

16 February 2017

## MULTIPLE STRONG GOLD DRILL TARGETS CONFIRMED AT SERRA MISTERIOSA, BRAZIL

*Final processing and interpretation of recent IP survey reveals significant anomalies coincident with high-grade gold-in-soils targets*

### Key Points:

- **Induced Polarisation (IP) survey completed at the Serra Misteriosa Gold Project over a continuous 2.4km long, high-grade gold-in-soils anomaly (+50ppb Au).**
- **Independent expert's review confirms excellent data quality with depth of investigation exceeding 250m.**
- **Several high-priority drill targets identified with target characteristics favourable for higher grade mineralisation.**
- **Multiple well-defined IP chargeability anomalies (+40mV/V) are repeated on all sections, locally coincident with the continuous high-grade gold-in-soils anomaly.**
- **Additional field mapping, soil sampling and independent geological review currently underway ahead of the Company's maiden drill program, which is planned for March/April 2017, towards the end of the regional wet season.**
- **Serra Misteriosa is the most advanced project of the highly prospective Pará Exploration Package in Northern Brazil, which includes +750km<sup>2</sup> of ELs and EL applications in the State of Pará, located between the world-class Carajás IOCG province and the 5Moz Volta Grande gold deposit.**

Centaurus Metals (ASX Code: **CTM**) is pleased to announce that final interpretation of the recently completed Induced Polarization (IP) survey at its highly prospective **Serra Misteriosa Gold Project** in Northern Brazil has confirmed numerous high-priority gold drill targets where a strong geophysical signature is coincident with an extensive high-grade surface gold-in-soils anomaly.

The maiden ground-based Induced Polarisation (IP) survey, which was completed in late January, covered the primary target area, which is delineated by a continuous **2.4km long high-grade gold-in-soils anomaly (+50ppb Au)**. Two additional reconnaissance survey lines were also carried out to cover satellite targets that sit within the broader +5km long (+25ppb) gold geochemical anomaly (see Figure 1).

The QAQC and interpretation of the IP survey has been completed by highly experienced US-based geophysicist, Mr Robert B. Ellis. Mr Ellis specialises in South American gold and base metals projects and has previously worked with AngloGold, Kinross, Codelco and Barrick (amongst others) and has extensive experience in Brazil working with Yamana.

**Australian Office**  
Centaurus Metals Limited  
Level 3, 10 Outram St  
WEST PERTH WA 6005

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

**ASX: CTM**  
ACN 009 468 099  
office@centaurus.com.au  
Telephone: +61 8 9420 4000

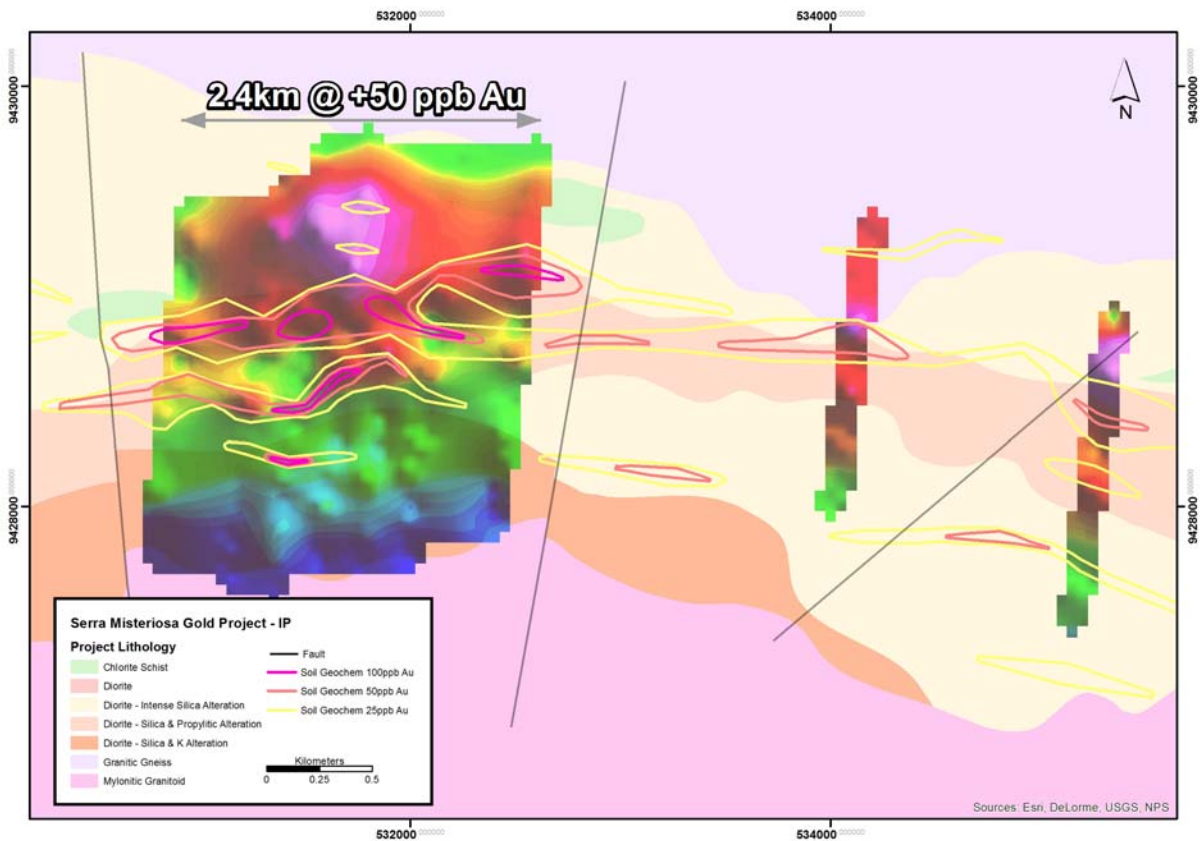
# AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



Mr Ellis has confirmed that the survey data quality is excellent with depth of investigation exceeding 250 metres, and has identified multiple well-defined drill targets with characteristics that are favourable for higher grade mineralisation. Drilling of these targets will be carried out immediately after the seasonal rains subside.

Because of the association of sulphides (arsenopyrite and pyrite) with the gold mineralisation identified in surface samples at Serra Misteriosa, the IP survey is an important tool to enhance the Company's drill targeting. Figure 1 below shows the high chargeability (IP) anomalies directly coincident with the high grade gold-in-soils anomaly (+100ppb Au) as well as an extremely high chargeability (+40mV/V) anomaly that is offset slightly to the north. Both zones represent excellent, high-priority drill targets.

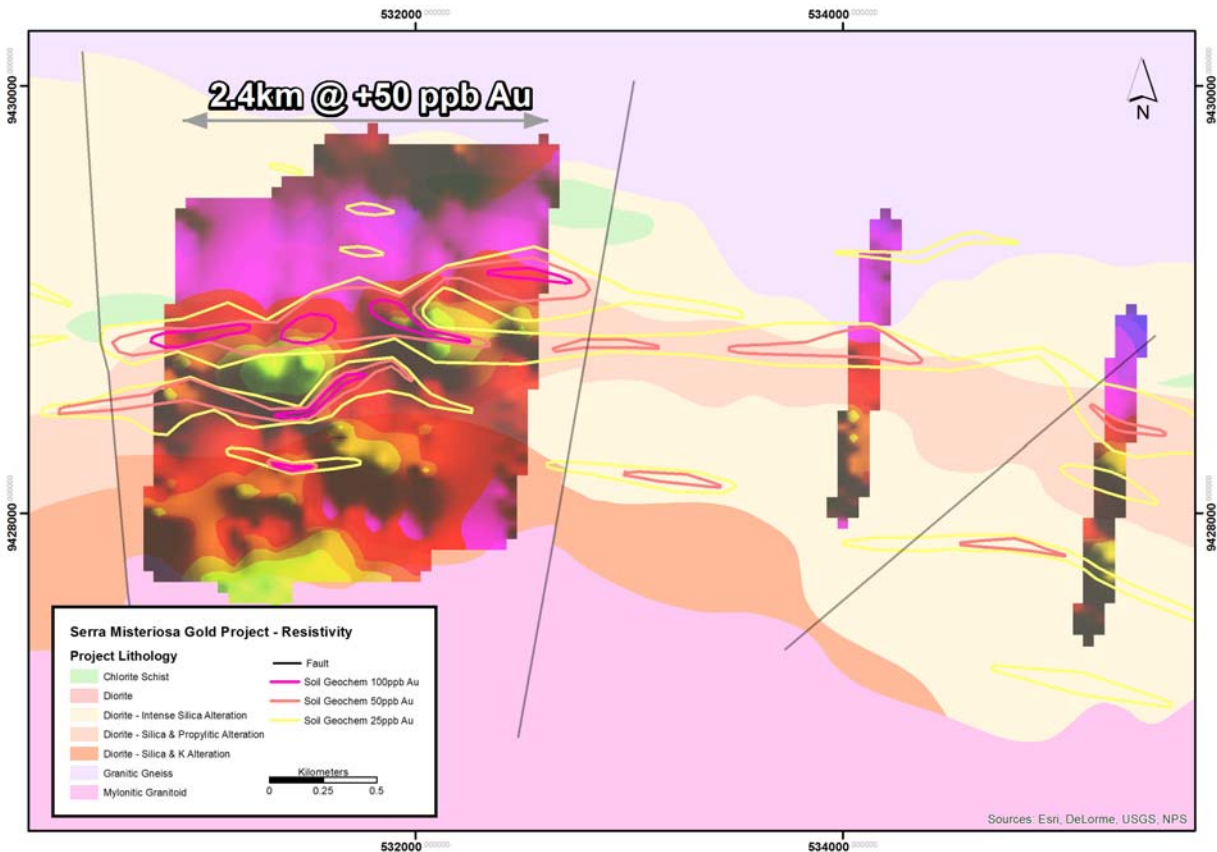
Figure 1 – Serra Misteriosa, IP Chargeability over Soil Geochemistry (Au)



Additionally, the sub-vertical high resistivity features (Figure 2) that coincide with the top of the diorite ridge and continue to depth are interpreted to represent feeders of more intense silicification alteration. These structures may have allowed mineralising fluids to rise up and then form a resistive cap, becoming variably silicified and mineralised closer to surface. These anomalies also present excellent targets for higher grade gold mineralisation that will be part of the first pass drilling plan.



Figure 2 – Serra Misteriosa, Resistivity over Soil Geochemistry (Au)



A selection of the IP sections that were not included in the previous release<sup>1</sup> can be found at the end of this announcement (Figures 4 - 8). It is evident that there is an excellent correlation between the strong sub-vertical IP anomalies (+40mV/V) and the high-grade gold geochemical results in the main zone.

The Company is further encouraged by the results of the reconnaissance sections 3600 and 4800 (see Figures 7 and 8). Both sections demonstrate the continuation of the IP chargeability and resistivity anomalies more than 4km along strike from the main zone and continue to be coincident with geochemical gold anomalies. Drilling is also planned for these targets.

The Serra Misteriosa gold target is located in a favourable geological setting within highly altered intrusive diorites. This setting is highly analogous to the geological setting for the 5Moz Volta Grande deposit owned by Belo Sun Mining Corp, 200km to the north, where a construction licence was recently awarded.

While Volta Grande has over 150,000m of drilling, the Serra Misteriosa Project has never been drill tested and represents a compelling exploration opportunity for the Company.

Centaurus' exploration team is currently undertaking additional detailed mapping and soil geochemistry programs. Several independent Brazilian and international gold and structural specialists are also being engaged to support the team ahead of the maiden drill program. Results from these programs are expected in the coming weeks.

<sup>1</sup> Refer to [ASX announcement on 2 February 2017](#) for preliminary Serra Misteriosa IP survey results release.

# AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



Centaurus' Managing Director, Mr Darren Gordon, said the final results from the IP survey had confirmed that Serra Misteriosa was an exciting and highly prospective gold exploration opportunity for the Company.

"We really like the way the recent IP survey results have stacked up against the historical exploration data," he said. "To have such strong and distinct IP chargeability anomalies that correlate so well with our high grade geochemical targets and project geology continues to increase our confidence in the overall prospectivity of the project.

"Of course, the final proof will be in the drill bit and we are now moving ahead with preparations for our maiden drill program. With the assistance of a number of respected international experts, we will continue to refine these targets over the coming weeks before finalising details and logistics for our maiden drill program, which will commence as soon as weather conditions permit."

**-ENDS-**

**Released by:**

Nicholas Read  
Read Corporate  
M: +61 419 929 046

**On behalf of:**

Darren Gordon  
Managing Director  
Centaurus Metals Limited  
T: +618 9420 4000

### **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.*

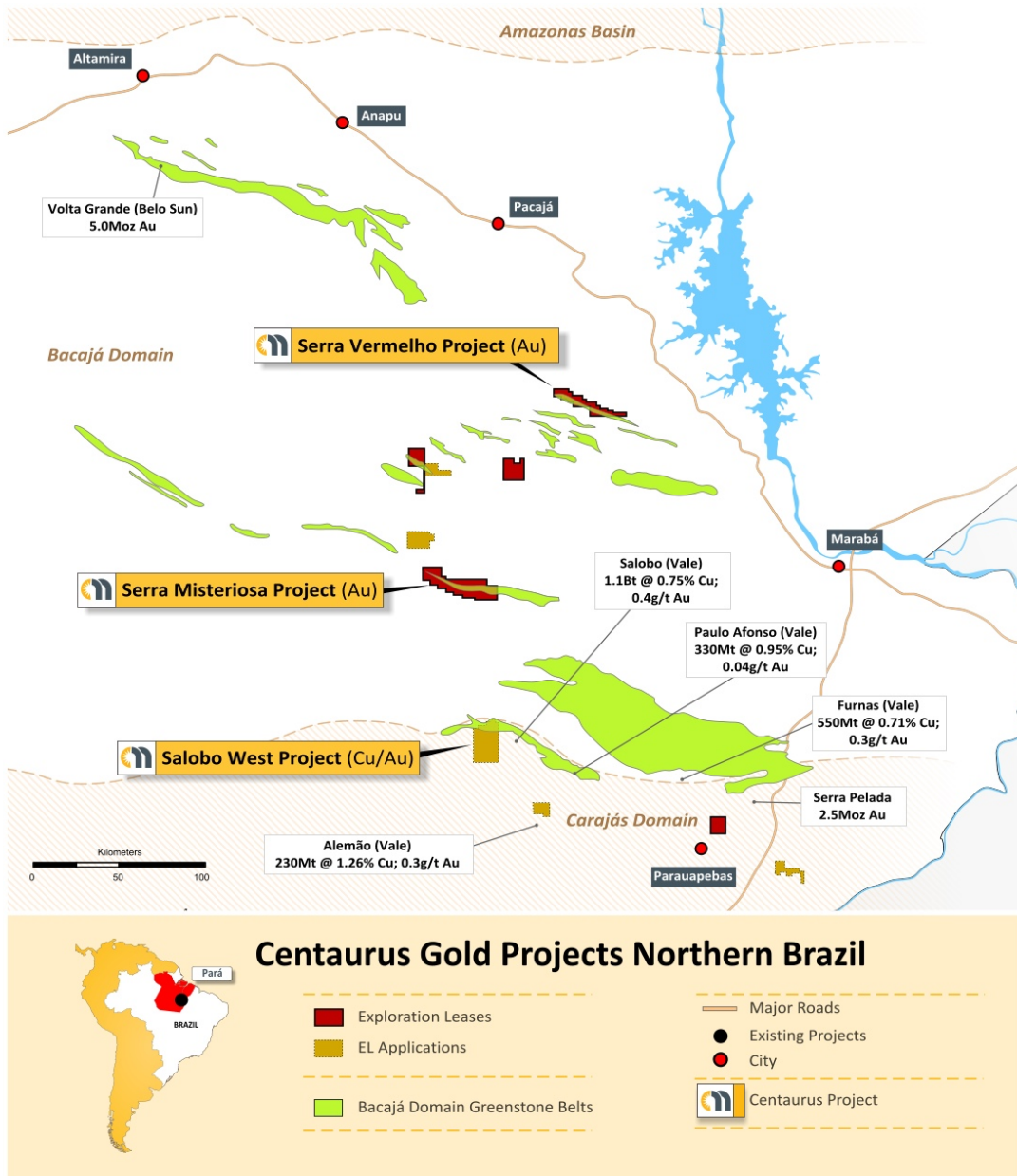


**The Pará Exploration Package**

The Serra Misteriosa Gold Project forms part of the +750 km<sup>2</sup> Pará Exploration Package (“Pará EP”) of tenements located in Brazil’s mineral-rich State of Pará<sup>2</sup>. The extensive tenement package is located between several world-class mineral deposits – the 5Moz Volta Grande Gold Project, owned by Belo Sun Mining, to the north and the giant Carajás IOCG province to the south (see Figure 3).

The Pará EP group of tenements include prospective gold targets for both Volta Grande-style gold and Carajás-style copper-gold deposits. The Serra Misteriosa Gold Project is the most advanced project where the Company plans to carry out the maiden drill program in March/April 2017.

**Figure 3 – Location of Serra Misteriosa Gold Project and the Broader Pará Exploration Package**



<sup>2</sup> Refer to [ASX announcement on 5 October 2016](#) for details of Serra Misteriosa Gold Project and the Pará EP agreement terms.

# AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



Figure 4 – Serra Misteriosa, IP survey lines with project geology and gold geochemical anomaly

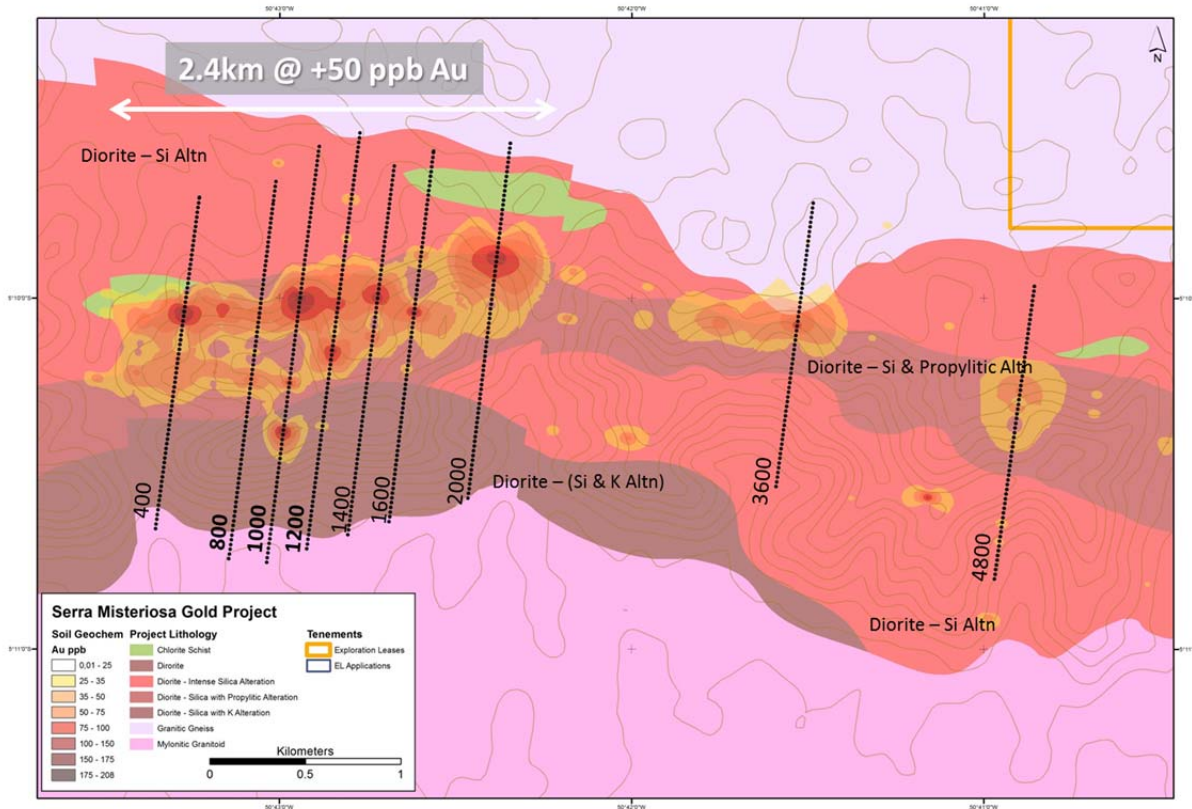
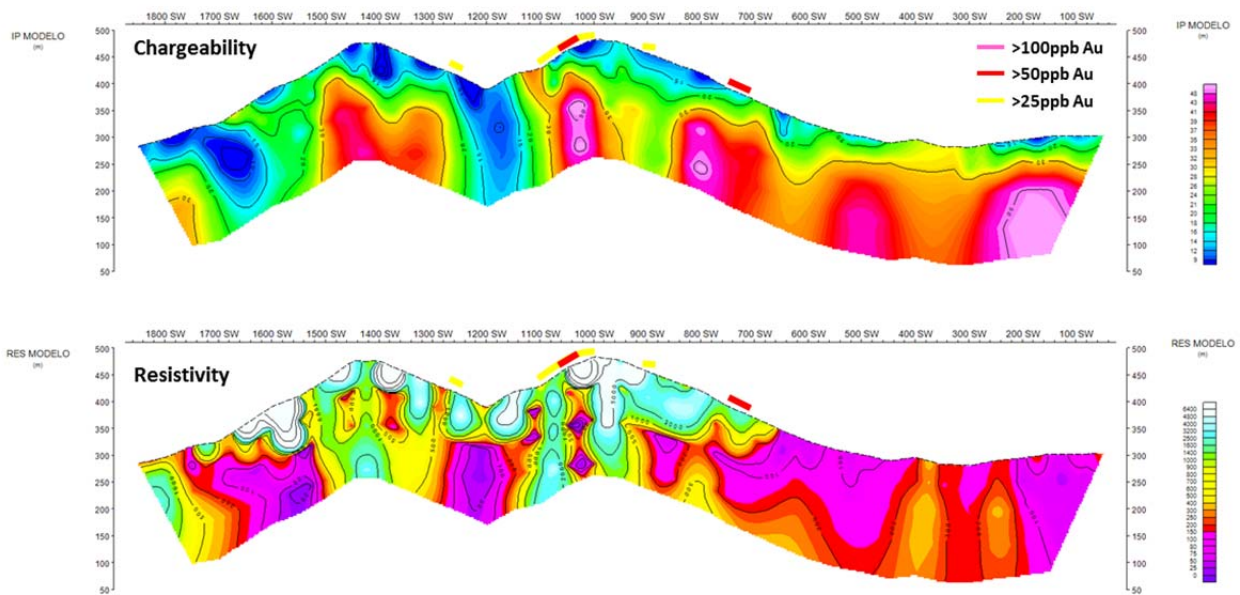


Figure 5 – Serra Misteriosa, IP Section 800 with projected soil geochemistry (Au)



# AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



Figure 6 – Serra Misteriosa, IP Section 2000 with projected soil geochemistry (Au)

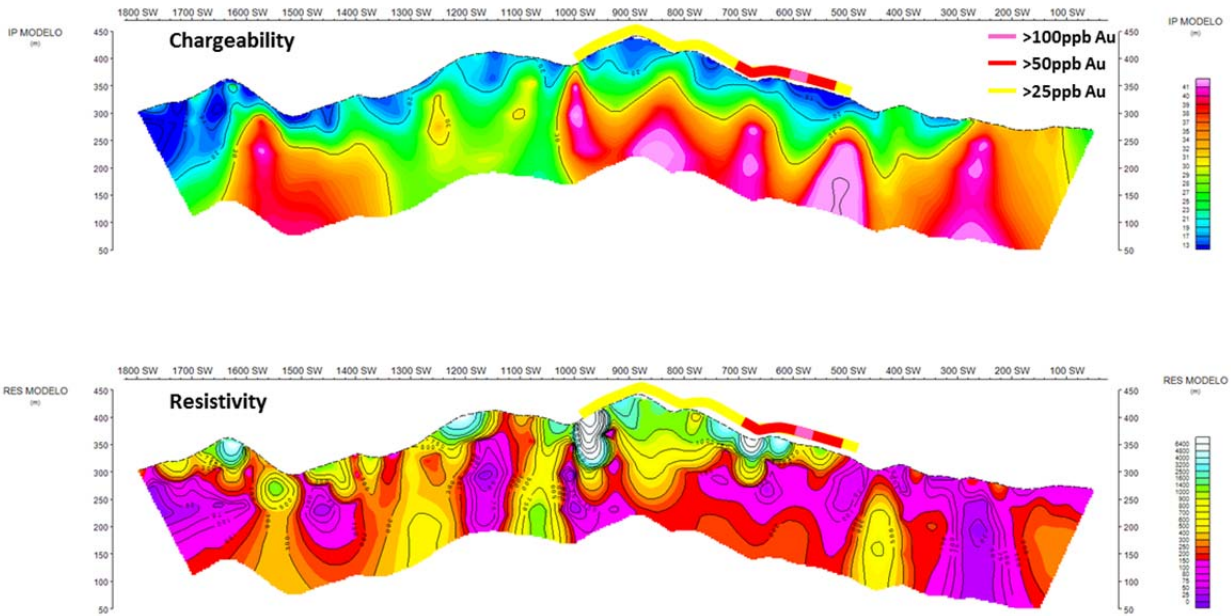
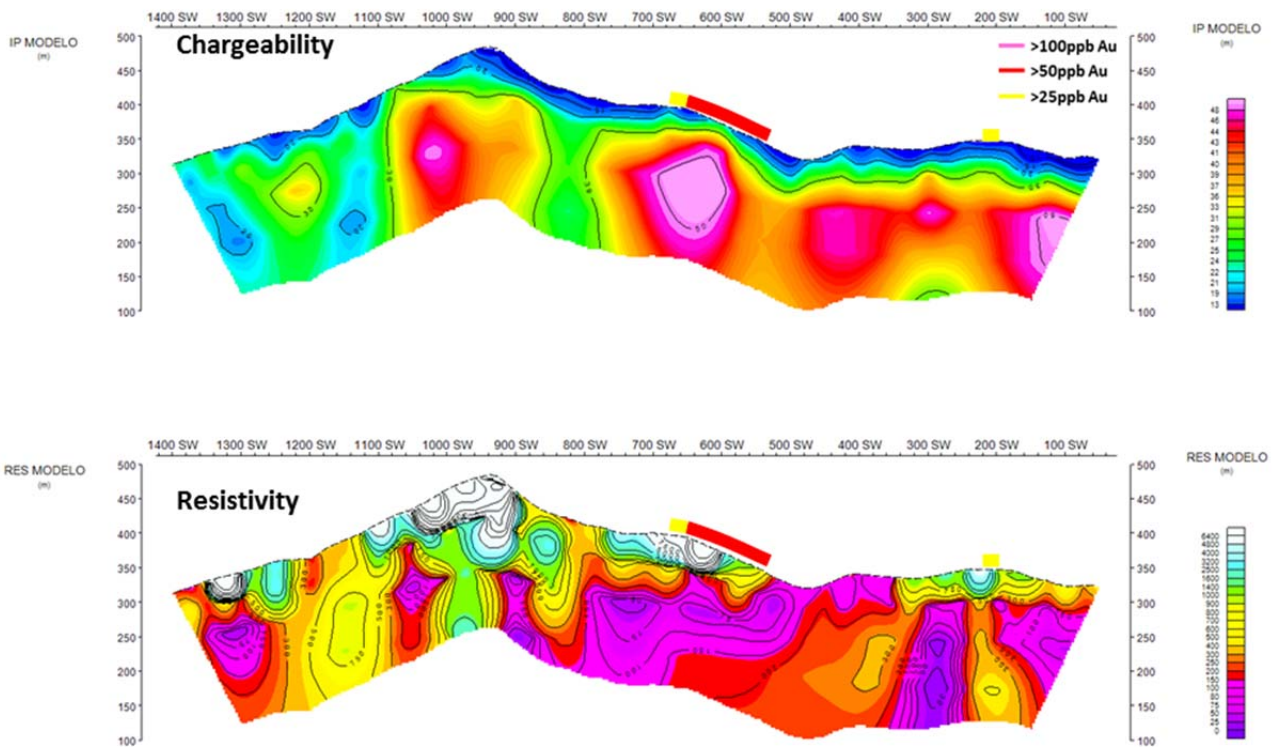


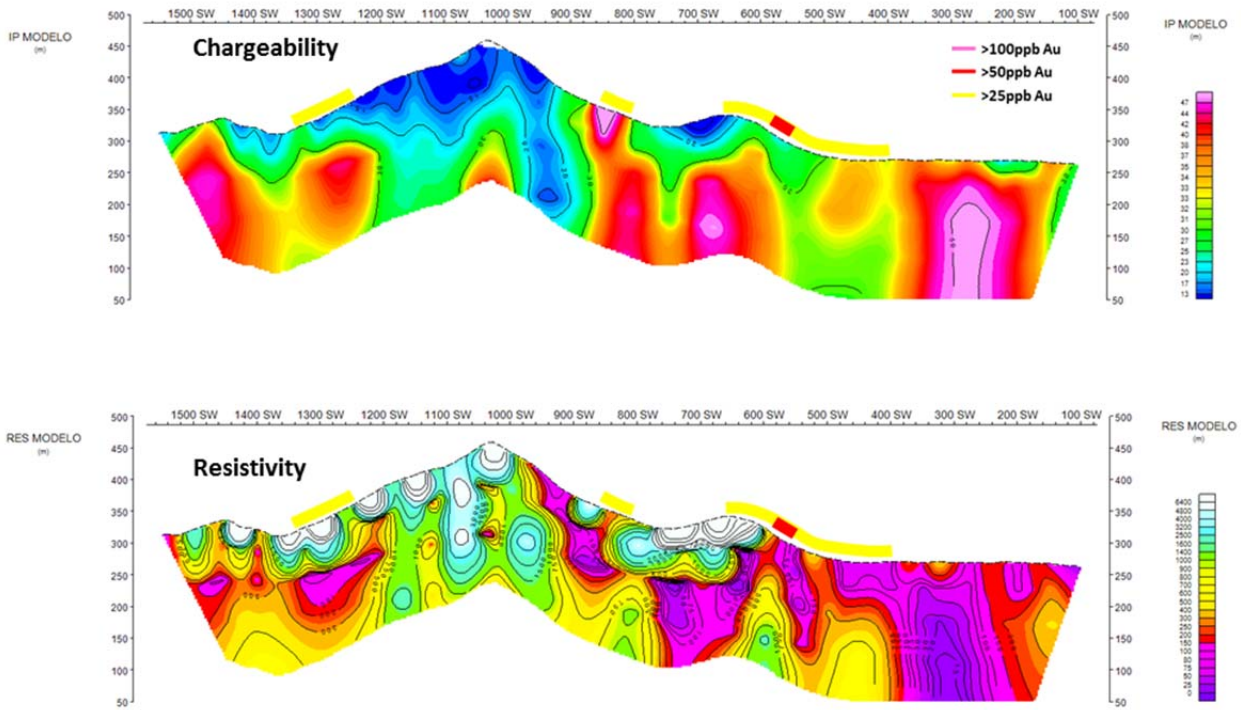
Figure 7 – Serra Misteriosa, IP Section 3600 with projected soil geochemistry (Au)



# AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



Figure 8 – Serra Misteriosa, IP Section 4800 with projected soil geochemistry (Au)







**APPENDIX A – TECHNICAL DETAILS OF THE SERRA MISTERIOSA GOLD PROJECT, JORC CODE, 2012 EDITION –  
TABLE 1**

**SECTION 1 SAMPLING TECHNIQUES AND DATA**

Criteria	Commentary
<b><i>Sampling techniques</i></b>	<ul style="list-style-type: none"> <li>All historical sampling was completed by Terrativa.</li> <li>Stream sediment samples were collected at selected points and sieved down to 1.0-1.5 kg samples using a 100 mesh sieve. 41 stream sediment samples were collected.</li> <li>Soil samples were collected at 50m intervals along 200m 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 4-5kg 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. 994 soil samples were collected.</li> <li>60 surface rock chip/soil samples were collected from in situ outcrops and rolled boulders for chemical analysis.</li> </ul>
<b><i>Drilling techniques</i></b>	<ul style="list-style-type: none"> <li>There is no historical drilling on the Serra Misteriosa Project.</li> </ul>
<b><i>Drill sample recovery</i></b>	<ul style="list-style-type: none"> <li>No drilling was conducted.</li> </ul>
<b><i>Logging</i></b>	<ul style="list-style-type: none"> <li>All outcrop, stream sediment and soil sample points were registered and logged in the Terrativa geological mapping point database.</li> </ul>
<b><i>Sub-sampling techniques and sample preparation</i></b>	<ul style="list-style-type: none"> <li>All rock chip and soil samples were sent to the laboratory without any field preparation.</li> <li>Stream sediment samples were sieved down to 1.0-1.5kg using a 100 mesh sieve.</li> </ul>
<b><i>Quality of assay data and laboratory tests</i></b>	<ul style="list-style-type: none"> <li>Stream sediment samples are first dried in an oven at 60°C and then homogenised before crush and screening to 80 mesh. The pulp is quartered and an aliquot of 50g is sent for chemical analysis.</li> <li>Analysis of the soil samples was completed at SGS Geosol Laboratories. Samples are dried at 100°C and crushed and screened to 80 mesh. The pulp is quartered and an aliquot of 50g is sent for chemical analysis.</li> <li>Chemical analysis for 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.</li> <li>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.</li> <li>Laboratory procedures are in line with industry standards.</li> <li>To date no QAQC samples have been inserted by Terrativa for this project.</li> </ul>
<b><i>Verification of sampling and assaying</i></b>	<ul style="list-style-type: none"> <li>All historical samples were collected by Terrativa field geologists. All assay results were verified by alternative Terrativa personnel.</li> </ul>
<b><i>Location of data points</i></b>	<ul style="list-style-type: none"> <li>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.</li> </ul>

# AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE



<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• Soil samples were collected with a section spacing of 400m and 200m x 50m.</li> <li>• Stream sediment samples were collected at sample points planned by Terrativa geologists to represent catchment areas of between 500-1,000ha.</li> <li>• Sample spacing was deemed appropriate for geochemical studies but should not be considered for Mineral Resource estimations.</li> <li>• No sample composting has been applied.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• All samples were placed in pre-numbered plastic sample bags and then a sample ticket is placed within the bag as a check. Bags are sealed and placed in larger bags (10 samples per bag) and then transported by courier to the SGS Geosol laboratories in Belo Horizonte. Sample request forms are sent with the samples and via email to the labs. Samples are checked at the lab and a work order is generated by the lab which is checked against the sample request.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• No audit or review has been conducted on the project to date.</li> </ul>

## SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>• The Serra Misteriosa project includes two exploration leases (851548/2011 and 850258/2013) for a total of circa 180km<sup>2</sup>. Granted Exploration Leases have three years of exploration rights that may be extended for a further three years.</li> <li>• The tenements are part of an earn-in agreement with Terrativa Minerais SA. Under the agreement Centaurus has to meet minimum expenditure of R\$2.5M in 24 months to gain the right to acquire 100% of the tenements via the issue of 30M CTM shares, 90M Performance Shares (3 tranches of 30M with vesting based on certain resource based performance milestones) and a production royalty of 2%. The royalty may be converted to a 25% project interest should it be sold to a third party.</li> <li>• All mining projects in Brazil are subject to a CFEM royalty, a government royalty of 1% on gold revenue (less taxes).</li> <li>• Landowner royalty is 50% of the CFEM royalty.</li> <li>• 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.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>• Historically the Serra Misteriosa tenement area was explored for gold by Terrativa. All data from this exploration has been passed to Centaurus.</li> <li>• There has been small scale historical artisanal gold mining undertaken in this area. There is no known evidence of exploration for gold by other modern-day companies other than Terrativa.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>• The Serra Misteriosa Gold Project is located in the Southern Bacaja Domain within the Eastern Amazonian Craton. The project is located on a ridge of WNW-ESE trending Upper Proterozoic greenstone between gneissic and granitic complexes that has been intruded by syntectonic dioritic and granodioritic plutons.</li> <li>• The project area is covered extensively by a rich red saprolite and fresh rock outcrop is limited. Gold has been identified in panning and diorite fresh rock samples where SEM results demonstrated gold is associated with arsenopyrite/pyrite.</li> <li>• The main gold in soils geochem target is a 5km x 600m Au (+25ppb) anomaly. Within this anomaly there is a 2.4km x 250m +50ppb Au zone, with a number of smaller +150ppb Au zones. The Au geochem anomaly is associated with a sheared contact of diorite with host greenstones and granites. The diorite has been intensively silicified +/- sericite and propylitic alteration.</li> </ul>

**AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT  
& MEDIA RELEASE**



Criteria	Commentary
<b><i>Drill hole Information</i></b>	<ul style="list-style-type: none"> <li>No drilling has been conducted on the project.</li> </ul>
<b><i>Data aggregation methods</i></b>	<ul style="list-style-type: none"> <li>No cut-offs have been applied in reporting of the exploration results.</li> <li>No aggregate intercepts have been applied in reporting of the exploration results.</li> </ul>
<b><i>Relationship between mineralisation widths and intercept lengths</i></b>	<ul style="list-style-type: none"> <li>No drilling was conducted.</li> </ul>
<b><i>Diagrams</i></b>	<ul style="list-style-type: none"> <li>Refer to Figures 1 -8.</li> </ul>
<b><i>Balanced reporting</i></b>	<ul style="list-style-type: none"> <li>All Exploration Results received by the Company to date are included in this report.</li> </ul>
<b><i>Other substantive exploration data</i></b>	<ul style="list-style-type: none"> <li>Historical geological mapping was carried out by Terrativa geologists.</li> <li>The IP and resistivity surveys were undertaken by WSL/Geomag. The survey includes +20km of survey lines and will utilise a pole-dipole array with an electrode spacing of 50m. The survey was designed to measure to a depth of 250m. The QAQC and interpretation of the IP survey was be undertaken by Centaurus’s geophysical consultant, Mr Robert B. Ellis.</li> </ul>
<b><i>Further work</i></b>	<ul style="list-style-type: none"> <li>The Company is in the process of completing a detailed data review ahead of further detailed geological and structural mapping and soil sample programs.</li> <li>The Company continues to work to secure land access and environmental permitting for drilling in late Q1 2017. Based on targets generated from these programs, the Company will commence the maiden exploration drilling program at the start of the dry season expected in March/April 2017.</li> </ul>