AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE

9 April 2020

CENTAURUS COMPLETES ACQUISITION OF JAGUAR NICKEL PROJECT FROM VALE FOLLOWING KEY REGULATORY APPROVAL

BNDES approval allows Centaurus to complete 100% acquisition of high-quality nickel sulphide project

Key Points:

- **Jaguar Project acquisition now formally closed following receipt of required approval from the Brazilian National Bank for Economic and Social Development (BNDES).**
- **Over 8,500m of new diamond drilling has been completed, generating multiple outstanding results, with assays pending from more than 4,000m of drilling.**
- **The Company now has sufficient drilling for the maiden JORC Mineral Resource Estimate, that will be underpinned by +55,000m of historical drilling together with the new drilling.**
- **Maiden JORC Mineral Resource Estimate on target for mid-2020.**
- **Drilling to be scaled back to two rigs, drilling day shift only, while work on the Mineral Resource Estimate is completed slowing the Company's cash burn during the current period of uncertainty in global markets stemming from the COVID-19 pandemic.**
- **Metallurgical test work and Scoping Study activities continue to be advanced in conjunction with the resource estimation work.**
- **The Company remains in a strong financial position with A$7.5M in cash at 31 March 2020.**

Centaurus Metals (ASX Code: **CTM**) is pleased to announce that it has completed the acquisition of 100% of the high-quality **Jaguar Nickel Sulphide Project** in Brazil's world-class Carajás Mining District from global mining giant Vale, marking another step in its transformation to become an international nickel sulphide development company.

The Company recently received the approval of the Brazilian National Bank for Economic and Social Development (BNDES) for the assignment of BNDES' royalty interest in the Jaguar Project, allowing Centaurus and Vale to finalise all of the remaining steps required to close the Transaction, as contemplated under the Sale and Purchase Agreement announced last year on 6 August 2019.

The consideration payable to Vale on closing for 100% acquisition of the Jaguar Project was a small upfront cash payment of US$250,000 and the transfer of the Company's greenfield Salobo West tenure. All closing steps have now been completed including the payment of the initial cash consideration and the transfer of the Salobo West tenure.

The main component of the cash consideration is deferred and contingent on successful production from the Project, which clearly demonstrates Vale's comfort in Centaurus' technical skills and sustainable approach in Brazil to further explore and develop the Project.

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Centaurus was able to secure the Project on favourable terms (as set out below) for a junior company which in part was due to its strong track record for sustainable exploration and development work in Brazil. The favourable commercial structure also allowed the Company to focus on advancing a number of exploration and development aspects of the Project, as reflected in the extensive work activities completed over the past six months since the acquisition was announced.

Jaguar Project Update

Following the commencement of drilling in November 2019, Centaurus has already completed over 8,500 metres (45 drill holes) of in-fill and extensional resource drilling along with some exploratory drilling during the regional wet season of northern Brazil (with assay results for approximately 4,000 metres pending).

When combined with the +55,000 metres (168 drill holes) of historical drilling completed by Vale, the Company now has sufficient drill data to start work on estimating its maiden JORC 2012 Mineral Resource focused on the high-grade mineralisation at the Project. The delivery of the resource remains on track for the middle of the year.

Both Centaurus' recent drilling and the historical drilling of Vale has delivered some outstanding intersections with a significant number of holes consistently intersecting high-grade nickel mineralisation close to surface, providing a rare opportunity to develop a high-grade nickel sulphide project commencing on open pittable mineralisation.

Some of the many wide zones of high-grade mineralisation already identified on the Project include:

- **34.0m at 3.31% Ni from 56.0m** in PKS-JAGU-DH00065;
- **42.4m at 2.20% Ni from 76.0m** in PKS-JAGU-DH00132;
- **31.4m at 2.47% Ni from 15.3m** in PKS-JAGU-DH00030**;**
- **40.9m at 1.40% Ni from 131.5m** in JAG-DD-19-002;
- **26.0m at 2.13% Ni from 66.0m** in PKS-JAGU-DH00033;
- **32.3m at 1.40% Ni from 55.5m** in PKS-JAGU-DH00024;
- **30.6m at 1.46% Ni from 65.5m** in PKS-JAGU-DH00048;
- **14.9m at 2.94% Ni from 56.8m** in JAG-DD-20-021;
- **7.9m at 5.27% Ni from 247.0m** in PKS-JAGU-DH00158;
- **17.4m at 2.38% Ni from 23.8m** in PKS-JAGU-DH00121;
- **31.5m at 1.27% Ni from 115.0m** in PKS-JAGU-DH00115;
- **18.0m at 2.19% Ni from 318.0m** in PKS-JAGU-DH00014**;**
- **31.8m at 1.13% Ni from 66.2m** in PKS-JAGU-DH00127;
- **19.0m at 1.73% Ni from 183.0m** in PKS-JAGU-DH00036;
- **16.6m at 1.98% Ni from 99.4m** in PKS-JAGU-DH00054;
- **11.8m at 2.56% Ni from 55.0m** in PKS-JAGU-DH00112;
- **9.4m at 3.13% Ni from 281.0m** in JAG-DD-20-017;
- **11.0m at 2.54% Ni from 200.0m** in PKS-JAGU-DH00041;
- **12.4m at 1.95% Ni from 71.0m** in JAG-DD-19-002;
- **15.3m at 1.24% Ni from 98.2m** in JAG-DD-19-012;
- **7.9m at 2.18% Ni from 351.0m** in PKS-JAGU-DH00014;
- **11.9m at 1.43% Ni from 148.0m** in JAG-DD-19-011; and
- **11.5m at 1.45% Ni from 149.5m** in JAG-DD-19-014.

A full list of the historical assay results was released to the market on 6 August 2019 while all assays received from Centaurus' current drill program are set out in the ASX Releases of 3 December 2019, 23 January 2020 and 3 March 2020.

With the shear quantum of drill data that now is available to the Company and with the pending arrival of the dry season in the Carajás, the Company has made the decision to pull back the number of rigs on site to two, with these two rigs to work on day shift only. One rig will continue the in-fill and extensional drilling on known deposits while the other rig will focus on new targets like the high-grade discovery at Onça Rosa. The third rig has been stood down but will remain on site at no cost to Centaurus.

The reduction in the number of rigs will allow the Company to maintain an active program while slowing the cash burn as the COVID-19 situation continues to impact international markets. At 31 March 2020, the Company maintains a strong cash position with cash reserves of A$7.5 million.

Activities related to Project Development (metallurgical test work, geo-metallurgical domaining and Scoping Study assessments) are underway and are mostly unaffected by the COVID19 situation to-date. Further, more than 80% of the planned environmental data collection survey work for the wet season has been completed. It is expected that dry season surveys will go ahead as planned in Q2/Q3 2020 and the remaining wet season surveys will be completed in Q4 2020.

Centaurus' Managing Director, Mr Darren Gordon said the completion of the Jaguar transaction with Vale marked a historic milestone for the Company on its growth trajectory to become a substantial international nickel sulphide developer.

"With the requisite BNDES approval secured we were able to move quickly this week to finalise the closing of the transaction, continuing to build on the positive relationship we have developed with both BNDES and Vale during the formal approval process," he said.

"Given the scale of the Project, the vast amount of historical data which is available and the impressive results which have been generated by our drilling program so far, we are very optimistic about the potential of the Jaguar Project to deliver a robust maiden high-grade JORC Mineral Resource and drive a substantial re-rating of Centaurus over the coming months," Mr Gordon added

"We are excited about its potential to become a substantial, long-term nickel sulphide production opportunity and we look forward to continuing to advance the Project over the coming months and years."

Summary of Jaguar Deal Terms

The deal terms, as summarised below, have allowed Centaurus to acquire a highly advanced nickel sulphide asset in the world class Carajás Mineral Province for minimal upfront cash consideration at a time when high-quality nickel sulphide assets are very hard to find globally.

Initial Consideration – Now Settled

- US$250,000 cash; and
- The transfer of all Salobo West Exploration Licences and Exploration Licence Applications to Vale.

Deferred Consideration

- US$1.75 million on the commencement of a Bankable Feasibility Study, or construction funding being secured, or 3 years from agreement signing, whichever occurs first;
- US$5.0 million on First Commercial Production;
- A Net Operating Revenue royalty of 0.75% on all concentrate production from the project; and
- Centaurus to take on Vale's obligation to BNDES for 1.8% Net Operating Revenue royalty.
- Until all deferred consideration is paid, should Centaurus transfer or assign the Project or undergo a change of control event at a corporate level, all outstanding deferred consideration would become immediately payable to Vale.

Off-take

Vale and Centaurus have also agreed to enter into a future Off-take Agreement whereby Vale can purchase 100% of the production from the Project (with the product or products from the project to be determined during future Feasibility Study work). Under the proposed key off-take terms, Vale would acquire all production from any future operation at Jaguar on standard arm's length prevailing market prices and they may consider a pre-purchase of product to support Centaurus' funding of the project.

Cooperation

Vale and Centaurus will also explore opportunities to optimise costs of the Project as well as to generate potential synergies between the Project and Vale's nearby Projects.

-ENDS-

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Competent Persons Statement

The information in this report that relates to new Exploration Results is based on information compiled by Roger Fitzhardinge who is a Member of the Australasia Institute of Mining and Metallurgy. Mr Roger Fitzhardinge confirms that the historical information in this market announcement that relates to the Exploration Results and Mineral Resource provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies supplied to Centaurus as a foreign estimate.

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 – Compliance Statements for the Jaguar Project

The following Tables are provided for compliance with the JORC Code (2012 Edition) requirements for the reporting of Exploration Results at the Jaguar Project.

SECTION 1 - SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections).

Criteria	Commentary
Sampling techniques	• Historical soil sampling was completed by Vale. Samples were taken at 50m intervals along 200m spaced north-south grid lines. • Surface material was first removed, and sample holes were dug to roughly 20cm depth. A 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 and submitted for chemical analysis. • The historical drilling is all diamond drilling. Drill sections are spaced 100m apart and generally there is 50 to 100m spacing between drill holes on sections. • Core was cut and ¼ core sampled and sent to commercial laboratories for physical preparation and chemical assay. • At the laboratories, samples were dried (up to 105°C), crushed to 95% less than 4mm, homogenized, split and pulverized to 0.105mm. A pulverized aliquot was separated for analytical procedure. • Sample length along core varies between 0.3 to 4.0m, with an average of 1.48m; sampling was done according to lithological contacts and generally by 1m intervals within the alteration zones and 2m intervals along waste rock. • Current drilling is being completed on spacing of 100m x 50m or 50m x 50m. Sample length along core varies between 0.5 to 1.5m • Core is cut and ¼ core sampled and sent to accredited independent laboratory (ALS). • For metallurgical test work continuous downhole composites are selected to represent the metallurgical domain and ¼ core is sampled and sent to ALS Metallurgy, Balcatta, Perth.
Drilling techniques	• Historical drilling was carried out between 2006 to 2010 by multiple drilling companies (Rede and Geosol), using wire-line hydraulic diamond rigs, drilling NQ and HQ core. • Vale drilled 173 drill holes for a total of 58,024m of drilling on the project. All drill holes were drilled at 55°-60° towards either 180° or 360°. • Current drilling is a combination of HQ and NQ core (Servdrill).
Drill sample recovery	• Diamond Drilling recovery rates are being calculated at each drilling run. • For all diamond drilling, core recoveries were logged and recorded in the database for all historical and current diamond holes. To date overall recoveries are >98% and there are no core loss issues or significant sample recovery problems. • To ensure adequate sample recovery and representivity a Centaurus geologist or field technician is present during drilling and monitors the sampling process. • No relationship between sample recovery and grade has been demonstrated. No bias to material size has been demonstrated.
Logging	• Historical outcrop and soil sample points were registered and logged in the Vale geological mapping point database. • All drill holes have been logged geologically and geotechnically by Vale or Centaurus geologists. • Drill samples are logged for lithology, weathering, structure, mineralisation and alteration among other features. Logging is carried out to industry standard and is audited by Centaurus CP. • Logging for drilling is qualitative and quantitative in nature. • All historical and new diamond core has been photographed.
Sub-sampling techniques and sample preparation	• Diamond Core (HQ/NQ) was cut using a core saw, ¼ core was sampled. Sample length along core varies between 0.3 to 4.0m, with an average of 1.48m; sampling was done according to lithological contacts and generally by 1m intervals within the alteration zones and 2m intervals along the waste rock. • There is no non-core sample within the historical drill database. • QAQC: Standards (multiple standards are used on a rotating basis) are inserted every 20 samples. Blanks have been inserted every 20 samples. Field duplicates are completed every 30 samples. Additionally, there are laboratory standards and duplicates that have been inserted. • Centaurus has adopted the same sampling QAQC procedures which are in line with industry standards and Centaurus's current operating procedures. • Sample sizes are appropriate for the nature of the mineralisation.

Criteria	Commentary
	• All historical geological samples were received and prepared by SGS Geosol or ALS Laboratories as 0.5-5.0kg samples. They were dried at 105°C until the sample was completely dry (6-12hrs), crushed to 90% passing 4mm and reduced to 400g. The samples were pulverised to 95% passing 150µm and split further to 50g aliquots for chemical analysis. • New samples are being sent to ALS Laboratories. The samples are dried, crushed and pulverised to 85% passing 75µm and split further to 250g aliquots for chemical analysis. • During the preparation process grain size control was completed by the laboratories (1 per 20 samples). • Metallurgical samples are crushed to 3.35mm and homogenised. Samples are then split to 1kg sub-samples. Sub-samples are ground to specific sizes fractions (53-106µm) for flotation testwork.
Quality of assay data and laboratory tests	• Chemical analysis for drill core and soil samples was completed by multi element using Inductively Coupled Plasma ICPAES (multi-acid digestion); ore grade analysis was completed with Atomic Absorption (multi-acid digestion); sulphur analysis was completed with Leco, and Au and PGEs completed via Fire Assay. • New samples are being analysed for 33 elements by multi element using ICP-AES (multi-acid digestion) at ALS Laboratories; ore grade analysis was completed with ICP-AES (multi-acid digestion); sulphur analysis was completed with Leco, and Au and PGEs completed via Fire Assay. • ALS Laboratories insert their own standards at set frequencies and monitor the precision of the analysis. The results reported are well within the specified standard deviations of the mean grades for the main elements. Additionally, ALS 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. • Vale inserted standard samples every 20 samples (representing 5%). Mean grades of the standard samples are well within the specified 2 standard deviations. • All laboratory procedures are in line with industry standards. Analysis of field duplicates and lab pulp duplicates have returned an average correlation coefficient of over 0.98 confirming that the precision of the samples is within acceptable limits. • Vale QAQC procedures and results are to industry standard and are of acceptable quality. • All metallurgical chemical analysis is completed by ALS laboratories
Verification of sampling and assaying	• All historical samples were collected by Vale field geologists. All assay results were verified by alternative Vale personnel. The Centaurus CP has verified the historical significant intersections. • Centaurus Exploration Manager and Senior Geologist verify all new results and visually confirm significant intersections. • No twin holes have been completed. • All primary data is now stored in the Centaurus Exploration office in Brazil. All new data is collected on Excel Spreadsheet, validated and then sent to independent database administrator (MRG) for storage (DataShed). • No adjustments have been made to the assay data.
Location of data points	• All historical collars were picked up using DGPS units. Centaurus has checked multiple collars in the field and has confirmed their location. All field sample and mapping points were collected using a Garmin handheld GPS. • An aerial survey was completed by Esteio Topografia and has produced a detailed surface DTM at (1:1000 scale). • The survey grid system used is SAD-69 22S. This is in line with Brazilian Mines Department requirements. • New drill holes are sighted with handheld GPS and will be picked-up by an independent survey consultant periodically. Downhole survey is being completed using Reflex digital down-hole tool, with readings every metre.
Data spacing and distribution	• 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. • The historical drilling is all diamond drilling. Drill sections are spaced 100m apart and generally there is 50 to 100m spacing between drill holes on sections. Centaurus plans to close the drill spacing to 100m x 50m or 50m x 50m. • No sample compositing was applied to the drilling • Metallurgical sample to date has been taken from Jaguar South, see Table 1 for sample location. Future samples will be taken from Onça Preta and other prospects as drilling advances.
Orientation of data in relation to geological structure	• Historical drilling was oriented at 55°-60° to either 180° or 360°. This orientation is generally perpendicular to the main geological sequence along which broad scale mineralisation exists. • Mineralisation is sub-vertical; the majority of the drilling is at low angle (55-60°) in order to achieve intersections at the most optimal angle.
Sample security	• All historical and current samples are placed in pre-numbered plastic sample bags and then a sample ticket was placed within the bag as a check. Bags are sealed and then transported by courier

Criteria	Commentary
	to the ALS laboratories in Parauapebas, PA. • All remnant Vale diamond core has now been relocated to the Company's own core storage facility in Tucumã, PA.
Audits or reviews	• The Company is not aware of any audit or review that has been conducted on the project to date.

SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section).

Criteria	Commentary
Mineral tenement and land tenure status	• The Jaguar project includes one exploration licence (856392/1996) for a total of circa 30km^2. A Mining Lease Application has been lodged that allows for ongoing exploration and project development ahead of project implementation. • The tenement is part of a Sale & Purchase Agreement (SPA) with Vale SA. The SPA has now closed with Centaurus making the initial cash payment of US$250,000 and transferring the Salobo West tenements to Vale. Two deferred consideration payments totalling US$6.75M and a production royalty of 0.75% are to follow. Centaurus has taken on the original obligation of Vale to BNDES for 1.8% Net Operating Revenue royalty. • Mining projects in Brazil are subject to a CFEM royalty, a government royalty of 2% on base metal revenue. • 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	• Historically the Jaguar Project was explored for nickel sulphides by Vale from 2005 to 2010.
Geology	• Jaguar Nickel Sulphide is a hydrothermal nickel sulphide deposit located near Tucumã in the Carajás Mineral Province of Brazil. • The deposit setting is interpreted as an extensional fault with the Itacaiúnas Supergroup down thrust southwards over the Xingu basement resulting in the development of a ductile mylonite zone along the Canãa Fault. • Iron rich fluids were drawn up the mylonite zone causing alteration of the host felsic volcanic and granite units and generating hydrothermal ironstones. Late stage brittle-ductile conditions triggered renewed hydrothermal fluid ingress and resulted in local formation of high-grade nickel sulphide zones within the mylonite and as tabular bodies within the granite.
Drill hole Information	• Refer to previous ASX Announcements for significant intersections from Centaurus drilling. • Refer to ASX Announcement 6 August 2019 for all significant intersections from historical drilling.
Data aggregation methods	• Continuous sample intervals are calculated via weighted average using a 0.5 % Ni cut-off grade with 3m minimum intercept width. • There are no metal equivalents reported.
Relationship between mineralisation widths and intercept lengths	• Mineralisation is sub-vertical; the majority of the drilling is at low angle (55-60^o) in order to achieve intersections at the most optimal angle. • The results in ASX Announcement 6 August 2019 reflect individual down hole sample intervals and no mineralised widths were assumed or stated.
Diagrams	• NA.
Balanced reporting	• All exploration results received by the Company to date are included in this or previous releases to the ASX.
Other substantive exploration data	• The Company has received geophysical data from Vale that is being processed by an independent consultant Southern Geoscience. Refer to ASX Announcements for geophysical information.
Further work	• The Company's Electro-magnetic (EM) geophysical surveys ongoing. • In-fill and extensional drilling within the known deposits to test the continuity of high-grade zones is ongoing. From 14 April there will be two rigs on day shift only. Resource samples are being sent in batches of 150-300 sample and will be reported once the batches are completed.