AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
& MEDIA RELEASE

CentaurusMetals

16 September 2011

CENTAURUS ON TRACK FOR JAMBREIRO RESOURCE UPGRADE FOLLOWING FURTHER STRONG DRILL RESULTS

ALL RESULTS RECEIVED FROM RECENT DRILLING – RESOURCE UPGRADE EXPECTED BY END OF SEPTEMBER

International iron ore company Centaurus Metals Limited (ASX Code: **CTM**) is pleased to report that the final batch of results from recently completed drilling at its flagship **Jambreiro Iron Ore Project** have provided further support for the quality and consistency of mineralisation, paving the way for a resource upgrade and advancement of a future mining operation.

Resource estimation work is well underway with an upgrade of the current JORC Resource estimate (combined Measured, Indicated and Inferred) of **70.6 million tonnes at an average grade 28.0% Fe** on track to be completed by the end of September 2011.

The Tigre Deposit

Highlights of the recent results from the Tigre Deposit (*Figure 1*) include the following continuous intervals (*see attached Appendices A & B for a full list of recent drilling intersections from the Jambreiro Project*):

- **45.5 metres @ 27.9% Fe, 1.6% Al_2O_3 and 0.05% P** from 89.1 metres in Hole JBR-DD-11-0050
- **53.8 metres @ 29.1% Fe, 1.4% Al_2O_3 and 0.04% P** from 78.6 metres in Hole JBR-DD-11-0051
- **54.1 metres @ 26.2% Fe, 2.3% Al_2O_3 and 0.06% P** from 121.2 metres in Hole JBR-DD-11-0052

These results will allow some of the existing resource, currently classified as Inferred but within the current pit design, to be upgraded to the Indicated category ahead of the completion of Pre-Feasibility Study work.

The South East Extension Zone

Highlights of the recent results from the South East Extension Zone of the Tigre Deposit (*Figure 1*) include the following continuous intervals:

- **43.0 metres @ 30.4% Fe, 0.7% Al_2O_3 and 0.06% P** from 37.0 metres in Hole JBR-DD-11-0045
- **11.2 metres @ 41.1% Fe, 3.8% Al_2O_3 and 0.03% P** from surface in Hole JBR-DD-11-0049
- **36.0 metres @ 29.8% Fe, 2.3% Al_2O_3 and 0.05% P** from 44.0 metres in Hole JBR-RC-11-0098
- **17.0 metres @ 34.5% Fe, 4.4% Al_2O_3 and 0.05% P** from 10.0 metres in Hole JBR-RC-11-0099
- **13.0 metres @ 42.8% Fe, 3.9% Al_2O_3 and 0.03% P** from surface in Hole JBR-RC-11-0100

These new results further confirm the friable nature of the mineralisation in the South East Extension Zone and clearly demonstrate the extension of the Tigre Resource into this Zone. The results also provide further support for the South East Extension Zone Exploration Target[1] of **20-30 million tonnes at a grade of 28-33% Fe**, which is expected to be converted to resource and added to the existing Tigre Resource estimate (Measured, Indicated and Inferred Resource of **61.2Mt grading 27.7% Fe**) by the end of September 2011.

[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.*

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Existing beneficiation test work results on friable itabirite mineralisation of similar grade to the Exploration Target has shown that a high grade (+65% Fe) hematite product can be produced at a mass recovery of approximately 45% to 50%.

The mineralised zone in the South East Extension Zone is generally of a higher grade nature when compared to the main Tigre Deposit and dips sub-parallel to the natural surface making it an ideal area for the start of future mining activities.

The Cruzeiro, Galo & Coelho Prospects

Drilling of the **Cruzeiro, Galo** and **Coelho Prospects** at Jambreiro is also now complete. Highlights of the final results include the following continuous intervals:

Cruzeiro Prospect

- **27.8 metres @ 32.8% Fe, 1.43% Al_2O_3 and 0.03% P** from 23.8 metres in Hole JBR-DD-11-0040
- **34.1 metres @ 33.4% Fe, 3.4% Al_2O_3 and 0.05% P** from 6.9 metres in Hole JBR-DD-11-0042
- **28.5 metres @ 28.8% Fe, 0.8% Al_2O_3 and 0.05% P** from 32.4 metres in Hole JBR-DD-11-0046

Galo Prospect

- **15.0 metres @ 34.5% Fe, 2.9% Al_2O_3 and 0.01% P** from 11.0 metres in Hole JBR-RC-11-0094
- **37.0 metres @ 29.5% Fe, 7.0% Al_2O_3 and 0.06% P** from 13.0 metres in Hole JBR-RC-11-0095

Coelho Prospect

- **16.0 metres @ 31.8% Fe, 1.6% Al_2O_3 and 0.02% P** from surface in Hole JBR-RC-11-0074

New results continue to confirm the continuity of friable mineralisation at the Cruzeiro Prospect with consistent widths of 30-35 metres in the main zone of the Prospect. The Galo Prospect returned an exciting intersection with one of the final drill holes delivering 37 metres at a grade of 29.5% Fe. The mineralisation of both the Cruzeiro and Galo Prospects dip sub-parallel to the natural surface and is friable from surface, which allows both prospects to be considered as shallow open pit options in a future mining operation.

Resource & Pre-Feasibility Study Up-date

As all final assay data has now been received and Centaurus is well advanced with the process of data validation and geological interpretation, the JORC Resource estimate is on schedule to be completed by the end of September.

Based on the assay results from the South East Extension Zone, it is expected that the Company will be able to significantly increase the overall Resource base at Jambreiro with this new resource forming the platform for the Pre-Feasibility study which is due in November.

Centaurus' Managing Director Mr Darren Gordon, said: "*With the receipt of all outstanding assay data for the Project, we can now progress the finalisation of the Resource upgrade ahead of new pit optimisation and mine scheduling work for the Pre-Feasibility Study to be delivered by mid-November. All of the Prospects at Jambreiro host a large proportion of friable mineralisation, which will provide the Project with significant operational benefits at the start of future mining activities due to low operating costs".*

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Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Roger Fitzhardinge who is a Member of the Australasia Institute of Mining and Metallurgy and Volodymyr Myadzel who is a Member of Australian Institute of Geoscientists. Roger Fitzhardinge is a permanent employee of Centaurus Metals Limited and Volodymyr Myadzel is the Senior Resource Geologist of BNA Consultoria e Sistemas Limited, independent resource consultants engaged by Centaurus Metals.

Roger Fitzhardinge and Volodymyr Myadzel have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are 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 Reserve'. Roger Fitzhardinge and Volodymyr Myadzel consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

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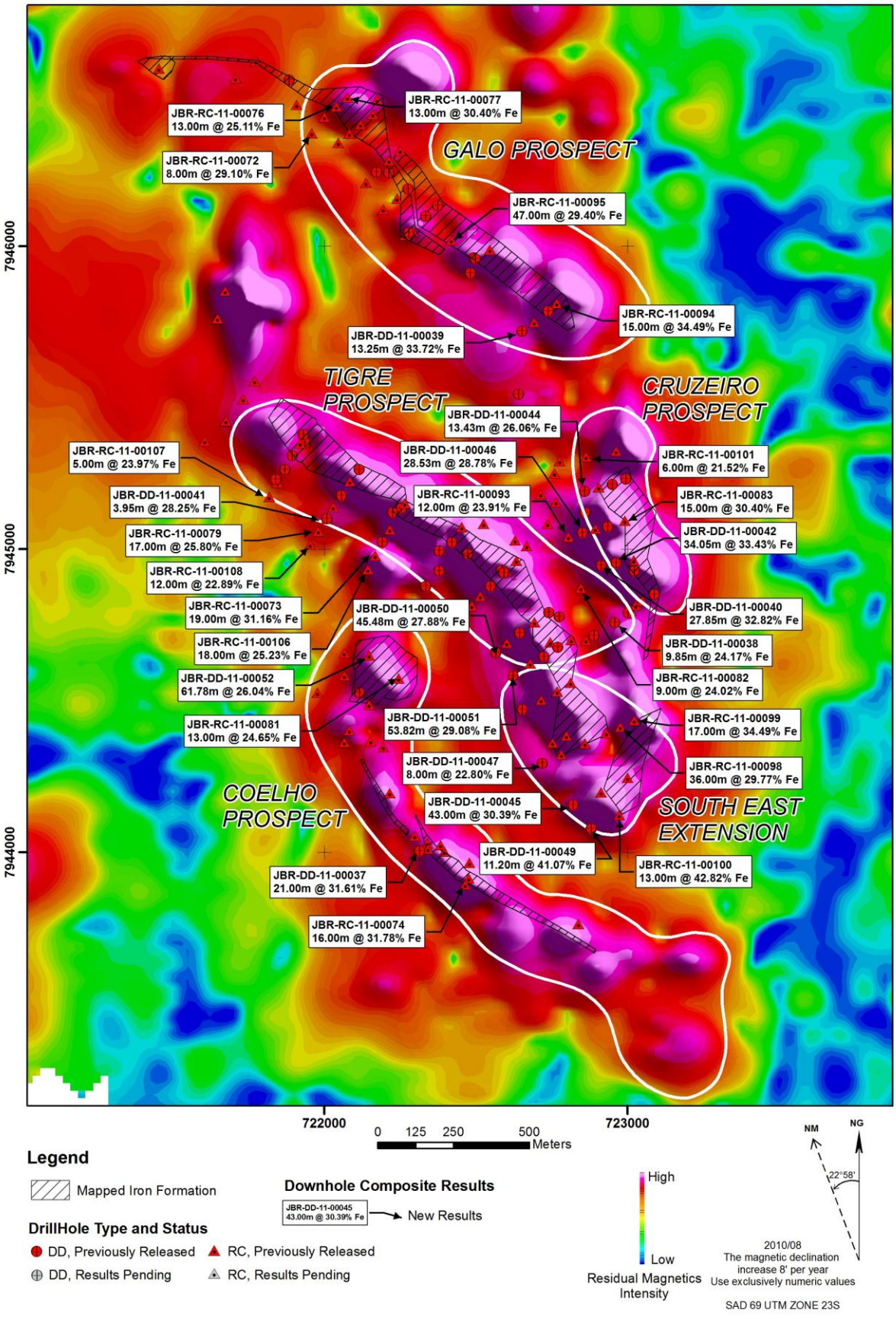
Figure 1 – Jambreiro Prospect Map with Recent Results



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Appendix A – Jambreiro Iron Ore Project - New Diamond Drill Hole Results – September 2011

DOWN-HOLE INTERSECTIONS - JAMBREIRO - DDH

Hole ID	SAD East	SAD North	mRL	Dip	Azi	Final Depth(m)	From (m)	To (m)	Downhole width (m)	Fe%	SiO_2%	Al_2O_3%	P%
JBR-DD-11-00037							0.00	10.00	10.00	29.35	48.88	5.80	0.02
JBR-DD-11-00037							47.00	58.00	11.00	30.60	54.21	1.40	0.02
JBR-DD-11-00037	**722315**	**7944003**	**906**	**-70**	**60**	**76.20**	**Downhole composite**		**21.00**	**30.00**	**51.67**	**3.50**	**0.02**
JBR-DD-11-00038							67.00	76.85	9.85	24.17	57.24	3.03	0.13
JBR-DD-11-00038	**722959**	**7944757**	**966**	**-70**	**56**	**110.00**	**Downhole composite**		**9.85**	**24.17**	**57.24**	**3.03**	**0.13**
JBR-DD-11-00039							30.00	43.25	13.25	33.72	40.66	6.30	0.05
JBR-DD-11-00039	**722653**	**7945718**	**925**	**-70**	**50**	**60.20**	**Downhole composite**		**13.25**	**33.72**	**40.66**	**6.30**	**0.05**
JBR-DD-11-00040							23.80	51.65	27.85	32.82	49.95	1.43	0.03
JBR-DD-11-00040	**722914**	**7944945**	**926**	**-60**	**75**	**64.25**	**Downhole composite**		**27.85**	**32.82**	**49.95**	**1.43**	**0.03**
JBR-DD-11-00041							21.35	25.30	3.95	28.25	47.77	7.16	0.04
JBR-DD-11-00041	**722009**	**7945100**	**884**	**-60**	**30**	**95.95**	**Downhole composite**		**3.95**	**28.25**	**47.77**	**7.16**	**0.04**
JBR-DD-11-00042							6.95	41.00	34.05	33.43	46.36	3.36	0.05
JBR-DD-11-00042	**722978**	**7944955**	**955**	**-60**	**75**	**85.00**	**Downhole composite**		**34.05**	**33.43**	**46.36**	**3.36**	**0.05**
JBR-DD-11-00044							3.10	12.97	9.87	26.59	50.61	6.69	0.03
JBR-DD-11-00044							22.16	25.72	3.56	24.58	33.46	6.76	0.02
JBR-DD-11-00044	**722860**	**7945190**	**894**	**-60**	**75**	**71.15**	**Downhole composite**		**13.43**	**26.06**	**46.07**	**6.71**	**0.03**
JBR-DD-11-00045							37.00	80.00	43.00	30.39	49.42	0.74	0.06
JBR-DD-11-00045	**722821**	**7944156**	**947**	**-80**	**60**	**112.95**	**Downhole composite**		**43.00**	**30.39**	**49.42**	**0.74**	**0.06**
JBR-DD-11-00046							32.41	60.94	28.53	28.78	56.25	0.77	0.05
JBR-DD-11-00046	**722852**	**7945053**	**906**	**-70**	**75**	**73.70**	**Downhole composite**		**28.53**	**28.78**	**56.25**	**0.77**	**0.05**
JBR-DD-11-00047							0.00	5.00	**5.00**	**20.27**	**49.05**	**13.13**	**0.06**
JBR-DD-11-00047							125.00	128.00	3.00	27.01	51.13	1.33	0.06
JBR-DD-11-00047	**722720**	**7944293**	**918**	**-80**	**60**	**163.70**	**Downhole composite**		**8.00**	**22.80**	**49.83**	**8.70**	**0.06**
JBR-DD-11-00048							123.45	147.21	23.76	29.77	51.77	1.19	0.05
JBR-DD-11-00048	**722334**	**7944875**	**943**	**-60**	**30**	**170.00**	**Downhole composite**		**23.76**	**29.77**	**51.77**	**1.19**	**0.05**
JBR-DD-11-00049							0.00	11.20	11.20	41.07	34.33	3.79	0.03
JBR-DD-11-00049	**722881**	**7944077**	**920**	**-80**	**60**	**40.20**	**Downhole composite**		**11.20**	**41.07**	**34.33**	**3.79**	**0.03**
JBR-DD-11-00050							89.12	134.60	45.48	27.88	48.36	1.56	0.05
JBR-DD-11-00050	**722567**	**7944659**	**1008**	**-70**	**30**	**161.40**	**Downhole composite**		**45.48**	**27.88**	**48.36**	**1.56**	**0.05**
JBR-DD-11-00051							78.55	132.37	53.82	29.08	48.81	1.37	0.04
JBR-DD-11-00051	**722623**	**7944581**	**999**	**-70**	**60**	**150.00**	**Downhole composite**		**53.82**	**29.08**	**48.81**	**1.37**	**0.04**
JBR-DD-11-00052[1]							121.20	175.30	54.10	26.22	49.51	2.34	0.06
JBR-DD-11-00052[1]							180.12	187.80	7.68	24.76	58.18	3.82	0.05
JBR-DD-11-00052[1]	**722335**	**7944877**	**943**	**-70**	**30**	**200.80**	**Downhole composite**		**61.78**	**26.04**	**50.58**	**2.53**	**0.06**

Intervals calculated using a 20% Fe cut-off grade with 3 metre minimum mining width
All samples were analysed using an XRF fusion method with LOI at 1000 ^{0}C
[1] Drill hole JBR-DD-11-00052 is a re-drill of drill hole JBR-DD-11-00048.

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Appendix B – Jambreiro Iron Ore Project - New RC Drill Hole Results – September 2011

DOWN-HOLE INTERSECTIONS - JAMBREIRO - RC

Hole ID	SAD East	SAD North	mRL	Dip	Azi	Final Depth(m)	From (m)	To (m)	Downhole width (m)	Fe%	SiO_2%	Al_2O_3%	P%
JBR-RC-11-00072							29.00	37.00	8.00	29.10	39.58	10.52	0.06
JBR-RC-11-00072	**721972**	**7946388**	**931**	**-70**	**50**	**60.00**	**Downhole composite**		**8.00**	**29.10**	**39.58**	**10.52**	**0.06**
JBR-RC-11-00073							0.00	19.00	19.00	31.16	65.89	5.10	0.03
JBR-RC-11-00073	**722168**	**7944979**	**905**	**-60**	**30**	**50.00**	**Downhole composite**		**19.00**	**31.16**	**65.89**	**5.10**	**0.03**
JBR-RC-11-00074							0.00	16.00	16.00	31.78	51.67	1.65	0.02
JBR-RC-11-00074	**722465**	**7943893**	**919**	**-60**	**60**	**60.00**	**Downhole composite**		**16.00**	**31.78**	**51.67**	**1.65**	**0.02**
JBR-RC-11-00075	**722152**	**7944366**	**852**	**-90**	**0**	**20.00**	NO SIGNIFICANT INTERSECTION						
JBR-RC-11-00076							0.00	13.00	13.00	25.11	53.48	6.12	0.02
JBR-RC-11-00076	**722040**	**7946462**	**958**	**-70**	**50**	**30.00**	**Downhole composite**		**13.00**	**25.11**	**53.48**	**6.12**	**0.02**
JBR-RC-11-00077							1.00	14.00	13.00	30.40	46.86	5.60	0.02
JBR-RC-11-00077	**722082**	**7946493**	**969**	**-90**	**0**	**30.00**	**Downhole composite**		**13.00**	**30.40**	**46.86**	**5.60**	**0.02**
JBR-RC-11-00078	**721845**	**7945220**	**850**	**-60**	**30**	**100.00**	NO SIGNIFICANT INTERSECTION						
JBR-RC-11-00079							16.00	23.00	7.00	28.09	54.08	3.42	0.03
JBR-RC-11-00079							26.00	36.00	10.00	24.20	56.89	5.56	0.02
JBR-RC-11-00079	**721980**	**7945060**	**881**	**-70**	**30**	**80.00**	**Downhole composite**		**17.00**	**25.80**	**55.73**	**4.68**	**0.02**
JBR-RC-11-00080	**722066**	**7944657**	**1000**	**-90**	**0**	**100.00**	NO SIGNIFICANT INTERSECTION						
JBR-RC-11-00081							0.00	13.00	13.00	24.65	60.49	3.13	0.03
JBR-RC-11-00081	**722245**	**7944575**	**918**	**-90**	**0**	**140.00**	**Downhole composite**		**13.00**	**24.65**	**60.49**	**3.13**	**0.03**
JBR-RC-11-00082							0.00	9.00	9.00	24.02	48.10	10.78	0.03
JBR-RC-11-00082	**722840**	**7944866**	**946**	**-70**	**50**	**60.00**	**Downhole composite**		**9.00**	**24.02**	**48.10**	**10.78**	**0.03**
JBR-RC-11-00083							0.00	15.00	15.00	30.40	53.23	2.16	0.02
JBR-RC-11-00083	**722992**	**7945094**	**943**	**-70**	**75**	**80.00**	**Downhole composite**		**15.00**	**30.40**	**53.23**	**2.16**	**0.02**
JBR-RC-11-00093							74.00	86.00	12.00	23.91	54.17	5.39	0.06
JBR-RC-11-00093	**722810**	**7945030**	**903**	**-70**	**75**	**110.00**	**Downhole composite**		**12.00**	**23.91**	**54.17**	**5.39**	**0.06**
JBR-RC-11-00094							11.00	26.00	15.00	34.49	45.55	2.92	0.01
JBR-RC-11-00094	**722770**	**7945814**	**972**	**-70**	**50**	**80.00**	**Downhole composite**		**15.00**	**34.49**	**45.55**	**2.92**	**0.01**
JBR-RC-11-00095							0.00	10.00	10.00	29.06	43.41	9.00	0.04
JBR-RC-11-00095							13.00	50.00	37.00	29.49	46.13	6.98	0.06
JBR-RC-11-00095	**722417**	**7946019**	**886**	**-60**	**50**	**80.00**	**Downhole composite**		**47.00**	**29.40**	**45.55**	**7.41**	**0.06**
JBR-RC-11-00098							44.00	80.00	36.00	29.77	46.10	2.30	0.05
JBR-RC-11-00098	**722986**	**7944416**	**969**	**-70**	**60**	**100.00**	**Downhole composite**		**36.00**	**29.77**	**46.10**	**2.30**	**0.05**
JBR-RC-11-00099							10.00	27.00	17.00	34.49	45.91	4.38	0.05
JBR-RC-11-00099	**723029**	**7944437**	**953**	**-70**	**60**	**80.00**	**Downhole composite**		**17.00**	**34.49**	**45.91**	**4.38**	**0.05**
JBR-RC-11-00100							0.00	13.00	13.00	42.82	31.58	3.96	0.03
JBR-RC-11-00100	**722978**	**7944128**	**935**	**-80**	**60**	**55.00**	**Downhole composite**		**13.00**	**42.82**	**31.58**	**3.96**	**0.03**
JBR-RC-11-00101							0.00	6.00	6.00	21.52	53.06	9.49	0.03
JBR-RC-11-00101	**722864**	**7945305**	**877**	**-70**	**75**	**80.00**	**Downhole composite**		**6.00**	**21.52**	**53.06**	**9.49**	**0.03**
JBR-RC-11-00102	**721647**	**7945760**	**908**	**-70**	**50**	**100.00**	NO SIGNIFICANT INTERSECTION						
JBR-RC-11-00103	**721673**	**7945852**	**910**	**-90**	**0**	**70.00**	NO SIGNIFICANT INTERSECTION						

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Appendix B – Jambreiro Iron Ore Project - New RC Drill Hole Results – September 2011 (continued)

DOWN-HOLE INTERSECTIONS - JAMBREIRO - RC

Hole ID	SAD East	SAD North	mRL	Dip	Azi	Final Depth(m)	From (m)	To (m)	Downhole width (m)	Fe%	SiO_2%	Al_2O_3%	P%
JBR-RC-11-00104	**720885**	**7943903**	**879**	**-90**	**0**	**100.00**	NO SIGNIFICANT INTERSECTION						
JBR-RC-11-00105	**722194**	**7944347**	**857**	**-90**	**0**	**64.00**	NO SIGNIFICANT INTERSECTION						
JBR-RC-11-00106							7.00	25.00	18.00	25.23	58.18	3.70	0.03
JBR-RC-11-00106	**722144**	**7944932**	**900**	**-80**	**30**	**60.00**	**Downhole composite**		**18.00**	**25.23**	**58.18**	**3.70**	**0.03**
JBR-RC-11-00107							50.00	55.00	5.00	23.97	59.35	4.30	0.04
JBR-RC-11-00107	**721819**	**7945172**	**841**	**-80**	**30**	**80.00**	**Downhole composite**		**5.00**	**23.97**	**59.35**	**4.30**	**0.04**
JBR-RC-11-00108							0.00	3.00	3.00	22.75	57.42	5.25	0.03
JBR-RC-11-00108							38.00	47.00	9.00	22.94	62.92	2.91	0.03
JBR-RC-11-00108	**721954**	**7945016**	**875**	**-80**	**30**	**100.00**	**Downhole composite**		**12.00**	**22.89**	**61.55**	**3.49**	**0.03**

Intervals calculated using a 20% Fe cut-off grade with 3 metre minimum mining width
All samples were analysed using an XRF fusion method with LOI at 1000 ^{0}C

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