SCP EQUITY RESEARCH

Centaurus Metals, 15 July 2026

| | | |
|---|---|---|
| **Ticker:** CTM AU | **1Q26 cash:** A$22m | **Project**: Jaguar / Boi Novo / Jambreiro |
| **Market cap**: A$261m | **Price:** A$0.46/sh | **Country:** Brazil |
| *REC. (unc): BUY* | *TARGET (unc): A$1.50/sh* | *RISK RATING (unc): HIGH* |

*We see four key takeaways from today's ONS approval to connect Jaguar to the national grid:* ***First*****, the initial 20MW allocation is sufficient for Jaguar's 3.5Mtpa OP base case***, materially derisking future operations. As grid power was already incorporated in the most recent 2025 Value Engineering Study, we expect power consumption and related unit costs to remain broadly unchanged.* ***Second*****, ANEEL (Agência Nacional de Energia Elétrica) is the next and final external regulatory approval required** *before construction of the transmission line can begin. With ONS approval, environmental licenses, and the transmission easement already secured, we view ANEEL as a largely procedural technical-compliance step, hence, we think approval could come in 4Q26-1Q27, maintaining current timelines to first production in 1Q29.* ***Third****, the connection has the capacity to draw more power (45-60MW) if needed – providing flexibility for a future underground operation, where ventilation, pumping, backfill etc would increase demand – although we see this as more likely to come following the planned regional transmission upgrade in 2032.* ***Finally****, given the location of Jaguar on the regional HV grid, we do not currently expect participation in load shedding ahead of 2032 upgrades to result in material downtime, but note that comminution circuits are likely the most critical area to build contingency planning around for backup-power and controlled-shutdown planning in our view.*

*For now, we leave our assumptions unchanged and* ***maintain our BUY rating and our A$1.50/sh price target*** *based on 0.5xNAV for Jaguar. Stepping back, Jaguar's core mine development is fully permitted, with a binding Glencore offtake covering ~one-third of planned production, a US$190M BNDES financing LOI, representing ~50% of initial build capex and an experienced project team being assembled under Project Director Thiago Costa, who previously led Ero Copper's Tucumã build. Upcoming catalysts include Boi/Rio Novo exploration results, completion of the remaining debt, equity and offtake package ahead of a 3Q26 FID and construction start, and first production in 1Q29.*

### Jaguar secures grid access, supporting 3Q26 FID and maintaining 1Q29 first production timelines

Today, Centaurus Metals received approval from the ONS (National Operator of Electric Grid) to connect Jaguar to the national 230kv power grid, securing an initial 20MW allocation against which Centaurus will lodge a R$9.7m (A$2.7m) guarantee with ONS within 90 days that will remain in place until the project is operational. Centaurus intends to provide this guarantee at FID. The connection will be established via construction of a 36km extension from the existing 230kV transmission line to Jaguar's main substation. Centaurus has agreed to take part in load shedding as part of the approval, until planned regional transmission upgrades have been completed (mid-2032).

## Why we like Centaurus

1. Only >1.2Mt Ni metal, <US$500m capex, pittable nickel sulphide junior globally
2. One of few high-grade nickel sulphide developers retaining ~66% of its offtake rights
3. $CO_2$ / energy security value with <1/10th the $CO_2$ 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

- 2026: Advance Jambreiro (iron ore) offtake discussions and licensing
- 2026: Boi/Rio-Novo exploration
- 3Q26: Final investment decision
- 1Q29: production start

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|---|---|---|---|---|---|
| **Ticker:** CTM AU | **Price / mkt cap:** | A$46c/sh / A$261m | **P/NAV today:** | 0.15x | **Country:** Brazil |
| **Author:** E Magdzinski | **Rec/0.5xNAV7% PT:** | BUY, A$1.50/sh | **$1xNAV_{2Q26}$ FF FD:** | A$2.62/sh | **Asset:** Jaguar |

| **Commodity price** | **CY24A** | **CY25A** | **CY26E** | **CY27E** | **CY28E** |
|---|---|---|---|---|---|
| Ni price (US$/t) | 17,061 | 15,371 | 19,446 | 20,694 | 20,944 |
| Ni price (US$/t, payable) | 13,649 | 12,296 | 15,557 | 16,555 | 16,755 |
| **1xNAV project valuation*** | **A$m** | **o/ship** | **NAVx** | **A$/sh** | |
| Jaguar OP NPV (build start) | **1,446** | 100% | 1.0x | 2.37 | |
| Jaguar UG, 50% risked | **141** | 100% | 1.0x | 0.23 | |
| Expln & resources ex reserve @ 1% insitu | 190 | 100% | 1.0x | 0.31 | |
| 1Q26 cash | 22 | 100% | 1.0x | 0.04 | |
| Cash from ITM options | 14.7 | 100% | 1.0x | 0.02 | |
| **1XNAV A$ @ 2Q26** | **1,813** | | | **2.98** | |
| **Build start, ex fin. cost + G&A, dil. for optns not build* | | | *P/NAV today:* | 0.15x | |

| **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 | 875 | 1,218 | 1,562 | 1,906 | 2,250 |
| 7.0% discount | 1,034 | 1,424 | **1,813** | 2,203 | 2,592 |
| 5.0% discount | 1,231 | 1,676 | 2,121 | 2,566 | 3,011 |
| Ungeared project IRR: | 20% | 26% | 31% | 36% | 41% |
| Group NAV (A$/sh) | 16,535 | 18,739 | 20,944 | 23,149 | 25,353 |
| 9.0% discount | 1.44 | 2.00 | 2.56 | 3.13 | 3.69 |
| 7.0% discount | 1.70 | 2.34 | **2.98** | 3.61 | 4.25 |
| 5.0% discount | 2.02 | 2.75 | 3.48 | 4.21 | 4.94 |

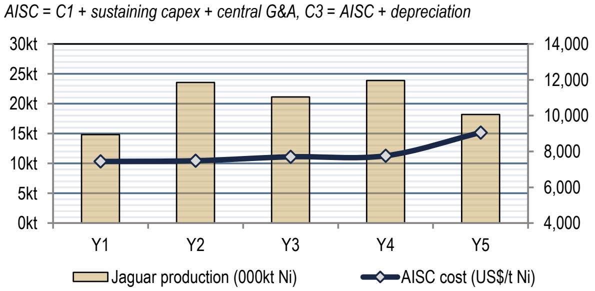
**Project level NPV, excl finance costs and central SGA, discounted to build start*

| **SOTP *company* valuation^** | **Jun-26** | **Jun-27** | **Jun-28** | **Mar-29** | **Jun-30** |
|---|---|---|---|---|---|
| Jaguar NPV | 1,390 | 1,609 | 2,068 | 2,400 | 2,311 |
| Resources ex reserve + UG | 331 | 331 | 331 | 331 | 331 |
| Central G&A & fin costs | (161) | (160) | (117) | (97) | (42) |
| Net cash prior quarter | 21.6 | 226.5 | (137.4) | (345.9) | (174.5) |
| Cash from ITM options | 14.7 | 14.7 | 14.7 | 14.7 | 14.7 |
| NAV (A$m) | 1,596 | 2,021 | 2,159 | **2,303** | 2,440 |
| *FD share count (m)* | *609* | *1299* | *1299* | *1299* | *1299* |
| 1xNAV7%/sh FF FD (A$/sh) | 2.62 | 1.56 | 1.66 | **1.77** | 1.88 |

| **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 | 1,252 | 1,676 | 2,100 | 2,524 | 2,948 |
| 7.0% discount | 1,380 | 1,842 | **2,303** | 2,764 | 3,225 |
| 5.0% discount | 1,534 | 2,039 | 2,544 | 3,050 | 3,555 |
| **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 | 0.96 | 1.29 | 1.62 | 1.94 | 2.27 |
| 7.0% discount | 1.06 | 1.42 | **1.77** | 2.13 | 2.48 |
| 5.0% discount | 1.18 | 1.57 | 1.96 | 2.35 | 2.74 |

| **Production** | **Y1** | **Y2** | **Y3** | **Y4** | **Y5** |
|---|---|---|---|---|---|
| Jaguar production (000kt Ni) | 14.8 | 23.5 | 21.1 | 23.9 | 18.2 |
| C1 cost (US$/t Ni) | 5,946 | 5,961 | 6,242 | 6,222 | 7,457 |
| AISC cost (US$/t Ni) | 7,441 | 7,482 | 7,702 | 7,757 | 9,055 |

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




| **Resource/Inventory** | **Mt** | **NiEq %** | | **Mt** | **Ni %** |
|---|---|---|---|---|---|
| | 2Q24 JORC | | | Reserves | |
| M&I | 112.6 | 0.95% | OP: | 52.0 | 0.78% |
| Inferred | 25.7 | 0.97% | UG: | - | - |
| | 138.2 | 0.95% | Total | 52.0 | 0.78% |

| **Funding: uses** | | **Funding: sources** | |
|---|---|---|---|
| Build capex (A$m) | 598.4 | 1Q26 cash+ITM opt'n 1st prod (A$m) | 36.3 |
| Drilling/FS cost (A$m) | 2.9 | SCPe debt (A$m) | 389.0 |
| Working cap to first prod.(A$m) | 39.8 | SCPe equity at spot (A$m) | 317.2 |
| G&A and fin. cost (A$m) | 84.6 | Total sources (A$m) | 742.4 |
| Total uses (A$m) | 725.7 | *Buffer (A$m)* | *16.7* |

| **Share data (m)** | **Basic** | **FD** | **FF FD** |
|---|---|---|---|
| Shares (m) | 566.6 | 609.4 | 1298.9 |

| **Ratio analysis** | **CY25A** | **CY26E** | **CY27E** | **CY28E** | **CY28E** |
|---|---|---|---|---|---|
| Shares out (m) | 562.8 | 1,256.1 | 1,256.1 | 1,256.1 | 1,256.1 |
| EPS (Ac/sh) | - | - | - | - | 10.2 |
| CFPS pre w/c (A$/sh) | - | - | - | - | 7.5 |
| EV (A$m) | 234.3 | 297.2 | 628.6 | 923.8 | 803.1 |
| FCF yield (%) | - | - | - | - | 21% |
| PER (x) | - | - | - | - | 4.5x |
| P/CF (x) | - | - | - | - | 4.8x |
| EV/EBITDA (x) | - | - | - | - | 3.0x |
| **Income statement** | **CY25A** | **CY26E** | **CY27E** | **CY28E** | **CY28E** |
| Revenue (A$m) | - | - | - | - | 391.3 |
| COGS (A$m) | - | - | - | - | 160.8 |
| **Gross profit (A$m)** | **-** | **-** | **-** | **-** | **230.6** |
| G&A (A$m) | 1.0 | 4.4 | 4.4 | 4.4 | 4.4 |
| Exploration (A$m) | 9.5 | 4.3 | - | - | - |
| Finance costs (A$m) | - | 2.1 | 27.8 | 42.8 | 42.1 |
| Tax (A$m) | 0.1 | - | - | - | 23.9 |
| Other (A$m) | 3.8 | (0.3) | (0.8) | (0.4) | 31.8 |
| **Net income (A$m)** | **(14.3)** | **(10.4)** | **(31.4)** | **(46.7)** | **128.4** |
| **Cash flow statement** | **CY25A** | **CY26E** | **CY27E** | **CY28E** | **CY28E** |
| EBITDA (A$m) | (14.8) | (8.7) | (4.4) | (4.4) | 226.2 |
| Add share based + other (A$m) | 1.1 | (1.7) | (27.0) | (42.4) | (119.2) |
| Net change WC (A$m) | 0.5 | - | - | - | 26.7 |
| **Cash flow ops (A$m)** | **(13.2)** | **(10.4)** | **(31.4)** | **(46.7)** | **133.7** |
| PP&E + sust. (A$m) | 2.1 | 50.0 | 300.0 | 248.4 | 13.0 |
| PP&E - expl'n (A$m) | - | - | - | - | - |
| Other (A$m) | 0.0 | 1.9 | - | - | - |
| **Cash flow inv. (A$m)** | **(2.2)** | **(51.9)** | **(300.0)** | **(248.4)** | **(13.0)** |
| Share issue (A$m) | 22.0 | 318.3 | - | - | - |
| Debt draw (repay) (A$m) | - | 75.0 | 314.0 | - | (48.6) |
| **Cash flow fin. (A$m)** | **22.0** | **393.3** | **314.0** | **-** | **(48.6)** |
| Net change in cash (A$m) | 6.5 | 331.0 | (17.4) | (295.2) | 72.1 |
| **Balance sheet** | **CY25A** | **CY26E** | **CY27E** | **CY28E** | **CY28E** |
| Cash (A$m) | 24.6 | 355.6 | 338.2 | 43.0 | 115.1 |
| Acc rec. + invet. (A$m) | 16.2 | 16.2 | 16.2 | 16.2 | 54.2 |
| PP&E & expl'n (A$m) | 10.0 | 60.0 | 360.0 | 608.4 | 589.5 |
| **Total assets (A$m)** | **50.8** | **431.8** | **714.4** | **667.7** | **758.8** |
| Debt (A$m) | - | 75.0 | 389.0 | 389.0 | 340.4 |
| Accounts payable (A$m) | 1.9 | 1.9 | 1.9 | 1.9 | 13.2 |
| Other (A$m) | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 |
| Total liabilities (A$m) | 5.7 | 80.7 | 394.7 | 394.7 | 357.4 |
| Shareholders' equity (A$m) | 305.4 | 621.9 | 621.9 | 621.9 | 621.9 |
| Reserves (A$m) | (7.4) | (7.4) | (7.4) | (7.4) | (7.4) |
| Retained earnings (A$m) | (253.0) | (263.4) | (294.8) | (341.5) | (213.1) |
| **Liabilities + equity (A$m)** | **50.8** | **431.8** | **714.4** | **667.7** | **758.8** |

*Source: SCP estimates*

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|---|---|
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| SELL: | 0 |
| UNDER REVIEW: | 0 |
| TENDER: | 1 |
| NOT RATED: | 0 |
| TOTAL | 64 |

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