Centaurus Metals Limited ASX : CTM

Jaguar: Accelerating towards the world's next green nickel project

A long-life nickel sulphide project in Brazil's Carajás, ready to plug-in to the lithium-ion battery boom

EUROZ HARTLEYS

Euroz Hartleys Rottnest Conference - March 2022
Roger Fitzhardinge, GM – Exploration & Growth

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- The Scoping Study referred to in this presentation has been undertaken for the purpose of initial evaluation of a potential development of the Jaguar Nickel Sulphide Project. It is a preliminary technical and economic study (±40%) of the potential viability of the Jaguar Nickel Sulphide Project. The Scoping Study outcomes, Production Target and forecast financial information referred to in this presentation are based on low accuracy level technical and economic assessments that are insufficient to support estimation of Ore Reserves. While each of the modifying factors was considered and applied, there is no certainty of eventual conversion to Ore Reserves or that the Production Target itself will be realised. Further exploration and evaluation work and appropriate studies are required before Centaurus will be in a position to estimate any Ore Reserves or to provide any assurance of an economic development case.
- Assumptions also include assumptions about the availability of funding. While Centaurus considers that all the material assumptions are based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by this study will be achieved. To achieve the range of outcomes indicated in the Scoping Study, pre-production funding in the order of US$288M will likely be required. There is no certainty that Centaurus will be able to source that amount of funding when required. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Centaurus's shares. It is also possible that Centaurus could pursue other value realisation strategies such as a sale, partial sale or joint venture of the Jaguar Nickel Sulphide Project. This could materially reduce Centaurus's proportionate ownership of the Jaguar Nickel Sulphide Project.
- The information in this report that relates to Exploration Results is based on information compiled by Mr Roger Fitzhardinge who is a Member of the Australasia Institute of Mining and Metallurgy. Mr Fitzhardinge is a permanent employee and shareholder of Centaurus Metals Limited. Mr Fitzhardinge has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Fitzhardinge consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
- The information in this report that relates to the December 2021 Jaguar Mineral Resources is based on information compiled by Mr Lauritz Barnes (consultant with Trepanier Pty Ltd) and Mr Roger Fitzhardinge (a permanent employee and shareholder of Centaurus Metals Limited). Mr Barnes and Mr Fitzhardinge are both members of the Australasian Institute of Mining and Metallurgy. Mr Barnes and Mr Fitzhardinge have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Fitzhardinge is the Competent Person for the database (including all drilling information), the geological and mineralisation models plus completed the site visits. Mr Barnes is the Competent Person for the construction of the 3-D geology / mineralisation model plus the estimation. Mr Barnes and Mr Fitzhardinge consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.
- The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the competent persons findings have not been materially modified from the original announcement.
- This presentation contains information extracted from the Company's ASX market announcements dated 29 March 2021 and 31 May 2021 which are available on the Company's website at **www.centaurus.com.au**. The Company confirms that that all material assumptions underpinning the Jaguar Project Scoping Studies as detailed in the ASX market announcements of 29 March 2021 and 31 May 2021 continue to apply and have not materially changed.

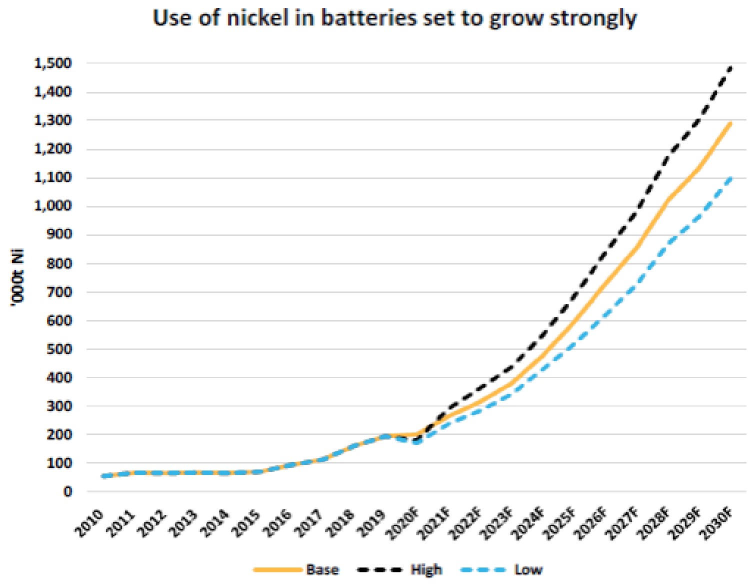
Centaurus Metals

Our vision

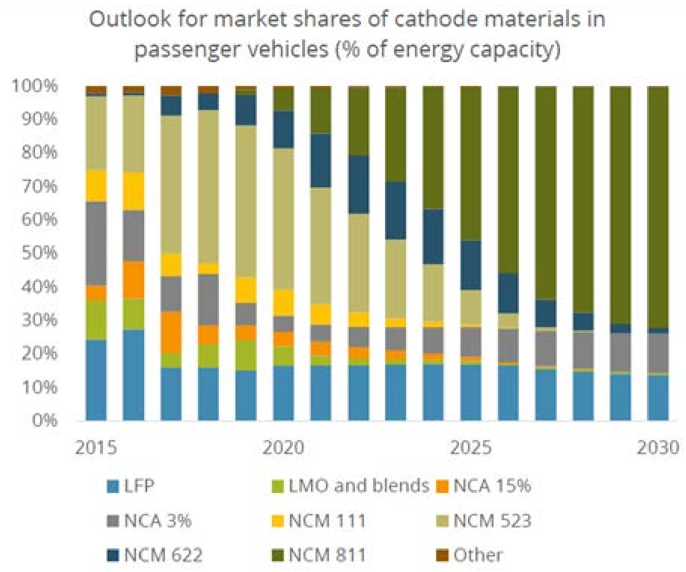
Underpinned by a high-quality asset at Jaguar, we are well placed to deliver on our target to be a clean and efficient **<u>20,000-plus tonne per annum nickel</u>** producer by the end of 2024 to assist in the global transition to electrification and to meet anticipated surging demand for key battery metals.

A New Era of Nickel Sulphide Demand

The looming clean energy revolution



Source: Macquarie Commodities Strategy



Source: Roskill

- Nickel demand for batteries growing very strongly – Nickel sulphate demand in batteries estimated to grow at **18-19% CAGR** (2020-2030)
- Depending on the scenario for the EV rate of adoption, estimated **nickel volumes to meet additional demand is between 1-1.5 million tonnes**
- Supply/demand balance estimated by WoodMac to move to deficit by 2025 = **positive for nickel price**

WHERE IS THE NEW SUPPLY COMING FROM?

EVs and the path to decarbonisation require Class-1 nickel

Class-1 nickel will preferentially be sourced from sulphide deposits – low capital intensity, easy processing, lowest carbon footprint

Decades of limited nickel exploration means a very small pipeline of new projects, especially lower-cost, lower-emission sulphide projects in geopolitically safe mining jurisdictions.

CENTAURUS WELL PLACED TO BE PART OF THE SOLUTION

Brazil

Responsible Mining in an emission-friendly jurisdiction

ROAD MAP TO MINING

Well-Established Mining Regulation and Tenement System

FAVOURABLE TAX SYSTEM

15% effective tax rate for first 10yrs of operations (SUDAM Program)

ROYALTIES TO THE REGIONS

Royalties split between the municipal (65%), state and federal authorities

ENVIRONMENTAL

Approval Process clearly defined with Terms of Reference issued for EIA

STRATEGIC MINERALS POLICY

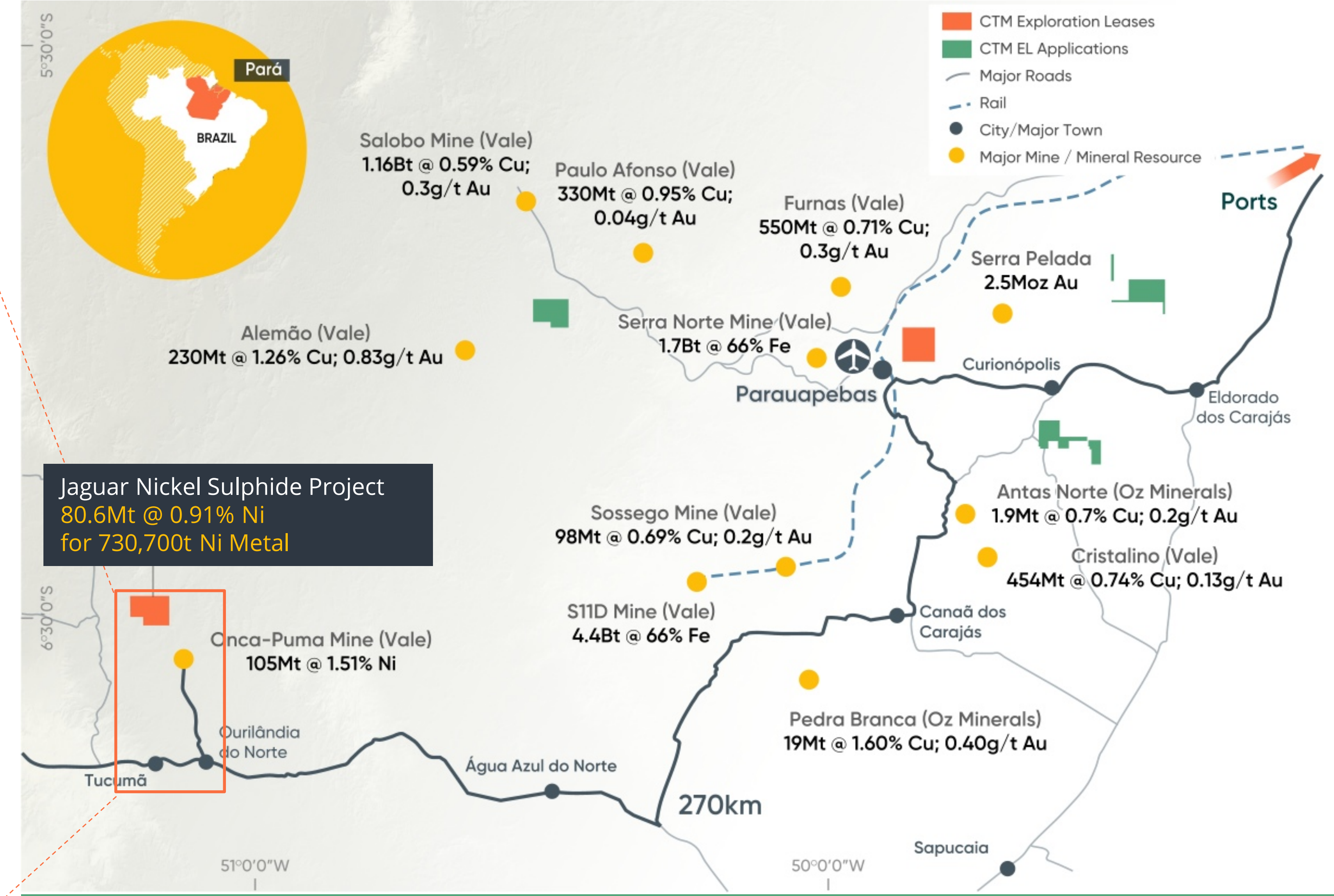
Recently-created to assist in approval process for strategic minerals; includes nickel

RENEWABLE POWERHOUSE

80% of Brazil's power currently generated from renewable sources

Brazil's Carajás Mineral Province

A Tier-1 global mining province



The Carajás contains one of the world's largest known concentrations of large-tonnage world-class mineral deposits

High-quality Board and Management Team

Extensive Brazil & Nickel Sulphide Experience

Board

Didier Murcia, AM
Chair
Lawyer

Darren Gordon
Managing Director
Chartered Accountant

Bruno Scarpelli
Executive Director
Engineer

Chris Banasik
Non-Executive Director
Geologist

Mark Hancock
Non-Executive Director
Chartered Accountant

Management

Wayne Foote
GM - Operations

Engineer

John Westdorp
Chief Financial Officer

Accountant

Roger Fitzhardinge
GM – Exploration & Growth

Geologist

Julia Oliveira
Legal & Commercial Manager
Lawyer

Gaudius Montresor
Exploration Manager
Geologist

Fábio Borges
Finance & Accounting Manager
Accountant

John Knoblauch
Principal Metallurgist
Engineer

Jaguar Project – Approvals & Stakeholder Engagement

Building relationships now and for the future

Environmental Approvals On-Track

- Majority of the project footprint already disturbed (pasture land)
- Lodgement of EIA/RIMA completed – August 2021
- Jaguar Project is now a Strategic Mineral Project in Brazil
- Lodgement of updated PAE (Mining Lease Application) – November 2021

Land Access

- Secured possession of three key properties that cover an area of 2,000 hectares for the long-term benefit of the Project.

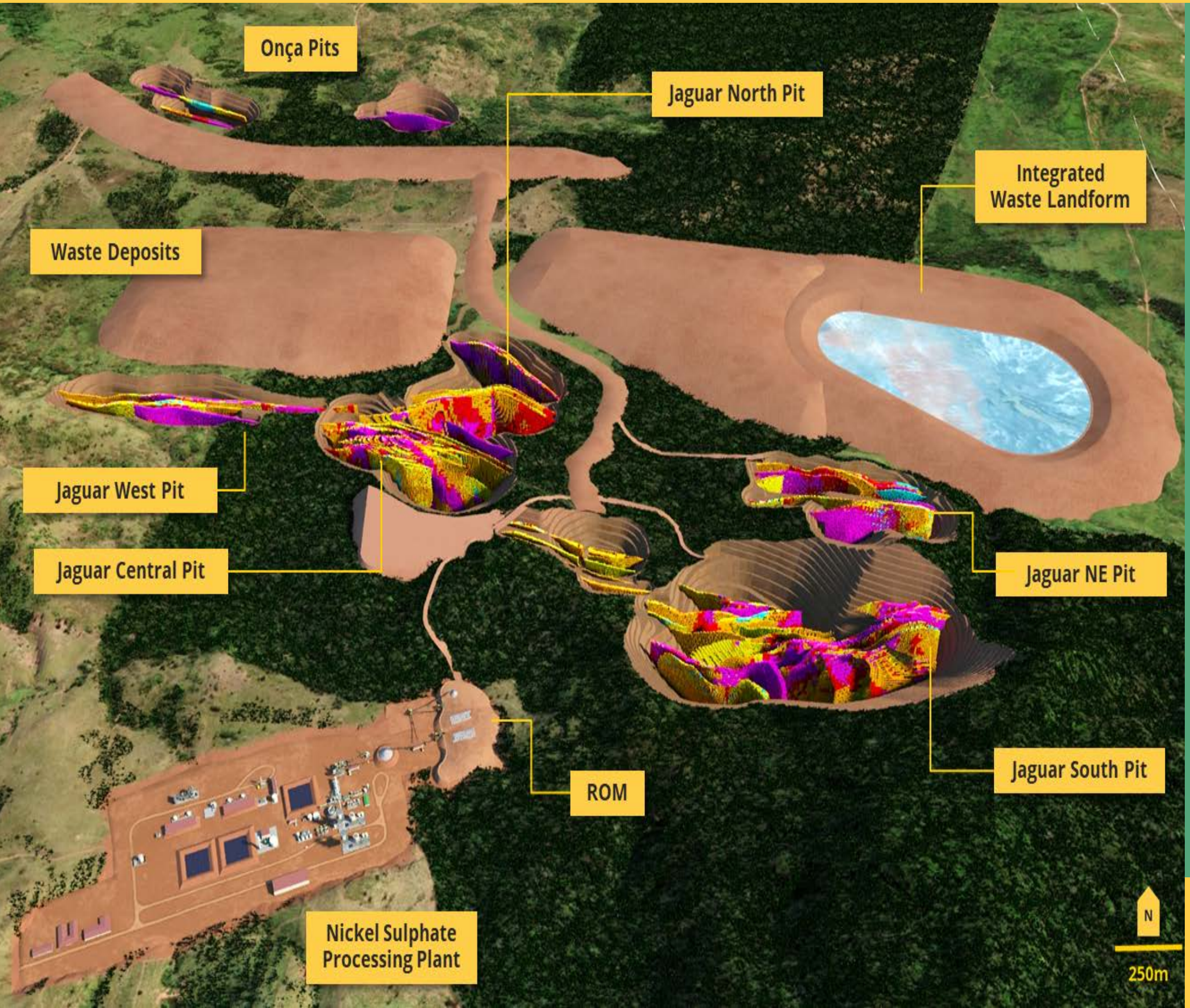
Social Programs Underway

- Public/Private Partnership with Sao Felix municipality to upgrade roads
- Social programs with local communities, focus on health and water quality
- Set to contribute over R$2.0 billion (+US$400 million) in taxes and government royalties – 65% of royalties goes to local municipalities

Jaguar Project – Processing Plant & Mine Infrastructure

Nickel sulphate plant to treat 2.7Mtpa – can Jaguar deliver more?

Blended Mill Feed: 33.7Mt @ 1.01% Ni for 341,300t of contained Ni over initial ~13-year LOM
+75% of mill feed from open pit; LOM strip-ratio of 6.5:1



Nickel Sulphate DFS

- Ausenco recently appointed DFS Lead Engineer
- Process route and product specification optimisation work is ongoing
- Partial Oxidation of sulphides looking favourable with significant capital and operating cost savings
- Nickel recovery from concentrate to sulphate – 98%

Mining

- New open pit and UG optimisations and scheduling to drive production profile selection
- Pricing packages for mining contractor rate verification underway
- Integrated Waste Landform (IWL) – Geotech and design studies well advanced

Targeting world's best-practice tailings & emissions management

Jaguar Project

Scoping Study Economics - Proceeded Straight to DFS

- **At conservative SS Ni prices of US$7.50/lb & US$0.50/lb sulphate premium**
  - Post Tax NPV$_8$ of **A$1.11 billion 52% IRR**
  - Operating Cash Margin of **US$4.27/lb Ni**
  - LOM Annual Cash Flow (pre-tax) - **US$189m**
  - Development Capital – **US$288 million**
  - After Tax Payback – **1.8 Years**
- **Massive leverage to rising nickel price**

At US$11.00/lb Ni price, post tax NPV$_8$

A$2.58 billion with 102% IRR

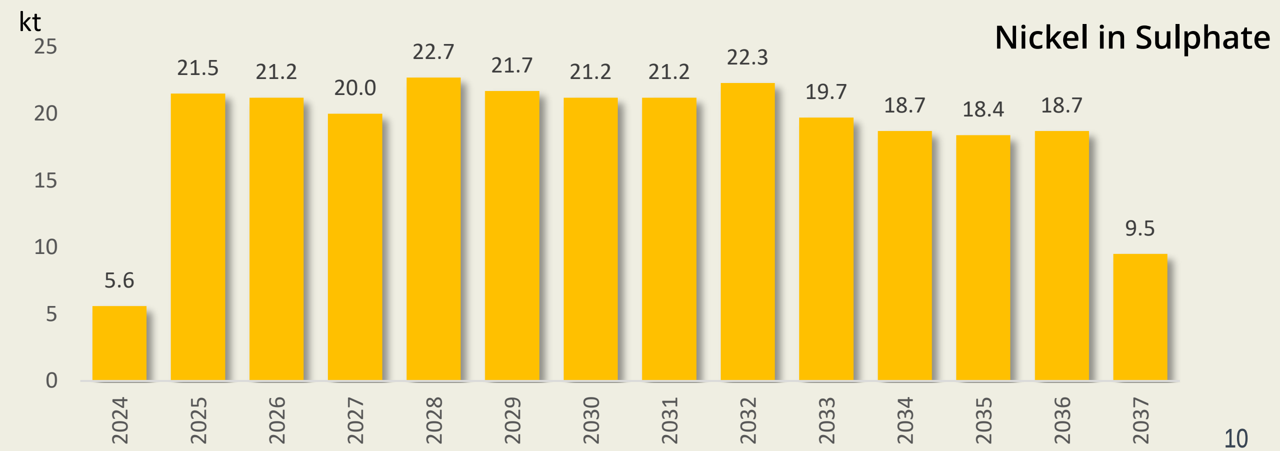
Project Development Opportunities

Resource Growth

Refine local based CAPEX & OPEX estimates

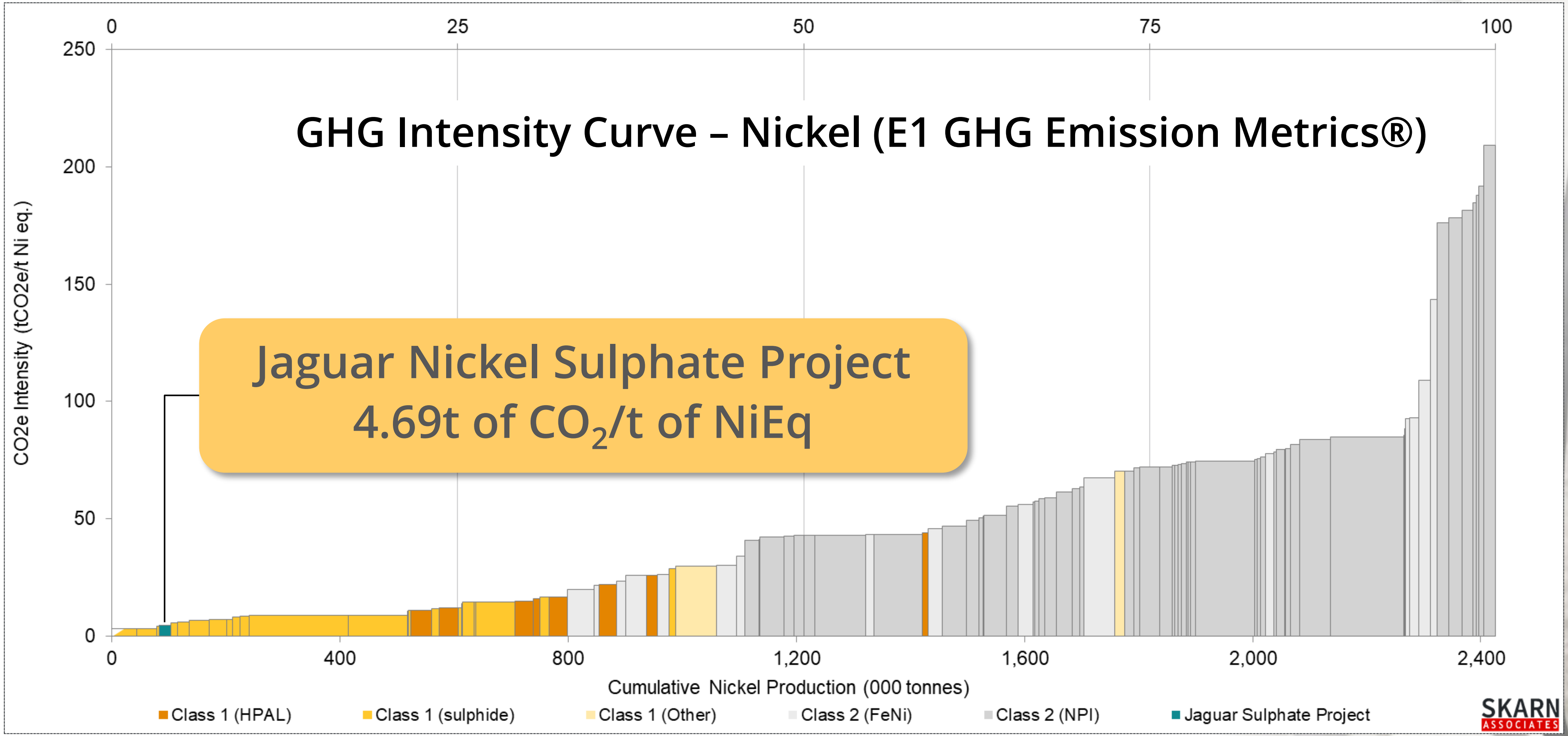
Mine Schedule optimisation

Process Route by-product opportunities



GHG Emissions – Forecast to be a Class-leader

Powered by renewables & high-grade nickel sulphides



Life-of-mine CO_2 footprint forecast to be lower than 97% of global nickel production

The best nickel tonnes are those with the lowest GHG Emissions and highest Operating Cash Margins

Jaguar Project – Large-tonnage high quality Resource

Resource up-grade set to underpin project capacity upgrade

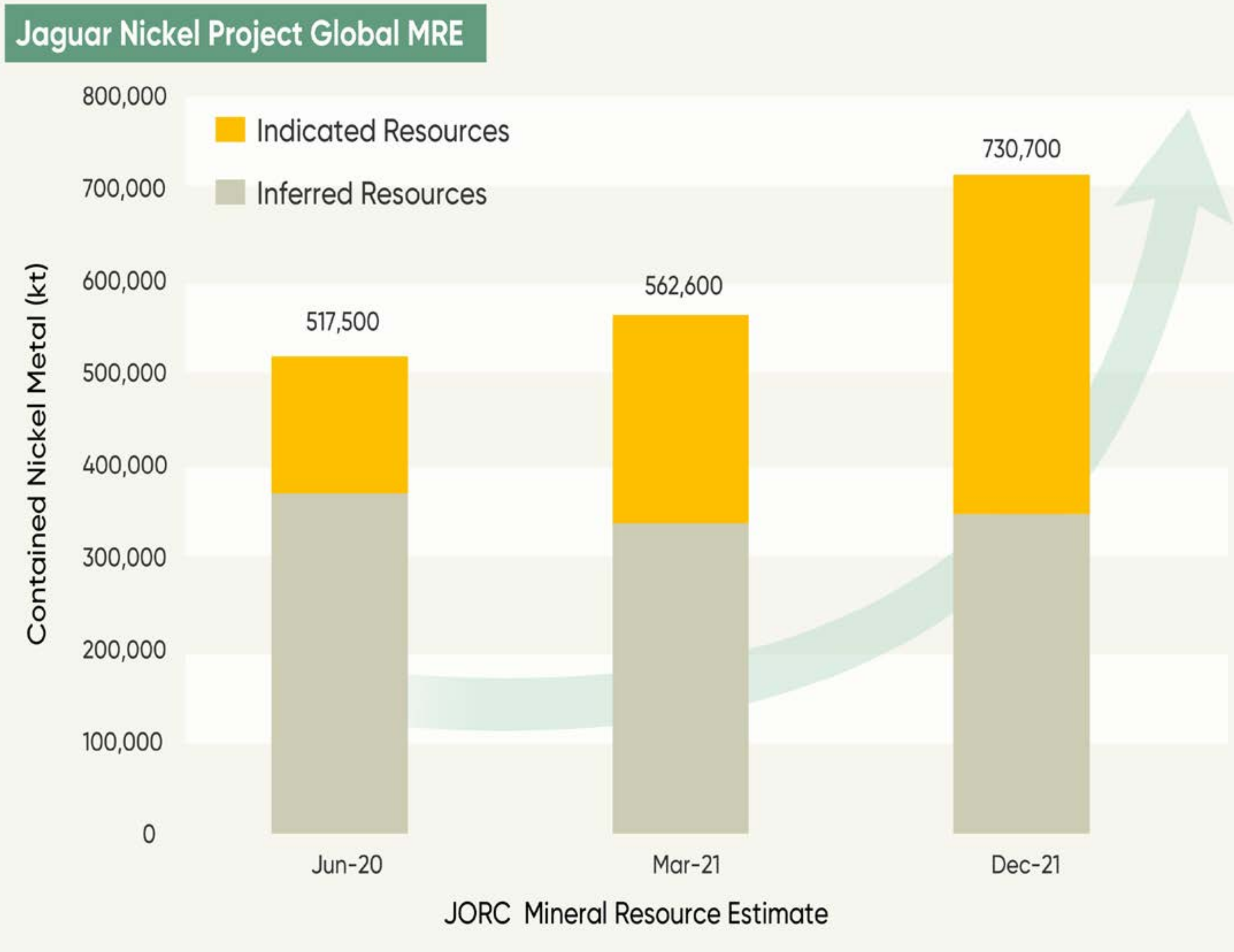
JORC Mineral Resource Estimate: **80.6Mt @ 0.91% Ni for 730,700** tonnes of contained nickel metal

- **+500kt of nickel metal within 200m of surface**
- **Indicated Resource of 43.4Mt @ 0.92% Ni for 397,000t of nickel,** 54% of the Global MRE
- High-grade component of **22.4Mt @ 1.59% Ni for 354,800t** of nickel metal
- **12 x Diamond & 2 x RC Rigs** on site
- Next JORC Resource up-grade planned for Q3 2022

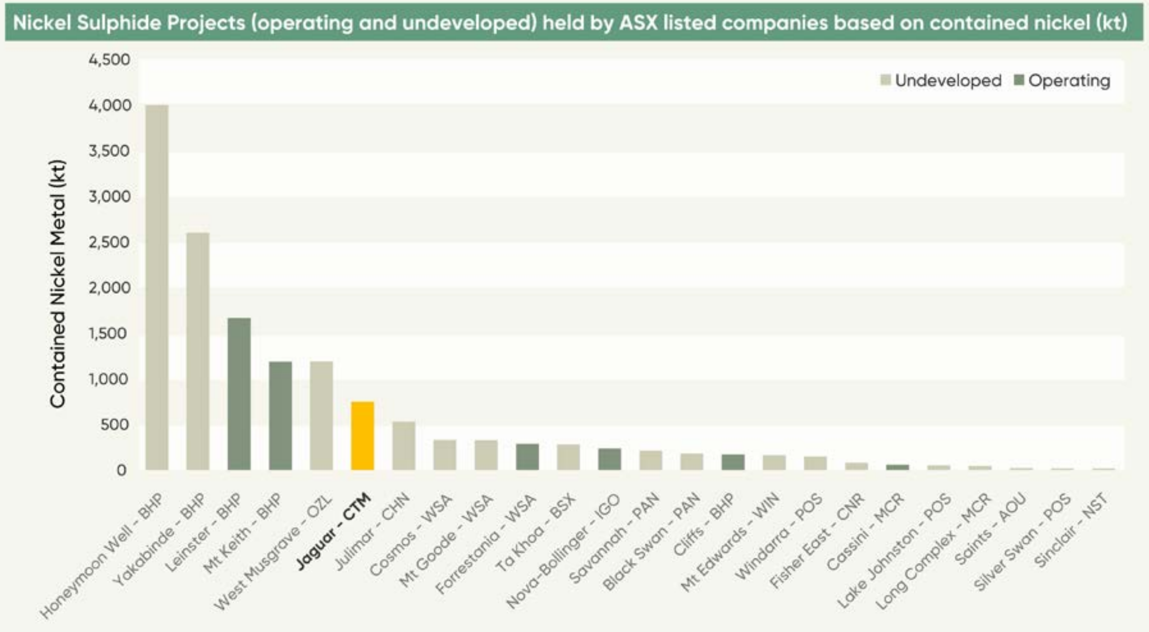
Jaguar Project – Resource Growth and Upside

A unique deposit with sustainable growth

+40% since the Company's maiden Resource in June 2020 – that's **213kt of contained nickel in 18 months**

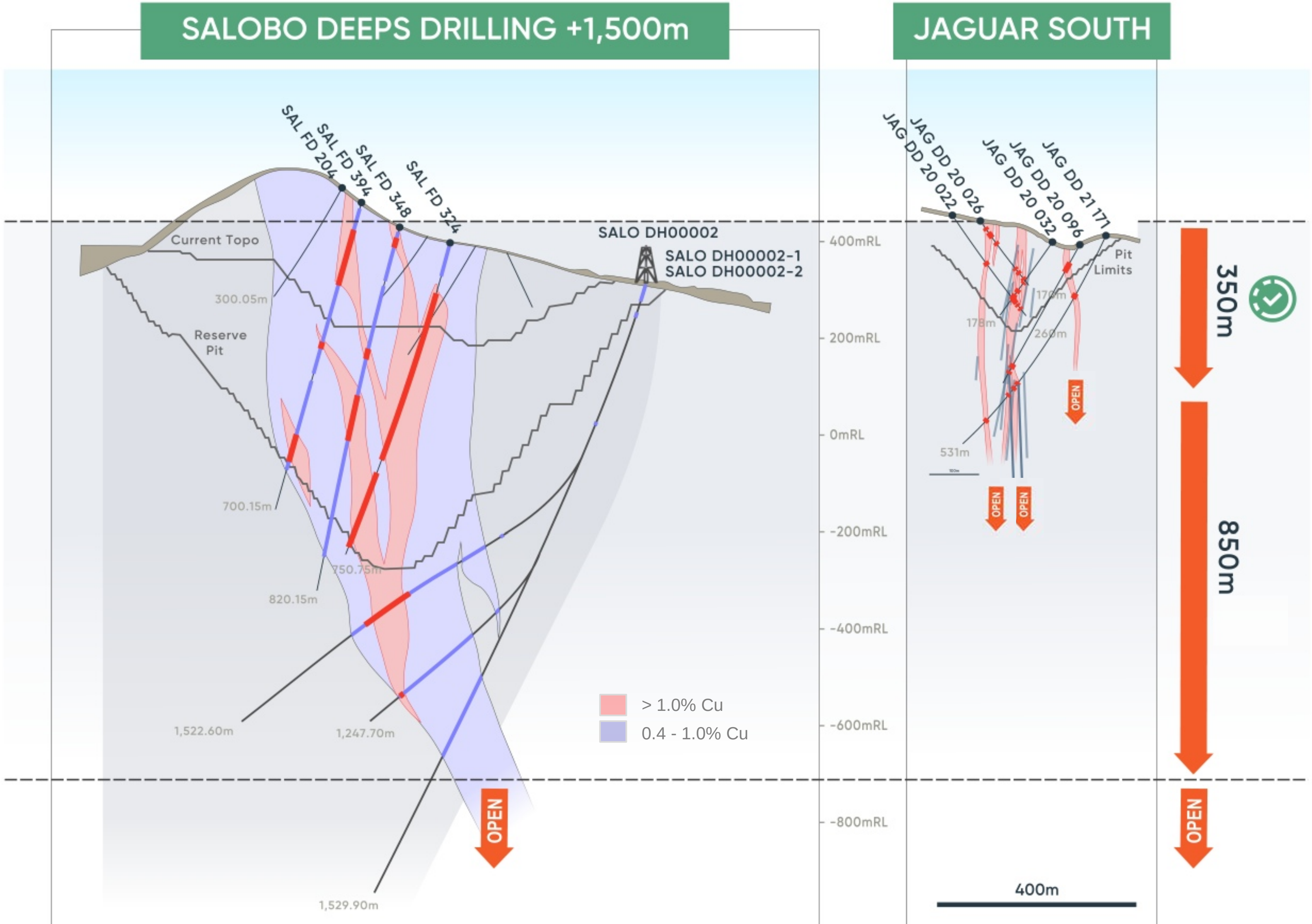


- **Currently adding 140,000tpa of Ni metal in resources**
- **Targeting 1 million tonnes of nickel metal by EOY 2023**
- **The largest nickel sulphide deposit on the ASX not held by the majors**



Jaguar Project – Resource Growth and Upside

Deep plumbing systems in the Carajás



Source: Wheaton Precious Metals: Salobo Cu-Au Mine, Technical Report, December 2019

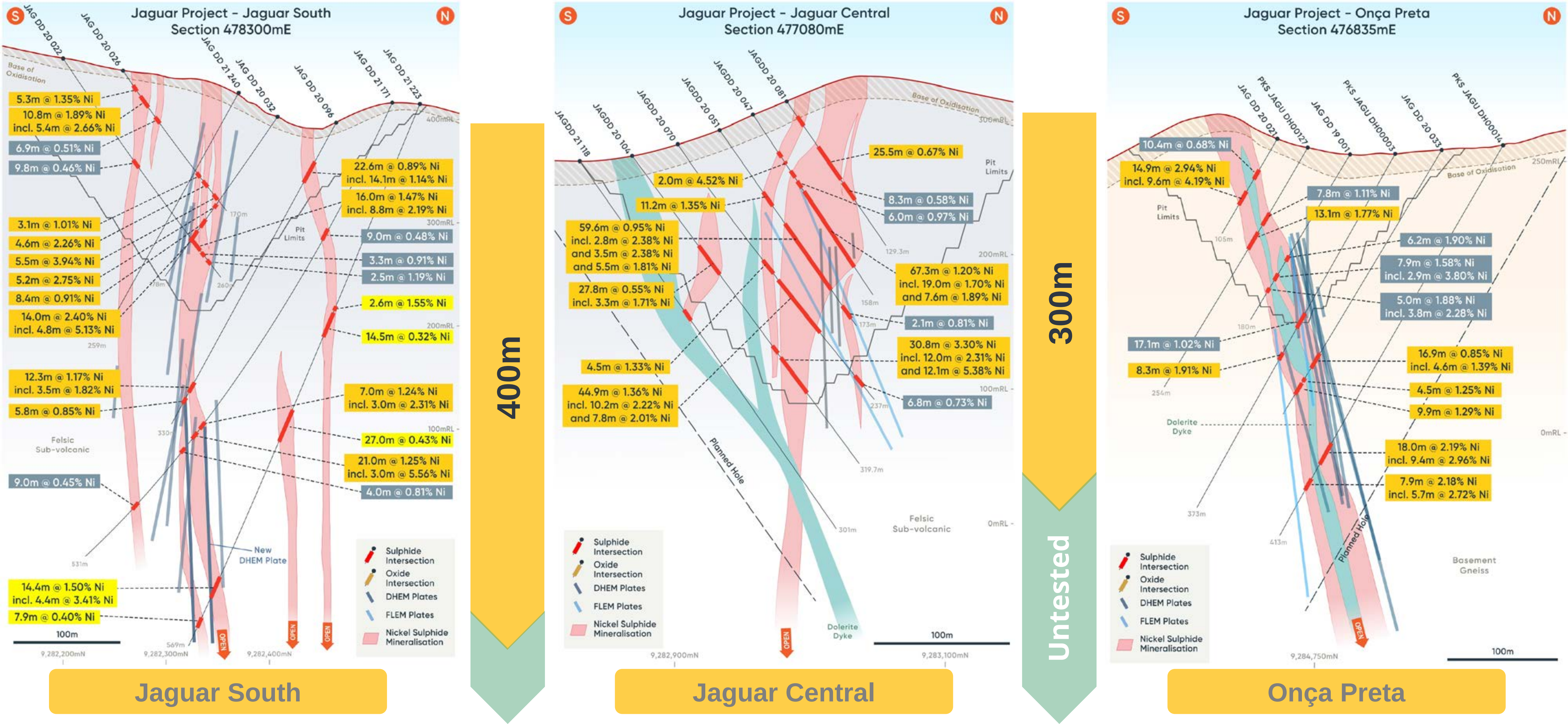
World-class Carajás IOCG deposits hosted in deep regional-scale structures.

Salobo (Cu-Au) Mine, mineralisation to depths of +1,400m
<u>and remains open!</u>

JAGUAR IS JUST GETTING STARTED

Jaguar Project – Resource Growth and Upside

Deep plumbing - open at depth & below UG stope limits

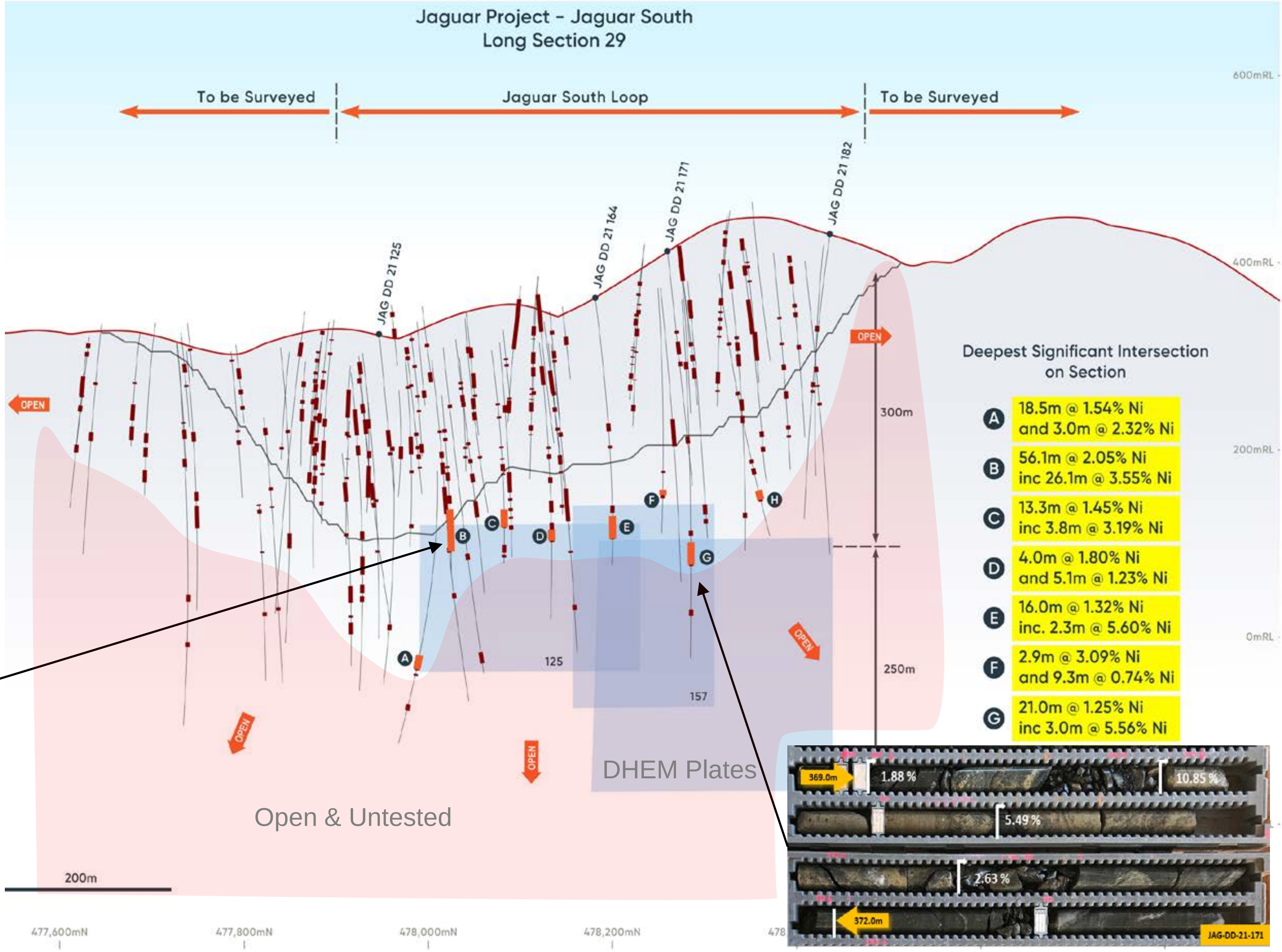


Jaguar Project – Resource Growth and Upside

DHEM to drive more deep massive sulphide discoveries

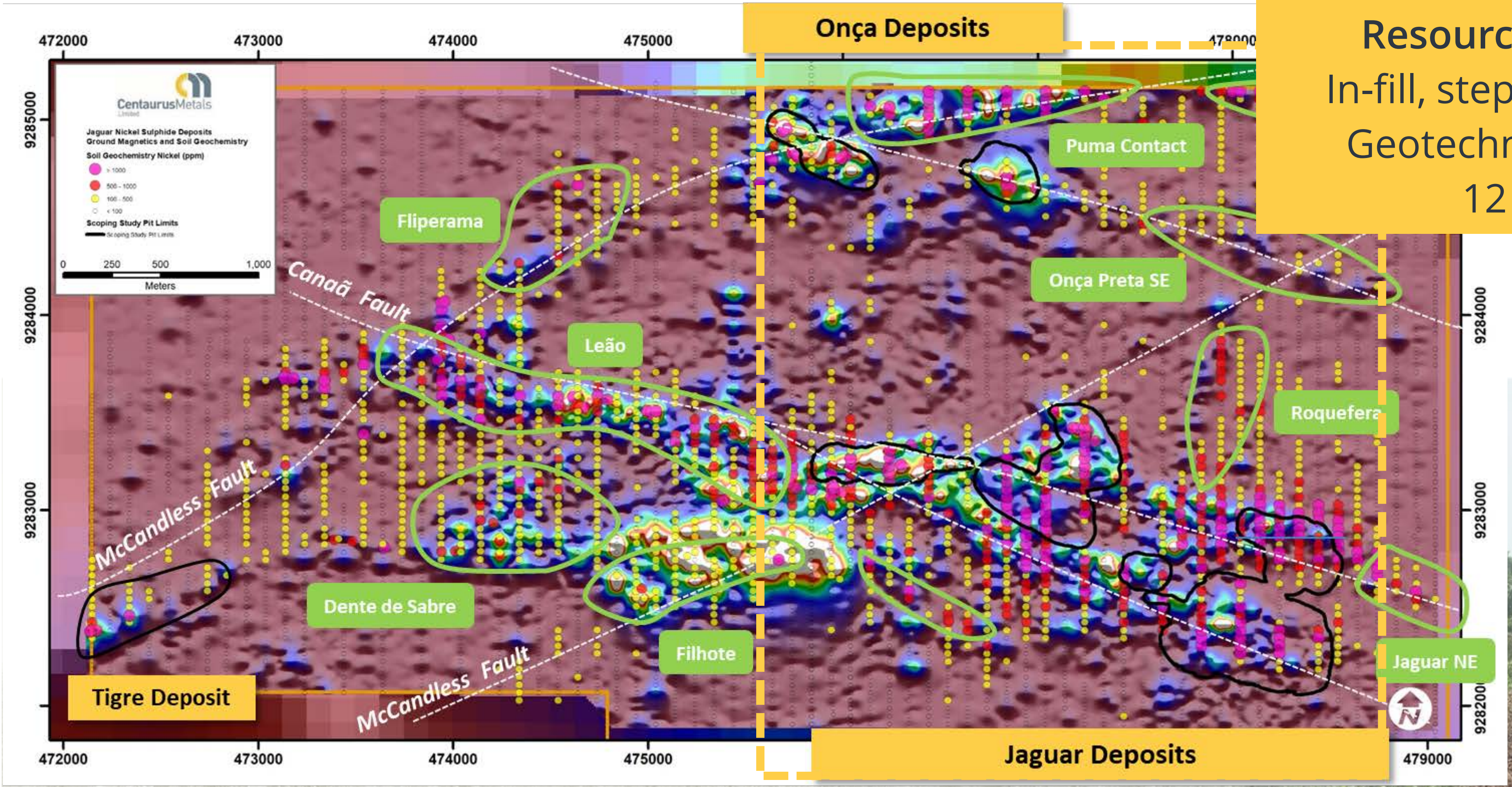
DHEM Conductor plates extend +270m below deepest drilling

17.6m @ 4.86% Ni from 208m, within 56.1m @ 2.05 Ni



Jaguar Project – Resource Growth and Upside

More development & growth drilling for 2022



Resource Development & Growth

In-fill, step-out and extensional drilling

Geotechnical & metallurgical drilling

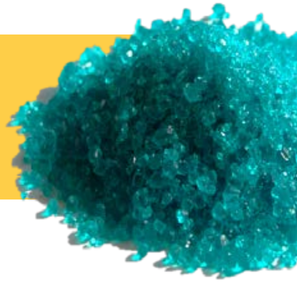
12 diamond rigs on site

Greenfields Growth Drilling

2 RC rigs on site

Jaguar Project Targeted Development Timeline

End 2024
First Production



2023-24 – Construction phase

Q3/2023 – Formal Decision to Mine

Q4/2022 – Definitive Feasibility Study

Q4/2021 & Q3/2022 – MRE Resource Upgrades

Q3/Q4 2021 – Key Environmental & Mining Licenses lodged

Q1/2021– MRE Upgrade & Scoping Study Results

Corporate Summary

Capital Structure	March 2022
Shares on Issue	423m
Unlisted Options	12m
Top 20 Holders	68%
Market Capitalisation ($1.30)	A$550m
Cash	A$75m
Other Significant Assets	Jambreiro Iron Ore Project

Substantial Shareholders	
McCusker Holdings Pty Ltd	10.1%
Sprott Inc.	9.6%
Dundee Goodman	5.1%
Harmanis Holdings	4.8%
Board and Management	3.8%

Centaurus

Key investment takeaways

- **Nickel focus** – sustainable nickel sulphide asset leveraged to strong long-term Class-1 nickel market outlook
- **Extremely low carbon footprint** – estimated to be lower than 97% of global nickel production
- **Favourable infrastructure-rich project location** – the world-class Carajás Mineral Province
- **Globally Significant JORC Resource** – 80.6Mt @ 0.91% Ni for 730,700 tonnes of contained nickel
- **Project Scope** currently shows Mill Feed of **33.7Mt @ 1.01% Ni for 341,300t** of nickel to produce **+20ktpa of nickel** in sulphate and a MSP over initial mine life of **13 years. Likely to grow with new Resource**
- **Strong returns and cash flow generation with massive leverage to rising nickel price – pre tax EBITDA of ~US$365m (~A$500m) per annum nickel price of US$11/lb**
- **Outstanding growth potential** – deposits open at depth and along strike with further drilling underway
- **The right team and well funded with ~A$75m for exploration & DFS work**

Centaurus represents a rare opportunity to invest in what is quickly becoming the world's premier near-surface nickel sulphide development project with class-leading GHG emission credentials, at the perfect time in the nickel market cycle.

CentaurusMetals
Limited ASX : CTM

Jaguar: Accelerating towards the world's next green nickel project

March 2022

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