

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE



6 September 2017

CENTAURUS COMPLETES ACQUISITION OF HIGHLY PROSPECTIVE PARÁ EXPLORATION PACKAGE, NORTHERN BRAZIL

Shares and Performance Rights issued to Terrativa Minerais SA

Key Points

- **Earn-In obligation of R\$2.5M (~A\$1M) met in relation to the Pará Exploration Package (“Pará EP”), which allows the Company to acquire 100% of the entire tenement package, located in the State of Pará in northern Brazil.**
- **Package includes the Serra Misteriosa Gold Project, where an initial diamond drill program has recently been completed, the Salobo West Copper-Gold Project, where exploration is about to commence, the Pebas Copper-Gold Project, the Serra Vermelho Gold Project and the Serra da Fumaça Gold Project.**
- **Centaurus has elected to exercise its rights to acquire title to 100% of this highly prospective package of ground, reflecting its confidence in the prospectivity and potential of the package, and has issued 30M Ordinary Shares and 90M Performance Rights to its strategic alliance partner, Terrativa Minerais SA.**

Centaurus Metals (ASX Code: **CTM**) is pleased to advise that it has completed the acquisition of the highly prospective Pará Exploration Package (EP) by exercising its right to acquire 100% of the tenements that make up the 750km² package and issuing a total of 30 million Ordinary Shares and 90 million Performance Rights to its strategic alliance partner, Terrativa Minerais SA (“Terrativa”), while also granting them a 2% production royalty over future production from the tenements.

The right to acquire 100% of the tenements required no vendor payments and was achieved by meeting the earn-in obligation of R\$2.5 million (A\$1.0 million), well within the earn-in period of two years. In fact, the earn-in was achieved in just over six months from the completion of the original deal with Terrativa.

The Ordinary Shares issued to Terrativa will rank equally with the existing Ordinary Shares on issue. The Performance Rights will comprise three tranches of 30 million Performance Rights each, and will be converted into Ordinary Shares upon the achievement in full of the following milestones:

- Tranche A – 30,000,000 Performance Rights will be converted into Ordinary Shares if, within a period of 5 years after the date of issue of the Performance Rights, a JORC-compliant Inferred Resource of 500,000oz of gold or gold equivalent is defined on the Project tenements;
- Tranche B – 30,000,000 Performance Rights will be converted into Ordinary Shares if, within a period of 5 years after the date of issue of the Performance Rights, a JORC-compliant Inferred Resource of 1,000,000oz of gold or gold equivalent is defined on the Project tenements;
- Tranche C – 30,000,000 Performance Rights will be converted into Ordinary Shares if, within a period of 5 years after the date of issue of the Performance Rights, a JORC-compliant Inferred Resource of 1,500,000oz of gold or gold equivalent is defined on the Project tenements.

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Shareholder approval for the issue of both Ordinary Shares and Performance Rights to Terrativa was obtained at the Company's 2017 AGM held on 24 May 2017, following the grant of an ASX waiver to ASX Listing Rule 7.3.2 such that the 30,000,000 Ordinary Shares and 90,000,000 Performance Rights could be issued more than three months after the date of the AGM.

Following the issue of the Ordinary Shares Terrativa holds 76,501,476 ordinary shares for 4.3% of the total issued capital, becoming the Company's largest individual shareholder.

Terrativa's President, Mr Ingo Wender, said Terrativa was pleased to increase its shareholding in the Company as a result of the active exploration work being undertaken by Centaurus within the Pará EP and its decision to exercise its right to acquire 100 per cent of the package.

"We have seen many world-class discoveries made in the Carajás and to be actively exploring in such a prospective location is very exciting," Mr Wender said. "The whole Centaurus team has shown that it is dedicated to making a major discovery in Brazil and this is something that we look forward to being part of as a major shareholder of the Company."

Centaurus' Managing Director, Mr Darren Gordon, said the decision to exercise the Company's rights to the ground following completion of the earn-in obligation had been an easy one.

"This package of ground has every opportunity to provide the Company with a major discovery, and to have secured such strategically located tenure in the heart of the world-class Carajás Mineral Province is an extremely pleasing outcome for the Company," he said.

"It's quite rare for junior companies to have the opportunity to gain access to ground in this province, and we will now look to build on this opportunity by soon commencing an active exploration program at the Salobo West Copper-Gold Project. Centaurus is now only one of two companies that have significant tenement holdings within the main Cinzento Shear Zone of the Carajás Mineral Province."

"The Serra Misteriosa Gold Project also remains a key target for the Company and, in this regard, we are now undertaking a review of all information collected to date from the first round of diamond drilling to assess where to best locate future drill holes. We are dealing with a very large mineralised system and, in respect to the 2.5km +100ppb soil anomaly, we have really only just scratched the surface from an exploration perspective.

"Terrativa has been very supportive of the Company and we look forward to continuing our excellent relationship with them as we focus our near term exploration efforts on the Salobo West Copper-Gold Project."

-ENDS-

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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 Australasian 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.