

<b>Ticker:</b> CTM AU	<b>4Q24 cash:</b> A\$18m	<b>Project:</b> Jaguar / Boi Novo / Jambreiro
<b>Market cap:</b> A\$194m	<b>Price:</b> A\$0.39/sh	<b>Country:</b> Brazil
<i>REC. (unc): BUY</i>	<i>TARGET (unc): A\$1.70/sh</i>	<i>RISK RATING (unc): HIGH</i>

Today's news of Centaurus' securing the Installation Licence (LI) from Para's State Environmental Agency (SEMAS) is positive. The LI fulfills the last requirement for the Mining Lease, which received technical approval from the National Mining Agency (ANM) in Dec 2023 and is anticipated to be formally issued within months - a major catalyst and good follow on to the detailed flowsheet refinement recently released (our note [here](#)), significantly de-risking the project towards a 2025 FID. We think, Jaguar is positioned among the rare >1.2Mt Ni metal, <US\$500m capex, open-pittable nickel sulphide deposits globally, now construction ready with 100% of its offtake rights (for now)—making it a prime countercyclical investment at these levels. As such, we maintain our **BUY rating and our \$1.70/sh PT** based on 0.5xNAV. Looking ahead, Centaurus has several value driving catalysts this year, including the mining lease, value engineering study (1H25), and more progress on funding (incl. potential strategic partnership), with A\$18m cash at December end to support twin track [Boi Novo exploration](#) (recent 5.5m @ 8.4% Cu) and Jaguar development.

### Jaguar receives construction permit; mining lease and FID to follow in 2025

Today, Centaurus has secured the Installation Licence (LI) for the Jaguar Nickel Sulphide Project from Pará State's environmental agency, allowing construction to commence in line with the approved project design. Additionally, the LI, valid until March 2029, covers key infrastructure, including the nickel concentration plant, pits, waste facilities, water permits, and fauna management. It also satisfies the final requirement for the Mining Lease, which had already received technical approval from the National Mining Agency (ANM). The company will now submit the LI to ANM for the formal issuance of the Mining Lease, expected in the coming months. Centaurus has secured easements for critical site infrastructure, including the powerline and road access. With the LI granted, the company can apply for state tax incentives available to nickel producers. Project financing discussions are ongoing ahead of a Final Investment Decision (FID) in 2025.

### Why we like Centaurus

1. Only >1.2Mt Ni metal, <\$500m capex, pittable nickel sulphide junior globally
2. One of few high-grade nickel sulphide developer retaining 100% of its offtake rights
3. CO<sub>2</sub> / energy security value with <1/10<sup>th</sup> the CO<sub>2</sub> 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: Jaguar Value Engineering study
- 1H25: Jambreiro mining lease
- 2Q25 / 2H27: Final investment decision / production start

### Research

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Ticker: CTM AU	Price / mkt cap: A39c/sh / A\$194m	P/NAV today: 0.12x	Country: Brazil
Author: B Gaspar	Rec/0.5xNAV7% PT: BUY, A\$1.70/sh	1xNAV <sub>1Q25</sub> FF FD: A\$1.51/sh	Asset: Jaguar

Commodity price	CY23A	CY24A	CY25E	CY26E	CY27E
Ni price (US\$/t)	21,704	17,061	17,704	20,060	20,944
Ni price (US\$/t, payable)	16,495	12,966	13,455	15,246	15,917
1xNAV project valuation*	A\$m	o/ship	NAVx	A\$/sh	
Jaguar OP NPV (build start)	1,354	100%	1.0x	2.68	
Jaguar UG, 50% risked	144	100%	1.0x	0.28	
Expln & resources ex reserve @ 1% insitu	179	100%	1.0x	0.35	
4Q24 cash	18	100%	1.0x	0.04	
Cash from ITM options	-	100%	1.0x	-	
<b>1XNAV A\$ @ 3Q24</b>	<b>1,695</b>			<b>3.35</b>	

\*Build start, ex fin. cost + G&A, dil. for optns not build P/NAV today: 0.12x

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	758	1,091	1,424	1,757	2,090
7.0% discount	926	1,310	1,695	2,079	2,464
5.0% discount	1,138	1,587	2,037	2,486	2,936
Ungeared project IRR:	17%	23%	27%	31%	35%
Group NAV (A\$/sh)	16,535	18,739	20,944	23,149	25,353
9.0% discount	1.50	2.16	2.82	3.48	4.14
7.0% discount	1.83	2.59	3.35	4.11	4.87
5.0% discount	2.25	3.14	4.03	4.92	5.81

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

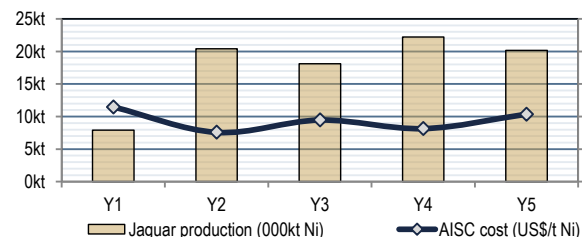
SOTP company valuation^	Mar-25	Mar-26	Mar-27	Mar-28	Mar-29
Jaguar NPV	1,326	1,672	2,112	2,244	2,195
Resources ex reserve + UG	323	323	323	323	323
Central G&A & fin costs	(133)	(138)	(122)	(81)	(41)
Net cash prior quarter	18.0	(16.5)	(338.7)	(373.7)	(232.2)
Cash from ITM options	-	-	-	-	-
NAV (A\$m)	1,534	1,841	1,975	2,112	2,245
FD share count (m)	1013	1013	1013	1013	1013
1xNAV7%/sh FF FD (A\$/sh)	1.51	1.82	1.95	2.08	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	1,046	1,466	1,885	2,304	2,723
7.0% discount	1,185	1,648	2,112	2,575	3,038
5.0% discount	1,356	1,874	2,391	2,908	3,425

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	1.03	1.45	1.86	2.27	2.69
7.0% discount	1.17	1.63	2.08	2.54	3.00
5.0% discount	1.34	1.85	2.36	2.87	3.38

Production	Y1	Y2	Y3	Y4	Y5
Jaguar production (000kt Ni)	7.9	20.4	18.1	22.2	20.2
C1 cost (US\$/t Ni)	7,128	5,536	6,224	5,803	6,610
AISC cost (US\$/t Ni)	8,587	7,034	7,786	7,263	8,143

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



Source: SCP estimates

Resource/Inventory	Mt	NiEq %		Mt	Ni %
		2Q24 JORC	Reserves		
M&I	112.6	0.95%	OP:	63.0	0.73%
Inferred	25.7	0.97%	UG:	-	-
	138.2	0.95%	Total	63.0	0.73%

Funding: uses		Funding: sources	
Capex (A\$m)	565.5	4Q24 cash (A\$m)	18.0
Drilling/FS cost (A\$m)	3.7	SCPe debt (A\$m)	367.6
Working cap >DFS (A\$m)	13.2	SCPe equity at spot (A\$m)	197.9
G&A and fin. cost (A\$m)	36.5	Total sources (A\$m)	583.6
Total uses: group (A\$m)	619.0	Buffer (A\$m)	-35.4

Share data (m)	Basic	FD	FF FD		
Shares (m)	496.7	505.4	1012.9		
Ratio analysis	CY23A	CY24E	CY25E	CY26E	CY26E
Shares out (m)	496.7	496.7	1,004.2	1,004.2	1,004.2
EPS (Ac/sh)	-	-	-	-	1.3
CFPS pre w/c (A\$/sh)	-	-	-	-	-
EV (A\$m)	159.0	175.7	408.2	730.3	765.4
FCF yield (%)	-	-	-	-	-
PER (x)	-	-	-	-	29.7x
P/CF (x)	-	-	-	-	-
EV/EBITDA (x)	-	-	-	-	11.3x

Income statement	CY23A	CY24E	CY25E	CY26E	CY26E
Revenue (A\$m)	-	-	-	-	144.2
COGS (A\$m)	-	-	-	-	72.2
<b>Gross profit (A\$m)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71.9</b>
G&A (A\$m)	5.3	4.3	4.0	4.0	4.0
Exploration (A\$m)	37.7	16.9	3.7	-	-
Finance costs (A\$m)	-	-	-	18.2	39.7
Tax (A\$m)	(0.5)	(3.5)	-	-	4.8
Other (A\$m)	(1.4)	(1.4)	(0.2)	0.0	10.2
<b>Net income (A\$m)</b>	<b>(41.4)</b>	<b>(16.2)</b>	<b>(7.5)</b>	<b>(22.2)</b>	<b>13.2</b>

Cash flow statement	CY23A	CY24E	CY25E	CY26E	CY26E
EBITDA (A\$m)	(43.0)	(21.2)	(7.7)	(4.0)	67.9
Add share based (A\$m)	-	-	-	-	-
Net change WC (A\$m)	2.0	2.1	-	-	12.3
<b>Cash flow ops (A\$m)</b>	<b>(43.2)</b>	<b>(18.4)</b>	<b>(7.5)</b>	<b>(22.2)</b>	<b>11.1</b>
PP&E + sust. (A\$m)	2.2	0.3	225.0	300.0	46.1
PP&E - expl'n (A\$m)	0.9	0.1	-	-	-
<b>Cash flow inv. (A\$m)</b>	<b>(3.1)</b>	<b>(0.4)</b>	<b>(225.0)</b>	<b>(300.0)</b>	<b>(46.1)</b>
Share issue (A\$m)	44.5	0.4	197.9	-	-
Debt draw (repay) (A\$m)	-	-	-	315.0	52.6
<b>Cash flow fin. (A\$m)</b>	<b>44.5</b>	<b>0.4</b>	<b>197.9</b>	<b>315.0</b>	<b>52.6</b>
Net change in cash (A\$m)	(1.7)	(19.0)	(34.5)	(7.2)	17.6

Balance sheet	CY23A	CY24E	CY25E	CY26E	CY26E
Cash (A\$m)	34.7	18.0	(16.5)	(23.7)	(6.1)
Acc rec. + invet. (A\$m)	3.3	3.3	3.3	3.3	21.3
PP&E & expl'n (A\$m)	23.5	21.7	246.7	546.7	582.6
<b>Total assets (A\$m)</b>	<b>60.3</b>	<b>43.0</b>	<b>233.4</b>	<b>526.2</b>	<b>597.8</b>
Debt (A\$m)	-	-	-	315.0	367.6
Accounts payable (A\$m)	3.4	2.2	2.2	2.2	7.9
Others (A\$m)	36.8	21.1	(13.4)	(20.6)	15.1
Total liabilities (A\$m)	5.1	4.2	4.2	319.2	377.6
Shareholders' equity (A\$m)	281.4	282.2	480.1	480.1	480.1
Reserves (A\$m)	(4.7)	(7.3)	(7.3)	(7.3)	(7.3)
Retained earnings (A\$m)	(221.6)	(236.1)	(243.6)	(265.8)	(252.6)
<b>Liabilities + equity (A\$m)</b>	<b>60.3</b>	<b>43.0</b>	<b>233.4</b>	<b>526.2</b>	<b>597.8</b>

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Summary of Recommendations as of March 2025	
BUY:	42
HOLD:	0
SELL:	0
UNDER REVIEW:	1
TENDER:	1
NOT RATED:	0
TOTAL	44

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