Stillwater Critical Minerals (TSXV: PGE)

Drill program positions the company for significant resource footprint expansion

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Current Price (C$)*	**$0.23**
Fair Value	**$0.45**
Projected Upside	**99.75%**
Action Rating	**BUY**
Perceived Risk	**VERY HIGH**

Shares Outstanding	**263,610,359**
Market Cap. (C$)	**$59,312,331**

P/B	**11.43**
YoY Return	**87.50%**
YoY TSXV Return	**42.23%**

* Note: all $ amounts are C$ unless otherwise stated

Investment Highlights

- **Stillwater Critical Minerals Corp. (TSX-V: PGE)** ("PGE", or "Company") is a junior mining company with a focus on battery metals, via its flagship asset, Stillwater West in Montana, USA.
- **2025 drill program targets resource expansion:** The 2025 drilling campaign will test new targets identified through the updated 3D geological model across a 12-km-long anomaly. The updated 3D model has significantly advanced the geological understanding of the lower Stillwater Igneous Complex, effectively doubling the strike length from 9.5 to over 20 kilometres.
- **Glencore's support signals confidence in Stillwater's growth potential:** Glencore holds a 15.4% equity interest in PGE, positioning it as an anchor investor and a key technical partner. Glencore has invested $7.04 million to date and retains the option to maintain or increase its stake with additional funding. We note that Glencore exercised its rights to participate in the recent $7.0 million financing raised by PGE, further reinforcing confidence in Stillwater's exploration upside. Glencore's support de-risks the project, providing confidence that the 2025 drill program will be fully executed as planned.
- **Potential for geologic hydrogen production:** Stillwater is advancing carbon sequestration and geological hydrogen production, with the prospect of integrating these elements into upcoming mining plans. These endeavours position Stillwater as a leading U.S. company in critical minerals and the green energy transition.
- **Based on our analysis and valuation models, we are maintaining our BUY rating and updating our fair value per share estimate to $0.45 per share, from $0.23 per share.**

Key financial data (FYE Mar. 31, C$)		**2024**		**2025**
Cash	$	149,404	$	239,467
Working capital	$	603,280	$	1,300,216
Mineral assets	$	3,286,907	$	3,572,867
Total assets	$	4,933,090	$	5,813,488
Net income (loss) for the 3M	$	(5,529,304)	$	(3,788,071)
EPS for the 3M	$	(0.03)	$	(0.02)

TSXV: PGE price and volume history

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Stillwater Critical Minerals is strategically focused on advancing the Stillwater West project with a primary goal of expanding the mineralization outlined in the 2023 Mineral Resource Estimate (MRE). The 2025 drilling campaign will test new targets identified through the updated 3D geological model across a 12-km-long anomaly. The updated 3D model has significantly advanced the geological understanding of the lower Stillwater Igneous Complex, effectively doubling the strike length from 9.5 to over 20 kilometres.

The 2023 MRE was based on five Platreef-style sulphide deposits delineated within the original 9.5 km core area. Building on this, the 2025 drill campaign, launched in June 2025, is targeting the mid- to high-grade polymetallic sulphide zones both within the existing five deposits and in adjacent, untested extensions along the extended strike zone. We believe that the doubling of the strike coverage (from 9.5 km to 20 km) increases the potential for resource expansion and supports an updated MRE, which is expected to be larger than the 2023 MRE.

The recent C$7 million capital raise ensures sufficient liquidity to fund the 2025 drill program. Glencore exercised its rights to participate in the funding, further reinforcing its confidence in Stillwater's exploration upside. Glencore's support de-risks the project, providing confidence that the 2025 drill program will be fully executed as planned.

Furthermore, Stillwater is exploring the potential for carbon sequestration and geological hydrogen production as part of its commitment to sustainability, with the prospect of integrating these elements into upcoming mining plans. These endeavours position Stillwater as a leading U.S. company in meeting the growing demand for critical minerals and supporting the green energy transition.

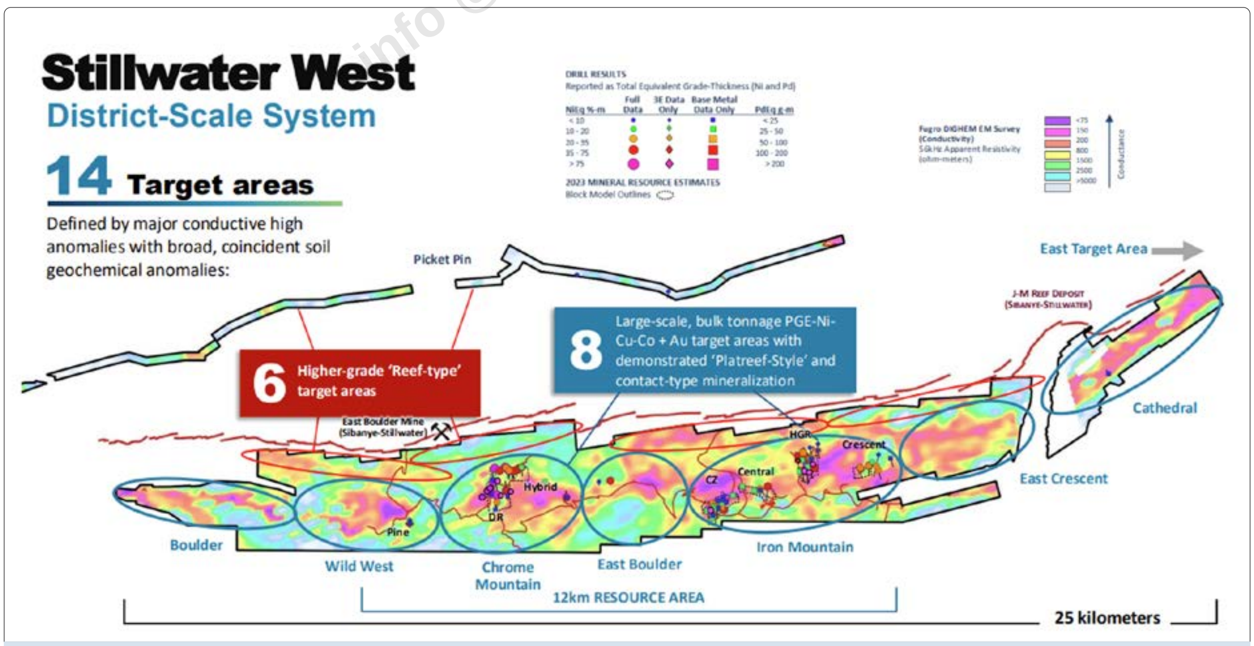
2025 DRILL PROGRAM TARGETS EXPANSION OF RESOURCE FOOTPRINT

We are excited by the launch of the 2025 drill program, which will focus on expanding the resource base by testing newly identified targets from the Company's 2024 geophysical survey and updated geological model. The drill program follows the 2024 MobileMT magneto-telluric geophysical survey, which materially expanded the Company's 3D geological model, doubling the modeled extent from the earlier 9.5 km to 20 km. The updated 3D model identified multiple large-scale conductive targets in and around known mineralization, thereby providing Stillwater with a robust pipeline of high-quality drill targets for expansion of its current resources.

The existing mineral resource is based on the five open deposits (Chrome Mountain, Central, HGR, CZ, and Crescent), located within 9.5 km of the highly prospective Peridotite Zone. This zone extends for approximately 25 km along strike within the broader 32 km-long Stillwater West property and remains largely underexplored. Notably, multiple untested target areas along this corridor exhibit geophysical signatures and geological characteristics consistent with those of known mineralization zones, highlighting significant potential for additional discoveries.

The 3D model identified a 12-km-long conductive anomaly within the Peridotite zone, which has high potential for additional resources. The 2025 exploration program aims to advance this 12-km-long stretch by drill testing eight large, bulk-tonnage, Platreef-style targets and six higher-grade, reef-type targets. The Company sees potential for existing deposits to grow both laterally and at depth, and potentially link along strike into larger, continuous mineralized bodies.

Figure 1: Stillwater West – 14 target areas identified for drilling



Source: Company filings

Stillwater West's importance is further enhanced by the fact that it is one of the very few critical minerals projects located within the United States which offer the combination of grade and scale in a producing district. This puts Stillwater West on a very short list of assets with the potential to play a significant role in realizing the goals outlined in the US Inflation Reduction Act and other ongoing initiatives aimed at helping the US bridge the critical mineral supply gap.

We believe Stillwater West is well-positioned to rapidly advance as a potential large-scale, low-carbon source of nickel, copper, cobalt, palladium, platinum, and rhodium.

Glencore's support signals confidence in Stillwater's growth potential

Glencore holds a 15.4% strategic equity interest in Stillwater Critical Minerals, positioning it as an anchor investor and a key technical partner. Glencore has invested $7.04 million to date and retains the option to maintain or increase its stake with additional funding. We note that Glencore exercised its rights to participate in the recent $7.0 million financing raised by PGE, further reinforcing its confidence in Stillwater's exploration upside. Glencore's support de-risks the project, providing confidence that the 2025 drill program will be fully executed as planned.

Glencore, being one of the world's largest natural resource companies and a global leader in nickel production, brings deep technical expertise in large-scale magmatic sulphide systems, which is directly relevant to Stillwater West's Platreef-style mineralization. The association with Glencore provides Stillwater with access to Glencore's technical committee, operational expertise, and extensive global supply chain relationships, significantly de-risking project development.

Financials overview

At the end of Q4-FY2025, the Company had cash and working capital of $0.3 million and $1.3 million, respectively. The Company's current ratio of 3.0x, indicates sufficient ability of current assets to cover current liabilities, implying a strong liquidity position at the end of FY 2025. Monthly cash burn (negative free cash flow) for the three months ended March 31, 2025, was $213,226, compared to a cash burn of $63,711 in the comparative period in FY2024, which we attribute to an increase in working capital requirements. The Company had no long-term debt as of Q4 2025. The following table summarizes the Company's liquidity position:

Table 1: Liquidity position

Key financial data (FYE Mar. 31, C$)		2024		2025
Cash	$	149,404	$	239,467
Working capital	$	603,280	$	1,300,216
Current ratio		1.82		3.08
Debt	$	-	$	-
Monthly cash generation/burn	$	(63,711)	$	(213,226)
Cash from financing activities	$	-	$	822,395

Source: Company, Couloir Capital

Post Q4 2025, the Company raised $8.78 million via private placement, which we believe will be sufficient to carry out the 2025 drill program. As such, we do not anticipate the need to raise any money in the near term. For further advancement of the Stillwater West project, additional funds may be needed.

The table at right outlines the Company's outstanding options and warrants.

The Company currently has 16.01 million options (weighted average exercise price of $0.24 per share), and 48.67 million warrants (weighted average exercise price of $0.30 per share) outstanding. At this time, nearly 10.0 million options and 14.3 million warrants are in the money, which, if exercised, will raise $4.6 million in cash, providing significant liquidity to the Company.

Table 2: Outstanding options and warrants

Options		Strike		Exercise value
3,486,667	$	0.14	$	488,133
1,895,000	$	0.40	$	758,000
400,000	$	0.38	$	152,000
200,000	$	0.40	$	80,000
2,745,000	$	0.36	$	988,200
685,000	$	0.36	$	246,600
3,701,200	$	0.18	$	647,710
575,000	$	0.18	$	100,625
2,325,000	$	0.17	$	395,250
Warrants		**Strike**		**Exercise value**
1,830,920	$	0.23	$	411,957
1,147,777	$	0.23	$	258,250
13,831,203	$	0.38	$	5,186,701
14,327,904	$	0.21	$	3,008,860
17,534,432	$	0.34	$	5,961,707

Source: Company, Couloir Capital

Comparables valuation

As our sole source of valuation, we consider Stillwater Critical Minerals' relative valuation against other mining companies that we believe to be comparable. We value PGE based on relative net resource. The table below outlines our peer group selection:

Table 3: Peer group selection

Company	Location	Asset	Stage	Net Ni Eq. [lbs]	Enteprise value [C$]	EV/ Net Ni Eq. [$/lb]
Stillwater Critical Minerals Corp.	**Montana**	**Stillwater West**	**Exploration**	**1,087,500,000**	**$59,072,864**	**$0.05**
Clean Air Metals Inc.	Ontario	Thunder Bay	Exploration	420,984,814	$11,300,000	$0.03
Canada Nickel Company Inc.	Ontario	Crawford	PEA	33,898,092,564	$195,320,000	$0.01
Talon Metals Corp.	Minnesota	Tamarack	PEA	281,921,692	$448,088,000	$1.59
Grid Metals Corp.	Manitoba	Makwa	Exploration	235,079,303	$16,731,000	$0.07
Magna Mining	Ontario	Crean Hill, McCreedy, Shakespeare	PFS	1,403,222,993	$327,185,000	$0.23
SPC Nickel	Ontario	West Graham/ Lockerby East	Exploration	394,269,832	$10,500,000	$0.03
Tartisan Nickel	Ontario	Kenbridge	PEA	122,460,735	$10,500,000	$0.09
Copper Lake Resources	Ontario	Norton	Exploration	63,508,367	$2,810,000	$0.04
Average (excl. outliers)						**$0.07**

Source: Couloir Capital, Public Disclosures *Note: all $ amounts are C$ unless otherwise stated.

The peer group average (excluding outliers) is $0.07/lb. We think that PGE should trade at a premium given its presence in an established mining camp, presence of Glencore as a strategic investor and significant resource expansion potential. Based on this, we value PGE at EV/Resource multiple of C$0.10/lb. This implies a valuation of $118.4 million or $0.45 per share on an EV / net resource basis, implying that the Company is trading at a discount to our estimation of fair value. In our last report, we determined the Company's intrinsic value at $0.23 per share, and the increase is attributable to a higher multiple, partially offset by the increase in share count. Any positive assay results from the upcoming 2025 drill program are likely to re-rate the stock. We have used a fully diluted share count of 263.5 million.

Conclusion

After accounting for our valuation models, we have arrived at a fair value per share estimate of $0.45. We are maintaining a BUY rating, and expect the following catalysts to materially impact our valuation estimate:

- Any news regarding the advancement of the project, including drill campaigns and the expansion of mineral resources.
- Any news regarding further developments at the Drayton-Black Lake Project.
- Any news that suggests material changes to the Company's capital structure, such as additional financing (equity or debt).

Risks

The following outlines some of the key risk considerations that investors should keep in mind when evaluating PGE as an investment opportunity:

- **Poor drilling and exploration results:** Results from historical exploration work and more recent work done by PGE have thus far yielded positive results pointing to promising mineralization at the Stillwater West Property. As PGE ventures into additional drilling work aimed at improving its understanding of the project and its resource profile, poor results may imply a deterioration of the property's mineral potential, making it less valuable as an exploration asset. We also note that the primary minerals PGE is searching for do not always appear in substantial concentrations simultaneously, with some reported intercepts exhibiting strong PGM mineralization but not base metals, and vice versa.
- **Market price exposure and impact on execution risk:** Sunk capital is relatively low at the exploration stage, relative to further along the development cycle. However, on the flipside, PGE exploration and development activities will be particularly sensitive to market pricing during the exploration stage, given their likely reliance on markets for future funding needs.
- **Early-stage explorer:** PGE's property has only just achieved a maiden resource, putting it on the higher end of the risk spectrum for resource projects. It also means there is fairly minimal basis for intrinsic valuation, meaning investors are exposing themselves to outsized risk and value loss if any of the above risk factors should materialize.
- **Capital structure deterioration related to ongoing cash burn:** There is the potential that the Company's cash burn could sap liquidity to the point where the Company needs to raise capital. Assuming no cash flows, there is a chance that PGE would do so via equity issuance. Depending on the price of the issuance, such issuance could be dilutive to existing shareholders.

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