

CENTAURUS METALS LIMITED
ACN 009 468 099
NOTICE OF ANNUAL GENERAL MEETING AND
EXPLANATORY MEMORANDUM

For the Annual General Meeting to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday,
29 May 2014 at 10am (WST)

As this is an important document, please read it carefully.

***If you are unable to attend the Annual General Meeting, please complete
the proxy form enclosed and return it in accordance with the
instructions set out on that form.***

CENTAURUS METALS LIMITED

ACN 009 468 099

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of Centaurus Metals Limited ("**Centaurus**" or the "**Company**") will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 29 May 2014 commencing at 10am (WST) ("**Meeting**"). The enclosed Explanatory Memorandum accompanies and forms part of this Notice of Meeting.

AGENDA

ORDINARY BUSINESS

Financial Report (no resolution required)

To receive the Financial Report of the Company for the year ended 31 December 2013 together with the Directors' Report in relation to that financial year and the Auditor's Report on the Financial Report.

Note: This item of business is for discussion only and is not a resolution.

Resolution 1 - Adoption of Remuneration Report

To consider and, if thought fit, to pass the following non-binding resolution as an **ordinary resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report appearing in the Company's Annual Report."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

The Company will disregard any votes cast (in any capacity) on Resolution 1 by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may cast a vote on Resolution 1 if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
 - (b) it is cast by the Chairman as proxy for a person who is entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
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Resolution 2 – Re-election of Director – Mr Mark Hancock

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Mark Hancock, who retires by rotation in accordance with Rule 51.2 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

SPECIAL BUSINESS

Resolution 3 - Ratification of Share Placement

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the issue of 40,000,000 fully paid ordinary shares in the capital of the Company, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 3 by any person who participated in the issue and any of their associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 4 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, to be issued on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 4 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the Resolution is passed and any associates of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 5pm (WST) on 27 May 2014.

BY ORDER OF THE BOARD



Geoff James
Company Secretary
17 April 2014

CENTAURUS METALS LIMITED

ACN 009 468 099

EXPLANATORY MEMORANDUM

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders of Centaurus Metals Limited (“**Centaurus**” or the “**Company**”) in connection with the business to be conducted at the Annual General Meeting of the Company to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 29 May 2014 commencing at 10am (WST). This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

Financial Report (no resolution required)

A printed hard copy of the Annual Financial Report which includes the Financial Report, Directors’ Report and Auditor’s Report for the year ended 31 December 2013, has been sent to all Shareholders who requested it. The Annual Report is available on the Company’s website at www.centaurus.com.au.

There is no requirement for Shareholders to approve those reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company.

Shareholders will also be given an opportunity to ask the auditor or its representatives questions about the conduct of the audit and the preparation and content of the Auditor’s Report.

1. RESOLUTION 1 – Adoption of Remuneration Report

Pursuant to the Corporations Act, the Company is required to put the Remuneration Report to the vote of Shareholders. The Annual Financial Report for the year ended 31 December 2013 contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the Directors and other Key Management Personnel. The provisions of the Corporations Act provide that the vote is only an advisory vote of Shareholders and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Pursuant to the Corporations Act, if a company’s Remuneration Report receives a “no” vote of 25 per cent or more at two consecutive Annual General Meetings, a resolution must then be put to shareholders at the second Annual General Meeting as to whether another meeting should be held at which all directors (other than the Managing Director) who were in office at the date of approval of the applicable Remuneration Report must stand for re-election (“**spill resolution**”). If more than 50% of Shareholders vote in favour of the spill resolution the Company must convene an extraordinary general meeting within 90 days of the second Annual General Meeting. In summary, Shareholders will be entitled to vote in favour of holding a general meeting to re-elect the Board if the Remuneration Report receives “2 strikes”. At the Company’s previous Annual General Meeting, the votes cast against the Remuneration Report were less than 25%.

The Chairman will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on the Remuneration Report.

Voting Restrictions

Key Management Personnel including Directors (excluding the Chairman in certain circumstances) and their Closely Related Parties may not cast any votes in respect of Resolution 1 that arise from any proxy that they hold unless the appointment gives a direction on how to vote or the proxy is given to the Chairman and expressly authorises the Chairman to exercise undirected proxies even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman will use any such proxies to vote in favour of the Resolution. Therefore, the Company encourages you to carefully read the proxy form and direct your proxy on how to vote on Resolution 1.

2. RESOLUTION 2 – Re-Election of Director – Mr Mark Hancock

In accordance with Rule 51.1 of the Constitution, an election of Directors shall take place each year. According to Rule 51.2 of the Constitution, at every Annual General Meeting, each Director who has retained office for more than three years since their appointment shall retire from office and is eligible for re-election. Under Rule 51.5 of the Constitution, if at any Annual General Meeting no Director is required to retire under the terms of Rule 51.2 of the Constitution, then the Director who has been longest in office since their last election shall retire from office, and if more than one have equal tenure then the Director to retire shall in default of agreement between them be determined by lot. These requirements for a Director to retire do not apply to a Managing Director.

Accordingly, Mr Hancock retires and being eligible for re-election, offers himself for re-election at the Meeting.

Mr Hancock has been a non-executive Director since 23 September 2011. He is a member of the Audit & Risk Committee. Mr Hancock is the representative of Atlas Iron Limited, a major shareholder with a 21.3% interest in the Company. Mr Hancock is a Chartered Accountant with more than 25 years professional experience in senior financial roles across a number of leading Australian and international companies including Lend Lease Corporation Ltd, Woodside Petroleum Ltd and Premier Oil plc. He is currently an Executive Director – Commercial and joint Group Secretary at Atlas Iron Limited. In addition Mr Hancock has served as Atlas' representative on the Board of other ASX listed iron ore players, Warwick Resources Limited, Aurox Resources Limited, Giralda Resources NL and FerrAus Limited.

The Board (other than Mr Hancock) supports and recommends that Shareholders vote in favour of the re-election of Mr Hancock.

3. RESOLUTION 3 – Ratification of Share Placement

3.1 Background

On 4 April 2014 the Company announced that it would make a placement ("**Placement**") of up to \$5,000,000 to the Company's cornerstone shareholders, Atlas Iron Limited ("**Atlas**") and Liberty Metals & Mining Holdings, LLC ("**Liberty**") and to institutional, sophisticated and professional investors.

Subject to certain exceptions and Listing Rule 7.1A, Listing Rule 7.1 prevents a company from issuing or agreeing to issue new securities in any 12 month period which amount to more than 15% of the Company's ordinary securities on issue without shareholder approval.

As an Eligible Entity that has obtained Shareholder approval under Listing Rule 7.1A at its previous Annual General Meeting, the Company has the capacity to issue an additional 10% of its issued capital which allows the Company to issue new securities in any 12 month period amounting to up to 25% of the number of ordinary securities the Company has on issue ("**25% Limit**").

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under Listing Rule 7.1 and 7.1A approval, provided the issue did not breach Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to the limits imposed by Listing Rules 7.1 and 7.1A. The Company confirms the issue of shares the subject of Resolution 3 did not breach Listing Rule 7.1.

The Company wishes to ratify this issue pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 25% of its issued capital at any time during the next 12 months.

3.2 ASX Listing Rule 7.4

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) on 10 April 2014 the Company issued 40,000,000 fully paid ordinary shares;
- (b) the Shares were issued at a price of \$0.125 per share, raising a total of \$5,000,000 for the Placement;
- (c) the Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (d) the allottees to whom the Shares were issued to were:

Name	Shares	Amount \$
Atlas	12,000,000	1,500,000
Liberty	9,000,000	1,125,000
Institutional, sophisticated and professional investors	19,000,000	2,375,000
Total	40,000,000	5,000,000

- (e) none of the allottees are related parties of the Company or its associates;
- (f) the funds raised by the issue of the Shares the subject of Resolution 3 are to be used to progress exploration and development of the Company's iron ore projects in Brazil; and
- (g) a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolution 3.

3.3 Directors' Recommendation

If Resolution 3 is passed, the 25% Limit imposed by Listing Rules 7.1 and 7.1A will be renewed to the extent of the ratification. The Directors unanimously recommend Shareholders vote in favour of Resolution 3.

4. RESOLUTION 4 – Approval of 10% Placement Facility

4.1 Background

Listing Rule 7.1 permits entities to issue 15% of its issued capital without shareholder approval in a 12 month period, subject to a number of exceptions.

Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special resolution at the company's Annual General Meeting, to issue Equity Securities up to an additional 10% of its issued capital by placements over a 12 month period after the Annual General Meeting ("**Additional Placement Capacity**").

Approval for the Additional Placement Capacity may only be obtained at the Company's Annual General Meeting. The Company previously received Shareholder approval for Additional Placement Capacity at the Annual General Meeting held on 31 May 2013 and this approval will expire on 31 May 2014 (or earlier if Shareholders approve a transaction under Listing Rule 11.1.2 or Listing Rule 11.2).

Accordingly, the Company seeks Shareholder approval pursuant to Listing Rule 7.1A under Resolution 4 to be able to issue Equity Securities under the Additional Placement Capacity.

The exact number of Equity Securities to be issued is not fixed and will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (set out below).

4.2 Requirements of Listing Rule 7.1A

Eligible entities

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

Shareholder approval

Shareholders must approve the Additional Placement Capacity by special resolution at the Annual General Meeting which requires the approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative). A resolution under Listing Rule 7.1A cannot be put at any other Shareholder meeting.

Equity Securities

Equity Securities issued under the Additional Placement Capacity must be in the same class as an existing class of Equity Securities of the Company that are quoted on the ASX.

As at the date of this Notice, the Company has one class of Equity Securities quoted on the ASX being fully paid ordinary shares.

Formula for calculating number of Equity Securities that may be issued under the Additional Placement Capacity

If Resolution 4 is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A	The number of fully paid shares on issue 12 months before the date of issue or agreement: - plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2; - plus the number of partly paid shares that became fully paid in the 12 months; - plus the number of fully paid shares issued in the 12 months with the approval of shareholders under Listing Rules 7.1 or 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without shareholder approval; - less the number of fully paid shares cancelled in the 12 months.
D	10%
E	The number of Equity Securities issued or agreed to be issued under Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

Interaction between Listing Rules 7.1 and 7.1A

The Additional Placement Capacity under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company has Shares on issue as at the date of this Notice. If all of the Resolutions in this Notice are passed, the Company will be permitted to issue (as at the date of this Notice):

- Equity Securities under Listing Rule 7.1; and
- Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out above).

The effect of Resolution 4 will be to allow the Company to issue securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

4.3 Information for Shareholders as required by Listing Rule 7.3A

Minimum price

The issue price of the new Equity Securities will be no lower than 75% of the VWAP for securities in the relevant quoted class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 5 Business Days of the date above, the date on which the Equity Securities are issued.

Risk of economic and voting dilution

If Resolution 4 is passed and the Company issues securities under the Additional Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below.

There is the risk that:

- the market price for the Company's existing Equity Securities may be significantly lower on the date of issue of the new Equity Securities than on the date of the Meeting; and
- the new Equity Securities may be issued at a price that is at a discount to the market price of the Company's existing Equity Securities on the issue date or the new Equity Securities may be issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the new Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example a pro rata entitlement issue) or future placements under Listing Rule 7.1 that are approved by Shareholders in the future; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.0575 50% decrease in Issue Price	\$0.115 Current Market Price	\$0.1725 50% increase in Issue Price
Current Variable A 235,747,919 Shares	10% Voting Dilution	23,574,792 Shares	23,574,792 Shares	23,574,792 Shares
	Funds Raised	\$1,355,551	\$2,711,101	\$4,066,652
50% Increase in Variable A 353,621,878 Shares	10% Voting Dilution	35,362,188 Shares	35,362,188 Shares	35,362,188 Shares
	Funds Raised	\$2,033,326	\$4,066,652	\$6,099,977
100% Increase in Variable A 471,495,838 Shares	10% Voting Dilution	47,149,584 Shares	47,149,584 Shares	47,149,584 Shares
	Funds Raised	\$2,711,101	\$5,422,202	\$8,133,303

This table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the Additional Placement Capacity.
- No Options or Performance Rights (including any Options or Performance Rights issued under the Additional Placement Capacity) are exercised into Shares before the date of the issue of the Equity Securities.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the Additional Placement Capacity consists only of Shares. If the issue of Equity Securities includes Options or Performance Rights, it is assumed that those Options or Performance Rights are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The issue price is \$0.115, being the latest closing price of the Shares on ASX on 16 April 2014.
- The Company's ability to issue securities under Listing Rule 7.1A is in addition to its ability to issue securities under Listing Rule 7.1.

Placement Period

The Company previously received Shareholder approval for Additional Placement Capacity at the Annual General Meeting held on 31 May 2013. This approval is valid as at the date of this Notice. The refreshed Shareholder approval sought at this Meeting under Listing Rule 7.1A will be valid from 29 May 2014 and expires on the earlier of:

- 29 May 2015, which is 12 months after this Meeting; or
- the date that Shareholders approve a transaction under Listing Rule 11.1.2 (significant change to nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking),

or such longer period as allowed by the ASX ("Placement Period").

Purposes for which the new Equity Securities may be issued

The Company may seek to issue new Equity Securities for the following purposes:

- cash consideration to raise funds for the acquisition of new assets or investments (including the expenses associated with such acquisition), continued exploration and feasibility study and project development expenditure on the Company's current assets and/or for general working capital; or
- non-cash consideration for acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

Allocation policy

The Company's allocation policy for the issue of new Equity Securities under the Additional Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:

- the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- the effect of the issue of new securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (as relevant).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the Additional Placement Capacity will be a related party or associate of a related party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the Additional Placement Capacity and it is possible that their Shareholding will be diluted.

If the Additional Placement Capacity is used to acquire new assets or investments then it is likely that the allottees will be the vendors of the new assets.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A on the issue of any new securities.

Listing Rule 7.3A.6 – Details of Equity Securities issued during past 12 months

For the purposes of Listing Rule 7.3A.6 the following information is provided.

During the past 12 months prior to the date of this Notice, the Company issued 40,000,000 equity securities representing 20.43% of the total number of equity securities on issue 12 months ago. Shareholder ratification for the issue of these securities is sought under Resolution 3 in this Notice. The details of the equity securities issued are as follows:

Number of Equity Securities Issued	Class of Equity Securities Issued	Names of Persons to Whom Equity Securities Were Issued To	Issue Price	Cash Consideration \$	Discount
12,000,000 ¹	Ordinary Shares ²	Atlas Iron Limited	\$0.125	1,500,000	7.4% ³
9,000,000 ¹	Ordinary Shares ²	Liberty Metals & Mining Holdings, LLC	\$0.125	1,125,000	7.4% ³
19,000,000 ¹	Ordinary Shares ²	Institutional, sophisticated and professional investors including clients of Canaccord Genuity (Australia) Limited	\$0.125	2,375,000	7.4% ³
Total: 40,000,000				Total: 5,000,000	

¹ Shares were issued pursuant to an equity raising announced on 4 April 2014 to raise \$5,000,000 to fund continued exploration and development of the Company's iron ore projects in Brazil. Of the 40,000,000 Shares issued in total, 29,362,188 Shares were issued under Listing Rule 7.1 and 10,637,812 Shares were issued under Listing Rule 7.1A.

² Ordinary Shares are fully paid ordinary shares in the capital of the Company with full entitlements to participate in dividends and to vote at meetings.

³ The issue price of the Shares represents a discount of:

- 7.4% to the closing price of \$0.135 per Share on 31 March 2014, being the last trading day prior to the announcement of the equity raising on 4 April 2014; and
- 11.9% to the fifteen day volume weighted average trading price up to and including 31 March 2014 of \$0.142 per Share.

The issue price complies with the requirement of Listing Rule 7.1A.3 that the issue price of securities must be no less than 75% of the fifteen day volume weighted average trading price.

After allowing for existing cash reserves, the Company has not spent any of the cash consideration received for the issue of the equity securities announced on 4 April 2014. The funds are intended to be used to progress exploration and development of the Company's iron ore projects in Brazil.

4.4 Voting Exclusion Statement

A voting exclusion statement is included in the Notice. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of Equity Securities under the proposed Additional Placement Capacity. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

4.5 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

GLOSSARY

In this Notice and Explanatory Memorandum:

Accounting Standards has the meaning given to that term in the Corporations Act.

Additional Placement Capacity has the meaning in Section 4.1.

Annual Financial Report means the Company's annual financial report for the year ending 31 December 2013.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

Auditor's Report means the auditor's report contained in the Annual Report.

ASX means ASX Limited ACN 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the Directors acting as the board of directors of the Company or a committee appointed by such board of directors.

Centaurus or **Company** means Centaurus Metals Limited ACN 009 468 099.

Chairman means the Chairman of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company that the member controls; or
- (f) a person prescribed to be a closely related party by the Corporations Regulations.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Director means a current director of the Company.

Directors' Report means the Directors' Report contained in the Annual Report.

Equity Securities has the same meaning as in the ASX Listing Rules.

Explanatory Memorandum means this explanatory memorandum.

Financial Report means the Company's financial report contained in the Annual Financial Report.

Key Management Personnel has the same meaning as in the accounting standards and therefore broadly includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Director (whether executive or otherwise).

Listing Rules means the listing rules of the ASX.

Notice or **Notice of Annual General Meeting** means the notice of meeting which forms part of this Explanatory Memorandum.

Placement Period has the meaning given in Section 4.3.

Proxy Form means the enclosed appointment of proxy form.

Remuneration Report means the Remuneration Report contained in the Directors' Report.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time.

PROXY FORM

The Company Secretary, Centaurus Metals Limited

By delivery:Level 1, 16 Ord Street
West Perth WA 6005**By post:**PO Box 975
West Perth WA 6872**By facsimile:**

+61 8 9420 4040

SEQ: 0000000000

I/We being a shareholder/s of Centaurus Metals Limited hereby appoint ¹ _____ or failing such appointment, or if no appointment is made, the Chairman of the Meeting, as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 29 May 2014 commencing at 10am (WST), and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes that this proxy is authorised to cast is _____ % of the Shareholder's votes/ _____ of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request).

IMPORTANT NOTE FOR MEMBERS WHO APPOINT THE CHAIRMAN OF THE MEETING AS THEIR PROXY

The Chairman of the Meeting intends to vote all available proxies in favour of each Resolution.

By marking the box below, you are directing the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Resolution 1 as set out in the Notice of Meeting (except where you have indicated a different voting intention below). If you do not mark this box and you do not indicate your voting intentions below, the Chairman of the Meeting will not cast your votes on Resolution 1 and your votes will not be counted in computing the required majority if a poll is called on this item. If you appoint the Chairman of the Meeting as your proxy, you can direct the Chairman how to vote by marking the boxes in the Voting Directions section of this form or by marking the box below, in which case the Chairman will vote in favour of Resolution 1.

☐

I/we direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions in relation to Resolution 1 (except where I/we have indicated otherwise below) and acknowledge that the Chairman of the Meeting may exercise my proxy even though this Resolution is connected directly or indirectly with the remuneration of members of Key Management Personnel and even if the Chairman of the Meeting has an interest in the outcome of this item and that votes cast by the Chairman of the Meeting, other than as proxyholder, would be disregarded because of that interest.

VOTING DIRECTIONS

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Director – Mr Mark Hancock	☐	☐	☐
Resolution 3	Ratification of Share Placement	☐	☐	☐
Resolution 4	Approval of 10% Placement Facility	☐	☐	☐

If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in calculating the required majority on a poll.

Authorised signature/s This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of proxy

*Omit if not applicable

CENTAURUS METALS LIMITED
ACN 009 468 099

Instructions for Completing Proxy Form

1. **(Appointing a Proxy):** A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form which may be obtained from the Company's security registry or you may copy this form and return them both together. Where more than one proxy is appointed, you must specify on each proxy form the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half the votes. A duly appointed proxy need not be a Shareholder of the Company.

If you wish to vote only a portion of your holding, indicate the proportion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

2. **(Direction to Vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose (subject to certain exceptions). Where more than one box is marked on an item the vote will be invalid on that item.

3. **(Signing Instructions):**

- **(Individual):** Where the holding is in one name, the Shareholder must sign.
- **(Joint Holding):** Where the holding is in more than one name, all of the Shareholders must sign.
- **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Centaurus Metals Limited, PO Box 975, West Perth, WA 6872; or**
- (b) deliver to the West Perth office of the Company, Level 1, 16 Ord Street, West Perth; or**
- (c) facsimile to the Company on facsimile number +61 8 9420 4040**

so that it is received not later than 10am (WST) on 27 May 2014.

Proxy forms received later than this time will be invalid.