

Ticker: CTM AU **4Q25 cash:** A\$25m **Project:** Jaguar / Boi Novo / Jambreiro
Market cap: A\$299m **Price:** A\$0.53/sh **Country:** Brazil
REC. (unc): BUY **TARGET (unc):** A\$1.50/sh **RISK RATING (unc):** HIGH

Yesterday's **LOI with the Brazilian Development Bank (BNDES) for US\$190m of debt financing** (~50% of US\$380m initial capex), is a nice follow-on to **last week's initial Glencore offtake agreement** ([here](#)), with the company continuing to make good headway on funding a 3Q26 construction kick-off at the Jaguar Nickel Sulphide Project. In our view, the LOI materially lowers financing risk and signals strong Brazilian government backing, supporting project development and enhancing Centaurus' credibility with other potential lenders and partners. With the majority of BNDES technical work complete, we think a conditional binding agreement should come relatively soon—albeit timelines will be driven by standard guarantor due diligence/processes now.

Recall, last year's 2Q25 Value Engineering Study saw a ~52Mt @ 0.78% Ni OP inventory with a simple 3.5Mtpa flotation flowsheet, delivering ~18.7ktpa Ni in a concentrate at ~80% payability over a ~15-year mine life, generating a A\$1.15bn NPV8%-19,800 at ~US\$3.55/lb AISC, ~34% IRR, and 1.8-year payback. **Even at spot prices / FX**, we see robust economics with A\$135m annual FCFs (peaking at A\$194m in Y8) over the LOM and ~42% LOM margins (on SCPe US\$4.48/lb payable Ni AISC vs today's US\$7.67/lb spot prices). While underground and downstream optionality offer upside, the core appeal remains its scale, simplicity and margin resilience across the cycle.

Unlike peers that ultimately rely on by-product credits to be economic, Jaguar is one of the rare pure play countercyclical nickel stories that works—combining 100%-owned, ~1% NiEq resource grade (0.78% Ni inventory), high-grade / quality >30% Ni concentrate, and low-cost (SCPe US\$3.66/lb C1) Brazilian operations. With ~US\$380m capex (vs ~\$1–2bn OP peers), funding is realistic at today's valuation, positioning Jaguar as one of the few near-term projects heading towards a build at the bottom of the cycle—herein lies the opportunity. As such, we maintain our **BUY rating and our A\$1.50/sh price target** based on 0.5xNAV for Jaguar. Upcoming catalysts include finalizing project financing ahead of a 3Q26 FID / construction kick-off and 1Q29 first production. Trading at ~1/3 of producer Talon on an EV/inventory basis (PRNR), we see scope for a near-term re-rate as CTM advances toward construction ahead of peers, positioning it as a credible near-term mine build with strong leverage to nickel prices.

Table 1. Advanced nickel sulphide peer asset comparison

Pay'bl recov'bl @ 24 Mar 26	LifeZone	Talon	Centaurus	Chalice	Canada Nickel	Giga Metals
EV (US\$m)	297	518	168	291	243	10
Mcap (US\$m)	266	701	209	354	255	8
Project	Kabanga	Eagle / Tamarack	Jaguar	Julimar / Gooneville	Crawford	Turnagain
Jurisdiction	Tanzania	MI / MN, USA	Pará, BR	WA, AU	ON, CA	BC, CA
Stage	Development	Production / Development	Development	Development	Development	Development
Ownership (%)	84%	100% / 60%	100%	100%	100%	85%
Mine type	UG	UG	OP*	OP*	OP	OP
MRE (attr. kt NiEq)	897	348	1,390	3,118	14,150	6
MRE grade (% NiEq)	2.82%	2.36%	1.01%	0.47%	0.33%	0.26%
Inventory (attr. kt NiEq)	1,169	231	406	1,378	5,458	2,087
Inventory grade (% NiEq)	2.67%	2.31%	0.78%	0.49%	0.32%	0.26%
Inventory grade (% NiEq PRNR)	1.65%	1.55%	0.43%	0.26%	0.11%	0.10%
EV / inventory PRNR (% of in-situ value)	2.04%	13.96%	4.48%	2.40%	0.76%	0.06%
Initial capex (US\$m)	942	316	380	571	1,943	1,893
SCPe C1 cost (US\$/lb Ni pay'bl, LOM avg)	2.90	8.93 / 6.40	3.66	21.37	5.96	5.76
SCPe AISC (US\$/lb Ni pay'bl, LOM avg)	4.48	10.65 / 7.64	4.54	22.74	7.62	6.90
SCPe AISC (US\$/lb Ni pay'bl net by-prod, LOM avg)	3.36	5.18 / 3.86	4.48	6.67	0.39	5.83
Avg prod. (000t Ni in conc. pa)	50	9 / 13	19	7	38	33
Concentrate grade (%)	17.5%	15-20% / 10.2%	30.1%	8.0%	34.0%	18.0%
Offtake ownership (%)	100%	0% / 48%	65%	100%	70%-90%	100%

Source: Company data, SCPe C1 and AISC, FactSet EV and Mcap; Notes: PRNR = payable, recoverable, net royalty; C1 includes off-site costs; NiEq at spot prices March 24, 2026; C1 and AISC based on payable Ni lbs; Concentrate grades based on study values; Eagle production based on 2022 tech report actually reported as 7.6kt for 2025. *OP study, UG component to MRE.

Funding the build: BNDES US\$190m LOI moves Jaguar closer to construction; 3Q26 FID

Yesterday, Centaurus Metals announced receiving a non-binding Letter of Intent (LOI) from Banco Nacional de Desenvolvimento Econômico e Social (BNDES) for R\$1 billion (~US\$190 million) in potential

long-term debt funding the Jaguar Nickel Project in Brazil under BNDES' FINEM project finance program for large capital projects. Following an initial application submission in September 2025, the project now advances to detailed technical, legal, environmental, financial and credit assessments before final BNDES board approval. Discussions are ongoing with BNDES, other lenders and strategic partners on optimal project funding structures.

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

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

Research

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Ticker: CTM AU	Price / mkt cap:	A53c/sh / A\$299m	P/NAV today:	0.18x	Country: Brazil
Author: E Magdzinski	Recd/0.5xNAV7% PT:	BUY, A\$1.50/sh	1xNAV _{1Q26} FF FD:	A\$2.64/sh	Asset: Jaguar

Commodity price	CY24A	CY25E	CY26E	CY27E	CY28E
Ni price (US\$/t)	17,061	15,371	19,120	20,944	20,944
Ni price (US\$/t, payable)	13,649	12,296	15,296	16,755	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	
4Q25 cash	25	100%	1.0x	0.04	
Cash from ITM options	15.3	100%	1.0x	0.03	
1XNAV A\$ @ 1Q26	1,816			2.99	

*Build start, ex fin. cost + G&A, dil. for optns not build P/NAV today: 0.18x

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	877	1,221	1,565	1,908	2,252
7.0% discount	1,037	1,426	1,816	2,205	2,594
5.0% discount	1,233	1,678	2,123	2,568	3,013
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	1.44	2.01	2.58	3.14	3.71
7.0% discount	1.71	2.35	2.99	3.63	4.27
5.0% discount	2.03	2.76	3.50	4.23	4.96

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

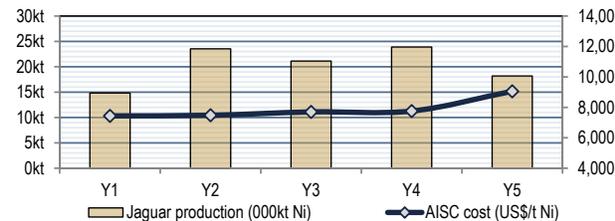
SOTP company valuation^	Mar-26	Mar-27	Mar-28	Mar-29	Mar-30
Jaguar NPV	1,364	1,526	1,965	2,398	2,338
Resources ex reserve + UG	331	331	331	331	331
Central G&A & fin costs	(132)	(134)	(112)	(80)	(44)
Net cash prior quarter	24.6	354.8	27.3	(257.5)	(128.6)
Cash from ITM options	15.3	15.3	15.3	15.3	15.3
NAV (A\$m)	1,603	2,093	2,226	2,407	2,511
FD share count (m)	607	1341	1341	1341	1341
1xNAV7%/sh FF FD (A\$/sh)	2.64	1.56	1.66	1.79	1.87

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	1,356	1,780	2,204	2,628	3,052
7.0% discount	1,485	1,946	2,407	2,868	3,329
5.0% discount	1,639	2,144	2,650	3,155	3,660

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	1.01	1.33	1.64	1.96	2.28
7.0% discount	1.11	1.45	1.79	2.14	2.48
5.0% discount	1.22	1.60	1.98	2.35	2.73

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



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)	598.4	125 cash+ITM opt'n 1st prod (A\$m)	39.9
Drilling/FS cost (A\$m)	2.9	SCPe debt (A\$m)	299.2
Working cap to first prod (A\$m)	43.0	SCPe equity at spot (A\$m)	389.0
G&A and fin. cost (A\$m)	71.0	Total sources (A\$m)	728.1
Total uses: group (A\$m)	715.4	Buffer (A\$m)	12.7

Share data (m)	Basic	FD	FF FD		
Shares (m)	565.1	607.3	1341.2		
Ratio analysis	CY24A	CY25E	CY26E	CY27E	CY28E
Shares out (m)	496.7	562.8	1,299.0	1,299.0	1,299.0
EPS (Ac/sh)	-	-	-	-	-
CFPS pre w/c (A\$/sh)	-	-	-	-	-
EV (A\$m)	245.2	273.7	333.7	661.2	946.0
FCF yield (%)	-	-	-	-	-
PER (x)	-	-	-	-	-
P/CF (x)	-	-	-	-	-
EV/EBITDA (x)	-	-	-	-	-

Income statement	CY24A	CY25E	CY26E	CY27E	CY28E
Revenue (A\$m)	-	-	-	-	-
COGS (A\$m)	-	-	-	-	-
Gross profit (A\$m)	-	-	-	-	-
G&A (A\$m)	4.3	3.8	3.8	3.8	3.8
Exploration (A\$m)	16.9	11.0	2.9	-	-
Finance costs (A\$m)	-	-	2.1	24.5	32.9
Tax (A\$m)	(3.5)	(0.6)	-	-	-
Other (A\$m)	0.2	(0.1)	(0.0)	(0.9)	(0.4)
Net income (A\$m)	(17.8)	(14.1)	(8.8)	(27.5)	(36.3)

Cash flow statement	CY24A	CY25E	CY26E	CY27E	CY28E
EBITDA (A\$m)	(22.5)	(15.5)	(6.8)	(3.8)	(3.8)
Add share based (A\$m)	1.1	0.5	-	-	-
Net change WC (A\$m)	(0.6)	0.4	-	-	-
Cash flow ops (A\$m)	(15.8)	(13.8)	(8.8)	(27.5)	(36.3)
PP&E + sust. (A\$m)	0.3	0.1	50.0	300.0	248.4
PP&E - expl'n (A\$m)	0.1	-	-	-	-
Cash flow inv. (A\$m)	(0.4)	(2.2)	(50.0)	(300.0)	(248.4)
Share issue (A\$m)	0.4	22.4	389.0	-	-
Debt draw (repay) (A\$m)	-	-	75.0	224.2	-
Cash flow fin. (A\$m)	0.4	22.4	464.0	224.2	-
Net change in cash (A\$m)	(16.4)	6.5	405.2	(103.3)	(284.8)

Balance sheet	CY24A	CY25E	CY26E	CY27E	CY28E
Cash (A\$m)	18.0	24.6	429.8	326.5	41.7
Acc rec. + invet. (A\$m)	14.0	14.0	14.0	14.0	14.0
PP&E & expl'n (A\$m)	20.7	13.1	63.1	363.1	611.5
Total assets (A\$m)	39.5	51.6	506.8	703.5	667.2
Debt (A\$m)	-	-	75.0	299.2	299.2
Accounts payable (A\$m)	2.4	2.0	2.0	2.0	2.0
Others (A\$m)	18.6	25.1	430.3	327.1	42.3
Total liabilities (A\$m)	4.1	6.1	81.1	305.3	305.3
Shareholders' equity (A\$m)	282.5	304.9	693.9	693.9	693.9
Reserves (A\$m)	(7.7)	(6.8)	(6.8)	(6.8)	(6.8)
Retained earnings (A\$m)	(239.4)	(252.6)	(261.4)	(288.9)	(325.2)
Liabilities + equity (A\$m)	39.5	51.6	506.8	703.5	667.2

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Summary of Recommendations as of March 2026	
BUY:	60
HOLD:	0
SELL:	0
UNDER REVIEW:	0
TENDER:	0
NOT RATED:	0
TOTAL	60

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