AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
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3 February 2014

NEW HIGH-GRADE RESULTS AT CANDONGA STRENGTHEN POTENTIAL FOR DIRECT SHIPPING SATELLITE PROJECT

Key Points

- **Excellent results from recent trenching program of up to 86.0m @ 62.0% Fe and 70.0m @ 64.0% Fe at Candonga Iron Ore Project, located only 33km from the Company's flagship Jambreiro Project.**
- **The Candonga mineralisation has the potential to be a source of coarse grained, high-grade direct ship material that could either be sold directly as a lump product or blended with Jambreiro concentrate. Sieve analysis of the trench samples indicates 40-50% lump (>6.3mm) material.**
- **Diamond drilling to commence later this Quarter, as part of plan to accelerate the development of Candonga as a key satellite deposit with the potential to add significant value.**

International iron ore company Centaurus Metals Ltd (ASX Code: **CTM**) is pleased to advise that new results from a recent trenching program at its 100%-owned **Candonga Iron Ore Project**, an emerging satellite deposit located 33km south of its flagship **Jambreiro Iron Ore Project** in south-east Brazil (see Figure 1), have strengthened the potential for a small-scale direct shipping iron ore operation.

In August 2013, the Company announced a maiden JORC 2004 Resource estimate of **11.9 million tonnes (Mt) grading 43.0% Fe**[1] for the Candonga Project. Importantly, the resource comprises 9.1Mt of friable itabirite mineralisation grading 43.8% Fe including **0.9Mt of high-grade itabirite mineralisation grading 58.6% Fe** with low impurities.

The new trenching program, which was completed in December 2013, targeted the zone of high-grade itabirite mineralisation in preparation for a planned diamond drill program later in Q1 2014, as well as to collect a bulk in situ sample for sieve (sizing) analysis and other metallurgical test work. Highlights of the recent trenching program from Candonga include the following continuous intersections (see Figure 2 and Table 2 attached for a full list of the trench intersections):

- **86.0 metres @ 62.0% Fe, 6.4% SiO_2, 3.0% Al_2O_3 and 0.03% P** in trench CDG-TR-13-00008
- **70.0 metres @ 64.0% Fe, 5.1% SiO_2, 1.9% Al_2O_3 and 0.02% P** in trench CDG-TR-13-00007, including **52.0 metres @ 65.6% Fe, 3.6% SiO_2, 1.3% Al_2O_3 and 0.02% P**
- **26.0 metres @ 57.6% Fe, 8.7% SiO_2, 4.7% Al_2O_3 and 0.05% P** in trench CDG-TR-13-00009, including **12.0 metres @ 60.2% Fe, 4.5% SiO_2, 5.1% Al_2O_3 and 0.04% P**

[1] Refer to ASX announcement on 8 August 2013 for full details of the Resource estimate.

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In light of these results, Centaurus is now moving to accelerate the development of the Candonga Project. The sieve analysis, undertaken as part of the metallurgical test work program, has demonstrated that between 40-50% of the material processed is in the lump fraction (> 6.3 mm). Final assay results on the metallurgical samples are expected within the next two weeks. A 500m diamond drill program is also planned to start later in Q1 2014 concentrating on the high grade mineralisation.

The latest trench results and the sieve analysis indicates that the Candonga Project has the potential to be a source of coarse grained, high-grade direct ship material that could either be sold as a lump product directly into the domestic market or blended with the Jambreiro sinter concentrate to increase the coarseness of the final product specification.

In addition to the field work undertaken, the Company has been advancing the approvals process with the Final Exploration Report for the Candonga Tenement successfully lodged with the DNPM in November 2013. In parallel, an application for a Trial Mining Licence (*Guia de Utilização – "GU"*) is being prepared that allows mining of 300,000tpa of ROM material per licence and requires simplified environmental licences. The GU licence application is planned to be lodged in Q1 2014.

Centaurus' Managing Director, Mr Darren Gordon, said: "We are very happy with the way the Candonga Project is developing. The RC drilling completed in 2013 identified some significant intersections of high-grade itabirite material close to surface and follow-up trenching work has now confirmed the high-grade nature of this mineralisation.

"We are now well positioned to start a small diamond drilling program to drill out the high-grade itabirite material and we expect to convert most of the 900,000 tonnes of high-grade material to the Measured and Indicated categories.

"The sieve analysis undertaken to date on the Candonga mineralisation demonstrates a significant portion (40 - 50%) of lump material which will be beneficial in marketing any future production from the Project. The Company is looking forward to the delivery of the final metallurgical test work data over the next couple of weeks to confirm the high grade nature of this lump material but visual inspection of the sieve analysis samples is very encouraging.

"The work completed to date, combined with the fact that the mineralisation is located on pastoral land and requires no native vegetation clearing, indicates that Candonga may be fast tracked to a small-scale production opportunity for the Company," Mr Gordon said.

Candonga JORC 2004 Resource and Geological Interpretation

On 8 August 2013, the Company released the maiden JORC 2004 Resource estimate for the Candonga Iron Ore Project. The Resource is set out in Table 1 below (refer to ASX Announcement on 8 August 2013 for full technical details).

The friable itabirite mineralisation at the Candonga Project occurs in two distinct zones, the Western and the Eastern Zones, separated by a northeast-southwest striking fault system (see Figure 2). The itabirite bodies generally dip at around 30-55^{o} to the N-NE. The two mineralised zones have a combined strike length of around 1.5 km.

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Table 1 – Candonga Project 2004 JORC Mineral Resource Estimate by Material type, August 2013

Material	JORC Category	Million Tonnes	Fe %	SiO_2 %	Al_2O_3 %	P %	LOI %
High Grade Itabirite	**Indicated**	0.73	58.4	11.9	2.5	0.03	0.9
	Inferred	0.15	59.7	10.3	2.2	0.03	0.7
	TOTAL	**0.88**	**58.6**	**11.6**	**2.4**	**0.03**	**0.9**
Friable Itabirite	**Indicated**	2.94	42.3	29.7	4.1	0.09	3.1
	Inferred	5.25	42.2	30.2	4.3	0.07	3.1
	TOTAL	**8.19**	**42.2**	**30.0**	**4.2**	**0.08**	**3.1**
Compact Itabirite	**Indicated**	0.03	42.2	32.3	1.7	0.08	2.0
	Inferred	2.75	40.1	31.3	4.5	0.08	3.3
	TOTAL	**2.78**	**40.1**	**31.3**	**4.5**	**0.08**	**3.3**
	Indicated	**3.70**	**45.5**	**26.2**	**3.8**	**0.08**	**2.7**
	Inferred	**8.16**	**41.8**	**30.2**	**4.4**	**0.08**	**3.1**
Grand Total	**TOTAL**	**11.86**	**43.0**	**29.0**	**4.2**	**0.08**	**3.0**

20% Fe Cut-off

The mineralisation intersected in the Western Zone is orientated E-W with a strike extent of around 800m where the two itabirite bodies dip between 35-55° to the N-NE (see Figures 3 and 4). The two bodies are understood to be limbs of an anticline that has been overturned to the SW. Structural measurements taken in the recent trenching program indicated a shallower dip which is understood to be associated with the fold hinge. The zones of friable itabirite mineralisation have true widths of between 10-20m with the wider zones generally nearer to the surface.

The high-grade itabirite mineralisation which was targeted by the recent trench program is hosted within the northern part of the Western Zone and is believed to be the result of hydrothermal enrichment within a structurally controlled lens that has then been further enriched through supergene processes near to surface. The true width of the lens is understood to be variable between 5-15m.

The recent trench results from the high-grade zone of the Western Zone returned higher grades than trench results announced to the market on 18 January 2012. This is due to the depth of the new trenches that were over 2.2m deep compared to the trenches from the 2012 program that were sampled to a depth of around 1.4m. This resulted in the intersection of more in situ high grade mineralisation in the recent program.

Highlights of the 2012 trenching results included the following intersections:

- **88.0 metres @ 55.8% Fe, 12.5% SiO_2, 4.2% Al_2O_3 and 0.03% P** in trench CDG-TR-11-00006, including **22.0 metres @ 61.5% Fe, 5.1% SiO_2, 3.6% Al_2O_3 and 0.03% P.**
- **42.0 metres @ 52.2% Fe, 17.1% SiO_2, 4.5% Al_2O_3 and 0.04% P** in trench CDG-TR-11-00004, including **12.0 metres @ 62.3% Fe, 7.5% SiO_2, 1.6% Al_2O_3 and 0.02% P**

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They also correlate well with results from RC drill holes (Figures 3 and 4) that intersected the high-grade zone of mineralisation. These results, previously announced, are set out below (see Table 3 for full details of project drill holes):

- **37.0m @ 56.5% Fe, 14.2% SiO_2, 2.0% Al_2O_3 and 0.06% P** from surface in CDG-RC-13-00008, including **20.0m @ 63.4% Fe, 7.7% SiO_2, 0.6% Al_2O_3 and 0.03% P** from 13.0 metres
- **12.0m @ 60.6% Fe, 5.6% SiO_2, 4.2% Al_2O_3 and 0.02% P** from 1.0 metre in CDG-RC-10-00002, including **10.0m @ 64.1% Fe, 3.4% SiO_2, 2.3% Al_2O_3 and 0.02% P** from 1.0 metre.

The Eastern Zone consists of three bodies that extend over a combined strike length of around 750m and dips 30-45^o to the N-NE with mineralisation widths of 10-25m. The magnetic signature of one of the anomalies is similar to that of the high-grade itabirite zone and is yet to be fully tested. The planned drill program will further test and explain this magnetic signature.

-ENDS-

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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, a Competent Person who is a Member of the Australasia Institute of Mining and Metallurgy and Volodymyr Myadzel, a Competent Person 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 Micromine Consultoria 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 2012 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 – Candonga Project Location Map

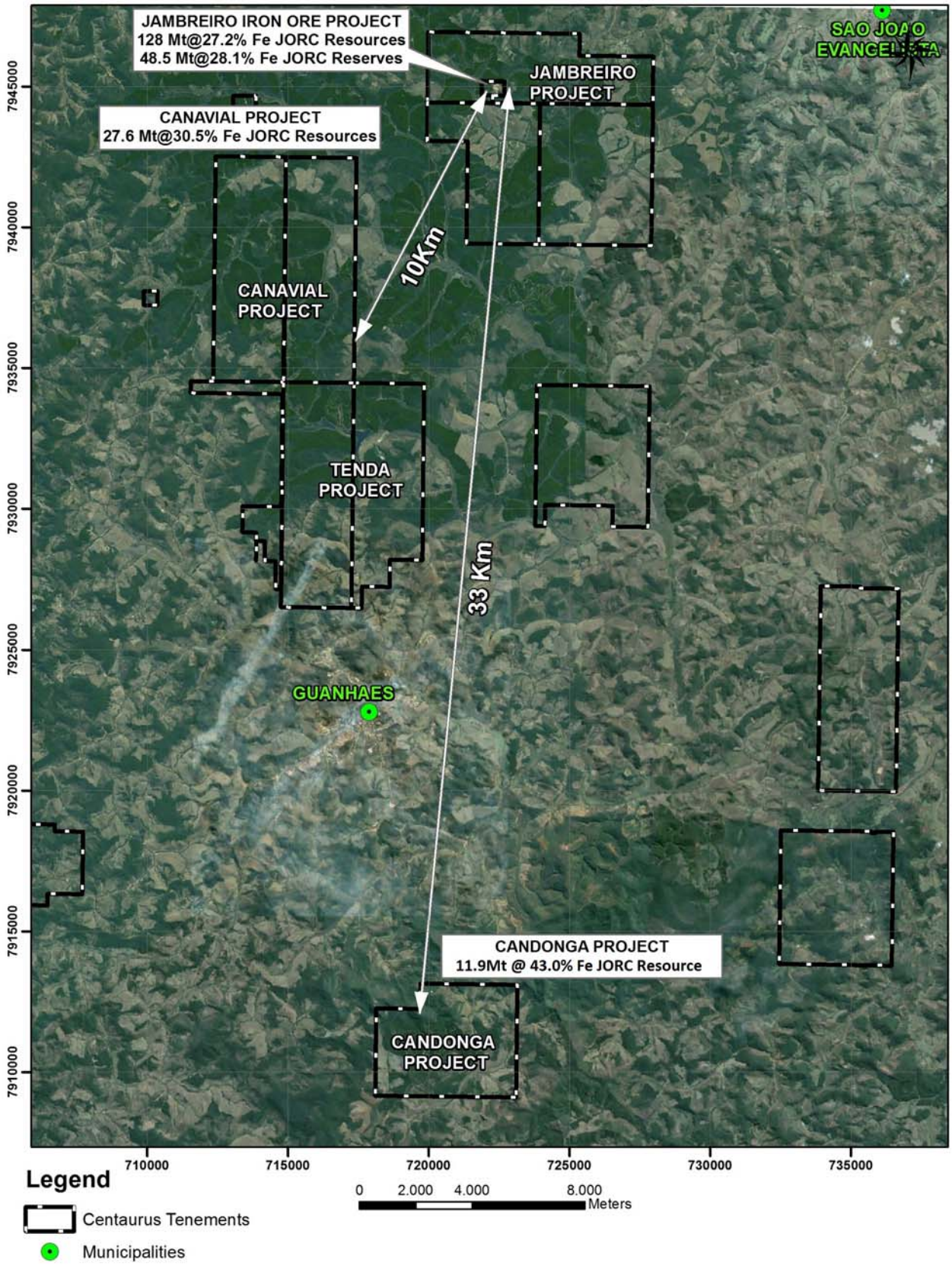

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Figure 2 – Candonga Project Map – Analytical Signal Image with Trench and Drill Results – January 2014

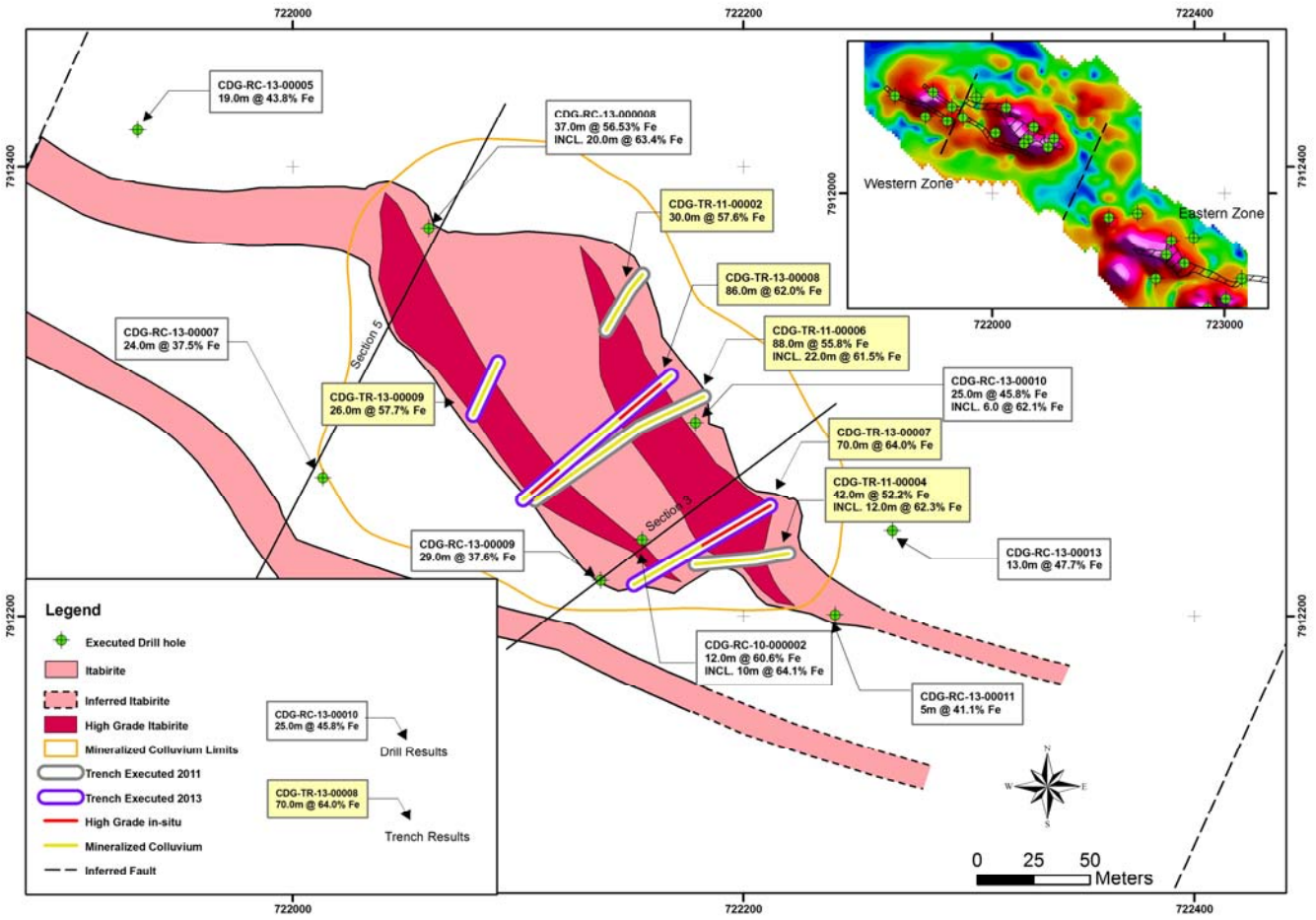

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Figure 3 – Candonga Iron Ore Project – Schematic Cross Section 3

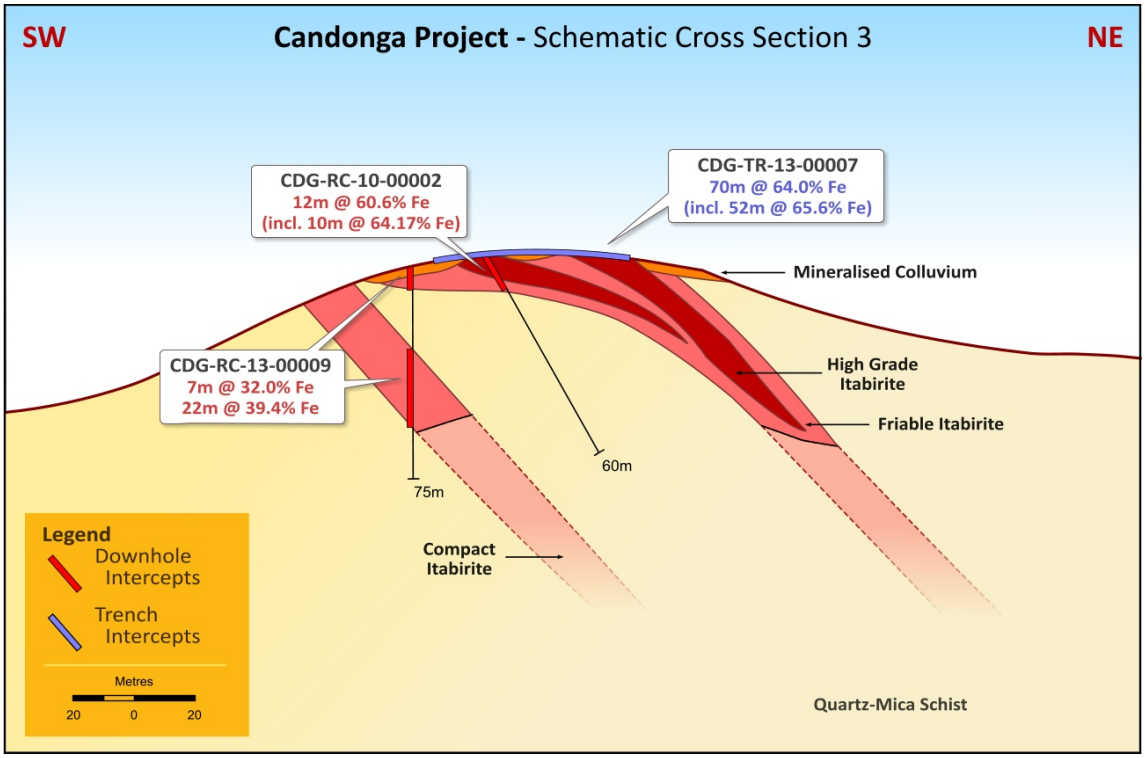

Figure 4 – Candonga Iron Ore Project – Schematic Cross Section 5

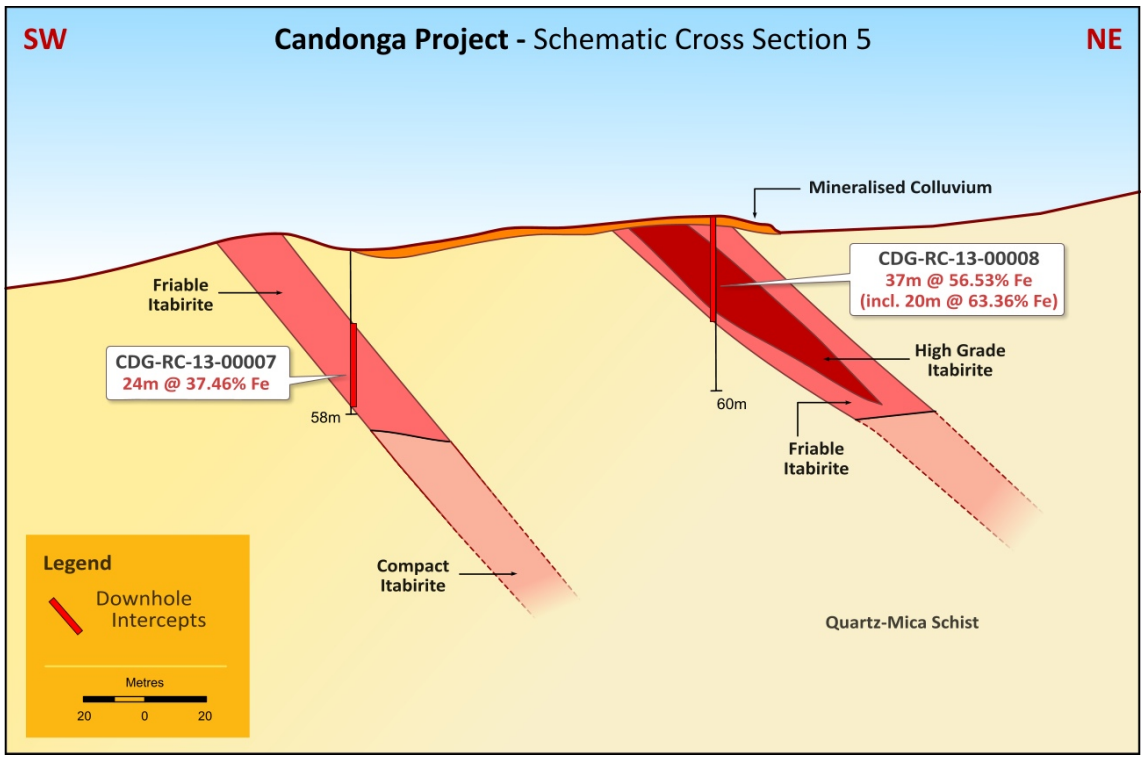

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Table 2 – All Candonga Project Trench Results

Trench ID	SAD East	SAD North	mRL	Dip	Azi	Final Length (m)	From (m)	To (m)	Sample Length (m)	Fe%	SiO_2%	Al_2O_3%	P%	LOI%
CDG-TR-11-000001							0.00	36.00	36.00	46.64	24.65	4.02	0.08	3.35
CDG-TR-11-000001	**721733**	**7912379**	**861**	**-9**	**250**	**36.00**	**Downhole composite**		**36.00**	**46.64**	**24.65**	**4.02**	**0.08**	**3.35**
CDG-TR-11-000002							0.00	30.00	30.00	57.59	10.26	4.05	0.03	1.60
CDG-TR-11-000002	**722139**	**7912327**	**889**	**-5**	**30**	**30.00**	**Downhole composite**		**30.00**	**57.59**	**10.26**	**4.05**	**0.03**	**1.60**
CDG-TR-11-000003							2.00	40.00	38.00	39.53	29.26	6.80	0.08	5.17
CDG-TR-11-000003	**723033**	**7911435**	**884**	**-11**	**30**	**40.00**	**Downhole composite**		**38.00**	**39.53**	**29.26**	**6.80**	**0.08**	**5.17**
CDG-TR-11-000004							0.00	42.00	42.00	52.22	17.07	4.50	0.04	1.83
CDG-TR-11-000004							*includes from 16.0m*		*12.00*	*62.34*	*7.54*	*1.57*	*0.02*	*-0.58*
CDG-TR-11-000004	**722220**	**7912228**	**913**	**12**	**260**	**42.00**	**Downhole composite**		**42.00**	**52.22**	**17.07**	**4.50**	**0.04**	**1.83**
CDG-TR-11-000005							0.00	20.00	20.00	40.49	31.47	5.72	0.03	3.40
CDG-TR-11-000005	**722401**	**7912424**	**893**	**0**	**75**	**20.00**	**Downhole composite**		**20.00**	**40.49**	**31.47**	**5.72**	**0.03**	**3.40**
CDG-TR-11-000006							0.00	88.00	88.00	55.83	12.52	4.17	0.03	1.85
CDG-TR-11-000006							*includes from 0.0m*		*22.00*	*61.47*	*5.12*	*3.58*	*0.03*	*0.77*
CDG-TR-11-000006	**722108**	**7912252**	**898**	**2.5**	**65**	**88.00**	**Downhole composite**		**88.00**	**55.83**	**12.52**	**4.17**	**0.03**	**1.85**
CDG-TR-13-000007							0.00	70.00	70.00	63.98	5.14	1.86	0.02	0.11
CDG-TR-13-000007							*includes from 0.0m*		*52.00*	*65.63*	*3.64*	*1.34*	*0.02*	*-0.23*
CDG-TR-13-000007	**722212**	**7912249**	**919**	**9**	**210**	**70.00**	**Downhole composite**		**70.00**	**63.98**	**5.14**	**1.86**	**0.02**	**0.11**
CDG-TR-13-000008							0.00	86.00	86.00	61.97	6.36	2.96	0.03	1.00
CDG-TR-13-000008	**722168**	**7912307**	**900**	**2**	**220**	**86.00**	**Downhole composite**		**86.00**	**61.97**	**6.36**	**2.96**	**0.03**	**1.00**
CDG-TR-13-000009							0.00	26.00	26.00	57.59	8.67	4.66	0.05	3.22
CDG-TR-13-000009							*include from 14.0m*		*12.00*	*60.20*	*4.49*	*5.07*	*0.04*	*3.04*
CDG-TR-13-000009	**722091**	**7912313**	**885**	**-3**	**200**	**26.00**	**Downhole composite**		**26.00**	**57.59**	**8.67**	**4.66**	**0.05**	**3.22**

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Table 3 – All Candonga Project Drill Results

Hole ID	SAD69 East	SAD69 North	mRL	Dip	Azi	Final Depth(m)	From (m)	To (m)	Downhole width (m)	Rock Type	Fe%	SiO_2%	Al_2O_3%	P%	LOI%
CDG-DD-10-00001	721685	7912380		60	90	88.45	3.00	88.65	85.65	Itabirite	39.97	35.65	1.05	0.07	1.95
CDG-DD-10-00001							**Downhole composite**		**85.65**		**39.97**	**35.65**	**1.05**	**0.07**	**1.95**
CDG-RC-10-000002	722155	7912234		-60	30	80.00	1.00	13.00	12.00	Friable Itabirite	60.64	5.57	4.23	0.02	0.11
CDG-RC-10-000002							*includes from 1.0m*		*10.00*	High-grade Itabirite	*64.15*	*3.37*	*2.29*	*0.02*	*-0.79*
CDG-RC-10-000002							**Downhole composite**		**12.00**		**60.64**	**5.57**	**4.23**	**0.02**	**0.11**
CDG-RC-10-000003	721715	7912380		-60	90	53.00	0.00	53.00	53.00	Friable Itabirite	45.64	27.61	1.46	0.12	4.38
CDG-RC-10-000003							**Downhole composite**		**53.00**		**45.64**	**27.61**	**1.46**	**0.12**	**4.38**
CDG-RC-13-000001							0.00	5.00	5.00	Friable Itabirite	36.29	27.88	11.55	0.09	8.32
CDG-RC-13-000001							24.00	27.00	3.00	Friable Itabirite	32.06	26.33	14.55	0.07	7.35
CDG-RC-13-000001	**721712**	**7912332**	**855**	**-90**	**0**	**95.00**	**Downhole composite**		**319.30**		**44.03**	**29.50**	**1.75**	**0.08**	**2.68**
CDG-RC-13-000002							0.00	12.00	12.00	Friable Itabirite	41.97	22.44	8.49	0.07	5.47
CDG-RC-13-000002	**721744**	**7912438**	**857**	**-90**	**0**	**80.00**	**Downhole composite**		**12.00**		**41.97**	**22.44**	**8.49**	**0.07**	**5.47**
CDG-RC-13-000003							0.00	58.00	58.00	Friable Itabirite	45.59	27.41	2.58	0.11	4.08
CDG-RC-13-000003	**721810**	**7912312**	**867**	**-90**	**0**	**80.00**	**Downhole composite**		**58.00**		**45.59**	**27.41**	**2.58**	**0.11**	**4.08**
CDG-RC-13-000004							0.00	11.00	11.00	Friable Itabirite	37.40	34.15	7.40	0.04	4.45
CDG-RC-13-000004							14.00	29.00	15.00	Friable Itabirite	41.70	27.79	6.64	0.10	3.80
CDG-RC-13-000004							37.00	42.00	5.00	Friable Itabirite	22.82	29.66	22.36	0.21	10.47
CDG-RC-13-000004	**721828**	**7912376**	**874**	**-90**	**0**	**52.00**	**Downhole composite**		**31.00**		**37.13**	**30.35**	**9.45**	**0.10**	**5.11**
CDG-RC-13-000005							26.00	45.00	19.00	Friable Itabirite	43.85	28.42	4.06	0.13	3.75
CDG-RC-13-000005	**721929**	**7912416**	**886**	**-90**	**0**	**65.00**	**Downhole composite**		**19.00**		**43.85**	**28.42**	**4.06**	**0.13**	**3.75**
CDG-RC-13-000006							0.00	14.00	14.00	Friable Itabirite	43.90	25.35	6.02	0.09	4.73
CDG-RC-13-000006	**721872**	**7912329**	**874**	**-90**	**0**	**58.00**	**Downhole composite**		**14.00**		**43.90**	**25.35**	**6.02**	**0.09**	**4.73**
CDG-RC-13-000007							30.00	54.00	24.00	Friable Itabirite	37.46	39.47	1.67	0.10	0.01
CDG-RC-13-000007	**722012**	**7912261**	**850**	**-90**	**0**	**58.00**	**Downhole composite**		**24.00**		**37.46**	**39.47**	**1.67**	**0.10**	**0.01**
CDG-RC-13-000008							0.00	37.00	37.00	Friable Itabirite	56.53	14.17	2.01	0.06	1.85
CDG-RC-13-000008							*includes from 13.0m*		*20.00*	High-grade Itabirite	*63.36*	*7.69*	*0.65*	*0.03*	*0.45*
CDG-RC-13-000008	**722062**	**7912374**	**861**	**-90**	**0**	**60.00**	**Downhole composite**		**37.00**		**56.53**	**14.17**	**2.01**	**0.06**	**1.85**
CDG-RC-13-000009							0.00	7.00	7.00	Friable Itabirite	31.99	27.50	15.24	0.23	7.96
CDG-RC-13-000009							34.00	56.00	22.00	Friable Itabirite	39.37	34.45	3.49	0.10	2.93
CDG-RC-13-000009	**722136**	**7912216**	**898**	**-90**	**0**	**75.00**	**Downhole composite**		**29.00**		**37.59**	**32.77**	**6.32**	**0.13**	**4.14**
CDG-RC-13-000010							0.00	25.00	25.00	Friable Itabirite	45.88	21.38	7.67	0.10	3.38
CDG-RC-13-000010							*includes from 4.0m*		*6.00*	High-grade Itabirite	*62.05*	*8.37*	*1.80*	*0.02*	*0.06*
CDG-RC-13-000010	**722178**	**7912286**	**901**	**-90**	**0**	**60.00**	**Downhole composite**		**25.00**		**45.88**	**21.38**	**7.67**	**0.10**	**3.38**
CDG-RC-13-000011							0.00	5.00	5.00	Friable Itabirite	41.13	25.43	8.50	0.19	5.03
CDG-RC-13-000011	**722241**	**7912200**	**909**	**-90**	**0**	**70.00**	**Downhole composite**		**5.00**		**41.13**	**25.43**	**8.50**	**0.19**	**5.03**
CDG-RC-13-000012							1.00	27.00	26.00	Friable Itabirite	45.31	13.42	8.63	0.03	6.89
CDG-RC-13-000012	**721580**	**7912429**	**817**	**-90**	**0**	**60.00**	**Downhole composite**		**26.00**		**45.31**	**13.42**	**8.63**	**0.03**	**6.89**
CDG-RC-13-000013							0.00	4.00	4.00	Colluvium	48.86	18.23	7.63	0.04	0.27
CDG-RC-13-000013							4.00	13.00	9.00	Friable Itabirite	47.26	28.47	2.51	0.04	0.21
CDG-RC-13-000013	**722266**	**7912237**	**905**	**-90**	**0**	**57.00**	**Downhole composite**		**13.00**		**47.75**	**25.32**	**4.09**	**0.04**	**0.23**
CDG-RC-13-000014	**722498**	**7911895**	**943**	**-90**	**0**	**76.00**	NO SIGNIFICANT INTERSECTION								
CDG-RC-13-000015							44.00	56.00	12.00	Friable Itabirite	45.28	31.93	1.27	0.07	0.21
CDG-RC-13-000015							56.00	60.00	4.00	Amphibolitic itabirite	29.52	42.00	0.98	0.07	0.09
CDG-RC-13-000015	**722619**	**7911913**	**962**	**-90**	**0**	**67.00**	**Downhole composite**		**16.00**		**41.34**	**34.44**	**1.20**	**0.07**	**0.18**
CDG-RC-13-000016	**722866**	**7911808**	**989**	**-90**	**0**	**54.00**	NO SIGNIFICANT INTERSECTION								
CDG-RC-13-000017							0.00	4.00	4.00	Colluvium	34.69	38.13	7.55	0.05	0.48
CDG-RC-13-000017							7.00	25.00	18.00	Friable Itabirite	46.87	28.89	0.81	0.05	0.25
CDG-RC-13-000017	**722764**	**7911797**	**962**	**-90**	**0**	**53.00**	**Downhole composite**		**22.00**		**44.65**	**30.57**	**2.04**	**0.05**	**0.29**
CDG-RC-13-000018							0.00	23.00	23.00	Friable Itabirite	39.36	31.87	4.96	0.09	2.55
CDG-RC-13-000018	**722744**	**7911737**	**936**	**-90**	**0**	**51.00**	**Downhole composite**		**23.00**		**39.36**	**31.87**	**4.96**	**0.09**	**2.55**
CDG-RC-13-000019	**722696**	**7911633**	**914**	**-90**	**0**	**50.00**	NO SIGNIFICANT INTERSECTION								
CDG-RC-13-000020							0.00	27.00	27.00	Friable Itabirite	38.57	38.09	1.31	0.05	1.09
CDG-RC-13-000020	**722821**	**7911698**	**929**	**-90**	**0**	**40.00**	**Downhole composite**		**27.00**		**38.57**	**38.09**	**1.31**	**0.05**	**1.09**
CDG-RC-13-000021							0.00	4.00	4.00	Colluvium	33.62	35.90	10.55	0.03	0.58
CDG-RC-13-000021	**722999**	**7911546**	**930**	**-90**	**0**	**50.00**	**Downhole composite**		**4.00**		**33.62**	**35.90**	**10.55**	**0.03**	**0.58**
CDG-RC-13-000022							6.00	16.00	10.00	Friable Itabirite	37.89	31.79	7.98	0.06	1.36
CDG-RC-13-000022	**723066**	**7911632**	**914**	**-90**	**0**	**55.00**	**Downhole composite**		**10.00**		**37.89**	**31.79**	**7.98**	**0.06**	**1.36**
CDG-RC-13-000023	**722923**	**7911506**	**911**	**-90**	**0**	**52.00**	NO SIGNIFICANT INTERSECTION								
CDG-RC-13-000024							0.00	32.00	32.00	Friable Itabirite	48.42	25.48	1.44	0.08	2.21
CDG-RC-13-000024	**723030**	**7911280**	**886**	**-90**	**0**	**52.00**	**Downhole composite**		**32.00**		**48.42**	**25.48**	**1.44**	**0.08**	**2.21**

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Appendix A – Technical Details of the Candonga Project, JORC Code, 2012 Edition

SECTION 1 - SAMPLING TECHNIQUES AND DATA

Criteria	Commentary
Sampling techniques	• All trenches in the 2013 program were cut down to 2.2m. Continuous cut channels were sampled on 2m intervals or to lithological contacts. The 3-5kg sample were spilt and pulverised to a ±50g sample for XRF and titration analysis. • RC samples were taken at 1m intervals from which 3-5kg was spilt, prepared and analysed as above. • Diamond samples were taken at 1m intervals or to lithological contacts from which ¼ core (3-5kg) was sampled, prepared and analysed as above. • All of the data used for the resource estimation is based on the logging and sampling of historical trenches (excluding results from 2013 trench program), RC and diamond core drilling.
Drilling techniques	• Historically two diamond holes (HQ) were drilled by Cenibra for a total of 95m in 2007. • Centaurus completed 1 diamond drill hole (HQ) for a total of 88m in 2010. • Centaurus completed 33 RC holes (5.5”) for a total of 1,603m in 2010 and 2013.
Drill sample recovery	• Geologists or drillers recorded sample recovery during drilling. No issues were detected. • Standard drilling techniques were adequate for sample recovery. • No relationship between sample recovery and grade has been demonstrated. No bias to material size has been demonstrated.
Logging	• All trenches and drill holes have been logged geologically and geotechnically (where possible) to a level of detail appropriate to support the mineral resource estimate. • All Centaurus trenches, RC chip trays and diamond core have been photographed. Historical drilling was not photographed. • The total length of drilling is 1,786m, 100% has been logged. The total length of trenches is 438m, 100% has been logged.
Sub-sampling techniques and sample preparation	• Diamond Core (HQ) was cut and a quarter core sampled. • RC sample was reduced using a 3-teir riffle splitter, reducing the sample size to 3-5kg. • All mineralised samples were dry. • Field control sample insertion included field duplicated taken every 25 samples. • All samples were received and prepared by (ALS or Intertek Labs) in Belo Horizonte, Brazil as 3-5kg samples. They were dried at 105°C until the sample is completely dry (6-12hrs), crushed to 90% passing 2mm and reduced to 500g via a Jones riffle splitter. The 500g sample was pulverised to 95% passing 104µm and split further to 50g aliquots for chemical analysis.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of physical preparation and chemical analysis are to industry standard. • Laboratory control sample insertion included blank samples at the start of every new hole then every 50 samples and standards (CRMs from Geostats Australia) every 20 samples. Field duplicated samples were inserted every 25 samples. • All chemical analysis was completed at ALS or Intertek Labs. Laboratory duplicated samples were completed every 10-20 samples and standards were completed every 20-25 samples dependent on the laboratory. • Centaurus QAQC procedures and results are to industry standard and of acceptable quality.
Verification of sampling and assaying	• As part of resource estimation process drill hole data was independently reviewed by BNA Micromine. • No twin holes have been completed to date. • All primary data is stored in Centaurus Exploration office (Guanhães, Brazil). All data is entered into Micromine Geobank.

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Criteria	Commentary
Location of data points	• The grid system is SAD-69 23S. All survey collars were surveyed using Total Station. There were no down hole surveys completed. • Trenches reported in this announcement were surveyed using hand held GPS. Final survey-pick up is planned for March.
Data spacing and distribution	• The data spacing ranges between 50-100m along the mineralisation strike. • The data spacing and distribution is considered adequate to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation and classifications applied.
Orientation of data in relation to geological structure	• The orientation of the mineralisation is well understood and drill holes were designed to intersect the mineralisation at an appropriate angle. • The trenches by nature are oblique to the mineralisation angle and as a result return accentuated mineralised interval and are not indicators of the true width of the mineralisation.
Sample security	• All diamond core, RC chip trays, sample rejects and pulps are stored at the Guanhães technical office.
Audits or reviews	• As part of resource estimation process drill hole data was independently review by the BNA Micromine Senior Resource Geologist (AusIMM QP). The report finds the sample techniques and data collection and management to be in line with current industry standards.

SECTION 2 - REPORTING OF EXPLORATION RESULTS

Criteria	Commentary
Mineral tenement and land tenure status	• The Candonga Project tenement (DNPM 831.629/2004) is 100% owned by Centaurus. • The tenement was part of the Cenibra-Centaurus Agreement. Centaurus will pay a vendor royalty of 0.85% of gross revenue on any product sold from the tenement. • CFEM royalty - a government royalty of 2% of revenue (less taxes and logistics costs). • Landowner royalty – 50% of CFEM royalty. • The project is not located within national or state wilderness or historical parks.
Exploration done by other parties	• Cenibra conducted geological mapping and a small diamond drill program in 2007 to satisfy Brazilian Mine Department requirements.
Geology	• The Candonga Project is located within the Guanhães Group (Lower Proterozoic) of the Mantiqueira Complex. The region is structurally complex with duplex fault systems and complex folding ranging from micro folding in outcrop to large scale regional deformation. • The Itabirite units are part of an iron formation including ferruginous quartzites, quartzites and schists hosted within a metasedimentry sequence. This sequence is emplaced in regional gneissic basement. • The Itabirite mineralisation comprises concentrations of medium - coarse grained friable and compact material that have undergone enrichment. The mineralisation is composed of quartz, hematite, magnetite, goethite, limonite, with minor amphibole (Grunerite), Mica (muscovite) and clay minerals. There are isolated occurrences of high grade itabirite lenses (up to 15m thick) associated with hydrothermal enrichment. • Itabirite thicknesses vary from 5m to up to 40m generally dipping 30-55° to the N-NE. The combined strike length of the mapped mineralisation is around 1,500m. Itabirite has been intersected at depths up to 120m with friable itabirite intersected up to 80 metres.
Drill hole	• A total of 29 holes for 1,786m have been completed on the Candonga Project including 3 diamond holes for a total of 183m and 26 RC holes for a total of 1,603m.

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Criteria	Commentary
Information	• This announcement does not include any new drill hole results. Refer Table 3 for a full list of drill holes used in Candonga Resource. Historical holes were not used in the resource estimate.
Data aggregation methods	• Continuous sample intervals are calculated via weighted average using a 20% Fe cut-off grade with 3 metre minimum mining widths. • High grade intervals within a continuous sample interval may be reported inclusive. (For example: *CDG-RC-13-0008 37m @ 56.5% Fe, including 20m @ 63.4% Fe*). 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 orientation of the mineralisation is well understood and drill holes were designed to intersect the mineralisation at an appropriate angle representing the true widths. Where the true width is not intersected it is stated and also demonstrated in cross sectional diagrams. • The trenches by nature are oblique to the mineralisation angle and as a result return accentuated mineralised interval.
Diagrams	• Refer to Figures 1-4.
Balanced reporting	• All new Exploration Results received by the Company to date have been included in this report. Historical results can be found in the relevant aforementioned ASX announcements.
Other substantive exploration data	• This announcement includes new trench results. Refer to Table 2 for complete trench information. • Refer to ASX announcement on 19 January 2012 for full details of the historical trench results referenced in this announcement.
Further work	• The Company plans to complete a 500m diamond program targeting the high grade itabirite lens in Q1 2014. The program will supply the in situ sample required for process route definition test work.

SECTION 3 - ESTIMATION AND REPORTING OF MINERAL RESOURCES

Not Applicable – There has been no material change to the current JORC 2004 Mineral Resource estimate for the Candonga Project. Refer to ASX announcement on 8 August 2013 for full details of the JORC 2004 Mineral Resource estimate.

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