

21 September 2018

CENTAURUS RECEIVES APPROVAL TO RESUME ENVIRONMENTAL LICENSING PROCESS AT SALOBO WEST COPPER-GOLD PROJECT

Centaurus Metals (ASX Code: CTM) is pleased to announce that it has received the go-ahead to resume the environmental licensing process for the Company's maiden drill program at its 100%-owned **Salobo West Copper-Gold Project** in the world-class Carajás region of northern Brazil.

The key environmental agency responsible for the approvals has reconsidered its preliminary finding handed down in May and cleared the way for the licensing process to resume. The agency has now confirmed that the Salobo West Project does meet the requirements for clearing and drilling activities to occur, subject to the normal environmental approval process required for exploration in forested areas.

In December 2017, the Company lodged the application to clear and drill with the ICMBio (*Instituto Chico Mendes de Conservação da Biodiversidade*), the environmental agency responsible for the area for the first phase of drilling. In May 2018, Centaurus was advised by ICMBio that the Company's application for a drilling and clearing licence at the Project had been denied based on their recent change of interpretation of the environmental regulations relevant to the area.

Since then, the Company has discussed the issue extensively with ICMBio and the Ministry of Mines in order to demonstrate that the two tenements that make up the Salobo West Project meet all of the legal requirements defined by the environmental agency that allow drilling and mining to be undertaken.

ICMBio has now reviewed its position with respect to these two tenements and confirmed the Company may continue its environmental licensing process to secure the clearing and drilling licence for the Salobo West Project.

As a result of this very positive development, Centaurus will now recommence all activities associated with securing the licence – with the main activity being the completion of a vegetation inventory over the areas where clearing and the initial 30-hole drill program is planned to be undertaken.

The Company has engaged a local environmental consultancy firm to compile the vegetation inventory, with the survey expected to take 3-4 weeks to complete. The ICMBio decision also provides the Company with the confidence to plan the resumption of its non-ground disturbing exploration activities at Salobo West.

Centaurus Managing Director, Mr Darren Gordon, said the determination by ICMBio represented a significant step towards testing the huge potential of the Salobo West Project.

"Salobo West ticks every box for us as a world-class exploration opportunity, given its location and geological setting. We are really looking forward to completing the remaining requirements to gain the necessary drilling clearances later this year and getting on the ground to drill as soon as possible," he said.

"Exploration success at Salobo West has the potential to deliver transformational returns for Centaurus shareholders, and we will be working hard to get these programs underway as soon as we can – alongside our ongoing drilling at the Pebas copper-gold project and, of course, the next phase of work at our exciting emerging Itapitanga nickel-cobalt discovery."

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COPPER IN THE CARAJÁS

The Carajás contains one of the world’s largest known concentrations of large-tonnage iron oxide copper-gold (IOCG) deposits. More than 20 world-class mineral deposits lie within an area of just 300 x 100km, including 10 Iron Oxide Copper Gold (“IOCG”) deposits with resources of +100 million tonnes of copper-gold ore.

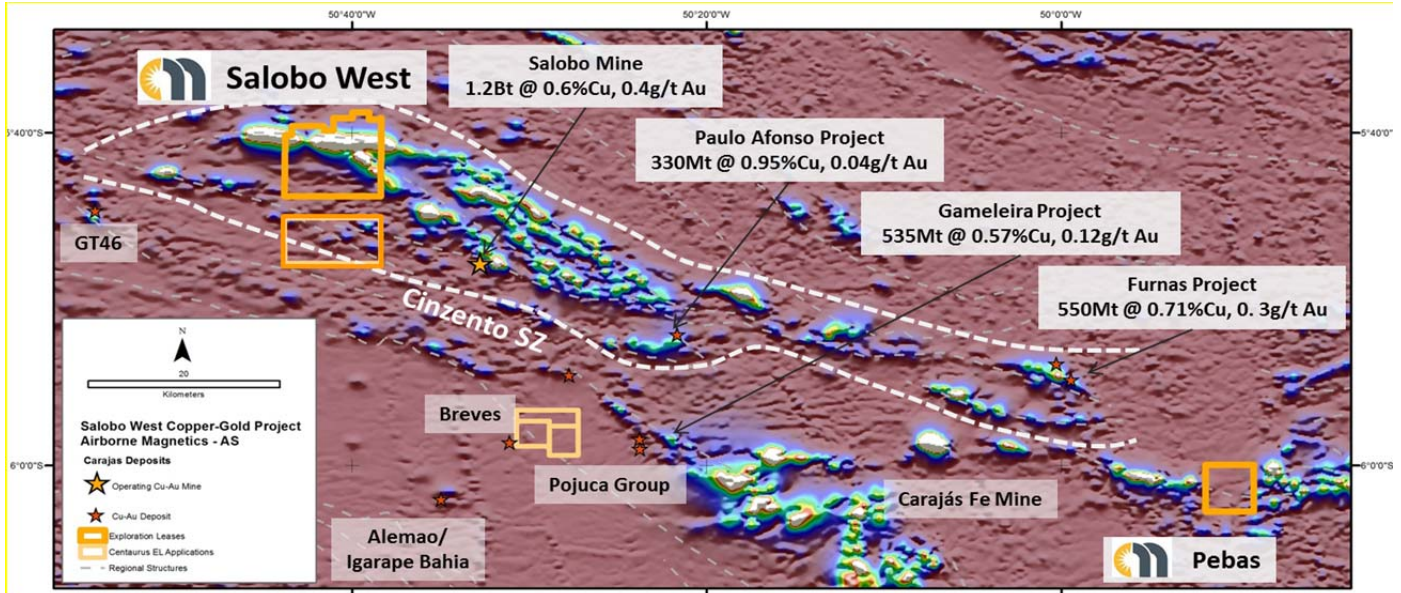
These IOCG mines and deposits – in addition to several other IOCG prospects that are under exploration – collectively contain resources of more than 4.0 billion tonnes of copper-gold ore. Table 2 below shows a number of these world-class deposits with geologically analogous Australian counterparts (IOCG and nickel-cobalt laterite deposits).

The prospectivity of the Carajás Mineral Province – and Brazil as a favourable mining jurisdiction – has recently been highlighted by leading mid-tier copper miner Oz Minerals through its \$418 million takeover of Avanco Resources earlier this year.

Three of the top five known IOCG deposits in the Carajás (all with resources +300Mt Cu-Au ore), as well as multiple exploration targets, are located along the Cinzento Shear Zone (see Figure 1). These deposits are structurally controlled by regional-scale W-NW striking, brittle-ductile shear zones hosted within the highly prospective volcanic and sedimentary rocks of the Itacaiúnas Supergroup.

Vale’s giant Salobo Copper-Gold Mine is one of these deposits and is arguably the second-biggest IOCG in the world behind BHP’s Olympic Dam Mine. Salobo has Reserves of 1.2 billion tonnes at 0.61% Cu and 0.3g/t Au and produced approximately 193kt of copper and 346koz of gold in calendar year 2017¹.

Figure 1 – Tier-1 IOCG deposits in the Cinzento Shear Zone over the Regional Magnetics (AS).



Centaurus’ Salobo West Copper-Gold Project includes multiple distinct targets that display similar geochemical and geophysical characteristics and are located in the same geological and structural context as the Salobo mine, just 12km along strike.

Table 1 below highlights the key discovery metrics for world-class IOCG deposits within the Carajás and particularly along the Cinzento Shear Zone.

¹ Vale Data sourced from “Vale Production in 4Q17” Report, its 20-F Annual Report for 2017 and other public reports

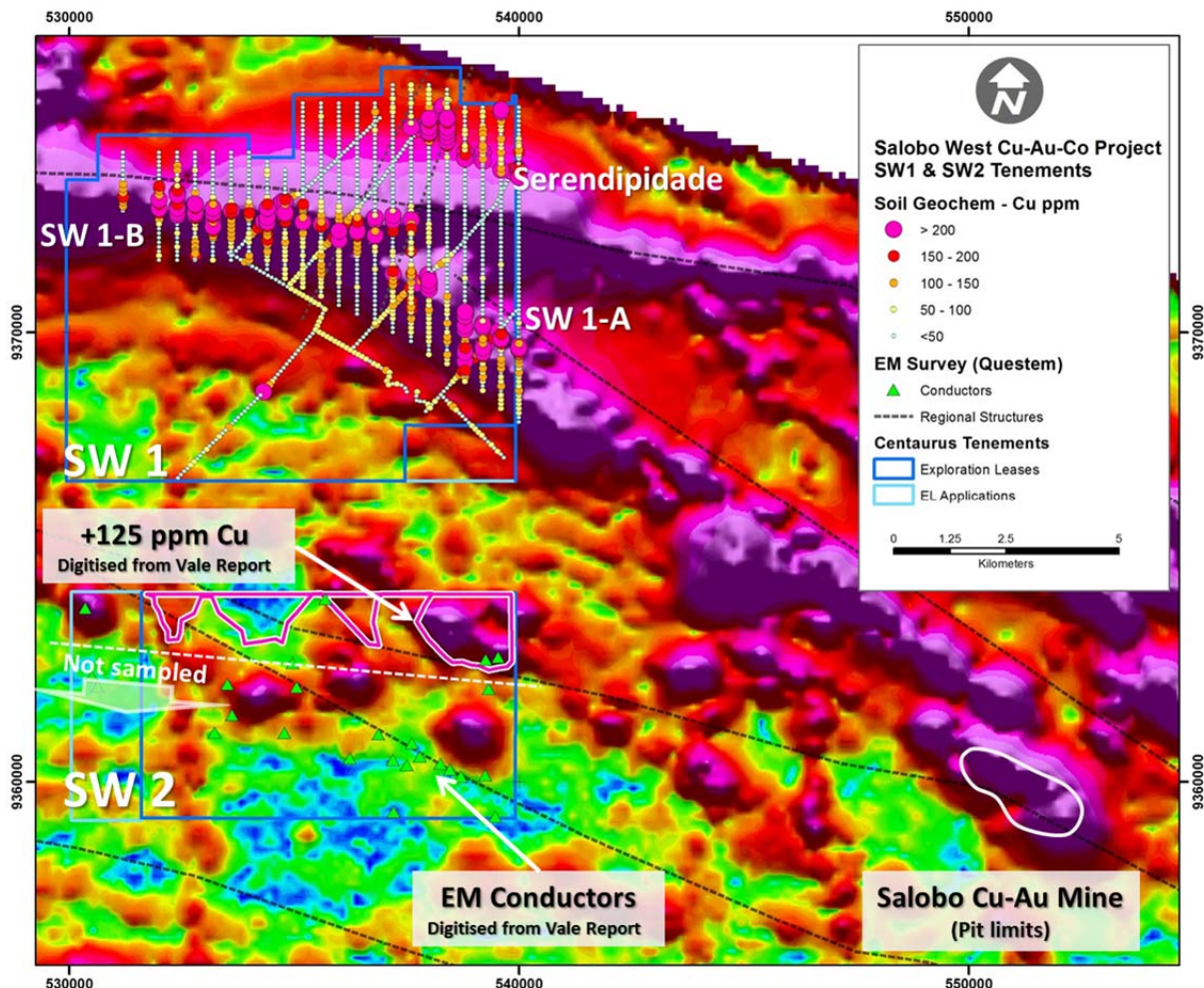


Table 1 – Key discovery metrics for world-class IOCG deposits within the Cinzento Shear Zone

Vale - IOCG Deposits in the Cinzento Shear Zone (NW)	Centaurus - Salobo West tenements
Vale tenure +1,100km ² - No other company holds significant tenure	CTM granted tenure circa 120km ²
All deposits at surface and hosted by the Itacaiúnas Supergroup	Covers 70km ² of the Itacaiúnas Supergroup
Associated with regional structures (W to NW and SW-trending lineaments)	Multiple regional structures present (W to NW and SW-trending lineaments)
Associated with regional scale magnetic and radiometric anomalies	Regional scale magnetic and radiometric features present; multiple project scale EM anomalies
Discoveries made in 70-80s via conventional exploration (mapping/soils)	Comprehensive geological, geochemical and geophysical data set, multiple drill ready targets
Three Tier 1 deposits (+300Mt Cu-Au resources), multiple exploration targets	TBD

Centaurus’ Salobo West Copper-Gold Project comprises two tenements, both located within the Cinzento Shear Zone, namely the northern SW1 tenement and the southern SW2 tenement (Figure 2). Based on the extensive datasets available for the project, Centaurus’ exploration team has generated multiple walk-up drill targets over both tenements, with the Priority-1 targets focusing on coincident geological, structural, geochemical and geophysical features.

Figure 2 – Salobo West Project showing SW1 targets and SW2 targets where +125 ppm Cu (pink lines) and EM conductors (green triangles) have been digitised from historical exploration reports.



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Competent Person Statement

The information in this report that relates to Exploration Results and Exploration Targets 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 2 – World Class Mineral Projects of the Carajás Mineral Province
(Analogous Australian projects included in yellow for comparison – ranked by metal content).**

Company	Deposits	Commodity	Mineral Reserves	Mineral Resources	Annual Production	Distance from CTM Projects (Km)
BHP ¹	Olympic Dam	Copper-Gold	505Mt @ 1.99% Cu, 0.72 g/t Au	6.0Bt @ 0.93% Cu, 0.34 g/t Au	166kt Cu cathode & 100koz Au	Australia
Vale ²	Salobo	Copper-Gold	1,193Mt @ 0.61% Cu, 0.3 g/t Au	1,556Mt @ 0.64% Cu, 0.4g/t Au	176kt Cu & 317koz Au	12
Vale	Sossego	Copper-Gold	120Mt @ 0.68% Cu, 0.20 g/t Au	355Mt @ 1.0% Cu, 0.28 g/t Au	93kt Cu & 67koz Au	70
Vale	Furnas	Copper-Gold		550Mt @ 0.71% Cu; 0.3 g/t Au		70
Vale	Alemao	Copper-Gold		230Mt @ 1.26% Cu, 0.83 g/t Au		12
Vale	Cristalino	Copper-Gold		454Mt @ 0.74% Cu, 0.13 g/t Au		90
Vale	Gamela	Copper-Gold		535Mt @ 0.57% Cu, 0.12 g/t Au		70
Vale	Paulo Afonso	Copper-Gold		330Mt @ 0.95% Cu, 0.04 g/t Au		35
Oz Minerals ³	Prominent Hill	Copper-Gold	74Mt @ 1.0% Cu, 0.6 g/t Au	140Mt @ 1.2% Cu, 0.5 g/t Au	100kt Cu & 120koz Au	Australia
Vale	Pojuca Group	Copper-Gold		350Mt @ 0.57% Cu, 0.04 g/t Au		4
Oz Minerals	Carra-pateena	Copper-Gold	79Mt @ 1.8% Cu, 0.7 g/t Au	134Mt @ 1.5% Cu, 0.6 g/t Au		Australia
Vale	Estrela	Copper-Gold		230Mt @ 0.50% Cu, 0.01 g/t Au		80
Glencore ⁴	Ernest Henery	Copper-Gold	51.4Mt @ 1.1%Cu, 0.54 g/t Au	95.3Mt @ 1.2%Cu, 0.63 g/t Au	70kt Cu & 100koz Au	Australia
Vale	Breves	Copper-Gold		50Mt @ 1.22% Cu, 0.75 g/t Au		2
Vale	118	Copper-Gold		51Mt @ 1.30% Cu, 0.2 g/t Au		75
Ero Copper ⁵	Boa Esperanca	Copper-Gold	19.5Mt @ 0.95% Cu	67Mt @ 0.73%Cu,		80
Oz Minerals (Avanco) ⁶	Antas Norte	Copper-Gold	2.8Mt @ 2.4% Cu, 0.55 g/t Au	19Mt @ 1.1% Cu, 0.2 g/t Au	14kt Cu & 11koz Au	30
Oz Minerals (Avanco)	Pedra Branco	Copper-Gold		17.7Mt @ 2.4% Cu, 0.6 g/t Au		50
Vale	Onca Puma	Nickel	106.5Mt @ 1.53% Ni	235Mt @ 1.5% Ni	24kt Ni	80
Anglo American ⁷	Jacaré	Nickel-Cobalt		307Mt @ 1.3% Ni, 0.13% Co		15
Glencore	Murrin Murrin	Nickel-Cobalt	104Mt @ 1.05%Ni, 0.08% Co	218Mt @ 1.0% Ni, 0.08% Co	34kt Ni & 3kt Co	Australia
Clean Teq ⁸	Sunrise	Nickel-Cobalt	96Mt @ 0.65% Ni, 0.10% Co	109Mt @ .65% Ni, 0.10% Co		Australia
Vale	Carajas	Iron Ore	2.4Bt @ 66% Fe		150 Mtpa Fe	30
Vale	S11D	Iron Ore	4.2Bt @ 66% Fe		40-90Mtpa Fe	45

1 – Mineral Resource, Reserve and Production figures from BHP 2017 Operations and Annual Reports;

2 – Reserve and Production figures from Vale 2017 Annual Report (20-F); Resource estimates from multiple sources (mainly technical reports and presentations)

3 – Mineral Resource, Reserve and Production figures from Oz Minerals 2017 Annual Report and Resource and Reserves statements;

4 – Mineral Resource, Reserve and Production figures from Glencore 2017 Results and Annual Reports;

5 – Mineral Resource and Reserve figures from Ero Copper website;

6 – Mineral Resource, Reserve and Production figures from Avanco website

7 – Mineral Resource from Anglo American 2016 Mineral Resources Report

8 – Mineral Resource and Reserve from Clean Teq website

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**APPENDIX A – TECHNICAL DETAILS OF THE SALOBO WEST COPPER-GOLD PROJECT, JORC CODE, 2012 EDITION – TABLE 1
SECTION 1 SAMPLING TECHNIQUES AND DATA**

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • Soil samples from the SW1 tenement 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 20-30cm 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. • Surface rock chip/soil samples were collected from in situ outcrops and rolled boulders and submitted for chemical analysis. • Historical sampling was completed by Anglo American. Soil samples were collected in two phases; initially on SE-NW lines 2.5km apart with samples every 100m, then on N-S lines 400m apart with samples every 50m. A 3-5kg sample was taken from the B horizon with the <6mm fraction sent for assay. • Technical information provided for the SW2 project is in reference to the historical data that was obtained from the Mines Department (DNPM) Partial Exploration Report submitted by DoceGeo (Vale) in December 2000. • DoceGeo collected 137 soil samples, samples was taken from the B horizon (20-50cm below surface).
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • Historical drilling on the SW1 tenement was carried out with a wireline hydraulic rig, drilling NQ and HQ core. • There is no historical drilling on the SW2 tenement.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • For diamond drilling, core recoveries were logged and recorded in the database for all historical diamond holes. Overall recoveries are >90% and there are no core loss issues or significant sample recovery problems recorded.
<i>Logging</i>	<ul style="list-style-type: none"> • All outcrop and soil sample points were registered and logged in the Centaurus geological mapping points database. • All historical drill holes have been logged geologically. No geotechnical logs were identified. • Logging for both forms of drilling is qualitative and quantitative in nature. • There is no photographic record of the historical drill core.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • 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. • Historical diamond core (HQ) was cut with a specialized sampling tool where friable or using a core saw where compact (HQ and NQ), half core was sampled.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • Chemical analysis for soil samples was completed for gold by fire assay and ICP for limit of 0.001ppm as well as multi element using ICP. • 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 ALS is for a 10 element suite. FeO is determined using titration and LOI using loss determination by thermo-gravimetric analysis at 1000°C. • The SGS lab inserts its own standards at set frequencies and monitors 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. • To date no QAQC samples were inserted by Centaurus for this project. • Drill core samples were prepared and analysed at multiple labs, the main one being SGS Geosol Laboratories. Preparation of the sample consisted of drying, crushing to 2mm and pulverising to 300gm using a carbon steel mill until 95% of sample passes -150 mesh. The pulverised sample was then split to 50 grams. • Anglo American inserted standard samples every 20 samples (representing 5%). Results of the QAQC data are not known. • Laboratory procedures are in line with industry standards.

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Verification of sampling and assaying	<ul style="list-style-type: none"> All recent samples were collected by Centaurus field geologists. All assay results were verified by alternative Company personnel and the Competent Person before release. All historical samples were collected by Anglo American field geologists/technicians.
Location of data points	<ul style="list-style-type: none"> 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.
Data spacing and distribution	<ul style="list-style-type: none"> Soil samples were collected on 50m spacing on section with distance between sections of 200m and 400m depending on location. Sample spacing was deemed appropriate for geochemical studies but should not be considered for Mineral Resource estimations. Drill holes reported in this announcement were surveyed using hand held GPS. No sample compositing has been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> The extent and orientation of the mineralisation was interpreted based on field mapping and review of regional geological and geophysical data. Sample orientation is perpendicular to the main geological features sequence along which mineralisation exists.
Sample security	<ul style="list-style-type: none"> 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 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. The sample security process for the historical drill samples is not known.
Audits or reviews	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> The Salobo West project includes the two exploration leases 850.430/2016 (SW1) and 850.429/2016 (SW2), for a total of circa 120km². The tenements were part of an earn-in agreement with Terrativa Minerai SA. Centaurus has met it's earn-in obligations under the Agreement and has 100% title to the Salobo West tenements. Terrativa retain a production royalty of 2% over any minerals extracted from the tenements. The royalty may be converted to a 25% project interest should it be sold to a third party. All mining projects in Brazil are subject to a CFEM royalty, a government royalty of 2% on copper and gold revenues. Landowner royalty is 50% of the CFEM royalty. The project is covered by the Tapirape-aquiri National Forest. Exploration and mining is allowed in the forest with the correct licences. The Company has received the key environmental licences for non-ground disturbing exploration activities and is completing the work required to secure its ground disturbing licence to clear and drill on the tenements.
Exploration done by other parties	<ul style="list-style-type: none"> Historically the Salobo West tenements have been held by Anglo American and before that Vale. Reports recovered from the Department of Mines demonstrate that Anglo American completed extensive mapping, soils sampling and local geophysical surveys. The Company recently retrieved a historical data set that includes, geological mapping, soils geochemistry, geophysical data and an incomplete drill hole database. Geological mapping and soils sampling is being used to validate historical data and independent experts are assessing the geophysical data.
Geology	<ul style="list-style-type: none"> The Salobo West tenements are located in the Carajás Mineral Province, located in the south-eastern part of the Amazon craton in northern Brazil. The CMP represents an Archean block divided into two tectonic domains. Salobo West is located in the northern Carajás domain within the Cinzento Shear Zone. The Salobo West tenements cover a portion of the Itacaiúnas Supergroup where it is in contact with Xingu basement rock.

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Criteria	Commentary
	<ul style="list-style-type: none"> The Company is targeting IOCG deposits. These deposits are generally structurally controlled, brittle-ductile shears zones hosted within the highly prospective volcanic and sedimentary rocks of the Itacaiúnas Supergroup. IOCG deposits in the Carajás are generally massive replacement bodies, associated with the magnetite-rich rocks that are the product of intense Fe-K hydrothermal alteration at high temperatures. This style of mineralisation is highly amenable to modern geophysical exploration techniques, especially EM, radiometric and gravity surveys. The SW1 and SW2 tenements host multiple IOCG targets. The Serendipidade Prospect (SW1) fits a copper-cobalt SedEx style mineralisation model. The main targets are the N-NNE structures that are interpreted to represent the plumbing system for the metal-rich fluids and potential host to semi-massive and massive sulphide mineralisation.
Drill hole Information	<ul style="list-style-type: none"> No drill hole information relevant to the Salobo West Project is included in this release.
Data aggregation methods	<ul style="list-style-type: none"> No cut-offs have been applied in reporting of the exploration results. No aggregate intercepts have been applied in reporting of the exploration results.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> The results reported in this announcement reflect individual down hole sample intervals and no mineralised widths were assumed or stated.
Diagrams	<ul style="list-style-type: none"> Refer to Figures 1 and 2.
Balanced reporting	<ul style="list-style-type: none"> All validated exploration results received by the Company to date are included in this report or can be referenced in previous ASX announcements.
Other substantive exploration data	<ul style="list-style-type: none"> The Company is working with the CPRM geological and geophysical regional data sets. The Company has recovered historical Mines Department reports and data and is in the process of validating the historical data from the project area.
Further work	<ul style="list-style-type: none"> The Company has engaged an environmental consultancy firm to carry out vegetation inventory as part of the process to secure the clearing and drilling licence. The company plans to drill the SW1 and SW2 tenements once the environmental licenses are in place. The Company plans to mobilize its field team to the Salobo West project to carry out non-ground disturbing exploration in Q4 2018. This will include survey line clearing, geological mapping, ground based geophysics and soils geochemical sampling.