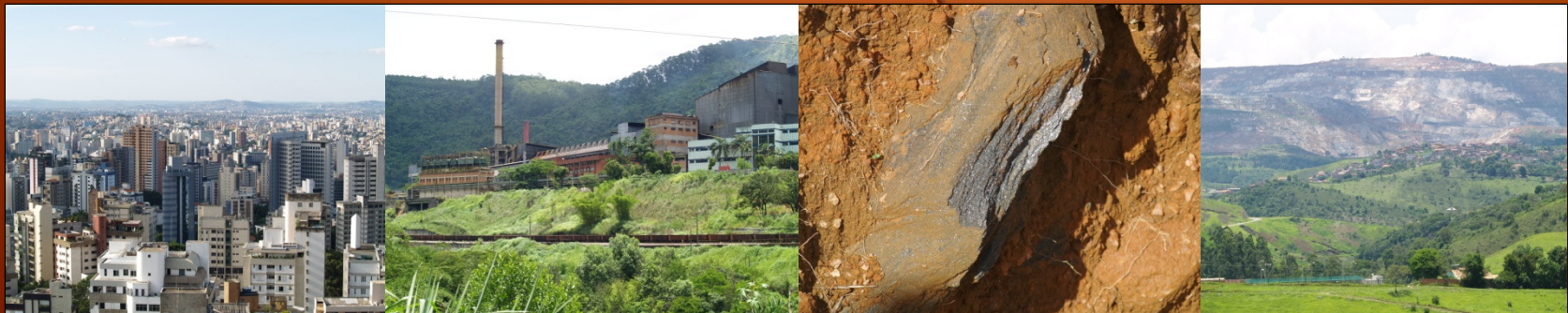


Annual General Meeting  
Monday 23 November 2009

# G L E N G A R R Y



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- References to targets of Iron Ore tonnage and grades are only conceptual in nature and where these targets are mentioned there has been insufficient or unverified exploration data to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.



## JORC STATEMENT

The information in this presentation that relates to Exploration Results and Mineral Resources of Centaurus' Itambe and Passabem Iron Ore Projects is based on information compiled by Mr Ian Cullen, who is a Member of AUSIMM. Mr Ian Cullen is a full time employee of Centaurus Resources Limited. Mr Ian Cullen 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ian Cullen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears".



# THE CENTAURUS OPPORTUNITY

- ◆ Glengarry established a number of key parameters to review new project opportunities
  - ◆ Established resources
  - ◆ Capable of production within 24 months
  - ◆ High grade project so as to produce low operating costs
  - ◆ Commodity to be gold, iron ore or base metals
- ◆ A number of Projects have been reviewed over the last 6 months. All initially appeared to meet most of the established criteria.
- ◆ The Centaurus opportunity was considered as it met the key criteria.
- ◆ Following consideration by the Independent Directors of the Company it was agreed to merge the Glengarry with Centaurus by Off Market Takeover Bid



# CENTAURUS RESOURCES - OVERVIEW

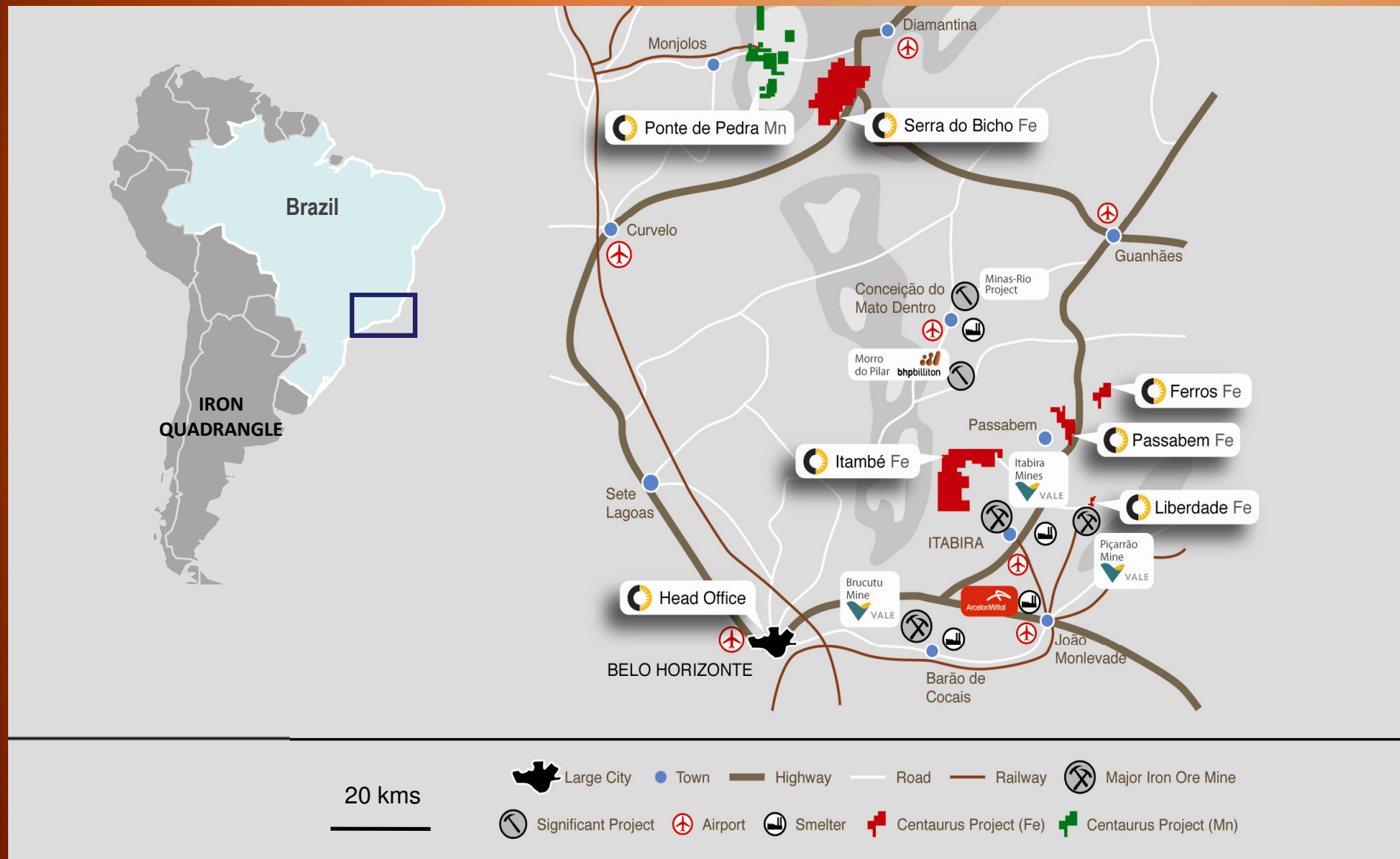
## Emerging iron ore producer focused on developing its iron ore strategy in Brazil

- Centaurus is focused on developing projects in/around Brazil's "Iron Quadrangle"
- Two projects are targeted to commence production over the next 2-3 years
  - **Itambé Project:** Early mining through 'trial mining' permits expected by December 2010 followed by ramp up to full scale operation
  - **Passabem Project:** Trial mining targeted H1 2011 at Passabem-1 followed by ramp to full scale operation
- Projects are located in close proximity to well established infrastructure as well as domestic steel producers
- Project development will initially target low capex, low opex operations to generate early cash flow to fund further exploration and development
- Target resource base of 250Mt -500Mt<sup>1</sup> itabirite ore
- Itabirite ore production, with grades ranging between 30-45% Fe<sup>1</sup>



<sup>1</sup>References to targets of Iron Ore tonnage and grades are only conceptual in nature and where these targets are mentioned there has been insufficient or unverified exploration data to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

# CENTAURUS OVERVIEW – PROJECT LOCATION



# CENTAURUS OVERVIEW - ITABIRITE ORE

## Itabirite ore produced from Centaurus' operations have favourable qualities

- Metamorphosed iron formation composed of iron oxides with abundant quartz
- Iron Quadrangle itabirites typically comprise hematite
- Lower ROM grade than other sources of hematite (averaging 30-50% Fe) but well suited to beneficiation. Itabirite ores are generally friable
  - Can be upgraded to 65-68% Fe via simple and inexpensive gravity or magnetic separation
- Final product a high quality hematite sinter (predominantly) product with low contaminants

**Itabirite run of mine ore is lower grade when mined...**

Fe %	SiO <sub>2</sub> %	P%	Al <sub>2</sub> O <sub>3</sub> %	Mn%
37.2	43.52	0.03	2.21	0.02

*Grades expected from Itambé-1*

**...but may be beneficiated into high grade ore with low contaminants at low cost**

Fe %	SiO <sub>2</sub> %	P%	Al <sub>2</sub> O <sub>3</sub> %	Mn%
67.7	3.00	-	-	-

*The beneficiation results for impurities are pending*

# CENTAURUS OVERVIEW – BRAZILIAN STEEL INDUSTRY

## Centaurus aims to become a provider of choice to the large and growing Brazilian steel market

- Market Dynamics
  - Brazil is Latin America's largest economy with a rapidly growing population (currently approximately 200 million)
  - 'BRIC' economy – growth of 4 to 5% predicted in 2010; Economy to be fueled by 2014 Soccer World Cup and 2016 Olympic Games
  - Brazil produced 33.7Mt of Crude Steel in 2008, and is a top 10 global steel producer
  - State of Minas Gerais accounts for 37% of Brazil's steel production
  - Strong domestic demand for iron ore
    - High grade products are highly demanded by miners and smelters
    - Domestic prices ~US\$30-35/t for high-grade sinter product
- Centaurus is well positioned to meet Brazilian demand and to become a niche provider
  - Developing projects around established infrastructure
  - Itambé and Passabem ~70km from largest blast furnace smelter in Minas Gerais
  - Mining industry historically dominated by majors and State-owned companies.

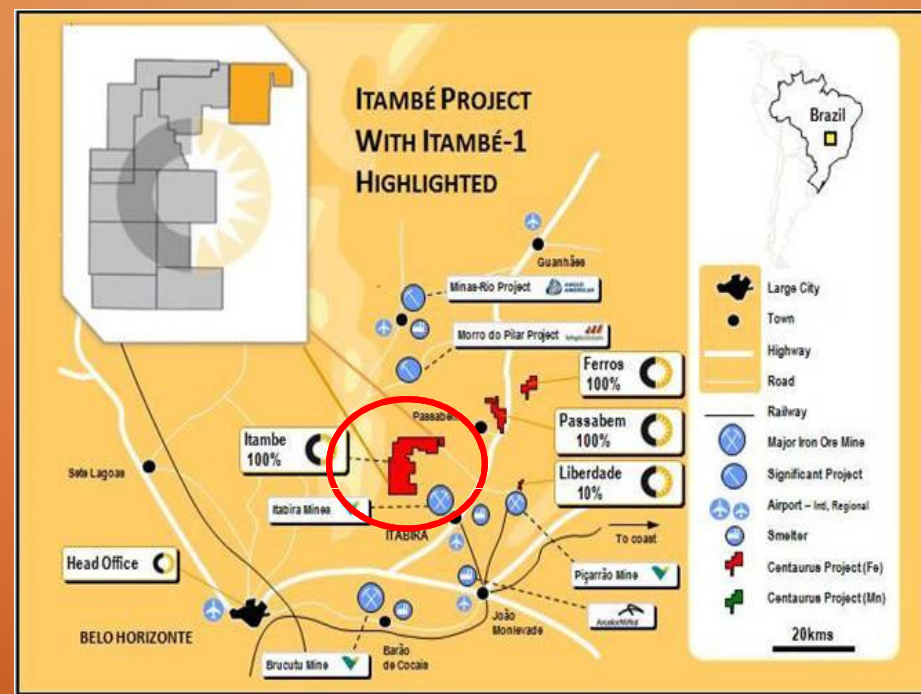




# CENTAURUS OVERVIEW - ITAMBÉ PROJECT

## Itambé is Centaurus' most advanced iron ore project

- The Itambé Project is comprised of 10 tenements which covers an area of 164km<sup>2</sup>
- Work to date has focussed on the Itambé-1 tenement: Initial JORC Inferred Resource at Itambé-1 is estimated at 15.5 Mt @ 37.2% Fe
- A two-stage development strategy is proposed:
  - **Stage One** trial mining to meet production target of 300kt by December 2010;
  - **Stage Two** mining to expand production up to 1Mtpa of product.
- Both mining stages will produce high grade, low contaminant products.
  - Stage One will produce mainly two Direct Saleable Ore (DSO) lump products of >63% Fe. Dry Process under trial mining licence
  - Stage Two will produce >65% Fe sinter products



- Ore can be cheaply beneficiated to high-grade sinter feed product
  - Predominately a Coarse Sinter Product (-6.35mm to +1mm)
  - Beneficiation test work indicates that the itabirite mineralisation is amenable to cost effective beneficiation to produce a high grade 68% Fe product (with 61% mass recovery)

# CENTAURUS OVERVIEW - ITAMBÉ PROJECT

## Recently completed Scoping Study has shown positive results

- The Itambé Scoping Study was based on producing 500ktpa of product, selling ore into the domestic Brazilian steel industry
  - The results indicate that the Itambé-1 deposit generates gross margins of approximately A\$16 per tonne of ore sold, and pre tax NPV of A\$19.6m (pre-tax IRR 37%)
  - Preliminary cost estimates are as below:
- Based on these positive results, Centaurus plans to target commencement of production under Stage 1 by December 2010. Stage 1 relates to Trial Mining under a licence that allows mining of 300,000 tonnes under each licence.
  - Concurrently, Centaurus plans to commence a full Feasibility Study which will include Stage 2 production, and will focus on an expanded production rate of 1Mtpa of saleable product

### Scoping Study Outcomes

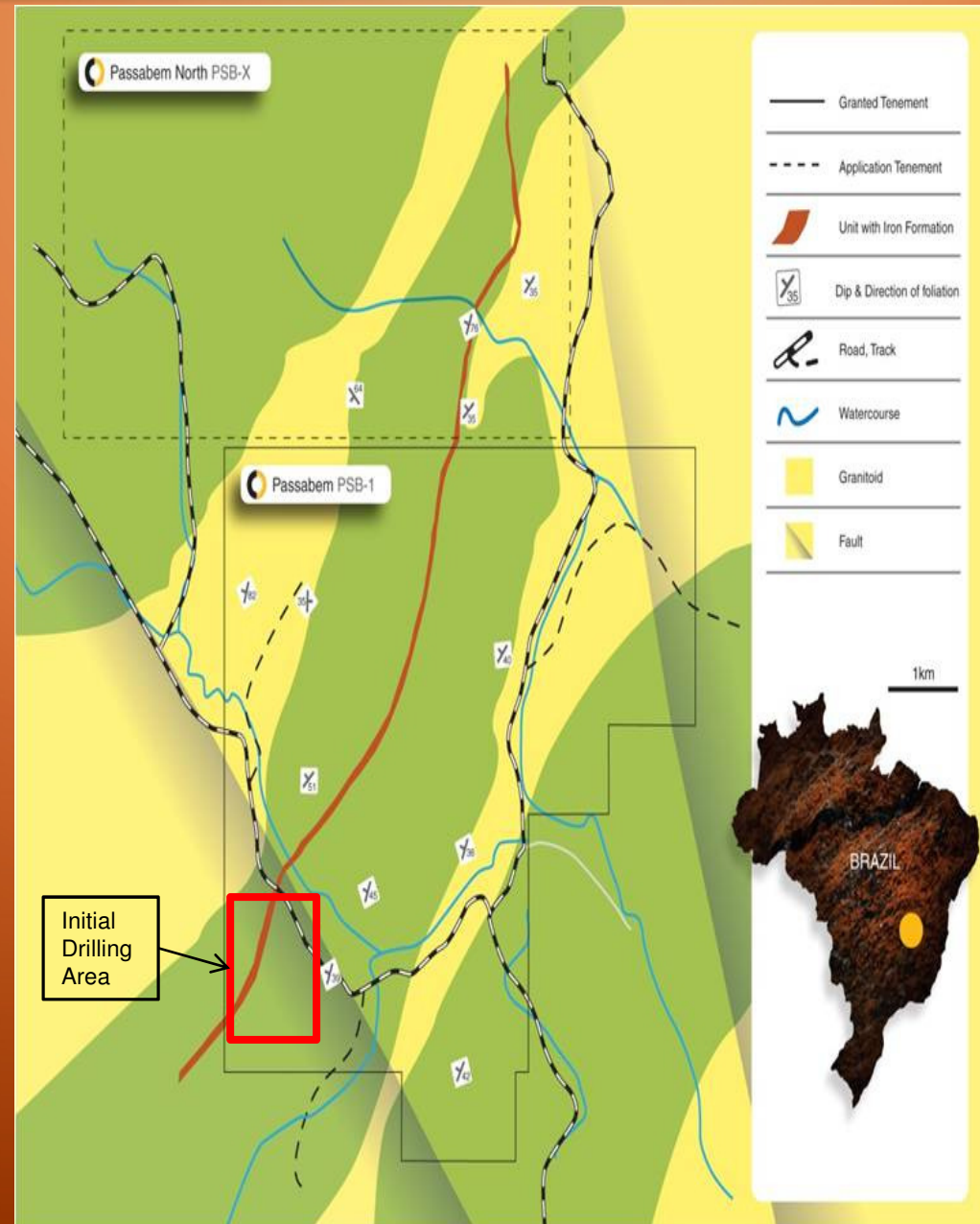
	Stage One (~180kt product under each licence)	Stage Two (0.5Mtpa product)
<b>Capital Expenditure</b> (includes tax and installation)	US\$1.15 million	US\$11.02 million
<b>Operational Expenditure</b> (delivered)	US\$13.38 / tonne of ore produced	US\$12.91 / tonne of ore produced



# CENTAURUS OVERVIEW – PASSABEM IRON ORE PROJECT

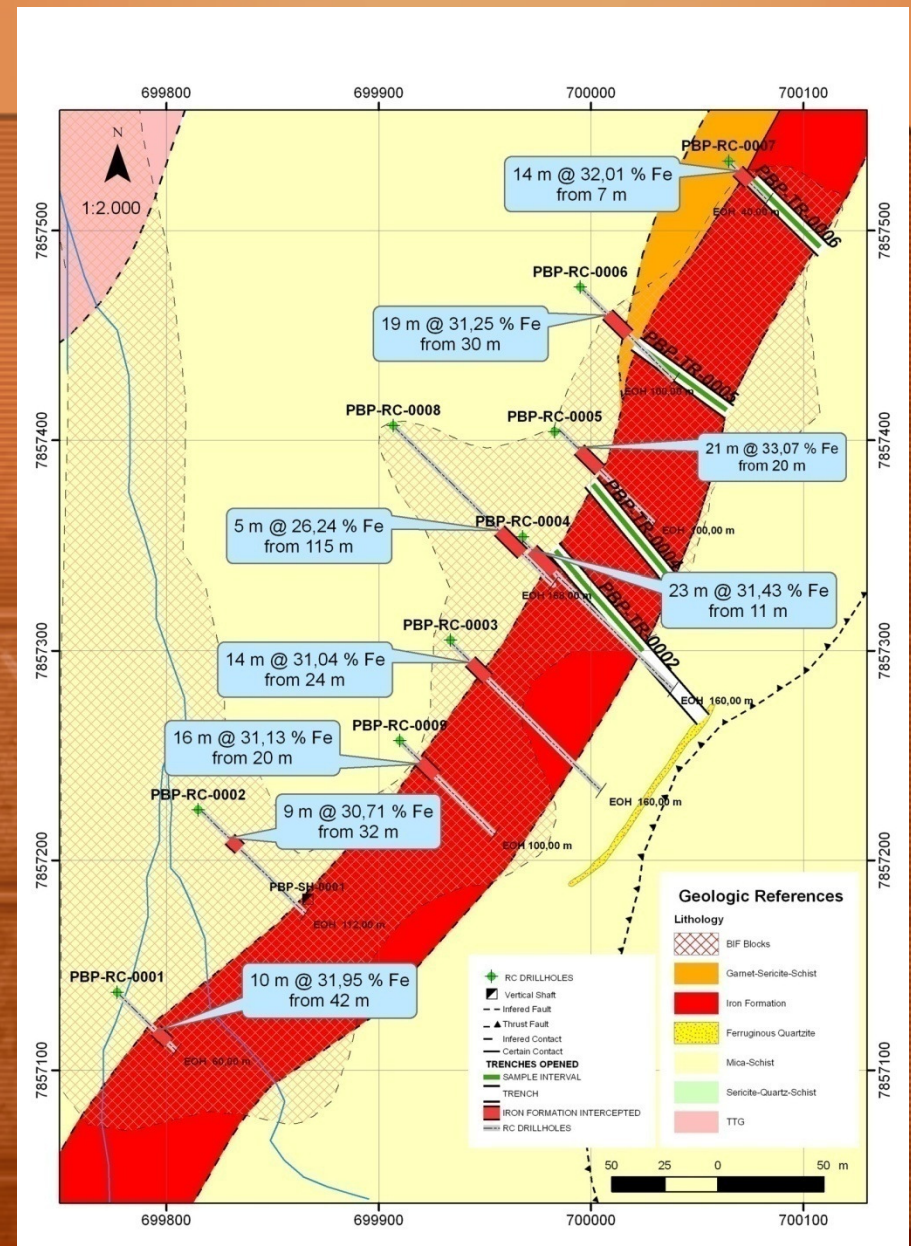
- Laterally continuous 5.2km iron formation. Northern tenement recently granted.
- Up dip exposures of up to 150m
- Ore beneficiates to high grade +65% Fe product
- 500m of southern zone drilled for JORC resource of 2.6mt @ 31.2% Fe
  - Targeting a total 15-25Mt resource @ 30-33% Fe<sup>1</sup>
- Scoping study to commence with resource drill out over remaining 90% of the iron formation

<sup>1</sup>References to targets of Iron Ore tonnage and grades are only conceptual in nature and where these targets are mentioned there has been insufficient or unverified exploration data to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

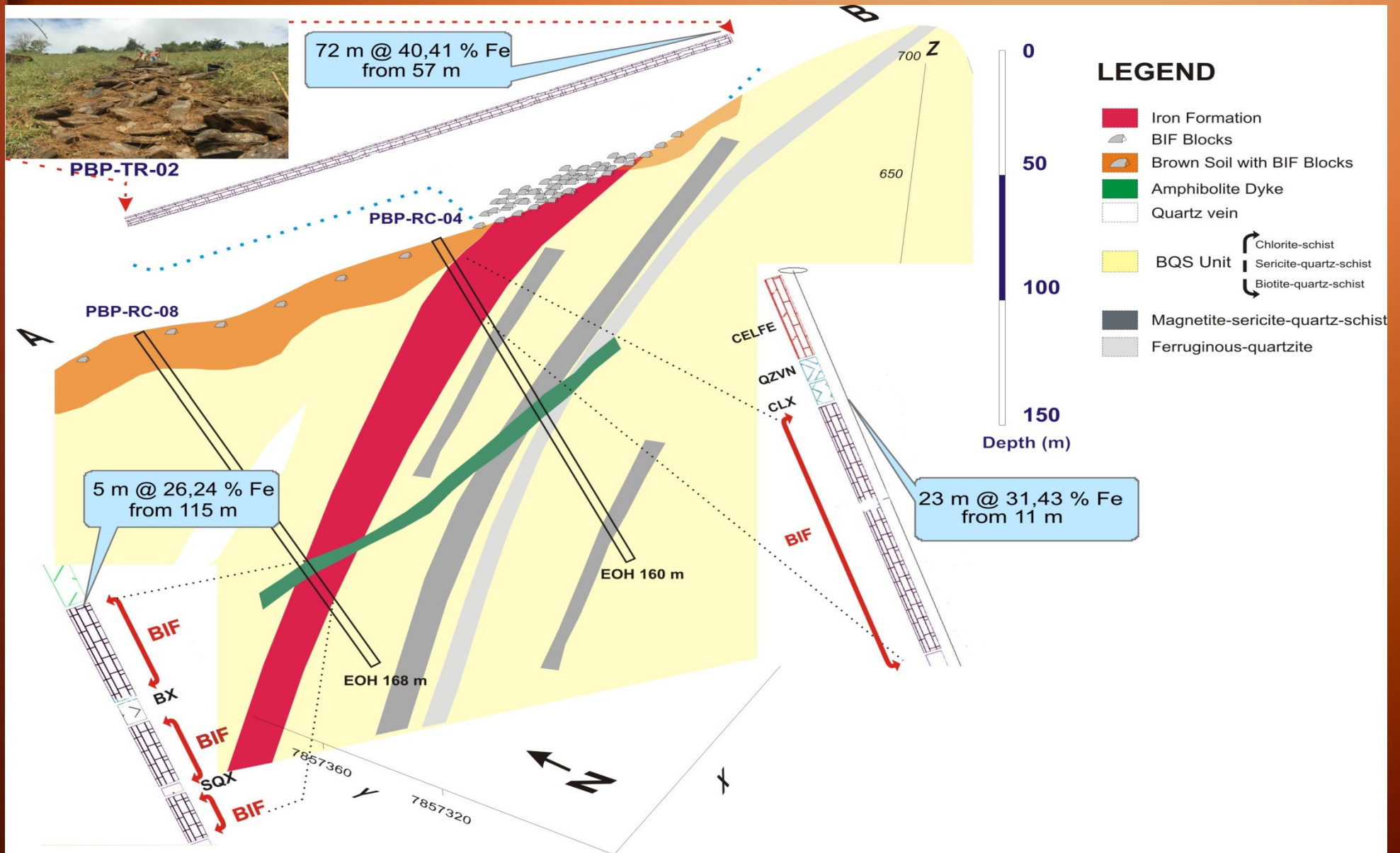


# CENTAURUS OVERVIEW – PASSABEM IRON ORE PROJECT

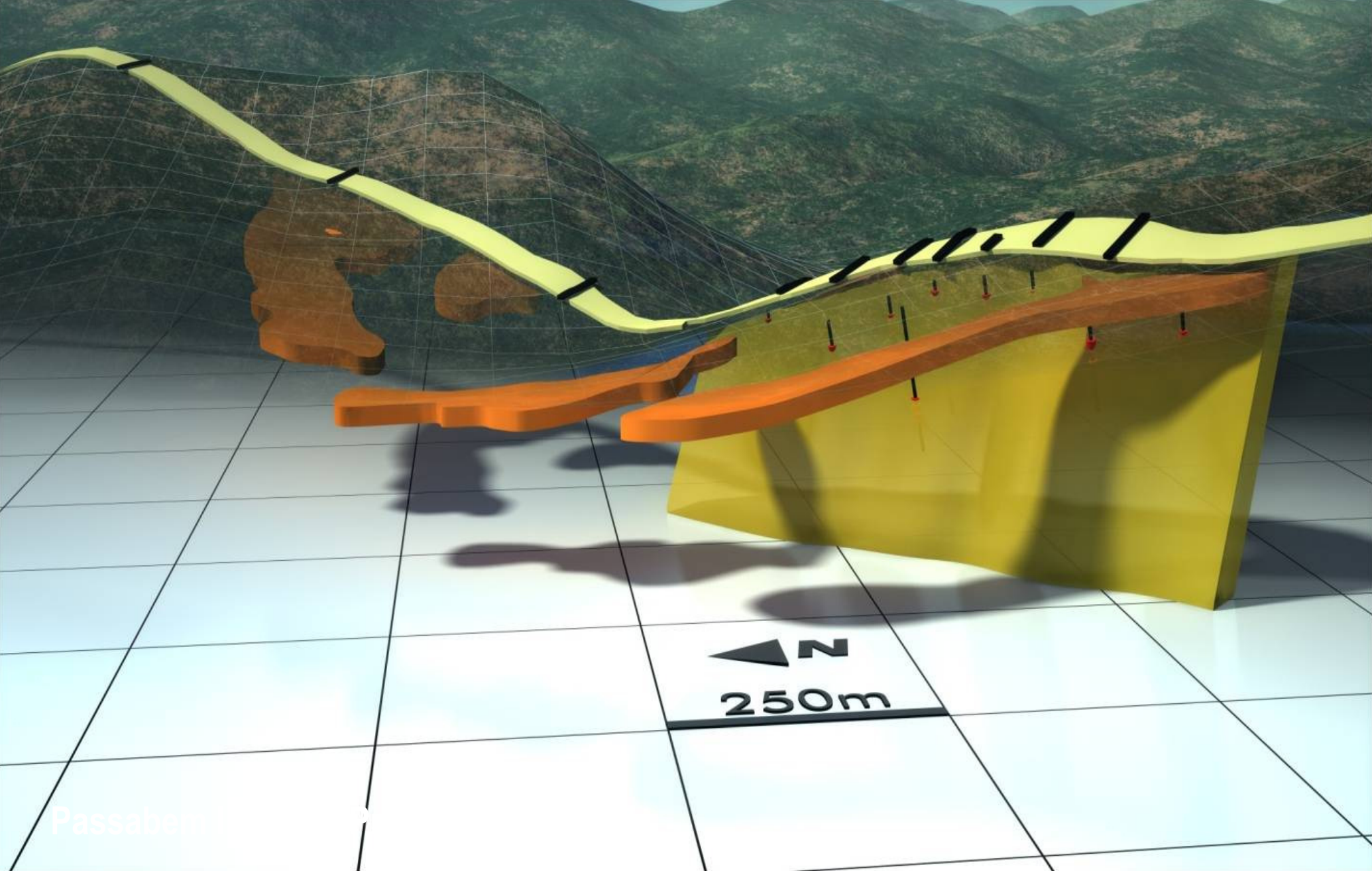
- 500 metre section at the southern end of the deposit drilled so far representing approximately 10% of the ore body.
- All holes intersected itabirite ore zone with in ground grades around 31% Fe with average width around 15 metres
- Previous beneficiation testwork indicates that the Passabem ore can be upgraded to a +65% Fe product through a low cost, low intensity magnetic separation process.
- Bulk beneficiation testwork to be undertaken as part of scoping study
- Passabem ore highly friable



# CENTAURUS OVERVIEW – PASSABEM IRON ORE PROJECT



# CENTAURUS OVERVIEW – PASSABEM IRON ORE PROJECT

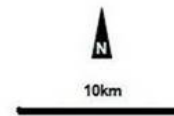
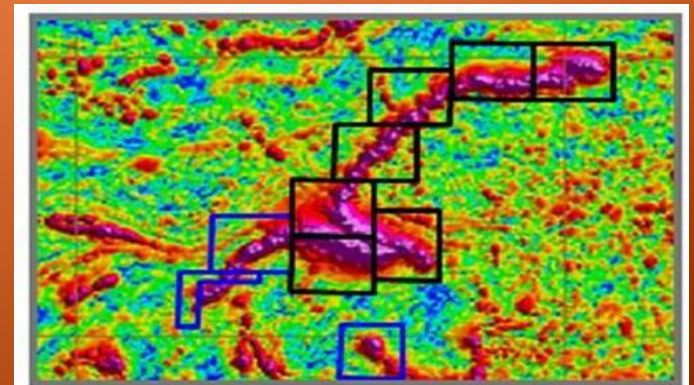


Passabem

# CENTAURUS OVERVIEW – OTHER IRON ORE PROJECTS

Other development projects to expand resource base beyond 250Mt

- **Ferros Project**
  - Potential for high grade lump product with immediate trial mining potential. Likely to be the next iron ore project to be developed after Itambé and Passabem
- **Rio Pardo Project**
  - Three granted tenements in rapidly developing northern region of Minas Gerais
  - A consortium led by Vale “Consórcio Corporativo Novo Horizonte” has large tonnage resource, 10km from Centaurus’ tenements in a similar geological environment
- **Guanhaes (Exploration Licence Applications (“ELAs”))**
  - Large ground package over significant magnetic anomaly adjacent to Vale mineralisation
- **Itamarandiba (ELAs)**
  - Centaurus’ tenement package comprises entire magnetic anomaly
- **Serra do Bicho (ELAs)**
  - Significant magnetic anomaly with old iron workings



## CENTAURUS OVERVIEW – OTHER NON FERROUS PROJECTS

### **Centaurus holds tenements prospective for manganese, gold and copper in Brazil and Australia**

- **Ponte de Pedra Manganese Project**

- Two drill campaigns and an Induced Polarisation survey were completed in 2009, resulting in the identification of anomalies
- Manganese outcrops occurring within Centaurus' ELAs, as well as in the broader region, have shown larger sized manganese anomalies are present in the area
- 7 new tenements recently granted
- Future exploration is being considered

- **Two projects prospective for gold in the Southern Brazil :**

- IOCG style targets with existing orogenic and intrusion related gold deposits in the area
- Further work planned through to Q1 2010

- **Dish Project** in Lachlan Fold Belt in NSW

- Prospective for Wyoming-style orogenic gold systems
- Based on work conducted in 2008, Centaurus has lodged an application for a further two year extension of the license





# CENTAURUS RESOURCES - MERGER TERMS

## *Merger Terms*

- 8 new Glengarry shares for every 1 Centaurus share on issue
- Offer represented \$0.416 per share for Centaurus shares (premium of 22% to the 6 Nov closing price)
- Offer for options on the same 8:1 basis

## *Structure*

- Off-market takeover bid for Centaurus shares and options
- Offer unanimously recommended by the Centaurus Board in the absence of a superior proposal
- Glengarry shareholders will hold 47% (undiluted) of the merged entity
- Pre-bid agreements secured for 19% of Centaurus shares
- No shop, no talk restrictions
- Mutual break fee of 1% of market capitalisation value

## *Conditions*

- 90% minimum acceptance conditions
- No change of control rights, no regulatory actions, no material adverse change, no prescribed occurrences, no material acquisitions, disposals or commitments

## *Board*

- Mr Didier Murcia – Non Executive Chairman (GGY);
- Mr Darren Gordon – Managing Director (GGY);
- Mr Peter Freund – Operations Director (CUR)
- Mr Geoff Clifford – Non Executive Director (GGY);
- Mr Keith McKay – Non Executive Director (GGY); and
- Mr Richard Hill – Non Executive Director (CUR)

## *Management*

- Mr Darren Gordon – Managing Director (GGY);
- Mr Peter Freund – Operations Director; (CUR) and
- Mr Mark Papendieck – Commercial General Manager (CUR)
- Mr Geoff James – Chief Financial Officer (GGY)

# THE MERGED ENTITY BOARD OF DIRECTORS

The Merged company will be headed up by an accomplished and highly experienced team with extensive global iron ore experience.

The **proposed Board members** of the Merged company are as follows:

					
<b>Didier Murcia</b>	<b>Darren Gordon</b>	<b>Peter Freund</b>	<b>Geoff Clifford</b>	<b>Keith McKay</b>	<b>Richard Hill</b>
<b>Non Executive Chairman</b>	<b>Managing Director</b>	<b>Operations Director</b>	<b>Non Executive Director</b>	<b>Non Executive Director</b>	<b>Non Executive Director</b>
<ul style="list-style-type: none"> <li>• 25 yrs corporate and resource industry experience. Specialises in strategic, corporate and commercial advice.</li> <li>• Extensive iron ore experience as Director of Gindalbie Metals</li> </ul>	<ul style="list-style-type: none"> <li>• +15 years resource industry experience with particular emphasis on resource funding and structuring.</li> <li>• 9yrs experience as CFO of Gindalbie Metals, which is developing Karara Project</li> </ul>	<ul style="list-style-type: none"> <li>• 40yrs engineering experience with BHP, MIM, Thiess and Gindalbie.</li> <li>• Has extensive experience in South American operations as well as beneficiated Iron ore experience</li> </ul>	<ul style="list-style-type: none"> <li>• &gt;30yrs experience in senior finance and administration roles.</li> <li>• Extensive iron ore experience as director of Atlas Iron and former roles with Aztec Resources &amp; Portman</li> </ul>	<ul style="list-style-type: none"> <li>• Geologist with 40yrs technical and corporate experience</li> <li>• Previously Chairman of Gindalbie Metals Ltd, MD of Gallery Gold Ltd and Battle Mountain (Aust) Inc.</li> </ul>	<ul style="list-style-type: none"> <li>• 16 yrs resource industry experience as both a solicitor and a geologist.</li> <li>• Founding director of Centaurus Resources</li> <li>• Extensive contact base in Asian markets</li> </ul>

## MERGER WITH CENTAURUS – NEAR TERM PRODUCTION POTENTIAL

- **Well Funded Iron Ore Strategy.** The proposed merger provides Glengarry shareholders with the opportunity to participate in Centaurus' strong, well established Brazilian iron ore strategy
- **Near Term Production.** Pipeline of near-term production and cash flow projects located in the heart of the Brazilian iron ore and domestic steel industry
- **Established Local Market.** A Feasibility Study is scheduled to commence on Centaurus' Itambe Iron Ore project (100% interest) based on an initial production rate of 1Mtpa of beneficiated product containing +65% Fe<sup>1</sup> and with sales into the domestic Brazilian steel industry during 2H 2010
- **Further Growth Opportunities.** The merged company has the potential to become a significant iron ore developer/producer selling high quality iron ore into the Brazilian domestic steel industry on a reliable and consistent basis with a production target of 3-4Mtpa of +65% Fe<sup>1</sup> by 2013

<sup>1</sup> References to targets of iron ore tonnage and grades are only conceptual in nature. Where these targets have been mentioned there has been insufficient or unverified exploration data to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.



# CAPITAL STRUCTURE POST TRANSACTION

	Value
Shares on Issue	603 million
Implied Market Capitalisation <sup>1</sup>	\$31 million
Debt	\$0
Cash <sup>2</sup>	\$8.5 million
Enterprise Value	\$22.5 million
Options <sup>3</sup>	101 million

1. Based on closing price of Glengarry shares on 6 November of 5.2 cents

2. After merger transaction costs

3. New GGY options offered as consideration to CUR option holders (89,639,392) + existing GGY options (11,504,924) = 101,144,316 total options, at prices ranging from 3.1 cents – 30 cents, and with various expiry dates



# INDICATIVE TIMETABLE

	<b>Indicative Date</b>
<b>Announcement of proposed merger</b>	<b>11 November 2009</b>
<b>Glengarry to Finalise Due Diligence</b>	<b>24 November 2009</b>
<b>Dispatch of Glengarry's Bidder's Statement</b>	<b>Early/mid December 2009</b>
<b>Dispatch of Centaurus' Target's Statement</b>	<b>Early/mid December 2009</b>
<b>Offers Open</b>	<b>Mid December 2009</b>
<b>Offers Close</b>	<b>Mid January 2010</b>

# SUMMARY

## ■ The key benefits for Glengarry Shareholders include:

- ✓ Near-term production iron ore assets in Brazil with production expected to commence in late 2010
- ✓ Strategically located iron ore projects, close to steel mills, infrastructure and availability of labour
- ✓ Production target of 3-4Mtpa of +65% Fe product by 2013, to be sold into Brazil's domestic steel industry
- ✓ Longer-term strategy to acquire further projects and become a global iron ore exporter
- ✓ The merged company has the potential to become a significant iron ore developer/producer
- ✓ Centaurus has a well established team in Brazil and are familiar with the operating environment

## ■ The key benefits for Centaurus shareholders include:

- ✓ Access to cash to develop the Brazilian iron ore projects
- ✓ Increased share market liquidity and access to capital
- ✓ The merged company to be headed up by an accomplished and highly experienced team with extensive global experience in the financing, development and operation of iron ore assets





# G L E N G A R R Y

For further information please contact

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