

**AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE**



8 September 2010

CENTAURUS TO RAISE \$18 MILLION TO ACCELERATE GROWTH AT ITS BRAZILIAN IRON ORE PROJECTS

Centaurus Metals Limited (ASX:CTM) ("Centaurus" or "the Company") is pleased to advise that it will raise up to \$18 million to accelerate growth at its Brazilian Iron Ore Projects.

The funds will be raised through a \$14.4 million share placement at 7.5 cents per share to international and domestic clients of Joint Lead Managers Hartleys Limited and Southern Cross Equities Limited (the "Placement") and a \$3.6 million Share Purchase Plan ("SPP") to existing shareholders. The SPP will also be undertaken at 7.5 cents per share. Centaurus reserves the right to scale back applications under the SPP if total demand exceeds \$3.6 million.

The funds raised will be used to progress the Company's domestic iron ore projects in Brazil to a point where a development decision can be made on the preferred key domestic projects whilst its larger regional iron ore tenement package is explored with a view to defining a resource of sufficient size to be able to pursue an export project.

The details of the capital raising are:

- Shares under the Placement and SPP will be issued at 7.5 cents per share, an 11.7% discount to the last price of Centaurus' shares immediately before the Trading Halt on Monday 6 September 2010;
- The Placement will be made in two tranches (Tranche 1 and Tranche 2);
- The allotment of 88.4 million Tranche 1 shares, which is not subject to shareholder approval and falls within the Company's ASX Listing Rule 7.1 15% placement capacity, will be issued in approximately 10 days of this announcement;
- The allotment of approximately 103.6 million Tranche 2 shares will be issued subject to shareholder approval at a meeting of shareholders currently scheduled for 20 October 2010. Two of Centaurus' Directors will seek shareholder approval at the general meeting of shareholders to participate in the Placement; and
- 48 million shares will be offered under the SPP to persons registered as shareholders of Centaurus as at 7 September 2010, with SPP documentation to be sent to eligible shareholders shortly. The SPP is expected to open on 14 September 2010 and close on 28 September 2010.

Centaurus' Managing Director Mr Darren Gordon said *"I am very pleased with the support received for this capital raising from both international and domestic institutional investors, and its existing shareholders. Investors are clearly aware of the bright future and growth expected in Brazil over the coming four to five years as the country heads towards the 2014 Soccer World Cup and 2016 Olympic Games.*

"The success of the raising, which was heavily oversubscribed, will enable Centaurus to push ahead with its plans to be producing 3mtpa of high grade iron ore into the domestic steel industry in Brazil by the end of 2013 as well as building a resource base for a potential future export business".

This is the announcement that was referred to in the Company's request for a Trading Halt on 6 September 2010.



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