

The Metals Company

Focus on accelerated execution in 2026

FY25 results

The Metals Company (TMC) reported FY25 results on 27 March. End-March 2026 liquidity is expected to be c \$154m, and TMC believes cash on hand is sufficient for at least the next 12 months. FY25 was transformative, and TMC sees FY26 as a year of accelerated execution. Expected milestones include its full compliance, certification and commercial recovery permit granted within 12 months, the delivery of its environmental impact statement (EIS) and a definitive agreement with Allseas. Management is confident about its pathway to production, targeting Q427.

| Year end | Revenue (\$m) | PBT (\$m) | EPS (¢) | DPS (¢) | P/E (x) | Yield (%) |
|----------|---------------|-----------|---------|---------|---------|-----------|
| 12/23 | 0.0 | (61.9) | (20.00) | 0.00 | N/A | N/A |
| 12/24 | 0.0 | (63.5) | (18.00) | 0.00 | N/A | N/A |
| 12/25e | 0.0 | (49.6) | (12.00) | 0.00 | N/A | N/A |
| 12/26e | 0.0 | (47.0) | (12.00) | 0.00 | N/A | N/A |

Note: PBT and EPS (fully diluted) are underlying excluding share-based payments or change in royalty liabilities.

FY25 results: Enough cash for at least 12 months

TMC reported FY25 results, posting an underlying operating loss for the year of \$49.2m. The net loss of \$319.8m was inflated by a higher royalty liability and share-based compensation. Cash consumed by operations in FY25 was \$42.9m, leaving the company with a solid positive net cash balance of \$117.6m and a liquidity position of \$162m as at 31 December 2025. Liquidity at 31 March 2026 is expected by the company to be at about \$154m with cash on hand believed to be sufficient for at least the next 12 months from end-March 2026.

Confident about the pathway to production

FY25 was a transformative year. TMC applied to the National Oceanic and Atmospheric Administration (NOAA) for commercial exploitation and recovery licences in the US. The positive regulatory backdrop is supported by an executive order from President Trump promoting the development of deep-sea mineral extraction, including the area known as the Clarion-Clipperton Zone (CCZ) in the Pacific Ocean. NOAA has already determined the substantial compliance of TMC's application and in January 2026 announced a new framework to reduce permitting timelines. FY25 saw TMC add new strategic partners, including Korea Zinc and the Hess family, as well as the publication of the pre-feasibility study (PFS) and the Initial Assessment (IA), both detailed at TMC's August 2025 capital markets day (CMD), marking important milestones. Consequently, the chair and CEO has 'never felt better' about TMC's pathway to production.

Accelerated execution in 2026, NPV unchanged

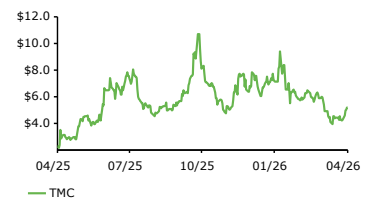
The company sees FY26 as a year of accelerated execution towards its next key milestones: full compliance and certification from NOAA and an EIS to accompany its application. Management expects its commercial recovery permit to be granted in less than a year from 27 March 2026 and also to sign a definitive agreement with its strategic partner Allseas in the coming days to operate the vessel *Hidden Gem*. The vessel has a nominal wet capacity of 3Mtpa, is production-ready and now needs to demonstrate it is capable of higher production levels compared to current output. TMC reiterated its PFS \$5.5bn post-tax NPV estimate.

Metals and mining

20 April 2026

| | |
|---------------------------------|-----------------|
| Price | \$4.72 |
| Market cap | \$2,001m |
| Net cash as at 31 December 2025 | \$117.6m |
| Shares in issue | 433.2m |
| Free float | 57.0% |
| Code | TMC |
| Primary exchange | NASDAQ |
| Secondary exchange | N/A |

Share price performance



| % | 1m | 3m | 12m |
|------------------|--------|--------|-------|
| Abs | (22.6) | (36.9) | 63.3 |
| 52-week high/low | | \$11.4 | \$2.2 |

Business description

The Metals Company is a deep-sea minerals exploration company focused on the collection, processing and refining of polymetallic nodules, containing nickel, copper and cobalt, found on the seafloor in the international waters of the Clarion-Clipperton Zone, 1,300 nautical miles off the coast of Southern California.

Next events

| | |
|--------------|---------------------------|
| Q126 results | May 2026 (exact date TBC) |
|--------------|---------------------------|

Analyst

Jonathan Day +44 (0)20 3077 5700

mining@edisongroup.com
[Edison profile page](#)

The Metals Company is a research client of Edison Investment Research Limited

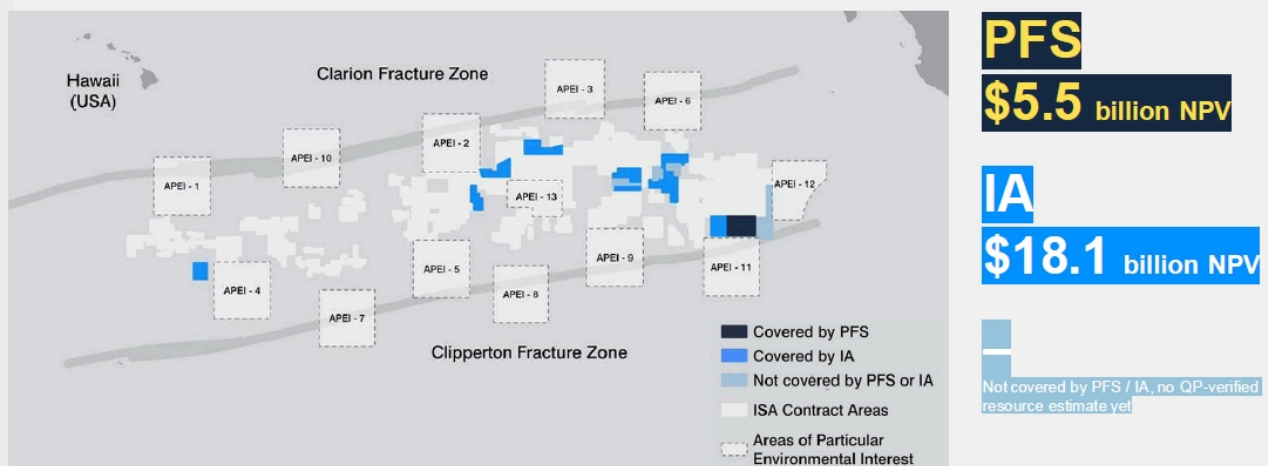
TMC overview

TMC has c 1.6bn tonnes of existing estimated resource plus an additional c 300Mt resource potential in the CCZ, an area of sea floor in the Pacific Ocean between Hawaii and Mexico. Its resource is contained in two contract areas: Nauru Ocean Resources Incorporated (NORI, c 850Mt, sponsoring state Republic of Nauru) and Tonga Offshore Mining Limited (TOML, c 750Mt, sponsoring state Kingdom of Tonga). These contract areas are themselves contained within the larger application areas for which TMC is seeking permits from NOAA through the US regulatory regime. TMC's PFS is its highest-confidence study (based on proven and probable reserves with a cost accuracy of $\pm 25\%$) and covers c 350Mt of resource in the NORI-D area, while its IA includes inferred, indicated and measured resources (with a cost accuracy of $\pm 50\%$) covering c 1,275Mt of resource. At its August 2025 CMD, the company shared details of these studies and its commercialisation plans. TMC sees production commencing in Q4'27 and ramping up from c 1Mtpa in 2028 to c 11Mtpa in 2031, with annual production to 2044 maintained in the 10–12Mtpa range. The polymetallic nodules that the company will recover from the sea floor contain nickel, manganese, copper and cobalt.

Exhibit 1: Estimated resources in the Clarion-Clipperton Zone

Nasdaq: TMC

Two studies cover total estimated 1.6 billion tonne resource, with combined NPV today of \$23.6 billion.



Note: TMC USA applied for an additional exploration area surrounding NORI-D and TOML-F with an expected exploration potential. These areas are excluded from the PFS and IA as no resource definition work has been undertaken by TMC USA on these areas yet.
Source: SK-1300 Technical Report Summary of Pre-feasibility Study of NORI-D area, August 2025; SK-1300 Technical Report Summary, Initial Assessment of NORI and TOML areas, August 2025

Source: The Metals Company Q425 presentation, 27 March 2026

FY25 results: Cash on hand sufficient for at least 12 months

TMC reported FY25 results on 27 March, posting an underlying operating loss for the year of \$49.2m. The net loss of \$319.8m was inflated by a higher royalty liability and share-based compensation. For Q425 the company delivered an operating loss of \$44.7m, a net loss of \$40.4m and a net loss per share of \$0.08.

Cash consumed by operations in FY25 was \$42.9m, leaving the company with a solid positive net cash balance of \$117.6m and a liquidity (cash plus an unsecured credit facility) position of \$162m as at 31 December 2025. Liquidity at 31 March 2026 is expected by the company to be at around \$154m with cash on hand believed to be sufficient for at least the next 12 months from end-March 2026. Consequently, TMC sees no imminent need to raise funds.

FY25 a transformative year, confident about the pathway to production

FY25 was a transformative year for TMC. The company applied to the government agency NOAA for commercial exploitation and recovery licences in the US. This is supported by two key factors. Firstly, since the US is not bound

by the United Nations Convention on the Law of the Sea (UNCLOS) and is not a member of the International Seabed Authority (ISA), it regulates nodule collection in international waters through NOAA based on the Deep Seabed Hard Mineral Resources Act of 1980, which provides multiple decades of legal precedent across many US administrations. Secondly, there is a positive regulatory backdrop fostered by an executive order from President Trump promoting the development of deep-sea mineral extraction, including the CCZ in the US Outer Continental Shelf. NOAA has already determined the substantial compliance of TMC's application and in January 2026 announced a new framework to reduce permitting timelines. FY25 saw TMC add new strategic partners, including Korea Zinc and the Hess family, as well as the publication of the PFS and IA detailed at TMC's August 2025 CMD – both were important milestones. Consequently, management remains confident about TMC's pathway to production.

FY26: A year of accelerated execution

FY26 is viewed by the company as a year of accelerated execution as it looks towards its next key milestones: full compliance and certification from NOAA, and an EIS to accompany its application. Management expects its permit to be granted in less than a year from 27 March 2026 and also to sign a definitive agreement with its strategic partner Allseas in the coming days to operate the initial nodule retrieval vessel *Hidden Gem*. This vessel is a key part of the nodule collection system with a nominal wet capacity of 3Mtpa. The vessel is production-ready and now needs to demonstrate that it is capable of higher production levels compared to current output.

Exclusive right of negotiation on a site at the Port of Brownsville, Texas

A ship recovering polymetallic nodules needs to deliver those nodules for processing and refining to recover the valuable metals (cobalt, manganese, copper and nickel). In December 2025 TMC secured an exclusive right of negotiation over a 50-year lease for a 1,466 acre site at the Port of Brownsville, Texas. Its strategic partnership with Mariana Minerals is supporting TMC's PFS on a 12Mtpa industrial processing plant. Mariana's novel AI-driven approach should help speed up the process. TMC believes such a sizeable plant could make a significant contribution to, if not potentially solve, the US's supply chain dependency across the four metals. TMC estimates that it can produce material more cheaply in Texas than existing Asian RKEF (rotary kiln electric furnace) lines and also pointed out the optionality to process other feedstocks at the site. Importantly, the company is not committing any capital at this point in time and suggests that an ultimate decision is likely to be conditional on financial support from this administration. A successful outcome from the permitting process with NOAA should help unlock support for the Port of Brownsville site.

TMC has joined the DIBC

TMC joined the Defense Industrial Base Consortium (DIBC) on 13 March 2026. The DIBC, which sits within the US Department of War, aims to expand the US defence industrial base and facilitates government access to commercial solutions for defence needs. TMC's resource contains key metals found in both defence and maritime supply chains and is therefore aligned with the DIBC's objectives, potentially underpinning future security of supply.

TMCR has started trading on Nasdaq

The Metals Royalty Company (TMCR) began trading on Nasdaq on 8 April 2026. TMCR has a 2.0% gross overriding royalty (GORR) on the NORI resource, which gives TMCR 2% of all future top-line revenue from the NORI resource that TMC harvests from the sea floor. This provides TMCR access to the resource without the operational risk (harvesting, shipping/logistics, processing and refining), which is borne by TMC and its strategic partners. TMC has a 25% stake in TMCR and retains the right to repurchase up to 75% of the NORI royalty between the second and 10th anniversaries of the deal. TMC's 25% stake in TMCR is worth c \$200m at current prices.

Valuation: TMC's \$23.6bn post-tax NPV is unchanged

The company reiterated its guidance of commissioning in Q427 using two collectors for harvesting nodules from the sea floor, with one collector already in production. The valuation potential of the business as originally highlighted at its CMD remains (see our August 2025 [update note](#)). TMC suggested a post-tax net present value (NPV) of \$5.5bn for the c 350Mt resource base included in the PFS and a post-tax NPV of \$18.1bn for the c 1,275Mt resource base included in the IA. In total this results in a post-tax NPV of \$23.6bn. These valuations use a post-tax discount rate of 8%, which we continue to consider somewhat low for equity investors given the current stage of development. That said, TMC clearly

trades at a significant discount to the current PFS and IA NPV calculations. The company highlights healthy internal rates of return of 27% for PFS on NORI-D and 36% for the IA covering the undeveloped blocks.

Exhibit 2: Valuation

Nasdaq: TMC

PFS + IA = economic potential of 1.6Bt resource.

| | 2025 PFS | 2025 IA | Combined |
|---|--------------------|-------------------|-----------------|
| Approach | Capital-light | Contracted | |
| Resource base | 363 Mt | 1,276 Mt | 1,639 Mt |
| Recoverable nodules in wet tonnes | 164 Mt | 670 Mt | 834 Mt |
| Post-tax NPV ₈ | \$5.5B | \$18.1B | \$23.6B |
| IRR (real terms) | 27% | 36% | |
| Revenue over life of project | \$69.9B | \$298.9B | \$368.8B |
| <i>Revenue per tonne of dry nodules, steady state</i> | \$595 | \$605 | |
| EBITDA over life of project | \$29.2B | \$171.9B | \$201.1B |
| <i>EBITDA per tonne of dry nodules, steady state</i> | \$254 | \$347 | |
| <i>EBITDA margin per tonne, steady state</i> | 43% | 57% | |
| C1 Cash cost per tonne of nickel incl. byproduct credits | \$1,065 | -\$6,939 | |
| All-In Sustaining Cost (AISC) per tonne of nickel incl. byproduct credits | \$2,569 | -\$5,903 | |

Note: 'Steady state' defined as 2031-2043 for 2025 PFS and 2039-2058 for 2025 IA.
Source: SK-1300 Technical Report Summary of Pre-feasibility Study of NORI-D area, August 2025; SK-1300 Technical Report Summary, Initial Assessment of NORI and TOML areas, August 2025

Source: The Metals Company Q425 presentation, 27 March 2026

Exhibit 3: Financial summary

| | 2023 | 2024 | 2025 | 2026e |
|--------------------------------------|---------------|---------------|----------------|----------------|
| Year to December (\$m) | US GAAP | US GAAP | US GAAP | US GAAP |
| INCOME STATEMENT | | | | |
| Revenue | 0.0 | 0.0 | 0.0 | 0.0 |
| Exploration & evaluation costs | (44.8) | (40.2) | (24.9) | (22.0) |
| General & administrative costs | (18.4) | (20.9) | (24.2) | (25.0) |
| EBITDA | (59.7) | (53.8) | (222.2) | (46.9) |
| Underlying operating profit | (63.2) | (61.0) | (49.2) | (47.0) |
| Amortisation of acquired intangibles | 0.0 | 0.0 | 0.0 | 0.0 |
| Exceptionals | 0.0 | 1.8 | (179.2) | 0.0 |
| Share-based payments | (9.2) | (20.2) | (90.9) | (30.0) |
| Reported operating profit | (72.4) | (79.5) | (319.3) | (77.0) |
| Net Interest | 1.3 | (2.4) | (0.4) | 0.0 |
| Exceptionals, warrants etc | (2.6) | 0.0 | 0.0 | 0.0 |
| Profit Before Tax (norm) | (61.9) | (63.5) | (49.6) | (47.0) |
| Profit Before Tax (reported) | (73.7) | (81.9) | (319.7) | (77.0) |
| Reported tax | (0.0) | (0.0) | (0.1) | 0.0 |
| Profit After Tax (norm) | (62.2) | (63.5) | (49.6) | (47.0) |
| Profit After Tax (reported) | (73.8) | (81.9) | (319.8) | (77.0) |
| Net income (normalised) | (62.2) | (63.5) | (49.6) | (47.0) |
| Net income (reported) | (73.8) | (81.9) | (319.8) | (77.0) |
| EPS - normalised (c) | (22) | (20) | (13) | (13) |
| EPS - normalised fully diluted (c) | (20) | (18) | (12) | (12) |
| EPS - basic reported (c) | (26) | (25) | (83) | (21) |
| Dividend (c) | 0 | 0 | 0 | 0 |
| BALANCE SHEET | | | | |
| Fixed Assets | 60.1 | 57.7 | 60.9 | 50.5 |
| Intangible Assets | 43.2 | 43.0 | 43.0 | 43.0 |
| Tangible Assets | 2.8 | 2.7 | 2.6 | 7.5 |
| Investments & other | 14.2 | 12.0 | 15.4 | 0.0 |
| Current Assets | 8.8 | 5.3 | 120.7 | 65.8 |
| Stocks | 0.0 | 0.0 | 0.0 | 0.0 |
| Debtors | 0.0 | 1.9 | 3.0 | 0.0 |
| Cash & cash equivalents | 6.8 | 3.5 | 117.6 | 65.8 |
| Other | 2.0 | 0.0 | 0.0 | 0.0 |
| Current Liabilities | (31.3) | (54.5) | (46.0) | (46.0) |
| Creditors | (31.3) | (42.8) | (46.0) | (46.0) |
| Tax and social security | 0.0 | 0.0 | 0.0 | 0.0 |
| Short term borrowings | 0.0 | (11.8) | 0.0 | 0.0 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 |
| Long Term Liabilities | (26.6) | (25.6) | (169.0) | (24.3) |
| Long term borrowings | 0.0 | 0.0 | 0.0 | 0.0 |
| Other long term liabilities | (26.6) | (25.6) | (169.0) | (24.3) |
| Net Assets | 10.9 | (17.1) | (33.4) | 45.9 |
| Minority interests | 0.0 | 0.0 | 0.0 | 0.0 |
| Shareholders' equity | 10.9 | (17.1) | (33.4) | 45.9 |
| CASH FLOW | | | | |
| Operating Cash Flow | (59.7) | (53.8) | (222.2) | (46.9) |
| Working capital | (0.8) | 12.4 | 0.0 | 0.0 |
| Exceptional & other | 0.9 | 9.6 | 168.7 | 0.0 |
| Tax | 0.0 | 0.0 | (0.1) | 0.0 |
| Net operating cash flow | (59.6) | (31.8) | (53.6) | (46.9) |
| Capex | (0.5) | (0.5) | (0.2) | (5.0) |
| Acquisitions/disposals | 0.0 | 0.0 | 0.0 | 0.0 |
| Net interest | 0.0 | (0.1) | (0.4) | 0.0 |
| Equity financing | 20.1 | 28.9 | 168.4 | 0.0 |
| Dividends | 0.0 | 0.2 | 0.0 | 0.0 |
| Net Cash Flow | (40.0) | (3.3) | 114.2 | (51.9) |
| Opening net debt/(cash) | (46.8) | (6.8) | (3.5) | (117.6) |
| FX | 0.0 | 0.0 | 0.0 | 0.0 |
| Other non-cash movements | 0.0 | 0.0 | 0.0 | 0.0 |
| Closing net debt/(cash) | (6.8) | (3.5) | (117.6) | (65.8) |

Source: Company data, Edison Investment Research

General disclaimer and copyright

This report has been commissioned by The Metals Company and prepared and issued by Edison, in consideration of a fee payable by The Metals Company. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of Liability: To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained on this note.

No personalised advice: The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Investment in securities mentioned: Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Copyright 2026 Edison Investment Research Limited (Edison).

Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or solicitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.
