



ARGONAUT
The Natural Choice in Resources

EQUITY RESEARCH

Financial Advisers | Stockbroking & Research | Special Situations Financing

www.argonaut.com +61 8 9224 6888

SPEC BUY

Current Price	\$0.39
Valuation	\$0.90
TSR	131%

Code: **ASX:CTM**
Sector: **Materials**

Shares on Issue (m):	497
- Fully Diluted (m)	502
Market Cap (A\$m):	199
- Fully Diluted (A\$m):	201
Cash (A\$m) (Estimate):	17
Debt (A\$m) (Estimate):	0
Enterprise Value (A\$m):	182

52 wk High/Low (ps):	A\$0.56	A\$0.25
12m av. daily vol. (Mshs):	591	

Advanced Projects	Stage
Jaguar	Permitting/Financing
Jambreiro	Studies
Boi Novo	Exploration

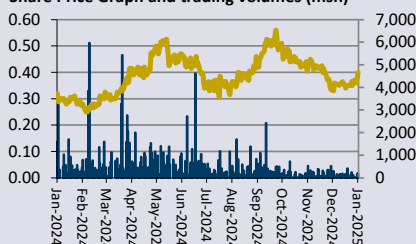
Jaguar	Mt	Ni %
Measured	14.8	1.06
Indicated	97.8	0.84
Inferred	25.7	0.88

Key Metrics:	FY28e	FY30e	FY31e
P/E (x)	0.0	2.2	2.0
EV/EBITDA (x)	-1.9	0.6	0.6

Financials:	FY28e	FY30e	FY31e
Revenue (\$m)	40	515	530
EBIT (\$m)	-131	246	259
Rep Earn (A\$m)	-116	91	101

Directors	
Didier Murcia	Chairman
Darren Gordon	Managing Director / CEO
Bruno Scarpelli	Executive Director
Mark Hancock	Non-Executive Director
Chris Banasik	Non-Executive Director

Share Price Graph and trading volumes (msh)



Please refer to important disclosures from page 5

Monday, 10 March 2025

Centaurus Metals (CTM)

Installation Licence Finalised

Analyst | George Ross

Quick Read

Grant of the Jaguar Project Installation License by the Para state government is a significant permitting milestone. This license is the final environmental permit required for grant of the project's Mining Licence. Cuts to nickel quotas in Indonesia has prompted gains in market pricing and improving overall market sentiment. This is well timed for the ongoing strategic partnering and funding processes. We maintain our Speculative Buy recommendation and improve our price target from \$0.85 to \$0.90 per share.

Key Points

Installation Licence: CTM reports it has received approval of the Jaguar Nickel Sulphide Project Installation Licence (LI) from the Para state Environmental Agency. The LI is the final condition required for finalisation of the Jaguar Mining Licence which is expected to be issued in the next few months.

The LI provides CTM with the formal right for construction of the Jaguar project to commence in line with the current project design once a suitable funding package has been finalised. The LI also enables CTM to submit an application to the State Development Department for tax incentives related to a range of goods and services including fuel and major equipment

Strategic partnering process continues: CTM has continued to engage with potential partners regarding strategic partnership for development of Jaguar. Receipt of the LI should be viewed as a significant permitting de-risking event by potential funding partners.

Indonesian Nickel cut well timed: In January, the Indonesia government announced it would aim to cut its nickel mine quota from 272 million tonnes in 2024 to 150 million tonnes in 2025. Indonesian nickel production currently represents more than 55% of total global production. We expect these cuts to drive higher nickel prices, with CTM being a beneficiary. Nickel prices have already started to move with LME spot now at US\$16,050/t, up from a low of US\$14,770/t in early January.

Boi Novo: CTM recently reported new assay results from the Boi Novo copper exploration project. These included a standout interval of 5.5m at 8.4% Cu from 147m including 2m at 22.0% Cu, 0.5g/t Au from 150.5m. Further drilling is required to establish the scale of breccia associated sulphide mineralisation.

Recommendation & Price Target

We maintain our Speculative Buy recommendation and improve our Price Target to \$0.90 per share.

Centaurus Metals (ASX:CTM)

ASX:CTM Share price (A\$) 0.39
 Market Cap (A\$m) A\$193m
 Analyst: George Ross
 www.argonaut.com Shares (m) 497

Recommendation
 Price Target
 TSR (%)
 (Assumed 70% Retention of Jaguar)

Spec Buy
 A\$0.90
 131%



Profit & loss (\$M)	2028E	2029E	2030E	2031E	2032E
Revenues (A\$m)	40	454	515	530	568
Operating costs (A\$m)	-124	-171	-162	-170	-187
Other income/forwards (A\$m)	0	0	0	0	0
Royalties (A\$m)	-2	-26	-30	-31	-33
Corporate overhead (A\$m)	-8	-8	-8	-8	-8
Total Costs (A\$m)	-135	-205	-200	-209	-229
Ebitda (A\$m)	-94	249	315	321	340
Margin (%)	-35%	52%	61%	61%	60%
Depreciation (A\$m)	-36	-76	-68	-62	-63
Ebit (A\$m)	-131	172	246	259	276
Finance income/expense (A\$m)	-22	-33	-22	-6	4
Pre-tax profit (A\$m)	-153	139	224	253	280
Tax (A\$m)	0	0	0	-11	-43
Underlying earnings (A\$m)	-153	139	224	242	237
Exceptional items (A\$m)	0	0	0	0	0
Non Controlling Interest (A\$m)	37	-97	-133	-141	-134
Reported Earnings (A\$m)	-116	42	91	101	103

Cash flow (\$M)	2028E	2029E	2030E	2031E	2032E
Net Profit (A\$m)	-116	42	91	101	103
Depreciation (A\$m)	36	76	68	62	63
Non Controlling Interest (A\$m)	-37	97	133	141	134
Exploration, interest & other (A\$m)	-25	-60	-52	-37	-29
Working capital change (A\$m)	-54	1	0	0	58
Other (A\$m)	0	0	0	0	0
Operating activities (A\$m)	-196	157	240	266	329
Capital Expenditure (A\$m)	-193	-24	-24	-74	-75
Exploration & evaluation (A\$m)	0	0	0	0	0
Other (A\$m)	0	0	0	0	0
Investment activities (A\$m)	-193	-24	-24	-74	-75
Dividends (A\$m)	0	0	0	0	0
Equity (A\$m)	0	0	0	0	0
Other (A\$m)	0	0	0	0	0
Debt draw / (Repay) (A\$m)	220	-90	-200	-243	0
Financing activities (A\$m)	220	-90	-200	-243	0
Cash change (A\$m)	-168	43	16	-50	253

Balance sheet	2028E	2029E	2030E	2031E	2032E
Cash (A\$m)	46	89	105	55	308
Receivables (A\$m)	12	62	65	66	72
Inventories (A\$m)	12	31	32	33	36
Other current assets (A\$m)	0	0	0	0	0
Total current assets (A\$m)	70	183	202	154	416
Property, plant & equip. (A\$m)	0	0	0	0	0
Mine Properties (A\$m)	482	434	395	410	426
Exploration Properties (A\$m)	0	0	0	0	0
Other (A\$m)	0	0	0	0	0
Total non-curr. assets (A\$m)	482	434	395	410	426
Total assets (A\$m)	552	617	597	564	843
Current Payables (A\$m)	25	-6	-5	8	-6
Short term borrowings (A\$m)	90	200	243	0	0
Other (A\$m)	-7	-6	-5	8	-5
Total curr. liabilities (A\$m)	108	187	232	16	-11
Long term borrowings (A\$m)	363	199	0	0	0
Other (A\$m)	0	0	0	0	0
Total non-curr. liabil. (A\$m)	363	199	0	0	0
Total liabilities (A\$m)	471	386	232	16	-11
Net assets (A\$m)	81	231	364	548	854

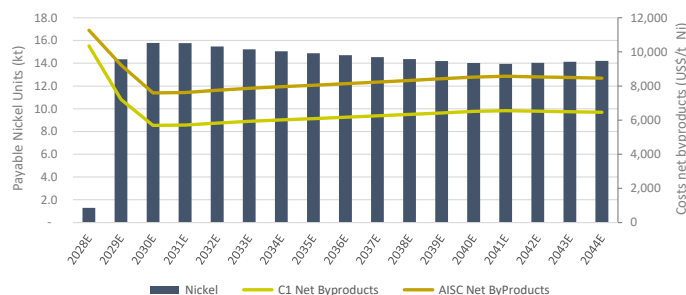
Share Capital	2028E	2029E	2030E	2031E	2032E
New shs issued/exerciseable	0	0	0	0	0
Average issue price	0.00	0.00	0.00	0.00	0.00
Total Cash Raised	0	0	0	0	0
Ordinary shares - end	912	912	912	912	912
Diluted shares - end	912	912	912	912	912

Key Financials/Ratios	Unit	2028E	2029E	2030E	2031E	2032E
GCFPS	c	-39	32	48	54	66
CFR	X	-1.0	1.2	0.8	0.7	0.6
EPS	c	-23	8	18	20	21
PER	X	0.0	4.7	2.1	1.9	1.9
Yield	%	0%	0%	0%	0%	0%
Interest cover	x	-1.2	0.0	0.0	0.0	0.0
ROCE	%	0%	40%	62%	63%	65%
ROE	%	0%	60%	43%	25%	14%
Gearing	%	96%	103%	98%	0%	0%

Jaguar Project Performance		2028E	2029E	2030E	2031E	2032E
Ore Mined						
Tonnage	Mt	1.8	3.5	3.5	3.5	3.5
Ni	%	0.40	0.80	0.81	0.80	0.79
Co	%	0.01	0.02	0.02	0.02	0.02
Payable Metal Produced						
Nickel	kt	1.3	14.3	15.8	15.8	15.5
Cobalt	kt	0.0	0.2	0.2	0.2	0.2
Payable Nickel Costs (Real)						
C1 Cost Net-BP	US\$/t Ni	4.70	3.27	2.58	2.59	2.64
AISC Net-BP	US\$/lb Ni	5.11	4.19	3.45	3.46	3.52
C1 Cost Ore Milled	US\$/t Ore	46.5	34.1	27.6	27.6	27.6
Nickel Forecast (Real)	US\$/lb Ni	7.91	7.98	8.00	8.00	8.00

Project Valuation	A\$m	A\$/sh
Jaguar Build Date Post-Tax NPV(8) 100% Ownership	878	1.77
Jambreiro Build Date Post-Tax NPV(8) 100% Ownership	273	0.55

*Value base on current shares on issue es on issue

Jaguar Production Outlook

Company Valuation Summary	Spot A\$m	A\$/sh	Forecast A\$m	A\$/sh
Jaguar Post-Tax NPV(8) 70% Retained	427	0.47	577	0.63
Jambreiro Post-Tax NPV(8) 100% Ownership	172	0.19	172	0.19
Regional Exploration	20	0.02	20	0.02
Corporate Overheads	-68	-0.08	-68	-0.07
Cash (Estimate)	17	0.02	17	0.02
Debt	0	0.00	0	0.00
Future Unpaid Capital	165	0.18	165	0.18
Total	732	0.80	882	0.96
Price Target 50:50 Spot:Forecast			807	0.90

* Valuation estimated on a capital diluted share basis

Directors & Management

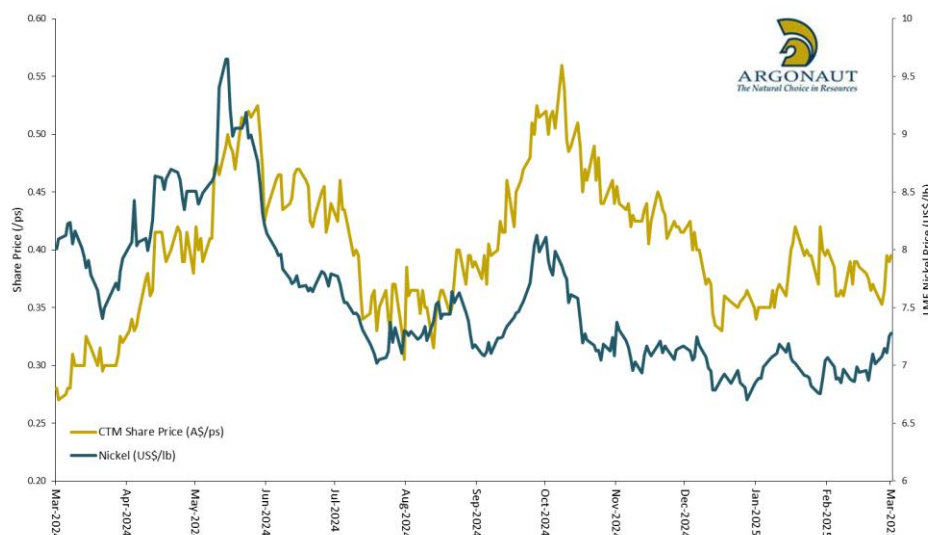
Didier Murcia	Chairman
Darren Gordon	Managing Director / CEO
Bruno Scarpelli	Executive Director
Mark Hancock	Non-Executive Director
Chris Banasik	Non-Executive Director
Natalia Streltsova	Non-Executive Director

Jaguar Project Resources	Mt	Ni %	Co %
Measured	15	1.06	0.04
Indicated	98	0.84	0.02
Inferred	26	0.88	0.03
Total	138	0.87	0.03

Nickel Pricing

Figure 1: Nickel pricing versus CTM share price performance.

Nickel pricing on the way up and we expect CTM's share price to follow



Source: Factset, Argonaut, March 2025

Corporate Level Valuation

Our corporate level valuation assumes construction of Jaguar will be begin at the beginning of CY2026, with operations ramping up from early-CY2028. We assume capital requirements would be provided by a 30% sell-down of the project at a 20% discount to NPV. Funding shortfalls would be provided by debt and an equity raising. Using our base case assumptions, CTM's assumed 70% retained stake in Jaguar is today valued at NPV(8) A\$577M.

The Jambreiro Iron Ore project remains CTM's sleeper project. We also include \$20M in value for regional exploration projects including Boi Novo.

Corporate overheads are presented as a the NPV of modelled heady company future outgoings. We estimate \$17M in current cash and equivalents with no significant debt.

Table 1: CTM company level net asset valuation.

Company Valuation Summary	Spot A\$M	A\$/sh	Forecast A\$M	A\$/sh
Jaguar Post-Tax NPV(8) 70% Retained	427	0.47	577	0.63
Jambreiro Post-Tax NPV(8) 100% Ownership	172	0.19	172	0.19
Regional Exploration	20	0.02	20	0.02
Corporate Overheads	-68	-0.08	-68	-0.07
Cash (Estimate)	17	0.02	17	0.02
Debt	0	0.00	0	0.00
Future Unpaid Capital	165	0.18	165	0.18
Total	732	0.80	882	0.96
Price Target 50:50 Spot:Forecast			807	0.90

* Valuation estimated on a capital diluted share basis

Source: Argonaut, January 2025

We ascribe a Price Target of A\$0.90 per share and maintain our Speculative Buy

Key Risks to valuation

Timelines

Our discounted cash flow model is time dependant. Any delay to scheduled development or production will adversely effect on our valuation.

Metallurgical performance

Sulphide concentrate characterisation studies have concluded that fluorine is present at manageable levels for pyrometallurgical refiners. Deleterious elements are less of an issue for hydrometallurgical refiners.

Commodity Pricing

Value estimates are based on consensus long term commodity price forecasts. A 10% difference to the price of nickel over the modelled life of mine will result in a ~25% shift in project valuation.

Costs

Cost assumptions are based on operating and capital costs from CTM documentation and our knowledge of industry rates.

Exploration success

Valuation assumes that future exploration and investments achieve acceptable returns. Subjective value is attributed to exploration assets at Jaguar.

Interest rates/discount rates

Argonaut takes cash flow risk into account when choosing discount rates for different projects. Our valuation is sensitive to the discount rate used.

RESEARCH:

Hayden Bairstow | Executive Director, Head of Research
+61 8 9224 6835

Ian Christie | Director Research
+61 8 9224 6872

Jon Scholtz | Director Research – Metals & Mining
+61 8 9224 6873

George Ross | Senior Analyst, Metals & Mining Research
+61 8 9224 6840

Pat Streater | Analyst, Metals & Mining Research
+61 8 9224 6818

Pia Donovan | Associate Analyst, Metals & Mining Research
+61 8 9224 6818

INSTITUTIONAL SALES:

Chris Wippl | Executive Director, Head of Institutional Sales
+61 8 9224 6875

Digby Gilmour | Executive Director, Co-Head of Institutional Sales

Damian Rooney | Director, Institutional Sales Trader
+61 8 9224 6862

Josh Welch | Institutional Research Sales
+61 8 9224 6868

George Ogilvie | Institutional Research Sales
+61 8 9224 6871

Matt Middlemas | Associate, Institutional Sales
+61 8 9224 6803

John Santul | Consultant, Institutional Sales & Research
+61 8 9224 6859

CORPORATE AND PRIVATE CLIENT SALES:

Glen Colgan | Executive Director, Desk Manager
+61 8 9224 6874

Kevin Johnson | Executive Director, Corporate Stockbroking
+61 8 9224 6880

Ben Willoughby | Senior Dealer, Corporate Stockbroking
+61 8 9224 6876

David Keogh | Senior Dealer, Corporate Stockbroking
+61 8 9224 6852

Geoff Barnesby-Johnson | Senior Dealer, Corporate Stockbroking
+61 8 9224 6854

James Massey | Dealer, Corporate Stockbroking
+61 8 9224 6849

Cameron Prunster | Dealer, Private Clients
+61 8 9224 6853

Harry Massey | Dealer, Private Clients
+61 8 9224 6829

Jake Solomon | Dealer, Private Clients
+61 8 9224 6855

Matej Mandic | Dealer, Private Clients
+61 8 9224 6887

Amanda Fu | Dealer, Private Clients
+61 8 9224 6805

Important Disclosure

The publishing analyst holds CTM shares.

Argonaut holds or controls 261,638 CTM shares.

Information Disclosure

Each research analyst of this material certifies that the views expressed in this research material accurately reflect the analyst's personal views about the subject securities and listed corporations. None of the listed corporations reviewed or any third party has provided or agreed to provide any compensation or other benefits in connection with this material to any of the analyst(s).

For U.S. persons only

This research report is a product of Argonaut Securities Pty Limited, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Argonaut Securities Pty Limited only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Argonaut Securities Pty Limited has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

General Disclosure and Disclaimer

This research has been prepared by Argonaut Securities Pty Limited (ABN 72 108 330 650) ("ASPL") for the use of the clients of ASPL and other related bodies corporate (the "Argonaut Group") and must not be copied, either in whole or in part, or distributed to any other person. If you are not the intended recipient you must not use or disclose the information in this report in any way. ASPL is a holder of an Australian Financial Services License No. 274099 and is a Market Participant of the Australian Stock Exchange Limited.

Nothing in this report should be construed as personal financial product advice for the purposes of Section 766B of the Corporations Act 2001 (Cth). This report does not consider any of your objectives, financial situation or needs. The report may contain general financial product advice and you should therefore consider the appropriateness of the advice having regard to your situation. We recommend you obtain financial, legal and taxation advice before making any financial investment decision.

This research is based on information obtained from sources believed to be reliable and ASPL has made every effort to ensure the information in this report is accurate, but we do not make any representation or warranty that it is accurate, reliable, complete or up to date. The Argonaut Group accepts no obligation to correct or update the information or the opinions in it. Opinions expressed are subject to change without notice and accurately reflect the analyst(s)' personal views at the time of writing. No member of the Argonaut Group or its respective employees, agents or consultants accepts any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this research and/or further communication in relation to this research.

Nothing in this research shall be construed as a solicitation to buy or sell any financial product, or to engage in or refrain from engaging in any transaction. The Argonaut Group and/or its associates, including ASPL, officers or employees may have interests in the financial products or a relationship with the issuer of the financial products referred to in this report by acting in various roles including as investment banker, underwriter or dealer, holder of principal positions, broker, director or adviser. Further, they may buy or sell those securities as principal or agent, and as such may effect transactions which are not consistent with the recommendations (if any) in this research. The Argonaut Group and/or its associates, including ASPL, may receive fees, brokerage or commissions for acting in those capacities and the reader should assume that this is the case.

There are risks involved in securities trading. The price of securities can and does fluctuate, and an individual security may even become valueless. International investors are reminded of the additional risks inherent in international investments, such as currency fluctuations and international stock market or economic conditions, which may adversely affect the value of the investment.

The analyst(s) principally responsible for the preparation of this research may receive compensation based on ASPL's overall revenues.

Copyright

© 2025. All rights reserved. No part of this document may be reproduced or distributed in any manner without the written permission of Argonaut Securities Pty Limited. Argonaut Securities Pty Limited specifically prohibits the re-distribution of this document, via the internet or otherwise, and accepts no liability whatsoever for the actions of third parties in this respect.