

20 September 2017

NEW HIGH-QUALITY COPPER-GOLD EXPLORATION OPPORTUNITY IDENTIFIED WITHIN PARÁ EXPLORATION PACKAGE, BRAZIL

Review of Pebas Copper-Gold Project uncovers a historical dataset of quality exploration work undertaken by a TSX-listed company which includes exploratory drilling

Key Points

- Centaurus has identified a significant new exploration opportunity at the Pebas Copper-Gold Project, which covers 25km² of highly prospective ground in the Carajás Mineral Province (“CMP”) – the world’s premier iron oxide-copper-gold (“IOCG”) address.
- The tenement area was explored in 2010/11 by TSX-listed INV Metals Inc. (“INV”), which delineated a 2km long, +500ppm copper-in-soils anomaly and undertook initial reconnaissance drilling – generating significant results which were never followed up due to a change in corporate focus.
- Gossanous rock chip samples collected on the property returned grades of up to 27.6% Cu, 4.6g/t Au, and 73.1g/t Ag.
- Historical reconnaissance diamond drilling carried out by INV in 2010 (as outlined in their March 2012 NI 43-101 Report) returned intersections of up to 1.73% Cu within broad mineralised zones such as:
 - 146.9m at 0.21% Cu and 0.08 g/t Au from surface in drill-hole PRN-DD-37; and
 - 105.0m at 0.23% Cu from surface in drill-hole PRN-DD-36.
- Ground EM survey planned to commence in the coming months to evaluate a potential high grade fault-related IOCG target which is interpreted to be in a similar geological and structural setting to the nearby Antas Norte Copper-Gold Mine, operated by ASX-listed Avanco Resources.
- The Project is located in open pasture, less than 10km from the regional centre of Parauapebas, which will allow for easy year-round access.

Centaurus Metals (ASX Code: **CTM**) is pleased to advise that it has identified a new high-quality copper-gold exploration opportunity from within its 100%-owned Pará Exploration Package in Northern Brazil, which continues to demonstrate the value of the deal completed in late 2016 with its Strategic Alliance Partner, Terrativa Minerai SA.

The **Pebas Copper-Gold Project**, which is located in the world-class **Carajás Mineral Province** in northern Brazil, was historically explored by TSX-listed exploration company INV Metals Inc. (“INV”) in 2010¹. As outlined in their March 2012 NI 43-101 Report, INV delineated a 2km long, +500ppm copper-in-soils anomaly which is up to 400m wide (see Figure 1).

¹ Historical exploration information reported in this release was sourced from the INV NI 43-101 Technical Report of March 2012 (www.sedar.com).



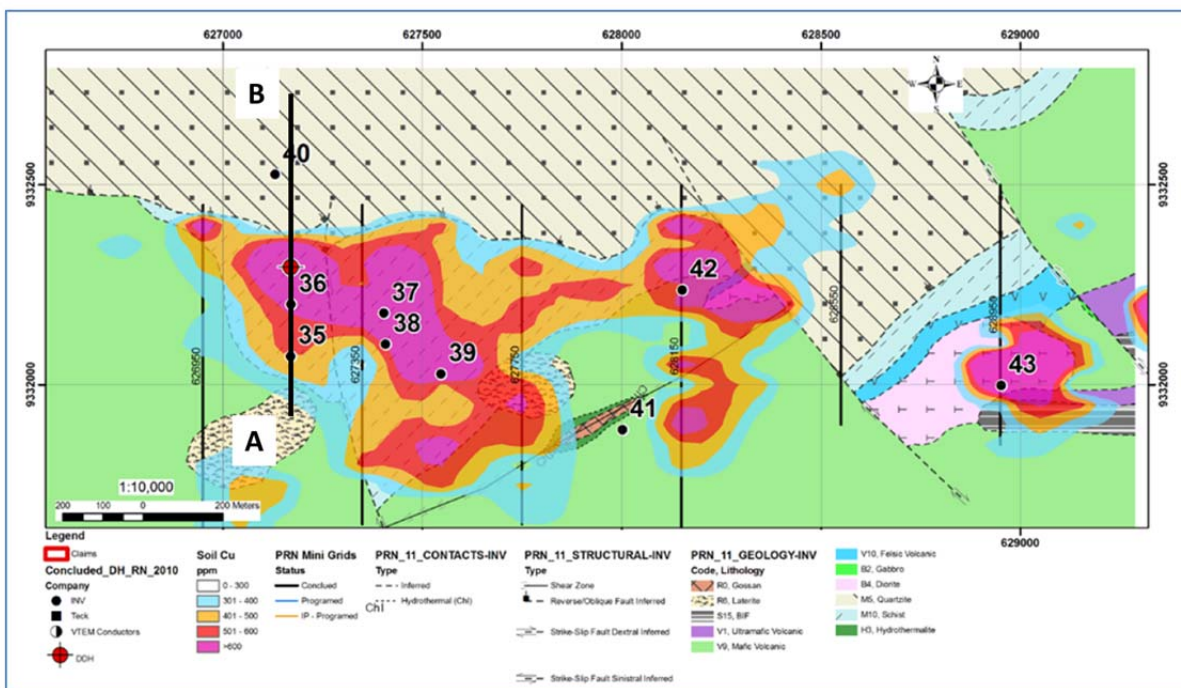
A peak soils value of 1,644ppm Cu and 314ppb Au was collected 100m east of gossanous outcrop which returned sample grades of **27.6% Cu, 4.6g/t Au and 73.1g/t Ag**. Additionally, reconnaissance diamond drilling returned intersections of up to **146.9m at 0.21% Cu and 0.08g/t Au**.

The Pebas Copper-Gold Project

The Pebas Copper-Gold Project is hosted within the basal Rio Nova Group, part of the highly prospective Itacaiúnas Supergroup which hosts all IOCG deposits within the Carajás Mineral Province. The project area is wedged between the regionally important Cigano and Estrela Granite Complexes. The 2km long, +500ppm copper-in-soils anomaly is roughly coincident with a 1km long discrete magnetic anomaly.

Mapping and drill results by past explorers over the area shows that the copper mineralisation occurs as veins and disseminated chalcopyrite within strongly altered garnet-chlorite-magnetite schists, part of metasediment and mafic metavolcanic packages. These rocks are in faulted contact with a highly siliceous quartzite, which also contains disseminated mineralisation and stringer veins of chalcopyrite, pyrite and locally arsenopyrite.

Figure 1 – The Pebas Copper-Gold Project – copper-in-soils over geology and drill-hole locations (from INV), with section A-B shown at Figure 2.



Nine reconnaissance diamond holes drilled historically on the project area by INV are shown on Figure 1 above. Highlights of the historical results include the following continuous intersections (see attached Table 1 for a full list of the drill results historically released by INV):

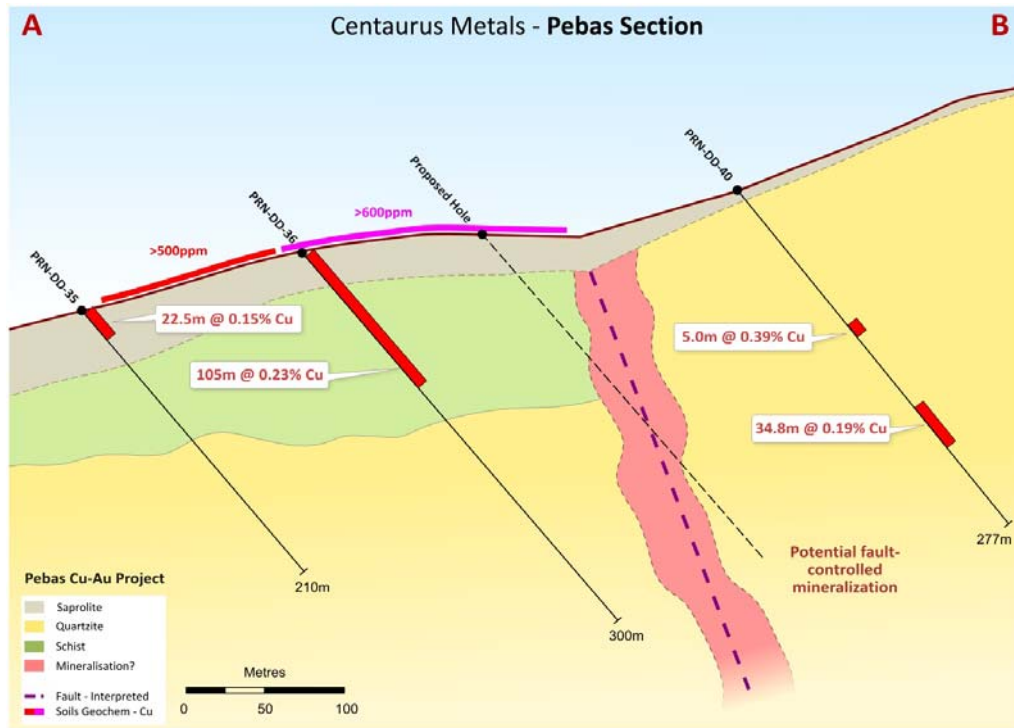
- **146.9m at 0.21% Cu and 0.08g/t Au** in drill hole PRN-DD-37 from surface, including
 - **2.1m at 0.96 % Cu** from 53.7m,
 - **1.0m at 1.73% Cu** from 91.6m; and
 - **2.3m at 1.15% Cu** from 115.9m.

- **105.0m at 0.23% Cu Au** in drill hole PRN-DD-36 from surface, including
 - **31.3m at 0.33% Cu** from 18.2m



Copper mineralisation appears to be controlled by the E-W fault contact between the siliceous quartzite to the north and the altered schists to the south. Centaurus' early interpretation of the drilling, which is further supported by the soils, indicates that the mineralisation appears to thin and become lower grade with increasing distance from this fault contact (compare holes 36 and 35 in Figure 2 below).

Figure 2 – The Pebas Copper-Gold Project – Drill Section (from INV NI 43-101 Technical Report of March 2012). A-B Section location can be seen on Figure 1



As the section shows, there is a distance of more than 300m between holes PRN-DD-36 and 40. The faulted contact between the siliceous quartzite and the altered schists is located in this untested area. This fault may have served as a feeder structure for the mineralising fluids and is an initial key target for future exploration by Centaurus.

In 2011/12, INV Metals switched its focus to its 2Moz gold project in Ecuador and divested all of its Brazilian assets. Due to this change in direction and the falling copper price between 2012 and 2016, the planned follow-up drill-holes for the Pebas Project were never completed, and this provides Centaurus with an excellent low-cost starting point for its exploration activities on the project area.

Pebas – Next Steps

Planning is underway for a focused, low-cost ground EM survey to be undertaken in the coming months. Pebas is understood to be a fault-related IOCG target. The target is located in a similar geological and structural setting as the Antas Norte Copper-Gold Mine, operated by ASX listed Avanco Resources.

The high-grade copper mineralisation at Avanco's Antas Norte mine is roughly 60m thick, has a strike of 700m and is one of the highest grade copper mines in the world with a mine head grade of circa 2.6% Cu². Historically, Avanco has used ground EM combined with soil geochemistry to successfully identify the Antas Norte and other high-grade copper sulphide targets in the Carajás region.

² Refer to Avanco Resources website information on Antas Norte deposit (www.avancoresources.com/operations/antas-north/)

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Once the ground EM survey is completed, a drill program is likely to be carried out to test the fault controlled target, as well as any new targets generated by the survey. Given the favourable location and ease of access to the Pebas Project from the regional centre of Parauapebas, any drill program is likely to be undertaken during the regional wet season, when work at the Serra Misteriosa and Salobo West Projects may be restricted.

Management Comment

Centaurus' Managing Director, Mr Darren Gordon, said the Company's recently completed acquisition of the Pará exploration package was continuing to deliver an impressive pipeline of high-quality copper-gold exploration opportunities.

"To have identified a project with this level of potential and information is a fantastic development for the Company, which will allow us to fast-track initial exploration activities. We have now already had three quality projects come out of the Pará EP deal – Serra Misteriosa, Salobo West and now the Pebas Project," he said.

"Pebas is an advanced exploration opportunity backed by quality historical exploration work which was never followed up, and it is a huge bonus that the Company will have the opportunity to work a key project area during the annual Pará wet season.

"We are now gearing up to move into the Carajás to start exploring the highly prospective Salobo West Copper-Gold Project, having completed an initial phase of drilling at Serra Misteriosa.

"In parallel with this work, we will start preparations for a ground EM survey at Pebas to identify high grade massive sulphide targets for possible drilling later this year."

-ENDS-

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Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Roger Fitzhardinge who is a Member of the Australasia Institute of Mining and Metallurgy. Roger Fitzhardinge is a permanent employee of Centaurus Metals Limited. Roger Fitzhardinge has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Roger Fitzhardinge consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



The Carajás Mineral Province

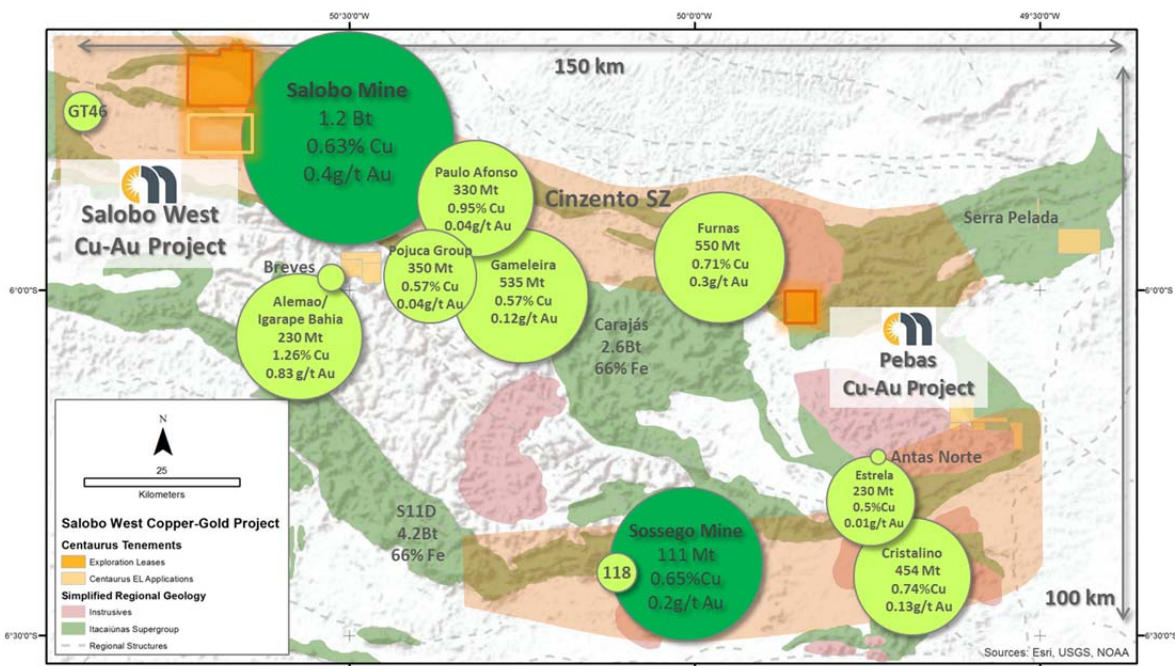
Centaurus’ Salobo West Copper-Gold and Pebas Copper-Gold Projects are located in the Carajás Mineral Province (“CMP”), which is considered one of the world’s premier mining addresses. A total of fifteen (15) world-class mineral deposits lie within an area of just 150 x 100km, including nine IOCG deposits with resources of +100 million tonnes of copper-gold ore.

The resources and reserves of these (predominantly Vale-owned) IOCG deposits – in addition to several other IOCG prospects that are under exploration – collectively contain resources of more than 4.0 billion tonnes of copper-gold ore (see Figure 3 below and Table 2 in Annexure A).

Vale’s giant Salobo Copper-Gold Mine is one of these deposits, and is arguably the second-biggest IOCG in the world behind BHP’s Olympic Dam Mine. Salobo has Reserves of 1.2 billion tonnes at 0.63% Cu and 0.4g/t Au and produced approximately 176kt of copper and 317koz of gold in calendar year 2016³.

Centaurus’ Salobo West Cu-Au project includes multiple distinct targets that display similar geophysical characteristics and are located in the same geological context as the Salobo mine, just 12km along strike.

Figure 3 – The Carajas Mineral Province with Schematic of Reserve Estimates (dark green) and Resource Estimates (light green) of the Nine Largest IOCG Deposits.



Centaurus is now only one of two companies that have significant tenement holdings within the main Cinzento Shear Zone – the other being leading global miner Vale.

For detailed information on the Salobo West Cu-Au project refer to [ASX announcement on 25 July 2017](#).

³ Vale Data sourced from “Vale Production in 4Q16” Report, its 20-F Annual Report for 2016 and other public reports

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APPENDIX A

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

Hole	East	North	Dip	Azimuth	EOH	From (m)	To (m)	Interval (m)	Cu %	Au ppm
PRN-DD-35	627143	9332062	-50	360	210	-	22.5	22.5	0.15	
PRN-DD-36	627121	9332182	-50	360	300.1	-	105.0	105.0	0.23	
<i>including</i>						18.2	49.5	31.3	0.33	
PRN-DD-37	627348	9332157	-50	360	209	-	146.9	146.9	0.21	0.08
<i>including</i>						53.7	55.8	2.1	0.96	
<i>and</i>						91.6	92.6	1.0	1.73	
<i>and</i>						112.5	120.4	7.9	0.56	
<i>including</i>						115.9	118.2	2.3	1.15	
PRN-DD-38	627358	9332079	-50	360	191	102.0	118.8	16.8	0.18	
<i>including</i>						113.4	118.8	5.4	0.38	
PRN-DD-39	627500	93332000	-50	360	219	-	29.5	29.5	0.19	
						79.7	80.8	1.1	0.89	
						187.1	188.6	1.5	0.94	
PRN-DD-40	627088	9332505	-50	360	277.1	115.0	120.0	5.0	0.39	
<i>including</i>						119.0	120.0	1.0	1.12	0.12
						174.1	208.9	34.8	0.19	
PRN-DD-41	628072	9331966	-55	320	200.2	45.4	49.7	4.3	0.38	
<i>including</i>						47.2	48.4	1.2	0.84	0.21
						59.2	60.0	0.8	-	2.50
						159.7	178.0	18.3	0.16	
PRN-DD-42	628097	9332210	-50	360	193.9	41.1	95.0	53.9	0.10	
PRN-DD-43	628915	9331967	-50	360	221	39.9	40.4	0.5	3.74	0.47
						111.2	144.0	32.8	0.10	

Table 2 – Deposits of the Carajás Mineral Province (includes Cu-Au, Ni, Mn and iron ore)

Company	Deposits	Mineral Reserves	Mineral Resources	Annual Production	Historical Production	Distance from CTM EL's / EL applications (Km)
Vale	Igarape Bahia				3.1 Moz Au	12
Garimpeiros	Serra Pelada				2.5 Moz Au	20
Vale	Salobo	1,178Mt @ 0.63% Cu, 0.4 g/t Au	1,556Mt @ 0.64% Cu, 0.4g/t Au	176kt Cu & 317koz Au		12
Vale	Sossego	111Mt @ 0.65% Cu, 0.20 g/t Au	355Mt @ 1.0% Cu, 0.28 g/t Au	93kt Cu & 67koz Au		70
Vale	Breves		50Mt @ 1.22% Cu, 0.75 g/t Au			2
Vale	Pojuca Group		350Mt @ 0.57% Cu, 0.04 g/t Au			4
Vale	Alemao		230Mt @ 1.26% Cu, 0.83 g/t Au			12
Vale	Paulo Afonso		330Mt @ 0.95% Cu, 0.04 g/t Au			35
Vale	Furnas		550Mt @ 0.71% Cu; 0.3 g/t Au			70
Vale	Gameleira		535Mt @ 0.57% Cu, 0.12 g/t Au			70
Vale	Cristalino		454Mt @ 0.74% Cu, 0.13 g/t Au			90
Vale	Estrela		230Mt @ 0.50% Cu, 0.01 g/t Au			80
Vale	118		51Mt @ 1.30% Cu, 0.2 g/t Au			75
Avanco	Antas Norte		6.4Mt @ 2.38% Cu, 0.48 g/t Au	12kt Cu & 7.8koz Au		30
Avanco	Pedra Branco		18.6Mt @ 2.45% Cu, 0.61 g/t Au			50
Caraiba Metais	Boa Esperanca		100Mt @ 1.00% Cu			140
Vale	Carajas	2.6Bt @ 66% Fe		148Mtpa Fe		30
Vale	S11D	4.2Bt @ 66% Fe		40-90Mtpa Fe		45
Vale	Onca Puma	108Mt @ 1.53% Ni		24kt Ni		80
Vale	Azul	38Mt @ 28.4% Mn		1.7Mtpa Mn		22

*Vale Data sourced from "Vale Production in 4Q16" Report, 20-F Annual Report and other reports; Other Company data sourced from respective web pages and presentations



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

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • Soil samples were collected at 25m and 50m intervals along 200 or 400m spaced grid lines along the strike of the project. Surface material was first removed and sample holes were dug to roughly 30cm depth. A 2-3kg sample was taken from the subsoil. The sample was placed in a plastic sample bag with a sample tag before being sent to the lab. • Roughly 350 historical samples were collected by INV and Teck. • Surface rock chip/soil samples were collected from in situ outcrops and rolled boulders for chemical analysis.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • Historical drilling was carried out by Geoserv Pesquisas Geologicas, using a hydraulic diamond rig, drilling NQ and HQ core.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • Information on sample recovery of historical drilling has not been identified; the Company is endeavouring to access the complete database.
<i>Logging</i>	<ul style="list-style-type: none"> • Information on drill hole logging of historical drilling has not been identified; the Company is endeavouring to access the complete database.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • Information on sample techniques of historical rock chip and soil sampling has not been identified; the Company is endeavouring to access the complete database. • Information on historical drill hole sampling designates that the diamond core (HQ) was cut using a core saw where compact and half core was sampled. Samples were collected representing at least 0.5m and a maximum of 2.0m
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • Drill core samples were prepared and analysed at SGS Geosol Laboratories. Preparation of the sample consisted of drying, crushing to 2 mm and pulverising 300gm using a carbon steel mill until 95% of sample passes -150 mesh. The pulverised sample was then split to 50 grams. • Chemical analysis for drill core, soil and stream sediment samples was completed for gold by fire assay and ICP for limit of 0.001ppm as well as multi element using ICP. • SGS Geosol Laboratories insert their own standards at set frequencies and monitor the precision of the XRF analysis. These results reported well within the specified 2 standard deviations of the mean grades for the main elements. Additionally the labs perform repeat analyses of sample pulps at a rate of 1:20 (5% of all samples). These compare very closely with the original analysis for all elements. • INV inserted standard samples every 20 samples (representing 5%). Results of the QAQC data are not known. • Laboratory procedures are in line with industry standards.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • All historical samples were collected by INV and Teck field geologists. All assay results were verified and reported by INV's Qualified Person. • The Company does not have access to the database.
<i>Location of data points</i>	<ul style="list-style-type: none"> • The survey grid system used is SAD-69 22S. This is in line with Brazilian Mines Department requirements. All sample and mapping points were collected using a Garmin hand held GPS.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • Soil samples were collected on 50m spacing on section with distance between sections of 200m and 400m depending on location. • Drill holes reported in this announcement were surveyed using hand held GPS.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • The extent and orientation of the mineralisation was interpreted based on field mapping. Sample orientation is perpendicular to the main geological features sequence along which mineralisation exists.
<i>Sample security</i>	<ul style="list-style-type: none"> • All samples were placed in pre-numbered plastic sample bags and then a sample ticket was placed within the bag as a check. Bags were sealed and then transported by courier to the SGS Geosol laboratories in Parauapebas, PA.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • The Company is not aware of any audit or reviews that have been conducted on the project to date.



SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • The Pebas project comprises one exploration tenement (850.133/2013) for a total of circa 25km². Granted Exploration Licences have three years of exploration rights that may be extended for a further three years. • The tenement is part of an earn-in agreement with Terrativa Minerais SA. Centaurus has now met the minimum earn in obligations under the Agreement and perfected 100% title to the Pebas tenement. Terrativa retain a production royalty of 2% over any minerals extracted from the tenement. The royalty may be converted to a 25% project interest should it be sold to a third party. • All mining projects in Brazil are subject to a CFEM royalty, a government royalty of 2% on copper and gold revenue. • Landowner royalty is 50% of the CFEM royalty. • The project is covered by a mix of cleared farm land and natural vegetation. The project is not located within any environmental protection zones and exploration and mining is permitted with appropriate environmental licences.
Exploration done by other parties	<ul style="list-style-type: none"> • Historically the Pebas tenement area was explored for copper-gold by INV and Teck. Centaurus has retrieved all data that was made public as NI 43-101 reports from the Sedar website. Centaurus will continue to try to obtain the original data from these companies.
Geology	<ul style="list-style-type: none"> • The Pebas Cu-Au Project is hosted within a slither of the Itacaiúnas Supergroup, host to all IOCG deposits within the Carajás, wedged between two regionally important intrusions. • The 2km long +500ppm copper in soils anomaly is roughly coincident with a 1km long discrete magnetic anomaly. • Mapping and integration of drill results shows that the copper mineralisation occurs as veins and disseminations of chalcopyrite within strongly altered garnet-chlorite-magnetite schists, interpreted to be originally metasediments. These rocks are in faulted contact with a highly siliceous quartzite, which also contains disseminations and stringers of chalcopyrite, pyrite and locally arsenopyrite.
Drill hole Information	<ul style="list-style-type: none"> • Refer to Figures 1-2 and Table 1.
Data aggregation methods	<ul style="list-style-type: none"> • No cut-offs have been applied in reporting of the exploration results. • No aggregate intercepts have been applied in reporting of the exploration results.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • The results reported in this announcement reflect individual down hole sample intervals and no mineralised widths were assumed or stated.
Diagrams	<ul style="list-style-type: none"> • Refer to Figures 1-3.
Balanced reporting	<ul style="list-style-type: none"> • All exploration results received by the Company to date are included in this report or can be referenced to previous ASX/TSX releases.
Other substantive exploration data	<ul style="list-style-type: none"> • The Company is not aware of any additional public exploration data.
Further work	<ul style="list-style-type: none"> • The Company continues to try to retrieve all data from the companies that completed historical exploration. The Company plans to undertake a small ground EM survey ahead of additional RC or diamond drilling.