

18 July 2017



Dear Shareholder

Notice to Shareholders of Renounceable Rights Issue

On 12 July 2017, Centaurus Metals Limited (ACN 009 468 099) (**Company**) announced that the Company would be conducting a renounceable rights issue. The rights issue is being made pursuant to a prospectus which was lodged with the Australian Securities and Investments Commission and the ASX on 13 July 2017 (**Prospectus**). The Prospectus is available on the Company's website at www.centaurus.com.au or on the ASX website (company announcements section, ASX code: CTM) at www.asx.com.au.

Pursuant to the Prospectus, the issue comprises up to 624,025,798 fully paid ordinary shares in the capital of the Company (**Shares**) on the basis of 5 Shares for every 9 Shares held at 5.00pm (WST) on 20 July 2017 (**Record Date**) at an issue price of \$0.004 per New Share (**Entitlement**), 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 approximately \$2,500,000 (before issue costs) (**Rights Issue**).

The Company has applied for quotation of the New Shares and New Options but notes that the quotation of the New Options will be subject to satisfaction of the ASX Listing Rules requirements.

CPS Capital Group will partially underwrite the Rights Issue to \$1.25 million.

The Rights Issue is open to shareholders who hold Shares as at the Record Date with registered addresses in Australia and New Zealand (**Eligible Shareholders**). All other shareholders are not eligible to participate in the Rights Issue and will be notified by the Company separately.

The Company invites Eligible Shareholders to consider the opportunity to apply for New Shares over and above their Entitlement (**Additional New Shares**), pursuant to the Prospectus.

Where fractions arise in the calculation of Entitlements, they will be rounded down to the nearest whole number of New Shares and New Options.

The New Shares will rank equally with the existing ordinary Shares from the date of issue.

The Company currently has 33,500,000 unquoted vested options with varying exercise prices and expiry dates on issue and 226,233,707 quoted options exercisable at \$0.01 and expiring on 30 April 2018. Holders of these vested options may participate in the Rights Issue upon exercise of their options. The Company sent a notice to option holders on 13 July 2017 notifying them of their right to participate in the Rights Issue upon exercise of their options.

The Company also has 65,000,000 unquoted unvested options on issue. Holders of unquoted unvested options will not be eligible to participate in the Rights issue in respect of these options.

Following completion of the Rights Issue (assuming that all Eligible Shareholders take up their Entitlements in full and no options are exercised prior to the Record Date), the Company will have issued up to 624,025,798 New Shares and up to 624,025,798 New Options, resulting in total Shares on issue of up to 1,747,272,235 and total options to acquire Shares on issue of up to 948,759,505.

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As an Eligible Shareholder, you may:

- (a) take up all or part of your Entitlement;
- (b) take up all of your Entitlement and apply for Additional New Shares;
- (c) sell all of your Entitlement;
- (d) take up part of your Entitlement and sell the balance of your Entitlement;
- (e) allow all or part of your Entitlement to lapse.

No shareholder approval for the Rights Issue is required.

Indicative timetable

The indicative timetable for the Rights Issue is as follows:

Announce Rights Issue and lodgement of Appendix 3B with ASX	12 July 2017
Lodgement of the Prospectus with ASIC and ASX	13 July 2017
Notice of Rights Issue sent to Optionholders	13 July 2017
Notice of Rights Issue sent to Shareholders	18 July 2017
Ex Date for Rights Issue	19 July 2017
Rights trading commences	19 July 2017
Record Date	20 July 2017
Prospectus despatched to Shareholders/Opening Date	21 July 2017
Rights trading ends	28 July 2017
Deferred settlement trading commences	31 July 2017
Closing Date	4 August 2017
Notify ASX of Shortfall and Residual Securities	7 August 2017
Issue date – Deferred settlement trading ends	10 August 2017
Commencement of trading of New Shares	11 August 2017
Last date to issue Residual Securities	4 November 2017

The above timetable is indicative only and subject to change. The Company reserves the right to amend any or all of these events, dates and times subject to the *Corporations Act 2001 (Cth)*, the ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the closing date of the Rights Issue, to accept late applications either generally or in particular cases or to withdraw the Rights Issue without prior notice. The commencement of quotation of New Shares and New Options is subject to approval from ASX.

More information

Before making a decision whether to apply for New Shares or for Additional New Shares, please read the Prospectus carefully in its entirety when you receive it. The Rights Issue is scheduled to close at 5:00pm (WST) on 4 August 2017.

The Directors of the Company recommend that, if you are in doubt as to the value of the Rights Issue or the merits of accepting your Entitlement, you should contact your financial adviser. The Company's latest presentation is also available on its website.

Should you have any queries, please contact the Company Secretary on +61 8 9420 4000 or the Company's share registry, Advanced Share Registry Limited on +61 8 9389 8033.

Yours faithfully

CENTAURUS METALS LIMITED



PAUL BRIDSON
Company Secretary