



CentaurusMetals
Limited
ASX: CTM

Centaurus: Powering towards production

- Jambreiro Feasibility Study:
Q3 2012
- Approvals and Financing:
Q4 2012
- Construction:
Q2 2013

Darren Gordon
Managing Director



Diggers & Dealers – August 2012



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- The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Roger Fitzhardinge who is a Member of the Australasia Institute of Mining and Metallurgy and Volodymyr Myadzel who is a Member of Australian Institute of Geoscientists. Roger Fitzhardinge is a permanent employee of Centaurus Metals Limited and Volodymyr Myadzel is the Senior Resource Geologist of BNA Consultoria e Sistemas Limited, independent resource consultants engaged by Centaurus Metals. Roger Fitzhardinge and Volodymyr Myadzel have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve'. Roger Fitzhardinge and Volodymyr Myadzel consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.
- The information in this report that relates to Ore Reserves is based on information compiled by Beck Nader who is a professional Mining Engineer and a Member of Australian Institute of Geoscientists. Beck Nader is the Managing Director of BNA Consultoria e Sistemas Ltda and is a consultant to Centaurus. Beck Nader has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve'. Beck Nader consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Overview



- Building a long-term iron ore business in SE Brazil
- Developing low capital and operating cost mines near existing infrastructure and customers
- 2Mtpa domestic production on track to commence at Jambreiro by Q4 of 2013:
 - Bankable Feasibility Study Q3 2012, approvals well advanced, financing Q4 2012
- Export strategy targeting initial 1-2Mtpa of production using established infrastructure
- High-grade, low impurity consistent quality product: growing domestic market
- Experienced in-country management and technical team, backed by a strong Board
- Supportive strategic shareholders: Atlas Iron (19.85%), Liberty Metals & Mining (12.95%)

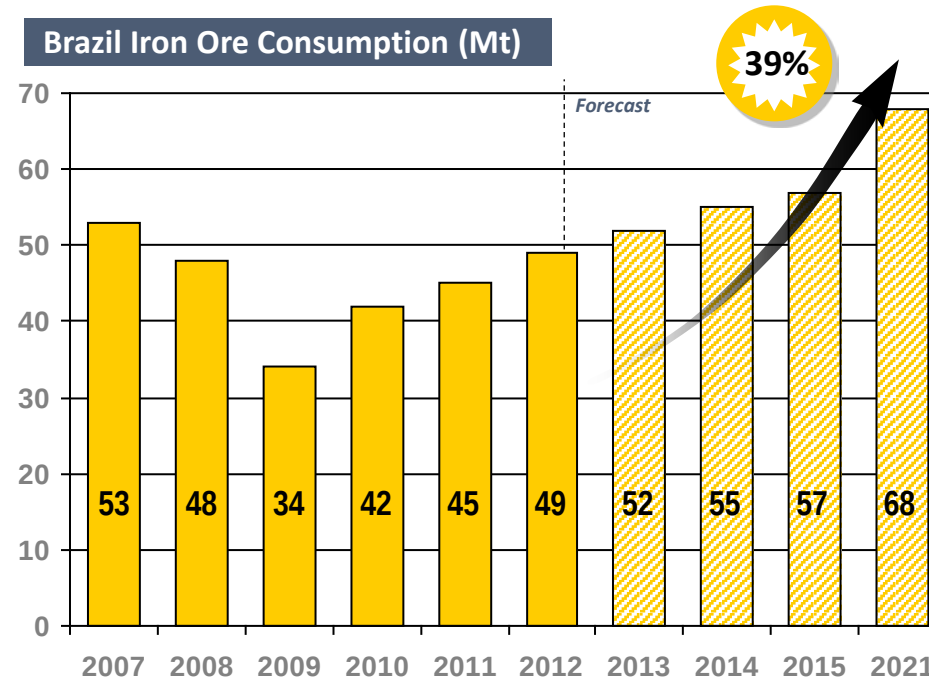
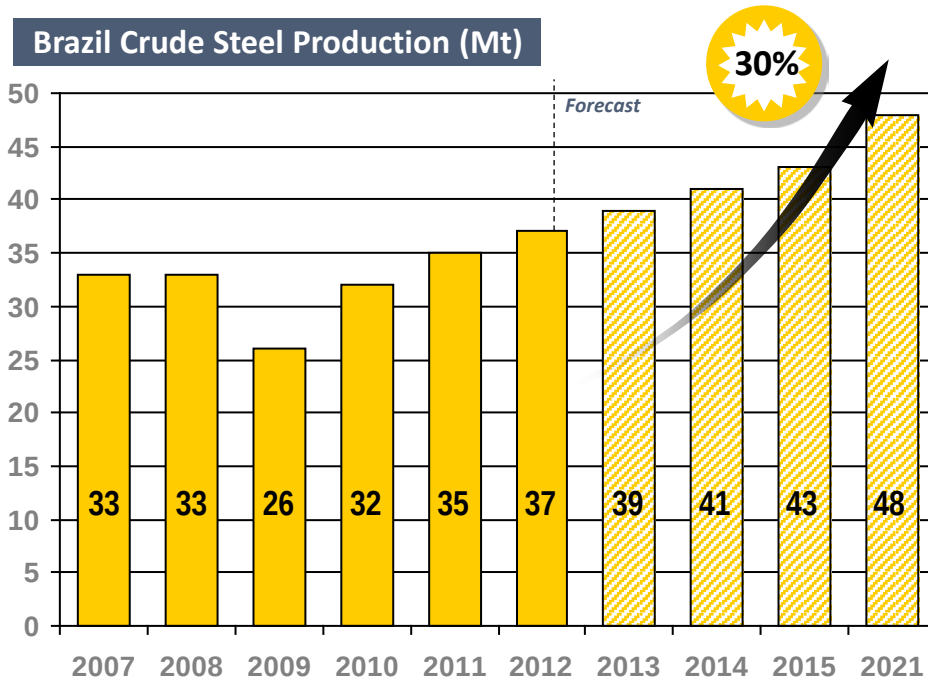
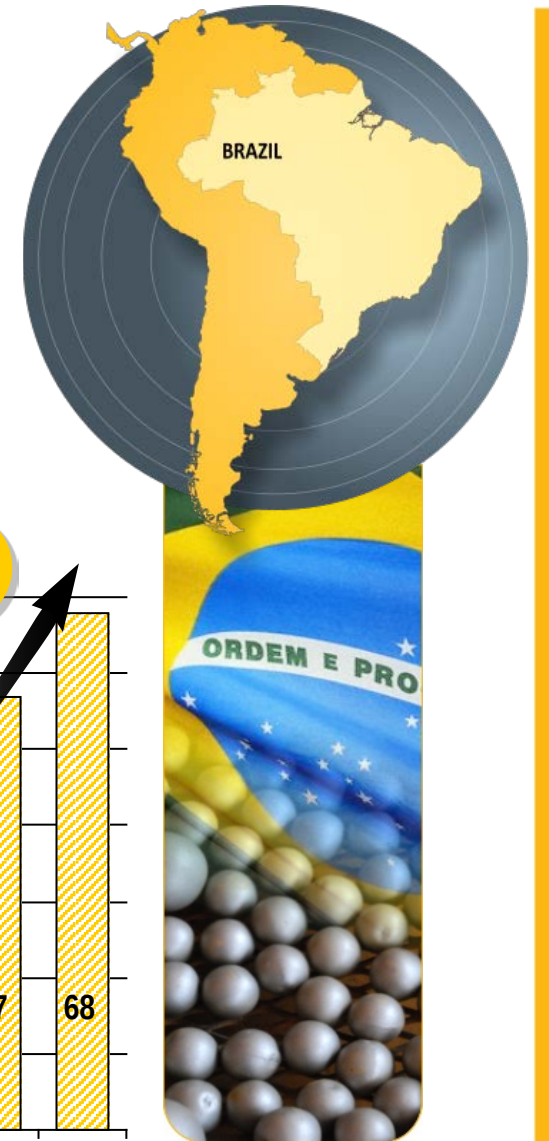
Centaurus Metals is well advanced towards its goal of becoming a profitable iron ore producer in Brazil by late 2013.



Brazilian Iron Ore Market



- Large domestic market for iron ore consumption
- Brazilian economy expected to rebound in the medium term with infrastructure investment for 2014 Soccer World Cup and 2016 Olympics
- Significant market opportunity with major steel mills located within 150km radius of key Centaurus Projects



Source: CRU International Limited – The Iron Ore Market Limited Interim Report – April 2012

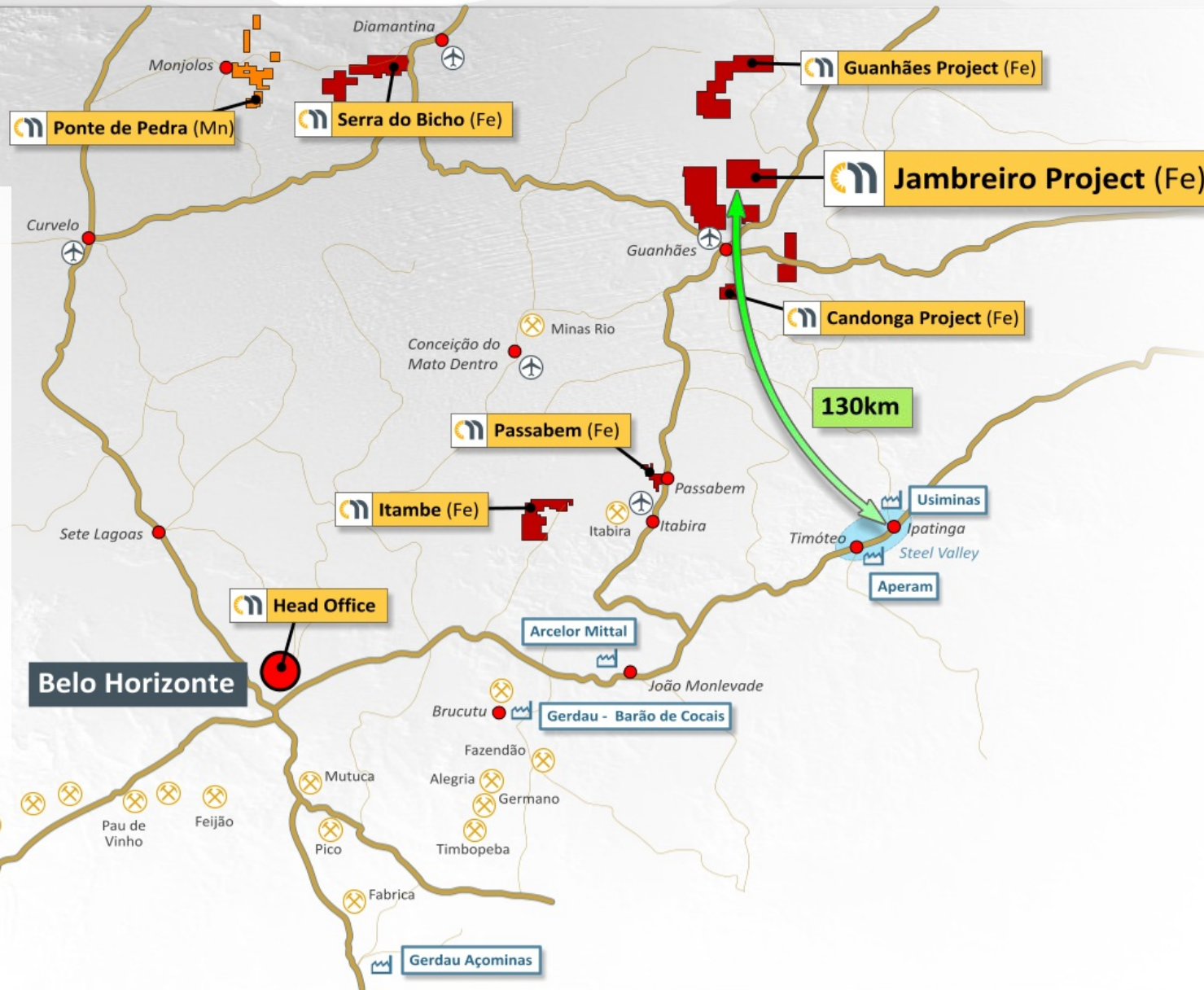
Brazilian Domestic Project Hub



Domestic Project Hub



Minas Gerais

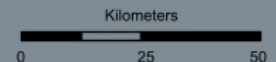


- 174Mt resource base – three projects
- Cornerstone = Jambreiro Project (125.2Mt) – 130km from Ipatinga steel-making region
- Future growth potential: Guanhaes tenements, Passabem, Itambé



Belo Horizonte

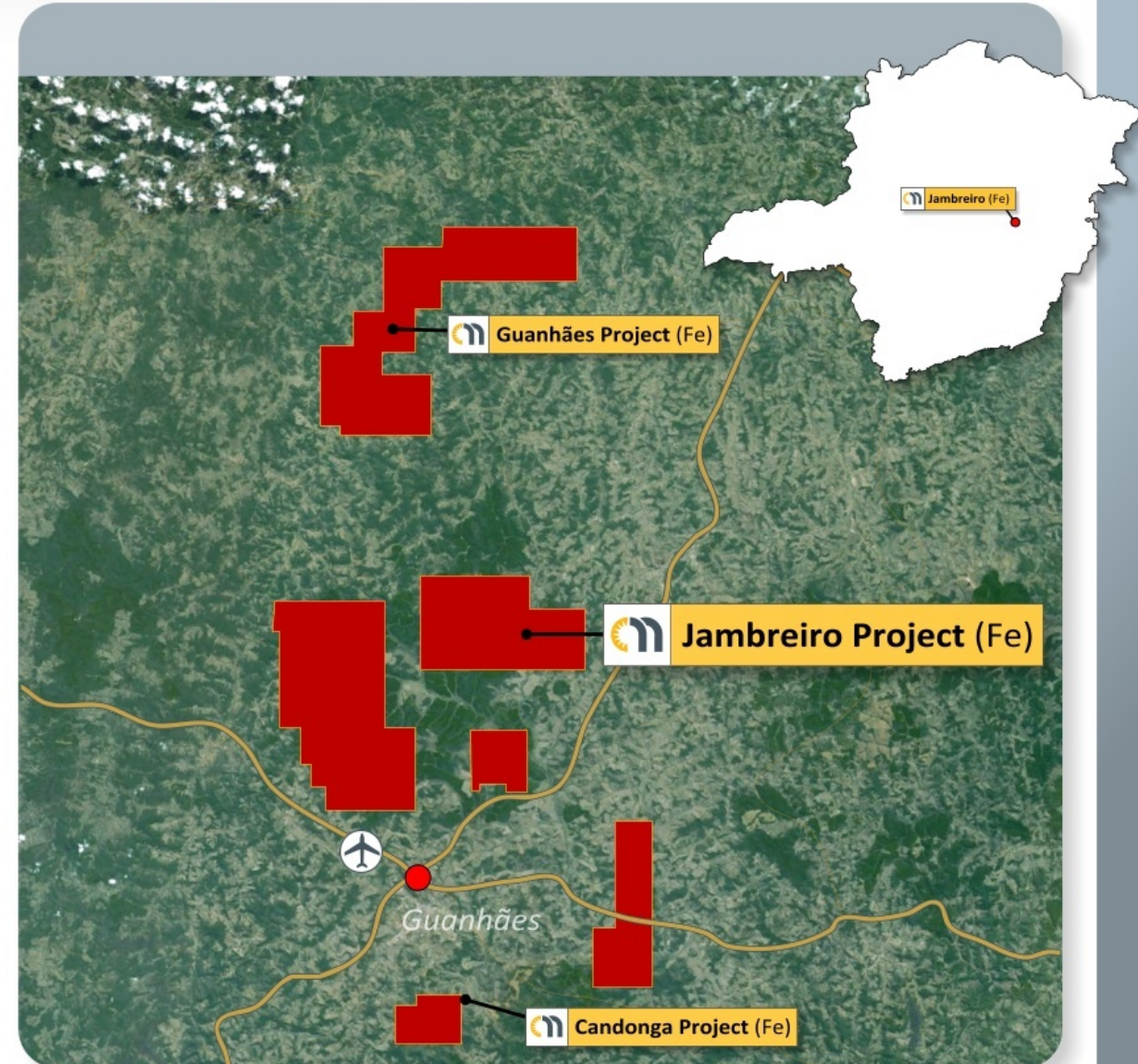
- Large City
- Town
- ✈ Airport
- Centaurus Project (Fe)
- Centaurus Project (Mn)
- ⊗ Major Iron Ore Mine
- Smelter



Jambreiro – Production on Track for 2013



- Pre-Feasibility Study – November 2011:
 - Operating costs: A\$20/tonne
 - EBITDA: A\$858M, annual cash flows: A\$101M
 - Post-tax NPV: A\$289M, IRR: 53%
 - Pre-production CAPEX: A\$132M
- Bankable Feasibility Study underway
- Targeting production of 2Mtpa @ 65 - 66% Fe by Q4 2013, growing to 3Mtpa
- Aiming to be consistent and reliable supplier of high-quality, low impurity iron ore to domestic steel mills
- Approvals process well advanced
- Updated JORC resource of 125.2Mt @ 26.7% Fe with large lift in Measured Resources for BFS



Jambreiro – Bankable Feasibility Study



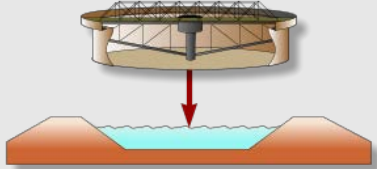
RESOURCES & MINING



- In-fill drilling complete ✓
- BFS JORC resource upgrade complete:
125.2Mt @ 26.7% Fe ✓
- Pit Optimization work complete ✓
- Mine Sequencing in progress
- BFS Ore Reserves: September 2012

- Consultant: BNA Micromine do Brazil Consultoria Ltda (Brazilian branch of international Micromine services & software group) – Resource, Reserve and Mining work

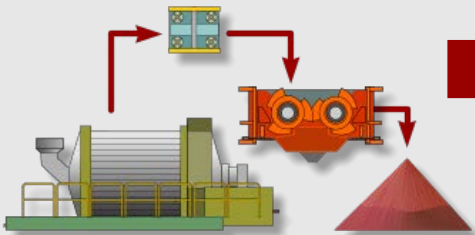
GEOTECH, WATER, TAILINGS



- Geotech drilling for pit walls complete ✓
- Geotech drilling for tailings dam, plant area and workshop near complete. 6 rigs on site
- Water & Power trade-off studies underway

- Consultant: WALM Engenharia e Tecnologia Ambiental Ltda (Brazilian-based engineering group with extensive experience working on numerous Iron Quadrangle iron ore mines) – input to BFS on geotechnical, water & waste management

PROCESS, ENGINEERING, DESIGN



- Positive results from pilot plant testwork ✓
- Product being prepared to deliver to potential customers
- Potential reductions in CAPEX and OPEX from introduction of jig to the plant design
- Engineering design and CAPEX and OPEX estimates underway

- Consultant: Contecmina Consultoria em Mineração (subsidiary of major Brazilian engineering house Contécnica) – beneficiation flowsheet, basic engineering and equipment selection for the BFS
- New Process Engineer and Engineering Manager engaged in-house to support Jambreiro BFS and development

Jambreiro – Attractive Economics, Low Mining Costs

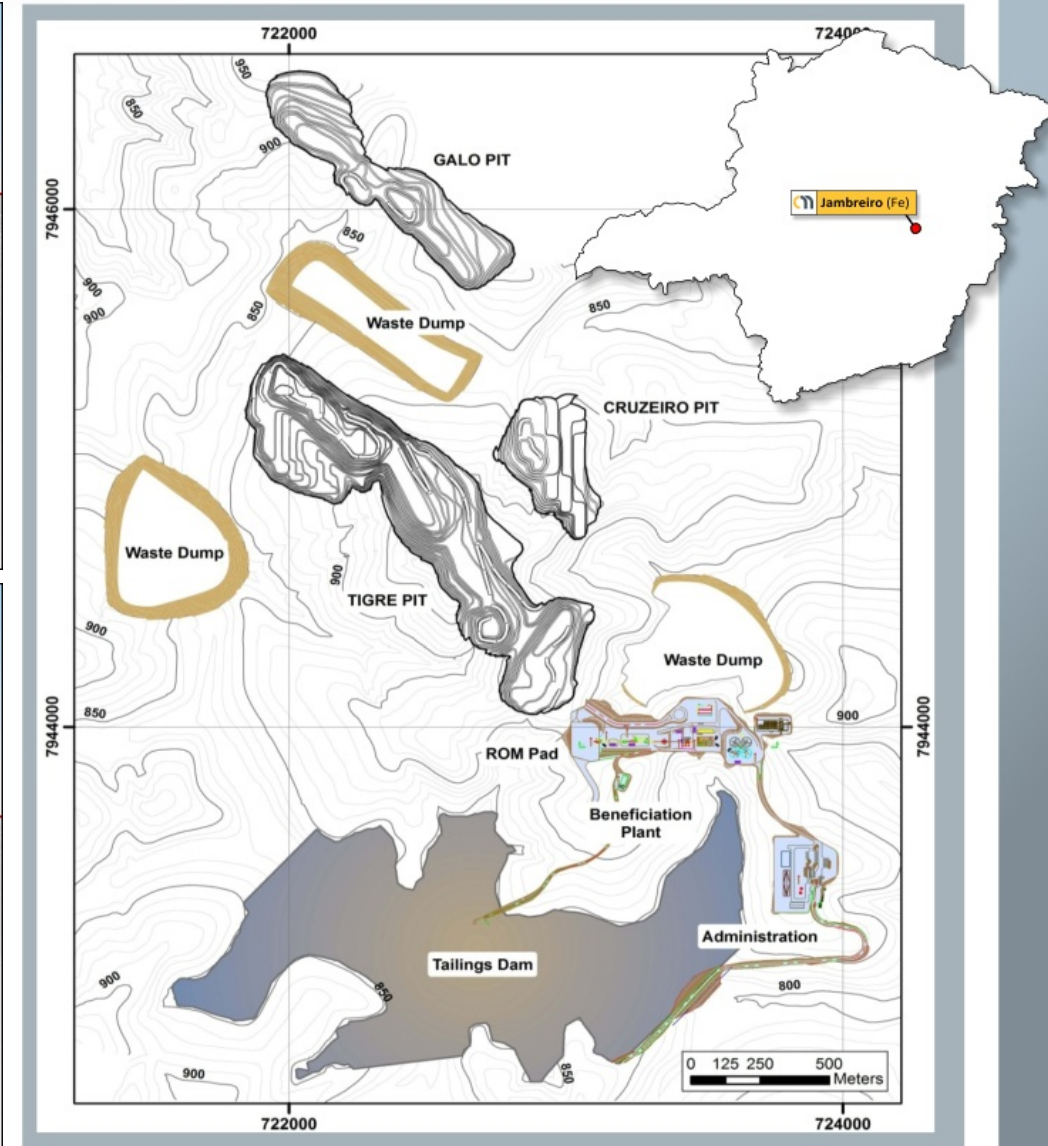
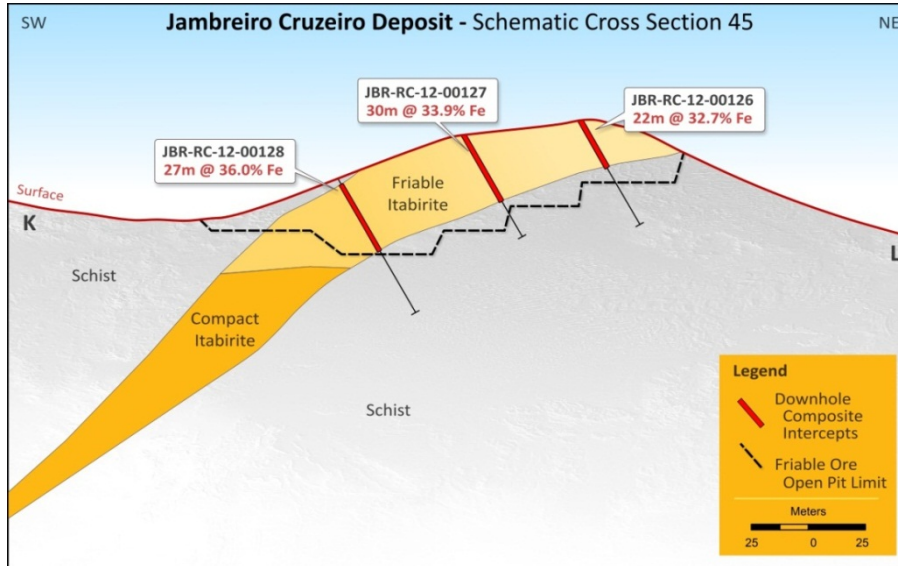
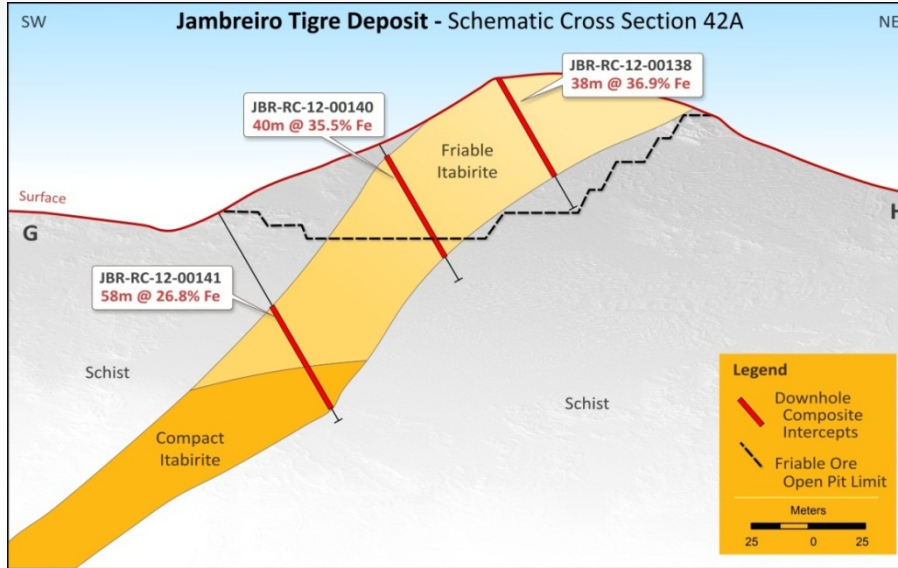


PFS Assumptions

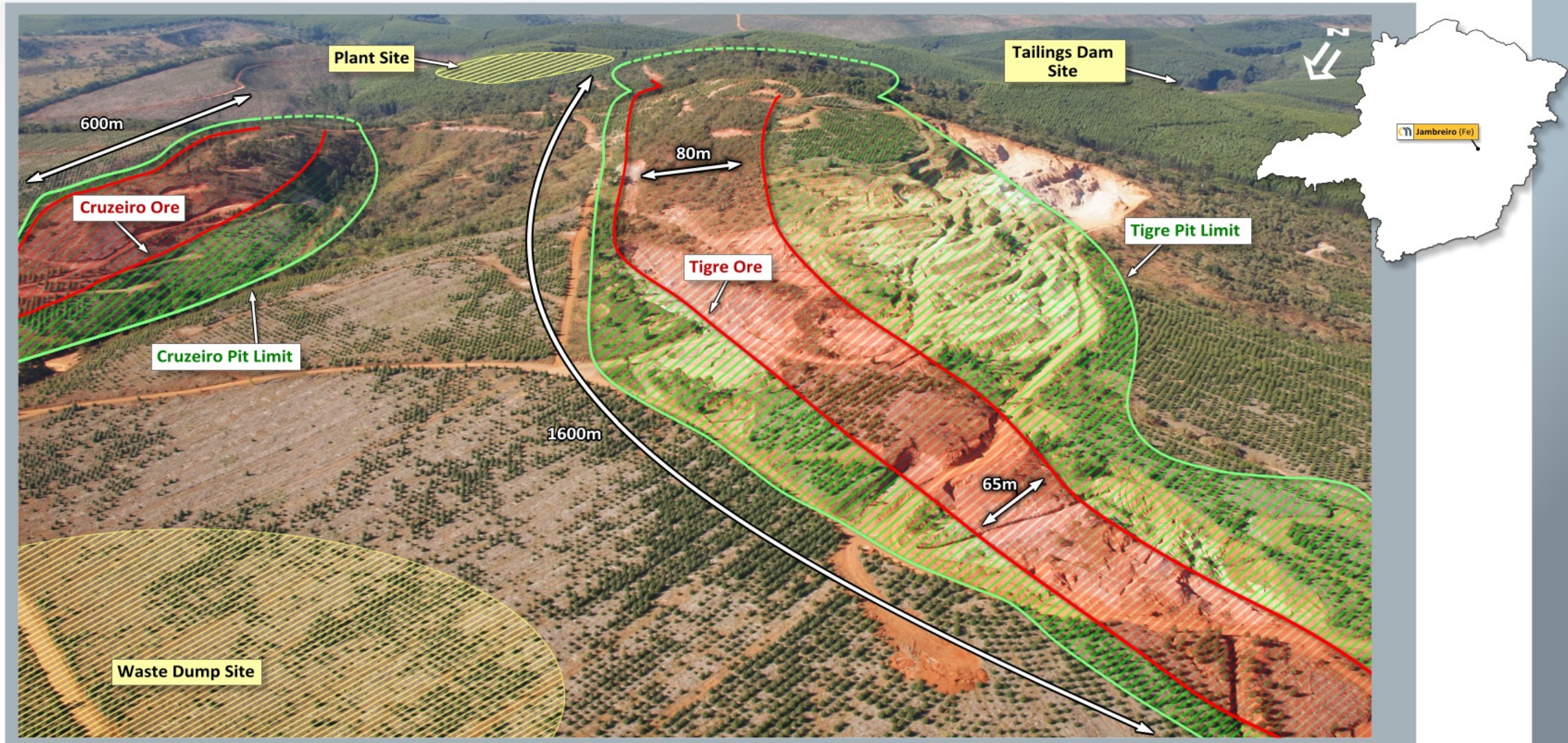
Initial mine life: 8.5 years

Strip ratio: 0.94:1

Production rate: 2Mtpa



Jambreiro – Planned Site Layout

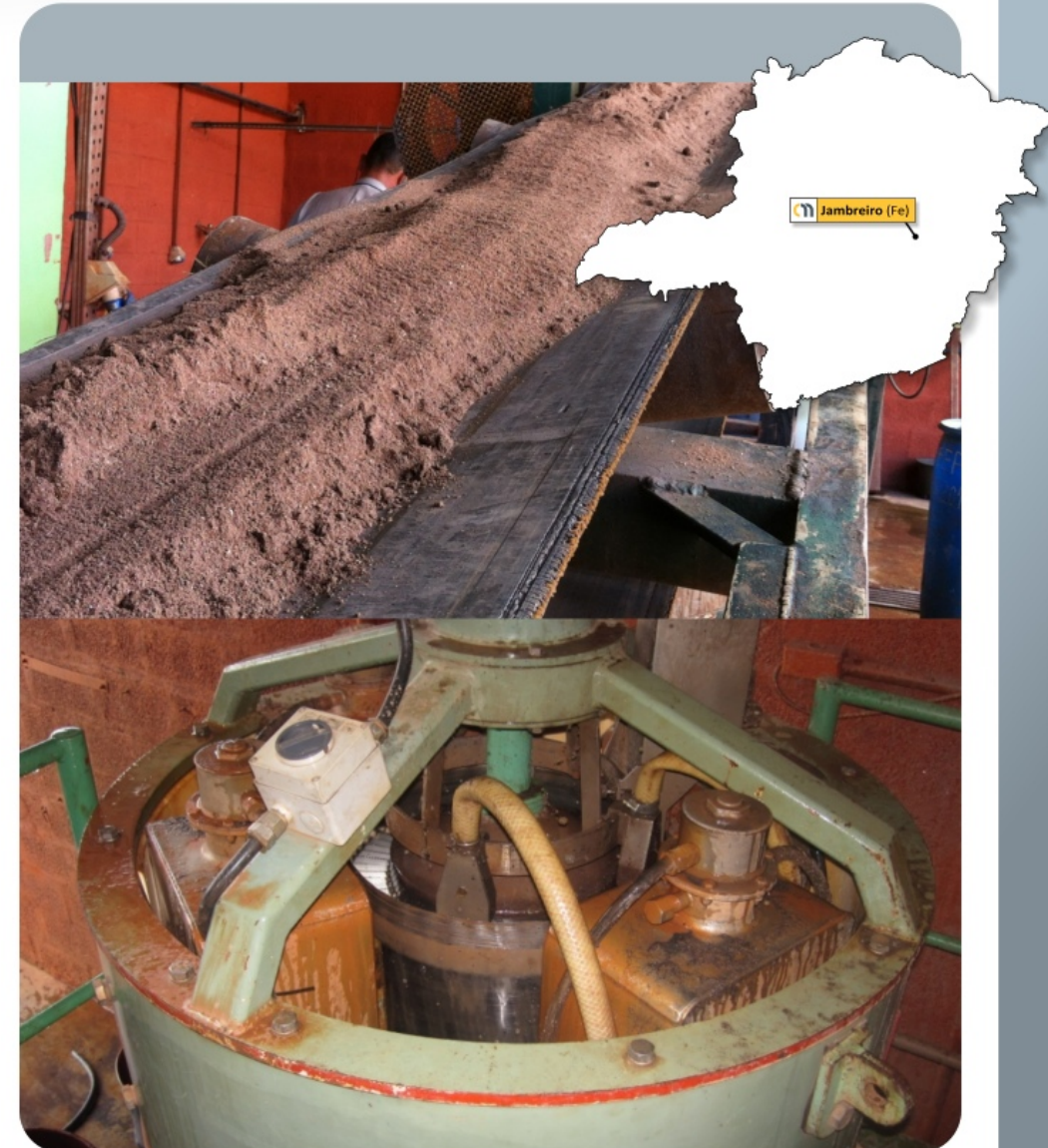


Jambreiro – Product Quality



PRODUCT QUALITY	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	Mass Recovery %
PROCESS – WET MAGNETIC SEPARATION					
FRIABLE ORE – PILOT PLANT (30T)					
Head Grade	30.4	52.3	2.7	0.02	
Beneficiated Product	66.0	4.1	0.8	0.01	39.4
FRIABLE ORE – SEMI PILOT PLANT (2.5T)					
Head Grade	29.8	50.7	3.7	0.03	
Beneficiated Product	65.6	2.8	0.9	0.01	38.0
COMPACT MINERALISATION – BENCH SCALE					
Head Grade	25.0	55.9	2.2	0.07	
Beneficiated Product	66.2	3.7	0.9	0.01	35.2

30 Tonne Pilot Plant Testwork Program Complete and Product being Prepared for Potential Customers



Jambreiro – Land Access & Approval Process



Environmental Approvals

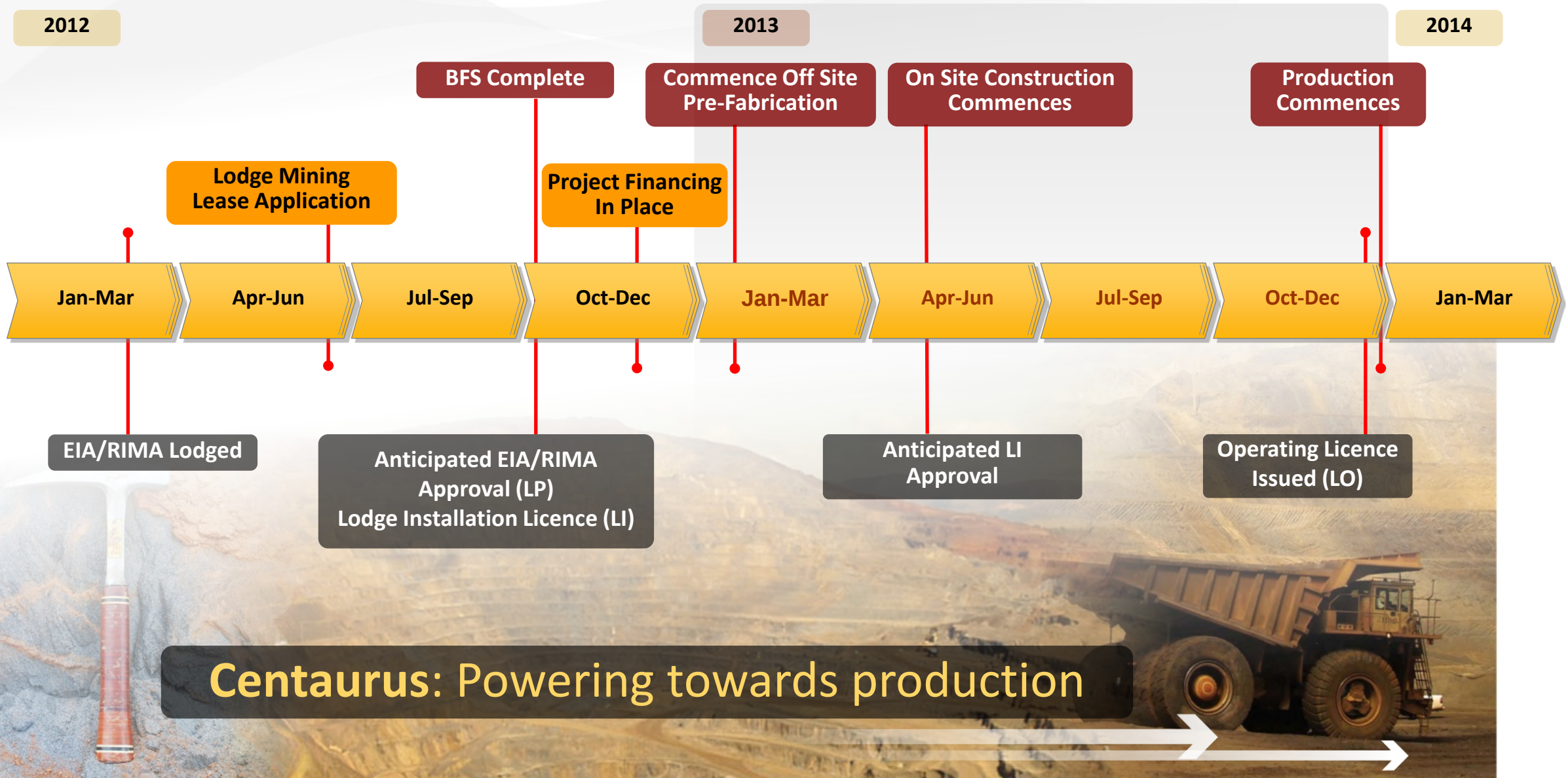
- EIA/RIMA lodged with SUPRAM
- Three stage approval process
 - LP October 2012 (On track)
 - LI April 2013
 - LO December Quarter 2013
- Strong community support for Project
 - Job creation
 - Share of royalty
- SUPRAM has undertaken site visit. Successful Public Hearing held in São João Evangelista in late June

Land Access

- 10-year land access and co-operation signed with land owner CENIBRA
- Project land used to grow eucalypt trees
- Much of Project area already cleared



Jambreiro – Development Timeline



Corporate Overview



Capital Structure (post capital raising)*

Shares on Issue	196.0m
Options	13.6m
Share Price	\$0.35
Market Capitalisation	\$69m
Cash at bank	\$35m
Enterprise Value	\$34m

**Following completion of \$26.2m capital raising – September 2012*

Broker Research

Broker	Date	12-Month Price Target
Hartleys	24-07-12	\$1.52
Ord Minnett	09-07-12	\$1.75
Cannacord BGF	20-06-12	\$1.16
Bell Potter	05-06-12	\$1.43
RFC Ambrian	31-05-12	\$1.78
PCF Capital	04-05-12	\$1.44

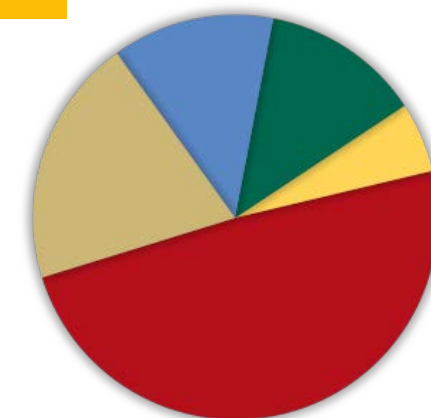
Centaurus Metals Board

Didier Murcia	Non-Executive Chairman
Darren Gordon	Managing Director
Peter Freund	Operations Director
Keith McKay	Non-Executive Director
Richard Hill	Non-Executive Director
Mark Hancock	Non-Executive Director

Major Shareholders (post capital raising)

Atlas Iron Ltd (19.85%) – An Australian iron ore company listed on the ASX (AGO), currently producing at the rate of ~6Mtpa. Since listing in 2004, Atlas has grown rapidly as is now an S&P ASX 100 company. Atlas employs over 450 people, has a market capitalisation of circa \$2.0 billion, cash reserves of \$400 million (30 June 2012) and no debt.

Liberty Metals and Mining Holdings LLC (12.95%) – A Boston based subsidiary of Liberty Mutual Insurance, the third largest diversified property and casualty (“P&C”) insurer in the US and the sixth largest P&C insurer worldwide.



Atlas Iron Ltd - 19.85%
Liberty Metals & Mining Holdings LLC - 12.95%
Institutions - 12.69%
Directors and Management - 5.48%
Others - 49.03%

Summary



- Brazil-focused iron ore developer
- Proven business model: **Mine, Beneficiate, Deliver**
- Low capital intensity, low operating costs
- Strong forecast cash flows
- Close to production: Feasibility Study nearing completion
- Well-funded: \$35m cash following completion of placement – Early September 2012
- Supportive strategic shareholders: Atlas & Liberty



Centaurus is poised to join the ranks of Australian iron ore producers...in Brazil.





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Centaurus: Powering towards production

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