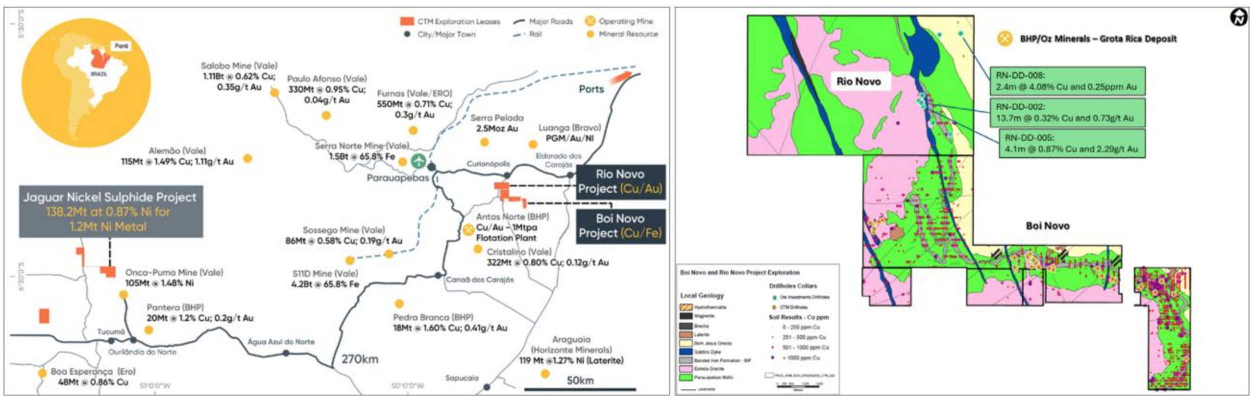
SCP EQUITY RESEARCH

Centaurus Metals, 29 October 2025

Ticker: CTM AU	**Cash:** A$28m	**Project**: Jaguar / Boi Novo / Jambreiro
Market cap: A$248m	**Price:** A$0.44/sh	**Country:** Brazil
REC. (unc): BUY	*TARGET (-25c): A$1.50/sh*	*RISK RATING (unc): HIGH*

*Today's contiguous Rio Novo addition lifts CTM's Boi Novo holdings from 35km² to 75km² in a Tier-1 Cu-Au/Fe district. The ground sits ~20km north of BHP's 1Mtpa Antas Norte Cu/Au plant and within ~50km of Vale's Serra Norte (1.5Bt @ 65.8% Fe), Sossego (86Mt @ 0.58% Cu; 0.19g/t Au) and Cristalino (322Mt @ 0.80% Cu; 0.12g/t Au)– speaking to the potential here to find big deposits close by. Exciting now, Rio Novo will see its first systematic campaign; as previous efforts investigated 'easy' to vector targets (proximal to historic artisanal workings) hitting **2.4m @ 4.39% CuEq** from 87m, **4.1m @ 3.70% CuEq** from 37m, and **13.7m @ 1.22% CuEq** from 51m (all at spot). The vendor, ultimately controlled by Ore Investments Ltda, is divesting Rio Novo as it pivots to managing a R$1bn PE fund backed by BNDES and Vale—focused on energy-transition minerals (announced 4Q24). We view Ore's selection of CTM as a strong endorsement of the team's Carajás expertise and value-creation potential. For now, we leave our model unchanged and update only for cash and share count post the recent equity financing. As such, we maintain our **BUY rating and lower our A$1.75/sh PT to A$1.50/sh** based on 0.5xNAV for Jaguar. While advancing permitted Jaguar to a production scenario remains in focus with project financing (incl. relevant offtake discussions) key now to kicking off construction. The company is trading at 0.15x NAV for arguably one of the best countercyclical Ni investments in the space, hence, we see deep value here ahead of pricing-in a potential Cu-Au discovery at Boi/Rio-Novo currently 'in for free'.*

Figure 1. Rio Novo (A) location map in relation to Boi Novo (B) underlying geology



Source: Centaurus Metals

Copper-gold prospectivity expands with Rio Novo land grab; 75km² in the Carajás district

Today, Centaurus announced the acquisition of Rio Novo Cu-Au project (40km²) from Ore Investments Ltda, growing Cu-Au project holdings to 75km². **The deal structure involves:** i) an initial A$42.5k title transfer payment, and ii/iii) a total of A$1.7m of project spend with A$255k of vendor payments split over a 2-year period for 1% vendor royalty over the project (convertible to 25% share of proceeds on project sale). Vendor payments can be made in cash or shares. Additional milestone payments to Ore (min 50% in shares) include i) A$1.7m (for min 100kt CuEq or 42-months from execution date), and ii) A$1.7m payable upon granting of mining lease. Rio is located on cleared farmland 100m from the state highway with a 230kv HV line crossing the tenement area. **Historical exploration** includes **529 soil samples** and **1,456m DD**, highlighted by **2.4m @ 4.08% Cu & 0.25g/t Au** from 87m, **4.1m @ 0.87% Cu & 2.29g/t Au** from 37m, and **13.7m @ 0.32% Cu & 0.73g/t Au** from 51m in the eastern portion of the tenement. The western portion (65% of the tenement) remains largely unexplored. Next steps: commence targeted exploration including geological mapping, soil sampling, Flem surveys, and historical holes in tandem with ongoing exploration at Boi Novo.

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 100% 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

- 2H25: Jambreiro mining lease
- 1H26 / 2H28: Final investment decision / production start
- 2H25: underground conceptual study

Research

Brandon Gaspar (Toronto) m +1 437 533 3142 bgaspar@scp-rf.com
Eleanor Magdzinski (Toronto) m +1 705 669 7456 emagdzinski@scp-rf.com
Omeet Singh (Toronto) m +1 647 527 7509 osingh@scp-rf.com
Moatasm Almaouie (Toronto) m +1 780 299 5151 malmaouie@scp-rf.com

Ticker: CTM AU	**Price / mkt cap:** A44c/sh / A$248m	**P/NAV today:** 0.15x	**Country:** Brazil
Author: B Gaspar	**Rec/0.5xNAV7% PT:** BUY, A$1.50/sh	**1xNAV$_{2Q25}$ FF FD:** A$2.69/sh	**Asset:** Jaguar

Commodity price	**CY24A**	**CY25E**	**CY26E**	**CY27E**	**CY28E**
Ni price (US$/t)	17,061	15,579	17,726	20,408	20,944
Ni price (US$/t, payable)	13,649	12,463	14,181	16,326	16,755

1xNAV project valuation*	**A$m**	**o/ship**	**NAVx**	**A$/sh**
Jaguar OP NPV (build start)	1,445	100%	1.0x	2.38
Jaguar UG, 50% risked	141	100%	1.0x	0.23
Expln & resources ex reserve @ 1% insitu	190	100%	1.0x	0.31
3Q25 cash	28	100%	1.0x	0.05
Cash from ITM options	16.4	100%	1.0x	0.03
1XNAV A$ @ 2Q25	**1,819**			**3.00**
**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	893	1,235	1,578	1,920	2,263
7.0% discount	1,047	1,433	1,819	2,206	2,592
5.0% discount	1,236	1,675	2,115	2,554	2,994
Ungeared project IRR:	21%	27%	33%	38%	43%
Group NAV (A$/sh)	16,535	18,739	20,944	23,149	25,353
9.0% discount	1.47	2.04	2.60	3.17	3.73
7.0% discount	1.73	2.37	3.00	3.64	4.28
5.0% discount	2.04	2.76	3.49	4.22	4.94

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

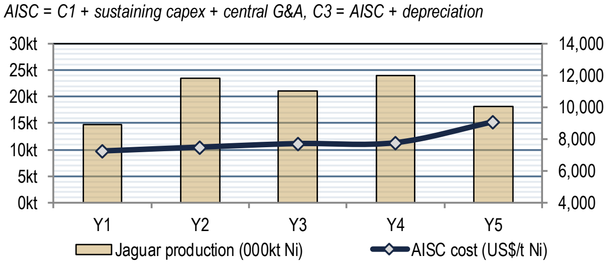
SOTP *company* valuation^	**Dec-25**	**Dec-26**	**Dec-27**	**Jun-28**	**Dec-29**
Jaguar NPV	1,416	1,743	2,190	2,346	2,173
Resources ex reserve + UG	331	331	331	331	331
Central G&A & fin costs	(159)	(152)	(110)	(84)	(23)
Net cash prior quarter	27.5	20.7	(328.0)	(439.6)	(129.7)
Cash from ITM options	16.4	16.4	16.4	16.4	16.4
NAV (A$m)	1,632	1,958	2,100	2,170	2,368
FD share count (m)	*606*	*606*	*606*	*606*	*606*
1xNAV7%/sh FF FD (A$/sh)	2.69	3.23	3.47	3.58	3.91

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	1,143	1,558	1,972	2,386	2,800
7.0% discount	1,269	1,719	2,170	2,620	3,071
5.0% discount	1,418	1,912	2,406	2,899	3,393

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	1.89	2.57	3.25	3.94	4.62
7.0% discount	2.09	2.84	3.58	4.32	5.07
5.0% discount	2.34	3.16	3.97	4.79	5.60

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**	**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**	
Capex (A$m)	584.0	2Q25 cash (A$m)	27.5
Drilling/FS cost (A$m)	2.8	SCPe debt (A$m)	467.2
Working cap >DFS (A$m)	-	SCPe equity at spot (A$m)	22.4
G&A and fin. cost (A$m)	36.1	Total sources (A$m)	517.1
Total uses: group (A$m)	*622.9*	*Buffer (A$m)*	*-105.7*

Share data (m)	**Basic**	**FD**	**FF FD**
Shares (m)	562.8	605.9	656.9

Ratio analysis	**CY24A**	**CY25E**	**CY26E**	**CY27E**	**CY28E**
Shares out (m)	496.7	562.8	562.8	562.8	562.8
EPS (Ac/sh)	-	-	-	-	21.6
CFPS pre w/c (A$/sh)	-	-	-	-	7.2
EV (A$m)	200.5	221.2	310.4	639.5	566.3
FCF yield (%)	-	-	-	-	30%
PER (x)	-	-	-	-	2.0x
P/CF (x)	-	-	-	-	3.4x
EV/EBITDA (x)	-	-	-	-	2.5x

Income statement	**CY24A**	**CY25E**	**CY26E**	**CY27E**	**CY28E**
Revenue (A$m)	-	-	-	-	381.9
COGS (A$m)	-	-	-	-	152.3
Gross profit (A$m)	**-**	**-**	**-**	**-**	**229.6**
G&A (A$m)	4.3	4.2	4.0	4.0	4.0
Exploration (A$m)	16.9	10.0	-	-	-
Finance costs (A$m)	-	-	18.2	49.3	48.2
Tax (A$m)	(3.5)	-	-	-	24.9
Other (A$m)	0.2	0.2	(0.4)	(0.5)	31.1
Net income (A$m)	**(17.8)**	**(14.4)**	**(21.7)**	**(52.8)**	**121.4**

Cash flow statement	**CY24A**	**CY25E**	**CY26E**	**CY27E**	**CY28E**
EBITDA (A$m)	(22.5)	(14.9)	(4.0)	(4.0)	225.6
Add share based (A$m)	1.1	0.5	-	-	-
Net change WC (A$m)	(0.6)	0.4	-	1.2	32.7
Cash flow ops (A$m)	**(15.8)**	**(14.2)**	**(21.7)**	**(54.0)**	**119.9**
PP&E + sust. (A$m)	0.3	0.0	275.0	275.0	46.7
PP&E - expl'n (A$m)	0.1	-	-	-	-
Cash flow inv. (A$m)	**(0.4)**	**(0.3)**	**(275.0)**	**(275.0)**	**(46.7)**
Share issue (A$m)	0.4	22.4	207.5	-	-
Debt draw (repay) (A$m)	-	-	315.0	152.2	(116.8)
Cash flow fin. (A$m)	**0.4**	**22.4**	**522.5**	**152.2**	**(116.8)**
Net change in cash (A$m)	(16.4)	8.1	225.8	(176.8)	(43.6)

Balance sheet	**CY24A**	**CY25E**	**CY26E**	**CY27E**	**CY28E**
Cash (A$m)	18.0	26.5	252.2	75.4	31.8
Acc rec. + invet. (A$m)	14.2	14.2	14.2	13.4	62.8
PP&E & expl'n (A$m)	20.7	10.7	285.7	560.7	576.2
Total assets (A$m)	**39.5**	**51.3**	**552.1**	**649.5**	**670.8**
Debt (A$m)	-	-	315.0	467.2	350.4
Accounts payable (A$m)	2.4	2.0	2.0	-	16.7
Others (A$m)	18.6	27.3	253.0	75.4	81.2
Total liabilities (A$m)	4.1	6.1	321.1	471.3	371.2
Shareholders' equity (A$m)	282.5	305.0	512.5	512.5	512.5
Reserves (A$m)	(7.7)	(6.8)	(6.8)	(6.8)	(6.8)
Retained earnings (A$m)	(239.4)	(252.9)	(274.7)	(327.5)	(206.1)
Liabilities + equity (A$m)	**39.5**	**51.3**	**552.1**	**649.5**	**670.8**

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Summary of Recommendations as of October 2025	
BUY:	55
HOLD:	0
SELL:	0
UNDER REVIEW:	0
TENDER:	0
NOT RATED:	0
TOTAL	55

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