



Meteoric Resources Ltd (MEI.ASX)

Figueira upgrade adds more years of high-grade

Event:

- Resource upgrade; Capital raising; PT change.

Investment Highlights:

- Figueira Resource updated.** MEI has almost tripled the Figueira JORC Resource to 170Mt at 2,766ppm TREO from 50Mt @ 2,811ppm previously. Its MREO/TREO ratio increased slightly to 20.5% from 19.3%, while 80% of the Resource is in the Indicated category. The upgrade means the Caldeira project global Resource is now 740Mt at 2,572ppm TREO, 23.1% MREO/TREO – up from the 619Mt @ 2,358ppm TREO, 23.6% MREO/TREO previously.
- Indicated high-grade component.** A high-grade Figueira domain of 47Mt at 4,763ppm TREO was identified (3,000ppm cut-off), with MREO of 22.9% of TREO. 85% of the high-grade component is in Indicated.
- Should boost Caldeira economics.** The Figueira Resource upgrade missed the timing of the Caldeira scoping study, but will be considered in the PFS, Figueira being one of the three Southern Concessions to be initially mined, alongside Capao do Mel and Soberbo. We expect Figueira's high-grade core will likely lift the scoping study's five years of high-grade mining to near ten years. Additionally, the overall resource increase also potentially extends life of mine well beyond 20 years. The PFS is due 1Q 2025.
- Placement lifts pro-forma cash to \$41.4M.** MEI completed a \$27.5M placement this month at \$0.11/share, which adds to the \$13.9M cash end June. We expect the funds should cover the PFS, exploration, permitting, corporate expenses over the next 12 months. The company is also undertaking an SPP to raise up to \$5M.

Earnings and Valuation:

- Risked valuation falls to \$0.29 (0.4x NPV₁₀ nominal) from \$0.34 on dilution** – as we had assumed FY25 placement of \$25M at higher price of \$0.14. We had already mostly factored the high-grade contribution from Figueira, albeit the upgrade provides us greater confidence.

Recommendation:

- We maintain our Buy, reducing our 12-month price target to \$0.29 from \$0.34 based on risked valuation.**
- Share price catalysts include:** 1) PFS; 2) Preliminary licence; 3) DFS; 4) Offtakes and 5) Financing.

Disclosures

The analyst owns 73,100 MEI shares.

Foster Stockbroking, staff, and Cranport own <1% of MEI shares.

Recommendation	Buy
Previous	Buy
Risk	High
Price Target	\$0.29
Previous	\$0.34
Share price (A\$)	\$ 0.093
ASX code	MEI
52 week low-high	\$0.091-0.31
Valuation (A\$/share)	\$ 0.29
Methodology	risked NPV

Capital structure

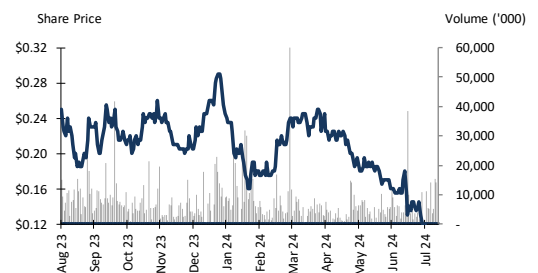
Ordinary shares (M)	2,240
Performance shares (M)	75
Performance rights (M)	92
Options (M)	9
Market cap (A\$M)	208
Net cash (debt) (A\$M)	41
EV (A\$M)	167
Ave daily volume ('000)	7,484

Y/e Jun A\$M	FY23a	FY24e	FY25e	FY26e
Sales adj	0	0	0	0
EBITDA adj.	-38	-28	-19	-13
NPAT reported	-37	0	-18	-12
NPAT adj	-38	-27	-18	-12
EPS adj. c	-0.3	-1.4	-0.9	-0.6
P/E x	nm	nm	nm	nm
EV/EBITDA x	nm	nm	nm	nm

Board

Andrew Tunks	Executive Chair
Marcel de Carvalho	Executive Director
Peter Gundy	Non-Executive Director
Paul Kitto	Non-Executive Director
Dr Nomi Prins	Non-Executive Director

Share price graph



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