



October 15, 2025

THE LONG PULL: Blue Moon Metals (MOON.V)

Blue Moon Metals (MOON.V) checks a lot of my boxes for a highly asymmetric junior resource investment:

- **Young management team with prior success:** 40-year-old CEO started Adventus Mining with \$2M and sold it for \$235M in 2024.
- **Polymetallic Asset Portfolio:** 916Mlbs of zinc, 848Mlbs of copper (not including inferred from their largest asset), 27Moz of silver, 482Koz of gold, 43Mlbs of lead, and 11.5Kt of tungsten.
- **Insider Ownership:** Management/insiders own over 10% of the company.
- **Tier-1/Strategic Jurisdictions:** Norway and the United States (Nevada/California)
- **Massive In-Situ Value vs. EV:** \$8.9B In-Situ value against a \$163M EV (without assigning any value to its NSG project – **17Mt of 1.10% CuEq**)
- **Path Towards Production:** Current plan is to have three producing mines in the next 3-5 years (remind you of any other company???)

There are many ways to win with MOON ... but the most interesting kicker came yesterday when the company announced the [purchase of the Springer Tungsten Mill & Mine](#).

Here's my 30,000ft thesis.

MOON owns four critical mineral assets in Tier-1 jurisdictions with clear paths to low-cost development and production. All four mines are permitted for underground development. Their largest asset (Nussir) has construction permits in place, and the Springer Mill can quickly restart ore processing from both MOON's Blue Moon deposit and surrounding deposits.

The company trades at roughly the replacement cost of its recently purchased Springer Mill, which likely understates the actual replacement cost of one of the only operating tungsten processing mills in the US. **MOON management estimates replacement costs of \$300M+.**

So for half the price of replacing the Springer Mill, you get **four tier-1 assets** with **~1Blbs of zinc and copper**, tungsten production capabilities, and existing infrastructure across its mining properties. Not bad, right?

Blue Moon Zinc-Silver Project (California)

The best way to analyze MOON is via a “sum of the assets” approach of its three primary projects (Blue Moon, Nussir, and Springer Hill). Let’s start with Blue Moon.

Blue Moon is a 100% owned, high-grade volcanogenic massive sulfide (or VMS) deposit in Mariposa County, CA (APM has treated us well, so I have a soft spot for California).

The company has underground development and water discharge permits, and started decline construction this month.

The deposit has a long history of exploration and production. Hecla Mining produced ~55,656 short tons averaging 12.3% Zn, 0.36% Cu, 0.48% Pb, 3.75 oz/ton Ag, and 0.062 oz/ton Au during WWII (between 1943–1945).

Check out the indicated and inferred in-situ values below.

Blue Moon (Indicated)	% Grade	Contained Metal	Metal Price \$	In-Situ
Zinc	6.00%	438,000,000	1.33	\$582,540,000
Copper	0.73%	53,290,000	5	\$266,450,000
Silver	1.49	5,438,500	45	\$244,732,500
Gold	0.04	146,000	3500	\$511,000,000
Lead	0.23%	16,790,000	0.997	\$16,739,630
Total In-Situ Value	\$1,621,462,130			
Blue Moon (Inferred)	% Grade	Contained Metal	Metal Price \$	In-Situ
Zinc	5.40%	478,440,000	1.33	\$636,325,200
Copper	0.54%	47,844,000	5	\$239,220,000
Silver	1.41	6,246,300	45	\$281,083,500
Gold	0.04	177,200	3500	\$620,200,000
Lead	0.30%	26,580,000	0.997	\$26,500,260
Total In-Situ Value	\$1,803,328,960			
Total Blue Moon Contained Metal				
Zinc (lb)	916,440,000			
Copper (lb)	101,134,000			
Silver (oz)	11,684,800			
Gold (oz)	323,200			
Lead (lb)	43,370,000			
Total In-Situ Value	\$3,424,791,090			

This is a high-grade, predominantly zinc asset that **could generate \$80M+ in annual pre-tax operating cash flow** (2x the current EV for Blue Moon alone). The PEA

assumes ~1,800tpd with average yearly production of 7.2Mlbs copper, 62Mlbs zinc, 681Koz silver, and 22.5Koz gold.

Comparable public peer polymetallic VMS-style deposits trade anywhere from \$60M (Arizona Metals Corp) to \$1.5B (Foran Mining). Blue Moon is attractive on its own, but it's one of four assets in MOON's portfolio.

Nussir Copper-Gold-Silver Project (Norway)

Nussir is MOON's flagship asset for two reasons. First, it's the closest asset to production (estimated H2 2027). Second, it's a massive resource: 28.7Mt of 1.20% CuEq in Measured & Indicated with another 32Mt of 1.23% CuEq in Inferred.

Nussir (Measured)	% Grade	Contained Metal	Metal Price \$	In-Situ
Copper	1.60%	54,400,000	5	\$272,000,000
Gold	0.007760272	13,192	3500	\$46,173,618
Silver	0.47	799,000	45	\$35,955,000
			Total In-Situ	\$354,128,618
Nussir (Indicated)	% Grade	Contained Metal	Metal Price \$	In-Situ
Copper	1.09%	693,240,000	5	\$3,466,200,000
Gold	0.004585615	145,823	3500	\$510,378,950
Silver	0.45	14,310,000	45	\$643,950,000
			Total In-Situ	\$4,620,528,950

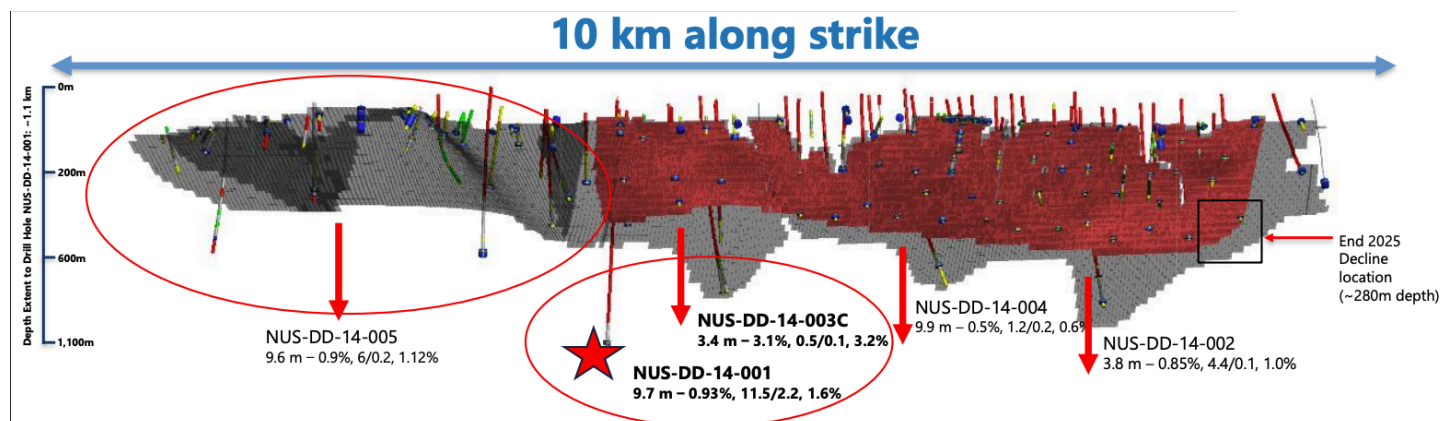
The asset has an in-situ value of \$4.6B while assigning \$0 to its inferred category.

Nussir has it all:

- Fully permitted: construction began this month.
- Decades of prior development work by the previous owner
- Existing infrastructure: 2.5km underground exploration tunnel, year-round ice-free port access, and ship-loading facilities
- Power: Existing high-capacity 132kV power lines connected to a fully renewable grid
- Water: Existing 8" water connection to nearby dam

MOON estimates ~20,000tpa CuEq production starting in 2027. Assuming a \$5/lb copper price and first-quartile cash costs (\$2/lb), you'd get **~\$120M in annual pre-tax operating cash flow.**

Not to mention all the exploration upside at the Nussir orebody. For instance, the company's NI 43-101 resource is open along strike and down dip (below current resource depth, see image below).



Nussir is fully funded through construction via a \$140M financing from Hartree Partners and Oaktree Capital Management (yes, the Howard Marks one). Here's the deal structure:

- **Bridge Loan:** \$25 million (available immediately)
- **Senior Secured Term Loan:** \$50 million (6.5-year term)
- **Precious Metals Stream:** \$70 million (70% Au, 75% Ag production)
- **Equity Investment:** Up to \$20 million

I sound like a broken record, but MOON looks cheap when you compare its EV against *just* the Nussir asset. But remember, it has Blue Moon, NSG, and its newly acquired Springer Hill project.

Springer Hill Tungsten Mill & Mine (Nevada)

MOON's acquisition of Springer Hill forced me to buy shares. I love the idea of owning a Nationally Strategic asset (a tungsten mill in the US) with the option to create a hub-and-spoke model for surrounding deposits and MOON's own Blue Moon ore.

The mill and mine sit on private land with an estimated replacement cost of \$300M (nearly 2x the current market cap). Existing infrastructure includes:

- Electrical infrastructure, including main substation (69kV to 5kV), transformers, switchgear, MCCs, soft starters, and substations
- Crusher & conveying system
- Ancillary facilities: hoist house, mine substation, maintenance pads, warehouse, offices

- Roads, tankage, and other miscellaneous surface infrastructure associated with the operation
- Water rights

General Electric built and ran the mill in 1981 to mine and process tungsten ... before we outsourced that to China. Today, **it's one of two APT tungsten mills in North America.**

What price do you put on that type of asset in the current geopolitical/resource nationalist environment? \$300M, \$500M, \$1B? It's probably a lot higher than MOON's current EV of \$162M.

But it's not just the mill. Springer Hill has a historic NI 43-101 (2012) with 355Kt of indicated resources at 0.54% WO₃ and 1.93Mt of inferred resources at 0.49% WO₃.

MOON can process five years of tungsten ore from its historic resource, which could generate substantial cash flows at today's tungsten prices.

Then there's the optionality of the hub-and-spoke processing model. MOON can truck its Blue Moon ore to Springer Hill, or it can sign toll-milling agreements with nearby developers/producers to process their ore, or it can acquire adjacent deposits that would be uneconomical without a 100% owned mill nearby.

There are so many ways MOON can generate more than its market cap in value from Springer Hill and tungsten alone. Yet we get Blue Moon, Nussir, and NSG on top of it.

Conclusion: Many Ways To Win

There are so many ways MOON can generate more than its market cap in value from Springer Hill and tungsten alone. Yet we get Blue Moon, Nussir, and NSG on top of it.

I don't know which asset will be the most successful, and I don't need to. The point is MOON has multiple critical mineral assets in Tier-1 jurisdictions with Nationally Strategic tailwinds and a favorable commodity pricing environment.

Hell, Scott Bessent just said they'd put more price floors in on critical minerals *as I'm writing this report*. What does that do to NPVs and discount rates?

My goal is to add to this position to reach ~5-7% notional.