Centaurus Metals Limited ABN 40 009 468 099

and its controlled entities

Interim Financial Report
30 June 2015

Contents

Directors' Report

Your directors present their report on the Consolidated Entity ("Group") consisting of Centaurus Metals Limited ("Centaurus" or "the Company") and the entities it controlled at the end of, or during, the half-year ended 30 June 2015 together with the consolidated financial report and review report thereon.

Directors

The following persons were directors of Centaurus Metals Limited during the half-year and up to the date of this report:

D M Murcia
D P Gordon
M Hancock
B Scarpelli (appointed 3 September 2015)
P E Freund (resigned 3 September 2015)

Review of Operations

Financial Position

The total comprehensive consolidated loss for the half-year was $3,931,646. Included in the loss is exploration expenditure of $1,712,432 and impairment of other receivables of $1,023,568.

At the end of the half-year the Group had a net cash balance of $277,410 and net assets of $2,906,526.

Overview

During the half year ended 30 June 2015 Centaurus Metals Limited, due to the continued challenging environment for iron ore projects generally, the focus was on repositioning itself outside the bulk commodities sector, realising value from its existing iron ore assets and refocusing on projects capable of delivering acceptable returns to its shareholders within a reasonable timeframe. Accordingly the Company commenced a process to secure an outright sale or joint venture of Candonga and its other projects including Jambreiro and Conquista, while at the same time working on new opportunities both in Brazil and other jurisdictions.

Mombuca Project

During the period Centaurus secured the grant of the highly prospective Mombuca Project (subject to an option Agreement with Terrativa) – an exciting new multi-commodity exploration target with potential for both high-grade gold and iron ore mineralisation in the State of Minas Gerais, Brazil. Initial exploration activities commenced during the period comprising a low cost mapping and soil sampling program and a desktop review of government generated aeromagnetic data. The Company will continue to progress its low-cost exploration activities during 2015.

Candonga Project

Subsequent to 30 June 2015, consistent with the Company's strategy to realise value from its iron ore assets, Centaurus entered into a Commitment to Lease its 100% owned Candonga Iron Ore project to a private Brazilian group, Ecosinter – Indústria de Beneficiamento de Resíduos Ltda ("Ecosinter"), for R$4 million (~A$1.6 million).) to be paid in 10 equal monthly instalments through to May 2016. At the date of this report two instalments have been paid for R$800,000.

Conquista DSO Project

The Conquista Project comprises a portfolio of highly prospective tenements with Direct Ship Ore (DSO) mineralisation located 8km along well maintained gravel roads from the Candonga Project. The Company has established an Exploration Target for the Conquista tenements of 3.5-8Mt of high-grade DSO grading 64-67% Fe, with a further 20-40Mt of itabirite mineralisation grading 35-45% Fe. The Exploration Target is based on detailed geological mapping, auger drill-hole results and an extensive ground magnetic survey[1]. The Exploration Target quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

While the Conquista Project did not form part of the Candonga divestment process, the Company's sees significant value in the Project which also has the potential to be a strong future supplier of high quality product to the domestic steel and pig iron markets. Conquista has the ability to significantly enhance the future economics and life of the Candonga Project, or be a successful standalone project.

With this in mind, Centaurus plans to undertake some future low-cost exploration at the project to enhance confidence in the Exploration Target and the overall value of the Project before looking to realise value via divestment or joint venture.

The sale of the Candonga Project has demonstrated that even small DSO Projects have value in Brazil due to the nature of the very low mine gate operating costs and their ability to supply the local steel and pig iron industries with high grade, low impurity lump and sinter feed products. Consequently, Centaurus will aim to extract value from the Conquista Project to assist in funding future exploration on the Company's non-iron ore assets. Expressions of interest in the Conquista Project have been received from a number of local companies including the buyers of the Candonga Project.

Jambreiro Project

Centaurus intends to pursue opportunities to extract value from the Jambreiro Project via either an outright sale or joint development proposition, and discussions are continuing with interested parties.

[1] Refer to ASX announcement on 19 March 2015 for further information on the Exploration Target for the Conquista Project.

Corporate

The Company has been progressively reducing its costs structure to be more reflective of the new operation regime and its focus on exploration activities. During the period the company has;

- Reduced the remuneration of the Board and CEO, which followed an earlier reduction in the size of the Board;
- Relocated offices in both Australia and Brazil to smaller and lower cost premises;
- Reduced overall staff numbers in Australia and Brazil;
- Agreed with some members of the management team to have a percentage of their remuneration paid in CTM shares; and
- Agreed with its staff in Brazil to adjust working hours to allow the Company to hold existing remuneration levels for the 2015/2016 year.

In June 2015 John Westdorp resigned as Chief Financial Officer and Company Secretary to take up another opportunity in the resource sector. Experienced resources executive Geoff James has joined Centaurus as Company Secretary/Financial Controller on a consulting basis.

During the period the Company completed a capital raising of $1,105,000 and a rights issue of $192,881.

Subsequent to 30 June 2015, Centaurus completed a $307,200 share placement to support its ongoing activities.

The Annual General Meeting of Centaurus Metals Limited was held on Thursday 26 May 2015. All resolutions were passed on a show of hands.

Events Subsequent to Reporting Date

Subsequent to balance date the Group has executed a Commitment to Lease its 100%-owned Candonga Iron Ore Project in south-eastern Brazil to a private Brazilian group, Ecosinter – Indústria de Beneficiamento de Resíduos Ltda for R$4 million (~A$1.6M) to be paid in 10 equal monthly instalment through to May 2016. At the date of this report two instalments have been paid for R$800,000.

On 13 July 2015 the Group announced a share placement comprising 51.2 million fully paid ordinary shares issued at $0.006 to raise $307,200. In addition 10.24 million free attaching unlisted options exercisable at $0.025 expiring on 30 September 2016 were also issued as part of the placement.

Other than the matters discussed above, there have not been any other events that have arisen in the interval between the end of the financial half-year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial periods.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Roger Fitzhardinge who is a Member of the Australasia Institute of Mining and Metallurgy. Roger Fitzhardinge is a permanent employee of Centaurus Metals Limited.

Roger Fitzhardinge has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Roger Fitzhardinge consented to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 for the half-year ended 30 June 2015 is set out on page 7.

D P Gordon
Managing Director

Perth

11 September 2015

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Centaurus Metals Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 30 June 2015 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

G-T Hogg

Graham Hogg
Partner

Perth

11 September 2015

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 30 June 2015

	Note	30 June 2015 $	30 June 2014 $
Profit or Loss			
Other income		-	6,655
Exploration expenditure		(1,712,432)	(3,190,482)
Impairment of available for sale investments		-	(175,937)
Impairment of exploration and evaluation	4	(86,843)	-
Impairment of other receivables	4	(1,023,568)	-
Employee benefits expense		(812,884)	(1,562,117)
Share based (payments)/ reversals		331,299	63,368
Occupancy expenses		(106,395)	(206,250)
Listing and share registry fees		(21,431)	(36,911)
Professional fees		(199,662)	(353,237)
Depreciation		(59,927)	(113,316)
Net loss on disposal of assets		(36,943)	-
Other expenses		(229,738)	(387,257)
Results from operating activities		(3,958,524)	(5,955,484)
Finance income		23,917	102,755
Finance expenses		(395)	(2,646)
Loss before income tax		(3,935,002)	(5,855,375)
Income tax benefit		3,356	-
Loss for the period		(3,931,646)	(5,855,375)
Other Comprehensive Income			
Items that may be reclassified subsequently to profit or loss			
Net change in fair value of available-for-sale financial assets		(35,556)	(68,924)
Exchange differences arising on translation of foreign operations		(510,481)	41,599
Income tax on other comprehensive income		-	-
Other comprehensive income (loss) for the period		(546,037)	(27,325)
Total comprehensive loss for the period		(4,477,683)	(5,882,700)
Earnings per Share		Cents	Cents
Basic loss per share		(1.46)	(2.66)
Diluted loss per share		(1.46)	(2.66)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

As at 30 June 2015

	Note	30 June 2015 $	31 December 2014 $
Current assets			
Cash and cash equivalents		**277,410**	891,990
Other receivables and prepayments		**406,081**	763,631
Total current assets		**683,491**	1,655,621
Non-current assets			
Other receivables and prepayments	4	**281,549**	1,484,123
Other investments including derivatives		**47,518**	243,089
Property, plant and equipment		**618,294**	1,070,606
Exploration and evaluation assets	4	**2,684,032**	3,073,386
Total non-current assets		**3,631,393**	5,871,204
Total assets		**4,314,884**	7,526,825
Current liabilities			
Trade and other payables		**244,901**	250,821
Employee benefits		**305,072**	314,224
Provisions	5	**57,876**	63,866
Total current liabilities		**607,849**	628,911
Non-current liabilities			
Deferred tax liabilities		**-**	3,704
Provisions	5	**744,121**	386,688
Employee benefits		**56,388**	-
Total non-current liabilities		**800,509**	390,392
Total liabilities		**1,408,358**	1,019,303
Net assets		**2,906,526**	6,507,522
Equity			
Share capital	6	**105,243,423**	104,035,437
Reserves		**(4,230,477)**	(386,544)
Accumulated losses		**(98,106,420)**	(97,141,371)
Total equity		**2,906,526**	6,507,522

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity

For the half-year ended 30 June 2015

	Issued Capital $	Option Reserve $	Share-Based Payments Reserve $	Available-for-Sale Investments $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 January 2015	**104,035,437**	**2,966,597**	**2,796,173**	**35,556**	**(6,184,870)**	**(97,141,371)**	**6,507,522**
Loss for the period	-	-	-	-	-	(3,931,646)	(3,931,646)
Net change in fair value of available-for-sale financial assets	-	-	-	(35,556)	-	-	(35,556)
Foreign currency translation difference for foreign operation	-	-	-	-	(510,481)	-	(510,481)
Total comprehensive income for the period	**-**	**-**	**-**	**(35,556)**	**(510,481)**	**(3,931,646)**	**(4,477,683)**
Issue of Ordinary Shares	1,327,598	-	-	-	-	-	1,327,598
Share issue costs	(119,612)	-	-	-	-	-	(119,612)
Share-based payment transactions	-	-	(331,299)	-	-	-	(331,299)
Transfer to retained losses	-	(2,966,597)	-	-	-	2,966,597	-
Total transactions with owners	**1,207,986**	**(2,966,597)**	**(331,299)**	**-**	**-**	**2,966,597**	**876,687**
Balance at 30 June 2015	**105,243,423**	**-**	**2,464,874**	**-**	**(6,695,351)**	**(98,106,420)**	**2,906,526**

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity

For the half-year ended 30 June 2014

	Issued Capital $	Option Reserve $	Share-Based Payments Reserve $	Available-for-Sale Investments $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 January 2014	**98,766,042**	**2,966,597**	**2,711,201**	**68,924**	**(5,823,424)**	**(86,681,072)**	**12,008,268**
Loss for the period	-	-	-	-	-	(5,855,375)	(5,855,375)
Net change in fair value of available-for-sale financial assets	-	-	-	(68,924)	-	-	(68,294)
Foreign currency translation difference for foreign operation	-	-	-	-	41,599	-	41,599
Total comprehensive income for the period	**-**	**-**	**-**	**(68,924)**	**41,599**	**(5,855,375)**	**(5,882,700)**
Issue of Ordinary Shares	5,530,000	-	-	-	-	-	5,530,000
Share issue costs	(260,605)						(260,605)
Share-based payment transactions	-		(63,368)				(63,368)
Total transactions with owners	**5,269,395**	**-**	**(63,368)**	**-**	**-**	**-**	**5,206,027**
Balance at 30 June 2014	**104,035,437**	**2,966,597**	**2,647,833**	**-**	**(5,781,825)**	**(92,536,447)**	**11,331,595**

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows

For the half-year ended 30 June 2015

	30 June 2015 $	30 June 2014 $
Cash flows from operating activities		
Exploration and evaluation expenditure	**(1,497,717)**	(3,009,281)
Payments to suppliers and employees (inclusive of indirect taxes)	**(983,005)**	(2,236,830)
Proceeds on court settlement	**272,570**	-
Interest received	**12,430**	88,405
Net cash used in operating activities	**(2,195,722)**	(5,157,706)
Cash flows from investing activities		
Payments for plant & equipment	**(16,089)**	(24,158)
Proceeds from sale of investments	**189,250**	-
Proceeds from sale of plant & equipment	**175,694**	41,475
Proceeds from security deposits	**41,936**	-
Net cash from investing activities	**390,791**	17,317
Cash flows from financing activities		
Proceeds from issue of equity securities	**1,327,598**	5,530,000
Capital Raising Costs	**(119,612)**	(260,605)
Net cash from financing activities	**1,207,986**	5,269,395
Net increase/(decrease) in cash and cash equivalents	**(596,945)**	129,006
Cash and cash equivalents at the beginning of the half-year	**891,990**	4,843,508
Effect of exchange rate fluctuations on cash held	**(17,635)**	6,802
Cash and cash equivalents at the end of the half-year	**277,410**	4,979,316

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Condensed Consolidated Interim Financial Statements

For the half-year ended 30 June 2015

Note 1. Reporting Entity

Centaurus Metals Limited is a company domiciled in Australia. These condensed consolidated interim financial statements ('interim financial statements') as at and for the six months ending 30 June 2015 comprise the Company and its subsidiaries (together referred to as the 'Group'). The Group is primarily involved in the exploration for and development of iron ore resources.

Note 2. Basis of Preparation

Statement of Compliance

The condensed consolidated interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001, and with IAS 34 *Interim Financial Reporting.*

They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2014.

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 September 2015.

Judgements and Estimates

In preparing these interim financial statements, Management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2014.

Going Concern

The interim financial statements for the period ended 30 June 2015 have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

During the period, the Group incurred a loss after tax of $3,931,646 with net cash outflows of $596,945 including a capital raising of net $1,207,986. The Group has working capital of $75,642 at 30 June 2015.

Subsequent to balance date the Group completed a capital raising of $307,200. In addition the Group has executed a Commitment to Lease it's 100% owned Candonga Iron Ore Project in south-eastern Brazil to a private Brazilian group, Ecosinter – Indústria de Beneficiamento de Resíduos Ltda for R$4 million (~A$1.6M), to be paid in 10 equal monthly instalments through to May 2016. At the date of this report two instalments have been paid for R$800,000.

The Group's strategy is to realise value from its iron ore assets in south-eastern Brazil and to progressively reposition the Company outside of the bulk commodities in light of the difficult funding environment for bringing new iron ore capacity on stream where an established cash flow stream does not already exist. The Group may undertake further limited exploration work on its other iron ore projects during 2015 so as to maximize their value in a divestment or joint venture scenerio. The Group has the ability to reduce or defer expenditure.

The Group will require further funding in addition to the expected consideration under the Commitment to Lease for the Candonga project in order to continue its exploration and evaluation and corporate activities. Should the Group be unable to secure equity funding, interests in the Group's projects will be required to be sold or farmed out as required in order to maintain sufficient cash reserves.

The Directors believe that the Group will be able to secure funding sufficient to meet requirements to continue as a going concern due to the following:

- The Group has successfully raised capital in the past;
- The Commitment to Lease the Candonga Project has demonstrated that even small Direct Ship Ore (DSO) Projects have value in Brazil. The Company has other DSO projects which can be sold; and
- The Group continues to keep key investors and potential investors briefed on the Company's activities and strong value proposition and is confident that the market will support future capital raising for the ongoing activities of the Group.

Should the Group not receive the expected consideration under the Commitment to Lease for the Candonga and/or secure additional funding, there are material uncertainties as to whether the Group will be able to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Note 3. Significant Accounting Policies

Changes in Accounting Policy

There have been no changes in accounting policies for the half-year ended 30 June 2015. The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2014.

Accounting Standards

The Consolidated Entity has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

Any new, revised or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for current or prior periods.

Note 4. Impairment Loss

Exploration and Evaluation Assets

The Group recognised an impairment loss of $86,843 on the carrying value of its Curral Velho Iron Ore Project. In light of the Group's intent to focus on other areas this project was assessed for impairment. Given that the project has no reportable resources and no ongoing activities at the project due to the current market sentiment to iron ore projects it was written off in full.

Other Receivables and Prepayments

The group recognised an allowance for impairment of $1,023,568 in respect of Brazilian Federal VAT ("PIS-Cofins") levied on the Group's purchases that, at balance date, are not considered recoverable. Recoverability of PIS-Cofins assets is dependent upon the group generating a federal company tax liability, which may be offset against the Group's PIS-Cofins assets if the Group elects to do so. At 30 June 2015 taxable profits are not considered probable. The Company does retain the tax credits.

Note 5. Provisions

	30 June 2015 **$**	31 December 2014 $
Balance at beginning of the period	**450,554**	-
Provisions made during the period	**393,712**	450,554
Movement in foreign exchange rate	**(42,269)**	-
Balance at end of the period	**801,997**	450,554
Current	**57,876**	63,866
Non Current	**744,121**	386,688
	801,997	450,554

A provision has been raised for potential tax obligations, the timing and amount of which are uncertain.

Note 6. Share Capital

	30 June 2015 Number of Shares	31 December 2014 Number of Shares
On issue at the start of the period	**239,987,919**	195,747,919
Issue of ordinary shares at $0.125 per share	**-**	44,240,000
Issue of ordinary shares at $0.025 per share	**51,915,251**	-
Issue of ordinary shares at $0.050 per share on exercise of options	**4,333**	-
Issue of ordinary shares to senior managers in lieu of salary(1)	**2,681,818**	-
On issue at the end of the period	**294,589,321**	239,987,919

(1) Ordinary shares issued to senior managers in lieu of salary have been valued at the closing share price immediately before the issue date of the Shares.

Note 7. Operating Segments

The Group operates in the iron ore exploration industry. For management purposes the Group is organised into one main operating segment which involves the exploration of minerals. All of the Group's activities are interrelated and financial information is reported to the Managing Director (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon an analysis on the Group as one segment.

The financial results and financial position from this segment are largely equivalent to the financial statements of the Group as a whole, with the exception of corporate administration expenses in Australia and Brazil of $1,061,442 (30 June 2014: $2,579,354) and deferred tax liabilities of nil (31 December 2014: $3,704) which are reviewed separately from the Group's operating segment.

Geographical Segment Information	**30 June 2015 Revenue $**	**30 June 2015 Non-Current Assets $**	30 June 2014 Revenue $	31 December 2014 Non-Current Assets $
Brazil	**-**	**3,554,190**	-	5,565,106
Australia	**-**	**77,203**	-	306,098
Total	**-**	**3,631,393**	-	5,871,204

Note 8. Subsequent Events

Subsequent to balance date the Group has executed a Commitment to Lease its 100%-owned Candonga Iron Ore Project in south-eastern Brazil to a private Brazilian group, Ecosinter – Indústria de Beneficiamento de Resíduos Ltda for R$4 million (~A$1.6M) to be paid in 10 equal monthly instalments through to May 2016. At the date of this report two instalments have been paid for R$800,000.

On 13 July 2015 the Group completed a share placement comprising 51.2 million fully paid ordinary shares issued at $0.006 to raise $307,200. In addition 10.24 million free attaching unlisted options exercisable at $0.025 expiring on 30 September 2016 were also issued as part of the placement.

Other than the matters discussed above, there have not been any other events that have arisen in the interval between the end of the financial half-year and the date of this report representing any item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial periods.

Directors' Declaration

For the half-year ended 30 June 2015

In the directors' opinion:

(a) The condensed consolidated financial statements and notes set out on pages 8 to 16 are in accordance with the Corporations Act 2001, including:

i. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
ii. giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the half-year ended on that date, and

(b) there are reasonable grounds to believe that Centaurus Metals Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

D P Gordon
Managing Director

Perth

11 September 2015

Independent auditor's review report to the members of Centaurus Metals Limited

Report on the financial report

We have reviewed the accompanying interim financial report of Centaurus Metals Limited, which comprises the condensed consolidated statement of financial position as at 30 June 2015, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes 1 to 8 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 30 June 2015 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Centaurus Metals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Centaurus Metals Limited not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty regarding continuation as a going concern

Without modifying our conclusion above, we draw attention to note 2 "Going concern" of the Interim Financial Report. The matters set forth in note 2 "Going concern", indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may be unable to realise it's assets and discharge it's liabilities in the normal course of business and at the amounts stated in the interim financial report.

KPMG

KPMG

G-T Hogg

Graham Hogg
Partner

Perth
11 September 2015