

29 June 2012

CENTAURUS PROGRESSES JAMBREIRO ENVIRONMENTAL APPROVALS AFTER HOLDING KEY PUBLIC HEARING IN BRAZIL

HIGHLIGHTS

- Very positive response received from key stakeholders and local communities to proposed development of the Jambreiro Iron Ore Project.
- Successful Public Hearing marks an important step towards securing the main environmental approval required for the Project.
- Centaurus on track to achieve approval of the EIA/RIMA and issue of the Preliminary Licence (LP) in October 2012, in line with its development timetable targeting commissioning by late 2013.

International iron ore company Centaurus Metals Limited (ASX Code: **CTM**) is pleased to advise that it has taken another important step towards securing the main environmental approvals required for the development of its flagship Jambreiro Iron Ore Project, located in the State of Minas Gerais in south-east Brazil, following a very positive Public Hearing with key stakeholders and the local community.

The Public Hearing – which was held in the city of São João Evangelista, local government centre of the host municipality for the Jambreiro Project – represents a major step in the environmental approval process, putting the Company on track to achieve approval for the Preliminary Licence (LP) for the Project in October 2012, in line with its development timetable.

The Public Hearing has given the local community and stakeholders a strong understanding of the Project including its potential environmental impacts, as well as its social and economic benefits. It also provided the community with a forum to voice any specific concerns about the Project.

The Public Hearing was attended by over 400 people from all over the region, including representatives of the State Environment Agency (SUPRAM), the State's Public Prosecution Office, the local mayor and counsellors, as well as Non Government Organisations.



Public Hearing speakers including the Head of SUPRAM's Governador Valadares Office (standing), a representative of the State Public Prosecution Office, the São João Evangelista Mayor and the Company's General Manager of Environment (Mr Bruno Scarpelli – far right)



Strong local crowd of over 400 people attending Centaurus' Public Hearing in São João Evangelista, Brazil

Australian Office
Centaurus Metals Limited
Level 1, 16 Ord Street
WEST PERTH WA 6005

Brazilian Office
Centaurus Brasil Mineração Ltda
Rua Pernambuco, 1.077 - S - Funcionários
Belo Horizonte - MG - CEP: 30.130-150
BRAZIL

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



AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE

Matters discussed at the Public Hearing included surface water depletion, employment opportunities and the post-mining growth of the local community. All questions raised from the floor were addressed by Centaurus' General Manager – Environment, Mr Bruno Scarpelli, who provided detailed responses based on the information in the Company's EIA/RIMA document, which was lodged in March this year.

Mr Scarpelli said the outcome of the Public Hearing was very positive, reflecting the significant number of meetings already held over the last 12 months with local communities to present and discuss the Jambreiro Project. The strong consultation process has provided local stakeholders a significant level of confidence in Centaurus' intentions and commitment to sustainable development in the region.

“One important aspect of the Jambreiro Project is the Company's commitment to prioritise sourcing its workforce from local communities – including a proposed training program for up to 900 people and a program to prioritise local service providers,” Mr Scarpelli said.

“We have already begun to put both programs in place, which has helped to raise our profile in the local community and educated key stakeholders about the Jambreiro Project and the significant opportunities the development will bring,” he added.



Mr Bruno Scarpelli addressing the Public Hearing and responding to questions from the floor

Now that the Public Hearing has been held, the environmental agency SUPRAM is able to formally raise any additional matters they wish the Company to address. The completion of sound and well supported responses to these queries will put SUPRAM in a position where it can approve the EIA/RIMA and issue the Preliminary Licence (LP) for the Project, enabling the Company to then lodge the Installation Licence (LI) application.

Centaurus' Managing Director, Mr Darren Gordon, said the highly successful Public Hearing represented a major step forward for the approvals process in Brazil, clearing the way for final discussions with SUPRAM to achieve timely approval of the EIA/RIMA document lodged earlier in March this year.

“Subject to addressing any residual issues raised by SUPRAM, we remain on track to achieve approval for the Preliminary Licence in October this year. That will be an important milestone that will enable us to lodge the Installation Licence, complete the project financing package and commence some off-site fabrication of the beneficiation plant,” Mr Gordon continued.



**AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE**

“The issue of the Preliminary Licence will confirm that the relevant authorities have approved the conceptual design and location of the Project, and in turn provide investors with a high level of confidence that the approvals process is on track to facilitate commissioning of the Project in late 2013,” he added.

-ENDS-

Released By:

Nicholas Read
Read Corporate
Mb: (+61) 419 929 046
Tel: (+61-8) 9388 1474

On behalf of:

Mr Darren Gordon
Managing Director
Centaurus Metals Ltd
Tel: (+61-8) 9420 4000

Australian Office
Centaurus Metals Limited
Level 1, 16 Ord Street
WEST PERTH WA 6005

Brazilian Office
Centaurus Brasil Mineração Ltda
Rua Pernambuco, 1.077 - S - Funcionários
Belo Horizonte - MG - CEP: 30.130-150
BRAZIL

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