PETRA CAPITAL

4 November 2025

Boab Metals Limited (BML) BUY Share Price: A$0.37

Early works underway at Sorby Hills Target Price: A$1.05

On Oct. 27th, BML announced early works had commenced on site at the Sorby Hills Silver-Lead Project, signifying transition into construction activities ahead of full scale development. With a proforma cash balance of A$54M, focus turns to the debt financing, with multiple non-binding term sheets received from domestic and international financiers. We expect a debt package to be finalised within weeks, ahead of FID this quarter. BML offers attractive leverage to a strong silver price and a tight concentrate market as it moves towards first concentrate production in Sep. Q'27. Retain BUY with PT of A$1.05/share (previously A$1.08/share).

Early works underway

- Construction of site access roads commenced, process plant foundations being established.
- Local contractor undertaking clearing, topsoil relocation & construction of materials for roads & infra. pads.
- Bulk earthworks, permanent accommodation facilities & plant construction to start after wet season (Mar. '26).
- Power and port access agreements in place, environmental approvals received, on granted MLs.
- Multiple term sheets received for debt financing.

Sorby Hills Project (75% with option to 100%)

- Tier 1 jurisdiction ~50km Northeast of Kununurra and 150km via sealed road to Wyndham Port.
- Initial 8.5 year open pit mine life targeting 68ktpa Pb & 2.2Mozpa Ag @ AISC US$0.27/lb Pb after Ag credits.
- If viewed as a silver producer, AISC equates to negative US$3/oz Ag after Pb credits (Petra).
- Capex of A$215M (Petra), 1.2 yr payback at spot.

Financial Summary

- Valuation – A$1.05/sh rising to A$1.28/sh at spot.
- Average EBITDA A$142Mpa, A$170Mpa at spot.
- Revenue split: 55% Pb & 45% Ag at spot prices.
- FY28/29 PE 1.4x & 1.6x, EV/EBITDA 0.8x & 0.2x.
- Proforma Cash A$54.0M (Tranche 2 late Nov.), zero debt.

Key Dates Ahead

- Dec. Q'25 – FID and financing.
- Mar. Q'26 – Commence bulk earth works.
- Jun. Q'26 – Commence process plant construction.
- Jun. Q'27 – First ore mined.
- Sep. Q'27 – First concentrate shipment.

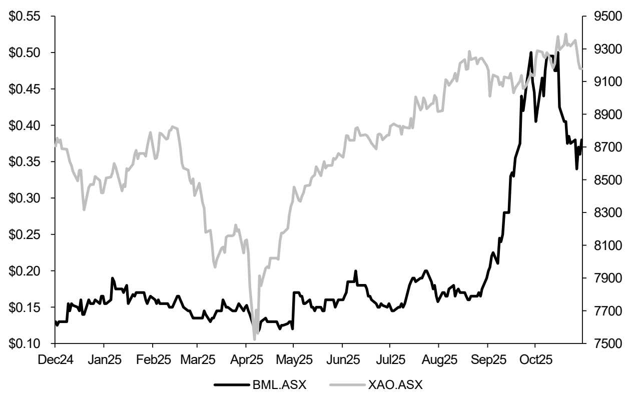
Company Data

Shares – ordinary (M)	404.0
Dilution (M)	7.6
Total (fully diluted) (M)	411.6
Market capitalisation ($M)	147.5
12 month low/high ($)	0.11 / 0.52
Average monthly turnover ($M)	34.1
GICS Industry	Metals & Mining

Financial Summary (fully diluted/normalised)

Year End June	FY26F	FY27F	FY28F	FY29F	FY30F
Revenue ($M)	0.0	0.0	363.0	380.1	409.8
Costs ($M)	3.0	5.0	142.0	187.1	198.8
EBITDA ($M)	-3.0	-5.0	220.9	192.9	211.1
NPAT (A$M)	-2.9	-11.6	131.8	121.4	138.5
EPS (cps)	-0.6	-2.2	25.2	23.2	26.5
EPS Growth (%)	na	>100	>100	-7.8	14.0
PER (x)	na	na	1.4	1.6	1.4
Cashflow (A$M)	-2.9	-11.3	186.4	141.8	165.3
CFPS (c/sh)	-0.6	-2.2	35.7	27.1	31.6
PCFPS	na	na	1.0	1.3	1.2
EV	188	350	179	43	-116
EV/EBITDA	na	-70.1	0.8	0.2	-0.5
Payout ratio (%)	na	na	na	na	na
DPS	0.0	0.0	0.0	0.0	0.0
Yield (%)	0.0	0.0	0.0	0.0	0.0
Franking (%)	0.0	0.0	0.0	0.0	0.0

BML – 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 Joint Lead Manager for this company's placement to raise $50.0M by way of a two tranche placement at A$0.40/sh on 14th Oct. 2025, for which fees were received.

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PETRA CAPITAL

4 November 2025

Analysis

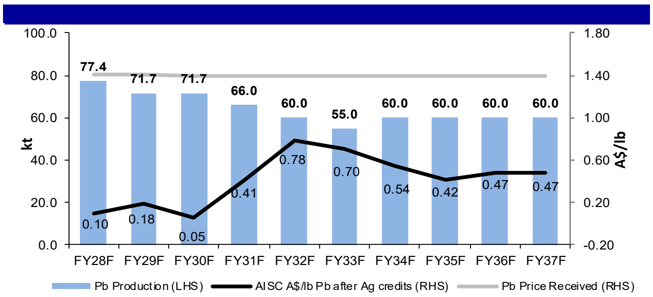
BOAB METALS LIMITED (BML)

Share Price	($)	0.365
Iss. Shares	(M)	404.0
Performance Rights	(M)	7.6
Mkt Cap.	($M)	147.5

3-Nov-25

Year End June	A$					
PROFIT & LOSS		**FY26F**	**FY27F**	**FY28F**	**FY29F**	**FY30F**
Sales Revenue	$M	0.0	0.0	363.0	380.1	409.8
Other Income	$M	0.0	0.0	0.0	0.0	0.0
Operating Costs	$M	3.0	5.0	142.0	187.1	198.8
Exploration	$M	0.0	0.0	0.0	0.0	0.0
Other	$M	0.0	0.0	0.0	0.0	0.0
EBITDA	**$M**	**(3.0)**	**(5.0)**	**220.9**	**192.9**	**211.1**
Dep. & Amort.	$M	0.0	0.4	26.4	22.5	23.2
EBIT	**$M**	**(3.0)**	**(5.4)**	**194.5**	**170.4**	**187.9**
Net Interest	$M	(0.1)	6.3	6.3	(3.1)	(9.9)
Pre-Tax Profit	**$M**	**(2.9)**	**(11.6)**	**188.2**	**173.5**	**197.8**
Tax	$M	0.0	0.0	56.5	52.0	59.3
Minorities	$M	0.0	0.0	0.0	0.0	0.0
Net Profit	**$M**	**(2.9)**	**(11.6)**	**131.8**	**121.4**	**138.5**
Abnormal	$M	0.0	0.0	0.0	0.0	0.0
Reported Profit	**$M**	**(2.9)**	**(11.6)**	**131.8**	**121.4**	**138.5**
Dividends Paid	$M	0.0	0.0	0.0	0.0	0.0
Adjustments	$M	0.0	0.0	0.0	0.0	0.0
Retained Earnings	**$M**	**(54.8)**	**(66.5)**	**65.3**	**186.7**	**325.2**
CASH FLOW						
Revenue	$M	0.0	0.0	363.0	380.1	409.8
Costs	$M	(3.0)	(5.0)	(142.0)	(187.1)	(198.8)
Net Interest	$M	0.1	(6.3)	(6.3)	3.1	9.9
Tax Paid	$M	0.0	0.0	(28.2)	(54.3)	(55.7)
Gross Cash Flow	**$M**	**(2.9)**	**(11.3)**	**186.4**	**141.8**	**165.3**
Net Capex	$M	(83.0)	(144.5)	(9.0)	(5.0)	(5.0)
Exploration	$M	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Dividends	$M	0.0	0.0	0.0	0.0	0.0
Other	$M	(12.5)	(5.5)	(5.0)	0.0	0.0
Free Cashflow	**$M**	**(99.4)**	**(162.3)**	**171.4**	**135.8**	**159.3**
Equity Issues	$M	94.5	0.0	0.0	0.0	0.0
Net Borrowings	$M	10.0	160.0	(145.0)	(25.0)	0.0
Net Investments	$M	0.0	0.0	0.0	0.0	0.0
Surplus Cash Flow	**$M**	**5.1**	**(2.3)**	**26.4**	**110.8**	**159.3**
BALANCE SHEET						
Cash	$M	12.6	10.3	36.8	147.5	306.8
Other Current	$M	1.2	1.3	54.4	57.0	184.4
Total Current	**$M**	**13.8**	**11.6**	**91.2**	**204.5**	**491.2**
Fixed Assets	$M	84.6	228.7	211.3	193.8	175.6
Expl. & Evaluation	$M	4.6	4.6	4.6	4.6	4.6
Intangibles	$M	0.0	0.0	0.0	0.0	0.0
Other	$M	14.2	19.7	24.7	24.7	24.7
Total NC Assets	**$M**	**103.4**	**253.0**	**240.6**	**223.1**	**204.9**
TOTAL ASSETS	**$M**	**117.2**	**264.7**	**331.8**	**427.6**	**696.1**
Total Debt	$M	10.0	170.0	25.0	0.0	0.0
Current Liab	$M	0.5	0.5	28.7	26.5	30.2
Non Current Liab	$M	0.2	0.2	50.6	52.2	178.6
TOTAL LIAB	**$M**	**10.7**	**170.7**	**104.4**	**78.7**	**208.8**
NET ASSETS	**$M**	**106.4**	**93.9**	**227.5**	**348.9**	**487.4**
SH/HLDRS FUNDS	**$M**	**107.3**	**95.7**	**227.5**	**348.9**	**487.4**
RATIO ANALYSIS						
EPS	¢	(0.6)	(2.2)	25.2	23.2	26.5
PER	x	na	na	1.4	1.6	1.4
EPS Growth	%	na	>100	>100	(7.8)	14.0
EBITDA per share	¢	(0.6)	(1.0)	42.3	36.9	40.4
EBITDA Multiple	x	na	na	0.9	1.0	0.9
EV/EBITDA	x	na	(70.1)	0.8	0.2	(0.5)
CFPS	¢	(0.6)	(2.2)	35.7	27.1	31.6
PCFR	x	na	na	1.0	1.3	1.2
DPS	¢	0.0	0.0	0.0	0.0	0.0
Yield	%	0.0	0.0	0.0	0.0	0.0
Franking	%	0.0	0.0	0.0	0.0	0.0
Payout Ratio	%	0.0	0.0	0.0	0.0	0.0
Gearing ND/E	%	na	167	na	na	na
Interest Cover	x	49.3	na	30.9	na	na
EBITDA Margin	%	na	na	60.9	50.8	51.5
EBIT Margin	%	na	na	53.6	44.8	45.9
Return On Assets	%	(2.6)	(2.0)	58.6	39.9	27.0
Return On Equity	%	(2.7)	(12.2)	57.9	34.8	28.4
Eff Tax rate	%	0.0	30.0	30.0	30.0	30.0

RESERVES & RESOURCES		**FY26F**	**FY27F**	**FY28F**	**FY29F**	**FY30F**
Reserves						
Tonnes	Mt	22.7	22.7	20.7	18.4	16.1
Grade Pb	%	3.40	3.40	3.40	3.40	3.40
Grade Ag	g/t	39.0	39.0	39.0	39.0	39.0
Grade Zn	%	0.00	0.00	0.00	0.00	0.00
Silver Equivalent	Moz	112	112	102	90	79
Resources						
Tonnes	Mt	47.3	47.3	45.3	43.0	40.7
Grade Pb	%	3.10	3.10	3.10	3.10	3.10
Grade Ag	g/t	34.9	34.9	34.9	34.9	34.9
Grade Zn	%	0.44	0.44	0.44	0.44	0.44
Silver Equivalent	Moz	88	88	84	80	210
PRODUCTION (100%)						
Ore Milled	Mt	0.0	0.00	2.00	2.30	2.30
Pb Prodn (in conc.)	kt	0.0	0.0	81.5	75.5	75.5
Pb payable (in conc)	kt	0.0	0.0	77.4	71.7	71.7
Ag Prodn (in conc.)	Moz	0.0	0.0	2.0	2.7	3.4
Ag payable (in conc)	Moz	0.0	0.0	1.9	2.6	3.2
REVENUE (attributable)						
Sorby Hills	$M	0.0	0.0	363.0	380.1	409.8
Other	$M	0.0	0.0	0.0	0.0	0.0
Total	$M	0.0	0.0	363.0	380.1	409.8
COSTS						
AISC payable Pb	A$/lb Pb	0.0	0.00	0.83	1.18	1.25
AISC after Ag credits	A$/lb Pb	0.0	0.00	0.10	0.18	0.05
AISC after Ag credits	US$/lb Pb	0.0	0.00	0.07	0.12	0.04
Total costs	$M	0.0	0.0	137.0	182.1	193.8
Corp / Other	$M	3.0	5.0	5.0	5.0	5.0
Total	$M	3.0	5.0	142.0	187.1	198.8
CAPEX						
Sorby Hills	$M	77.0	142.0	9.0	5.0	5.0
Other	$M	0.0	0.0	0.0	0.0	0.0
Total	$M	77.0	142.0	9.0	5.0	5.0
DEPRECIATION						
Sorby Hills	$M	0.0	0.4	26.4	22.5	23.2
Other	$M	0.0	0.0	0.0	0.0	0.0
Total	$M	0.0	0.4	26.4	22.5	23.2
EBITDA						
Sorby Hills	$M	-3.0	-5.0	220.9	192.9	211.1
Other (incl. writedowns)	$M	0.0	0.0	0.0	0.0	0.0
Total	$M	-3.0	-5.0	220.9	192.9	211.1



ASSUMPTIONS						
Exchange Rate	A$/US$	0.66	0.66	0.66	0.67	0.68
Lead Price	US$/lb	0.93	0.93	0.93	0.94	0.95
Lead Price	A$/lb	1.41	1.40	1.40	1.41	1.40
Silver Price	US$/oz	44.3	44.5	42.5	40.5	40.0
Zinc Price	US$/lb	1.33	1.30	1.30	1.30	1.30

OTHER DATA						
Share Price	$/sh.	0.365	0.365	0.365	0.365	0.365
Number of shares	M	522.7	522.7	522.7	522.7	522.7
Market Capitalisation	$M	190.8	190.8	190.8	190.8	190.8
EV	$M	188.2	350.5	179.0	43.3	-116.0

VALUATION (fully diluted)	**A$M**	**A$ps**
Sorby Hills Project (NPV8+1)	$ 553.0	$ 1.06
Exploration	$ 25.0	$ 0.05
Corporate / Other	$ (33.6)	$ (0.06)
Net Cash (Debt) Jun 26F	$ 2.6	$ 0.00
Total	**$ 547.0**	**$ 1.05**

Source: Petra Capital. We assume an additional A$50M in equity is raised in FY26 via 111M shares @ 45c/share.

Figure 1: Internal Access Road

Source: BML.

Figure 2: Clearing for Processing Plant with camp infrastructure in the foreground

Source: BML.

Sorby Hills Silver-Lead Project

The Sorby Hills Silver-lead Project is the largest undeveloped, near-surface silver-lead deposit in Australia. The Project comprises granted mining leases covering six known silver-lead deposits in the Kimberley Region of Western Australia, 50km northeast of Kununurra (Figure 3). 100-110ktpa of concentrate will be loaded into containers with a sealed lid and transported via road trains ~159km to the Wyndham Port. There will be two road trains completing two round trips per day, delivering a total of twelve full containers to the port and returning as empty containers to the site.

BML executed a binding offtake agreement with Trafigura Asia in Dec. '24 for a US$30M prepayment facility, subject to execution of agreements and due diligence. If financial close is achieved, the offtake will be for 75% of the silver-lead concentrate (531kt over ~7 years) at market metal pricing and payabilities. The agreement is flexible and BML has the ability to scale back the offtake percentage should the prepayment facility not proceed, or BML source alternative financing.

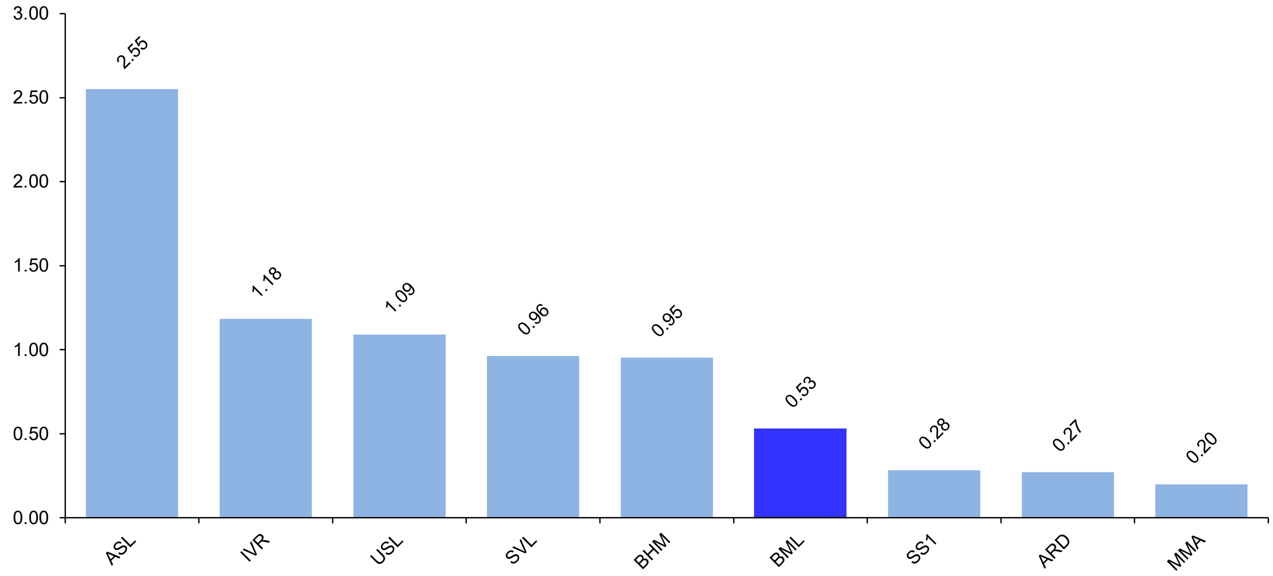
BML has executed an agreement with Horizon Power to provide hydroelectric power to Sorby Hills for ten years, via a dedicated 33Kv feeder and overhead powerline from Kununurra substation (Figure 7). Power is sourced from the Ord hydro-power station supplying ~90% of power requirements for the project. It is proposed that Horizon Power will also build a 12MW backup diesel power station on site to mitigate for periods when the Ord hydro-power station may be unavailable, or operating at reduced capacity. BML continues to explore opportunities to remove the need for a full-size back up diesel power plant on site.

Figure 3: Location Map showing infrastructure and concentrate route to Wyndham Port

Source: BML.

Peer Comps

Figure 4: ASX Listed Silver peers EV/Resource oz AgEq



Source: Company Reports. Petra Capital.

Summary of Changes

- We have incorporated the recent A$50M equity raise via 125M shares at 40c/share. This replaces our previously modelled A$100M via 222M shares at 45c/share. We model an additional A$50M in equity (FY26) via 111M shares at 45c/share.
- The net effect is a 14M increase in share count (+3%), with NPV reducing by 3% to A$1.05/share.

Figure 5: Summary of Changes

		FY28F			FY29F			FY30F		
		New	**Old**	**% var**	**New**	**Old**	**% var**	**New**	**Old**	**% var**
Revenue	A$M	363.0	363.0	0%	380.1	380.1	0%	409.8	409.8	0%
Operating Costs	A$M	142.0	142.0	0%	187.1	187.1	0%	198.8	198.8	0%
EBITDA	A$M	220.9	220.9	0%	192.9	192.9	0%	211.1	211.1	0%
EBIT	A$M	194.5	194.5	0%	170.4	170.4	0%	187.9	187.9	0%
NPAT	A$M	131.8	131.8	0%	121.4	121.5	0%	138.5	138.5	0%
EPS	A$c/sh	25.2	25.9	-3%	23.2	23.9	-3%	26.5	27.2	-3%
DPS	A$c/sh	0.0	0.0	na	0.0	0.0	na	0.0	0.0	na
Valuation	**A$M**	**547**	**548**	**0%**						
Price target	**A$/sh**	**1.05**	**1.08**	**-3%**						
Shares Fully Diluted	**M**	**523**	**509**	**3%**						
Pb Production	kt	81.5	81.5	0%	75.5	75.5	0%	75.5	75.5	0%
Ag Production	Moz	2.0	2.0	0%	2.7	2.7	0%	3.4	3.4	0%
AISC after Ag Credits	US$/lb	0.07	0.07	0%	0.12	0.12	0%	0.04	0.04	0%
Lead Price	US$/lb	0.93	0.93	0%	0.94	0.94	0%	0.95	0.95	0%
Silver Price	US$/oz	42.5	42.5	0%	40.5	40.5	0%	40.0	40.0	0%
AUD/USD	#	0.66	0.66	0%	0.67	0.67	0%	0.68	0.68	0%

Source: Company Reports. Petra Capital.

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