

27 March 2018

## MORE HIGH-GRADE NICKEL-COBALT ASSAY RESULTS FROM ITAPITANGA

*Results extend mineralisation to 3.3km long by up to 500m wide and remains open at depth and along strike; 5,000m RC program to start in coming weeks*

- Further outstanding high-grade nickel-cobalt intersections achieved from first pass hand-held auger drilling over an extensive area at the Itapitanga Nickel-Cobalt Project in the Carajás Mineral Province of northern Brazil.
- Results received to-date include (all intersections are continuous from surface to the end of hole and remain open at depth and along strike):
  - 6.5m @ 0.94% nickel and 0.20% cobalt
  - 8.0m @ 0.59% nickel and 0.16% cobalt
  - 12.0m @ 0.93% nickel and 0.13% cobalt
  - 10.1m @ 1.03% nickel and 0.12% cobalt
  - 10.0m @ 1.07% nickel and 0.12% cobalt
  - 8.0m @ 0.80% nickel and 0.12% cobalt
  - 6.0m @ 1.04% nickel and 0.11% cobalt
  - 8.7m @ 1.21% nickel and 0.10% cobalt
- 29 of the first 33 auger holes finished in nickel-cobalt mineralisation.
- The handheld auger can only test the top few metres of the nickel-cobalt mineralisation, to a maximum depth of 12 metres, with most holes reaching maximum depth at 5-8 metres below surface.
- A RC drilling rig is being mobilised to site to commence the initial 5,000m drill program in mid-April
- The neighbouring Jacaré deposit, one of the highest grade large-tonnage nickel-cobalt projects in the world, is mineralised from surface down to an average depth of 50 metres. The Company's upcoming RC drilling will test the depth of nickel-cobalt mineralisation at Itapitanga.
- The auger has now moved to the Southern Target where 2km of untested prospective lithology will be tested with first pass shallow hand auger drilling.

Centaurus Metals (ASX Code: CTM) is pleased to announce that the auger drilling at the **Itapitanga Nickel-Cobalt Project** in northern Brazil continues to produce outstanding near surface high-grade nickel-cobalt assay results.

New results include intersections of **12m @ 0.93% Ni and 0.13% Co** and **6.5m @ 0.94% Ni and 0.20% Co** with most holes starting and finishing in high-grade mineralisation.

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The handheld auger holes have tested a strike length of approximately 3.3km of the Northern Target area where 29 of the first 33 holes finished in high-grade nickel and cobalt mineralisation.

Auger holes are drilled to 'drill-refusal' and the average holes depth for the first 33 holes of the program is 6.5m. The Northern Target area remains open to the south, south-east, north-west and at depth. Drilling of the Southern Target has recently commenced.

Highlights of the second batch of assay results include the following complete hole intersections (surface to end-of-hole). All these intersections finished in mineralisation (see Figure 1 and attached Table 1 for a full list of auger assay results):

- **6.5m @ 0.94% nickel and 0.20% cobalt from surface in ITAP-AG00018;**
- **8.0m @ 0.59% nickel and 0.16% cobalt from surface in ITAP-AG00031;**
- **12.0m @ 0.91% nickel and 0.13% cobalt from surface in ITAP-AG00033;**
- **10.0m @ 1.07% nickel and 0.12% cobalt from surface in ITAP-AG00032;**
- **8.0m @ 0.80% nickel and 0.12% cobalt from surface in ITAP-AG00015;**
- **6.0m @ 0.91% nickel and 0.12% cobalt from surface in ITAP-AG00026;**
- **6.0m @ 1.04% nickel and 0.11% cobalt from surface in ITAP-AG00027;**
- **5.4m @ 1.09% nickel and 0.11% cobalt from surface in ITAP-AG00011;**
- **6.0m @ 0.54% nickel and 0.10% cobalt from surface in ITAP-AG00024;**
- **6.0m @ 0.91% nickel and 0.09% cobalt from surface in ITAP-AG00013;**
- **10.4m @ 1.14% nickel and 0.07% cobalt from surface in ITAP-AG00022;**
- **4.9m @ 1.51% nickel and 0.04% cobalt from surface in ITAP-AG00030.**

Highlights from the previously released results included:

- **10.1m @ 1.03% nickel and 0.12% cobalt from surface in ITAP-AG00003;**
- **8.7m @ 1.21% nickel and 0.10% cobalt from surface in ITAP-AG00004;**
- **11.5m @ 1.05% nickel and 0.08% cobalt from surface in ITAP-AG00007.**

The auger drilling at Itapitanga continues to demonstrate that the nickel-cobalt laterite mineralisation occurs from surface, with high grades of both nickel and cobalt mineralisation intersected to depths of 12m prior to drill refusal occurring.

The Itapitanga Project is located in the Carajás Mineral Province, a tropical region that hosts deep weathering profiles generally to 50m and often up to 100m. The high-grade nickel-cobalt laterite mineralisation is hosted within this weathered profile.

Anglo American's neighbouring world-class Jacaré Ni-Co Deposit, one of the highest large-tonnage nickel-cobalt grades in the world with 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<sup>1</sup>, is hosted in a laterite profile that is mineralised from surface down to an average depth of 40-50m.

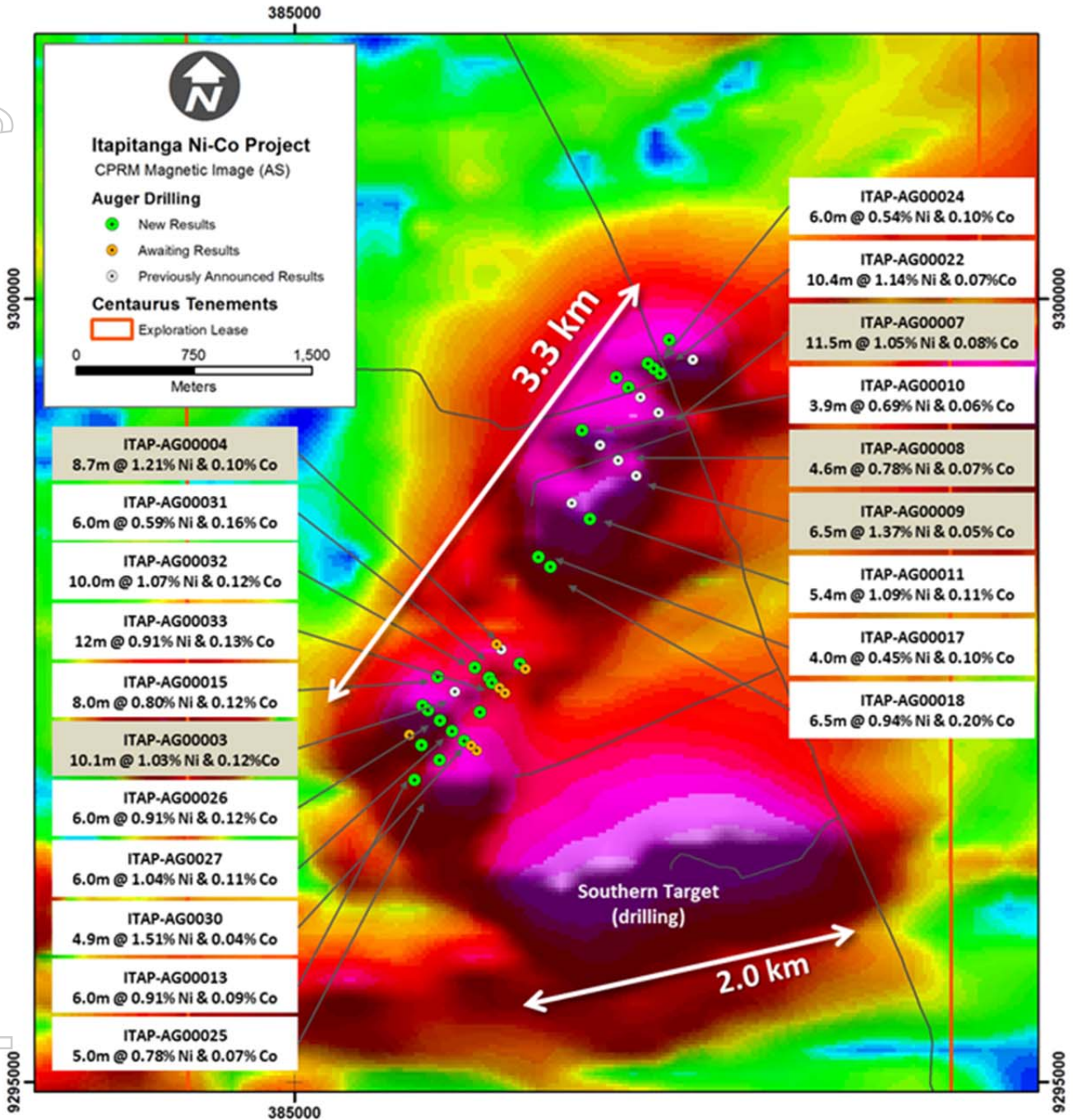
RC drilling will now be done to determine the full width and grade of the nickel-cobalt mineralisation at the Project. Accordingly, the Company has recently executed a 5,000m RC drill contract with specialist Brazilian RC drilling group, Geosenda Perfurações Especiais. The rig is now being mobilised and drilling is set to start mid-April.

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<sup>1</sup> 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



Figure 1 – The Itapitanga Project: Auger drill locations with significant nickel and cobalt intersections over Magnetic Image (Analytic Signal); New results (white) and previously released results (grey).



**Management Comment**

Centaurus' Managing Director, Darren Gordon, said the latest results supported the Company's view that Itapitanga is a highly promising nickel-cobalt project with scale and grade.

"To have numerous continuous intersections of high grade nickel and cobalt from surface to the bottom of the auger hole is exceptional and the fact that 29 of these first 33 holes finished in mineralisation is highly encouraging," Mr Gordon said.

"We have so far defined a strike length of 3.3km with widths of up to 500m at the Northern Target and have recently started auger drilling on the Southern Target.

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“Mobilisation of a RC rig has commenced for the maiden RC drill program that is set to start in mid-April. Given the mineralisation profile of the neighbouring Jacaré deposit, which hosts one of the highest large-tonnage nickel-cobalt grades in the world, we’re confident that the RC drilling can extend the current mineralised intersections significantly.

“With the EV space driving the cobalt prices towards US\$100,000/t along with a positive outlook for nickel we are looking forward to start delivering quality nickel and cobalt drill results from the RC drilling from early May.”

**-ENDS-**

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**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.*

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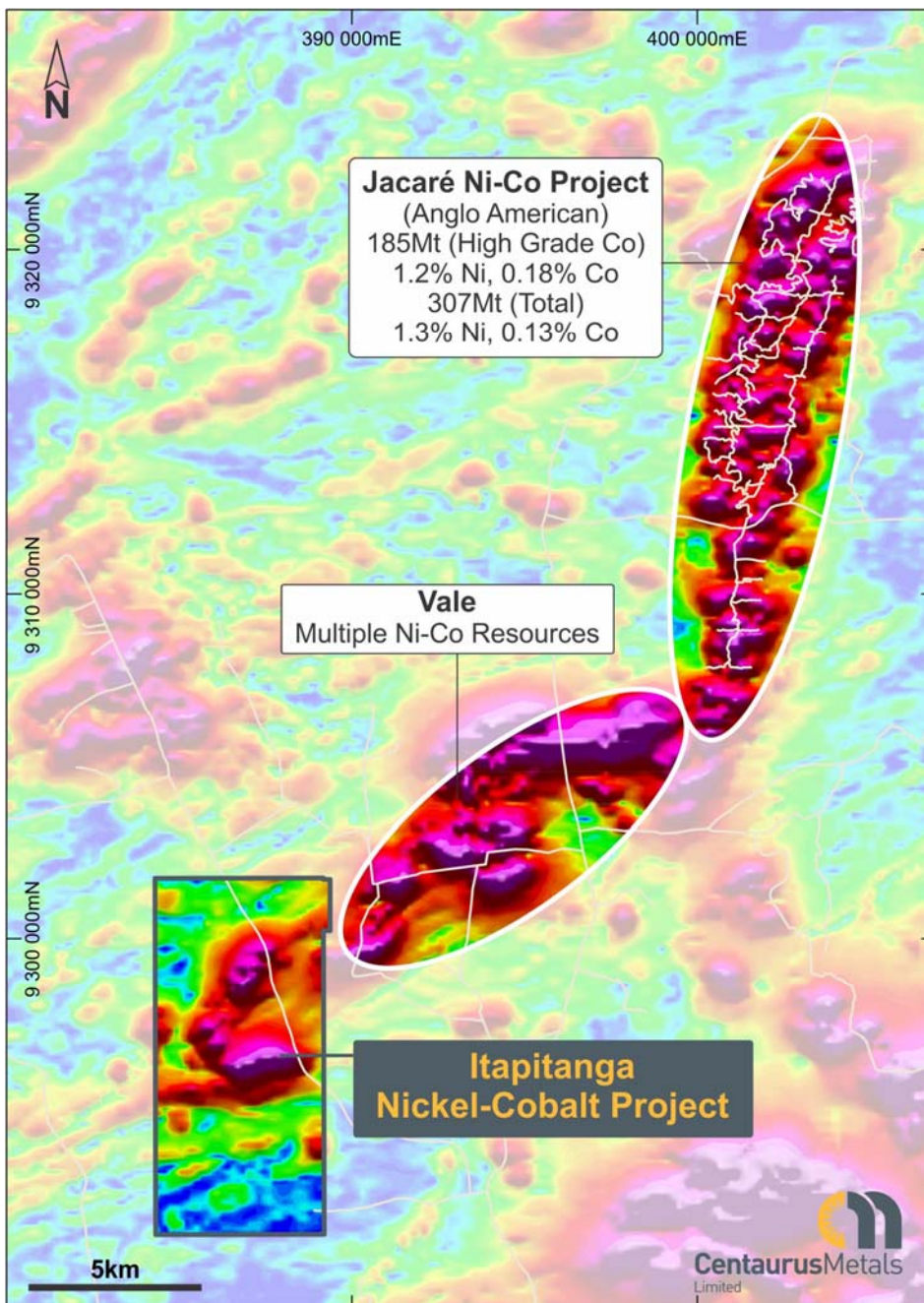


### The Itapitanga Nickel-Cobalt Project

Centaurus' Itapitanga Project is located to the south 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<sup>1</sup>. Jacaré's cobalt resource grade of 0.18% Co is one of the highest cobalt grades globally for large-tonnage nickel-cobalt deposits.

The Project tenement area covers 50km<sup>2</sup> 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).

**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.**



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**Table 1 – Itapitanga Nickel-Cobalt Project – Hand-held auger drill results to date;  
All intersections are continuous complete drill hole intersections (ie. surface to end-of-hole).**

HOLEID	Easting	Northing	mRL	EOH Depth	Significant Intersections				
					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
ITAP-AG00004	386320	9297761	205	8.7	0.0	8.7	8.7	1.21	0.10
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
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
ITAP-AG00010	386837	9299158	209	3.9	0.0	3.9	3.9	0.69	0.06
ITAP-AG00011	386886	9298594	213	5.4	0.0	5.4	5.4	1.09	0.11
ITAP-AG00012	385925	9297055	203	6.6	0.0	6.6	6.6	0.79	0.02
ITAP-AG00013	385812	9297151	207	6.0	0.0	6.0	6.0	0.91	0.09
ITAP-AG00014	386185	9297360	210	6.5	0.0	6.5	6.5	0.55	0.04
ITAP-AG00015	385914	9297587	202	8.0	0.0	8.0	8.0	0.80	0.12
ITAP-AG00016	386440	9297667	207	9.0	0.0	9.0	9.0	0.34	0.06
ITAP-AG00017	386559	9298350	206	4.0	0.0	4.0	4.0	0.45	0.10
ITAP-AG00018	386635	9298288	198	6.5	0.0	6.5	6.5	0.94	0.20
ITAP-AG00019	387393	9299736	205	6.0	No significant Intersection				
ITAP-AG00020	387133	9299433	216	8.3	0.0	8.3	8.3	1.05	0.05
ITAP-AG00021	387056	9299498	223	6.0	No significant Intersection				
ITAP-AG00022	387337	9299522	221	10.4	0.0	10.4	10.4	1.14	0.07
ITAP-AG00023	387294	9299554	217	7.0	0.0	7.0	7.0	0.51	0.07
ITAP-AG00024	387257	9299587	225	6.0	0.0	6.0	6.0	0.54	0.10
ITAP-AG00025	385767	9296929	209	5.0	0.0	5.0	5.0	0.78	0.07
ITAP-AG00026	385816	9297401	198	6.0	0.0	6.0	6.0	0.91	0.12
ITAP-AG00027	385851	9297373	202	6.0	0.0	6.0	6.0	1.04	0.11
ITAP-AG00028	385930	9297306	197	1.5	0.0	1.5	1.5	1.38	0.07
ITAP-AG00029	386007	9297240	201	1.1	0.0	1.1	1.1	1.45	0.06
ITAP-AG00030	386083	9297176	205	4.9	0.0	4.9	4.9	1.51	0.04
ITAP-AG00031	386152	9297645	196	8.0	0.0	8.0	8.0	0.59	0.16
ITAP-AG00032	386244	9297579	207	10.0	0.0	10.0	10.0	1.07	0.12
ITAP-AG00033	386262	9297548	205	12.0	0.0	12.0	12.0	0.91	0.13

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

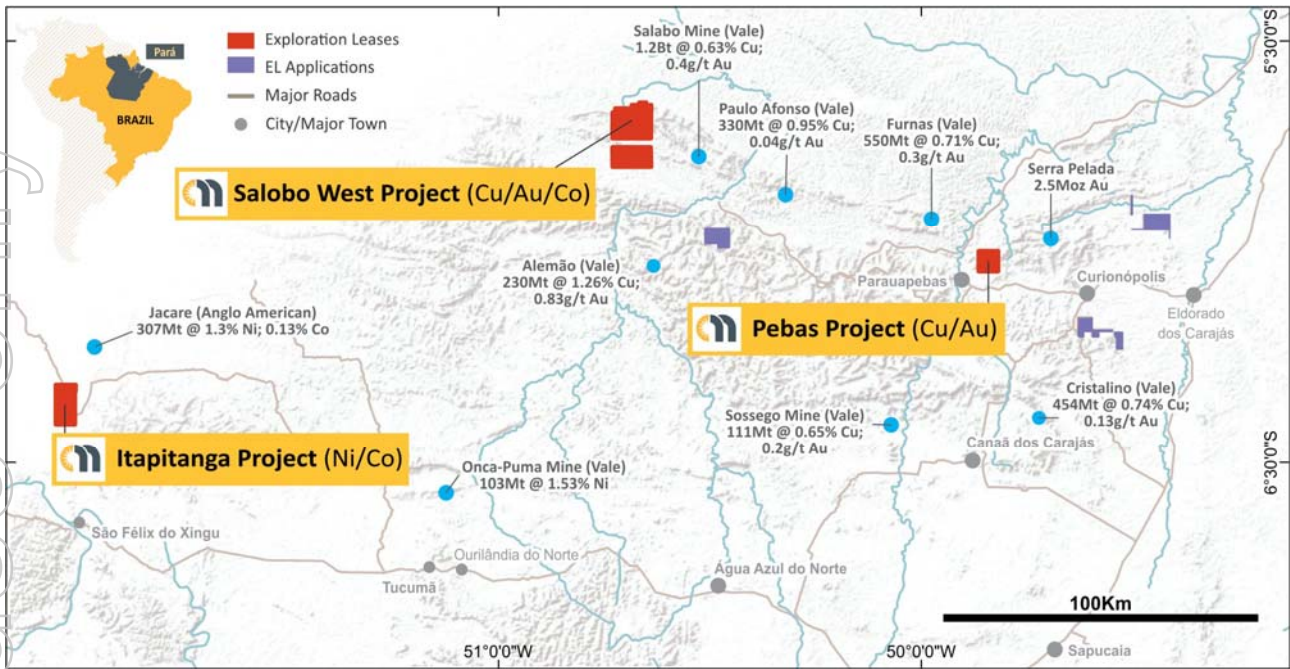


Figure 4 – Photos of the auger drilling at the Itapitanga Ni-Co Project; Moving hole (left), field team work hard to secure the new auger drill (right).



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**APPENDIX B – TECHNICAL DETAILS OF THE ITAPITANGA NICKEL-COBALT 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>• 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.</li> <li>• Surface rock chip/soil samples were collected from in situ outcrops and rolled boulders for chemical analysis.</li> <li>• 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.</li> <li>• 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.</li> </ul>
<b><i>Drilling techniques</i></b>	<ul style="list-style-type: none"> <li>• Auger drilling completed using a hand-held auger with a 200mm auger bit. Drilling depth is determined by drill refusal.</li> </ul>
<b><i>Drill sample recovery</i></b>	<ul style="list-style-type: none"> <li>• Not applicable.</li> </ul>
<b><i>Logging</i></b>	<ul style="list-style-type: none"> <li>• All outcrop and soil sample points were registered and logged in the Centaurus geological mapping points database.</li> </ul>
<b><i>Sub-sampling techniques and sample preparation</i></b>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
<b><i>Quality of assay data and laboratory tests</i></b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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> </ul>
<b><i>Verification of sampling and assaying</i></b>	<ul style="list-style-type: none"> <li>• All samples were collected by Centaurus field geologists. All assay results were verified by alternative Company personnel and the Competent Person before release.</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. No mapping points are reported.</li> </ul>
<b><i>Data spacing and distribution</i></b>	<ul style="list-style-type: none"> <li>• Initial soil samples were collected on 100-150m spacing along a fence line.</li> <li>• In future, soils sampling will be conducted on 200-400m line spacing with 50m between sample.</li> <li>• Sample locations reported in this announcement were surveyed using hand held GPS.</li> <li>• No sample compositing has been applied.</li> </ul>
<b><i>Orientation of data in relation to geological structure</i></b>	<ul style="list-style-type: none"> <li>• The extent and orientation of the mineralisation was interpreted based on initial field mapping and regional geophysical interpretations.</li> </ul>



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## 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
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>• The Itapitanga project includes one exploration licence 850.475/2016, for a total area of circa 50km<sup>2</sup>.</li> <li>• The tenements are part of an agreement where Centaurus will pay R\$150k (~A\$60k) over six months. At the end of the period, assuming Centaurus continues with the project, it will pay the vendor a further R\$500k (~A\$200k). Further, milestone payments to the vendor may be made - R\$1 million (~A\$400,000) if a JORC Resource is defined and R\$1.5 million (~A\$600,000) if a Mining Lease is granted by the Brazilian Mines Department (DNPM).</li> <li>• All mining projects in Brazil are subject to a CFEM royalty, a government royalty of 2% on base metals revenues.</li> <li>• Landowner royalty is 50% of the CFEM royalty.</li> <li>• The project is located primarily in farming land.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>• The company is not aware of any historical exploration.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>• At the date of announcement, a total of 40 auger holes for 241.5m has been completed. Assay results have been received for 33 holes. A further 7 holes have been completed pending results. Auger drilling is ongoing.</li> <li>• Refer to Table 1 for full list of significant intersection and auger hole data from recent drilling.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>• Continuous sample intervals are calculated via weighted average, no cut offs have been used.</li> <li>• All holes are reported as complete hole intervals (surface to end-of-hole). No selective intervals are reported. Further details of the intersections can be found in the drill hole results table.</li> <li>• No metal equivalents are reported.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>• The auger holes are vertical and have been located across the target area. All holes started in mineralisation and 29 out of the first 33 holes finished in mineralisation.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• Refer to Figures 1-4.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>• All exploration results received by the Company to date are included in this report or can be referenced to previous ASX releases.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>• The Company is working with the CPRM geological and geophysical regional data set (Carajás – Área I (1047)).</li> </ul>

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Criteria	Commentary
<b>Further work</b>	<ul style="list-style-type: none"><li>• Auger drilling is ongoing.</li><li>• The maiden RC drill program is set to start in mid-April 2018 with the RC rig having recently commenced mobilisation.</li></ul>

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