

**CENTAURUS METALS LIMITED
ACN 009 468 099 ("COMPANY")
NOTICE OF ANNUAL GENERAL MEETING AND
EXPLANATORY MEMORANDUM**

In relation to the Annual General Meeting of the Company to be held at the theatrette, Ground Floor, KPMG building, 235 St Georges Terrace, Perth, Western Australia on Friday 4 May 2018 at 10am (WST).

As this is an important document, please read it carefully and in its entirety. If you do not understand it please consult your professional advisors.

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 ("**Company**") will be held at the theatre, Ground Floor, KPMG building, 235 St Georges Terrace, Perth, Western Australia on Friday 4 May 2018 commencing at 10am (WST) ("**Meeting**"). The enclosed Explanatory Memorandum accompanies and forms part of this Notice of Meeting.

Capitalised terms used in this Notice of Meeting and the Explanatory Memorandum are defined in the Glossary to the Explanatory Memorandum.

AGENDA

ORDINARY BUSINESS

FINANCIAL REPORT (no resolution required)

To receive the Financial Report of the Company for the year ended 31 December 2017 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 for the year ended 31 December 2017."

Note: Under section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion: The Company will disregard any votes cast (in any capacity) on this Resolution 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 this Resolution 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 Chair as proxy for a person who is entitled to vote and the Chair has received express authority to vote undirected proxies as the Chair sees fit, even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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, a Director 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."

RESOLUTION 3 - RATIFICATION OF ISSUE OF PLACEMENT SHARES AND ASSOCIATED UNLISTED OPTIONS UNDER LISTING RULE 7.1

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

"That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, Shareholders ratify and approve the previous issue of 117,272,777 Ordinary Shares and 147,500,000 Unlisted Options, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 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 the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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 - RATIFICATION OF ISSUE OF PLACEMENT SHARES UNDER LISTING RULE 7.1A

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

"That, for the purposes of ASX Listing Rules 7.1A and 7.4 and for all other purposes, Shareholders ratify and approve the previous issue of 177,727,223 Ordinary Shares, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 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 the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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 5 – APPROVAL FOR ISSUE OF UNLISTED OPTIONS

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

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue 20,000,000 Unlisted Options to Peloton Capital Ltd ("**Peloton Capital**") (or its nominee) on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Peloton Capital or its nominee, and any of their associates. However, the Company need not disregard a vote if:

- (a) it is cast by the 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 Chair 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 6 – 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, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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 that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 5pm (WST) on 2 May 2018.

BY ORDER OF THE BOARD



Paul Bridson
Company Secretary
26 March 2018

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 ("**Company**") in connection with the business to be conducted at the Annual General Meeting of the Company to be held at the theatre, Ground Floor, KPMG building, 235 St Georges Terrace, Perth, Western Australia on Friday 4 May 2018 commencing at 10am (WST).

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting. The purpose of this Explanatory Memorandum is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the 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 2017, has been sent to all Shareholders who requested it. The Annual Report is also 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 at the Meeting 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

The Annual Financial Report for the year ended 31 December 2017 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. Pursuant to the Corporations Act, the Company is required to put the Remuneration Report to the vote of Shareholders. 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 the 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 the Shareholders at the second such Annual General Meeting ("**Spill Resolution**") as to whether another meeting should be held at which all the Directors (other than the Managing Director) who were Directors at the date of approval of the applicable Remuneration Report must stand for re-election. If the Spill Resolution is passed, the Company must convene another general meeting within 90 days of the Spill Resolution. At the Company's previous Annual General Meeting held on 24 May 2017, the votes cast against the Remuneration Report were less than 25%.

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

Voting Restrictions

Key Management Personnel 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 proxy appointment gives a direction on how to vote, or the proxy is given to the Chair and expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chair 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 as a Director at the Annual General Meeting.

Mr Hancock has been a non-executive Director of the Company since 23 September 2011. Mr Hancock is a Chartered Accountant with over 20 years of experience in senior financial roles across a number of leading companies in Australia and South East Asia, including Lend Lease Corporation Ltd, Woodside Petroleum Ltd and Premier Oil Plc.

Mr Hancock is currently the Chief Commercial Officer at Atlas Iron 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 ISSUE OF PLACEMENT SHARES AND ASSOCIATED UNLISTED OPTIONS UNDER LISTING RULE 7.1

3.1 Background

On 9 February 2018 the Company issued a total of 295,000,000 Ordinary Shares (“**Shares**”) and 147,500,000 Unlisted Options (“**Unlisted Options**”) in a share placement to sophisticated and professional investors (“**Placement**”). The Placement raised a total of \$2,655,000 (before costs). The Shares and Unlisted Options were issued under the ASX Listing Rules as follows:

- 117,272,777 Shares and 147,500,000 Unlisted Options were issued under Listing Rule 7.1 and are the subject of Resolution 3; and
- 177,727,223 Shares were issued under Listing Rule 7.1A and are the subject of Resolution 4.

3.2 ASX Listing Rule 7.1

Subject to certain exceptions, Listing Rule 7.1 prevents a company in any 12 month period from issuing or agreeing to issue new Equity Securities, or other securities with rights of conversion to Equity Securities (such as an option), which amount to more than 15% of the Company’s ordinary securities on issue without shareholder approval.

3.3 ASX Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under Listing Rule 7.1, 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 limit imposed by Listing Rule 7.1.

The Company confirms the issue of the Shares and Unlisted Options the subject of Resolution 3 did not breach Listing Rule 7.1.

The Company wishes to ratify the issue of the Shares and Unlisted Options the subject of Resolution 3 pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

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

- (a) on 9 February 2018 the Company issued 117,272,777 Shares and 147,500,000 Unlisted Options pursuant to Listing Rule 7.1;
- (b) the Shares were issued for \$0.009 each, raising a total of \$1,055,455 (before costs). The issue price of the Unlisted Options was nil. The Unlisted Options were free attaching Options issued on the basis of one free attaching Option for every two Shares subscribed for, for which no additional consideration is payable (other than in relation to the exercise price of those Options);
- (c) the Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares. The Options are Unlisted Options, each convertible on exercise into one Share, with an exercise price of \$0.015 and an expiry date of 31 January 2020 and are otherwise granted on the terms set out in Schedule A;
- (d) the Shares were issued to sophisticated and professional investors (within the meaning of sections 708(8) – (11) of the Corporations Act);
- (e) the Shares were issued to progress the exploration of the newly acquired Itapitanga Nickel-Cobalt Project, the Salobo West Copper Gold Project and the Pebas Copper Gold Project in the Carajás Mineral Province, as well as for general working capital purposes and to fund the costs of the Placement; and
- (f) a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolution 3.

3.4 Directors' Recommendation

If Resolution 3 is passed, the 15% limit imposed by Listing Rule 7.1 will be renewed to the extent of the ratification. The Directors unanimously recommend Shareholders vote in favour of Resolution 3.

4. RESOLUTION 4 - RATIFICATION OF ISSUE OF PLACEMENT SHARES UNDER LISTING RULE 7.1A

4.1 Background

Resolution 4 seeks Shareholder ratification of the issue of the 177,727,223 Shares under Listing Rule 7.1A as set out in section 3.1 above.

4.2 ASX Listing Rule 7.1A

Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special resolution at their annual general meeting, to have the capacity to issue or agree to issue a number of Equity Securities during the subsequent 12 month period which represents 10% of the number of fully paid ordinary securities on issue as at the commencement of that 12 month period as adjusted in accordance with the formula in Listing Rule 7.1 (**10% Placement Capacity**).

Approval for the 10% Placement Capacity may only be obtained at the Company's Annual General Meeting. The Company previously received Shareholder approval for the 10% Placement Capacity at the Company's Annual General Meeting held on 24 May 2017.

4.3 ASX Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under Listing Rule 7.1A provided the issue did not breach Listing Rule 7.1A. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to the limit imposed by Listing Rule 7.1A. The Company confirms the issue of the Shares the subject of Resolution 4 did not breach Listing Rule 7.1A.

Where an eligible entity obtains shareholder approval to increase its placement capacity under Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable “A” in the formula in Listing Rule 7.1; and
- (b) are counted in variable “E”,

until their issue has been ratified under Listing Rule 7.4 (and provided that the previous issue did not breach Listing Rule 7.1A) or 12 months has passed since their issue.

The Company wishes to ratify the issue of the Shares the subject of Resolution 4 pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 10% of its issued capital under Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

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

- (a) on 9 February 2018 the Company issued 177,727,223 Shares pursuant to Listing Rule 7.1A;
- (b) the Shares were issued for \$0.009 each, raising a total of \$1,599,545 (before costs);
- (c) the Shares are fully paid ordinary shares that rank equally in all respects with the Company’s existing Shares;
- (d) the Shares were issued to sophisticated and professional investors (within the meaning of sections 708(8) – (11) of the Corporations Act);
- (e) the Shares were issued to progress the exploration of the newly acquired Itapitanga Nickel-Cobalt Project, the Salobo West Copper Gold Project and the Pebas Copper Gold Project in the Carajás Mineral Province, as well as for general working capital purposes and to fund the costs of the Placement; and
- (f) a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolution 4.

4.4 Directors’ Recommendation

If Resolution 4 is passed, the 10% limit imposed by Listing Rule 7.1A will be renewed to the extent of the ratification. The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

5. RESOLUTION 5 – APPROVAL FOR ISSUE OF UNLISTED OPTIONS

5.1 Background

The Company appointed Peloton Capital to act as lead manager for the Placement. The terms of the agreement between the Company and Peloton Capital provide for the issue of 20,000,000 Unlisted Options to Peloton Capital as partial consideration for the services performed in raising the funds under the Placement.

The requirements of ASX Listing Rule 7.1 are set out in section 3.2 above. If Shareholders approve Resolution 5, the effect will be to allow the Directors to issue 20,000,000 Unlisted Options to Peloton Capital during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without reducing the 15% capacity available under Listing Rule 7.1.

5.2 ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) the number of Unlisted Options to be issued is 20,000,000;

- (b) the Unlisted Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (c) the Unlisted Options are to be issued by the Company for nil consideration in part satisfaction of the services performed by Peloton Capital in raising the funds under the Placement;
- (d) the Unlisted Options will be issued to Peloton Capital;
- (e) the Unlisted Options are each convertible on exercise into one Share, with an exercise price of \$0.015 and an expiry date of 31 January 2020 and are otherwise granted on the terms set out in Schedule A;
- (f) no funds will be raised from the issue of the Unlisted Options as they will be issued as partial consideration for the services performed by Peloton Capital in raising the funds under the Placement;
- (g) a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolution 5; and
- (h) the proposed allottees are not related parties of the Company or its associates.

5.3 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 5.

6. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT FACILITY

6.1 Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company previously received Shareholder approval for the 10% Placement Facility at the Company's previous Annual General Meeting held on 24 May 2017 and this approval will expire on 24 May 2018 (or earlier if Shareholders approve a transaction under Listing Rule 11.1.2 or Listing Rule 11.2).

The Company is now seeking fresh Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2 below).

6.2 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 10% Placement Facility 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 10% Placement Facility 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 on issue the following classes of Equity Securities quoted on the ASX:

- **2,073,899,085** Ordinary Shares;
- **224,874,914** Options, with an exercise price of \$0.01 per Option and expiring on 30 April 2018; and
- **623,757,741** Options, with an exercise price of \$0.01 per Option and expiring on 31 August 2019.

Formula for calculating 10% Placement Facility

If Resolution 6 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:

$(A \times D) - E$

Where:

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.

Note that "A" has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D = 10%

E = The number of Equity Securities issued or agreed to be issued under Listing 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 10% Placement Facility under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company has 2,073,899,085 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):

- 311,084,862 Equity Securities under Listing Rule 7.1; and
- 207,389,908 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 6 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.

6.3 Information for Shareholders as required by Listing Rule 7.3A

Listing Rule 7.3A.1 – Minimum price

The issue price of the new Equity Securities issued under Listing Rule 7.1A must 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:

- (a) the date on which the price of the Equity Securities are to be issued is agreed; or

- (b) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

Listing Rule 7.3A.2 – Risk of economic and voting dilution

If Resolution 6 is passed and the Company issues securities under the 10% 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,

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.

For the purpose of Listing Rule 7.3A.2, 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 at a future Shareholders' meeting; 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		
		\$0.0055 50% decrease in Issue Price	\$0.011 Current Market/ Issue Price	\$0.0165 50% increase in Issue Price
Current Variable A 1,778,899,085 Shares	10% Voting Dilution	177,889,908 Shares	177,889,908 Shares	177,889,908 Shares
	Funds Raised	\$978,394	\$1,956,788	\$2,935,183
50% Increase in Variable A 2,668,348,627 Shares	10% Voting Dilution	266,834,862 Shares	266,834,862 Shares	266,834,862 Shares
	Funds Raised	\$1,467,591	\$2,935,183	\$4,402,775
100% Increase in Variable A 3,557,798,170 Shares	10% Voting Dilution	355,779,817 Shares	355,779,817 Shares	355,779,817 Shares
	Funds Raised	\$1,956,788	\$3,913,577	\$5,870,366

This table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Options (including any Options having previously been issued under the 10% Placement Facility) 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 10% Placement Facility, 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 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The issue price is \$0.011, being the latest closing price of the Shares on ASX on 26 March 2018.

Listing Rule 7.3A.3 – Placement Period

The Company previously received Shareholder approval for the 10% Placement Facility at the Annual General Meeting held on 24 May 2017. 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 4 May 2018 and expires on the earlier of:

- 4 May 2019, 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 ASX.

Listing Rule 7.3A.4 – Purposes for which the new Equity Securities may be issued

The Company may seek to issue new Equity Securities under the 10% Placement Facility for the following purposes:

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

Listing Rule 7.3A.5 – Allocation policy

The Company's allocation policy for the issue of new Equity Securities under the 10% Placement Facility will be dependent on the existing market conditions 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 10% Placement Facility 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 10% Placement Facility, and it is possible that their Shareholding will be diluted.

If the 10% Placement Facility is used to acquire new assets or investments then there is a chance the allottees will be the vendors of the new assets.

The Company will comply with its 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

During the 12 months prior to the date of the Annual General Meeting, and assuming no further issue of securities occurs between the date of this Notice and the date of the Annual General Meeting, the Company issued 950,652,648 Ordinary Shares, 624,025,798 listed Options, 221,500,000 unlisted Options and 90,000,000 performance rights for a total of 1,886,178,446 Equity Securities representing 137.28% of the total number of Equity Securities on issue 12 months ago, being at 26 March 2017. The following table sets out the details of the Equity Securities issued:

Issue Date	Number of Equity Securities Issued	Class of Equity Securities Issued	Names of Persons to Whom Equity Securities Issued	Issue Price	Closing Market Price at Issue Date	Discount to Closing Market Price on Issue Date	Cash Consideration
10/08/2017	624,025,798	Ordinary Shares	Note (ii)	\$0.004	\$0.004	Nil	\$2,496,103
05/09/2017	30,000,000	Ordinary Shares	Note (iii)	\$0.004	\$0.003	Nil	Note (iii)
09/02/2018	295,000,000	Ordinary Shares	Note (iv)	\$0.009	\$0.012	25%	\$2,655,000
12/02/2018	413,384	Ordinary Shares	Note (v)	\$0.01	\$0.013	23%	\$4,133
19/02/2018	302,555	Ordinary Shares	Note (v)	\$0.01	\$0.013	23%	\$3,025
26/02/2018	688,481	Ordinary Shares	Note (v)	\$0.01	\$0.012	16%	\$6,884
16/03/2018	222,430	Ordinary Shares	Note (v)	\$0.01	\$0.011	10%	\$2,224
SUB TOTAL	950,652,648						
31/05/2017	74,000,000	Unlisted Options	Note (i)	Nil	N/A	N/A	Nil
10/08/2017	624,025,798	Listed Options	Note (ii)	Nil	N/A	N/A	Nil
05/09/2017	90,000,000	Performance Rights	Note (iii)	Nil	N/A	N/A	Nil
09/02/2018	147,500,000	Unlisted Options	Note (iv)	Nil	N/A	N/A	Nil
TOTAL	1,886,178,446						

Notes:

- (i) Issue of Options as approved by Shareholders and under the Company's Employee Share Option Plan (**ESOP**). The issue of Options to Directors were approved by Shareholders at the Company's Annual General Meeting held on 24 May 2017 and the ESOP was approved by Shareholders at the Company's Annual General Meeting held on 31 May 2016. The purpose of the issue of Options to Directors and employees is to provide an ongoing incentive and retention tool for key personnel within the organisation. The Options were issued in three separate tranches, each for nil consideration, as part of the ESOP, and are unquoted. Using the Black - Scholes option pricing model, the value of the Options is, in respect of each tranche of Options, as follows:
 - Tranche 1 - 18,500,000 options (value per Option as at the date of this Notice is \$0.01)
 - Tranche 2 - 18,500,000 options (value per Option as at the date of this Notice is \$0.01)
 - Tranche 3 - 37,000,000 options (value per Option as at the date of this Notice is \$0.011)
- (ii) Issue of Shares pursuant to the Renounceable Rights Issue Prospectus dated 13 July 2017. The issue comprised 624,025,798 Shares on the basis of 5 Shares for every 9 Shares held at the record date at an issue price of \$0.004 per new Share, together with 1 free attaching new Option for each new Share subscribed for, each exercisable into one Share at \$0.01 on or before 31 August 2019, to raise \$2,496,103 (before issue costs). The cash raised was predominantly used to continue the drilling program at the Serra Misteriosa Gold Project in Brazil, commence exploration activities on the Salobo West Copper-Gold Project in Brazil and other tenements within the broader tenement package in Pará, northern Brazil, provide general working capital, including the costs of marketing the Jambreiro Iron Ore Project for joint venture or divestment and to meet the costs of the rights issue.

- (iii) Issue of Shares and Performance Rights to exercise the Company's right to acquire the Pará Exploration Package tenements in Northern Brazil following completion of the minimum expenditure commitment of R\$2.5 million (~A\$1 million) within the two year earn-in period. No funds were raised from the issue of the Ordinary Shares and Performance Rights as they were issued as part of the acquisition consideration for the Pará Exploration Package under the agreement with Terrativa Minerais SA as initially announced by the Company on 5 October 2016. The deemed issue price was \$0.004 per Share, valuing the Shares issued at \$120,000. The current value of the non-cash consideration, as at the date of this Notice, based on a current market price of \$0.011 per Share, is \$330,000.

The Performance Rights were split into three Tranches, with the principal terms as follows:

- Tranche A – 30,000,000 Performance Rights will be converted into Ordinary Shares if, within a period of 5 years after the date of issue of the Performance Rights, a JORC-compliant Inferred Resource of 500,000 troy ounces of gold or gold equivalent is defined on the Pará Exploration Package Project tenements;
- Tranche B – 30,000,000 Performance Rights will be converted into Ordinary Shares if, within a period of 5 years after the date of issue of the Performance Rights, a JORC-compliant Inferred Resource of 1,000,000 troy ounces of gold or gold equivalent is defined on the Pará Exploration Package Project tenements;
- Tranche C – 30,000,000 Performance Rights will be converted into Ordinary Shares if, within a period of 5 years after the date of issue of the Performance Rights, a JORC-compliant Inferred Resource of 1,500,000 troy ounces of gold or gold equivalent is defined on the Pará Exploration Package Project tenements.

Detailed tables illustrating a range of grades and tonnage at which the milestones applicable to each relevant Tranche of Performance Rights would be met were contained in the Company's notice of meeting for the Company's previous Annual General Meeting held on 24 May 2017.

- (iv) Issue of Shares to sophisticated and professional investors at an issue price of \$0.009 cents per Share together with one free attaching Option for each two new Shares subscribed for, each exercisable into one Share at \$0.015 on or before 31 January 2020, to raise \$2,655,000 (before issue costs). The funds raised will be used to progress the exploration of the newly acquired Itapitanga Nickel-Cobalt Project, the Salobo West Copper Gold Project and the Pebas Copper Gold Project in the Carajás Mineral Province, as well as for general working capital purposes and to fund the costs of the Placement.
- (v) Issue of Shares upon the exercise of listed Options (1,358,793 CTMOA options, exercisable at \$0.01 with expiry date of 30 April 2018 and 268,057 CTMOB options, exercisable at \$0.01 with expiry date of 31 August 2019).

All Shares issued under the 10% Placement Facility during the past 12 months complied with the requirement of Listing Rule 7.1A.3 that the issue price of securities must be no less than 75% of the 15 Trading Day VWAP.

6.4 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 10% Placement Facility. No existing Shareholders' votes will therefore be excluded under the voting exclusion in the Notice.

6.5 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 6.

GLOSSARY

\$ means Australian dollars.

10% Placement Facility has the meaning given in section 6.1 of the Explanatory Memorandum.

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

Annual Report means the annual report of the Company for the financial year ended 31 December 2017.

ASX means ASX Limited ABN 98 008 624 691 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.

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

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

Chair or **Chairman** means the chair of the Annual General 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 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 dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations.

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

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.

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

ESOP means the employee share option plan of the Company.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice of Meeting.

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

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

Option means an option to acquire one Share.

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

Peloton Capital means Peloton Capital Ltd.

Placement has the meaning given in section 3.1 of the Explanatory Memorandum.

Proxy Form means the enclosed appointment of proxy form.

Related Party is defined in section 228 of the Corporations Act.

Remuneration Report means the remuneration report in the Directors' Report section of the Company's Annual Report.

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

Shareholder means a registered holder of a Share.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Unlisted Option means an option over an unissued Ordinary Share exercisable at \$0.015 on or before 31 January 2020 on the terms and conditions set out in Schedule A.

VWAP means the volume weighted average trading price of the Shares on ASX.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE A – TERMS AND CONDITIONS OF UNLISTED OPTIONS (RESOLUTIONS 3 & 5)

The following are the terms and conditions of the Unlisted Options:

- (a) Each Option entitles the holder to subscribe for one Share upon the exercise of each Option.
- (b) The exercise price for each Option is \$0.015 and the expiry date of each Option is 31 January 2020.
- (c) Options are exercisable at any time after they are issued and on or prior to 5pm (WST) on their expiry date.
- (d) Options may be exercised by notice in writing to the Company ("**Notice of Exercise**") and payment of the exercise price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
- (e) Shares issued on exercise of the Options rank equally with the Shares of the Company.
- (f) Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (g) Within 15 Business Days after the later of the following:
 - following receipt of a valid Notice of Exercise given in accordance with these terms and conditions and receipt of cleared funds equal to the sum payable on the exercise of the Options; and
 - when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information:

the Company will issue and allot the Shares pursuant to the exercise of the Options, and do all such things necessary to obtain the grant of official quotation of the Shares on ASX no later than 5 Business Days after issuing the Shares including giving ASX a notice that complies with section 708A(5)(e) of the Corporations Act.

- (h) There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least five Business Days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (i) If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - no change will be made to the Exercise Price.
- (j) If there is any reconstruction of the issued share capital of the Company, the rights of the Option holders will if required be varied to comply with the Listing Rules and Corporations Act which apply to the reconstruction at the time of the reconstruction.
- (k) Application will not be made by the Company to ASX for quotation of the Options.
- (l) Options are transferable provided the transfer of the Options does not contravene section 707(3) of the Corporations Act.

PROXY FORM

The Company Secretary, Centaurus Metals Limited

By email:

proxyform@centaurus.com.au

By post:

PO Box 975

West Perth WA 6872

I/We being a shareholder/s of Centaurus Metals Limited hereby appoint

☐the Chairman of
the meeting**OR****Please note:** If you leave this section blank, the Chairman of the Meeting will be your proxy.

or failing such appointment, or if no appointment is made, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at the theatre, Ground Floor, KPMG building, 235 St Georges Terrace, Perth, Western Australia on Friday 4 May 2018 commencing at 10am (WST), and at any adjournment or postponement of that Meeting.

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.

Where I/we have appointed the Chairman as my/our proxy (whether by direction or default), I/we acknowledge that Resolution 1 relates directly or indirectly to the remuneration of key management personnel, and that the Chairman intends to vote any undirected proxies in favour of Resolution 1. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxies in relation to Resolution 1 even though this Resolution is connected directly or indirectly with the remuneration of key management personnel and the Chairman may have an interest in the outcome of the Resolution.

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 Issue of Placement Shares and Associated Unlisted Options	☐	☐	☐
Resolution 4	Ratification of Issue of Placement Shares Under Listing Rule 7.1A	☐	☐	☐
Resolution 5	Approval for Issue of Unlisted Options	☐	☐	☐
Resolution 6	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

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. The shares represented by this proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any poll that may be called for, and if the shareholder has specified a choice in respect of any matter to be acted upon, the shares will be voted accordingly.

4. The Chairman intends to vote in favour of all Resolutions set out in the Notice of Meeting.

5. **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.

6. **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.

7. **Entitled to Vote:** For the purposes of Regulation 7.11.37 of the Corporations Regulations the Company determines that shareholders holding shares at Wednesday 2 May 2018 at 5pm (WST) will be entitled to attend and vote at the Meeting.

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

(a) email to the Company at proxyform@centaurus.com.au; or

(b) post to Centaurus Metals Limited, PO Box 975, West Perth, WA 6872

so that it is received not later than 10am (WST) on Wednesday 2 May 2018.

Proxy forms received later than this time will be invalid.