

25 July 2017

MULTIPLE QUALITY IOCG TARGETS IDENTIFIED AT SALOBO WEST COPPER-GOLD PROJECT JUST 12km ALONG STRIKE FROM THE WORLD'S SECOND-LARGEST IOCG DEPOSIT

Review of regional geophysical data over the Salobo West tenements by former top Vale geophysicist opens up exciting new exploration front for Centaurus in world-renowned Carajás Mineral Province

Key Points

- The Salobo West Copper-Gold Project covers 120km² of highly prospective ground in the Carajás Mineral Province (“CMP”) – the world’s premier iron oxide-copper-gold (“IOCG”) address.
 - Located only 12km along strike from Vale’s world-class Salobo Copper-Gold Mine (Reserves of 1.2Bt at 0.63% Cu and 0.4g/t Au; production of ~176kt Cu and 317kt Au in CY2016) and positioned in the Cinzento Shear Zone that hosts four of the top five known IOCG deposits in the Carajás (all with resources of +300Mt copper-gold ore) along with multiple exploration targets.
 - Centaurus is now only one of two companies that have significant tenement holdings within the main Cinzento Shear Zone – the other being leading global miner Vale.
 - Mr Alan King, former Chief Geophysicist for Global Exploration at Vale and Inco, with the assistance of leading geophysical consulting group, Southern Geoscience, has completed a review of the regional data recently secured from CPRM for the Salobo West Project. The results of the work will assist in planning initial airborne geophysical surveys over Salobo West.
 - The combination of intersecting regional structures and large-scale distinct magnetic anomalies hosted within the most prospective geological unit in the CMP (the Itacaiúnas Supergroup) provides for compelling IOCG targets within the Salobo West Project.
 - Funds from the current \$2.5M Rights Issue, partially underwritten by CPS Capital, will be in part designated for initial airborne geophysical survey work and ground-based field exploration at Salobo West, planned for Q3-4 2017.
-

Centaurus Metals (ASX Code: **CTM**) is pleased to advise that initial results from an independent review of the regional geophysical and geological data available for its **Salobo West Copper-Gold** Project, in the world-class **Carajás Mineral Province** in the north of Brazil, has identified multiple quality IOCG targets.

The review was undertaken by Mr Alan King, former Chief Geophysicist for Global Exploration at Vale and Inco, who stated: “CPRM airborne data shows that the Salobo West properties have several interesting targets with magnetic, structural and possible radiometric features that are analogous to the IOCG deposits in the Carajás as well as other IOCG camps around the world. More detailed, airborne geophysical surveys are recommended over these highly prospective areas as it is expected that these surveys will produce more detailed exploration targets for Centaurus to follow up with ground-based exploration.”

Australian Office

Centaurus Metals Limited
Level 3, 10 Outram St
WEST PERTH WA 6005

Brazilian Office

Centaurus Brasil Mineração Ltda
Avenida Barão Homem de Melo, 4391
Salas 606 e 607 - Estoril
Belo Horizonte - MG - CEP: 30.494.275
BRAZIL

ASX: CTM

ACN 009 468 099
office@centaurus.com.au
Telephone: +61 8 9420 4000



The Carajás Mineral Province

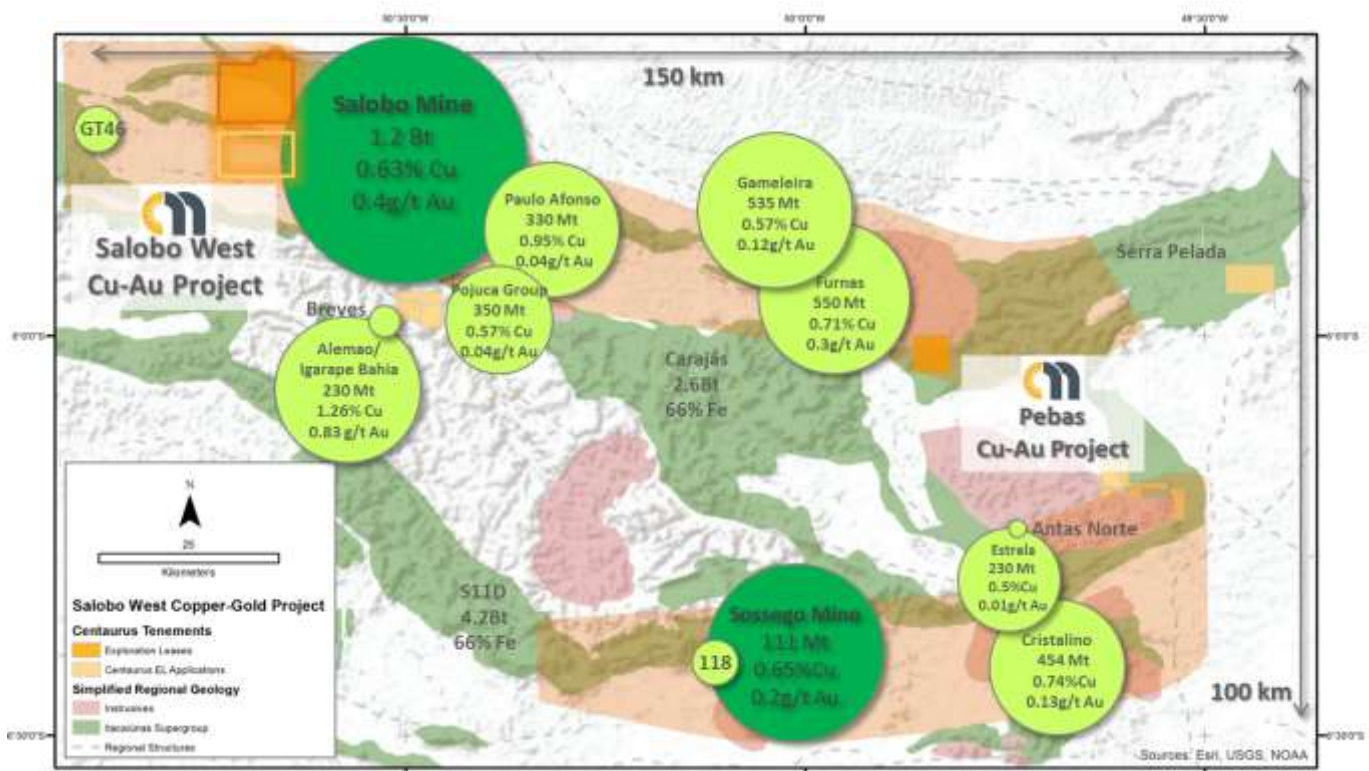
Centaurus’ Salobo West Copper-Gold Project is located in the Carajás Mineral Province (“CMP”), which is considered one of the world’s premier mining addresses. A total of fifteen (15) world-class mineral deposits lie within an area of just 150 x 100km, including nine IOCG deposits with resources of +100 million tonnes of copper-gold ore.

The resources and reserves of these (predominantly Vale-owned) IOCG deposits – in addition to several other IOCG prospects that are under exploration – collectively contain resources of **more than 4.0 billion tonnes of copper-gold ore** (see Figure 1 below and Table 1 in Annexure A).

Vale’s giant Salobo Copper-Gold Mine is one of these deposits, and is arguably the second-biggest IOCG in the world behind BHP’s Olympic Dam Mine. Salobo 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 IOCG project includes multiple distinct targets that display similar geophysical characteristics and are located in the same geological context as the Salobo mine, just 12km along strike.

Figure 1 – The Carajas Mineral Province with Schematic of Reserve Estimates (dark green) and Resource Estimates (light green) of the Nine Largest IOCG Deposits.



The CMP, located in the south-eastern part of the Amazon craton in northern Brazil, represents an Archaean block divided into two distinct tectonic domains. Salobo West is located in the northern Carajás domain within the highly prospective Cinzento Shear Zone (Figures 1 and 2).

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



The Cinzento Shear Zone

Four of the top five known IOCG deposits in the Carajás (all with resources +300Mt Cu-Au ore), as well as multiple exploration targets, are located along the Cinzento Shear Zone (see Figure 2). These deposits are structurally controlled by regional-scale W-NW striking, brittle-ductile shear zones hosted within the highly prospective volcanic and sedimentary rocks of the Itacaiúnas Supergroup.

IOCG deposits in the Carajás are generally massive replacement bodies, associated with the magnetite-rich rocks that are the product of intense Fe-K hydrothermal alteration at high temperatures. This style of mineralisation is highly amenable to modern geophysical exploration techniques, especially magnetic, radiometric and gravity surveys.

Figure 2 –Tier one IOCG deposits in the Cinzento Shear Zone over the Regional Magnetics (AS).

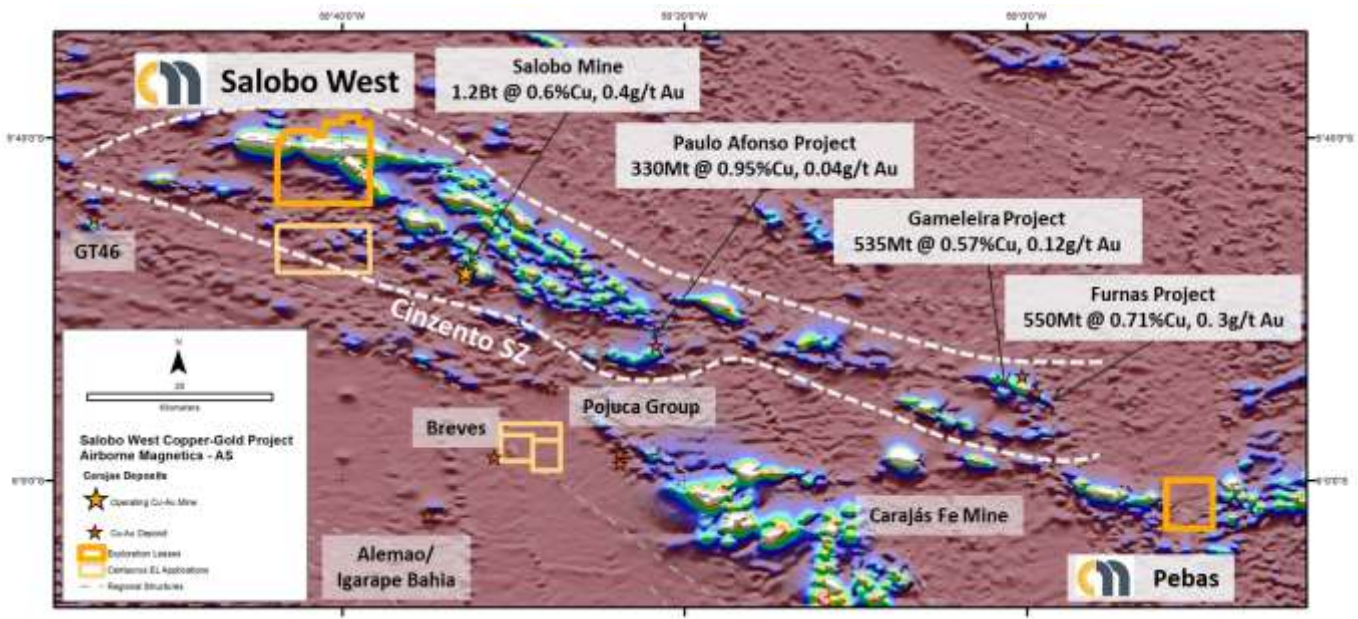


Figure 2 shows the Tier 1 deposits are located along regionally significant structures positioned within the Cinzento Shear Zone and coincident with large scale distinct magnetic anomalies (Analytical Signal). Certain deposits are also identifiable using the airborne radiometric data.

Centaurus engaged independent geophysical expert, Mr Alan King to assist in target generation and geophysical exploration program planning. Mr King was the former Chief Geophysicist for Global Exploration at both Inco and Vale, being based in Brazil from 2007-2011. Mr King has vast experience studying multiple IOCG camps across the globe including the Carajás and Olympic Dam IOCG Provinces.

Mr King, with the assistance of leading geophysical consulting group, Southern Geoscience, has completed the initial review of all the regional data recently secured from the Brazilian Geological Survey (CPRM), which include airborne magnetics, gravity and radiometric surveys on a variety of line spacings. The work has identified multiple outstanding exploration targets and selected initial findings on the Salobo West Project are outlined below.

The Salobo West Copper-Gold Project

The Salobo West Copper-Gold Project consists of two tenements, SW1 and SW2, covering a combined total area of 120km² of highly prospective ground only 12km along strike from Vale’s giant Salobo Cu-Au Mine.

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE

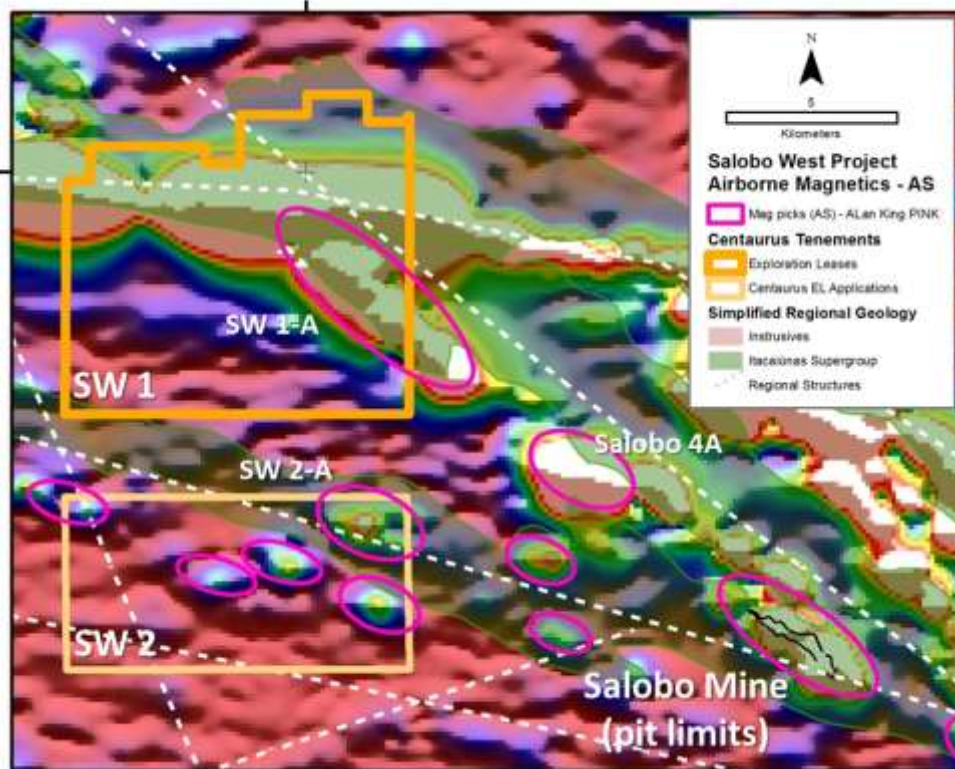


The recently granted Exploration License SW1 is the northernmost tenement and covers an area of 78km². A **distinct 4.5km long magnetic anomaly (the SW1-A target) is shaping up to be the primary target at this early stage (see Figure 3)**. Located 12km north-west of the Salobo Mine, the SW1-A magnetic anomaly is larger than the anomalies associated with the Salobo Mine (3.2km) and Salobo 4A Prospect area (2.0km), both of which lie along the same trend.

Importantly the SW1-A magnetic anomaly is coincident with a ridge that has been mapped as part of the Igarapé Salobo Group of the Itacaiúnas Supergroup, which hosts all known IOCG deposits in the Carajás.

The north-west striking ridge that hosts the SW1-A target intersects a larger mountain range that is associated with a regional scale east-west striking magnetic anomaly which is understood to be a BIF unit of the northern Igarapé Salobo Group. It is also the location of the intersection of two regional scale structures (see Figure 3 below).

Figure 3 – Salobo West Copper Gold Project, Itacaiúnas Supergroup (green) Overlaying the Regional Magnetics (AS).



SW2 is a tenement application to the south of SW1 tenement that covers an area of 42km². The SW2 tenement area covers a mapped extension of the Itacaiúnas Supergroup 10km WNW of the Salobo Mine. This occurrence of the Itacaiúnas unit appears to be associated with a regional structure that is identifiable from airborne magnetics and radiometrics as well as the existence of a small continuous ridge.

There are a number of distinct magnetic targets that are associated with the ridge and the Itacaiúnas unit as well as some that are offset to the south. SW-2A (see Figure 3) stands out as the most interesting target at this stage. It is a distinct 2km long magnetic anomaly located on the ridge and within the mapped Itacaiúnas unit.

The independent geophysical review by Mr King recognized that mapping of regional scale structural lineaments via both magnetics and radiometrics correlated well and highlighted a number of locations where these structural (shears or faults) intersected coincidentally with large-scale magnetic anomalies.



Furthermore several of these geophysical target locations, including SW1-A and SW2-A, are located within the most prospective geological unit in the Carajás (the Itacaiúnas Supergroup). This combination of targeting criteria makes Salobo West an outstanding exploration opportunity in the Carajás Mineral Province.

Salobo West – Next steps

Based on the initial review and interpretation of the regional data by Mr King and Southern Geoscience, key targets have been identified and the Company is now planning for its initial detailed airborne geophysical survey work.

With funds raised from the current \$2.5 million Rights Issue, the Company expects to undertake the first survey work in Q3-4 this year. The airborne surveys are expected to include detailed (100m line spacing) gravity, magnetics and radiometrics surveys. Similar surveys have been very successful in delineating the Carajás IOCG deposits historically.

Additionally, applications for the environmental licenses required for non-ground disturbing field exploration in the Tapirape-aquiri National Forest, where the tenements are located, have been lodged. It is expected to take three months to secure the necessary environmental approval for non-ground disturbing work.

Once this approval is granted, fieldwork including mapping, stream sediment sampling, soil sampling and ground-based geophysics can be undertaken.

The Company continues to work closely with the DNPM to expedite the approval of the SW2 tenement. With the recent grant of the SW1 tenement and with the SW2 tenement expected to be granted in the coming months, Centaurus is now only one of two companies that have significant tenement holdings within the main Cinzento Shear Zone domain of the CMP – the other being leading global miner Vale (see Figure 4).

Figure 4 – Map showing current tenure in the Carajás and Cinzento Shear Zone – Vale (green), CTM (orange/yellow), Glencore (grey), Codelco (brown) and Avanco (blue); where the tenement has been relinquished the past owner is shown.



AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



Management Comment

Centaurus' Managing Director, Mr Darren Gordon, said the Company was excited about the quality of targets being generated in such a highly prospective region for large-scale IOCG deposits.

"To have identified such high-quality targets so early is really encouraging. The Carajás is home to the world's biggest concentration of IOCG deposits and we believe we have a really interesting package of land that remains under-explored despite its location just 12km from one of the world's biggest IOCG mines," he said.

"We are delighted to have been able to secure the experience of Alan King to help us advance the target definition process and to map out the initial exploration programs, which will commence as soon as we complete the current rights issue.

"The upcoming work at Salobo West will continue in parallel with ongoing gold exploration at Serra Misteriosa, where our maiden drilling program is continuing to gather momentum. We have now completed five drill holes and expect results from the last few drill holes by mid-August."

-ENDS-

Released by:

Nicholas Read
Read Corporate
M: +61 419 929 046

On behalf of:

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

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Roger Fitzhardinge who is a Member of the Australasia 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.

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



APPENDIX A

Table 1 – Deposits of the Carajás Mineral Province (includes Cu-Au, Ni, Mn and iron ore)

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	1,556Mt @ 0.64% Cu, 0.4g/t Au	176kt Cu & 317koz Au		12
Vale	Sossego	111Mt @ 0.65% Cu, 0.20 g/t Au	355Mt @ 1.0% Cu, 0.28 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
Vale	118		51Mt @ 1.30% Cu, 0.2 g/t Au			75
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

**AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE**



**APPENDIX B – TECHNICAL DETAILS OF THE 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"> There is no historical sampling for the Salobo West Project mentioned in this report.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> There is no historical drilling on the Salobo West Project mentioned in this report.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> No drill results are included in the release.
<i>Logging</i>	<ul style="list-style-type: none"> There is no historical logging on the Salobo West Project mentioned in this report.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> There is no historical sampling on the Salobo West Project mentioned in this report.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> There is no historical sampling on the Salobo West Project mentioned in this report.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> There is no historical sampling on the Salobo West Project mentioned in this report.
<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.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> There is no historical sampling on the Salobo West Project mentioned in this report.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> There is no historical sampling on the Salobo West Project mentioned in this report.
<i>Sample security</i>	<ul style="list-style-type: none"> There is no historical sampling on the Salobo West Project mentioned in this report.
<i>Audits or reviews</i>	<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
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> 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 the Tapirape-aquiri National Forest. Exploration and mining is allowed in the forest with the correct licences. The Company has applied for the appropriate environmental licences for exploration.

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



Criteria	Commentary
Exploration done by other parties	<ul style="list-style-type: none"> Historically the Salobo West tenements have been held by Vale and although it is understood that exploration was carried out, no public exploration data has been found on the tenements.
Geology	<ul style="list-style-type: none"> The Salobo West tenements are located in the Carajás Mineral Province, located in the south-eastern part of the Amazon craton in northern Brazil. The CMP represents an Archean block divided into two distinct tectonic domains. Salobo West is located in the northern Carajás domain within the Cinzento Shear Zone The Salobo West tenements cover a portion of the Itacaiúnas Supergroup where it is contact with Xingu basement rock.
Drill hole Information	<ul style="list-style-type: none"> 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 drilling has been conducted on the Salobo West Project.
Diagrams	<ul style="list-style-type: none"> Refer to Figures 1-4.
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"> The Company is working with CPRM geological and geophysical regional data sets.
Further work	<ul style="list-style-type: none"> Target generation and aerial geophysical survey planning is underway for the Salobo West project.