

## AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE

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# CENTAURUS TO DIVEST NON-CORE GOLD ASSETS

*AUSTRALIAN GOLD AND BASE METAL ASSETS TO BE VENDED INTO NEW IPO, SOUTHERN CROWN RESOURCES*

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International iron ore company Centaurus Metals Ltd (ASX Code: CTM) is pleased to announce that it has entered into an agreement to divest some of its non-core gold and base metals assets in Australia to a new Initial Public Offering (IPO) to be called Southern Crown Resources Ltd ('Southern Crown').

The proposed divestment is consistent with the Company's focus on developing its portfolio of Brazilian iron ore assets, where it is aiming to establish an initial production base in the "Iron Quadrangle" region producing and selling 3Mtpa of high-grade iron ore to the Brazilian domestic steel industry by the end of 2013.

The agreement covers the Dish Gold Project in New South Wales and Percyvale Gold Project in Queensland, both of which are to be sold to Southern Crown for 1,250,000 shares in the IPO which will represent approximately 5% of the post IPO issued capital of the Company. Southern Crown is proposing to list at 25 cents by 31 October 2010.

In addition, Centaurus Resources will be issued with 2 million performance options, of which 1 million will vest upon the definition of a resource of 250,000 gold equivalent ounces at the Dish and 1 million of which will vest upon the definition of a resource of 250,000 gold equivalent ounces at Percyvale.

It is expected that the Centaurus shareholders will be offered a priority entitlement in the IPO.

Centaurus' Managing Director, Mr Darren Gordon said: *"We are very pleased to be able to realise value for our non-core Australian gold and base metal assets by divesting them to a new dedicated Australian exploration company. We look forward to working with and supporting Southern Crown through the IPO process."*

Centaurus has recently announced positive drilling results from its Passabem Iron Ore Project in Brazil, which is expected to lead to an increase in resources at this project and has commenced resource definition and upgrade drill programs at both its Jambreiro and Itambe Iron Ore Projects.

**-ENDS-**

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