

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE

11 June 2010

CENTAURUS ACQUIRES 100% OF KEY BRAZILIAN IRON ORE PROJECT FROM CENIBRA

- ❖ Centaurus has exercised its option to acquire 100% of Jambreiro Iron Ore Project from Cenibra.
- ❖ Exploration target¹ of 40 – 60 Mt itabirite iron ore @ 30 to 40% Fe for the Project with mineralisation mapped over a 7 kilometre strike extent.
- ❖ Initial 7-hole diamond drilling program completed by Cenibra has intersected the itabirite mineralisation to a vertical depth of 90 metres.
- ❖ Mineralisation is highly friable which is anticipated to enable low-cost beneficiation to a high-grade (+63% Fe) product.
- ❖ Strong correlation between mapped iron mineralisation and ground magnetic signature indicates significant depth potential of mineralisation.
- ❖ 3,500 metre Diamond and RC resource definition drill campaign to commence before the end of June.
- ❖ Ongoing review work continuing on other Cenibra tenure in the Guanhaes Group of tenements.

International iron ore company Centaurus Metals Ltd (ASX Code: CTM) is pleased to announce that it has exercised its option to acquire a 100% interest in the **Jambreiro Iron Ore Project**, located in the State of Minas Gerais in south-eastern Brazil. The Project represents a potential cornerstone for Centaurus' domestic iron ore business in Brazil.

Centaurus has exercised its option over the Jambreiro Project ahead of schedule under its innovative option agreement with leading Brazilian Pulp Company, Cenibra (see ASX Announcement of 11 February 2010). This follows completion of a successful initial field review program, the positive results obtained from this work and the Company's strong desire to commence drilling the Project area as soon as drill rigs can be mobilised.

¹ Note: It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information above relating to the exploration target should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resources have not been used in this context. The potential quantity and grade range is conceptual in nature, since there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource.

The three tenements that make up the Jambreiro Iron Ore Project are the first to be acquired by Centaurus under this agreement, which covers Cenibra's extensive 1,000 square kilometre tenement package in south-eastern Brazil.

The recently completed field review included surface sampling and geological mapping at Jambreiro, as well as a ground magnetic survey which clearly demonstrated that the mapped iron mineralisation correlates well with the underlying magnetic signature (see Figure 1).

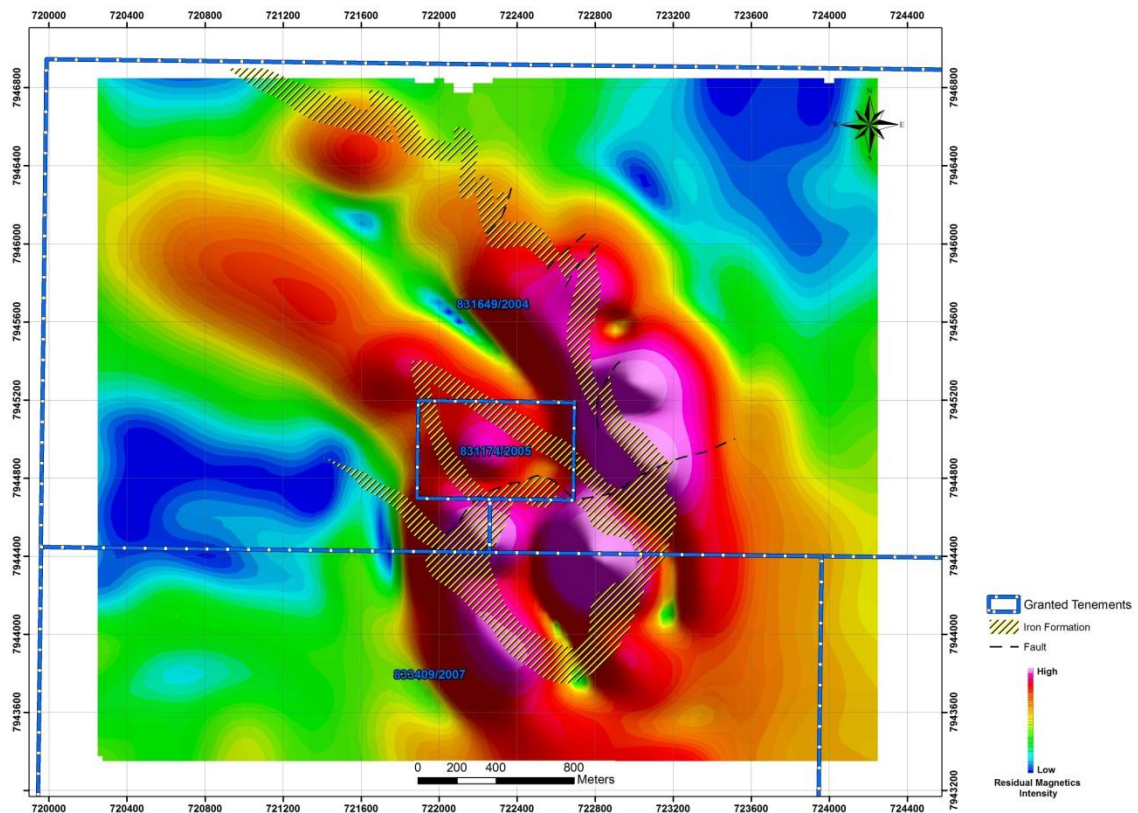


Figure 1 – Jambreiro Project Ground Magnetics with Mapped Iron Formation

The initial field work at Jambreiro has mapped itabirite mineralisation **over a strike length of some 7 kilometres**. The mineralisation is situated within the limbs and fold hinges of a complex fold structure. The mineralisation is approximately 20 to 40 metres thick and is contained within a rock package of quartzite and ferruginous quartzite.

An initial 7-hole diamond drilling program previously completed by Cenibra at Jambreiro has intersected friable mineralisation from surface to a depth of 90 metres vertically below surface.

Surface rock chip sampling and historical drilling results indicate that a grade range of 30 to 40% Fe can be expected from the Project. A summary of the recent rock chip sampling results is presented in Annexure 2.

An Exploration Target¹ for the Jambreiro Iron Ore Project of **40 to 60 million tonnes grading 30-40% Fe** has been estimated based on the dimensions of the mapped iron formation, the size and strength of the ground magnetic signature, logging of the previous drilling and assay results from the recent rock chip sampling.

Due to the friable nature of the iron mineralisation and the initial surface sampling, it is expected that the in situ ore will cost effectively beneficiate to a high grade (+63% Fe) product with very low deleterious element content.

The Company is now in the process of finalising a 3,500 metre resource definition drill program at Jambreiro that will provide sufficient information to complete an initial mining study over this new and exciting Project. The drilling will comprise both reverse circulation (RC) and diamond drilling methods and is expected to commence before the end of June 2010.

Historical drill core from the seven Cenibra diamond drill holes has recently been located. Access to the drill core is being negotiated and it is expected that it will be re-logged and submitted for re-assay with the results to be used in conjunction with assays and geological data from the new drill program to assist in defining an initial JORC Resource for the Project area.

The Jambreiro Iron Ore Project is located in the State of Minas Gerais approximately 130 kilometres from the key steel-making region of Ipatinga, where Brazilian steel maker, Usiminas, is currently producing 4.5mpta of steel (see Annexure 1).

In conjunction with the exercise of the Jambreiro option, the Company is continuing its extensive field review of the other key iron ore prospects within the Cenibra tenement package, particularly in the northernmost Guanhaes Group. The Company is confident that, once its review work is completed, it will also exercise its option over a number of these additional iron ore prospects.

Centaurus' Managing Director, Mr Darren Gordon said: *"We are very pleased with the results of the initial field review work on the Jambreiro tenements and the fact that we have been able to exercise the option over the Jambreiro Project ahead of time. The Company aims to quickly advance the drilling work necessary to define a resource on the Project which can make a significant contribution towards our strategic objective of becoming a 3mtpa iron ore producer in Brazil by the end of 2013.*

"The surface mapping and ground magnetic survey has generated a significant exploration target² of 40-60 million tonnes for the Company and we are well down the path of securing a number of drill rigs to drill out what we believe has the potential to become our largest domestic iron ore production project to date.

"Centaurus is pleased to be working with its Brazilian partner, Cenibra, a company with demonstrated high levels of professionalism in its approach to business. We expect that the exercise of the option over the Jambreiro Project will be the first of many projects where the two companies will work together to achieve a positive result for both groups."

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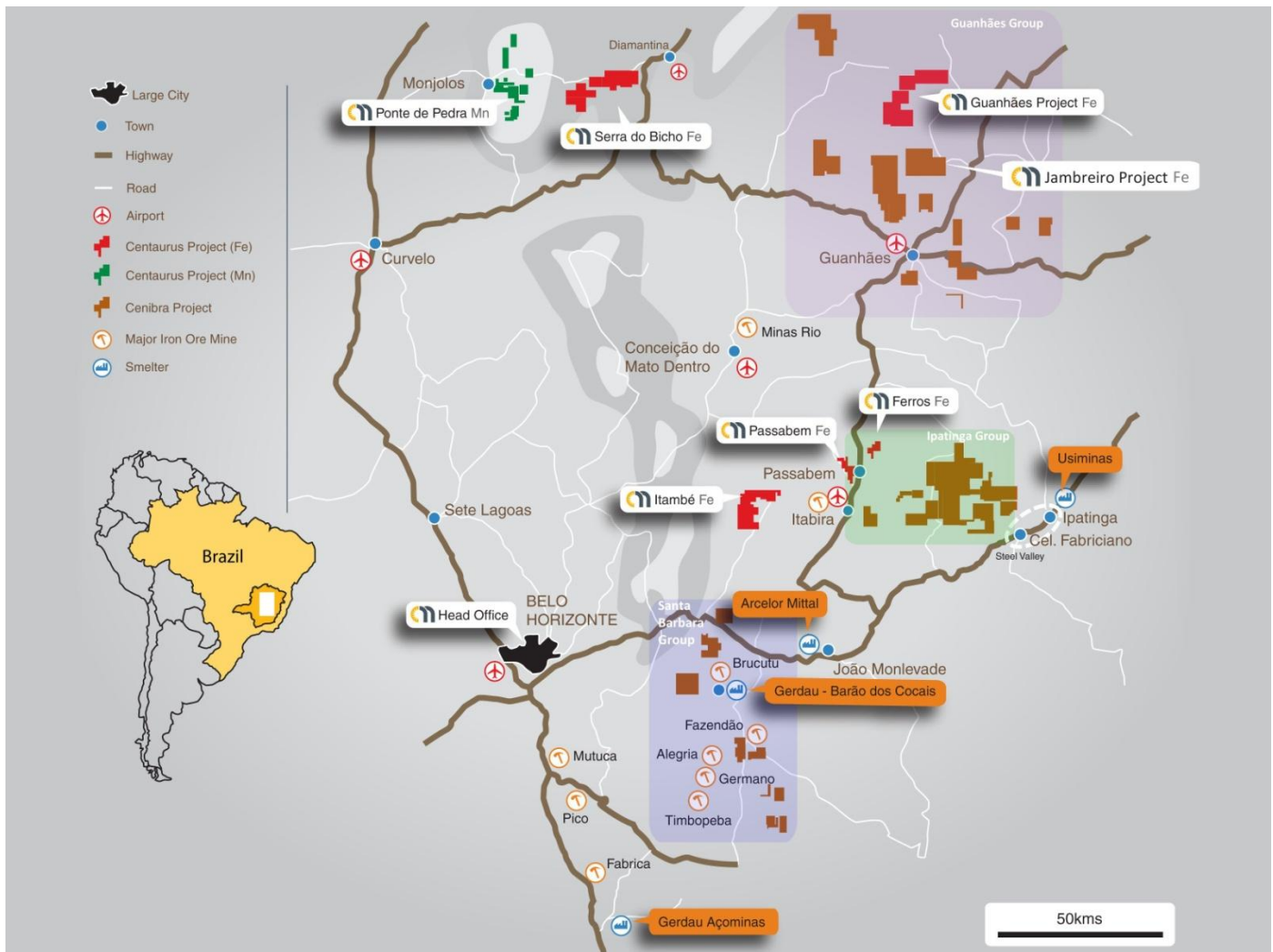
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² Note: It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information above relating to the exploration target should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resources have not been used in this context. The potential quantity and grade range of 30 to 40% Fe is conceptual in nature, since there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource.

ANNEXURE 1 – LOCATION MAP OF CENIBRA GROUP TENEMENTS AND JAMBREIRO IRON ORE PROJECT



Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Cullen who is a Member of the AusIMM. Ian Cullen is a permanent employee of Centaurus Metals Limited. Ian Cullen 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ian Cullen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ANNEXURE 2 –JAMBREIRO IRON ORE PROJECT
INITIAL SURFACE ROCK CHIP SAMPLE ASSAYS FROM ITABIRITE IRON ORE MINERALISATION

Sample Number	Datum	UTM E	UTM N	Rock Type	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	Mn %	TiO ₂ %	CaO %	MgO %	K ₂ O %	Na ₂ O %	Cr ₂ O ₃ %	LOI %
AM-CNB-JAM-13A	SAD69 23S	721328	7946644	Itabirite	28.54	58.27	0.35	0.056	0.02	0.02	0.04	< 0,01	< 0,01	< 0,01	< 0,01	-0.07
AM-CNB-JAM-13B	SAD69 23S	721328	7946644	Itabirite	26.90	61.21	0.33	0.045	0.05	0.02	0.02	< 0,01	< 0,01	< 0,01	< 0,01	-0.63
AM-CNB-JAM-18A	SAD69 23S	722220	7946233	Itabirite	31.49	54.04	0.61	0.015	0.02	0.02	< 0.01	< 0,01	< 0,01	< 0,01	< 0,01	-0.08
AM-CNB-JAM-18B	SAD69 23S	722220	7946233	Itabirite	40.20	40.83	0.66	0.019	0.06	0.03	0.01	0.05	< 0,01	< 0,01	< 0,01	-0.18
AM-CNB-JAM-22A	SAD69 23S	722508	7946063	Itabirite	30.92	53.91	0.86	0.012	< 0.01	0.02	< 0.01	< 0,01	< 0,01	< 0,01	< 0,01	0.18
AM-CNB-JAM-22B	SAD69 23S	722508	7946063	Itabirite	27.74	59.14	0.45	0.018	< 0.01	0.01	0.01	< 0,01	< 0,01	< 0,01	< 0,01	-0.19
AM-CNB-JAM-22C	SAD69 23S	722508	7946063	Itabirite	29.18	56.97	0.42	0.014	0.02	0.01	0.01	0.01	< 0,01	< 0,01	< 0,01	-0.04
AM-CNB-JAM-39A	SAD69 23S	721930	7945358	Itabirite	34.95	48.94	0.44	0.019	0.02	0.01	< 0.01	< 0,01	< 0,01	< 0,01	< 0,01	-0.07
AM-CNB-JAM-39B	SAD69 23S	721930	7945358	Itabirite	31.60	54.09	0.66	0.030	0.02	0.03	0.01	< 0,01	0.03	< 0,01	< 0,01	0.04
AM-CNB-JAM-39C	SAD69 23S	721930	7945358	Itabirite	31.63	53.98	0.51	0.040	0.01	0.02	0.01	< 0,01	0.01	< 0,01	< 0,01	-0.11
AM-CNB-JAM-45A	SAD69 23S	723091	7944854	Itabirite	32.68	50.79	0.97	0.008	0.09	0.04	0.01	< 0,01	0.01	< 0,01	< 0,01	0.13
AM-CNB-JAM-45B	SAD69 23S	723091	7944854	Itabirite	41.37	40.13	0.42	0.023	0.11	0.04	0.01	< 0,01	< 0,01	< 0,01	< 0,01	0.22
AM-CNB-JAM-45C	SAD69 23S	723091	7944854	Itabirite	33.08	51.15	0.69	0.009	0.01	0.04	0.01	< 0,01	< 0,01	< 0,01	< 0,01	0.13
AM-CNB-JAM-48A	SAD69 23S	722584	7944974	Itabirite	52.80	14.50	6.46	0.061	0.24	0.14	0.01	< 0,01	< 0,01	< 0,01	< 0,01	3.62
AM-CNB-JAM-48B	SAD69 23S	722584	7944974	Itabirite	63.75	9.33	0.67	0.016	0.01	0.07	0.04	0.01	< 0,01	< 0,01	< 0,01	-0.01
AM-CNB-JAM-49A	SAD69 23S	722538	7945007	Itabirite	39.57	42.33	0.47	0.021	< 0.01	0.02	0.02	< 0,01	0.01	< 0,01	< 0,01	0.07
AM-CNB-JAM-49B	SAD69 23S	722538	7945007	Itabirite	33.21	51.16	0.61	0.011	0.08	0.03	0.01	< 0,01	0.01	< 0,01	< 0,01	0.46
AM-CNB-JAM-52A	SAD69 23S	722251	7945146	Itabirite	37.29	45.30	0.83	0.025	0.03	0.04	0.01	< 0,01	0.01	< 0,01	< 0,01	0.17
AM-CNB-JAM-52B	SAD69 23S	722251	7945146	Itabirite	40.05	41.91	0.47	0.017	0.03	0.02	0.01	< 0,01	< 0,01	< 0,01	< 0,01	0.10