

19 July 2016

MOMBUCA GOLD PROJECT: MAIDEN DIAMOND DRILLING CAMPAIGN COMMENCES

2,500m program underway to test outstanding geophysical targets following recent successful capital raise

Key Points

- **Diamond drill rig on site at the Mombuca Gold Project in SE Brazil and now operating on double-shift as the Company's maiden 2,500m drill program gets underway.**
- **First drilling to target multiple IP chargeability anomalies¹ in the ITZ Prospect. The ITZ Prospect is a 1.5km long gold-in-soils geochemical anomaly hosting gold-bearing quartz veins with sulphides set amongst extensive artisanal workings (which have returned rock chips grading up to 12.2 g/t Au²).**
- **The second phase of drilling will test the Bela Prospect, located 1.5km east of the ITZ Prospect, where the Company has identified a large-scale chargeability target that is perfectly coincident with a localised magnetic low feature within a broader magnetic high anomaly.**
- **The strong correlation between the chargeability high, the resistivity high and the magnetic low in both prospect locations is a strong indicator of magnetite depletion by sulphide-rich fluids and represents excellent drill targets.**

Centaurus Metals (ASX Code: **CTM**) is pleased to announce that the Company's maiden drilling campaign on its 100%-owned high-grade **Mombuca Gold Project** in south-eastern Brazil is underway. The program will include ~2,500m of diamond drilling and will test multiple strong geophysical and geochemical targets to a depth of 300m below surface.

The drilling will commence at the ITZ Prospect (Figure 1). The ITZ Prospect is a 1.5km long gold-in-soils geochemical anomaly hosting gold-bearing quartz veins with sulphides set amongst extensive artisanal workings (which have returned rock chips grading up to 12.2 g/t Au) where multiple IP anomalies have been identified.

Once drilling has been completed at the ITZ Prospect, the rig will move to the Bela Prospect (Figure 1), which is located some 1.5km to the east. Bela, or "beautiful" in Portuguese (which was previously referred to as IP line 675540mE) is an outstanding target which has numerous positive features from a geophysical perspective.

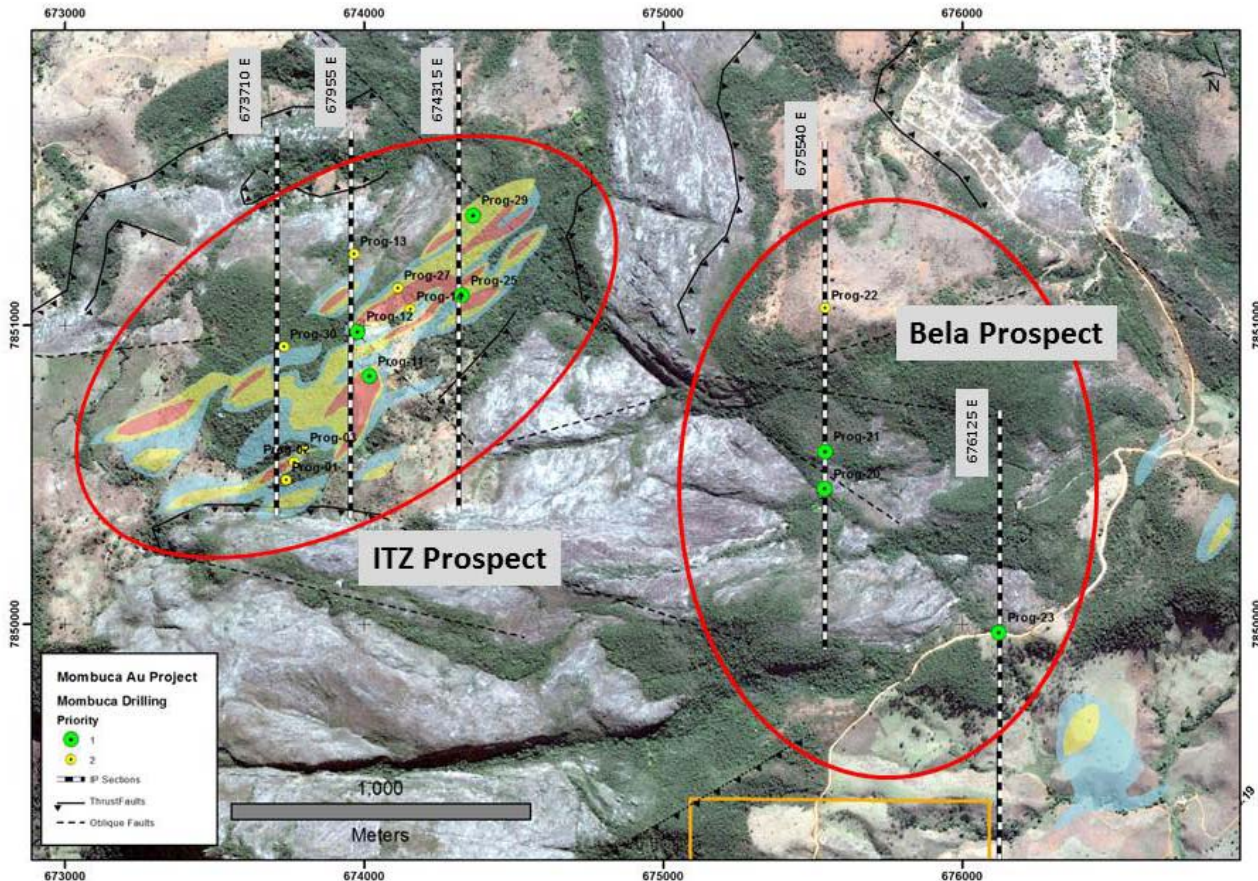
¹ Refer to [ASX announcement on 16 May 2016](#) for full details on Mombuca geophysical survey results (IP and ground mag).

² Refer to [ASX announcement on 2 February 2016](#) for full details on Mombuca exploration results, including trench, rock-chip and historical face sampling results.



The Bela Prospect represents the coincidence of a strong IP chargeability target with a localised magnetic low feature within a broader magnetic high and, as such, represents an outstanding exploration target for sulphide-hosted gold, similar to what the Company’s exploration team has observed at surface.

Figure 1 – Mombuca Project showing Prospect locations over satellite image.



Centaurus’ Managing Director, Mr Darren Gordon, said the Company was grateful for the strong support received from the local community which, combined with the hard work of its exploration team, had enabled it to gain access to commence drilling of these fantastic targets within weeks of securing funding for the drill campaign.

“We have put a lot of effort into developing these targets and preparing the project for drilling. We are now really excited about having the opportunity to test them. Drilling has now commenced at the ITZ Prospect, where we see a combination of geochemical and geophysical anomalies, all in an area covered by widespread historical artisanal workings.”

“Some of the chargeability anomalies we are targeting extend to a depth of more than 250m from surface and are coincident with gold-bearing sulphide mineralisation at surface. The holes being drilled by Centaurus will be the first deep drill holes targeting gold mineralisation in the region, so we are really excited to establish the cause of these regionally significant anomalies identified by our exploration work to date.”

More detailed information on the exploration targets currently being tested was provided in the Company’s ASX Announcement on 16 May 2016. Investors are referred to that announcement for a detailed description of the targets.



Figure 2 – Diamond drill rig on site at Mombuca Gold Project.



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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 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.