



Developing a globally significant nickel project for a clean energy future

## JUNE 2023 QUARTERLY ACTIVITIES REPORT

*Centaurus secures off-take rights over 100% of future nickel production, opening up new opportunities for strategic funding and partnerships; Pilot testwork program delivers first nickel sulphate, confirming ability to produce a battery-grade product for the EV market; New greenfields nickel discovery at Twister*

28 July 2023

### JAGUAR NICKEL SULPHIDE PROJECT, BRAZIL

- Centaurus acquires 100% of the off-take rights for all Jaguar nickel products from Vale in exchange for an increase in Vale's Net Operating Royalty over the Project, marking a key milestone in the Project's evolution.
- The agreement opens up new opportunities for strategic funding and partnerships on unencumbered future volumes of low-carbon nickel sulphate for the rapidly growing battery materials sector.
- Strategic partnering process has now commenced following close out of Vale's previously held offtake rights with strong initial interest seen in the Project and the nickel sulphate product targeted for production.
- Positive results received from the final phases of the refinery pilot testwork program, confirming Jaguar's ability to produce a high-quality battery grade nickel sulphate product for the fast-growing EV market, as well as by-products that include copper cathode, zinc hydroxide and cobalt hydroxide.
- Samples of Jaguar nickel sulphate product are now available for marketing and strategic off-take discussions.
- Continued strong progress on multiple fronts with the Jaguar Definitive Feasibility Study (DFS):
  - Final and stage designs for the Open Pits were completed, with strategic level mine scheduling underway;
  - Concentrator design completed;
  - Concentrator capital cost estimation nearing completion; and
  - Refinery process flow sheet development and engineering design progressing well.
- Jaguar DFS remains on track for completion in Q4 2023.
- New greenfields nickel sulphide discovery near Jaguar, with maiden exploration drilling at the Twister Prospect intersecting significant zones of shallow, high-grade nickel sulphide mineralisation over an initial strike length of 900m. The mineralisation outcrops at surface and remains open both at depth and along strike in both directions.

### CORPORATE

- Delivery of Centaurus' inaugural Sustainability Report for 2022, reflecting the Company's deep and enduring commitment to strong environmental, social and governance (ESG) principles.
- Cash at 30 June 2023 of \$12.8 million.

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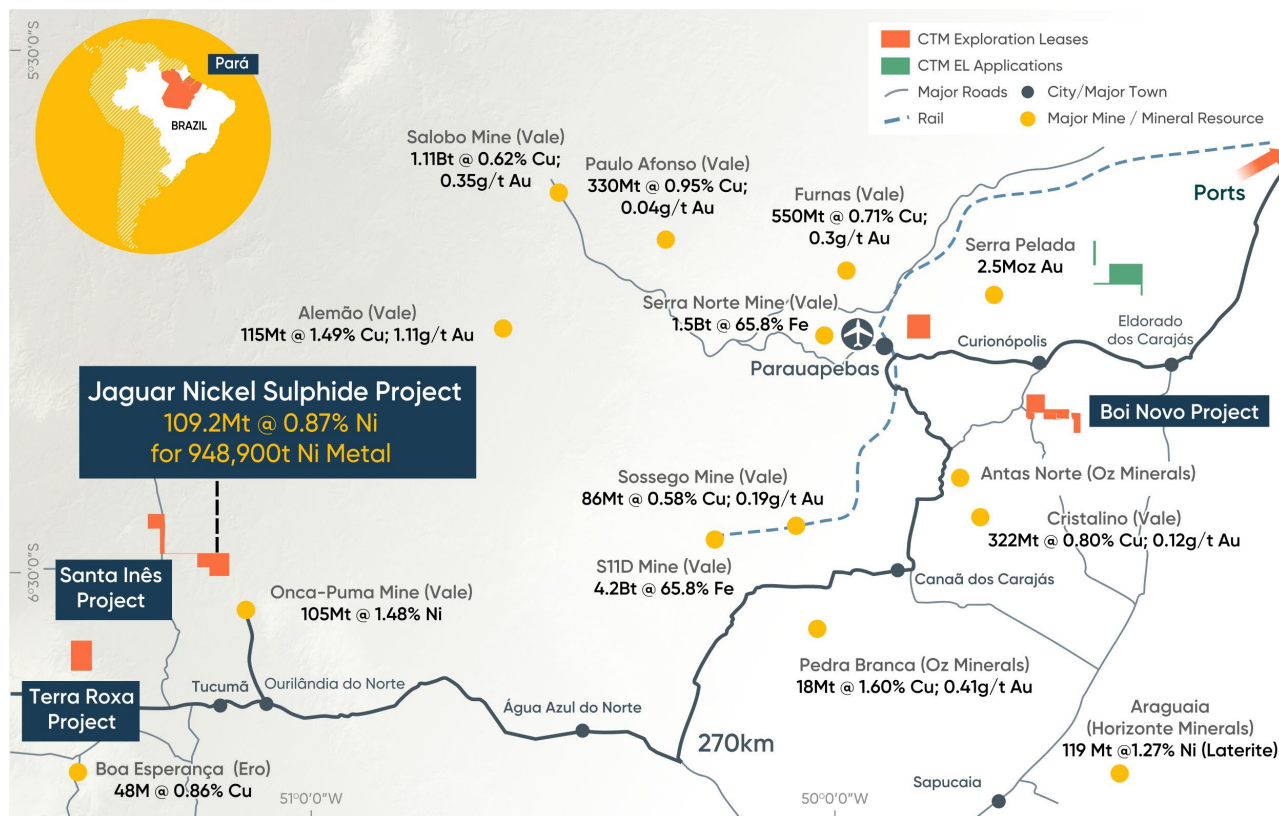




## JAGUAR NICKEL PROJECT

The Jaguar Nickel Sulphide Project is located in the world-class Carajás Mineral Province of northern Brazil (Figure 1).

Figure 1 – Jaguar Nickel Sulphide Project Location Map



### ACQUISITION OF OFF-TAKE RIGHTS

As announced on 19 June 2023, Centaurus entered into a transaction agreement with Vale Base Metals, via its subsidiary Salobo Metais S.A (Vale), whereby Vale agreed to extinguish its right to 100% of the nickel off-take from the Jaguar Nickel Sulphide Project in exchange for an increase in their existing royalty from the Project.

The Off-take Rights stem from the original Jaguar Sale & Purchase Agreement (SPA) of 30 August 2019, when Centaurus acquired 100% of the Jaguar Project from Vale.

Vale agreed to extinguish the Off-take Rights in exchange for an additional royalty over Jaguar on the same terms as the royalty arrangements included as part of the original Jaguar SPA, which increased Vale's total Net Operating Revenue royalty over Jaguar to 1.75% for nickel sulphate and 2.00% for nickel concentrate and other products produced from the Jaguar Project.

The increase in the Net Operating Revenue royalty of 1.20% for nickel sulphate and 1.25% for nickel concentrate and other products produced from Jaguar is designed to compensate Vale for its previous contractual rights under the SPA, while at the same time allowing Centaurus to explore funding and off-take options with a wide array of potential end-users of the nickel sulphate product from Jaguar.

Off-takes for battery raw materials are in increasingly high demand from OEMs, battery manufacturers and other groups, including traders. It is this interest that is anticipated to open up a wide variety of new funding options for the Jaguar Project. There has been notable interest from these groups in securing physical off-take of nickel products with a low carbon footprint and strong ESG credentials, as is the case with Jaguar.



Following the transaction, Centaurus has full control and optionality over the sale and marketing of Jaguar's strategic, long-life, low-greenhouse gas emission nickel sulphate product, which is expected to be strongly aligned with the rapidly growing Western battery market.

With the close out of the offtake rights previously held by Vale, Centaurus has now been able to commence a strategic partnering process, with strong initial interest seen in the project and the nickel sulphate product targeted for production.

The partnering process will continue over the next 6 months with DFS completion being an important step in finalising any partnering/funding outcome for the project. The Company would expect that a positive conclusion to the partnering process would result in minimal equity dilution for existing shareholders as part of a Final Investment Decision.

## **DEFINITIVE FEASIBILITY STUDY, PROJECT DEVELOPMENT AND INFRASTRUCTURE INITIATIVES**

Significant activity was progressed in respect to the Definitive Feasibility Study (DFS), project development initiatives and future infrastructure access during the quarter. The DFS remains on track for delivery in late Q4 2023, with a Final Investment Decision (FID) scheduled for Q3 2024. The DFS activities detailed below are also reflected in Exploration & Evaluation expenditure for the quarter.

### **Mining**

Solid progress was achieved on the mine planning front during the quarter, building on the open pit optimisation work completed in the previous quarter. Final and stage designs were developed to allow sequencing of the life-of-mine development to commence. Due to the scale of the operation, the Jaguar Open Pit (comprising the various Jaguar deposits reported in the Mineral Resource Estimate (MRE)) will be mined in 16 stages, with the smaller Onca Preta pit being mined in three stages.

Strategic level planning commenced with a focus on minimising mining expenditure during the initial project construction period when waste is required for infrastructure construction, followed by a focus on maximising value over the operating life.

Mining Plus has commenced third-party review of the mine plan in preparation for Ore Reserve sign-off. In late April, the Principal Mining Consultant leading the review process visited Jaguar together with Centaurus personnel and the Brazilian mining consultants completing the mine planning work. To date, the review has completed verification of mining model generation, optimisation parameters and output.

### **Metallurgy & Pilot Plant Testwork**

#### ***Pilot Plant***

Centaurus' piloting program for the Jaguar Project was developed to provide detailed chemistry and process engineering data for the DFS and future front-end engineering design (FEED) requirements, as well as to ensure a high-quality nickel product can be achieved for marketing and off-take discussions.

The scope of the Refinery piloting was split into four phases of work as follows:

- Phase 1: Concentrate feed preparation, pressure leaching and copper solvent extraction.
- Phase 2: Calcium and zinc removal via solvent extraction.
- Phase 3: Cobalt/magnesium and nickel solvent extraction circuits.
- Phase 4: Nickel sulphate crystallisation plus zinc and cobalt hydroxide precipitate production.

Results from Phases 1 and 2 were reported during the March 2023 Quarter, with Phases 3 and 4 completed during the June Quarter<sup>1</sup>.

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<sup>1</sup> Refer ASX Releases of 15 March 2023 and 5 May 2023. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the competent persons findings were presented have not been materially modified from the original announcements.



*Phase 3 Results*

Phase 3 was designed to extract cobalt (for a by-product revenue stream), with minimal nickel loss, followed by the purification of the nickel solution to allow Phase 4 to be undertaken, being the production of nickel sulphate and the production of zinc hydroxide and cobalt hydroxide by-products.

From the Phase 3 solvent extraction work, two product streams were produced:

1. A high-purity nickel strip solution for nickel sulphate production; and
2. A cobalt strip solution to produce a cobalt hydroxide by-product.

These were in addition to the zinc strip solution, for a zinc hydroxide by-product, produced in Phase 2. These three solutions were submitted to Strategic Metallurgy Pty Ltd in Perth to facilitate the Phase 4 work program.

The Phase 3 piloting of cobalt solvent extraction was completed using a C272 extractant and a solvent extraction circuit that was successful in extracting over 99% of the cobalt while only losing less than 0.7% of the nickel (Table 1).

**Table 1 – Phase 3 Product Average Solution Concentrations**

Solution	Co (mg/L)	Mg (mg/L)	Mn (mg/L)	Ni (mg/L)	Zn (mg/L)
Nickel Strip Solution	< 0.5	3.0	< 0.5	91,170	1.5
Cobalt Strip Solution	8,071	28,357	570	1,935	13.0

The Phase 3 test work showed that a high-purity cobalt hydroxide by-product can be generated which will provide another revenue stream not considered in prior economic assessments of the project.

*Phase 4*

Phase 4 (the final stage of the pilot work program) involved the production of nickel sulphate as well as the production of zinc hydroxide and cobalt hydroxide as by-products of the Project.

The pilot work targeted a sulphate specification in the range aligned with the indicative requirements for a premium battery-grade nickel sulphate product from potential off-takers.

The target range for the nickel sulphate and the assay result achieved is set out in Table 2. Further, outside of the key elements set out in Table 2, all other impurity elements assayed were reported in parts per billion (ppb).

The result delivers a premium ‘4 Nines’ product with an expectation that this could be refined further if off-take terms incentivise it.

**Table 2 – Target Nickel Sulphate Specification for Jaguar with Assay Result Achieved**

	Element	Measure	Target Specification	Assay Result
Nickel	Ni	%	22.0 - 22.3	>22.2
Cobalt	Co	ppm	10 - 20	0.6
Copper	Co	ppm	5 - 10	0.1
Zinc	Zn	ppm	5 - 10	2.7
Iron	Fe	ppm	5 - 10	4.4
Manganese	Mn	ppm	10 - 20	0.3
Calcium	Ca	ppm	10 - 20	2.7
Magnesium	Mg	ppm	10 - 50	2.9
Potassium	K	ppm	10 - 100	1.0
Sodium	Na	ppm	10 - 100	6.4



## Process Plant Engineering

The Processing Facilities comprise two sections:

1. The Concentrator Circuit, which includes crushing, grinding and flotation to produce a sulphide concentrate that will become the feed to a refinery (POX + Solvent Extraction (SX) Circuits); and
2. The Refinery Circuit, which extracts the metals from the concentrate to produce final products.

As previously reported, the process flow sheet for the Concentrator Circuit has been finalised. Capital pricing for major equipment was received in the December 2022 and March 2023 quarters. During the June Quarter, additional minor equipment packages, earthworks, civil, concrete, and structural steel packages were issued and have been received leaving electrical and some minor equipment packages outstanding.

Earthworks pricing requests for the Integrated Waste Landform (IWL) and POX Residue Facility construction have been received and are under technical and commercial evaluation.

With the completion of the pilot testwork program and the majority of other outstanding metallurgical testwork, significant progress has been achieved to finalise the refinery process flow sheet and sizing of equipment.

Requests for pricing for the autoclaves, flash vessels and oxygen plant have been received.

Requests for pricing for most of the remaining equipment for the leaching and solvent extraction circuits were issued to vendors at the end of the quarter.

## Infrastructure

Early works to facilitate the construction of the project will include the upgrade of up to 60km of gravel roads, drainage culverts and two bridges between the townships of Ourilândia do Norte and Tucumã and site. Design for off-site road and drainage infrastructure for the project was completed and RFPs for three out of four sections of road were sent to contractors with proposals due by mid-July. The fourth section of road will be sent for pricing in July.

During the quarter, the environmental licence required to upgrade the 60km of roads around the Jaguar site was obtained from all three municipalities. Ourilândia do Norte and Tucumã municipalities will negotiate with the landowners affected by the road upgrade, with Centaurus then being in a position to do the relevant work.

Licensing for the 230kV power line with the Pará State Environmental Agency is progressing according to schedule, which has the LP/LI application being lodged by end of July 2023. All site-specific data collection work has been completed, except for archaeological survey, which is pending regulators' approval.

Meetings were held with Ministry of Mines and Energy representatives, who indicated that the approval to connect to the 230kV grid should be granted by end of July 2023, with this approval being the first step in a 3-step government approval process to connect to the national grid.

In June, a review of the Jaguar Plan of Economic Assessment (PAE) was completed in line with the requests from the mining regulator (ANM) who is assessing the PAE report. One of the reviews to the PAE was the inclusion of the power line route in the mining easement request.

## OCCUPATIONAL HEALTH AND SAFETY

At the end of the quarter the Company achieved an important milestone of one year without an LTI, taking the 12-month LTI frequency rate to 0. The 12-month reportable injury frequency rate at the end of the quarter was 8.06 and the 12-month severity rate was 0.

## ENVIRONMENTAL, SOCIAL & GOVERNANCE

During the quarter, Centaurus published its inaugural Sustainability Report for 2022, which outlined the Company's key sustainability initiatives and performance over the 2022 calendar year and its goals for the years ahead.

This report is available to view on the Company's website.



### Local Community Support Plan

The 2023 annual plan for the works to be undertaken in partnership with the local governments was defined to prioritise domestic waste. This will involve a study of the average composition and volume of waste generated in the three municipalities around the Jaguar Project, with a view to then implementing three courses of actions:

- Educational campaign about reduction, re-use and segregation of domestic waste;
- Composting centre for education; and
- Recycling of domestic waste.

During the quarter, two recyclable waste bins (see Figure 2 below) were set up in the township of Tucumã and Minerasul village, to be able to estimate the volume of each type of recyclable waste generated per household. This initiative will reduce the amount of waste taken to the regional waste dumps, in addition to creating revenue streams for local waste recycling businesses.

Figure 2 – Recyclable bin at Tucumã



### GHG Emissions

Since January 2022, the Company has been monitoring Scope 2 greenhouse gas (GHG) emissions and sinks associated with the Jaguar Project. The main carbon sink is the standing forest. The main source of carbon from the Project at present is the combustion of diesel to run drill rigs.

### Plant Nursery

During the quarter, the Company planted 2,350 native species seedlings (see Figure 3 below) for the revegetation of previously cleared farmland. This revegetation program commenced in the March Quarter.

The planned revegetation will allow new forest corridors to be established around the site to assist with the movement, protection and biodiversity of flora and fauna.

Figure 3 – Planting of native species on Site at Jaguar



### Local Workforce Training Programs

During the quarter, the Company further advanced the enrolment process for construction training with over 1,900 applications having been received to date from all over the region. The Company intends to train up to 1,500 people in various trades that will allow them to be able to seek employment once construction of the Jaguar Project commences.

The training programs are intended to be conducted in conjunction with local industry training college (SENAI), with the more trade specific training programs to commence in H1 2024.

### DRILLING & EXPLORATION PROGRAMS

Drilling at the Jaguar Nickel Sulphide Project during the June 2023 Quarter has continued to grow and de-risk the project, with step-out and deeper drilling at key deposits confirming the potential for further significant Resource growth towards one million tonnes of contained nickel metal and beyond.

#### Twister Prospect – New Greenfields Discovery

Greenfields exploration drilling at the Jaguar Project during the June Quarter delivered a new nickel sulphide discovery at the Twister Prospect<sup>2</sup>.

The Twister Prospect, which occurs from surface and has been delineated over a strike length of 900 metres, is located in the north-eastern corner of the Jaguar tenement. Field mapping has identified multiple outcropping magnetite bodies coincident with the geophysical and soil anomalies along the structure. There are no historical drill holes at the Twister Prospect.

The maiden Reverse Circulation (RC) drill program at Twister focused on mapped magnetite bodies and coincident magnetic signatures. Drilling has intersected tabular sub-vertical mineralised zones with intersections like **8.0m at 1.20% Ni** from 63.0m in JAG-RC-22-186 and **14.0m at 1.03% Ni** from 163.0m in JAG-RC-23-190 on section 478900mE, see Figure 5.

<sup>2</sup> Refer ASX Releases of 15 March 2023 and 5 May 2023. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the competent persons findings were presented have not been materially modified from the original announcements.



Drilling has now been completed on multiple sections over the strike length. Nickel sulphide mineralisation has been intersected in most targeted magnetite bodies. Highlights of the assay results received from drilling at the Twister Prospect include the following down-hole intervals (see ASX Announcements dated 15 May 2023 and 26 July 2023 for full details):

Hole JAG-RC-22-181

- 4.0m at 1.57% Ni, 0.92% Zn, 0.21% Cu and 0.06% Co from 184.0m

Hole JAG-RC-22-182

- 3.0m at 1.03% Ni, 0.26% Zn, 0.69% Cu and 0.03% Co from 96.0m

Hole JAG-RC-23-186

- 8.0m at 1.20% Ni, 0.00% Zn, 0.03% Cu and 0.03% Co from 63.0m; including
  - 3.0m at 2.67% Ni, 0.07% Cu and 0.07% Co from 68.0m

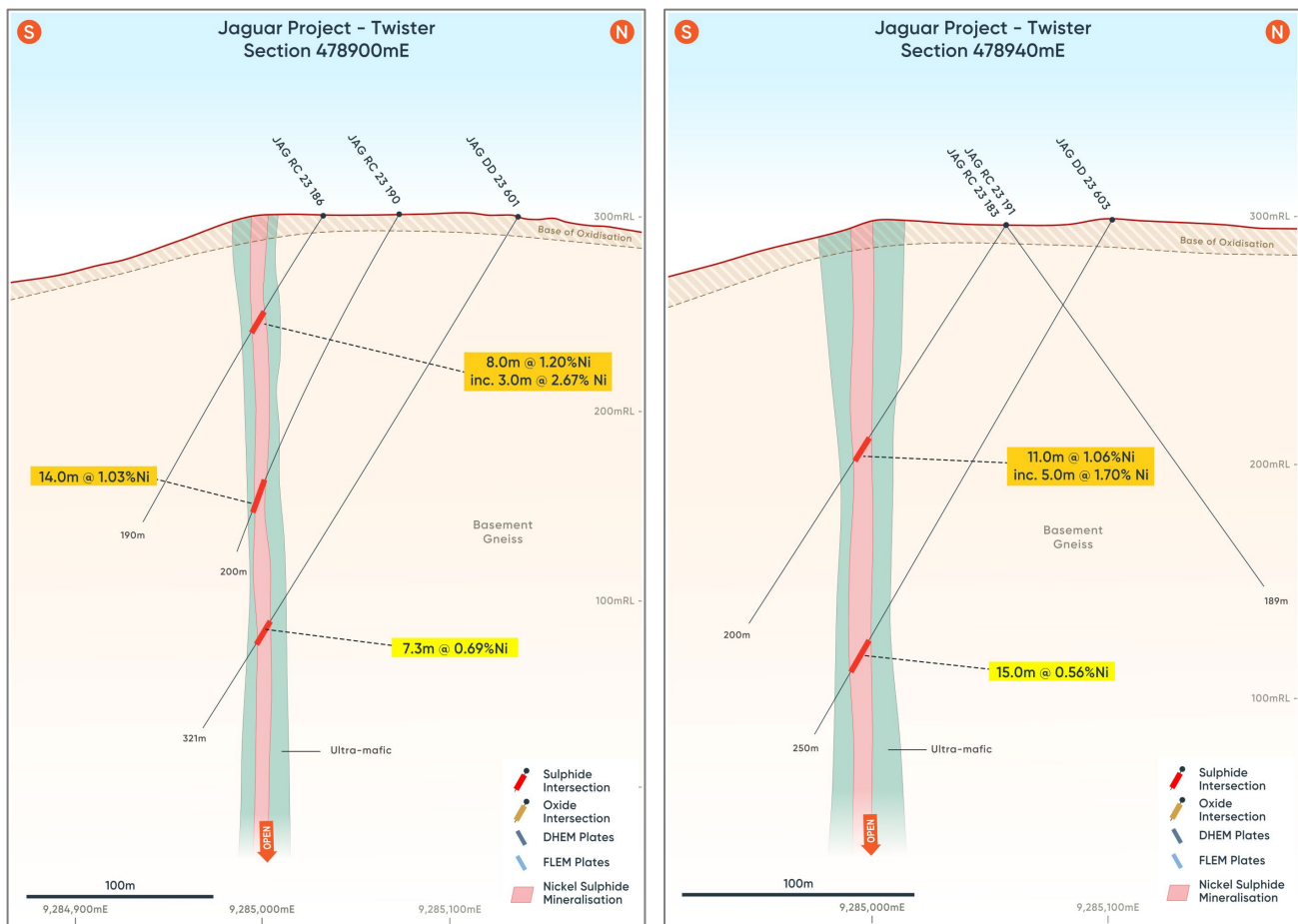
Hole JAG-RC-23-190

- 14.0m at 1.03% Ni, 0.02% Zn, 0.04% Cu and 0.03% Co from 163.0m

Hole JAG-RC-23-191

- 11.0m at 1.06% Ni, 0.10% Zn, 0.05% Cu and 0.03% Co from 107.0m; including
  - 5.0m at 1.70% Ni, 0.18% Zn, 0.09% Cu and 0.05% Co from 113.0m

Figure 4 – The Twister Prospect: Cross-Sections 478900mE and 478940mE showing RC drill results and nickel sulphide intersection from diamond drilling



Sufficient drilling has now been completed to bring the Twister discovery into the Inferred and Indicated Resource category ahead of the next JORC Mineral Resource Estimate (MRE) update.





The Twister Prospect is located less than 5km from the proposed ROM pad location for the Jaguar Nickel Project and is more than 1km from nearest proposed project infrastructure. As the mineralisation is present from near surface, the Prospect could present a good opportunity for a new satellite open pit with the potential to contribute to the extension of the Jaguar Nickel Project mine life.

**Continued Mineral Resource Growth**

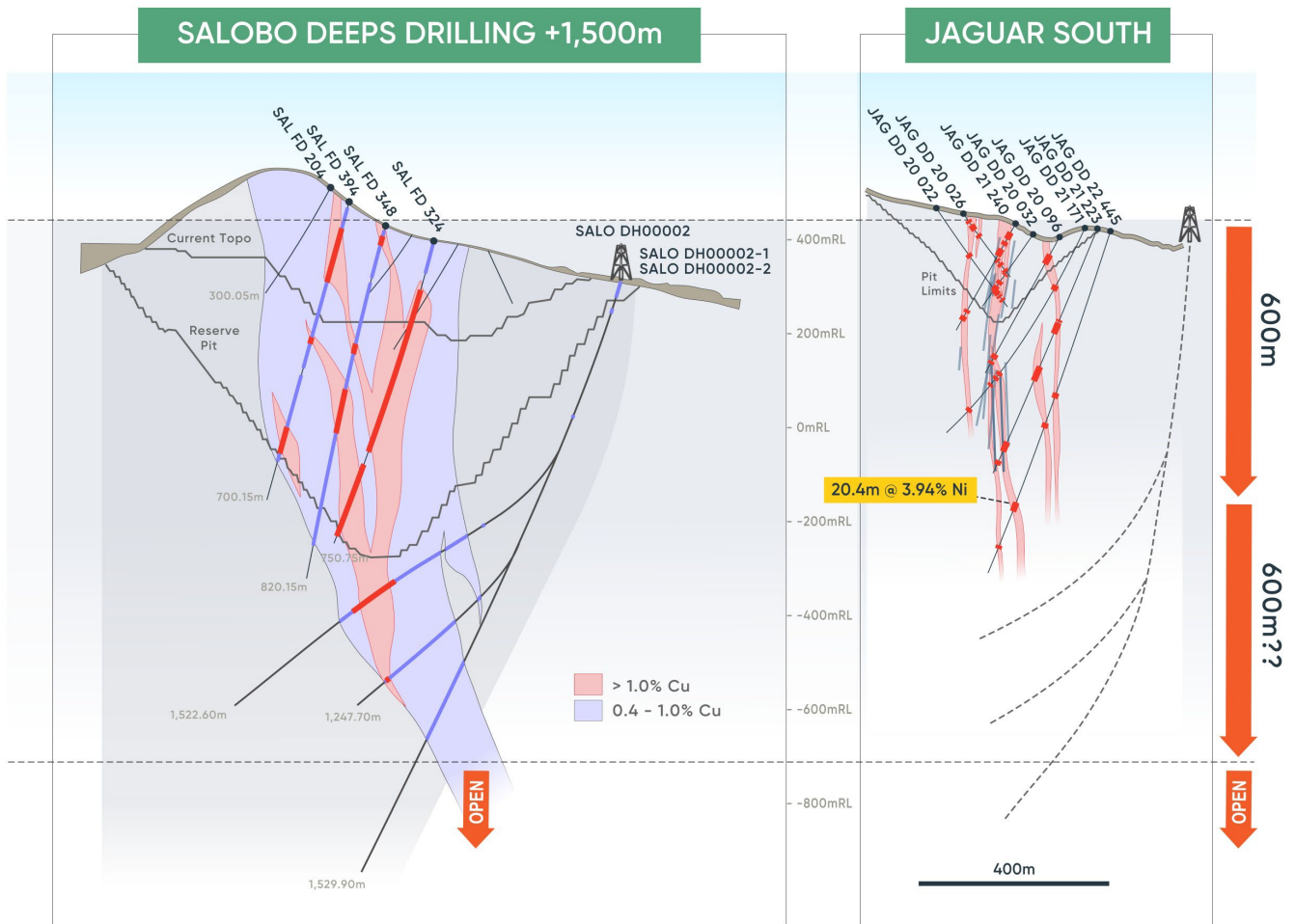
The Company has optimised its drill contractor fleet and now has six diamond rigs operating. The exploration program at Jaguar over the next 12 months will focus drilling on the **Jaguar Deeps**.

This new deeper drilling designed to step-out over 400m below the previous deepest drill holes at the Jaguar South and Onça Preta Deposits. Down-dip extension of these deposits are currently around 600m from surface, so successful drilling could potentially double the down-dip extent.

The hydrothermal nature of the mineralisation at the Jaguar Project is understood to be similar to that seen at the Salobo Copper-Gold Mine and points to a deep plumbing system which remains to be tested beyond current drill depths at Jaguar (Figure 6). The average drill-hole depth to date is only 230m, with less than 5% of diamond holes (30 out of a total of 601) completed to end-of-hole depths of more than 500m.

All deep holes drilled to date have intersected stringer to semi-massive nickel mineralisation. The Jaguar Deeps drilling is being carried out using a directional drilling contractor and a 1,500m winch for the DHEM surveys has arrived on site.

**Figure 5 – Comparison of the Jaguar South Deposit (Section 478300mE) to Vale’s Salobo Cu-Au mine, sections are to scale. Schematic representation of planned Jaguar Deeps drilling**

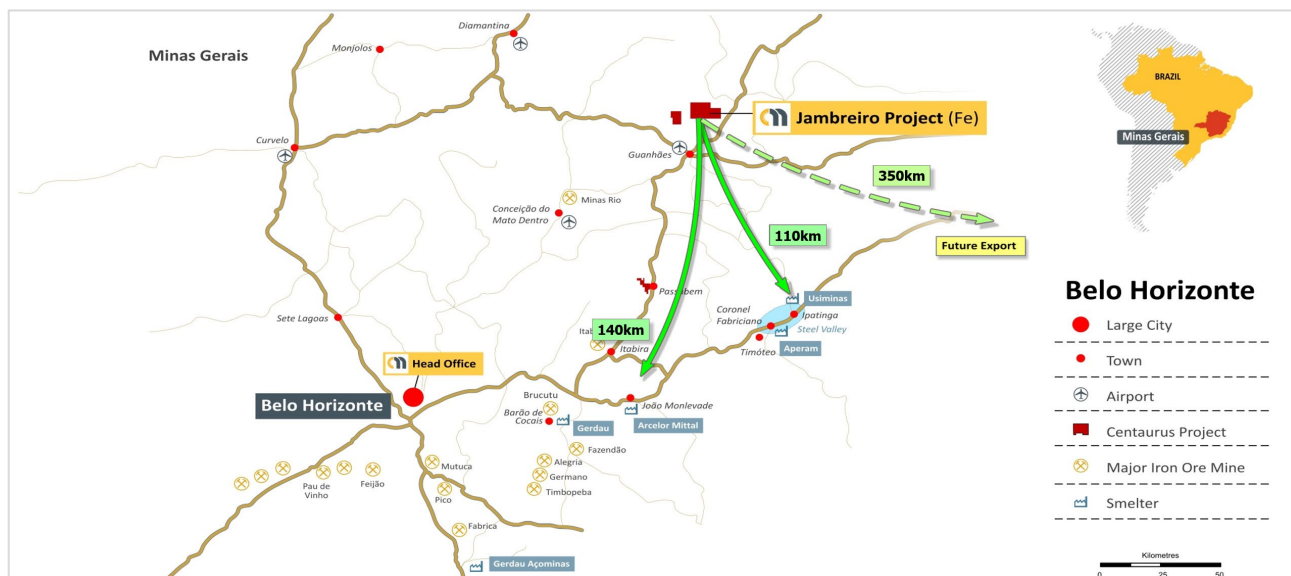




## JAMBREIRO IRON ORE PROJECT

The Company’s 100%-owned Jambreiro Project, located in south-east Brazil (Figure 7) close to the Company’s head office in the city of Belo Horizonte.

Figure 6 – Jambreiro Iron Ore Project Location.



During the quarter, the Company continued to make positive progress towards refreshing all environmental licences required to develop the project. All new data collection was completed, with the new application targeted for lodgement by end of July 2023. Approval is anticipated to be 12 months from lodgement.

The Company has also lodged the documentation to re-apply for all water permits necessary to operate the project. All water permits and environmental licences required to build the Project were previously granted and should be granted again after the applications have been duly considered by the relevant agencies.

## CORPORATE

### Cash Position

At 30 June 2023, the Company held cash reserves of A\$12.8 million.

### Options Exercise

Centaurus’ Non-Executive Directors collectively invested a further \$569,800 and increased their equity positions in Centaurus following the exercise of options expiring 31 May 2023. A summary of the increased equity position for Non-Executive Directors exercising options is set out in the table below.

Table 4 – Summary of Directors’ Equity Position in the Company Post Exercise of Options

	Didier Murcia Non- Executive Chair	Mark Hancock Non-Executive Director	Chris Banasik Non-Executive Director
Opening Balance	1,771,967	1,112,254	950,001
Option Exercise	600,000	400,000	516,667
<b>Closing Balance</b>	<b>2,371,967</b>	<b>1,512,254</b>	<b>1,466,668</b>

Following the exercise of options, the Company’s Directors and Key Management Personnel collectively hold 4.5% of the ordinary shares on issue.



### Vesting of Options Under Long Term Incentive Plan

Members of the Company's executive team were granted long-term incentives under the Company's shareholder-approved Employee Share Option Plan in 2020. The Company disclosed in its Financial Report released to the ASX on 30 March 2023 that the options had vested at the end of the reporting period. After consultation with the ASX, the Board elected to withdraw the vesting of the Tranche 2 Options and instead (subject to shareholder approval, as applicable) implement alternative arrangements to appropriately reward its key management personnel for their outstanding performance in increasing the Company's market capitalisation by more than 950% during the incentive assessment period of 1 January 2020 to 31 December 2022.

The Company looks forward to formalising such alternative arrangements in due course and once again thanks its executive team for their efforts in both delivering transformational growth and achieving a significant increase in value for the Company's shareholders during that time.

### Shareholder Information

The Company's capital structure as of 30 June 2023 is as follows:

#### Quoted Securities

Capital Structure	Number
Fully paid ordinary shares (CTM)	428,622,940
Top 20 Shareholders	69.5%
Directors and Management Shareholding of Listed Securities	4.5%

#### Unquoted Options

Expiry Date	Exercise Price	Vested	Unvested
31/12/23	-	1,976,201	
31/05/24	\$0.180	233,334	
31/05/24	\$0.405	1,400,000	
31/12/24	-	-	1,395,452
31/12/25	-	-	1,225,220
31/12/26	-	-	1,535,164
		<b>5,585,736</b>	<b>4,155,836</b>

### Additional Information Required by Listing Rule 5.3.3

#### Brazilian Tenements - Previously Held

Tenement	Project Name	Location	Interest
831.638/2004	Canavial	Minas Gerais	100%
831.639/2004	Canavial	Minas Gerais	100%
831.649/2004	Jambreiro (Mining Lease)	Minas Gerais	100%
833.409/2007	Jambreiro (Mining Lease)	Minas Gerais	100%
834.106/2010	Jambreiro (Mining Lease)	Minas Gerais	100%
831.645/2006	Passabém	Minas Gerais	100%
830.588/2008	Passabém	Minas Gerais	100%
833.410/2007	Regional Guanhães	Minas Gerais	100%
856.392/1996	Jaguar (Mining Lease Application)	Pará	100%
850.475/2016	Itapitanga	Pará	100%
851.571/2021	Terra Roxa (Jaguar Regional)	Pará	100%
851.563/2021	Santa Inês (Jaguar Regional)	Pará	100%
850.071/2014	Boi Novo Project	Pará	100%
851.767/2021	Boi Novo Project	Pará	100%
851.768/2021	Boi Novo Project	Pará	100%
851.769/2021	Boi Novo Project	Pará	100%



## Australian Tenements

Tenement	Project Name	Location	Interest
EPM14233	Mt Isa	Queensland	10% <sup>(1)</sup>

1. Subject to a Farm-Out and Joint Venture Exploration Agreement with Summit Resources (Aust) Pty Ltd. Summit has earned a 90% interest in the Project. Aeon Metals Limited has acquired 80% of Summit's Interest giving them a total interest of 72% of the tenement.

## Listing Rule 5.3 Information

1. ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the Quarter was A\$9.8 million. Details of the exploration activities to which this expenditure relates are set out above.
2. ASX Listing Rule 5.3.2: There were no mining production and development activities during the Quarter.
3. ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the Quarter totalled A\$331k. These payments relate to non-executive directors' fees, executive directors' salaries, payments to MPH Lawyers, a director related entity, for the provision of legal services and technical consulting fees paid to a director related entity of a non-executive director.

This Quarterly Activities Report is authorised for release by the Managing Director, Mr Darren Gordon.

**DARREN GORDON**  
**MANAGING DIRECTOR**



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

<b>Centaurus Metals Limited</b>
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ABN

<b>40 009 468 099</b>
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Quarter ended ("current quarter")

<b>30 June 2023</b>
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<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(9,802)	(18,523)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(1,177)	(2,712)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	230	600
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	518	518
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(10,231)</b>	<b>(20,117)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(302)	(1,261)
(d) exploration & evaluation	-	(252)
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	14
(c) property, plant and equipment	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(302)</b>	<b>(1,499)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	570	570
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>570</b>	<b>570</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	23,047	34,048
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(10,231)	(20,117)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(302)	(1,499)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	570	570
4.5 Effect of movement in exchange rates on cash held	(258)	(176)
<b>4.6 Cash and cash equivalents at end of period</b>	<b>12,826</b>	<b>12,826</b>

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	187	381
5.2 Call deposits	12,638	22,666
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>12,826</b>	<b>23,047</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	331
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	
<i>Remuneration to Executive Directors of \$219,000</i>	
<i>Fees paid to Non-Executive Directors of \$86,000</i>	
<i>Legal Fees paid to MPH Lawyers a director related entity \$10,000</i>	
<i>Technical consulting fees paid to director related entity of Non Executive Director \$16,000</i>	

<b>7. Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	<b>-</b>	<b>-</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>-</b>
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(10,231)
8.2 Payments for exploration & evaluation classified as investing activities (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(10,231)
8.4 Cash and cash equivalents at quarter end (item 4.6)	12,826
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	12,826
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.25
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The Company has appointed Joint Lead Managers to undertake an equity raise to enable the Company to continue to fund its activities. The Company is confident that the planned equity raise will be successful.	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: The equity raise will permit the Company to continue to progress activities to deliver its business objectives.	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 July 2023

Authorised by: Darren Gordon – Managing Director  
(Name of body or officer authorising release – see note 4)



**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.