

11 December 2017

STRONG COPPER AND COBALT SOIL GEOCHEMISTRY RESULTS CONFIRM POTENTIAL OF PEBAS PROJECT, BRAZIL

Rock chips return grades of up to 0.75% cobalt – ground EM survey underway ahead of drilling in early 2018

Key Points

- Recently received soil sample assay results confirm the presence of a +2km long copper-gold anomaly at Centaurus' 100%-owned Pebas Project, located near Avanco Resources' operating Antas Norte copper-gold mine within the world-class Carajás Mineral Province in northern Brazil.
 - The anomaly is locally up to 400m wide and is coincident with a 1km long discrete magnetic signature. New rock chip results from samples collected at Pebas include assays of up to 0.51% copper and 0.75% cobalt, with best historical results of up to 27.6% copper and 4.6g/t gold.
 - Diamond drilling carried out by a previous TSX-listed explorer in 2010 returned intersections of up to 3.74% Cu within broad zones of lower grade mineralisation (146.9m at 0.21% Cu and 0.08 g/t Au from surface). The drilling did not test the potential high-grade fault-related IOCG target.
 - A ground EM survey is currently underway to evaluate the high-grade fault-related target, which is interpreted to be in a similar geological and structural setting to Antas Norte.
 - Additionally, two new quality targets have been identified where more detailed mapping and in-fill soil sampling is underway.
 - The Pebas Project is located in open pasture, less than 10km from the regional centre of Parauapebas, which will allow drilling to be undertaken during the forthcoming regional wet season. Drilling is planned for January-February 2018.
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Centaurus Metals (ASX Code: **CTM**) is pleased to announce that recent soil sampling has confirmed the quality and consistency of a **2km long, +500ppm copper-in-soils anomaly which is up to 400m wide** at its 100%-owned Pebas Copper-Gold Project, located in the world-class **Carajás Mineral Province** in northern Brazil. Gold, cobalt and phosphorus (important pathfinder elements) are also coincident and anomalous in this zone.

The Pebas Project is located approximately 100km east of the Company's large and highly prospective Salobo West Copper Gold Project, where preliminary exploration activities in recent weeks have generated several high-priority targets to be pursued early next year. The project also lies ~20km north of the operating Antas Norte copper-gold mine, operated by ASX-listed copper miner Avanco Resources (ASX: AVB), and just 5km outside of the regional city of Parauapebas.

Interestingly, the best rock chip sample collected by Centaurus to date from the Pebas Project returned grades of up to **0.51% copper along with 0.75% cobalt**. This sample was collected 1,200m from a gossanous outcrop which historically returned sample grades of **27.6% copper and 4.6g/t gold**. Cobalt grades were not reported for this historical sample.

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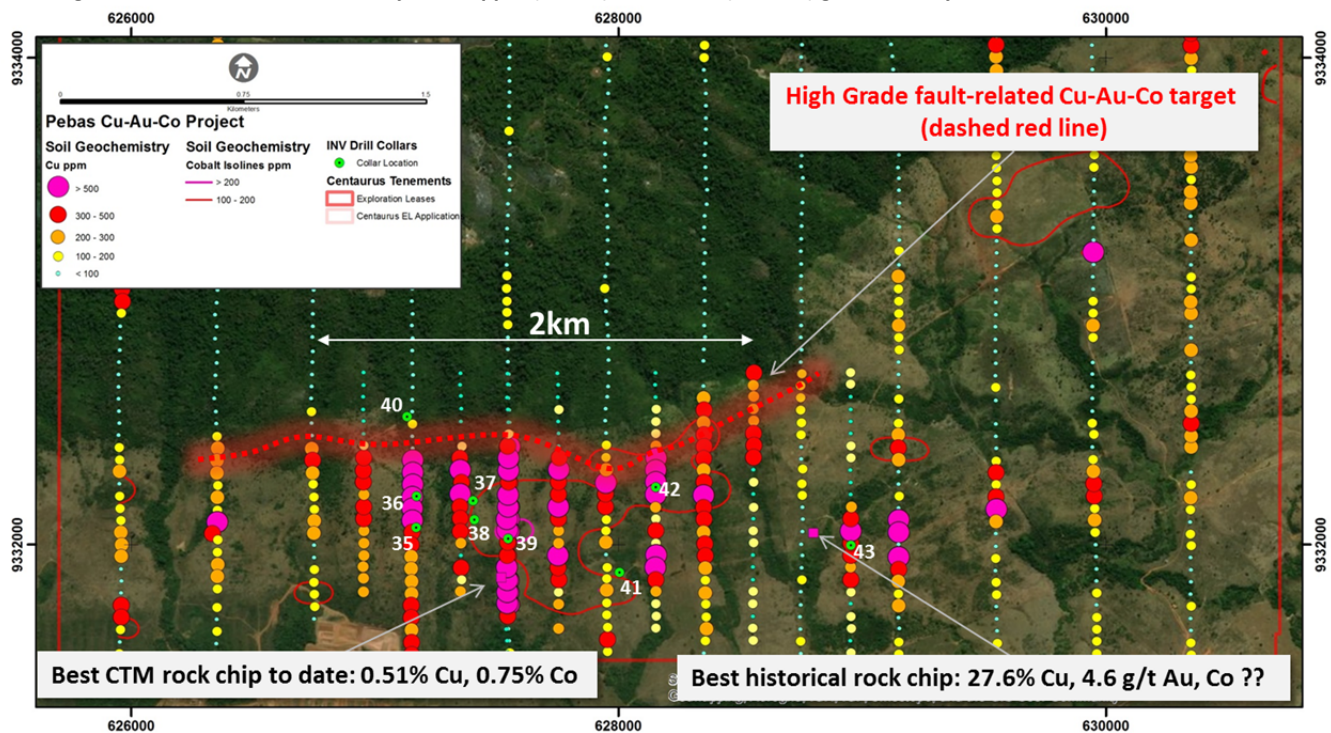
In addition, the Company has identified two new copper targets – Pebas East and Pebas North-east. Mapping and in-fill sampling is currently underway in these areas to further define these new targets.

Pebas – The Main Zone

The Pebas Copper-Gold Project is hosted within the highly prospective Itacaiúnas Supergroup, which hosts all IOCG deposits within the Carajás Mineral Province. The Pebas Project area is wedged between the regionally important Cigano and Estrela Granite Complexes.

The +2km long, Cu-Au-Co-P soil anomaly at the main zone is roughly coincident with a 1km long discrete magnetic signature (Figure 3) that is distinct from the regional anomalies which are associated with the iron formations of the Itacaiúnas Supergroup. At Pebas, the Company is targeting a potential high-grade, fault-related copper-gold-cobalt target (see Figure 1 below).

Figure 1 – The Pebas Cu-Au-Co Project – copper (circles) and cobalt (isolines) geochemistry results with INV drill locations



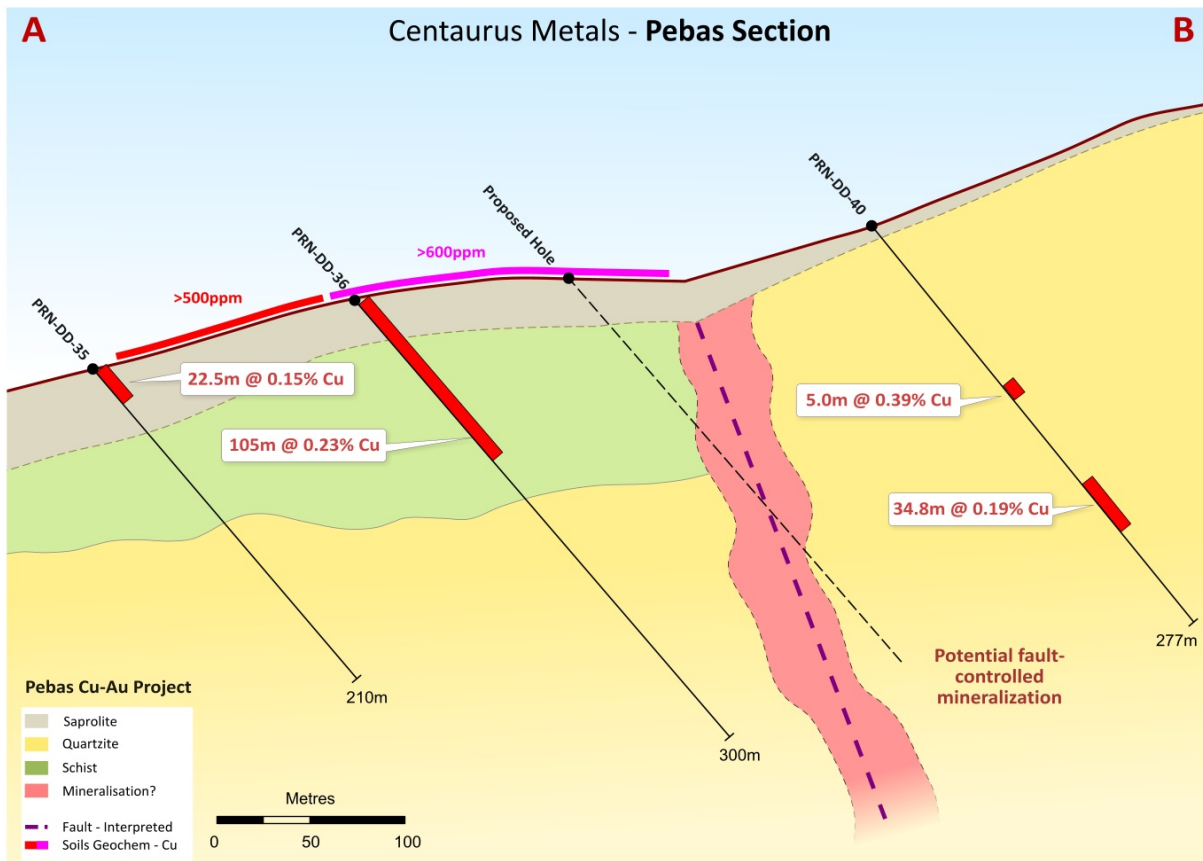
A previous TSX-listed explorer, INV Metals Inc. (INV), completed nine reconnaissance diamond holes over the Main Zone of the Project. Highlights of the historical results include the following continuous intersections (see attached Table 1 for a full list of the drill results historically released by INV. Cobalt results were not reported in the INV reports):

- **146.9m at 0.21% Cu and 0.08g/t Au** in drill hole PRN-DD-37 from surface, including
 - **2.1m at 0.96 % Cu** from 53.7m,
 - **1.0m at 1.73% Cu** from 91.6m; and
 - **2.3m at 1.15% Cu** from 115.9m.
- **105.0m at 0.23% Cu** in drill hole PRN-DD-36 from surface, including
 - **31.3m at 0.33% Cu** from 18.2m



Copper mineralisation appears to be controlled by an east-west trending fault. The Company's interpretation of the drilling – which has been further supported by the recent mapping and soils results – indicates that the mineralisation appears to thin and become lower grade with increasing distance from this fault contact.

Figure 2 – The Pebas Copper-Gold Project – Drill Section (from INV NI 43-101 Technical Report of March 2012). Section location can be seen on Figure 1 (the N-S section includes drill-holes 40, 36 and 35)



As the section shows, there is a distance of more than 300m between holes PRN-DD-36 and 40. The faulted contact between the siliceous quartzite (North) and the altered mafic schists (South) remains untested. This fault may have served as a feeder structure for the mineralising fluids, and is the initial key exploration target.

Pebas is understood to be a fault-related IOCG target. The target is located in a similar geological and structural setting as the nearby Antas Norte Copper-Gold Mine.

The high-grade copper mineralisation at Avanco's Antas Norte mine is roughly 60m thick, has a strike of 700m and is one of the highest grade copper mines in the world with a mine head grade of circa 2.6% Cu¹. Historically, Avanco has used ground EM combined with soil geochemistry, which has been extremely successful in identifying Antas Norte and other high-grade copper sulphide targets in the Carajás region.

New Target Areas

Centaurus has identified two new targets to the east and north-east of the main Pebas Project area (Figure 3). The Pebas East zone consists of a 1.2km long, +300 ppm copper anomaly coincident with a magnetic signature.

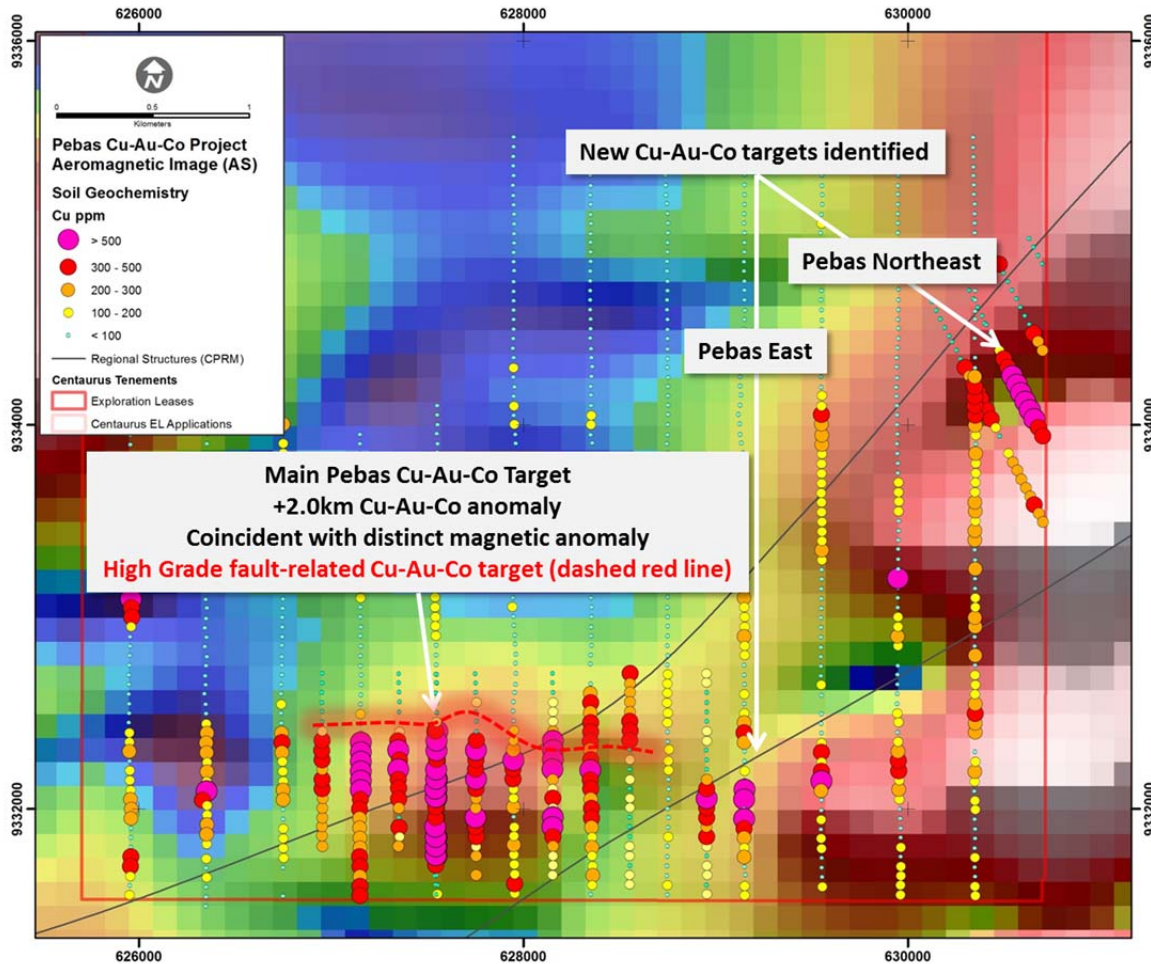
¹ Refer to Avanco Resources website information on Antas Norte deposit (www.avancoresources.com/operations/antas-north/)

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The second of the new targets (Pebas North-east) is located 2.5km to the north-east of Pebas and is a 500m long and up to 500m wide, +500 ppm copper anomaly. This anomaly is coincident with a magnetic low set inside a broader magnetic high. Follow-up mapping and additional soil sampling is underway to further define both of these targets.

Figure 3 – The Pebas Project – Copper-in-soils (400m line spacing) over Regional Aeromagnetic image (AS)



Pebas – Upcoming Programs

The ground EM survey has commenced this week. As outlined above, the combination of ground EM with geological mapping and soil geochemistry has proven to be an extremely successful method for identifying these high-grade target types.

Once the ground EM survey has been completed, along with additional mapping and soil sampling, the Company plans to undertake its maiden drill program. Given the favourable location and ease of access to the Pebas Project from the regional centre of Parauapebas, any drill program is likely to be undertaken during the regional wet season, when work at the Salobo West Project may be restricted. The Company plans to drill the Pebas Project in January-February 2018.

-ENDS-

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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 Australasian 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.

APPENDIX A

Table 1 – INV Drill Results for the Pebas Copper-Gold Project area (source INV NI 43-101 Technical Report dated March 2012)

Hole	East	North	Dip	Azimuth	EOH	(m)	From	(m)	Cu %	Au ppm
PRN-DD-35	627143	9332062	-50	360	210	0	22.5	22.5	0.15	
PRN-DD-36	627121	9332182	-50	360	300.1	0	105	105.0	0.23	
including						18.2	49.5	31.3	0.33	
PRN-DD-37	627348	9332157	-50	360	209	0	146.9	146.9	0.21	0.08
including						53.7	55.8	2.1	0.96	
and						91.6	92.6	1.0	1.73	
and						112.5	120.4	7.9	0.56	
including						115.9	118.2	2.3	1.15	
PRN-DD-38	627358	9332079	-50	360	191	102	118.8	16.8	0.18	
including						113.4	118.8	5.4	0.38	
PRN-DD-39	627500	93332000	-50	360	219	0	29.5	29.5	0.19	
						79.7	80.8	1.1	0.89	
						187.1	188.6	1.5	0.94	
PRN-DD-40					277.1	115	120	5.0	0.39	
including						119	120	1.0	1.12	0.12
	627088	9332505	-50	360		174.1	208.9	34.8	0.19	
PRN-DD-41	628072	9331966	-55	320	200.2	45.4	49.7	4.3	0.38	
including						47.2	48.4	1.2	0.84	0.21
						59.2	60	0.8		2.50
						159.7	178	18.3	0.16	
PRN-DD-42	628097	9332210	-50	360	193.9	41.1	95	53.9	0.10	
PRN-DD-43	628915	9331967	-50	360	221	39.9	40.4	0.5	3.74	0.47
						111.2	144	32.8	0.10	



APPENDIX B – TECHNICAL DETAILS OF THE PEBAS COPPER-GOLD PROJECT, JORC CODE, 2012 EDITION – TABLE 1

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	Commentary
Sampling techniques	• Soil samples were collected at 50m intervals along 200 or 400m spaced grid lines along the strike of the project. Surface material was first removed and sample holes were dug to roughly 30cm depth. A 2-3kg sample was taken from the subsoil. The sample was placed in a plastic sample bag with a sample tag before being sent to the lab. • Roughly 350 historical samples were collected by INV and Teck. • Surface rock chip/soil samples were collected from in situ outcrops and rolled boulders for chemical analysis.
Drilling techniques	• Historical drilling was carried out by Geoserv Pesquisas Geologicas, using a hydraulic diamond rig, drilling NQ and HQ core.
Drill sample recovery	• Information on sample recovery of historical drilling has not been identified; the Company is endeavouring to access the complete database.
Logging	• All outcrop and soil sample points were registered and logged in the Centaurus geological mapping points database. • Information on drill hole logging of historical drilling has not been identified; the Company is endeavouring to access the complete database.
Sub-sampling techniques and sample preparation	• All geological samples were received and prepared by SGS Geosol Laboratories in Parauapebas, Brazil as 0.5-5kg samples. They were dried at 105°C until the sample was completely dry (6-12hrs), crushed to 90% passing 3mm and reduced to 200-300g. The samples were pulverised to 95% passing 150µm and split further to 50g aliquots for chemical analysis. • Information on sample techniques of historical rock chip and soil sampling has not been identified; the Company is endeavouring to access the complete database. • Information on historical drill hole sampling designates that the diamond core (HQ) was cut using a core saw where compact and half core was sampled. Samples were collected representing at least 0.5m and a maximum of 2.0m.
Quality of assay data and laboratory tests	• Drill core samples were prepared and analysed at SGS Geosol Laboratories. Preparation of the sample consisted of drying, crushing to 2mm and pulverising to 300gm using a carbon steel mill until 95% of sample passes -150 mesh. The pulverised sample was then split to 50 grams. • Chemical analysis for drill core, soil and stream sediment samples was completed for gold by fire assay and ICP for limit of 0.001ppm as well as multi element using ICP. • Chemical analysis for metal oxides is determined using XRF analysis (XRF79C). Fusion disks are made with pulped sample and the addition of a borate based flux. Analysis at ALS is for a 10 element suite. FeO is determined using titration and LOI using loss determination by thermo-gravimetric analysis at 1000°C. • SGS Geosol Laboratories insert their own standards at set frequencies and monitor the precision of the XRF analysis. These results reported well within the specified 2 standard deviations of the mean grades for the main elements. Additionally the labs perform repeat analyses of sample pulps at a rate of 1:20 (5% of all samples). These compare very closely with the original analysis for all elements. • INV inserted standard samples every 20 samples (representing 5%). Results of the QAQC data are not known. • Laboratory procedures are in line with industry standards.
Verification of sampling and assaying	• All recent samples were collected by Centaurus field geologists. All assay results were verified by alternative Company personnel and the Competent Person before release. • All historical samples were collected by INV and Teck field geologists. All assay results were verified and reported by INV's Qualified Person. • The Company does not have access to the database.
Location of data	• The survey grid system used is SAD-69 22S. This is in line with Brazilian Mines Department requirements. All sample and mapping points were collected using a Garmin hand held GPS.

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points	
Data spacing and distribution	• Soil samples were collected on 50m spacing on section with distance between sections of 200m and 400m depending on location. • Sample spacing was deemed appropriate for geochemical studies but should not be considered for Mineral Resource estimations. • Drill holes reported in this announcement were surveyed using hand held GPS. • No sample compositing has been applied.
Orientation of data in relation to geological structure	• The extent and orientation of the mineralisation was interpreted based on field mapping. Sample orientation is perpendicular to the main geological features sequence along which mineralisation exists.
Sample security	• All samples were placed in pre-numbered plastic sample bags and then a sample ticket is placed within the bag as a check. Bags are sealed and placed in larger bags (10 samples per bag) and then transported by courier to the SGS Geosol laboratories in Parauapebas, PA. Sample request forms are sent with the samples and via email to the labs. Samples are checked at the lab and a work order is generated by the lab which is checked against the sample request. • All historical samples were placed in pre-numbered plastic sample bags and then a sample ticket was placed within the bag as a check. Bags were sealed and then transported by courier to the SGS Geosol laboratories in Parauapebas, PA.
Audits or reviews	• The Company is not aware of any audit or review that has been conducted on the project to date.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	Commentary
Mineral tenement and land tenure status	• The Pebas project includes one exploration licence (850.133/2013) for a total of circa 25km². Granted Exploration Licences have three years of exploration rights that may be extended for a further three years. • The tenement is part of an earn-in agreement with Terrativa Minerais SA. Centaurus has now met the minimum earn in obligations under the Agreement and perfected 100% title to the Pebas tenement. Terrativa retain a production royalty of 2% over any minerals extracted from the tenement. The royalty may be converted to a 25% project interest should it be sold to a third party. • All mining projects in Brazil are subject to a CFEM royalty, a government royalty of 2% on copper and gold revenue. • Landowner royalty is 50% of the CFEM royalty. • The project is covered by a mix of cleared farm land and natural vegetation. The project is not located within any environmental protection zones and exploration and mining is permitted with appropriate environmental licences.
Exploration done by other parties	• Historically the Pebas tenement area was explored for copper-gold by INV and Teck. Centaurus has retrieved all data that was made public as NI 43-101 reports from the Sedar website. Centaurus will continue to try to obtain the original data from these companies.
Geology	• The Pebas Cu-Au Project is hosted within a slither of the Itacaiúnas Supergroup, host to all IOCG deposit within the Carajás, wedged between two regionally important intrusions. • The 2km long +500ppm copper in soils anomaly is roughly coincident with a 1km long discrete magnetic anomaly. • Mapping and integration of drill results shows that the copper mineralisation occurs as veins and disseminations of chalcopyrite within strongly altered garnet-chlorite-magnetite schists, interpreted to be originally metasediments. These rocks are in faulted contact with a highly siliceous quartzite, which also contains disseminations and stringers of chalcopyrite, pyrite and locally arsenopyrite.

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Criteria	Commentary
Drill hole Information	Refer to Figures 1-3 and Table 1.
Data aggregation methods	- No cut-offs have been applied in reporting of the exploration results. - No aggregate intercepts have been applied in reporting of the exploration results.
Relationship between mineralisation widths and intercept lengths	The results reported in this announcement reflect individual down-hole sample intervals and no mineralised widths were assumed or stated.
Diagrams	Refer to Figures 1-3
Balanced reporting	All exploration results received by the Company to date are included in this report or can be referenced to previous ASX/TSX releases.
Other substantive exploration data	The Company is not aware of any additional exploration data.
Further work	- The Company continues to try to retrieve all data from the companies that completed historical exploration. - The Company plans to undertake a small ground EM survey ahead of additional RC or diamond drilling planned for Q1 2018.