

23 November 2017

CENTAURUS SECURES GRANT OF HIGHLY PROSPECTIVE SW2 TENEMENT AT SALOBO WEST COPPER-GOLD PROJECT

120km² of granted tenure at Salobo West now accessible to Centaurus for copper-gold exploration

Key Points

- **Brazilian Mines Department (DNPM) has granted the SW2 Exploration Licence (EL) which now provides the Company with a combined total area of 120km² of highly prospective ground at the Salobo West Copper-Gold Project, located in the Carajás Mineral Province of northern Brazil.**
- **The grant of the SW2 tenement will open up further exploration fronts for the Company in the Carajás Mineral Province.**
- **The Company will now look to generate additional copper-gold drill targets on the SW2 tenement as it has been doing over the last 5 months on the SW1 tenement area – see ASX Announcements on 8 and 20 November 2017.**
- **The Carajás Mineral Province hosts multiple world-class iron oxide-copper-gold (“IOCG”) deposits. The Salobo West tenements are located less than 15km from the biggest of these deposits, Vale’s world-class Salobo Copper-Gold Mine.**

Centaurus Metals (ASX Code: **CTM**) is pleased to announce that it has secured the grant of the southern tenement (SW2) at its highly prospective **Salobo West Copper-Gold Project**, located in the world-class **Carajás Mineral Province** (CMP) in the north of Brazil with the Brazilian Mines Department (DNPM) today gazetting the grant of this second key exploration licence.

The grant of the SW2 tenement will open up additional new fronts for the Company’s exploration activities alongside the existing SW1 tenement which was granted earlier in June this year and where exploration work has been delivering numerous quality copper-gold drill targets for the Company.

The Carajás hosts the world’s largest known concentration of large-tonnage IOCG deposits including Vale’s giant Salobo Copper-Gold Mine which has Reserves of 1.2 billion tonnes at 0.63% Cu and 0.4g/t Au and produced approximately 176kt of copper and 317koz of gold in calendar year 2016¹. The Salobo Mine is considered to be the second biggest IOCG mine in the world today.

Both of Centaurus’ Salobo West tenements are located in the same geological context as the Salobo mine and less than 15km along strike.

¹ Vale Data sourced from “Vale Production in 4Q16” Report and its 20-F Annual Report for 2016

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Over the last 6 months Centaurus has acquired a significant data base of geological and geophysical information from multiple sources including CPRM (Brazilian Geological Survey). More recently the Company has secured exploration data generated historically by a major mining house that has worked the SW1 tenement in the past. The data is currently being reprocessed, assessed and verified by the Company. Recent soil sampling by Centaurus has validated the quality of the historical soils data. These soils results are set out in the map at Figure 1.

For the SW2 tenement, which has just been granted, Centaurus has reprocessed CPRM airborne geophysical data and has already identified multiple targets which require further ground based follow up exploration work. The reprocessing and analysis of the regional geophysical data was completed by highly regarded geophysical consulting group, Southern Geoscience and Mr Alan King, former Chief Geophysicist for Global Exploration at Vale and Inco.

Centaurus' Managing Director, Mr Darren Gordon, said the Company was very pleased to have secured the grant of the southern SW2 tenement at its Salobo West Copper-Gold Project.

"Exploration on the SW1 tenement has already delivered great results and allowed the Company to define multiple IOCG drill targets for the Salobo West project but the grant of the SW2 tenement will allow the Company to expand its exploration activities in the Carajás Mineral Province - one of the most prospective mining addresses on the planet.

"The region remains dominated by Vale and being able to secure further ground in this tightly held region is a fantastic outcome for the Company.

Securing a second tenement which lies less than 15km along strike from one of the worlds' biggest IOCG copper mines and features similar host rocks is really exciting," he added.

-ENDS-

Released by:

Nicholas Read
Read Corporate
M: +61 419 929 046

On behalf of:

Darren Gordon
Managing Director
Centaurus Metals Limited
T: +618 9420 4000

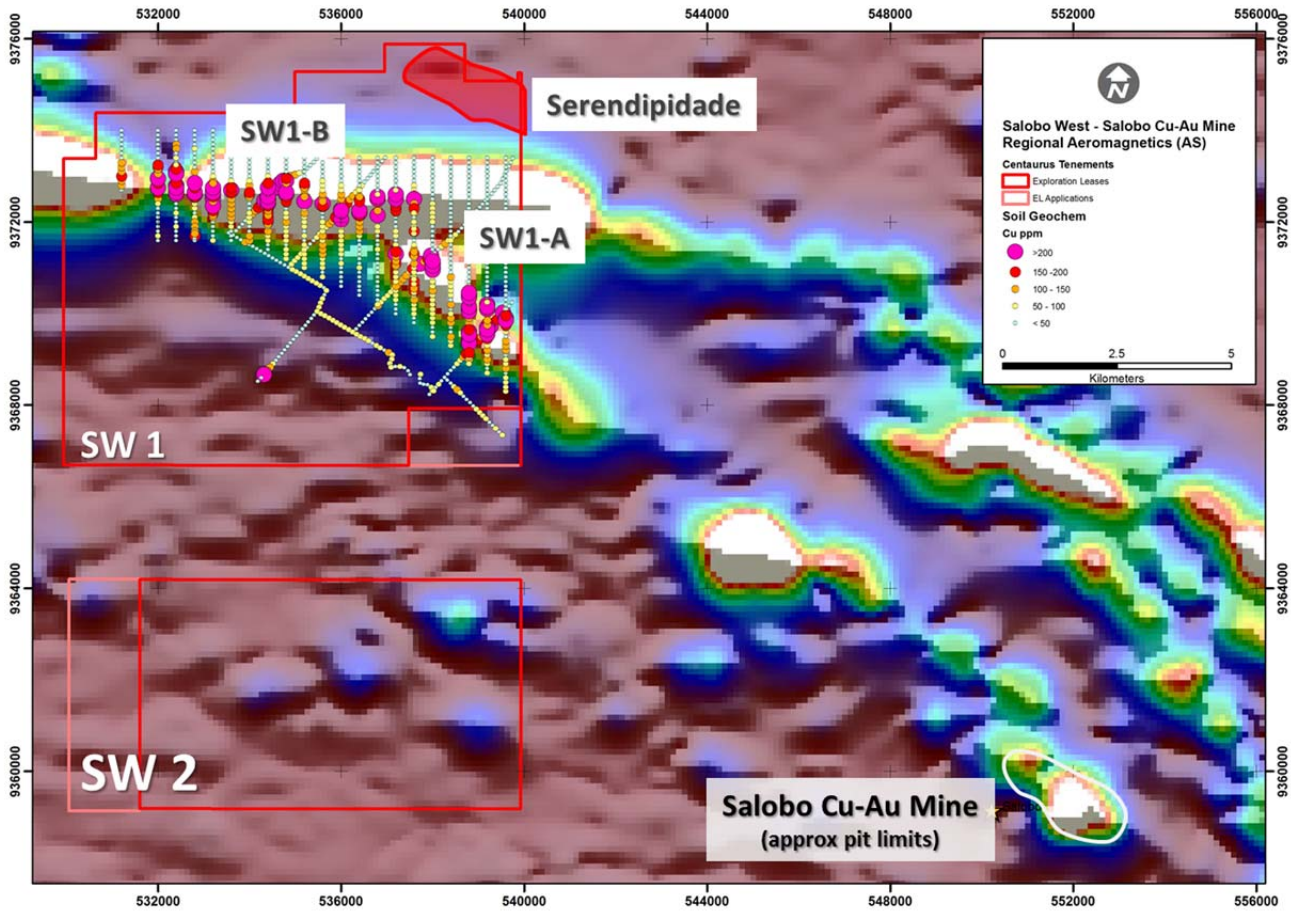
Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Roger Fitzhardinge who is a Member of the Australasian 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 mineralisation 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 consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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Figure 1 – Salobo West Copper Gold Project - Regional Magnetics with SW1 soils - Carajas Mineral Province, Brazil.



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APPENDIX B – TECHNICAL DETAILS OF THE SALOBO WEST IOCG PROJECT, JORC CODE, 2012 EDITION – TABLE 1

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • Soil samples were collected at 50m intervals along 200m or 400m spaced grid lines along the strike of the project. • Surface material was first removed and sample holes were dug to roughly 20-30cm depth. A 4-5kg sample was taken from the subsoil. The sample was placed in a plastic sample bag with a sample tag before being sent to the lab. • Surface rock chip/soil samples were collected from in situ outcrops and rolled boulders for and submitted for chemical analysis. • Historical sampling was completed by Anglo American. Soil samples were collected in two phases; initially on SE-NW lines 2.5km apart with samples every 100m, then on N-S lines 400m apart with samples every 50m. A 3-5kg sample was taken from the B horizon with the <6mm fraction sent for assay
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • There is no historical drilling on the Salobo West Project mentioned in this report.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • No drill results are included in the release.
<i>Logging</i>	<ul style="list-style-type: none"> • All outcrop and soil sample points were registered and logged in the Centaurus geological mapping points database
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • All geological samples were received and prepared by SGS Geosol Laboratories in Parauapebas, Brazil as 0.5-5kg samples. They were dried at 105°C until the sample was completely dry (6-12hrs), crushed to 90% passing 3mm and reduced to 200-300g. The samples were pulverised to 95% passing 150µm and split further to 50g aliquots for chemical analysis.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • Chemical analysis for soil samples was completed for gold by fire assay and ICP for limit of 0.001ppm as well as multi element using ICP. • Chemical analysis for metal oxides is determined using XRF analysis (XRF79C). Fusion disks are made with pulped sample and the addition of a borate based flux. Analysis at ALS is for a 10 element suite. FeO is determined using titration and LOI using loss determination by thermo-gravimetric analysis at 1000°C. • The SGS lab inserts its own standards at set frequencies and monitors the precision of the XRF analysis. These results reported well within the specified 2 standard deviations of the mean grades for the main elements. Additionally the labs perform repeat analyses of sample pulps at a rate of 1:20 (5% of all samples). These compare very closely with the original analysis for all elements. • Laboratory procedures are in line with industry standards and are appropriate for iron ore. • To date no QAQC samples were inserted by Centaurus for this project.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • All recent samples were collected by Centaurus field geologists. All assay results were verified by alternative Company personnel and the Competent Person before release. • All historical samples were collected by Anglo American field geologists/technicians.
<i>Location of data points</i>	<ul style="list-style-type: none"> • The survey grid system used is SAD-69 22S. This is in line with Brazilian Mines Department requirements. All sample and mapping points were collected using a Garmin hand held GPS.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • Soil samples were collected on 50m spacing on section with distance between sections of 200m and 400m depending on location. • Sample spacing was deemed appropriate for geochemical studies but should not be considered for Mineral Resource estimations. • No sample composting has been applied.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • The extent and orientation of the mineralisation was interpreted based on field mapping and review of regional geological and geophysical data. Sample orientation is perpendicular to the main geological features sequence along which mineralisation exists.

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Sample security	<ul style="list-style-type: none"> All samples were placed in pre-numbered plastic sample bags and then a sample ticket is placed within the bag as a check. Bags are sealed and placed in larger bags (10 samples per bag) and then transported by courier to the SGS Geosol laboratories in Parauapebas, PA. Sample request forms are sent with the samples and via email to the labs. Samples are checked at the lab and a work order is generated by the lab which is checked against the sample request.
Audits or reviews	<ul style="list-style-type: none"> No audit or review has been conducted on the projects to date.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> The Salobo West project includes the exploration leases (850.430/2016) and (850.429/2016) for a total of circa 120km². The tenements are part of an earn-in agreement with Terrativa Minerai SA. Centaurus has now met the minimum earn in obligations under the Agreement and perfected 100% title to the Salobo West tenements. Only the SW1 tenement has been transferred at this stage. The SW2 tenement is yet to be transferred. Terrativa retain a production royalty of 2% over any minerals extracted from the tenements. The royalty may be converted to a 25% project interest should it be sold to a third party. All mining projects in Brazil are subject to a CFEM royalty, a government royalty of 2% on copper and gold revenues and 2-4% on iron ore revenues. Landowner royalty is 50% of the CFEM royalty. The project is covered by the Tapirape-aquiri National Forest. Exploration and mining is allowed in the forest with the correct licences. The Company has received the key environmental licences for non-ground disturbing exploration activities.
Exploration done by other parties	<ul style="list-style-type: none"> Historically the Salobo West tenements have been held by Anglo American and before that Vale. Reports recovered from the Department of Mine demonstrate that Anglo American completed extensive mapping, soils sampling and local geophysical surveys. The Company recently retrieved a historical data set that includes, geological mapping, soils geochemistry, geophysical data and an incomplete drill hole database. The Company is in the process of validating the data. Geological mapping and soils sampling is being used to validate historical data and independent experts are assessing the geophysical data. The Company will release the historical data once it has been validated.
Geology	<ul style="list-style-type: none"> The Salobo West tenements are located in the Carajás Mineral Province, located in the south-eastern part of the Amazon craton in northern Brazil. The CMP represents an Archean block divided into two distinct tectonic domains. Salobo West is located in the northern Carajás domain within the Cinzento Shear Zone. The Salobo West tenements cover a portion of the Itacaiúnas Supergroup where it is contact with Xingu basement rock. The Company is targeting IOCG deposits. These deposits are generally structurally controlled, brittle-ductile shears zones hosted within the highly prospective volcanic and sedimentary rocks of the Itacaiúnas Supergroup. IOCG deposits in the Carajás are generally massive replacement bodies, associated with the magnetite-rich rocks that are the product of intense Fe-K hydrothermal alteration at high temperatures. This style of mineralisation is highly amenable to modern geophysical exploration techniques, especially EM, radiometric and gravity surveys
Drill hole Information	<ul style="list-style-type: none"> The Company has retrieved a historical drill hole database and is working on validating the data. No drill results are included in this release.
Data aggregation methods	<ul style="list-style-type: none"> No cut-offs have been applied in reporting of the exploration results. No aggregate intercepts have been applied in reporting of the exploration results.

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Criteria	Commentary
Diagrams	<ul style="list-style-type: none"> Refer to Figure 1.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> No drill results are included in this release.
Balanced reporting	<ul style="list-style-type: none"> All validated exploration results received by the Company to date are included in this report or can be referenced in previous ASX announcements.
Other substantive exploration data	<ul style="list-style-type: none"> The Company is working with the CPRM geological and geophysical regional data sets. The Company has recovered historical Mines Department reports and data and is in the process of validating the historical data from the project area.
Further work	<ul style="list-style-type: none"> The Company has engaged Grant “Rocky” Osborne and Southern Geoscience Consultancy to carry out additional work on the historical data. The Company mobilized its field team to the Salobo West project to carry out survey line clearing, geological mapping and soils geochemical sampling.