

6 September 2010

GEORGE JONES JOINS CENTAURUS AS STRATEGIC CONSULTANT

CENTAURUS TO BENEFIT FROM THE SERVICES OF ONE OF AUSTRALIA'S MOST EXPERIENCED IRON ORE EXECUTIVES AS IT MOVES TOWARDS PRODUCTION IN BRAZIL

International iron ore company Centaurus Metals Ltd (ASX Code: **CTM**) is very pleased to announce that one of Australia's leading iron ore executives, Mr George Jones, has joined Centaurus as a strategic consultant, as it moves towards production from its extensive iron ore portfolio in Brazil.

Mr Jones will provide advice to Centaurus' Board and Management team on a number of important aspects of its business as it progresses the development of several potential iron ore production projects in south-east Brazil.

Centaurus is working towards an initial production strategy based on the supply of 3Mtpa of high-grade iron ore into the domestic steel industry in and around Brazil's "Iron Quadrangle" by the end of 2013 and to develop a resource base for a potential future export business.

Mr Jones has an extensive international contact network and knowledge of the global iron ore and steel industry and capital markets which will greatly assist Centaurus as it works towards building a substantial iron ore company in Brazil.

Specifically, Mr Jones will provide advice in respect to the development of strategic relationships for Centaurus' future export plans in Brazil, access to new capital markets, current market conditions in the global iron ore market and future off-take arrangements and associated project development funding.

Mr Jones is one of Australia's most accomplished mining executives, with more than 35 years experience in the mining, banking and finance industries.

As the former Executive Chairman of Portman Mining Limited, he was instrumental in overseeing the growth of that company over the course of a decade, taking it from a start-up iron ore producer in the early 1990s to a 6Mtpa producer of direct shipping iron ore with a market capitalisation of over \$600 million in 2005 when it was acquired by Cleveland-Cliffs.

More recently, he has overseen the growth and development of leading Australian iron ore company Gindalbie Metals Limited (ASX: GBG) over the past five years as Chairman. In this role, he has led the financing and development of the \$2 billion Karara Magnetite Project in Western Australia, the largest new resource development project in Western Australia's Mid West region.

Mr Jones is also Chairman of the international iron ore company Sundance Resources Limited (ASX: SDL), where he led the Company's response to the recent tragic air crash in Africa.



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Centaurus Chairman Mr Didier Murcia said both he and Centaurus Managing Director Darren Gordon had worked closely with Mr Jones over many years.

"We have seen first-hand the value George brings to a company," Mr Murcia said. "It is extremely pleasing to secure his services as a strategic consultant. George's extensive knowledge of the iron ore industry and capital markets will be highly valuable to Centaurus and its shareholders. I doubt that there is anyone more qualified to provide the sort of strategic advice Centaurus is seeking as it progresses its iron ore business in Brazil."

Mr Jones said he was looking forward to helping Centaurus maximise the value of its assets.

"I am pleased to take up this opportunity to assist the Centaurus team with the implementation of its iron ore production strategy in Brazil," Mr Jones said. "Centaurus has assembled a quality portfolio of near-production assets and has a high-calibre board and management team. I look forward to providing advice and input to their strategy and assisting them to realise full value from these assets."

As part of the Agreement, Mr Jones will be issued with 10 million options in two tranches, subject to shareholder approval, as set out below:

Tranche	No of Options	Vesting Date	Exercise Price	Expiry Date
Tranche 1	5 million	31 March 2011	10 cents	31 August 2014
Tranche 2	5 million	31 December 2011	12 cents	31 August 2014

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