AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE

8 March 2018

SHALLOW HIGH-GRADE NICKEL-COBALT INTERSECTIONS FROM INITIAL AUGER DRILLING CONFIRM OUTSTANDING POTENTIAL AT ITAPITANGA

Strong nickel and cobalt results recorded from shallow auger drilling over a 3km strike length, paving the way for maiden RC drill program

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- **Highly encouraging results from initial broad-spaced auger drilling with shallow, high-grade nickel-cobalt intersections achieved over an extensive area at the Itapitanga Nickel-Cobalt Project in Brazil. Results included:**
  - **7.0m @ 1.00% nickel and 0.15% cobalt**
  - **6.0m @ 1.28% nickel and 0.13% cobalt; and**
  - **9.5m @ 1.20% nickel and 0.09% cobalt**

- **23 shallow auger drill holes completed to date with results received for the first nine holes. The maximum hole depth achieved to date is only 11.5m, with most holes reaching drill refusal at 5-7m.**

- **Seven of the first nine auger holes drilled finished in high-grade nickel-cobalt mineralisation with the potential for significant depth extensions based on the weathering profile seen at nearby deposits. This can only be tested by Reverse Circulation (RC) drilling.**

- **This first-pass auger drilling covers a strike length of 3km over the Northern Target and has returned intersections of up to 3.07% Ni and 0.20% Co.**

- **Itapitanga is located at the southern strike extent of Anglo American's world-class Jacaré Ni-Co Project – Mineral Resource of 307Mt at 1.3% Ni and 0.13% Co, including a high-grade cobalt resource of 185Mt at 1.2% Ni and 0.18% Co[1] (one of the highest large-tonnage cobalt grades in the world).**

- **The maiden RC drilling program is set to commence as soon as the auger drilling is complete and assays have been received. Quotes for drilling have been sought from suitably qualified RC drilling contractors and the award of the drill contract is imminent.**

Centaurus Metals (ASX Code: **CTM**) is pleased to announce that the initial phase of auger drilling at its newly-acquired **Itapitanga Nickel-Cobalt Project** in northern Brazil has returned outstanding results, confirming the presence of shallow high-grade nickel and cobalt mineralisation over an extensive area and paving the way for the Company's maiden Reverse Circulation drilling program.

The first nine auger holes tested a strike length of approximately 3km of the Northern Target area, with seven of the first nine holes finishing in high-grade nickel-cobalt mineralisation. Auger drilling is continuing.

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[1] Resource data sourced from Anglo American Presentations "O Depósito de Níquel Laterítico do Jacaré (PA), Brasil" – Simexmin 2010 and Ore Reserves and Mineral Resources Report 2016

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

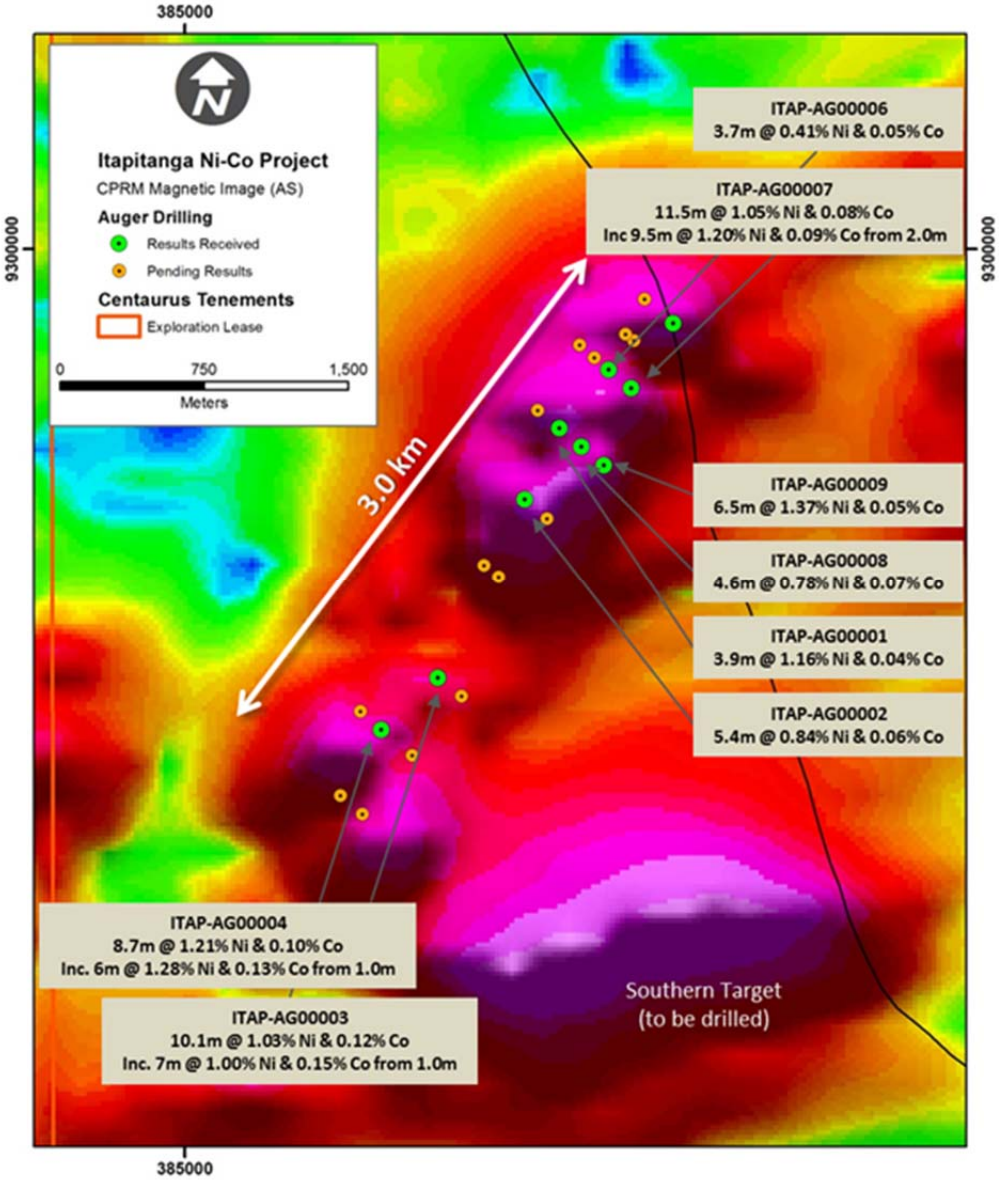
Auger holes are drilled to drill-refusal and the average hole depth for the first nine holes of the program was only 6.2m. All of the Northern Target area remains open in all directions and the Southern Target remains to be tested. Highlights of the first batch of results include the following continuous intersections (see Figure 1 and attached Table 1 for a full list of auger results):

- **10.1m @ 1.03% nickel and 0.12% cobalt from surface in ITAP-AG00003, including:**
  7.0m @ 1.00% nickel and 0.15% cobalt from 1.0m

- **8.7m @ 1.21% nickel and 0.10% cobalt from surface in ITAP-AG00004, including:**
  6.0m @ 1.28% nickel and 0.13% cobalt from surface

- **11.5m @ 1.05% nickel and 0.08% cobalt from surface in ITAP-AG00007, including:**
  9.5m @ 1.20% nickel and 0.09% cobalt from 2.0m

Figure 1 – The Itapitanga Project: Auger drill locations with significant nickel and cobalt intersections over Magnetic Image (Analytic Signal).



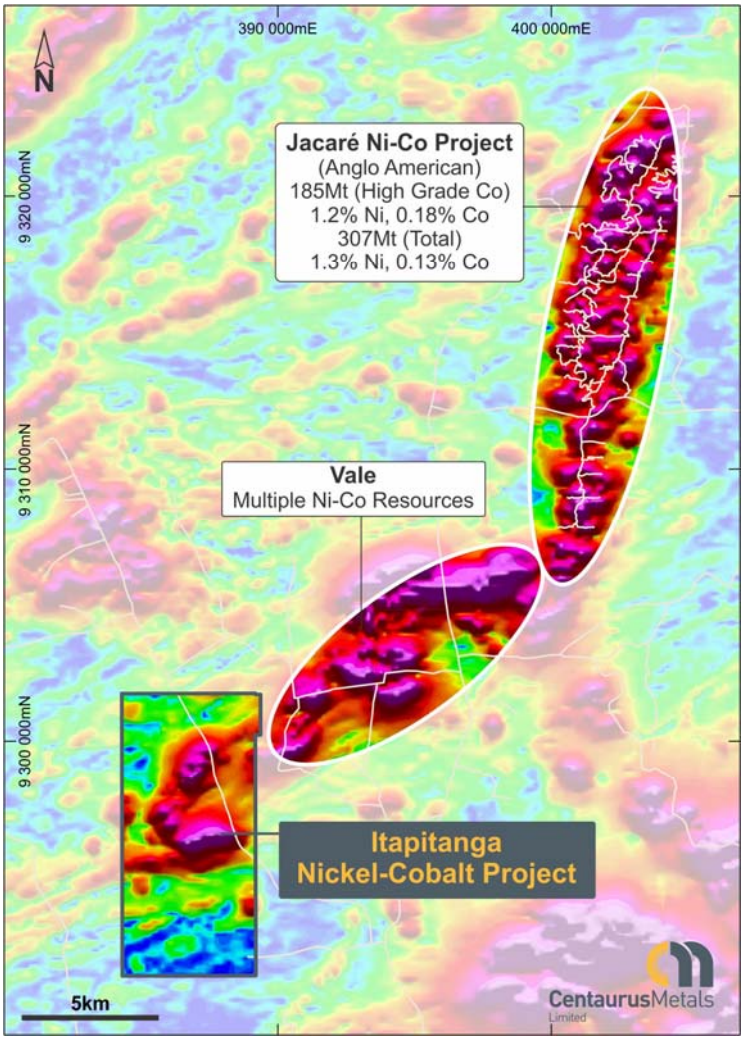
The auger drilling at Itapitanga has demonstrated that the nickel-cobalt laterite mineralisation occurs from surface, with high grades of both nickel and cobalt being intersected. The first-pass auger drilling covered a strike length of 3km and widths of roughly 500m over the Northern Target area.

The Northern Target area remains open in all directions and the ongoing auger drilling program will continue to identify the limits of the surface mineralisation.

The hand-held auger drills being used, while providing a useful early-test of the extent of the mineralisation, do have limitations in that they struggle to penetrate below a vertical depth of 7-10m. The Itapitanga Project is located in the Carajás Mineral Province, a tropical region that hosts deep weathering profiles generally to 50m and often beyond to 100m. Anglo American's neighbouring world-class Jacaré Ni-Co Deposit is hosted in a laterite profile that is mineralised from surface down to an average depth of 50m.

RC drilling is therefore required to determine the full width and grade of the nickel-cobalt mineralisation and planning for this phase of work is well underway. Submissions have been sought from suitable RC drill contractors to undertake a 5,000m RC program, potentially commencing in late March or early April once further information and assays have been received from the ongoing auger drilling program.

Figure 2 – Location of the Itapitanga Nickel-Cobalt Project. The regional magnetic signature (AS) is coincident with the ultramafic intrusive that hosts the nickel-cobalt mineralisation.



The Itapitanga Project is located at the southern strike extent of Anglo American's world-class Jacaré Ni-Co Project (Figure 2), which has a global Mineral Resource of 307Mt at 1.3% Ni and 0.13% Co that includes a high-grade cobalt resource of 185Mt at 1.2% Ni and 0.18% Co[1]. Jacaré's cobalt resource grade of 0.18% Co is one of the highest cobalt grades globally for large-tonnage nickel-cobalt deposits.

Centaurus' Itapitanga Project tenement area covers 50km^2 of highly prospective ground at the southern extension of the same ultramafic-mafic intrusive complex that hosts both the Jacaré Ni-Co deposit and several unpublished nickel-cobalt resources held by Vale (Figure 2).

The current auger drilling program will assist the Company to optimise its maiden RC program. A second team has recently arrived on site with a new and more powerful auger drill in an effort to increase the drill depths achieved from the auger work.

Management Comment

Centaurus' Managing Director, Mr Darren Gordon, said the early indications from the auger drilling were highly encouraging, with the initial assay results confirming the presence of shallow, high-grade nickel-cobalt mineralisation over an extensive area.

"To achieve first-pass auger results which include 10m at 1% nickel and 0.12% cobalt from surface is an outstanding result," he said.

"We have now, even at this early stage of exploration, demonstrated the presence of significant mineralisation at the Northern Target at Itapitanga over a zone which extends over a strike length of 3km and widths of up to 500m, with seven out of the first nine holes finishing in shallow high-grade nickel-cobalt mineralisation.

"Given the depth of weathering seen at other nearby deposits, there is clear potential to extend this mineralisation with follow-up RC drilling which can penetrate well below the depth range of the hand-held augers.

"We now have a really clear target for our maiden RC campaign, and we are looking forward to commencing that program as soon as we finish the balance of the auger program.

"Shareholders and investors can look forward to a really exciting and, we hope, transformational period for the Company over the next couple of months. A large number of assays are still outstanding from the auger drilling and will be progressively received over the next 2-3 weeks. We are also expecting to announce the award of our drilling contract and then report on the start of drilling, hopefully by late March or early April."

-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 Australasian 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.

Table 1 – Itapitanga Ni-Co Project – Rock chip, channel sample and soils sample results.

					Significant Intersections				
HOLEID	**Easting**	**Northing**	**mRL**	**EOH Depth**	**From (m)**	**To (m)**	**Interval (m)**	**Ni %**	**Co %**
ITAP-AG00001	386952	9299063	209	3.9	0.0	3.9	**3.9**	**1.16**	**0.04**
ITAP-AG00002	386771	9298693	201	5.4	0.0	5.4	**5.4**	**0.84**	**0.06**
ITAP-AG00003	386025	9297492	206	10.1	0.0	10.1	**10.1**	**1.03**	**0.12**
				inc	*1.0*	*8.0*	***7.0***	***1.00***	***0.15***
ITAP-AG00004	386320	9297761	205	8.7	0.0	8.7	**8.7**	**1.21**	**0.10**
				inc	*0.0*	*6.0*	***6.0***	***1.28***	***0.13***
ITAP-AG00005	387544	9299611	210	5	No significant Intersection				
ITAP-AG00006	387208	9299369	214	3.7	0.0	3.7	**3.7**	**0.41**	**0.05**
ITAP-AG00007	387325	9299271	215	11.5	0.0	11.5	**11.5**	**1.05**	**0.08**
				inc	*2.0*	*11.5*	***9.5***	***1.20***	***0.09***
ITAP-AG00008	387066	9298967	206	4.6	0.0	4.6	**4.6**	**0.78**	**0.07**
ITAP-AG00009	387182	9298870	214	6.5	0.0	6.5	**6.5**	**1.37**	**0.05**

Figure 3 – Regional location map of the Carajás Mineral Province, showing the location of Centaurus' key projects.

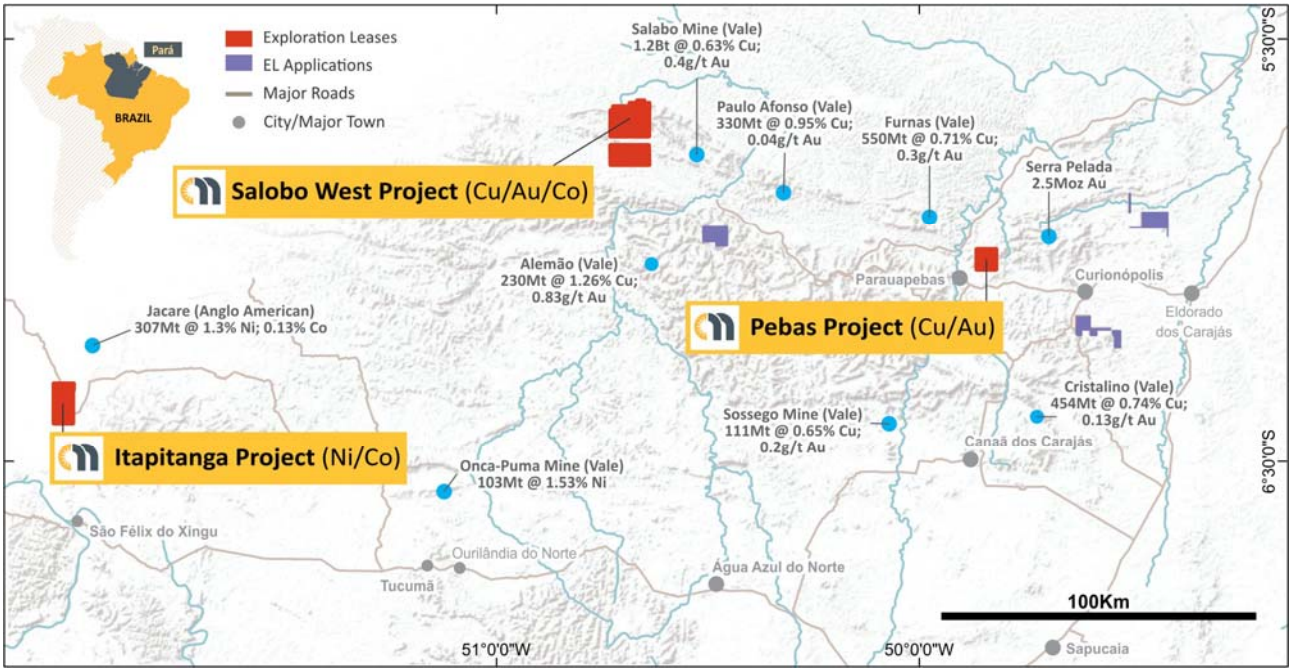


Figure 4 – Photos of the auger drilling at the Itapitanga Ni-Co Project; Four man hand held auger (top left), removing the sample from auger bit (top right), working to beat the afternoon rain (bottom).

APPENDIX B – TECHNICAL DETAILS OF THE ITAPITANGA NICKEL-COBALT PROJECT, JORC CODE, 2012 EDITION – TABLE 1 SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	Commentary
Sampling techniques	• Soil samples were collected at roughly 100-150m intervals along a fence line oblique to the mineralisation. Surface material was first removed and sample holes were dug to roughly 30cm depth. A 2-3kg 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. • Surface rock chip/soil samples were collected from in situ outcrops and rolled boulders for chemical analysis. • Channel samples were taken at a road cutting site vertically across the profile. The channel sample height was 2.5m, approximately 3-5kg of sample was collected. • Auger samples are taken by a hand-held auger. Initial sections are 400m apart with 100m between holes. Care is taken to try to remove up hole contamination from the auger bit during sampling. A 3-5kg sample was taken from the bit. The sample was placed in a plastic sample bag with a sample tag before being sent to the lab.
Drilling techniques	• Auger drilling completed using a hand-held auger with a 200mm auger bit. Drilling depth is determined by drill refusal.
Drill sample recovery	• Not applicable.
Logging	• All outcrop and soil sample points were registered and logged in the Centaurus geological mapping points database.
Sub-sampling techniques and sample preparation	• All geological samples were received and prepared by SGS Geosol Laboratories in Parauapebas, Brazil as 0.5-5kg samples. They were dried at 105°C until the sample was completely dry (6-12hrs), crushed to 90% passing 3mm and reduced to 200-300g. The samples were pulverised to 95% passing 150µm and split further to 50g aliquots for chemical analysis.
Quality of assay data and laboratory tests	• Chemical analysis for metal oxides is determined using XRF analysis (XRF79C). Fusion disks are made with pulped sample and the addition of a borate based flux. Analysis at SGS is for a 12-element suite. LOI using loss determination by thermo-gravimetric analysis at 1000°C. • Chemical analysis was completed for gold by fire assay and ICP for limit of 0.001ppm as well as multi element using ICP (IC40B) for select samples. • SGS Geosol Laboratories insert their own standards at set frequencies and monitor the precision of the XRF and ICP 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. • Laboratory procedures are in line with industry standards.
Verification of sampling and assaying	• All samples were collected by Centaurus field geologists. All assay results were verified by alternative Company personnel and the Competent Person before release.
Location of data points	• The survey grid system used is SAD-69 22S. This is in line with Brazilian Mines Department requirements. No mapping points are reported.
Data spacing and distribution	• Initial soil samples were collected on 100-150m spacing along a fence line. • In future soils sampling will be conducted on 200-400m line spacing with 50m between sample. • Sample locations reported in this announcement were surveyed using hand held GPS. • No sample compositing has been applied.
Orientation of data in relation to geological structure	• The extent and orientation of the mineralisation was interpreted based on initial field mapping and regional geophysical interpretations.

Sample security	• All samples were placed in plastic sample bags and then numbered. Bags are sealed and placed in larger bags (10 samples per bag) and then transported to the SGS Geosol laboratories in Parauapebas, PA. 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.
Audits or reviews	• The Company is not aware of any audit or review that has been conducted on the project to date.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	Commentary
Mineral tenement and land tenure status	• The Itapitanga project includes one exploration licence 850.475/2016, for a total area of circa 50km^2. • The tenements are part of an agreement where Centaurus will pay R$150k (~A$60k) over six months and commit to undertake R$150k (~A$60k) of exploration work over this same time period. At the end of the period, it will pay the vendor R$500k (~A$200k). Further, assuming Centaurus continues with the project, it will make milestone payments to the vendor of R$1 million (~A$400,000) on definition of a JORC Resource and R$1.5 million (~A$600,000) on the grant of a Mining Lease by the Brazilian Mines Department (DNPM). • All mining projects in Brazil are subject to a CFEM royalty, a government royalty of 2% on base metals revenues. • Landowner royalty is 50% of the CFEM royalty. • The project is located primarily in farming land. The Company is working to expedite the permit to drill license with local authorities.
Exploration done by other parties	• The company is not aware of any historical exploration.
Geology	• The Itapitanga Project forms part of the southern extension of the ultramafic-mafic intrusive complex (2.8Ga) that intrudes the Archean Xingu basement granites in the western region of the Carajás Mineral Province; • Nickel-cobalt laterite mineralisation generally occurs from surface and is associated with the ferruginous laterite of the ultramafic protore. Nickel mineralisation is associated with the saprolite that underlies the ferruginous laterite.
Drill hole Information	• At the date of announcement, a total of 23 auger holes for 130m has been completed. Assay results have been received for the first 9 holes. A further 14 holes have been completed pending results. Drilling is ongoing. • Refer to Table 1 for full list of significant intersection and auger hole data from recent drilling.
Data aggregation methods	• Continuous sample intervals are calculated via weighted average, no cut offs have been used. • High grade intervals within a continuous sample interval may be reported inclusive. (For example: *8.7m @ 1.21% Nickel and 0.10% Cobalt from surface in ITAP-AG00004; Including 6.0m @ 1.28% Nickel and 0.13% Cobalt from surface*). Further details of the intersections can be found in the drill hole results table. • No metal equivalents are reported.
Relationship between mineralisation widths and intercept lengths	• The auger holes are vertical and have been located across the target area. All holes started in mineralisation and nine out of the first eleven holes finished in mineralisation.
Diagrams	• Refer to Figures 1-4.
Balanced reporting	• All exploration results received by the Company to date are included in this report or can be referenced to previous ASX releases.

Criteria	Commentary
Other substantive exploration data	• The Company is working with the CPRM geological and geophysical regional data set (Carajás – Área I (1047)).
Further work	• The Company mobilized its field team to the Itapitanga project to carry out survey line clearing, geological mapping, soils geochemical sampling and auger drilling.