



**Centaurus Metals Limited**  
and its controlled entities

**ABN 40 009 468 099**

**Condensed Interim Financial Report**  
**30 June 2024**

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## **Directors' Report**

The directors present their interim financial report for the Consolidated Entity (Group) consisting of Centaurus Metals Limited (Centaurus or the Company) and the entities it controlled at the end of, or during, the half-year ended 30 June 2024.

### **Directors**

The following persons were directors of the Company during the half-year and up to the date of this report:

Mr D M Murcia  
Mr D P Gordon  
Mr M D Hancock  
Mr B R Scarpelli  
Mr C A Banasik  
Dr N Streltsova

### **Review of Operations**

#### **Financial Position**

The total comprehensive consolidated loss for the half-year was \$8,451,426 (2023: \$23,427,881). Included in the loss is exploration expenditure of \$8,238,858 (2023: \$19,343,650).

At the end of the half-year the Group had a net cash balance of \$24,748,228 (2023: \$34,673,852) and net assets of \$45,416,632 (2023: \$55,216,482).

#### **Operations Review**

Centaurus Metals completed a positive Feasibility Study (FS) for the development of the Jaguar Nickel Sulphide Project during the half year ending 30 June 2024, with the FS published immediately subsequent to the end of the reporting period on 2 July 2024. In conjunction with the FS, Centaurus released a maiden JORC Proved and Probable open pit Ore Reserve of 63.0Mt @ 0.73% Ni for 459,200t of contained nickel. An updated Mineral Resource Estimate was also reported subsequent to the end of the reporting period, comprising 138.2Mt @ 0.87% Ni for 1.20Mt of contained nickel<sup>1</sup>.

Concurrent with completing the FS, preliminary engagement with potential strategic partners continued throughout the reporting period, with strong interest received to date from a wide range of counterparties. The Company will now formally commence a strategic partnering process in conjunction with the Company's financial adviser, Standard Chartered Bank, with finalisation of this process to support a Final Investment Decision (FID) for the project development.

The Company also took several important steps towards securing key project approvals for the Jaguar Project, with the receipt of technical approval of its Mining Lease Application (PAE) by the ANM (the Brazilian National Mining Agency); the approval of the Environmental Impact Assessment (EIA) and formal issue of the Preliminary Licence (LP) by the Pará State Environmental Agency – SEMAS; and the grant of the combined LP and Installation Licence (LI) for the proposed high-voltage powerline.

Drilling at the 100%-owned Boi Novo Copper-Gold Project commenced in late May. Samples from four holes have been dispatched for assay with results expected in September. Following the half-year end, Centaurus received the drilling permit from the Curionópolis Municipality, allowing the Company to move drilling to the Presley, Nelore and Bufalo prospects that form part of the broader Boi Novo Project.

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<sup>1</sup> Refer to ASX Announcements 2 July and 5 August 2024. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the competent person's findings were presented have not been materially modified from the original announcements.

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Centaurus commenced a new study on the potential of its 100%-owned Jambreiro Iron Ore Project ('Jambreiro') in Brazil to deliver a Direct Reduction (DR) quality pellet feed concentrate. Bench-scale metallurgical testwork on Jambreiro ore delivered positive results, confirming the potential for the project to produce a Direct Reduction Pellet Feed (DRPF) product across its entire projected mine life.

Centaurus published its 2023 Sustainability Report and, at the end of the reporting period, achieved an important milestone of two years without a Lost Time Injury (LTI).

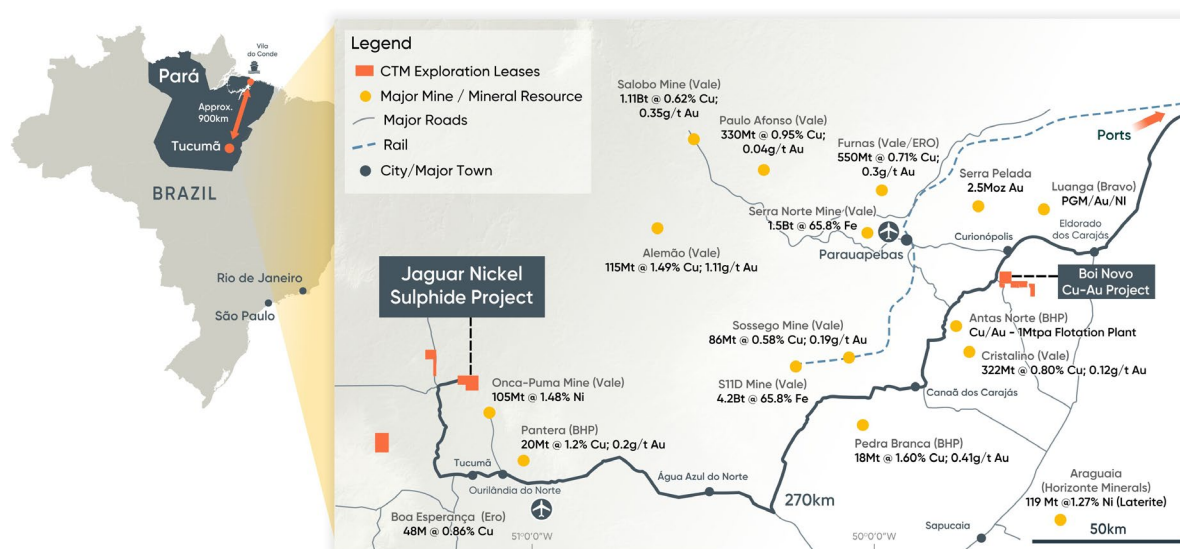
### Jaguar Nickel Sulphide Project

The Jaguar Nickel Sulphide Project is located in the world-class Carajás Mineral Province of northern Brazil (Figure 1). The Project is approximately 250km from the regional city of Parauapebas (population ~267,000) in the northern Brazilian State of Pará and sits within a 30km<sup>2</sup> tenement package in the São Félix do Xingu municipality. The Carajás Mineral Province is Brazil's premier mining hub, containing one of the world's largest known concentrations of bulk tonnage Iron Oxide-Copper-Gold (IOCG) and iron ore deposits.

The Jaguar Project represents a cornerstone asset for Centaurus that will underpin the Company's ambition to build a diversified Brazilian critical minerals business with best-in-class Environmental, Social and Governance (ESG) credentials.

Jaguar is currently one of the largest undeveloped nickel sulphide projects globally and a highly strategic potential source of unencumbered nickel concentrate product, particularly for the electric vehicle (EV) battery supply chain.

Figure 1 – The Jaguar Nickel Sulphide Project location in the Carajás Mineral Province, Brazil



### FEASIBILITY STUDY, PROJECT DEVELOPMENT AND INFRASTRUCTURE INITIATIVES

During the reporting period, there was a significant change in nickel market conditions, principally as a result of increasing supply from Indonesia with a corresponding change in underlying supply and demand dynamics. The LME nickel price fell by over 36 per cent in 2023, from around US\$25,000/t to recent lows below US\$16,000/t, forcing a number of mine closures globally in high-cost environments including in Australia and eliminating the premium that was previously available for nickel sulphate production.

As a result of this significantly changed market landscape, the Centaurus Board decided to reshape the Jaguar FS – deferring the parts of the study relating to a fully integrated downstream nickel sulphate project and focusing instead on completing the FS based on an initial nickel concentrate-only project. The development of a potential downstream refinery can be considered in future when market conditions improve.

## Interim Financial Report - 30 June 2024

Centaurus' focus has always been on delivering maximum value from the Jaguar Project by minimising, where possible, equity dilution and risk for existing shareholders. Given the recent changes in the nickel market, the Board considered that the pursuit of a larger, more capital-intensive downstream project with heightened technical risks was not consistent with this objective at the current time.

The Board firmly believes that an initial concentrate-only approach for the Project will deliver outcomes that are consistent with its core objectives of maximising value, minimising equity dilution for existing shareholders and achieving the best possible risk-adjusted returns.

The Company retains full optionality to develop the downstream second phase of the Project in the future, when supported by market conditions and as the market for low carbon emission Class-1 nickel matures to support the inclusion of a genuine green premium in its pricing structure.

The concentrate-only site layout for the Jaguar Project is represented diagrammatically in Figure 2.

**Figure 2 – Jaguar Concentrator Layout Schematic**



Results from the concentrate-only FS were published immediately subsequent to half-year end on 2 July 2024 (refer ASX announcement Positive Feasibility Study Demonstrates Strong Economics).

The FS highlighted strong economics from an initial concentrate-only project, delivering a long-life production profile at first quartile operating costs.

The outcomes of the FS demonstrate Jaguar's potential to become a sustainable, long-term and low-cost producer of low-emission nickel for global markets, generating strong financial returns while also delivering significant social and economic benefits for the local communities where the Project is located.

The FS only considered open pit nickel sulphide ore over an initial 18-year mine life, delivering nickel sulphide feed to a 3.5Mtpa conventional nickel flotation plant to produce approximately 18,700 tonnes of recovered nickel metal per year at a LOM C1 operating cost of US\$2.30/lb and all-in sustaining cost (AISC) of US\$3.57/lb, on a contained nickel basis.

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The key FS outcomes and project highlights are summarised below:

### Production Base, Nickel Price & FID Timing

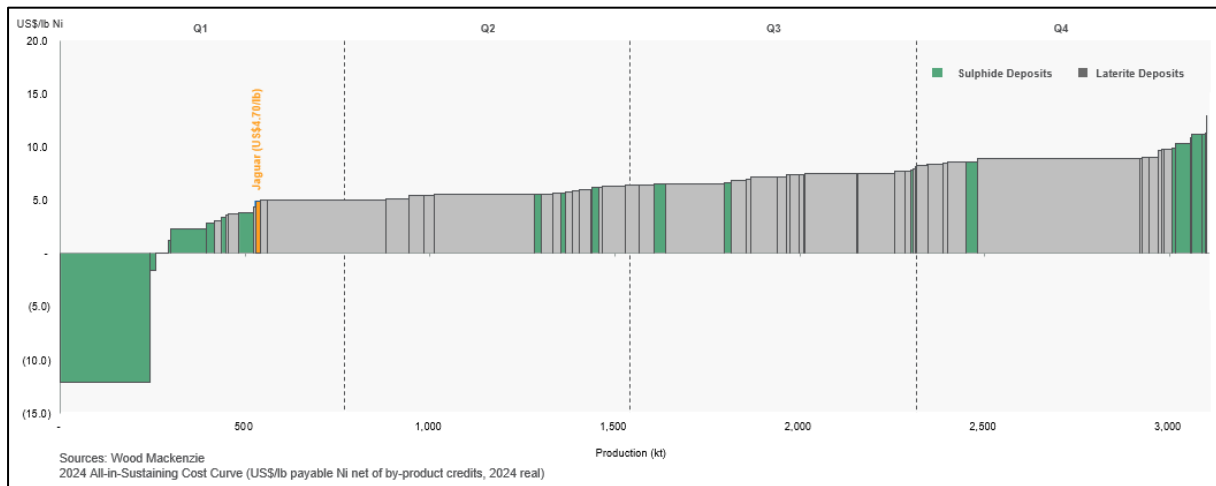
- Production of a high-quality nickel concentrate via a conventional 3.5Mtpa nickel flotation circuit.
- Forecast nickel production averaging 18,700 tonnes per annum (tpa) of contained nickel metal over the current initial 18-year open pit evaluation period.
- LOM nickel price assumption of US\$19,800/t (US\$8.98/lb) and 76% nickel payability.

### Physical Parameters

- Maiden JORC Proved and Probable open pit Ore Reserves of 63.0Mt @ 0.73% Ni for 459,200t of contained nickel.
- First production targeted for H2 CY2027 with LOM recovered nickel of 335,300 tonnes.

### Operating Costs & Capital Costs (on a contained nickel basis)

- First Quartile LOM C1 cash costs of operations of US\$2.30/lb (US\$3.03/lb on payable basis).
- First Quartile LOM AISC of US\$3.57/lb (US\$4.70/lb on payable basis).



- Pre-production Capex (including growth & contingency) of US\$371 million.
- Pre-production Capex includes US\$68 million for mine pre-strip with pre-production waste material being used in the construction of the Integrated Waste Landform (IWL).

### Strong Post Tax Financial Returns

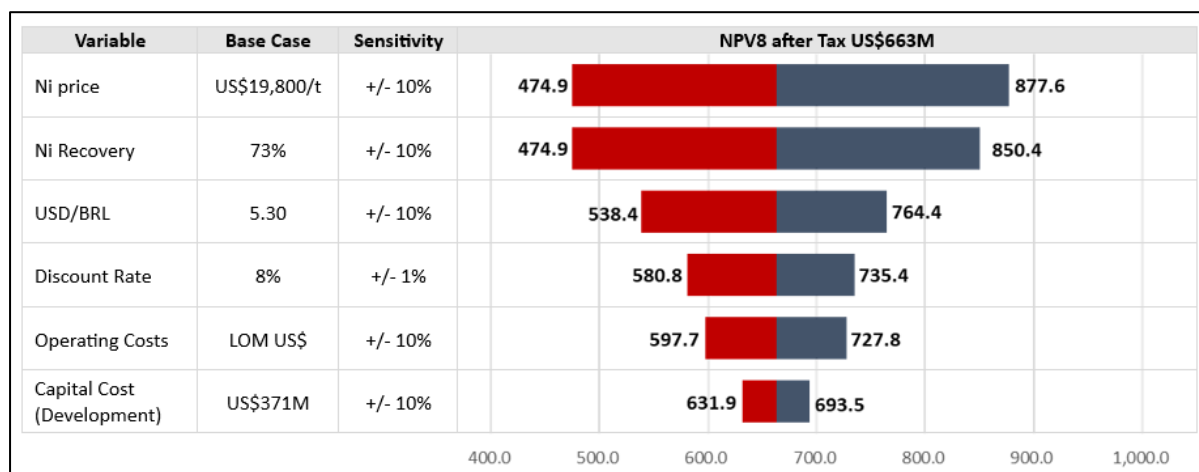
- Operating cash flow of US\$2.11 billion (A\$3.17 billion).
- Undiscounted free cash flow of US\$1.74 billion (A\$2.61 billion).
- NPV<sub>8</sub> of US\$663 million (A\$997 million) and IRR of 31% pa.
- Capital payback of 2.7 years from first nickel concentrate production.
- Average annual free operating cash flow during steady-state operations of US\$118 million (A\$178 million).

### Other Key Financial Metrics

- Revenue (net of payabilities) totalling US\$5.05 billion (A\$7.65 billion).
- EBITDA totalling US\$2.63 billion (A\$3.96 billion).
- Robust economics at then spot nickel price (US\$17,000/t) and 5.45 USD/BRL exchange rate, delivering NPV<sub>8</sub> of US\$407 million (A\$611 million) and IRR of 23% pa.



## Interim Financial Report - 30 June 2024



The results of the 2024 Jaguar FS have allowed the Board of Centaurus to commit to completing the targeted value engineering activities, actively advancing partnering discussions to support the required funding of the Project and undertaking any necessary pre-development activities required to continue to meet the overall project development timeline.

Beyond the delivery of the FS, the Company expects that there will be ongoing scope to further optimise and refine key project parameters moving into the next phase of development and engineering work for the Project.

### Updated Mineral Resource Estimate

Subsequent to the end of the reporting period, on 5 August 2024 the Company announced a significant increase in both the size and confidence levels of the Mineral Resource for the Jaguar Project, cementing its position as a Tier-1 global nickel sulphide development project.

The updated JORC 2012 Mineral Resource Estimate (MRE) comprises 138.2Mt @ 0.87% Ni for 1.20 million tonnes of contained nickel (Table 1). The global MRE at Jaguar has increased by 27% since the previous Mineral Resource Estimate announced in November 2022 and more than doubled since the Company's maiden MRE was announced in June 2020.

The update included a 30% increase in the Measured and Indicated component of the Global MRE to 112.6Mt @ 0.87% Ni for 978,900 tonnes of contained nickel.

The high-grade component, estimated using a 1.0% nickel cut-off grade, has also continued to increase with around 25% of the high-grade material located within 100m of surface. The high-grade Resource totals 36.1Mt @ 1.49% Ni for 537,900 tonnes of contained nickel

Mineralisation at Jaguar remains open both at depth and locally along plunge, with the potential to continue to expand the MRE if required. Multiple DHEM plates remain untested outside the MRE limits.

The MRE increase is underpinned by more than 80,000m of new drilling from the successful 2023 Jaguar Deeps campaigns at Jaguar South and Onça Preta, along with resource development and regional exploration drilling that successfully identified mineralisation outside of the previous MRE and resulted in a new nickel sulphide discovery at the Twister Prospect.

Since the June 2020 MRE, the Company has established an impressive track record of defining new resources at the rate of ~170,000 tonnes of contained nickel per annum through a sustained and focused drilling program at Jaguar, with mineralisation remaining open both at depth and locally along plunge.

Table 1 – The Jaguar JORC Mineral Resource Estimate (MRE) – August 2024

Classification*	Grade				Contained Metal		
	Mt	Ni %	Cu %	Co ppm	Ni	Cu	Co
Measured	14.8	1.06	0.07	388	156,100	10,200	5,900
Indicated	97.8	0.84	0.06	246	822,800	61,100	24,000
<b>Measured &amp; Indicated</b>	<b>112.6</b>	<b>0.87</b>	<b>0.06</b>	<b>266</b>	<b>978,900</b>	<b>71,300</b>	<b>29,900</b>
Inferred	25.7	0.88	0.09	257	225,500	22,900	6,700
<b>Total</b>	<b>138.2</b>	<b>0.87</b>	<b>0.07</b>	<b>262</b>	<b>1,204,400</b>	<b>94,200</b>	<b>36,600</b>

\* Within pit limits cut-off grade 0.3% Ni; below pit limits cut-off grade 0.7% Ni; Totals are rounded to reflect acceptable precision, subtotals may not reflect global totals. All oxide material is considered as waste and therefore not reported as Resources.

### Strategic Partnering Process

Concurrent with completing the FS, the strategic partnering process is continuing with strong interest received to date from a wide range of counterparties, including Western and Asian strategic investors, global battery manufacturers, chemical companies and financial investors.

This broad range of strategic interest highlights the unique market positioning of the Jaguar Nickel Sulphide deposit as one of the very few advanced stage, large-scale nickel sulphide projects globally, underpinned by its Mineral Resource which hosts 1.2 million tonnes of contained nickel in an open-pit nickel sulphide deposit.

Furthermore, the Project's expected low carbon footprint has significant strategic appeal to the counterparties involved in the EV battery supply chain, particularly in North America and Europe.

Centaurus is confident that the strategic partnering process, being undertaken in conjunction with financial adviser, Standard Chartered Bank, will deliver an attractive package of funding for the Project based on the strong interest levels and engagement seen to date.

### Project Approvals

During the reporting period, the Company took several important steps towards securing key project approvals for the Jaguar Project, with the receipt of technical approval of its PAE by the ANM; the approval of the EIA and formal issue of the LP by the Pará State Environmental Agency – SEMAS; and the grant of the combined LP and LI for the high-voltage powerline.

### OCCUPATIONAL HEALTH AND SAFETY

At the end of the reporting period, the Company had worked more than 97,700 hours and 24 months without a LTI. The 12-month reportable injury frequency rate at the end of the June was 8.84 and the 12-month severity rate was 0.

### ENVIRONMENTAL, SOCIAL & GOVERNANCE

Centaurus' ESG program combines the Towards Sustainable Mining (TSM)<sup>2</sup> and Principles of Responsible Investment (PRI) guidelines with actions to be implemented during exploration and operations.

During the reporting period, Centaurus published its 2023 Sustainability Report, which outlined the Company's key sustainability initiatives and performance over the 2023 calendar year and its continued goals for the years ahead.

<sup>2</sup> TSM - Principles developed by the Mining Association of Canada and PRI - a global organisation that promotes responsible investment practices in the investment industry.

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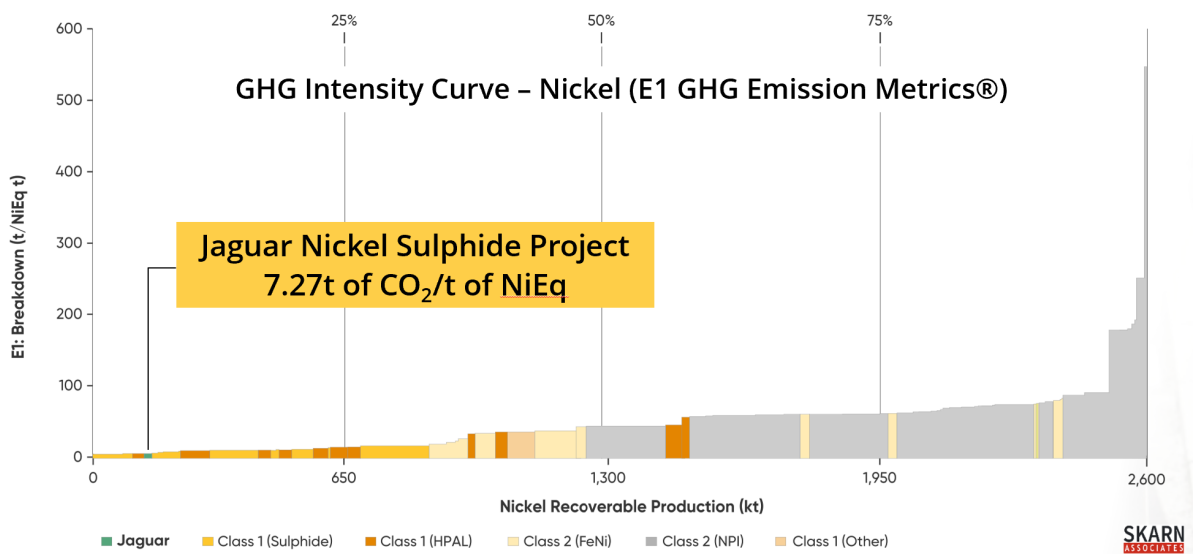
**Jaguar GHG Emissions**

A review of the Jaguar Project’s carbon footprint during the reporting period by specialist metals and mining ESG research company, Skarn Associates, has confirmed that the Project continues to demonstrate its credentials as one of the world’s foremost nickel projects in terms of its carbon footprint, putting it in a strong position to attract strategic investment from potential partners seeking new supply of nickel concentrate.

The results of this study continue to demonstrate that the Jaguar Project, once in production, is expected to be class-leading in terms of its carbon footprint, reflecting its unique attributes as a high-grade, open-pittable nickel sulphide project powered by 100% renewably sourced energy which will be distributed by the 230kV national power grid in Brazil.

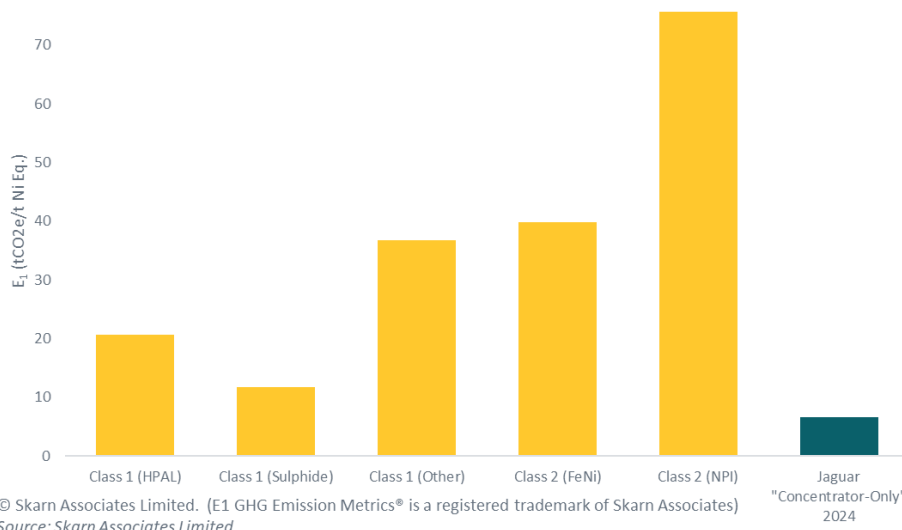
The graph in Figure 3 shows where Jaguar ranks on a global basis on the Skarn Associates GHG Nickel Intensity Curve.

**Figure 3 – Skarn Associates GHG Intensity Curve – Nickel (E1 GHG Emission Metrics®)**



The assessed emission levels will be 85% lower than the industry average (production weighted) of 48.6 tonnes of CO<sub>2</sub>/t of nickel equivalent (assessed for the 2023 year). Figure 4 highlights where the Jaguar Nickel Sulphide Project sits from an emission perspective relative to other sources of Class-1 nickel as well as Class-2 nickel from various production processes.

**Figure 4 – Industry Average E1 (Scope 1+2+Downstream) GHG Emissions by Nickel Product**



© Skarn Associates Limited. (E1 GHG Emission Metrics® is a registered trademark of Skarn Associates)  
Source: Skarn Associates Limited

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### Local Community Support Plan

The 2023/2024 annual plan for the works to be undertaken in partnership with local governments was defined to prioritise domestic waste. This has involved a study of the average composition and volume of waste generated in the three municipalities around the Jaguar Project, with a view to then implementing two courses of action:

- Educational campaign to reduce, re-use and segregate domestic waste; and
- Recycling of domestic waste.

At the end of the reporting period, the Company had set up a total of 15 recyclable waste bins in the towns of São Félix do Xingu (including Minerasul and Ladeira Vermelha villages), Tucumã and Ourilândia do Norte. This initiative has reduced the amount of waste taken to the regional waste dumps, as well as created revenue streams for local waste recycling businesses. The goal was to eliminate six tonnes of recyclable waste from going to local dumps up to the end of June 2024. By the end of the period, 11.5 tonnes had in fact been removed.

### Local Workforce Training Programs

During the reporting period, the Company commenced training programs in conjunction with the Brazilian industry training college (SENAI). Centaurus intends to train over 1,500 people in various trades that will allow them to be able to seek employment once construction of the Jaguar Project commences.

By the end of the reporting period, two of the three training courses, to support the roles of Administrative Assistant, Construction Assistant and Electrician, were completed, with the Construction Assistant course concluding mid-July.

### Plant Nursery

The Company has continued to plant tree seedlings native to the Amazon Rainforest, with 7.64Ha planted during the reporting period to revegetate previously cleared farmland. The revegetation program will recommence after the dry season in October/November 2024.

Since the start of the revegetation program in January 2022, more than 32Ha has been revegetated and 13,188 native seedlings planted. The Company is now only ~2.0Ha short of a positive balance of revegetated area versus cleared areas at Jaguar.

The planned revegetation will allow new forest corridors to be established around the site to assist with the movement, protection and biodiversity of flora and fauna.

**Boi Novo Coper-Gold Project**

The Boi Novo Copper-Gold Project, secured as part of Centaurus’ Horizon II Business Development and Growth Strategy in NE Brazil, covers 35km<sup>2</sup> of highly prospective ground in the Carajás Mineral Province – the world’s premier Iron-Oxide Copper-Gold (IOCG) address. The Project is located 30km from Parauapebas (population ~267k), the regional centre of the Carajás, and less than 20km from BHP’s Antas Norte copper flotation plant (Figure 1).

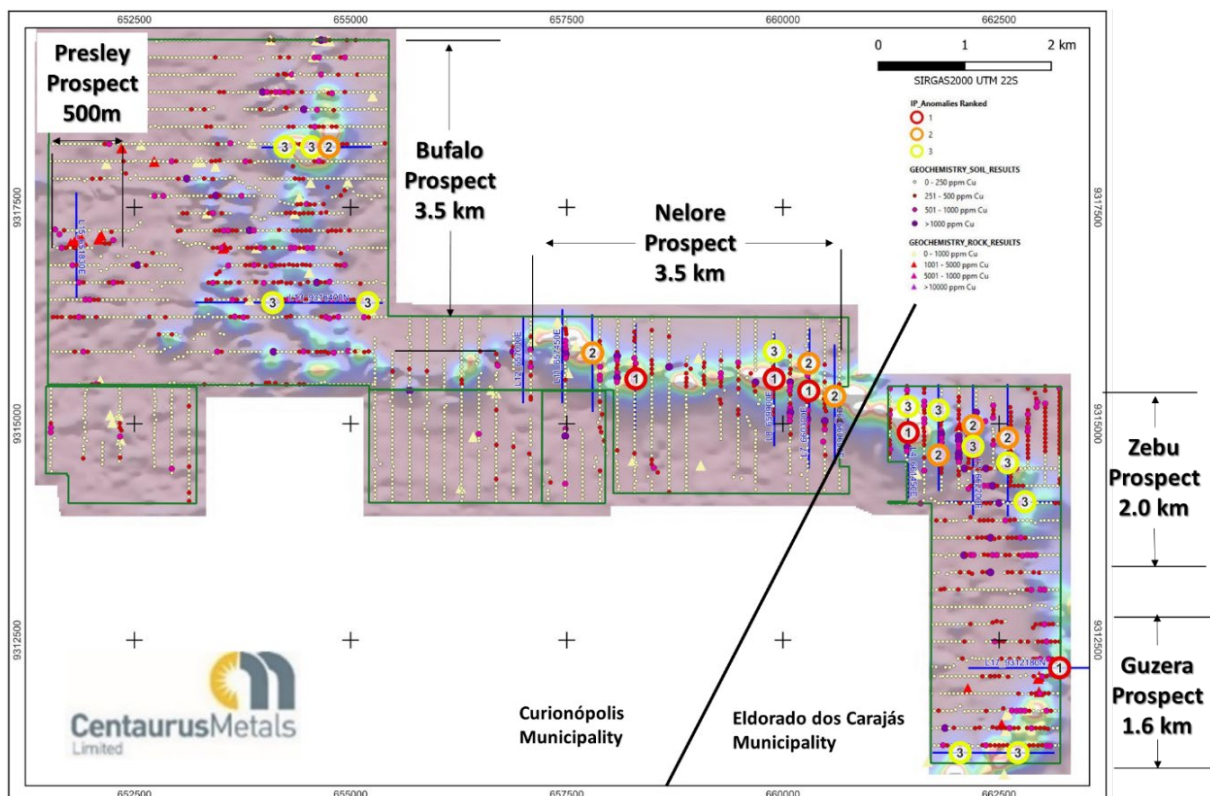
The Project hosts four distinct prospects, with +500ppm copper-in-soil anomalies along 12km of discontinuous strike coincident with magnetic anomalies, being the Bufalo, Nelore, Zebu and Guzera prospects (Figure 5).

Within the broader anomalies there are discrete zones of +1,000ppm copper-in-soil anomalies extending over a strike length of up to 1.5km. Soil geochemistry results include soil values of up to 5,210ppm Cu and 0.334ppm Au. The best result from rock chips sampling to date returned 2.24% Cu and 0.57g/t Au.

During the reporting period, an Induced Polarisation (IP) ground survey<sup>3</sup> was completed. This included 17 IP lines for a total of 23km of survey.

Figure 5 shows the location of the IP survey lines (blue) and the chargeability and resistivity anomalies identified and ranked by Southern Geoscience in accordance with priority based on geophysical data only (IP and DMAG). The IP sections set out in Figure 6 shows one of the Priority 1 targets at the Nelore Prospect, where IP Chargeability anomalies are proximal or coincident with magnetic anomalies and copper-in-soil geochemistry anomalies.

**Figure 5 – Boi Novo Prospect IP priority picks locations over drone magnetics.**



<sup>3</sup> Refer to ASX Announcements 28 November 2023 and 28 May 2024. 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. The Company confirms that the form and context in which the competent persons findings were presented have not been materially modified from the original announcements.

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Field mapping during the period also identified the Presley Prospect, an east-west trending breccia zone that extends across 500m with intense magnetite and malachite alteration hosted within the Estrela Granite.

The Company's in-house geophysical survey team completed Fixed Loop Electromagnetic (FLEM) surveys over the prospect, producing a shallow dipping conductor plate with moderate conductance coincident with a shallow IP chargeability anomaly (Figure 7).

Figure 6 – Boi Novo – Nelore Prospect – Section 658300mE

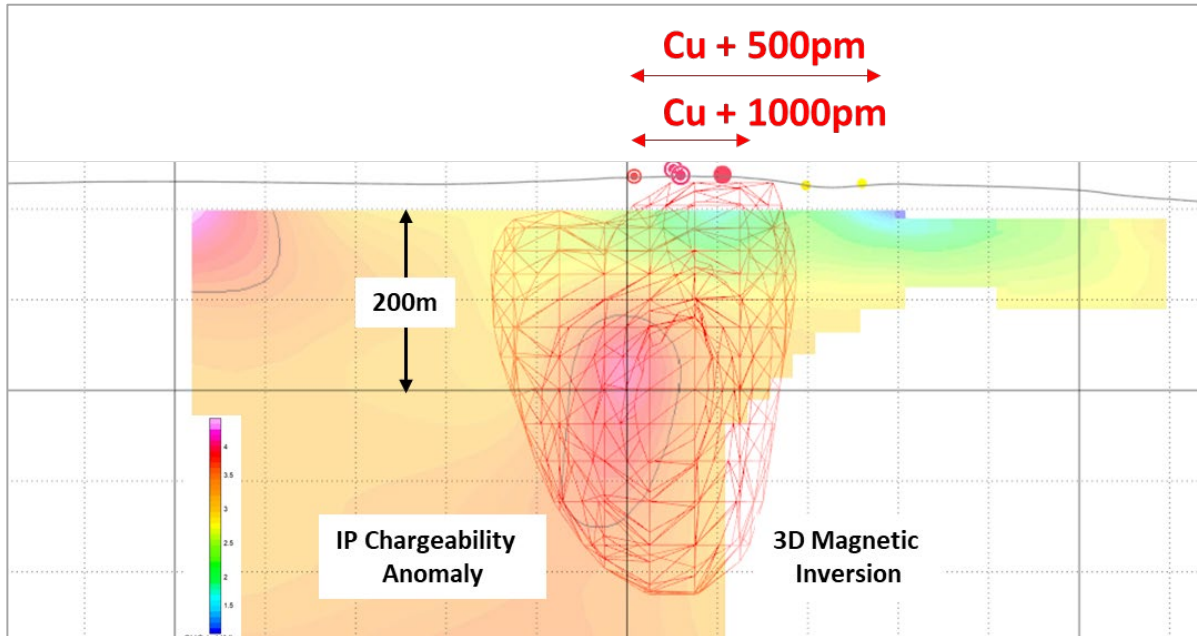
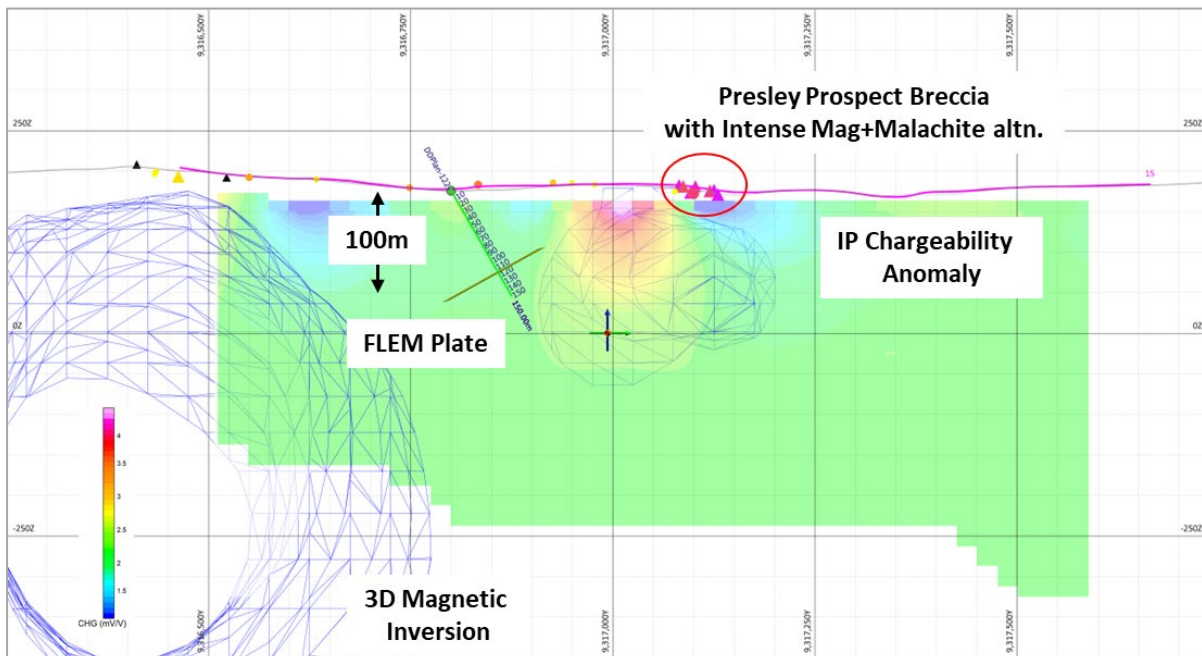


Figure 7 – Boi Novo – Presley Prospect – Section 651875mE



## Drilling Program

Drilling at the Boi Novo Project commenced during the period, targeting priority IP targets where they are coincident with anomalous copper and gold in the soil geochemistry and/or mapped copper mineralisation at surface in the Zebu and Guzera Prospects.

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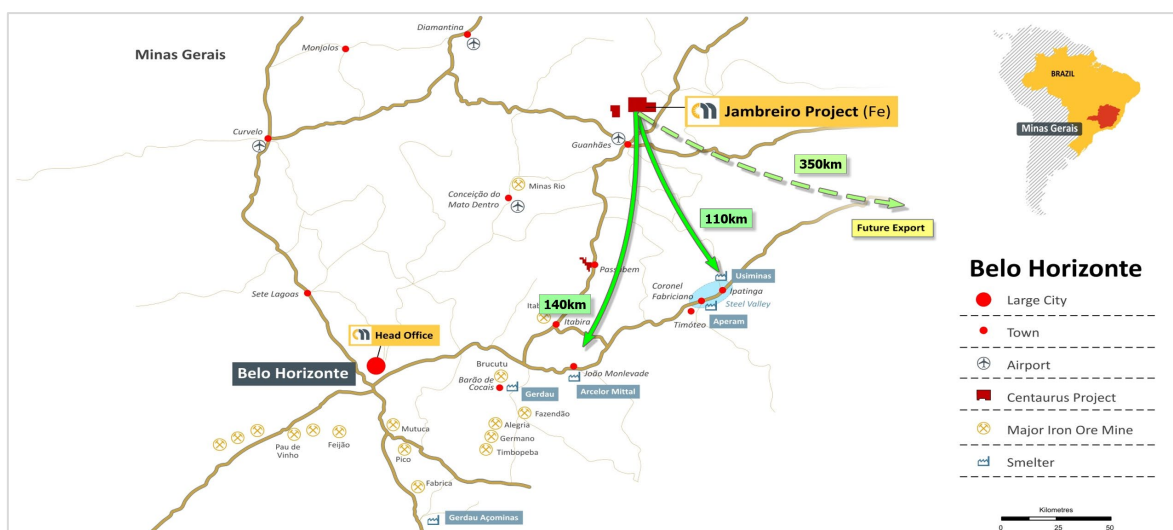
Four holes were completed at the Zebu and Guzera Prospects. Samples were dispatched to the SGS laboratory for assay, with results expected in September. Select holes were cased and Down Hole Electromagnetic (DHEM) surveys are being completed by the in-house geophysical survey team.

Subsequent to the half-year end, Centaurus received the drilling permit from the Curionópolis Municipality, allowing the Company to move drilling to the Presley, Nelore and Bufalo prospects (Figure 5).

### Jambreiro Iron Ore Project

The Company's 100%-owned Jambreiro Project is located in south-east Brazil (Figure 8) close to the Company's head office in the city of Belo Horizonte. It formed part of Centaurus' foundational portfolio of strategic minerals projects in Brazil and comprises a substantial Mineral Resource for which Centaurus continues to evaluate potential development and monetisation pathways.

Figure 8 – Jambreiro Iron Ore Project Location.

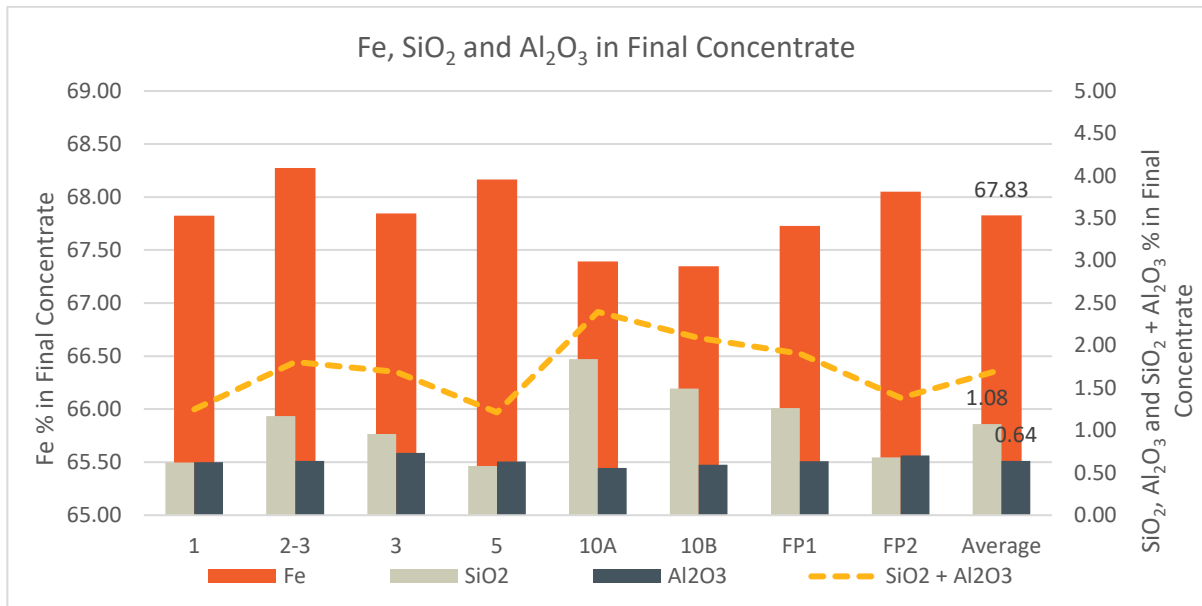


During the reporting period, in response to growing interest from potential off-take partners and customers, Centaurus commenced a new study on the potential of the Jambreiro Project to deliver a Direct Reduction (DR) quality pellet feed concentrate.

Positive results were reported from bench-scale metallurgical testwork on Jambreiro ore, confirming the potential for the project to produce a Direct Reduction Pellet Feed (DRPF) product across its entire projected mine life.

The average product specification achieved delivered an iron grade of 67.8% Fe, 1.08% Silica and 0.64% Alumina (Silica + Alumina of 1.72%), as shown in Figure 9, with this specification well within the 2% threshold required to achieve a DR quality product. The average phosphorus grade in the concentrate product was very low at 0.011%.

Figure 9 – Jambreiro Product Results from Bench-Scale Metallurgical Testwork Program



The bench-scale testwork was completed using two flowsheet alternatives. Option 1 included a jig as per the original flowsheet while Option 2 excluded the jig and added a quaternary crusher and a ball mill.

The results from both options were very similar with respect to product quality, but there was a notable difference in relation to mass and metallurgical recovery in favour of the Option 2 flowsheet, with roughly 10% higher mass recovery and more than 9% higher metallurgical recovery achieved with this option.

As a result of these higher recoveries, the process flowsheet to be used moving forward for future testwork, costing and the planned production of DRPF from Jambreiro is set out in Figure 10. This new proposed flowsheet is very similar to the original Jambreiro flowsheet, which was designed to produce a sinter feed product.

Centaurus is currently assessing the impact of the changes to the process flowsheet on previous capital and operating cost estimates so that the Company can confirm, at a high level, its expectations that the production of a DRPF product can deliver strong economics for the Company.

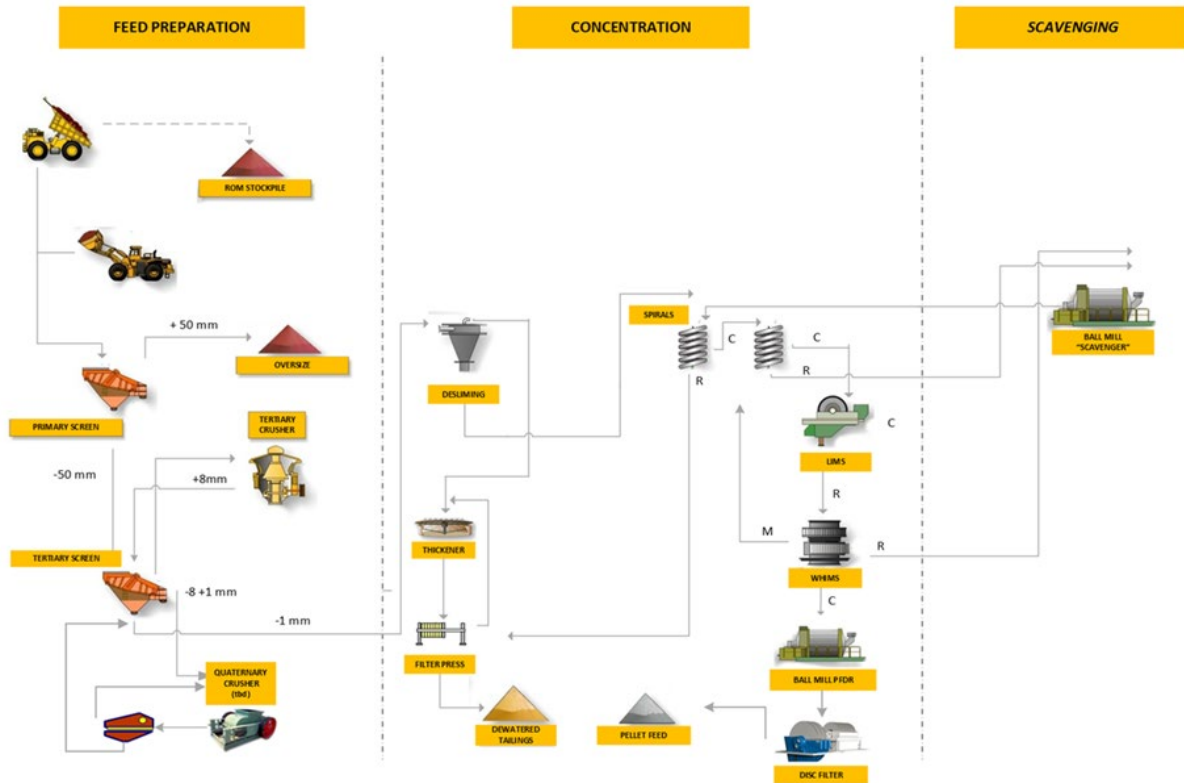
Full details of the Jambreiro metallurgical testwork programs were provided in the Company’s ASX Announcement dated 10 April 2024<sup>4</sup>.

<sup>4</sup> Refer ASX Announcement 10 April 2024. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the competent person’s findings were presented have not been materially modified from the original announcements.

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Figure 10 – Selected Flowsheet for Future Testwork, Costing and DRPF Production



A new LP for the Jambreiro Project is expected in H2 2024 and the LI in H1 2025. As the project had already been licensed in 2013 and significant environmental improvements were implemented in the project design, including the removal of the tailings dam, the Company expects no issues with the new approvals process.

**Corporate**

**Options Exercise**

Centaurus’ Directors collectively invested a further \$426,750 and increased their equity positions in Centaurus following the exercise of options expiring 31 May 2024.

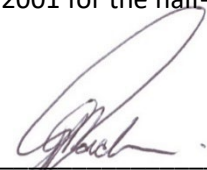
**Events Subsequent to Reporting Date**

During the reporting period the Company completed a positive FS for the development of the Jaguar Nickel Sulphide Project, with the FS published on 2 July 2024.

In addition, the Company published an updated Mineral Resource Estimate (MRE) for the Jaguar Project on 5 August 2024 comprising 138.2Mt @ 0.87% Ni for 1.20 million tonnes of contained nickel.

Other than these events there has not arisen, in the interval between the end of the period and the date of this report an item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

A copy of the auditor’s independence declaration as required under section 307C of the Corporations Act 2001 for the half-year ended 30 June 2024 is set out on page 16.

  
 D P Gordon  
 Managing Director  
 11 September 2024

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# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Centaurus Metals Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Centaurus Metals Limited for the half-year ended 30 June 2024 there have been:

- i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. No contraventions of any applicable code of professional conduct in relation to the review.

KPMG

Graham Hogg  
*Partner*  
Perth  
11 September 2024

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Interim Financial Report - 30 June 2024

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

For the half-year ended 30 June 2024

		30 June 2024 \$	30 June 2023 \$
Other income	4	2,226,725	-
Exploration expenditure		(8,238,858)	(19,343,650)
Impairment of other receivables	6	(111,856)	(887,751)
Employee benefits expense		(1,631,510)	(1,612,697)
Share based payment expense	5	(535,516)	(564,372)
Listing and share registry fees		(90,935)	(95,289)
Professional fees		(300,375)	(358,546)
Depreciation		(151,986)	(314,582)
Other expenses		(360,025)	(782,940)
<b>Results from operating activities</b>		<b>(9,194,336)</b>	<b>(23,959,827)</b>
Finance income		775,470	572,202
Finance expense		(32,560)	(40,256)
<b>Loss before income tax</b>		<b>(8,451,426)</b>	<b>(23,427,881)</b>
Income tax benefit		-	-
<b>Loss for the period</b>		<b>(8,451,426)</b>	<b>(23,427,881)</b>
<b>Other Comprehensive Income</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange differences arising on translation of foreign operations		(2,310,510)	1,489,168
<b>Other comprehensive income/(loss) for the period</b>		<b>(2,310,510)</b>	<b>1,489,168</b>
<b>Total comprehensive loss for the period</b>		<b>(10,761,936)</b>	<b>(21,938,713)</b>
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per Share</b>			
Basic loss per share		(1.71)	(5.48)
Diluted loss per share		(1.71)	(5.48)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

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## Condensed Consolidated Statement of Financial Position

As at 30 June 2024

	Note	30 June 2024 \$	31 December 2023 \$
<b>Current assets</b>			
Cash and cash equivalents		24,748,228	34,673,852
Other receivables and prepayments	6	3,065,429	2,088,960
Inventories		35,177	48,086
<b>Total current assets</b>		<b>27,848,834</b>	<b>36,810,898</b>
<b>Non-current assets</b>			
Other receivables and prepayments	6	168,834	46,226
Property, plant and equipment	7	8,936,926	9,794,990
Exploration and evaluation assets	8	12,681,977	13,670,876
Total non-current assets		21,787,737	23,512,092
<b>Total assets</b>		<b>49,636,571</b>	<b>60,322,990</b>
<b>Current liabilities</b>			
Trade and other payables		2,176,593	3,351,700
Financial Liability	9	-	212,028
Employee benefits		1,182,404	948,004
Lease Liability	10	190,107	239,075
Total current liabilities		3,549,104	4,750,807
<b>Non-current liabilities</b>			
Lease Liability	10	567,983	267,979
Employee benefits		102,852	87,722
Total non-current liabilities		670,835	355,701
<b>Total liabilities</b>		<b>4,219,939</b>	<b>5,106,508</b>
<b>Net assets</b>		<b>45,416,632</b>	<b>55,216,482</b>
<b>Equity</b>			
Share capital	11	282,169,102	281,447,226
Reserves		(7,315,479)	(4,680,448)
Accumulated losses		(229,436,991)	(221,550,296)
<b>Total equity</b>		<b>45,416,632</b>	<b>55,216,482</b>

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Interim Financial Report - 30 June 2024

**Condensed Consolidated Statement of Changes in Equity**

For the half-year ended 30 June 2024

	Issued Capital \$	Share-Based Payments Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 1 January 2024</b>	<b>281,447,226</b>	<b>2,410,285</b>	<b>(7,090,733)</b>	<b>(221,550,296)</b>	<b>55,216,482</b>
Loss for the period	-	-	-	(8,451,426)	(8,451,426)
Foreign currency translation difference for foreign operations	-	-	(2,310,510)	-	(2,310,510)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>(2,310,510)</b>	<b>(8,451,426)</b>	<b>(10,761,936)</b>
Share issue costs	(180)	-	-	-	(180)
Share-based payment transactions	-	535,516	-	-	535,516
Share options exercised	426,750	-	-	-	426,750
Transfer on exercise of options	295,306	(860,037)	-	564,731	-
<b>Total transactions with owners</b>	<b>721,876</b>	<b>(324,521)</b>	<b>-</b>	<b>564,731</b>	<b>962,086</b>
<b>Balance at 30 June 2024</b>	<b>282,169,102</b>	<b>2,085,764</b>	<b>(9,401,243)</b>	<b>(229,436,991)</b>	<b>45,416,632</b>

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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Interim Financial Report - 30 June 2024

**Condensed Consolidated Statement of Changes in Equity (Continued)**

For the half-year ended 30 June 2023

	Issued Capital \$	Share-Based Payments Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 1 January 2023</b>	<b>236,289,294</b>	<b>2,267,253</b>	<b>(8,086,423)</b>	<b>(181,141,425)</b>	<b>49,328,699</b>
Loss for the period	-	-	-	(23,427,881)	(23,427,881)
Foreign currency translation difference for foreign operations	-	-	1,489,168	-	1,489,168
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>1,489,168</b>	<b>(23,427,881)</b>	<b>(21,938,713)</b>
Share-based payment transactions	-	564,372	-	-	564,372
Share options exercised	569,800	-	-	-	569,800
Transfer on exercise of options	214,639	(214,639)	-	-	-
<b>Total transactions with owners</b>	<b>784,439</b>	<b>349,733</b>	<b>-</b>	<b>-</b>	<b>1,134,172</b>
<b>Balance at 30 June 2023</b>	<b>237,073,733</b>	<b>2,616,986</b>	<b>(6,597,255)</b>	<b>(204,569,306)</b>	<b>28,524,158</b>

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.



**Condensed Consolidated Statement of Cash Flows**

For the half-year ended 30 June 2024

	30 June 2024 \$	30 June 2023 \$
<b>Cash flows from operating activities</b>		
Exploration and evaluation expenditure	(9,108,207)	(18,523,030)
Payments to suppliers and employees (inclusive of indirect taxes)	(2,325,924)	(2,449,943)
Other receipts	1,304,766	517,874
Interest received	825,520	600,464
<b>Net cash used in operating activities</b>	<u>(9,303,845)</u>	<u>(19,854,635)</u>
<b>Cash flows from investing activities</b>		
Payments for property plant & equipment	(215,234)	(1,260,780)
Acquisition of exploration assets	(108,244)	(252,415)
Payment of security deposit	(128,409)	-
Proceeds on sale of property plant & equipment	1,030	-
Proceeds on sale of mineral assets	-	14,020
<b>Net cash used in investing activities</b>	<u>(450,857)</u>	<u>(1,499,175)</u>
<b>Cash flows from financing activities</b>		
Capital raising costs	(180)	-
Proceeds from the exercise of options	426,750	569,800
Payment for lease liability	(178,340)	(262,100)
<b>Net cash from financing activities</b>	<u>248,230</u>	<u>307,700</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(9,506,472)</b>	<b>(21,046,110)</b>
Cash and cash equivalents at the beginning of the half-year	<b>34,673,852</b>	<b>34,047,722</b>
Effect of exchange rate fluctuations on cash held	<b>(419,152)</b>	<b>(176,198)</b>
<b>Cash and cash equivalents at the end of the half-year</b>	<u><b>24,748,228</b></u>	<u><b>12,825,414</b></u>

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Notes to the Condensed Consolidated Interim Financial Statements For the half-year ended 30 June 2024

### Note 1. Reporting Entity

Centaurus Metals Limited is a company domiciled in Australia. These condensed consolidated interim financial statements ('interim financial statements') as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the 'Group'). The Group is primarily involved in the exploration for and evaluation and development of mineral resources.

### Note 2. Basis of Preparation

#### Statement of Compliance

The condensed consolidated interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001, and IAS 34 *Interim Financial Reporting*.

They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2023.

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 September 2024.

#### Judgements and Estimates

In preparing these interim financial statements, management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty, other than the estimations required for asset acquisitions were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2023.

#### Going Concern

The interim financial statements for the period ended 30 June 2024 have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

### Note 3. Material Accounting Policies

#### Changes in Accounting Policy

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2023. A number of new standards are effective from 1 January 2024 have not had a material effect on the Group's financial statements.

## Interim Financial Report - 30 June 2024

### Accounting Standards

The Group has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Any new, revised or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for current or prior periods.

### Note 4. Other Income

	30 June 2024 \$	30 June 2023 \$
R&D tax refund	2,215,681	-
Other	11,044	-
	<u>2,226,725</u>	<u>-</u>

### Note 5. Share Based Payments

From time to time the Group may make share-based payments in connection with its activities. These payments may comprise the issue of options under various terms and conditions. Options granted carry no dividend or voting rights. When exercisable, each option is converted into one ordinary share of the Company with full dividend and voting rights.

During the reporting period 3,901,896 options were issued to employees and directors (2023: 1,535,164). Options issued to employees were issued under the Employee Share Incentive Plan approved by shareholders at the Annual General Meeting on 27 May 2022. Options issued to executive directors were approved by shareholders under ASX Listing Rule 10.11.

### Reconciliation of Outstanding Share Options

The number and weighted average exercise prices of share options issued are as follows:

	Weighted Average Exercise Price 2024	Number of Options 2024	Weighted Average Exercise Price 30 June 2023	Number of Options 30 June 2023
Outstanding at start of period	\$0.1052	5,789,169	\$0.1212	9,723,075
Exercised during the period	\$0.3226	(1,323,037)	\$0.3757	(1,516,667)
Lapsed during the period	\$0.4050	(450,000)	-	-
Forfeited during the period	\$0.0000	(770,205)	-	-
Issued during the period	\$0.0000	3,901,896	\$0.0000	1,535,164
Outstanding at balance date	\$0.0000	<u>7,147,823</u>	\$0.0625	<u>9,741,572</u>
Exercisable at balance date	\$0.0000	<u>485,543</u>	\$0.1704	<u>3,574,586</u>

The options outstanding at 30 June 2024 have an exercise price of \$0.000 (2023: \$0.000-\$0.405) and the weighted average remaining contractual life is 2.74 years (2023: 1.68 years).

## Interim Financial Report - 30 June 2024

### Note 5. Share Based Payments (continued)

Details of the options issued during the period are as follows:

Grant Date	Number of Options	Vesting Period <sup>(1)</sup>	Option Term
<b>Directors</b>			
28/05/2024	865,691	36 months <sup>(2)</sup>	48 months
28/05/2024	865,691	36 months <sup>(3)</sup>	48 months
Total	1,731,382		
<b>Employees</b>			
6/02/2024	1,085,257	36 months <sup>(2)</sup>	48 months
6/02/2024	1,085,257	36 months <sup>(3)</sup>	48 months
Total	2,170,514		

- (1) From 1 January 2024 subject to continued employment.
- (2) Options will vest in the future subject to performance and services based vesting conditions being met. The Company's share price performance is measured via relative Total Shareholder Return (TSR). The Company's TSR is measured against a peer group of companies. Vesting will occur subject to meeting a three-year service condition to 31 December 2026 and the performance condition tested against the relative TSR measure for the period 1 January 2024 to 31 December 2026.

The following table sets out the vesting outcome based on the Company's relative TSR performance.

TSR percentile compared to peer group	Percentage Options that vest
<50 <sup>th</sup> percentile	0%
Between 50 <sup>th</sup> and 75 <sup>th</sup> percentile	Pro-rata between 50% and 100%
>75 <sup>th</sup> percentile	100%

No options will vest unless the percentile ranking of the Company's TSR for the relevant performance year, as compared to the TSRs for the Peer Group companies, is at or above the 50<sup>th</sup> percentile.

- (3) Vesting will occur subject to meeting a three-year service condition to 31 December 2026 and the performance condition tested against the absolute TSR measure for the period 1 January 2023 to 31 December 2026.

The following table sets out the vesting outcome based on the Company's Absolute TSR performance

Assessment Table	
Threshold TSR Level over Assessment Period	Amount of ZEPOs which will vest and become exercisable
Less than 20%	Zero
B/t 20% and 27.5%	25%
B/t 27.5% and 35%	50%
B/t 35% and 42.5%	75%
42.5% or greater	100%

## Interim Financial Report - 30 June 2024

### Inputs for Measurement of Grant Date Fair Values

The fair value at grant date of the share-based payments is charged to the income statement over the period which the benefits of the employee services are expected to be derived. The fair values of awards granted were estimated using a Monte Carlo simulation pricing technique taking into account the following inputs:

Grant Date	Expiry Date	Exercise Price	Life of option	Share price at grant date	Expected share price volatility	Risk-free interest rate	Fair Value at grant date
6/02/2024	31/12/27	\$0.000	3.90 years	\$0.29	50%	3.618%	\$0.2374
6/02/2024	31/12/27	\$0.000	3.90 years	\$0.29	50%	3.618%	\$0.0946
28/05/2024	31/12/27	\$0.000	3.59 years	\$0.51	50%	3.875%	\$0.4490
28/05/2024	31/12/27	\$0.000	3.59 years	\$0.51	50%	3.875%	\$0.2837

### Expenses Arising from Share Based Payment Transactions

	30 June 2024	30 June 2023
	\$	\$
Total expense recognised as share-based payment	<b>535,516</b>	564,372

### Note 6. Other Receivables and Prepayments

	30 June 2024	31 December 2023
	\$	\$
<b>Current</b>		
Prepayments	<b>383,519</b>	411,012
Other Receivables	<b>389,936</b>	296,889
Security deposits	<b>76,293</b>	76,293
R&D tax refund	<b>2,215,681</b>	1,304,766
	<b>3,065,429</b>	2,088,960
<b>Non – Current</b>		
Other Receivables	<b>4,785,622</b>	5,296,693
Provision for impairment	<b>(4,785,622)</b>	(5,296,693)
Security deposits	<b>168,834</b>	46,226
	<b>168,834</b>	46,226

Non-current Other Receivables include Brazilian federal VAT (PIS-Cofins) levied on the Group's purchases. Recoverability of PIS-Cofins assets is dependent upon the Group generating a federal company tax liability, which may be offset against the Group's PIS-Cofins assets if the Group elects to do so.

The current practice of the Group is to impair PIS-COFINS assets given the pre-development status of the Jaguar Project.

An impairment expense of \$111,856 was recognised in profit and loss during the period (2023: \$887,751).

## Interim Financial Report - 30 June 2024

### Note 7. Property Plant and Equipment

	30 June 2024 \$	31 December 2023 \$
Opening net book value	9,794,990	8,903,956
Additions	813,659	1,230,129
Disposals	(270,252)	(198,936)
Depreciation	(335,332)	(832,132)
Effect of movements in exchange rate	(1,066,139)	691,973
	<u>8,936,926</u>	<u>9,794,990</u>

### Note 8. Exploration and Evaluation Assets

	30 June 2024 \$	31 December 2023 \$
Opening net book value	13,670,876	13,006,304
Additions	31,532	59,263
Disposals	-	(40,000)
Effect of movements in exchange rate	(1,020,431)	645,309
	<u>12,681,977</u>	<u>13,670,876</u>

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the respective project areas.

### Note 9. Financial Liability

	30 June 2024 \$	31 December 2023 \$
<b>Current</b>		
Land possession	-	212,028

### Note 10. Lease Liability

	30 June 2024 \$	31 December 2023 \$
<b>Current</b>		
Lease Liability	190,107	239,075
<b>Non- Current</b>		
Lease Liability	567,983	267,979



## Interim Financial Report - 30 June 2024

### Note 11. Share Capital

		30 June 2024	31 December 2023
	Issue Price	Number of Shares	Number of Shares
On issue at the start of the period		494,857,633	427,106,273
Exercise of unlisted options	\$0.4050	950,000	-
Exercise of unlisted options	\$0.1800	233,333	116,667
Exercise of unlisted options	\$0.0000	139,704	1,941,252
Placement	\$0.7300	-	64,293,441
Exercise of unlisted options	\$0.3920	-	1,400,000
On issue at the end of the period		496,180,670	494,857,633

### Note 12. Operating Segments

The Group operates in the mineral exploration industry. For management purposes the Group is organised into one main operating segment which involves the exploration of minerals. All of the Group's activities are interrelated and financial information is reported to the Managing Director (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon an analysis of the Group as one segment.

The financial results and financial position from this segment are largely equivalent to the financial statements of the Group as a whole.

	30 June 2024	31 December 2023
	Non-Current Assets	Non-Current Assets
Geographical Segment Information	\$	\$
Brazil	20,897,098	23,170,736
Australia	890,639	341,356
Total	21,787,737	23,512,092

### Note 13. Contingent Liabilities

The terms of the Jaguar Sale and Purchase Agreement and the subsequent agreement to acquire the Project's offtake rights acquisition give rise to the following contingent liabilities related to the Jaguar Project.

- ▶ US\$5.0 million on first commercial production from the project payable to Vale;
- ▶ a royalty of 1.75% on Net Operating Revenue for nickel sulphate or 2.00% on Net Operating Revenue generated from any future nickel concentrate production from the project payable to Vale; and
- ▶ a royalty of 1.8% on Net Operating Revenue generated from any future concentrate production from the project payable to National Bank for Economic and Social Development (BNDES).

### Note 14. Subsequent Events

There has not arisen, in the interval between the end of the period and the date of this report an item, any transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

## Interim Financial Report - 30 June 2024

### Directors' Declaration

For the half-year ended 30 June 2024

In the directors' opinion:

- (a) the condensed consolidated financial statements and notes set out on pages 17 to 27 are in accordance with the Corporations Act 2001, including:
  - i. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - ii. giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Centaurus Metals Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



---

D P Gordon  
Managing Director

11 September 2024



# Independent Auditor's Review Report

To the shareholders of Centaurus Metals Limited

## Report on the Condensed Interim Financial Report

### Conclusion

We have reviewed the accompanying **Condensed Interim Financial Report** of Centaurus Metals Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Interim Financial Report of Centaurus Metals Limited does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the **Group's** financial position as at 30 June 2024 and of its performance for the Half-year ended on that date; and
- Complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Condensed Interim Financial Report** comprises:

- Condensed consolidated statement of financial position as at 30 June 2024;
- Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the Half-year ended on that date;
- Notes 1 to 14 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Centaurus Metals Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia.



## Responsibilities of the Directors for the Condensed Interim Financial Report

The Directors of the Company are responsible for:

- The preparation of the Condensed Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- Such internal control as the Directors determine is necessary to enable the preparation of the Condensed Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's responsibilities for the review of the Condensed Interim Financial Report

Our responsibility is to express a conclusion on the Condensed Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Condensed Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Graham Hogg

Partner

Perth

11 September 2024

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