

5 November 2015

Dear Shareholder

UNDERWRITTEN SHARE PURCHASE PLAN

On behalf of the board of Centaurus Metals, I am pleased to offer you the opportunity to participate in a Share Purchase Plan ("**Plan**") under which you can subscribe for up to \$15,000 worth of fully-paid ordinary shares in the Company ("**Shares**") without any brokerage or transaction costs.

The issue price will be determined at the issue date of the Shares under the Plan based on a 20% discount to the volume weighted average price of Centaurus shares traded on the ASX during the 5 days on which Shares traded on ASX immediately prior to the issue date of the Shares ("**Issue Price**").

The Plan seeks to raise up to \$350,000 ("**Offer Amount**"). The Plan is fully underwritten by Patersons Securities Limited ("**Patersons**") who are acting as Lead Manager and Underwriter to the offer ("**Underwriter**"). The directors reserve the right, in consultation with the Underwriter, to expand the size of the Plan (subject to ASX Listing Rules) and accept applications in excess of \$350,000 and to scale back acceptances at their discretion.

Concurrent with the Plan, the Company will complete a Share Placement ("**Placement**") of \$200,000 to the CEO of Terrativa Minerais SA (or his Associate) ("**Terrativa**") as outlined in the Company's ASX Announcement of 24 September 2015, with the shares to be issued at the same price and same time as the shares issued under the Plan.

The Company recently executed all documentation in relation to the Strategic Alliance with Terrativa and under this alliance the Company has acquired a 100% ownership interest in the exciting Aurora Copper Project in north-east Brazil (with Terrativa having the option to re-enter the Project at various agreed points in time), which has significant copper oxide and copper sulphide exploration potential.

The funds raised through the Plan and Placement will provide the Company with sufficient funding to complete its planned exploration activities in 2016 – initially centered on the Aurora Copper Project whilst at the same time allowing the Company to progress its diversification and growth strategy in Brazil starting with an orderly realization of value from the Jambreiro and Conquista Iron Ore Projects.

The exploration work at Aurora will see progressive results over the next 9 months.

The Aurora Copper Project is situated in a very attractive location with regard to logistics, infrastructure and geological setting. Historical drilling from the project includes high-grade copper intersections of 12.5m at 2.4% Cu and 9.5m at 1.6% Cu¹.

¹ Refer to [ASX announcement on 24 September 2015](#) for further information on the exploration results for the Aurora Project.



Through the integration of historical geological and geophysical data, Centaurus has already identified a number of promising walk-up drill targets. That said, before drilling Centaurus plans to undertake additional field work including down-hole and surface EM survey work. These surveys have never been completed on the Aurora ground but are a proven exploration tool when it comes to identifying copper sulphide mineralisation.

In parallel to the development of the Aurora Copper Project, Centaurus will look to joint venture or divest its Brazilian iron ore assets. Centaurus owns the Jambreiro and Conquista Iron Ore Projects, both of which are valuable to local producers within the Brazilian domestic market. Timely realization of value from these assets will ensure that the Company remains fully-funded for 2016 and potentially beyond.

Centaurus has demonstrated, via the recent transaction over the Candonga DSO Project, the value of high quality iron ore assets in Brazil. The Conquista DSO Iron Ore Project, located only 8km from Candonga, has an Exploration Target of 3.5-8Mt of 64-67% Fe. The Conquista Exploration Target is based on detailed geological mapping, auger drill-hole results and is underpinned by the ground magnetic survey². The Exploration Target quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Local companies have already shown interest in the Conquista Project.

The Company will also continue to pursue opportunities to divest the Jambreiro Project, which is fully licensed and development-ready. Importantly, due to the steadiness of the Brazilian Real-denominated iron ore price in the domestic market, the economics of this project have not changed materially since a 1Mtpa Feasibility Study was completed on the Project in late 2013³. At the time of the Feasibility Study, the Project had a pre-tax NPV of A\$97M driven by low capital and operating costs.

With promising discussions continuing, Centaurus is well positioned to realise value from these advanced iron ore assets and with encouraging new opportunities emerging as a result of the Company's Strategic Alliance with Terrativa this is an exciting time for Centaurus shareholders as we reshape our asset base and focus on projects which we believe have the potential to deliver near term value for our shareholders.

Thank you for your continued support.

Yours faithfully,

Didier Murcia
Chairman

² Refer to [ASX announcement on 19 March 2015](#) for further information on the Exploration Target for the Conquista Project.

³ Refer to the [ASX Announcement dated 13 January 2014](#) for details of the material assumptions underpinning the production target for the Jambreiro Project. The Company confirms that key material assumptions underpinning the production target continue to apply and have not materially changed.



Invitation to Participate in Shareholder Share Purchase Plan

The Board of Directors of Centaurus Metals Limited (**Centaurus** or **Company**) are pleased to offer Eligible Shareholders the opportunity to participate in a Shareholder Share Purchase Plan (**Plan**) to subscribe for up to \$15,000 worth of fully paid ordinary shares in the capital of the Company (**Shares**).

Shareholders Eligible to Participate in the Plan

The right to participate in the offer under the Plan is optional and is available exclusively to Eligible Shareholders who are registered as holders of Shares at 5pm (WST) on the Record Date of 2 November 2015 and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

The Plan also enables Eligible Shareholders who hold shares as a “custodian” to participate in the Offer on behalf of each beneficiary on whose behalf the custodian is holding Shares up to a maximum amount of \$15,000 worth of Shares for each beneficiary.

Share Purchase Plan

The Plan entitles Eligible Shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of Shares (**Offer**).

Details of the Offer are set out in this letter and the enclosed Terms and Conditions together with an Application Form.

Issue Price

The Issue Price will be determined at the issue date of the Shares under the Plan and will be at a discount of 20% to the volume weighted average price of Centaurus shares traded on the ASX during the 5 days on which Shares traded on ASX immediately prior to the issue date of the Shares. Any fraction of a Share will be rounded up to the nearest whole number of Shares.

The market price of the Shares in the Company may rise and fall between the date of the Offer and the date any Shares are issued to you as a result of your acceptance of this Offer. This means the subscription price you pay for the Shares may be greater or less than the prevailing market price of the Shares at the date of this Offer. The value of the Shares you receive may rise or fall accordingly. The Board recommends you obtain your own financial advice in relation to the Offer and consider price movements of Shares in the Company prior to accepting this Offer.

No brokerage, commissions or other transaction costs are payable by Eligible Shareholders under the Offer.

Number of Shares Offered

The maximum number of Shares that is able to be issued under the Plan in order to comply with ASX Listing Rules requirements is 30% of the number of the Company’s ordinary shares on issue at the date of this Offer. The actual number of Shares issued under this Plan will depend on the Issue Price.

The Offer is fully underwritten by Patersons. In the event that Eligible Shareholders do not subscribe for at least \$350,000 of Shares under the Plan then the Underwriter will apply for any Shares up to a maximum value of \$350,000.



The Underwriter will charge the Company an Underwriter/Selling Fee of 6.0% of the gross amount raised under the Plan. The underwriting agreement contains customary conditions, warranties and undertakings and is subject to various termination events exercisable by the Underwriter. The placement of shortfall Shares to the Underwriter is subject to capacity under the Company's 25% placement capacity and such capacity is available to the Company.

Eligible Shareholders may participate by selecting only one of the following offers to purchase Shares under the Plan:

Offer	Value
A	\$15,000
B	\$10,000
C	\$7,500
D	\$5,000
E	\$2,500
F	\$1,500
G	\$750

Subscription and Application Procedure

If you would like to participate in the Offer, you can either:

- complete the enclosed Application Form and send it together with your payment by cheque, bank draft or money order made payable to "Centaurus Metals Limited – SPP Account" and drawn in Australian currency for the correct amount, to Centaurus' share registry, Advanced Share Registry Services Ltd, at PO Box 1156, Nedlands, WA 6909, on or before the **Closing Date of 5pm (WST) on 20 November 2015**. No late applications will be accepted.
- make a BPAY[®] payment from your cheque or savings account by using the Biller Code and Reference Number shown on your Application Form which is required to identify your holding. If you make your payment using BPAY[®] you do not need to return your Application Form. New Zealand holders will not be able to make a payment using BPAY[®]. Payments made by BPAY[®] received after **5pm (WST) on 20 November 2015** will not be accepted.

Applicants should not forward cash and direct bank transfers are not permitted.

Once an application has been made it cannot be revoked. All valid applications shall be deemed accepted if received before the **Closing Date of 5pm (WST) on 20 November 2015**. If the exact amount of money is not tendered with your application, Centaurus reserves the right to either:

- (i) return your Application Form and/or payment and not issue any Shares to you; or
- (ii) issue to you the number of Shares that would have been issued had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by cheque as soon as possible, without interest.

The maximum investment any shareholder may apply for will remain \$15,000 even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account).



Additional Information and Important Dates

The Offer cannot be transferred and the Directors of the Company reserve the right to reject, or scale back, on an equitable basis, any application. Shares issued under the Plan will be issued no later than 10 business days after the Closing Date of the Offer. Application for quotation on ASX of the new Shares will be made immediately following the issue of those Shares.

The amount proposed to be raised under the Offer is \$350,000. The Directors reserve the right, in consultation with the Underwriter, to expand the size of the Plan (subject to the ASX Listing Rules) and accept subscriptions above \$350,000.

If the Company rejects or scales-back an application or purported application, the Company will promptly return to the shareholder the relevant application monies, without interest.

If applications under the Offer total an amount less than \$350,000, the amount up to the underwritten amount of \$350,000 will be taken up by the Underwriter. In the event that there is a shortfall, Patersons must subscribe for such Shares up to the value of \$350,000, save that in the event the Company does not have capacity pursuant to Listing Rules 7.1 and 7.1A to issue Shares to Patersons to the full value of that amount, the underwritten amount will be the sum of the maximum number of Shares permitted to be issued to Patersons pursuant to Listing Rule 7.1 and 7.1A multiplied by the Issue Price.

Indicative Timetable

Record Date (5.00pm WST)	2 November 2015
Announcement Date of Plan	4 November 2015
Opening Date of Offer	5 November 2015
Closing Date of Offer	20 November 2015
Shortfall Notice Date	24 November 2015
Issue Date	30 November 2015
Dispatch Date for Holding Statements	1 December 2015
Quotation of Shares on ASX	1 December 2015

These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Accordingly, Shareholders are encouraged to submit their Application Forms as early as possible.

Should you wish to discuss any information contained in this letter further, do not hesitate to contact Centaurus' Company Secretary, Mr Geoff James, on +618 9420 4000 or email, office@centaurus.com.au.

Yours faithfully,

CENTAURUS METALS LIMITED

Geoff James

Company Secretary

CENTAURUS METALS LIMITED ACN 009 468 099

TERMS AND CONDITIONS OF SHAREHOLDER SHARE PURCHASE PLAN

Purpose

The purpose of the Shareholder Share Purchase Plan (**Plan**) is to offer holders of fully paid ordinary shares (**Shares**) of Centaurus Metals Limited (**Centaurus** or **Company**) the opportunity to acquire additional fully paid ordinary shares in the Company (**Centaurus Shares**) up to a maximum of \$15,000 (when combined with any Shares issued under any share purchase plan in the 12 months preceding the date of the Plan) without the need to pay brokerage costs and without the need for Centaurus to issue a Prospectus, upon such terms and conditions as the Board of Directors of Centaurus, in its absolute discretion, sees fit.

Shareholders Eligible to Participate

Eligible shareholders of Shares that are registered with an Australian or New Zealand address at the relevant record date may participate in the Plan. Due to foreign securities laws, it is not practical for Shareholders resident in other countries to be offered the opportunity to participate in the Plan.

Participation in the Plan is optional and is subject to these terms and conditions. Offers made under the Plan are non-renounceable (i.e. eligible Shareholders may not transfer their rights to any Centaurus Shares offered under the Plan).

An offer may, at the discretion of the Directors of Centaurus, be made under the Plan once a year. The maximum amount, which any Shareholder may subscribe for in any consecutive 12 month period, is \$15,000. The Directors of Centaurus may also determine in their discretion the minimum amount for participation, the multiple of Centaurus Shares to be offered under the Plan and the period the offer is available to eligible Shareholders.

Price of Centaurus Shares

The price of Centaurus Shares to be issued will be determined at the issue date of the Shares under the Plan and will be at a discount of 20% to the volume weighted average price of Centaurus shares traded on the ASX during the 5 days on which Shares traded on ASX immediately prior to the issue date of the Shares.

The market price of the Shares in the Company may rise and fall between the date of the Offer and the date any Shares are issued to you as a result of your acceptance of this Offer. This means the subscription price you pay for the Shares may be greater or less than the prevailing market price of the Shares at the date of this Offer. The value of the Shares you receive may rise or fall accordingly. We recommend you obtain your own financial advice in relation to this offer and consider price movements of Shares in Centaurus prior to accepting this offer.

Applications and Notices

At the discretion of the Directors of the Company, Centaurus will send eligible Shareholders a letter of offer and acceptance procedures, inviting them to subscribe for Centaurus Shares under the Plan, and accompanied by the terms and conditions of the Plan and an application form.

Applications will not be accepted after the closing date of an offer. Directors have the right to accept over subscriptions or to scale back and refund applications in their absolute discretion (subject to the limits imposed by ASIC policy and ASX Listing Rule 7.2).

Notices and statements made by Centaurus to participants may be given in any manner prescribed by its Constitution.

Placement of Shortfall

The amount up to the underwritten amount will be taken up by the Underwriter and any remaining shortfall may be placed at the discretion of the Directors.

Issue of Centaurus Shares

Centaurus Shares to be issued under the Plan will be issued as soon as reasonably practicable after the closing date specified by the Directors of Centaurus in the relevant offer.

Centaurus Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in Centaurus from the date of issue.

Shareholding statements or CHESS notification will be issued for all Centaurus Shares issued under the Plan. The Company will, promptly after the issue of Centaurus Shares under the Plan, make application for those Centaurus Shares to be listed for quotation on the official list of ASX.

Modification and Termination of the Plan

Centaurus may modify or terminate the Plan at any time. Centaurus will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, Centaurus may issue to any person fewer Centaurus Shares than the person applied for under the Plan if the issue of the Centaurus Shares applied for would contravene any applicable law or the Listing Rules of ASX.

Dispute Resolution

Centaurus may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or Centaurus Shares. The decision of Centaurus in this respect will be conclusive and binding on all Shareholders and other persons to whom that determination relates.

Centaurus reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of Centaurus under these conditions may be exercised by the Directors of Centaurus or any delegate of the Directors of Centaurus.

Questions and Contact Details

If you have any questions regarding the Plan or how to deal with this offer, please contact your stockbroker or professional adviser or Mr Geoff James, Company Secretary on (08) 9420 4000.

Record Date: 5pm (WST) on 2 November 2015
Offer Opens: 5 November 2015
Offer Closes: 5pm (WST) on 20 November 2015
HIN/SRN:

THIS IS A PERSONALISED APPLICATION FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE
SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

How do I apply for Shares under the SPP?

- Carefully read the SPP Terms and Conditions accompanying this form and the Important Information on the reverse of this form.
- Decide on the amount of Shares you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the SPP Terms and Conditions and the further instructions on this form.
 - Option 1: Paying by Bpay®.
 - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be made in Australian dollars.

PAYMENT OPTIONS

Option 1: Paying by Bpay®

If paying by Bpay®, you do **NOT** need to complete or return this Application Form. By paying by Bpay® you will be deemed to have made the statements and certifications that are set out in the Important Information notice on the reverse of this form.

Payment must be received by the Registry by Bpay® by 5:00pm (WST) on 20 November 2015. By paying by Bpay®, you will be deemed to have completed an Application Form for the dollar amount of SPP Shares the subject of your application payment. If you make a payment by Bpay® and Centaurus Metals Limited (CTM) receives an amount which is not equal to either A\$750, A\$1,500, A\$2,500, A\$5,000, A\$7,500, A\$10,000 or A\$15,000, CTM may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$750.



Billers Code:
Ref No:

Telephone & Internet Banking – Bpay®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account.

More info: www.bpay.com.au

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Option 2: Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order, complete and return this Application Form with your payment.

- Tick the box beside the amount you wish to apply for, either A\$750, A\$1,500, A\$2,500, A\$5,000, A\$7,500, A\$10,000 or A\$15,000.
- Enter your cheque, bank draft or money order details. The amount of your application payment should be equal to the amount applied for in section A. Cheques, bank drafts or money orders must be drawn on an Australian financial institution in Australian currency, made payable to "Centaurus Metals Limited - SPP Account" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to either A\$750, A\$1,500, A\$2,500, A\$5,000, A\$7,500, A\$10,000 or A\$15,000, CTM may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$750.
- Enter your contact telephone number at which we may contact you regarding your application for Shares, if necessary.

A I/we wish to purchase a parcel of Shares to the dollar amount of (tick one box only):

☐ A\$15,000 OR ☐ A\$10,000 OR ☐ A\$7,500 OR ☐ A\$5,000 OR ☐ A\$2,500 OR ☐ A\$1,500 OR ☐ A\$750

B Make your cheque, bank draft or money order payable to "Centaurus Metals Limited - SPP Account" and crossed "Not Negotiable"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$.00

C

Telephone Number – Business Hours	Telephone Number – After Hours	Contact Name

IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase Shares under the SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the application payment by Bpay® or you submit this Application Form with your application payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on this Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional Certificate in accordance with section 9 of CO 09/425 before your application for Shares on behalf of Eligible Beneficiaries is accepted. The Certificate can be obtained by contacting the Registry: (08) 9389 8033 (in Australia) or +61 8 9389 8033 (outside of Australia). Applications received from custodians that are not accompanied by the Certificate will be rejected.
6. For applicants that are not required to complete the Certificate, by submitting this Application Form (with a cheque, bank draft or money order) or making payment by Bpay®, **you certify** that the aggregate of the payment made by you for:
 - the parcel of Shares indicated on this Application Form or Bpay® payment; and
 - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of this Application Form or payment by Bpay® does not exceed A\$15,000.
7. CTM reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as CTM may scale back applications in accordance with the SPP Terms and Conditions.

How to Lodge your Application Form and Payment

Your Application Form and the payment for Shares must be received by the Registry no later than the closing date shown overleaf. If paying by Bpay® you do not need to complete or return your Application Form. You should check the processing cut off-time for Bpay® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Advanced Share Registry Limited
PO Box 1156
Nedlands WA 6909

or

Hand Delivery

Advanced Share Registry Limited
110 Stirling Hwy
Nedlands WA 6009

Make sure you send your Application Form and application payment allowing enough time for mail delivery, so Advanced Share Registry Services Limited receives them no later than 5:00pm (WST) on 20 November 2015. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. CTM reserves the right not to process any Application Forms and application payments received after the Closing Date.

If you require information on how to complete this Application Form, please contact the Registry on (08) 9389 8033 (in Australia) or +618 9389 8033 (outside of Australia).

Offer Closes 5.00pm (WST) 20 November 2015