

WC8 | Lithium tailwinds strong, Catch up trade is on!

WC8.ASX | WILDCAT RESOURCES LIMITED | MATERIALS | LITHIUM

PRICE
A\$0.58/sh

TARGET PRICE
A\$1.21/sh
(FROM A\$0.61/sh)

RECOMMENDATION
SPECULATIVE BUY
(UNCHANGED)



Event

Lithium tailwinds are very strong right now (for those that have their head in the sand), supported by higher oil prices thanks to the Middle East conflict increasing EV and BESS demand, just as the market was starting to balance. **Spodumene prices have now rebounded to ~US\$2,450/t SC6 in China (according to Asian Metals)**, a significant recovery from sub ~US\$1,000/t levels seen in only November last year.

This recovery is being driven by a combination of:

- **Increased EV adoption globally** driven by the rising fuel prices and energy security concerns because of the US-Iran conflict. **In Europe, EV sales rose 37% YoY in March to ~540k units, a monthly record**, with global EV sales reaching ~1.7m units (+3% YoY). **In Australia, EV sales surged, with ~15.8k units sold in March (+42% MoM)**. Strong battery and energy storage demand is also evolving, particularly out of China, where lithium battery exports increased ~50% YoY in Q1 (vs ~26% in FY25). This is also increasing EV adoption, while also flowing through to rising orders for battery storage systems (BESS) across Europe, the Middle East and Southeast Asia.

PLS at All Time Highs, LTR has a A\$7.5b mcap. Buy WC8

The recovery in lithium pricing has flowed through to the larger equities, with producers moving first, as expected, given their immediate exposure to spot pricing. Large cap names such as PLS have hit all-time highs at ~\$6/sh, capped at ~A\$20bn, with LTR ~\$2.4/sh, capped at ~A\$7.6bn.

In our view, the more compelling opportunity sits in high-quality developers such as WC8. As a reminder to why WC8 is our preferred Australian lithium developer on the ASX:

- Significant leverage to lithium pricing, with its PFS outlining ~565ktpa SC6 production generating ~A\$480m p.a. FCF at US\$1,384/t, **increasing materially to ~A\$1bn p.a. at current spot pricing (~US\$2,200/t)**.
- **Straightforward** development position, with granted mining leases, 80km proximity to Port Hedland, conventional flowsheet and A\$43.5m cash, putting them in a strong position to benefit as improving lithium sentiment and pricing begin to be reflected more broadly across the developers. This is underpinned by a very high-quality asset base at Tabba Tabba (74Mt @ ~1% Li₂O resource and 46Mt reserves), with further upside emerging from Bolt Cutter, where ongoing drilling continues to demonstrate scale and continuity ([link to research](#)).

We assume A\$700m capex (PFS A\$687m), with a ramp-up to ~565ktpa SC6, generating ~A\$480m p.a. FCF at US\$1,384/t (**spot prices now US\$2,450/t, which on our numbers would generate +A\$1.2b in EBITDA at steady run rate, allowing for <1 year payback**), a catalyst rich next 6-12 months remains (Bolt Cutter drilling and metallurgy, approvals, offtake discussions).

Action

In our view, this rotation into developers is now underway and has some way to play out, given LTR is trading at a A\$7.5b market cap. We believe this presents an attractive entry point into high-quality names such as WC8. We have rolled forward our model 12 months, reduced equity dilution thanks to a higher share price. **At spot commodity prices of ~US\$2,450/SC6 we get a NPV12 of A\$1.49/sh or A\$2.9b. Our weighted Price target is A\$1.21/sh, up from A\$0.61/sh.**

Analyst

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Market Statistics

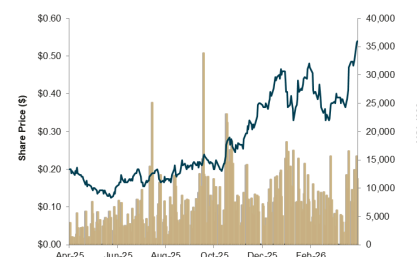
Share Price	0.58	A\$/sh
Price Target	1.21	A\$/sh
Valuation	0.68	A\$/sh
SOI dil.	1449	m, dil*
Market Capitalisation	841	A\$m
Enterprise Value	797	A\$m
Debt	0	A\$m
Cash	43	A\$m
Shareholders		
MIN.asx		17.2%

Production F'cast	2028F	2029F	2030F
Prod'n (kt)	0	178	302
AISC (US\$/SC5.5)	0	1051	942

Assumptions	2028F	2029F	2030F
US\$/SC6	1625	1625	1625
AUDUSD	0.70	0.70	0.69

Key Financials	2028F	2029F	2030F
Revenue (A\$m)		374	637
EBITDA (A\$m)		123	256
NPAT (A\$m)		66	198
Cashflow (A\$m)		89	225

Performance



Source: IRESS

MARKET STATISTICS	
Share Price	0.58 A\$/sh
Issued Capital	
Fully Paid Ord	1,357 m
Options + Warrants	93 m
Total Dil.	1,449 m
M Cap (dil)	\$841 m
Enterprise Value	\$797 m
Cash	\$43 m
Debt	\$ -m

ASSET VALUATION		
	A\$m	A\$/sh
(+) Tabba NPV12 Post Tax	1,265	0.65
(-) Corporate	(78)	(0.04)
(+/-) Hedging	-	-
(+) Other projects / Exploration	100	0.05
(+) Cash	43	0.02
(-) Debt	-	-
Total	1,331	0.68
NPV12 (SC6 US\$2,450/t)	2,914	1.49
Price Target	1.21	

FORECAST PRODUCTION			
Yr End 30 Jun (A\$m)	2028F	2029F	2030F
Tabba Tabba (100%)			
Throughput (Mtpa)		1.5	2.2
Head grade (Li2O%)		1.00%	1.05%
Recovery %		65%	72%
SC5.5 (attrib) kt		178	302
AISC US\$/t		1,051	942
Assumptions			
SC6 Price (US\$/t)	1,625	1,625	1,625
FX Rate (US\$/US\$)	0.70	0.70	0.69

RATIO ANALYSIS			
Yr End 30 Jun (A\$m)	2028F	2029F	2030F
Cashflow	-39	89	225
Cashflow Per Share	-3	6.1	15
Cashflow Ratio	-22	9	4
Earnings	-39	66	198
P/e Ratio	-22	13	4
Enterprise Value	1,234	1,165	951
EV/EBITDA	-247	9.5	3.7
EV/EBIT	-247	11.7	4.1
Net Debt/(Net Debt + Equity)	0.5	0.4	0.2
Interest Cover	na	na	na
EBIT Margin	na	27%	36%
Return on Equity	-10%	14%	32%
Return on Assets	-5%	7%	20%

PROFIT & LOSS			
Yr End 30 Jun (A\$m)	2028F	2029F	2030F
(+) Spod revenue	-	374	637
(+/-) Hedging Revenue	-	-	-
(+) Interest Income	-	-	-
(+) Other Revenue	-	-	-
Total Revenue	-	374	637
(-) Operating Costs	-	(246)	(376)
(-) Dep/Armort	-	(23)	(27)
(-) Writeoff (expl'n)	-	-	-
(-) O/H + News Bus Dev.	(5)	(5)	(5)
(-) Provisions	-	-	-
EBITDA	(5)	123	256
EBIT	(5)	100	229
(-) Interest Expense	(34)	(34)	(32)
NPBT	(39)	66	198
(-) Tax	-	-	-
(-) Minority Interest	-	-	-
Net Profit	(39)	66	198
(+/-) Net abnormal	-	-	-
Net profit After Abnormal	(39)	66	198

CASHFLOW			
Yr End 30 Jun (A\$m)	2028F	2029F	2030F
Net Profit	(39)	66	198
(+) WC adj.	-	-	-
(+) Dep/Amort	-	23	27
(+) Provisions & W/O	-	-	-
(+) Tax Expense	-	-	-
(-) Deferred Revenue	-	-	-
(-) Tax Paid	-	-	-
Operating Cashflow	(39)	89	225
(-) Capex + Dev.	(700)	(20)	(10)
(-) Exploration	-	-	-
(-) Asset Purchased	-	-	-
(+) Asset Sale	-	-	-
(+/-) Other	-	-	-
Investing Cashflow	(700)	(20)	(10)
(+) Equity Issues (rts,plc,opts)	280	-	-
(+) Loan Drawdown/receivable	420	-	-
(+) Loans from(to) other entities	-	-	-
(-) Loan Repayment	-	-	(100)
(-) Dividends	-	-	-
Financing Cashflow	700	-	(100)
Net Cashflows	(39)	69	115
EoP Cash Balance	26	96	210

BALANCE SHEET			
Yr End 30 Jun (A\$m)	2028F	2029F	2030F
Assets			
Cash	26	96	210
Current Receivables	-	-	-
Other Current Assets	-	-	-
Non-Current Assets	800	797	780
Total Assets	826	893	990
Balance Sheet			
Borrowing(s)	420	420	320
Current Accounts payable	-	-	-
Other Liabilities	-	-	-
Total Liabilities	420	420	370
Net Assets	406	473	620

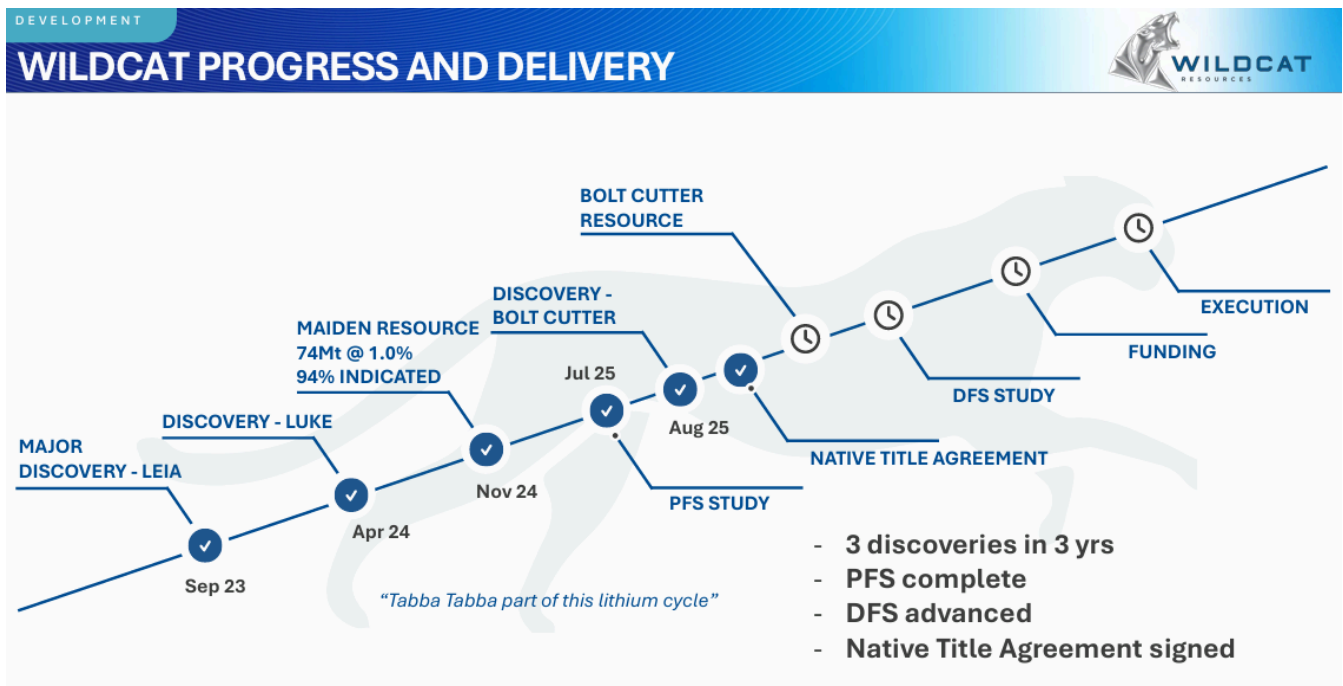
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Figure 1: Euroz Hartleys Price Target Scenario Weightings

Price Target Scenarios	Weighting	A\$m	A\$/sh
Base Case NPV12 (US\$1625/t)	35%	1,331	0.68
NPV8 (US\$1,625/t)	20%	2,160	1.10
NPV10 (SC6 US\$2,450/t)	25%	3,580	1.83
NPV12 (SC6 US\$2,450/t)	20%	2,914	1.49
Total			1.21

Source: EH Research

Figure 2: Upcoming Catalysts



Source: WC8

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Wildcat Resources Limited (WC8.ASX) | Price A\$0.58 | Target price A\$1.21 | Recommendation Speculative Buy;

Price, target price and rating as at 30 April 2026 (not covered)*

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