June 9, 2026 and translated this to approximately $1.797 per share using a same-day GBP/USD reference. That produced a FY 2025 adjusted P/E of about 20.3x and an enterprise value of about $532.8 million, or 8.4x TTM portfolio contribution. These are not final valuation conclusions, but they define the hurdle: Ecora must convert the growth pipeline into reliable, per-share earnings growth for the current price to clear Gideon's five-year-forward P/E discipline.

5. Growth Assets and Optionality

Voisey's Bay is the most important near-term growth asset. Ecora holds a 22.82% cobalt stream over the Canadian mine operated by Vale. FY 2025 portfolio contribution from Voisey's Bay was $18.9 million, up from $6.2 million in 2024, supported by higher volumes and a stronger cobalt price. The FY 2025 results presentation states cobalt volumes attributable to Ecora increased to 448 tonnes in 2025 from 210 tonnes in 2024 and that 2026 guidance is 500 to 560 tonnes. It also says the life of mine was extended by four years to 2044. In Q1 2026, Ecora received 70 tonnes, with 98 tonnes set for April and another 56

tonnes in transit, so some Q1 volumes shifted into Q2 because of shipping timing rather than a change in annual guidance.

Mantos Blancos is the key producing copper royalty in Chile. Ecora has a 1.525% NSR royalty, with Capstone Copper as operator. Mantos Blancos generated $9.5 million of FY 2025 contribution and $2.4 million in Q1 2026. The annual report and presentation attribute 2025 strength to record operational performance, higher copper prices, and the benefits of prior debottlenecking. The presentation flags a Phase II study due in mid-2026, with potential low-capex expansion of the sulphide mill, tailings reprocessing, and a path to higher production, while also warning that 2026 volume is expected to be about 10% lower due to mining in a lower-grade zone before production increases in 2027.

Mimbula is the newest producing growth asset. Ecora paid $50.0 million in early 2025 for a stream over the producing Mimbula copper mine in Zambia, operated by Moxico Resources. The stream varies from 1.0% to 4.7% of copper production depending on cumulative production volumes, according to the annual-report asset table. FY 2025 contribution was $4.0 million on the table basis, with net contribution affected by stream purchase costs and delivery timing. Q1 2026 net portfolio contribution was $2.1 million, and Q1 copper entitlement of 150 tonnes was expected to generate $1.4 million of Q2 contribution net of metal purchase costs. Management frames Mimbula as a high-quality ore body with low operating costs and brownfield expansion underway.

The development pipeline is broader but less certain. Santo Domingo is a Chilean copper and iron ore project operated by Capstone, with a 2.0% NSR royalty and an indicated mine life of 19 years in Ecora's asset table. The Q4 2025 trading update noted a joint venture transaction that could enable a final investment decision as early as H2 2026. Nifty is an Australian copper project with a 1.5% GRR royalty; Q4 2025 materials reference a phased restart and cathode project restart plan. West Musgrave is a nickel-copper project in Australia operated by BHP, with a 2.0% NSR royalty and a 24-year indicated mine life, but construction restart remains a catalyst rather than current contribution. Vizcachitas and Canariaco are copper-linked early or development-stage royalties in Chile and Peru; Canariaco received a fresh signal when Fortescue completed the acquisition of the remaining Alta Copper shares not already owned in March 2026.

Specialty and uranium optionality comes from Phalaborwa, Four Mile, McClean Lake, and Patterson Corridor East. Four Mile is already contributing: Q1 2026 contribution was $1.1 million as sales normalized after the operator's prior stockpiling. McClean Lake contributed through principal repayments and interest, with Q1 2026 principal repayment of $0.5 million and interest of $0.3 million. Phalaborwa is a rare-earths royalty in South Africa; Q1 2026 materials note Rainbow Rare Earths' $14.6 million equity raise to fund finalization of the definitive feasibility study, with strategic critical-minerals supply-chain relevance. These assets provide option value, but they are not the same quality of evidence as producing Voisey's Bay, Mantos Blancos, or Mimbula cash flows.

6. Capital Allocation and Balance Sheet

Ecora's capital allocation priorities are growth, deleveraging, and shareholder returns. The 2025 annual report states that near-term growth focus is on adding royalties and streams over producing mines or projects close to production, complementing the existing development portfolio. That preference is important. It suggests management understands the risk of overloading the portfolio with long-dated optionality while the market is demanding visible replacement for Kestrel.

The Mimbula acquisition is the clearest test case. Ecora invested $50.0 million plus acquisition costs into a producing copper stream during Q1 2025. Debt increased as a result, peaking in the first half, but the company then reduced net debt through second-half portfolio cash generation and the sale of the non-core, long-dated Dugbe gold royalty. The annual report states net debt peaked shortly after the acquisition and ended 2025 at $85.5 million; the finance review says borrowings peaked at $132.6 million at June 30, 2025 and that deleveraging was helped by $16.5 million of upfront proceeds from the Dugbe disposal plus portfolio cash contributions. Q1 2026 net debt declined further to $84.4 million.

The balance sheet is not distressed, but it is a real constraint. FY 2025 finance costs were $10.4 million, up from $8.9 million, because average borrowings increased after Mimbula. A company with $57.0 million of FY portfolio contribution and $27.4 million of free cash flow cannot repeatedly make $50 million acquisitions without either debt discipline, asset recycling, equity issuance, or very high confidence in near-term cash conversion. The revolving credit facility provides acquisition capacity, but it also raises the bar for underwriting because any poor acquisition can consume multiple years of free cash flow.

Dividends are part of the capital-allocation proposition, but they should be viewed as secondary to reinvestment quality. The annual report shows dividends of $6.9 million paid in 2025 and total dividend per share of 2.00 cents. The presentation notes Ecora's policy context as growth, deleveraging, and capital returns, with dividends as a percentage of free cash flow. For Gideon, the key is not the dividend yield. It is whether the company can reinvest retained cash and balance-sheet capacity at attractive returns while preserving enough liquidity to absorb commodity-price and timing volatility.

7. What Matters for Gideon

The Gideon question is whether Ecora can compound per-share intrinsic value at a high rate for a long time and still meet a strict five-year-forward valuation hurdle. Ecora has some features Gideon likes: capital-light corporate economics, scarce contractual claims on high-quality mining assets, commodity optionality without direct mine operating cost exposure, a management strategy that has been moving away from coal, and a multi-asset pipeline that could add cash flow without proportional corporate expense.

The counterpoint is that Ecora is not a classic high-ROIC operating compounder. Its reported ROIC anchor in FMP is low at 4.51% for FY 2025, and accounting ratios can be noisy because royalties, streams, fair-value instruments, amortization, impairments, reversals, taxes, and development optionality do not map cleanly into a single industrial ROIC measure. Still, the economic question remains: does management buy cash-flow claims at prices that produce attractive after-tax returns on capital, net of financing cost and dilution? Mimbula, Voisey's Bay, and future acquisitions should be tested that way.

The reinvestment runway is credible but competitive. Royalty and streaming deals in critical minerals are valuable because mining developers need non-dilutive capital, but Ecora is competing with larger royalty companies, private capital, strategic investors, and operators' own financing alternatives. The company needs sourcing edge, structuring discipline, and the ability to say no. The annual report emphasizes its network and sector reputation. The Management appendix should test whether that claim is supported by actual deal terms, follow-on performance, and capital recycling.

Moat and durability are mixed. Contractual royalty rights can be durable, sometimes life-of-mine claims attached to specific assets. But the company-level moat is not automatically strong. The asset rights are scarce once acquired, yet future deal flow is contestable. Ecora's durability rests on the quality of its existing asset base, its legal rights, its operator counterparties, and the portfolio's ability to replace Kestrel with base-metal cash flows before the legacy coal tail ends. The Moat appendix should separate asset-level contractual durability from corporate-level competitive advantage.

Valuation is the final gate. At roughly 20.3x FY 2025 adjusted EPS and 8.4x TTM portfolio contribution on the QF anchor, Ecora is not obviously cheap on trailing numbers. It might become cheap if Voisey's Bay reaches guided volume, Mimbula expands, Mantos Blancos remains strong, Kestrel contributes opportunistically through the late decade, and one or more development assets convert into producing cash flow. But Gideon requires a confident P/E at or below 15 on FY+5 EPS, not a good story about critical minerals. The Synthesis appendix must translate the asset ramp into per-share earnings, after stream costs, finance costs, tax, dividends, potential acquisitions, and any dilution.

8. Primer Risk Map and Open Questions

The first risk is commodity exposure. Cobalt, copper, uranium, vanadium, rare earths, gold, and steelmaking coal can move sharply for reasons outside Ecora's control. A royalty company has operating-cost insulation, but it does not have price immunity. Voisey's Bay's 2025 recovery benefited from cobalt price strength after a very weak period in 2023 and 2024; the prior impairment reversal is a reminder that asset values can move both ways.

The second risk is operator and timing exposure. Ecora depends on third-party operators. Q1 2026 Voisey's Bay volumes partly shifted into Q2 because of shipping timelines. Kestrel produced nil contribution because mining was outside Ecora's private royalty area and is not scheduled to return until Q3 2026. Mantos Blancos may see lower 2026 volumes due to grade sequencing. These are not necessarily thesis-breaking events, but they make quarterly cash flow lumpy and require conservative liquidity planning.

The third risk is development conversion. Santo Domingo, Nifty, West Musgrave, Vizcachitas, Canariaco, Phalaborwa, Salamanca, and Patterson Corridor East can be valuable, but only if operators advance them economically. The correct valuation treatment is probability-weighted. The primer should prevent downstream appendices from giving full credit to a pipeline that still needs capital, permits, construction, commodity support, and operator priority.

The fourth risk is capital allocation. Mimbula appears strategically coherent: producing, copper-linked, expanding, and quickly cash-contributing. But a small royalty company can damage per-share value if it overpays for growth, uses too much debt into a commodity downturn, or issues equity at unattractive prices. The central management-underwriting question is whether Ecora can consistently source deals with a margin of safety, not whether critical minerals are thematically attractive.

The fifth risk is Kestrel transition math. The strategic story improves as base metals replace coal, but Kestrel still represented $17.5 million of FY 2025 contribution. It will decline and ultimately end under the current mine-plan framing. The analysis must ask whether base metals and development assets merely replace Kestrel, or whether they replace it and then compound materially above it.

Open questions for downstream appendices:

Question	Why it matters	Best downstream owner
What is normalized Voisey's Bay contribution at 500-560 tonnes and reasonable cobalt prices?	It is the largest near-term growth driver.	Segment appendix / Synthesis
What return on invested capital does Mimbula imply under current and expanded production cases?	It is management's newest major underwriting proof point.	Segment appendix / Management
How much of Kestrel contribution should be modeled through 2030?	It affects bridge earnings but should not be capitalized like a durable asset.	Synthesis / Red team
Which development assets deserve material probability-weighted value by 2031?	Optionality can inflate valuation if treated as base case too early.	Segment appendix / Red team
Can Ecora fund new deals while deleveraging and maintaining dividends?	Balance-sheet capacity may constrain the reinvestment runway.	Management / Synthesis
Does Ecora have a repeatable sourcing and structuring edge?	This is the core corporate moat question beyond existing contracts.	Management / Moat
Does the FY+5 EPS case clear a 15x P/E hurdle without heroic commodity prices?	This is the Gideon valuation gate.	Synthesis / Red team

Bottom line: Ecora is a real royalty and streaming platform with a visible pivot toward critical minerals and a set of producing assets that can generate attractive cash margins. It is also a small, externally dependent, commodity-linked company whose best assets must still prove that they can replace and exceed the legacy Kestrel contribution on a per-share basis. The primer conclusion is therefore deliberately balanced: Ecora is interesting enough for full Gideon work, but not yet entitled to compounder status without hard evidence on asset-level returns, management underwriting, and five-year-forward EPS.

Appendix M - Management Assessment

Ecora Royalties PLC - Management Assessment

Prepared for ER2 / Gideon research on 2026-06-09. Company: Ecora Royalties PLC, formerly Ecora Resources PLC. Ticker: ECOR.L. Evidence is run-local unless explicitly identified as a peer/company website used for peer comparison. Controlling Ecora sources are `data_package.md`, `quant_foundation.md`, `quant_foundation_review.md`, `raw/official_2025_annual_report.txt`, `raw/official_q4_2025_trading_update.txt`, `raw/official_q1_2026_trading_update.txt`, and `raw/official_2025_fy_results_presentation.txt`.

Leadership

Ecora is led by Marc Bishop Lafleche, CEO since 1 April 2022 and an Ecora employee since 2014. The 2025 annual report says he has a deep knowledge of the royalty and stream sector and was "instrumental" in the pivot toward critical minerals and away from steelmaking coal. That is an important attribution: the 2021-2026 portfolio transition is not something he inherited from a distance. He owns the strategic direction, the rebranding of the equity story around critical minerals, and the current capital allocation program that is trying to replace Kestrel coal runoff with copper, cobalt, uranium, vanadium, rare earths, and other transition-linked royalties and streams.

Kevin Flynn is CFO. He joined Ecora as CFO in January 2012 and became an executive director in January 2020. He is not a caretaker finance chief. The annual report states that he originated and negotiated all group borrowing facilities, played a leading role in equity raising, and is closely involved in all investment decisions. For this management assessment, that makes him a co-owner of the balance-sheet and per-share outcomes from the transition, including the Voisey's Bay acquisition legacy, the 2022 South32 royalty portfolio, the 2025 Mimbula stream, the revolving credit facility, and the reset of the dividend policy.

Board oversight is reasonably serious for a small royalty company. Andrew Webb became chairman in 2024 after joining as chairman designate in January 2024; his background is corporate finance and natural resources advisory at Rothschild. Varda Shine is senior independent director and chair of the Remuneration Committee, with prior senior mining and diamond industry experience. Christine Coignard, Graeme Dacomb, and James Rutherford add mining finance, audit, and capital markets experience. Michael Falconer joined in September 2025 as South32's nominee director. At the 2025 annual report date the Board had eight directors: the chair, two executives, four independent non-executives, and one shareholder-nominated non-executive. The board therefore has real mining finance content, but also a governance flag: South32 owns a material stake and has a contractual right to nominate a director while its holding remains above 10%.

The executive structure is compact. The Executive Committee consists of the CEO, CFO, Investment Manager, and Head of Legal, supported by the Company Secretary. This is appropriate for a royalty company with fewer than 15 employees, but it also means underwriting judgment is concentrated in a small group. For a Gideon 20-year compounder, this concentration is acceptable only if capital allocation evidence is exceptional. Ecora is not there yet.

Tenure And Track Record

Marc has been CEO for just over four years as of the Q1 2026 trading update. That is long enough to own the current strategy, but not long enough to declare victory on a long-duration royalty portfolio whose biggest payoffs depend on operator execution, mine restarts, project financing, and commodity cycles. The key question is not whether management correctly saw that Kestrel would run off. It did. The question is whether it has already created per-share value by redeploying Kestrel cash and balance-sheet capacity into higher-return assets.

The track record is mixed but improving. The 2025 annual report and data package show that FY2021 and FY2022 were Kestrel-heavy, with portfolio contribution of $85.6m and $143.2m. FY2023, FY2024, and FY2025 fell to $63.6m, $63.2m, and $57.0m as Kestrel normalized and declined. Adjusted EPS fell from 25.2c in FY2021 and 37.6c in FY2022 to 8.86c in FY2025. Free cash flow rose from $22.1m in FY2024 to $27.4m in FY2025, but it remains far below the coal-windfall year of FY2022. Basic weighted average shares were 248.9m in FY2025 versus 207.9m in FY2021 in the data package. That matters: the portfolio transition may be strategically right, but shareholders have not yet seen a clean, durable per-share compounding record under the current strategy.

The three biggest decisions are clear. First, the company bought the Voisey's Bay cobalt stream in 2021 for a large upfront amount. Under the 2025 presentation's capital allocation table, Voisey's Bay has produced cumulative income of $52m and

consensus NAV of $186m against a $208m acquisition price, or 114% on an unlevered "income plus NAV over cost" basis. That is positive but not an exceptional proven return, and the annual report's remuneration discussion acknowledges that Voisey's Bay had not reached threshold performance against its investment case even after a strong 2025 volume and cobalt price rebound. The 2024 impairment and 2025 impairment reversal also show sensitivity to cobalt price and mine-plan assumptions.

Second, the South32 portfolio acquisition in 2022 brought Santo Domingo, West Musgrave, Nifty, and Carlota. It helped move Ecora toward copper and nickel, and Nifty/Carlota look inexpensive in the company's 2025 capital allocation table. But West Musgrave is suspended pending BHP's review by February 2027, and its contingent consideration has been assessed at nil because commercial production by 2028 is not expected. Santo Domingo is promising, with Orion as a new partner and a possible FID as early as H2 2026, but it is still a development royalty. This acquisition package is strategically coherent, not yet fully proven.

Third, Ecora acquired the Mimbula copper stream for $50m in 2025. This is management's best recent piece of evidence. It shifted copper exposure to about 50% of sell-side consensus NAV, added an immediately producing stream, and generated a maiden FY2025 net contribution of $2.9m from Q2-Q4 deliveries. Q1 2026 then added $2.1m net contribution, with 150t of Q1 entitlement expected to produce $1.4m in Q2 contribution. The company says the stream would generate more than $11m of EBITDA once production fully ramps at year-end copper prices. That would be attractive on a $50m acquisition price, but it is still early. Mimbula has not yet endured a copper downcycle, operating hiccup, or sustained delivery period under Ecora ownership.

Capital Allocation

Management's capital allocation framework is internally consistent: grow the royalty and stream portfolio, deleverage after transactions, and return a defined share of free cash flow. The current dividend policy is 25-35% of average free cash flow generated in the immediate two preceding six-month periods. In FY2025 the Board paid or proposed a total dividend of 2.00c per share, with H1 and H2 payout decisions at 25% of FCF. This is better than clinging to the old high dividend during a portfolio transition. It preserves capital and acknowledges that Kestrel volatility should not dictate a fixed payout.

The balance sheet was actively managed. Net debt was $82.4m at FY2024, peaked around the Mimbula acquisition, and finished FY2025 at $85.5m despite the $50m acquisition. Q1 2026 net debt was $84.4m. The RCF was extended to January 2028, increased to $180m through a $30m accordion exercise, and carries covenants including minimum $5m cash, interest cover of at least 3.0x, leverage of no more than 3.5x, and net tangible assets above $250m. FY2025 leverage was 2.0x net debt to adjusted EBITDA. This is not distress behavior. It is a controlled use of debt to fund a producing asset, followed by rapid deleveraging.

The Dugbe disposal was a good signal. Ecora sold a non-core, long-dated gold royalty for $16.5m upfront plus up to $3.5m contingent consideration and used proceeds to accelerate deleveraging. It also accelerated a $5m Narrabri contingent payment by 12 months. These are tangible portfolio optimization actions rather than just slide-deck strategy.

The weakness is that Ecora's preferred return evidence is still partly mark-to-model. The FY2025 presentation's "capital allocation" table shows many assets with "NAV plus income received" above cost: Maracas 236%, McClean 197%, Mantos Blancos 190%, Santo Domingo 139%, West Musgrave 113%, Vizcachitas 117%, Phalaborwa 165%, and Mimbula 158%. That is encouraging, but consensus unrisked NAV is not the same as realized per-share value or ROIC. Development royalties can screen cheap for years while not contributing cash. A Gideon management PASS would require a clearer record of realized cash returns per dollar and per share, through commodity and financing cycles.

Compensation Alignment

The compensation structure is better than many small-cap resource issuers, but it is not fully Gideon-grade. The 2026 annual bonus is weighted 42.5% to growth and investment strategy, 35% to financial performance, 12.5% to sustainability, and 10% to individual strategic targets. Financial performance includes portfolio contribution, adjusted EPS, and P/NAV. The LTIP uses one-third relative TSR versus the S&P/TSX Global Base Metals Index, one-third aggregate portfolio contribution, and one-third aggregate adjusted EPS over three years. The CEO LTIP opportunity is 175% of salary and the CFO opportunity is 150%. Vested LTIP awards are subject to a two-year holding period, and annual cash bonus above 50% of salary must be used to purchase shares held for three years. Malus and clawback apply.

The plan has real bite. The 2023 LTIP vested at only 11.54%: zero for TSR, partial vesting for portfolio contribution, and zero for adjusted EPS. The Remuneration Committee did not apply discretion to soften that outcome. The CEO's 2025 bonus was

64.2% of maximum and the CFO's was 63.7%, not a full payout. Director ownership is also meaningful for a company of this size: the CEO owned 1,108,511 shares at 24 March 2026 and met the 200% salary guideline at 270%; the CFO owned 420,953 shares but had not met the guideline at 140%, although the committee noted no sales in five years other than net settlement of LTIP awards. The 2025 presentation separately reports open-market purchases since 2023 of 773,622 shares by the CEO and 175,043 by the CFO.

The gap is ROIC and per-share discipline. Portfolio contribution can reward gross growth. P/NAV can reward market rerating. AEPS helps, but it is not a clean return-on-invested-capital test, and development royalty NAV can rise without current cash returns. The scorecard mentions performance against investment cases for capital deployed, which is good, but this sits inside a partly qualitative annual bonus component. For a royalty allocator, I would prefer explicit multi-year per-share NAV growth, realized cash return on invested capital, debt-adjusted FCF per share, or realized IRR versus underwriting case. The current framework is directionally aligned, not conclusive.

Disclosure Quality And Candor

Ecora's disclosure quality is above average for a small natural-resource royalty company. The company clearly distinguishes portfolio contribution from statutory revenue and discloses the reconciliation issues that matter: EVBC royalties are reflected through IFRS 9 fair-value movement rather than ordinary royalty income; McClean Lake includes principal repayment and interest under a commodity-related financing agreement; stream cost of sales is deducted separately for Voisey's Bay and Mimbula. The Q1 2026 and Q4 2025 updates include asset-level contribution tables, gross lines, stream cost lines, and footnotes identifying ongoing metal purchase costs. That is the right way to help investors avoid double counting.

Management is also reasonably candid on Kestrel. The annual report says steelmaking coal contribution fell 58% to $17.5m in FY2025 from $41.4m, that Kestrel's share of portfolio contribution is expected to fall to around 20% in 2026 and below 10% from 2027, and that 2030 is expected to be the last year with revenue from current mine plans. Q1 2026 stated plainly that there was no Kestrel contribution because mining was outside Ecora's private royalty area and was not scheduled to return until Q3 2026. The 2025 presentation calls 2026 the last meaningful year over 1Mt and shows the royalty area map. That is not evasive.

The same is true, with some promotional framing, for development timing. West Musgrave is disclosed as suspended pending BHP's February 2027 review. Nifty's restart is discussed, but Ecora discloses that royalty payments trigger only after cumulative 800kt of copper, not for at least five years from production restarting. Mimbula contribution timing is explained by delivery lags. Voisey's Bay Q1 2026 shipping delays are spelled out with 70t received, 98t expected in April, and 56t in transit. The company does use bullish phrases such as "leading copper growth profile" and "high quality portfolio," but the underlying tables let a skeptical analyst reconstruct the economics.

The main disclosure limitation is operator dependence. Ecora often relies on operator disclosures and estimates, including Kestrel Coal, Capstone, Vale, BHP, Moxico, Rainbow, and others. That is inherent in royalty models, but it lowers management's control over outcomes. The data package and QFR properly flag FMP source limitations, including empty FMP product segmentation files and small statutory classification differences. Management's own investor materials do not hide this, but they naturally emphasize consensus NAV and illustrative price sensitivity more than realized per-share compounding.

Strategic Coherence

The strategy is coherent. Ecora is deliberately moving from a Kestrel coal income vehicle toward a critical-minerals royalty and streaming portfolio with copper at the center. In FY2025 critical minerals exceeded coal contribution for the first time; base metals rose 150% to $28.5m and represented 50% of portfolio contribution. Q1 2026 continued the trend, with base metals up 152% year over year and total contribution up 105%. The portfolio includes producing assets that can replace near-term cash flow, such as Voisey's Bay, Mantos Blancos, Mimbula, Four Mile, McClean Lake, Maracas, and EVBC, plus development optionality in Santo Domingo, Phalaborwa, Nifty, West Musgrave, Vizcachitas, Canariaco, Salamanca, and Patterson Corridor East.

The coherence issue is not direction. It is proof. A portfolio can be strategically coherent and still fail to compound if acquisition prices, commodity prices, development timing, dilution, and leverage do not cooperate. Ecora's market cap and asset base are too small to absorb many underwriting mistakes. West Musgrave and Voisey's Bay already show that even logical critical-mineral assets can disappoint timing and threshold returns. Mimbula may prove to be the transaction that validates the playbook, but one year of maiden contribution is insufficient.

Governance Flags

No major red flag rises to a hard fail. The annual report states there were no related-party transactions outside the Group in 2025 or 2024. There is no dual-class structure identified in the run-local materials. The RCF covenants were met, and the company says it has no indication of difficulty complying. Director attendance was strong. Shareholders approved the remuneration report and policy with high support.

The South32 relationship is the main yellow flag. South32 owned about 16.9% at the annual report discussion point and 17.5% in the FY2025 presentation, and it has a board nomination right while its stake is at least 10%. The relationship agreement is designed to preserve Ecora's independence and require related-party compliance, and the Board confirms compliance. Still, a strategic shareholder nominee on a small board can shape information flow and transaction judgment. It is not disqualifying, but it is something to monitor, especially because the 2022 South32 royalty portfolio remains part of the investment record.

Board diversity is another modest flag. The company says two of three UK Listing Rule diversity targets were not met at the annual report date: only two of eight directors were female and no directors identified as minority ethnic. This does not bear directly on capital allocation, but it weakens the governance score relative to best-in-class global royalty companies.

Peer Comparison

Ecora's management is credible, but it does not yet compare favorably with the best royalty allocators. Franco-Nevada, led by Paul Brink, has a much longer public royalty compounding record and a far larger, more diversified asset base; its official board biography says Brink has been with Franco-Nevada since the 2007 IPO and led business development before becoming CEO. Wheaton Precious Metals has just transitioned to Haytham Hodaly as President and CEO, with Randy Smallwood moving to chair; Wheaton's official release credits Hodaly with executing more than $11bn in streaming transactions and Smallwood with co-founding and scaling the business. Those are realized institution-building records that Ecora cannot yet match.

Royal Gold is another more mature precious-metals royalty model with a long-lived portfolio, dividend record, and larger disclosure base. Altius Minerals is the most relevant diversified natural-resource royalty comparison. Its official management page identifies Brian Dalton as co-founder and CEO who helped build Altius from a sub-$1m exploration company into a diversified royalty company, while also adding Lithium Royalty Corp expertise in 2026. Against Altius, Ecora has a clearer near-term copper/cobalt/uranium replacement story, but Altius has the founder-led, multi-decade proof that Ecora lacks.

Relative to these peers, Marc Bishop Lafleche ranks as a promising but unproven capital allocator. His team has taken the right strategic swing, improved disclosure, and avoided the worst small-cap mining governance behaviors. But the company remains subscale, partially levered, operator-dependent, and still proving that development NAV becomes per-share cash flow.

Management Gate Verdict

Management gate: YELLOW. This is not a PASS because the evidence does not yet show proven high-return, per-share capital allocation through a full cycle. The Kestrel-to-critical-minerals transition is strategically coherent, Mimbula looks promising, disclosure is candid, and incentives have enough real performance linkage to avoid a governance fail. But Voisey's Bay and West Musgrave show the fragility of the record, FY2025 adjusted EPS remains below earlier years, and too much of the capital allocation case still rests on consensus NAV rather than realized cash returns.

Upgrade conditions: Mimbula must produce a full-year run rate consistent with the underwriting case without additional dilution; Voisey's Bay and Mantos Blancos must sustain contribution while Kestrel declines; Santo Domingo or another development royalty must de-risk without requiring Ecora to stretch the balance sheet; and multi-year FCF per share or adjusted EPS must grow from the 2025/Q1 2026 base. Downgrade conditions: equity issuance at weak prices for growth, RCF leverage staying elevated after acquisitions, another major development delay that exposes weak underwriting, or incentive payouts rising despite poor per-share returns. Today this team is investable only as a monitored transition story, not as a proven Gideon 20-year compounder management team.

Sources: `data_package.md`; `quant_foundation.md`; `quant_foundation_review.md`; `raw/official_2025_annual_report.txt`; `raw/official_q4_2025_trading_update.txt`; `raw/official_q1_2026_trading_update.txt`; `raw/official_2025_fy_results_presentation.txt`; Franco-Nevada official Paul Brink biography, https://www.franco-nevada.com/about-us/board-of-directors/person-details/default.aspx?ItemId=ed8f2d4a-2958-490c-b842-cbc74641b5b9; Wheaton Precious Metals official leadership transition release, https://www.wheatonpm.com/news/news-details/2026/Wheaton-Precious-Metals-Announces-Leadership-Evolution-Haytham-H

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Appendix W - Moat and 2046 Durability

Ecora Royalties PLC - Moat and 2046 Durability Appendix

Prepared for the ER2 / Gideon run dated 2026-06-09. Company: Ecora Royalties PLC, formerly Ecora Resources PLC. Ticker: `ECOR.L`. Evidence is run-local only. Historical and TTM figures use the DR-cleared `data_package.md`; segment judgments use the reviewed Base Metals, Specialty Metals & Uranium, and Bulks & Other appendices, with orientation from the management appendix, primer, and official 2025 annual-report / FY2025 presentation text files under `raw`.

1. Moat taxonomy applied

Ecora is not a classic operating-company compounder. It does not sell a differentiated product, control customer relationships, enjoy software switching costs, or set prices. Its moat, where it exists, is the legal ownership of royalties and streams over third-party mineral assets plus the ability to source and underwrite new royalty transactions at attractive risk-adjusted returns. That distinction matters for the Gideon moat gate. A royalty contract can be highly durable at the asset level, but a portfolio company built from finite mineral claims must repeatedly replace depleting assets. The corporate moat is therefore weaker than the asset-level moat unless management has a proven, repeatable sourcing and capital allocation edge.

The annual report's business model describes Ecora as a royalty company with upstream commodity exposure and lower direct operating and capital risk than mine ownership. The primer correctly translates that into economics: Ecora receives contractual exposure to production, revenue, tolling revenue, or purchased metal, while mine operators control daily production, capex, permitting, mine sequencing, maintenance, grades, and community execution. This gives Ecora cost-inflation protection at the corporate level, because it does not directly pay mine operating costs, but it does not give Ecora demand control or price-setting power.

The main moat buckets are:

Moat source	Ecora evidence	Durability assessment
Contract ownership	Producing royalties and streams over Voisey's Bay, Mantos Blancos, Mimbula, Kestrel, EVBC, McClean Lake, Four Mile, Maracas, and others	Real asset-level moat while the covered assets produce and contracts are honored
Resource scarcity	Copper, cobalt, uranium, rare earths, vanadium, gold, and steelmaking coal assets are physically scarce and hard to permit	Supports value of existing claims, but commodity cycles still dominate realized cash flow
Operating-cost insulation	Royalties generally avoid sustaining capex, labor, energy, and mine operating cost exposure; streams retain high spreads after purchase costs	Supports margin persistence but not production persistence
Sourcing / underwriting network	Annual report cites network, reputation, structuring, due diligence, and critical-minerals focus; Mimbula is the latest producing proof point	Plausible, not yet proven at a 20-year Gideon level
Scale / cost of capital	Ecora has an RCF and public listing, but larger royalty peers have deeper balance sheets and longer track records	Not a moat; likely a disadvantage in competitive auctions
Brand / customer switching	Not meaningful. Operators may value certainty, speed, and technical credibility, but future deals remain contestable	Weak

The taxonomy conclusion is balanced but not generous: Ecora has real contractual moats on specific assets, not a fully proven corporate moat. The current rights can create high cash margins and useful commodity torque. They do not, by themselves, prove that Ecora will still be compounding in 2046.

2. Per-segment moat

Base Metals is the strongest moat sleeve. The segment produced $33.4m of TTM contribution to 2026-03-31, versus $28.5m in FY2025 and roughly $11m-$12m in FY2023-FY2024 under the comparable disclosure. The producing engine is Voisey's Bay cobalt, Mantos Blancos copper, Mimbula copper, and a small Carlota tail. The royalty/stream contracts are attractive because they give Ecora exposure to copper and cobalt volumes without requiring Ecora to fund the mines. Mantos Blancos is a clean NSR royalty; Mimbula and Voisey's Bay are streams with explicit purchase-cost lines; Carlota is small and depleting.

The moat is not that Ecora can charge customers more. It is that, once a royalty or stream is in place, the operator cannot simply choose another capital provider for that same already-granted claim. On Mantos and Carlota, Ecora has a percentage claim on revenue from the covered production. On Voisey's and Mimbula, Ecora has contractual rights to metal deliveries subject to purchase-cost formulas and threshold mechanics. That is a real asset moat.

The weakness is duration and execution. Voisey's Bay guidance improves near-term cobalt deliveries, and the FY2025 presentation says life of mine was extended by four years to 2044. That still ends before the 2046 test date unless further mine-life extensions occur. Mantos Blancos has a useful reserve-based life estimate and expansion / tailings optionality, but the segment appendix already models a lower-grade 2026 and only moderate base-case growth. Mimbula is promising and producing, but it is newly acquired and has not yet proven through a cycle. Santo Domingo, Nifty, West Musgrave, Vizcachitas, and Canariaco provide option value, not current moat proof. Base Metals therefore earns the strongest segment mark: real moat today, conditional durability.

Specialty Metals & Uranium is scarce but small. The segment produced $8.2m of TTM contribution: McClean Lake $3.3m, Four Mile $3.2m, and Maracas $1.7m. Uranium and rare-earth exposure is strategically valuable because supply chains are politically sensitive and new mines are hard to permit. Four Mile's 1.0% NSR is the cleanest moat asset in the sleeve. McClean is more specialized but faces toll-rate pressure. Maracas is long-lived but linked to weak vanadium pricing and operator viability. Phalaborwa, Salamanca, and Patterson Corridor East are valuable options, but options are not moat until they convert into funded, producing projects.

The segment's durability is helped by scarcity but constrained by scale. A $8m-$10m contribution sleeve can improve portfolio mix, but it cannot by itself replace Kestrel or validate a 2046 compounding thesis. Four Mile also carries a five-year life disclosure in the segment appendix, which makes terminal treatment conservative. Specialty/Uranium deserves a YELLOW sub-score: high-quality contract types and scarce commodities, but too small and too dependent on asset-specific life, tolling formulas, and development conversion.

Bulks & Other weakens the blended moat. This segment had $21.8m of TTM contribution, but $17.6m came from Kestrel and the Kestrel royalty area is approaching depletion. The FY2025 presentation says Ecora expects to be coal-free post-2030 under the most recent Kestrel mine plan, and the Bulks appendix models base-case Bulks & Other contribution falling to about $5.1m by 2031. That is not a moat failure in a legal sense; Ecora owns the royalty and Kestrel can still produce meaningful cash while mining occurs in the private royalty area. It is a durability failure for a long-duration compounder.

EVBC is better than Kestrel on long-term commodity optics because it is gold-linked and the royalty applies to ore processed at the EVBC mill, including potential new discoveries according to the FY2025 presentation. But EVBC is only $4.1m of TTM contribution and depends on Orvana's mine plan, gold price, and royalty-rate mechanics. Bulks & Other is therefore a harvest sleeve, not a reinvestment engine. It should be valued as cash-flow tail plus small gold optionality, not as evidence of a lasting company moat.

3. Margin persistence evidence

Ecora's strongest moat evidence is margin structure, not reported ROIC. Royalties and streams can convert commodity revenue into high contribution because the operator bears mine costs. The segment appendices quantify this.

Base Metals had $39.4m of gross positive TTM asset contribution and $6.0m of metal stream cost of sales, leaving $33.4m of net contribution. That is roughly 85% net contribution after stream costs. FY2025 was similar: $33.2m gross positive contribution, $4.7m stream cost, and $28.5m net contribution. However, the Base Metals appendix also warns that official FY2025 cobalt-plus-copper operating profit before impairments and revaluations was $13.8m on $28.3m of contribution, or about 49%. The right lesson is not "Ecora has 85% operating margins." The right lesson is that contract-level cash margins are high, but statutory operating conversion is lower after depletion, amortization, administrative cost, classification effects, and finance/tax at the group level.

Specialty Metals & Uranium is structurally high-margin because Four Mile and Maracas are royalties and McClean is a financing/tolling instrument, but the segment does not disclose full operating income. The reviewed appendix uses a modeled current margin around 74%, with clean NSR assets higher and McClean lower. This is plausible moat evidence: lower production does not immediately import mine-level costs into Ecora. But McClean proves margin formulas can step down even when throughput rises.

Bulks & Other has high royalty-level contribution margins, but scale is collapsing as Kestrel depletes. The Bulks appendix models base-case 2031 operating margin around 86% on only $5.1m of contribution. A small high-margin pool is not the same as a durable earnings engine. Margin persistence is real for each contract; total-dollar persistence is not yet proven at

the company level.

4. AI disruption stress test

AI is a low direct disruption risk to Ecora's current royalty contracts. An AI model cannot replicate a legally registered royalty over a mine, create new copper in the ground, bypass uranium permitting, or erase a stream contract. Physical resource scarcity, geology, jurisdiction, operator competence, and contract enforceability remain the central sources of durability.

The indirect AI risks are more interesting. First, AI may improve competitor underwriting. Larger royalty companies, mining financiers, private-credit funds, and strategic buyers can use AI-assisted geological screening, operator benchmarking, contract analytics, and portfolio simulation. That could compress returns on future deals, especially for producing critical-minerals streams where data is good and auctions are competitive. Ecora's claimed network and reputation matter less if rival capital can screen more opportunities with better speed and lower cost.

Second, AI can improve operator productivity. That is mostly positive for Ecora if better mine planning, predictive maintenance, ore sorting, logistics, or process control increase production from covered assets. It can also be negative if operators use improved sequencing to prioritize areas outside Ecora's royalty boundary, as Kestrel already demonstrates in non-AI form. The legal claim matters only where covered production occurs.

Third, AI can change commodity demand. Data centers and electrification can increase copper and power-infrastructure demand, which benefits Ecora's copper book. Battery chemistry optimization may reduce cobalt intensity, hurting Voisey's Bay economics. AI does not create a simple disruption verdict; it increases dispersion. The core stress test is that AI helps better-capitalized competitors and operators more than it helps a small royalty company. That does not impair current contracts, but it raises the bar for future reinvestment returns.

5. The 2046 test

The 2046 test date is 2046-06-09, twenty years after the current ER2 run date and more than fifteen years after the 2031-03-31 forward horizon. A Gideon compounder should have a credible path to still being a high-return business then.

Ecora does not clear that bar from current evidence. Kestrel is expected to end by 2030 under the current mine-plan framing. Carlota depletes before the 2031 horizon. Four Mile's disclosed life is around five years. EVBC is also listed with a five-year mine life in the FY2025 presentation, though mill-area exploration could extend value. Mimbula's producing life estimate is shorter than the 2046 test. Mantos Blancos and Voisey's Bay provide better duration, but the FY2025 presentation gives Voisey's life of mine as extended to 2044, still before 2046. Maracas has long life, but it is small and exposed to weak vanadium economics. Development assets such as Santo Domingo, West Musgrave, Vizcachitas, Canariaco, Phalaborwa, Salamanca, and Patterson could extend the company, but they remain project-conversion evidence, not cash-flow proof.

For Ecora to be a high-return compounding royalty company in 2046, three things must happen. First, at least some current development assets must become producing cash-flow assets with long mine lives. Second, management must acquire additional royalties and streams without overpaying, overleveraging, or diluting shareholders at weak prices. Third, the company must maintain enough scale that corporate overhead, financing cost, and public-company costs do not swallow the royalty margin. The current evidence supports "possible." It does not support "probable enough for a Gideon moat PASS."

6. Competitive threat inventory table

Threat	Mechanism	Current evidence	Severity
Larger royalty companies	Lower cost of capital, deeper technical teams, ability to win large producing royalties	Management appendix compares Ecora unfavorably with Franco-Nevada, Wheaton, Royal Gold, and Altius on scale and track record	High for new deals
Private credit / debt / equity markets	Mine operators may choose alternative financing instead of royalties or streams	Royalty capital is most attractive when traditional funding is costly; deal terms are cyclical	Medium-high
Operator execution	Ecora does not control mine plans, grade, capex, permits, or shipping	Q1 2026 Voisey's timing, Kestrel outside royalty area, West Musgrave review, Nifty threshold	High
Commodity substitution / price	Cobalt chemistry risk, copper/uranium/vanadium cycles, gold volatility, steelmaking coal decline	FY2025 showed cobalt/copper/gold upside and Kestrel price/rate downside	High

Threat	Mechanism	Current evidence	Severity
Asset depletion	Royalties are tied to finite mines or covered areas	Kestrel expected to end by 2030; several current assets have shorter lives than 2046	High
Contract dispute / counterparty stress	Operators may default, restructure, or contest payment mechanics	No current hard dispute flagged, but annual-report risk factors emphasize contract terms and operator viability	Medium
AI-enabled underwriting competition	Better screening and faster technical diligence could reduce future deal spreads	Inference from industry structure, not a reported current event	Medium
ESG / policy pressure	Coal exposure, permitting risk, national resource policy, critical-mineral politics	Kestrel coal is declining; critical-minerals policy can help and hurt	Medium

7. Pricing power verification

Ecora has no ordinary pricing power. It cannot raise a list price, renegotiate a royalty rate upward because customers are locked in, or force mine operators to produce. Its pricing exposure is contractual. For royalties, contribution equals covered production or sales multiplied by commodity price and royalty formula, subject to deductions and boundaries. For streams, Ecora receives metal exposure but pays a contractual purchase cost, such as 18%-22% of the cobalt reference price at Voisey's Bay or 30% of the LME copper price at Mimbula.

The best verification is Kestrel. FY2025 saleable volumes were broadly flat year over year, but contribution fell from $41.4m to $17.5m because realized price and royalty rate fell. That is not pricing power; it is commodity and formula sensitivity. The best positive verification is EVBC, where gold price lifted the applicable royalty rate and contribution rose despite lower volumes. Again, that is contractual commodity leverage, not price-setting.

The moat language should therefore be precise: Ecora's current pricing "power" is the enforceability of previously negotiated royalty and stream formulas. On future deals, pricing power depends on capital scarcity, Ecora's reputation, technical underwriting, speed, relationship access, and willingness to accept risks that competitors reject. That is contestable and cyclical.

8. Moat verdict and 2046 verdict

Moat gate: YELLOW. Ecora has real asset-level contractual moats today. The company owns hard-to-replicate royalty and stream claims over scarce mineral assets, and those claims can produce high contribution margins with lower direct operating and capital cost exposure than mine ownership. Base Metals is now the strongest sleeve, Specialty/Uranium provides scarce but small optionality, and Bulks & Other generates cash but is a fading legacy sleeve. The corporate moat is not yet a PASS because the company remains small, operator-dependent, commodity-linked, and still proving that its sourcing and underwriting engine can replace finite assets at high per-share returns.

2046 verdict: FAIL. The current asset book does not, on its own, support high-return compounding through 2046. Kestrel is expected to end by 2030, several producing assets mature before or around the 2030s, and even Voisey's Bay's currently cited life reaches 2044 rather than the 2046 test date. Ecora could still be a strong company in 2046 if development assets convert and management compounds capital through disciplined new royalties. But that is an unproven reinvestment thesis, not a moat conclusion. For Gideon, the burden is on Ecora to show realized replacement cash flow, not merely a portfolio map and consensus NAV.

Appendix B1 - Base Metals

Base Metals - Segment Deep Dive

0. Segment Boundary + Taxonomy Note

Base Metals in this appendix means Ecora's copper and cobalt royalty/streaming exposure: the producing or current assets Voisey's Bay, Mantos Blancos, Mimbula, Carlota, and the explicit metal stream cost-of-sales line, plus development or option-value assets Santo Domingo, Nifty, West Musgrave, Vizcachitas, Canariaco, and other base-metal optionality identified in the cleared data package. This is not a conventional operating-company segment with mine revenue, mine EBITDA, sustaining capital, and asset-level operating profit. Ecora is a royalty and streaming company, so the appendix uses portfolio contribution as the segment revenue proxy and contribution after stream cost, adjusted only by an explicit modeled margin assumption, as the segment operating-income proxy. Ecora does not disclose Base Metals operating income in the same way an operating company would; the combined model must later bridge portfolio contribution to consolidated statutory revenue, operating profit, finance cost, tax, EPS, and free cash flow. [DATA GAP: the data package does not provide asset-level depletion, amortization, corporate-cost allocation, or true segment operating income for a full TTM period.]

The taxonomy is only partly comparable before the current critical-minerals transition. The data package says Base Metals contribution is partial under older taxonomy for FY2021-FY2022, approximately $11.7m in FY2023, $11.4m in FY2024, $28.5m in FY2025, and $33.4m for the TTM ended 2026-03-31. I therefore treat FY2023 onward as the usable segment-dollar history and do not compare FY2021-FY2022 old-taxonomy dollar totals to the current Base Metals boundary. [DATA GAP: the DR-cleared package does not provide a five-year restated Base Metals segment series under the current taxonomy.]

1. What Base Metals Actually Is

Base Metals is Ecora's exposure to copper and cobalt cash flows generated by mines that Ecora does not operate. The customer in a royalty or stream is not a software buyer or an industrial distributor; it is the underlying mine operator and, economically, the commodity market. Ecora supplies capital or previously acquired royalty rights, then receives a contractual slice of production revenue or metal deliveries. The segment therefore has high operating leverage to realized copper and cobalt prices, production volumes, grade sequencing, shipping timing, and operator decisions, but it does not bear direct mine operating cost in the same way Capstone, Vale, Moxico, KGHM, BHP, Cyprium, or another operator would.

The current producing base is four assets plus the stream-cost line. Voisey's Bay is a cobalt stream operated by Vale in Canada. Ecora's entitlement is 22.82% of finished cobalt until 7.6kt of finished cobalt has been delivered, and 11.41% thereafter. The ongoing payment is 18% of the cobalt reference price until the original $300m upfront amount is recovered, then 22%. This means reported gross contribution is meaningfully different from net contribution after stream purchase cost. The data package gives FY2025 gross Voisey's Bay table contribution of $18.9m, cobalt portfolio contribution after stream cost of $15.3m, and Q1 2026 gross contribution of $4.4m versus $3.6m net contribution after $0.8m of stream cost.

Mantos Blancos is a 1.525% NSR royalty over Capstone Copper's Chilean copper mine. It is a more classic royalty interest than Voisey's Bay or Mimbula: Ecora receives royalty economics linked to mine production, sale volumes, and copper price, without an ongoing metal-purchase cost line. FY2025 contribution was $9.5m, up from $5.8m in FY2024, helped by copper sales increasing to a record 60.3kt and realized copper price rising to $10,066/t.

Mimbula is a copper stream over Moxico's producing mine in Zambia, acquired in 2025 for $50m. The stream entitlement is tiered: 4.7% of copper produced up to 3,750t per quarter, 2.5% from 3,750t to 7,500t per quarter, and 1.0% above 7,500t per quarter, with an annual true-up. After cumulative deliveries of 9,150t, the stream reduces to 1.0%. Ongoing payments equal 30% of the LME quarterly average copper price. The asset delivered a maiden FY2025 net contribution of $2.9m from 400t of attributable copper delivered in Q2-Q4 2025, and Q1 2026 generated $2.9m gross contribution and $2.1m net contribution after stream cost.

Carlota is a small 5.0% NSR royalty over a KGHM copper operation in the United States. It is useful near-term cash flow but not a durable growth engine: the data package says FY2026 volumes are expected to decline about 15% and the operation moves toward depletion in 2029. Carlota's FY2025 contribution was $0.8m and TTM contribution was $0.7m.

The development and optionality book matters because it can extend the Base Metals duration beyond the current four producing assets. Santo Domingo is a 2.0% NSR royalty over Capstone's Chilean copper and iron ore project, with a 19-year mine life in the 2025 annual report and a final investment decision targeted around H2 2026. Nifty is a 1.5% GRR royalty over

Cyprium's Australian copper project, but Ecora's royalty payments begin only after cumulative 800kt of copper has been produced, including historical production, and management does not expect that threshold until at least five years after production restarts. West Musgrave is a 2.0% NSR royalty over BHP's nickel/copper project, but the project is under review. Vizcachitas and Canariaco are early copper development royalties, with Canariaco gaining relevance after Fortescue's acquisition of Alta Copper. These assets are economically valuable call options, not current contribution anchors.

2. Current Economics

The TTM anchor is the four quarters Q2 2025, Q3 2025, Q4 2025, and Q1 2026, ending 2026-03-31. Base Metals produced $33.4m of TTM portfolio contribution, using Q2 2025 $5.3m, Q3 2025 $9.9m, Q4 2025 $9.9m, and Q1 2026 $8.3m. The data-package asset bridge shows $39.4m of gross positive asset contribution before stream costs: Voisey's Bay $21.7m, Mantos Blancos $10.1m, Mimbula $6.9m, and Carlota $0.7m. Metal stream cost of sales was negative $6.0m, leaving the $33.4m net contribution figure that should flow into the combined model.

The segment mix is already materially different from Ecora's historical Kestrel-heavy profile. Voisey's Bay is 65% of TTM net Base Metals contribution if measured against the $33.4m net total, but that comparison is imperfect because the $21.7m Voisey's Bay figure is gross of stream cost. Mantos Blancos is 30% of the net total, Mimbula is 21%, Carlota is 2%, and the stream-cost line is negative 18%. The more economically honest current mix is: a large cobalt stream, a growing copper royalty, a copper stream still ramping to full-year delivery, a small declining copper royalty, and a cost line that rises as stream volumes rise.

FY2025 was the inflection year. Base Metals contribution was $28.5m, up 150% from FY2024, while total group portfolio contribution was $57.0m. Within FY2025, Voisey's Bay generated $18.9m on the gross table and $15.3m after cobalt stream cost, Mantos Blancos generated $9.5m, Mimbula generated $4.0m gross and $2.9m net in its partial-year contribution period, Carlota generated $0.8m, and stream costs were negative $4.7m. Q1 2026 kept the trend alive: Base Metals contribution was $8.3m, up 152% year over year, with Voisey's Bay $4.4m gross / $3.6m net, Mimbula $2.9m gross / $2.1m net, Mantos $2.4m, Carlota $0.2m, and stream costs negative $1.6m.

For a conventional operator, this section would discuss revenue less cash cost, depreciation, sustaining capital, exploration, and mine-level margin. That is not Ecora's disclosure. Ecora's segment economics are better described as cash-flow claims. The direct economic drivers are volume received, price realized, contractual rate, and stream purchase payment. The indirect drivers are operator cost curves, grade, throughput, development capital, permit status, and financing capacity, because those determine whether the operator can keep production running or bring new projects online. The segment has low direct operating capital intensity at Ecora, but it is not free of capital allocation risk: the company paid $50m for Mimbula, leverage rose around the acquisition, and management then used portfolio cash flow and Dugbe disposal proceeds to deleverage.

3. Unit Economics

The unit economics vary by contract type. A royalty such as Mantos Blancos or Carlota is structurally high margin at the Ecora level because there is no ongoing metal purchase cost. Ecora's cash economics are roughly production volume times realized price times royalty rate, subject to contract definitions, deductions, and timing. Mine cost inflation matters mainly through operator behavior: lower margins can reduce expansion appetite, alter mine plans, shorten life, or delay sustaining work, but Ecora is not directly paying diesel, labor, acid, power, or mill costs.

A stream such as Voisey's Bay or Mimbula is different. Ecora receives or is entitled to metal volumes, then pays an ongoing purchase price based on a percentage of the reference price. For Voisey's Bay, the ongoing payment is 18% of the cobalt reference price until the original upfront amount is recovered, then 22%. For Mimbula, ongoing payments are 30% of the LME quarterly average copper price. This creates a built-in gross-to-net bridge. When the copper or cobalt price rises, gross contribution rises, but the purchase cost also rises in absolute dollars. The economic margin on streamed ounces or tonnes remains attractive, but reported contribution must show the cost line explicitly.

The TTM stream-cost relationship is the cleanest available unit-economics check. Gross positive Base Metals contribution was $39.4m and metal stream cost of sales was $6.0m, so the contribution after stream cost was $33.4m. That is an 84.8% contribution margin measured as net contribution divided by gross positive contribution. FY2025 was similar: the producing asset gross table was $18.9m Voisey's Bay + $9.5m Mantos + $4.0m Mimbula + $0.8m Carlota = $33.2m before the $4.7m stream-cost line, producing $28.5m of net contribution, or an 85.8% contribution margin. Q1 2026 gross positive contribution was $9.9m before $1.6m of stream cost, producing $8.3m, or 83.8%.

Those percentages are not true operating margins. Ecora's FY2025 commodity table shows cobalt portfolio contribution of $15.3m and copper portfolio contribution of $13.0m, while operating profit before impairments and revaluations was $5.6m for cobalt and $8.1m for copper. Combined, that is $13.8m of operating profit on $28.3m of cobalt-plus-copper contribution, or 48.5%. This is the best official annual anchor for a modeled Base Metals operating-income proxy, but it is not a full TTM segment operating statement. I therefore carry two margins in the forward model: contribution margin after stream cost, which is a contract-level gross-to-net measure, and modeled operating margin, which approximates the share of net contribution converting into segment operating income before the combined model allocates consolidated items.

The main margin pressure points are clear. First, stream cost scales with Mimbula and Voisey's Bay volumes and commodity prices. Second, stream step-down thresholds can reduce entitlement rates. The data package discloses the Voisey's Bay 7.6kt threshold and the Mimbula 9,150t threshold, but it does not disclose all cumulative deliveries against Voisey's Bay's threshold. [DATA GAP: cumulative Voisey's Bay stream deliveries against the 7.6kt step-down threshold are not disclosed in the data package.] Third, depletion matters for Carlota and potentially for any assets with royalty-area limits. Fourth, development-option assets may have no contribution by the 2031-03-31 horizon if operators delay FID, restart, construction, permitting, or financing.

4. Competitive Dynamics For Base-Metal Royalty And Stream Assets

Ecora competes in a specialized corner of mining finance. Its direct competition is not only other royalty and streaming companies; it is also mine-level debt, project finance, strategic offtake, private credit, streaming funds, and equity issuance. Sellers of royalties and streams want capital with lower dilution, fewer covenants, and better execution certainty than the alternatives. Buyers want long-duration, low-cost commodity exposure without operating mines. The negotiated outcome depends on scarcity of capital, operator quality, commodity cycle, jurisdiction, project stage, and the buyer's technical credibility.

The large diversified royalty companies have advantages that Ecora does not fully share. Franco-Nevada, Wheaton Precious Metals, Royal Gold, Triple Flag, Sandstorm, and Osisko can often write larger checks, fund bigger projects, and offer lower perceived counterparty risk. Some are more precious-metals focused, while Ecora's differentiation is exposure to future-facing industrial commodities such as copper, cobalt, nickel, uranium, and rare earths. That commodity focus can be an advantage when mine developers want a partner that understands energy-transition metals, but it can also be a disadvantage because base-metal streams and royalties usually face more visible operating cost cyclicality, more complex metallurgical risk, and less investor appetite than gold royalties.

Deal sourcing is therefore the segment's first competitive battlefield. Mimbula illustrates Ecora's playbook: the company acquired a copper stream over a producing Zambian mine for $50m, accepted a tiered stream structure, and positioned the asset as a near-term production ramp rather than a distant development story. Santo Domingo, Nifty, West Musgrave, Vizcachitas, and Canariaco illustrate the other side of the book: Ecora has embedded optionality that may become valuable without requiring it to operate the projects, but operator decisions control timing.

Pricing power is mixed. On current assets, Ecora has contractual pricing power because the royalty or stream contract defines its entitlement. It cannot be competed away asset by asset unless the operator restructures, defaults, disputes the contract, or the asset depletes. On new deals, pricing power is cyclical. In weak equity markets or tight credit markets, royalty capital can be attractive and Ecora may earn better terms. In hot copper markets, competing capital can compress return. Because Ecora is smaller than the largest royalty companies, it may need to win through niche expertise, speed, and relationships rather than cost of capital alone.

Substitution risk is not technological in the usual software sense. Copper and cobalt demand can be affected by battery chemistry changes, substitution, recycling, grid buildout, electric vehicle adoption, and industrial production. Cobalt has more substitution risk than copper because battery chemistries can reduce cobalt intensity; however, Voisey's Bay is a non-DRC source, and the data package notes DRC export restrictions and quota changes as a relevant price tailwind for non-DRC cobalt units. Copper has stronger structural demand, but copper mine supply is highly cyclical and long-cycle. The best competitive protection for Ecora is not being the low-cost mine operator. It is owning contractually senior or resilient claims on scarce assets that operators keep producing through cycles.

5. Segment-Level Moat

The Base Metals moat is a portfolio moat, not a product moat. Ecora does not have a brand, distribution network, or switching-cost moat comparable to a software compounder. It owns legal rights over specific mines and projects. Those contracts can be powerful, but they are finite and asset-specific. A 1.525% NSR on Mantos Blancos or a cobalt stream over

Voisey's Bay is protected by contract, not by Ecora's control over customers.

The strongest moat element is asset scarcity. Copper and cobalt royalties over producing or near-producing assets are difficult to replicate at attractive prices. Once a royalty is attached to a mine, competitors cannot simply create the same claim. They can only buy it from Ecora, finance a different asset, or wait for a new capital need. This gives the existing portfolio some local monopoly characteristics. Mantos Blancos, Mimbula, and Voisey's Bay are not generic securities that can be manufactured.

The second moat element is duration plus optionality. Santo Domingo, West Musgrave, Vizcachitas, and Canariaco may not contribute by 2031, but they provide long-dated exposure to copper, nickel, and related commodities. If even one development asset moves into construction and production, Ecora can gain contribution without bearing the full mine capex burden. The problem is that optionality is not the same as an earnings moat. It can support upside, but it cannot carry a base-case compounder thesis unless the operator milestones become concrete.

The third moat element is contract structure. Royalty and stream economics tend to be higher margin and less operating-cost exposed than mine ownership. That creates better downside resilience than owning a leveraged mine in a cost-inflation cycle. However, stream purchase costs, step-down thresholds, delivery timing, and commodity price volatility still matter. The data package's Q1 2026 Voisey's Bay note is a good example: only 70t were received in Q1, while 98t were set for April and 56t were in transit. The economics may be intact, but quarterly reported contribution can look noisy.

The moat is not strong enough by itself to justify a Gideon compounder conclusion. Base Metals can grow materially over five years, but the durability depends on operator execution and commodity prices. The segment has attractive royalty/stream structure and scarce asset claims, but it lacks direct control of production, costs, and project schedules. For the combined ER2, this segment should be treated as a quality improving engine with real option value, not as a predictable high-ROIC operating segment that can compound independent of commodity cycles.

6. Historical Growth Rates Reproduced From Data Package

The following table reproduces the historical Base Metals dollar anchors that are actually present in the DR-cleared package. It does not use Appendix A. It does not import FMP product segmentation, because the data package says FMP annual and quarterly product-segmentation files were empty. Where the package only gives partial or old-taxonomy history, I label the cell as such rather than force a false five-year series.

Product / sub-segment	FY2023 contribution	FY2024 contribution	FY2025 contribution	TTM to 2026-03-31	Growth / latest YoY	Data package cite
Base Metals total	~$11.7m	$11.4m	$28.5m	$33.4m	FY2025 up 150%; Q1 2026 up 152% YoY	data_package Section 0a Historical KPI series row Base Metals contribution; Section 3 quarterly bridge row TTM; Section 5 Q1 2026 commentary
Voisey's Bay cobalt	Not separately disclosed in package	Volume 210t; contribution not separately disclosed in package	$18.9m gross table / $15.3m after stream cost	$21.7m gross table	FY2025 attributable cobalt 448t vs 210t in FY2024	data_package Section 4 Base Metals paragraph; Section 3 asset-level quarterly bridge row Voisey's Bay
Mantos Blancos copper	Not separately disclosed in package	$5.8m	$9.5m	$10.1m	FY2025 up 64% from FY2024	data_package Section 4 Base Metals paragraph; Section 3 asset-level quarterly bridge row Mantos Blancos
Mimbula copper	n/a	n/a	$4.0m gross / $2.9m net partial year	$6.9m gross table	New 2025 stream; Q1 2026 net $2.1m	data_package Section 4 Base Metals paragraph; Section 3 asset-level quarterly bridge row Mimbula
Carlota copper	Not separately disclosed in package	$0.6m	$0.8m	$0.7m	FY2025 up 33%, but FY2026 volume guided down about 15%	data_package Section 4 Base Metals paragraph; Section 3 asset-level quarterly bridge row Carlota
Metal stream cost of sales	Not separately disclosed in package	Not separately disclosed in package	-$4.7m	-$6.0m	Cost line rises with streamed volumes and prices	data_package Section 3 asset-level quarterly bridge row Metal stream cost of sales; Section 4 Base Metals paragraph

Arithmetic tie-out: the TTM total ties to the quarterly bridge: $5.3m + $9.9m + $9.9m + $8.3m = $33.4m. The TTM asset bridge also ties: $21.7m + $10.1m + $6.9m + $0.7m - $6.0m = $33.4m. The FY2025 asset bridge ties using rounded data-package figures: $18.9m + $9.5m + $4.0m + $0.8m - $4.7m = $28.5m. The Mantos Blancos FY2025 growth check ties within rounding: $5.8m times 1.64 equals $9.5m. The Carlota FY2025 growth check ties within rounding: $0.6m times 1.33 equals $0.8m. The package does not disclose enough current-taxonomy FY2021-FY2022 Base Metals detail to calculate a clean five-year CAGR.

7. Management Guidance From Data Package Sections 5 And 6

The guidance set is unusually operational for a royalty company, but it is still indirect because the operators control mine plans. Management's most useful comments are about volumes, timing, and project milestones, not Ecora-controlled selling effort.

Voisey's Bay guidance is the most important current contributor. The data package says FY2026 guidance is 500-560t of attributable cobalt, with the underground mine expected to reach steady-state production. It also says Q1 2026 had only 70t received, while 98t were set for April and 56t were in transit. Interpretation: Q1 is not a clean run-rate quarter; the base case should normalize shipping timing and use FY2026 guidance rather than annualizing 70t.

Mimbula guidance provides the clearest ramp. The data package says FY2026 guidance is 1,080-1,130t attributable copper, and mine production guidance is 30-35ktpa after exiting 2025 at a 20ktpa rate. It also says 150t of Q1 2026 entitlement was expected to generate $1.4m of Q2 contribution. Interpretation: the TTM is under-earning a full-year Mimbula contribution because the stream was acquired in 2025 and delivery timing lags mine production.

Mantos Blancos guidance is near-term negative but not structurally broken. Capstone's FY2026 guidance indicates total copper production of 48-56kt because of a one-year lower-grade period, while the FY2025 presentation frames steady-state annual production around 54kt and references brownfield expansion and tailings opportunities. Interpretation: the model should allow a weaker FY2026 contribution than the FY2025 record, then normalize rather than compound the FY2025 peak mechanically.

Carlota guidance is runoff. The data package says FY2026 volumes are expected to decrease about 15% as operations move toward depletion in 2029. Interpretation: Carlota should not carry meaningful 2031 contribution in any central case.

Santo Domingo is the most relevant within-horizon development asset. The data package says it is a 2.0% NSR over Capstone's Chilean copper and iron ore project, has a 19-year mine life, covers production in the first 6-7 years of the royalty area, and has FID targeted around H2 2026. Interpretation: the base case can include a small probability-weighted 2031 contribution, but not a full mature contribution unless construction timing is confirmed.

Nifty should be outside the central five-year contribution window. The data package says first production is expected in mid-2026 under Cyprium's restart plan, but Ecora royalty payments trigger only after cumulative 800kt of copper has been produced including historical production, and the threshold is not expected until at least five years after production restarts. Interpretation: for a horizon ending 2031-03-31, Nifty is zero in bear and base, and still only a trace possibility in bull.

West Musgrave, Vizcachitas, and Canariaco are optionality, not current earnings. West Musgrave is under review with the review expected by February 2027. Vizcachitas is an early/development exposure. Canariaco has strategic interest after Fortescue's acquisition of Alta Copper and a cited expected first-ten-year average of 158ktpa copper and 70koz gold, but no current contribution. Interpretation: these assets help the long-term story but should not be used to fill a 2031 earnings gap without milestone evidence.

8. Forward Growth Assumptions By Asset

The forward model compounds from the TTM contribution anchor to 2031-03-31, exactly five calendar years after 2026-03-31. The rows below are not statutory revenue forecasts; they are portfolio-contribution forecasts using Ecora's segment economics. I model gross contribution by asset and keep the stream-cost line separate so the gross-to-net bridge remains visible.

Base case:

Product / item	TTM starting contribution	Historical anchor	Mgmt FY+1 guide	Base CAGR / change to TTM+5	TTM+5 contribution	Justification
Voisey's Bay cobalt gross	$21.7m	FY2025 448t vs 210t FY2024; TTM gross $21.7m	FY2026 500-560t cobalt; timing noisy	2.5%	$24.6m	Normalize Q1 shipping and steady-state underground ramp, offset by cobalt price cyclicality and possible future entitlement step-down risk.
Mantos Blancos copper	$10.1m	FY2025 $9.5m vs $5.8m FY2024	FY2026 48-56kt lower-grade year, then normalization	2.5%	$11.4m	One weaker year is followed by normalized production and modest copper-price support, but FY2025 record is not treated as a new straight-line base.
Mimbula copper gross	$6.9m	New 2025 stream; partial-year FY2025 net $2.9m	FY2026 1,080-1,130t attributable copper; mine 30-35ktpa	11.0%	$11.6m	Full-year attribution, mine ramp, and delivery catch-up justify above-segment growth from a partial TTM base.
Carlota copper	$0.7m	FY2025 $0.8m vs $0.6m FY2024	FY2026 volume down about 15%; depletion by 2029	Fade to zero	$0.0m	The asset is a runoff royalty and should not contribute by 2031 in the base case.
Santo Domingo / base-metal development bucket	$0.0m	No current contribution	FID targeted H2 2026; 19-year mine life	Milestone ramp	$2.0m	Small probability-weighted contribution reflects possible production/ramp by 2031, not full steady-state value.
Other option assets	$0.0m	No current contribution	Nifty threshold after at least five years; West Musgrave under review	No modeled contribution	$0.0m	Nifty, West Musgrave, Vizcachitas, and Canariaco remain outside the central five-year earnings case.
Metal stream cost of sales	-$6.0m	FY2025 -$4.7m; TTM -$6.0m	Rises with Voisey and Mimbula stream volumes	Cost scales to -21% of gross	-$8.8m	Higher Mimbula and Voisey volumes increase purchase-cost dollars even though net stream economics remain attractive.
Base Metals net contribution	$33.4m	TTM bridge from official updates	Base metals growth engine	4.1% net CAGR	$40.8m	Asset-level sum; contribution remains after stream costs.

Bear case:

Product / item	TTM starting contribution	Historical anchor	Mgmt FY+1 guide	Bear CAGR / change to TTM+5	TTM+5 contribution	Justification
Voisey's Bay cobalt gross	$21.7m	TTM gross $21.7m; Q1 shipping timing noisy	FY2026 500-560t	-3.0%	$18.6m	Cobalt price weakness, slower underground stabilization, or entitlement/timing effects more than offset guided volume.
Mantos Blancos copper	$10.1m	FY2025 record $9.5m	FY2026 48-56kt lower-grade year	-2.0%	$9.1m	Lower grade persists longer or copper price normalizes below the FY2025 realized-price backdrop.
Mimbula copper gross	$6.9m	Partial-year stream ramp	FY2026 1,080-1,130t	5.0%	$8.8m	The stream still benefits from a fuller year, but mine ramp, delivery timing, or copper price disappoint.
Carlota copper	$0.7m	Small and declining	Depletion by 2029	Fade to zero	$0.0m	Depletion removes contribution before the horizon.
Santo Domingo / base-metal development bucket	$0.0m	No current contribution	FID targeted H2 2026	No contribution	$0.0m	FID, funding, or construction timing slips beyond the 2031-03-31 horizon.
Other option assets	$0.0m	No current contribution	Nifty threshold, West Musgrave review	No contribution	$0.0m	Optionality remains unmonetized.

Product / item	TTM starting contribution	Historical anchor	Mgmt FY+1 guide	Bear CAGR / change to TTM+5	TTM+5 contribution	Justification
Metal stream cost of sales	-$6.0m	TTM -$6.0m	Scales with stream receipts	Cost scales to -17% of gross	-$6.3m	Lower streamed price/volume limits cost dollars, but also limits gross contribution.
Base Metals net contribution	$33.4m	TTM bridge from official updates	Mixed guide, commodity downside	-2.0% net CAGR	$30.2m	Current growth assets fail to compound enough to offset cobalt/copper price and depletion pressure.

Bull case:

Product / item	TTM starting contribution	Historical anchor	Mgmt FY+1 guide	Bull CAGR / change to TTM+5	TTM+5 contribution	Justification
Voisey's Bay cobalt gross	$21.7m	FY2025 attributable cobalt doubled from FY2024	FY2026 500-560t	6.0%	$29.0m	Steady-state production, favorable non-DRC cobalt pricing, and smoother logistics lift gross contribution.
Mantos Blancos copper	$10.1m	FY2025 record contribution	FY2026 lower-grade year, then normalization	6.0%	$13.5m	Copper price strength and brownfield/tailings upside outweigh the 2026 grade dip.
Mimbula copper gross	$6.9m	New stream with partial-year base	FY2026 1,080-1,130t and mine 30-35ktpa	17.0%	$15.1m	Full-year delivery, mine ramp, and favorable copper price compound from an underdeveloped TTM base.
Carlota copper	$0.7m	FY2025 $0.8m	Decline into 2029	Residual tail	$0.1m	Small residual contribution survives longer than expected, but it is immaterial.
Santo Domingo / base-metal development bucket	$0.0m	No current contribution	FID targeted H2 2026	Milestone ramp	$6.5m	FID occurs, construction advances, and early royalty-area production begins before the horizon.
Other option assets	$0.0m	No current contribution	Nifty threshold, West Musgrave review, Canariaco strategic interest	Trace optionality, rounded to zero	$0.0m	Bull value mostly remains beyond 2031; no central dollar is assigned.
Metal stream cost of sales	-$6.0m	TTM -$6.0m	Rises with stream receipts	Cost scales to -18% of gross	-$11.6m	Higher stream volumes and higher reference prices raise purchase-cost dollars.
Base Metals net contribution	$33.4m	TTM bridge from official updates	Broad volume and project upside	9.5% net CAGR	$52.6m	Producing assets compound and Santo Domingo starts to matter.

9. Forward Contribution Margin / Operating Margin Assumptions

The table below separates contribution margin from modeled operating margin. Contribution margin is net portfolio contribution after stream cost divided by gross positive asset contribution. Modeled operating margin is the proxy used for segment operating income. The modeled operating margin is anchored to the FY2025 official cobalt-plus-copper operating-profit relationship, but the data package does not provide a TTM Base Metals operating statement.

Case	Gross positive TTM+5 contribution	Stream cost of sales	Net contribution	Contribution margin after stream cost	Modeled operating margin	Modeled operating income	Justification
Bear	$36.5m	-$6.3m	$30.2m	82.7%	43.0%	$13.0m	Lower price and weaker asset mix reduce scale leverage; Carlota depletion and no development contribution leave fixed overhead absorption weaker.

Case	Gross positive TTM+5 contribution	Stream cost of sales	Net contribution	Contribution margin after stream cost	Modeled operating margin	Modeled operating income	Justification
Base	$49.6m	-$8.8m	$40.8m	82.3%	52.0%	$21.2m	FY2025 cobalt/copper OI proxy was about 48.5%; larger Mimbula and normalized Mantos allow modest scale benefit despite stream costs.
Bull	$64.2m	-$11.6m	$52.6m	81.9%	57.0%	$30.0m	Higher royalty-heavy contribution and Santo Domingo contribution improve mix, while stream purchase costs keep contribution margin from expanding.

The base-case operating margin is deliberately not set to the 80%-plus contribution margin. The contribution margin is before the accounting and cost bridge that Ecora must make at group level. It is useful for contract economics, but the official FY2025 commodity table points to much lower operating-profit conversion after amortization, depletion, administrative allocation, and classification effects. The bear case assumes weak price/mix and no development contribution push operating conversion below the FY2025 proxy. The bull case assumes higher royalty-heavy contribution, better fixed-cost absorption, and early Santo Domingo contribution lift operating conversion, but not to a pure royalty gross-margin level.

10. Segment Rollup Bottoms-Up To 2031-03-31

The segment rollup must tie to the asset tables above. The endpoint is 2031-03-31, exactly five calendar years after the 2026-03-31 TTM anchor. All rows are portfolio contribution, not statutory revenue.

Asset / item	Bear TTM+5 contribution	Base TTM+5 contribution	Bull TTM+5 contribution
Voisey's Bay cobalt gross	$18.6m	$24.6m	$29.0m
Mantos Blancos copper	$9.1m	$11.4m	$13.5m
Mimbula copper gross	$8.8m	$11.6m	$15.1m
Carlota copper	$0.0m	$0.0m	$0.1m
Santo Domingo / development bucket	$0.0m	$2.0m	$6.5m
Other option assets	$0.0m	$0.0m	$0.0m
Metal stream cost of sales	-$6.3m	-$8.8m	-$11.6m
Base Metals net contribution	$30.2m	$40.8m	$52.6m

Case	Segment TTM contribution	Segment TTM+5 contribution	Five-year net CAGR	Modeled operating margin	Modeled operating income
Bear	$33.4m	$30.2m	-2.0%	43.0%	$13.0m
Base	$33.4m	$40.8m	4.1%	52.0%	$21.2m
Bull	$33.4m	$52.6m	9.5%	57.0%	$30.0m

The base case is not a heroic growth case. It assumes Voisey's Bay stabilizes but does not explode, Mantos normalizes after a weak grade year, Mimbula gets credit for a full-year ramp, Carlota disappears, and Santo Domingo contributes only a modest probability-weighted amount. The bear case is still not a collapse: Mimbula's full-year effect partly offsets cobalt/copper downside, but the segment fails to grow. The bull case requires multiple things to go right at once: supportive copper and cobalt prices, stronger Mimbula delivery, smoother Voisey's Bay receipts, and at least early Santo Domingo contribution by the 2031 anchor.

For synthesis, the most important integration point is that Base Metals contribution is likely to be a larger share of total Ecora contribution in every case. Even the bear case leaves Base Metals near the current TTM level while Kestrel in the Bulks & Other segment is expected to run down. The company-level conclusion therefore depends less on whether Base Metals grows from $33.4m to $40.8m and more on whether this growth offsets Kestrel depletion, finance costs, and any acquisition capital needed to keep the portfolio from becoming a finite runoff vehicle.

11. Key Risks And Wildcards

Bear risk: cobalt price and chemistry substitution. Voisey's Bay is the largest current asset, and cobalt is exposed to battery chemistry changes, DRC supply policy, inventory swings, and industrial demand. The data package notes DRC quota changes as a possible tailwind for non-DRC cobalt, but the same policy overlay can create volatility. A lower cobalt price path would pressure gross contribution while fixed corporate costs remain.

Bear risk: operator execution. Ecora does not operate Vale's Voisey's Bay, Capstone's Mantos Blancos or Santo Domingo, Moxico's Mimbula, KGHM's Carlota, or the development projects. Mine plans, grades, maintenance, capital allocation, permits, and shipping timing can all alter contribution. Q1 2026 Voisey's Bay timing already shows the issue: receipts can move across quarters even when underlying production is not impaired.

Bear/base risk: stream thresholds and costs. Voisey's Bay and Mimbula have step-down or tiering features, and stream purchase costs rise with reference prices. The model explicitly carries stream cost of sales, but the data package does not disclose every cumulative threshold detail needed to forecast exact entitlement changes.

Base risk: Mantos normalization after a record year. FY2025 benefited from record copper sales and a higher realized copper price, while FY2026 production is guided to 48-56kt because of a one-year lower-grade period. If grade normalization takes longer, the base-case 2.5% CAGR is too high.

Base/bull wildcard: Mimbula full-year ramp. Mimbula is the cleanest producing growth asset because FY2025 was partial and FY2026 guidance steps up to 1,080-1,130t attributable copper. If the mine sustains 30-35ktpa and copper prices stay firm, the asset can do more than the base case. If delivery timing or mine execution disappoints, it can still grow but not enough to carry the segment.

Bull wildcard: Santo Domingo. A H2 2026 FID would give the asset a plausible path to early contribution before 2031, and the royalty covers production in the first 6-7 years of the royalty area. This is the largest within-horizon option in the Base Metals book. The model gives it $2.0m in base and $6.5m in bull, but zero in bear because FID and construction timing remain unresolved.

Longer-term wildcard: Canariaco, West Musgrave, Vizcachitas, and Nifty. These assets can matter after the horizon, but the 2031-03-31 model should not capitalize them heavily. Nifty has a specific threshold that is not expected until at least five years after restart. West Musgrave is under review. Vizcachitas and Canariaco are development-stage. Their existence supports duration, but not near-term earnings certainty.

Accounting risk: contribution is not statutory revenue. The combined ER2 model must reconcile portfolio contribution to official royalty and metal stream related revenue, operating profit, tax, and FCF. This appendix intentionally models contribution first because that is the disclosed economic KPI, but a company-level valuation using statutory EPS must not double-count EVBC-like fair-value items, McClean financing repayments, or stream costs.

Summary table:

Case	Segment TTM+5y Revenue / Contribution	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Probability
Bear	$30.2m	43.0%	$13.0m	30%
Base	$40.8m	52.0%	$21.2m	50%
Bull	$52.6m	57.0%	$30.0m	20%

Appendix B2 - Specialty Metals and Uranium

Appendix B - Specialty Metals & Uranium Segment Deep Dive

Company: Ecora Royalties PLC, formerly Ecora Resources PLC. Ticker: `ECOR.L`. Segment slug: `specialty_metals_and_uranium`. Prepared for the ER2 / Gideon run dated 2026-06-09.

Today is 2026-06-09. Ecora's fiscal year ends December 31. The most recently reported period in the run-local evidence pack is the Q1 2026 trading update for the period ended 2026-03-31. The TTM anchor used throughout this appendix is Q2 2025 plus Q3 2025 plus Q4 2025 plus Q1 2026, ending 2026-03-31. The forward endpoint is 2031-03-31, exactly five calendar years after that TTM anchor. All Ecora historical figures in this appendix come from `data_package.md`, which the data-review process designated as the single source of truth for Ecora historicals. The official run-local source files named in the data package include Ecora's 2025 annual report, 2025 quarterly trading updates, HY 2025 results, Q1 2026 trading update, FY2025 results presentation, and historical annual-report text extracts under `raw`.

0. Segment Boundary + Taxonomy Note

Specialty Metals & Uranium is Ecora's producing and development exposure to uranium, vanadium, and rare earths. The data package defines the segment as McClean Lake, Four Mile, Maracas Menchen, Phalaborwa, Salamanca, Patterson Corridor East, and other disclosed specialty/uranium optionality. The practical boundary is stable for the 2025 and Q1 2026 disclosures used in the TTM bridge, but older years are less comparable because Ecora's portfolio narrative has evolved from the old Anglo Pacific/Kestrel-heavy mix toward critical minerals. For the model, I use only the DR-cleared comparable history in `data_package.md`: segment total contribution of $6.6m for FY2023, $8.1m for FY2024, $7.6m for FY2025, and $8.2m for the TTM ended 2026-03-31. Asset-level history is available in the data package for FY2024, FY2025, and the four-quarter TTM bridge, but not for every asset back to FY2023. Where the data package does not provide asset-level history, I flag it rather than filling from non-authoritative sources.

This appendix uses "portfolio contribution" as the segment revenue proxy. That is intentional. Ecora is a royalty and streaming company, not an operator, and its economic disclosure is not a standard operating segment income statement. The data package states that portfolio contribution is the controlling operating metric because it captures royalty, stream, financing, and fair-value economics that statutory revenue does not always capture cleanly. McClean Lake is especially relevant because it includes principal repayment under a commodity-related financing agreement. Ecora does not disclose full quarterly segment operating income for Specialty Metals & Uranium, so this appendix uses modeled contribution margin and modeled operating income as the margin proxy. [DATA GAP: Ecora does not disclose full Specialty Metals & Uranium operating income, asset-level depletion, or corporate-cost allocation in the quarterly trading updates.]

1. What Specialty Metals & Uranium Actually Is

This segment is a portfolio of non-operated claims on third-party mineral assets. Ecora does not mine uranium, vanadium, or rare earths itself. It owns royalties, financing-linked toll-milling economics, and development royalties over assets operated by companies such as Orano, Cameco-related Cigar Lake partners, Quasar Resources, Largo, Rainbow Rare Earths, Berkeley Energia, and NexGen. The customer is not a normal product buyer. Ecora's "customer" is the underlying operator and the commodity market. The operator produces or processes the mineral, sells or recognizes the commodity economics, and pays Ecora under a pre-agreed royalty, stream, or financing formula.

The producing part of the segment has three current cash contributors. McClean Lake is a uranium toll-milling related financing/royalty instrument. The McClean Lake Mill processes Cigar Lake uranium feedstock, and Ecora is entitled to a portion of toll-milling revenues associated with that processing. The data package cites FY2025 McClean contribution of $3.7m, down from $4.5m in FY2024, because throughput rose but the average tolling rate stepped down after a historic uranium recovery threshold was reached. Four Mile is a 1.0% NSR royalty over Quasar's Australian uranium mine. It is price- and sales-volume sensitive; FY2025 contribution rose to $2.2m from $1.4m as sales normalized after stockpiling. Maracas Menchen is a 2.0% NSR royalty over Largo's Brazilian vanadium operation. It contributed $1.7m in FY2025 versus $2.2m in FY2024 as sales volumes declined and vanadium prices remained weak.

The development and optionality layer is small in current contribution but important to the segment's strategic story. Phalaborwa is a rare-earths GRR royalty over Rainbow Rare Earths' South African project. The data package lists an initial 0.85% GRR, stepping up to 0.95% if commercial production has not occurred before 2027-10-01 and to 1.1% if commercial production has not occurred before 2028-07-01. Salamanca is a 1.0% NSR uranium royalty over Berkeley Energia's Spanish

project. Patterson Corridor East is a 2.0% NSR over NexGen's Canadian uranium discovery. The official annual report and FY2025 presentation frame Phalaborwa and Patterson as development or early-stage assets, with Phalaborwa targeting a definitive feasibility study in 2026 and Patterson drilling expanding the mineralized footprint. They are not current cash-flow anchors.

The pricing model is mostly commodity-linked, but the formula differs by asset. Four Mile is closest to the pure royalty model: a fixed NSR percentage multiplied by sales value, so uranium price and sales timing are the primary drivers. Maracas is similar but tied to vanadium pentoxide sales and Largo's product mix. McClean is not a conventional mine royalty; it is connected to toll-milling revenue and repayment economics, so Cigar Lake mill throughput, the tolling rate, and the remaining financing schedule matter more than spot uranium price alone. Phalaborwa and Salamanca are project-execution options. Until they produce, their value is mainly in permitting, technical de-risking, funding, commodity demand, and the operator's ability to reach construction and commercial production.

2. Current Economics: TTM Contribution and Asset Mix

The DR-cleared TTM segment contribution is $8.2m. The bridge is Q2 2025 $2.2m plus Q3 2025 $1.9m plus Q4 2025 $1.8m plus Q1 2026 $2.3m. Asset-level TTM contribution is McClean Lake $3.3m, Four Mile $3.2m, and Maracas Menchen $1.7m. That means McClean represented about 40% of TTM contribution, Four Mile about 39%, and Maracas about 21%. There was no disclosed current contribution from Phalaborwa, Salamanca, Patterson Corridor East, or other development-stage optionality in the TTM bridge.

The current mix is better balanced than the asset count suggests. McClean is the largest line by a small margin, but it is not the growth engine because management expects FY2026 Cigar Lake mill volumes of 17.5-18.0Mlb and the tolling rate to decline by about 15%. Four Mile is almost as large and has a better near-term volume setup because management expects annual sales volumes to return to a 4.0-5.0Mlb average run rate after stockpiling distorted earlier comparisons. Maracas is a smaller, lower-price-cycle royalty with longer mine-life disclosure but weaker near-term commodity support.

The TTM also carries a warning about quarterly extrapolation. Q1 2026 segment contribution was $2.3m, up 35% versus Q1 2025. That was driven primarily by Four Mile's $1.1m contribution, which compared with only $0.1m in Q1 2025 because the operator had been stockpiling production. A simple annualization of Q1 2026 would produce $9.2m for the segment, but that would overstate Four Mile if sales timing normalizes unevenly. Conversely, the FY2025 base of $7.6m understates the TTM because it misses the stronger Q1 2026 Four Mile contribution. The right starting point for the forward model is therefore the $8.2m TTM, with asset-specific normalization.

Current segment economics are capital-light at the Ecora level. Ecora does not fund mine-level sustaining capex for Four Mile or Maracas, nor does it directly operate Cigar Lake or McClean. Cash conversion should therefore be high before corporate overhead, depletion/amortization, financing costs, and tax. The limitation is that Ecora's annual statutory operating profit is not reported by this exact segment in a way that can be carried quarter by quarter. The FY2025 annual commodity table showed uranium operating profit before impairments/revaluations of $3.201m on uranium portfolio contribution of $5.937m, but "all other" was a loss and included items that cannot be cleanly allocated to Maracas and development rare-earth optionality. I do not use that annual note as a direct segment margin. Instead I model asset-level contribution margins after an allocated royalty-administration and depletion burden.

Current TTM mix:

Asset	TTM contribution	Segment share	Current status	Main 2026 driver
McClean Lake	$3.3m	40%	Producing financing/royalty economics	Cigar Lake mill volumes 17.5-18.0Mlb and lower tolling rate
Four Mile	$3.2m	39%	Producing 1.0% NSR uranium royalty	4.0-5.0Mlb normalized sales run-rate and uranium price
Maracas Menchen	$1.7m	21%	Producing 2.0% NSR vanadium royalty	Largo sales guidance of 7.5-9.5kt and weak vanadium prices
Phalaborwa	$0.0m	0%	Development rare-earth GRR	DFS and funding milestones
Salamanca, Patterson Corridor East, other	$0.0m	0%	Development and early-stage uranium optionality	Permitting, drilling, project sanction, uranium cycle
Total	$8.2m	100%	Segment total	Contribution proxy, not statutory revenue

3. Unit Economics

Unit economics for a royalty company are simple in shape but tricky in accounting. The operator bears mine costs. Ecora receives a contractual share of revenue, gross revenue, net smelter return, toll-milling revenue, or financing-linked cash flow. At the asset level, the key variables are volume, price, royalty rate, product mix, payment threshold, and timing. At the company level, Ecora then absorbs corporate overhead, acquisition/deal-sourcing cost, finance costs, amortization/depletion of royalty intangibles, fair-value movements for some financial instruments, and tax. Portfolio contribution sits between those two layers: it is the best cash-economic bridge, but it is not identical to statutory revenue or statutory operating profit.

McClean Lake's economics depend on mill throughput and tolling rate more than on headline uranium spot price. The data package states that Cigar Lake produced 19.2Mlb in 2025, that Ecora's McClean contribution was $3.7m, and that the year-on-year reduction from $4.5m was caused by a toll-rate step-down after recovery of an agreed uranium volume. This is the most important unit-economic point in the segment: a volume increase did not produce contribution growth because the rate reset overwhelmed it. Management's FY2026 guide then adds another pressure point, with Cigar Lake volumes expected at 17.5-18.0Mlb and the average tolling rate expected to fall about 15%. The bear and base cases therefore treat McClean as a declining or flat cash-flow line unless uranium-milling economics or repayment mechanics surprise positively.

Four Mile's economics are cleaner. Ecora owns a 1.0% NSR royalty. If uranium pounds sold increase and realized price holds, contribution rises. The data package gives FY2025 sales volumes of 3.4Mlb, realized uranium price of $69.54/lb, and FY2026 expected sales volumes of 4.0-5.0Mlb. A rough royalty arithmetic check is useful: 3.4Mlb times $69.54/lb equals about $236m of gross uranium sales, and a 1.0% NSR would imply about $2.4m before detailed contract and timing effects. That is close to the reported $2.2m FY2025 contribution, so the unit economics tie directionally. If annual sales average 4.5Mlb and realized uranium price rises toward the broker-consensus uranium assumptions cited in Ecora's FY2025 presentation, Four Mile can sustain contribution above the FY2025 level. If sales slip back or uranium price disappoints, the royalty quickly falls back toward $2.0m-$3.0m.

Maracas Menchen is a small vanadium royalty with long mine-life disclosure but poor current pricing. Ecora's data package says FY2025 vanadium pentoxide equivalent sales were 8,683t, down from 9,599t in FY2024, and realized price increased to $7.48/lb from $6.62/lb due to mix. Contribution still fell to $1.7m from $2.2m. The annual report described a weak vanadium price environment, with prices near or below primary production costs for parts of 2025. Ecora does not bear Largo's costs directly, but cost stress matters because it can force operating plan changes, curtailments, or maintenance timing. The unit economics are therefore not just volume times price. They are volume times price times operator viability. If vanadium remains depressed, Maracas is a stable but low-growth royalty. If vanadium recovers with grid storage, steel alloying, or supply discipline, it has operating leverage because Ecora's royalty does not absorb mine-level cost inflation.

Phalaborwa's unit economics are all pre-revenue. The disclosed GRR steps from 0.85% to 0.95% or 1.1% if commercial production is delayed beyond specified dates. That feature is economically attractive for Ecora because delay can increase the royalty rate, but only if the project ultimately reaches production. A higher royalty rate on a project that never gets financed is worth zero. The official annual report noted Rainbow's process work, mixed rare-earth product quality, yttrium addition, and separation route selection, and the FY2025 presentation stated that Phalaborwa was targeting DFS in 2026. The unit-economic question is whether a phosphogypsum/rare-earth processing project can secure funding, permits, offtake, and commercial ramp at acceptable recoveries. Until then, the base case includes only a modest horizon-year contribution and the bear case assigns almost none.

The margin proxy follows from these asset mechanics. Producing royalties should have high contribution conversion because Ecora is not the operator. However, McClean's financing/royalty accounting and annual commodity-note margins argue against assuming a pure 90%-plus operating margin on every dollar. I use current modeled contribution margin of roughly 74% for the $8.2m TTM segment: McClean lower because of financing/depletion mechanics, Four Mile higher because it is a cleaner NSR, and Maracas in the middle because the royalty is simple but operator stress can affect payment durability. This is a modeling proxy, not a reported operating-margin figure. [DATA GAP: Ecora does not disclose asset-level sustaining costs, AISC, operator netbacks, reserves/resources tables, or asset-level tax in its issuer pack; data_package.md Section 0a says those items are generally not separately disclosed by Ecora.]

4. Competitive Dynamics for Uranium, Vanadium, Rare-Earth Royalties, and Deal Sourcing

The segment competes in two arenas. First, the underlying commodities compete for capital, demand, and political support. Uranium royalties are tied to nuclear fuel demand, utility contracting, reactor life extensions, new builds, and supply discipline

from miners and enrichers. Vanadium royalties are tied to steel demand, aerospace/industrial alloys, and the uncertain adoption curve for vanadium redox flow batteries. Rare-earth royalties are tied to magnet demand, defense and electrification supply chains, China-exposure concerns, separation capacity, and the politics of strategic minerals funding. Second, Ecora competes as a buyer and owner of royalty interests. It must originate deals in a market where precious-metals royalty companies have deeper capital pools, where single-commodity vehicles can pursue uranium exposure, and where project developers can compare royalty financing against debt, offtake prepayments, equity, and strategic investors.

The competitive advantage in deal sourcing is not scale. Ecora is not Franco-Nevada or Wheaton Precious Metals. The FY2025 results presentation itself frames the royalty market as having a large precious-metals universe and "few listed peers focused on critical minerals strategy." That helps Ecora in two ways. It can be a more natural buyer for non-precious-metals royalties that do not fit the mandate of gold-focused royalty companies, and it can speak to industrial commodity developers without forcing every deal into a precious-metals template. The trade-off is cost of capital. Larger peers can often outbid Ecora for clean, producing, low-risk cash flows. Ecora therefore needs to win by accepting complexity, smaller ticket sizes, earlier-stage development risk, or assets where management's technical and commodity judgment is differentiated.

Uranium royalty competition is attractive but not easy. Uranium has become a strategic commodity for energy security and decarbonization, and that draws capital from physical uranium funds, miners, utilities, sovereign-linked vehicles, and specialist investors. Ecora's Four Mile royalty benefits from being already producing, while Patterson and Salamanca offer option value. But uranium development is politically sensitive. Projects can spend years in permitting, indigenous/community consultation, environmental assessment, and financing. A 1.0% or 2.0% NSR can be valuable if a project gets built, but the path from discovery to cash flow is long. Ecora's moat is therefore stronger in already-owned royalties than in new deal competition.

Vanadium royalty competition is weaker because fewer investors are eager to underwrite vanadium-specific risk. That cuts both ways. Ecora may face less bidding competition for vanadium royalties, but the addressable market is smaller and more cyclical. Maracas has long mine-life disclosure and a simple 2.0% NSR, but vanadium prices near or below primary production costs reduce the appeal of new vanadium deals. If vanadium redox batteries develop into a larger grid-storage category, the royalty could regain strategic relevance; if not, Maracas remains an industrial-metal tail line with modest current contribution.

Rare-earth royalty competition is increasingly strategic. Governments, defense buyers, industrial offtakers, and trading houses want non-China supply chains, but rare-earth processing is technically hard. The attractive royalty position is exposure to a process route, feedstock, separation plan, permit package, and funding stack that can reach commercial operations. Phalaborwa's royalty-rate step-up is useful, and the Q1 2026 update noted Rainbow's $14.6m equity raise to fund DFS completion. Still, the royalty becomes valuable only if the larger funding package arrives and the project ramps.

5. Segment-Level Moat

The segment moat is contractual rather than operational. Ecora's strongest protection is the fact that royalties and financing-linked rights are attached to specific assets. Once a mine or mill is producing, a new competitor cannot replicate Ecora's exact Four Mile, McClean, or Maracas position without buying Ecora or buying the royalty from Ecora. That is real scarcity. It is also narrow. It protects cash flows from direct price competition but not from lower commodity prices, operator underperformance, regulatory delay, or reserve depletion.

Four Mile has the cleanest moat at the asset level. A 1.0% NSR on a producing uranium mine is simple, scarce, and levered to a commodity with strategic support. Ecora does not need to reinvest operating capital to receive the royalty. The royalty is not a consumer brand or software network effect, but it is a legally embedded claim on production. The weakness is asset life. The FY2025 annual report portfolio table lists Four Mile as producing with a five-year life. That aligns closely with the ER2 forward horizon. A base case should not capitalize Four Mile as a multi-decade compounder unless additional reserve conversion or mine-plan extension is disclosed.

McClean Lake has a moderate moat but a less attractive growth profile. Ecora's entitlement to toll-milling revenue is hard to replicate, and Cigar Lake/McClean are high-quality Canadian uranium infrastructure in a geopolitically attractive jurisdiction. But the economics are subject to the toll-rate step-down already disclosed by management. The moat protects the claim; it does not protect against formula decline. That is exactly what FY2025 showed: Cigar Lake produced more pounds, yet Ecora's contribution fell because the rate reset.

Maracas has contractual protection and long mine-life disclosure, but the economic moat is weakest among the producing lines. The asset is a vanadium royalty in Brazil, with 29-year life disclosure in Ecora's 2025 annual portfolio table. Longevity matters. However, vanadium is cyclical, the market can be oversupplied, and operator cost pressure can affect production

decisions. Ecora has a royalty claim, but it cannot force Largo to produce uneconomic tonnes.

Phalaborwa and Patterson are option-value moats. If Phalaborwa becomes a commercial rare-earth producer, Ecora's GRR could become strategically scarce, especially because the rate steps up if commercial production is delayed past defined dates. If Patterson Corridor East proves to be a meaningful uranium discovery adjacent to a world-class uranium district, the 2.0% NSR could be valuable. But neither is a cash-flowing moat today. They are contractual hooks into future projects. The moat becomes economically relevant only after technical, permitting, and funding gates are cleared.

The segment therefore does not meet a standalone Gideon "20 years at high ROIC" bar. It is valuable as a portfolio sleeve inside a diversified royalty company because it provides strategic commodity exposure with low operating capital intensity. But the next five years depend on a few discrete assets, not on a self-reinforcing platform. The moat grade is "asset-specific contractual scarcity, moderate durability, limited organic compounding."

6. Historical Growth Rates Reproduced from Data Package

The data package provides comparable segment totals for FY2023, FY2024, FY2025, and the TTM ended 2026-03-31. It provides asset-level FY2024, FY2025, and TTM figures for McClean Lake, Four Mile, and Maracas Menchen, but not a full FY2023 asset-level split. I therefore reproduce the segment row across all available periods and show asset rows only where the data package provides disclosed figures. The "CAGR or change" column is labeled carefully because the asset rows use FY2024 to TTM, not a full three-year CAGR.

Product / sub-segment	FY2023 contribution	FY2024 contribution	FY2025 contribution	TTM contribution	CAGR or change	Most recent YoY	Data package cite
Specialty Metals & Uranium total	$6.6m	$8.1m	$7.6m	$8.2m	FY2023-FY2025 CAGR 7.3%	FY2025 down 6.2%; TTM up 7.9% vs FY2025	Section 0a KPI row; Section 3 quarterly bridge
McClean Lake	[DATA GAP]	$4.5m	$3.7m	$3.3m	FY2024-TTM down 14.4% annualized approximately	FY2025 down 17.8%; TTM down 10.8% vs FY2025	Section 4 Specialty Metals & Uranium; Section 3 asset bridge
Four Mile	[DATA GAP]	$1.4m	$2.2m	$3.2m	FY2024-TTM up 80.3% annualized approximately	FY2025 up 57.1%; TTM up 45.5% vs FY2025	Section 4 Specialty Metals & Uranium; Section 3 asset bridge
Maracas Menchen	[DATA GAP]	$2.2m	$1.7m	$1.7m	FY2024-TTM down 20.6% annualized approximately	FY2025 down 22.7%; TTM flat vs FY2025	Section 4 Specialty Metals & Uranium; Section 3 asset bridge
Phalaborwa, Salamanca, Patterson, other	$0.0m disclosed current contribution	$0.0m disclosed current contribution	$0.0m disclosed current contribution	$0.0m disclosed current contribution	Not meaningful	No current contribution	Section 4 development optionality descriptions

Arithmetic tie-out checks from the data package:

Row	Arithmetic check	Result
Segment FY2023 to FY2024	$6.6m times 1.227 equals $8.1m	Pass
Segment FY2024 to FY2025	$8.1m times 0.938 equals $7.6m	Pass
Segment FY2025 to TTM	$7.6m plus $0.6m equals $8.2m	Pass
McClean FY2024 to FY2025	$4.5m times 0.822 equals $3.7m	Pass
Four Mile FY2024 to FY2025	$1.4m times 1.571 equals $2.2m	Pass
Maracas FY2024 to FY2025	$2.2m times 0.773 equals $1.7m	Pass

The historical pattern is not a straight growth story. The segment rose from FY2023 to FY2024, fell in FY2025, and rebounded on a TTM basis only because Four Mile normalized in Q1 2026. McClean is declining because the tolling rate stepped down. Maracas is weak because vanadium pricing and sales volumes are not supportive. Four Mile is the only current producing asset with a visible positive near-term volume reset, but even that is a normalization from stockpiling rather than proof of structural compounding.

7. Management Guidance from Data Package Sections 5 and 6

The data package's management chronology is more detailed for Base Metals than for this segment, but the relevant Specialty Metals & Uranium guidance is explicit in Sections 4, 5, 7, and 8. I reproduce the items below as

data-package-guided anchors rather than as independently re-fetched numbers.

Guidance item	Data package source	Management / disclosure anchor	Interpretation for model
McClean Lake 2026 volumes	Section 4 Specialty Metals & Uranium; Section 8 handoff	FY2026 Cigar Lake mill volumes expected at 17.5-18.0Mlb	Use lower volume than FY2025 19.2Mlb and avoid assuming volume growth offsets rate pressure
McClean Lake tolling rate	Section 4 Specialty Metals & Uranium; user DR-cleared anchor	Average tolling milling rate expected down about 15%	Base and bear cases decline from TTM; bull requires uranium/milling upside or slower erosion
Four Mile 2026 sales	Section 4 Specialty Metals & Uranium; Section 8 handoff	FY2026 sales expected to return to a 4.0-5.0Mlb average run rate	Supports contribution above FY2025 if uranium prices hold; do not annualize Q1 blindly
Four Mile Q1 2026	Section 3 asset bridge; Section 4 Specialty Metals & Uranium	Q1 2026 contribution of $1.1m reflected normalized sales versus stockpiled Q1 2025	Q1 confirms recovery, but the full-year model should smooth quarterly timing
Maracas 2026 sales	Section 4 Specialty Metals & Uranium; Section 8 handoff	Largo guidance indicates sales of 7,500t-9,500t	Use flat-to-modest volume assumption; price cycle matters more than volume range
Maracas price environment	Section 4 Specialty Metals & Uranium	Weak vanadium price environment, with prices near or below primary production costs for parts of 2025	Bear case risk is production discipline or curtailment; base assumes no near-term price rescue
Phalaborwa milestones	Section 4 Specialty Metals & Uranium; Section 7 risk caveats	DFS and funding milestones; first production timing discussed as late 2027 or as early as 2028 depending on source timing	Keep base case modest because DFS is not production; bull case includes partial horizon-year contribution
Patterson Corridor East	Section 4 Specialty Metals & Uranium	Q4 2025 references mineralized footprint expanded to 700m from 600m	Treat as exploration upside, not base-case revenue
Salamanca	Section 4 Specialty Metals & Uranium	1.0% NSR uranium royalty over Berkeley Energia's Spanish project	Development optionality only; no base-case contribution without permitting and construction clarity

The main interpretation is that management guidance contains one negative known item, one positive normalized item, one weak-cycle stabilizer, and several long-dated options. The negative item is McClean's rate decline. The positive item is Four Mile's return to a 4.0-5.0Mlb sales run-rate. The stabilizer is Maracas' 7.5-9.5kt sales guidance despite weak vanadium. The options are Phalaborwa, Salamanca, and Patterson. A disciplined model should not let the options offset the known McClean decline unless the case is explicitly bullish.

8. Forward Growth Assumptions by Asset

All CAGRs below are from the TTM ended 2026-03-31 to the TTM+5 endpoint on 2031-03-31. They are contribution CAGRs, using portfolio contribution as the revenue proxy. The forecast starts from TTM asset contribution of McClean $3.3m, Four Mile $3.2m, Maracas $1.7m, and zero current contribution from development optionality.

Base case:

Product	TTM contribution	Historical trend	Mgmt FY+1 guide	Base CAGR TTM to TTM+5	TTM+5 contribution	Justification
McClean Lake	$3.3m	FY2025 down 17.8%; TTM down vs FY2025	17.5-18.0Mlb volumes; tolling rate down about 15%	-1.9%	$3.0m	Known rate pressure offsets strategic uranium support; assume the line stabilizes after FY2026 reset
Four Mile	$3.2m	FY2025 up 57.1%; TTM up vs FY2025	4.0-5.0Mlb annual run-rate	5.6%	$4.2m	Normalized sales and uranium price support growth, but five-year life disclosure limits compounding
Maracas Menchen	$1.7m	FY2025 down 22.7%; TTM flat vs FY2025	7.5-9.5kt sales	1.1%	$1.8m	Volume guide is stable; weak vanadium keeps price recovery modest
Phalaborwa	$0.0m	No current contribution	DFS/funding milestones	n/a	$0.8m	Include partial horizon-year contribution only after development de-risking; not a full production ramp

Product	TTM contribution	Historical trend	Mgmt FY+1 guide	Base CAGR TTM to TTM+5	TTM+5 contribution	Justification
Salamanca, Patterson, other	$0.0m	No current contribution	Development and exploration optionality	n/a	$0.1m	Placeholder for small license or early royalty payments; no major mine build assumed
Total	$8.2m	Segment FY2023-FY2025 CAGR 7.3%	Mixed	3.8% including option ramp	$9.9m	Four Mile and modest Phalaborwa offset McClean decline

Bear case:

Product	TTM contribution	Historical trend	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5	TTM+5 contribution	Justification
McClean Lake	$3.3m	Declining since FY2024	Volumes down from FY2025; rate down about 15%	-7.0%	$2.3m	Toll-rate reset persists and volumes do not recover enough to stabilize contribution
Four Mile	$3.2m	Rebound from stockpiling distortion	4.0-5.0Mlb run-rate	-1.3%	$3.0m	Uranium price or mine-plan softness offsets normalized sales
Maracas Menchen	$1.7m	Weak vanadium cycle	7.5-9.5kt sales	-6.7%	$1.2m	Vanadium remains below incentive levels and operator prioritizes cost control
Phalaborwa	$0.0m	No current contribution	DFS/funding milestones	n/a	$0.3m	Small late-period contribution only; financing and ramp slip beyond most of the horizon
Salamanca, Patterson, other	$0.0m	No current contribution	Development and exploration optionality	n/a	$0.0m	No commercial or material exploration monetization in horizon
Total	$8.2m	Segment uneven	Mixed	-3.7% including option ramp	$6.8m	Producing-asset decline overwhelms small option value

Bull case:

Product	TTM contribution	Historical trend	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5	TTM+5 contribution	Justification
McClean Lake	$3.3m	Declining despite FY2025 throughput	17.5-18.0Mlb volumes; rate pressure	1.2%	$3.5m	Uranium cycle and mill utilization offset the rate reset after FY2026
Four Mile	$3.2m	Strong normalization	4.0-5.0Mlb run-rate	11.8%	$5.6m	Sales remain near high end and uranium price strengthens materially
Maracas Menchen	$1.7m	Weak FY2025 but long mine life	7.5-9.5kt sales	9.7%	$2.7m	Vanadium recovers from depressed levels and volume stays near high end
Phalaborwa	$0.0m	No current contribution	DFS/funding milestones	n/a	$2.0m	DFS, funding, and ramp happen early enough for a meaningful horizon-year royalty
Salamanca, Patterson, other	$0.0m	No current contribution	Development and exploration optionality	n/a	$0.3m	Some early uranium option value converts to cash, but not a full mine-cycle contribution
Total	$8.2m	Segment uneven	Mixed	11.5% including option ramp	$14.1m	Uranium price, Four Mile volumes, vanadium recovery, and Phalaborwa timing all cooperate

The base case sits below the FY2023-FY2025 segment CAGR if Phalaborwa is excluded, because the near-term guides are not uniformly positive. McClean has an explicit rate headwind. Maracas is exposed to weak vanadium. Four Mile is the growth line, but the annual report's five-year life disclosure keeps the terminal treatment conservative. The bull case requires Phalaborwa to move from development-stage milestone to cash-flowing royalty.

9. Forward Contribution Margin and Operating Margin Assumptions

The current margin limitation is unavoidable. Ecora's quarterly trading updates disclose portfolio contribution by asset, not full segment operating income. The FY2025 annual commodity note provides statutory operating-profit lines for uranium and all other categories, but those are not the same as Specialty Metals & Uranium as modeled here. Uranium excludes Maracas and rare earths, and "all other" includes corporate and classification effects that should not be assigned mechanically to Maracas or Phalaborwa. I therefore use contribution margin as an asset-level operating-income proxy after allocated royalty administration, depletion/amortization, and monitoring burden.

Current modeled TTM margin is about 74%, or $6.1m of modeled operating income on $8.2m of contribution. McClean receives the lowest margin because financing/repayment and toll-milling accounting are less clean than a pure NSR. Four Mile receives the highest margin because it is a producing uranium NSR. Maracas is in the middle because the royalty is simple but operator stress and weak pricing increase the chance of lower throughput or maintenance disruption. Development assets receive lower initial margins in bear/base because early cash flow can require higher monitoring, legal, and ramp-related support.

Asset	Current modeled margin	Bear TTM+5 margin	Base TTM+5 margin	Bull TTM+5 margin	Margin rationale
McClean Lake	65%	66%	68%	72%	Financing/royalty mechanics and toll-rate reset keep conversion below clean NSR royalties
Four Mile	85%	80%	84%	88%	Clean uranium NSR; bear allows shorter mine life and weaker price; bull benefits from price and sales mix
Maracas Menchen	75%	74%	78%	83%	Simple NSR, but weak vanadium can pressure operator scheduling and payment durability
Phalaborwa	n/a	50%	75%	80%	Development royalty has higher early burden until commercial operations stabilize
Salamanca, Patterson, other	n/a	0%	70%	75%	Mostly option value; only small cash contribution modeled
Segment blended	74% current	73.5%	76.8%	80.9%	Royalty mix improves in bull; bear loses scale and absorbs more fixed burden

The bear case margin does not collapse because Ecora is not the mine operator. Even if contribution falls, the company should not inherit mine-level cost inflation. The margin still declines because lower contribution has less room to absorb corporate and asset-management overhead, and because McClean and vanadium mix become less attractive. The base case margin rises modestly as Four Mile and Phalaborwa become a larger share. The bull case margin rises further because the revenue mix shifts toward high-margin uranium NSR and rare-earth royalty economics.

10. Segment Rollup Bottoms-Up to 2031-03-31

The rollup below ties directly to the asset assumptions in Sections 8 and 9. Contribution is the revenue proxy. Operating income is modeled contribution multiplied by modeled contribution margin. The totals reconcile within rounding.

Bear rollup:

Asset	TTM+5 contribution	TTM+5 margin	TTM+5 operating income
McClean Lake	$2.3m	66%	$1.5m
Four Mile	$3.0m	80%	$2.4m
Maracas Menchen	$1.2m	74%	$0.9m
Phalaborwa	$0.3m	50%	$0.2m
Salamanca, Patterson, other	$0.0m	0%	$0.0m
Total	$6.8m	73.5%	$5.0m

Base rollup:

Asset	TTM+5 contribution	TTM+5 margin	TTM+5 operating income
McClean Lake	$3.0m	68%	$2.0m

Asset	TTM+5 contribution	TTM+5 margin	TTM+5 operating income
Four Mile	$4.2m	84%	$3.5m
Maracas Menchen	$1.8m	78%	$1.4m
Phalaborwa	$0.8m	75%	$0.6m
Salamanca, Patterson, other	$0.1m	70%	$0.1m
Total	$9.9m	76.8%	$7.6m

Bull rollup:

Asset	TTM+5 contribution	TTM+5 margin	TTM+5 operating income
McClean Lake	$3.5m	72%	$2.5m
Four Mile	$5.6m	88%	$4.9m
Maracas Menchen	$2.7m	83%	$2.2m
Phalaborwa	$2.0m	80%	$1.6m
Salamanca, Patterson, other	$0.3m	75%	$0.2m
Total	$14.1m	80.9%	$11.4m

The base case implies segment contribution grows from $8.2m to $9.9m over five calendar years, a 3.8% CAGR. That is not aggressive given the commodity exposure, but it reflects the offsetting forces inside the segment. Four Mile grows from $3.2m to $4.2m. Phalaborwa adds $0.8m, which is enough to matter but not enough to transform the company. McClean declines slightly from TTM. Maracas grows only marginally. The bear case implies a 3.7% annual decline despite small Phalaborwa cash flow, mostly because McClean and Maracas weaken and Four Mile does not compound. The bull case reaches $14.1m, but more than $2.0m of the difference versus base comes from Phalaborwa and early uranium optionality. That is upside, not a bankable earnings base.

The rollup should be used in the combined earnings model as a mid-single-digit contribution grower in base case, with a wide tail. It is not the primary Ecora growth engine relative to Base Metals, but it gives Ecora exposure to nuclear fuel, rare earths, and critical-mineral policy support. Its downside is contained in absolute dollars; the larger risk is valuation multiple and narrative credibility.

11. Key Risks and Wildcards

McClean formula erosion is the most visible base/bear risk. The data package explicitly says the FY2025 decline was caused by a toll-rate step-down and that FY2026 faces about a 15% lower tolling rate. If the repayment/tolling formula steps down faster or volumes run below guidance, McClean can fall below the bear case. This is not a commodity-price debate; it is a contract-mechanics and throughput risk.

Four Mile mine life is the most important hidden terminal risk. A 1.0% uranium NSR on a producing Australian mine is attractive, but Ecora's annual portfolio table lists a five-year life. The ER2 horizon is also five years. If reserves are not extended or mine sequencing disappoints, the base case may be too high by the end of the horizon even if FY2026 looks strong.

Uranium price and contracting are the main bull wildcard. Ecora's FY2025 presentation cited broker-consensus uranium price assumptions of $88.4/lb for 2026 and $95.0/lb for 2027. If uranium contracting strengthens and Four Mile sells near the high end of its 4.0-5.0Mlb run-rate, Four Mile can be materially above base. If utilities delay contracting or spot prices retrace, the Q1 2026 rebound will look like timing rather than trend.

Vanadium is the most cyclical weak link. Maracas has long mine-life disclosure, but vanadium prices near or below primary production costs can pressure production plans. This risk mostly affects bear case because the royalty does not absorb operating costs directly, but it still affects sales volumes and operator behavior.

Phalaborwa is a classic development-stage binary. The project has useful technical milestones and a royalty-rate step-up if commercial production is delayed, but DFS, funding, permitting, construction, commissioning, and offtake all remain gates. The base case gives Phalaborwa only $0.8m at the horizon. The bull case gives it $2.0m. A failed or delayed funding package takes it close to zero.

Patterson Corridor East is exploration upside, not near-term underwriting support. The annual report described an expanded mineralized footprint and a larger high-grade subdomain, and Ecora has a 2.0% NSR. That could become valuable if NexGen proves scale and advances a mine plan. It should not be used to justify base-case 2031 operating income.

Salamanca is a permitting and political wildcard. A 1.0% NSR uranium royalty in Spain could be meaningful in a strong European nuclear-security environment, but the data package provides no current contribution and no near-term production timing. It belongs in option value, not current earnings.

Deal-sourcing competition can affect future reinvestment. The forecast assumes no major new acquisition; any bought growth should be underwritten only when price, funding, and asset quality are known.

Summary Table

Case	Segment TTM+5y Revenue/Contribution	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Probability
Bear	$6.8m	73.5%	$5.0m	30%
Base	$9.9m	76.8%	$7.6m	50%
Bull	$14.1m	80.9%	$11.4m	20%

The practical conclusion is that Specialty Metals & Uranium is a small but useful royalty sleeve. The $8.2m TTM base is real, but it is not a simple compounder. McClean is contractually scarce but faces rate pressure. Four Mile is the cleanest near-term uranium growth line, but the life disclosure demands terminal caution. Maracas provides long-lived vanadium exposure but not strong current pricing. Phalaborwa, Salamanca, and Patterson Corridor East keep Ecora tied to rare-earth and uranium optionality, but they should be modeled as optionality until cash-flow evidence arrives. In the combined ER2 model, the segment deserves a base-case contribution of $9.9m and modeled operating income of $7.6m by 2031-03-31.

Appendix B3 - Bulks and Other

Appendix B - Bulks & Other Segment Deep Dive

0. Segment boundary + taxonomy note

Bulks & Other is the runoff and residual segment in Ecora Royalties PLC's current ER2 taxonomy. It consists mainly of the Kestrel steelmaking coal gross revenue royalty, the EVBC gold/silver/copper net smelter return royalty, and small residual items such as LIORC and other minor holdings. The data package identifies the current modeling spine as three segments: Base Metals, Specialty Metals & Uranium, and Bulks & Other; it states that Bulks & Other consists mainly of Kestrel and EVBC plus LIORC/other minor items [data_package.md:13]. Ecora's own disclosure is not a conventional segment P&L. The right economic starting point is portfolio contribution, not statutory revenue, because EVBC royalties are treated through IFRS 9 fair-value movements rather than ordinary royalty revenue [data_package.md:7]. This appendix therefore uses portfolio contribution as the revenue proxy and modeled contribution-to-operating-income conversion as the margin proxy.

The taxonomy is economically stable for the 2025-2026 handoff, but the historical comparability is limited. The data package provides an approximate Bulks & Other contribution line for FY2023, a clearer FY2024-FY2025 bridge, and a TTM bridge through Q1 2026 [data_package.md:47]. It does not provide a clean five-year restated asset-by-asset series for Kestrel, EVBC, and LIORC. [DATA GAP: Ecora data package does not disclose FY2021-FY2023 asset-level Kestrel, EVBC, or LIORC contribution under the current Bulks & Other taxonomy; asset-level historical growth should not be backfilled beyond the disclosed FY2024-FY2025 and TTM rows.] Dugbe is relevant only as capital allocation context. The company announced the sale of the non-core Dugbe gold royalty for up to $20m, including $16.5m upfront consideration, in the HY 2025 chronology [data_package.md:146]. It is not modeled as ongoing Bulks & Other contribution.

1. What Bulks & Other actually is

Bulks & Other is not a mining operating division. Ecora does not mine coal at Kestrel, operate EVBC, or control LIORC's iron-ore exposure. It owns royalty or financial-instrument interests over assets operated by third parties. The segment's economics are therefore driven by the underlying mine operator's volume decisions, commodity prices, royalty-rate mechanics, and whether production occurs inside the land package covered by Ecora's royalty. That last clause matters a lot for Kestrel. In Q1 2026 there was no Kestrel contribution because mining was outside Ecora's private royalty area [data_package.md:136]. A mine can be active, profitable for its operator, and still produce no cash flow for Ecora if the relevant panels sit outside Ecora's royalty area.

Kestrel is the large historical asset. The data package describes it as a 7.0%-40.0% gross revenue royalty over the Australian steelmaking coal mine operated by EMR Capital and Adaro [data_package.md:136]. The royalty is tied to saleable production in Ecora's private royalty area, realized steelmaking coal prices, and the effective royalty rate. In FY2025, Kestrel contributed $17.5m, down from $41.4m, even though saleable volumes were broadly flat at 2.2Mt versus 2.1Mt [data_package.md:136]. The reason was price and rate, not volume: average realized price fell to $143/t from $223/t and the royalty rate fell to 11.94% from 19.09% [data_package.md:136]. That combination tells us Kestrel has strong upside in the right commodity and royalty-rate environment, but poor predictability and a finite runway inside the royalty area.

EVBC is the smaller, more durable precious-metals piece. The data package describes EVBC as a gold/silver/copper NSR royalty over Orvana's Spanish mine [data_package.md:138]. FY2025 contribution was $3.2m versus $1.8m, because higher gold prices lifted the applicable royalty rate to 3.0% from roughly 1.825%, despite declining volumes [data_package.md:138]. The operating exposure is therefore not just mine throughput. It is mine throughput multiplied by gold, silver, and copper prices and then by a royalty mechanism that can become more valuable at higher gold prices. Because EVBC is accounted for under IFRS 9, the appendix keeps it inside portfolio contribution but flags the statutory reconciliation issue.

LIORC and other residual items are immaterial in the current model. LIORC and other minor holdings contributed $0.2m in FY2025 [data_package.md:140] and $0.1m in the TTM bridge [data_package.md:103]. The data package states that Ecora reduced its LIORC holding in 2023 and that the remaining contribution is not material to the current model [data_package.md:140]. These residual items can be included as a rounding line, but they should not drive the investment case.

2. Current economics

The current TTM anchor is Q2 2025 through Q1 2026, ending 2026-03-31. The data package states that the company fiscal year ends December 31, the most recent reported period is Q1 2026, and the forward horizon is 2031-03-31 [data_package.md:53]. The Bulks & Other TTM contribution is $21.8m, built from Q2 2025 contribution of $4.3m, Q3 2025 contribution of $13.2m, Q4 2025 contribution of $2.6m, and Q1 2026 contribution of $1.7m [data_package.md:81-87]. At the asset level, the TTM bridge is Kestrel $17.6m, EVBC $4.1m, and Other/LIORC/FlowStream $0.1m [data_package.md:101-103].

That mix is deceptive if read as a durable run rate. Kestrel supplied roughly 81% of Bulks & Other TTM contribution, but the TTM includes a very large Q3 2025 quarter in which Kestrel was mining inside the private royalty area. Q3 2025 was the strongest quarter in the group TTM bridge, with $25.0m total contribution, and management cited Kestrel mining inside the private royalty area [data_package.md:148]. Q1 2026 then had no Kestrel contribution, with management expecting Kestrel to return in Q3 2026 [data_package.md:152]. The current run rate is therefore not "Kestrel earns $17.6m every year." It is "Kestrel generated $17.6m across a noisy twelve-month period that included favorable royalty-area timing, and management has already guided to a materially lower FY2026 royalty-area volume."

FY2025 shows the same point. Bulks & Other contributed $20.9m, consisting of Kestrel $17.5m, EVBC $3.2m, and other $0.2m [data_package.md:47, data_package.md:136-140]. Kestrel was down 58% to $17.5m, and Ecora's total FY2025 contribution fell to $57.0m despite strength in base metals [data_package.md:71]. In other words, the segment is still material to group cash generation, but it is shrinking in strategic importance. Management's own mix language points away from coal. The data package says FY2025 was an inflection year because critical-minerals contribution exceeded steelmaking coal for the first time [data_package.md:150].

The current economics are attractive at the contribution level because royalties have limited direct operating cost. Ecora does not pay the mine operator's sustaining capital, stripping costs, labor, or energy bills. However, the royalty holder absorbs volume, price, legal, operator, and mine-plan risk. It also absorbs an accounting complexity: EVBC cash economics do not show cleanly as ordinary royalty income [data_package.md:7, data_package.md:138]. For segment modeling, the cleaner view is to project contribution by asset and then apply a contribution-to-operating-income margin after allocating a modest monitoring, legal, technical, and corporate burden. [DATA GAP: Ecora does not disclose segment-level operating expenses or asset-level sustaining-cost, AISC, or mine cash-cost tables for Kestrel or EVBC in the DR-cleared data package; operating margin in this appendix is a modeled proxy, not an official segment margin.]

3. Unit economics

Kestrel's unit economics begin with saleable coal tonnes in Ecora's private royalty area. The data package gives the key FY2025 comparison: 2.2Mt saleable volumes in FY2025 versus 2.1Mt in FY2024, average realized price of $143/t versus $223/t, and royalty rate of 11.94% versus 19.09% [data_package.md:136]. Contribution fell from $41.4m to $17.5m despite broadly flat volumes [data_package.md:136]. The simple unit lesson is that Kestrel's contribution can collapse even when the mine ships similar tonnes, because realized coal prices and the royalty-rate formula are powerful multipliers. The effective contribution per saleable tonne in the royalty area was about $8.0/t in FY2025, calculated as $17.5m divided by 2.2Mt. The FY2024 equivalent was about $19.7/t, calculated as $41.4m divided by 2.1Mt. That is a roughly 60% decline in contribution per tonne.

The second Kestrel unit lesson is spatial depletion. The royalty applies to a private royalty area, not to all Kestrel mine production. Q1 2026 had no Kestrel contribution because mining was outside that area [data_package.md:136]. FY2026 guidance is only 1.0Mt-1.2Mt of saleable production in the private royalty area, mostly H2 weighted, and the royalty area is approaching depletion [data_package.md:136]. If FY2026 royalty-area production lands at the midpoint of 1.1Mt and FY2025 contribution per tonne of about $8/t repeats, a rough contribution outcome would be about $9m. If realized prices and royalty rates improve, the number can be higher; if the royalty-area production or price/rate mix disappoints, the number can be lower. That range is still well below the historical peak implied by FY2024.

EVBC's unit economics are different. FY2025 contribution was $3.2m versus $1.8m as gold prices lifted the applicable royalty rate to 3.0% from roughly 1.825%, despite volumes declining [data_package.md:138]. FY2025 volumes were 30,953oz gold, 3.3Mlb copper, and 113,167oz silver [data_package.md:138]. Because EVBC is an NSR royalty, Ecora's economics are linked to revenue at the mine level rather than mining profit after site costs. That makes EVBC relatively insulated from operator cost inflation compared with an equity mine owner, but not insulated from mine-plan cuts, grade declines, permitting interruptions, or commodity-price weakness. The TTM contribution of $4.1m already includes a strong Q1 2026 contribution of $1.7m, driven by gold [data_package.md:102]. Annualizing Q1 2026 blindly would overstate EVBC unless gold prices, royalty rates, and shipped volumes remain favorable.

LIORC and other residual items are economically de minimis. The TTM line is $0.1m [data_package.md:103]. There is no basis in the data package for turning this into a meaningful contributor by 2031. It is carried as a rounding line in the base case, zeroed in the bear case, and given a small bull-case recovery only to avoid false precision around residual financial-instrument income.

The segment's contribution margin is high because royalty revenue does not carry mine operating cost. The operating margin proxy is nevertheless below 100% because Ecora must monitor operators, maintain legal rights, administer royalty records, report and audit the portfolio, and bear corporate overhead. The lower the segment's contribution base becomes after Kestrel depletion, the more fixed monitoring and corporate allocation matters. A $20m contribution pool can absorb a $2m segment/corporate allocation comfortably; a $3m contribution pool cannot. This is why the bear case margin falls even though royalties are structurally high-margin instruments.

4. Competitive dynamics for coal/gold royalties and residual assets

Ecora's direct competition in this segment is not conventional coal mining or gold mining. It competes in the royalty-capital market: companies and projects can raise capital from streaming and royalty buyers, debt markets, equity markets, strategic buyers, or asset sales. Royalty buyers compete on cost of capital, speed, technical underwriting, willingness to accept commodity and development risk, and the attractiveness of non-dilutive financing to operators. The bigger global precious-metals royalty groups generally have lower costs of capital and deeper technical teams. Ecora's relative advantage is niche coverage across base metals, steelmaking coal, uranium, vanadium, and other minerals rather than pure gold royalty scale.

Kestrel is not a competitive-growth asset anymore. Ecora already owns the royalty. The question is not whether it can win more Kestrel share from a competitor; the question is how much cash the existing royalty area produces before depletion. Coal royalties can be excellent legacy assets because they require little incremental capital and can throw off cash in price spikes. They can also become stranded or politically discounted as investors reduce exposure to carbon-intensive commodities. Steelmaking coal has a more durable industrial role than thermal coal because it is used in blast-furnace steel production, but that does not eliminate ESG discounting, permitting pressure, mine-plan risk, or substitution risk over long periods. For a five-year 2031 model, the binding Kestrel issue is not global coal demand. It is the private royalty area approaching depletion.

EVBC sits in a more attractive royalty market category because precious-metals royalties are widely understood, more liquid, and often rewarded with higher valuation multiples. Gold royalty exposure can provide inflation sensitivity, downside protection against cost inflation at the operator level, and financial optionality if gold prices rise. The catch is scale. EVBC's TTM contribution of $4.1m is useful but small [data_package.md:102]. A major gold royalty company might treat such an asset as one small line in a large portfolio. For Ecora, it matters within Bulks & Other but does not alter group-level compounding unless it remains steady or grows while the base-metals portfolio also scales.

Residual holdings like LIORC do not create competitive position. They are financial exposures. Ecora reduced its LIORC holding in 2023, and the remaining contribution is immaterial [data_package.md:140]. The competitive implication is that Ecora is intentionally pruning non-core or less strategic holdings, as also shown by Dugbe. The Dugbe disposal for up to $20m is more important as a capital allocation signal than as a segment-growth input [data_package.md:146]. It gave Ecora upfront cash and optional deferred consideration while reducing exposure to a non-core gold development royalty.

The competitive dynamic for new Bulks & Other acquisitions is unfavorable relative to existing assets. If Ecora wanted to rebuild this segment with new gold or coal royalties, it would compete against better-capitalized royalty buyers. If it wanted more coal royalties, it would face investor appetite, ESG, and terminal-value discount issues. If it wanted gold royalties, it would likely face higher prices. Ecora's own strategic language points toward base metals and critical minerals rather than renewing a coal-heavy segment. That makes the rational forecast a harvesting model, not a reinvestment model.

5. Segment-level moat

The segment-level moat is contractual, not operating. Ecora's rights at Kestrel and EVBC give it a claim on revenue or production economics without requiring it to operate the mines. The moat is strong only to the extent that the royalty contracts are legally enforceable, the mines continue producing covered material, and commodity prices support revenue. This is a legitimate moat in the narrow sense: a competitor cannot simply replicate Ecora's existing Kestrel private royalty area rights or EVBC NSR without buying them or negotiating a new interest. It is not a compounding moat in the Gideon sense. It does not create customer lock-in, network effects, scale economies, brand, switching costs, or reinvestment flywheels.

Kestrel's moat is weakest on duration. The contract may be strong, but the covered area is finite. The data package explicitly says the royalty area is approaching depletion [data_package.md:136]. A depleted royalty area has no economic moat, no matter how well drafted the contract is. This is the central reason not to capitalize Kestrel's TTM contribution at a durable multiple. The right analytical treatment is to value remaining cash flow conservatively, not to treat the asset as a perpetual high-margin coal royalty.

EVBC has a more durable royalty-style moat, but it is small and mine-dependent. Its 2025 contribution benefited from gold prices and a higher royalty rate [data_package.md:138]. That is attractive, but it does not create control over Orvana's operating plan. If grades, volumes, permits, or mine life weaken, Ecora cannot fix the mine by spending sustaining capex or changing the operating plan. Royalty holders often have attractive asymmetry because they avoid cost overruns, but they also lack operating control.

Residual assets do not change the moat conclusion. LIORC and other minor holdings contributed only $0.2m in FY2025 and $0.1m in the TTM bridge [data_package.md:140, data_package.md:103]. Dugbe is disposed. The segment therefore fails a 10-year moat test as a standalone growth engine. It can still contribute meaningful near-term cash, especially if Kestrel produces inside the royalty area during high coal-price periods or EVBC benefits from gold strength. But on a 2031 horizon, the moat is a shrinking contractual tail plus a small precious-metals royalty.

6. Historical growth rates reproduced from data package

The following table uses only DR-cleared data-package figures. For Kestrel, EVBC, and other residual items, the package provides FY2024, FY2025, and TTM detail but not a clean FY2023 asset-level series under the current taxonomy. Those cells are deliberately marked as data gaps rather than backfilled. The internal arithmetic check passes where the package gives both beginning and ending values: Bulks & Other FY2025 YoY is $20.9m divided by $43.7m minus one, or -52.2%; Kestrel FY2025 YoY is $17.5m divided by $41.4m minus one, or -57.7%; EVBC FY2025 YoY is $3.2m divided by $1.8m minus one, or +77.8%.

Product / sub-segment	FY2023 contribution	FY2024 contribution	FY2025 contribution	3-yr CAGR or available CAGR	Most recent YoY	Data package cite
Bulks & Other total	$45.3m approximate	$43.7m	$20.9m	-32.1% FY2023-FY2025 CAGR	-52.2%	[data_package.md:47]
Kestrel steelmaking coal	[DATA GAP]	$41.4m	$17.5m	[DATA GAP]	-57.7%	[data_package.md:136]
EVBC gold/silver/copper	[DATA GAP]	$1.8m	$3.2m	[DATA GAP]	+77.8%	[data_package.md:138]
Other / LIORC / residual	[DATA GAP]	[DATA GAP]	$0.2m	[DATA GAP]	[DATA GAP]	[data_package.md:140]
TTM asset bridge	n/a	n/a	n/a	n/a	TTM: Kestrel $17.6m, EVBC $4.1m, Other $0.1m	[data_package.md:101-103]

The segment total is the only row with enough current-taxonomy data to compute an approximate FY2023-FY2025 CAGR. It is a two-year CAGR over the FY2023-to-FY2025 interval because the package's older FY2021 and FY2022 segment language is "dominated by Kestrel" rather than a restated Bulks & Other dollar series [data_package.md:47]. The result is directionally clear: Bulks & Other contracted sharply as Kestrel normalized and then began approaching depletion.

The asset-level rows should be read as point-to-point evidence, not full growth histories. Kestrel's FY2025 decline is enough to prove volatility: contribution fell 57.7% despite broadly flat saleable volumes, because price and royalty rate fell [data_package.md:136]. EVBC's FY2025 growth is enough to prove upside sensitivity to gold: contribution rose 77.8% even though volumes declined, because gold prices lifted the royalty rate [data_package.md:138]. Neither row supports a smooth regression-based forecast. The forward model must be driver-led.

7. Management guidance from data package Sections 5 and 6

The relevant management guidance is unusually direct. First, HY 2025 expected H2 Kestrel strength as mining returned to the private royalty area and announced the Dugbe sale for up to $20m, including $16.5m upfront [data_package.md:146]. The interpretation is that Kestrel was still a meaningful near-term cash source in 2025, but Dugbe should be treated as a balance-sheet and portfolio-pruning event, not ongoing segment revenue.

Second, Q3 2025 was the strongest quarter in the TTM bridge, and management cited Kestrel mining inside the private royalty area [data_package.md:148]. The interpretation is that royalty-area timing can dominate quarterly segment results. Q3's $13.2m Bulks & Other contribution cannot be annualized because it depended on a discrete mine-plan window.

Third, Q4 2025 and FY2025 commentary called 2025 an inflection point because critical-minerals contribution exceeded steelmaking coal for the first time [data_package.md:150]. The interpretation is strategic: management is not positioning Bulks & Other as the future engine. The company is shifting its economic center of gravity toward copper, cobalt, uranium, and specialty minerals.

Fourth, Q1 2026 confirmed the trend and reported no Kestrel contribution, with management expecting Kestrel to return in Q3 2026 [data_package.md:152]. The interpretation is that 2026 is H2-weighted for Kestrel and that Q1 2026 does not represent mine failure. It does, however, prove that Ecora can have quarters with no Kestrel cash when mining is outside the private royalty area.

Fifth, Section 6 frames the balance sheet and capital allocation context. Ecora ended FY2025 with net debt of $85.5m after completing the $50m Mimbula stream acquisition and using portfolio cash flow and Dugbe proceeds to reduce leverage [data_package.md:156]. The data package says royalty and stream acquisitions can create step-ups in leverage and that management highlighted deleveraging as a priority [data_package.md:158]. The interpretation is that future capital allocation is likely to favor critical-minerals streams and balance-sheet repair over replacing Kestrel with new coal exposure.

Finally, the downstream modeling handoff says to separate Kestrel runoff from EVBC gold exposure, consider normalized 2026 below TTM due to Kestrel decline, and use Kestrel's 1.0Mt-1.2Mt FY2026 H2-weighted private royalty-area guidance plus EVBC gold price and mine-plan risk as key drivers [data_package.md:184]. This is the controlling guidance for the five-year forecast.

8. Forward growth assumptions bear/base/bull per asset

The forecast compounds from the TTM ending 2026-03-31 to the horizon ending 2031-03-31. I do not use FY2025 as the base because the ER2 Stage 0 anchor is TTM. The model also does not annualize Q1 2026 EVBC or Q3 2025 Kestrel. Kestrel is modeled as a wasting royalty-area asset. EVBC is modeled as a smaller gold-linked royalty with mine-plan risk. Other is a rounding line.

Bear case assumptions:

Product	TTM contribution	Historical signal	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	TTM+5y contribution	Justification
Kestrel steelmaking coal	$17.6m	FY2025 down 57.7% YoY	1.0Mt-1.2Mt FY2026 private-area production, H2 weighted	-100.0% to zero	$0.0m	Royalty-area depletion arrives before 2031 and coal price/rate mix gives no offset.
EVBC gold/silver/copper	$4.1m	FY2025 up 77.8% YoY on gold rate	No explicit volume guide in package	-11.7%	$2.2m	Gold normalizes, mine volumes soften, and 2025-2026 royalty-rate uplift partially reverses.
Other / LIORC / residual	$0.1m	FY2025 $0.2m, TTM $0.1m	No guide	-100.0% to zero	$0.0m	Residual financial exposure fades or is sold.
Bulks & Other total	$21.8m	Segment FY2025 down 52.2% YoY	Normalize 2026 below TTM due Kestrel decline	-36.9%	$2.2m	Segment becomes EVBC-only after Kestrel depletion.

Base case assumptions:

Product	TTM contribution	Historical signal	Mgmt FY+1 guide	Base CAGR TTM to TTM+5y	TTM+5y contribution	Justification
Kestrel steelmaking coal	$17.6m	FY2025 down 57.7% YoY	1.0Mt-1.2Mt FY2026 private-area production, H2 weighted	-51.0%	$0.5m	A small residual or settlement tail remains, but the private royalty area is mostly exhausted by 2031.
EVBC gold/silver/copper	$4.1m	FY2025 up 77.8% YoY on gold rate	No explicit volume guide in package	+1.9%	$4.5m	Gold support broadly persists, but mine-plan and volume risk offset price tailwinds.
Other / LIORC / residual	$0.1m	FY2025 $0.2m, TTM $0.1m	No guide	0.0%	$0.1m	Carried as a rounding line only.
Bulks & Other total	$21.8m	Segment FY2025 down 52.2% YoY	Normalize 2026 below TTM due Kestrel decline	-25.2%	$5.1m	EVBC becomes the core of the segment after Kestrel runoff.

Bull case assumptions:

Product	TTM contribution	Historical signal	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	TTM+5y contribution	Justification
Kestrel steelmaking coal	$17.6m	FY2025 down 57.7% YoY	1.0Mt-1.2Mt FY2026 private-area production, H2 weighted	-35.1%	$2.0m	Royalty-area mining lasts longer than base case and coal price/rate mix is favorable in the tail.
EVBC gold/silver/copper	$4.1m	FY2025 up 77.8% YoY on gold rate	No explicit volume guide in package	+7.9%	$6.0m	Gold remains strong, the higher royalty rate persists, and Orvana maintains usable production.
Other / LIORC / residual	$0.1m	FY2025 $0.2m, TTM $0.1m	No guide	+24.6%	$0.3m	Residual holdings or small financial instruments recover modestly.
Bulks & Other total	$21.8m	Segment FY2025 down 52.2% YoY	Normalize 2026 below TTM due Kestrel decline	-17.6%	$8.3m	Kestrel tail and EVBC gold exposure both outperform, but segment still shrinks from TTM.

The case spread is intentionally asymmetric. Kestrel can disappoint all the way to zero by 2031 because the private royalty area is finite. EVBC cannot realistically replace Kestrel alone unless gold prices and mine output both remain favorable. The bull case still shows segment contribution below the $21.8m TTM because even a favorable Kestrel tail does not reverse the depletion logic.

9. Forward contribution margin and operating margin assumptions

Ecora does not disclose an official Bulks & Other operating margin. The data package says portfolio contribution is the best operating bridge [data_package.md:7] and recommends building asset-level contribution first, then reconciling to statutory revenue, operating profit, tax, interest, and FCF [data_package.md:188]. This appendix therefore treats the contribution figures above as segment revenue/contribution and applies a modeled operating-income margin after a light allocation for monitoring, legal, technical, and corporate cost.

Case	TTM+5y contribution	Gross royalty contribution margin	Modeled operating cost allocation	Segment TTM+5y op margin	Segment TTM+5y op income	Mechanism
Bear	$2.2m	95.0%	$0.4m	78.0%	$1.7m	EVBC-only scale leaves fixed monitoring and legal costs spread over a small base.
Base	$5.1m	96.0%	$0.5m	86.0%	$4.4m	EVBC covers most fixed costs, but no meaningful Kestrel scale remains.
Bull	$8.3m	97.0%	$0.6m	90.0%	$7.5m	Strong EVBC and a Kestrel tail preserve better operating leverage.

The margin range is not a statement that Kestrel or EVBC mine-level margins are 78%-90%. Ecora does not operate those mines. It is a statement that royalty contribution converts into segment-level operating income at high rates, with some haircut for overhead and legal/technical monitoring. The bear margin is lower because the denominator falls faster than fixed costs. The bull margin is higher because a larger contribution pool absorbs the same corporate functions.

The model does not assign a separate stream cost of sales to this segment because Kestrel is a gross revenue royalty, EVBC is an NSR royalty, and the data package identifies stream cost of sales as a Base Metals issue for Voisey's Bay and Mimbula in the TTM asset bridge [data_package.md:93-97]. EVBC's accounting treatment is the main reconciliation issue, not an operating cost issue. It should be added to contribution and then reconciled to statutory accounting through fair-value movement [data_package.md:138, data_package.md:172].

10. Segment rollup bottoms-up to 2031-03-31

The segment rollup below ties directly to the asset assumptions in Section 8 and the margin assumptions in Section 9. Totals are rounded to the nearest $0.1m, so minor rounding differences are possible but below 1%.

Case	Kestrel TTM+5y contribution	EVBC TTM+5y contribution	Other TTM+5y contribution	Segment TTM+5y contribution	Segment op margin	Segment op income
Bear	$0.0m	$2.2m	$0.0m	$2.2m	78.0%	$1.7m

Case	Kestrel TTM+5y contribution	EVBC TTM+5y contribution	Other TTM+5y contribution	Segment TTM+5y contribution	Segment op margin	Segment op income
Base	$0.5m	$4.5m	$0.1m	$5.1m	86.0%	$4.4m
Bull	$2.0m	$6.0m	$0.3m	$8.3m	90.0%	$7.5m

Arithmetic tie-out: bear $0.0m + $2.2m + $0.0m = $2.2m, and $2.2m times 78.0% = $1.7m. Base $0.5m + $4.5m + $0.1m = $5.1m, and $5.1m times 86.0% = $4.4m. Bull $2.0m + $6.0m + $0.3m = $8.3m, and $8.3m times 90.0% = $7.5m.

This rollup is deliberately harsher than a simple five-year CAGR from TTM. The TTM contains $17.6m from Kestrel [data_package.md:101], but management guidance points to 1.0Mt-1.2Mt of FY2026 private royalty-area production, mostly H2 weighted, and an approaching depletion point [data_package.md:136]. A model that simply extrapolates the $21.8m segment TTM would turn a finite royalty tail into a durable earnings stream. That would be the main analytical error for this segment.

The base case therefore treats Bulks & Other as a $5m contribution segment by 2031. That does not mean it is worthless. It means the residual contribution should be valued differently from growth segments. The segment can fund debt reduction and reinvestment while it lasts, and EVBC can remain a useful gold-linked line. But it should not receive a long-duration compounding multiple in the combined ER2 model.

11. Key risks and wildcards

Bear risk: Kestrel depletion arrives faster than modeled. The data package already says the royalty area is approaching depletion [data_package.md:136]. If mining in the royalty area is completed before 2031, Kestrel contribution is zero. This is the single most important risk because Kestrel is 81% of TTM Bulks & Other contribution.

Bear risk: EVBC's Q1 2026 strength proves temporary. EVBC contributed $1.7m in Q1 2026 and $4.1m in the TTM bridge [data_package.md:102]. If gold prices fall, the royalty rate steps down, or Orvana's mine plan weakens, EVBC's contribution can fall back toward the FY2024 level.

Base risk: accounting reconciliation can obscure economics. The data package warns that EVBC royalties are reflected through fair-value movements under IFRS 9 rather than royalty income [data_package.md:138, data_package.md:172]. If the synthesis model uses statutory revenue without adjusting for this, it may understate or misclassify EVBC contribution.

Base risk: operator dependence. Ecora does not control production scheduling, mine plans, costs, maintenance, grades, development timing, or capital allocation at the underlying mines [data_package.md:164]. This risk is particularly acute at Kestrel because the covered geography matters as much as total mine production.

Bull wildcard: coal price and royalty-rate upside. FY2024 showed how powerful Kestrel can be when price and royalty rate are favorable: contribution was $41.4m, with realized price $223/t and royalty rate 19.09% [data_package.md:136]. A short coal-price spike before depletion can create cash flow well above the base case, though it would still be a tail event rather than a durable platform.

Bull wildcard: EVBC gold leverage. FY2025 EVBC contribution rose to $3.2m from $1.8m because gold prices lifted the royalty rate to 3.0% from roughly 1.825% despite declining volumes [data_package.md:138]. If gold stays high and mine volumes hold, EVBC can compound from the TTM level.

Capital allocation wildcard: Dugbe-like pruning. The Dugbe sale for up to $20m, including $16.5m upfront, shows management can monetize non-core gold exposure and reduce leverage [data_package.md:146, data_package.md:156]. Additional disposals could improve balance-sheet risk but reduce future optionality. Acquisitions could replace runoff, but the data package says royalty and stream acquisitions can create step-ups in leverage [data_package.md:158].

Summary table

Case	Segment TTM+5y Revenue/Contribution	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Probability
Bear	$2.2m	78.0%	$1.7m	35%
Base	$5.1m	86.0%	$4.4m	45%
Bull	$8.3m	90.0%	$7.5m	20%

The conclusion is simple but important for the company-level ER2 model: Bulks & Other is still a material TTM contributor, but it is not a 2031 growth engine. Kestrel should be valued as a finite cash-flow tail, EVBC as a small gold-linked royalty with IFRS 9 reconciliation complexity, and LIORC/other as rounding. The probability-weighted 2031 contribution is about $4.7m before company-level financing and tax, far below the $21.8m TTM, because the dominant asset is approaching depletion.

Appendix S - Synthesis (Combined Earnings Model)

Ecora Royalties PLC - Synthesis (Combined Earnings Model)

Prepared for the ER2 / Gideon run dated 2026-06-09. Company: Ecora Royalties PLC, formerly Ecora Resources PLC. Ticker: ECOR.L. Evidence rule: live/run-local evidence only. I used the DR-cleared `data_package.md`, the reviewed segment appendices, `appendix_management.md`, `appendix_moat.md`, `quant_foundation.md`, and run-local raw files under `raw`. I did not use the investing data warehouse.

1. Anchors

Today: 2026-06-09. Ecora's fiscal year ends December 31. The TTM anchor is Q2 2025 plus Q3 2025 plus Q4 2025 plus Q1 2026, ending 2026-03-31. The latest completed fiscal year for historical tie-out is FY2025. The forward horizon is 2031-03-31, exactly 5.0 calendar years after the TTM end date. The current LSE quote is 134.8 GBp from the saved live FMP quote in `raw\fmp_quote_ECOR_L_20260609.json`. The same-day GBP/USD reference used in QF is 1.3333, so 134.8 GBp equals GBP 1.348 and about $1.797 per share. The required EPS for a 15x P/E at $1.797 is $0.1198 per share.

The share-count anchor is FY2025 diluted weighted average shares. The official annual report value in the data package is 249.796m and the FMP value is 249.736m, an immaterial 0.060m difference. I use 249.736m as the starting diluted share count because the user dispatch specified "around 249.736m / basic 248.944m" and because using the lower value is marginally more favorable to EPS. The model then lets diluted shares creep to 250.736m by the horizon because no reliable buyback program is disclosed and because Ecora's current capital allocation emphasis is deleveraging plus a 25%-35% FCF dividend, not repurchases.

Ecora is a portfolio-contribution issuer, not a conventional operating-company segment reporter. Its controlling operating KPI is portfolio contribution. Statutory royalty and metal stream related revenue, operating profit before impairments and revaluations, PBT, and adjusted EPS are necessary cross-checks, but they do not provide a clean quarterly segment P&L. EVBC is reflected through IFRS 9 fair-value treatment rather than ordinary royalty income, McClean includes principal repayments under a commodity-related financing agreement, and stream purchase costs are explicit for Voisey's Bay and Mimbula. For that reason, this appendix uses the segment appendices' contribution/revenue proxies, sums them, and then applies a conservative company-level bridge to reach consolidated operating income, PBT, tax, net income, and EPS.

The management gate is YELLOW. The moat gate is YELLOW. The 2046 durability test is FAIL. Those gates do not change the arithmetic EPS result, but they do affect how much confidence to place in any bull reinvestment case.

2. Segment-level forward assumptions reproduction

The segment appendices model horizon-year portfolio contribution as the segment revenue/contribution proxy and then apply a modeled operating-margin proxy. I reproduce the reviewed outputs rather than re-deriving them. The "TTM revenue" column below is therefore TTM portfolio contribution, not statutory revenue. This is the correct treatment for Ecora because the data package and QF both state that official portfolio contribution is the operating bridge and that FMP product segmentation is empty.

Segment	TTM contribution proxy	Bear TTM+5 contribution	Base TTM+5 contribution	Bull TTM+5 contribution	Bear OI margin	Base OI margin	Bull OI margin	Reviewed source
Base Metals	$33.4m	$30.2m	$40.8m	$52.6m	43.0%	52.0%	57.0%	`appendix_B_base_metals.md` Sections 8-10
Specialty Metals & Uranium	$8.2m	$6.8m	$9.9m	$14.1m	73.5%	76.8%	80.9%	`appendix_B_specialty_metals_and_uranium.md` Sections 8-10
Bulks & Other	$21.8m	$2.2m	$5.1m	$8.3m	78.0%	86.0%	90.0%	`appendix_B_bulks_and_other.md` Sections 8-10
Total	$63.4m	$39.2m	$55.8m	$75.0m	n/a	n/a	n/a	Segment sum

The base-case shape is intuitive. Base Metals grows because Mimbula gets a fuller-year contribution, Voisey's Bay stabilizes, and Mantos normalizes after a lower-grade year. Specialty Metals & Uranium grows slightly, with Four Mile and small Phalaborwa optionality offsetting McClean toll-rate pressure and vanadium weakness. Bulks & Other shrinks hard because

Kestrel is a finite royalty-area cash-flow tail and Q1 2026 already had no Kestrel contribution. The group therefore does not grow in base case from the $63.4m TTM contribution anchor. The model's central case is a portfolio transition that partly works but does not fully replace Kestrel by 2031.

This is also why the combined model cannot be judged by the direction of Base Metals alone. Ecora's story sounds like a growth story because the mix is shifting toward copper, cobalt, uranium, rare earths, and gold-linked royalties. The arithmetic says something more demanding: the new sleeves must grow enough to replace an unusually high historical coal royalty base and still leave room for corporate cost, finance cost, and tax. A $7.4m Base Metals increase from TTM to base-case horizon is useful, but the Bulks & Other decline is $16.7m. Specialty/Uranium contributes only $1.7m of incremental contribution. The base-case portfolio therefore has better commodity optics but less total contribution than the TTM anchor.

3. Combined contribution/revenue build

For a normal operating company this would be a revenue build. For Ecora it is better labeled combined portfolio contribution, with contribution used as a revenue proxy. The TTM anchor is $63.4m, matching the DR-cleared bridge of Q2 2025 $11.8m plus Q3 2025 $25.0m plus Q4 2025 $14.3m plus Q1 2026 $12.3m. The horizon case totals are simply the three reviewed segment outputs added together. I do not add corporate eliminations because the segment appendices already use Ecora's portfolio-contribution taxonomy and no separate inter-segment eliminations are disclosed.

Line	Bear	Base	Bull
Base Metals TTM+5 contribution	$30.2m	$40.8m	$52.6m
Specialty Metals & Uranium TTM+5 contribution	$6.8m	$9.9m	$14.1m
Bulks & Other TTM+5 contribution	$2.2m	$5.1m	$8.3m
Sum of segment TTM+5 contribution	$39.2m	$55.8m	$75.0m
Corporate eliminations	$0.0m	$0.0m	$0.0m
Combined TTM+5 contribution/revenue proxy	$39.2m	$55.8m	$75.0m
Implied CAGR from $63.4m TTM	-9.2%	-2.5%	3.4%

The negative base-case CAGR is not a typo. Ecora's 2026-03-31 TTM includes a strong Q3 2025 Kestrel quarter and a Q1 2026 EVBC/gold contribution, while the horizon case assumes Kestrel has mostly run off. The base case asks Base Metals and Specialty/Uranium to absorb a large legacy runoff. They do not fully do so by 2031. The bull case is the only case in which combined contribution grows from the TTM anchor, and even there the growth rate is only 3.4% per year because the starting point already includes a noisy Kestrel contribution.

The combined contribution table should not be read as a denial of upside. It is a refusal to pay for upside before it becomes contribution. Santo Domingo, Phalaborwa, Patterson Corridor East, Canariaco, Vizcachitas, Nifty, and West Musgrave all create option value. The synthesis model gives some of that option value to the base and bull cases where the reviewed segment appendices did so. It does not convert every development royalty into an earnings stream because the data package repeatedly flags operator control, project financing, permits, construction timing, and asset-specific thresholds. That is especially important for Nifty, where Ecora's royalty payments are not expected until at least five years after production restarts. The five-year horizon is not long enough to monetize every plausible project map.

4. Combined operating income build with corporate bridge

The segment appendices provide modeled segment operating-income proxies. Those proxies are useful, but they are not full statutory consolidated operating income. The official FY2025 bridge is the discipline check: FY2025 portfolio contribution was $57.0m and official operating profit before impairments and revaluations was $25.307m, implying a $31.7m total burden from stream cost, depletion/amortization, administrative cost, classification effects, and other operating items depending on definition. Some of that burden is already embedded inside the segment OI margins, especially in Base Metals where stream costs and a lower conversion margin are explicitly used. It would be double counting to subtract the full $31.7m again from the segment OI proxies. It would also be too generous to subtract nothing.

I therefore use an additional unallocated corporate/accounting bridge of $11.0m at the horizon. This approximates the FY2025 "all other" operating loss and residual public-company, legal, technical, audit, royalty-monitoring, and accounting burden, grown modestly and rounded. It is held constant by case for simplicity. In reality it may be higher in bull if acquisitions and development monitoring expand, or lower in bear if Ecora cuts costs. Holding it flat is conservative enough for base EPS

because it does not let lower contribution magically remove public-company cost.

Line	Bear	Base	Bull
Base Metals modeled segment OI	$13.0m	$21.2m	$30.0m
Specialty Metals & Uranium modeled segment OI	$5.0m	$7.6m	$11.4m
Bulks & Other modeled segment OI	$1.7m	$4.4m	$7.5m
Sum of segment TTM+5 OI proxies	$19.7m	$33.2m	$48.9m
Unallocated corporate/accounting bridge	-$11.0m	-$11.0m	-$11.0m
Combined TTM+5 operating income	$8.7m	$22.2m	$37.9m
Implied OI margin on contribution proxy	22.2%	39.8%	50.5%

This bridge keeps the base case below the flattering answer one would get by multiplying royalty contribution by high royalty margins and calling the result statutory OI. The base-case $22.2m of OI on $55.8m of contribution is slightly below FY2025's $25.3m OI on $57.0m contribution. That is reasonable because the 2031 base case has less Kestrel contribution, some development optionality that may not be fully efficient, and continuing public-company cost. The bull case improves to $37.9m because Base Metals and uranium/rare-earth assets scale, but it still carries the same bridge rather than assuming pure royalty margins.

The chosen bridge is also deliberately simpler than an asset-by-asset statutory reconstruction. A perfect statutory bridge would require quarterly depletion, amortization, royalty financial instrument fair-value movements, commodity-related financing repayments, stream purchase costs by asset, public-company administrative expenses, and tax jurisdiction detail. Those items are not disclosed quarterly in a form that permits a true TTM statutory P&L. Adding more false precision would make the output look more sophisticated while weakening the audit trail. The conservative bridge used here preserves the main economic relationships: contribution is high-margin but not all of it becomes OI, Ecora still carries a corporate platform, and finance cost remains a real claim on the portfolio before equity holders receive EPS.

5. Net income and EPS build

The next bridge is from OI to net income. FY2025 official operating profit before impairments and revaluations was $25.3m and PBT was $12.6m, implying about $12.7m of net finance and other expense below OI. Current net debt is about $84.4m at Q1 2026. Because management is emphasizing deleveraging, I let finance expense improve over the horizon, but I do not eliminate it. The bear case carries $9.5m of net interest/finance expense, base carries $8.0m, and bull carries $6.5m. I assume no other recurring income. I apply a normalized 25% tax rate to positive pre-tax income and a 25% tax benefit to the bear pre-tax loss for arithmetic comparability. In practice, realized tax can differ materially because the data package flags deferred tax credits, Canadian tax losses, and uncertain tax interpretations.

Line	Bear	Base	Bull
Combined TTM+5 operating income	$8.7m	$22.2m	$37.9m
Net interest and finance expense	-$9.5m	-$8.0m	-$6.5m
Other income	$0.0m	$0.0m	$0.0m
Pre-tax income	-$0.8m	$14.2m	$31.4m
Tax rate assumed	25.0%	25.0%	25.0%
Net income	-$0.6m	$10.7m	$23.5m
Diluted share count at horizon	250.736m	250.736m	250.736m
EPS at TTM+5	-$0.002	$0.042	$0.094

The key point is that even a successful transition to a $55.8m contribution portfolio does not create enough earnings power once corporate burden, finance cost, and tax are included. The base case produces only $10.7m of net income and $0.042 of EPS. That is less than half FY2025 adjusted EPS of 8.86c, but it is more conservative because FY2025 adjusted EPS benefited from specific tax and accounting effects and because the 2031 base case has lost most Kestrel contribution. If the analyst wants an adjusted EPS view rather than a statutory-like NI view, the line may be somewhat higher; it still needs to reach $0.1198 to pass the P/E 15 test.

The finance-cost line is one of the most important reality checks. Royalty companies can look wonderfully asset-light above operating income, but Ecora is not debt-free. The Mimbula acquisition increased leverage during FY2025 before subsequent deleveraging, and the data package gives Q1 2026 net debt of $84.4m. A five-year model that assumes the RCF disappears while also assuming development assets and new royalty growth would be internally inconsistent. The base case therefore gives management credit for some deleveraging but not a free balance sheet. If retained cash flow is used for acquisitions, debt reduction is slower. If retained cash flow is used for debt reduction, acquired growth is slower. That tradeoff is why the P/E gate remains hard.

6. Share count path

The model does not assume buybacks. Ecora may have had changing share counts over the past several years, but the run-local data package does not provide a current, explicit repurchase run-rate that should be capitalized. Management's stated allocation is portfolio growth, deleveraging after acquisitions, and a 25%-35% FCF dividend. That means buybacks are not a dependable EPS lever. I use a small 0.200m annual diluted-share creep for LTIP, options, and rounding, with no buyback offset. This is not a large penalty; it increases the diluted share count by only 1.000m over five years.

Year	Starting share count	Buyback spend	Avg price assumed	Shares retired	SBC/LTIP issuance	Ending share count
TTM end 2026-03-31	249.736m	n/a	n/a	n/a	n/a	249.736m
Year 1	249.736m	$0.0m	n/a	0.000m	0.200m	249.936m
Year 2	249.936m	$0.0m	n/a	0.000m	0.200m	250.136m
Year 3	250.136m	$0.0m	n/a	0.000m	0.200m	250.336m
Year 4	250.336m	$0.0m	n/a	0.000m	0.200m	250.536m
Year 5 ending 2031-03-31	250.536m	$0.0m	n/a	0.000m	0.200m	250.736m

Tie-out: 249.736m starting shares plus 1.000m cumulative issuance less 0.000m repurchased equals 250.736m ending shares. The EPS model uses 250.736m in every case. If Ecora instead bought back 5% of shares without hurting deleveraging or acquisition capacity, base EPS would rise from $0.042 to $0.045. That is not enough to change the P/E 15 verdict.

7. P/E 15 test

The P/E 15 test is the core Gideon valuation hurdle. At $1.797/share, Ecora needs $0.1198/share of TTM+5 EPS. Base case matters; a bull case that fails to clear the bar cannot rescue the investment case, and a bull case that clears only through uncertain development timing would still be weak because management and moat are YELLOW.

Case	EPS at TTM+5	EPS x 15	Current price	Cushion	Pass?
Bear	-$0.002	-$0.036	$1.797	-102.0%	FAIL
Base	$0.042	$0.637	$1.797	-64.5%	FAIL
Bull	$0.094	$1.409	$1.797	-21.6%	FAIL
Required EPS	$0.120	$1.797	$1.797	0.0%	Threshold

The base case fails decisively. The bull case also fails. That matters because the bull case already assumes multiple favorable items: better Base Metals scale, a Santo Domingo contribution, stronger uranium and rare-earth optionality, an EVBC gold tail, and lower finance cost. Even that path gets to only $0.094/share, or 21.6% below the required value. The valuation gate is therefore **FAIL**, not YELLOW. A YELLOW would be appropriate if base EPS were near the threshold and the main uncertainty were accounting classification or one-year timing. Here, the gap is too large.

This fail result is not a statement that Ecora's equity must decline or that the royalty portfolio is low quality. It is narrower: under the ER2 / Gideon rule, today's price does not map to a confident P/E of 15 or below on five-year-forward EPS. The share can still work for investors who value optionality, commodity exposure, NAV discount closure, or long-duration project conversion differently. The ER2 rule is harsher. It asks whether the evidence-supported base case already earns enough within five calendar years. On that test, Ecora does not clear the bar.

8. Reflexivity check

The reflexivity check must be adapted for Ecora because full statutory quarterly TTM tie-out is unavailable. Ecora discloses quarterly portfolio contribution in trading updates, not full quarterly statutory P&L by segment. The data package explicitly

cleared the portfolio-contribution TTM bridge as the controlling operating base. Therefore the correct TTM tie-out is contribution-based, with a disclosed limitation for statutory revenue/OI.

Check item	Anchor	Model or reconstruction	Result
FY2025 portfolio contribution	$57.0m	$28.5m Base Metals + $7.6m Specialty/Uranium + $20.9m Bulks/Other	PASS
FY2025 official OI before impairments/revaluations	$25.3m	$57.0m contribution less $31.7m total bridge	PASS
TTM portfolio contribution	$63.4m	$33.4m Base Metals + $8.2m Specialty/Uranium + $21.8m Bulks/Other	PASS
TTM statutory revenue	Not fully disclosed quarterly	Not modeled as full statutory TTM	PASS with disclosed limitation
TTM statutory OI	Not fully disclosed quarterly	Not modeled as full statutory TTM	PASS with disclosed limitation

The limitation is important but not fatal because the forward model is not pretending to be a statutory quarterly roll-forward. It is a bottoms-up contribution model, bridged to consolidated OI using FY2025 statutory relationships. The data package and QF both warn that EVBC, McClean, and stream cost treatment make statutory revenue an incomplete operating base. The model therefore avoids the two errors that would matter most: it does not drop EVBC just because it is IFRS 9, and it does not count stream gross contribution without stream purchase cost.

9. In-progress FY reconciliation

Stage 0 did not treat FY2026 as effectively complete. The anchor is the TTM ending 2026-03-31. Therefore no in-progress full-year FY2026 estimate is used as the model base. The Q1 2026 data is still useful as a sanity check. Q1 2026 portfolio contribution was $12.3m, up 105% year over year, with Base Metals $8.3m, Specialty/Uranium $2.3m, and Bulks & Other $1.7m. Annualizing Q1 alone would produce $49.2m, but that would be misleading because Kestrel is H2 weighted and because Voisey's Bay/Mimbula delivery timing pushed some receipts across quarters.

Reconciliation item	Value	Interpretation
Q1 2026 portfolio contribution	$12.3m	Strong versus Q1 2025, but not a full-year run-rate
Q1 2026 annualized	$49.2m	Below TTM because Q3 2025 Kestrel was unusually strong
TTM contribution	$63.4m	Better anchor because it captures Q2-Q4 2025 and Q1 2026
FY2025 contribution	$57.0m	Historical annual tie-out, below TTM due Q1 2026 ramp
Base-case 2031 contribution	$55.8m	Below TTM because Kestrel largely runs off

The difference between Q1 annualized and TTM does not indicate a broken model. It reflects the exact issue the segment appendices flagged: Ecora's quarterly contribution is lumpy because operators control delivery timing, royalty-area mining, and sales timing. Kestrel had no Q1 2026 contribution but is expected to return in Q3 2026; Q3 2025 was unusually large because Kestrel was inside the private royalty area. A model that annualizes Q1 would understate Kestrel near-term cash flow; a model that annualizes Q3 2025 would overstate it. The TTM bridge is the least bad anchor.

The practical FY2026 watch item is therefore not a single quarterly EPS number. It is whether the bridge starts to prove the transition. Voisey's Bay receipts delayed into Q2, Mimbula entitlement expected to generate Q2 contribution, Kestrel's expected H2 return, Four Mile's normalized sales, and EVBC's gold-linked royalty rate are the variables that will decide whether FY2026 looks like a step toward the base case or a warning that the base case is too high. The synthesis appendix does not need to forecast every 2026 quarter; it needs to avoid treating a lumpy quarter as structural evidence.

10. Sensitivity table

The sensitivity work uses the base case as the center point: $55.8m contribution/revenue proxy, $22.2m OI, $14.2m pre-tax income, $10.65m net income, 250.736m diluted shares, and $0.0425 EPS. I vary one driver at a time and leave the others unchanged.

Sensitivity	Downside EPS	Base EPS	Upside EPS	EPS delta range	Read-through
Base Metals contribution CAGR plus/minus 200 bps	$0.037	$0.042	$0.049	$0.012	Biggest operating swing because Base Metals is the growth sleeve
Specialty Metals & Uranium margin plus/minus 200 bps	$0.042	$0.042	$0.043	$0.001	Small absolute segment size limits impact
Share count plus/minus 5%	$0.045	$0.042	$0.040	$0.004	Buybacks help but cannot rescue valuation
Tax rate plus/minus 300 bps	$0.044	$0.042	$0.041	$0.003	Tax matters less than contribution and finance cost
Finance expense plus/minus $2m	$0.036	$0.042	$0.048	$0.012	Balance-sheet cost is as important as Base Metals growth

The two variables that matter most are Base Metals contribution growth and finance expense. Specialty/Uranium may be strategically attractive, but it is too small today to drive the P/E gate. Share count is also not the swing factor because there is no reliable repurchase program and even a 5% reduction leaves EPS far below $0.1198. The kill criteria are therefore clear: if Mimbula and Voisey's Bay fail to compound while Kestrel runs down, EPS will not grow into the quote. The trigger criteria would require Base Metals to exceed the base case by a wide margin, finance cost to fall faster than modeled, and at least one development royalty to become cash-flowing without dilution.

11. Combined earnings summary table

Probability weights are 30% bear, 50% base, and 20% bull. I do not use equal weights because management and moat are both YELLOW and the 2046 test is FAIL. The base case gets the highest weight because it best reflects the reviewed segment appendices. Bear receives a meaningful 30% because Kestrel runoff, operator dependence, cobalt/copper/uranium price risk, and finance cost can all disappoint. Bull receives only 20% because it requires multiple favorable commodity and project-timing outcomes.

Case	Revenue/contribution	OI	OI margin	NI	EPS	Probability	EPS x 15	Vs. $1.797
Bear	$39.2m	$8.7m	22.2%	-$0.6m	-$0.002	30%	-$0.036	-102.0%
Base	$55.8m	$22.2m	39.8%	$10.7m	$0.042	50%	$0.637	-64.5%
Bull	$75.0m	$37.9m	50.5%	$23.5m	$0.094	20%	$1.409	-21.6%
Probability-weighted EPS	n/a	n/a	n/a	n/a	$0.040	100%	$0.599	-66.7%

The probability-weighted EPS is slightly below the base case because the bear case carries a real chance and the bull case is not large enough to offset it. This is the central synthesis finding. Ecora may be a coherent transition story, but the current price does not underwrite at 15x five-year-forward EPS on the evidence available in this run.

12. Tie-out checks

- **Reported-financial tie-out, adapted for portfolio-contribution issuer - PASS with disclosed limitation.** FY2025 ties: $28.5m Base Metals plus $7.6m Specialty/Uranium plus $20.9m Bulks/Other equals $57.0m portfolio contribution. Official FY2025 OI before impairments/revaluations is $25.3m, implying a $31.7m total bridge. TTM contribution ties: $33.4m plus $8.2m plus $21.8m equals $63.4m. Full statutory TTM revenue and OI are unavailable because Ecora does not publish full quarterly statutory P&L by segment; the DR-cleared data package explicitly cleared the portfolio-contribution TTM bridge.

- **NI / shares = EPS - PASS.** Bear: -$0.6m divided by 250.736m equals -$0.002. Base: $10.65m divided by 250.736m equals $0.042. Bull: $23.55m divided by 250.736m equals $0.094. Differences are rounding only.

- **Segment sum tie-out at horizon - PASS.** Bear: $30.2m plus $6.8m plus $2.2m equals $39.2m. Base: $40.8m plus $9.9m plus $5.1m equals $55.8m. Bull: $52.6m plus $14.1m plus $8.3m equals $75.0m. Corporate eliminations are $0.0m because no inter-segment eliminations are disclosed in the contribution taxonomy.

- **Product-to-segment rollup - PASS.** Each reviewed segment appendix provides asset/product rollups that tie to segment contribution within rounding: Base Metals Section 10, Specialty Metals & Uranium Section 10, and Bulks & Other Section 10. I used the reviewed segment total rows directly.

- **Weighted margin check - PASS.** Base Metals uses the reviewed segment margin outputs of 43.0%, 52.0%, and 57.0%. Specialty/Uranium uses the appendix's blended margin row of 73.5%, 76.8%, and 80.9%. Bulks & Other uses the appendix's segment margin row of 78.0%, 86.0%, and 90.0%. The horizon OI rows equal contribution times margin within rounding.

- **Share count path - PASS.** Starting diluted shares are 249.736m. Five years of 0.200m annual diluted issuance and no buybacks produce 250.736m ending shares. The compounding horizon is exactly five calendar years, not six.

- **Growth plausibility - PASS.** The base case is not aggressive at group level: combined contribution declines at a 2.5% CAGR. Base Metals grows 4.1%, Specialty/Uranium grows 3.8%, and Bulks & Other declines 25.2% as Kestrel runs off. No segment base-case CAGR exceeds a suspicious high-growth threshold without appendix-level justification.

- **Historical arithmetic - PASS.** Segment appendices explicitly compound from TTM to TTM+5 over five years. The reproduced case rows match the dispatch and reviewed appendix totals: Base Metals $33.4m to $40.8m at about 4.1%, Specialty $8.2m to $9.9m at about 3.8%, and Bulks $21.8m to $5.1m at about -25.2%.

- **Recency anchor - PASS.** The model begins with $63.4m TTM portfolio contribution, not an annualized Q1 2026 or FY2025-only number. Base-case horizon contribution of $55.8m is below TTM, so the model is not starting above recent trend. The decline is explained by Kestrel runoff.

- **Valuation arithmetic - PASS.** Current price is $1.797. Required EPS at 15x is $0.1198. Base EPS of $0.042 times 15 equals $0.637, which is 64.5% below current price. Bull EPS of $0.094 times 15 equals $1.409, which is 21.6% below current price. The P/E 15 gate fails.

- **Accounting classification and double-count control - PASS.** The model treats contribution as the operating proxy, keeps stream cost embedded in Base Metals segment outputs, includes EVBC and McClean economics through contribution, and then applies a conservative operating bridge, finance cost, and tax. It does not double-count EVBC, McClean principal repayment, or stream gross contribution.

Final synthesis

Ecora's combined earnings model is not broken because the company lacks assets. It has real royalty and stream claims, a clearer critical-minerals direction than several years ago, and a base-metals sleeve that can grow. The problem is that the current equity price needs much more earnings power than the reviewed segment cases provide. Kestrel is fading faster than Base Metals and Specialty/Uranium replace it in the base case. Corporate and accounting bridge costs are real. Finance cost is still material. Share count is not a rescue lever. Management and moat are investable only as YELLOW, not as proven Gideon-grade compounder strengths.

The base-case headline is $55.8m of contribution/revenue proxy, $22.2m of operating income, $10.7m of net income, and $0.042 EPS at the 2031-03-31 horizon. The required EPS for a 15x P/E at today's $1.797 price is $0.1198. The base-case cushion is negative 64.5%. Even the bull case is negative 21.6%. The Synthesis verdict is therefore: **P/E 15 gate FAIL**.

Appendix CS - Compounder Score

Ecora Royalties PLC - Compounder Score Appendix

1. Executive Verdict

This appendix scores Ecora Royalties PLC, formerly Ecora Resources PLC, as a diagnostic compounder candidate under the ER2 / Gideon framework. The company is listed on the LSE as ECOR.L. The analysis date is 2026-06-09. The reporting currency is U.S. dollars; the quoted share price is in GBp. The current anchor supplied by the Quant Foundation is 134.8 GBp, or GBP 1.348 per share. Using the QF GBP/USD rate of 1.3333, that equals about $1.797 per share. The TTM anchor is 2026-03-31 and the five-year horizon is 2031-03-31.

The evidence supports a real business, but not a Gideon-grade compounder. Ecora owns contractual royalty and stream interests over third-party mining assets. That model can create high contribution margins because Ecora does not operate mines, does not directly fund sustaining capex at the operating level, and can receive commodity-linked cash flow from covered production. The asset-level economics are often attractive. The corporate-level question is harder: can a small, levered, operator-dependent royalty company replace finite assets at high per-share incremental returns for twenty years while buying or originating new claims at attractive prices?

The current evidence does not clear that bar. Management is YELLOW, not PASS. Moat is YELLOW, not PASS. The 2046 durability test is FAIL. Kestrel is a declining legacy royalty-area cash-flow tail. Carlota, Four Mile, EVBC, Mimbula, and even Voisey's Bay each carry duration, timing, commodity, or operator dependencies that make a clean twenty-year compounding claim unproven. Development assets such as Santo Domingo, Phalaborwa, Nifty, West Musgrave, Vizcachitas, Canariaco, Salamanca, and Patterson Corridor East provide optionality, but they are not yet realized ROIIC proof.

The score is therefore capped on business quality and almost shut out on valuation. FMP FY2025 ROIC is only 4.51%, and the ER2 packet does not prove acquisition-inclusive ROIIC. Free cash flow conversion is acceptable in FY2025 and the royalty model has structurally strong cash conversion when assets produce, but that does not offset the lack of proven high incremental returns. Balance sheet risk is manageable rather than fatal: Q1 2026 net debt was $84.4m, after FY2025 net debt of $85.5m, but net debt is real and matters because the growth plan also wants capital for new royalties and streams.

The valuation test is the decisive failure. The Synthesis appendix states that at $1.797 per share Ecora needs $0.1198 of TTM+5 EPS to satisfy the ER2 P/E 15 gate. The base case reaches only $0.042 of EPS at the 2031-03-31 horizon. The bull case reaches $0.094 and still fails. The base-case cushion is negative 64.5%; the bull cushion is negative 21.6%. A 20% annualized shareholder return case therefore requires far more than the evidence-supported base case. It would need better commodity prices, more development conversion, faster deleveraging, higher contribution margins, and probably valuation support beyond the strict 15x EPS framework. That is not a robust underwriting case.

Diagnostic classification: **Reject**. Ecora may deserve monitoring as a small-cap royalty transition story, but the current evidence does not support an investable-now compounder score. The score-implied conclusion is that the company is too exposed to finite-asset replacement, operator execution, commodity cycles, financing tradeoffs, and valuation failure to qualify as a 20% long-term compounder today.

2. Data Source Map

Evidence area	Source used	Notes for scoring
Price, FX, market cap, EV	`quant_foundation.md`; saved FMP quote; QF same-day GBP/USD reference	Current price 134.8 GBp, $1.797/share, GBP market cap GBP 336.3m, USD market cap $448.4m, EV about $532.8m using Q1 2026 net debt.
Income statement anchors	`quant_foundation.md`; `data_package.md`; QFR review	FY2025 official revenue $55.9m, operating profit before impairments/revaluations $25.3m, PBT $12.6m, adjusted earnings $22.1m, adjusted EPS 8.86c.
Cash flow and balance sheet	`quant_foundation.md`; `data_package.md`; QFR review	FY2025 official FCF $27.4m, net debt $85.5m; Q1 2026 net debt $84.4m. FMP debt and FCF classifications differ slightly, with official values controlling.
Segment economics	DR-cleared `data_package.md`; reviewed segment appendices	TTM contribution: Base Metals $33.4m, Specialty Metals & Uranium $8.2m, Bulks & Other $21.8m, total $63.4m.

Evidence area	Source used	Notes for scoring
Management quality	`appendix_management.md`	Gate is YELLOW. Strategy is coherent and disclosure is candid, but per-share capital allocation record is not proven.
Moat and 2046 durability	`appendix_moat.md`	Moat gate is YELLOW. Asset-level contractual claims are real, but corporate moat and 2046 durability fail the Gideon bar.
Valuation and five-year earnings model	`appendix_synthesis.md`	P/E 15 gate FAIL. Base EPS $0.042 vs required $0.1198; bull EPS $0.094 still fails.
Data limitations	QF, QFR, D, segment appendices	FMP product segmentation is empty; Ecora does not publish a full quarterly statutory TTM P&L; portfolio contribution is the controlling operating bridge.

3. Key Financial and Quality Metrics

Metric	Value	Source / calculation	Compounder read-through
Current price	134.8 GBp / $1.797	QF quote and FX bridge	Price used for all valuation hurdles.
USD market cap	$448.4m	QF GBP market cap x 1.3333	Small-cap scale; public-company overhead matters.
Enterprise value	$532.8m	QF market cap plus Q1 2026 net debt	About 8.4x TTM portfolio contribution.
FY2025 FMP ROIC	4.51%	QF FMP key metrics cross-check	Low for a compounder; standard ROIC is imperfect for royalty/stream accounting but cannot be ignored.
FY2025 official FCF	$27.4m	QF and D	FCF conversion is acceptable in FY2025.
FY2025 FCF yield	6.1%	$27.4m / $448.4m	Helpful, but not enough for a 20% underwriting case.
FY2025 adjusted EPS	$0.0886	QF and D	Current adjusted EPS is below the required five-year EPS hurdle.
TTM portfolio contribution	$63.4m	D and S bridge	Operating base, not statutory revenue.
Base-case 2031 EPS	$0.042	Synthesis	Fails the P/E 15 gate by 64.5%.
Bull-case 2031 EPS	$0.094	Synthesis	Still fails the P/E 15 gate by 21.6%.
Q1 2026 net debt	$84.4m	QF and D	Manageable, but finance cost remains a real claim.
FY2021 to FY2025 shares	207.9m to 248.9m basic-weighted references	D and M	Per-share compounding record is diluted by share growth and lower EPS.

Standard ROIC is not a perfect measure for Ecora because royalty and streaming economics are accounting-heavy. Some assets are treated as financial instruments, some include principal repayment, and stream purchase costs can make statutory revenue less informative than portfolio contribution. Even so, a 4.51% FMP FY2025 ROIC is not the profile of a self-evident high-return compounder. A high score would require evidence that new royalties and streams are being added at high acquisition-inclusive ROIIC and that those returns show up in per-share FCF or EPS. The ER2 packet does not yet prove that.

The positive evidence is not trivial. Base Metals contribution increased sharply in FY2025. Voisey's Bay, Mantos Blancos, and Mimbula give Ecora exposure to cobalt and copper without operating mine cost. Four Mile gives uranium exposure. EVBC provides gold-linked royalty upside. Management is candid about Kestrel decline and has lowered the dividend policy to preserve capital during the transition. Those features keep Ecora on the research map.

The negative evidence is more decisive for this rubric. FY2025 portfolio contribution of $57.0m was below FY2024's $63.2m and far below the Kestrel-heavy FY2022 contribution of $143.2m. Adjusted EPS fell from 37.6c in FY2022 and 25.2c in FY2021 to 8.86c in FY2025. Kestrel still mattered to the TTM bridge but is approaching depletion in Ecora's private royalty area. The synthesis base case shows a portfolio that becomes cleaner by commodity mix but not larger enough in earnings power.

4. Rubric Scorecard

Category	Score	Max	Notes
Incremental Returns on Capital	8	25	Reported ROIC is low, ROIIC is not proven, and acquisition-inclusive value creation remains mostly NAV-based rather than realized per-share cash evidence.
Reinvestment Runway	9	20	Critical-minerals opportunity is real, but replacement of Kestrel through owned and future assets is not proven at scale.
Durability of Moat	7	15	Existing contracts are real asset-level moats; corporate moat, pricing power, and 2046 durability are not proven.
Accounting and Financial Quality	7	10	Disclosures are relatively good and FCF is real, but accounting complexity, net debt, and sparse quarterly statutory data lower confidence.
Capital Allocation Discipline	5	10	Strategy is coherent and dividend reset is rational; realized acquisition ROIIC and per-share compounding record remain insufficient.
Price and 20% Return Underwriting	1	20	P/E 15 gate fails in base and bull; only modest cash-return credit is awarded.
Total	**37**	**100**	**Reject** under the diagnostic rubric.

Business quality score: **36 / 80**. This is below a WATCH-level compounder threshold because both the management and moat appendices explicitly stop at YELLOW, while the 2046 test fails. The company has valuable assets and a credible transition plan, but the evidence does not yet show a repeatable, high-ROIIC, twenty-year reinvestment engine.

Valuation / 20% return underwriting score: **1 / 20**. The one point is for some cash-return support from free cash flow and the dividend framework. The score otherwise fails because base-case return arithmetic is not close to 20%, the 15x EPS gate fails, bull EPS still fails, and the current price already needs much more earnings power than the segment models provide.

5. ROIIC and Reinvestment Analysis

The central ROIIC issue is that Ecora's business model looks capital-light only after a royalty or stream exists. At the corporate level, new growth requires the company to source, underwrite, and fund new royalties and streams. That funding can come from retained cash, asset disposals, debt, or equity. Therefore acquisition-inclusive ROIIC is the right test, not just contribution margin on an existing contract.

The ER2 packet does not provide a reliable acquisition-inclusive ROIIC series. Management materials cite attractive "NAV plus income received" versus cost for several assets: Maracas, McClean, Mantos Blancos, Santo Domingo, West Musgrave, Vizcachitas, Phalaborwa, and Mimbula. The Management appendix treats that evidence as encouraging but insufficient. It is not the same as realized cash return per dollar invested, and it is not the same as per-share EPS or FCF compounding. Development royalties can show attractive paper NAV for years without producing cash.

Mimbula is the most important near-term test. Ecora acquired the copper stream in 2025 for $50m. It generated a maiden FY2025 net contribution of $2.9m from Q2-Q4 2025 deliveries, with FY2026 guidance of 1,080t-1,130t attributable copper. This could become proof that management can redeploy capital away from Kestrel into higher-quality copper cash flow. Today, however, one partial year is not enough to score acquisition ROIIC highly. The base case gives Mimbula credit, but it does not rescue group EPS.

Voisey's Bay, Mantos Blancos, Four Mile, and EVBC show the benefit of royalty and stream structures. They can produce high contribution when commodity prices, volumes, and delivery timing cooperate. But they also show why unit economics alone cannot create a high ROIIC score. Voisey's Bay deliveries are timing-sensitive and cobalt prices carry battery-chemistry risk. Mantos has a lower-grade FY2026 period before normalization. Four Mile has a five-year life disclosure that limits terminal confidence. EVBC is small and mine-plan dependent. Kestrel demonstrates the most important warning: a legally strong royalty can still decline quickly when the covered area, realized price, and royalty rate turn against the holder.

The result is an 8 / 25 incremental-return score. Normalized ROIC receives only minimal credit. ROIIC receives no high-return credit because the calculation is not proven. Cash conversion receives credit because FY2025 FCF exceeded adjusted earnings and the model is structurally capable of converting contribution to cash. The score remains low because the compounder test is not "can an existing royalty be high margin?" It is "can management repeatedly reinvest at high

incremental returns for many years without dilution, leverage stress, or commodity luck?"

6. Runway Analysis

Ecora's runway has two very different halves. The first half is attractive: copper, cobalt, uranium, rare earths, gold, and transition-linked minerals are scarce, hard to permit, and potentially valuable in a world of electrification and energy-security spending. Ecora owns a collection of claims that can benefit from these themes without directly operating mines. Base Metals is now the strongest sleeve. FY2025 base-metals contribution was $28.5m, up 150% year over year, and the TTM bridge reached $33.4m. That matters.

The second half is the replacement problem. The company is not starting from zero. It is replacing a historically powerful Kestrel steelmaking-coal royalty. FY2025 Kestrel contribution fell to $17.5m from $41.4m. Q1 2026 had no Kestrel contribution because mining was outside Ecora's private royalty area. The data package and moat appendix state that Kestrel is expected to decline materially, with current mine-plan revenue ending around 2030. The synthesis base case therefore models Bulks & Other contribution falling sharply by 2031.

The reviewed segment appendices do not support an aggressive group growth assumption. Base Metals can grow, Specialty Metals & Uranium can modestly improve, and development assets can create upside, but the base case still does not fully replace Kestrel. The Synthesis appendix states that base-case contribution declines from the $63.4m TTM anchor to $55.8m by 2031. This is the key distinction between a good story and a compounder: mix improvement is not enough if total per-share earnings power declines or stays too low.

The runway score is 9 / 20. Ecora earns credit for real commodity exposure, development optionality, and a rational strategic pivot. It loses more credit because the remaining opportunity is not yet proven as a repeatable high-return corporate playbook. Larger royalty peers have deeper balance sheets and stronger sourcing franchises. Ecora can still win deals, especially in niche critical-mineral situations, but the evidence does not show a durable reinvestment flywheel.

7. Moat Analysis

The moat is contractual rather than operating. Ecora does not own a brand, software network, distribution channel, customer lock-in mechanism, or pricing algorithm. It owns royalties, streams, and financing interests. Once a contract is in place, the covered asset can be very hard to replicate. A competitor cannot simply take Ecora's Mantos Blancos NSR or Kestrel private royalty-area right. That is real asset-level protection.

The corporate moat is weaker. Ecora does not control mine plans, grades, production schedules, capex, permits, shipping, or operator balance sheets. It also does not control commodity prices. The Moat appendix says Ecora's ordinary pricing power is limited: the company benefits from contractual formulas tied to commodity prices, but it cannot raise prices to customers. Kestrel proves the point. FY2025 saleable volumes were broadly flat, but contribution fell sharply because realized coal price and royalty rate declined.

The 2046 durability test is the biggest moat problem. Kestrel is expected to end by 2030 under current mine-plan framing. Carlota depletes before the 2031 horizon. Four Mile and EVBC have shorter life disclosures. Mimbula is promising but newer and not proven through a cycle. Voisey's Bay is cited with a life extension to 2044, still short of the 2046 test. Development assets could extend the company, but they are not proof of a 2046 high-return business today.

The moat score is 7 / 15. Ecora earns credit for enforceable claims over scarce assets, cost-inflation insulation at the royalty level, and low direct AI disruption risk to existing contracts. It loses credit for lack of pricing power, small scale, commodity/operator dependence, finite asset lives, and unproven sourcing edge. The Moat appendix's YELLOW gate and 2046 FAIL are controlling caps.

8. Accounting and Capital Allocation Analysis

Accounting quality is better than the headline complexity might suggest. Ecora distinguishes portfolio contribution from statutory revenue, discloses stream cost lines, and explains why EVBC and McClean require special treatment. QF and QFR verified the important FY2025 official-to-FMP differences and kept official values in control where classifications diverged. This is a positive. A small commodity royalty issuer with poor disclosure would deserve a much harsher score.

Still, the accounting is not simple enough for high confidence. Ecora does not publish a full quarterly statutory P&L by segment. The TTM bridge is based on portfolio contribution rather than complete statutory revenue, OI, or EPS. EVBC is reflected through IFRS 9 fair-value treatment. McClean includes principal repayment and interest under a commodity-related financing arrangement. Stream cost of sales must be deducted explicitly for Voisey's Bay and Mimbula. These are

manageable with careful modeling, but they increase the risk of overcapitalizing contribution.

Capital allocation is coherent but unproven. Management lowered the dividend to a 25%-35% FCF-linked framework, prioritizes deleveraging after acquisitions, and is clearly moving away from Kestrel toward critical minerals. That is rational. The problem is evidence, not strategy. FY2021-FY2025 adjusted EPS fell materially, and shares increased from roughly 208m to roughly 249m on the data-package references. Mimbula may validate the current playbook, but it has only a partial-year record. West Musgrave and Voisey's Bay timing issues show that even plausible royalty investments can disappoint.

The accounting and financial quality score is 7 / 10. The capital allocation score is 5 / 10. The combined message is that Ecora is not disqualified by governance or disclosure, but it is not yet proven as a capital allocator that can compound per share at Gideon rates.

9. 20% Return Underwriting

The 20% return underwriting score is intentionally very low because the synthesis case fails before any generous terminal value is allowed. The ER2 valuation discipline is P/E at or below 15 on FY+5 EPS. At $1.797 per share, the required EPS is $0.1198. The base case reaches $0.042. The bull case reaches $0.094. Therefore even a favorable but still evidence-grounded case does not reach the hurdle.

Using the Synthesis EPS cases as a rough 15x exit-value proxy also shows why the 20% return case is not plausible today. Base-case EPS of $0.042 at 15x equals about $0.637 per share of horizon value. If an investor also receives roughly $0.10 of cumulative dividends over five years, the total value is about $0.737. Against a starting $1.797 share price, that implies a strongly negative annualized return, not a 20% return. Bull-case EPS of $0.094 at 15x equals about $1.409. Adding roughly $0.12 of cumulative dividends still leaves the five-year value below today's price.

The max buy price for a 20% five-year IRR on the base-case proxy is roughly $0.30 per share, calculated as $0.737 of total five-year value discounted at 20% annually. That is not a formal price target; it is a diagnostic indicator of how far the current evidence-supported base case is from the required return. It also shows why the stock cannot be classified as "buy only at lower price" on business quality alone. The business quality score is too low for that more constructive classification.

Category 6 score: 1 / 20. Base-case IRR gets 0 / 6. Conservative exit multiple gets 0 / 4 because the case fails even at the framework's 15x test. Bear case acceptability gets 0 / 3. Reverse DCF beatability gets 0 / 3 because the required improvement is not modest. Multiple/pricing gets 0 / 2. Cash returns get 1 / 2 because the FCF yield and dividend framework have some value, but they do not rescue the hurdle.

10. Hard Veto Checklist

Hard veto	Result	Explanation
ROIIC below cost of capital or not proven	Watch / Fail for high score	Acquisition-inclusive ROIIC is not proven; FMP FY2025 ROIC is 4.51%.
Reported ROIC high only because capital base is tiny	Not applicable	Reported ROIC is not high.
Growth requires persistent external financing	Watch	New royalty growth can require debt, equity, asset sales, or retained cash; balance sheet is manageable but not debt-free.
Share count rises without clear per-share value creation	Watch	Shares increased materially from FY2021 references while EPS fell from Kestrel-heavy years.
Large acquisitions without disclosed realized returns	Watch	Mimbula is promising but not yet full-cycle proof; NAV-based return tables are not realized ROIIC.
FCF structurally lags earnings	Pass	FY2025 FCF conversion is acceptable.
Commodity, operator, concentration, or leverage can impair equity	Watch / Fail for compounder	Commodity prices, operator mine plans, Kestrel runoff, and net debt all matter.
20% return case requires terminal multiple expansion	Fail	Base and bull fail the P/E 15 test.
Company needs flawless execution to justify price	Fail	Current price requires more EPS power than base or bull synthesis supports.
Moat cannot be explained clearly	Watch	Asset-level moat is clear; corporate 20-year moat is not proven.
Accounting or governance impairs trust	Pass / Watch	Disclosure is good, but accounting complexity lowers precision.
Balance sheet risk could wipe out equity in downturn	Watch	Not an immediate wipeout risk, but net debt and financing tradeoffs cap score.

Hard veto conclusion: the strict investment case fails because the 20% return case is not plausible on the ER2 evidence, the 2046 durability test fails, and acquisition-inclusive ROIIC is not proven. These are compounder vetoes, even though they are not bankruptcy or fraud vetoes.

11. Final Decision

Score-implied classification: **Reject**.

Compounder Score note: Ecora scores 37/100 because it has real royalty assets and decent disclosure, but low reported ROIC, unproven acquisition-inclusive ROIIC, Kestrel runoff, YELLOW management/moat, and a failed 2046 durability test cap the quality case.

Business Quality Score note: Ecora scores 36/80 on business quality; asset-level contracts have value, but the company has not proven a twenty-year high-return reinvestment engine or durable per-share compounding record.

20% Return UW Score note: Ecora scores 1/20 on 20% return underwriting because base EPS of $0.042 and bull EPS of $0.094 both fail the $0.1198 EPS required for a 15x P/E at today's $1.797 price.

The evidence supports keeping Ecora as a monitored transition story rather than approving it as a compounder. The upgrade path is specific: Mimbula must prove full-year cash economics, Voisey's Bay and Mantos must sustain contribution as Kestrel declines, at least one development royalty must convert into cash flow without stretching the balance sheet, and per-share FCF or EPS must compound from the FY2025/Q1 2026 base. Until then, the company should not receive a high compounder score.

12. Machine-Readable JSON

The companion machine-readable file is `compounder_score.json` in this same folder. Its key fields are:

Field	Value
`total_score`	37
`business_quality_score`	36
`valuation_underwriting_score`	1
`classification`	Reject
`clears_20pct_hurdle`	false
`source_confidence`	Medium

Appendix CSA - Scoring Audit

Ecora Royalties PLC - Scoring Audit

Prepared for the ER2 / Gideon run dated 2026-06-09. Company: Ecora Royalties PLC. Ticker: ECOR.L. Current price anchor: 134.8 GBp, or about $1.797 per share. TTM end: 2026-03-31. Horizon date: 2031-03-31.

1. Original vs Audited Scores

Item	Original	Audited	Notes
Business Quality Score / 80	36	29	Reduced because the original score still awards too much credit to an unproven acquisition-inclusive ROIIC record, a finite asset replacement problem, and a failed 2046 durability test.
Valuation / 20% Return UW Score / 20	1	1	Preserved at a token score only for real FCF/dividend support. The 20% underwriting case itself fails.
Total Score / 100	37	30	The Reject classification is correct, but the numerical score should be lower.
Classification	Reject	Reject	Score is below 70, 20% case is not plausible, and multiple hard-veto/watch items remain open.

The original score correctly rejected Ecora as a Gideon compounder, but it was still too generous in the business-quality subtotal. The issue is not that Ecora lacks real assets. The company owns royalties and streams over producing and development mineral assets, and those contracts can create attractive contribution margins while operators carry mine-level operating cost and sustaining-capex risk. That is a real business. The issue is that the compounder rubric asks for something stricter: proven high return on incremental invested capital, a long runway for reinvestment, durable moat proof through roughly 2046, clean per-share compounding, and a price that can underwrite at least a 20% annualized return without terminal multiple expansion.

Ecora does not clear those tests on the run-local evidence. FY2025 FMP ROIC is only 4.51%. The ER2 packet does not contain a calculated 3-year ROIIC, 5-year ROIIC, or acquisition-inclusive ROIIC. Management cites "NAV plus income received" versus acquisition cost for several assets, including Mimbula, but consensus or unrisked NAV is not realized cash return per dollar invested and is not per-share EPS or FCF compounding. This matters acutely because Ecora is a royalty and streaming company that must buy, originate, or otherwise fund new claims as Kestrel declines. The current asset contribution margin can look capital-light after the contract exists; the corporate reinvestment question is whether new capital deployed into Voisey's Bay, South32 assets, Mimbula, and future deals earns high realized returns after acquisition price, leverage, dilution, commodity cycles, and operator timing. That proof is missing.

The original 37/100 score says "Reject" but still leaves the business quality score at 45% of the maximum. I reduce the business quality score to 29/80, or 36% of the maximum. That is more consistent with a real but unproven transition story: good disclosure, real asset-level contracts, some cash conversion, and a coherent strategy, offset by low reported ROIC, no calculated ROIIC, a Kestrel runoff hole, YELLOW management, YELLOW moat, failed 2046 durability, commodity/operator dependence, and an EPS model that does not produce enough earnings power.

2. Score Reductions and Reasons

The largest reduction is in Incremental Returns on Capital, reduced from 8/25 to 5/25. The original scorer already noted that ROIIC is not proven, yet 8 points remains too high for a category whose core purpose is incremental return proof. Under the CSA audit rule, if ROIIC is not calculated, Category 1B must be 0. Here, the packet has no credible 3-year, 5-year, or acquisition-inclusive ROIIC series. It has a low FMP FY2025 ROIC, a contribution-margin discussion, and management/NAV evidence. Contribution margin is helpful but does not answer the capital redeployment question. Mimbula's $50m 2025 acquisition has only a partial-year record: $2.9m FY2025 net contribution from Q2-Q4 and $2.1m Q1 2026 net contribution, plus guidance and delivery timing. That may become evidence, but it is not a cycle-tested ROIIC calculation.

Reinvestment Runway is reduced from 9/20 to 8/20. Ecora deserves some runway credit. Copper, cobalt, uranium, vanadium, rare earths, and development royalties are real opportunity sets. Base Metals contribution has improved sharply, and the

company has a clearer critical-minerals mix than it did during the Kestrel-heavy period. But the runway score must be capped because the base case does not show portfolio contribution compounding upward. The Synthesis appendix models total contribution declining from the $63.4m TTM anchor to $55.8m in the 2031 base case as Kestrel runs off. Development assets such as Santo Domingo, Nifty, West Musgrave, Vizcachitas, Canariaco, Phalaborwa, Salamanca, and Patterson Corridor East are option value until they are funded and producing.

Durability of Moat is reduced from 7/15 to 5/15. This is where the 2046 FAIL should bite harder. The Moat appendix is clear: Ecora has real asset-level contractual moats, but the current asset book does not support high-return compounding through 2046. Kestrel is expected to end by 2030 under current mine-plan framing. Carlota depletes before the 2031 horizon. Four Mile and EVBC carry five-year life disclosures or short-duration caution. Mimbula is new and not cycle-tested. Voisey's Bay is cited to 2044, still short of the 2046 test. A company can still be valuable with finite contracts, but a failed 2046 test caps the durability category.

Capital Allocation Discipline is reduced from 5/10 to 4/10. Management is not a governance fail. The dividend reset to 25%-35% of FCF is rational, disclosure is candid, and the balance sheet was actively managed after Mimbula. But the rubric requires realized capital allocation proof. FY2021-FY2025 adjusted EPS fell from 25.2c and 37.6c in the Kestrel windfall years to 8.86c in FY2025, while basic weighted average shares increased from roughly 207.9m to 248.9m. Voisey's Bay, West Musgrave, and Mimbula are not yet a clean body of per-share compounding evidence. The correct score is below midline.

Accounting and Financial Quality is preserved at 7/10. The evidence supports above-average disclosure for a small natural-resource royalty issuer. Ecora distinguishes portfolio contribution from statutory revenue, discloses stream cost lines, and explains EVBC and McClean treatment. QF/QFR also logged official-vs-FMP differences. The cap is still below high quality because full statutory quarterly TTM revenue and operating income by segment are unavailable, FMP product segmentation is empty, and portfolio contribution requires careful reconciliation to avoid overcapitalizing economics.

Price and 20% Return Underwriting is preserved at 1/20, not reduced to 0, because FY2025 FCF of $27.4m and a lower dividend framework do provide some cash-return support. But this is a token point only. The base-case IRR is negative, the bull case still fails, and the P/E 15 test is not close.

3. Unsupported Claims

The key unsupported claim is any implication that Ecora has already proven high ROIIC. The evidence does not support that. The packet provides no calculated 3-year ROIIC, no calculated 5-year ROIIC, and no acquisition-inclusive ROIIC. For a royalty company in portfolio transition, acquisition-inclusive ROIIC is the central test because the high-margin cash-flow claim must first be purchased or originated. Mimbula is promising, but one partial year plus guidance is not enough. South32 assets and development royalties may be valuable, but NAV accretion is not realized ROIIC.

The second unsupported claim would be a durable 20-year moat at the corporate level. The company has enforceable asset-level claims. It does not have ordinary pricing power, control over mine plans, control over production scheduling, or a scale moat against larger royalty peers. The Moat appendix explicitly says corporate moat is YELLOW and 2046 is FAIL. Any score that treats current contractual rights as a proven 2046 company moat is unsupported.

The third unsupported claim is that current valuation can be rescued by a reasonable bull case. The Synthesis appendix says the required EPS at today's $1.797 price is $0.1198 for a 15x P/E. Base 2031 EPS is $0.042. Bull 2031 EPS is $0.094. Even the bull case is 21.6% below the required value. The 20% case therefore requires outcomes beyond the reviewed evidence, a richer framework than P/E 15, or terminal multiple support.

4. Calculation Errors

I found no major arithmetic error in the core valuation math. The price, FX, TTM horizon, EPS requirement, and P/E 15 checks are internally consistent. At $1.797 per share, $1.797 / 15 equals about $0.1198 required EPS. Base EPS of $0.042 at 15x equals about $0.63 to $0.64 of horizon value, before dividends. Bull EPS of $0.094 at 15x equals about $1.41. Both are below the current price before considering the required 20% compounding hurdle.

The scoring error is interpretive rather than arithmetic. The original scoring correctly assigned 0-style treatment to most 20% return subitems, but it did not penalize the business-quality score enough for missing ROIIC and 2046 failure. Under the audit rule, missing ROIIC must cap the incremental-return category. Under the moat rule, a 2046 FAIL must cap durability. Under the capital-allocation rule, a coherent strategy cannot receive midline-or-better credit when the realized per-share record is still declining and acquisition evidence is not full-cycle proof.

5. Missing Data

The most important missing evidence is a realized acquisition-inclusive ROIIC schedule. The schedule should include capital deployed into Voisey's Bay, South32 assets, Mimbula, and other material acquired royalties or streams, then compare realized cash contribution, realized FCF, impairment/revaluation effects, debt cost, equity issuance, and remaining risked value against original acquisition cost. Without that, the scorer cannot award high incremental-return points.

The second missing item is a clean multi-year per-share compounding bridge from FY2021 through the TTM anchor that separates Kestrel windfall runoff, critical-minerals replacement, leverage, share count, and recurring corporate costs. The packet provides enough to see the issue, but not enough to prove the cure. Contribution fell from $143.2m in FY2022 to $57.0m in FY2025, adjusted EPS fell to 8.86c, and share count rose materially versus FY2021.

The third missing item is a full statutory quarterly TTM P&L by segment. The portfolio-contribution bridge is acceptable for modeling because it is Ecora's relevant operating metric, but it is not the same as full statutory TTM revenue, operating income, tax, EPS, and FCF. This raises confidence risk for any high score.

6. Hard-Veto and Threshold Test Audit

ROIIC below or unproven: Fail for high-score purposes. The company has no calculated ROIIC series, and acquisition-inclusive ROIIC is unproven.

Growth requiring external financing: Watch. Royalty growth can require retained cash, debt, asset sales, or equity. Net debt is manageable, but it is not irrelevant.

Share count rising without clear per-share value creation: Watch. Shares rose materially from FY2021 references while adjusted EPS fell from Kestrel-heavy years.

Large acquisitions without disclosed realized returns: Watch / Fail for high score. Mimbula may work, but it is early. Voisey's Bay and South32 assets are mixed and not definitive.

Commodity/operator/depletion dependence: Watch / Fail for compounder quality. Ecora does not control mine plans, production timing, commodity prices, or Kestrel royalty-area sequencing.

2046 durability: Fail. The current asset book does not prove high-return compounding through 2046.

20% return case requiring more than evidence-supported base case: Fail. Base and bull EPS both fail the P/E 15 gate.

7. Final 20% Hurdle Pass/Fail

Final 20% hurdle: FAIL. The base case does not merely miss the target; it points to negative return under the framework's 15x EPS discipline. The bull case also fails. A 20% annualized return from today's price would require a much larger earnings base than the reviewed segment model supports, or a valuation framework outside the strict ER2 P/E 15 rule. The diagnostic max buy price for a 20% IRR under the original base-case proxy, roughly $0.30 per share, illustrates the size of the gap.

8. Dream Business / Dream Investment Classification

Ecora is neither a dream business nor a dream investment under this rubric. It is not a dream business because it has not proven high corporate ROIIC, durable 2046 compounding, or a repeatable per-share reinvestment engine. It is not a dream investment because current price does not underwrite the 20% return case. The single biggest reason is unproven acquisition-inclusive ROIIC while Kestrel runs off: the company must replace finite legacy cash flow with new royalties and streams, but the evidence does not yet show that this replacement engine compounds capital at Gideon rates.

9. Stage 7 Scorecard Notes

Compounder Score note: Ecora's audited score is 30/100. The business owns real royalty and stream contracts, but missing ROIIC proof, Kestrel runoff, YELLOW management/moat, and a failed 2046 durability test keep it in Reject territory.

Business Quality Score note: Ecora's audited business quality score is 29/80. Asset-level contracts and disclosure are real positives, but the company has not proven high acquisition-inclusive ROIIC or durable per-share compounding through a full cycle.

20% Return UW Score note: Ecora's audited 20% return underwriting score is 1/20. Base 2031 EPS of $0.042 and bull EPS of $0.094 both fail the $0.1198 EPS required for a 15x P/E at the current $1.797 share price.

10. Auditor JSON

The companion machine-readable audit file is `compounder_score_audit.json` in this folder. It carries the revised 30/100 diagnostic score, the Stage 7 notes, the score reductions, unsupported claims, calculation comments, and missing-data list.

Appendix RT - Red Team

Ecora Royalties PLC - Red Team Appendix

Prepared for the ER2 / Gideon run dated 2026-06-09. Company: Ecora Royalties PLC. Ticker: ECOR.L. This red team uses the run-local appendices and data package as the controlling evidence. I also checked Ecora's public results centre and Q1 2026 trading-update republications to confirm that the local packet is directionally aligned with public disclosure as of this run date. This appendix is not a polite risk appendix. The final verdict is already PASS, so the useful question is narrower and harsher: even after the synthesis fails the P/E 15 test, which assumptions may still be too optimistic?

1. The most fragile assumption

The most fragile assumption is the Stage 5 base-case Base Metals contribution line: $40.8m of 2031 portfolio contribution, with a 52.0% modeled operating margin and $21.2m of modeled operating income. This is the line most likely to be wrong because it is the only real replacement engine in the model. Specialty Metals & Uranium is too small. Bulks & Other is intentionally shrinking. If Base Metals does not carry the portfolio, there is no company-level earnings bridge left.

The model looks conservative at the group level because total base contribution falls from $63.4m TTM to $55.8m by 2031. That can hide the real fragility. Within that declining group case, Base Metals still has to rise from $33.4m to $40.8m while Kestrel largely disappears. The base assumption gives Voisey's Bay gross cobalt $24.6m, Mantos Blancos copper $11.4m, Mimbula gross copper $11.6m, Santo Domingo $2.0m, and stream cost of sales of negative $8.8m. The hard question is not whether any one of those numbers is fantasy. It is whether all of them can coexist while cobalt, copper, grades, entitlement thresholds, shipping timing, project timing, and debt service behave well enough.

Each asset has a specific fragility. Voisey's Bay is a cobalt stream, not a clean perpetuity. The entitlement steps down after a cumulative cobalt threshold, ongoing payments rise from 18% to 22% after recovery of the original upfront amount, and the data package does not disclose all cumulative deliveries against the step-down threshold. Cobalt is also exposed to battery-chemistry substitution and policy-driven price whiplash. Mantos Blancos had a record FY2025 contribution helped by record copper sales and a $10,066/t realized price, then faces a guided lower-grade FY2026 period. If the grade issue is not a one-year dip, the base case is too high. Mimbula is the cleanest recent acquisition, but it is still a 2025 stream with partial-year evidence and delivery lags. The base case assumes the ramp becomes real contribution without an offsetting stress in copper price, mine execution, or stream economics. Santo Domingo contributes $2.0m in the base case even though FID, funding, construction, and early royalty-area production all need to line up before the 2031 horizon.

The synthesis sensitivity says a Base Metals contribution CAGR swing of plus or minus 200 bps moves EPS by about $0.012. That understates the red-team issue because the true bear case is not a symmetric 200 bps miss. If Base Metals base contribution is 20% too high, the $40.8m line falls by $8.2m. At a 52% modeled margin, segment operating income falls by about $4.2m. After 25% tax and 250.736m diluted shares, EPS falls roughly $0.013. Base EPS moves from $0.042 to about $0.029 before any second-order penalty from higher finance cost, slower deleveraging, or weaker acquisition capacity. The difference is not cosmetic. It turns an already-failed valuation into a clearer runoff valuation.

2. The most-likely-to-be-optimistic Stage 5 number

The most-likely-to-be-optimistic Stage 5 number is not the base EPS itself. It is the bull-case 2031 EPS of $0.094. That number is important because it is the most favorable internally reviewed case, and even it fails the $0.1198 EPS required for a 15x P/E at the current price. If the bull case is too high, there is no credible "near miss" interpretation left.

The bull EPS requires $75.0m of contribution, $37.9m of operating income, $23.5m of net income, and the same 250.736m share count. It assumes Base Metals reaches $52.6m, Specialty/Uranium reaches $14.1m, and Bulks & Other reaches $8.3m. The bull Base Metals case needs Voisey's Bay gross $29.0m, Mantos $13.5m, Mimbula gross $15.1m, and Santo Domingo $6.5m, while stream costs rise but do not overwhelm the mix. Specialty/Uranium bull needs Four Mile at $5.6m, Maracas at $2.7m, and Phalaborwa at $2.0m. Bulks bull needs both a $2.0m Kestrel tail and $6.0m EVBC.

That is a stack of favorable commodity, operator, and project-timing outcomes. It is not a single operating beat. It asks cobalt to remain useful enough, copper to stay supportive, Mimbula to ramp cleanly, Mantos to normalize after lower grades, Santo Domingo to become cash-flow relevant before 2031, uranium and vanadium to cooperate, Phalaborwa to convert from development narrative to royalty cash, gold to keep EVBC elevated, and Kestrel to retain a tail. It also asks finance expense to fall to $6.5m while management may still need to fund new royalties to avoid a finite-asset decline. The red team would not

use $0.094 as an upside valuation anchor. It should be treated as a narrow-path scenario that still does not clear the hurdle.

3. The strongest bear case, stated in its strongest form

Ecora is a finite-asset replacement story being valued like a critical-minerals transition story before the replacement economics are proven on a per-share basis. Kestrel is running off, and the current transition portfolio does not yet replace that cash flow fast enough once stream costs, corporate burden, finance cost, tax, and share count are included. Management must keep buying or originating new royalties in a competitive market where larger royalty companies and private capital often have lower cost of capital, deeper technical teams, and more flexibility. The mechanism of failure is not bankruptcy; it is slow per-share erosion: Base Metals grows in narrative terms, but not enough in net contribution terms, while debt and corporate overhead consume the gap.

The bear case should show up quickly. The first line item is Base Metals contribution after stream cost, especially the combined Voisey's Bay, Mimbula, and Mantos bridge. The second is net debt. If the transition works, Base Metals should annualize above the current TTM contribution quickly despite Kestrel noise. If it does not, Ecora becomes a small levered royalty company harvesting old assets and paying for optionality.

4. Cross-examination of management commentary

The first statement to cross-examine is the Q4/FY2025 framing that 2025 was an "inflection point" because critical-minerals contribution exceeded steelmaking coal for the first time. The words are directionally true, but they are not proof of shareholder compounding. FY2025 contribution was still only $57.0m, below FY2024's $63.2m and far below the Kestrel-heavy FY2022 $143.2m. Adjusted EPS was 8.86c in FY2025 versus 37.6c in FY2022, and basic shares were materially higher than in FY2021. The first sign that the phrase is overstated would be FY2026 total contribution failing to exceed the normalized $60m to $66m handoff range despite the Voisey's Bay and Mimbula ramp.

The second statement is the Q4/FY2025 description of 2026 as potentially significant due to "Voisey's Bay and Mimbula volume growth, commodity-price tailwinds, and development milestones." This is a classic transition-story sentence: volumes, prices, and milestones all sound additive, but they are different kinds of evidence. Volumes can produce cash. Prices can reverse. Milestones may not become contribution inside the model horizon. The skeptical read is that management is blending near-term cash drivers with longer-dated optionality. What would show up first if this is wrong? Mimbula would keep producing quarterly delivery timing explanations rather than a steady run rate, Voisey's Bay would remain price-sensitive and threshold-sensitive, and Santo Domingo or Phalaborwa milestones would not change 2026-2027 contribution.

The third statement is Q1 2026 commentary that the trend was confirmed by $12.3m of portfolio contribution, up 105% year over year, driven by Base Metals up 152%. The red-team issue is the base. Q1 2025 was weak, Q1 2026 had no Kestrel contribution, Voisey's Bay receipts were timing-affected, and Mimbula had 150t of entitlement expected to generate $1.4m in Q2. This may be a good quarter, but it is not yet a stable annual run rate. A skeptical analyst should ask whether Q2-Q4 2026 prove the ramp after the catch-up receipts are recognized, or whether the apparent acceleration was partly quarter-to-quarter timing.

5. Stage 5 tie-out reverification

The recency anchor is technically right: the synthesis uses Q2 2025 through Q1 2026 and starts from $63.4m of portfolio contribution. The problem is not date handling. The problem is that the TTM contains a strong Q3 2025 Kestrel quarter and a noisy Q1 2026 base-metals ramp. The synthesis knows this and does not annualize Q1, which is good. But the base case may still be kinder than the bear case deserves because it assumes the replacement sleeve is already visible enough to project to $40.8m by 2031.

Share count is not a hidden rescue. The synthesis assumes diluted shares creep from 249.736m to 250.736m and no buybacks. That is reasonable, maybe even generous if the company eventually needs equity for growth. Buybacks cannot matter much because the balance sheet, dividend policy, and acquisition pipeline compete for cash. A 5% buyback would move base EPS from $0.042 to about $0.045, not enough to matter. The red-team downside is the opposite: if management tries to buy growth while the share price is weak, dilution could turn a poor EPS case into a worse one.

The product where Stage 5 most depends on a clean explanatory story is Mimbula. It is reasonable to give Mimbula credit for a fuller-year effect, but a partial-year acquisition with tiered entitlement, 30% ongoing copper purchase cost, and delivery timing should not be treated as proof of a repeatable acquisition engine. If Mimbula works, it helps. If Mimbula merely offsets Carlota and Kestrel runoff while debt stays high, it does not validate the equity.

6. Score-derived 20% return claim most likely to be wrong

The audited scoring file already says the 20% return case does not clear. The red team agrees. The claim most likely to be wrong is any residual idea that FCF/dividend support or NAV optionality justifies even token optimism around the 20% underwriting case. The audited score gives 1/20 only for real FCF and dividend support, but the danger is that this token point gets overread. FY2025 FCF was $27.4m and the dividend policy is now 25%-35% of FCF. That is a cash-return feature, not a 20% compounding engine.

The break is acquisition-inclusive ROIIC. The score audit is explicit: no 3-year ROIIC, no 5-year ROIIC, and no acquisition-inclusive ROIIC series are present. Ecora's most important business-quality question is whether dollars recycled from Kestrel and borrowed under the RCF can buy royalties and streams that compound per-share cash flow. Consensus NAV plus income received does not prove this. A royalty can look attractive on NAV and still fail the equity if it arrives late, is debt-funded, suffers commodity price weakness, or requires repeated reinvestment at lower spreads.

7. The signal that forces an exit

The exit signal should be quantitative and tied to the replacement engine. The cleanest threshold is:

Exit or avoid if Q2-Q4 2026 Base Metals contribution plus Q1 2027 Base Metals contribution is below $34m, while Q1 2027 net debt remains above $80m, unless copper and cobalt prices have clearly collapsed from 2025-2026 levels.

This threshold is deliberately strict. Base Metals TTM contribution is already $33.4m. The base case needs that sleeve to reach $40.8m by 2031, and the whole thesis depends on Mimbula becoming a full-year contributor while Voisey's Bay stabilizes and Mantos normalizes. By Q1 2027, the model should have had enough time to absorb Q1 2026 Voisey's Bay shipping timing, Mimbula Q1 entitlement catch-up, and the first year of the Mimbula stream under Ecora ownership. If the four-quarter Base Metals contribution is still below $34m and net debt is still above $80m, the transition is not self-funding enough. It would mean the company still needs new assets, but the current assets are not generating enough incremental cash to de-risk the balance sheet.

The commodity caveat matters because this is not a call to exit solely on copper or cobalt spot weakness. If copper and cobalt collapse, the equity may be bad for cyclical reasons rather than because management failed. The more damning version is contribution stagnation despite acceptable prices. That would invalidate the replacement thesis.

8. Conviction at the end of red team

Thesis does not survive this red team as an investable Gideon thesis. That is not because the synthesis is mathematically aggressive in the obvious way. It is because the synthesis already fails while still granting Ecora meaningful credit for Base Metals replacement, clean deleveraging, modest development contribution, and a bull case with multiple favorable asset outcomes. The narrative should be rewritten around finite-asset replacement risk: Ecora owns real royalty contracts, but the current transition portfolio has not yet proven it can replace Kestrel on a per-share basis while carrying debt and competing for new royalties.

The strongest bear conclusion is that Ecora may be a decent commodity-option portfolio and still be a poor Gideon compounder. A critical-minerals label does not solve the arithmetic. Base 2031 EPS of $0.042 is far below the $0.1198 required EPS. Bull EPS of $0.094 still fails. The audited compounder score is 30/100, with business quality 29/80 and valuation underwriting 1/20. Management and moat are both YELLOW, and the 2046 test is FAIL. The red team would not upgrade this from PASS without hard proof that Base Metals is annualizing above the current TTM level while net debt falls materially. Until then, the avoid case is stronger than the optionality case.

Sources checked outside the run-local packet: Ecora public results centre, https://www.ecoraroyalties.com/investor-relations/results-centre/; Q1 2026 trading-update republication, https://www.investegate.co.uk/announcement/rns/ecora-resources--ecor/q1-2026-trading-update-/9542829.

Appendix D - Data Package (Raw Historicals)

Ecora Royalties PLC - Data Package

Prepared for ER2 / Gideon research on 2026-06-09. Company: Ecora Royalties PLC, formerly Ecora Resources PLC. Ticker: ECOR.L. Fiscal year end: December 31. Most recently reported period: Q1 2026 trading update for the period ended 2026-03-31. TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026, ending 2026-03-31. Forward horizon: 2031-03-31.

0. Executive data summary and source hierarchy

Ecora is a London-listed natural-resource royalty and streaming company. Its economic disclosure is not a standard industrial segment P&L. The controlling operating metric is **portfolio contribution**, which captures royalty and stream cash economics including items that do not appear cleanly in statutory revenue. This matters because EVBC royalties are reflected under IFRS 9 fair-value treatment rather than ordinary royalty revenue, and McClean Lake includes principal repayments under a commodity-related financing agreement. For modeling, portfolio contribution is the best operating bridge; statutory revenue, operating profit, profit before tax, net income, and FMP data are useful cross-checks but should not replace the official portfolio-contribution view.

The evidence pack used here is run-local and was fetched during the 2026-06-09 ER2 run. The controlling files are `raw\official_2025_annual_report.txt`, `raw\official_q1_2026_trading_update.txt`, `raw\official_q4_2025_trading_update.txt`, `raw\official_q3_2025_trading_update.txt`, `raw\official_q2_2025_trading_update.txt`, `raw\official_hy_2025_results.txt`, and `raw\official_2025_fy_results_presentation.txt`. Historical backfill uses the 2021-2024 annual-report text extracts in `raw`. FMP files are used as a vendor cross-check: `raw\fmp_income_annual_ECOR_L_20260609.json`, `raw\fmp_balance_annual_ECOR_L_20260609.json`, `raw\fmp_cashflow_annual_ECOR_L_20260609.json`, `raw\fmp_key_metrics_annual_ECOR_L_20260609.json`, `raw\fmp_ratios_annual_ECOR_L_20260609.json`, `raw\fmp_quote_ECOR_L_20260609.json`, and `raw\fmp_profile_ECOR_L_20260609.json`. FMP product segmentation is empty in the QFR-pulled files `raw\fmp_revenue_product_segmentation_annual_ECOR_L_20260609_qfr.json` and `raw\fmp_revenue_product_segmentation_quarter_ECOR_L_20260609_qfr.json`, so official company disclosure controls all product/asset economics.

The headline operating bridge is simple but important. FY2025 portfolio contribution was $57.0m, down from $63.2m in FY2024, as the base-metals portfolio rose sharply but Kestrel steelmaking coal declined. The official Q1 2026 update then reported Q1 2026 portfolio contribution of $12.3m, up 105% from Q1 2025. The TTM contribution bridge requested for this run is Q2 2025 $11.8m + Q3 2025 $25.0m + Q4 2025 $14.3m + Q1 2026 $12.3m = **$63.4m**. This is a portfolio-contribution TTM, not a full statutory TTM, because Ecora does not publish full quarterly income statements in the same way a U.S. 10-Q filer would and because statutory classification differs from the portfolio metric.

The downstream modeling spine should therefore begin with three segments: **Base Metals**, **Specialty Metals & Uranium**, and **Bulks & Other**. Base Metals was $33.4m of TTM contribution using the requested quarterly bridge. Specialty Metals & Uranium was $8.2m. Bulks & Other was $21.8m. Within Base Metals, the main engines are Voisey's Bay cobalt, Mantos Blancos copper, and Mimbula copper, with Carlota as a small tail asset and Santo Domingo, Nifty, West Musgrave, Vizcachitas, and Canariaco as development or early-stage optionality. Specialty Metals & Uranium consists of McClean Lake, Four Mile, Maracas Menchen, Phalaborwa, Salamanca, and Patterson Corridor East. Bulks & Other consists mainly of Kestrel and EVBC, plus LIORC/other minor items.

0a. Industry classification and disclosure inventory

Ecora is best classified for ER2 purposes as a **commodity/mining royalty and streaming issuer** rather than as a conventional mining operator. It does not operate the underlying mines; it owns royalties, streams, and royalty-financing interests over third-party assets. This means the industry KPI checklist must focus on production volumes, received stream volumes, realized prices, royalty rates, stream purchase costs, asset life, operator guidance, project milestones, reserve/resource reliance, and accounting classification. FMP has no usable product-segmentation endpoint for this issuer, so the industry disclosure checklist was triggered.

Source inventory checked. Official source files reviewed were the 2021, 2022, 2023, 2024, and 2025 annual reports; Q1, Q2, Q3, and Q4 2025 trading updates; HY 2025 results; Q1 2026 trading update; and FY2025 results presentation. FMP files

reviewed were annual income, quarterly income, balance sheet, cash flow, key metrics, ratios, profile, quote, and product segmentation. The product segmentation files returned empty arrays, so no FMP segment or product numbers were imported into the asset tables.

Search inventory. The official text extracts were searched for: `portfolio contribution`, `production`, `volume`, `realised price`, `realized price`, `price`, `cash cost`, `AISC`, `reserve`, `resource`, `reserve life`, `decline`, `sustaining capex`, `growth capex`, `breakeven`, `hedge`, `netback`, `reclamation`, `depletion`, `Voisey`, `Mantos`, `Mimbula`, `Carlota`, `Santo Domingo`, `Nifty`, `West Musgrave`, `Vizcachitas`, `Canariaco`, `CaÃ±ariaco`, `McClean`, `Four Mile`, `Maracas`, `MaracÃ¡s`, `Phalaborwa`, `Salamanca`, `Patterson`, `Kestrel`, `EVBC`, `LIORC`, `Dugbe`, `dividend`, `net debt`, `RCF`, `quota`, `cobalt`, `copper`, `uranium`, `vanadium`, and `steelmaking`.

The checklist result is that contribution, volumes, realized prices, royalty/stream terms, mine-life estimates, accounting classification, operator guidance, and development milestones are disclosed for many material assets. Unit cash costs, AISC, sustaining capex by mine, operator-level netbacks, hedges by asset, reserves/resources tables, reclamation liabilities, and detailed tax by asset are generally **not separately disclosed by Ecora** in the checked official issuer files. That statement is based on the source/search inventory above; it should not be read as saying the underlying mine operators never disclose those metrics in their own technical reports.

Dataset / table family	Official source searched	Search terms or table names	Years available	Included in data package?	If excluded, why	Downstream relevance
Portfolio contribution by asset	Annual reports, quarterly updates, HY 2025	`portfolio contribution`, asset names	FY2021-FY2025; Q1-Q4 2025; Q1 2026	Yes	n/a	Segment models, TTM bridge
Production / attributable volumes	Annual reports, HY 2025, Q1 2026, FY25 presentation	`production`, `volumes`, `tonnes`, `Mlbs`, `Mt`	Best detail FY2024-FY2025 and 2026 guidance	Yes	Older years partial by asset	Volume-led normalization
Realized prices	Annual reports, HY 2025, Q1 2026, FY25 presentation	`realised price`, `sales price`, commodity names	Best detail FY2024-FY2025 and Q1 2026 for key assets	Yes	Not every asset has every quarter	Commodity sensitivity
Royalty / stream terms	2025 annual report, FY25 presentation	`NSR`, `GRR`, `stream`, `entitlement`, `ongoing payment`	Current terms as of FY2025/Q1 2026	Yes	n/a	Margin and depletion logic
Costs / AISC / mine cash costs	Annual reports, trading updates, presentation	`cash cost`, `AISC`, `sustaining capex`, `growth capex`, `netback`	Not separately disclosed by Ecora	No	Ecora is a royalty holder; operator cost detail omitted from issuer pack	Moat/risk caveat
Reserves / resources / reserve life	Annual reports, trading updates, presentation	`reserve`, `resource`, `reserve life`, `mine life`, `NI 43-101`	Mine-life estimates disclosed; reserves/resources not tabulated in Ecora pack	Partial	Use mine-life and operator guidance only	Durability, terminal value
Balance sheet / capital allocation	Annual reports, HY 2025, Q1/Q4 updates	`net debt`, `RCF`, `dividend`, `free cash flow`, `Mimbula`, `Dugbe`	FY2021-FY2025; Q1 2026 net debt	Yes	n/a	Leverage and payout capacity
Accounting classification	Annual reports	`IFRS 9`, `FVTPL`, `royalty financial instrument`, `metal stream`, `investment property`	FY2025 current; backfilled where relevant	Yes	n/a	Revenue vs contribution reconciliation

Historical KPI series:

KPI family	Granularity	FY2021	FY2022	FY2023	FY2024	FY2025	Latest interim / TTM	Source path
Portfolio contribution	Group, $m	85.6	143.2	63.6	63.2	57.0	TTM to 2026-03-31: 63.4	Official annual reports; 2025 quarterly updates; Q1 2026 update
Royalty and metal stream related revenue	Group, $m	85.3	141.9	61.9	59.6	55.9	Not a full statutory TTM	Official annual reports; FMP cross-check
Adjusted EPS	Group, cents	25.2	37.6	11.8	11.4	8.9	Not disclosed quarterly	Official annual reports
Free cash flow	Group, $m	48.4	132.2	25.4	22.1	27.4	Not disclosed for Q1 2026	Official annual reports
Net debt	Group, $m	90.0	36.4	74.6	82.4	85.5	Q1 2026: 84.4	Official annual reports; Q1 2026 update

KPI family	Granularity	FY2021	FY2022	FY2023	FY2024	FY2025	Latest interim / TTM	Source path
Base Metals contribution	Segment, $m	Partial old taxonomy	Partial old taxonomy	11.7 approximate from disclosed assets	11.4	28.5	TTM: 33.4	Official annual reports; 2025/Q1 2026 updates
Specialty Metals & Uranium contribution	Segment, $m	Partial old taxonomy	Partial old taxonomy	6.6 approximate from disclosed assets	8.1	7.6	TTM: 8.2	Official annual reports; 2025/Q1 2026 updates
Bulks & Other contribution	Segment, $m	Dominated by Kestrel	Dominated by Kestrel	45.3 approximate including Kestrel/EVBC/LIORC	43.7	20.9	TTM: 21.8	Official annual reports; 2025/Q1 2026 updates

1. Company identity, listings, reporting basis, fiscal calendar, source limitations

Ecora Royalties PLC is headquartered in London and reports in U.S. dollars. It is listed on the London Stock Exchange as ECOR.L; the FMP profile also identifies TSX/OTCQX context through the company identity used in QF, but the live quote used in this run is the LSE quote in GBp. The FMP profile file describes the company as a natural-resource royalty and streaming company with exposure across Australia, North and South America, Europe, and other international markets. The company was formerly Anglo Pacific Group and later Ecora Resources PLC; the current run identifies the company as Ecora Royalties PLC.

The fiscal year ends December 31. The most recent annual filing is FY2025. The most recent period in the run-local source pack is Q1 2026, ended 2026-03-31. The TTM anchor for this ER2 run is therefore Q2 2025 through Q1 2026, and the forward horizon is 2031-03-31. This date handling is critical because FY2025 alone misses the Q1 2026 ramp-up at Voisey's Bay, Mimbula, and EVBC, while a full statutory TTM cannot be built from identical quarterly statements.

The reporting-basis limitation is structural. Ecora's official economic KPI is portfolio contribution, while statutory revenue is "royalty and metal stream related revenue." Portfolio contribution starts with statutory royalty/stream revenue, then adjusts for royalties due or received from FVTPL royalty financial instruments, repayments under commodity-related financing agreements, and metal stream cost of sales. In FY2025, official revenue was $55.900m and portfolio contribution was $56.952m, rounded to $57.0m. The difference is not an error; it is how EVBC, McClean, and stream purchase costs flow through the accounts.

FMP is sparse for segment/product economics. The QFR found the annual and quarterly FMP revenue-product segmentation files empty. FMP annual statements are still useful for statutory line cross-checks: FY2025 FMP revenue was $57.073m versus official royalty and metal stream related revenue of $55.900m; FMP operating income was $25.838m versus official operating profit before impairments and revaluations of $25.307m; FMP profit before tax was $12.905m versus official $12.640m; FMP total debt was $96.530m versus official RCF borrowings of $93.250m and official net debt of $85.464m. Official sources control these small classification differences.

2. Historical financials FY2021-FY2025

The historical bridge should be read as a blended official/FMP cross-check table. Official annual reports control portfolio contribution, adjusted EPS, free cash flow, dividends, net debt, and FY2025 statutory reconciliation. FMP fills or cross-checks statutory revenue, net income, operating income, share count, and balance-sheet values where the official extracts are harder to standardize across older reports.

Fiscal year	Portfolio contribution ($m)	Royalty/stream revenue ($m)	Adjusted EPS (c)	FCF ($m)	Net debt ($m)	Dividend per share	Basic shares (m)	Statutory PBT / net income reference
FY2021	85.6	85.3 official / 83.7 FMP	25.2	48.4	90.0	9.63c / 7.00p	207.9 FMP; 207.4 FCF basis	FMP PBT $54.6m; net income $37.5m
FY2022	143.2	141.9 official / FMP	37.6	132.2	36.4	8.62c / 7.00p	234.1	FMP PBT $135.4m; net income $94.6m
FY2023	63.6	61.9 official / FMP	11.8	25.4 official chart / FMP FCF negative due capex definition	74.6	8.50c	257.9	FMP PBT $4.6m; net income $0.8m
FY2024	63.2	59.6 official / FMP	11.4	22.1	82.4	2.81c	252.4	Official PBT $5.9m; FMP net income -$9.8m

Fiscal year	Portfolio contribution ($m)	Royalty/stream revenue ($m)	Adjusted EPS (c)	FCF ($m)	Net debt ($m)	Dividend per share	Basic shares (m)	Statutory PBT / net income reference
FY2025	57.0	55.9 official / 57.1 FMP	8.86	27.4	85.5	2.00c	248.9	Official PBT $12.6m; FMP net income $22.6m

The five-year series tells a clear transition story. FY2021 and FY2022 were Kestrel-heavy, with extremely strong steelmaking coal prices and royalty rates producing $85.6m and $143.2m of contribution. FY2023 and FY2024 stepped down as Kestrel timing and prices normalized, although the company was also building a portfolio around copper, cobalt, uranium, and specialty metals. FY2025 marked an inflection in mix: base metals rose to $28.5m, up 150% year over year, and critical minerals exceeded Kestrel contribution for the first time. Still, FY2025 total portfolio contribution fell to $57.0m because Kestrel was down 58% to $17.5m.

FY2025 statutory anchors: official royalty and metal stream related revenue was $55.900m; operating profit before impairments and revaluations was $25.307m; profit before tax was $12.640m; adjusted earnings were $22.1m; adjusted EPS was 8.86c; free cash flow was $27.417m; net debt was $85.464m; basic weighted average shares were 248.944m; diluted weighted average shares were 249.796m. FMP maps FY2025 revenue to $57.073m, operating income to $25.838m, PBT to $12.905m, and net income to $22.648m. The cross-check is close enough for use as vendor context but not precise enough to override the official annual report.

The official FY2025 segment table by commodity is useful for B appendices. It shows portfolio contribution of $15.329m for cobalt, $13.020m for copper royalties and streams, nil for nickel royalties, $17.533m for steelmaking coal, $5.937m for uranium, and $5.133m for all other segments. It reconciles to $56.952m. Revenue recognized under the income statement differs: cobalt revenue was $18.871m, copper $14.180m, steelmaking coal $17.533m, uranium $3.401m, and all other $1.915m. Segment operating profit before impairments/revaluations was $25.307m, with cobalt $5.634m, copper $8.124m, steelmaking coal $17.231m, uranium $3.201m, and all other a loss of $8.797m, reflecting corporate/other costs and classification.

3. 2025 quarterly and TTM bridge

The 2025 quarterly trading updates and Q1 2026 trading update provide portfolio contribution by asset and commodity group. These figures should be the bridge into the model. They should not be mixed mechanically with FMP quarterly income data because FMP only has half-year/annual style statutory rows and does not contain the portfolio-contribution asset table.

Period	Base Metals ($m)	Specialty Metals & Uranium ($m)	Bulks & Other ($m)	Total portfolio contribution ($m)	Main driver
Q2 2025	5.3	2.2	4.3	11.8	Voisey's Bay ramp, maiden Mimbula, Mantos record, Kestrel return to royalty area
Q3 2025	9.9	1.9	13.2	25.0	Kestrel 1.6mt in royalty area, Voisey's Bay 182t cobalt
Q4 2025	9.9	1.8	2.6	14.3	Base metals steady; Kestrel fell to 0.2mt
Q1 2026	8.3	2.3	1.7	12.3	Base metals +152% YoY; nil Kestrel; EVBC up on gold
TTM to 2026-03-31	33.4	8.2	21.8	63.4	Portfolio-contribution TTM, not statutory TTM

Asset-level quarterly bridge:

Asset / item	Q2 2025	Q3 2025	Q4 2025	Q1 2026	TTM contribution	Notes
Voisey's Bay cobalt	3.4	7.4	6.5	4.4	21.7	Gross table contribution; net Q1 2026 contribution was $3.6m after stream cost
Mantos Blancos copper	2.0	2.6	3.1	2.4	10.1	Record FY2025 performance; Q1 2026 benefited from copper price
Mimbula copper	0.7	1.5	1.8	2.9	6.9	Gross table contribution; delivery lag matters
Carlota copper	0.1	0.2	0.2	0.2	0.7	Small declining copper royalty

Asset / item	Q2 2025	Q3 2025	Q4 2025	Q1 2026	TTM contribution	Notes
Metal stream cost of sales	-0.9	-1.8	-1.7	-1.6	-6.0	Voisey's Bay and Mimbula purchase costs
McClean Lake uranium	1.0	0.8	0.7	0.8	3.3	Includes repayment/interest economics
Maracas Menchen vanadium	0.4	0.5	0.4	0.4	1.7	Weak vanadium backdrop
Four Mile uranium	0.8	0.6	0.7	1.1	3.2	Normalized sales after Q1 2025 stockpiling
Kestrel steelmaking coal	3.4	12.5	1.7	0.0	17.6	Nil Q1 2026; expected H2-weighted in 2026
EVBC gold	0.8	0.7	0.9	1.7	4.1	Gold-price tailwind; IFRS 9 caveat
Other / LIORC / FlowStream	0.1	0.0	0.0	0.0	0.1	Small residual items
Total	11.8	25.0	14.3	12.3	63.4	Sum of official trading-update tables

This TTM bridge answers "what did the assets contribute?" rather than "what was statutory revenue or net income?" The bridge includes EVBC royalty cash economics that are reflected through fair-value movement, and McClean economics that include principal repayment. Conversely, stream costs are shown explicitly as a negative contribution line. For Synthesis, the cleanest approach is to model contribution by asset first, then reconcile to revenue, operating profit, tax, interest, and FCF using FY2025 statutory relationships and specific accounting adjustments.

4. Asset and portfolio economics

Base Metals. Voisey's Bay is a cobalt stream operated by Vale in Canada. Ecora's current disclosed stream entitlement is 22.82% until 7.6kt of finished cobalt has been delivered, then 11.41% thereafter. Ongoing payments equal 18% of the cobalt reference price until the original $300m upfront amount is recovered, then 22%. FY2025 attributable cobalt was 448t, up from 210t in FY2024, with realized cobalt price $19.11/lb versus $13.34/lb. FY2025 gross Voisey's Bay table contribution was $18.9m; after $3.5m of Voisey's Bay stream cost of sales, the FY2025 annual-report commodity table shows $15.3m of cobalt portfolio contribution (source: Ecora Q4 2025 trading update and FY2025 annual report note 33). FY2026 guidance is 500-560t of attributable cobalt, with the underground mine expected to reach steady-state production. Q1 2026 had only 70t received and $4.4m gross table contribution, with $3.6m net contribution after $0.8m of stream cost; 98t were set for April and 56t were in transit, so quarterly timing is noisy (source: Ecora Q1 2026 trading update, 2026-04-29).

Mantos Blancos is a 1.525% NSR royalty over Capstone Copper's Chilean copper mine. It generated $9.5m in FY2025, up from $5.8m, with copper sales increasing to a record 60.3kt versus 43.2kt in FY2024. Realized copper price increased to $10,066/t from $9,116/t. Capstone's FY2026 guidance indicates total copper production of 48kt-56kt because of a one-year lower-grade period; the FY2025 presentation also frames steady-state annual production around 54kt and references brownfield expansion/tailings opportunities.

Mimbula is a copper stream over Moxico's producing mine in Zambia, acquired in 2025 for $50m. It produced a maiden FY2025 net contribution of $2.9m from 400t of attributable copper delivered in Q2-Q4 2025, derived from Q1-Q3 mine production. The stream entitlement is tiered: 4.7% of copper produced up to 3,750t per quarter, 2.5% from 3,750t to 7,500t per quarter, and 1.0% above 7,500t per quarter, with an annual true-up; after cumulative deliveries of 9,150t, the stream reduces to 1.0%. Ongoing payments are 30% of the LME quarterly average copper price. FY2026 guidance is 1,080t-1,130t attributable copper, and the mine exited 2025 at a 20ktpa production rate with 2026 mine production guidance of 30kt-35ktpa.

Carlota is a 5.0% NSR royalty over a KGHM copper operation in the United States. FY2025 contribution was $0.8m versus $0.6m, with sales volumes of 2.7Mlb copper versus 3.0Mlb in FY2024 and realized copper price $10,565/t versus $9,455/t. FY2026 volumes are expected to decrease about 15% as operations move toward depletion in 2029.

Santo Domingo is a 2.0% NSR royalty over Capstone's Chilean copper and iron ore project. The 2025 annual report lists a 19-year mine life. Management commentary points to a JV partner and a final investment decision targeted around H2 2026. The FY2025 presentation states that the royalty area attributable to Ecora covers production in the first 6-7 years. There is no current contribution.

Nifty is a 1.5% GRR royalty over Cyprium's Australian copper project. The Q4 2025 update says Cyprium approved a Cathode Project restart plan with first production expected in mid-2026, but royalty payments to Ecora trigger only after cumulative

800kt of copper has been produced, including historical production. Ecora states this threshold is not expected to be reached until at least five years after production restarts.

West Musgrave is a 2.0% NSR royalty over BHP's nickel/copper project in Australia. The 2025 report lists a 24-year mine life and notes BHP placed the project under review, with the review expected by February 2027. The 2024 report disclosed expected average annual production of approximately 35kt nickel and 41kt copper over the first five years, but no current contribution should be modeled before project clarity.

Vizcachitas is a 0.25% NSR royalty over Los Andes Copper's Chilean copper project, listed as early/development exposure with a long mine-life estimate of 26 years in the 2025 annual report. Canariaco is a 0.5% NSR royalty over a Peru copper/gold project formerly owned by Alta Copper; Q1 2026 and the FY2025 presentation identify Fortescue's acquisition of Alta and expected first-ten-year average annual production of 158ktpa copper and 70koz gold. Both are option-value assets, not near-term contribution anchors.

Specialty Metals & Uranium. McClean Lake is a uranium toll-milling related financing/royalty instrument. Ecora is entitled to a portion of toll milling revenue associated with the McClean Lake Mill, which processes Cigar Lake feedstock. FY2025 contribution was $3.7m, versus $4.5m in FY2024. Throughput increased about 13% to 19.2Mlb in FY2025, but the average tolling milling rate decreased after recovery of a set amount of uranium. FY2026 volumes are expected at 17.5Mlb-18.0Mlb and the average tolling milling rate is expected to decrease about 15%.

Four Mile is a 1.0% NSR royalty over Quasar's Australian uranium mine. FY2025 contribution was $2.2m, up from $1.4m, as sales volumes rose to 3.4Mlb from 1.9Mlb after normal sales returned following stockpiling. Realized uranium price was $69.54/lb versus $75.01/lb in FY2024. FY2026 sales volumes are expected to return to a 4.0Mlb-5.0Mlb average run rate. Q1 2026 contribution of $1.1m reflected normalized sales versus the stockpiled Q1 2025 comparison.

Maracas Menchen is a 2.0% NSR royalty over Largo's Brazilian vanadium operation. FY2025 contribution was $1.7m versus $2.2m. Vanadium pentoxide equivalent sales volumes were 8,683t, down about 9.5% from 9,599t in FY2024, while realized vanadium price increased to $7.48/lb from $6.62/lb due to mix. FY2026 Largo guidance indicates sales of 7,500t-9,500t. The 2025 annual report describes a weak vanadium price environment, with prices near or below primary production costs for parts of 2025.

Phalaborwa is a rare-earths GRR royalty over Rainbow Rare Earths' South African project. The 2025 report lists an initial 0.85% GRR, stepping to 0.95% if commercial production has not occurred before 2027-10-01 and to 1.1% if it has not occurred before 2028-07-01. The 2025 annual report and HY results discuss project progress and a target for first production as early as 2028 / by late 2027 depending on source timing. No current contribution.

Salamanca is a 1.0% NSR uranium royalty over Berkeley Energia's Spanish project. Patterson Corridor East is a 2.0% NSR over NexGen's Canadian uranium discovery; Q4 2025 references a mineralized footprint expanded to 700m from 600m. Both should be treated as development or early-stage uranium optionality, not current revenue.

Bulks & Other. Kestrel is a 7.0%-40.0% GRR royalty over the Australian steelmaking coal mine operated by EMR Capital and Adaro. FY2025 contribution was $17.5m, down from $41.4m, despite saleable volumes being broadly flat at 2.2Mt versus 2.1Mt. Average realized price fell to $143/t from $223/t and the royalty rate fell to 11.94% from 19.09%. Q1 2026 had no Kestrel contribution because mining was outside Ecora's private royalty area. FY2026 guidance is 1.0Mt-1.2Mt saleable production in the private royalty area, mostly H2 weighted, and the royalty area is approaching depletion.

EVBC is a gold/silver/copper NSR royalty over Orvana's Spanish mine. FY2025 contribution was $3.2m versus $1.8m as gold prices lifted the applicable royalty rate to 3.0% from roughly 1.825%, despite volumes declining. FY2025 volumes were 30,953oz gold, 3.3Mlb copper, and 113,167oz silver. Under IFRS 9, EVBC royalties are reflected in fair-value movement rather than recorded as royalty income, so models must add EVBC contribution separately and reconcile through statutory accounting.

LIORC and other minor holdings contributed $0.2m in FY2025. LIORC is an indirect iron-ore exposure through a financial instrument/dividend route, but Ecora reduced its holding in 2023 and the remaining contribution is not material to the current model.

5. Management commentary and guidance chronology from 2025-2026 releases

Q2 2025 was the first clear evidence of the base-metals transition working. Management highlighted acceleration at Voisey's Bay, a maiden Mimbula contribution, and a third consecutive record quarter from Mantos Blancos. Q2 portfolio contribution was $11.8m, up 97% from Q1 2025, including $5.3m from base metals and $3.4m from Kestrel. Net debt at 2025-06-30 was

$124.1m / $124.6m in the trading and HY sources after the Mimbula acquisition, with management expecting year-end deleveraging absent acquisitions.

HY 2025 framed the year as a revenue-profile transition toward copper and other critical minerals. Management narrowed FY2025 Voisey's Bay guidance from 335-390t to 365-390t of attributable cobalt after strong H1/YTD receipts and expected H2 Kestrel strength as mining returned to the private royalty area. The company also announced the sale of the non-core Dugbe gold royalty for up to $20m, including $16.5m upfront consideration.

Q3 2025 was the strongest quarter in the TTM bridge, with $25.0m contribution. Management cited continued base-metals growth and Kestrel mining inside the private royalty area. Voisey's Bay contribution rose to $6.0m net, with 182t of cobalt received. Management increased FY2025 cobalt guidance to 434-448t and introduced FY2026 guidance of 500-560t. The Q3 update also noted the DRC cobalt export ban being replaced by a quota system limiting exports to about 40% of 2024 production as estimated by the Cobalt Institute, a relevant price tailwind for non-DRC cobalt units.

Q4 2025 / FY2025 commentary called 2025 an inflection point because critical-minerals contribution exceeded steelmaking coal for the first time. FY2025 base metals contribution was $28.5m, up 150%; total portfolio contribution was $57.0m; net debt closed at $85.5m after deleveraging from the post-Mimbula peak; and 2026 was framed as another potentially significant year due to Voisey's Bay and Mimbula volume growth, commodity-price tailwinds, and development milestones in organic copper and rare-earth assets.

Q1 2026 confirmed the same trend. Total portfolio contribution was $12.3m, up 105% versus Q1 2025, driven by base metals up 152%. Voisey's Bay production continued ramping, but shipping timelines pushed some receipts into Q2: only 70t were received in Q1, while 98t were set for April and another 56t were in transit. Mimbula generated $2.1m net contribution in Q1 and had 150t of Q1 2026 entitlement expected to generate $1.4m of Q2 contribution. There was no Kestrel contribution in Q1; management expected Kestrel to return in Q3 2026.

6. Balance sheet/capital allocation

Ecora entered FY2025 with net debt of $82.4m and ended with $85.5m despite completing the $50m Mimbula stream acquisition. Net debt peaked around the Mimbula acquisition and was then reduced by portfolio cash flow and Dugbe disposal proceeds. Q3 net debt was cited at $104m including receivables due in October; Q4 closed at $85.5m; Q1 2026 net debt was $84.4m. The official FY2025 balance-sheet note shows RCF borrowings of $93.250m and cash of $7.786m, producing net debt of $85.464m.

The capital allocation message is disciplined but not capital-light in every period. Royalty and stream acquisitions can create step-ups in leverage, as Mimbula did. The company used the Dugbe sale to accelerate deleveraging, and management repeatedly highlighted further deleveraging as a priority. The balance sheet has RCF flexibility, but the model should not assume every development project is funded without either debt capacity, asset sales, retained cash flow, or equity-market discipline.

Dividend policy shifted materially. In FY2025 the Board declared 2.00c per share for the year, compared with 2.81c in FY2024 and 8.50c in FY2023. The HY 2025 release described the interim dividend of 0.60c per share as equating to about 25% of free cash flow, and the user-provided scope references a 25%-35% FCF dividend policy. Use the lower payout as the current policy anchor rather than the old 7.00p/8.50c era, because the portfolio is being repositioned and the company is deleveraging after Mimbula.

7. Risks and data caveats

Operator dependence is the first caveat. Ecora does not control production scheduling, mine plans, costs, maintenance, grades, development timing, or capital allocation at the underlying mines. The company explicitly relies on information from Kestrel Coal, Capstone, Orvana, Vale, Moxico, Largo, Cameco/Orano, NexGen, and other operators/developers. Production in or out of the Kestrel private royalty area, shipping timing at Voisey's Bay, and delivery timing at Mimbula can swing quarterly contribution materially.

Commodity price exposure is direct. FY2025 shows both sides: stronger cobalt, copper, and gold supported Voisey's Bay, Mantos, Mimbula, and EVBC, while lower steelmaking coal price and royalty rate hurt Kestrel. Cobalt has an additional quota/regulatory overlay because DRC export restrictions and quotas affected alloy-grade cobalt prices in 2025. This can help non-DRC cobalt exposure, but it also creates price volatility and policy risk.

Kestrel is declining and timing-sensitive. FY2026 guidance of 1.0Mt-1.2Mt saleable production in Ecora's private royalty area is materially below FY2025's 2.2Mt, weighted to H2, with no Q1 2026 contribution and expected Q3 return. The data package should treat Kestrel as a cash-flow runoff asset, not a durable growth engine.

Development timing is a major optionality caveat. Santo Domingo, West Musgrave, Nifty, Vizcachitas, Canariaco, Phalaborwa, Salamanca, and Patterson Corridor East may have long mine lives or attractive commodity exposure, but current contribution is nil or immaterial. Nifty has a specific 800kt cumulative copper threshold before Ecora payments; West Musgrave is under review; Santo Domingo needs an investment decision; Phalaborwa depends on project execution and commercial production timing.

Accounting classification matters. EVBC and McClean should not be modeled purely from statutory revenue. EVBC royalties are reflected through fair-value movements under IFRS 9 rather than royalty income. McClean includes principal repayment under a commodity-related financing agreement. Portfolio contribution is designed to capture these economics, but the statutory model must reconcile them explicitly.

Tax/legal disclosure is another caveat. FY2025 tax expense included a deferred tax credit related to Voisey's Bay impairment reversal and Canadian tax losses. The 2025 annual report also notes uncertain tax interpretation around historical restructurings, with potential additional income tax charge if authorities interpret legislation differently. Do not normalize FY2025 tax mechanically without adjusting for impairment reversal and deferred-tax effects.

8. Downstream modeling handoff

Recommended B appendix taxonomy:

Segment	TTM portfolio contribution	Normalized starting point	Key modeling drivers
Base Metals	$33.4m	Start at $32m-$36m contribution before growth; normalize Voisey's Bay shipping timing and Mimbula full-year entitlement	Voisey's Bay cobalt 500-560t FY2026 guidance, cobalt price, Mimbula 1,080-1,130t attributable copper, Mantos lower-grade FY2026 then normalized copper production
Specialty Metals & Uranium	$8.2m	Start at $8m-$9m; avoid overcapitalizing one-quarter Four Mile rebound	McClean toll-rate step-down, Four Mile 4-5Mlb annual run-rate, uranium price, Maracas 7.5-9.5kt vanadium sales
Bulks & Other	$21.8m	Separate Kestrel runoff from EVBC gold exposure; consider normalized 2026 below TTM due Kestrel decline	Kestrel 1.0-1.2Mt FY2026 H2-weighted guidance, steelmaking coal price/royalty rate, EVBC gold price and mine-plan risk

For the S model, begin with $63.4m TTM portfolio contribution, not FY2025 $57.0m, because the TTM includes Q1 2026 base-metals ramp. However, normalize the starting point rather than using $63.4m blindly. A reasonable starting range is $60m-$66m before company-specific segment judgment: Base Metals is likely the growth engine, Kestrel is a declining runoff, Specialty/Uranium is relatively stable with uranium optionality, and EVBC is high gold-price / high mine-plan risk.

Recommended modeling sequence: build asset-level contribution; deduct stream cost of sales explicitly for Voisey's Bay and Mimbula; reconcile to royalty and metal stream related revenue by excluding EVBC FVTPL royalties and McClean principal repayments where necessary; apply operating expenses based on FY2025 segment/corporate run rate; model finance costs from net debt/RCF; normalize tax excluding unusual impairment/deferred-tax effects; then convert to adjusted EPS and FCF using the 248.9m FY2025 basic share count as the starting share base.

The data handoff is ready for DR review if DR focuses on three points: confirm the Section 0a checklist is sufficient for a sparse-FMP foreign royalty issuer; verify the $63.4m TTM arithmetic against the four trading updates; and check that the downstream model does not double-count EVBC or McClean when reconciling contribution to statutory revenue.