

19 October 2020

TRANSFER OF JAGUAR MINING LEASE APPLICATION COMPLETED

Centaurus Metals (ASX Code: **CTM**) is pleased to advise that the formal transfer of the Mining Lease Application covering its 100%-owned **Jaguar Nickel Sulphide Project** in north-eastern Brazil from Vale Metais Básicos S.A. ("Vale") to Centaurus' Brazilian subsidiary, Aliança Mineração Ltda ("Aliança"), has been completed. The transfer was recently gazetted in Brazil's Official Federal Gazette – *Diário Oficial da União*.

The Company is now well placed to lodge a revised PAE (*Plano de Aproveitamento Económico*) with Brazil's National Mining Agency (ANM) as soon as the Jaguar Scoping Study, scheduled for completion in Q1 2021, is available. The revised PAE, once approved, will underpin the grant of the Jaguar Mining Lease.

Meanwhile, the Company continues with its aggressive resource growth and in-fill exploration programs with four diamond rigs and one Reverse Circulation (RC) rig on site, all working double-shift at Jaguar. Three diamond rigs are focused on in-fill and extensional drilling of the near-surface high-grade mineralisation to upgrade the resource classification from Inferred to Indicated for the next resource update that will underpin the Scoping Study.

The fourth diamond rig is carrying out resource growth focused step-out drilling on multiple high-quality deeper targets, beyond the current Mineral Resource limits, where strong down-hole EM conductors remain untested and open at depth.

Recent results from step-out drilling, as reported to the ASX on 12 October 2020, have been able to demonstrate that wide zones of high-grade nickel mineralisation extend down-dip from previously reported high-grade intercepts and that electromagnetic survey results are a powerful exploration tool in identifying zones of semi-massive to massive nickel sulphide mineralisation.

The RC rig has started drilling an impressive pipeline of 10 high-impact greenfields exploration targets, with initial drilling underway at the Filhote Prospect, where a 300m Fixed Loop Electromagnetic (FLEM) conductor plate is coincident with a broad (+1.1km) ground magnetic signature and a PGE-Ni-As-Cr-Cu soil geochemical anomaly.

Interestingly, both historical holes drilled at Filhote intersected elevated PGE mineralisation, with PKS-JAGU-DH00075 returning 18.0m @ 0.35g/t Pd and 0.03 g/t Pt from 95.0m, including a maximum interval of 1m @ 1.10g/t Pd and 0.22g/t Pt from disseminated sulphide mineralisation. The FLEM conductor plate is likely to assist in vectoring in on the semi-massive to massive sulphide component of this mineralisation and potentially higher grades.

-ENDS-

For further enquiries please contact:

Nicholas Read

Read Corporate

M: +61 419 929 046

T: +61 8 9388 1474

Authorised for release by:

Darren Gordon

Managing Director

Centaurus Metals Ltd

T: +61 8 6424 8420

Australian Office

Centaurus Metals Limited
Level 3, 10 Outram St
West Perth WA 6005
AUSTRALIA

Brazilian Office

Centaurus Brasil Mineração Ltda
Avenida Barão Homem de Melo, 4391
Salas 606 e 607 - Estoril
CEP: 30.494.275, Belo Horizonte MG
BRAZIL

ASX: CTM

ACN 009 468 099
office@centaurus.com.au
T: +61 8 6424 8420

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Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Roger Fitzhardinge who is a Member of the Australasia Institute of Mining and Metallurgy. Mr Fitzhardinge is a permanent employee and shareholder of Centaurus Metals Limited. Mr 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'. Mr Fitzhardinge consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the new June 2020 Jaguar Mineral Resources is based on information compiled by Mr Lauritz Barnes (consultant with Trepanier Pty Ltd) and Mr Roger Fitzhardinge (a permanent employee and shareholder of Centaurus Metals Limited). Mr Barnes and Mr Fitzhardinge are both members of the Australasian Institute of Mining and Metallurgy. Mr Barnes and Mr Fitzhardinge have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Fitzhardinge is the Competent Person for the database (including all drilling information), the geological and mineralisation models plus completed the site visits. Mr Barnes is the Competent Person for the construction of the 3-D geology / mineralisation model plus the estimation. Mr Barnes and Mr Fitzhardinge consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.



APPENDIX A – Compliance Statements for the Jaguar Project

The following Tables are provided for compliance with the JORC Code (2012 Edition) requirements for the reporting of Exploration Results and Mineral Resources at the Jaguar Project.

SECTION 1 - SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections).

Criteria	Commentary
<i>Sampling techniques</i>	- Historical soil sampling was completed by Vale. Samples were taken at 50m intervals along 200m spaced north-south grid lines. - Surface material was first removed, and sample holes were dug to roughly 20cm depth. A 5kg 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. - Surface rock chip/soil samples were collected from in situ outcrops and rolled boulders and submitted for chemical analysis. - The historical drilling is all diamond drilling. Drill sections are spaced 100m apart and generally there is 50 to 100m spacing between drill holes on sections. - Core was cut and ¼ core sampled and sent to commercial laboratories for physical preparation and chemical assay. - At the laboratories, samples were dried (up to 105°C), crushed to 95% less than 4mm, homogenized, split and pulverized to 0.105mm. A pulverized aliquot was separated for analytical procedure. - Sample length along core varies between 0.3 to 4.0m, with an average of 1.48m; sampling was done according to lithological contacts and generally by 1m intervals within the alteration zones and 2m intervals along waste rock. - Current drilling is being completed on spacing of 100m x 50m or 50m x 50m. Sample length along core varies between 0.5 to 1.5m - Core is cut and ¼ core sampled and sent to accredited independent laboratory (ALS). - For metallurgical test work continuous downhole composites are selected to represent the metallurgical domain and ¼ core is sampled and sent to ALS Metallurgy, Balcatta, Perth.
<i>Drilling techniques</i>	- Historical drilling was carried out between 2006 to 2010 by multiple drilling companies (Rede and Geosol), using wire-line hydraulic diamond rigs, drilling NQ and HQ core. - Vale drilled 169 drill holes for a total of 56,592m of drilling in the resource area. All drill holes were drilled at 55°-60° towards either 180° or 360°. Centaurus has completed 49 drill holes for a total of 9,786 m of drilling. All drill holes were drilled at 55°-75° towards either 180° or 360°. - Current drilling is a combination of HQ and NQ core (Servdrill).
<i>Drill sample recovery</i>	- Diamond Drilling recovery rates are being calculated at each drilling run. - For all diamond drilling, core recoveries were logged and recorded in the database for all historical and current diamond holes. To date overall recoveries are >98% and there are no core loss issues or significant sample recovery problems. - To ensure adequate sample recovery and representativity a Centaurus geologist or field technician is present during drilling and monitors the sampling process. - No relationship between sample recovery and grade has been demonstrated. No bias to material size has been demonstrated.
<i>Logging</i>	- Historical outcrop and soil sample points were registered and logged in the Vale geological mapping point database. - All drill holes have been logged geologically and geotechnically by Vale or Centaurus geologists. - Drill samples are logged for lithology, weathering, structure, mineralisation and alteration among other features. Logging is carried out to industry standard and is audited by Centaurus CP. - Logging for drilling is qualitative and quantitative in nature. - All historical and new diamond core has been photographed.
<i>Sub-sampling techniques and sample preparation</i>	- Diamond Core (HQ/NQ) was cut using a core saw, ¼ core was sampled. Sample length along core varies between 0.3 to 4.0m, with an average of 1.48m; sampling was done according to lithological contacts and generally by 1m intervals within the alteration zones and 2m intervals along the waste rock. - There is no non-core sample within the historical drill database. - QAQC: Standards (multiple standards are used on a rotating basis) are inserted every 20 samples. Blanks have been inserted every 20 samples. Field duplicates are completed every 30 samples. Additionally, there are laboratory standards and duplicates that have been inserted. - Centaurus has adopted the same sampling QAQC procedures which are in line with industry standards and Centaurus's current operating procedures.

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Criteria	Commentary
	- Sample sizes are appropriate for the nature of the mineralisation. - All historical geological samples were received and prepared by SGS Geosol or ALS Laboratories as 0.5-5.0kg samples. They were dried at 105°C until the sample was completely dry (6-12hrs), crushed to 90% passing 4mm and reduced to 400g. The samples were pulverised to 95% passing 150µm and split further to 50g aliquots for chemical analysis. - New samples are being sent to ALS Laboratories. The samples are dried, crushed and pulverised to 85% passing 75µm and split further to 250g aliquots for chemical analysis. - During the preparation process grain size control was completed by the laboratories (1 per 20 samples). - Metallurgical samples are crushed to 3.35mm and homogenised. Samples are then split to 1kg sub-samples. Sub-samples are ground to specific sizes fractions (53-106µm) for flotation testwork.
Quality of assay data and laboratory tests	- Chemical analysis for drill core and soil samples was completed by multi element using Inductively Coupled Plasma ICPAES (multi-acid digestion); ore grade analysis was completed with Atomic Absorption (multi-acid digestion); sulphur analysis was completed with Leco, and Au and PGEs completed via Fire Assay. - New samples are being analysed for 48 elements by multi element using ME-MS61 (multi-acid digestion) at ALS Laboratories; ore grade analysis was completed with ICP-AES (multi-acid digestion); sulphur analysis was completed with Leco, and Au and PGEs completed via Fire Assay. - ALS Laboratories insert their own standards at set frequencies and monitor the precision of the analysis. The results reported are well within the specified standard deviations of the mean grades for the main elements. Additionally, ALS 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. - Vale inserted standard samples every 20 samples (representing 5%). Mean grades of the standard samples are well within the specified 2 standard deviations. - All laboratory procedures are in line with industry standards. Analysis of field duplicates and lab pulp duplicates have returned an average correlation coefficient of over 0.98 confirming that the precision of the samples is within acceptable limits. - Vale QAQC procedures and results are to industry standard and are of acceptable quality. - All metallurgical chemical analysis is completed by ALS laboratories
Verification of sampling and assaying	- All historical samples were collected by Vale field geologists. All assay results were verified by alternative Vale personnel. The Centaurus CP has verified the historical significant intersections. - Centaurus Exploration Manager and Senior Geologist verify all new results and visually confirm significant intersections. - No twin holes have been completed. - All primary data is now stored in the Centaurus Exploration office in Brazil. All new data is collected on Excel Spreadsheet, validated and then sent to independent database administrator (MRG) for storage (DataShed). - No adjustments have been made to the assay data.
Location of data points	- All historical collars were picked up using DGPS or Total Station units. Centaurus has checked multiple collars in the field and has confirmed their location. All field sample and mapping points were collected using a Garmin handheld GPS. - An aerial survey was completed by Esteio Topografia and has produced a detailed surface DTM at (1:1000 scale). - The survey grid system used is SAD-69 22S. This is in line with Brazilian Mines Department requirements. - New drill holes are sighted with handheld GPS and after completion picked-up by an independent survey consultant periodically. Downhole survey for all the historical drill holes and up to the recent hole JAG-DD-19-012 used Maxibor equipment. All new drill holes are being downhole surveyed using Reflex digital down-hole tool, with readings every metre.
Data spacing and distribution	- Soil samples were collected on 40m spacing on section with distance between sections of 200m and 400m depending on location. - Sample spacing was deemed appropriate for geochemical studies. - The historical drilling is all diamond drilling. Drill sections are spaced 100m apart and generally there is 50 to 100m spacing between drill holes on sections. Centaurus plans to close the drill spacing to 100m x 50m or 50m x 50m. - No sample compositing was applied to the drilling - Metallurgical samples to date have been taken from Jaguar South and Onça Preta.
Orientation of data in relation to geological structure	- Historical drilling was oriented at 55°-60° to either 180° or 360°. This orientation is generally perpendicular to the main geological sequence along which broad scale mineralisation exists. - Mineralisation is sub-vertical; the majority of the drilling is at low angle (55-60°) in order to achieve intersections at the most optimal angle.

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Criteria	Commentary
Sample security	- All historical and current samples are placed in pre-numbered plastic sample bags and then a sample ticket was placed within the bag as a check. Bags are sealed and then transported by courier to the ALS laboratories in Vespasiano, MG. - All remnant Vale diamond core has now been relocated to the Company's own core storage facility in Tucumã, 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 listed in the preceding Section also apply to this section).

Criteria	Commentary
Mineral tenement and land tenure status	- The Jaguar project includes one exploration licence (856392/1996) for a total of circa 30km². A Mining Lease Application has been lodged that allows for ongoing exploration and project development ahead of project implementation. - The tenement is part of a Sale & Purchase Agreement (SPA) with Vale SA. Two deferred consideration payments totalling US\$6.75M (US\$1.75 million on commencement of BFS or 3 years and US\$5 million on commencement of commercial production) and a production royalty of 0.75% are to follow. Centaurus has taken on the original obligation of Vale to BNDES for 1.8% Net Operating Revenue royalty. - Mining projects in Brazil are subject to a CFEM royalty, a government royalty of 2% on base metal 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 Jaguar Project was explored for nickel sulphides by Vale from 2005 to 2010.
Geology	- Jaguar Nickel Sulphide is a hydrothermal nickel sulphide deposit located near Tucumã in the Carajás Mineral Province of Brazil. - Jaguar is located at the intersection of the WSW-trending Canaã Fault and the ENE-trending McCandless Fault, immediately south of the NeoArchean Puma Layered Mafic-Ultramafic Complex. - Iron rich fluids were drawn up the mylonite zone causing alteration of the host felsic volcanic and granite units and generating hydrothermal mineral assemblage. Late stage brittle-ductile conditions triggered renewed hydrothermal fluid ingress and resulted in local formation of high-grade nickel sulphide zones within the mylonite and as tabular bodies within the granite.
Drill hole Information	- Refer to previous ASX Announcements for significant intersections from Centaurus drilling. - Refer to ASX Announcement 6 August 2019 for all significant intersections from historical drilling.
Data aggregation methods	- Continuous sample intervals are calculated via weighted average using a 0.3 % Ni cut-off grade with 3m minimum intercept width. - There are no metal equivalents reported.
Relationship between mineralisation widths and intercept lengths	- Mineralisation is sub-vertical; the majority of the drilling is at low angle (55-60°) in order to achieve intersections at the most optimal angle. - The results in ASX Announcement 6 August 2019 reflect individual down hole sample intervals and no mineralised widths were assumed or stated.
Diagrams	None.
Balanced reporting	All exploration results received by the Company to date are included in this or previous releases to the ASX.
Other substantive exploration data	The Company has received geophysical data from Vale that is being processed by an independent consultant Southern Geoscience. Refer to ASX Announcements for geophysical information.
Further work	- Electro-magnetic (EM) geophysical surveys (DHEM and FLEM) are ongoing. - In-fill and extensional drilling within the known deposits to test the continuity of high-grade zones is ongoing. Resource samples are being sent in batches of 150-300 samples and will be reported once the batches are completed.