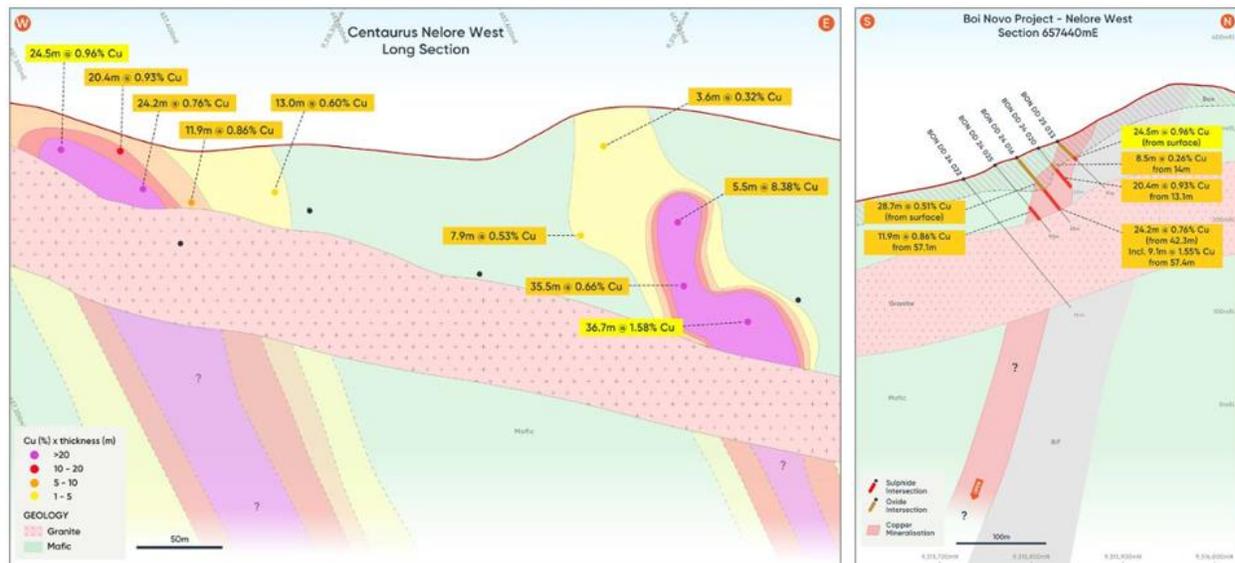


Ticker: CTM AU **1Q25 cash:** A\$13m **Project:** Jaguar / Boi Novo / Jambreiro
Market cap: A\$199m **Price:** A\$0.40/sh **Country:** Brazil
REC. (unc): BUY **TARGET (unc):** A\$1.75/sh **RISK RATING (unc):** HIGH

Yesterday's Centaurus drilling results from the Boi Novo continues to build on the prospectivity of this region (only 20km from BHP's Antas Norte copper float plant) with a thick headline hit of **36.7 @ 1.58% Cu** as well as **24.5m @ 0.96% Cu from surface** in oxides from the Nelore prospect which has been defined over a 300m strike and mineralization remaining open along strike and down dip and multiple targets still to be tested. Notably, the headline hit is higher grade than prior results but still thick (~37m)—pointing to potential bulk UG if hits continue further. Excitingly, CTM has also identified multiple broad zones of itabirite iron ore over a 6km strike. While early days this has the potential to elevate CTM into a multi-metal company with Ni, Cu, Au, and Fe in the portfolio. We now await the results from the metallurgical testing to understand the potential of the iron ore. As such, we maintain our **BUY rating and our price target of \$1.75/sh** based on 0.5xNAV. Centaurus' Jaguar project is now de-risked and shovel ready, with last month's value study driving our SCPe NPV of A\$1,431m and positioning them among the rare >1.2Mt Ni metal, <\$US\$500m capex, open-pittable nickel sulfide deposits globally back stopping Boi Novo that could become Brazil's next Cu-Au-Fe delineation story.

Figure 1. Nelore West Prospect (A) long Section (B) cross section



Source: Centaurus Metals

Boi Novo hits 37m @ 1.6% Cu at Nelore and discovers new iron zone with 77m @ 33.8% Fe

Yesterday, Centaurus announced results from the Boi Novo Cu-Au project (Brazil). Drilling at the Nelore Prospect returned **36.7m @ 1.58% Cu** from 220m (incl. 9.2m @ 2.73% Cu) **24.5m @ 0.96%** from surface in oxides (incl. 13.5m @ 1.41%). Additionally, multiple broad zones of itabirite iron ore have been identified (6km strike) with highlights of **77.1m @ 33.8% Fe** from 18m, **82.8m @ 29.7%** from 269m (incl. 65.5m @ 29.4%), and **48.6m @ 34.5%** from 119m, metallurgical tests underway to evaluate high-grade iron concentrate potential.

Figure 2. Boi Novo Prospect (A) geology map (B) cross section with Fe intercepts



Source: Centaurus Metals

Why we like Centaurus

1. Only >1.2Mt Ni metal, <US\$500m capex, pitable nickel sulphide junior globally
2. One of few high-grade nickel sulphide developers retaining 100% of its offtake rights
3. CO₂ / energy security value with <1/10th the CO₂ of laterites, and location outside Russia
4. Taking 'vanilla' concentrate route leaving room for down-stream POX optionality
5. 10Y 75% tax-breaks in well known mining jurisdiction (no rainforest, RAP, indigenous)

Catalysts

- 1H25: Jambreiro mining lease
- 1H25 / 2Q28: Final investment decision / production start
- 2H25 underground conceptual study

Research

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Ticker: CTM AU	Price / mkt cap: A40c/sh / A\$199m	P/NAV today: 0.11x	Country: Brazil
Author: B Gaspar	Rec/0.5xNAV7% PT: BUY, A\$1.75/sh	1xNAV _{Q25} FF FD: A\$3.03/sh	Asset: Jaguar

Commodity price	CY24A	CY25E	CY26E	CY27E	CY28E
Ni price (US\$/t)	17,061	16,754	19,332	20,944	20,944
Ni price (US\$/t payable)	13,649	13,403	15,466	16,755	16,755
1xNAV project valuation*	A\$m	o/ship	NAVx	A\$/sh	
Jaguar OP NPV (build start)	1,431	100%	1.0x	2.82	
Jaguar UG, 50% risked	141	100%	1.0x	0.28	
Expln & resources ex reserve @ 1% insitu	190	100%	1.0x	0.37	
1Q25 cash	13	100%	1.0x	0.03	
Cash from ITM options	-	100%	1.0x	-	
1XNAV A\$ @ 3Q24	1,775			3.50	

*Build start, ex fin. cost + G&A, dil. for optns not build P/NAV today: 0.11x

Asset value: 1xNPV project @ build start (A\$m, ungeared)*					
	7.50/lb	8.50/lb	9.50/lb	10.50/lb	11.50/lb
Group NAV (A\$m)	16,535	18,739	20,944	23,149	25,353
9.0% discount	856	1,196	1,535	1,875	2,214
7.0% discount	1,009	1,392	1,775	2,158	2,541
5.0% discount	1,196	1,632	2,067	2,503	2,939
Ungeared project IRR:	0%	0%	0%	0%	0%
Group NAV (A\$/sh)	16,535	18,739	20,944	23,149	25,353
9.0% discount	1.69	2.36	3.02	3.69	4.36
7.0% discount	1.99	2.74	3.50	4.25	5.01
5.0% discount	2.36	3.21	4.07	4.93	5.79

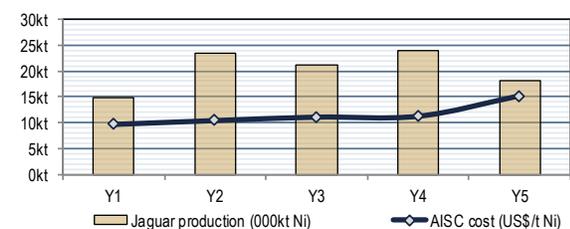
*Project level NPV, excl finance costs and central SGA, discounted to build start

SOTP company valuation^	Jun-25	Jun-26	Jun-27	Jun-28	Jun-29
Jaguar NPV	1,351	1,511	1,950	2,324	2,235
Resources ex reserve + UG	331	331	331	331	331
Central G&A & fin costs	(155)	(159)	(135)	(84)	(37)
Net cash prior quarter	13.4	160.1	(170.3)	(455.4)	(278.9)
Cash from ITM options	-	-	-	-	-
NAV (A\$m)	1,540	1,844	1,976	2,116	2,249
FD share count (m)	508	1014	1014	1014	1014
1xNAV7%/sh FF FD (A\$/sh)	3.03	1.82	1.95	2.09	2.22

Exit value: 1xNAV/sh company @ first production (A\$, geared)^					
	7.50/lb	8.50/lb	9.50/lb	10.50/lb	11.50/lb
Group NAV (A\$m)	16,535	18,739	20,944	23,149	25,353
9.0% discount	1,099	1,510	1,920	2,331	2,741
7.0% discount	1,223	1,669	2,116	2,563	3,009
5.0% discount	1,371	1,860	2,350	2,839	3,328
Exit value: 1xNAV/sh company @ first production (A\$, geared)^					
1xNAV (A\$/sh)	16,535	18,739	20,944	23,149	25,353
9.0% discount	1.00	1.37	1.74	2.11	2.48
7.0% discount	1.11	1.51	1.92	2.32	2.73
5.0% discount	1.24	1.69	2.13	2.57	3.02

Production	Y1	Y2	Y3	Y4	Y5
Jaguar production (000kt Ni)	14.8	23.5	21.1	23.9	18.2
C1 cost (US\$/t Ni)	5,745	5,961	6,242	6,222	7,457
AISC cost (US\$/t Ni)	7,240	7,482	7,702	7,757	9,055

AISC = C1 + sustaining capex + central G&A, C3 = AISC + depreciation



Source: SCP estimates

Resource/Inventory	Mt	NI Eq %	Mt	Ni %
2Q24 JORC				
	M&I		OP:	Reserves
Inferred	25.7	0.97%	UG:	-
	138.2	0.95%	Total	52.0
				0.78%

Funding: uses		Funding: sources	
Capex (A\$m)	578.7	4Q24 cash (A\$m)	13.4
Drilling/FS cost (A\$m)	-	SCPe debt (A\$m)	462.9
Working cap >DFS (A\$m)	-	SCPe equity at spot (A\$m)	202.5
G&A and fin. cost (A\$m)	36.8	Total sources (A\$m)	678.8
Total uses: group (A\$m)	615.5	Buffer (A\$m)	63.3

Share data (m)	Basic	FD	FF FD		
Shares (m)	496.7	507.6	1013.9		
Ratio analysis	CY24A	CY25E	CY26E	CY27E	CY28E
Shares out (m)	496.7	1,003.0	1,003.0	1,003.0	1,003.0
EPS (Ac/sh)	-	-	-	-	12.0
CFPS pre w/c (A\$/sh)	-	-	-	-	4.5
EV (A\$m)	180.6	188.2	484.9	814.2	736.7
FCF yield (%)	-	-	-	-	19%
PER (x)	-	-	-	-	3.3x
P/CF (x)	-	-	-	-	5.2x
EV/EBITDA (x)	-	-	-	-	3.3x

Income statement	CY24A	CY25E	CY26E	CY27E	CY28E
Revenue (A\$m)	-	-	-	-	378.4
COGS (A\$m)	-	-	-	-	150.9
Gross profit (A\$m)	-	-	-	-	227.5
G&A (A\$m)	4.3	4.1	4.0	4.0	4.0
Exploration (A\$m)	16.9	4.0	-	-	-
Finance costs (A\$m)	-	-	18.2	48.9	47.7
Tax (A\$m)	(3.5)	-	-	-	24.6
Other (A\$m)	0.2	(0.4)	(0.5)	(0.4)	30.8
Net income (A\$m)	(17.8)	(7.7)	(21.7)	(52.5)	120.3

Cash flow statement	CY24A	CY25E	CY26E	CY27E	CY28E
EBITDA (A\$m)	(22.5)	(8.0)	(4.0)	(4.0)	223.5
Add share based (A\$m)	1.1	-	-	-	-
Net change WC (A\$m)	(0.6)	-	-	1.9	32.4
Cash flow ops (A\$m)	(15.8)	(7.7)	(21.7)	(54.3)	118.7
PP&E + sust. (A\$m)	0.3	0.0	275.0	275.0	41.2
PP&E - expl'n (A\$m)	0.1	-	-	-	-
Cash flow inv. (A\$m)	(0.4)	(0.0)	(275.0)	(275.0)	(41.2)
Share issue (A\$m)	0.4	202.5	-	-	-
Debt/draw (repay) (A\$m)	-	-	315.0	147.9	(115.7)
Cash flow fin. (A\$m)	0.4	202.5	315.0	147.9	(115.7)
Net change in cash (A\$m)	(16.4)	195.0	18.3	(181.4)	(38.3)

Balance sheet	CY24A	CY25E	CY26E	CY27E	CY28E
Cash (A\$m)	18.0	213.0	231.3	49.9	11.7
Acc rec. + invet (A\$m)	0.7	0.7	0.7	0.2	49.2
PP&E & expl'n (A\$m)	20.7	20.6	295.6	570.6	581.0
Total assets (A\$m)	39.5	234.4	527.7	620.8	641.8
Debt (A\$m)	-	-	315.0	462.9	347.2
Accounts payable (A\$m)	2.4	2.4	2.4	-	16.5
Others (A\$m)	18.6	213.5	231.8	49.9	60.6
Total liabilities (A\$m)	4.1	4.1	319.1	464.6	365.4
Shareholders' equity (A\$m)	282.5	485.1	485.1	485.1	485.1
Reserves (A\$m)	(7.7)	(7.7)	(7.7)	(7.7)	(7.7)
Retained earnings (A\$m)	(239.4)	(247.1)	(268.8)	(321.3)	(201.0)
Liabilities + equity (A\$m)	39.5	234.4	527.7	620.8	641.8

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BUY:	51
HOLD:	0
SELL:	0
UNDER REVIEW:	1
TENDER:	0
NOT RATED:	0
TOTAL	52

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