

3 October 2025

Metallium Limited (MTM)**BUY****Share Price: A\$1.20****Glencore MOU could solve both feedstock and sales****Target Price:****A\$1.40**

The Glencore MOU represents a significant de-risking milestone for MTM, securing feedstock and offtake with one of the world's largest recyclers. While non-binding, it validates FJH's commercial relevance and strengthens its case for U.S. government funding. The deal enhances credibility and appears scalable, but introduces concentration risk, with 75% of output tied to Glencore and exclusivity limiting optionality until year-end. Whether this is worth it depends on the economics, which remain to be defined. That said, the agreement provides a clear commercial pathway that underpins Texas commissioning and subsequent site rollouts. No changes to earnings or valuation, but we have more confidence in MTM's go to market strategy. We reiterate our BUY rating and A\$1.40/sh price target.

Key Points from Announcement

- Glencore to supply PCB scrap, covering Stage 1 Texas plant 8,000tpa feedstock target
- Glencore to purchase up to 75% of recycled metal
- MTM retains rights to market Ga, Ge, In and REEs
- Exclusivity runs until Dec-25, with intention to negotiate binding agreement by year end

Glencore is America's biggest e-waste processor

- Glencore's Horne Smelter in Québec is North America's largest processor of e-scrap, for its copper and gold
- Our channel checks indicate it recovers around 25ktpa of copper and 120koz of gold from e-scrap per year

Potential benefits of this deal

- Secures critical feedstock volumes for Stage 1
- Validates FJH technology and provides commercial offtake certainty for product streams (once binding)
- Creates scalability pathway for expansion and specialty metals carve-out retains upside

Potential risks to consider

- Exclusivity and 75% offtake amount reduces optionality with alternative counterparties until Dec-25
- Economics undefined; profitability depends on final terms, need to ensure strategic flexibility is maintained

Key Dates Ahead

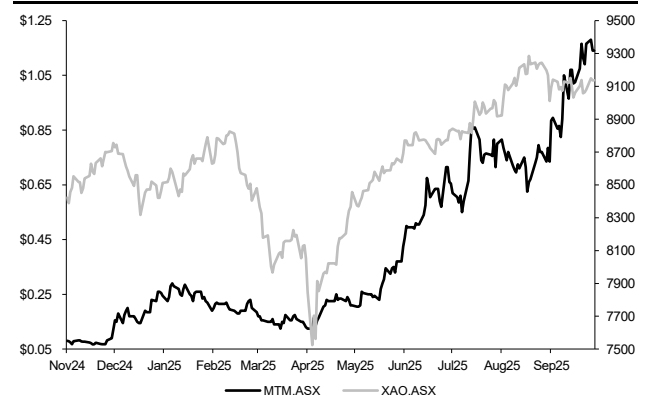
- **Ongoing:** MTM advances with govt grant process
- **1H 2026:** Advancing rare earth processing with Ucore
- **1H 2026:** Commissioning and first e-waste revenues

Company Data

Shares – ordinary (M)	612.7
Market capitalisation (\$M)	735
12 month low/high (\$)	0.06/ 1.4
Average monthly turnover (\$M)	229.7
GICS Industry	Metals & Mining

Financial Summary (fully diluted/normalised)

Year end June	2025F	2026F	2027F	2028F	2029F
Revenue (\$M)	-	1	82	152	212
Costs (\$M)	(5)	(10)	(55)	(92)	(121)
EBITDA (\$M)	(5)	(10)	27	60	91
NPAT (\$M)	(5)	(11)	17	33	34
EPS (¢ps)	(1.1)	(1.8)	2.7	5.4	5.6
EPS growth (%)	n.m.	n.m.	n.m.	97%	3%
PER (x)	(110.0)	(66.9)	43.8	22.2	21.6
Op. Cashflow (\$M)	(1)	(9)	21	42	49
OCFPS (¢ps)	(0.1)	(1.5)	3.4	6.9	8.0
POCFPS (x)	(840.0)	(79.3)	34.9	17.4	15.0
Enterprise Value (\$M)	729	706	705	673	626
EV / EBITDA (x)	(145.7)	(73.5)	26.3	12.1	10.2
Payout ratio (%)	-	-	-	-	-
Dividends (¢ps)	-	-	-	-	-
Yield (%)	-	-	-	-	-
Franking (%)	-	-	-	-	-

MTM – performance over one year**Disclosure and Disclaimer**

This report must be read with the disclosure and disclaimer on the final page of this document. Petra Capital was sole lead manager bookrunner for this Company's placement to raise \$50M at A\$0.55/sh on 24 June 2025, for which fees have been received



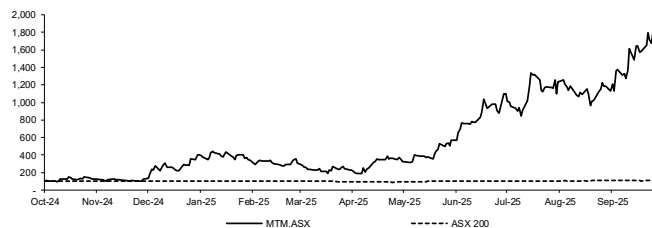
Analysis

Metallium Limited (MTM)

Year end 30 June

Recommendation		Buy
Price	A\$	1.20
Target Price (12-month)	A\$	1.40
Upside / (Downside)	%	16%
52 week high / low	\$	1.18 - 0.061
Market capitalisation	A\$m	735
Shares on issue	m	613
Options/Rights	m	80
Shares raised*	m	0
Shares on issue (diluted)	m	693

SHARE PRICE VS INDEX



PROFIT & LOSS (A\$m)	2025E	2026E	2027E	2028E	2029E	
Revenue	\$M	-	1	82	152	212
Operating Costs	\$M	(5)	(10)	(55)	(92)	(121)
Exploration	\$M	-	-	-	-	-
Grant Funding	\$M	-	-	-	-	-
EBITDA	\$M	(5)	(10)	27	60	91
Dep. & Amort.	\$M	(0)	(2)	(4)	(9)	(15)
EBIT	\$M	(5)	(11)	23	51	76
Net Interest	\$M	0	0	1	(3)	(27)
Pre-Tax Profit	\$M	(5)	(11)	24	47	49
Tax	\$M	-	-	(7)	(14)	(15)
Net Profit	\$M	(5)	(11)	17	33	34
Abnormal	\$M	-	-	-	-	-
Reported Profit	\$M	(5)	(11)	17	33	34

CASH FLOW (A\$m)	2025E	2026E	2027E	2028E	2029E	
Operating Cashflow	\$M	(1)	(9)	21	42	49
Capex	\$M	(11)	(18)	(20)	(60)	(252)
Exploration	\$M	-	-	-	-	-
Acquisition Payments	\$M	-	-	-	-	-
Investing Cashflow	\$M	(11)	(18)	(20)	(60)	(252)
Equity Issues	\$M	16	50	-	-	-
Net Borrowings	\$M	-	-	-	50	250
Financing Cashflow	\$M	16	50	-	50	250
Free Cashflow	\$M	(11)	(28)	1	(18)	(203)
Surplus Cash Flow	\$M	4	22	1	32	47

BALANCE SHEET (A\$m)	2025E	2026E	2027E	2028E	2029E	
Cash	\$M	7	29	30	62	109
Other Current	\$M	0	0	0	0	0
Total Current	\$M	7	29	31	63	109
PP&E & Exploration	\$M	19	35	51	102	339
Other	\$M	8	8	8	8	8
Total NC Assets	\$M	26	43	58	109	347
Total Assets	\$M	33	72	89	172	456
Current Liab	\$M	0	0	0	0	0
Non Current Liab	\$M	-	-	-	50	300
Total Liabilities	\$M	0	0	0	50	300
Net Assets	\$M	33	72	89	122	156
Equity	\$M	33	72	89	122	156
Total Debt	\$M	-	-	-	50	300
Net Debt	\$M	(7)	(29)	(30)	(12)	191

RATIO ANALYSIS	2025E	2026E	2027E	2028E	2029E	
EPS	¢	(1.1)	(1.8)	2.7	5.4	5.6
PER	x	(110)	(67)	43.8x	22.2x	21.6x
EPS Growth	%	n.m.	n.m.	n.m.	97%	3%
EV/EBITDA	x	(146)	(74)	26x	12x	10.2x
EV/OCF	x	(832)	(76)	33x	17x	18.9x
FCFPS	¢	(2.5)	(4.5)	0.2	(2.9)	(33.2)
FCF Yield	%	n.m.	n.m.	0%	n.m.	n.m.
Payout Ratio	%	0%	0%	0%	0%	0%
DPS	¢	-	-	-	-	-
Yield	%	-	-	-	-	-
Franking	%	0%	0%	0%	0%	0%
Gearing ND/E	%	(23%)	(43%)	(36%)	(10%)	126%
Interest Cover	x	n.m.	n.m.	n.m.	14.6	2.8
EBITDA Margin	%	-	(1321%)	33%	39%	43%
EBIT Margin	%	-	(1558%)	28%	33%	36%
Return On Assets	%	(15%)	(15%)	27%	27%	11%
Return On Equity	%	(15%)	(15%)	19%	27%	22%
Eff Tax rate	%	30%	30%	30%	30%	30%

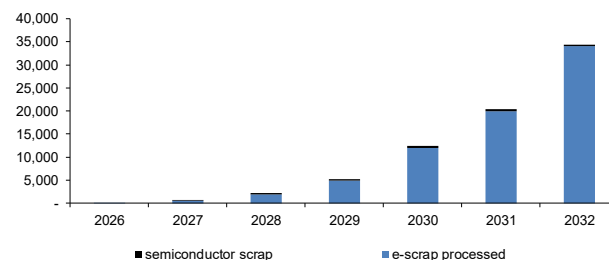
* We assume all future equity is raised at a 15% discount to last close, we note management believes govt. grants could replace a material amount of equity

ASSUMPTIONS (Real)	2025E	2026E	2027E	2028E	2029E	
A\$/US\$ exchange rate	A\$/US\$	0.64	0.63	0.65	0.66	0.67
Gold	US\$/kg	2,748	3,100	3,050	2,800	2,650
Silver	US\$/kg	31	33	33	33	33
Gallium	US\$/t	309,066	309,066	309,066	309,066	309,066
Germanium	US\$/t	2,335,165	2,335,165	2,335,165	2,335,165	2,335,165

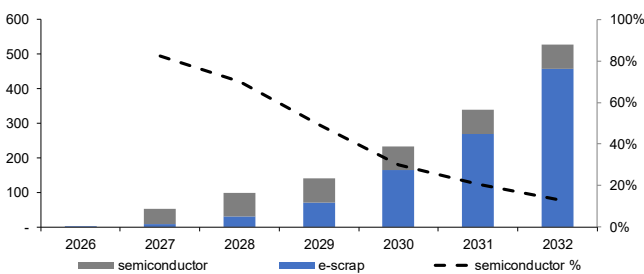
PRODUCTION	2025E	2026E	2027E	2028E	2029E	
E-Scrap processed	t	-	27	568	1,938	4,875
Gold recovered	oz	-	144	2,992	10,211	25,692
Silver recovered	koz	-	734	15,224	51,963	130,746
Weighted price	US\$/t	-	16,861	16,576	15,394	14,676
Operating cost	US\$/t	-	7,668	7,588	7,261	7,063
Margin	%	-	55%	54%	53%	52%

Semiconductor scrap	2025E	2026E	2027E	2028E	2029E	
Gallium recovered	t	-	-	19	31	31
Germanium recovered	t	-	-	19	31	31
Weighted price	US\$/t	-	-	191,046	191,046	191,046
Operating cost	US\$/t	-	-	108,769	108,769	108,769
Margin	%	-	-	43%	43%	43%

PROCESSING SCHEDULE (tonnes per annum)



REVENUE BY PRODUCT (US\$m) - Semiconductor dominates first three years



VALUATION - Fully Diluted, 10% Rate	Unrisked	Risking	Risked	A\$/Sh
US E-Scrap Division	3,220	25%	805	1.16
US E-Gallium / Germanium Division	305	25%	76	0.11
Minerals Processing	-	-	150	0.22
Net Cash	-	-	7	0.01
Corporate	-	-	(71)	(0.10)
Group Valuation			967	1.40

Source: Petra Capital



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