



## DECEMBER 2020 QUARTERLY ACTIVITIES REPORT

*Exceptional results from ongoing 75,000m in-fill and step-out drilling program at the Jaguar Nickel Sulphide Project, with updated Mineral Resource Estimate imminent and Scoping Study due late Q1 2021*

25 January 2021

### JAGUAR NICKEL SULPHIDE PROJECT

- ▶ Step-out drilling at the rapidly evolving Jaguar Central Deposit returned a spectacular assay result from drill hole JAG-DD-20-104 of:
  - **30.8m at 3.30% Ni, 0.22% Cu and 0.06% Co from 180.7m**, including:
    - **12.0m at 2.31% Ni, 0.21% Cu and 0.05% Co from 180.7m**; and
    - **12.1m at 5.38% Ni, 0.31% Cu and 0.09% Co from 195.3m**
- ▶ Result confirms down-dip extensions to the high-grade nickel shoot at Jaguar Central, which is now over 500m long and remains open at depth and along strike – demonstrating significant growth potential and upside.
- ▶ A further step-out hole, JAG-DD-20-101, located 100m east of JAG-DD-20-104, intersected the top of the high-grade shoot, returning:
  - 11.0m at 0.76% Ni, 0.03% Cu and 0.02% Co from 127.0m; and
  - 20.2m at 1.00% Ni, 0.04% Cu and 0.03% Co from 153.3m
- ▶ In-fill diamond drilling continues to intersect significant thick semi-massive to massive nickel sulphides at Jaguar Central, with new assays including:
  - 47.1m at 1.37% Ni, 0.08% Cu and 0.03% Co from 65.9m, including:
    - 13.1m at 2.34% Ni, 0.15% Cu and 0.05% Co from 65.9m (hole JAG-DD-20-075); and
  - 53.0m at 0.94% Ni, 0.03% Cu and 0.03% Co from 25.0m, including:
    - 12.7m at 1.99% Ni, 0.02% Cu and 0.08% Co from 50.0m (hole JAG-DD-20-080)
- ▶ In-fill, extensional and step-out drilling at the Jaguar South Deposit returned consistent thick and shallow nickel sulphide intersections, including:
  - 20.0m at 1.40% Ni, 0.05% Cu and 0.02% Co from 161.0m, including:
    - 4.7m at 2.18% Ni, 0.10% Cu and 0.05% Co from 161.0m; and
    - 4.2m at 3.42% Ni, 0.08% Cu and 0.09% Co from 172.0m (hole JAG-DD-20-084)
  - 17.2m at 1.19% Ni, 0.03% Cu and 0.03% Co from 162.6m (hole JAG-DD-20-088)
  - 11.0m at 1.21% Ni, 0.07% Cu and 0.03% Co from 89.0m (hole JAG-DD-20-090)
- ▶ A number of Project Development initiatives were advanced, focussing on approvals and future infrastructure access.
- ▶ Formal transfer of the Mining Lease Application covering the Jaguar Project from Vale to Centaurus completed.

### CORPORATE & OTHER PROJECTS

- ▶ Jambreiro Iron Ore Project economics reviewed in light of significant increase in global iron ore prices.
- ▶ Cash at 31 December 2020 of \$24.1 million.

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## JAGUAR NICKEL PROJECT

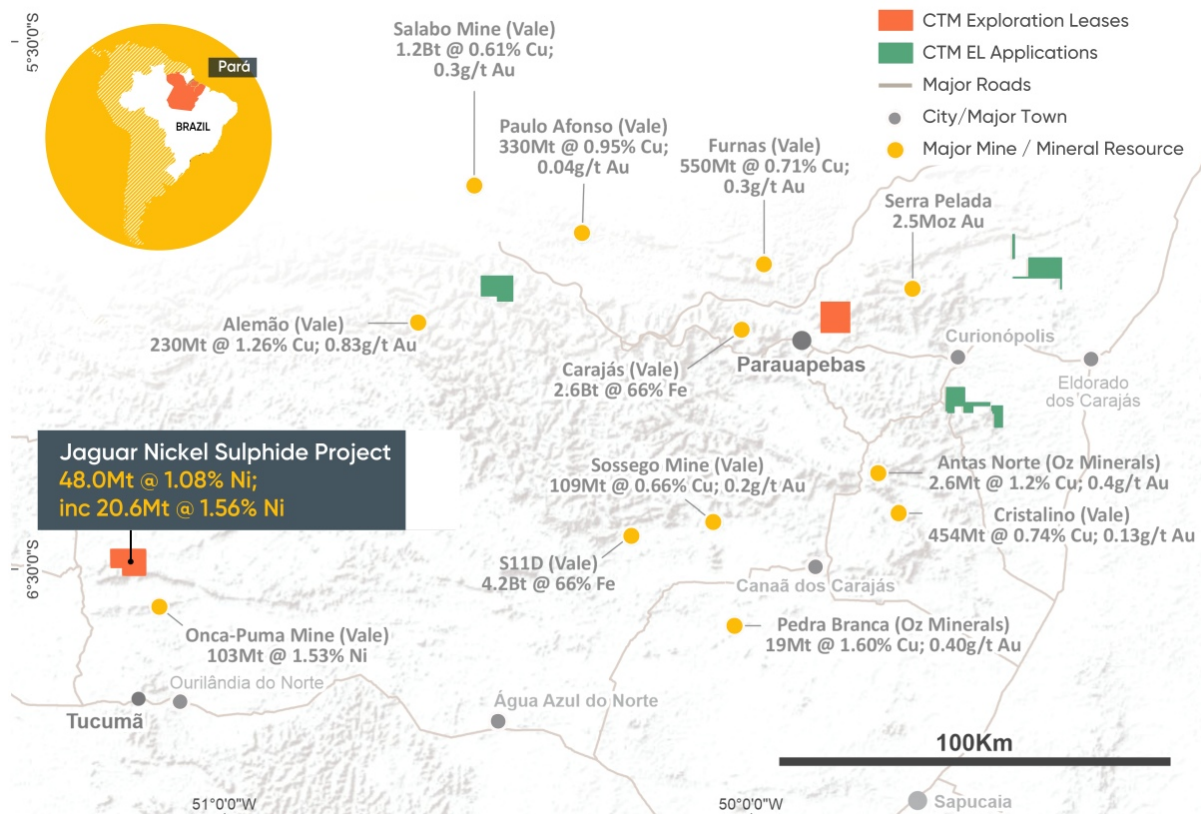
In August 2019, Centaurus secured an exceptional exploration, growth and development opportunity in the international nickel sulphide sector after executing a formal Sale & Purchase Agreement with global mining giant, Vale S.A. (“Vale”) to acquire the advanced, large-scale Jaguar Nickel Sulphide Project, located in the world-class Carajás Mineral Province of northern Brazil (Figure 1).

The settlement of the acquisition was completed on 9 April 2020 following formal regulatory approval by the Brazilian National Bank for Economic and Social Development (BNDES).

On 29 June 2020, Centaurus reported a maiden JORC 2012 Indicated and Inferred Mineral Resource Estimate (MRE) for the Jaguar Project of **48.0Mt @ 1.08% Ni for 517,500t of nickel**, confirming Jaguar as an outstanding near-surface nickel sulphide deposit. Importantly, the MRE also contains a significant high-grade portion, with a High-Grade Indicated and Inferred MRE of **20.6Mt @ 1.56% Ni for 321,400t of nickel**, forming the cornerstone of the Company’s strategy to establish a high-grade, high-margin nickel sulphide project.

An updated MRE and Scoping Study for the Jaguar Project development are on track for completion in Q1 2021.

**Figure 1: Jaguar Nickel Sulphide Project Location Map**



### RESOURCE IN-FILL, STEP-OUT AND EXTENSIONAL DRILLING PROGRAM

During the Quarter, Centaurus continued to progress a major 75,000m drilling program, to be completed at the Jaguar Project over the next 12 months, comprising Resource in-fill, step-out and extensional drilling, plus regional exploration drilling. Up to five drill rigs were on site throughout the reporting period.

Drilling results reported during the December Quarter show outstanding potential to further expand the Company’s maiden JORC 2012 Mineral Resource Estimate (MRE) of 48.0Mt at 1.08% Ni for 517,500 tonnes of contained nickel.



## Jaguar Central Deposit

The Jaguar Central Deposit is hosted in a strongly sheared felsic dacite with the **primary high-grade zone now defined over 500m of strike** and comprising multiple zones of sub-vertical stringer to semi-massive and massive sulphides up to 30m wide. These zones extend from surface to more than 300m depth and remain open at depth and along strike (see Figure 2).

The Company's maiden JORC MRE, released in June 2020, delineated 7.4Mt at 1.13% Ni for 83,400t of contained nickel at the Jaguar Central deposit alone, with a near-surface High-Grade MRE of 4.1Mt at 1.44% Ni for 59,400t of contained nickel.

Successful step-out and extensional drilling at Jaguar Central continues to demonstrate the outstanding potential to increase the contribution of the Jaguar Central Deposit to the global Jaguar JORC MRE.

### *In-fill drilling*

New drilling at Jaguar Central since the June 2020 MRE has consistently intersected a thick, shallow high-grade mineralised shoot that starts from close to surface at the western end of the deposit on section 476770mE and plunges sub-horizontally to the east across nine drill sections and more than 500m of strike (Figure 2). The mineralised shoot is up to 70m wide and over 100m deep on some sections.

Nickel grades within the mineralised shoot are consistently over 1.0% nickel with outstanding continuous down-hole intersections such as 33.7m at 2.23% Ni (JAG-DD-20-056), 31.4m at 2.47% Ni (PKS-JAGU-DH00030) and 67.3m at 1.20% Ni (JAG-DD-20-047).

A flat-lying high-grade shoot with this favourable geometry lends itself extremely well to a low-strip ratio starter pit. An optimum scheduling scenario has the potential to deliver low cost, high-grade material to the plant during the project payback period.

Highlights of the new assay results from the in-fill drilling at the Jaguar Central Deposit reported during the December Quarter included (see ASX Announcement dated 20 November 2020 for full detail of these results):

#### Hole JAG-DD-20-075

- **3.3m at 1.72% Ni**, 0.12% Cu and 0.04% Co from 57.0m
- **47.1m at 1.37% Ni**, 0.08% Cu and 0.03% Co from 65.9m, including:
  - **13.1m at 2.34% Ni**, 0.15% Cu and 0.05% Co from 65.9m

#### Hole JAG-DD-20-080

- **25.0m at 1.02% Ni**, 0.15% Cu and 0.02% Co from surface<sup>1</sup>
- **53.0m at 0.94% Ni**, 0.03% Cu and 0.03% Co from 25.0m, including:
  - **12.7m at 1.99% Ni**, 0.02% Cu and 0.08% Co from 50.0m

### *Step-out drilling*

Step-out drilling at the Jaguar Central Deposit during the December Quarter delivered exceptional results, confirming the down-dip extensions to the high-grade nickel mineralisation shoot, which is now over 500m long and remains open at depth and along strike.

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<sup>1</sup> This intersection is an oxide interval



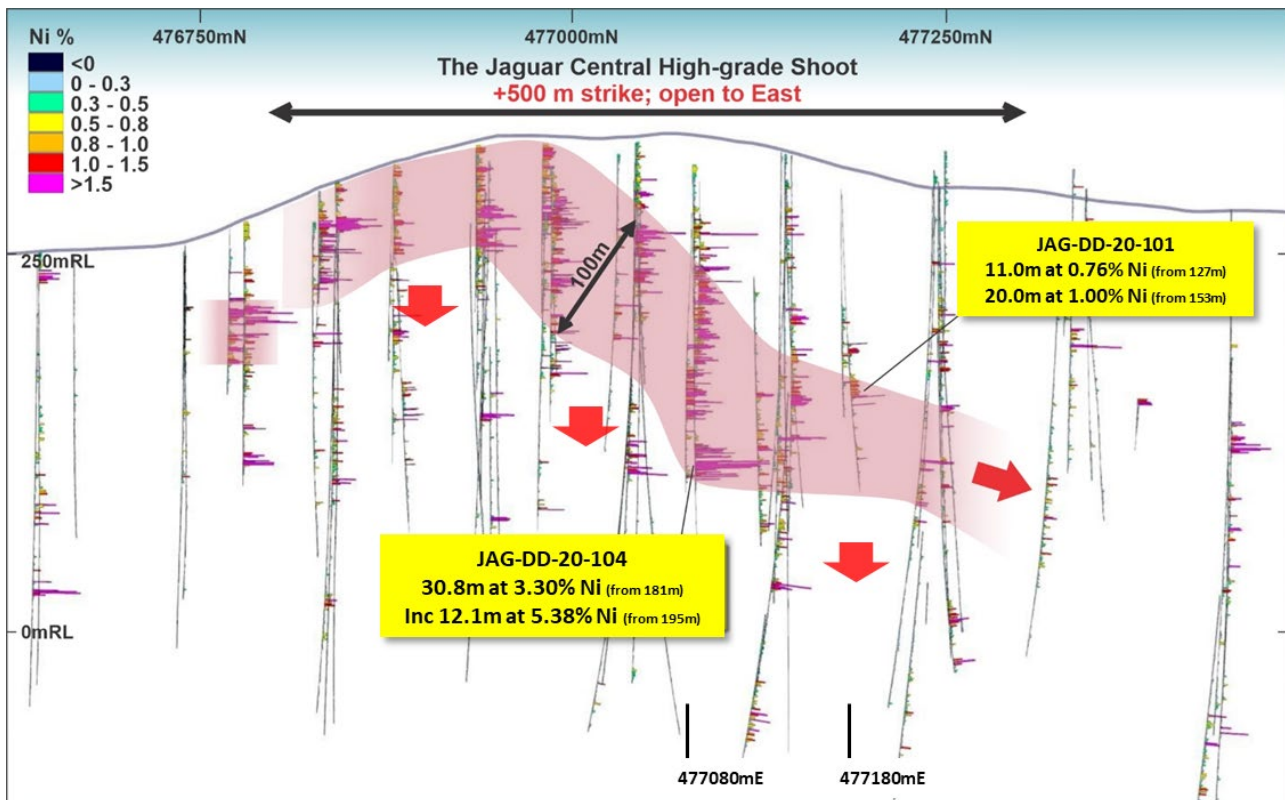
Assay results from step-out drill hole JAG-DD-20-104 returned the following down-hole intervals (see ASX Announcement dated 21 December 2020 for full details):

Hole JAG-DD-20-104

- **30.8m at 3.30% Ni**, 0.22% Cu and 0.06% Co from 180.7m, including:
  - **12.0m at 2.31% Ni**, 0.21% Cu and 0.05% Co from 180.7m; and
  - **12.1m at 5.38% Ni**, 0.31% Cu and 0.09% Co from 195.3m

This represents the best intersection returned from the high-grade Jaguar Central shoot to date. The mineralisation remains open at depth on all sections along the more than 500m of strike and down-plunge to the east.

Figure 2 – The Jaguar Central Deposit Long-Section looking north showing the high-grade mineralisation shoot (red) with the location of the Cross-Section in Figure 3 shown.



Additionally, step-out hole JAG-DD-20-101, which was drilled 100m to the east of JAG-DD-20-104, successfully intersected the top of the high-grade shoot and returned 20.0m at 1.0% Ni (see Figure 3).

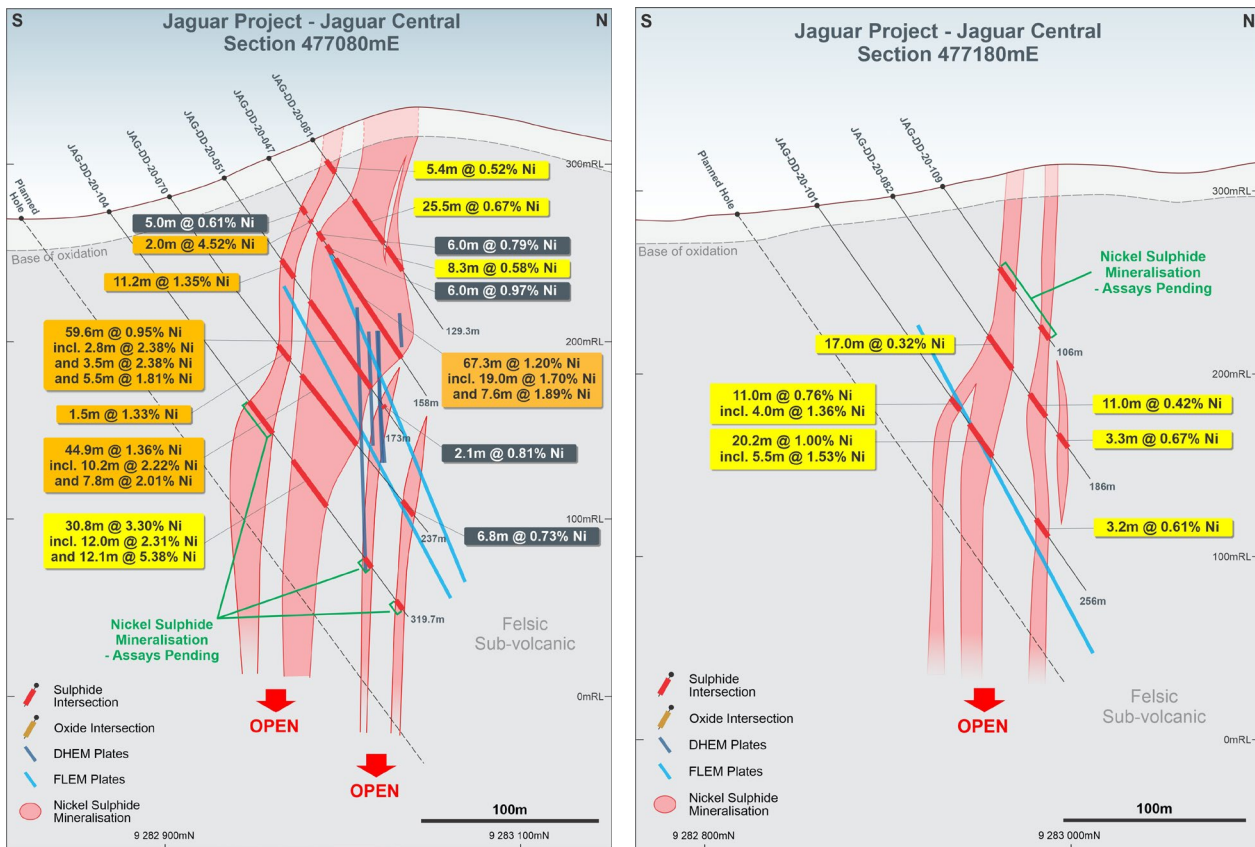
The JAG-DD-20-101 intersection is also beyond current Mineral Resource limits and demonstrates that the high-grade mineralisation shoot remains open at depth and along strike to the east.

Drilling has recently re-commenced with a planned hole 50m down-dip from JAG-DD-20-101 expected to intersect the centre of the modelled high-grade shoot.

Eighteen (18) diamond drill holes have been completed at the Jaguar Central Deposit since the June 2020 MRE, with only one drill hole not intersecting significant nickel sulphide mineralisation. These consistent shallow results are expected to contribute strongly to the JORC MRE upgrade set for completion in Q1 2021.



Figure 3 – The Jaguar Central Deposit: Cross-Section 477080mE (right) and 477180mE (left) showing the drill intersections with DHEM conductor plates in dark blue and FLEM plates in light blue.



### Jaguar South Deposit

Hosted in a Sub-Volcanic Porphyritic Dacite, the Jaguar South Deposit extends over a strike length of more than 600m and comprises continuous sub-vertical veins and semi-massive to massive breccia zones that can be up to 20m wide and extend from surface to more than 300m depth with the mineralisation remaining open at depth.

Jaguar South is currently the biggest deposit at the Jaguar Project, contributing 15.5Mt at 1.10% Ni for more than 170kt of contained nickel, including an Indicated component of 4.5Mt at 1.38% Ni and an Inferred component of 10.9Mt at 0.99% Ni.

Drilling resumed at Jaguar South at the end of September 2020 with the focus on in-fill drilling to assist in the conversion of the near-surface, potential in-pit resources from Inferred to Indicated for the forthcoming resource upgrade and ensuing Scoping Study.

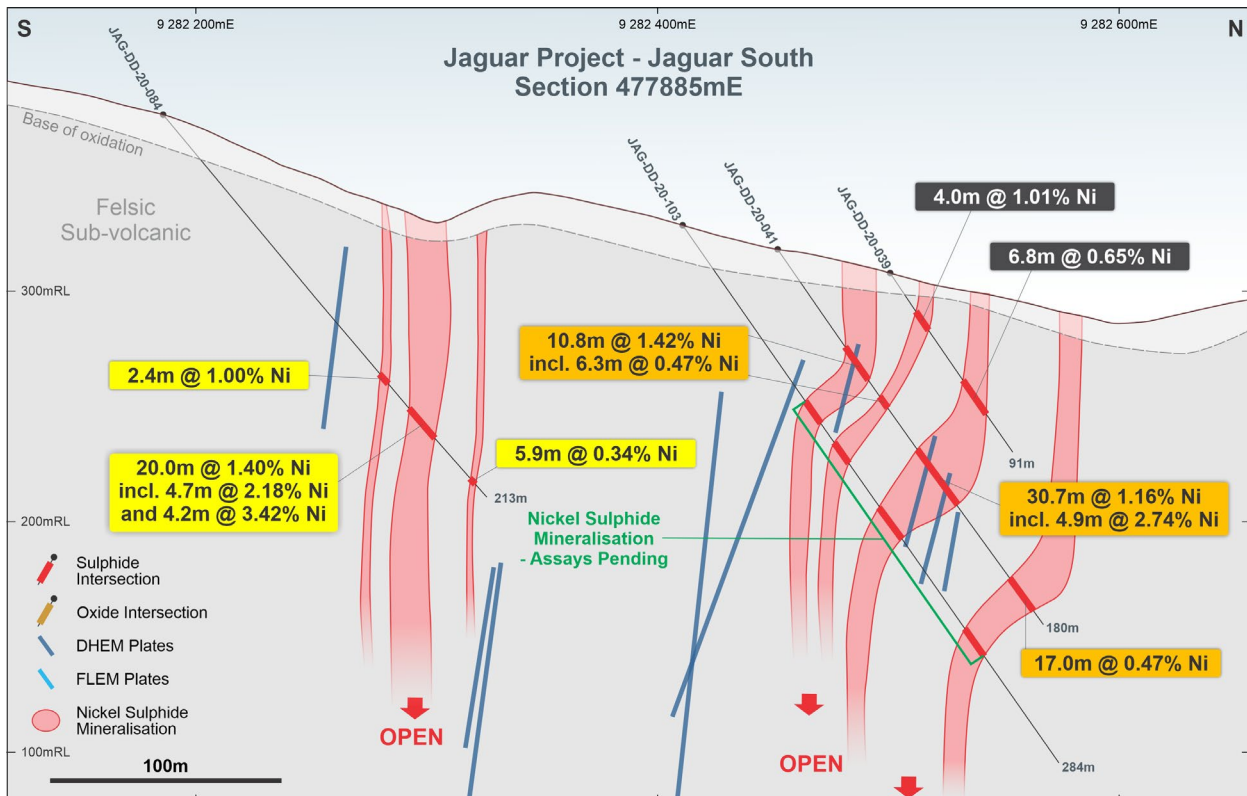
Much of the near-surface Inferred Resource component is associated with lenses of medium to low grade mineralisation, as evidenced by the lower grade of the Inferred component of the resource (10.9Mt at 0.99% Ni). The in-fill drilling has been successful in confirming and, in some cases, extending the nickel mineralisation.

Importantly, drill holes JAG-DD-20-084 (20.0m at 1.40% Ni, see Figure 4) and JAG-DD-20-088 (17.2m at 1.19% Ni) have confirmed higher-grade mineralisation zones near surface.

Drill hole JAG-DD-20-095, located a further 90m along strike to the north-west, has intersected more shallow mineralisation and is extending the mineralisation beyond the current resource limits.



Figure 4 – The Jaguar South Deposit: Cross-Sections 477890mE showing significant drill intersections (in yellow) with DHEM conductor plates in blue.



Highlights of assay results from in-fill drilling at the Jaguar South Deposit during the December Quarter included the following down-hole intervals (see ASX Announcement dated 21 December 2020 for full details of assay results):

Hole JAG-DD-20-084

- **2.4m at 1.00% Ni**, 0.03% Cu and 0.01% Co from 147.0m
- **20.0m at 1.40% Ni**, 0.05% Cu and 0.03% Co from 161.0m, including:
  - **4.7m at 2.18% Ni**, 0.10% Cu and 0.05% Co from 161.0m; and
  - **4.2m at 3.42% Ni**, 0.08% Cu and 0.09% Co from 172.0m

Hole JAG-DD-20-085

- **13.9m at 0.62% Ni**, 0.06% Cu and 0.02% Co from 46.6m, including:
  - **3.9m at 1.13% Ni**, 0.09% Cu and 0.03% Co from 56.5m
- **19.2m at 0.57% Ni**, 0.04% Cu and 0.02% Co from 80.4m, including:
  - **2.6m at 1.10% Ni**, 0.04% Cu and 0.03% Co from 97.0m

Hole JAG-DD-20-087

- **3.0m at 1.26% Ni**, 0.03% Cu and 0.03% Co from 80.3m
- **8.1m at 0.66% Ni**, 0.02% Cu and 0.02% Co from 146.3m

Hole JAG-DD-20-088

- **7.8m at 0.55% Ni**, 0.02% Cu and 0.03% Co from 125.0m
- **5.6m at 0.97% Ni**, 0.04% Cu and 0.02% Co from 150.5m, including:
  - **2.5m at 1.51% Ni**, 0.06% Cu and 0.03% Co from 150.5m
- **17.2m at 1.19% Ni**, 0.03% Cu and 0.03% Co from 162.6m, including:
  - **4.7m at 1.67% Ni**, 0.03% Cu and 0.03% Co from 174.1m

Hole JAG-DD-20-090

- **11.0m at 1.21% Ni**, 0.07% Cu and 0.03% Co from 89.0m, including:
  - **5.6m at 1.84% Ni**, 0.08% Cu and 0.04% Co from 89.0m



Hole JAG-DD-20-092

- **21.7m at 0.36% Ni**, 0.02% Cu and 0.01% Co from 96.5m
- **18.8m at 0.41% Ni**, 0.02% Cu and 0.01% Co from 126.2m

Hole JAG-DD-20-095

- **14.0m at 0.68% Ni**, 0.06% Cu and 0.02% Co from 31.0m, including:
  - **2.2m at 1.90% Ni**, 0.20% Cu and 0.05% Co from 33.0m
- **6.3m at 1.08% Ni**, 0.03% Cu and 0.03% Co from 58.5m

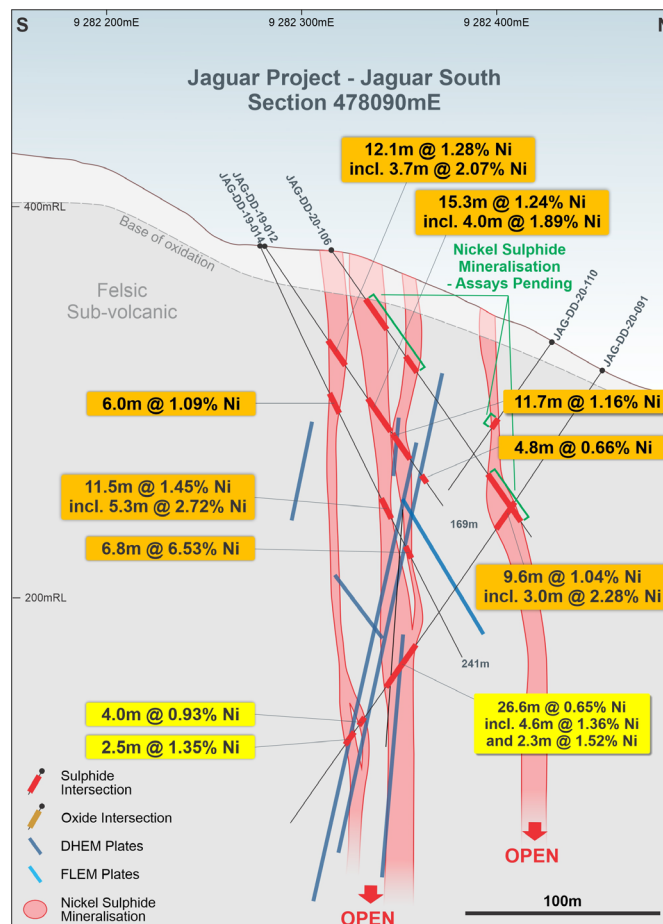
One rig has started to undertake step-out drilling to test DHEM conductors and potential down-dip extensions of the high-grade mineralisation within the main zones. The first holes have successfully intersected the mineralisation more than 50m below the previously deepest hole.

Highlights of assay results from step-out drilling at the Jaguar South Deposit during the December Quarter included the following down-hole intervals (see ASX Announcement dated 21 December 2020 for full details of assay results):

Hole JAG-DD-20-091

- **9.6m at 1.04% Ni**, 0.03% Cu and 0.02% Co from 81.5m, including:
  - **3.0m at 2.28% Ni**, 0.06% Cu and 0.04% Co from 81.5m
- **26.6m at 0.65% Ni**, 0.02% Cu and 0.01% Co from 168.5m, including:
  - **4.6m at 1.36% Ni**, 0.03% Cu and 0.02% Co from 172.0m; and
  - **2.3m at 1.52% Ni**, 0.04% Cu and 0.02% Co from 191.7m
- **4.0m at 0.93% Ni**, 0.03% Cu and 0.02% Co from 215.5m
- **2.4m at 1.35% Ni**, 0.06% Cu and 0.04% Co from 227.0m

Figure 5 – The Jaguar South Deposit: Cross-Sections 478090mE showing significant drill intersections (in yellow) with DHEM conductor plates in blue.





Additional step-out drilling designed to further evaluate the down-dip and along-strike extensions of the high-grade mineralisation is continuing, with the holes targeting the DHEM conductor plates.

The results from these Jaguar South holes and all the Jaguar Central holes outlined above are expected to be available for the Q1 2021 JORC MRE upgrade.

### **SCOPING STUDY**

The Company has engaged industry leading nickel sulphide engineering groups, Entech and DRA Global, to complete the Jaguar Nickel Project Scoping Study in conjunction with the Company's internal technical team.

Entech is responsible for the mine planning and geotechnical components of the Scoping Study, with a focus on evaluating the potential open pit and underground operations. Entech has extensive open pit and underground experience in the base metals sector, having worked on multiple projects previously with companies including Mincor, Western Areas, Panoramic, Sandfire and Sirius/IGO.

DRA is responsible for all engineering aspects, compilation and final delivery of the Scoping Study. DRA has a significant global footprint with 18 offices across six continents and has delivered projects in more than 30 countries, including in South America.

Key personnel assigned to the Scoping Study have broad experience in the successful development and construction of base metal projects in both Australia and internationally.

Given the size of the maiden Mineral Resource Estimate, the Company had up to five drill rigs working on double shift during the December Quarter to convert adequate Inferred Resources across to the Indicated category to allow the Scoping Study Production Targets and Project economics to be published under the ASX reporting guidelines.

The project sizing decision and required resource drilling are driving the timing of the completion of the Scoping Study. An updated MRE and Scoping Study results are on schedule to be released in Q1 2021.

The Scoping Study will consider both a "base case" operation under which the Company would produce high-grade nickel concentrate using a traditional nickel flotation process, as well as the potential for value-adding opportunities including the conversion of the Jaguar concentrate to a high-quality nickel sulphate or nickel metal product. Nickel sulphate is the chemical form of nickel that is required by the growing EV battery industry and for the broader electrification of industry.

Full details of both the base case and value-add scenarios were provided in the Company's September 2020 Quarterly Activities Report.

### **INFRASTRUCTURE AND EARLY-STAGE PROJECT DEVELOPMENT INITIATIVES**

During the Quarter, the following activities were undertaken and advanced in respect to Project Development initiatives that focused on approvals and future infrastructure access.

#### ***Powerline***

The Company has defined a powerline route to the Project area from the existing 138kV line in Tucumã and is now developing a timeline to secure the relevant approvals and land access.

The Company has also commenced discussions with powerline construction groups to determine the likely costs and time required to build the line from the time of ordering to delivery of power to site.

Further, negotiations have started with power suppliers in the region who generate most of their power from renewable sources.





**Site Camp**

The Company’s site camp has been upgraded during the Quarter to provide a facility that can accommodate the expanded team needed to support the level of drilling planned over the next 12 months while also supporting the Company’s commitment to protecting its workers and their families from the COVID-19 pandemic.

The ability to minimise as much direct contact as possible with the broader population of the local communities is proving to be very effective in keeping the Centaurus team relatively safe from COVID-19 impacts, allowing the Company to continue its extensive drill program and project development activities.

Between direct Centaurus employees and drilling and earthmoving contractors, the Company is presently accommodating approximately 80 people on site in any given week. These staff and contractors are operating in small teams to ensure that social distancing can be maintained for the safety of all on site.



**Site Access Road Upgrade Works**

During the Quarter, the Company commenced upgrading the gravel road between Tucumã and site. During the wet season (January-April) the localised areas along the route have historically become water-logged, impeding travel conditions and speeds due to a general lack of drainage. Multiple bridges have now been repaired and roads improved with some of the work shown in the pictures below. The local community has been very appreciative of the road improvements as it makes their commute to Tucumã much safer during the wet season. Further road upgrade work will continue during 2021.





**Environmental Approval Process**

The Company has made very good progress in relation to the environmental approval process for the Project. The Environmental approvals process is currently the main time-determining factor for the Company to deliver on its aspiration to be a 20,000-plus tonne per annum nickel producer by the end of 2024.

The first stage in the environmental approval process is to complete and lodge the Environmental Impact Assessment (EIA/RIMA), with the lodgement of this document with the Para State Environmental Agency (SEMAS) dependent on the collection of all wet and dry season data in respect to water and air quality, noise and vibration, flora and fauna.

In previous quarters all dry season data had been collected and, during the December Quarter, the Company was able to collect the last of the wet season data that it needed to allow for the completion of the EIA/RIMA document.

The Company is now targeting the lodgement of the document soon after the completion and delivery of the Scoping Study.

Once lodged, the EIA/RIMA should take approximately 12 months to be approved with a Preliminary Licence (LP) to be issued on approval of the EIA/RIMA. This is the key approval in the Environmental Approval Process.

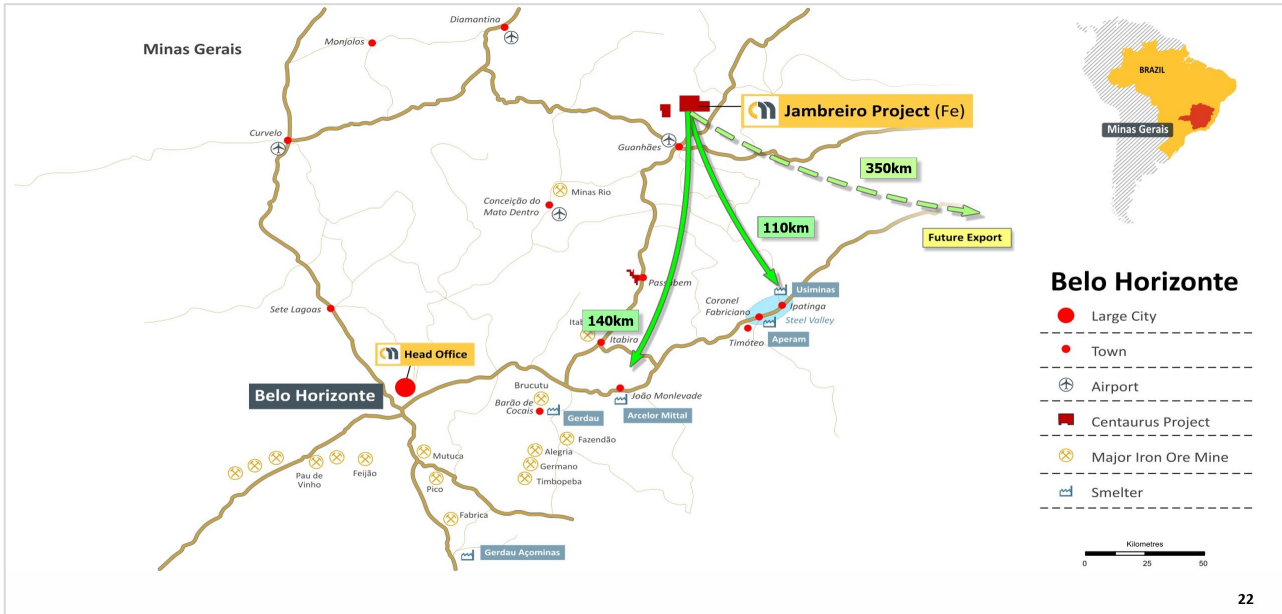
Once the LP is issued the Company can make application for the Installation Licence (LI), the approval of which allows for the construction of the processing plant to proceed.



## JAMBREIRO IRON ORE PROJECT

The Company’s 100%-owned Jambreiro Project, located in south-east Brazil (Figure 6), represents a strategic asset in the Brazilian domestic iron ore and steel sector, particularly with the premium pricing that exists in the market for high-grade ore (+65% Fe) such as that which could be produced at Jambreiro.

Figure 6: Jambreiro Iron Ore Project Location



Centaurus completed the Pre-Feasibility Study (PFS) in July 2019, with the key financial and technical outcomes announced to the market on 5 July 2019. The 1Mtpa start-up project PFS outlined a A\$59.8 million development, life-of-mine revenues of A\$1.05 billion and EBITDA of A\$533 million over its initial 18-year life to deliver a A\$114.9 million post-tax NPV<sub>8</sub> and IRR of 32%.

The PFS was based on the JORC 2012 Proven and Probable Ore Reserves estimate of 43.3Mt grading 29.1% Fe, which was also released to the market on 5 July 2019. The Ore Reserve delivers 17.9Mt of high-grade (65% Fe), low-impurity (4.3% SiO<sub>2</sub>, 0.8% Al<sub>2</sub>O<sub>3</sub> & 0.01% P) sinter product to support the initial 18-year mine life once operations commence.

The Jambreiro Project’s potential economics have continued to improve since the July 2019 PFS was completed. Revised PFS project economics were released to the market in the June 2020 Quarterly on 29 July 2020 (set out again below in Table 1) using domestic iron ore pricing based on a 62% Fe CFR China Price of US\$75/tonne, updated capital costs for the modularised plant from CDE Global and prevailing foreign exchange rates. This work delivered a post-tax NPV<sub>8</sub> of A\$147.2 million and an IRR of 37% over an 18-year mine life. Full detail of the Revised PFS work was set out in the June 2020 quarterly.



Table 1 – Jambreiro PFS Results from May 2020 Rework

Key Statistics	Previous 2019 Amount BRL	May 2020 Amount BRL	Units	Previous 2019 Amount A\$	May 2020 Amount A\$	Units
<b>Basis of Financials (Costs &amp; Prices)</b>						
Nominal Production Rate	1,000,000	<b>1,000,000</b>	tpa	1,000,000	<b>1,000,000</b>	tpa
<u>Average</u> LOM Exchange Rate						
- USD to BRL	3.70	<b>4.70</b>		3.70	<b>4.70</b>	
- AUD to BRL	2.60	<b>3.20</b>		2.60	<b>3.20</b>	
- AUD to USD	0.70	<b>0.68</b>		0.70	<b>0.68</b>	
Cash Flow Model Discount Rate	8	<b>8</b>	%	8	<b>8</b>	%
<b>CFR China Reference Price</b>	<b>75.0</b>	<b>75.0</b>	<b>US\$/t</b>	<b>75.0</b>	<b>75.0</b>	<b>US\$/t</b>
<b>Sinter Feed FOB Mine Gate Price</b>	<b>41.2</b>	<b>41.2</b>	<b>US\$/t</b>	<b>41.2</b>	<b>41.2</b>	<b>US\$/t</b>
Sinter Feed FOB Mine Gate Price	152	<b>194</b>	R\$/t	58.7	<b>60.6</b>	A\$/t
<b>Project Economics &amp; Outcomes</b>						
Total Pre-Production Capex	155.4	<b>188.2</b>	R\$ M	59.8	<b>58.8</b>	A\$ M
LOM Revenue	2,736	<b>3,475</b>	R\$ M	1,052	<b>1,086</b>	A\$ M
Average LOM Operating Cash Costs						
- mining costs	25.3	<b>25.3</b>	R\$/t	9.7	<b>7.9</b>	A\$/t
- processing costs	34.5	<b>35.2</b>	R\$/t	13.3	<b>11.0</b>	A\$/t
- site administration costs	5.5	<b>5.5</b>	R\$/t	2.1	<b>1.7</b>	A\$/t
<b>LOM Operating Cash Costs (before royalties)</b>	<b>65.3</b>	<b>66.0</b>	<b>R\$/t</b>	<b>25.1</b>	<b>20.6</b>	<b>A\$/t</b>
- royalties	10.0	<b>12.3</b>	R\$/t	3.9	<b>3.8</b>	A\$/t
<b>Total LOM Operating Cash Costs (C1 + Royalties)</b>	<b>75.3</b>	<b>78.3</b>	<b>R\$/t</b>	<b>29.0</b>	<b>24.4</b>	<b>A\$/t</b>
LOM Operating Cash Margin Pre-Tax	77.3	<b>115.7</b>	R\$/t	29.7	<b>36.2</b>	A\$/t
<b>EBITDA (LOM)</b>	<b>1,386</b>	<b>2,071</b>	<b>R\$ M</b>	<b>533</b>	<b>647</b>	<b>A\$ M</b>
<b>Average Annual Free Cash Flow, Pre-Tax</b>	<b>77.0</b>	<b>115.0</b>	<b>R\$ M</b>	<b>29.6</b>	<b>36.0</b>	<b>A\$ M</b>
<b>Net Present Value<sub>8</sub> – Pre-Tax</b>	<b>494.6</b>	<b>786.0</b>	<b>R\$ M</b>	<b>190.2</b>	<b>245.6</b>	<b>A\$ M</b>
<b>Net Present Value<sub>8</sub> – Post Tax</b>	<b>298.7</b>	<b>471.0</b>	<b>R\$ M</b>	<b>114.9</b>	<b>147.2</b>	<b>A\$ M</b>
<b>Internal Rate of Return – Post Tax</b>	<b>32</b>	<b>37</b>	<b>%</b>	<b>32</b>	<b>37</b>	<b>%</b>

Since this time, potential project economics have continued to significantly improve with the increase in global iron ore prices to over US\$160/tonne for a 62% Fe CFR China prices and the ongoing weakness in the Brazilian Real exchange rate to the US dollar.

Indicatively, given there has been no material changes in the conservative modifying factors used to estimate the Jambreiro Ore Reserve and that the capital or operating costs remain in line with the May 2020 Revised PFS, **the post-tax NPV<sub>8</sub> of the Project at this current iron ore price and current exchange rates would lift to over A\$425 million with an IRR over 80%.**

It is clear that the Jambreiro Iron Ore Project retains significant value for the Company. The completion of a suitable domestic market off-take for Jambreiro product (65% Fe) remains a key to unlocking this value and to advance financing/partnering discussions for the Project. The Company is continuing to assess off-take/partnering options for the Project and discussions remain open in this regard.



## CORPORATE

### Cash Position

At 31 December 2020, the Company held cash reserves of A\$24.1 million.

### Transfer of Jaguar Mining Lease Application

During the Quarter, the formal transfer of the Mining Lease Application covering the Jaguar Project from Vale Metais Básicos S.A. (“Vale”) to Centaurus’ Brazilian subsidiary, Aliança Mineração Ltda (“Aliança”), was completed and notified through the gazettal of the transfer 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.

### COVID-19 Response

Centaurus continues to maintain stringent health and safety protocols to protect its workers, their families and the wider community while at the same time maintaining business continuity.

These protocols include the hiring of a dedicated nurse to conduct regular COVID-19 testing, revised working arrangements, supply of suitable PPE and social distancing practices. Furthermore, the Company has made a strong contribution to the local municipal health services of Tucumã and São Félix do Xingu through the purchase of masks, gowns, hand sanitiser and COVID-19 test kits to better equip them for the delivery of health services in these communities.

To date, COVID-19 has had minimal impact on the Company’s operations and the tight protocols adopted by the Company have been highly effective in managing the risk of transmission.

During the Quarter, drilling has been able to be ramped up again as a result of the strong protocols adopted by the Company in relation to COVID-19. At Quarter-end, the Company had five rigs on site to support the 75,000m drill program targeted for completion by the end of 2021.

As noted above, an upgrade to the site camp has been ongoing to assist in protecting works and their families from the impacts of COVID-19. Having employees stay on site during the week and limiting contact with the broader local communities is proving to be effective in protecting workers from the virus.

### Shareholder Information

The Company’s capital structure at 31 December 2020 is as follows:

#### Quoted Securities

Capital Structure	Number
Fully paid ordinary shares (CTM)	325,857,160
Listed options, exercise price \$0.18, expiry date 31 May 2021 (CTMOC)	28,940,040
Top 20 Shareholders	61%
Directors and Management Shareholding of Listed Securities	4%



*Unquoted Options*

The following table shows a summary of the unquoted options on issue at Quarter end.

Expiry Date	Exercise Price	Vested	Unvested
31/05/21	\$0.210	1,233,335	-
31/05/22	\$0.180	116,667	-
31/05/22	\$0.225	2,233,335	-
31/05/22	\$0.378		1,400,000
31/05/23	\$0.180	116,667	
31/05/23	\$0.392		1,400,000
31/12/23	-	-	3,952,402
31/05/24	\$0.180	-	233,334
31/05/24	\$0.405		1,400,000
		<b>3,700,004</b>	<b>8,385,736</b>

**Listing Rule 5.3 Information**

- ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the Quarter was \$1.898 million. Details of the exploration activities to which this expenditure relates are set out above.
- ASX Listing Rule 5.3.2: There were no mining production and development activities during the Quarter.
- ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the Quarter totalled \$192,000. These payments relate to non-executive director's fees, executive directors' salaries and entitlements only and payments to MPH Lawyers, a director related entity, for the provision of legal services.

**Additional Information Required by LR5.3.3**

**Brazilian Tenements**

Tenement	Project Name	Location	Interest
831.638/2004	Canavial	Minas Gerais	100%
831.639/2004	Canavial	Minas Gerais	100%
831.649/2004	Jambreiro (Mining Lease)	Minas Gerais	100%
833.409/2007	Jambreiro (Mining Lease)	Minas Gerais	100%
834.106/2010	Jambreiro (Mining Lease)	Minas Gerais	100%
831.645/2006	Passabém	Minas Gerais	100%
830.588/2008	Passabém	Minas Gerais	100%
833.410/2007	Regional Guanhães	Minas Gerais	100%
856.392/1996	Jaguar (Mining Lease Application)	Pará	100%
850.130/2013	Pebas	Pará	100%
850.475/2016	Itapitanga	Pará	100%

**Australian Tenements**

Tenement	Project Name	Location	Interest
EPM14233	Mt Isa	Queensland	10% <sup>(1)</sup>

- Subject to a Farm-Out and Joint Venture Exploration Agreement with Summit Resources (Aust) Pty Ltd. Summit has earned a 90% interest in the Project. Aeon Metals Limited has acquired 80% of Summit's Interest giving them a total interest of 72% of the tenement.



This Quarterly Activities Report is authorised for release by the Managing Director, Mr Darren Gordon.

A handwritten signature in black ink, appearing to read 'D. Gordon'.

**DARREN GORDON**  
**MANAGING DIRECTOR**

### **Competent Person's Statements**

*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.*

*The information in this report that relates to Jambreiro Mineral Resources is based on information compiled by Roger Fitzhardinge who is a Member of the Australasian Institute of Mining and Metallurgy and Volodymyr Myadzel who is a Member of Australian Institute of Geoscientists. Roger Fitzhardinge is a permanent employee of Centaurus Metals Limited and Volodymyr Myadzel was the Senior Resource Geologist of BNA Mining Solutions, independent resource consultants engaged by Centaurus Metals, at the time when the Mineral Resource estimate was first completed. Roger Fitzhardinge and Volodymyr Myadzel have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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 and Volodymyr Myadzel consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.*

*The information in this report that relates to Ore Reserves is based on information compiled by Beck Nader who is a professional Mining Engineer and a Member of the Australian Institute of Geoscientists. Beck Nader is the Managing Director of BNA Mining Solutions and is a consultant to Centaurus. Beck Nader 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'. Beck Nader consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*