

15 June 2017

CENTAURUS SECURES GRANT OF HIGHLY PROSPECTIVE COPPER-GOLD TENEMENT IN WORLD-CLASS CARAJÁS IOCG PROVINCE

78km² Salobo West licence, located just 12km along strike from one of the world's largest copper mines, opens up an exciting new exploration front for Centaurus

Key Points

- Brazilian Mines Department (DNPM) has approved the first of two Exploration Licence (EL) applications which cover a combined total area of 120km² of highly prospective ground in the Carajás Mineral Province in northern Brazil.
- The Carajás Province hosts multiple world-class iron oxide-copper-gold (“IOCG”) deposits, with the first EL (Salobo West I) located just 12km from Vale’s world-class Salobo Copper-Gold Mine.
- The Carajás domain hosts the world’s largest known concentration of large-tonnage IOCG deposits, almost all of which are found in the Itacaiúnas Supergroup. The combined Salobo West tenement package covers 50km² of this highly prospective volcano-sedimentary sequence.
- The tenements cover regionally significant magnetic anomalies along NW and WNW trends similar to that seen at Salobo with the anomalies being found within the structurally important Cinzento Shear Zone which hosts multiple IOCG deposits.
- Centaurus has engaged Alan King, former Chief Geophysicist for Global Exploration at Vale, to undertake a review of the regional data available for the Salobo West Project before planning initial airborne geophysical surveys.
- Drilling at the Serra Misteriosa Gold Project is continuing with the first diamond hole intersecting a 40m brecciated zone with intense silica alteration and sulphide zones. Initial assay results are expected in the coming weeks.

Centaurus Metals (ASX Code: **CTM**) is pleased to announce that it has secured a highly prospective and sought-after exploration licence located in the world-class **Carajás Mineral Province** in the north of Brazil.

The Brazilian Mines Department (DNPM) has granted the first of two key exploration licence applications made by the Company for the **Salobo West Copper Gold Project**, opening up an exciting new front for its exploration activities alongside ongoing gold exploration at the Serra Misteriosa Gold Project.

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. **Centaurus’ Salobo West tenements are located in the same geological context as the Salobo mine and only 12km along strike.**

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

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Along with Salobo there are more than ten (10) IOCG deposits in the province with resources of +100 million tonnes of copper-gold ore. Table 1 in Appendix A outlines the resources and reserves of these (predominantly Vale-owned) IOCG deposits which, in addition to several other IOCG prospects that are under exploration, collectively contain resources of **approximately 4.0 billion tonnes of copper-gold ore**.

Centaurus has commenced the process of acquiring all up-to-date CPRM (Brazilian Geological Survey) geology and geophysical data for the region. The data currently available includes airborne magnetics, gravity and radiometric surveys on a variety of line spacings.

Centaurus has recently engaged Mr Alan King, former Chief Geophysicist for Global Exploration at Vale, to analyse this regional CPRM data and generate preferred targets which will assist in planning the Company's initial airborne geophysical survey work. Mr King lived in Brazil from 2007 to 2011 and has worked extensively on the IOCG deposits within the Carajás Mineral Province.

The Salobo West II tenement, located just south of the key Salobo West I tenement, is expected to be granted by the DNPM in the next 4-6 weeks.

Centaurus' Managing Director, Mr Darren Gordon, said the Company was excited about the prospect of starting its initial exploration activities within the world-class Carajás Mineral Province.

"The Carajás is home to the world's biggest concentration of IOCG deposits including what we believe to be the second biggest IOCG in the world in Salobo. The region is dominated by Vale and being able to secure ground in this tightly held region is a major coup for Centaurus.

"Securing a tenement which lies just 12km along strike from one of the worlds' biggest IOCG copper mines and features the same host rocks is a really exciting development for our Company," he said.

"Our initial exploration work will be focused on assessing the regional geophysical data and undertaking airborne magnetic and gravity surveys to generate targets for our ground-based activities. To this end we are delighted to have secured the services of Alan King, given his extensive knowledge of the region and the work that needs to be done to identify quality IOCG targets. We look forward to providing updates on the target generation work from the Salobo West Project in the coming weeks."

The Carajás mineral province, located in the south-eastern part of the Amazon craton in northern Brazil, represents an Archaean block divided into two distinct tectonic domains. Centaurus' newly granted tenement is located in the northern Carajás domain (Figure 1).

The IOCG deposits in the northern Carajás domain are structurally controlled by regional-scale W-NW striking, brittle-ductile shear zones that define the contact between the metavolcano-sedimentary units of the Itacaiúnas Supergroup (2.7Ga) and the Mesoarchean basement rocks.

Importantly, Centaurus' Salobo West tenements cover roughly 50km² of the highly prospective Itacaiúnas Supergroup and more than 20km of strike extension of the equally important Cinzento shear zone that hosts the Salobo deposit.

This style of mineralisation is highly amenable to modern geophysical exploration techniques, especially magnetic and gravity surveys.

As demonstrated in the airborne magnetics image (Figure 2), the Salobo West tenements cover regionally significant magnetic anomalies along NW and WNW trends similar to that seen at Salobo. Both anomalies are coincident with the favourable Itacaiúnas Supergroup unit and Cinzento Shear Zone.



Figure 1 – Salobo West Copper Gold Project - Regional Geology Carajas Mineral Province, Brazil.

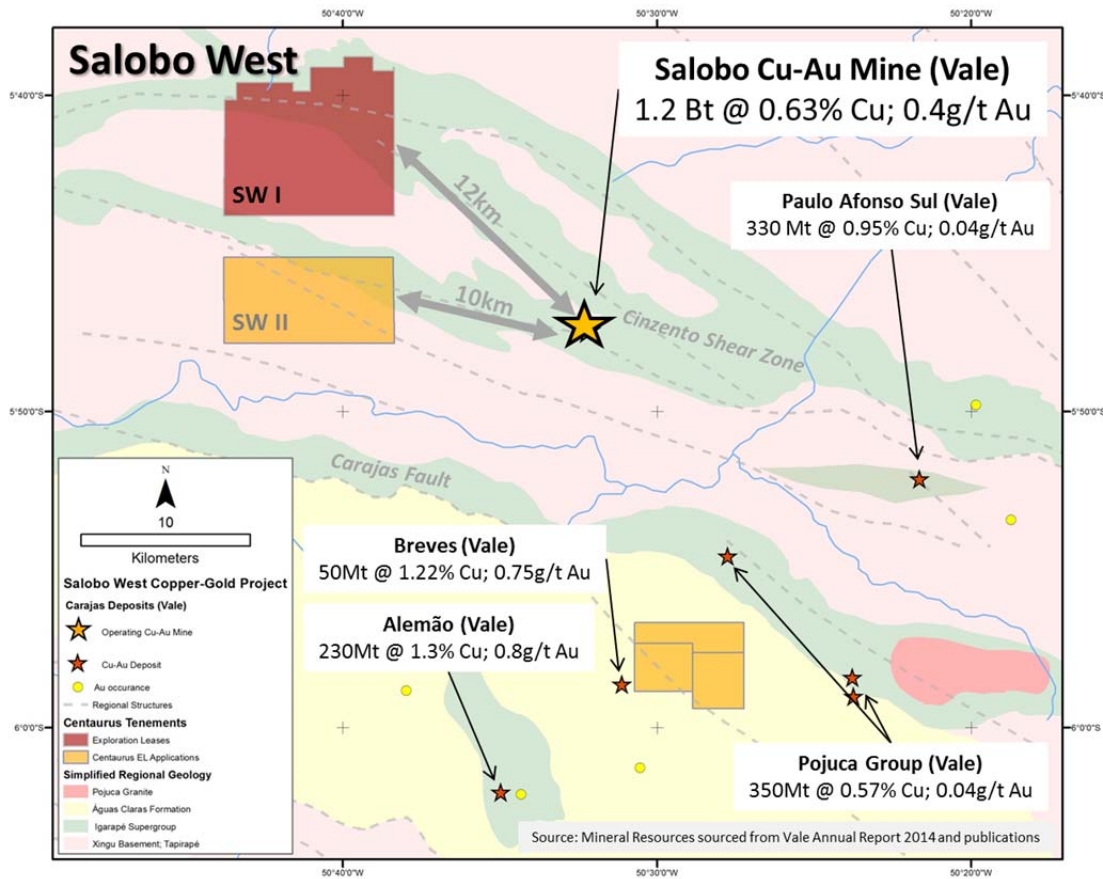
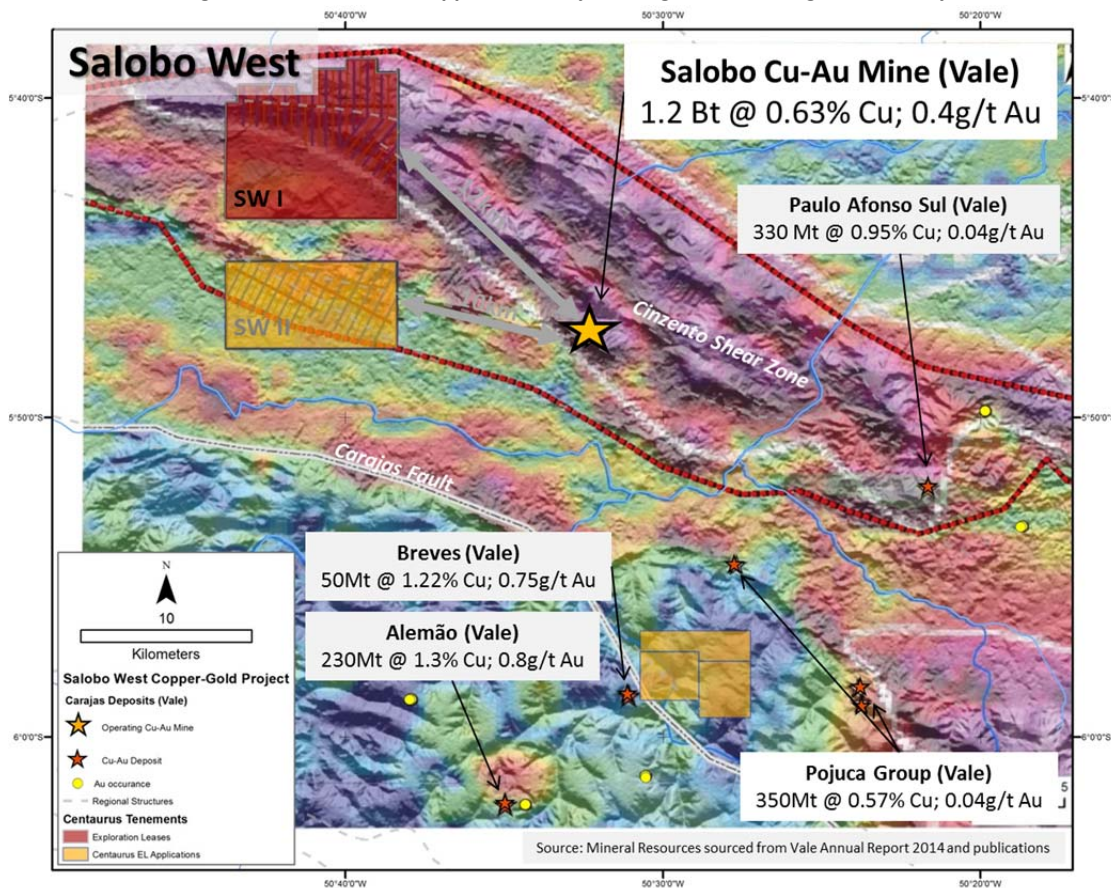


Figure 2 – Salobo West Copper Gold Project - Regional Aeromagnetics Survey





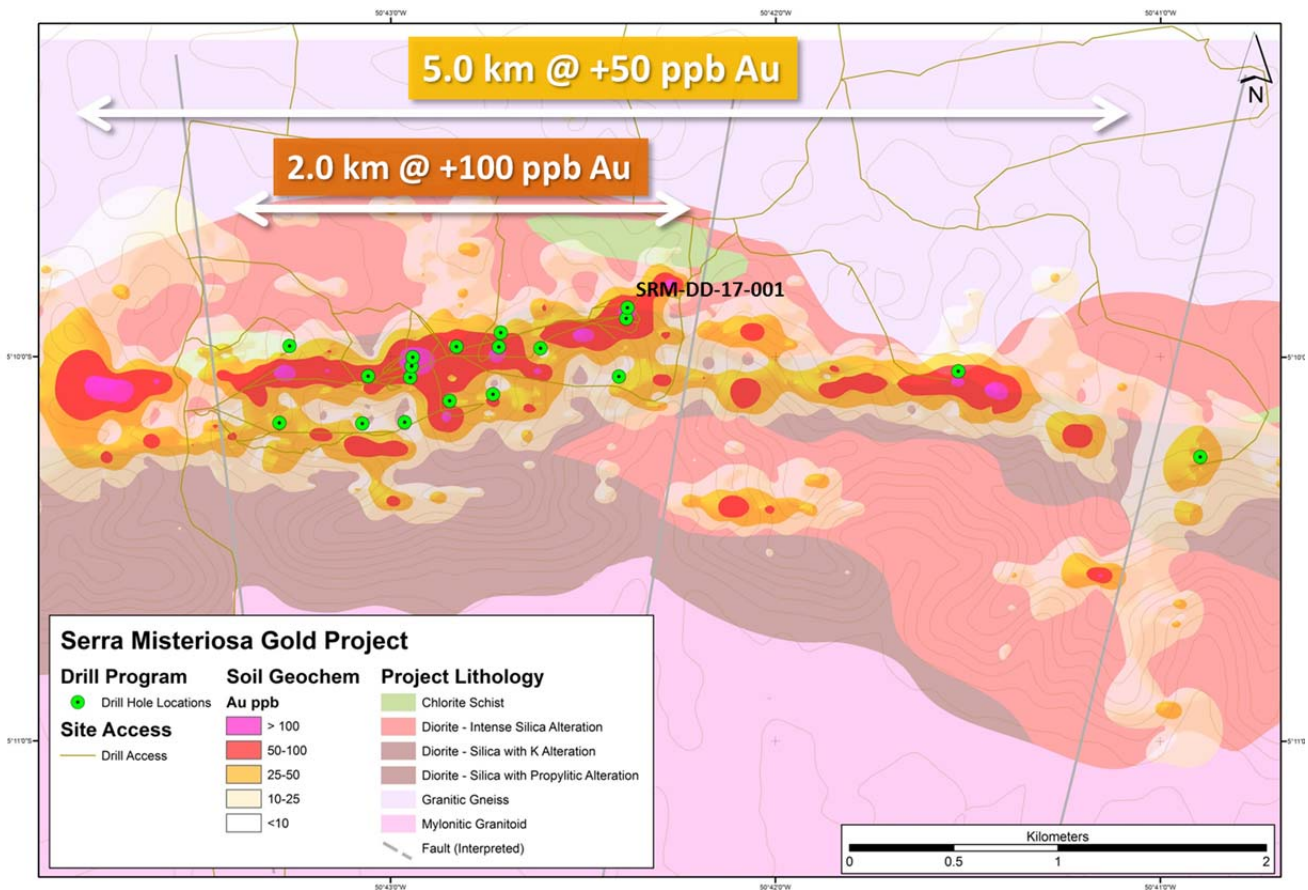
Serra Misteriosa Gold Project – Drilling Update

Drilling progress at the Serra Misteriosa Gold Project has been hampered by ongoing intermittent but heavy rainfall and poor drill contractor performance. The Company is currently implementing plans to bring a Reverse Circulation (RC) rig to site from a second drilling Company in order to improve the drilling production rates.

The first hole, SRM-DD-17-001, has been completed to a depth of 309m with the second hole in progress. This first hole intersected a 40m brecciated zone from 225m down-hole with intense silica alteration and localized carbonate and sericite alteration zones. Sulphides are present throughout this zone varying between 3-10%. The sulphide assemblages include pyrite only zones as well as pyrite and arsenopyrite zones.

Given this is the first drill program at the Serra Misteriosa Project, the Company is not in a position to speculate whether the mineralisation intersected in the brecciated zone carries significant gold grades. Samples have been delivered to the assay laboratory and initial results are expected in the next 10-15 days.

Figure 3 – Serra Misteriosa Gold Project – Drill-hole Location



-ENDS-

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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.

APPENDIX A

Table 1 – Deposits of the Carajás Mineral Province (includes Cu-Au, Ni, Mg and Fe)

Company	Deposits	Mineral Reserves	Mineral Resources	Annual Production	Historical Production	Distance from CTM EL's / EL applications (Km)
Vale	Igarape Bahia				3.1 Moz Au	12
Garimpeiros	Serra Pelada				2.5 Moz Au	20
Vale	Salobo	1,178Mt @ 0.63% Cu, 0.4 g/t Au		176kt Cu & 317koz Au		12
Vale	Sossego	111Mt @ 0.65% Cu, 0.20 g/t Au		93kt Cu & 67koz Au		70
Vale	Breves		50Mt @ 1.22% Cu, 0.75 g/t Au			2
Vale	Pojuca Group		350Mt @ 0.57% Cu, 0.04 g/t Au			4
Vale	Alemao		230Mt @ 1.26% Cu, 0.83 g/t Au			12
Vale	Paulo Afonso		330Mt @ 0.95% Cu, 0.04 g/t Au			35
Vale	Furnas		550Mt @ 0.71% Cu; 0.3 g/t Au			70
Vale	Gameleira		535Mt @ 0.57% Cu, 0.12 g/t Au			70
Vale	Cristalino		454Mt @ 0.74% Cu, 0.13 g/t Au			90
Vale	Estrela		230Mt @ 0.50% Cu, 0.01 g/t Au			80
Avanco	Antas Norte		6.4Mt @ 2.38% Cu, 0.48 g/t Au	12kt Cu & 7.8koz Au		30
Avanco	Pedra Branco		18.6Mt @ 2.45% Cu, 0.61 g/t Au			50
Caraiba Metais	Boa Esperanca		100Mt @ 1.00% Cu			140
Vale	Carajas	2.6Bt @ 66% Fe		148Mtpa Fe		30
Vale	S11D	4.2Bt @ 66% Fe		40-90Mtpa Fe		45
Vale	Onca Puma	108Mt @ 1.53% Ni		24kt Ni		80
Vale	Azul	38Mt @ 28.4% Mn		1.7Mtpa Mn		22

*Vale Data sourced from "Vale Production in 4Q16" Report, 20-F Annual Report and other reports; Other Company data sourced from respective web pages and presentations



APPENDIX B

TECHNICAL DETAILS OF THE SERRA MISTERIOSA GOLD PROJECT AND SALOBO WEST COPPER/GOLD 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 for Serra Misteriosa were collected at 25m and 50m intervals along 100 or 200m spaced grid lines along the strike of the project. Surface material was first removed and sample holes were dug to roughly 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. • Centaurus has collected 505 soil samples to date. • All 1,105 historical samples were collected by Terrativa. • Stream sediment samples were collected at selected points and sieved down to 1.0-1.5 kg samples using a 100 mesh sieve. 41 stream sediment samples were collected. • 60 surface rock chip/soil samples were collected from in situ outcrops and rolled boulders for chemical analysis. • There is no historical sampling for the Salobo West Project.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • There is no historical drilling on the Serra Misteriosa Project. • There is no historical drilling on the Salobo West Project.
<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, stream sediment and soil sample points were registered and logged in the Centaurus geological mapping point database. • There is no historical logging on the Salobo West Project.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • All rock chip and soil samples were sent to the laboratory without any field preparation. • Stream sediment samples were sieved down to 1.0-1.5kg using a 100 mesh sieve. • There is no historical sampling on the Salobo West Project.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • Analysis of the soil samples was completed at SGS Geosol Laboratories. Samples are dried at 100°C and crushed and screened to 80 mesh. The pulp is quartered and an aliquot of 50g is sent for chemical analysis. • Chemical analysis for soil and stream sediment samples was completed for gold by fire assay and ICP for limit of 0.001ppm as well as multi element using ICP. • SGS Geosol Laboratories insert their own standards at set frequencies and monitor 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. • Stream sediment samples are first dried in an oven at 60°C and then homogenised before crush and screening to 80 mesh. The pulp is quartered and an aliquot of 50g is sent for chemical analysis. • Laboratory procedures are in line with industry standards. • To date no QAQC samples have been inserted by Terrativa for this project.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • All recent samples (since November 2016) 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 Terrativa field geologists. All assay results were verified by alternative Terrativa personnel.
<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.

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Data spacing and distribution	<ul style="list-style-type: none"> • Soil samples were collected on 25m or 50m spacing on section with distance between sections of 100m, 200m and 400m depending on location. • Stream sediment samples were collected at sample points planned by Terrativa geologists to represent catchment areas of between 500-1,000ha. • Sample spacing was deemed appropriate for geochemical studies but should not be considered for Mineral Resource estimations. • No sample composting has been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • The extent and orientation of the mineralisation was interpreted based on field mapping. Sample orientation is perpendicular to the main geological features sequence along which mineralisation exists.
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 Serra Misteriosa project includes two exploration leases (851.548/2011 and 850.258/2013) for a total of circa 180km². Granted Exploration Leases have three years of exploration rights that may be extended for a further three years. • The Salobo West project includes the exploration lease (850.430/2016) and an exploration lease application (850.429/2016) for a total of circa 120km². • The tenements are part of an earn-in agreement with Terrativa Minerais SA. Under the agreement Centaurus has to meet minimum expenditure of R\$2.5M in 24 months to gain the right to acquire 100% of the tenements via the issue of 30M CTM shares, 90M Performance Shares (3 tranches of 30M with vesting based on certain resource based performance milestones) and a production royalty of 2%. 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 1% on gold revenue (less taxes). • Landowner royalty is 50% of the CFEM royalty. • The project is covered by a mix of cleared farm land and natural vegetation. The project is not located within any environmental protection zones and exploration and mining is permitted with appropriate environmental licences.
Exploration done by other parties	<ul style="list-style-type: none"> • Historically the Serra Misteriosa tenement area was explored for gold by Terrativa. All data from this exploration has been passed to Centaurus. • There has been small scale historical artisanal gold mining undertaken in this area. There is no known evidence of exploration for gold by other modern-day companies other than Terrativa. • Historically the Salobo West tenements have been held by Vale although no exploration data has been found on the tenements.
Geology	<ul style="list-style-type: none"> • The Serra Misteriosa Gold Project is located in the Southern Bacaja Domain within the Eastern Amazonian Craton. The project is located on a ridge of WNW-ESE trending Upper Proterozoic greenstone between gneissic and granitic complexes that has been intruded by syntectonic dioritic and granodioritic plutons; • The project area is covered extensively by a rich red saprolite and fresh rock outcrop is limited. Gold has been identified in panning and diorite fresh rock samples where SEM results demonstrated gold is associated with arsenopyrite/pyrite; • The main gold in soils geochem target is a 10km x 600m (+25ppb Au) anomaly. The zone is

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Criteria	Commentary
	<p>also anomalous for As, Sb and magnetic soils. Within this anomaly there is a 5.0km x 250m +50ppb Au zone, with a number of smaller +150ppb Au zones. The Au geochem anomaly is associated with a sheared contact of diorite with host greenstones and granites. The diorite has been intensively silicified +/- sericite and propylitic alteration;</p> <ul style="list-style-type: none"> • The Salobo West tenements cover a portion of the Itacaiúnas Supergroup where it is contact with Xingu basement rock.
Drill hole Information	<ul style="list-style-type: none"> • Drilling has started at the Serra Misteriosa Project with one hole being completed. The location of all the planned holes can be found in Figure 3. • No drilling has been conducted on the Salobo West project.
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.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • No results have been received from the drilling.
Diagrams	<ul style="list-style-type: none"> • Refer to Figures 1 -3.
Balanced reporting	<ul style="list-style-type: none"> • All 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"> • Historical geological mapping was carried out by Terrativa geologists. • The IP and resistivity surveys were undertaken by WSL/Geomag. The survey included +20km of survey lines and utilised a pole-dipole array with an electrode spacing of 50m. The survey was designed to measure to a depth of 250m. The QAQC and interpretation of the IP survey was undertaken by Centaurus's geophysical consultant, Mr Robert B. Ellis.
Further work	<ul style="list-style-type: none"> • The Company is carrying out the maiden drilling program on the Serra Misteriosa Project. • Target generation and aerial geophysical survey planning is underway for the Salobo West project.